

Te Kaunihera-ā-Rohe Ruapehu
Ruapehu District Council



Long Term Plan

2024-2034



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MAYOR AND CHIEF EXECUTIVE'S FORWARD

Ruapehu District Council is pleased to present our ten-year Long Term Plan for 2024-2034. The plan which has been shaped by community feedback represents a critical milestone as we work to maintain and develop our essential services within a challenging operational environment.

CHALLENGES OVERCOME IN DEVELOPING THE LONG TERM PLAN

Over recent years, we have faced increasing financial and operational headwinds, including significant funding and capability challenges. General inflation with higher costs has strained our work program, making it difficult to keep rate increases at level we find acceptable. Additionally, the change in government has introduced new uncertainties and costs as we navigate different approaches to sector reform. This has particularly affected our debt-funded infrastructure decisions as commitments made by the previous government, on which many debt-funded infrastructure decisions were made, are unwound, and the funding redirected.

The repeal of Labour's 'Affordable Water' legislation and the introduction of the 'Local Water Done Well' model for reforming three waters services have significantly impacted our planning. The new model keeps water debt and responsibility for three waters infrastructure and services with councils, requiring us to include these in the Long Term Plan. Along with the requirement for new investment in three waters, land transport, and other areas it has meant we have limited funds for non-essential services.

FINANCIAL STRATEGY AND RATE INCREASES

Council has adopted an average rate rise of 9% per year for the first three years of the Long Term Plan (2024-2025, 2025-2026, and 2026-2027) and raised our self-imposed rate increase limit from the Local Government Cost Index (LGCI) + 2% to LGCI + 3%. This adjustment will ensure a balanced budget, gradual debt repayment, and adherence to our self-imposed debt limit of 2x rates income.

It is important to note that the average 9% rate increase is the bare minimum required to maintain current service levels and meet legislated and contracted requirements. This will not fund community expectations for increased services and will necessitate the 'sweating' of some assets to keep our debt affordable.

For the remaining seven years of the Long Term Plan from 2027-2028 we are projecting annual rate increases of around 5% per annum.

PRUDENT FINANCIAL MANAGEMENT

Our debt management strategy remains cautious, aiming to keep borrowing within limits that ensure future financial stability. Under the adopted plan, Council's debt position is projected to be around \$87.6 million by the end of the Long Term Plan period (2033-2034), assuming all current three waters projects are included without further government assistance.

REVIEW OF RATING POLICIES

Council has also adopted several rating policy changes. These include the removal of the 3% early payment discount, changes to the Land Transport Forestry Rate, the implementation of the Environmental Resilience Rate, a new remission for a second SUIP under the Rates Remission Policy, and the extension of rating relief under the Māori Freehold Land Remission Policy.

COMMITMENT TO TE TIRITI AND MANA WHENUA

Council is committed to honouring Te Tiriti and strengthening relationships with our Māori communities as we implement this Long Term Plan. We want to foster and strengthen our relationships with iwi and hapu, ensuring their voices and perspectives are integral to our decision-making, and work cooperatively on shared interests.

LOOKING AHEAD

This Long Term Plan has required Council to reflect the current environment of financial austerity and policy uncertainty while ensuring we can continue to provide essential services. Despite these challenges we believe we have managed to balance fiscal responsibility with the need to maintain essential services. Looking ahead our focus remains on serving our community, advocating for their needs, and ensuring the district's resilience and sustainability.

Council is proud of the outcome developed with considerable community input and extends our gratitude to everyone who participated in the consultation process. Your engagement and perspectives have been invaluable in shaping a plan that balances financial prudence with maintaining essential services.

We encourage all communities to stay engaged and continue sharing your perspectives as we implement this Long Term Plan. Together, we can navigate these challenging times and ensure the resilience, sustainability and wellbeing of our communities.



Weston Kirton
MAYOR JP

A handwritten signature in black ink that reads "Weston Kirton".



Clive Manley
CHIEF EXECUTIVE

A handwritten signature in black ink that reads "Clive A Manley".

WELCOME TO THE 2024-2034 LONG TERM PLAN

Our 2024-2034 Long Term Plan (LTP) outlines the most challenging circumstances faced by Council in recent times, marked by financial and operational constraints. Facing increasing inflation and rising costs, compounded by uncertainties from central governmental changes, especially in three waters management, we need to proactively plan to deal with these challenges. We are taking a careful and financially prudent approach, planning to maintain current service levels while facing rising infrastructure costs and tackling our debt management challenges. Despite these constraints, we plan to navigate this period of financial austerity, ensuring essential services remain while adapting to evolving policies and funding mechanisms.

WHAT IS AN LTP?

An LTP is a planning tool outlining Council's plans for the next decade and how these plans will be paid for. It provides comprehensive details about the activities, services, and projects we plan to undertake, specifying when, where, and how they will be undertaken. The plan also delves into funding mechanisms and financial management, offering insight into the possible trajectory of rates for the next 10 years. As required by law, we must review our Long Term Plan every three years.

Financial constraints make meeting community expectations over the next 10 years of the LTP extremely challenging. We are planning to reduce spending, while maintaining current service levels. We will continue keeping on top of infrastructure needs in traditional core service areas such as water, land transport, and waste management.

We are a resilient community who have faced adversity in the past. We will continue to remain steadfast in our role as not only a service provider, but also as a partner, advocator and influencer, connector, funder and regulator, for our community.

PHASE 1: ENVIRONMENTAL SCAN AND PLANNING ASSUMPTIONS

The LTP is based on a set of assumptions about changes in the District over the next decade. This includes changes to the population, visitor numbers, trends in environmental change, etc. See our Environmental Scan which is available on Council's website as a supporting document to the LTP, and Council's Forecasting Assumptions later in the LTP, for further information.

PHASE 2: REVIEW OF EXISTING PLANS, STRATEGIES AND POLICIES

The LTP process is undertaken every three years. Thus, the 2024-2034 LTP is essentially a full-scale review of the 2021-31 LTP. The LTP itself, and all its supporting documentation, is reviewed in the light of Council's updated planning assumptions.

PHASE 3: PRE-ENGAGEMENT WITH THE COMMUNITY

Council engages with our stakeholders all the way through the process to find out what is important to them. This began with a period of "pre-engagement" in September 2023. This involved an online survey asking people to share their experiences of life in Ruapehu and what they saw as priorities for the Council over the next 10 years. 118 people completed the online survey.

Council held community drop-in sessions in Taumarunui, National Park and Ohakune. Two marae-based hui were also held, one in Ohakune and one in Taumarunui. During September, Council received 3,584 pieces of individual community feedback (districtwide). This included the online survey results and voting chips used by members of the community to vote for Council activities that they wished to see prioritised in the LTP.

PHASE 4: FORMAL CONSULTATION WITH THE COMMUNITY

Formal community consultation on the draft LTP, using the Local Government Act's Special Consultative Procedure, was undertaken from 12 April to 12 May 2024. Council held a variety of different kinds of engagement sessions aimed at reaching our communities in different ways. In the past many of Council's town hall type meetings have not been well attended. This LTP round Council Officers tried something different and incorporated events "where the people are". A total of 10 community engagement events were held throughout the district, including three marae based hui.

The Consultation Document asked the community to consider:

- Council's new Wellbeing Framework, which contains new Community Outcomes.
- Revised Revenue and Financing Policy
- Revised Rates Remission Policy – including a new remission for a second SUIP to reduce UAC rating charges and a proposal to extend Council's ability to provide rates remissions to ratepayers facing severe financial hardship.
- Proposal to dissolve the policy on discounts for early payment of rates
- Revised Māori Freehold Land Rates Remission Policy
- Revised Financial Strategy
- Revised Infrastructure Strategy
- Council's proposed 2024-25 Fees and Charges

In total one early submission was received, 42 submissions were received from individuals and organisations over the month-long consultation period, and two late submissions were received. A total of ten submitters indicated that they wished to speak to their submission at the Hearings, five in the North of the District, one in the South of the District, and four online via Zoom.

PHASE 5: DECISIONS AND ADOPTION

Council takes into account all the community feedback that has been received during the formal consultation process when it makes its final decisions on the finances and projects for the LTP. The LTP must be adopted before the beginning of the next financial year, which is 1 July 2024. This LTP was adopted on 26 June 2024.

Council's decisions on the consultation topics:

1. Change to Council's Revenue and Financing Policy to incrementally increase the differential rating factor of 300% of the Land Transport Targeted Rate by 100% for the first 4 years of the LTP.
2. Implementation of the Environmental Resilience Rate from the 2025/26 financial year.
3. Removal of the Warm Your Whare targeted rate.
4. Change to Council's Revenue and Financing Policy of 50% of the stormwater charge that was previously charged on the General Rate to a new targeted rate which is based on Capital Value.
5. Approval to change Council's Financial Strategy to lift Council's self-imposed rate revenue limit from LGCI +2% to LGCI +3%.
6. Introduction of a rates remission for a second Separately Used or Inhabited Part (SUIP) to reduce Uniform Annual Charge (UAG) rating charges.
7. Change to Council's Rates Remission Policy to extend Council's ability to provide rates remissions in certain circumstances.
8. Dissolution of the Policy on Discounts for Early Payment of Rates.
9. Approval of all proposed changes to Council's Remission and Postponement of Rates on Māori Land Policy.

While Council needs to be responsive to changes in the economy, community priorities and asset health, it must also make sure it is a prudent steward of public money, and therefore plan at least for

the next decade, knowing that some of the details may change. In the years between “Long Term Plan Years” any changes are reflected in the Annual Plan, a plan which details exceptions to what was forecast for that year in the LTP.

How is the Long Term Plan developed?

The Long Term Plan (LTP) is Council's key strategic planning tool that sets out our priorities over a ten-year period. It is updated every three years.

The LTP outlines all the things Council plans to do over the ten-year period and how they fit together, why we are doing things, the costs, and how we plan to pay for it.

It is the result of a robust planning process that has incorporated input from a range of sources including our communities and other stakeholders.



5.

4.

Consultation Document

The Consultation Document (CD) outlines the key matters, challenges and issues within the LTP requiring community consideration and feedback.

These are consulted on for a month in a process supported by public meetings and other community engagement.

Council considers all official feedback as part of a formal deliberation process where submitters can present in support of their submission if they want.



Following deliberation of all feedback Council makes final decisions on the issues including the planned work program for the 2024-2034 period.

The 2024-2034 LTP will be reviewed and updated in three years time in 2027 for the 2027-2037 ten-year period.

If Council needs to amend its planned work program as adopted in the LTP in any significant way before 2027 these are consulted on as part of the Annual Plan process.

3.

Asset Management Plans and other supporting documents

Detailed Asset Management Plans are developed for each of Council's key activity areas. These feed into the LTP development alongside supporting Financial, Activity and Policy documentation.



Community Property, Recreation and Facilities | Land Transport | Storm Water | Wastewater | Water Supply | Accounting Policies | Activity Statements | Fees and Charges | Financial Statements | Policies

2. Strategy and Forecasting Documents

As part of the LTP process Council undertakes an Environmental Scan and makes Forecasting Assumptions. These key inputs are supported by Infrastructure and Financial Strategies. All feed into the LTP development.



These documents were available as part of the LTP consultation process and open for public feedback. Council's Economic Development Strategy (EDS) and Waste Management and Minimisation Plan (WMMP) also fed into the LTP development process. The EDS is still valid but undergoing a full review. The WMMP has been reviewed and updated inline with the Aotearoa New Zealand Waste Strategy 2050. The reviewed EDS and WMMP will be consulted on prior to adoption by Council.



1. Community input.

The Long Term Plan (LTP) is developed in consultation with Ruapehu communities. While the key issues are consulted on through the Consultation Document community input is also sourced from a number of other areas including; town hall meetings, consultations, delegations, community conversations, social media comment, etc. This helps to inform Council thinking and planning.

COUNCIL'S WELLBEING FRAMEWORK

WITH THE ROLE AND FUNCTIONS OF LOCAL GOVERNMENT EVOLVING, COUNCIL HAS BEEN ON A JOURNEY TO ENSURE WE ARE WELL PLACED TO SERVE AND SUPPORT OUR COMMUNITIES INTO THE FUTURE. THE OUTCOMES WE WANT TO ACHIEVE FOR RUAPEHU COMMUNITIES HAVE WELLBEING AT THEIR HEART.

PŪWHENUA KI RUAPEHU AND THE WELLBEING FRAMEWORK

Ruapehu communities look to Council to support their overall wellbeing, beyond the provision of our 'traditional' core services. Despite the progress we have made over recent years we are also aware that not everybody is benefiting and that there are some pockets of high deprivation and associated social issues in our community.

Council cannot address these deep-seated and complex wellbeing issues on our own. Government, business, iwi, hapū, non-government organisations and the community themselves all have a role to play. Achieving collaboration however has often been difficult due to different policy and funding priorities driven by dated data with no real connection with people's actual current experience of life in a particular community.

To address the need for a trusted common truth we developed the Pūwhenua ki Ruapehu portal in partnership with the Ministry of Social Development. Our portal merges real-life experiences with hard statistical data to offer valuable perspectives on community wellbeing and obstacles, guiding the allocation of scarce resources to best effect.

Following the success of Pūwhenua ki Ruapehu, Council developed a Wellbeing Framework to provide direction and focus for our activities promoting community wellbeing.

THE ROLE OF THE WELLBEING FRAMEWORK IN THE LTP

The Wellbeing Framework informs the 2024-2034 Long Term Plan, including our values, purpose, vision, and the environmental outcomes we aim for. It guides our focus, service levels and performance indicators influenced by Pūwhenua ki Ruapehu.

GUIDING PILLARS

The Wellbeing Framework is guided in its implementation by Council commitments to Te Tiriti o Waitangi and to assist with providing Strong Leadership, Advocacy and Financial Stewardship.

TE TIRITI O WAITANGI

The intention of the Te Tiriti o Waitangi pillar is to acknowledge the importance of Te Tiriti to our district. Council acknowledges these responsibilities are distinct from the Crown's Treaty obligations and lie within a Ruapehu District Council context. We recognise our unique responsibilities under Te Tiriti o Waitangi within the Ruapehu District, emphasising partnership, participation of Māori, and protection of their rights.

STRONG LEADERSHIP, ADVOCACY AND FINANCIAL STEWARDSHIP

The pillar of Strong Leadership, Advocacy and Financial Stewardship underlines our dedication to advocating for accessible, affordable services and managing our resources transparently and responsibly.



Our Values

Our values serve as foundational principles that guide decision-making, behavior, and culture providing a moral compass and a shared sense of purpose that underpins Council's identity and operations.

Kaitiakitanga Guardianship	Environmental stewardship	Manaakitanga Care for others	Whanaungatanga Upholding relationships	Rangatiratanga Enabling others	Accountability
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Our Purpose

We want communities to have a say in local decisions, take action together and aim to make communities better now and in the future by focusing on wellbeing, the economy, the environment, and culture.



Our Vision

We are proud of the place we call home. Ruapehu District Council celebrates its diverse communities who are connected to their environment and each other.



Our Outcomes

We seek to create resilient infrastructure, thriving communities, prosperous businesses connected to their surroundings, a healthy environment, and a diverse, engaged workforce valuing people, teamwork, and continuous improvement.

COMMUNITY Our infrastructure assets and services are resilient and fit for purpose. 	COMMUNITY Our communities are thriving and enabled to pursue their aspirations. 	COMMUNITY Our businesses are prosperous and connected to their community. 	COMMUNITY Our natural and built environment is healthy strong, and safe. 	ORGANISATION Diverse, positive, engaged workforce that values people, teamwork & continuous improvement.
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Our community and organisation outcome goals

<ul style="list-style-type: none"> All Council-owned assets consistently meet required compliance standards. All Council-owned assets are resilient and future-proof. 	<ul style="list-style-type: none"> Each community is supported to develop and implement a local community plan. Council encourages initiatives that promote social connection and self-determination. Council's public spaces are safe and accessible for all. Council's strategic partnerships contribute to the wellbeing of our district. 	<ul style="list-style-type: none"> The Ruapehu business community is growing and diversifying. Stable employment opportunities across the district are increasing. Council's regulatory activity supports safe, healthy business and community activity. 	<ul style="list-style-type: none"> Council meets its natural and built environment targets as set by central government. Council is an influential local voice at a regional and national level on issues that affect our unique environment. Council strategic objectives contribute to the environmental wellbeing of our district. 	<ul style="list-style-type: none"> We give effect to our values in all we do. We deliver meaningful solutions. We work with other organisations to get best results for our district. We communicate effectively. We work within relevant legislative and accounting requirements.
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Our Roles

Council promotes wellbeing in our district by serving in these roles:

Partner 	Advocate & Influencer 	Service Provider 	Connector 	Funder 	Regulator
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COUNCIL'S GROUPING OF ACTIVITY STRUCTURE

INFRASTRUCTURE

- Land Transport
- Water supply
- Wastewater
- Stormwater/Flood Protection
- Solid Waste

COMMUNITY FACILITIES

- Administration Buildings
- Aerodrome
- Cemeteries
- Community Halls
- Council-Owned Swimming Pools
- Parks and Reserves
- Playgrounds
- Public Toilets

COMMUNITY SUPPORT

- Community Services
- Emergency Management
- I-Sites
- Library Services
- Regional Tourism Organisation
- Social Housing

LEADERSHIP

- Governance
- Economic Development and Business Development
- Iwi Development
- Strategic Planning and Policy Development
- Youth Development

REGULATION

- Alcohol Licensing
- Building Services
- Compliance
- Environmental Health
- Resource Management

INFRASTRUCTURE

INFRASTRUCTURE ACTIVITIES AIM TO PROVIDE ESSENTIAL SERVICES TO THE COMMUNITY, WHILE MINIMISING THE IMPACT THAT THE COMMUNITY'S ACTIVITIES AND LIFESTYLES HAVE ON THE NATURAL ENVIRONMENT.

OVERVIEW OF THIS GROUP OF ACTIVITIES

The Infrastructure Group of Activities includes the following activities:

- Land Transport
- Water Supply
- Wastewater
- Stormwater and Flood Protection
- Solid Waste

Infrastructure activities provide essential services to the community, while minimising the impact that the community's activities and lifestyles have on the natural environment.

Maintaining the environment and its natural resources is essential to the welfare of the community. For example, with good quality roading and reliable and safe drinking water supplies, the economy will grow and prosper, produce from the farming community can be safely and efficiently transported out of the District, visitors and tourists can easily visit the District and retailers have a way of replenishing stock that is sold to customers. Supplying water, wastewater treatment, managing stormwater and flood protection and waste management, and minimization of waste are all important to the wellbeing of the community. They also have effects on the social and cultural aspects of the community.

COMMUNITY WELLBEING OUTCOMES THAT THIS GROUP OF ACTIVITIES SUPPORTS



Resilient Assets



Thriving Communities



Prosperous Businesses



Healthy Environment



LAND TRANSPORT

THE LAND TRANSPORT ACTIVITY AIMS TO PROVIDE FOR THE MAINTENANCE, RENEWAL AND DEVELOPMENT OF LOCAL PUBLIC ROADS, KERBS AND CHANNELS, BRIDGES, STREET LIGHTING AND FOOTPATHS FOR THE DISTRICT. STATE HIGHWAYS ARE MANAGED BY WAKA KOTAHI - NEW ZEALAND TRANSPORT AGENCY (NZTA).

WHAT THE LAND TRANSPORT ACTIVITY INVOLVES

The land transport network consists of:

- 490km of sealed roads
- 842.5km of unsealed road
- 341 bridges
- 88 large culverts
- 70.5 km of footpaths
- 1,339 streetlights

RATIONALE FOR SERVICE DELIVERY (WHY WE DO IT)

The Land Transport activity provides road and pedestrian infrastructure that allows for the safe, reliable, efficient, and effective movement of vehicles, people and goods. Roads are essential infrastructure for both community and economic development. In delivering this activity Council must meet the requirements of relevant national legislation, strategies, and plans.

This activity also provides a network of roads, footpaths, bridges, car parks, signs and markers, street lights, and associated drainage systems in what is known as the 'Transport Corridor'.

Council maintains a partnership with Waka Kotahi – New Zealand Transport Agency, which is Council's co-investment partner for roading, to produce and deliver Council's roading programme, which is approved on a three-yearly cycle in the Regional Land Transport Plan.

COMMUNITY WELLBEING OUTCOMES THAT THIS ACTIVITY SUPPORTS



Resilient Assets



Thriving Communities



Prosperous Businesses



Healthy Environment

CAPITAL PROJECTS INCLUDED IN OUR BUDGET THAT WILL ENABLE COUNCIL TO ACHIEVE THESE OUTCOMES

Capital Projects	Total (\$000)	Growth	Renewal	LOS	Year
Seal extensions unsubsidised	676	100			1-10
Low Cost Low Risk - Road 2 Zero and Level Crossing	7,399			100%	1-10
Matahiwi Track Suspension bridge replacement – 100% subsidised	5,803			100%	4
Stock Truck effluent investigation and construction	798			100%	4
Te Hangaruru Cycleway Stage 2	6,028			100%	4-5

Capital Projects	Total (\$000)	Growth	Renewal	LOS	Year
Horopito Cycle trail hub - 100% subsidised	1,872			100%	4
Great Rides story telling & artwork	1,585			100%	5-10
Raetihi - Ohakune Cycle trail	189			100%	4-7
Footpath Renewals	2,645		100%		1-10
Mangateitei Bridge Replacement	5,134		100%		4
Sealed Road Surfacing	23,232		100%		1-10
Pavement Rehabilitation	26,544		100%		1-10
Facility Road Renewals	338		100%		1-10
Unsealed Road Metalling	17,476		100%		1-10
Roading Drainage Renewals	4,348		100%		1-10
Structures Components	7,648		100%		1-10
Bridge Renewals	8,437		100%		1-10
Low Cost Low Risk Improvements	8,953		100%		1-10
Traffic Services Renewals	1,392		100%		1-10
Motorist Service and Information (Non Subsidised)	174		100%		1-10
Bus Shelter renewal and installation (Non Subsidised)	145		100%		1-10

NEGATIVE ACTIVITY IMPACTS ON COMMUNITY WELLBEING

There are significant negative effects associated with the provision of a roads service including increased erosion, stormwater and flooding, runoff, noise, dust, vehicle emissions and traffic.

Council mitigates many of these effects through provisions in its maintenance and improvement contracts. Council also supports this approach by inspections of road condition, regular reporting by its contractors, audit of contractor performance and responding to public notification of road condition problems.

Council aims to achieve dust suppression by the use of appropriate maintenance aggregates and maintenance techniques such as the use of water suppression at work sites and seal extension on selected sites in urban areas. Erosion and sedimentation during routine road works are minimised using industry controls such as sediment filters and traps with disposal and fill sites located no closer than 20 meters from riparian margins.

Council's Land Transport Bylaw and Policy supports the protection of its road network by regulating the behavior of people who impact on road conditions.

KEY RISKS AND ASSUMPTIONS ASSOCIATED WITH THIS ACTIVITY

A key risk to this activity are constraints involving contractor and supplier availability, which can severely impact on the Council's ability to deliver its Land Transport Programme.

A key assumption is that the Funding Assistance Rate (FAR) that Council receives from Waka Kotahi – Land Transport New Zealand will be 75% in 2024-2027, and the full programme will be approved and funded by NZTA.

STATEMENTS OF SERVICE PROVISION – INFRASTRUCTURE

STATEMENT OF SERVICE PROVISION: LAND TRANSPORT										
Levels of Service and how we will measure our performance: Land Transport										
Level of Service	Community Outcome	Goal	How we will measure our performance	Targets	2024/25 Target	2025/26 Target	2026/27 Target	2027/28 Target	2028-34 Target	
The safety of the land transport network is acceptable to users.	Our Infrastructure assets and services are resilient and fit for purpose.	Council's public spaces are safe and accessible for all.	The change from the previous financial year in the number of fatalities and serious injuries on the local road network, expressed as a number.	A decrease of 1 fatal or serious injury from the previous year.	A decrease of 1 fatal or serious injury from the previous year.	A decrease of 1 fatal or serious injury from the previous year.	A decrease of 1 fatal or serious injury from the previous year.	A decrease of 1 fatal or serious injury from the previous year.	A decrease of 1 fatal or serious injury from the previous year.	
What does this tell me? Council will monitor fatal and serious injury trends.										
Roads are managed to an acceptable level and the road network is available when required.	Our Infrastructure assets and services are resilient and fit for purpose.	All Council-owned assets consistently meet required compliance standards.	The average quality of ride on a sealed local road network, measured by smooth travel exposure (STE).	Target level of smooth travel exposure ≥87%	Target level of smooth travel exposure ≥87%	Target level of smooth travel exposure ≥87%	Target level of smooth travel exposure ≥87%	Target level of smooth travel exposure ≥87%	Target level of smooth travel exposure ≥87%	
What does this tell me? Council will maintain ride quality for users.										
Roads are managed to an acceptable level and the road network is	Our Infrastructure assets and services are resilient and fit for purpose.	All Council-owned assets consistently meet required	The percentage of the sealed local road network that is resurfaced.	At least 7% of the network is resurfaced.	At least 7% of the network is resurfaced.	At least 7% of the network is resurfaced.	At least 7% of the network is resurfaced.	At least 7% of the network is resurfaced.	At least 7% of the network is resurfaced.	

available when required.		compliance standards.							
What does this tell me? Council will maintain integrity of sealed roads to ensure network resilience and fit for purpose.									
Roads are managed to an acceptable level and the road network is available when required.	Our Infrastructure assets and services are resilient and fit for purpose.	All Council-owned assets consistently meet required compliance standards.	Maintain the sealed roads to a standard that allows 5.5 routine defects per km per quarter, or less.	5.5 routine defects per km per quarter or less.	5.5 routine defects per km per quarter or less.	5.5 routine defects per km per quarter or less.	5.5 routine defects per km per quarter or less.	5.5 routine defects per km per quarter or less.	5.5 routine defects per km per quarter or less.
What does this tell me? Council will ensure roads are maintained to an acceptable level.									
Roads are managed to an acceptable level and the road network is available when required.	Our Infrastructure assets and services are resilient and fit for purpose.	All Council-owned assets consistently meet required compliance standards.	Maintain the unsealed roads to a standard that allows 5.5 routine defects per km per quarter, or less.	5.5 routine defects per km per quarter or less.	5.5 routine defects per km per quarter or less.	5.5 routine defects per km per quarter or less.	5.5 routine defects per km per quarter or less.	5.5 routine defects per km per quarter or less.	5.5 routine defects per km per quarter or less.
What does this tell me? Council will ensure roads are maintained to an acceptable level.									
Roads are managed to an acceptable level and the road network is available when required.	Our Infrastructure assets and services are resilient and fit for purpose.	Council's public spaces are safe and accessible for all.	The percentage of footpaths within the District that fall within the level of service or service standard for the condition of the footpaths that is set out in Council's asset management plan.	90% of network to be in average condition or greater and not more than 5% of network in	90% of network to be in average condition or greater and not more than 5% of network in	90% of network to be in average condition or greater and not more than 5% of network in	90% of network to be in average condition or greater and not more than 5% of network in	90% of network to be in average condition or greater and not more than 5% of network in	90% of network to be in average condition or greater and not more than 5% of network in

				poor condition.	poor condition.	poor condition.	poor condition.	poor condition.	poor condition.
What does this tell me? Council will ensure footpaths are maintained to an acceptable level.									
Roads are managed to an acceptable level and the road network is available when required.	Our Infrastructure assets and services are resilient and fit for purpose.	Council's public spaces are safe and accessible for all.	The percentage of customer service requests relating to roads and footpaths to which Council responds within the time frame specified in the LTP.	85% or greater.	85% or greater.	85% or greater.	85% or greater.	85% or greater.	85% or greater.
What does this tell me? Council is responsive to service requests from its customers.									
Roads are managed to an acceptable level and the road network is available when required.	Our Infrastructure assets and services are resilient and fit for purpose.	Council's public spaces are safe and accessible for all.	The percentage of residents satisfied with the roading network.	85%	85%	85%	85%	85%	85%
What does this tell me? The percentage of satisfied people gives us an indication of the quality of the level of service Council is providing.									

Notes:

- 1 Smooth travel exposure is reported annually. The two inputs are Road Roughness, which is measured two yearly, was last completed in November 2023 by Shaw's Consulting Services Ltd. Vehicle Kilometres Travelled (VKT) are continually updated during the year.
- 2 A defect constitutes potholes on sealed roads, unsealed shoulders on sealed roads, corrugations on unsealed roads, damage to bridges, blocked drain holes and culverts, overgrown vegetation, and damaged running boards and traffic signs.
 - a) The accuracy of these have not been verified by Council. The information reported on is collected by Council's Professional Services for Land Transport consultants GHD.
 - b) The coverage of the roads network inspected during the year is aimed at 100%.
 - c) Defects are calculated by the number of defects / number of kilometres audited over the three months in the quarter.
 - d) Each road should be inspected at least once a year.
- 3 The request for service targets can be found in the Asset Management Plans.

FUNDING IMPACT STATEMENT - LAND TRANSPORT

	2024 AP Budget (000's)	2025 LTP Budget (000's)	2026 LTP Budget (000's)	2027 LTP Budget (000's)	2028 LTP Budget (000's)	2029 LTP Budget (000's)	2030 LTP Budget (000's)	2031 LTP Budget (000's)	2032 LTP Budget (000's)	2033 LTP Budget (000's)	2034 LTP Budget (000's)
Surplus / (deficit) of operating funding											
Sources of operating funding											
General rates, uniform annual general charges, rates penalties	1,841	1,952	2,304	2,720	2,740	2,959	3,055	3,377	3,515	3,728	4,170
Targeted rates	4,255	4,778	5,811	6,855	6,994	7,400	7,698	8,119	8,381	8,739	9,200
Subsidies and grants for operating purposes	6,893	7,273	10,141	12,054	10,433	10,717	10,919	11,122	11,334	11,535	11,735
Fees and charges and other revenue	29	26	26	27	28	29	29	30	31	32	32
Local authorities fuel tax, fines, infringement fees, and other receipts	165	150	150	150	150	150	150	150	150	150	150
Total operating funding (A)	13,183	14,179	18,432	21,806	20,345	21,255	21,851	22,798	23,411	24,184	25,287
Applications of operating funding											
Payments to staff and suppliers	9,811	10,310	14,403	17,377	15,590	16,007	16,410	16,827	17,231	17,647	18,051
Finance costs	753	1,076	1,062	1,084	1,149	1,231	1,244	1,280	1,281	1,251	1,221
Internal charges and overheads applied	718	1,134	1,212	1,310	1,323	1,365	1,455	1,421	1,456	1,550	1,527
Total applications of operating funding (B)	11,282	12,520	16,677	19,771	18,062	18,603	19,109	19,528	19,968	20,448	20,799
Surplus (deficit) of operating funding (A - B)	1,901	1,659	1,755	2,035	2,283	2,652	2,742	3,270	3,443	3,736	4,488
Surplus (deficit) of capital funding											
Sources of capital funding											
Subsidies and grants for capital expenditure	7,420	6,883	7,214	7,642	23,186	11,404	8,561	8,876	8,966	9,183	9,267

Development and financial contributions	86	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in debt	442	745	772	637	1,752	173	155	(299)	(400)	(619)	(1,342)
Total sources of capital funding (C)	7,948	7,628	7,986	8,279	24,938	11,577	8,716	8,577	8,566	8,564	7,925
Application of capital funding											
Capital Expenditure											
- to meet additional demand	55	60	62	63	65	67	68	70	72	74	75
- to improve the level of service	2,964	431	623	678	12,219	4,095	1,068	1,191	1,097	1,123	1,149
- to replace existing assets	6,830	8,796	9,056	9,573	14,937	10,067	10,322	10,586	10,840	11,103	11,189
Increase (decrease) in reserves	-	-	-	-	-	-	-	-	-	-	-
Total applications of capital funding (D)	9,849	9,287	9,741	10,314	27,221	14,229	11,458	11,847	12,009	12,300	12,413
Surplus (deficit) of capital funding (C - D)	(1,901)	(1,659)	(1,755)	(2,035)	(2,283)	(2,652)	(2,742)	(3,270)	(3,443)	(3,736)	(4,488)
Funding Impact Statement											
	-	-	-	-	-	-	-	-	-	-	-

WATER SUPPLY

THE WATER SUPPLY ACTIVITY AIMS TO SUPPLY SAFE DRINKING WATER TO THE COMMUNITIES OF THE DISTRICT. A SAFE WATER SUPPLY IS ESSENTIAL FOR HOUSEHOLDS, BUSINESSES AND PUBLIC HEALTH. COUNCIL IS COMMITTED TO PROVIDING WATER SUPPLIES THAT MEETS THE NEEDS OF THE COMMUNITY.

WHAT WATER SUPPLY INVOLVES

Council is responsible for the provision and management of six water supply schemes throughout the District; National Park, Ohakune, Ōhura, Ōwhango, Raetihi and Taumarunui. A total of 214.17 km of pipes makes up the reticulation network plus 5 pump stations. In Waiouru, Council owns and operates the water supply network outside the Army base and purchases the potable water from the New Zealand Defence Force.

The water supply network is made up of a mix of assets:

- Headworks, surface water sources, intake weirs and pipelines to treatment plants.
- Treatment Plants including raw water pumps, clarifier, filters, main pumps and chemical dosing pumps.
- Water storage including reservoirs and pipelines.
- A piped network including pipelines, valves, hydrants, water meters, service connections and pump stations.

RATIONALE FOR SERVICE DELIVERY (WHY WE DO IT)

Water supply is one of the essential services Council supplies. Council is required by law to assess the need and provision of water services, and to retain its water supplies. It also has a duty to improve, promote and protect public health. Water supplies can be closed or transferred with the agreement of local communities.

COMMUNITY WELLBEING OUTCOMES THAT THIS ACTIVITY SUPPORTS



Resilient Assets



Thriving Communities



Prosperous Businesses



Healthy Environment

CAPITAL PROJECTS INCLUDED IN OUR BUDGET THAT WILL ENABLE COUNCIL TO ACHIEVE THESE OUTCOMES

Capital Projects	Total (\$000)	Growth	Renewal	LOS	Year
Ōhura Water Treatment Plant	1,563			100%	1
Water - National Park WTP Upgrade	2,049			100%	5
Water - Owhango WTP Upgrade	2,605			100%	1
Water - Upgrade SCADA PLC and Comms	654		100%		1-4
Secure water supply for Ruatiti public toilets	561		100%		3-4
Water - Universal metering - Taumarunui	1,171		100%		3-7
Water - Watermain Renewals	18,368		100%		3-10

NEGATIVE ACTIVITY IMPACTS ON COMMUNITY WELLBEING

Water supply services can result in negative environmental and cultural impacts on waterways, some of these being:

- Health risks: through contamination of insufficient water
- Environmental degradation: overexploitation of water resources, pollution
- Aging infrastructure: Can result in leakages, burst pipes and water shut-downs.
- Opportunity costs: Through reducing the quantity of water supply for commercial, industrial, and agricultural purposes.
- Water scarcity: During a drought water scarcity can become an issue for many people living in our District.

Council mitigates these negative impacts by ensuring that ongoing monitoring is carried out to test the quality of water, compliance with Council's resource consents and their conditions is monitored, and maintenance and upgrades are planned to retain service levels. Council is committed to using water efficiently, protecting it from overexploitation.

KEY RISKS AND ASSUMPTIONS ASSOCIATED WITH THIS ACTIVITY

Risks associated with the Water Supply activity include service disruption and failure, inconsistent strategic planning and poor business and continuity planning. Performance measures, targets, or standards for Water Supply that will be implemented by Taumata Arowai and Council's ability to comply with those requirements is also a key risk for this activity.

Assumptions associated with the Water Supply activity include population projections.



STATEMENT OF SERVICE PROVISION – INFRASTRUCTURE

STATEMENT OF SERVICE PROVISION: WATER SUPPLY									
Levels of Service and how we will measure our performance: Water Supply									
Level of Service	Community Outcome	Goal	How we will measure our performance	Targets	2024/25 Target	2025/26 Target	2026/27 Target	2027/28 Target	2028-34 Target
Quality of Drinking Water - continuity of potable water supply to applicable community areas.	Our infrastructure assets and services are resilient and fit for purpose.	All Council-owned assets consistently meet required compliance standards.	Extent to which Council's drinking water supplies comply with Part 4 (bacteria and compliance criteria) of the Drinking Water Standard.	Ohura = Y Taumarunui = Y Owhango = Y NP Village = Y Raetihi = Y Ohakune = Y	Ohura = Y Taumarunui = Y Owhango = Y NP Village = Y Raetihi = Y Ohakune = Y	Ohura = Y Taumarunui = Y Owhango = Y NP Village = Y Raetihi = Y Ohakune = Y	Ohura = Y Taumarunui = Y Owhango = Y NP Village = Y Raetihi = Y Ohakune = Y	Ohura = Y Taumarunui = Y Owhango = Y NP Village = Y Raetihi = Y Ohakune = Y	Ohura = Y Taumarunui = Y Owhango = Y NP Village = Y Raetihi = Y Ohakune = Y
What does this tell me? That the water supply is compliant with Drinking Water Standards for bacteria.									
Quality of Drinking Water - continuity of potable water supply to applicable community areas.	Our infrastructure assets and services are resilient and fit for purpose.	All Council-owned assets consistently meet required compliance standards.	Full compliance with Drinking Water Quality Assurance Rules (2022) for bacteria compliance.	Ohura = 100% compliance Taumarunui = 100% compliance Owhango = 100% compliance NP Village = 100% compliance	Ohura = Not compliant Taumarunui = 100% compliance Owhango = Not compliant NP Village = Not compliant	Ohura = 100% compliance Taumarunui = 100% compliance Owhango = 100% compliance NP Village = Not compliant	Ohura = 100% compliance Taumarunui = 100% compliance Owhango = 100% compliance NP Village = Not compliant	Ohura = 100% compliance Taumarunui = 100% compliance Owhango = 100% compliance NP Village = 100% compliance	Ohura = 100% compliance Taumarunui = 100% compliance Owhango = 100% compliance NP Village = 100% compliance

				Raetihi = 100% compliance Ohakune = 100% compliance	Raetihi = 100% compliance Ohakune = 100% compliance	Raetihi = 100% compliance Ohakune = 100% compliance	Raetihi = 100% compliance Ohakune = 100% compliance	Raetihi = 100% compliance Ohakune = 100% compliance	Raetihi = 100% compliance Ohakune = 100% compliance
What does this tell me? That the water supply is compliant with Drinking Water Standards for bacteria.									
Quality of Drinking Water - continuity of potable water supply to applicable community areas.	Our infrastructure assets and services are resilient and fit for purpose.	All Council-owned assets consistently meet required compliance standards.	Extent to which Council's drinking water supplies comply with Part 5 (protozoal compliance criteria) of the Drinking Water Standard	Ohura = N Taumarunui = Y Owhango = N NP Village = N Raetihi = Y Ohakune = Y	Ohura = N Taumarunui = Y Owhango = N NP Village = N Raetihi = Y Ohakune = Y	Ohura = N Taumarunui = Y Owhango = N NP Village = N Raetihi = Y Ohakune = Y	Ohura = N Taumarunui = Y Owhango = N NP Village = N Raetihi = Y Ohakune = Y	Ohura = N Taumarunui = Y Owhango = N NP Village = N Raetihi = Y Ohakune = Y	Ohura = N Taumarunui = Y Owhango = N NP Village = N Raetihi = Y Ohakune = Y
What does this tell me? That the water supply is compliant with Drinking Water Standards for Protozoal compliance.									
Quality of Drinking Water - continuity of potable water supply to applicable community areas.	Our infrastructure assets and services are resilient and fit for purpose.	All Council-owned assets consistently meet required compliance standards.	Full compliance with Drinking Water Quality Assurance Rules (2022) for protozoal compliance.	Ohura = 100% compliance Taumarunui = 100% compliance Owhango = 100% compliance	Ohura = Not compliant Taumarunui = 100% compliance Owhango = Not compliant NP Village = Not compliant	Ohura = 100% compliance Taumarunui = 100% compliance Owhango = 100% compliance NP Village = Not compliant	Ohura = 100% compliance Taumarunui = 100% compliance Owhango = 100% compliance NP Village = Not compliant	Ohura = 100% compliance Taumarunui = 100% compliance Owhango = 100% compliance NP Village = Not compliant	Ohura = 100% compliance Taumarunui = 100% compliance Owhango = 100% compliance NP Village = Not compliant

				NP Village = 100% compliance	Raetihi = 100% compliance	Raetihi = 100% compliance	Raetihi = 100% compliance	NP Village = 100% compliance	NP Village = 100% compliance
				Raetihi = 100% compliance	Ohakune = 100% compliance	Ohakune = 100% compliance	Ohakune = 100% compliance	Raetihi = 100% compliance	Raetihi = 100% compliance
				Ohakune = 100% compliance				Ohakune = 100% compliance	Ohakune = 100% compliance
What does this tell me? That the water supply is compliant with Drinking Water Standards for Protozoal compliance.									
Responsiveness.	Our infrastructure assets and services are resilient and fit for purpose.	Council meets its natural and built environmental targets set by central government.	Percentage of real water loss from the networked reticulation system, using minimum night flow (MNF) analysis (note 8).	≤40% all supplies	≤40% all supplies	≤40% all supplies	≤40% all supplies	≤40% all supplies	≤40% all supplies
What does this tell me? The amount of water not available for drinking due to water loss.									
Responsiveness.	Our infrastructure and services are resilient and fit for purpose.	Council meets its natural and built environmental targets set by central government.	Attendance for urgent callouts in response to a fault or unplanned interruption to its networked reticulation system: from the time that the Council receives	Median response times ≤2 hours	Median response times ≤2 hours	Median response times ≤2 hours	Median response times ≤2 hours	Median response times ≤2 hours	Median response times ≤2 hours

			notification to the time that service personnel reach the site (i.e. loss of water supply) (Note 2, 5 and 6).						
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What does this tell me? The time it takes for service personnel to attend an urgent call out. (i.e. loss of water supply).

Responsiveness.	Our infrastructure and services are resilient and fit for purpose.	Council meets its natural and built environmental targets set by central government.	Resolution of urgent callouts in response to a fault or unplanned interruption to its networked reticulation system: from the time that the Council receives notification to the time that service personnel confirm resolution of the fault or interruption site. (i.e. loss of water supply) (Notes 2 and 6)	Median response times ≤6 hours	Median response times ≤6 hours	Median response times ≤6 hours	Median response times ≤6 hours	Median response times ≤6 hours	Median response times ≤6 hours
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What does this tell me? The time it takes for service personnel to resolve an urgent fault or interruption site (i.e. loss of water supply).

Responsiveness.	Our infrastructure and services are resilient and fit for purpose.	Council meets its natural and built environmental targets set by central government.	Attendance for non-urgent callouts in response to a fault or unplanned interruption to its networked reticulation system: from the time that the Council receives notification to the time that service personnel reach the site (i.e. no loss of water supply) (Notes 2,5 and 7).	Median response times ≤ 36 hours	Median response times ≤ 36 hours	Median response times ≤ 36 hours	Median response times ≤ 36 hours	Median response times ≤ 36 hours	Median response times ≤ 36 hours
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What does this tell me? The time it takes for service personnel to attend a non-urgent call out (i.e. no loss of water supply).

Responsiveness.	Our infrastructure and services are resilient and fit for purpose.	Council meets its natural and built environmental targets set by central government.	Resolution of non-urgent callouts of a fault or unplanned interruption to its networked reticulation system: from the time that the Council receives notification to the time that service	Median response times ≤ 72 hours	Median response times ≤ 72 hours	Median response times ≤ 72 hours	Median response times ≤ 72 hours	Median response times ≤ 72 hours	Median response times ≤ 72 hours
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			personnel confirm resolution of the fault or interruption (i.e. no loss of water supply) (Notes 2 and 7)						
<p>What does this tell me? The time it takes for services personnel to resolve a non-urgent call out (i.e. no loss of water supply).</p>									
Public Safety – Pressure and Flow.	Our infrastructure assets and services are resilient and fit for purpose.	Council meets its natural and built environment targets set by central government.	Total number of complaints (Note 4) received by Council about any of the following expressed per 1,000 connections (Note 3) to the network reticulation systems. (a) Drinking water clarity (b) Taste (c) Odour (d) Pressure and Flow (e) Continuity of supply (f) Council response times	(a) ≤15 (b) ≤10 (c) ≤5 (d) ≤25 (e) ≤5 (f) ≤25	(a) ≤15 (b) ≤10 (c) ≤5 (d) ≤25 (e) ≤5 (f) ≤25	(a) ≤15 (b) ≤10 (c) ≤5 (d) ≤25 (e) ≤5 (f) ≤25	(a) ≤15 (b) ≤10 (c) ≤5 (d) ≤25 (e) ≤5 (f) ≤25	(a) ≤15 (b) ≤10 (c) ≤5 (d) ≤25 (e) ≤5 (f) ≤25	(a) ≤15 (b) ≤10 (c) ≤5 (d) ≤25 (e) ≤5 (f) ≤25

What does this tell me? The total number of complaints received expressed per 1,000 connections to the network reticulation systems.

Public Safety – Pressure and Flow.	Our infrastructure assets and services are resilient and fit for purpose.	Council meets its natural and built environment targets set by central government.	The average consumption of drinking water per day per resident within the territorial authority district (litres per person per day).	500	500	500	500	500	500
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What does this tell me? The total average amount of water consumed per person per day. Calculated by the number of customers charges in their rates for use of Council water services.

Public Safety – Pressure and Flow.	Our infrastructure assets and services are resilient and fit for purpose.	Council meets its natural and built environment targets set by central government.	Average Peak consumption of drinking water - Litres per person per day	≤300	≤300	≤300	≤300	≤300	≤300
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What does this tell me? The total average amount of water consumed per person per day. Calculated using peak population figures.

Notes:

- 1 Mandatory Non-Financial Performance Measures, against which all infrastructure in New Zealand is measured, were introduced by the Department of Internal Affairs in 2014.
- 2 The times shown for “attendance and “resolution” are reported by the service provider, Veolia as part of their contracted responsibilities. This includes travel time. The accuracy of these have not been verified by Council, however audits and GPS checks are conducted upon job completion.
- 3 The number of connections is calculated from the number of customers charged in their rates for use of Council water services.
- 4 There are occasions where there is more than one complaint per event. In such a situation, each complaint is counted separately, not each event or occurrence. However, for afterhours complaints received from the Palmerston North call centre, only the first complaint about an incident is recorded.
- 5 The median time presented is based on calls that have been raised directly with Council and not Council’s contractor Veolia.
- 6 An urgent call-out is one that leads to a complete loss of supply of drinking water due to a fault or unplanned interruption.
- 7 A non-urgent call-out is one where there is still a supply of drinking water.
- 8 Real water loss refers to volumes lost through leaks, bursts or overflows on mains, service reservoirs and services connections, up to the point of the customer meter.

FUNDING IMPACT STATEMENT - WATER SUPPLY

	2024 AP Budget (000's)	2025 LTP Budget (000's)	2026 LTP Budget (000's)	2027 LTP Budget (000's)	2028 LTP Budget (000's)	2029 LTP Budget (000's)	2030 LTP Budget (000's)	2031 LTP Budget (000's)	2032 LTP Budget (000's)	2033 LTP Budget (000's)	2034 LTP Budget (000's)
Surplus / (deficit) of operating funding											
Sources of operating funding											
General rates, uniform annual general charges, rates penalties	-	-	-	-	-	-	-	-	-	-	-
Targeted rates	4,474	4,963	5,177	5,637	5,936	6,401	6,702	7,281	7,543	8,002	8,739
Subsidies and grants for operating purposes	290	515	515	515	515	515	515	515	515	515	515
Fees and charges and other revenue	106	110	114	117	120	124	127	131	134	138	140
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-	-	-	-	-	-	-	-	-
Total operating funding (A)	4,870	5,588	5,806	6,269	6,571	7,040	7,344	7,927	8,192	8,655	9,394
Applications of operating funding											
Payments to staff and suppliers	2,889	2,812	2,904	3,078	3,090	3,176	3,346	3,346	3,426	3,602	3,592
Finance costs	1,016	1,521	1,518	1,489	1,546	1,710	1,830	1,937	1,998	2,011	2,047
Internal charges and overheads applied	326	474	504	542	546	562	598	584	598	635	625
Total applications of operating funding (B)	4,231	4,807	4,926	5,109	5,182	5,448	5,774	5,867	6,022	6,248	6,264
Surplus (deficit) of operating funding (A - B)	639	781	880	1,160	1,389	1,592	1,570	2,060	2,170	2,407	3,130
Surplus (deficit) of capital funding											
Sources of capital funding											
Subsidies and grants for capital expenditure											
Development and financial contributions	40	40	40	40	40	40	40	40	40	40	40

Increase (decrease) in debt	2,970	3,503	(759)	570	1,532	2,994	1,037	615	318	143	(520)
Total sources of capital funding (C)	3,010	3,543	(719)	610	1,572	3,034	1,077	655	358	183	(480)
Application of capital funding											
Capital Expenditure											
- to meet additional demand	92	-	-	-	-	-	-	-	-	-	-
- to improve the level of service	953	4,168	-	-	-	2,049	-	-	-	-	-
- to replace existing assets	2,604	156	161	1,770	2,961	2,577	2,647	2,715	2,528	2,590	2,650
Increase (decrease) in reserves	-	-	-	-	-	-	-	-	-	-	-
Total applications of capital funding (D)	3,649	4,324	161	1,770	2,961	4,626	2,647	2,715	2,528	2,590	2,650
Surplus (deficit) of capital funding (C - D)	(639)	(781)	(880)	(1,160)	(1,389)	(1,592)	(1,570)	(2,060)	(2,170)	(2,407)	(3,130)
Funding Impact Statement											
	-	-	-	-	-	-	-	-	-	-	-

WASTEWATER (SEWERAGE)

THE PURPOSE OF THE WASTEWATER ACTIVITY IS TO COLLECT AND DISPOSE OF WASTEWATER IN AN EFFECTIVE AND ENVIRONMENTALLY FRIENDLY MANNER. THIS ACTIVITY IS ESSENTIAL IN ORDER TO PROTECT THE ENVIRONMENT AND TO MAINTAIN PUBLIC HEALTH.

WHAT THE WASTEWATER ACTIVITY INVOLVES

Council owns treatment plants at Taumarunui, National Park Village, Ohakune, Pipiriki, Raetihi and Rangataua. In addition, Council co-operates with the NZ Army in Waiouru to provide wastewater services for the town.

Council's wastewater assets consist of:

- 6 wastewater treatment plants
- 126.1 km of pipes
- 17 pump stations
- 1627 manholes
- 6,488 rateable service connections

RATIONALE FOR THIS ACTIVITY (WHY WE DO IT)

Council is required to assess water and other sanitary services available to the community, including stormwater drainage, and has a duty under Section 23 of the Health Act 1956 to improve, promote and protect public health. As well as the legal mandate, this service contributes to Council's Community Outcomes.

COMMUNITY WELLBEING OUTCOMES THAT THIS ACTIVITY SUPPORTS



Thriving Communities



Prosperous Businesses



Healthy Environment

CAPITAL PROJECTS INCLUDED IN OUR BUDGET THAT WILL ENABLE COUNCIL TO ACHIEVE THESE OUTCOMES

Capital Projects	Total (\$000)	Growth	Renewal	LOS	Year
Hikumutu WWTP	4,837			100%	1-8
Pipiriki WWTP	878			100%	4-6
Rangataua WWTP Wetlands Upgrade	426			100%	1-2
Asset Renewals	9,941		100%		4-10
Upgrade SCADA PLC and Comms	933		100%		3-7
Raetihi WWTP desludge	1,106	20%	80%		2-4
Ohakune WWTP renewals	878		100%		5
National Park WWTP	1,163		100%		4-5
Pumping Station minor upgrades	2,641		100%		1-10
Hikumutu Wetlands desludge	1,579	20%	80%		1-2

Capital Projects	Total (\$000)	Growth	Renewal	LOS	Year
Pipiriki Catchment	261		100%		1
Ohakune WWTP	1,594	20%	80%		1-2
Rangataua Consultant and Consent Renewal	161		100%		1-3

NEGATIVE ACTIVITY IMPACTS ON COMMUNITY WELLBEING

A significant negative effect on community wellbeing that is associated with the wastewater activity is the long term effect of treated wastewater discharge on the receiving environment, which includes land and waterways throughout the District.

Failures in the collection or treatment systems can result in untreated or partially treated wastewater discharges. This wastewater may contain pathogens and nutrients that can be harmful to humans and the environment. Wastewater may accumulate on the ground, and percolate into the groundwater or flow into nearby waterways. This poses public health risks and can damage aquatic environments and/or cause property damage.

Another negative effect of the wastewater activity is unintentional overflows of untreated wastewater from collection or treatment systems to private property, public land, or waterways during heavy rain events.

Wastewater discharges may also contribute to pollution issues experienced downstream of treatment facilities. Horizons One Plan's targets for wastewater treatment will require significant investment by Council. Council mitigates discharge effects by treating wastewater to a specified level that meets resource consent conditions.

KEY RISKS AND ASSUMPTIONS ASSOCIATED WITH THIS ACTIVITY

Risks associated with the wastewater activity include service disruption and failure, inconsistent strategic planning and poor business and continuity planning. Environment related performance measures, targets, or standards for wastewater that will be implemented by Taumata Arowai and Council's ability to comply with those requirements and how they will align with resource consent requirements are also key risks for this activity.

Assumptions associated with the Wastewater activity include population projections.



STATEMENT OF SERVICE PROVISION – INFRASTRUCTURE

STATEMENT OF SERVICE PROVISION: WASTEWATER										
Levels of Service and how we will measure our performance: Wastewater										
Level of Service	Community Outcome	Goal	How we will measure our performance	Targets	2024/25 Target	2025/26 Target	2026/27 Target	2027/28 Target	2028-34 Target	
Environmental Sustainability.	Our infrastructure assets and services are resilient and fit for purpose.	All Council owned assets are resilient and future proof.	Number of dry weather wastewater overflows from Council's system (expressed as per 1,000 connections (Note 3) to that system).	≤7	≤7	≤7	≤7	≤7	≤7	
What does this tell me? The number of wastewater overflows that occur during dry weather.										
Environmental Sustainability.	Our natural and built environment is healthy, strong and safe.	All Council owned assets consistently meet required compliance standards.	Discharges from the wastewater system as measured by the number of: <ul style="list-style-type: none"> (a) Abatement notices. (b) Infringement notices. (c) Enforcement orders. (d) Convictions received by Council in relation to those 	(a) ≤2 (b) ≤2 (c) ≤1 (d) 0	(a) ≤2 (b) ≤2 (c) ≤1 (d) 0	(a) ≤2 (b) ≤2 (c) ≤1 (d) 0	(a) ≤2 (b) ≤2 (c) ≤1 (d) 0	(a) ≤2 (b) ≤2 (c) ≤1 (d) 0	(a) ≤2 (b) ≤2 (c) ≤1 (d) 0	

			resource consents.						
What does this tell me? Our environment is accessible, clean, and safe and meets the required compliance standards.									
Responsiveness to infrastructure issues.	Our natural and built environment is healthy, strong and safe.	Council meets its natural and built environment targets set by central government.	Response time to attend a wastewater overflow resulting from a blockage or other fault in the Council wastewater system: from the time that Council receives notification to the time that service personnel reach the site (Note 2 & 5).	Median response time ≤2 hours for a blockage or fault.	Median response time ≤2 hours for a blockage or fault.	Median response time ≤2 hours for a blockage or fault.	Median response time ≤2 hours for a blockage or fault.	Median response time ≤2 hours for a blockage or fault.	Median response time ≤2 hours for a blockage or fault.
What does this tell me? The time it takes for service personnel to attend a wastewater overflow.									
Responsiveness to infrastructure issues.	Our natural and built environment is healthy, strong and safe.	Council meets its natural and built environmental targets set by central government.	Response time to resolve a wastewater overflow resulting from a blockage or other fault in the Council wastewater system: from the time that Council receives notification to the time that service personnel confirm resolution of the blockage or other fault (Note 2 & 5).	Median response times ≤6 hours for a blockage or fault.	Median response times ≤6 hours for a blockage or fault.	Median response times ≤6 hours for a blockage or fault.	Median response times ≤6 hours for a blockage or fault.	Median response times ≤6 hours for a blockage or fault.	Median response times ≤6 hours for a blockage or fault.
What does this tell me? The time it takes for service personnel to resolve a wastewater overflow.									

Public Safety – Continuity of wastewater collection system.	Our infrastructure assets and services are resilient and fit for purpose.	All council owned assets are resilient and future-proof.	Total number of complaints (Note 4) received by Council about any of the following (expressed as per 1000 connections (Note 3) to the Territorial Authority's wastewater system:							
				(a) Wastewater odour.	(a) ≤15	(a) ≤15	(a) ≤15	(a) ≤15	(a) ≤15	(a) ≤15
				(b) Wastewater System faults.	(b) ≤5	(b) ≤5	(b) ≤5	(b) ≤5	(b) ≤5	(b) ≤5
				(c) Wastewater system blockages.	(c) ≤25	(c) ≤25	(c) ≤25	(c) ≤25	(c) ≤25	(c) ≤25
				(d) The Council's response to issues with its Wastewater system.	(d) ≤25	(d) ≤25	(d) ≤25	(d) ≤25	(d) ≤25	(d) ≤25
What does this tell me? The total number of complaints received expressed per 1,000 connections to the network reticulation system.										

Notes:

- 1 There are now mandatory Non-Financial Performance Measures against which all Wastewater infrastructure in New Zealand is measured.
- 2 The times shown for “attendance” and “resolution” are reported by the service provider, Veolia as part of their contracted responsibilities. This includes travel time. The accuracy of these have not been verified by Council.
- 3 The number of connections is calculated from the number of customers charged in their rates for use of Council wastewater services.
- 4 There are occasions where there is more than one complaint per event. In such a situation, each complaint is counted separately, not each event or occurrence. However, for afterhours complaints received from the Palmerston North call centre, only the first complaint about an incident was recorded.
- 5 The medium time presented is based on calls that have been raised directly with Council and not Council's contractor Veolia.

FUNDING IMPACT STATEMENT - WASTEWATER (SEWERAGE)

	2024 AP Budget (000's)	2025 LTP Budget (000's)	2026 LTP Budget (000's)	2027 LTP Budget (000's)	2028 LTP Budget (000's)	2029 LTP Budget (000's)	2030 LTP Budget (000's)	2031 LTP Budget (000's)	2032 LTP Budget (000's)	2033 LTP Budget (000's)	2034 LTP Budget (000's)
Surplus / (deficit) of operating funding											
Sources of operating funding											
General rates, uniform annual general charges, rates penalties	12	-	-	-	-	-	-	-	-	-	-
Targeted rates	2,339	2,659	2,827	3,088	3,270	3,603	3,871	4,260	4,489	4,806	5,240
Subsidies and grants for operating purposes	-	-	-	-	-	-	-	-	-	-	-
Fees and charges and other revenue	122	158	163	168	173	178	183	188	193	197	201
Local authorities fuel tax, fines, infringement fees, and other receipts											
Total operating funding (A)	2,473	2,817	2,990	3,256	3,443	3,781	4,054	4,448	4,682	5,003	5,441
Applications of operating funding											
Payments to staff and suppliers	1,533	1,395	1,441	1,474	1,478	1,519	1,604	1,602	1,641	1,728	1,721
Finance costs	362	651	719	775	839	1,016	1,187	1,339	1,461	1,538	1,622
Internal charges and overheads applied	207	364	387	418	419	431	460	447	458	488	478
Total applications of operating funding (B)	2,102	2,410	2,547	2,667	2,736	2,966	3,251	3,388	3,560	3,754	3,821
Surplus (deficit) of operating funding (A - B)	371	407	443	589	707	815	803	1,060	1,122	1,249	1,620
Surplus (deficit) of capital funding											
Sources of capital funding											
Subsidies and grants for capital expenditure	-	-	-	-	-	-	-	-	-	-	-
Development and financial contributions	72	72	72	72	72	72	72	72	72	72	72

Increase (decrease) in debt	1,510	1,709	1,953	500	1,840	3,739	2,193	1,706	1,650	945	627
Total sources of capital funding (C)	1,582	1,781	2,025	572	1,912	3,811	2,265	1,778	1,722	1,017	699
Application of capital funding											
Capital Expenditure											
- to meet additional demand	60	313	376	111	57	-	-	-	-	-	-
- to improve the level of service	680	156	376	166	456	1,230	1,383	1,111	1,264	-	-
- to replace existing assets	1,213	1,719	1,716	884	2,106	3,396	1,685	1,727	1,580	2,266	2,319
Increase (decrease) in reserves	-	-	-	-	-	-	-	-	-	-	-
Total applications of capital funding (D)	1,953	2,188	2,468	1,161	2,619	4,626	3,068	2,838	2,844	2,266	2,319
Surplus (deficit) of capital funding (C - D)	(371)	(407)	(443)	(589)	(707)	(815)	(803)	(1,060)	(1,122)	(1,249)	(1,620)
Funding Impact Statement	-	-	-	-	-	-	-	-	-	-	-

STORMWATER AND FLOOD PROTECTION

EFFICIENT AND EFFECTIVE STORMWATER INFRASTRUCTURE IS A KEY ELEMENT IN THE SUSTAINABLE AND HEALTHY DEVELOPMENT OF A COMMUNITY. A DEVELOPED NETWORK OF PIPES, CULVERTS TO DRAINS AND WATERCOURSES PROVIDES A SAFE AND EFFICIENT MEANS OF COLLECTING AND CONDUCTING STORMWATER THROUGH TOWNSHIPS.

WHAT THE STORMWATER AND FLOOD PROTECTION AVTIVITY INVOLVES

The Stormwater and Flood Protection activity involves providing and maintaining drainage systems (including reticulation pipes, open culverts, pump stations, soak pits, discharge outlets and detention areas) throughout the District to remove stormwater from the road corridor and some residential and commercial properties.

RATIONALE FOR THIS ACTIVITY (WHY WE DO IT)

Under the Local Government Act, Council is required to assess water and other sanitary services available to the community, while also identifying the actual or potential consequences of stormwater on the community. Climate change will have an impact on our stormwater network. Ensuring that the stormwater network is fit for purpose, while also helping reduce the impacts caused during flood events.

COMMUNITY WELLBEING OUTCOMES THAT THIS ACTIVITY SUPPORTS



Thriving Communities



Prosperous Businesses



Healthy Environment

CAPITAL PROJECTS INCLUDED IN OUR BUDGET THAT WILL ENABLE COUNCIL TO ACHIEVE THESE OUTCOMES

Capital Projects	Total (\$000)	Growth	Renewal	LOS	Year
Stormwater Asset Renewals	1,295		100%		4-10
Stormwater District Wide Renewals	1,296		100%		2-7

NEGATIVE ACTIVITY IMPACTS ON COMMUNITY WELLBEING

Stormwater systems are essentially a means of transporting surface water across urban landscapes to protect private and public property from flooding. Stormwater runoff can contain contaminants such as rubbish and chemicals that are present in the catchment area. These contaminants can then be discharged into watercourses and will have detrimental effects on the aquatic environment.

KEY RISKS AND ASSUMPTIONS ASSOCIATED WITH THIS ACTIVITY

Risks associated with the stormwater activity include a lack of knowledge around both the built system and complexities of the total catchments covering each urban area. Stormwater and flooding runoff is monitored by Horizons Regional Council for water quality and other effects. Council maintains its stormwater systems to minimise the potential impacts large scale flooding could have on the District.

STATEMENT OF SERVICE PROVISION – INFRASTRUCTURE

STATEMENT OF SERVICE PROVISION: STORMWATER & FLOOD PROTECTION										
Levels of Service and how we will measure our performance: Stormwater & Flood Protection										
Level of Service	Community Outcome	Goal	How we will measure our performance	Targets	2024/25 Target	2025/26 Target	2026/27 Target	2027/28 Target	2028-34 Target	
Capacity/degree of protection.	Our infrastructure assets and services are resilient and fit for purpose.	Council meets its natural and built environment targets set by central government.	The number of flooding events that occur in a Territorial Authority district (Note 3). For each event, number of habitable floors affected (Note 4) (per 1,000 properties connected (Note 2) to Council's stormwater system).	≤3	≤3	≤3	≤3	≤3	≤3	
What does this tell me? The number of habitable floors affected by flooding as expressed per 1,000 properties connected to Council's stormwater system.										
Environmental impacts are managed and Resource Consents complied with.	Our infrastructure assets and services are resilient and fit for purpose.	All Council-owned assets consistently meet required compliance standards. Council meets its natural and built environmental targets set by central government.	Compliance with Councils resource consents for discharges from the stormwater system as measured by the number of: (a) Abatement notices. (b) Infringement notices. (c) Enforcement orders. (d) Successful prosecutions	(a) ≤2 (b) ≤1	(a) ≤2 (b) ≤1	(a) ≤2 (b) ≤1	(a) ≤2 (b) ≤1	(a) ≤2 (b) ≤1	(a) ≤2 (b) ≤1	

			received by Council in relation to those resource consents.	(c) ≤1 (d) 0	(c) ≤1 (d) 0	(c) ≤1 (d) 0	(c) ≤1 (d) 0	(c) ≤1 (d) 0	(c) ≤1 (d) 0
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What does this tell me? The degree to which Council complies with resource consents for discharges from the stormwater system.

Responsiveness of service. Continuity of service.	Our infrastructure assets and services are resilient and fit for purpose.	Council meets its natural and built environmental targets set by central government.	The median response time to attend a flooding event (Note 4) measured from the time that Council receives notification to the time that service personnel reach the site.	≤2 hours	≤2 hours	≤2 hours	≤2 hours	≤2 hours	≤2 hours
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What does this tell me? The time it takes for service providers to attend a flooding event. Timely responses protect people and property from natural hazards.

Responsiveness of service. Continuity of service.	Our infrastructure assets and services are resilient and fit for purpose.	Council meets its natural and built environmental targets set by central government.	The number of complaints (Note 5) received by Council about the performance of its stormwater system (expressed as per 1000 properties connected to Council's stormwater system).	≤15	≤15	≤15	≤15	≤15	≤15
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What does this tell me? The number of complaints received by Council about the performance of its stormwater system gives us an indication of the quality of service provided to the community.

Notes:

- 1 Mandatory Non-Financial Performance Measures, against which all stormwater and flood protection in New Zealand are measured, were introduced by the Department of Internal Affairs 2014.
- 2 The number of connections is calculated from the number of customers charged in their rates for use of Council stormwater services.

- 3 A flooding event means overflow of stormwater from a Council stormwater system that enters a habitable floor.
- 4 A habitable floor refers to a floor of a building (including basement) but does not include ancillary structures such as stand-alone garden sheds or garages.
- 5 There are occasions where there is more than one complaint per event. In such a situation, each complaint is counted separately, not each event or occurrence. However, for after hour's complaints received from the Palmerston North call centre, only the first complaint about an incident was recorded.

FUNDING IMPACT STATEMENT - STORMWATER AND FLOOD PROTECTION

	2024 AP Budget (000's)	2025 LTP Budget (000's)	2026 LTP Budget (000's)	2027 LTP Budget (000's)	2028 LTP Budget (000's)	2029 LTP Budget (000's)	2030 LTP Budget (000's)	2031 LTP Budget (000's)	2032 LTP Budget (000's)	2033 LTP Budget (000's)	2034 LTP Budget (000's)
Surplus / (deficit) of operating funding											
Sources of operating funding											
General rates, uniform annual general charges, rates penalties	606	-	-	-	-	-	-	-	-	-	-
Targeted rates	606	1,010	1,040	1,114	1,131	1,187	1,261	1,297	1,336	1,411	1,441
Subsidies and grants for operating purposes	-	-	-	-	-	-	-	-	-	-	-
Fees and charges and other revenue	28	31	33	34	35	36	37	38	39	40	40
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-	-	-	-	-	-	-	-	-
Total operating funding (A)	1,240	1,041	1,073	1,148	1,166	1,223	1,298	1,335	1,375	1,451	1,481
Applications of operating funding											
Payments to staff and suppliers	652	526	545	583	579	594	635	628	645	685	676
Finance costs	51	60	49	42	45	61	75	93	99	95	91
Internal charges and overheads applied	136	296	314	338	340	351	372	365	373	396	390
Total applications of operating funding (B)	839	882	908	963	964	1,006	1,082	1,086	1,117	1,176	1,157
Surplus (deficit) of operating funding (A - B)	401	159	165	185	202	217	216	249	258	275	324
Surplus (deficit) of capital funding											
Sources of capital funding											
Subsidies and grants for capital expenditure	-	-	-	-	-	-	-	-	-	-	-
Development and financial contributions	33	-	-	-	-	-	-	-	-	-	-

Increase (decrease) in debt	(288)	(159)	(112)	(130)	254	252	265	244	(69)	(81)	(125)
Total sources of capital funding (C)	(255)	(159)	(112)	(130)	254	252	265	244	(69)	(81)	(125)
Application of capital funding											
Capital Expenditure											
- to meet additional demand	-	-	-	-	-	-	-	-	-	-	-
- to improve the level of service	146	-	-	-	-	-	-	-	-	-	-
- to replace existing assets	-	-	53	55	456	469	481	493	189	194	199
Increase (decrease) in reserves	-	-	-	-	-	-	-	-	-	-	-
Total applications of capital funding (D)	146	-	53	55	456	469	481	493	189	194	199
Surplus (deficit) of capital funding (C - D)	(401)	(159)	(165)	(185)	(202)	(217)	(216)	(249)	(258)	(275)	(324)
Funding Impact Statement											
	-	-	-	-	-	-	-	-	-	-	-

SOLID WASTE

THE SOLID WASTE ACTIVITY MANAGES THE COLLECTION AND DISPOSAL OF RUBBISH AND RECYCLING IN THE DISTRICT. THE ASSETS FOR THIS ACTIVITY INCLUDE SEVEN TRANSFER STATIONS AND SEVEN DECOMMISSIONED (CLOSED) LANDFILLS. WAIMARINO AND TAUMARUNUI TRANSFER STATIONS INCLUDE RESOURCE RECOVERY CENTRES.

WHAT THE SOLID WASTE ACTIVITY INVOLVES

The Solid Waste activity involves the provision of transfer stations to accept the District's waste, various recyclable materials, and some hazardous waste streams. This includes the provision of kerbside collections to divert waste from going to landfill, including the uplifting of:

- Bagged general waste.
- Food waste
- Listed recyclable materials

The Solid Waste Activity includes the management in accordance with regulatory conditions of the district's seven closed landfills, responding to and resolving customer complaints relating to the Solid Waste activity, and educating the community in relation to waste management and minimization.

RATIONALE FOR SERVICE DELIVERY (WHY WE DO IT)

There are two pieces of legislation that require councils to provide this service to their communities:

- The Health Act 1956 requires Council to provide this activity to ensure that the public suffers no adverse effects due to the accumulation of refuse (both legal and illegal).
- The Waste Minimisation Act 2008 requires councils to promote effective and efficient waste management.

Since 2015 the proportion of waste recycled in the district has remained steady along with the volume of refuse landfilled within the Ruapehu District. Over the last three financial years we have sent an average of 3,822 tonnes of waste to the landfill.

Waste presents a significant challenge to the community as the resource consent for the Taumarunui Landfill expired in October 2020 and all waste is now shipped out of district and disposed of at the Hampton Downs Landfill. As this is now a more expensive option, the community must show a greater commitment to generating and disposing of waste as efficiently as possible. This will include increased recycling and dealing with food waste by a means other than sending it to the landfill (e.g. composting, resource recovery centres).

COMMUNITY WELLBEING OUTCOMES THAT THIS ACTIVITY SUPPORTS



Thriving Communities



Prosperous Businesses



Healthy Environment

CAPITAL PROJECTS INCLUDED IN OUR BUDGET THAT WILL ENABLE COUNCIL TO ACHIEVE THESE OUTCOMES

Capital Projects	Total (\$000)	Growth	Renewal	LOS	Year
Level of service projects	5,711			100%	1-10
Renewal projects	1,120		100%		1-10

NEGATIVE ACTIVITY IMPACTS ON COMMUNITY WELLBEING

The Solid Waste activity collects rubbish from around the District and disposes of it at Hampton Downs Landfill. The accumulation of waste in one area concentrates the effects that this refuse may have on its immediate environment. This includes negative effects such as water contamination, odour, and vermin nuisances. There will also be impacts on the environment associated to the transportation of the waste. In addition, landfill waste can result in significant environmental effects on the immediate area. For example, leachate can contaminate surrounding soil and water, while landfill gases (methane and carbon dioxide) pollute the air.

On the other hand, a single landfill limits the area of possible contamination to one location. It allows resources to be concentrated on reducing and managing the environmental impact of contamination.

Council must abide by resource consent conditions to ensure responsible management of the negative environmental effects of its closed landfills. Horizons Regional Council monitors closed landfills for ongoing environmental impact.

The disposal of waste to landfill has a significant cost associated with it. This cost has increased with the closure of the district landfill in 2020. To address these issues, Council is actively working to minimise the volume of waste produced, e.g., through the kerbside recycling programme, removing organics from the waste stream, and development of a new Waste Management and Minimisation Plan. Significant community education and buy in will be required to further lower the volumes of refuse landfilled.

KEY RISKS AND ASSUMPTIONS ASSOCIATED WITH THIS ACTIVITY

A key risk associated with the Solid Waste activity is the potential environmental, social and cultural impacts associated with the leakage from the decommissioned landfills. Council is working on the implementation of a remediation plan to reduce environmental harm associated with its decommissioned landfills.



STATEMENT OF SERVICE PROVISION – INFRASTRUCTURE

STATEMENT OF SERVICE PROVISION: SOLID WASTE									
Levels of Service and how we will measure our performance: Solid Waste									
Level of Service	Community Outcome	Goal	How we will measure our performance	Targets	2024/25 Target	2025/26 Target	2026/27 Target	2027/28 Target	2028-34 Target
Legislative compliance is achieved.	Our infrastructure assets and services are resilient and fit for purpose.	All Council-owned assets consistently meet required compliance standards.	All closed landfills are monitored and reported annually against their resource consents.	Horizons compliance ranking system will issue zero significant non-compliances and only four moderate non-compliances per year across all landfill sites.	Zero significant non-compliances and only four moderate non-compliances per year.	Zero significant non-compliances and only four moderate non-compliances per year.	Zero significant non-compliances and only four moderate non-compliances per year.	Zero significant non-compliances and only four moderate non-compliances per year.	Zero significant non-compliances and only four moderate non-compliances per year.
<p>What does this tell me? Our values of kaitiakitanga (guardianship) and environmental stewardship require closed landfills to be monitored assess for legacy impacts and remedial take action to ensure environment and associated awa remain healthy.</p>									
Legislative compliance is achieved. Waste hierarchy is promoted throughout the community. The community is provided with opportunities to recycle.	Our infrastructure assets and services are resilient and fit for purpose.	All Council-owned assets are resilient and future-proof.	Waste Minimisation and a circular economy are encouraged through our available sites.	Transfer Stations are available at specified times.	Measured quarterly the sites are open and available to public for 95% of the time as described on the website.	Measured quarterly the sites are open and available to public for 95% of the time as described on the website.	Measured quarterly the sites are open and available to public for 95% of the time as described on the website.	Measured quarterly the sites are open and available to public for 95% of the time as described on the website.	Measured quarterly the sites are open and available to public for 95% of the time as described on the website.
<p>What does this tell me? This measure provides accountability for the service and provides for rangatiratanga ensuring the sites are available to undertake waste minimisation and participate in the circular economy through the transfer stations.</p>									

Legislative compliance is achieved.	Our natural and built environment is healthy strong, and safe.	Council meets its natural and built environment targets set by central government.	Waste Minimisation Act and NZ Waste Strategy reporting.	Report results by 20 of each month after quarter; waste, and diversion from kerbside collection and transfer stations through OWLS.	1 report per quarter against National Waste Data Framework. Note first report will be 20 September.	1 report per quarter against National Waste Data Framework.	1 report per quarter against National Waste Data Framework.	1 report per quarter against National Waste Data Framework.	1 report per quarter against National Waste Data Framework.
<p>What does this tell me? Reporting against the National Waste Data Framework provides accountability and whanaungatanga (upholding relationships) of Ruapehu District against the New Zealand Waste Strategy Targets. This nationally consistent framework ensures that effects on Ruapehu waste to landfill and diversion through recycling and reuse are measured. Our aim is to move 7kg per person per year of waste going to landfill recycling, reuse shops, food-waste collection.</p>									
Legislative compliance is achieved.	Our natural and built environment is healthy strong, and safe.	Council meets its natural and built environment targets set by central government.	RDC WMMP has less than 25% percentage of organic material in waste stream going to landfill by 2030.	Tracking through Quarterly reporting of Kerbside foodwaste collected as tonnage. Putrescible content in kerbside refused bags is less than 50% measured biannually measured by SWAP analysis.	Quarterly reporting of Kerbside foodwaste collected.	Tracking through Quarterly reporting of Kerbside foodwaste collected as tonnage. Putrescible content in kerbside refused bags decreases 40% measured biannually measured by SWAP analysis.	Quarterly reporting of Kerbside foodwaste collected.	Tracking through Quarterly reporting of Kerbside foodwaste collected as tonnage. Putrescible content in kerbside refused bags decreases 30% measured biannually measured by SWAP analysis.	Putrescible content in kerbside refused bags is less than 25% measured by SWAP analysis.
<p>What does this tell me? As environmental stewards we need to be accountable for the volume of organic (food waste/green wate) volumes sent to landfills. Reducing organic matter in our waste streams will reduce methane generation from New Zealand landfills. Methane is a major greenhouse gas polluter and contributes to climate events such as storms and droughts.</p>									
Our community is satisfied with the overall level of service for waste management	Our infrastructure assets and services are resilient and fit for purpose.	Council strategic objectives contribute to the environmental wellbeing of our district.	Percentage of community satisfied with the overall LOS provided by kerbside collection, transfer	75%	75%	75%	75%	75%	75%

and minimisation.			stations and recycling services.						
What does this tell me? Through kerbside collections: transfer stations and recycling services reliability there are appropriate levels of service for waste management and minimisation.									
Waste education is provided in schools. Waste minimisation is encouraged.	Our natural and built environment is healthy strong, and safe.	Council strategic objectives contribute to the environmental wellbeing of our district.	Percentage of schools visited annually that participate in a waste minimisation education programme.	75%	75%	75%	75%	75%	75%
What does this tell me? Education through the schools provides and understanding of what effects the environment and empowers better choices for the next generation, who also influence the current generations.									
Legislative compliance is achieved. Waste hierarchy is promoted throughout the community.	Our natural and built environment is healthy strong, and safe.	Council strategic objectives contribute to the environmental wellbeing of our district.	Total number of interactions with community about waste minimisation behaviour.	4 events per year and 1 programme campaign per year	4 events per year and 1 programme campaign per year	4 events per year and 1 programme campaign per year	4 events per year and 1 programme campaign per year	4 events per year and 1 programme campaign per year	4 events per year and 1 programme campaign per year
What does this tell me? Through community engagement as events or programmes, the sustainability opportunities are explained to the community.									

FUNDING IMPACT STATEMENT - SOLID WASTE

	2024 AP Budget (000's)	2025 LTP Budget (000's)	2026 LTP Budget (000's)	2027 LTP Budget (000's)	2028 LTP Budget (000's)	2029 LTP Budget (000's)	2030 LTP Budget (000's)	2031 LTP Budget (000's)	2032 LTP Budget (000's)	2033 LTP Budget (000's)	2034 LTP Budget (000's)
Surplus / (deficit) of operating funding											
Sources of operating funding											
General rates, uniform annual general charges, rates penalties	777	765	789	903	965	977	1,068	1,116	1,162	1,256	1,297
Targeted rates	1,140	1,125	1,164	1,297	1,365	1,387	1,498	1,544	1,600	1,711	1,748
Subsidies and grants for operating purposes	-	-	-	-	-	-	-	-	-	-	-
Fees and charges and other revenue	1,021	1,555	1,601	1,650	1,698	1,747	1,795	1,841	1,886	1,932	1,977
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-	-	-	-	-	-	-	-	-
Total operating funding (A)	2,938	3,445	3,554	3,850	4,028	4,111	4,361	4,501	4,648	4,899	5,022
Applications of operating funding											
Payments to staff and suppliers	2,619	3,063	3,160	3,397	3,494	3,477	3,638	3,671	3,773	3,975	4,003
Finance costs	86	83	75	97	145	201	256	308	325	338	368
Internal charges and overheads applied	172	205	218	234	237	244	258	253	259	274	271
Total applications of operating funding (B)	2,877	3,351	3,453	3,728	3,876	3,922	4,152	4,232	4,357	4,587	4,642
Surplus (deficit) of operating funding (A - B)	61	94	101	122	152	189	209	269	291	312	380
Surplus (deficit) of capital funding											
Sources of capital funding											
Subsidies and grants for capital expenditure	-	-	-	-	-	-	-	-	-	-	-
Development and financial contributions	-	-	-	-	-	-	-	-	-	-	-

Increase (decrease) in debt	(45)	(51)	(56)	873	904	958	943	571	(171)	598	144
Total sources of capital funding (C)	(45)	(51)	(56)	873	904	958	943	571	(171)	598	144
Application of capital funding											
Capital Expenditure											
- to meet additional demand	6	-	-	-	-	-	-	-	-	-	-
- to improve the level of service	10	43	45	849	840	966	1,094	616	103	858	297
- to replace existing assets	-	-	-	146	216	181	58	224	17	52	227
Increase (decrease) in reserves	-	-	-	-	-	-	-	-	-	-	-
Total applications of capital funding (D)	16	43	45	995	1,056	1,147	1,152	840	120	910	524
Surplus (deficit) of capital funding (C - D)	(61)	(94)	(101)	(122)	(152)	(189)	(209)	(269)	(291)	(312)	(380)
Funding Impact Statement	-	-	-	-	-	-	-	-	-	-	-

COMMUNITY FACILITIES

THIS ACTIVITY GROUP PROVIDES A RANGE OF RECREATION FACILITIES AND PROPERTY WITHIN EACH COMMUNITY THAT IS READILY ACCESSIBLE AND ENJOYED.

WHAT THE COMMUNITY FACILITIES ACTIVITY INVOLVES

The Community Facilities Activity aims to support the community with public access to healthy recreational and social opportunities through a range of recreation facilities such as:

- Administrative Buildings (Libraries and Council Service Centres)
- Aerodrome and Other Properties
- Cemeteries
- Community Halls
- Council owned Swimming Pools
- Parks and Reserves
- Playgrounds
- Public Toilets

RATIONALE FOR SERVICE DELIVERY (WHY WE DO IT)

Delivery of the Community Facilities Activity allows Council to provide public access to community facilities to promote community wellbeing, address local needs, ensure equity and accessibility, efficiently allocate resources, engage with residents, and foster collaboration for collective benefit.

COMMUNITY WELLBEING OUTCOMES THAT THIS GROUP OF ACTIVITIES SUPPORTS



Resilient Assets



Thriving Communities



Prosperous Businesses



Healthy Environment

ACTIVITIES

ADMINISTRATION BUILDINGS (LIBRARIES AND COUNCIL SERVICE CENTRES)

Each of the three administration buildings (Taumarunui, Raetihi and Ohakune) house a library, a Council Chamber and staff offices. Council's provision of libraries sits under both the Community Facilities activity (the buildings) and the Community Support activity (the service, including books, computers, children's holiday programmes, etc.).

AERODROME (AND OTHER PROPERTIES)

Council owns the Taumarunui Aerodrome, Ohakune Railway Station, the former Taumarunui Saleyards, and several other properties such as the former library building in Ohakune. For detailed information on these properties, please see the Community Property and Recreational Facilities Asset Management Plan.

CEMETERIES

This service provides enquiry and burial services and burial administration and records for Council cemeteries. Council owns and maintains nine cemeteries in Manunui, Matiere, Ohakune, Ōhura, Ōwhango, Raetihi, Rangataua, Raurimu and Taumarunui. Council also owns the closed cemetery at Tatu (not maintained). Council intends to investigate the provision of space for natural burials within the larger cemeteries.

COMMUNITY HALLS

There are 15 halls that are managed by Council or that have been vested to Council ownership. These range from large facilities such as the Taumarunui Memorial Hall and Miriama Community Centre to smaller, local, community-managed halls such as the Rangataua Hall.

Council's Community Halls provide and maintain suitable and appropriate public venues throughout the District for local social, recreational, cultural, or educational purposes.

COUNCIL-OWNED SWIMMING POOLS

Council maintains and operates three public swimming pools located in the three main townships: Taumarunui, Ohakune and Raetihi.

Public swimming pools provide highly valued swimming facilities for the people of the District. The three swimming pool complexes owned by Council are significant assets.

PARKS AND RESERVES

The Reserves Act 1977 provides the mandate and guidelines for the management of Council Reserves, most of which have been vested in Council by the Crown.

The purpose of Parks and Reserves assets is to:

- Provide space for people to pursue active and passive recreational activities for their social, spiritual, mental and physical wellbeing.
- Provide the landscape setting for towns.
- Ensure the protection and maintenance of history (ecological and human) and character of the area.
- Ensure that environments essential to the existence of plant and animal species (including humans) are maintained.
- Protect public access to significant landscape features and recreation areas.

Areas covered by the Parks and Reserves Activity include parks, reserves, walkways, miscellaneous structures (for example, the Taumarunui Grandstand).

PLAYGROUNDS

Council provides public access to numerous playgrounds throughout the District. Playgrounds provide highly valued facilities for the people of the District and is an important activity for Council.

PUBLIC TOILETS

The provision of public toilet facilities for residents and visitors is an important activity for Council, particularly in relation to public health and safety. Council funds the ongoing cost of cleaning, maintenance, and depreciation.

CAPITAL PROJECTS INCLUDED IN OUR BUDGET THAT WILL ENABLE COUNCIL TO ACHIEVE THESE OUTCOMES

Capital Projects	Total (\$000)	Growth	Renewal	LOS	Year
Morero Stream Revitalisation	145			100%	1-2
National Park Wayfinder	120			100%	8-9
Kakahi Toilets	161			100%	3
Ohakune Christie Park development	449			100%	4-6
Christie Park Toilet Replacement	123			100%	1
Raetihi Swimming Pool	7,434			100%	10
Ohakune Swimming Pool - Changing Rooms	428			100%	4
National Park Footpaths	613			100%	10
Tātai Tāngata ki Raetihi (Raetihi Community Hub)	4,694			100%	1-6
Rugby Field Revitalisation - District Wide	52		100%		6-7
New Rubberfall Areas	170		100%		1-10
District Wide Accessible Walkways	1,140		100%		3-10
Taumarunui Pool and Plant Renewal	458		100%		6
District Wide Fencing - Problem Reserves	164		100%		4-10
District Wide Playground Equipment	170		100%		1-10

NEGATIVE ACTIVITY IMPACTS ON COMMUNITY WELLBEING

Community Property buildings have significant environmental footprints with high power and water usages, and during development or renewal construction.

The cost to the ratepayer of maintaining facilities such as the Taumarunui Aerodrome, investment property and Community Facilities such as Swimming Pools can be significant. Assets that are used by a small number of residents and ratepayers but are of high importance to those that use the facilities require the cost of those facilities to be spread over all ratepayers in the District so the provision of those facilities are affordable for those communities.

Potentially, some development or demolition/removal/disposal of facilities may be of concern to hapū and iwi. A number of properties owned by Council may be of high cultural importance to hapū and iwi.

KEY RISKS AND ASSUMPTIONS ASSOCIATED WITH THIS ACTIVITY

A key assumption in relation to this Activity is that renewals will continue to be completed as scheduled.



STATEMENTS OF SERVICE PROVISION - COMMUNITY FACILITIES

STATEMENT OF SERVICE PROVISION: COMMUNITY FACILITIES									
Levels of Service and how we will measure our performance: Buildings									
Level of Service	Community Outcome	Goal	How we will measure our performance	Targets	2024/25 Target	2025/26 Target	2026/27 Target	2027/28 Target	2028-34 Target
Council will provide Council buildings that are compliant with legislative requirements.	Our infrastructure assets and services are resilient and fit for purpose.	All Council-owned assets consistently meet required compliance standards.	Council buildings (including administration, library, and information centres) have the required building compliance in place.	100%	100%	100%	100%	100%	100%
What does this tell me? Regular inspections will ensure we are complying with legislation and that our Council buildings are fit for purpose.									
Council will provide Council buildings that are compliant with legislative requirements.	Our infrastructure assets and services are resilient and fit for purpose.	All Council-owned assets consistently meet required compliance standards.	Full compliance with legislative requirements when undertaking repairs, refurbishing or demolition of buildings including asbestos material.	100%	100%	100%	100%	100%	100%
What does this tell me? Council buildings comply with legislative requirements and are fit for purpose.									
Libraries, public meeting venues and Administration Buildings will be retained and well maintained.	Our infrastructure assets and services are resilient and fit for purpose.	All Council-owned assets consistently meet required compliance standards.	Safety detects are attended and made safe at building within 4 hours.	90%	90%	90%	90%	90%	90%
What does this tell me? Council buildings comply with legislative requirements and are fit for purpose.									

Libraries, public meeting venues and Administration Buildings will be retained and well maintained.	Our infrastructure assets and services are resilient and fit for purpose.	All Council-owned assets consistently meet required compliance standards.	Safety defects are rectified (issue fully resolved) within 3 working days.	85%	85%	85%	85%	85%	85%
What does this tell me? Council buildings comply with legislative requirements and are fit for purpose.									
Libraries, public meeting venues, and administration buildings will be retained and well maintained..	Our infrastructure assets and services are resilient and fit for purpose.	All Council-owned assets consistently meet required compliance standards.	Percentage of council managed community halls and public toilets that are in satisfactory condition (grades 1, 2 or 3).*	95%	95%	95%	95%	95%	95%
What does this tell me? Regular inspections will ensure we are complying with legislation and that our Council buildings are fit for purpose.									
Libraries, public meeting venues, and administration buildings will be retained and well maintained.	Our local communities are thriving and enabled to pursue their aspirations.	Council encourages initiatives that promote social connection and self-determination.	Percentage of library users who are satisfied or highly satisfied with Council's public library building.	85%	85%	85%	85%	85%	85%
What does this tell me? The percentage of users who are satisfied with our public library service gives us an indication of the quality of service we are providing.									
Libraries, public meeting venues, and administration buildings will be retained and well maintained.	Our local communities are thriving and enabled to pursue their aspirations.	Council encourages initiatives that promote social connection and self-determination.	Visitor Information Centre and Service Centre users are satisfied or highly satisfied with buildings.	85%	85%	85%	85%	85%	85%
What does this tell me? The percentage of users who are satisfied with our Visitor Information Centres and Service Centres gives us an indication of the quality of service we are providing.									

* International Infrastructure Management Manual condition grades 1 – Very Good, 2 – Good, 3 – Moderate, 4 – Poor, 5 – Very Poor.

STATEMENTS OF SERVICE PROVISION - COMMUNITY FACILITIES

STATEMENT OF SERVICE PROVISION: COMMUNITY FACILITIES									
Levels of Service and how we will measure our performance: Aerodrome									
Level of Service	Community Outcome	Goal	How we will measure our performance	Targets	2024/25 Target	2025/26 Target	2026/27 Target	2027/28 Target	2028-34 Target
Council will provide an airfield that is safe for authorised aircraft.	Our infrastructure assets and services are resilient and fit for purpose.	All Council owned assets consistently meet required compliance standards.	Percentage of compliance of the Taumarunui Aerodrome with Civil Aviation Authority (CAA) safety requirements.	100%	100%	100%	100%	100%	100%
What does this tell me? This measure shows that Council has an airfield available that is safe for authorised aircraft.									

STATEMENTS OF SERVICE PROVISION - COMMUNITY FACILITIES

STATEMENT OF SERVICE PROVISION: COMMUNITY FACILITIES									
Levels of Service and how we will measure our performance: Cemeteries									
Level of Service	Community Outcome	Goal	How we will measure our performance	Targets	2024/25 Target	2025/26 Target	2026/27 Target	2027/28 Target	2028-34 Target
Council will maintain and provide access to cemeteries.	Our infrastructure assets and services are resilient and fit for purpose.	All Council owned assets consistently meet required compliance standards.	Number of customer complaints on the maintenance of the District's cemeteries.	<10 per annum	<10 per annum	<10 per annum	<10 per annum	<10 per annum	<10 per annum
What does this tell me? The number of complaints gives us an indication of the quality of service we are providing.									
Council will maintain and provide access to cemeteries.	Our infrastructure assets and services are resilient and fit for purpose.	All Council-owned assets are resilient and future-proof.	Percentage of cemetery assets in satisfactory condition (grades 1, 2, or 3).*	>95%	>95%	>95%	>95%	>95%	>95%
What does this tell me? The percentage of cemetery assets in satisfactory condition gives us an indication of the quality of our amenities.									
Council will provide prompt responses to requests for service.	Our local communities are thriving and enabled	Council's public spaces are safe and	Percentage of cemetery interment requests	100%	100%	100%	100%	100%	100%

	to pursue their aspirations.	accessible for all.	responded to within 24 hours.						
<p>What does this tell me? The percentage of internment requests responded to within 24 hours gives us an indication of the quality of service we are providing.</p>									

* International Infrastructure Management Manual condition grades 1 – Very Good, 2 – Good, 3 – Moderate, 4 – Poor, 5 – Very Poor.

STATEMENTS OF SERVICE PROVISION - COMMUNITY FACILITIES

STATEMENT OF SERVICE PROVISION: COMMUNITY FACILITIES									
Levels of Service and how we will measure our performance: Community Halls									
Level of Service	Community Outcome	Goal	How we will measure our performance	Targets	2024/25 Target	2025/26 Target	2026/27 Target	2027/28 Target	2028-34 Target
Council will maintain and provide access to Council managed community halls (Manunui, Miriama, Memorial).*	Our infrastructure assets and services are resilient and fit for purpose.	All Council-owned assets consistently meet required compliance standards.	Council managed community halls have required building compliance and emergency evacuation procedures in place.	100%	100%	100%	100%	100%	100%
What does this tell me? Regular inspections will ensure we are complying with legislation and that our council managed halls are fit for purpose.									
Council will provide Council buildings that are compliant with legislative requirements.	Our infrastructure assets and services are resilient and fit for purpose.	All Council-owned assets consistently meet required compliance standards.	Percentage of council managed community halls that are in satisfactory condition (grades 1, 2 or 3).**	95%	95%	95%	95%	95%	95%
What does this tell me? Regular inspections will ensure we are complying with legislation and that our council managed halls are fit for purpose.									
Council will provide Council buildings that are compliant with legislative requirements.	Our infrastructure assets and services are resilient and fit for purpose.	All Council-owned assets consistently meet required compliance standards.	Full compliance with legislative requirements when undertaking repairs, refurbishing or	100%	100%	100%	100%	100%	100%

			demolition of buildings including asbestos material.						
What does this tell me? Council managed halls comply with legislative requirements are fit for purpose.									
Council will provide Council buildings that are compliant with legislative requirements.	Our infrastructure assets and services are resilient and fit for purpose.	All Council-owned assets consistently meet required compliance standards.	Safety detects are attended and made safe at building within 4 hours.	95%	95%	95%	95%	95%	95%
What does this tell me? Council managed halls comply with legislative requirements are fit for purpose.									
Council will provide Council buildings that are compliant with legislative requirements.	Our infrastructure assets and services are resilient and fit for purpose.	All Council-owned assets consistently meet required compliance standards.	Safety detects are rectified (issue fully resolved) within 3 working days.	85%	85%	85%	85%	85%	85%
What does this tell me? Council managed halls comply with legislative requirements are fit for purpose.									
Council will provide prompt responses to requests for service.	Our infrastructure assets and services are resilient and fit for purpose.	All Council-owned assets consistently meet required compliance standards.	Non-urgent service requests in relation to Council managed halls are responded to within 7 days.	85%	85%	85%	85%	85%	85%
What does this tell me? Responding to non-urgent service requests within 7 days shows we are responding to requests in an acceptable timeframe and that we are meeting levels of service (maintaining and providing our community with access to Council managed halls).									

*The Manunui Hall, Miriama Hall and Memorial Hall are the only Council managed halls in the Ruapehu District.

** International Infrastructure Management Manual condition grades 1 – Very Good, 2 – Good, 3 – Moderate, 4 – Poor, 5 – Very Poor.

STATEMENTS OF SERVICE PROVISION - COMMUNITY FACILITIES

STATEMENT OF SERVICE PROVISION: COMMUNITY FACILITIES									
Levels of Service and how we will measure our performance: Council-Owned Swimming Pools									
Level of Service	Community Outcome	Goal	How we will measure our performance	Targets	2024/25 Target	2025/26 Target	2026/27 Target	2027/28 Target	2028-34 Target
Council will maintain and provide access to amenities.	Our infrastructure assets and services are resilient and fit for purpose.	All Council owned assets consistently meet required compliance standards.	Achieve NZ Water Pool standards for all Council-Owned pools.	100%	100%	100%	100%	100%	100%
What does this tell me? This measure shows that Council will maintain and provide access to Council-Owned swimming pools that will meet the NZ Water Pool standards.									

STATEMENTS OF SERVICE PROVISION - COMMUNITY FACILITIES

STATEMENT OF SERVICE PROVISION: COMMUNITY FACILITIES									
Levels of Service and how we will measure our performance: Parks and Reserves									
Level of Service	Community Outcome	Goal	How we will measure our performance	Targets	2024/25 Target	2025/26 Target	2026/27 Target	2027/28 Target	2028-34 Target
Council will maintain and provide access to public greenspace and amenities.	Our infrastructure assets and services are resilient and fit for purpose.	All Council owned assets consistently meet required compliance standards.	Number of customer complaints on the maintenance of the actively used domains and reserves.	<10 per annum	<10 per annum	<10 per annum	<10 per annum	<10 per annum	<10 per annum
<p>What does this tell me? The number of complaints gives us an indication of the quality of service we are providing.</p>									
Amenities and facilities are provided that meet the needs and safety of the community.	Our local communities are thriving and enabled to pursue their aspirations.	Council's public spaces are safe and accessible for all.	Percentage of users who feel safe when using actively used domains and reserves.	85%	85%	85%	85%	85%	85%
<p>What does this tell me? The percentage of users who feel safe when using actively used domains and reserves gives us an indication of the quality of service we are providing.</p>									
Amenities and facilities are provided that meet	Our infrastructure assets and	All Council owned assets consistently	Percentage of parks assets in satisfactory	>95%	>95%	>95%	>95%	>95%	>95%

the needs and safety of the community.	services are resilient and fit for purpose.	meet required compliance standards.	condition (grades 1, 2, or 3).*						
<p>What does this tell me? This measure shows that Council regularly inspects our amenities and facilities to ensure they are fit for purpose.</p>									

* International Infrastructure Management Manual condition grades 1 – Very Good, 2 – Good, 3 – Moderate, 4 – Poor, 5 – Very Poor.

STATEMENTS OF SERVICE PROVISION - COMMUNITY FACILITIES

STATEMENT OF SERVICE PROVISION: COMMUNITY FACILITIES									
Levels of Service and how we will measure our performance: Playgrounds									
Level of Service	Community Outcome	Goal	How we will measure our performance	Targets	2024/25 Target	2025/26 Target	2026/27 Target	2027/28 Target	2028-34 Target
Council will maintain and provide access to playgrounds.	Our infrastructure assets and services are resilient and fit for purpose.	All Council owned assets consistently meet required compliance standards.	Percentage of playgrounds assets complying with relevant National Playground Standards (annual audit).	100%	100%	100%	100%	100%	100%
<p>What does this tell me? It is important to Council that our playgrounds are safe for everyone to use.</p>									

STATEMENTS OF SERVICE PROVISION - COMMUNITY FACILITIES

STATEMENT OF SERVICE PROVISION: COMMUNITY FACILITIES									
Levels of Service and how we will measure our performance: Public Toilets									
Level of Service	Community Outcome	Goal	How we will measure our performance	Targets	2024/25 Target	2025/26 Target	2026/27 Target	2027/28 Target	2028-34 Target
Council will provide public toilets that are well maintained.	Our infrastructure assets and services are resilient and fit for purpose.	All Council owned assets consistently meet required compliance standards.	Percentage of public toilets inspected and cleaned daily in all areas.	>85%	>85%	>85%	>85%	>85%	>85%
What does this tell me? The percentage of satisfied people gives us an indication of the quality of our maintenance and cleaning regimes									
Council will provide public toilets that are well maintained.	Our infrastructure assets and services are resilient and fit for purpose.	All Council owned assets consistently meet required compliance standards.	Number of customer complaints in relation to public toilets received.	<20 per annum	<20 per annum	<20 per annum	<20 per annum	<20 per annum	<20 per annum
What does this tell me? The percentage of satisfied people gives us an indication of the quality of our maintenance and cleaning regimes.									
Council will provide public toilets that are safe to use and in	Our infrastructure assets and services are	All Council owned assets consistently meet required	Any new public toilets provide safe	>95%	>95%	>95%	>95%	>95%	>95%

acceptable locations.	resilient and fit for purpose.	compliance standards.	environments for users.						
What does this tell me? Council care about the safety of the public when using our public toilet facilities.									
Council will provide prompt responses to requests for service.	Our infrastructure assets and services are resilient and fit for purpose.	All Council owned assets consistently meet required compliance standards.	Percentage of public toilet related emergency requests for service responded to within 24 hours. (Note 1)	>90%	>90%	>90%	>90%	>90%	>90%
What does this tell me? Responding to emergency requests for service within 24 hours shows we are responding to requests in a prompt timeframe.									
Council will provide prompt responses to requests for service.	Our infrastructure assets and services are resilient and fit for purpose	All Council owned assets consistently meet required compliance standards	Percentage of public toilet related urgent requests for service responded to within 48 hours. (Note 1)	>85%	>85%	>85%	>85%	>85%	>85%
What does this tell me? Responding to urgent requests for service within 48 hours shows we are responding to requests in an acceptable timeframe.									

Note 1: Future targets decreased to reflect ability of contractors to respond and requirements of contract obligations.

FUNDING IMPACT STATEMENT COMMUNITY FACILITIES

	2024 AP Budget (000's)	2025 LTP Budget (000's)	2026 LTP Budget (000's)	2027 LTP Budget (000's)	2028 LTP Budget (000's)	2029 LTP Budget (000's)	2030 LTP Budget (000's)	2031 LTP Budget (000's)	2032 LTP Budget (000's)	2033 LTP Budget (000's)	2034 LTP Budget (000's)
Surplus / (deficit) of operating funding											
Sources of operating funding											
General rates, uniform annual general charges, rates penalties	4,224	4,586	4,964	5,106	5,260	5,377	5,967	6,059	6,135	6,281	6,151
Targeted rates	-	-	-	-	-	-	-	-	-	-	-
Subsidies and grants for operating purposes	5	3	3	3	3	3	3	3	3	3	3
Fees and charges and other revenue	684	252	257	263	268	274	280	286	292	297	303
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-	-	-	-	-	-	-	-	-
Total operating funding (A)	4,913	4,841	5,224	5,372	5,531	5,654	6,250	6,348	6,430	6,581	6,457
Applications of operating funding											
Payments to staff and suppliers	3,710	2,873	3,210	3,279	3,414	3,437	3,800	3,885	3,967	4,064	3,837
Finance costs	186	177	140	109	107	141	182	186	139	87	160
Internal charges and overheads applied	440	1,142	1,207	1,293	1,298	1,335	1,415	1,383	1,414	1,498	1,474
Total applications of operating funding (B)	4,336	4,192	4,557	4,681	4,819	4,913	5,397	5,454	5,520	5,649	5,471
Surplus (deficit) of operating funding (A - B)	577	649	667	691	712	741	853	894	910	932	986
Surplus (deficit) of capital funding											
Sources of capital funding											
Subsidies and grants for capital expenditure	1,778	284	64	403	978	561	572	-	-	-	4,956
Development and financial contributions	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in debt	(507)	(594)	(531)	(578)	477	587	857	(678)	(672)	(689)	2,291

Total sources of capital funding (C)	1,271	(310)	(467)	(175)	1,455	1,148	1,429	(678)	(672)	(689)	7,247
Application of capital funding											
Capital Expenditure											
- to meet additional demand	257	-	-	-	-	-	-	-	-	-	-
- to improve the level of service	1,520	308	168	484	2,002	1,721	1,641	-	60	61	8,047
- to replace existing assets	71	31	32	32	165	168	641	216	178	182	186
Increase (decrease) in reserves	-	-	-	-	-	-	-	-	-	-	-
Total applications of capital funding (D)	1,848	339	200	516	2,167	1,889	2,282	216	238	243	8,233
Surplus (deficit) of capital funding (C - D)	(577)	(649)	(667)	(691)	(712)	(741)	(853)	(894)	(910)	(932)	(986)
Funding Impact Statement											
	-	-	-	-	-	-	-	-	-	-	-

COMMUNITY SUPPORT

THE PURPOSE OF LOCAL GOVERNMENT IS TO PROVIDE GOOD QUALITY LOCAL INFRASTRUCTURE, PUBLIC SERVICES AND REGULATORY FUNCTIONS AT THE LEAST POSSIBLE COST TO HOUSEHOLDS AND BUSINESS. IN RELATION TO COMMUNITY SUPPORT FUNCTIONS, THE KEY WORDS ARE 'LOCAL' (TO DIFFERENTIATE FROM SERVICES BETTER PROVIDED BY CENTRAL GOVERNMENT) AND 'PUBLIC' WHICH MEANS THAT COUNCILS SHOULD NOT TRY TO REPLACE SERVICES PROVIDED BY THE PRIVATE SECTOR.

WHAT THE COMMUNITY SUPPORT ACTIVITY INVOLVES

The Community Support Group of Activities is made up of a number of activities which aim to provide for the Community's social and economic wellbeing.

- Community Services
- Emergency Management
- I-Sites
- Library Services
- Regional Tourism Organisation
- Social Housing

RATIONALE FOR SERVICE DELIVERY (WHY WE DO IT)

The rationale for the Community Support activity reflects a commitment to building strong, resilient, and inclusive communities where all residents can thrive and contribute to the common good.

COMMUNITY WELLBEING OUTCOMES THAT THIS GROUP OF ACTIVITIES SUPPORTS



Resilient Assets



Thriving Communities



Prosperous Businesses



Healthy Environment

ASSETS RELATING TO COMMUNITY SUPPORT

The assets related to this Group of Activities are mostly buildings and therefore primarily fall under the Community Property and Recreation Facilities activity. For example, while the provision of *library services* falls under community services, the *library buildings* (and the Council administration buildings within which the libraries are located) are managed by the Community Property and Recreation Facilities team. Likewise with the i-Sites. Council's Social Housing portfolio however is managed by the Community Support team.

CAPITAL PROJECTS INCLUDED IN OUR BUDGET THAT WILL ENABLE COUNCIL TO ACHIEVE THESE OUTCOMES

Capital Projects	Total (\$000)	Growth	Renewal	LOS	Year
Waimarino Flats upgrade	401			100%	1
Social Housing Shower upgrades - Taumarunui	349			100%	1-5

Capital Projects	Total (\$000)	Growth	Renewal	LOS	Year
Taumarunui Facilities Feasibility Study	1,239		100%		10
Manunui Hall - Roof	90		100%		5
District Wide Library Books	816		100%		1-10

COMMUNITY SERVICES

The Community Services activity aims to enhance community wellbeing within the Ruapehu District. Council's long term focus is to assist communities in the development and management of their own futures.

EMERGENCY MANAGEMENT

Council is an active member of the Manawatu-Wanganui Civil Defence Emergency Management (CDEM) Group, as required by the CDEM Act 2002. This group maintains a Plan that considers all phases of emergency – the 4 Rs: reduction, readiness, response, and recovery. A business plan is also managed by the group, with each of the member councils contributing to achieving the goals of the group. The group's approach is "centralised co-ordination and local delivery" and works closely with emergency services and welfare agencies.

Council staff and volunteers are trained at various levels of competency in readiness for any civil defence emergency within the district. The aim is to improve consistency in approach and to provide additional resources to enhance the level of readiness and response capability throughout the district and the region.

The increasing impact of climate change has a direct impact on the emergency management activity of Council. There have been numerous weather events which have required emergency management support. Some recent examples include:

- Storm response to Auckland weather event
- ITM established before and during Cyclone Gabrielle
- Water outages in Taumarunui
- Flooding in Totara Street, Matapuna in Taumarunui

Council will continue to resource this function to cope with future events and achieve compliance with the Civil Defence Act 2002.

I-SITES

The i-Site activity manages the provision of visitor information services in the District. There are two i-Sites in the District; Taumarunui and Ohakune. I-Sites provide; domestic travel and accommodation bookings; Ruapehu attractions, activities and accommodation bookings; local regional and national visitor information, travel maps and resources; working partnerships with local tourism providers & operators to promote local experiences.

LIBRARY SERVICES

This activity aims to provide locations where people can visit, spend time, and positively engage in activities and opportunities, whether that be through social interaction, personal development or recreation and leisure.

Ruapehu's Community Libraries are situated in Taumarunui, Ohakune and Raetihi. The *library buildings* are managed by the Community Facilities Activity, but the *library services* (books, computers, children's holiday programmes, etc.) fall within the Community Support activity. Council also supports the community libraries in Ohura and Waiouru with grants each year.

REGIONAL TOURISM OPERATOR (VISIT RUAPEHU LIMITED)

The Regional Tourism Operator (RTO) for Ruapehu is Visit Ruapehu.

The Regional Tourism Operator Activity aims to provide a framework for Council to sustainably grow tourism capabilities for the District and ensure our district is put on the map as a destination.

Visit Ruapehu supports the tourism infrastructure of the District and works with local, regional and national partners. Council considers Visit Ruapehu to be an essential part of its economic and community development strategy, particularly the promotion of Ruapehu as a visitor destination, both for the domestic and international markets, in partnership with operators/providers.

SOCIAL HOUSING

Council owns a total of 92 individual social housing units and one house which are constructed on seven separate sites across the District: Raetihi – 20 units, Ohakune – 8 units, Taumarunui – 57 units (on four sites).

Six brand new housing units have been constructed at Moore Street, Ohakune and are now occupied. Work continues to improve the living standards of all Council Housing units.

NEGATIVE ACTIVITY IMPACTS ON COMMUNITY WELLBEING

COMMUNITY SERVICES AND LIBRARY SERVICES

There are no known significant negative effects surrounding these activities.

EMERGENCY MANAGEMENT

Psychological well-being has emerged as a critical concern that requires Council attention and focus, both within the community and within our Council. The pandemic highlighted significant pressures faced by individuals, which are not typically observed in ordinary circumstances. Additionally, events like cyclone Gabrielle have further emphasised the importance of addressing psychological wellbeing.

Council has an obligation to provide staff to be trained to perform duties under the Emergency Management function and to plan and review processes which will take core staff members away from their core duties.

I-SITES

While this activity supports tourism, which is good for the local economy, it also places extra pressure on the local infrastructure (roads, waste management, water and wastewater). Our growth-driven infrastructure demands could be a rate burden on our communities as we work to fund renewal and improvements to meet increasing standards such as those in the waters.

By way of mitigation, Council actively pursues funding support from central government so that the cost of infrastructure upgrades is not borne entirely by the ratepayer.

REGIONAL TOURISM ORGANISATION

There are no known significant negative effects surrounding Council's Regional Tourism Organisation Activity.

KEY RISKS AND ASSUMPTIONS ASSOCIATED WITH THIS ACTIVITY

COMMUNITY SERVICES

A key assumption in relation to this activity is that the role of local government will continue to include community wellbeing as a core service and outcome.

EMERGENCY MANAGEMENT

A key risk for this activity is ensuring there is sufficient staff that are trained to respond to emergency events. Natural disasters including floods, earthquakes, erosion, and drought will all impact emergency responders and the community. Emergency events occurring within the community and throughout New Zealand place added pressure on this activity and emergency services overall. The repercussions on local businesses and community well-being further complicate the District's recovery process.



STATEMENTS OF SERVICE PROVISION – COMMUNITY SUPPORT

STATEMENT OF SERVICE PROVISION: COMMUNITY SUPPORT									
Levels of Service and how we will measure our performance: Community Services									
Level of Service	Community Outcome	Goal	How we will measure our performance	Targets	2024/25 Target	2025/26 Target	2026/27 Target	2027/28 Target	2028-34 Target
Create community plans across the district to help inform Council planning and prioritise the needs of the community.	Our local communities are thriving and enabled to pursue their aspirations.	Each community in the district is supported to develop and implement a local community plan.	Successful endorsement from Community Boards of Community Plans.	A Community Plan adopted for each of the following communities: Kakahi National Park Ohakune Ōhura Ōwhango Raetihi Taumarunui Waiouru Pipiriki Ongarue	3	5	8	9	10
What does this tell me? Council's communities contribute toward decision making and direction setting of Council.									
Council's public spaces are safe, healthy and accessible.	Our local communities are thriving and enabled to pursue their aspirations.	Council's public spaces are safe and accessible for all.	Two successfully submitted applications for funding to increase accessibility to facilities and provide safe and healthy	2 funding applications submitted per annum to increase accessibility to facilities and provide safe and healthy	2 per annum	2 per annum	2 per annum	2 per annum	2 per annum

			Council public spaces.	Council public spaces.					
What does this tell me? Council takes its responsibility to keep its public spaces, facilities, and communities safe and accessible seriously.									
Council advocates on behalf of our community regarding social wellbeing issues that affect our district.	Our local communities are thriving and enabled to pursue their aspirations.	Council's strategic partnerships contribute to the wellbeing of our district.	Council staff will attend or facilitate meetings with key stakeholders regarding social issues.	2 per quarter	2 per quarter	4 per quarter	4 per quarter	6 per quarter	6 per quarter
What does this tell me? Council will collaborate and advocate with key stakeholders to address social issues within its communities.									

STATEMENTS OF SERVICE PROVISION – COMMUNITY SUPPORT

STATEMENT OF SERVICE PROVISION: COMMUNITY SUPPORT									
Levels of Service and how we will measure our performance: Emergency Management									
Level of Service	Community Outcome	Goal	How we will measure our performance	Targets	2024/25 Target	2025/26 Target	2026/27 Target	2027/28 Target	2028-34 Target
Council will provide Civil Defence and Emergency Management for the District.	Our local communities are thriving and enabled to pursue their aspirations.	Council encourages initiatives that promote social connection and self-determination.	Percentage of staff who are adequately trained in an approved emergency response training programme.	70% of staff	70% of staff	70% of staff	70% of staff	70% of staff	70% of staff
What does this tell me? Council will take the lead in a civil defence or emergency event and will have the capacity and capability to do so.									
Council will provide Civil Defence and Emergency Management for the District.	Our local communities are thriving and enabled to pursue their aspirations.	Council encourages initiatives that promote social connection and self-determination.	Undertake 5 or more presentations or events within the community to raise awareness of Civil Defence.	>5	>5	>5	>5	>5	>5
What does this tell me? Council is working with the Community to build greater resilience to emergencies and disaster events, and to help our District recover faster.									
Council will provide Civil Defence and Emergency Management for the District.	Our local communities are thriving and enabled to pursue their aspirations.	Council encourages initiatives that promote social connection and self-determination.	Have 4 trained volunteer community civil defence teams in the District.	4	4	4	4	4	4

What does this tell me? Council is working with the Community to build greater resilience to emergencies and disaster events, and to help our District recover faster.

Council will provide Civil Defence and Emergency Management for the District.	Our local communities are thriving and enabled to pursue their aspirations.	Council encourages initiatives that promote social connection and self-determination.	Respond to hazardous substance emergencies within two hours from notification.	100%	100%	100%	100%	100%	100%
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What does this tell me? Council will ensure it has the capacity to respond to hazardous substance emergencies promptly.

STATEMENTS OF SERVICE PROVISION – COMMUNITY SUPPORT

STATEMENT OF SERVICE PROVISION: COMMUNITY SUPPORT									
Levels of Service and how we will measure our performance: i-Sites									
Level of Service	Community Outcome	Goal	How we will measure our performance	Targets	2024/25 Target	2025/26 Target	2026/27 Target	2027/28 Target	2028-34 Target
iSites supports visitors and residents by providing information around caring for our land and people. Kaitiakitanga, Manaakitanga and Whanaungatanga are core values of the iSite network.	Our businesses are prosperous and connected to their communities.	Council encourages initiatives that promote social connection and self-determination.	Customer Satisfaction with i-Site service.	>/+85%	>/+85%	>/+85%	>/+85%	>/+85%	>/+85%
What does this tell me? Through transparent third-party customer service measurement, the community can be assured that we are treating our visitors with respect									
Council supports the promotion of local operators and service providers to sell their business and the promotion of local events and public amenities.	Our businesses are prosperous and connected to their communities.	Council encourages initiatives that promote social connection and self-determination.	The % of bookings made for business within the region supports the economic development of business and the region.	>/65%	>/65%	>/65%	>/65%	>/65%	>/65%
What does this tell me? Through the percentage of local bookings made, shows that the i-Site supports local business through their connections with them, visitors and the local community.									

STATEMENTS OF SERVICE PROVISION – COMMUNITY SUPPORT

STATEMENT OF SERVICE PROVISION: COMMUNITY SUPPORT									
Levels of Service and how we will measure our performance: Library Services									
Level of Service	Community Outcome	Goal	How we will measure our performance	Targets	2024/25 Target	2025/26 Target	2026/27 Target	2027/28 Target	2028-34 Target
Provide a library service that meets the needs of the community.	Our local communities are thriving and enabled to pursue their aspirations.	Council encourages initiatives that promote social connection and self-determination.	Percentage of users who are satisfied with the service provided.	85%	85%	85%	85%	85%	85%
What does this tell me? The percentage of satisfied users gives us an indication of the quality and availability of library services.									
Provide a library service that meets the needs of the community.	Our local communities are thriving and enabled to pursue their aspirations.	Council encourages initiatives that promote social connection and self-determination.	Number of active library members.	+1% on prior year's membership	+1% on prior year's membership	+1% on prior year's membership	+1% on prior year's membership	+1% on prior year's membership	+1% on prior year's membership
What does this tell me? The number of active library members indicates borrower satisfaction with borrowed library resources.									
Provide a library service that meets the needs of the community.	Our local communities are thriving and enabled to pursue their aspirations.	Council encourages initiatives that promote social connection and self-determination.	Number of attendees at programme sessions.	+1% on prior year's attendances.	+1% on prior year's membership	+1% on prior year's membership	+1% on prior year's membership	+1% on prior year's membership	+1% on prior year's membership
What does this tell me? The number of attendees at library programmes gives us an indication of public engagement and satisfaction in these library services.									

STATEMENTS OF SERVICE PROVISION – COMMUNITY SUPPORT

STATEMENT OF SERVICE PROVISION: COMMUNITY SUPPORT									
Levels of Service and how we will measure our performance: Regional Tourism Organisation / Visit Ruapehu									
Level of Service	Community Outcome	Goal	How we will measure our performance	Targets	2024/25 Target	2025/26 Target	2026/27 Target	2027/28 Target	2028-34 Target
Visit Ruapehu Regional Tourism Organisation (RTO) will proactively promote the destination to domestic and international markets.	Our local communities are thriving and enabled to pursue their aspirations.	Council's strategic partnerships contribute to the wellbeing of our district.	Visitor Spend in Ruapehu increases year on year.	Increase Visitor Spend by 3% per annum	Increase Visitor Spend by 3% per annum	Increase Visitor Spend by 3% per annum	Increase Visitor Spend by 3% per annum	Increase Visitor Spend by 3% per annum	Increase Visitor Spend by 3% per annum
<p>What does this tell me? Council's RTO is increasing the value of Tourism to the community by attracting external revenue to the region in a fair value of exchange.</p>									

STATEMENTS OF SERVICE PROVISION – COMMUNITY SUPPORT

STATEMENT OF SERVICE PROVISION: COMMUNITY FACILITIES									
Levels of Service and how we will measure our performance: Social Housing									
Level of Service	Community Outcome	Goal	How we will measure our performance	Targets	2024/25 Target	2025/26 Target	2026/27 Target	2027/28 Target	2028-34 Target
To provide social housing units that are fit for purpose.	Our infrastructure assets and services are resilient and fit for purpose	All Council-owned assets consistently meet required compliance standards.	All Social Housing units are inspected annually.	100%	100%	100%	100%	100%	100%
What does this tell me? Annual inspections will ensure we are complying with legislation and that our social housing assets are fit for purpose.									
Housing units are maintained to a satisfactory standard and provide a safe environment for tenants.	Our infrastructure assets and services are resilient and fit for purpose.	All Council-owned assets consistently meet required compliance standards.	Percentage of residents who feel safe in their homes.	95%	95%	95%	95%	95%	95%
What does this tell me? Through our social housing survey, we will check with our tenants that our social housing assets are maintained to a satisfactory standard and provide a safe environment for tenants.									
To provide social housing units that are fit for purpose.	Our infrastructure assets and services are resilient and fit for purpose.	All Council-owned assets consistently meet required compliance standards.	Percentage of residents are satisfied or very satisfied with level of service.	90%	90%	90%	90%	90%	90%
What does this tell me? Through our social housing survey, we will check with our tenants that our social housing assets are fit for purpose.									

Housing units are maintained to a satisfactory standard and provide a safe environment for tenants.	Our infrastructure assets and services are resilient and fit for purpose.	All Council-owned assets consistently meet required compliance standards.	Percentage of social housing units in satisfactory condition (grades 1,2 or3).*	95%	95%	95%	95%	95%	95%
What does this tell me? Tenancy inspections will ensure we are regularly checking the condition of the social housing assets and ensuring they are fit for purpose									
Council will provide prompt responses to requests for service.	Our infrastructure assets and services are resilient and fit for purpose.	All Council-owned assets consistently meet required compliance standards.	Non-urgent service requests in relation to social housing units are responded to within 7 days.	85%	85%	85%	85%	85%	85%
What does this tell me? Responding to non-urgent service requests within 7 days shows we are responding to requests in an acceptable timeframe and that we are meeting levels of service (providing social housing units that are fit for purpose).									

FUNDING IMPACT STATEMENT - COMMUNITY SUPPORT

	2024 AP Budget (000's)	2025 LTP Budget (000's)	2026 LTP Budget (000's)	2027 LTP Budget (000's)	2028 LTP Budget (000's)	2029 LTP Budget (000's)	2030 LTP Budget (000's)	2031 LTP Budget (000's)	2032 LTP Budget (000's)	2033 LTP Budget (000's)	2034 LTP Budget (000's)
Surplus / (deficit) of operating funding											
Sources of operating funding											
General rates, uniform annual general charges, rates penalties	3,215	3,912	4,137	4,437	5,064	5,015	5,010	5,080	5,228	5,509	5,634
Targeted rates	615	697	714	733	748	765	783	797	813	832	845
Subsidies and grants for operating purposes	-	-	-	-	-	-	-	-	-	-	-
Fees and charges and other revenue	125	661	675	690	706	721	736	751	766	781	796
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-	-	-	-	-	-	-	-	-
Total operating funding (A)	3,955	5,270	5,526	5,860	6,518	6,501	6,529	6,628	6,807	7,122	7,275
Applications of operating funding											
Payments to staff and suppliers	2,749	2,861	2,962	3,064	3,669	3,540	3,408	3,502	3,595	3,688	3,779
Finance costs	18	18	20	22	25	29	32	37	42	47	52
Internal charges and overheads applied	1,174	2,366	2,514	2,705	2,725	2,806	2,984	2,915	2,983	3,168	3,120
Total applications of operating funding (B)	3,941	5,245	5,496	5,791	6,419	6,375	6,424	6,454	6,620	6,903	6,951
Surplus (deficit) of operating funding (A - B)	14	25	30	69	99	126	105	174	187	219	324
Surplus (deficit) of capital funding											
Sources of capital funding											
Subsidies and grants for capital expenditure	-	401	-	-	-	-	-	-	-	-	-

Development and financial contributions	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in debt	255	116	113	78	51	118	(22)	(90)	(102)	(132)	1,005
Total sources of capital funding (C)	255	517	113	78	51	118	(22)	(90)	(102)	(132)	1,005
Application of capital funding											
Capital Expenditure											
- to meet additional demand	-	-	-	-	-	-	-	-	-	-	-
- to improve the level of service	192	468	67	70	71	73	-	-	-	-	-
- to replace existing assets	77	74	76	77	79	171	83	84	85	87	1,329
Increase (decrease) in reserves	-	-	-	-	-	-	-	-	-	-	-
Total applications of capital funding (D)	269	542	143	147	150	244	83	84	85	87	1,329
Surplus (deficit) of capital funding (C - D)	(14)	(25)	(30)	(69)	(99)	(126)	(105)	(174)	(187)	(219)	(324)
Funding Impact Statement	-	-	-	-	-	-	-	-	-	-	-

LEADERSHIP

THIS ACTIVITY AIMS TO PROVIDE FOR HOW COUNCIL MEETS ITS RESPONSIBILITY TO REPRESENT AND PROVIDE LEADERSHIP FOR THE COMMUNITY INCLUDING HOW COUNCIL WILL INVOLVE THE COMMUNITY IN ITS STRATEGIC PLANNING AND DECISION MAKING.

WHAT THE LEADERSHIP ACTIVITY INVOLVES

The Leadership activity is made up of a number of activities which aim to provide Leadership to the Ruapehu District. The Activity is divided into two key areas:

GOVERNANCE

- Council and Community Boards

STRATEGIC DEVELOPMENT

- Economic Development and Business Development
- Strategic Planning and Policy Development
- Iwi Development
- Youth Development

RATIONALE FOR SERVICE DELIVERY (WHY WE DO IT)

The following principles from the Local Government Act 2002 guide both the governance and the strategic development functions of Council. Council must:

- Exercise activities for the benefit of the District.
- Conduct its business in an open and transparent manner, giving effect to desired outcomes.
- Seek and consider the views of its communities and their wellbeing in decision-making.
- Provide opportunities for Māori to contribute in decision-making.
- Collaborate with other organisations to meet desired outcomes.
- Ensure prudent financial and asset stewardship in accordance with sound business practice, including periodically assessing the expected returns from any commercial activity and assessing risk.
- Provide for the present and future needs of the District by considering social, economic, cultural interests of the community and the need to maintain the environment for present and future generations.

COMMUNITY WELLBEING OUTCOMES THAT THIS GROUP OF ACTIVITIES SUPPORTS



Resilient Assets



Thriving Communities



Prosperous Businesses



Healthy Environment

CAPITAL PROJECTS INCLUDED IN OUR BUDGET THAT WILL ENABLE COUNCIL TO ACHIEVE THESE OUTCOMES

Capital Projects	Total (\$000)	Growth	Renewal	LOS	Year
Waiouru Playground	373			100%	2
New Bridleway - Ohakune to Rangataua	843			100%	10

Capital Projects	Total (\$000)	Growth	Renewal	LOS	Year
Go Kart Track access	35			100%	7
Enterprise System replacement	1,593			100%	2-5
Town Revitalisation - Taumarunui Hakiaha St verandas	96		100%		1
Replacement Vehicles	2,267		100%		1-10
IT Hardware	1,133		100%		1-10
IT Software	1,133		100%		1-10
Administration Furniture and Fittings	216		100%		1-10

ACTIVITIES

GOVERNANCE

COUNCIL

Council is made up of nine elected members from across the District and the Mayor. Council resolved to introduce Māori Wards for the 2022 elections, as such six Councillors represent the General Ward, and three Councillors represent the Māori Ward; both Wards comprise the entire Ruapehu District

On election all Elected Members, whether elected from the General or Māori Ward, make a declaration that they will perform their duties faithfully and impartially, and according to their best skill and judgement in the best interests of the entire District.

Council's focus is strategic direction, policy, and an overview of the financial position of Council.

COMMUNITY BOARDS

Community Boards are Ward-based and serve an important function in the district. Their role is to be the advocate for their local community (Ward) to Council, to stay involved and engaged with issues "on the ground" and communicate those concerns to Council.

Five Community Boards members are elected every three years by their Ward constituents as part of local body elections, and Council appoints one Councillor to sit on one of each of the Community Boards

In the Ruapehu District we have three community boards, Ōwhango-National Park Community Board (ONPCB), Taumarunui-Ōhura Community Board (TOCB), and Waimarino-Waiouru Community Board (WWCB).

STRATEGIC DEVELOPMENT

ECONOMIC AND BUSINESS DEVELOPMENT

The purpose of the Economic Development and Business Development Activity is to facilitate economic and business growth in the Ruapehu District.

POLICY DEVELOPMENT

Council develops bylaws, strategies, and policies to provide practical solutions, guidance and consistency in direction setting and decision making with the purpose of achieving balanced wellbeing outcomes for the district.

YOUTH DEVELOPMENT

While Council does not employ a specific Youth Development officer, Youth Development has had a varied series of programmes that Council provided through diverse activities across council.

DEVELOPING RELATIONSHIPS AND ENGAGING WITH MĀORI

The Local Government Act 2002 (LGA) provides for Māori to participate in Council's decision making processes and requires Council to foster the development of Māori capacity to ensure

that this is effective, this also includes its obligations to the principles of the Treaty of Waitangi. Other statutory obligations to Māori are further acknowledged in the Resource Management Act 1991, and a number of Treaty settlements statues, including Te Awa Tupua (Whanganui River Claims Settlement) Act 2017. Council is aware of its obligations under Te Awa Tupua (Whanganui River Claims Settlement) Act 2017 and is working to ensure that we recognise, provide for and have particular regard to the Te Awa Tupua status and Tupua te Kawa when exercising or performing a function, power, or duty that relates to the Whanganui River or an activity within the Whanganui River catchment that affects the Whanganui River.

Council established the Iwi Relationships Team to enhance its capacity in meeting its commitments to Māori and continues to support its legislative obligations hapū and iwi pre and post Treaty settlements.

Council continued to work along Iwi to support their settlement processes and aspirations and acknowledges Ngāti Maru, Ngāti Maniapoto and Te Korowai o Wainuiārua in settling their historic grievances with the Crown. Council acknowledges the establishment of a relationship agreement with Ngāti Rangī and continues to establish relationship agreements with other Iwi. Council staff along with its elected members are committed to strengthening relationships and building capacity for Māori to better contribute to the decision-making processes and enhance development for Māori.

NEGATIVE ACTIVITY IMPACTS ON COMMUNITY WELLBEING

There are no known significant negative effects on the community as a result of the Leadership activity of Council.

KEY RISKS AND ASSUMPTIONS ASSOCIATED WITH THIS ACTIVITY

A key risk is that changes in legislation could result in unanticipated changes in Levels of Service for this Activity. However, it is assumed that Central Government will give local government adequate notice/warning of any potential changes. It is also assumed that where major changes are required there will be an appropriate transition period provided to allow for Council to plan/budget for any required changes.



STATEMENTS OF SERVICE PROVISION – LEADERSHIP

STATEMENT OF SERVICE PROVISION: LEADERSHIP									
Levels of Service and how we will measure our performance: Economic and Business Development									
Level of Service	Community Outcome	Goal	How we will measure our performance	Targets	2024/25 Target	2025/26 Target	2026/27 Target	2027/28 Target	2028-34 Target
Council promotes Business Development in the Ruapehu District.	Our businesses are prosperous and connected to their community.	The Ruapehu business community is growing and diversifying.	Number of business connected with per year.	Business connected with per year - one per quarter	4	4	4	4	4
What does this tell me? Council is committed to collaborate and network with the local business sector.									
Council promotes Economic Development in the Ruapehu District.	Our local communities are thriving and enabled to pursue their aspirations.	The Ruapehu business community is growing and diversifying. Stable employment opportunities across the district are increasing.	Actions from the Economic Development Strategy achieved	Two actions per year	2 Actions	2 Actions	2 Actions	2 Actions	2 Actions
What does this tell me? Council is committed to supporting economic development within the Ruapehu District.									

STATEMENT OF SERVICE PROVISION - LEADERSHIP

STATEMENT OF SERVICE PROVISION: LEADERSHIP									
Levels of Service and how we will measure our performance: Governance									
Level of Service	Community Outcome	Goal	How we will measure our performance	Targets	2024/25 Target	2025/26 Target	2026/27 Target	2027/28 Target	2028-34 Target
Develop a skills and knowledge-based ongoing induction and training programme for Elected Members	Diverse, positive and engaged workforce that values People, Teamwork and Continuous Improvement whilst serving the communities we represent	We deliver meaningful solutions	Number of hours of competency based training completed by Elected Members through the Akona portal and supporting training courses	4 Elected Member Professional Development (EMPD) hours per quarter (new KPI) Councillors	4 EMPD hours per quarter	5 EMPD hours per quarter	5 EMPD hours per quarter	5 EMPD hours per quarter	5 EMPD hours per quarter
<p>What does this tell me? Council is committed to supporting a culture of continuous learning within local government and providing consistent, ongoing professional development of governance skills for Elected Members.</p>									
Develop a skills and knowledge-based ongoing induction and training programme for Elected Members	Diverse, positive and engaged workforce that values People, Teamwork and Continuous Improvement whilst serving the	We deliver meaningful solutions	Number of hours of competency based training completed by Elected Members through the Akona portal and supporting	2 Elected Member Professional Development (EMPD) hours per quarter (new KPI) Community Boards	2 EMPD hours per quarter	2.5 EMPD hours per quarter	2.5 EMPD hours per quarter	2.5 EMPD hours per quarter	2.5 EMPD hours per quarter

	communities we represent		training courses						
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What does this tell me? Council is committed to supporting a culture of continuous learning within local government and providing consistent, ongoing professional development of governance skills for Elected Members.

The views of the unique communities of interest are successfully represented by the three Community Board	Our local communities are thriving and enabled to pursue their aspirations	Each community in the district is supported to develop and implement a local community plan	The percentage of the community board residents who consider that their respective Community Board has responded well to their community's needs, issues and priorities based on the Annual Customer Satisfaction Survey	60% of each Community Board Residents (respondents)	60% of each Community Board Residents (respondents)	60% of each Community Board Residents (respondents)	60% of each Community Board Residents (respondents)	60% of each Community Board Residents (respondents)	60% of each Community Board Residents (respondents)
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What does this tell me? The Community Boards have the trust and confidence of their communities, are considered the natural first place for the community to turn to and are recognised as taking local leadership for their respective ward area.

Council provides open, accessible information and meetings are held and agendas are made available to the public in advance	Our local communities are thriving and enabled to pursue their aspirations	Council encourages initiatives that promote social connection and self-determination	The percentage of Council and committee agendas made available to the public two working days before the meeting	100% per annum	100% per annum	100% per annum	100% per annum	100% per annum	100% per annum
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What does this tell me? Council is ensuring it meets legislative requirements and providing opportunities for the community to interact and access Council and Community Board meetings through social media

Council provides effective management of local body elections, by-elections and any polls in accordance with statutory requirements	Our local communities are thriving and enabled to pursue their aspirations	Council encourages initiatives that promote social connection and self-determination	Elections and polls comply with the provisions of the Local Electoral Act 2001 and are without successful petitions for inquiry into the conduct of elections	Full Compliance	*	Full Compliance	*	*	Full Compliance
			Voting participation rates in the 2025, 2028 and 2031 local government elections	50%	*	50%	*	*	50%

What does this tell me? Council is ensuring it meets legislative requirements and providing opportunities to engage, educate, and encourage members of our community to stand for election to advocate on behalf of the Ruapehu District for current and future generations

* No triennial elections in this year.

STATEMENT OF SERVICE PROVISION - LEADERSHIP

STATEMENT OF SERVICE PROVISION: LEADERSHIP									
Levels of Service and how we will measure our performance: Iwi Development									
Level of Service	Community Outcome	Goal	How we will measure our performance	Targets	2024/25 Target	2025/26 Target	2026/27 Target	2027/28 Target	2028-34 Target
Council meets regularly with iwi/hapū.	Our local communities are thriving and enabled to pursue their aspirations.	Council's strategic partnerships contribute to the wellbeing of our district.	Number of hui Council have with iwi/hapū.	5 per quarter	6 per quarter	7 per quarter	8 per quarter	9 per quarter	10 per quarter
What does this tell me? Council upholds its legal obligations.									
Council staff are knowledgeable in tikanga Māori and the principles of Te Tiriti o Waitangi.	Our local communities are thriving and enabled to pursue their aspirations	Council encourages initiatives that promote social connection and self-determination	Percentage of staff who have undertaken training/workshops.	50% of Council staff	50% of Council staff	75% of Council staff	75% of Council staff	80% of Council staff	80% of Council staff
What does this tell me? Council upholds its obligations to Te Tiriti o Waitangi and its principles.									
Council staff are knowledgeable in tikanga Māori and the principles of Te Tiriti o Waitangi.	Our local communities are thriving and enabled to pursue their aspirations	Council encourages initiatives that promote social connection and self-determination	Number of Business Plans that reflect tikanga Māori and the principles of Te Tiriti o Waitangi.	100%	100%	100%	100%	100%	100%

What does this tell me? Council upholds its obligations to Te Tiriti o Waitangi and its principles.

STATEMENT OF SERVICE PROVISION - LEADERSHIP

STATEMENT OF SERVICE PROVISION: LEADERSHIP									
Levels of Service and how we will measure our performance: Strategic Development - Strategic Planning and Policy Development									
Level of Service	Community Outcome	Goal	How we will measure our performance	Targets	2024/25 Target	2025/26 Target	2026/27 Target	2027/28 Target	2028-34 Target
Council supports residents and ratepayers to have their views heard and considered in Council decision making.	Our local communities are thriving and enabled to pursue their aspirations.	Council encourages initiatives that promote social connection and self-determination.	Council will engage on all significant decisions as outlined in the Significance and Engagement Policy found on Council's website.	100%	100%	100%	100%	100%	100%
What does this tell me? Through community engagement on significant decisions, Council is ensuring it meets its legislative obligations to engage with the Community.									
Council advocates on behalf of our community on issues that affect our district.	Our local communities are thriving and enabled to pursue their aspirations.	Council is an influential local voice at a regional and national level on issues that affect our unique environment.	Council will submit to consultation opportunities on issues that affect our district.	2 per quarter	2 per quarter	2 per quarter	2 per quarter	2 per quarter	2 per quarter
What does this tell me? Council will act as an influential voice advocating on behalf of the Community regarding matters which affect our District.									
Council advocates on behalf of our community on issues that	Our natural and built environment is healthy strong, and safe.	Council strategic objectives contribute to the environmental wellbeing of our district.	Council staff will attend meetings with neighbouring Councils regarding	2 per quarter	2 per quarter	2 per quarter	2 per quarter	2 per quarter	2 per quarter

affect our district.			climate change and sustainability.						
What does this tell me? Council will collaborate with neighbouring Councils regarding climate change and sustainability matters.									
Council provides open, accessible information and processes to the Community.	Our local communities are thriving and enabled to pursue their aspirations.	Council encourages initiatives that promote social connection and self-determination.	Percent of residential and non-residential ratepayers who are satisfied with the way Council involves the public in its decision making.	80%	80%	80%	80%	80%	80%
What does this tell me? The percentage of satisfied people gives us an indication of the quality of public involvement in Council decision making.									

STATEMENT OF SERVICE PROVISION - LEADERSHIP

STATEMENT OF SERVICE PROVISION: LEADERSHIP									
Levels of Service and how we will measure our performance: Youth Development									
Level of Service	Community Outcome	Goal	How we will measure our performance	Targets	2024/25 Target	2025/26 Target	2026/27 Target	2027/28 Target	2028-34 Target
Council provides opportunities for youth development.	Our local communities are thriving and enabled to pursue their aspirations.	Council encourages initiatives that promote social connection and self-determination.	Number of Rangatahi/Youth development meetings facilitated by Council.	8 per year	8 per year	8 per year	8 per year	10 per year	10 per year
What does this tell me? Council provides opportunities for youth development.									
Council supports opportunities for youth activities.	Our communities are thriving and enabled to pursue their aspirations.	Council encourages initiatives that promote social connection and self-determination.	Number of Council supported Rangatahi/Youth events held.	1 per year	1 per year	2 per year	2 per year	4 per year	4 per year
What does this tell me? Council supports opportunities for youth activities.									

FUNDING IMPACT STATEMENT – LEADERSHIP

	2024 AP Budget (000's)	2025 LTP Budget (000's)	2026 LTP Budget (000's)	2027 LTP Budget (000's)	2028 LTP Budget (000's)	2029 LTP Budget (000's)	2030 LTP Budget (000's)	2031 LTP Budget (000's)	2032 LTP Budget (000's)	2033 LTP Budget (000's)	2034 LTP Budget (000's)
Surplus / (deficit) of operating funding											
Sources of operating funding											
General rates, uniform annual general charges, rates penalties	1,532	2,001	2,294	2,324	2,401	2,661	2,600	2,764	2,992	3,011	3,243
Targeted rates	340	334	336	346	348	349	351	352	354	356	355
Subsidies and grants for operating purposes	34	95	95	95	95	95	95	95	95	95	95
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-	-	-	-	-	-	-	-	-
Total operating funding (A)	1,906	2,430	2,725	2,765	2,844	3,105	3,046	3,211	3,441	3,462	3,693
Applications of operating funding											
Payments to staff and suppliers	1,774	1,484	1,617	1,490	1,501	1,685	1,597	1,646	1,848	1,752	1,798
Finance costs	5	3	(1)	(10)	(24)	(43)	(63)	(88)	(120)	(154)	(202)
Internal charges and overheads applied	125	932	991	1,066	1,074	1,106	1,176	1,149	1,176	1,249	1,229
Total applications of operating funding (B)	1,904	2,419	2,607	2,546	2,551	2,748	2,710	2,707	2,904	2,847	2,825
Surplus (deficit) of operating funding (A - B)	2	11	118	219	293	357	336	504	537	615	868
Surplus (deficit) of capital funding											
Sources of capital funding											
Subsidies and grants for capital expenditure	2,916	96	373	-	-	-	-	-	-	-	843
Development and financial contributions	-	-	-	-	-	-	-	-	-	-	-

Increase (decrease) in debt	51	(11)	(118)	(219)	(293)	(357)	(336)	(469)	(537)	(615)	(868)
Total sources of capital funding (C)	2,967	85	255	(219)	(293)	(357)	(336)	(469)	(537)	(615)	(25)
Application of capital funding											
Capital Expenditure											
- to meet additional demand	2,916	-	-	-	-	-	-	-	-	-	-
- to improve the level of service	53	-	373	-	-	-	-	35	-	-	843
- to replace existing assets	-	96	-	-	-	-	-	-	-	-	-
Increase (decrease) in reserves	-	-	-	-	-	-	-	-	-	-	-
Total applications of capital funding (D)	2,969	96	373	-	-	-	-	35	-	-	843
Surplus (deficit) of capital funding (C - D)	(2)	(11)	(118)	(219)	(293)	(357)	(336)	(504)	(537)	(615)	(868)
Funding Impact Statement											
	-	-	-	-	-	-	-	-	-	-	-

REGULATION

THE REGULATION GROUP OF ACTIVITIES PROVIDES ADVICE, CONSENTING SERVICES, ASSESSMENT, EDUCATION, COMPLIANCE AND ENFORCEMENT. THIS GROUP OF ACTIVITIES AIMS TO PROTECT THE HEALTH AND SAFETY OF OUR COMMUNITY AND THE ENVIRONMENT THEY LIVE WITHIN THROUGH THE ADMINISTRATION AND ENFORCEMENT OF LAWS MADE BY CENTRAL GOVERNMENT. THIS INCLUDES THE SUSTAINABLE MANAGEMENT AND USE OF NATURAL RESOURCES UNDER THE RESOURCE MANAGEMENT ACT 1991 AND DISTRICT BYLAWS.

OVERVIEW OF THIS GROUP OF ACTIVITIES

The Regulation Group of Activities includes:

- Alcohol Licensing
- Building Services
- Compliance
- Environmental Health
- Resource Management

Council is required by a number of laws to provide Regulatory services. These laws include, but are not limited to:

- The Local Government Act 2002
- The Resource Management Act 1991
- The Dog Control Act 1996
- The Building Act 2004
- The Health Act 1956
- The Sale and Supply of Alcohol Act 2012
- The Food Act 2014.

As well as enforcing many Central Government laws, Council has to enforce its own Bylaws. A bylaw is a local law, specific to a region, district, or city.

The Regulation Group of Activities provides advice, consenting services, assessment, education, compliance and enforcement. This group of activities aims to protect the health and safety of our community and the environment they live within through the administration and enforcement of laws made by central government. This includes the sustainable management and use of natural resources under the resource management act 1991 and district bylaws.

COMMUNITY WELLBEING OUTCOMES THAT THIS GROUP OF ACTIVITIES SUPPORTS



Resilient Assets



Thriving Communities



Prosperous Businesses



Healthy Environment

ALCOHOL LICENSING

THE ALCOHOL LICENSING ACTIVITY AIMS TO ENSURE THAT THE SALE AND SUPPLY OF ALCOHOL IS CONDUCTED IN A MANNER, WHICH COMPLIES WITH THE SALE AND SUPPLY OF ALCOHOL ACT 2012.

WHAT THE ALCOHOL LICENSING ACTIVITY INVOLVES

The Alcohol Licensing activity involves processing applications for licenses and managers' certificates. Monitoring and inspection of all licensed premises to ensure compliance with both legislation and licence conditions. Providing information and advice to customers on licensing requirements.

RATIONALE FOR SERVICE DELIVERY (WHY WE DO IT)

Council carries out the Alcohol Licensing activity to managing alcohol licensing to address public health concerns in relation to alcohol, enforce regulations effectively, and facilitate collaboration with other agencies to promote public safety and wellbeing.

COMMUNITY WELLBEING OUTCOMES THAT THIS ACTIVITY SUPPORTS



Thriving Communities



Prosperous Businesses



Healthy Environment

CAPITAL PROJECTS INCLUDED IN OUR BUDGET THAT WILL ENABLE COUNCIL TO ACHIEVE THESE OUTCOMES

Nil.

NEGATIVE ACTIVITY IMPACTS ON COMMUNITY WELLBEING

There are no known significant negative effects on the community as a result of the Alcohol Licensing activity of Council.

KEY RISKS AND ASSUMPTIONS ASSOCIATED WITH THIS ACTIVITY

There are no key risks and assumptions associated with the Alcohol Licensing activity of Council.

STATEMENT OF SERVICE PROVISION - REGULATION

STATEMENT OF SERVICE PROVISION: ALCOHOL LICENCING									
Levels of Service and how we will measure our performance: Alcohol Licensing									
Level of Service	Community Outcome	Goal	How we will measure our performance	Targets	2024/25 Target	2025/26 Target	2026/27 Target	2027/28 Target	2028-34 Target
Council will effectively process all proposed applications.	Our Businesses are prosperous and connected to their community.	Council's regulatory activity supports safe, healthy business and community activity.	Percentage of accepted applications received under Sale and Supply of Alcohol Act 2012 processed within 35 working days	75%	75%	75%	75%	75%	75%
<p>The sale of alcohol to the public requires the seller to hold the appropriate licence and have certified managers overseeing its sale. Any Applications that fall under the Sale and Supply of Alcohol Act 2012 will be assessed to ensure they have policies and processes in place to serve/supply alcohol in a safe and responsible manner and minimise the harm associated with excessive consumption. Any application is reported on in a timely manner to ensure applicants are not disadvantaged by delays.</p>									
Council will undertake ongoing monitoring of conditions to ensure compliance.	Our Businesses are prosperous and connected to their community.	Council's regulatory activity supports safe, healthy business and community activity.	Percentage of licensed premises complying with statutory and licence conditions on first inspection	95%	95%	95%	95%	95%	95%

The Sale and Supply of Alcohol Act sets out who can apply for a licence to sell alcohol, between what times and other requirements. This measure ensures premises, such as restaurants and bars, are providing alcohol to the public in a way that complies with legislation and their licence requirements.

BUILDING SERVICES

THE BUILDING SERVICES ACTIVITY AIMS TO ENSURE THAT BUILDINGS ARE CONSTRUCTED AND/OR ALTERED IN A MANNER, WHICH MEANS THEY ARE SAFE TO USE.

WHAT THE BUILDING SERVICES ACTIVITY INVOLVES

The Building Services team inspects all building works and relocated buildings to ensure they meet the Building Act 2004 and Building Code requirements.

- Processing building consent applications by assessing their compliance with the Building Code.
- Undertaking inspections of the consented building work to ensure compliance with the approved building consent.
- Providing advice to the public on building consent applications and the Building Act 2004.
- Maintaining accreditation requirements in accordance with the Building (Accreditation of Building Authorities) Regulations 2006.
- Engagement with the building industry to stay informed about best practice, relevant issues and changes to processes.
- Processing code of compliance certificate applications and subsequent approval where Council is satisfied the building work complies with the Building Code.

RATIONALE FOR SERVICE DELIVERY (WHY WE DO IT)

Council delivers the Building Services activity to ensure community safety, compliance with regulations, efficiency in processing permits and inspections, accountability to residents, and collaboration for sustainable development.

COMMUNITY WELLBEING OUTCOMES THAT THIS ACTIVITY SUPPORTS



Resilient Assets



Thriving Communities



Prosperous Businesses



Healthy Environment

CAPITAL PROJECTS INCLUDED IN OUR BUDGET THAT WILL ENABLE COUNCIL TO ACHIEVE THESE OUTCOMES

Nil.

NEGATIVE ACTIVITY IMPACTS ON COMMUNITY WELLBEING

There are no known significant negative effects on the community as a result of the Building Services activity of Council.

KEY RISKS AND ASSUMPTIONS ASSOCIATED WITH THIS ACTIVITY

There are no key risks and assumptions associated with the Building Services activity of Council.

STATEMENT OF SERVICE PROVISION - REGULATION

STATEMENT OF SERVICE PROVISION: BUILDING SERVICES									
Levels of Service and how we will measure our performance: Building Services									
Level of Service	Community Outcome	Goal	How we will measure our performance	Targets	2024/25 Target	2025/26 Target	2026/27 Target	2027/28 Target	2028-34 Target
Council will effectively process all proposed applications.	Our natural and built environment is healthy, strong, and safe.	Council's regulatory activity supports safe, healthy business and community activity.	Building Consents are processed within 20 working days from receipt of application.	100%	100%	100%	100%	100%	100%
<p>What does this tell me? This measure indicates whether we are meeting our statutory timeframes for processing building consent applications.</p>									
Council will effectively process all proposed applications.	Our natural and built environment is healthy, strong, and safe.	Council's regulatory activity supports safe, healthy business and community activity.	Code of Compliance Certificates are processed within 20 working days from receipt of application.	100%	100%	100%	100%	100%	100%
<p>What does this tell me? This measure indicates whether we are meeting our statutory timeframes for processing code of compliance applications.</p>									

Council will effectively process all proposed applications.	Our natural and built environment is healthy, strong, and safe.	Council's regulatory activity supports safe, healthy business and community activity.	Land Information Memorandum (LIM) applications are processed in 10 working days from valid application. *	100%	100%	100%	100%	100%	100%
<p>What does this tell me? This measure indicates whether we are meeting our statutory timeframes for processing LIM applications.</p>									
Council will undertake ongoing monitoring of conditions to ensure compliance.	Our natural and built environment is healthy, strong, and safe.	Council's regulatory activity supports safe, healthy business and community activity.	Percentage of private swimming pools on register inspected annually for compliance.	>33%	>33%	>33%	>33%	>33%	>33%
<p>What does this tell me? This measure is about ensuring swimming pools are or continue to be safe for use and do not cause harm or problems in the future.</p>									
Council will maintain Building Consent Authority accreditation.	Our natural and built environment is healthy, strong, and safe.	Council's regulatory activity supports safe, healthy business and community activity.	Council will retain accreditation as a Building Consent Authority.	Achieved.	Achieved.	Achieved.	Achieved.	Achieved.	Achieved.
<p>What does this tell me? That Council delivers a cost-effective building control service to residents and ratepayers that meets International Accreditation New Zealand (IANZ) accreditation standards.</p>									

COMPLIANCE

THE COMPLIANCE ACTIVITY AIMS TO FACILITATE COMPLIANCE WITH COUNCIL'S BYLAWS, THE DISTRICT PLAN AND LEGISLATION SUCH AS THE DOG CONTROL ACT 1996 TO ENSURE THE COMMUNITY IS SAFE.

WHAT THE COMPLIANCE ACTIVITY INVOLVES

The Compliance Team ensures compliance with Council's Bylaws, the District Plan and legislation such as the Dog Control Act 1996. The activity is varied and includes:

- Animal Control
- Parking
- Noise Control
- Bylaws

The Compliance Officer's role is to promote a safe and happy community by educating the public about local bylaws and other community-focused legislation. They also have the responsibility to monitor and enforce these laws and bylaws when necessary.

RATIONALE FOR SERVICE DELIVERY (WHY WE DO IT)

Council delivers the Compliance activity to ensure community safety, compliance with regulations, accountability to residents.

COMMUNITY WELLBEING OUTCOMES THAT THIS ACTIVITY SUPPORTS



Resilient Assets



Thriving Communities



Prosperous Businesses



Healthy Environment

CAPITAL PROJECTS INCLUDED IN OUR BUDGET THAT WILL ENABLE COUNCIL TO ACHIEVE THESE OUTCOMES

Capital Projects	Total (\$000)	Growth	Renewal	LOS	Year
Dog Pound Refit	623			100%	1,6

NEGATIVE ACTIVITY IMPACTS ON COMMUNITY WELLBEING

There are no known significant negative effects on the community as a result of the Compliance activity of Council.

KEY RISKS AND ASSUMPTIONS ASSOCIATED WITH THIS ACTIVITY

A key risk is that changes in legislation could result in unanticipated changes in Levels of Service for this Activity. However, it is assumed that Central Government will give local government adequate notice/warning of any potential changes. It is also assumed that where major changes are required there will be an appropriate transition period provided to allow for Council to plan/budget for any required changes.

STATEMENT OF SERVICE PROVISION - REGULATION

STATEMENT OF SERVICE PROVISION: COMPLIANCE									
Levels of Service and how we will measure our performance: Compliance									
Level of Service	Community Outcome	Goal	How we will measure our performance	Targets	2024/25 Target	2025/26 Target	2026/27 Target	2027/28 Target	2028-34 Target
Reported instances of dog attacks will be responded to promptly.	Our Natural and built environment is healthy strong, and safe.	Council's regulatory activity supports safe, healthy business and community activity.	Respond to dog attacks within two hours of receiving the complaint	100%	100%	100%	100%	100%	100%
This measure will tell us how effective our response is to reports of non-compliance with bylaws, such as Council's dog control aspects of the Ruapehu Bylaw. When responding to these reports, our aim is to ensure that our community is safe.									
Registration and classification of all known dogs within the District.	Our Natural and built environment is healthy strong, and safe.	Council's regulatory activity supports safe, healthy business and community activity.	Percentage of dogs registered by 30 June	50%	50%	50%	50%	50%	50%
This measure indicates how much of the known dog population is accounted for on our register. For each dog, the register holds information on the dog itself, their owner, and its microchip number (if it has one), so if it was ever lost or stolen there is the information to help the dog be reunited with its owner. The register also helps us keep track of dogs deemed to be menacing or dangerous.									

ENVIRONMENTAL HEALTH

THE COMPLIANCE ACTIVITY AIMS TO ENSURE THE COMMUNITY IS SAFE.

WHAT THE ENVIRONMENTAL HEALTH ACTIVITY INVOLVES

This activity has a number of functions, including food safety, monitoring environmental issues and investigating complaints. The team ensures that health and safety of the public are protected by ensuring that food premises comply with legal requirements under the Health Act 1956 and the Food Act 2014.

RATIONALE FOR SERVICE DELIVERY (WHY WE DO IT)

Council delivers the Environmental Health activity to ensure public health is protected, compliance with regulations is monitored and enforced, and to provide accountability to the community.

COMMUNITY WELLBEING OUTCOMES THAT THIS ACTIVITY SUPPORTS



Resilient Assets



Thriving Communities



Prosperous Businesses



Healthy Environment

CAPITAL PROJECTS INCLUDED IN OUR BUDGET THAT WILL ENABLE COUNCIL TO ACHIEVE THESE OUTCOMES

Nil.

NEGATIVE ACTIVITY IMPACTS ON COMMUNITY WELLBEING

There are no known significant negative effects on the community as a result of the Environmental Health activity of Council.

KEY RISKS AND ASSUMPTIONS ASSOCIATED WITH THIS ACTIVITY

A key risk is that changes in legislation could result in unanticipated changes in Levels of Service for this Activity. However, it is assumed that Central Government will give local government adequate notice/warning of any potential changes. It is also assumed that where major changes are required there will be an appropriate transition period provided to allow for Council to plan/budget for any required changes.

STATEMENT OF SERVICE PROVISION - REGULATION

STATEMENT OF SERVICE PROVISION: ENVIRONMENTAL HEALTH										
Levels of Service and how we will measure our performance: Environmental Health										
Level of Service	Community Outcome	Goal	How we will measure our performance	Targets	2024/25 Target	2025/26 Target	2026/27 Target	2027/28 Target	2028-34 Target	
Council will undertake ongoing monitoring of conditions to ensure compliance.	Our Businesses are prosperous and connected to their community.	Council's regulatory activity supports safe, healthy business and community activity.	Percentage of Food premises complying with improvements requested by Environmental Health Officer/Verifier after second inspection.	90%	90%	90%	90%	90%	90%	
Food Businesses are required under the Food Act 2014 to have records, systems, and processes in place to ensure the food they are selling is 'Safe and Suitable'. Compliance at time of revisit after verification will ensure deficiencies are addressed promptly.										
Council will undertake ongoing monitoring of conditions to ensure compliance.	Our Natural and built environment is healthy strong, and safe.	Council's regulatory activity supports safe, healthy business and community activity.	Health related food hygiene complaints are responded to within two working days. (Responded to means – Officer on-site).	95%	95%	95%	95%	95%	95%	
Our public safety bylaws are in place to ensure our community are safe. Any non-compliance with bylaws or other legislation that compromises public health in relation to food hygiene should be addressed efficiently, which is what this measure is looking at.										

Ensure noise complaints are responded to effectively, promptly, and efficiently.	Our Natural and built environment is healthy strong, and safe.	Council's regulatory activity supports safe, healthy business and community activity.	Percentage of noise complaints responded to within two-hour response	90%	90%	90%	90%	90%	90%
Noise can interfere with the enjoyment, peace, comfort, and convenience of other members of the community. Everyone is responsible for ensuring noise caused on their property does not create a nuisance for any other person. Council will respond and react accordingly to excessive, unreasonable and nuisance noise with consistency and fairness.									

RESOURCE MANAGEMENT

THE RESOURCE MANAGEMENT ACTIVITY AIMS TO SUPPORT COUNCIL'S RESOURCE CONSENTING ACTIVITY AND THE SUSTAINABLE MANAGEMENT OF THE ENVIRONMENT BY ENSURING COMPLIANCE WITH THE RESOURCE MANAGEMENT ACT 1991, THE OPERATIVE DISTRICT PLAN AND RESOURCE CONSENT CONDITIONS.

WHAT THE RESOURCE MANAGEMENT ACTIVITY INVOLVES

The Resource Management activity coordinates both the issuing of resource consents and monitoring the conditions of these consents, in line with relevant legislation (primarily the Resource Management Act 1991 and the District Plan).

The District Plan is one of Council's key planning documents that sets out the rules and policies that guide development in the District. The Resource Management Act 1991 requires that the District Plan be reviewed every ten years. Because of the size and complexity of a District Plan review, Council will do a 'rolling review' of discrete sections as required to satisfy the prescribed review process.

RATIONALE FOR SERVICE DELIVERY (WHY WE DO IT)

Council delivers the Resource Management activity to ensure compliance with legislation and regulations are monitored and enforced, and to provide accountability to the community.

COMMUNITY WELLBEING OUTCOMES THAT THIS ACTIVITY SUPPORTS



Resilient Assets



Thriving Communities



Prosperous Businesses



Healthy Environment

CAPITAL PROJECTS INCLUDED IN OUR BUDGET THAT WILL ENABLE COUNCIL TO ACHIEVE THESE OUTCOMES

Nil.

NEGATIVE ACTIVITY IMPACTS ON COMMUNITY WELLBEING

There are no known significant negative effects on the community as a result of the Resource Management Activity of Council.

KEY RISKS AND ASSUMPTIONS ASSOCIATED WITH THIS ACTIVITY

A key risk in relation to this Activity is that changes in legislation are likely to result in changes in Levels of Service, in particular Central Government's plans to replace the Resource Management Act. However, it is assumed that Central Government will give local government adequate notice/warning of any potential changes. It is also assumed that where major changes are required there will be an appropriate transition period provided to allow for Council to plan/budget for any required changes.

STATEMENT OF SERVICE PROVISION – REGULATION

STATEMENT OF SERVICE PROVISION: RESOURCE MANAGEMENT									
Levels of Service and how we will measure our performance: Resource Management									
Level of Service	Community Outcome	Goal	How we will measure our performance	Targets	2024/25 Target	2025/26 Target	2026/27 Target	2027/28 Target	2028-34 Target
Resource Consents are processed within the legal timeframes.	Our natural and built environment is healthy, strong, and safe.	Council's regulatory activity supports safe, healthy business and community activity.	Land Use Consents are processed within the legal timeframes.	100%	100%	100%	100%	100%	100%
<p>What does this tell me? This measure indicates whether we are meeting our statutory timeframes for processing resource consent applications. The Resource Management Act contemplates that there will be occasions where a consent application is not processed within the statutory timeframes and provides a discounting process to ensure that the applicant receives an offset for the delay. This target recognises that while Council strives to achieve the statutory timeframes there are occasions where getting the best outcome can result in a consent being processed beyond the statutory timeframe. Examples of where this can occur include where officers seek to ensure the decision and consent conditions are workable and understood by the applicant before issuing the decision. Where the applicant has not agreed to an extension of time, this process of providing draft conditions to the applicant and checking their understanding can impact on compliance with the statutory timeframe.</p>									
Resource Consents are processed within the legal timeframes.	Our natural and built environment is healthy, strong, and safe.	Council's regulatory activity supports safe, healthy business and	Subdivision Consents are processed within the legal timeframes.	100%	100%	100%	100%	100%	100%

		community activity.							
<p>What does this tell me? This measure indicates whether we are meeting our statutory timeframes for processing resource consent applications. The Resource Management Act contemplates that there will be occasions where a consent application is not processed within the statutory timeframes and provides a discounting process to ensure that the applicant receives an offset for the delay. This target recognises that while Council strives to achieve the statutory timeframes there are occasions where getting the best outcome can result in a consent being processed beyond the statutory timeframe. Examples of where this can occur include where officers seek to ensure the decision and consent conditions are workable and understood by the applicant before issuing the decision. Where the applicant has not agreed to an extension of time, this process of providing draft conditions to the applicant and checking their understanding can impact on compliance with the statutory timeframe.</p>									
The public is informed about Resource Management processes and other issues related to maintaining a sustainable environment.	Our local communities are thriving and enabled to pursue their aspirations.	Council's regulatory activity supports safe, healthy business and community activity.	Percentage of pre-application meetings to number of applications received.	>10%	>10%	>10%	>10%	>10%	>10%
<p>What does this tell me? This measure indicates that we are working with the public to ensure they are informed about Resource Management processes, so they are supported and enabled to pursue their Resource Management related aspirations.</p>									

FUNDING IMPACT STATEMENT - REGULATION

	2024 AP Budget (000's)	2025 LTP Budget (000's)	2026 LTP Budget (000's)	2027 LTP Budget (000's)	2028 LTP Budget (000's)	2029 LTP Budget (000's)	2030 LTP Budget (000's)	2031 LTP Budget (000's)	2032 LTP Budget (000's)	2033 LTP Budget (000's)	2034 LTP Budget (000's)
Surplus / (deficit) of operating funding											
Sources of operating funding											
General rates, uniform annual general charges, rates penalties	2,220	3,399	3,627	3,920	4,443	4,590	4,886	4,911	5,678	5,939	6,006
Targeted rates	-	-	-	-	-	-	-	-	-	-	-
Subsidies and grants for operating purposes	-	-	-	-	-	-	-	-	-	-	-
Fees and charges and other revenue	1,078	1,124	1,147	1,174	1,200	1,227	1,251	1,278	1,303	1,329	1,354
Local authorities fuel tax, fines, infringement fees, and other receipts	24	22	23	23	24	24	25	25	26	27	27
Total operating funding (A)	3,322	4,545	4,797	5,117	5,667	5,841	6,162	6,214	7,007	7,295	7,387
Applications of operating funding											
Payments to staff and suppliers	2,031	2,183	2,280	2,409	2,939	3,032	3,159	3,251	3,976	4,080	4,221
Finance costs	-	2	3	3	3	3	19	36	36	35	35
Internal charges and overheads applied	1,291	2,365	2,513	2,704	2,724	2,805	2,983	2,914	2,982	3,167	3,118
Total applications of operating funding (B)	3,322	4,550	4,796	5,116	5,666	5,840	6,161	6,201	6,994	7,282	7,374
Surplus (deficit) of operating funding (A - B)	-	(5)	1	1	1	1	1	13	13	13	13
Surplus (deficit) of capital funding											
Sources of capital funding											
Subsidies and grants for capital expenditure	-	-	-	-	-	-	-	-	-	-	-
Development and financial contributions	-	-	-	-	-	-	-	-	-	-	-

Increase (decrease) in debt	-	55	(1)	(1)	(1)	(1)	571	(13)	(13)	(13)	(13)
Total sources of capital funding (C)	-	55	(1)	(1)	(1)	(1)	571	(13)	(13)	(13)	(13)
Application of capital funding											
Capital Expenditure											
- to meet additional demand	-	-	-	-	-	-	-	-	-	-	-
- to improve the level of service	-	50	-	-	-	-	572	-	-	-	-
- to replace existing assets	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in reserves	-										
Total applications of capital funding (D)	-	50	-	-	-	-	572	-	-	-	-
Surplus (deficit) of capital funding (C - D)	-	5	(1)	(1)	(1)	(1)	(1)	(13)	(13)	(13)	(13)
Funding Impact Statement	-	-	-	-	-	-	-	-	-	-	-

FINANCIAL STRATEGY

SUMMARY

This strategy outlines where Ruapehu District Council (Council) currently is, where it is heading and how it is going to get there.

The key strategic challenge facing Ruapehu District Council is one of affordability. Council has been managing key infrastructure assets within financial constraints for a number of years. There has been a significant increase in costs since the last LTP and this has further constrained the amount of work that is able to be done with existing levels of funding.

Council has previously had two key limits to operate within. The first is that total debt will be less than twice the amount of rates revenue. This limit is forecasted to be exceeded in the first year of the Long Term Plan (LTP) but then will come under the limit. The second is a limit on rates increases is currently 2% plus Local Government Cost Index (LGCI). We are proposing to increase this limit to 3%. Council will still exceed that limit in the first 3 years of the LTP.

Council also needs to be mindful of debt servicing benchmark which is part of the financial prudence regulations. This benchmark states that borrowing costs for the year must be less than 10% of revenue.

To date Council has taken a prudent approach to ensure that the debt levels were kept within the financial benchmarks. This ensured that the ten year investment programmes were affordable for our community. However, in doing so, some of our drinking water treatment plants had not met drinking water standards. Significant investment was necessary to improve wastewater treatment quality and minimise the impact of overflows to the environment.

Council in recent years has invested significantly in the three waters to ensure that we are meeting our legislative, regulatory, and environmental obligations to our community and key stakeholders. Previously it was assumed that we would receive a payment from Central Government to repay the debt raised for this, but after the recent announcement on local water done well this is unlikely to happen.

As part of our financial strategy, Council will continue to pursue all available opportunities to receive grant funding to minimise the burden on ratepayers. Where grant funding is not forthcoming, Council will seek to actively manage the scope and timing of investment to minimise the debt burden on ratepayers, to the extent that it is able to do so while still meeting regulatory and legislative requirements.

This financial strategy outlines how Council will fund its services and activities prudently and sustainably for the benefit of both current and future residents.

The main challenges will be:

- Managing the trade-off between rates and services
- Managing the balance between debt and rates, and hence causing and resulting in the trade-off between generations
- Securing appropriate subsidies.

We believe that our modelling has produced the best outcome that we are able to achieve within the current environment, while still delivering our key investment priorities and maintaining levels of service for our communities. Council will need to maintain a prudent approach to debt and rates to ensure affordability for current and future generations.

INTRODUCTION

Council's financial strategy will assist to deliver on Council's vision while providing for an affordable and financially sustainable organisation, delivering good quality services while promoting growth.

This financial strategy summarises the overall direction of Council as proposed in the LTP budgets. These budgets have been prepared in the context of the following policies which are available on Council's website, or on request:

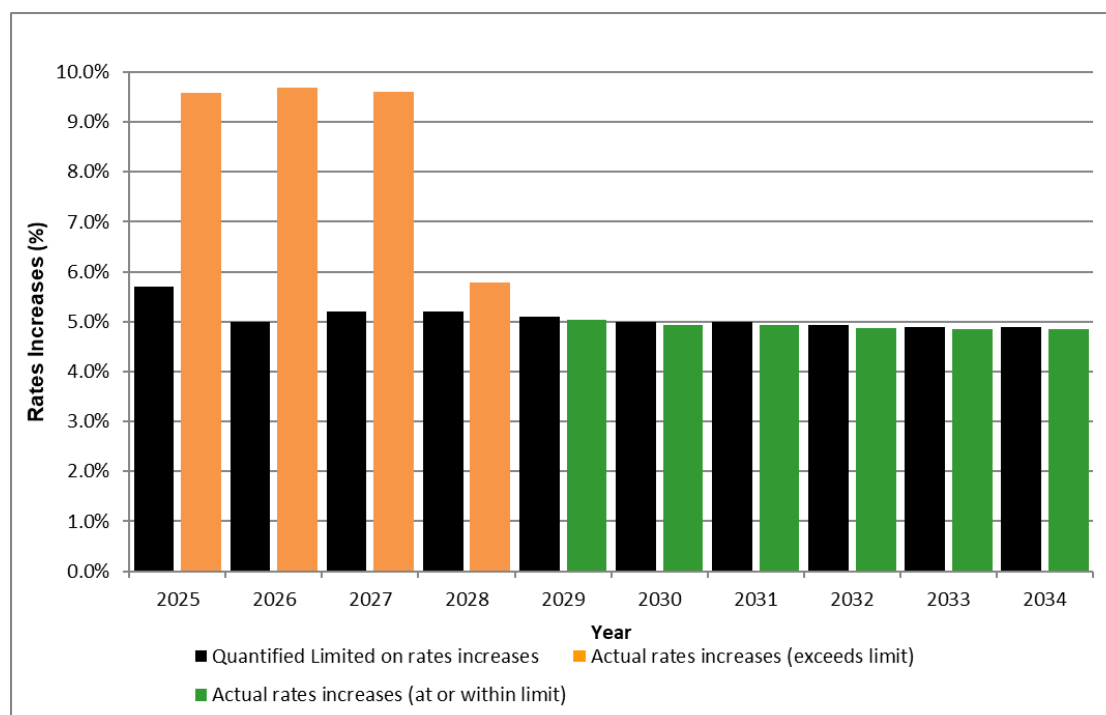
- a. Revenue and Financing Policy.
- b. Treasury (Investment and Liability Management) Policy.
- c. Asset Management Policy.
- d. Rates Remissions Policies.
- e. Rates Postponement Policy.
- f. Māori Freehold Land Rates Remission Policy.
- g. Development Contributions Policy.

All financial information presented in our strategy includes inflation. Inflation has been determined using the Local Government Cost Index (LGCI) prepared by BERL (Business and Economic Research Ltd) for Taituarā – Local Government Professionals Aotearoa. A table of these inflation factors can be found in the significant forecasting assumptions section of the LTP.

RATES

After consideration of the challenges facing Council, ratepayer affordability, and the trade-offs between rates and levels of service, Council has set a limit for the maximum annual rates increase year on year at the Local Government Cost Index (LGCI) plus 3%.

Rates affordability benchmark – projected annual rates increases



The reason that the limit is more than LGCI in the first three years, is due to the rapidly increasing costs of continuing our business as usual. Council historically has been called on to perform more and more functions which increases costs.

Setting rates increases at this level ensures that we are able to continue to balance the books, and to provide the levels of service expected of us by our communities and regulators.

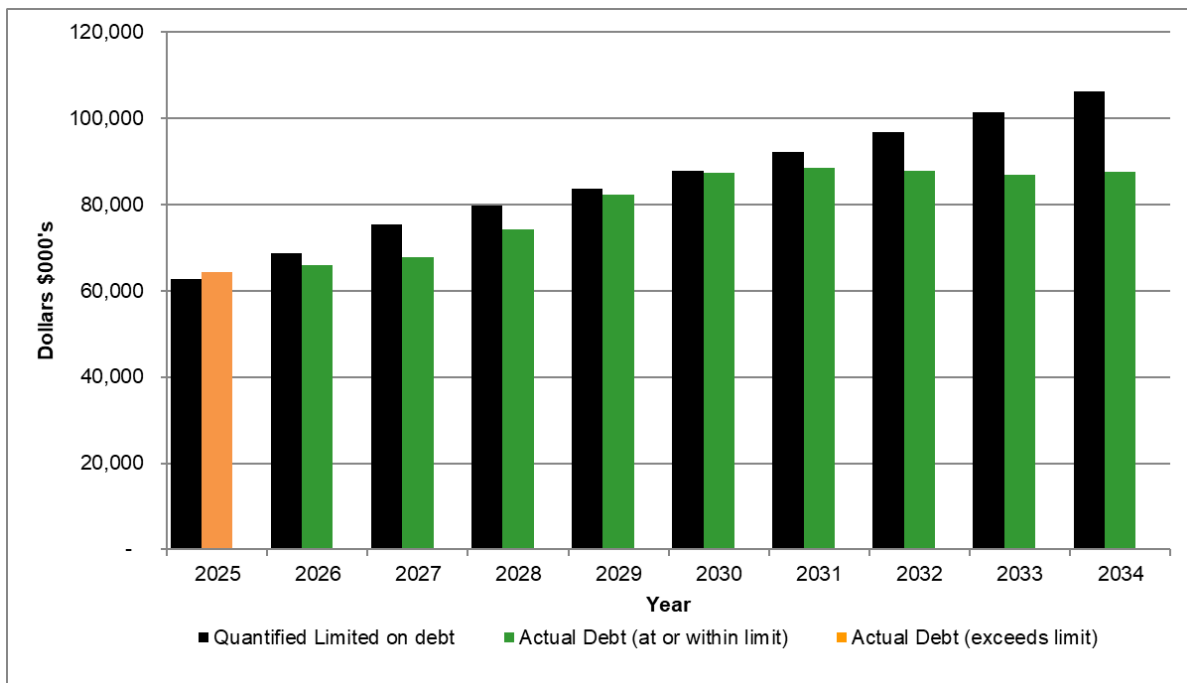
Rates and the incidence of rates are set out in the Revenue and Financing Policy.

DEBT LIMIT BENCHMARK

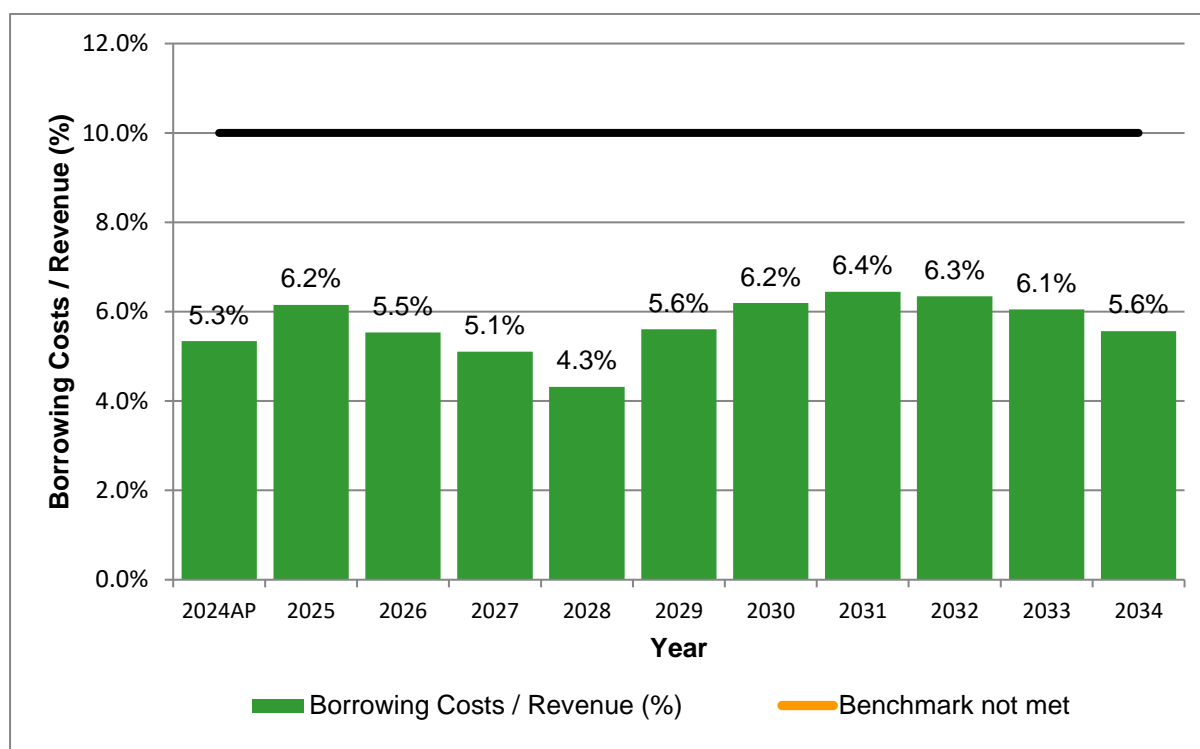
Council uses debt to account for intergenerational equity. This means that Council considers that current and future ratepayers should pay their fair share of the cost of services and infrastructure they will use.

After considering the role of debt for our communities, current borrowing costs and our investment needs, Council has set its limit on borrowings to be no more than twice annual rates revenue.

Quantified limit on borrowing – projected debt levels and benchmarks



Debt servicing benchmark



Our modelling predicts debt will change from a current level of \$60m to \$80m over the ten years. Council will remain within the financial covenants imposed by our lenders.

Council's net debt position will also vary for operational reasons, e.g.:

- (a) It may be increased to spread out "rates shock" that may occur for various reasons.
- (b) It will increase markedly when large projects are built.
- (c) It may decrease as Council accumulates funds for future projects.
- (d) It may decrease if Council is successful in obtaining grants or subsidies from third parties (e.g. Central Government).
- (e) It may increase because of natural disasters. The ability to raise debt is one of Council's mitigations against unexpected events. Council maintains a \$5m overdraft facility to this end.

MANAGING BORROWING RISK

Council plans to continue to use the Local Government Funding Agency (LGFA) to reduce the cost of long term debt and reduce its vulnerability to financial challenges.

LEVELS OF SERVICE

Managing levels of debt, rates affordability, and levels of service is a careful balancing act that causes tradeoffs between each elements. Changes to levels of service will have a consequential impact on debt or rates which must be carefully taken into account.

The levels of service provided by Council have been set in cooperation with the community and through various consultation processes over a number of years. We consider the levels of service that we provide are consistent with other local authorities of our size and scale, and therefore do not propose any increase or decrease to levels of service in this LTP (other than increases required by legislative change).

In general, we plan to maintain existing levels of service. In the first 3 years of the LTP expenditure to increase levels of service has been constrained. The major projects planned in those years are upgrades for Ōhura, Waimarino and Ōwhango water treatment plants as well as the Raetihi Hub in year

4. In year 4 there is also significant expenditure in Land Transport for the Mangateitei Bridge replacement, Te Hangaruru Stage 2 and the Matahiwi suspension bridge. All 3 of these projects are expected to be fully funded externally and will be applied for in future years. If funding does not become available then these projects will be put on hold for further consideration.

Where Council invests in increasing levels of service, or providing new services, it is likely that there will also be increases to the ongoing (operating) costs to maintain these assets/service levels.

As part of Council's financial strategy, we apply for operational costs along with capital costs for Government subsidised projects.

Investment in level of service enhancing assets is typically funded through debt, with Council actively also seeking subsidies and grants from Central Government and other third parties.

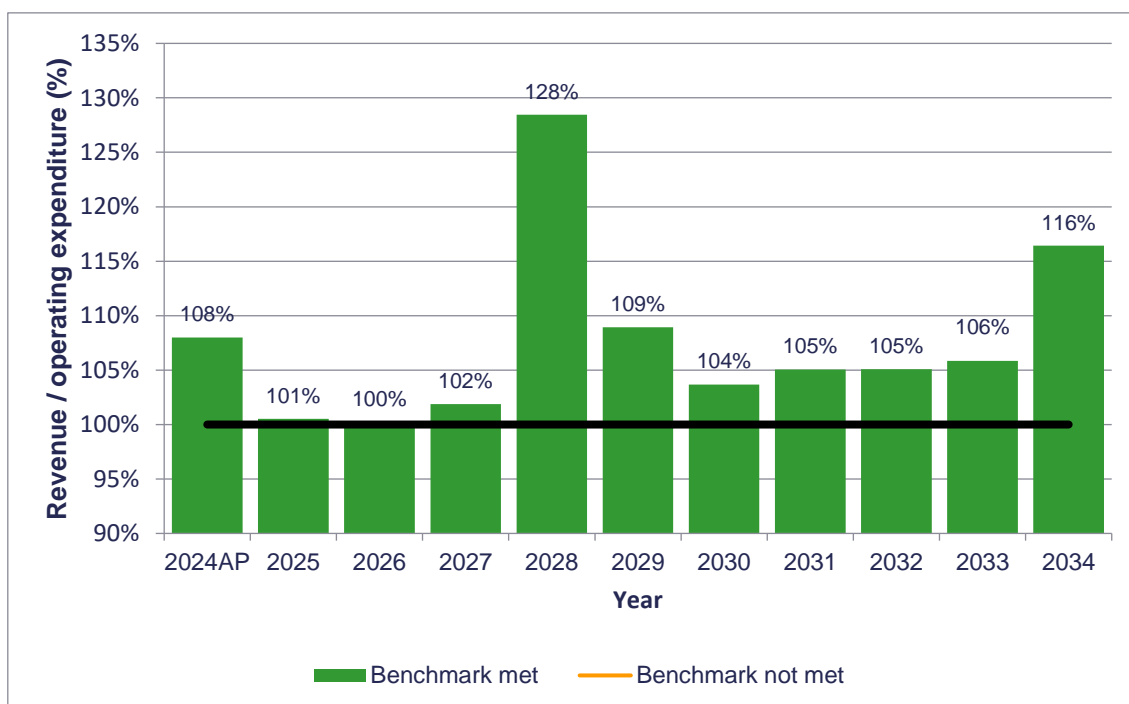
SUSTAINABILITY AND AFFORDABILITY

Ensuring a financially sustainable council requires us to ensure that we cover our normal operating expenditure with normal operating revenue. That means ensuring that we collect enough revenue from rates, fees, and charges to cover our operating costs.

Balancing our budget means that we only borrow to cover investment in assets that improve levels of service or service growth.

Council plans to maintain a balanced budget throughout the period of this LTP, as shown in the chart below. This includes, where appropriate, increased operating costs associated with planned increased levels of service.

Balanced budget benchmark – total revenue divided by total operating expenditure



The sustainability and affordability of the District is of the utmost importance to Council. To achieve this, we will balance desired infrastructure investment with the debt levels and rates income.

Council is confident that the economy of the Ruapehu District will remain fundamentally sound and that it will provide services at a reasonable cost over the next 10 year period, with active management and oversight from Council.

CURRENT CHALLENGES AND UNCERTAINTIES

This LTP is being prepared at a time of significant uncertainty. The Provided Forecasting Assumptions outline all of the significant forecasting assumptions in detail. The following summarises those assumptions that are most significant to Council's financial strategy with reasoning.

Council currently collects 72% of its operational revenue from rates, and 18% from grants. While this shields us from the direct effects of economic downturn in the region, the impact of any recession or fall in employment in the region will have an impact on the affordability of our rates for our community.

WATER SERVICES REFORM (THREE WATERS)

There has been considerable uncertainty about the final outcome of the three waters reform over recent years. The adoption of new legislation regarding compliance requirements has required significant additional investment which has increased our debt levels. Before the repeal of the current legislation we were expecting to receive a significant payment from Central Government to repay our debt which related to three waters. With the additional compliance requirements and the expectation of a payment, we accelerated some of our planned expenditure. For the first three years of this LTP, the budgeted expenditure on three waters has been reduced to an affordable level whilst still intending to meet the compliance requirements.

CLIMATE CHANGE

Climate change is a major management issue facing all infrastructure providers and existing infrastructure assets. The District is tested further as it has physical constraints / natural hazards including Te Kāhui Maunga, and is subject to intense weather events that need to be considered in the context of climate change impacts. It is also exposed to a variety of natural hazards including earthquakes and volcanic eruptions.

The impacts of climate change have been considered in more detail, and are embedded throughout, our Infrastructure Strategy and Asset Management Plans, which outline the ways in which planning for climate change is driving our investment needs. Responding to the effects of climate change and managing our carbon emissions, will continue to be a driver of investment over the long term.

SUBSIDIES AND GRANTS

The most significant areas of uncertainty are Council's reliance on grants and subsidies which impact our ability to deliver necessary capital works and maintain debt at an affordable level. Our financial strategy requires us to pursue all opportunities to obtain funding from Central Government and other third parties to offset projected increases in debt.

There is risk with Waka Kotahi NZ Transport Agency continuing to provide us with subsidised funding for the land transport network although this is an established and mature process and allows plenty of opportunities to discuss and agree on the subsidised programme.

There are several key projects included in the LTP for which external funding has been assumed. If that funding does not eventuate, then those projects will be put on hold for further consideration. Those projects are:

- Tātai Tāngata ki Raetihi - Town Revitalisation Raetihi service hub
- Raetihi Swimming Pool
- Mangateitei bridge
- Te Hangaruru Stage 2
- Matahiwi suspension bridge

BORROWING FOR CAPITAL AND IMPACT ON DEBT

Council accesses borrowing through the Local Government Funding Agency (LGFA). The borrowing limit set by LGFA is 175% of all Council revenue. Council's self-imposed debt limit is twice the amount

of rates revenue which is less than the LGFA limit. So funding from LGFA should be able to be accessed at the required levels into the future.

GROWTH AND DEMOGRAPHIC CHANGE

The District is home to a resident population of around 13,000 (Infometrics, 2023). The District experienced population decline between 2001 and 2016 and began to show signs of recovery in 2017. The resident population is predicted to have a modest increase overall between 2023 and 2043 under either of the low, medium, and high growth scenarios.

PROJECTED GROWTH: RUAPEHU DISTRICT URP 2020 - 2054											
	2020	2021	2022	2023	2024	2029	2034	2039	2044	2049	2054
HIGH	12,950	13,000	13,000	13,123	13,171	13,416	13,653	13,889	14,181	14,485	14,715
MEDIUM	12,950	13,000	13,000	13,123	13,166	13,371	13,531	13,662	13,796	13,904	13,947
LOW	12,950	13,000	13,000	13,123	13,161	13,324	13,404	13,421	13,388	13,290	13,139

The District's population increases dramatically with visitor numbers. The main holiday towns are National Park, Ohakune, Raetihi and Rangataua.

The District's age distribution is skewed reflecting residents, tourists, and holiday homeowners' profiles. Key trends in service age groups that need to be considered with our planning are:

- The District continues to have a higher proportion of children aged 0 to 11 when compared nationally.
- The 18 to 24 age group continues to decline and remain lower than the national average and is expected to continue to do so.
- The young workforce aged 25 to 34 proportion of the population is expected to remain constant.
- The population is aging and expected to continue:
- Empty nesters and retirees (aged 60 to 69) significantly increasing in number and this trend is expected to continue.
- Seniors (aged 70 to 84) are steadily increasing in number and following the significant increase of empty nesters and retirees, is expected to continue to slowly, yet steadily, increase.
- The number of elderly (aged 85 and over) is expected to remain steady.

Significant uncertainty relating to the future of Ruapehu Alpine Lifts (RAL) has arisen due to the announcement of liquidation. Options for the future operation of the infrastructure on the ski fields are still being worked through. Pure Tūroa have applied for a 10-year concession to operate the Tūroa Ski Area. If the ski fields are not able to operate in the future, this will impact tourism and economic development within the district.

Investment in infrastructure to service growth will be funded primarily by debt and some development contributions.

NATURAL DISASTERS

Council has taken into consideration the impact of any possible natural disaster, e.g., lahar, floods, eruption, earthquake, and other possible civil defence incidents. The financial strategy needs to be flexible to allow for these types of incidents.

Financial flexibility has been provided by an overdraft facility and ensuring our total borrowing remains sufficiently within the financial covenants imposed by our lenders to enable further borrowings in the event of a natural disaster.

CHANGES OF LAND USE

Council is not expecting any changes to land use over the term of this LTP in the District.

Some Council infrastructure assets are located on land that are currently part of Treaty Settlements. There is uncertainty with this current state and a pragmatic mechanism is required for dealing with these

assets. The location of these assets may need to be considered in future as they are replaced / upgraded.

CAPITAL DELIVERY

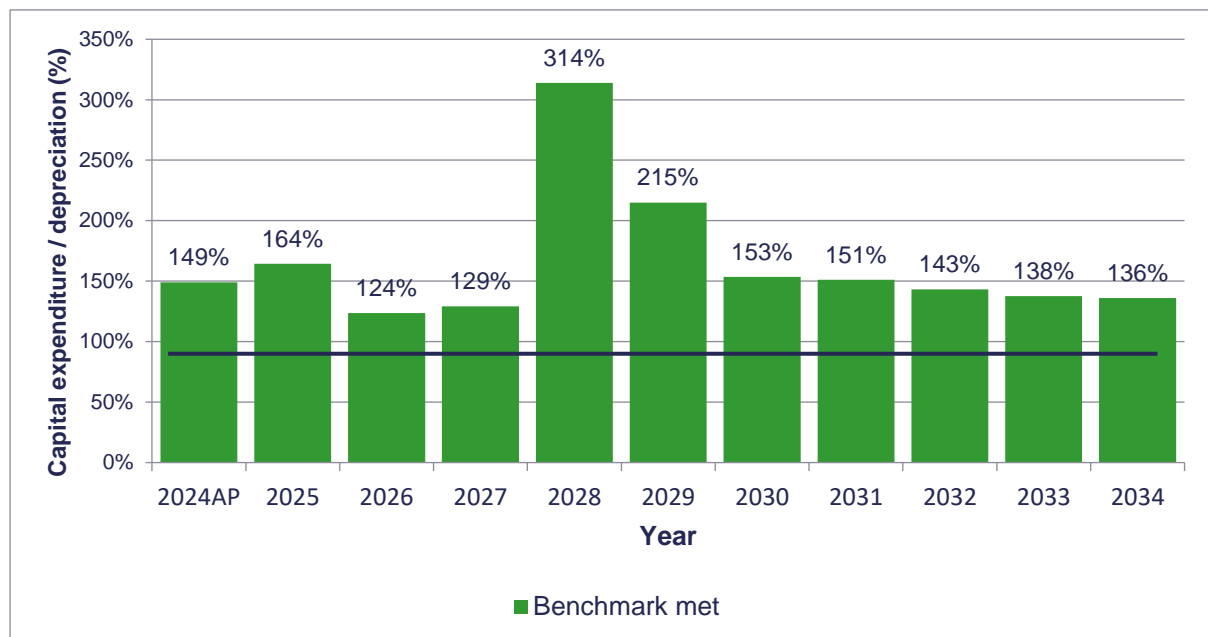
Council has committed to a capital programme that we believe is affordable and deliverable. Since the last LTP Council has established a project management office, adopted a project methodology and trained staff in how to use it.

LTP CAPITAL EXPENDITURE

Council's planned capital expenditure programme for the LTP period is summarised in the charts and table below and detailed in our Infrastructure Strategy and Asset Management Plans.

Council plans to spend more on capital projects for infrastructure assets than its annual depreciation cost for every year of the LTP. This is shown by our performance against the essential services benchmark shown below.

Essential services benchmark (capital expenditure on infrastructure assets divided by depreciation)



The majority of this investment is being applied to the renewal of our existing assets, which ensures that we are able to continue to provide existing levels of service. Levels of service investment is driven predominantly by legislative and regulatory compliance, and community expectations.

Breakdown of forecast capital expenditure by activity and capital expenditure driver

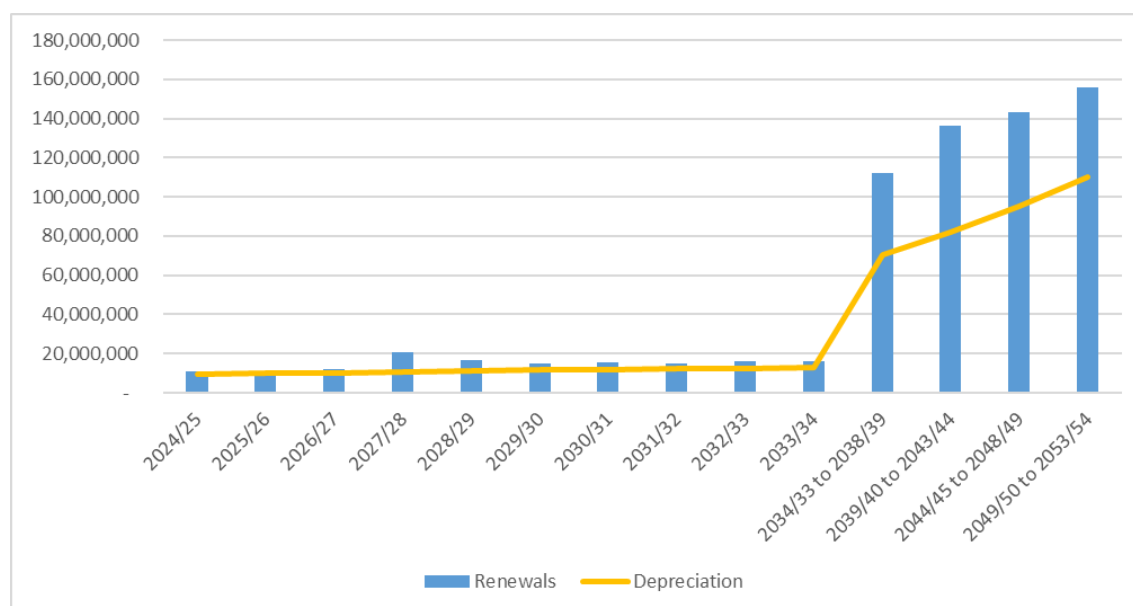
10 year Forecast CAPEX Spend (\$'000)					
	Growth	Level of Service	Renewal	Total	% of total
Land Transport	676	23,674	106,467	130,817	59%
Water supply	0	6,217	20,754	26,971	12%
Wastewater	856	6,141	19,401	26,397	12%
Community Facilities	0	14,169	2,154	16,323	7%
Waste Management	0	5,711	1,120	6,832	3%
Stormwater	0	0	2,590	2,590	1%
Regulation	0	623	0	623	0%
Community Support	0	750	2,145	2,895	1%
Leadership	0	1,250	96	1,346	1%
Organisational Support	0	1,593	4,750	6,342	3%
Total Forecast Spend	1,532	60,128	159,476	221,137	100.00%

RENEWALS

Renewals are where we replace assets (or parts of assets) as they start to age and fail. This is funded primarily through rates via the depreciation calculation, and grant funding from Waka Kotahi NZ Transport Agency. Renewals are the largest part of the capital expenditure and enables Council to keep its infrastructure and services at the current level. It does not allow for improvements. Where renewal work exceeds funded depreciation levels in a given year, debt may also be used. Examples of this would be bridges that create 'peaks' in capital work forecasts.

The level of renewals set for this Long Term Plan is less than desirable and has been set at this level to keep our rates increases to 9% for the first 3 years. Renewals particularly for Land Transport then increase from year 4 and there should be limited effect from deferring this maintenance. Over the next 2-3 years, we intend to thoroughly assess our infrastructure assets and, in collaboration with our community, make some tough decisions about their future.

Combined renewals and depreciation 2024-54



POLICIES ON LENDING AND INVESTMENTS

Council's policies on issuing securities for borrowings and its objectives for holding and managing investments are outlined in its Treasury Policy (Investment and Liability Management) which is available via Council's website, or a hard copy will be supplied upon request, and summarised below.

POLICY ON GIVING SECURITIES

Security will be provided over rates revenue (per section 115 of the Local Government Act 2002) unless special circumstances require security over assets or specially deemed rates. Security will not be given over one or more of Council's assets without prior Council resolution.

Where borrowing is by way of finance lease or some other form of trade credit under which it is normal practice to provide security over the asset concerned, Council may offer security over the asset.

OBJECTIVES FOR HOLDING AND MANAGING INVESTMENTS

Council is a risk adverse entity and therefore takes a prudent approach to managing its investments. Council seeks to maintain diversity in its investment portfolio to spread and minimise risk.

Council generally has three types of investments:

- (a) Strategic Investments - investments made or held in alignment to Council's strategic direction and typically retained on a long term basis. These include property investments - i.e. land and buildings (including subdivisions) – quarries, forestry and property vested in the Council.
- (b) Equity Investments - equity (ownership) participation in a private (unlisted) company (including Council Controlled Organisations) or a start-up (a company being created or newly created). Such investments may not necessarily provide a financial return to Council, and may be held for wider social, tactical and/or economic reasons. Notwithstanding, Council will continue to actively seek opportunities for a financial return from all such investments.
- (c) Treasury Investments – short to medium term financial investments that maximise financial return but ensure an appropriate level of liquidity for forecast expenditure.

KEY LIMITS

Measure	Limits
Rate Charges	Rates increase less than LGCI index plus 3% over ten years limits reviewed every three years.
Debt	Less than twice annual rates revenue.
Balanced Budget	Council's revenue exceeds operating expenditure as defined in the Local Government (Financial Report and Prudence) Regulations 2014.

KEY FINANCIALS FOR LTP PERIOD

	23/24 AP \$m	24/25 LTP \$m	25/26 LTP \$m	26/27 LTP \$m	27/28 LTP \$m	28/29 LTP \$m	29/30 LTP \$m	30/31 LTP \$m	31/32 LTP \$m	32/33 LTP \$m	33/34 LTP \$m
Rates Levied	28.6	31.3	34.4	37.7	39.9	41.9	43.9	46.1	48.4	50.7	53.2
Total Revenue	51.9	51.4	57.4	63.1	79.9	70.1	69.7	71.9	74.6	77.4	86.1
Operational Expenditure	47.4	51.1	57.2	61.9	62.2	64.3	67.2	68.4	71.0	73.2	74.0
Capital Expenditure	21.9	17.3	14.3	16.0	37.4	27.7	22.2	19.6	18.5	19.1	29.0
Total Borrowings	60.8	64.3	65.9	67.8	74.1	82.2	87.4	88.4	87.9	86.9	87.6

FUNDED DEPRECIATION

Council has not fully funded depreciation on the following assets for reasons as stated below.

Activity	% depreciation unfunded	Reason for not fully funding
Pensioner Housing	100%	These assets are unlikely to be replaced
Community Halls	100%	These assets are unlikely to be replaced
Land Transport	72%	Council only funds depreciation on subsidised Land Transport assets to the level which is funded by Council as it is assumed that future replacements will continue to be funded from NZ Transport Agency
3 Waters	63%	Significant new assets were created since the last LTP which were funded by grants from Central Government. As they are unlikely to need replacing in the near future, the decision for the 2023/24 Annual Plan was to not fund depreciation on those assets as it was expected that they would move to the new 3 Waters entity. This decision has been carried forward for this LTP, but we will need to transition to fully funding this depreciation in the future.

INFRASTRUCTURE STRATEGY

INTRODUCTION

This Infrastructure Strategy (strategy) sets out Ruapehu District Council's (Council) expectations to manage its core infrastructure over the next 30 years. A town's physical infrastructure is the basic foundation upon which its residents can thrive. Good infrastructure is usually taken for granted, poor infrastructure can undermine economic confidence and undermine public health. Thinking ahead and planning for the long term is vital to make sure current and future generations enjoy well-maintained services, that are resilient and fit for purpose.

The strategy lays out the most likely scenarios for how our infrastructure will be managed, and the most important decisions we are likely to face as a community in the future. It should be read in conjunction with the Financial Strategy and is a key part of the Long Term Plan (LTP).

This strategy covers the activities of Land Transport, Water, Wastewater and Stormwater.

PURPOSE OF THIS STRATEGY

The infrastructure strategy has been prepared to meet the requirements of section 101B of the Local Government Act 2002 (LGA) identifying:

- Significant infrastructure issues facing the Council over the next 30 years.
- The principal options for managing these issues and the anticipated implications.

The 2024 Infrastructure Strategy outlines the investment programmes to ensure we are meeting our legislative obligations as well as maintaining service levels to our communities. The scale of capital investment we need to make in our infrastructure is substantial. Large scale investments require a resilient and well-informed strategic planning approach that carefully considers the optimal prioritisation, timing, and financing of these investments. Getting these decisions wrong may have serious consequences for Ruapehu District's (the District) basic infrastructure and future financial sustainability.

STRATEGIC CHALLENGES

The key strategic challenge facing Council is one of affordability. Council has been managing key infrastructure assets within financial constraints for a number of years. There has been a significant increase in costs since the last LTP and this has further constrained the amount of work that is able to be done with existing levels of funding.

Council needs to face the reality of our infrastructure assets and the costs tied to them. At present, the costs necessary to upkeep and renew our infrastructure to acceptable standards are beyond our financial means and the financial means of our community. Opting to delay maintenance to keep our rate increases at what we consider a manageable level for our community will lead to heightened reactive maintenance and the overuse of assets. Trying to catch up on essential maintenance and renewals later will only become more unaffordable in the future. Over the next 2-3 years, we intend to thoroughly assess our infrastructure assets and, in collaboration with our community, make some tough decisions about their future.

During the development of the LTP an alternative level of expenditure was initially proposed in the Land Transport Asset Management Plan, but this would have resulted in an unacceptable level of debt and rates increases in the first 3 years. The plan has been significantly increased from years 3 to 10 of the LTP raising expenditure to that proposed in the initial alternative level of expenditure. This should be affordable due to the increase in the rating base from the proposed 9% rates increases for the first 3 years of the LTP. The level of expenditure which is included in the LTP is based on 2022/23 levels plus inflation, with targeted increases in specific programmes that will help reduce rate of deterioration in those programmes.

With reduced activities being able to be completed over this LTP compared to previous LTPs, there is an increasing risk of assets deteriorating at a faster rate, resulting in decreasing network resilience and reduced customer outcomes. Inflation over recent years has meant that less activities can be completed at the current funding levels.

CURRENT ASSET STATE

We have a sound understanding of the current state of our core infrastructure assets in terms of condition and performance as follows:

- **Land transport** - The average quality of roads is measured in terms of Smooth Travel Exposure. The performance of our primary collector roads in terms of Smooth Travel Exposure is good when compared nationally, regionally and with other rural councils. However, the other road categories of pavement condition and surface condition do not perform or compare as well.
- **Three waters** - The overall condition of the three waters assets has been assessed between good and moderate for some asset classes and townships. The relatively small scale of each of the networks operated by Council means that Council is aware of the critical assets within our network systems. Although formal criticality assessment has not been completed, an assessment has been made of the categories of assets that are critical to the operation of the networks, and a greater level of management is applied to them. Critical asset identification is currently used in decision making with renewals, condition assessments and operational activities. Refining the categorisation of critical water assets at component level to support better decision making is something Council will be working on over the next few years.

With the implementation of the new regulator, Taumata Arowai, some of the compliance criteria changed, meaning that new monitoring parameters need to be added to the treatment plants. Parameters such as conductivity require additional analysers and SCADA outputs that are recorded minute by minute. Veolia operates VAMS (Veolia Asset Management System). This is an Infor product which was developed to customise asset management tools to Council's needs. It provides an opportunity for field staff to enter asset condition information against specific assets as they get worked on. Proactive maintenance tasks are set up as recurring tasks with specific frequencies, allowing condition and performance information to be loaded into VAMS. The system is also designed to incorporate condition rating into the reactive job report, with the capacity to store pictures of the assets worked on. The report provided by field staff is done live through VAMS' portal and gets reviewed by a Coordinator before getting signed off.

SIGNIFICANT ISSUES

In preparing this strategy, we have identified five strategic district infrastructure issues that need to be at the forefront of infrastructure planning and decision making:

1. A higher cost environment with greater funding and capability challenges.
2. Costs of meeting compliance with the new regulator Taumata Arowai able to use legislative powers to enforce compliance.
3. Resilience of infrastructure assets.
4. High deprivation district means limited ability to increase rates to pay for critical infrastructure.
5. Climate change and natural hazards.

STRATEGIC CONTEXT

CHANGING DEMOGRAPHICS

The population in the District in 2023 was 13,000. The resident population is predicted to have a small increase overall between 2023 and 2043 under either of the low, medium, and high growth scenarios as shown in Table 1 below.

PROJECTED GROWTH: RUAPEHU DISTRICT URP 2020 - 2054								
	2023	2024	2029	2034	2039	2044	2049	2054
HIGH	13,123	13,171	13,416	13,653	13,889	14,181	14,485	14,715
MEDIUM	13,123	13,166	13,371	13,531	13,662	13,796	13,904	13,947
LOW	13,123	13,161	13,324	13,404	13,421	13,388	13,290	13,139

Table 1: Project Growth Ruapehu

Table 2 shows the District's average age has increased from 2006-2018. An ageing population places greater pressure on the working aged population to generate income, and families and workers will continue to move from rural areas to larger population centres.

SERVICE AGE GROUP (YEARS) ¹	2006 No	2006 %	2013 No	2013 %	2018 No	2018 %
Babies and Pre-schoolers (0 to 4)	1,026	8%	1,002	8%	900	7%
Primary Schoolers (5 to 11)	1,653	12%	1,251	11%	1,389	11%
Secondary Schoolers (12 to 17)	1,389	10%	1,014	9%	870	7%
Tertiary education and independence (18 to 24)	1,149	8%	1,005	8%	918	8%
Young workforce (25 to 34)	1,593	12%	1,296	11%	1,557	13%
Parents and homebuilders (35 to 49)	2,997	22%	2,205	19%	2,079	17%
Older workers and pre-retirees (50 to 59)	1,734	13%	1,767	15%	1,761	14%
Empty nesters and retirees (60 to 69)	1,062	8%	1,290	11%	1,647	14%
Seniors (70 to 84)	837	6%	852	7%	1,023	8%
Elderly aged (85 and over)	132	1%	165	1%	165	1%
Total population	13,572	100%	11,847	100%	12,309	100%

Table 2: Service Age Groups

ECONOMIC TRENDS

The economic landscape for asset management within New Zealand's local authorities is undergoing significant shifts, influenced by various factors including global economic uncertainty, fluctuations in tourism, and trends in industry and commercial activities. Volatility in the global economy has created uncertainty regarding the potential economic impacts on the District. Council must navigate this uncertainty as it directly affects its asset management strategies and fiscal planning. Economic instability on the global scale can lead to fluctuations in currency exchange rates, impacting the cost of imported goods and services essential for local infrastructure projects and maintenance.

The tourism sector plays a pivotal role in the District's economy, contributing significantly to Council's revenue. The industry's growth or decline directly impacts Council's asset management plans. For example, during periods of robust tourism growth, there may be increased pressure on local infrastructure, such as roads, public facilities, and waste management systems. A decline in tourism can lead to revenue shortfalls, affecting the budget allocated for asset maintenance and development.

Fluctuations in industry and commercial activities also shape the economic landscape for Council. The District is heavily reliant on the agricultural industry to drive the local economy. Changes in this sector due to the increase in carbon farming, central government policy changes and the effects of the current economic climate are likely to have ripple effects on the local economy. For example, a decline in agricultural exports due to unfavourable market conditions can impact rural communities, affecting Council's revenue and its ability to fund infrastructure projects.

The impact of these economic trends on Council is multifaceted. High inflation can strain local budgets, making it challenging for Council to maintain existing infrastructure, let alone invest in new projects. Rapid cost increases may necessitate prioritisation of essential services over discretionary spending on infrastructure upgrades or renewals.

In summary, economic trends, including global uncertainty, tourism dynamics, and shifts in local industry and commercial activities, significantly influence asset management strategies for local authorities in New Zealand. Navigating these trends requires proactive planning, adaptability, and collaboration between local government, businesses, and communities to ensure resilient and sustainable infrastructure development and maintenance.

INFRASTRUCTURE PLANNING

LEVELS OF SERVICE (LOS)

LOS encompasses parameters or combinations of parameters reflecting social, political, economic, and environmental outcomes delivered by Council. LOS changes could occur from changes in customer needs/wants, or an increase in service standards. Over the past few years Council made significant investments on infrastructure assets, supporting the local economy and well-being. While having affordability issues and with a relatively small number of ratepayers, Council still managed to maintain assets functional and minimising service disruptions. Council is able to reduce the forecast level of renewals, taking a more reactive approach – which means delaying renewals work until it is unavoidable. Reactive maintenance is then the only option. This approach is not sustainable over the long term. If we continue to sweat our assets the required essential maintenance and renewals later on will only become more unaffordable in the future, which may result in drops of levels of service.

There are no major growth areas in the district, however in Ohakune, some subdivision activity has occurred in recent years. Wastewater network modelling was completed in 2022, enabling Council to understand any possible constraints in the Ohakune wastewater network. Four major sections were identified in the report, informing Council of risky areas where the network could be overwhelmed, increasing the possibility of dry weather sewer overflows. Council received four different engineering services proposals from Veolia to implement the network upgrades. The next focus of renewals will be on the wastewater treatment. Discussions are underway to determine the required extent of the improvements and how they will be funded.

Increased numbers of visitors will contribute towards growth in the tourism and hospitality industries, shuttle services, cafes, restaurants, motels, and others. This increase in activity could result in an increased demand for housing. The current Land Transport portfolio is expected to accommodate the increased activity.

An option for Council is to reduce the LOS across the infrastructure activity. This is the least preferred course of action. It would impact current contractual agreements with long term suppliers who have set up their local resources according to contractual arrangements. Instead, Council is looking at efficiencies and opportunities. As an example, the Land Transport Professional Services contract is currently being procured. Substantial changes were made to ensure the new contract improves efficiencies while delivering across the whole infrastructure, not only Land Transport.

With a well-established Infrastructure Group Council is undertaking a progressive change programme that will encompass activities such as:

- Clarifying core capability needs and whether they are provided through established internal roles or outsourced.
- Standardising the approach to project management across the Group.
- Standardising the approach to asset management across the Group.
- Standardising contract and supplier relationship management.
- Increased use of contractors' capabilities and a new inspection led regime to support stronger asset management disciplines (e.g., condition rating, planned maintenance interventions, renewals programmes etc).

The new professional services contract is scheduled to start at 1 July 2024 and cost savings are expected under the new model. One key change Council is seeking is that interactions with physical works contractors will be done in-house, with the professional services provider offering technical support as required.

Council's focus is to maintain the current LOS, fulfilling contractual expectations. Currently the planned changes to LOS relate to the water plant upgrades, and increased focus on effluent quality in wastewater. Council plans to have all six water treatment plants achieving compliance with regulation. This will be noticed by the communities especially through weather events. Currently, some of the water supplies have no ability to remove particles, negatively affecting the treated water. This can be noticed as high turbidity water enters the network. Due to the risk to public health, sometimes the only risk mitigation factor is to issue a preventative boil water notice. This can be damaging to Council's

reputation, affecting the local economy. Council is also undertaking investigations to ensure five (of a total of six) wastewater treatment plants have renewed resource consents. These consents are currently being worked on, providing Horizons Regional Council with regular updates. Collaboration between Council and local hapū and iwi is key for a consenting process. This approach requires time and negotiations to ensure that by the time the application is submitted to Horizons Regional Council, all tangata whenua concerns have been addressed.

Flow rates and daily discharge volume information will allow upgrades to be sized accordingly. These are key pieces of information that will assist with resource consent applications, with the appropriate conditions to be met. Council currently understands the environmental and ecological effects on water quality for the receiving environments. Cultural aspects still need to be understood in order to inform the nature of the future upgrades. The Te awa Tupua legislation requires Council to co-design solutions alongside hapū and iwi which will require engagement and time. All the work above described will be undertaken in the next three years ahead of the next LTP.

For potable water, Council is working through upgrades to water treatment plants, so the current standards are met. This is however still dependant on decisions being made for future legislative requirements. Water abstraction resource consent applications for Ōhura, Ōwhango, Matapuna (Taumarunui) and Ohakune are due in two years. Raetihi is new and current. Upgrades need to be agreed with hapū and iwi so the monitoring of resource consents for water treatment plants can be mutually agreed on.

As mentioned, any changes in legislation could impact current LOS and the full impact of any mandated changes on services will be determined as and when those legislative changes happen. This does pose the risk of expenditure requirements over and above what is currently planned for.

RISK MANAGEMENT

Our risk management approach

Our approach for managing infrastructure, balances risk and performance while providing cost effective services. Infrastructure risks can be considered in terms of global threats (such as climate change), national (legislative changes), corporate and asset risks. At an activity level, these infrastructure risks need to be considered holistically as part of the asset management planning approach and not taken in isolation.

The following sections outline how this is addressed for each activity with the detail provided in the Activity Management Plans.

CLIMATE CHANGE AND NATURAL HAZARDS

Natural hazards pose risks to infrastructure assets, and climate change is expected to increase the frequency and intensity of natural hazard events. Climate change is already causing glaciers and snowlines to retreat, [Stats NZ](#) found that North Island glaciers have declined by 25 per cent since 1988, even moderate increase in average temperature may lead to Mount Ruapehu's glaciers becoming extinct. The loss of Ruapehu's glaciers will negatively affect local hapū and iwi, as well as our local environment. This is a problem that can potentially reduce demand for treated water and the generation of wastewater if the tourism activity reduces. This is a costly trade off as the impact on local businesses would impact the community's affordability to pay rates.

Council has used climate change assumptions provided by Horizons Regional Council [Climate Action Plan 2023](#). Flooding and damage to transport networks are increasing in our region, without action the impacts are likely to worsen. Natural Hazards that will affect our infrastructure are:

- Landslides – Highly likely to impact our roading network that we heavily rely upon to access supply chains, disproportionately effect our agriculture businesses.
- Floods – Infrastructure damage, specifically to roads and bridges, this disrupts transport services. Sediment carrying flood waters, will affect water quality and ecosystems.

- Eruptions – Mount Ruapehu poses a significant risk to all Council infrastructure, ashfall would contaminate our drinking water supplies, our roads, and water treatment plants are at risk of being damaged from a large-scale eruption.
- Erosion – Increased sediment into waterways effect the flora and fauna, reduce land productivity, and undermine infrastructure foundations. This will affect our roading and water utilities.
- Drought – Reduced amounts of water available in rivers can be risky to communities as the storage tanks reach low levels. The impact would be that communities are forced to conserve water.

There is no one size fits all approach to managing hazards and risks, nor is there an agreed upon threshold to determine appropriate risks residents are willing to live with. Modelling for volcanic hazards is not well advanced nationally, which means Council is likely to be reactive in the case of a volcanic eruption.

Focus on preventative maintenance increases the chances of infrastructure handling weather events by addressing asset issues before they arise. Proactive maintenance is preferable over reactive activities. This is not always possible and is largely dependent on funding being available as well as resources. Council relies on contractors to deliver on the Levels of Service within the infrastructure activities. Where applicable, maintenance tasks have been incorporated into contractual deliverables. Some of the proactive maintenance tasks across Council's infrastructure include:

- Proactive tree assessments programme.
- New water treatment plants that can treat high turbidity surface water.
- Increased culvert inspections.
- Open drain maintenance programmes.

Many of the District's rural roads are windy and follow the contour of the nearby rivers. The risk of landslides and washouts due to weather events becomes increased as the large weather events become more frequent. Road drainage plays a key part in mitigating the risk of damage to rural roads. Wet weather can also affect roads by degrading the quality of the pavement. Road maintenance and reseals provide good opportunity to extend asset life.

Currently Council balances the budgets by combining the approach to the maintenance, between reactive and proactive tasks. The proactive work generally requires increased budgets that are not always available, that is when the reactive work becomes the only option.

MANAGING FINANCIAL RISKS

The 2024-34 LTP signals a return to previous levels of investment as shown in the 2018-28 LTP in core infrastructure. The planned step change to increase the delivery of capital works in the last LTP was unable to be delivered due to supply chain issues, cost escalations and financial constraints. The result of this is increased reactive maintenance rather than planned maintenance. These issues have required Council to carefully review and prioritise the capital works programme for this LTP to limit the impact of these cost escalations on ratepayers. This is reflected in the significantly reduced capital works programme compared to the previous plan, especially in the first 3 years of the plan.

To date Council has taken a prudent approach to ensure that the debt levels are kept within its financial benchmarks. This ensures that the ten-year investment programmes are affordable for our community. Council has continued to take this approach in the 2024-34 LTP to minimise rates increases as much as possible. There are areas within Roading and the 3 Waters where increased expenditure was proposed during the creation of the LTP but was deemed to be unaffordable. This additional expense has now been planned for years 10-20, in a future LTP. The impacts of pushing that spend out is increased reactive maintenance in the short term. The long-term consequence of this approach potentially creates the need for greater capital investment, promoting full replacements rather than minor maintenance, which will likely be unaffordable for our community.

The most significant areas of uncertainty are Council's reliance on grants and subsidies. Waka Kotahi has confirmed an increase in funding from 74% to 75%. The process of agreeing the budget with Waka Kotahi is an established and mature process. There are several steps in the process through which the allocation of funding to different activities can be negotiated.

Other key projects that are to be funded from external funding will be deferred if that funding does not eventuate such as the Horopito cycle trail hub or the Mangateitei bridge. Council is currently negotiating with KiwiRail an alternative option to the Mangateitei bridge replacement. This alternative could be a rail crossing which would have a much lower price tag.

There is limited external funding assumed for the Three Waters. Particularly with regards to Council's wastewater treatment plants, further investment will be required as the regulating agencies issue penalties and abatement notices. Engineering process upgrades at the six wastewater treatment plants will require significant investment to implement. It is understood that future resource consents will require more strict monitoring, while applying more involved treatment processes. Some of the modern wastewater treatment processes require higher power supply which means more upfront investment. Council officers are also working with hapū and iwi, to ensure collaboration towards the resource consent applications and the agreed conditions. The resource consent conditions will inform where the capital investments will need to be concentrated, ensuring the upgrades are fit for purpose.

LAND TRANSPORT

ACTIVITY OVERVIEW

Users

The District's environment has a relatively low number of heavy industries or high intensity residential development. The high quality of the environment makes the District attractive to visitors who seek to visit natural and unspoilt landscapes. The number of visitors continues to grow after the decline during the Covid 19 lockdowns and is expected to return to similar levels from prior to 2020.

Infrastructure Issues

The transport infrastructure of the District is ageing and was not originally built to handle the heavy traffic that the District sees today. Many of the roads are windy, narrow, designed for slow travel speeds, and, together with the ageing infrastructure can create hazardous conditions and serious safety issues.

The number of tourists visiting the rugged natural beauty of the District is increasing, and so too is the amount of forestry log haulage.

Goals

Council desires to build and maintain a safe network that is able to cater for residents, road users, pedestrians, cyclists and tourists and the growing demands of commercial developments such as freight, produce and forestry.

Growth or Decline

In the foreseeable future, growth in visitor numbers will ultimately result in growth in related businesses which may see some flow on demand in residential housing. Such growth is unlikely to put significant additional demand on the Land Transport portfolio. Growth in rural produce is also not expected to put significant additional demand on the network. Carbon farming may see demand decline.

Affordability

As a consequence of the small and dispersed population, large tourism industry and large land area, the District faces many challenges in meeting the current and future service expectations of residents and visitors, in terms of Council's ability to fund the desired service levels at an affordable (sustainable) cost level.

Levels of Service

Maintaining the current levels of service will need significant investment. In October 2022, the majority of roading services were due for tender. Inflation has risen worldwide since 2020, with cost adjustments increasing 22% between July 2020 and July 2022. As part of its tender exercise, Council examined the contract schedules to ensure quantities were sufficient to address need.

Over the 30 years of this strategy, Land Transport funding has been assumed to maintain existing service levels. The initial desired budget option would have been considered to have done this as it is based on the contract schedules from October 2022, but this option was reduced from years 1 to 3 which will result in some deterioration of assets. The 'step up' in Year 4 is to match the desired budget option. A short period of reduction in maintenance and renewals will have less of an impact than longer period of reduction would.

Resilience and sustainability

With the increase in weather events, Council considered a larger focus on drainage infrastructure as a preventative measure to increase resilience. The affordability became an issue as the investment would mean increased rates. Decisions about how to manage infrastructure need to be made in the context Council's financial position. Deferring any preventative maintenance tasks requires accepting another

level of risk. In this case, it is not possible to manage assets and LOS from considerations about funding sources and timing (of funding and asset lifecycles). This is the case Council is currently facing. By delaying maintenance and sweating the assets, it is anticipated that larger levels of investments will likely be required in the next LTP, and those costs are likely to be unaffordable for our community.

Consequences

With the financial constraints preventing resealing programmes from being delivered at the required lengths per year, the quality of the pavement reduces, and the consequence is more interruptions and long-term traffic management in place. This could potentially lead to public frustration, reduction in tourism activity, a decline in community satisfaction and pride.

If year 4 onwards cannot be funded at what is proposed and say years 4 to 10 are constrained to similar levels as years 1 to 3, the assets and network will experience deterioration. The level of service will drop, and it will take significant investment to bring it back to current levels. The cost of that investment is likely unaffordable for our community.

Service Delivery

The majority of roading contracts are for an eight year period in full. As the assumption is to continue existing service levels over the 30 years, the work is mostly ongoing maintenance and renewals for the existing network. There are no major new projects or network growth planned.

STRATEGIC CONTEXT

Strategic Direction

Within the Land Transport activity, the following strategic directions have also influenced the development of this plan.

- To follow national and regional plans and strategies.
- To address the problem statements. The statements were developed in an Investment Logic Mapping workshop by key stakeholders in 2016 and have been reviewed at each LTP for relevance since they were developed.
- To maintain and renew the existing network and assets to ensure that they provide the expected level of service at the lowest whole of life cost.

The Problem Statements:

- **Forestry and Land use** - Changing land uses (i.e. Forestry & Mining) is resulting in (and will increase) the deterioration of the network, causing increased reactive (unplanned, works to maintain the roading environment) maintenance and repair costs.
- **Needs and Expectations** - The needs and expectations of road users (local, freight, events, tourists) is resulting in increased investment to maintain and/or improved the form and function of the road network.
- **Climate Change** - The network is impacted by climate, geography and topography resulting in reactive/unplanned maintenance costs as well as increased safety risk and operation of the network.
- **Safety** - Vulnerable road users are at greater risk due to increasing and changing activity and environmental conditions which is expected to result in increased deaths and serious injuries.

It is expected that key investment objectives over the life of the Strategy will be:

- Providing **sustainable** and **resilient** infrastructure
- Managing the network with a strong focus on **safety**
- Providing an **affordable** transportation network that meets the reasonable needs of the wider community

- Maintaining the network so that **service capacity** and integrity is not reduced

SIGNIFICANT INFRASTRUCTURE DECISIONS THAT ARE ANTICIPATED IN THE STRATEGY PERIOD

Replacement of aging bridge stock

Driver: Renewal

There are 28 bridges that are at or near the end of their useful life, 29 with less than 30 years life remaining and 47 bridges with less than 40 years life remaining. Note that this includes Mangateitei Rail overbridge.

Decision required: 2024 – 2027 for the bridges at or near the end of their useful life and 2028 onwards for the remainder.

Principal options: The principal option will be to restrict each bridge as its condition deteriorates, until it is not possible to do this any further. External funding is usually only available after a restriction is applied, as it begins to meet the required economic testing. In some cases, on low volume roads, bridges will still be uneconomic to replace according to NZ Transport Agency's current funding criteria.

When this occurs, decisions will have to be made as to whether to replace the bridge to full or lower capacity or to remove it.

There is a high degree of uncertainty as many of the bridge ages are not known. Condition assessments and inspections will help to refine options as the time gets closer.

The approximate cost and scope of the decision: \$123,000,000

Old Station Road Bridge replacement

Driver: Level of Service

Old Station Road bridge is a one lane bridge at the intersection of the named road, Thames Street, Ohakune Mountain Road and Mangawhero Terrace. It has been flagged that this could be inadequate if there is future growth in this area of Ohakune.

Decision Required: 2034 – 2038

Principal options: With the replacement driver being growth rather than end of useful life, it will be difficult to get funding from NZ Transport Agency, under the current funding criteria.

An Ohakune Junction Master Plan is in the process of being developed and the options suggested have been to either widen the bridge or close it off to traffic, as there is an alternate route available.

The approximate cost is \$1,380,000

Matahiwi Track Suspension Bridge Replacement

Driver: Level of Service

Matahiwi Track suspension bridge on Matahiwi Track Road provides access for a private forestry block. Although it is not at the end of its useful life, it is unsuitable for hauling logs across. It has been proposed that the bridge be replaced to enable this, in a joint agreement between the landowners, NZ Transport Agency, with Council organising construction and project management.

Decision Required: 2024. This replacement is in the LTP for 2028. However, it does not include any funding from Council. The work will only go ahead if it is fully funded by NZ Transport Agency, as a private agreement between the landowner and the Agency.

Principal options: Full bridge replacement or strengthening the bridge or no action.

Approximate cost: For full replacement, the approximate cost is \$5,200,000 (uninflated)

Horopito Cycle Trail Hub

Driver: Level of Service

This project is to provide a hub for users of the Mountains to Sea cycle trail. Horopito is a natural staging point on the trip and this project would be to install parking, toilets and provide a space for food vendors.

Decision Required: 2024. This replacement is in the LTP for 2028. However, it does not include any funding from Council. The work will only go ahead if funding is available for Economic Development activity from central government.

Principal options: Fully serviced staging area (toilets, car park) or low-cost toilet option only

Approximate cost: \$1,677,000 (uninflated)

Great Rides Story Telling and Art work

Driver: Level of Service

This project is to provide interpretation signage and artwork along the Mountains to Sea Cycle trail to enhance the user experience.

Decision Required: 2024. This replacement is in the LTP for 2028. However, it does not include any funding from Council. The work will only go ahead if funding is available for Economic Development activity from central government.

Principal options: Whether artwork is used to support one or both trails

Approximate cost: \$1,300,000 (uninflated)

Te Hangaruru Cycleway Stage 2

Driver: Level of Service

This is to extend the Mountains to Sea cycleway from Pōkakā north to National Park. This section is stage 2 of Te Hangaruru. Stage 1 is currently underway, extending the cycle trail from Horopito to Pokaka. The cycleway will be developed as a Grade 2 / 3 trail with a metal or natural surface. It will be for families and will extend hub and spoke options to attract usage for those who a multi day ride is not appealing.

Multi day riders will be able to connect through to Whanganui River via existing sections of the Trail.

Decision Required: 2024. This replacement is in the LTP for 2028 and 2029. However, it does not include any funding from Council. The work will only go ahead if funding is available from central government.

Principal options: Principal option is to form it in a metal or natural surface to a grade 2-3 Mountain Biking Trail level.

Approximate cost: \$5,300,000 (uninflated)

Waiouru Truck Park Stop

Driver: Level of Service

Waiouru is a natural overnight stopping place for long haul truck drivers. There are issues with trucks parking on the side of residential streets in Waiouru, the edges of which are not suitable for heavy vehicles. The residents have reported littering as well.

Decision Required: 2034 - 2037

Principal options: The principal options to consider are do nothing, provide a basic parking area with a metal surface, or provide a parking area with conveniences such as litter bins, toilets and a park and ride facility with provision for washing and showering.

Approximate cost: \$2,620,000

Land Transport Infrastructure Assumptions

The life cycles for assets are as per those in the Activity Management Plan (AMP). Total Useful Lives developed through the 2015 valuation were still viewed to be appropriate.

The AMP identifies the data confidence for each asset type, as many have unknown dates of construction.

The potential effects of this are that forecasts can only be high level and need to be verified through condition and structural inspections.

Growth and Decline assumptions can be seen in the Growth section of the AMP, along with the Council's Growth Planning Assumptions.

It has been assumed that Council will continue to maintain assets at the current level of service. This has a high degree of uncertainty and will need to be adjusted if populations decline, or affordability of maintaining level of service is unsustainable.

ASSET OVERVIEW

Land Transport covers the following infrastructure operated by Council. Details of the assets are contained in the AMP.

Asset Group	Asset Type	Quantity	Replacement Cost(\$)
Pavement	Road Formation	1,344 km	96,712,893
	Pavement Layers	1,344 km	134,478,036
	Sealed Road Surface	496 km	25,107,514
Structures	Bridge	258 number	93,574,630
	Large Culverts	99 number	11,792,414
	Retaining Walls	6 number	8,328,932
	Minor Structures <ul style="list-style-type: none"> • Pedestrian Footbridge • Bluff Safety Netting 	1 number 150 m	577,271 822,608
Drainage	Kerb and Channels	1,525 km	42,589,104
	Small Culverts	93 km	34,778,207
	Other Drainage	1,475 number	1,625,322
Traffic Services	Street lighting	1,497 lights	4,977,373
	Road markings	399 km	480,793
	Road signs and Other	5,666 number	1,331,178
	Crossings	450 number	3,567,743
	Islands	32 number	322,697
	Railing	19,137 m	2,832,326
	Traffic Facility	1,345 number	3,572,990
	Footpaths	Footpaths	71 km
Cycleways	Cycleways	369 km	included above
Bus shelters	Bus shelters	24 number	not valued
Facility roads and carparks	Facility roads and carparks	38,432 m2	included above
		56 number	
Total			481,309,288

STRATEGIC LAND TRANSPORT CHALLENGES

Impacts of forestry on roading network

Harvesting of the surrounding forests is having a significant adverse impact on both our unsealed and sealed roads. Weak pavement strength due to the local geology of the District and pavement that have not been designed for the quantity and loading associated with logging haulage are becoming major challenges. Higher carrying loads of forestry trucks are accelerating damage to rural roads, consuming budgets, and generating levels of frustration from local residents. The weight allowances for HPMV (High Productivity Motor Vehicles) was increased, adding pressure to the networks. Also, some of the logging trucks are using the roads within the District as shortcuts to the Taranaki region, this is ongoing. As these logging activities are undertaken in different regions, this is difficult for Council to monitor.

Transport legislation and strategy changes

There are changes to legislation that are either planned or underway that could impact the delivery of infrastructure over the coming years. The key changes to legislation that impacts the Land Transport activity includes the Government Policy Statement on Land Transport (2024), replacing the Road to Zero Strategy, and responding to any government direction regarding the Climate Change Response (Zero Carbon) Amendment Act.

Investment sustainability

Identified in the last Waka Kotahi audit, Council spends what it can afford rather than what the network needs. This is more noticeable when considering pavement reseals, drainage and grading of rural roads. Undersized culvert replacements cannot be undertaken to the required levels. The risk of this

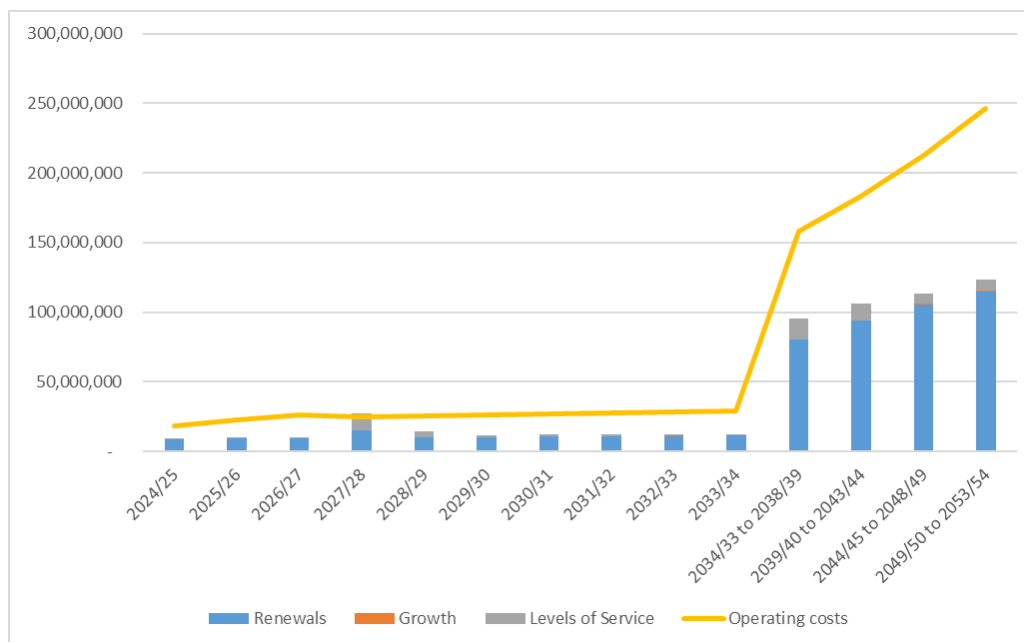
approach is that the maintenance becomes reactive due to weather events causing loss of network. Performance of our primary collector roads is good however the other roads do not perform or compare to the same level of quality as the primary collector roads. Ideally this LTP would include significant budget increases to improve our other roads but that has been assessed as unaffordable for our community. Council relies on a high NZ Transport Agency subsidy rate (75%) to manage the network in a fiscally responsive manner. In the LTP we have budgeted on a 75% FAR with our local share being 15%. The final approved roading programme has however not yet been agreed with by NZ Transport Agency. If our FAR is less than expected there is a risk we could not afford to deliver all planned works and the network condition could deteriorate over time.

LAND TRANSPORT FINANCIALS

The financials are based on the following assumptions:

- NZ Transport Agency will continue to provide us with subsidised funding at 75% for the road network over the next 30 years.
- We will continue to fund at the level's forecasts stated in our LTP.
- We will provide services at the levels forecast in our Land Transport Activity Management Plan and LTP.
- Asset Condition Assessments will continue to inform the needs for investment, enabling us to allocate budgets and prioritise programs of work.

Land transport expenditure forecast (including inflation)



Land transport renewals versus depreciation (including inflation)

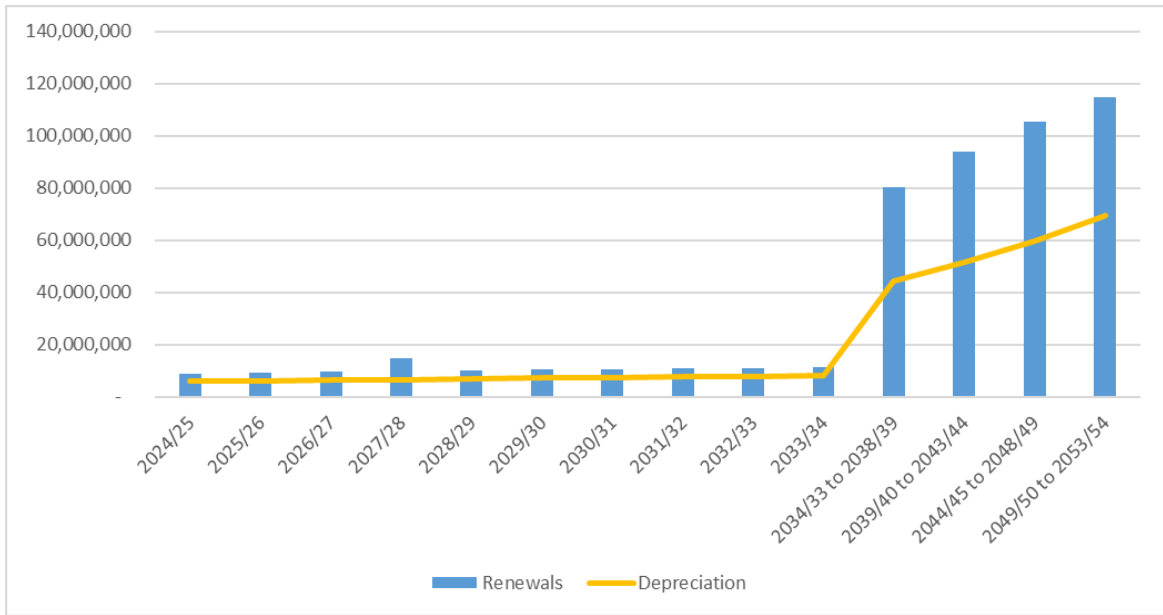
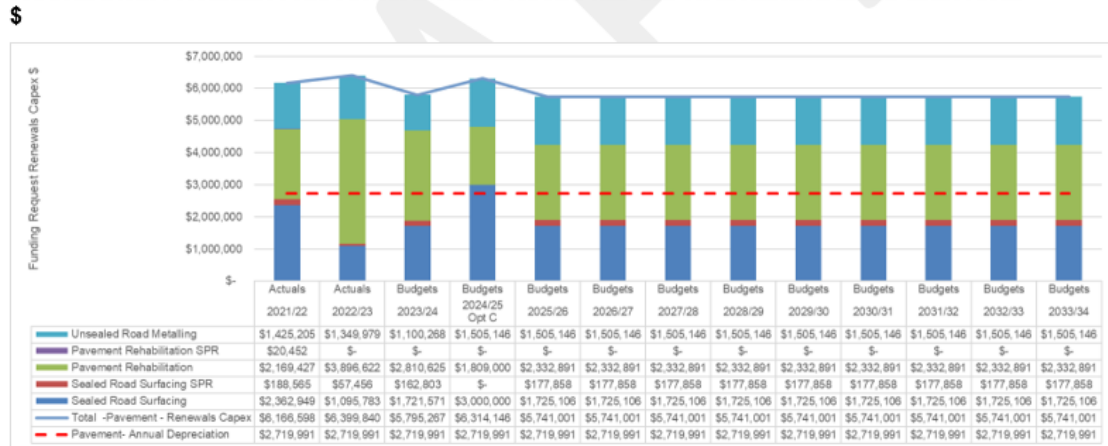


FIGURE D.32: PAVEMENT HISTORICAL AND PROJECTED CAPITAL RENEWAL EXPENDITURE



THREE WATERS CAPEX PROGRAMME

CAPEX PROGRAMME

Council developed a Capex programme in 2023 summarising the importance of an elevated expenditure to bring three waters related infrastructure up to better standards. In April 2023, the Government announced a major overhaul of the Three Waters programme, renaming it the Water Services Reform Programme. At that time, the National Transition Unit (NTU) was going to compile a Regional Entity overall Capex programme including Council's forecasts.

The funding mechanism was to be developed by the NTU as part of the Three Waters Reform. Council developed an unconstrained programme of works. The table below shows the level of investment initially proposed for each year of the LTP on three waters assets:

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Total 10 years
	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	
	000's	000's	000's	000's	000's	000's	000's	000's	000's	000's	000's
Water	7,800	11,150	13,050	14,150	14,150	16,850	12,100	9,850	9,600	7,600	112,550
Wastewater	7,100	8,900	9,650	7,050	2,350	3,350	3,350	3,350	3,350	3,350	51,800
Stormwater	1,301	1,238	2,464	2,470	2,595	1,094	2,094	2,085	1,960	1,960	19,260
Total per year	16,201	21,288	25,164	23,670	19,095	21,294	17,544	15,285	14,910	12,910	183,610

Note: Table above excludes inflation

Council liaised with Veolia's asset management team and engineering department to develop a substantial ten-year programme of works. Post general election in 2023, the new government was elected, and the Three Waters Legislation repealed.

Early in 2024, Council redeveloped a more realistic programme of works from a financial perspective, with only must-do projects to keep the infrastructure functional, taking a different approach which included a considerable reduction in Capex expenditure. The table below summarises the proposed investment.

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Total 10 years
	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	
	000's	000's	000's	000's	000's	000's	000's	000's	000's	000's	000's
Water	4,150	150	1,600	2,600	3,950	2,200	2,200	2,000	2,000	2,000	22,850
Wastewater	2,100	2,300	1,050	2,300	3,950	2,550	2,300	2,250	1,750	1,750	22,300
Stormwater	-	50	50	400	400	400	400	150	150	150	2,150
Total per year	-	2,500	2,700	5,300	8,300	5,150	4,900	4,400	3,900	3,900	47,300

Note: Table above excludes inflation

The new programme is more achievable based on Council's affordability and Veolia's existing resources. The main changes are shown below.

Water

The main change between the two Capex programmes is that for the 2024-34 LTP Council's focus of expenditure is on existing schemes. The previous legislation required Council to invest in additional schemes within the District, supporting smaller communities in bringing their infrastructure to a better standard. These are currently operated by community groups and are not included in the Operations and Maintenance Contract with Veolia.

Places like Raurimu, Matiere, Kakahi, Ōngarue and Horopito are examples of small communities where Council was required to invest in infrastructure under the previous Government's rules. Some of these supplies would require new underground reticulated networks, treatment plants and storage reservoirs. All these projects would have to be delivered in parallel with Council's existing infrastructure issues, a

massive undertaking when considering that Council's current infrastructure also needs significant investment.

Wastewater

Council and Veolia developed a programme of works that considered upgrades at all six wastewater treatment plants across the District. Unlike the water supplies, Council was not legislatively required to expand into other schemes that are currently outside Council's umbrella. The activities considered in the unconstrained programme were to ensure every wastewater treatment plant removed sludge from the oxidation ponds, aerators were installed, filtration and ultraviolet treatment added. This would be a significant step change in the quality of effluent produced. Currently, all oxidation ponds are low-technology plants demanding very low inputs to operate. The proposed upgrades required higher power supplies, which are currently not available.

The main issue when it comes to upgrading Council's wastewater treatment plants is that resource consents are still being renewed so the conditions to be met are still unknown. The financial forecasts developed by Council and Veolia aimed for theoretical industry best practice high standards with no knowledge of what Horizons Regional Council's consent conditions would be. The information provided was based on Council's best knowledge at the time. The reduced capex programme Council is proposing in the 2024-34 LTP has a conservative approach which aims at understanding constraints together with any requirements from hapū and iwi, before agreeing on a solution for the future.

Stormwater

A similar approach was taken towards reducing the stormwater budgets to maintain the existing LOS provided, with some investigation work such as network and flood modelling. The main difference is that the capex unconstrained programme submitted to the NTU was ambitious and aimed at replacing assets that are reaching end of service life. These were provisional sums and required validation.

When the capex reduction took place, Council's objective was to maintain existing assets and to address minor network problems causing nuisance flooding events in certain circumstances. Nuisance flooding can result in two types of loss: damage to property, or personal discomfort, so Council allocated small budgets to ensure adequate levels of system resilience can be achieved. Council is proposing network modelling to be done within the first three years of the current LTP, which will enable better decision making in future years.

WATER SERVICES

ACTIVITY OVERVIEW

Council is responsible for providing infrastructure services to the District which includes the water supply activity. The first principle of water use is Te Mana o Te Wai. Council ensures that this is taken into consideration for all their water supplies across the District. Veolia holds the Operations and Maintenance contract, with the provision of capital works upgrades added to the scope. The contract was signed in 2021 under NZS 3917:2013 for a 5+5 term, with the success of the contractor relying on Key Result Areas and Key Performance Indicators.

The purpose of the water supply activity is to supply safe drinking water to the communities of the District. Water supply is essential to run households, maintain public health and sustain economic development. Council is committed to providing a water supply service that meets the needs of the community. Council is responsible for the provision and management of six water supply schemes at National Park, Ohakune, Ōhura, Ōwhango, Raetihi and Taumarunui.

The water supply assets had a depreciated replacement cost of \$40.0 million (as at 1 July 2022). The water supply network includes 6 water treatment plants, 11 treated water storage reservoirs, 4 pump stations, 210 km of water reticulation mains and associated hydrants (831), valves (1,148) and meters (459).

Council also purchases potable drinking water for the Waiōuru township from the New Zealand Defence Force. The New Zealand Defence Force supplies the bulk water to Waiōuru and Council distributes it to the end customers.

STRATEGIC CHALLENGES

Focus Area	Key Issues
Governance model	Uncertainty with changes to legislation resulting from new Government policies and initiatives and how this impacts service delivery. The previous 3 waters reforms have been repealed. The expectation is that Councils will establish joint CCOs (Council Controlled Organisations) for future management of at least water and wastewater.
Funding constraints	Increasing cost challenges with expenditure and associated debt required to bring the districts three water systems in line with Government legislation and debt allowance standards. The District has a small rating base to share the costs of providing water services to meet the minimum standards.
Resource constraints	Delivering water services is constrained by supply chain issues and staffing levels.
Regulatory standards	There are multiple regulatory and compliance requirements to meet including the new Drinking Water Assurance Rules and duty to supply a sufficient quantity of drinking water as defined in the Water Services Act.
People: skills and capacity	Inadequate internal resourcing for the water supply activity. It is costly for a small rural district council to have sufficient staffing for managing the three water assets.
Resilience	Increasing extreme weather patterns with storms of increasing intensity and frequency will also increase the challenges of making potable water from high turbid waters.

SIGNIFICANT ISSUES AND OPTIONS FOR WATER SUPPLY

Water Treatment Plants

The recent and current focus has been on upgrading the water treatment plants, which should all be completed by year 5 of the LTP. Taumarunui and Raetihi have been upgraded in the last 10 years. Ohakune and Ōwhango are currently in progress, Ōhura is planned in year 1 of the LTP, and National Park in year 5. Once these have been completed, there will be no need for significant upgrades over the 30 years of the Infrastructure Strategy.

Network Assets

While the main focus has been on the water treatment plants efforts have also been directed towards maintaining and upgrading the network assets. The weak links in the network have been investigated based on asset failure. The oldest network in the district is in Taumarunui where there have been a number of upgrades completed in over the last 2 years, including Hakiha Street, Golf Road, Kururau Road (Hospital Hill) and around the Ongarue bridge.

Pipes are being replaced with high density polyethylene pipes (HDPE) using directional drilling techniques rather than open cut. Condition assessments are currently being prepared for all above and below the ground assets and this information will be available in October 2024 which will highlight assets that should be scheduled for replacement. For the next LTP a programme will be completed for that replacement. \$2million (uninflated) per year has been allowed for those replacements.

Resource Consents

New resource consents are required for Ohakune in 2025, National Park in 2026 and Raetihi in 2039. Application for renewed consents for Ōhura, Ōwhango and Taumarunui have been lodged.

Water allocation reviews may mean that environmental protection will have priority over water intakes for public drinking water purposes. The potential reduction in water intakes may impact our existing treatment plant capacity. Currently, it is unclear what the new government intends to do in relation to the National Environmental Standards for Freshwater Management. Changes to the RMA will also have an impact, which is currently unclear.

Funding and resourcing have been allocated to secure new resource consents and regarding the monitoring of those consent conditions.

CURRENT STATE

The current state of the water supply assets is assessed in terms of asset condition and performance. A summary of the condition for the below ground assets is shown below. This shows that only 1% has been assessed in poor condition.

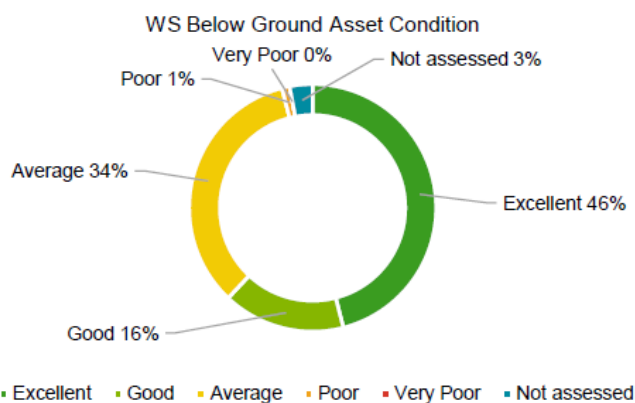


Figure 1 Water supply asset condition
Source: Veolia (August 2020)

Asset condition is usually assessed during asset valuation audits. Council's three waters contractor updated the three waters asset valuation in July 2022; however, this did not include assessment of the asset condition, which was last updated in August 2020 (listed as a key improvement action). In the 2021 contract renegotiations, Council and Veolia agreed to include Asset Condition Assessments to be undertaken in a cyclic rotation. Three yearly condition assessments of these assets are recommended to gain a better understanding of current state, ideally sequenced with the LTP cycle. This would help identify trends and ensure the poor performing assets are scheduled for renewal.

Despite the gap in time for the assessments, ongoing asset performance is carried out through the reactive activities and the records obtained while in the field. Over the recent years, the performance of known problematic areas was addressed via network modelling of all water supplies Council is responsible for. The Taumarunui water network received substantial upgrades in recent years, based on asset failure rates. Several kilometres of new water mains were replaced with the addition of a ring feed through Simmonds Road.

- Intakes, headworks, and treatment assets – intake assets and water treatment plants are in good condition.
- Storage and pump station assets – pump stations assets are in average condition, while treated water storage assets are generally in good condition.
- Network assets – water supply network assets are generally in good condition, particularly the hydrants, valves, and meters. The watermains overall are in average to poor condition, depending on their age and remaining useful life.

Veolia also records asset condition as reactive work is carried out, by utilising VAMS (Veolia Asset Management System) as the interfacing tool to keep records.

Asset performance is summarised below for:

- Headworks and treatment assets – treatment performance is generally good as compliance with Taumata Arowai regulations for drinking water are working towards fully being met. A key performance area is renewal of resource consents for intakes.

- Storage and pump stations – performance of pump stations has been poor, however with increased connection to the SCADA network performance is expected to increase when next assessed.
- Network – the water supply network performance has generally been considered average over recent assessments (which are regular and ongoing) because we have not found any significant issues in the network with ongoing leakage. However, water loss has been above the 40% target so we need to do further work in assessing commercial usage and possible historical unauthorised network extensions.

FUTURE DIRECTION

The future direction for the water supply activity is:

Compliance – We intend to fully meet the Drinking Water Assurance Rules (2022) for bacteria and protozoa compliance for all water supply schemes in the next two years. This will be achieved through strengthening our quality assurance processes.

Asset performance – It is important that the water supply network is managed sustainably so that wastage is minimised. We intend to strengthen our water demand management programme, so leakage is reduced to acceptable industry level which can be as low as 15% - as per Non-Financial Performance Measures for water supplies from the Department of internal Affairs (our 40% target for water losses is considered too high). We will explore the feasibility of universal metering which will help with identifying leaks on the private systems (those on individual properties which are outside Council's responsibility but connect to our network) and defer the need for additional water sources. defer the need for additional water sources.

Network resilience – Work towards investigating technical solutions to make potable water from high turbid waters. Explore alternative / supplementary water sources to increase security and future quantities of supply.

Financial sustainability – It is an ongoing challenge to ensure that the level of investment in renewing the water supply assets and meeting legislative obligations is sustainable long term. There is pressure to minimise water rates increases so they are affordable for our community.

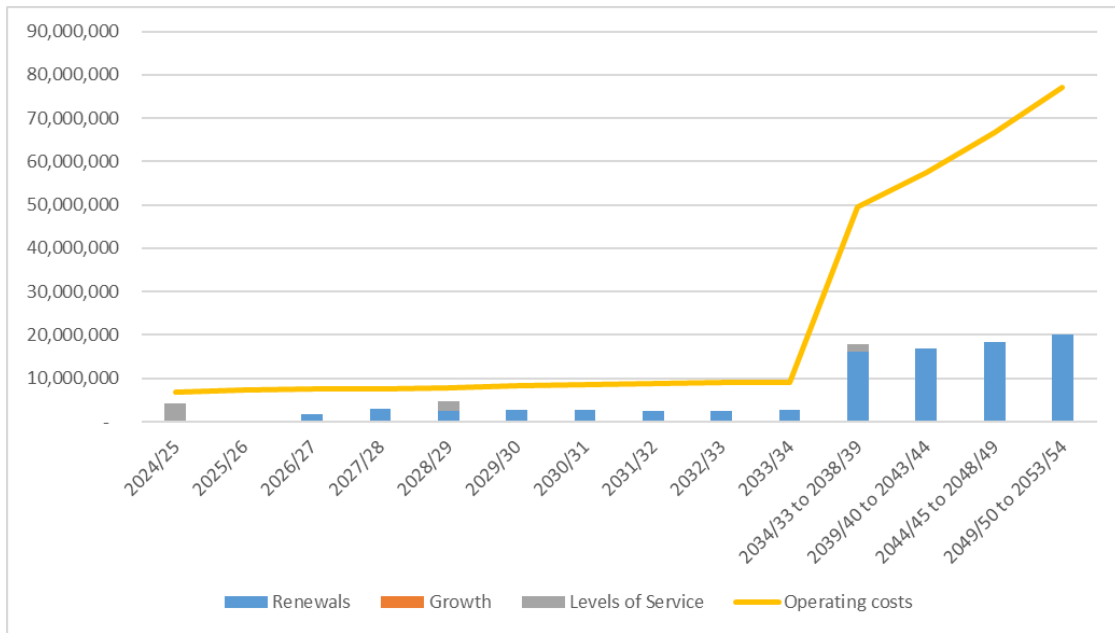
KEY IMPROVEMENT ACTIONS

The key high priority actions for improving the asset management practices in the next three years are summarised in the following table.

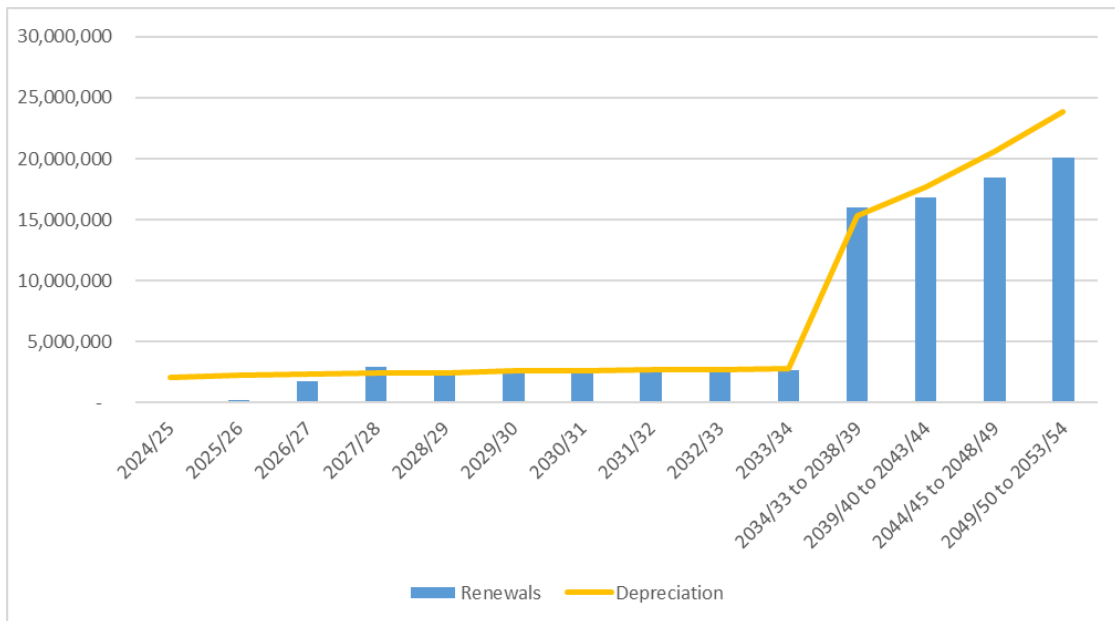
AM element	Proposed actions
Forecasting demand	Develop a water supply demand management roadmap including the feasibility of universal metering.
Asset condition	Undertake 3 yearly condition assessment of the above and below water supply assets.
Strengthening resilience	Improving the resilience of the network in relation to climate change impacts including exploring alternative water sources to increase security and future quantities, and challenges of making potable water from high turbid waters.
Financial planning	Continue to review the level of investment in water supply assets to ensure that the network is being renewed sustainably long term, and legislative compliance is being met balanced against community affordability and asset risk.

WATER FINANCIALS

Water expenditure forecast (including inflation)



Water renewals versus depreciation (including inflation)



WASTEWATER

ACTIVITY OVERVIEW

Council is responsible for providing infrastructure services to the District which includes the wastewater supply activity. The purpose of the wastewater activity is to provide efficient and safe wastewater collection and disposal in an effective and environmentally acceptable manner. A safe and efficient wastewater network is essential as the basis for maintaining public health in the communities and protecting the environment. Veolia is the contractor in charge of the Operations and Maintenance for wastewater activities, including capital works.

Council owns treatment plants at Taumarunui, National Park Village, Ohakune, Pipiriki, Raetihi and Rangataua. In addition, Council co-operates with the New Zealand Defence Force in Waiōuru to provide wastewater services for the town.

The wastewater assets had a depreciated replacement cost of \$30.3 million (as at 1 July 2022). The wastewater network includes six wastewater treatment plants, 19 pump stations, 110 km of pipes and 1,461 manholes.

STRATEGIC CHALLENGES

Key issues were identified for the 2024 Asset Management Plan development through Council's knowledge and asset planning. The key issues Council is managing as part of the wastewater activity are summarised in the table below.

Focus Area	Key Issues
Governance model	Uncertainty with changes to legislation resulting from new Government policies and initiatives and how this impacts service delivery. The previous 3 waters reforms have been repealed. The expectation is that Councils will establish joint CCOs (Council Controlled Organisations) for future management of at least water and wastewater.
Funding constraints	Increasing cost challenges with expenditure and associated debt required to bring the districts three waters systems in line with Government legislation and debt allowance standards. The District has a small rating base to share the costs of providing water services to meet the minimum standards.
Regulatory standards	Upgrading wastewater treatment plants to meet higher environmental standards and future growth pose significant and complex challenges. Four of the six wastewater plants are under the resource consent renewal process. Council recognises and is managing increasing stakeholder expectations, localised areas of increase demand and provincial commercial limitations.
People: skills and capacity	Inadequate internal resourcing for the wastewater supply activity. It is costly for a small rural district council to have sufficient staffing for managing the three water assets.
Resilience	Increasing extreme weather patterns with storms of increasing intensity and frequency will impact the wastewater network capacity resulting in overflows.

SIGNIFICANT ISSUES AND OPTIONS FOR WASTEWATER SUPPLY

Wastewater Treatment Plants

Five of our treatment plants are low-technology plants demanding very low inputs to operate through the use of oxidation ponds. Currently resource consents for these 5 have expired. Pipiriki has a current resource consent and treatment is through sand filters. Currently, all five facilities continue to legally operate under provision of Section 124 of the RMA (1991). This means the previous consents remain current until new consents have been granted.

The resource consents are currently being renewed. Discussions with both Horizons Regional Council and iwi have continued with a variety of reasons for the consents to have been on hold while more information has been gathered. This includes information around ammonia effects on periphyton growth, what land passage is culturally acceptable. It is intended that over the next 3 years detailed options for each treatment plant will be identified and considered. Indicative budgets of \$2m (uninflated) have been included in years 10-30.

CURRENT STATE

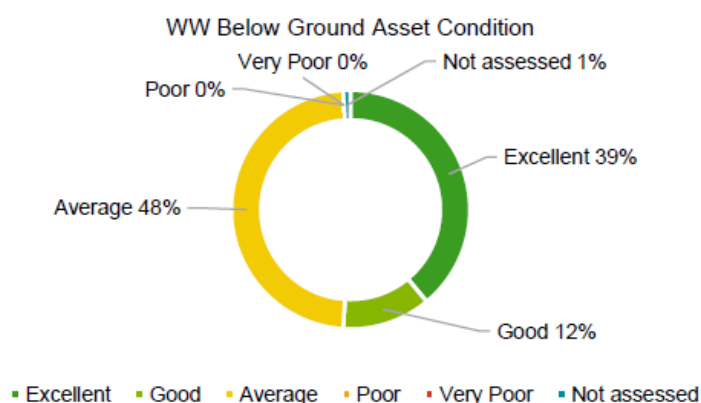


Figure 1 Wastewater asset condition
Source: Veolia (August 2020)

Asset condition is usually assessed during asset valuation audits. Council's three waters contractor updated the three waters asset valuation in July 2022; however, this did not include assessment of the asset condition, which was last updated in August 2020 (listed as a key improvement action). Three yearly condition assessments of these assets are recommended to gain a better understanding of current state, ideally sequenced with the LTP cycle. This would help identify trends and ensure the poor performing assets are scheduled for renewal.

- Wastewater pump stations - Overall, pump stations condition is good.
- Manholes - Overall, the integrity of the manholes in the District is good with manhole chambers and benching in good condition.
- Wastewater treatment plant – Overall the plant condition is good.

Asset performance is summarised below for:

- Resource Consents - Renewing the resource consents for four of the six wastewater plants is main driver for the wastewater activity and a significant challenge.

- Dry weather overflows - A dry weather overflow is an uncontrolled wastewater discharge that is not associated with a rain event. All pump stations are connected to a monitoring system so we can monitor and report failures. This helps us to effectively mitigate dry weather overflows from entering the environment and for reporting to Horizons Regional Council. We have achieved the mandatory performance measure for the number of dry weather wastewater overflows from Council's system for the last two financial years.
- Inflow and infiltration - We know operationally that some of our catchments are leaky. This is the term used to describe groundwater and stormwater entering into dedicated wastewater system resulting in the system becoming overloaded and overflows occurring. The stormwater inflows also add load onto our wastewater treatment plants.
- Wastewater network modelling informed recent years' upgrades in the wastewater networks. Ohakune and Taumarunui have received upgrades in recent years. The entire Main Street of Taumarunui had its underground sewer systems relined by utilising Spiral Wound Pipeline rehabilitation technology. In the Ohakune network, four sections of pipe within the network were upgraded in material and diameter as per recommendations from the modelling report completed in 2022.

FUTURE DIRECTION

The future direction for the wastewater activity is:

Compliance – We will continue to work through the resource consent processes for upgrading our wastewater treatment plants as consents expire. It is recognised that this is a lengthy and difficult process to navigate with changing legislation, policy, and regulations.

Asset performance:

- We intend to develop a cost-effective inflow and infiltration programme with a focus on the highest leaky sub catchments. This will help us to mitigate the impacts of wastewater overflows to an acceptable level.
- We will develop a long-term vision for our wastewater treatment plant sites in partnership with hapū and iwi.

Network resilience – Work towards our larger wastewater pump stations having backup generators to ensure service continuity during power outages and minimise environmental risk.

Financial sustainability – It is an ongoing challenge to ensure that the level of investment in renewing the wastewater assets and meeting legislative obligations is sustainable long term. There is pressure to minimise rates increases so they are affordable for our community.

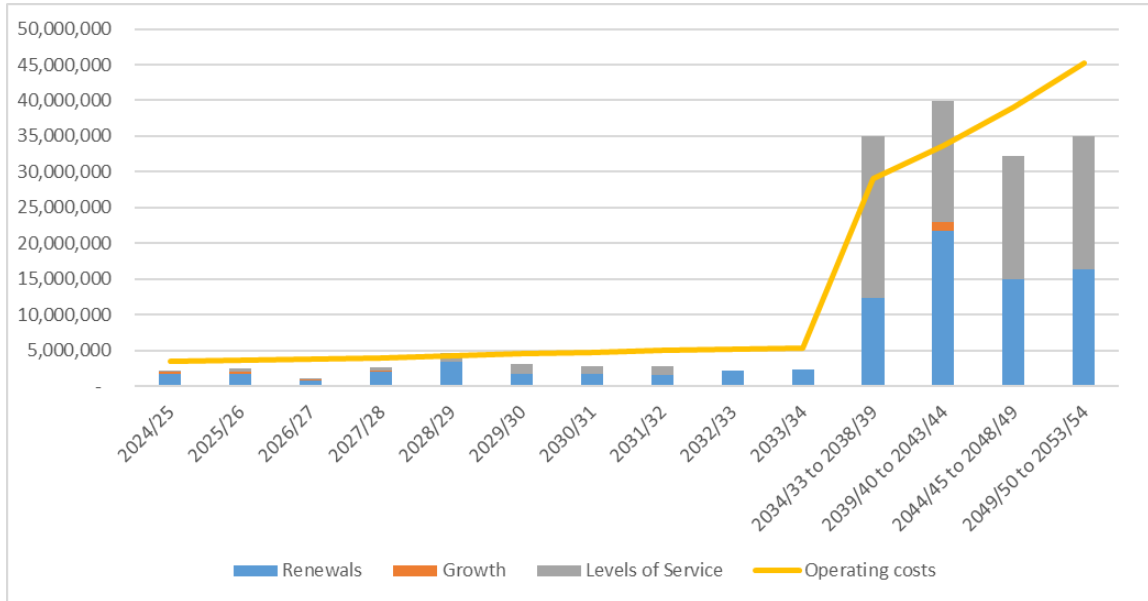
KEY IMPROVEMENT ACTIONS

The key high priority actions for improving the asset management practices in the next three years are summarised in the table below.

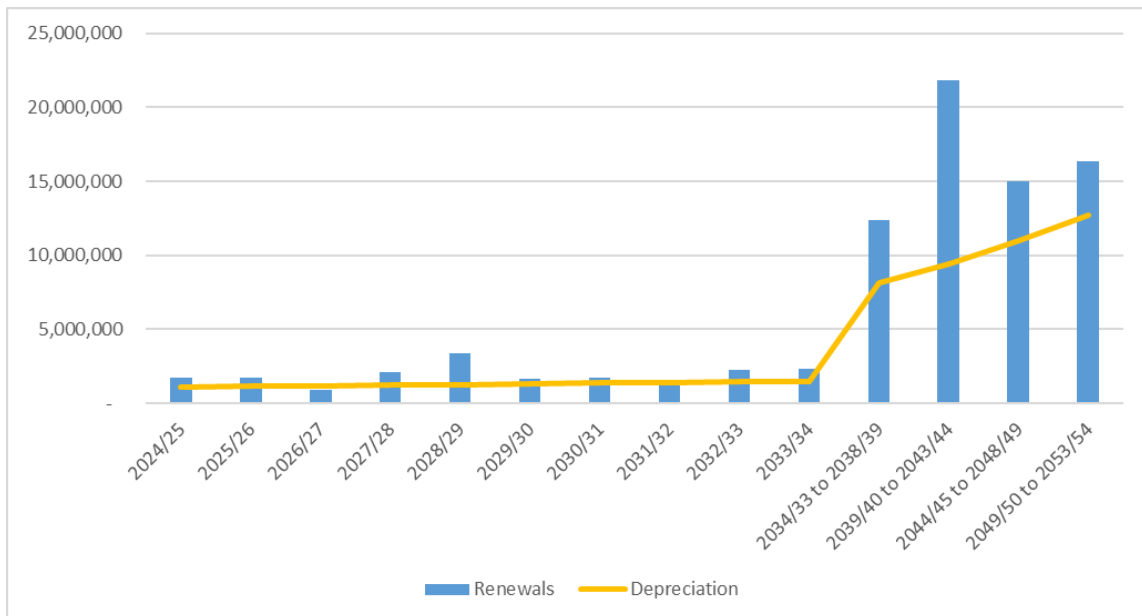
AM element	Proposed actions
Asset performance	Develop and implement a cost effective inflow and infiltration rolling programme to target the highest leaky sub catchments. Continue to work with iwi to understand the long term vision for the wastewater treatment plant sites. The objective is to use technology to treat wastewater to a high level.
Asset condition	Undertake 3 yearly condition assessment of the above and below wastewater assets.
Strengthening resilience	Improving the resilience of the network in relation to climate change impact.
Financial planning	Continue to review the level of investment in wastewater assets to ensure the network is being renewed sustainably long term, and legislative compliance is being met balanced against community affordability and asset risk.

FINANCIALS - WASTEWATER

Wastewater expenditure forecast (including inflation)



Wastewater renewals versus depreciation (including inflation)



STORMWATER

ACTIVITY OVERVIEW

Stormwater is rainwater that runs over the ground on its way to a natural watercourse. When rain falls on buildings, car parks, roads, driveways, and gardens, but does not soak into the ground, it will pond or follow a natural path downhill until it reaches a watercourse or is collected by a pipe system. Stormwater maintenance is performed by Veolia under the Operations and Maintenance contract, including capital works upgrades.

Efficient and effective stormwater and flood protection infrastructure is a key element in the sustainable and healthy development of a community. A developed network of pipes, culverts to drains, and water courses, provides a safe and efficient means of collecting and conducting stormwater through townships.

The Stormwater and Flood Protection assets had a depreciated replacement cost of \$17 million (as at 1 July 2022) across 11 townships. The network includes 50 km of stormwater reticulation mains (within the 50 kms town zones), public drains (12.3 km), watercourses (32.9 km), open drains (19.1 km) and associated culverts (1,149 m), manholes (629) and sumps (878).

The future focus for stormwater management includes enhancing compliance through better stormwater quality management aligned with Horizon Regional Council's freshwater initiative, requiring a shift to more proactive practices.

Additionally, there's a need to develop a stormwater hydraulic model to better understand and plan for future capacity and performance issues. Financial sustainability is also key, with emphasis on balancing investment in stormwater infrastructure renewal and legislative compliance against the need to keep rate increases affordable for the community.

Capital expenditure across the next 30 years is forecast at \$8.7m. This only includes renewals. There is no expenditure planned for levels of service or growth.

Operational expenditure is forecast at \$67.5m over the next 30 years.

STRATEGIC CHALLENGES

Key issues were identified for the 2024 Asset Management Plan development through Council's knowledge and asset planning. The key issues Council is managing as part of the stormwater activity are summarised in the table below.

Focus Area	Key Issues
Governance model	Uncertainty with changes to legislation resulting from new Government policies and initiatives and how this impacts service delivery. The previous 3 waters reforms have been repealed. The expectation is that Councils will establish joint CCOs (Council Controlled Organisations) for future management of at least water and wastewater. It is likely that Stormwater will remain the responsibility for Council.
Funding constraints	Increasing cost challenges with expenditure and associated debt required to bring the districts three waters systems in line with Government legislation and debt allowance standards. The District has a small rating base to share the costs of providing water services to meet the minimum standards. The stormwater network has historically been under invested.
Resource constraints	Delivering water services is constrained by supply chain issues and staffing levels.
Freshwater legislation changes	Horizons Regional Council is reviewing their Regional Freshwater Management Plans and the Regional Plan (One Plan) to give effect to the National Policy

	<p>Statement for Freshwater Management (NPS-FM) 2020. Oranga Wai Our Freshwater Future is the way Horizons is applying the National Policy Statements for Freshwater Management (NPS-FM) 2020 to the region.</p> <p>This will direct territorial authorities including Ruapehu District Council through Plan Changes which will require Council to be more proactive in stormwater quality management than our current practices, particularly for existing stormwater networks. Stormwater treatment will also be required with global consents.</p>
People: skills and capacity	Inadequate internal resourcing for the wastewater supply activity. It is costly for a small rural district council to have sufficient staffing for managing the three water assets.
Resilience	Increasing extreme weather patterns with storms of increasing intensity and frequency will impact the wastewater network capacity resulting in overflows.

SIGNIFICANT ISSUES AND OPTIONS FOR STORMWATER

Stormwater Modelling

We have completed modelling in Ohakune for the impact of flooding but still need to complete this for our other stormwater networks in National Park, Ōhura, Ōwhango, Raetihi, Taumarunui, and Waiōuru. It is intended to do this work over the next 3 years to be able to develop an investment programme to maintain stormwater assets. The investment programme will be expected to be adopted by Council in 2025/26. \$500,000 has been allowed for renewals from years 11 to 30. This spend will be prioritised as per the investment programme.

Renewal of assets

Currently pipes are being replaced when they fail. If the budget has been exhausted in the current year, then the pipes are patched as a dayworks job. There are limited renewals budgeted for in the first 3 years of the LTP so there will be increased patching required. Once the investment programme has been adopted, renewals will be prioritised with \$400,000 budgeted from 2027-28.

Resource consents

We currently do not have a resource consent for Stormwater although it has been a requirement. With the new regulator Taumata Arowai it is expected that there will be increasing pressure to apply for a consent which will require us to negotiate with Horizons Regional Council to ensure the conditions are pragmatic and affordable for our community. Council will have to make decisions at that time regarding what changes will be required. It is assumed that we will need to install treatment devices to minimise any solid materials does not make it into stormwater runoff which has been budgeted in years 14-18, and new sustainability initiatives such as bunds to minimise the runoff from roads for which \$100,000 is budgeted each year from 2039.

CURRENT STATE

The current state of the stormwater assets is assessed in terms of asset condition and performance. A summary of the asset condition is illustrated below. This shows that no underground stormwater assets have been assessed in poor condition.

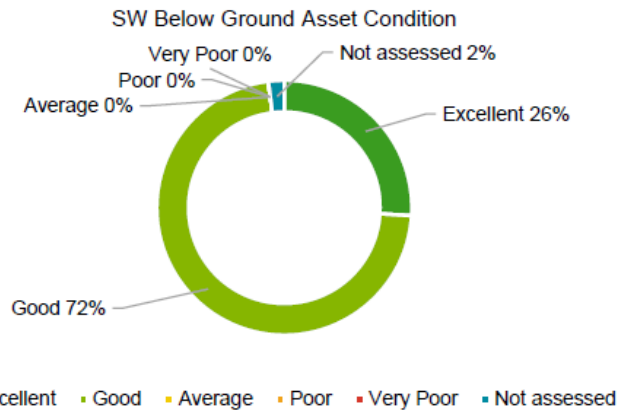


Figure 1 Stormwater asset condition
Source: Veolia (August 2020)

Asset condition is usually assessed during asset valuation audits. Council's three waters contractor updated the three waters asset valuation in July 2022; however, this did not include assessment of the asset condition, which was last updated in August 2020 (listed as a key improvement action). Three yearly condition assessments of these assets are recommended to gain a better understanding of current state ideally sequenced with the LTP cycle. This would help identify trends and ensure the poor performing assets are scheduled for renewal.

The condition of the stormwater pipework, manholes and kerbside sump stormwater entry pits is generally good.

The underground stormwater infrastructure at the main street of Taumarunui was entirely relined using Spiral Wound Pipeline rehabilitation technology.

FUTURE DIRECTION

The future direction for the stormwater activity is:

Compliance – We will develop our understanding in stormwater quality management to give effect to Horizon Regional Council's Oranga Wai | Our Freshwater Future. This will require us to be more proactive than our current practices, particularly for existing stormwater networks.

Future demand – We have developed hydraulic model for the water supply and wastewater networks to understand asset performance and capacity. We now need to develop a stormwater hydraulic model so we can assess pipe sizes to provide for future capacity and understand performance issues better.

Financial sustainability – It is an ongoing challenge to ensure that the level of investment in renewing the stormwater supply assets and meeting legislative obligations is sustainable long term. There is pressure to minimise rate increases so they are affordable for our community.

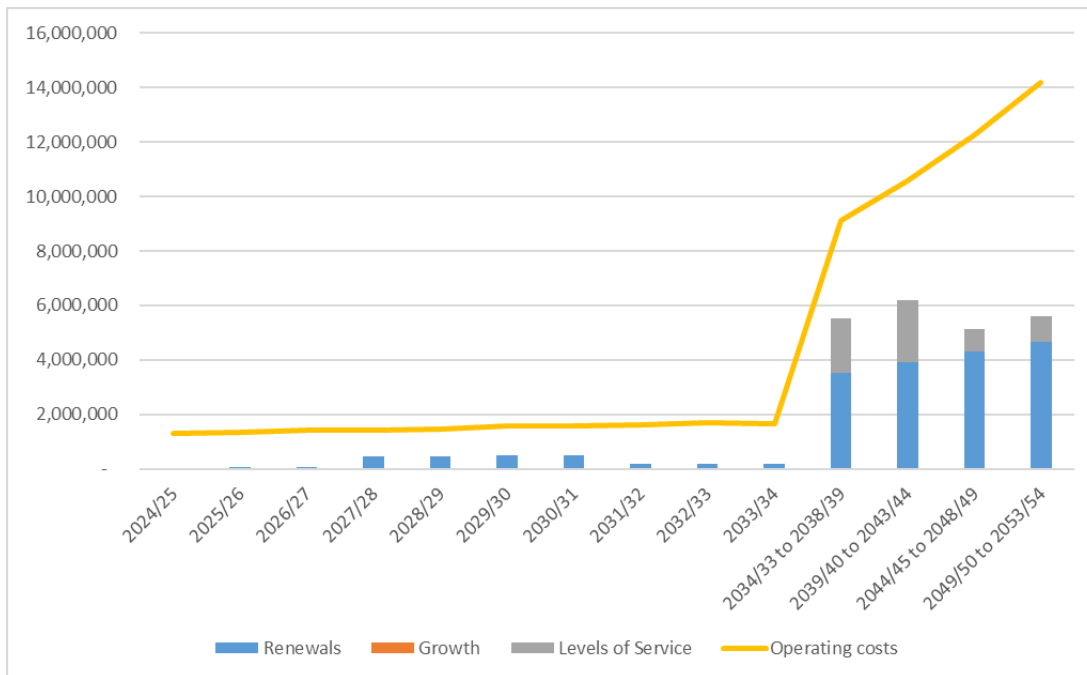
KEY IMPROVEMENT ACTIONS

The key high priority actions for improving the asset management practices in the next three years are summarised in the following table.

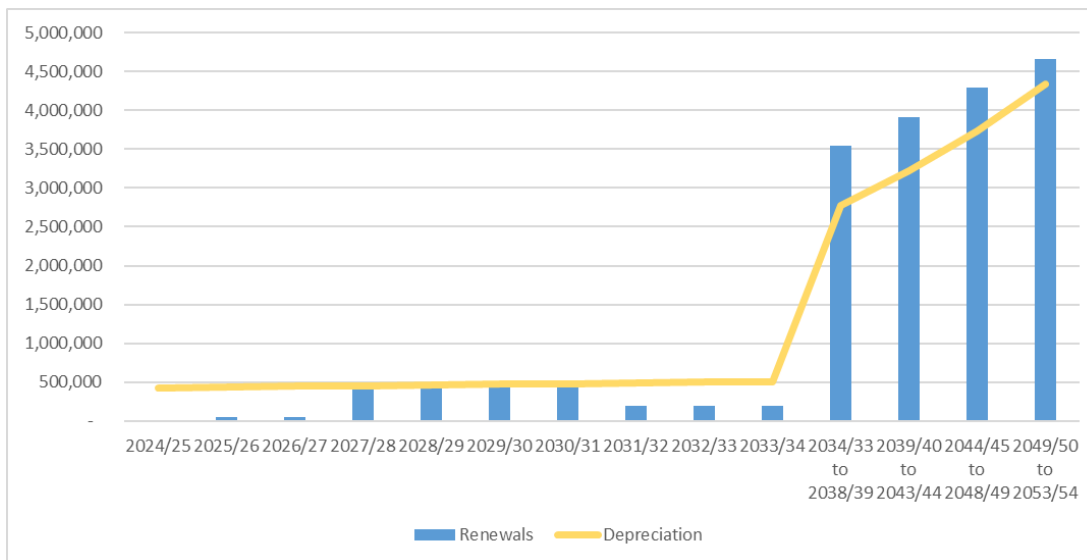
AM Element	Proposed Actions
Forecasting demand	Develop a Stormwater Master Plan as an overarching framework to guide our long-term planning and capital works programmes. Stormwater infrastructure will need to support growth in housing requirements, particularly for Ohakune.
Asset condition	Undertake 3 yearly condition assessment of the stormwater assets
Strengthening resilience	Improving the resilience of the network in relation to climate change impact.
Financial Planning	Continue to review the level of investment in stormwater assets to ensure the network is being renewed sustainably long term and legislative compliance is being met balanced against community affordability and asset risk.

FINANCIALS - STORMWATER

Stormwater expenditure forecast (including inflation)



Stormwater renewals versus depreciation (including inflation)



FLOOD PROTECTION ASSETS

Council has flood protection assets in the form of stop banks. There has been discussion as to whether these should be managed by Horizons Regional Council, and this is currently being investigated.

KEY FINANCIAL ASSUMPTIONS

The financial assumptions for the most likely scenario for the district are as follows:

- There will be increased costs for the acquisition, implementation compliance and monitoring of resource consents.
- Waka Kotahi will continue to provide subsidised funding to Council for the road network over the next 30 years. From 1st of July 2024, this rate will be 75%.
- Limited provision for growth across the portfolio at present.
- All financial information presented in our strategy includes inflation.

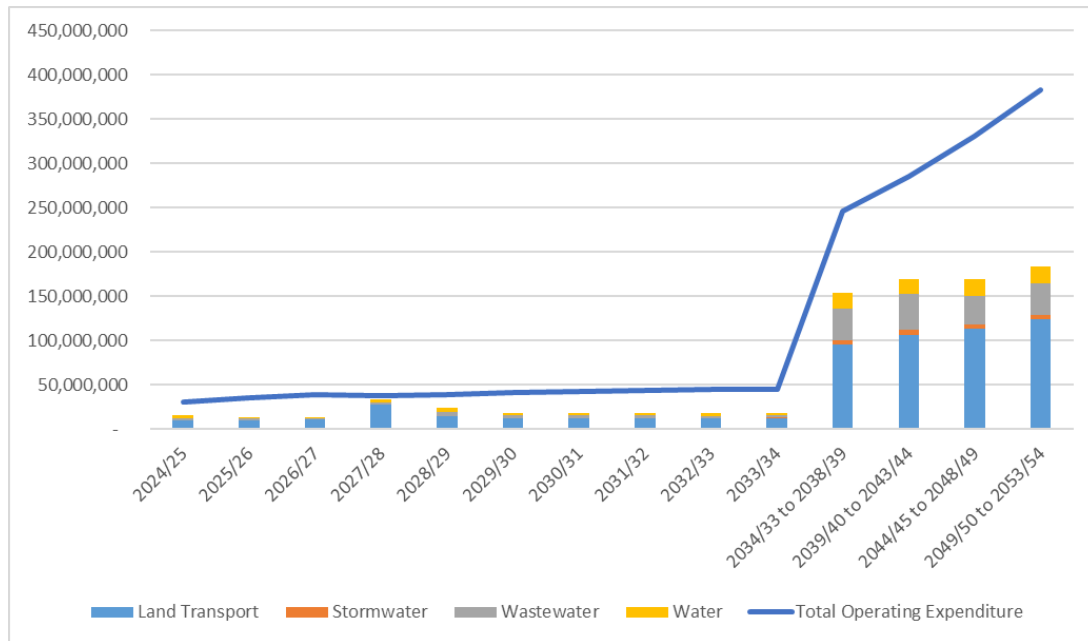
Overall Financial Summary

The table below shows the total expenditure capital (broken down into renewals, growth, and levels of service) and operational expenditure of the 30-year period (2024-2054).

Expected total operating and capital expenditure (inflated)

Activity	Capital Expenditure (30 year totals)			Operational Expenditure (30 year totals)
	Renewals	Growth	Levels of Service	Operating
Water Supply	92,104,850	\$0	8,091,500	331,416,532
Wastewater	84,917,750	2,080,700	81,344,200	191,103,702
Stormwater	18,990,350	\$0	6,062,005	61,144,792
Land Transport	500,611,501	2,549,705	65,826,888	1,056,490,926
Sub Total	696,624,451	4,630,405	161,324,593	1,640,155,952
Total	\$2,502,735,400			

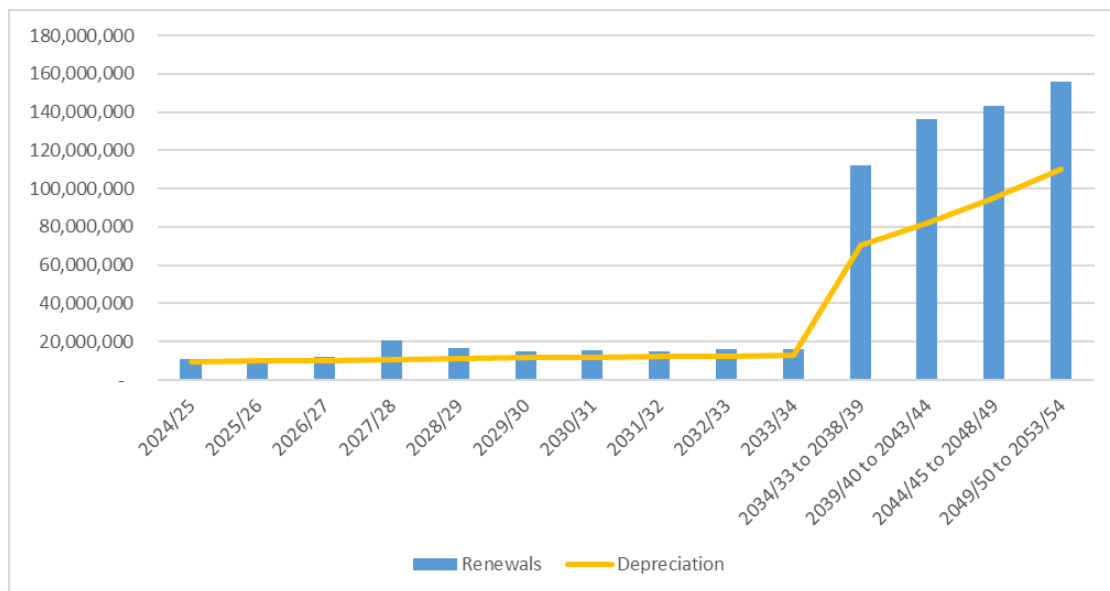
Combined infrastructure operation and capital forecasts 2024-54 (including inflation)



RENEWAL DEPRECIATION COMPARISON

The Figure below shows the annual renewal versus annual depreciation. This shows that the forecast of renewals expenditure is higher than the depreciation over the 30-year period.

Combined renewal and depreciation 2024-2054 (including inflation)



ASSUMPTIONS AND UNCERTAINTY

UNCERTAINTY AND IMPLICATIONS

In developing this strategy, we have identified a few things that we do not know. This uncertainty has a flow on effect on the identification of issues, options for dealing with issues, and how we can best respond. This impacts the Financial Strategy.

The identified areas of uncertainty are:

- The most significant area of uncertainty is Council's reliance on grants and subsidies. There is less risk with Waka Kotahi continuing to provide us with subsidised funding for the land transport network over the next 30 years at current levels. This is an established and mature process that involves plenty of opportunities to negotiate.
- Some of Council's infrastructure assets are located on land that is currently part of Treaty Settlement Legislative changes.
- National Policy Statements and National Environmental standards that may require significant changes to the way we plan, manage, and fund our infrastructure.
- The effect of climate change on Council's core infrastructure. As Council develops its understanding of the impact from climate change, the long-term response will need to be adapted for how to manage those effects on the infrastructure.

RELIABILITY OF INFORMATION

Quality data is important for end users so that they can have confidence in making an analysis using that data. Data is currently collected into the databases in real time, rating the assets worked on, with pictures attached as evidence. This information can be used for decision making, budget allocation and future upgrades. One limitation is that some of the historical information can be inaccurate, and it is taking time to work through them.

KEY PLANNING ASSUMPTIONS

This strategy is based on the following assumptions:

- We will continue to proactively involve Māori participation in local government decision-making including Māori Electoral Wards and through Treaty Settlement Legislative requirements.
- Levels of service are defined in the relevant Activity Management Plans, to meet legislative requirements and agreed to / accepted by the communities. Given financial pressures and the challenges faced by Council, there is no intention to increase levels of service.
- Council will maximise the useful and economic lives of our assets by monitoring the performance of assets. The assumption is that assets will be renewed when they reach the end of the expected useful life, but this is a theoretical estimate of how long it can reasonably be expected to be used. Monitoring actual performance means that assets are replaced at the optimum time.
- Council will use risk management practices to maximise assets. Visual inspections provide valuable evidence of condition, allowing budgets to be stretched based on priorities. Availability of critical spare parts where applicable allows Council to reduce risk of downtime.
- Climate change will affect the District over the medium to long term in line with projections provided by the Ministry for the Environment.



Revenue and Financing Policy 2024

Owner: Executive Manager
Finance, Strategy & Governance

Review frequency: 3 yearly

Date Adopted: 26 June 2024

Next review Date: 30 June 2027



1. Policy Objectives

- 1.1 The Revenue and Financing Policy (the Policy) is a document which sets out how Council plans to fund all of its operating and capital expenditure at an activity level over the life of the Long Term Plan (LTP).
- 1.1.1 The Policy discusses all the potential revenue and funding sources available to Council and outlines how and when it will use these. In order to arrive at its chosen funding arrangements Council has, in accordance with section 101(3) of the Local Government Act 2002 (LGA), taken account of many factors, including:
 - (a) The community outcomes to which each activity primarily contributes.
 - (b) Who benefits from the activity.
 - (c) Over what period of time the benefits are delivered.
 - (d) Whether the activity is needed in response to the action(s) (or lack of action(s)) of some person or group.
 - (e) Whether it would be more prudent for the activity to be funded separately or included with other activities.
- 1.1.2 The Policy discusses how Council addresses “the overall impact of any allocation of liability for revenue needs on the current and future social, economic, environmental and cultural well-being of the community.”
- 1.2 Every activity has been analysed using the factors discussed above in paragraph 1.1.1. This analysis has then been used to develop a set of funding decisions about the use of rates, both general and targeted, user charges, and other funding sources to arrive at what Council considers is an optimal funding arrangement for the activity.
- 1.2.1 The next step has been for Council to consider the overall effects of these separate funding proposals on the district as a whole.
- 1.3 The purpose of the Revenue and Financing Policy is to:
 - (a) Demonstrate how and why Council funds each of its activities.
 - (b) Make known Council’s intentions regarding funding methods for each of Council’s activities so the Ruapehu community can monitor and assess Council’s prudent financial management.
 - (c) Comply with Sections 101, 102 and 103 of the LGA which requires Council to develop and consult on a Revenue and Financing Policy for inclusion in the LTP.

2. Definitions

- 2.1 **Defence Land** has the same meaning as in Section 22 of the Local Government Rating Act 2002 (LGRA).
- 2.2 **Exacerbator** means a person or group of people whose actions or inactions contribute to the need to undertake an activity.
- 2.3 **Hapū** is a sub-tribe of people in Māori society, comprising of whānau who descend from a shared ancestor. Hapū hold customary and tribal rights as the

people at place.

3. Principles

- 3.1 After taking account of the factors identified above, Council has agreed the following basic principles to guide the assessment of fairness and equity in choosing funding sources:
- (a) Each generation of ratepayers should pay for the services they receive.
 - (b) User charges are preferred whenever a private benefit can be identified; and it is efficient to collect the revenue.
 - (c) Council will use any other funding sources before rates.
 - (d) Capital expenditure to replace assets (renewals) will be primarily funded from funded depreciation. Any surplus or deficit will be applied to debt either through repayment of debt or adding new debt.
 - (e) Capital expenditure to upgrade or build new assets will initially be funded through borrowings.
 - (f) Rate increases will be within the limits set in the Financial Strategy.
 - (g) Borrowing will be within the limits set in the Financial Strategy.
- 3.2 Complying with these principles can at times be challenging. Council must apply judgment in assessing many options to determine fairness in the development of budgets or acquisition of assets along with the choice of funding sources to implement these.
- 3.3 This Policy supports the principles set out in the Preamble to Te Ture Whenua Māori Act 1993. These principles include recognition that land is a taonga tuku iho of special significance to Māori, and for facilitation of the occupation, development, and utilisation of that land for the benefit of its owners, their whānau, and their hapū. Council considers that this policy supports those principles, particularly when viewed in conjunction with Council's Development Contributions Policy, Council's Remission of Rates on Māori Freehold Land Policy, and Council's Rates Remission Policy. The Council is committed to understanding and applying key Māori concepts to enhance outcomes for our communities, thereby bringing to life the principles of Te Tiriti o Waitangi, which is one of two pou, or metaphoric posts, that support Council's new Wellbeing Framework.

4. Policy Statement

4 OPERATING COST FUNDING SOURCES

4.1 Sources of Funding Operating Expenditure

Section 103(1)(a) of the LGA requires Council to disclose policies in respect of the funding of operating expenses from the sources listed in Section 103(2). Operating expenses are funded annually using a mix of sources as described below. Borrowing is not generally used to fund operating expenses.

4.1.1 User Charges

User charges are used for services where there is a benefit to an individual or group. The price of the service is set, taking account of a number of factors. These could include:

- (a) The cost of providing the service.
- (b) An estimate of the users' private benefit derived from using the service.

- (c) Whether there are identifiable and distinct user groups/exacerbators identified by Council's Revenue and Financing Policy.
- (d) The impact of cost to encourage/discourage behaviours.
- (e) The impact of cost on the demand for the service.
- (f) The cost and efficiency of collection mechanisms.
- (g) The impact of affordability on users.
- (h) Other matters as determined by Council.
- (i) The user charge represents the fairest method to seek a contribution from identified beneficiaries or exacerbators.

4.1.2 **Grants, Sponsorship and Subsidies**

Grants, sponsorship, and subsidies are used wherever they are available. Council expects to continue receiving substantial subsidies for road maintenance, and other Central Government grants/subsidies for waters and tourism infrastructure. Some services can only be continued so long as funding from these sources continues.

4.1.3 **Investment Income; Dividends, Interest**

Income from dividends and interest is used to offset the overall costs of Council.

4.1.4 **Other Revenue**

Council receives other operating income from:

- (j) Petrol tax
- (k) Property rentals
- (l) Other minor sources

4.1.5 **Rates**

Having exhausted all other funding sources, Council funds its remaining operating expenses from rates. For many activities, this is the main funding source reflecting Council's view that the collective benefit to the District is greater than any identifiable individual benefit.

Council recognises that there is a balance between transparency and efficiency when considering rating options. In deciding whether to introduce a new targeted rate, Council must take into account the overall costs before deciding on whether to separately fund the activity.

Some activities may be best funded using user charges, such as building and resource consents. Other activities are better funded by targeted rates such as water and wastewater services.

4.2 **Rates**

4.2.1 **General Rate**

A General Rate is set as a differentiated rate in the dollar on capital value (CV) applied to all properties in the District with the exception of Defence Land which is rated on CV but in accordance with Section 22 LGRA (i.e. the rate does not exceed the amount that would have been charged if the District's rate was calculated on the basis of land value only).

4.2.2 The General Rate is used when:

- (a) Council considers that a capital value rate is fairer than the use of other rating tools for the service funded.
- (b) Council considers that the community as a whole should meet costs of the activity or function.

- (c) Council is unable to achieve its user charge targets and must fund the expenditure shortfall.
- 4.2.3 **Uniform Annual General Charge (UAGC)**
A UAGC funds a portion of Council's general costs.
- 4.2.4 The UAGC is charged on each Separately Used or Inhabited Part (SUIP) of a Rating Unit. It forms part of the General Rate.
- 4.2.5 The total rate revenue from the UAGC together with other targeted rates set on a uniform basis as an amount per rating unit or per SUIP (other than those set for water and wastewater) will not exceed between 26% to 30% of the total rates.
- 4.2.6 **Targeted Rates**
Council sets a number of targeted rates to fund a range of services these include water, wastewater, stormwater, solid waste, verandah replacement, environmental resilience, land transport and economic development.
- 4.2.7 A targeted rate may be used when:
 - (a) Council considers that a targeted rate would enable a higher level of transparency in funding allocation; or
 - (b) Council considers that a targeted rate is fairer than the use of other existing rating tools for the activity or service funded, in consideration of the benefit derived from the service; or
 - (c) There is not an equal benefit to all of the district's ratepayers.
- 4.2.8 **Differential Rates**
A differential may be applied to the General Rate or a Targeted Rate. Differential rates mean that some ratepayers may pay more or less than others with the same value property.
- 4.2.9 The General Rate is differentiated for hydro-electric properties worth over \$50 million. This is because Council considers that an undifferentiated rate on these properties would be unreasonable because of their extreme values.
- 4.2.10 A higher differential will apply to the Land Transport targeted rate for properties where commercial forestry is the main or a significant activity. This is because Council considers that a differential rate will result in the commercial forestry sector paying a fairer share of roading costs, given the level of road pavement consumption relative to other land use categories.
- 4.3 **Fees and Charges**
Fees and charges will be sought according to Council's Revenue and Financing Policy where:
 - (a) It is assessed that the level of benefit to identified beneficiary/exacerbator groups justifies the seeking of user charges.
 - (b) There are identifiable and distinct user groups/exacerbators identified by Council's Revenue and Financing Policy.
 - (c) User fees represent the fairest method to seek a contribution from identified beneficiaries or exacerbators.

4.4 Grants and Subsidies

Council receives significant subsidy to part-fund operations, renewal, and capital development in Land Transport. The percentage of this subsidy differs for different types of works.

4.5 Other Funding

Council also uses the following funding methods:

- (a) Extra income, petrol tax, interest, and dividends - Council receives limited interest and dividends.
- (b) Proceeds from asset sales - used to offset debt first.
- (c) Loan funding.

4.6 Council may receive additional minor funding from other sources, including Fees and Charges, across all activities.

4.7 Summary of Operating Funding Sources

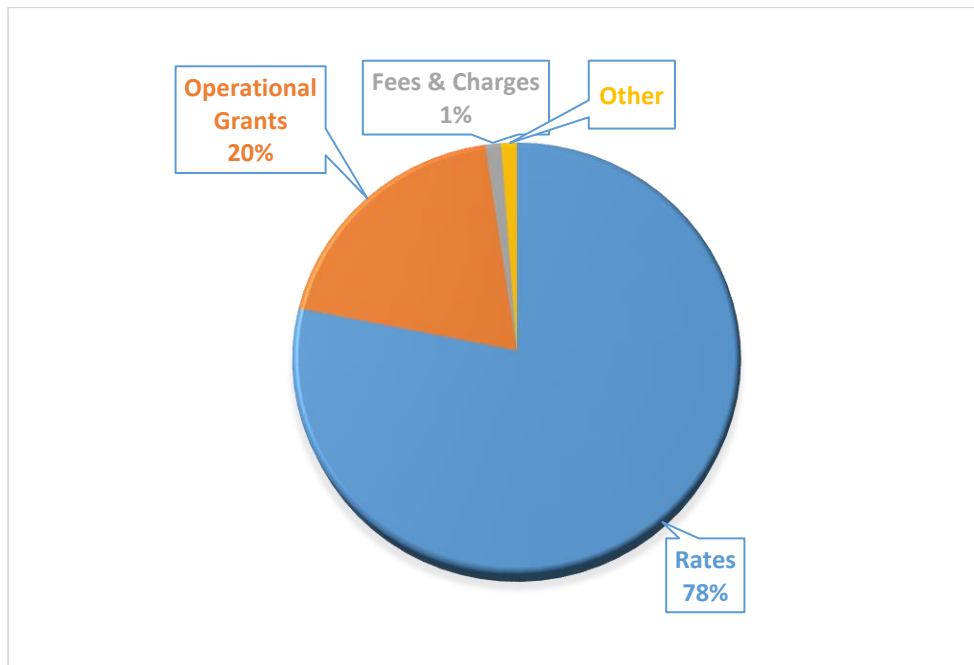


Figure 1 - Summary of Operating Income

5 SOURCES OF FUNDING CAPITAL EXPENDITURE

5.1 Capital Expenditure

Capital expenditure is the spending which Council undertakes for the purchase, development or acquisition of assets which provide the community with a service over a longer period of time than is the norm with operating expenditure.

There are a range of Capital Funding sources available to Council as set out below. Council's policy is that the funding of capital developments will be prioritised as follows:

5.2 User charges

User charges are generally not available for capital costs.

5.3 Grants, subsidies, and other income

Contributions towards capital expenditure from other parties such as Waka Kotahi NZ Transport Agency (Waka Kotahi) (in relation to certain roading projects) and Central Government (in relation to certain projects).

5.4 **Financial Contributions**

Financial Contributions are sought in accordance with Council's Financial Contributions Policy in the District Plan. Any contributions are held in separate accounts, according to the purpose for which they are raised. Council has received limited financial contributions to date.

5.5 **Development Contributions**

Development Contributions are sought in accordance with Council's Development Contributions Policy. The funds will be applied to projects that have resulted from development in the District.

5.6 **Depreciation funding**

Renewal projects are funded from depreciation where those funds are available with the balance being funded through debt.

5.7 **Debt funding**

Capital expenditure other than renewals is funded through debt. This is the fairest method of allocating the costs of a project over time to those who benefit from it.

5.8 **Proceeds from the sale of assets**

From time to time, Council sells assets. Council will use the proceeds from the sale of assets, after paying for the cost of sale, to repay debt.

Some assets have restrictions on how the proceeds may be used, for example proceeds from the sale of land that previously had a reserve status can only be used for reserve purposes.

5.9 **Operating surpluses**

Operating surpluses can be used to fund capital expenditure.

5.10 **Rates**

Rates are used to fund the ongoing replacement of existing assets (depreciation) and financing costs on debt created to purchase assets.

6 **POLICY CONSIDERATIONS WHEN DECIDING FUNDING SOURCES**

6.1 **Key Funding Considerations**

LGA Section 101 requires that Council develop a set of funding arrangements after considering the factors set out in section 101(3)(a). This section of the Policy discusses those requirements.

6.2 **Community Well-being Outcomes (s101(3)(a)(i))**

Council considered its agreed Community Well-being Outcomes and developed a set of revenue and financing mechanisms to reflect that:

- (a) Council is proactive, transparent and accountable.
- (b) Core infrastructure, water, wastewater, solid waste, and roading endeavours to keep pace with changing demand.
- (c) Economic diversity and core economic strengths are encouraged in partnership with others.

- (d) Our environment is accessible, clean and safe and that our water, soil and air meets required standards.

6.3 **The Benefit Principle (s101(3)(a)(ii))**

Council considered how the benefits from each activity are distributed to individuals, groups, or the community generally, using the following categories of benefit:

- (a) National benefit - benefits the nation and is public in nature.
- (b) District benefit - benefits the whole District and is public in nature.
- (c) Commercial benefit - benefits the commercial sector and has elements of both public and private benefit.
- (d) Community benefit - benefits a particular town, ward or other area and is public in nature.
- (e) User benefit - benefits an identifiable individual, group, or community segment.

6.3.1 Council considered the benefit of each of its activities and sub activities, to reflect the national, district, commercial, community or user component. This analysis helped Council decide an appropriate funding source or sources for each activity and the percentage of revenue that Council will try and collect from those sources for each activity.

6.3.2 The following benefit categories were seen as the best fit.

6.3.3 **General Rate Funding**

Council determined that following activities will be wholly funded by the General Rate/UAGC because the benefit is considered to be equal for the community in general, public in nature or have benefit nationally:

- 6.6.5.1 Leadership
- 6.6.5.2 Public toilets
- 6.6.5.3 Emergency management
- 6.6.5.4 Grants
- 6.6.5.5 i-Sites

6.3.4 **User Funding**

Council determined that following activities will be funded by the user, because the benefit is considered to be solely or primarily private.

- 6.6.6.1 Water supply
- 6.6.6.2 Wastewater
- 6.6.6.3 Kerbside collection

6.3.5 **Mixed Rate/User Funding**

Council determined that following activities will be funded by a mix of Fees and Charges and General Rates/UAGC. This reflects the benefits received by both the community at large and the beneficiary/exacerbator.

- 6.6.7.1 Resource management
- 6.6.7.2 Regulation
- 6.6.7.3 Waste management and minimisation
- 6.6.7.4 Recreation and community facilities (excluding public toilets)
- 6.6.7.5 Environmental health and alcohol licensing
- 6.6.7.6 Community property
- 6.6.7.7 Community development (excluding grants)

Land Transport is funded by a mix of subsidies and targeted rates as Council considers there are benefits to the community and users. Council considers a targeted rate enables a higher level of transparency in funding allocation for this activity.

- 6.3.6 The following activities are funded by a mixture of capital value rates on commercial and industrial properties and a Targeted Uniform Annual Rate on all properties as Council considers that there is more benefit to commercial and industrial properties, but that the District as a whole also benefits (under Economic Development).

- 6.6.8.1 Regional tourism
- 6.6.8.2 Economic development
- 6.6.8.3 Business development

- 6.3.7 The following activity is funded by a mix of the General Rates/UAGC and a Targeted Rate on Urban properties, as Council considers that there is more benefit to urban properties, but all properties benefit to some extent.

- 6.6.9.1 Stormwater and flood protection

6.4 **Period in or Over Which the Benefits are Expected to Occur (s101(3)(a)(iii))**

As part of its consideration of Intergenerational Equity and Decline in Service Potential, Council considered the period over which the benefit for each activity is expected to occur.

6.4.1 **Intergenerational Equity**

Section 101(3)(iii) of the LGA includes the consideration of intergenerational equity in terms of “the period in or over which those benefits are expected to occur”. This means that, for some projects that have a long life, the cost of the project should be allocated over the life of the asset. However, funding an asset with a life of (say) 70 years with a loan over that term may not be prudent, due to the large interest repayments. In those circumstances the term of the funding may be shorter than the life of the asset.

6.5 **The Exacerbator Principle (s101(3)(a)(iv))**

Council considered whether the activity was required to mitigate the effect of an individual or group and, where appropriate, charges fees, charges, and fines.

6.6 **Costs and Benefits (s101(3)(a)(v) LGA)**

Council considered the costs and benefits of funding its activities separately. Council considers that each activity and, in some cases, sub activities, should be accounted for separately as this is the most transparent method for funding capital and operating expenses of these activities. This allows more detailed understanding of expenditure, transparency and accountability and the ability of input from the community. This also allows for monitoring of each activity separately.

7 **BALANCED BUDGET STATEMENT**

Section 100 of the LGA requires that Council’s projected operating revenues match its projected operating expenditures. Despite this, Council may choose not to fully fund operating expenditure in any particular year if Council can show that it is financially prudent to do so in accordance with section 100(2) of the LGA. An operating deficit will only be budgeted when it would be beneficial to avoid significant fluctuations in rates, fees, or charges.

- 7.1 Council may choose to fund from the above sources more than is necessary to meet the operating expenditure in any particular year. Council will only budget for such an operating surplus if it is necessary to fund an operating deficit in the immediately preceding or following years, or to repay debt. Council will have regard to forecast

future debt levels when ascertaining whether it is prudent to budget for an operating surplus for debt repayment.

7.2 Council has determined the proportion of operating expenditure to be funded from each of the sources listed above, and the method for apportioning rates and other charges. The details of the funding apportionment are set out in the Funding Sources Summary that is included in this policy.

7.3 The LGA requires Council to produce Funding Impact Statements (FIS), which provide details of the funding mechanisms to be used for each group of activities for each year covered by the LTP. These FIS show how Council intends to implement the Revenue and Financing Policy. It also shows the amounts to be collected from each available source for each group and how various rates are to be applied.

8 **SUMMARY OF OPERATING REVENUE SOURCES**

Council has determined the proportion of operating expenditure to be funded from each of the sources listed below, and the method for apportioning rates and other charges. A summary of the funding sources for each of Council's primary activities is presented in figure 3 below.

8.1 As can be seen, some activities are fully funded by the general or targeted rates and others have some level of other income, usually fees and charges.

8.2 These funding arrangements have been agreed by Council following an analysis of the District's overall funding requirements.

8.3 **Additional Information**

This policy is presented in a high level short format. It was prepared following a detailed funding needs analysis for each activity as required by Local Government Act 2002, Section 101(3). The results of this analysis are included in the Revenue and Financing Policy Analysis document which is attached as Appendix A.

(a) Further information relevant to this policy is contained in the Financial Strategy, Rating Policies and Funding Impact Statement contained within the LTP.

8.4 **Overall Funding Consideration**

Council is required by S101(3)(b) to consider the overall impact of the allocation of liability for revenue needs on the current and future social, economic, environmental and cultural well-being of the community. This is a reference to the Purpose Statement of Local Government "...to promote the social, economic, environmental and cultural well-being of communities in the present and for the future."

(a) This brings the concept of "wellbeing" into the mix and allows Council, as a final measure, to modify the overall mix of funding in response to these considerations.

(b) Council uses its choice of differentials and general and targeted rates, to achieve the most affordable outcomes for the community as a whole. Council recognises that the disparate nature of property values across the District result in wide variations in rating levels. For this reason, it consciously recovers a relatively high proportion of its income from the UAGC and other fixed rates.

8.5 **Summary of Funding Arrangements**

Following an analysis of the operating activities, Council has prepared a funding strategy to share the costs between the different funding streams, these include:

(a) General Rates

- (b) Targeted Rates
- (c) Subsidies and Grants
- (d) Fees and Charges
- (e) Other income

8.6 Additional Information

Appendix A presents a summary of the analysis undertaken for each activity. This identifies the community outcomes to which the activity contributes, the beneficiaries and/or exacerbators for whom the activity is undertaken and the rationale underpinning the final funding methods or arrangements adopted by Council.

5. Annotations

Date	Description
June 2006	Policy adopted as part of LTP Process
June 2009	Policy amended and adopted as part of LTP Process
June 2012	Policy amended and adopted as part of LTP Process
June 2015	Policy amended and adopted as part of LTP Process
June 2018	Policy amended and adopted as part of the LTP process
June 2021	Policy amended and adopted as part of the LTP process
June 2024	Policy amended and adopted as part of the LTP process

6. Policy Version Control

Policy drafted by	Policy Team
Policy reviewed by	Rates Team
Policy reviewed and recommended by the Information System Governance Group (ISGG)	N/A
Policy reviewed and recommended by the Audit and Assurance Committee	27 May 2024
Policy reviewed and adopted by Council	26 June 2024

7. Appendix A - Revenue and Financing Policy Funding Needs Analysis

The purpose of this document is to set out how Council proposes to fund each of its activities. It has been prepared in accordance with the provisions of Section 101(3) of the Local Government Act 2002 (the Act).

Note: throughout this appendix references are made to legislative provisions. Unless stated otherwise, these references refer to the Local Government Act 2002.

Introduction

The Act requires all councils to adopt a Revenue and Financing Policy showing how Council proposes to fund its various operating and capital expenditures, and more importantly, who will pay these and why.

Council must decide in accordance with S101(3) how each activity will be funded taking into consideration:

- The community outcomes to which the activity primarily contributes; and
- The distribution of benefits between the community as a whole, any identifiable part of the community, and individuals; and
- The period in or over which those benefits are expected to occur; and
- The extent to which the actions or inaction of particular individuals or a group contribute to the need to undertake the activity; and
- The costs and benefits, including consequences for transparency and accountability, of funding the activity distinctly from other activities.

And must also consider:

- The overall impact of any allocation of liability for revenue needs on the current and future social, economic, environmental, and cultural well-being of the community, as shown in the table below.

This analysis document is designed to show how Council has considered each of these requirements and how they relate to the final Revenue and Financing Policy.

The S101(3) funding analysis included in Appendix A identifies the arrangements Council proposes to apply to be able to budget for each activity. Frequently there is a mix of funding mechanisms including both general and targeted rates together with a range of fees and charges. In many instances, the final funding mix depends on the level of activity and the ability to recover costs from user charges. The percentages shown with the split between private and public funded are indicative, intended to show the approximate mix of funding.

Council's S101(3) analysis for Capital Expenditure by Activity

Council will fund the cost of borrowing on the same basis as operating costs unless it resolves otherwise.

APPENDIX A – Section 101 (3) analysis of Operational Expenditure								
Activity	Community Well-being Outcomes	Who Benefits	Period of Benefit	Whose Actions Creates Need	Separate Funding	Rationale	Public	Private
*Notes: 1. The funding source relates to council's costs only, it excludes any subsidies that may be received from NZTA, Min of Health etc. 2. The split between public and private benefit is arranged in 10% bands where necessary.								
Recreation and Community Facilities								
Community Buildings and Property	<p>Our infrastructure assets and services are resilient and fit for purpose</p> <p>Our local communities are thriving and enabled to pursue their aspirations</p> <p>Our natural and built environment is healthy, strong, and safe</p>	User, Commercial & Community	Ongoing	Activity benefits current and future users (as buildings, if well maintained, are a long-life asset).	This activity is funded from rates with limited user funding	User charging is feasible for buildings that can be rented or where usage for private purposes is identifiable. Separate rating though is generally not appropriate as most of the properties are core to long term Council activities and the majority of the benefits are attributable to community as a whole.	100%	0%
Cemeteries	Our infrastructure assets and services are resilient and fit for purpose	User, Commercial & Community	Ongoing	Users, Individuals & Community	There is a significant private benefit funded by fees, but it also includes some public benefit funded from general rates.	This activity is of medium public benefit, but mainly has user benefits, fees remain low due to less use, but high maintenance costs.	50%	50%
Community Halls	<p>Our infrastructure assets and services are resilient and fit for purpose</p> <p>Our local communities are thriving and enabled to pursue their aspirations</p>	User, Commercial & Community	Ongoing	Users	This activity is primarily funded from the general rate.	Some user charges apply though Council also considers affordability issues, and broader community benefits, in allocating costs.	95% 100%	5% 0%

Parks and Reserves	Our local communities are thriving and enabled to pursue their aspirations Our natural and built environment is healthy, strong, and safe	User & Community	Ongoing	Actions of individuals and groups do not contribute in significant way to the need for the activity.	This activity is primarily funded from rates with some user funding.	The activity has general public benefit as all the public can use parks and reserves. There is a small user component that can be identified and targeted. % allocation based on past actuals with reach.	90% 100%	10% 0%
Public Toilets	Our infrastructure assets and services are resilient and fit for purpose	User & Community	Ongoing	Users, Individuals & Community	This activity is primarily funded from the general rate.	Activity is of general public benefit to both local community and visitors and is not targeted at any specific groups.	100%	0%
Social Housing	Our infrastructure assets and services are resilient and fit for purpose Our local communities are thriving and enabled to pursue their aspirations	User & Community	Ongoing	Users, Individuals	There is mainly private benefit funded by fees, but it also includes some public benefit funded from general rates.	Separate funding is appropriate as tenants are the primary beneficiary though affordability needs to be considered as social housing is targeted at more vulnerable groups.	20% 30%	80% 70%
Swimming Pools	Our infrastructure assets and services are resilient and fit for purpose Our local communities are thriving and enabled to pursue their aspirations	User & Community	Ongoing	Users, Individuals	Mainly benefits users of the facilities who can be identified and charged user fees though there are broader community benefits.	User fees are paid directly to the swimming pools therefore Council only contributes a balancing amount which is fully rate funded.	100%	0%
Community Support								
Regional Tourism Organisation	Our local communities are thriving and enabled to pursue their aspirations Our businesses are prosperous and connected to their community	Commercial & Community	Ongoing	The actions of individuals and groups have little impact on this activity	Separate funding appropriate as primary beneficiaries of activity can be identified. Rating separately encourages accountability to key beneficiaries and improves transparency.	Benefits are expected to be higher for businesses (who manage and run this activity on behalf of Council) as tourist numbers increase so a share of the costs are attributed to them. Broader flow-on benefits to the community also reflected in allocation to the community as a whole.	0%	100%

Emergency Management	Our local communities are thriving and enabled to pursue their aspirations	User, Commercial & Community	Ongoing	The actions of individuals and groups have little impact on this activity	This activity is primarily funded from the general rate.	The activity benefits the community as a whole.	100%	0%
Community Development - Grants	Our local communities are thriving and enabled to pursue their aspirations	Community	Ongoing	The actions of individuals and groups have little impact on this activity	This activity is primarily funded from the general rate.	The activity benefits the community as a whole.	100%	0%
i-Sites	Our local communities are thriving and enabled to pursue their aspirations Our businesses are prosperous and connected to their community	National	Ongoing	Visitors have an impact on the need for the activity	This activity is funded from fees and the general rate.	The activity benefits individuals and visitors so fees and commissions can be charged/recouped, and income generated from sales. But there is also a community benefit funded from rates.	80% 70%	20% 30%
Library Services	Our local communities are thriving and enabled to pursue their aspirations	User & Community	Ongoing	The actions of individuals and groups have little impact on this activity	This activity is primarily funded from the general rate with some fee income.	A small amount of funding is collected from user charges recognizing the private benefits. This needs to be kept at a reasonable level so that the facility is affordable and accessible to all.	90% 100%	10% 0%
Land Transport								
Accelerated and Enhanced Development	Our infrastructure assets and services are resilient and fit for purpose Our local communities are thriving and enabled to pursue their aspirations Our natural and built environment is healthy, strong, and safe	User District Community	Ongoing	Individuals or groups actions do not influence the need for the activity.	Separate funding can be used for this category of activity as it is for identifiable projects that are funded by the communities who benefit from higher level of service.	The activity occurs where communities have shown willingness to pay for higher level of service therefore, it is funded by an identifiable group defined by geographic area. Used as necessary.	0%	100%

Road, Signage & Bridges; Footpaths, Kerbs and Channels & Street Furniture.	Our infrastructure assets and services are resilient and fit for purpose Our local communities are thriving and enabled to pursue their aspirations Our natural and built environment is healthy, strong, and safe	User, District & Community	Ongoing	Road users create the need for the activity.	Funded from a mixture of NZTA subsidies and general rates.	The activity benefits all users of roads – locals, visitors and through traffic. As roads are open to all users the activity needs to be funded by community as a whole. Forestry sector charged at a higher rate as considered a specific exacerbator.	100% (Note: this funding relates to the Council share – funding is also provided by NZTA)	
Leadership								
Business Development	Our local communities are thriving and enabled to pursue their aspirations Our businesses are prosperous and connected to their community	Commercial & Community	Ongoing	Not applicable	This activity is primarily funded from the general rate	This is a general public good activity and has benefits for the community as a whole.	60% 70%	40% 30%
Council, Committees, Mayor & Community Boards	Our local communities are thriving and enabled to pursue their aspirations	District	Ongoing	Not applicable	This activity is primarily funded from the general rate	This is a general public good activity and has benefits for the community as a whole.	100%	0%
Economic Development	Our local communities are thriving and enabled to pursue their aspirations Our businesses are prosperous and connected to their community	Commercial & Community	Ongoing	Not applicable	Separate funding appropriate as primary beneficiaries of activity can be identified. Rating separately encourages accountability to key beneficiaries and improves transparency.	Activity focuses on strategic planning and catalyst activities to promote development. Direct benefits to commercial sector, broader community, families and individuals. Benefits are expected to be higher for businesses. Broader flow-on benefits to the community also reflected in allocation to the community as a whole.	60% 70%	40% 30%
Iwi Development	Our local communities are thriving and enabled to pursue their aspirations	District	Ongoing	Not applicable	This activity is primarily funded from the general rate	This is a general public good activity and has benefits for the community as a whole.	100%	0%
Policy Development	Our local communities are thriving and enabled to pursue their aspirations	District	Ongoing	Not applicable	This activity is primarily funded from the general rate	This is a general public good activity and has benefits for the community as a whole.	100%	0%

Youth Development	Our local communities are thriving and enabled to pursue their aspirations	User, & Community	Ongoing	Individuals or groups actions do not influence the need for the activity	This activity is primarily funded by subsidies but with some rate contributions	This activity attracts funding on a project by project basis for example from Central Government from the Local Government Youth Partnership fund. Council contributes through allocating staff time to co-ordination/liaison.	10% 0%	90% 100%
Regulation								
Building Control	Our natural and built environment is healthy, strong, and safe	User, Commercial & Community	Ongoing	Applicants for Building Consents	The activity is primarily funded from fees and charges with some "public good" rate contribution.	Users should part fund their use of this activity, but as the activity has a public benefit as well which benefits the district and the country as a whole, part of this activity should be funded from rates.	40% 50%	60% 50%
Compliance	Our natural and built environment is healthy, strong, and safe	User & Community	Ongoing	Individuals or businesses not complying with Council Bylaws and other regulations and dog owners who must comply with legislation / regulations.	The activity is primarily funded from fees and charges with some "public good" rate contribution.	Users should part fund their use of this activity, but as the activity has a public benefit as well which benefits the district and the country as a whole, part of this activity should be funded from rates.	65% 75%	35% 25%
Environmental Health	Our natural and built environment is healthy, strong, and safe	User, Commercial & Community	Ongoing	Operators of premises that must comply with food safety requirements or other regulation because they could pose a risk to public health and safety.	The activity is partly funded from fees and charges but with a significant "public good" rate contribution.	Users should part fund their use of this activity, but as the activity has a public benefit as well which benefits the district and the country as a whole, part of this activity should be funded from rates.	55% 65%	45% 35%
Alcohol Licencing	Our natural and built environment is healthy, strong, and safe	User, Commercial & Community	Ongoing	Operators of premises that must comply with sale and supply of alcohol laws.	The activity is partly funded from fees and charges but with a significant "public good" rate contribution	Users should part fund their use of this activity, but as the activity has a public benefit as well which benefits the district and the country as a whole, part of this activity should be funded from rates.	55% 65%	45% 35%

Resource Management	Our natural and built environment is healthy, strong, and safe	User, Commercial & Community	Ongoing	Applicants undertaking development that could have adverse environmental effects.	The activity is partly funded from fees and charges but with a significant "public good" rate contribution.	Users should part fund their use of this activity, but as the activity has a public benefit as well which benefits the district and the country as a whole, part of this activity should be funded from rates.	70% 80%	30% 20%
Solid Waste								
Kerbside Collection	Our infrastructure assets and services are resilient and fit for purpose Our natural and built environment is healthy, strong, and safe	User	Ongoing	The residents of urban communities who create refuse.	Fully funded by targeted rates.	The activity benefits the user therefore funded by targeted rates for those who receive the service.	0%	100%
Waste Minimisation – Management and Facilities	Our infrastructure assets and services are resilient and fit for purpose Our natural and built environment is healthy, strong, and safe	User & Community	Ongoing	The residents who create refuse.	Part funded by user charges but with "public good" rate contribution.	There is a moderate public benefit to the activity but the user charge acknowledges that some members of the public and businesses use the activity more than others.	30% 40%	70% 60%
Waters								
Stormwater and Flood Protection	Our infrastructure assets and services are resilient and fit for purpose Our natural and built environment is healthy, strong, and safe	User & Community	Ongoing	Individuals, households and businesses in urban areas	Part funded by local targeted rates but with "public good" General Rate contribution	While the district as a whole will benefit from stormwater and flood protection, the main beneficiaries are the ratepayers in urban centres.	45% 55%	55% 45%

Wastewater	<p>Our infrastructure assets and services are resilient and fit for purpose</p> <p>Our natural and built environment is healthy, strong, and safe</p>	User, Commercial & Community	Ongoing	Users	This activity is regarded as a separate activity therefore is funded separately by targeted rates and fees.	Separate funding is appropriate for this service however as all properties connected to any one of the reticulated schemes receive a similar level of benefit it is appropriate that they pay the same targeted rate. Some Fees and Charges apply for connections etc.	0% 6%	100% 94%
Water Supply	<p>Our infrastructure assets and services are resilient and fit for purpose</p> <p>Our natural and built environment is healthy, strong, and safe</p>	User, Commercial & Community	Ongoing	Users	This activity is regarded as a separate activity therefore is funded separately by targeted rates and fees.	Separate funding is appropriate for this service however as all properties connected to any one of the reticulated schemes receive a similar level of benefit it is appropriate that they pay the same targeted rate. Some Fees and Charges apply for connections etc.	0% 8%	100% 92%

PROSPECTIVE ACCOUNTING POLICIES

STATEMENT OF ACCOUNTING POLICIES

REPORTING ENTITY

Ruapehu District Council (the Council or RDC) is a territorial local authority established under the Local Government Act 2002 (LGA) and is domiciled and operates in New Zealand. The relevant legislation governing the Council's operations includes the LGA and the Local Government (Rating) Act 2002.

The group consists of:

- The ultimate parent, Ruapehu District Council.
- RDC Holdings Ltd (100% owned subsidiary) which is non-trading.
- Visit Ruapehu Limited (100% owned Council Controlled Organisation) CCO.
- Manawatū-Wanganui LASS Ltd (14.29% interest, equally with Horizons Regional Council, Manawatū District Council, Horowhenua District Council, Rangitikei District Council, Tararua District Council, and Whanganui District Council) which is equity accounted (an associate).
- Whanganui River Enhancement Charitable Trust, a CCO established on 10 July 2003 and incorporated as a Trust under the provisions of the Charitable Trusts Act 1957 (33.3% interest, equally with Wanganui District Council and Genesis Energy Limited).
- Manawatu-Wanganui Regional Disaster Relief Fund Trust, a CCO established on 16 March 2004 and incorporated as a Trust under the provisions of the Charitable Trusts Act 1957 (12.5% interest, equally with Horizons Regional Council, Manawatū District Council, Palmerston North City Council, Rangitikei District Council, Tararua District Council, and Whanganui District Council).

All subsidiaries and associated entities are established and domiciled in New Zealand.

The prospective financial statements reflect the consolidated results for Council and Group consisting of Council, RDC Holdings Ltd, and Visit Ruapehu Ltd. The only subsidiary of Council (RDC Holdings Limited) is non-active and has no revenue, expenditure, assets, or liabilities.

Visit Ruapehu Limited was incorporated on 23 August 2019, as a Council Controlled Organisation (CCO) with Ruapehu District Council being the 100% owner. This new organisation replaced the Ruapehu Regional Tourism Organisation (RTO) Trust, which was operating from 2009 until it was wound up by a Trustees resolution on 17 October 2019, under a Deed of Confirmation. The assets were transferred to Visit Ruapehu Limited, free of all charges and encumbrances and all the Trusts debts and liabilities were paid.

Council and Group provide local infrastructure, local public services, and perform regulatory functions. Council does not operate to make a financial return. Council has designated itself and the group as public benefit entities (PBEs) for financial reporting purposes.

The financial information contained within these documents is prospective financial information in terms of Financial Reporting Standard 42 Prospective Financial Statements (PBE). The purpose for which this has been prepared is to enable the public to participate in decision-making processes as to the services provided by Council over the next ten years and to provide broad accountability mechanism of Council to the community. The financial information in the Long term Plan may not be appropriate for purposes other than those described.

BASIS OF PREPARATION

STATEMENT OF COMPLIANCE

The reporting period for these prospective financial statements of Council is for the years 2024-2034 ending on 30 June each year. These prospective financial statements have been prepared on the going concern basis, and in accordance with the requirements of the Local Government Act 2002, which includes the requirement to comply with generally accepted accounting practice in New Zealand (NZ GAAP). Notwithstanding the above, prospective financial statements are a forecast based on best available information and assumptions at the time of preparation, and so it must be cautioned that actual results could differ materially from those presented here due to inherent future uncertainties.

PROSPECTIVE FINANCIAL STATEMENTS

Prospective financial statements have been prepared in accordance with Tier 1 PBE FRS 42 – Prospective Financial Statements and using accounting policies that are consistent with those adopted by Council in preparing financial statements. Council's principal activities are outlined within this 2024-2034 Long Term Plan. Council authorised the prospective financial statements on 26 June 2024.

It is a requirement of the Local Government Act 2002 to present prospective financial statements of the local authority for the financial year of which the Annual Plan relates. This provides an opportunity for ratepayers and residents to review the projected financial results and position of Council. Prospective financial statements are revised annually to reflect updated assumptions and costs.

The prospective financial statements have been prepared on the basis of best estimate assumptions of future events which Council expects to take place. Council has considered factors that may lead to a material difference between information in the prospective financial statements and actual results. These factors, and the assumptions made in relation to the sources of uncertainty and potential effect, are outlined in this Long Term Plan.

CAUTIONARY NOTE

The financial information is prospective. Actual results are likely to vary from the information presented and the variations may be material.

MEASUREMENT BASE

The reporting period for these prospective financial statements is the year ended 30 June 2025. The functional currency of Council is New Zealand dollars, and the statements are presented in New Zealand dollars, rounded to the nearest thousand (\$000), unless otherwise stated.

The prospective financial statements have been prepared based on the historical cost basis, modified by the revaluation of certain assets and liabilities as identified in these statements of significant accounting policies.

The prospective financial statements do not disclose audit fees or imputation credits, and no comment is included regarding the effect on the community of Council's existence or operations. This information is fully disclosed in the Annual Report.

PLANNING ASSUMPTIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The preparation of prospective financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expense. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. The

significant planning and forecasting assumptions with risks underlying the financial estimates are identified in Council's Long Term Plan 2024-2034.

Additionally, Council also applies a number of accounting policies and treatments to this forecast, and a summary of the significant accounting policies can be found in Council's Long Term Plan 2024-2034.

BASIS OF CONSOLIDATION

The consolidated prospective financial statements have been prepared by adding together like items of assets, liabilities, equity, revenue, and expenses of entities of the Group on a line by line basis. All intragroup balances, transactions, revenue and expenses are eliminated on consolidation.

CCOs and subsidiaries are entities controlled by the group. Control is achieved when the group has the power to govern their financial and operating policies. In order to establish control, the controlling entity presently have exercisable power to govern decision making to be able to benefit from the activities of the other entity.

Consolidation of a subsidiary begins when the group obtains control over the subsidiary and ceases when the group loses control of the subsidiary. Assets, liabilities, income, and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statements from the date the group gains control until the date the group ceases to control the subsidiary. The accounting policies of controlled entities are consistent with the policies adopted by the controlling entity, or if not, adjustments are made to the consolidated financial statements to bring alignment of subsidiaries with the group's accounting policies. All intra-group balances, transactions, income, expenses, and cash flows relating to transactions between members of the group are eliminated in full on consolidation.

The substantive subsidiary within the group is Visit Ruapehu Limited. Visit Ruapehu Limited was incorporated on 23 August 2019, as a Council Controlled Organisation (CCO) with Ruapehu District Council being the 100% owner. This new organisation replaced the Ruapehu Regional Tourism Organisation (RTO) Trust, which was operating from 2009 until it was wound up by a Trustees resolution on 17 October 2019 under a Deed of Confirmation. The assets were transferred to Visit Ruapehu Limited, free of all charges and encumbrances and all the Trusts debts and liabilities were paid. Its principal activities involve the development and marketing of tourism in the Ruapehu District.

The following parts of the group are exempt activities:

- RDC Holdings Ltd (100% owned subsidiary) which is non-trading.
- Visit Ruapehu Limited (100% owned Council Controlled Organisation) CCO.
- Manawatū-Wanganui LASS Ltd (14.29% interest, equally with Horizons Regional Council, Manawatū District Council, Horowhenua District Council, Rangitikei District Council, Tararua District Council, and Whanganui District Council) which is equity accounted (an associate).
- Whanganui River Enhancement Charitable Trust, a CCO established on 10 July 2003 and incorporated as a Trust under the provisions of the Charitable Trusts Act 1957 (33.3% interest, equally with Wanganui District Council and Genesis Energy Limited).
- Manawatu-Wanganui Regional Disaster Relief Fund Trust, a CCO established on 16 March 2004 and incorporated as a Trust under the provisions of the Charitable Trusts Act 1957 (12.5% interest, equally with Horizons Regional Council, Manawatū District Council, Palmerston North City Council, Rangitikei District Council, Tararua District Council, and Whanganui District Council).

BASIS OF REPORTING

The New Zealand Accounting Standards Board issued these standards to incorporate the equivalent standards issued by the International Public Sector Accounting Standards Board into PBE Standards. These standards replace PBE IPSAS 6 Consolidated and Separate Financial Statements, PBE IPSAS 7 Investments in Associates and PBE IPSAS 8 Interests in Joint Ventures.

The group adopted these standards with effect from 1 July 2019. The key changes introduced by the new standards and the expected impact on the group are as follows:

- (a) Control: The new standards introduce an amended definition of control including extensive guidance on this definition, which if applicable, result in consolidation of entities that are not

owned by virtue of shareholding. The adoption of new standards has not resulted in the consolidation of additional entities.

- (b) Investment entities: The standards introduce the concept of an “investment entity”. They exempt investment entities from consolidating controlled entities and instead require investment entities to recognise controlled entities at fair value through surplus or deficit. These requirements do not apply to the group, as neither Council nor any of its controlled entities meet the definition of an investment entity.
- (c) Joint arrangements: PBE IPSAS 37 introduces a new classification of joint arrangements, sets out the accounting requirements for each type of arrangement (joint operations and joint ventures), and removes the option of using the proportionate consolidation method. These requirements do not apply to the group, none of Councils controlled entities meet the definition of a joint arrangement.
- (d) Disclosures of interests in other entities: The standards require PBEs to disclose information of their interests in other entities, including some additional disclosures that are not currently required under PBE IPSAS 6, 7 and 8. This will result in additional disclosures for the group regarding the group’s controlled entities, associates, and joint arrangements.

INVESTMENT IN SUBSIDIARIES

Investment in subsidiaries includes the investment in CCOs. These investments are carried at cost less any accumulated impairment.

INVESTMENTS IN ASSOCIATES

Investments in associates are accounted for using the equity method in the group and the council financial statements. The investment is initially recognised at cost and the carrying amount is increased or decreased to recognise the share of the surplus or deficit of the associate or joint venture after the date of acquisition. Distributions received reduce the carrying amount of the investment. Where necessary, adjustments are made to the financial statements of associates and joint ventures to bring their accounting policies in line with the group.

REVENUE

Revenue is measured at fair value of consideration received or receivable. Revenue may be derived from either exchange or non-exchange transactions.

EXCHANGE TRANSACTIONS

Exchange transactions are transactions where Council receives assets or services, or has liabilities extinguished, and directly gives approximately equal value to another entity in exchange.

Revenue derived through the provision of services to third parties in a commercial manner is recognised in proportion to the stage of completion at balance date.

Revenue from asset management services is recognised when provided to the customer.

Interest revenue is recognised using the effective interest method. Interest revenue on an impaired financial asset is recognised using the original effective interest rate.

Dividends are recognised when the right to receive payment has been established. When dividends are declared from pre-acquisition surpluses, the dividend is deducted from the cost of the investment.

NON-EXCHANGE TRANSACTIONS

Non-exchange transactions are transactions that are not exchange transactions. In a non-exchange transaction, Council either receives value from or gives value to another entity without directly giving or receiving approximately equal value in exchange or where the value given or received is not able to be accurately measured. This includes transactions for activities which are subsidised through rates.

An inflow of resources from a non-exchange transaction, whether this be an asset or revenue, is only recognised if a liability is not also recognised for that particular asset or revenue.

A liability is only recognised to the extent that the present obligations have not been satisfied. A liability in respect of a transferred asset is recognised only when the transferred asset is subject to a condition, such as a condition for the asset to be consumed as specified and / or that future economic benefits or service potential must be returned to the owner.

The specific accounting policies relating to significant revenue items follow.

RATES REVENUE

The following policies for rates have been applied:

- General rates and targeted rates (excluding water-by-meter), are recognised at the start of the financial year to which the rates resolution relates. They are recognised at the amounts due. The Council considers that the effect of payment of rates by instalments is not sufficient to require discounting of rates receivables and subsequent recognition of interest revenue.
- Rates arising from late payment penalties are recognised as revenue when rates become overdue.
- Revenue from water-by-meter rates is recognised on an accrual basis based on usage. Unbilled usage, as a result of unread meters at year end, is accrued on an average usage basis.
- Rates remissions are recognised as a reduction of rates revenue when the Council has received an application that satisfies its rates remission policy.

DEVELOPMENT AND FINANCIAL CONTRIBUTIONS

Development and financial contributions are recognised as revenue when the Council provides, or is able to provide, the service for which the contribution was charged. Otherwise, development and financial contributions are recognised as liabilities until such time as the Council provides, or is able to provide, the service.

WAKA KOTAHĪ NEW ZEALAND TRANSPORT AGENCY ROADING SUBSIDIES

The Council receives funding assistance from the New Zealand Transport Agency (NZTA), which subsidises part of the costs of maintenance and capital expenditure on the local roading infrastructure. The subsidies are recognised as revenue upon entitlement, as conditions pertaining to eligible expenditure have been fulfilled.

OTHER GRANTS RECEIVED

Other grants are recognised as revenue when they become receivable unless there is an obligation in substance to return the funds if conditions of the grant are not met. If there is such an obligation, the grants are initially recorded as grants received in advance and recognised as revenue when conditions of the grant are satisfied.

BUILDING AND RESOURCE CONSENT REVENUE

Fees and charges for building and resource consent services are recognised on a percentage completion basis with reference to the recoverable costs incurred at balance date.

LANDFILL FEES

Fees for disposing of waste at the Council's landfill are recognised as waste is disposed by users.

INFRINGEMENT FEES AND FINES

Infringement fees and fines mostly relate to traffic and parking infringements and are recognised when the infringement notice is issued. The fair value of this revenue is determined based on the probability of collecting fines, which is estimated by considering the collection history of fines.

VESTED OR DONATED PHYSICAL ASSETS

For assets received for no or nominal consideration, the asset is recognised at its fair value when the Council obtains control of the asset. The fair value of the asset is recognised as revenue, unless there is a use or return condition attached to the asset.

The fair value of vested or donated assets is usually determined by reference to the cost of constructing the asset. For assets received from property developments, the fair value is based on construction price information provided by the property developer.

For long-lived assets that must be used for a specific use (e.g. land must be used as a recreation reserve), the Council immediately recognises the fair value of the asset as revenue. A liability is recognised only if Council expects that it will need to return or pass the asset to another party.

DONATED AND BEQUEATHED FINANCIAL ASSETS

Donated and bequeathed financial assets are recognised as revenue unless there are substantive use or return conditions. A liability is recorded if there are substantive use or return conditions and the liability released to revenue as the conditions are met (e.g. as the funds are spent for the nominated purpose).

LIABILITIES

INCOME IN ADVANCE

Income in Advance is predominantly made up of Central Government Grants for work that is yet to be completed and from rates and dog registrations paid in advance, these are non-exchange transactions.

BORROWING COSTS

In accordance with PBE IPSAS 5 Borrowing Costs, all borrowing costs are recognised as an expense in the period in which they are incurred.

GRANT EXPENDITURE

Non-discretionary grants are those grants that are awarded if the grant application meets the specified criteria and are recognised as expenditure when an application that meets the specified criteria for the grant has been received.

Discretionary grants are those grants where the Council has no obligation to award on receipt of the grant application and are recognised as expenditure when approved by the Council and the approval has been communicated to the applicant. The Council's grants awarded have no substantive conditions attached.

LEASES

OPERATING LEASES

An operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of an asset.

Lease payments under an operating lease are recognised as an expense on a straight-line basis over the lease term.

Lease incentives received are recognised in the surplus or deficit as a reduction of rental expense over the lease term.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts.

Bank overdrafts are shown within borrowings in current liabilities in the statement of financial position.

DEBTORS AND OTHER RECEIVABLES

Short-term receivables are recorded at the amount due, less an allowance for expected credit losses (ECL). The Council and group apply the simplified ECL model of recognising lifetime ECL for short-term receivables. In measuring ECLs, receivables have been grouped into rates receivables, and other receivables, and assessed on a collective basis as they possess shared credit risk characteristics. They have then been grouped based on the days past due. A provision matrix is then established based on historical credit loss experience, adjusted for forward looking factors specific to the debtors and the economic environment.

Rates are "Written-off" :

- when remitted in accordance with the Council's rates remission policy; and

- in accordance with the write-off criteria of sections 90A (where rates cannot be reasonably recovered) and 90B (in relation to Māori freehold land) of the Local Government (Rating) Act 2002.

Other receivables are written-off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include the debtor being in liquidation or the receivable being more than one year overdue.

Previous accounting policy

In the previous year, the allowance for credit losses was based on the incurred credit loss model. An allowance for credit losses was recognised only when there was objective evidence that the amount due would not be fully collected

OTHER FINANCIAL ASSETS

PBE Standards classify financial assets into three categories: financial assets mandatorily measured at fair value through surplus or deficit, amortised cost and financial assets at fair value through other comprehensive revenue.

The classification depends on the Council's management model for the financial asset and the contractual cash flow characteristics of the financial asset. Management determines the classification of its investments at initial recognition and re-evaluates this designation at every reporting date.

Financial assets are initially measured at fair value plus transaction costs unless they are measured at fair value through surplus or deficit, in which case the transaction costs are recognised in the surplus or deficit.

Short term investments and loans to subsidiaries

Short term investments and loans to subsidiaries are initially measured at the amount invested. Interest is subsequently accrued and added to the investment and loan balance. A loss allowance for expected credit losses is recognised if the estimated loss allowance is not trivial.

Equity investments

Equity investments are irrevocably designated at fair value through other comprehensive revenue and expense at initial recognition.

After initial recognition, the shares are measured at their fair value, with gains and losses recognised in other comprehensive revenue and expense. When sold, the cumulative gain or loss previously recognised in other comprehensive revenue and expense is transferred within equity to general funds.

Accounting for Derivative Financial Instruments and Hedging Activities

Council uses derivative financial instruments to economically hedge exposure to interest rate risk arising from financing activities. In accordance with its treasury policy, Council does not hold or issue derivative financial instruments for trading purposes.

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at each balance date with the resulting gain or loss recognised in the surplus or deficit. Council's derivative financial instruments are not designated as hedging instruments for accounting purposes. Accordingly, derivative financial instruments are reported as financial instruments at fair value through surplus or deficit.

Debtors and Other Receivables

Debtors and other receivables are recorded at the amount due, less an allowance for credit losses. The Council applies the simplified expected credit loss model of recognising lifetime expected credit losses for receivables.

In measuring expected credit losses, short-term receivables have been assessed on a collective basis as they possess shared credit risk characteristics. They have been grouped based on the days past due.

Short-term receivables are written off when there is no reasonable expectation of recovery.

INVENTORY

Inventories held for distribution or consumption in the provision of services that are not supplied on a commercial basis are measured at cost (using the FIFO method), adjusted, when applicable, for any loss of service potential.

Inventories acquired through non-exchange transactions are measured at fair value at the date of acquisition.

Inventories held for use in the provision of goods and services on a commercial basis are valued at the lower of cost (using the FIFO method) and net realisable value. The amount of any write-down for the loss of service potential or from cost to net realisable value is recognised in the surplus or deficit in the period of the write-down.

ASSETS HELD FOR SALE

Assets held for sale are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. Assets held for sale are measured at the lower of their carrying amount and fair value less costs to sell.

Any impairment losses for write-downs of assets held for sale are recognised in the surplus or deficit. Any increases in fair value (less costs to sell) are recognised up to the level of any impairment losses that have been previously recognised.

Assets (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale.

PROPERTY, PLANT AND EQUIPMENT

Property, plant, and equipment consist of:

- **Operational Assets** – These include land, buildings, parks and reserves improvements, library books, plant vehicles, computer equipment and office equipment.
- **Restricted Assets** – Restricted assets are mainly parks and reserves owned by Council that provide a benefit or service to the community and cannot be disposed of because of legal or other restrictions.
- **Infrastructure Assets** – Infrastructure assets are the fixed utility systems owned by Council. Each asset class includes all items that are required for the network to function. For example, sewer reticulation includes reticulation piping and sewer pump stations.
- **Land (operational and restricted)** – Is measured at fair value, and buildings (operational and restricted) and infrastructural assets (except land under roads) are measured at fair value less accumulated depreciation.

All other operational and restricted asset classes are measured at cost less accumulated depreciation and impairment losses.

REVALUATION

Land and buildings (operational and restricted) and infrastructural assets (except land under roads) are revalued annually.

Revaluations of property, plant and equipment are accounted for on a class-of-asset basis.

The net revaluation results are credited or debited to other comprehensive revenue and expense and are accumulated to an asset revaluation reserve in equity for that class-of-asset. Where this would

result in a debit balance in the asset revaluation reserve, this balance is not recognised in other comprehensive revenue and expense but is recognised in the surplus or deficit. Any subsequent increase on revaluation that reverses a previous decrease in value recognised in the surplus or deficit will be recognised first in the surplus or deficit up to the amount previously expensed and then recognised in other comprehensive revenue and expense.

ADDITIONS

The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits or service potential associated with the item will flow to the Council and group and the cost of the item can be measured reliably.

Work in progress is recognised at cost less impairment and is not depreciated.

In most instances, an item of property, plant and equipment is initially recognised at its cost. Where an asset is acquired through a non-exchange transaction, it is recognised at its fair value as at the date of acquisition.

DISPOSALS

Gains and losses on disposals are determined by comparing the disposal proceeds with the carrying amount of the asset. Gains and losses on disposals are reported in the surplus or deficit. When revalued assets are sold, the amounts included in asset revaluation reserves in respect of those assets are transferred to accumulated funds.

SUBSEQUENT COSTS

Costs incurred subsequent to initial acquisition are capitalised only when it is probable that future economic benefits or service potential associated with the item will flow to the Council and the cost of the item can be measured reliably.

The costs of day-to-day servicing of property, plant and equipment are recognised in the surplus or deficit as they are incurred.

DEPRECIATION

Property, plant and equipment depreciation is provided on a straight line (SL) or diminishing value (DV) basis at rates that will write off the cost (or valuation) of the assets to their estimated residual values over their useful lives.

Infrastructure asset depreciation rates are based on the remaining useful life for each individual asset component. These rates are on a straight line basis.

The revaluation approach, useful lives and associated depreciation rates of major classes of assets have been estimated as per the next page.

For depreciated assets the residual value and useful life of an asset is reviewed, and adjusted if applicable, at each financial year end.

Any work undertaken on infrastructure assets to reinstate (termed "renewal") or add to the service potential of the asset is capitalised.

The useful lives and associated depreciation rates of major classes of assets have been estimated as per the following table:

USEFUL LIVES AND DEPRECIATION RATES

Property, Plant and Equipment	Measurement Basis (*1)	Estimated Life	Depreciation Rate
Buildings (Excluding Investment Property)	RAD	5 – 100 Years	1 - 20% SL
Other Improvements	CAD	5.7 – 100 Years	1 – 17.5% SL
Computer Equipment	CAD	2.5 Years	40% DV
Office Equipment, Furniture and Fittings	CAD	5 Years	20% DV
Library Books	CAD	10 Years	10% SL
Plant and Vehicles	CAD	0 – 4 Years	0 – 25% SL
Roads and Footpaths	Measurement Basis (*1)	Estimated Life	Depreciation Rate
Top Surface (Seal)	RAD	15 Years	6.67% SL
Pavement (Base Course)	RAD	100 Years	1% SL
Culverts	RAD	70 – 100 Years	1 – 1.43% SL
Footpaths	RAD	20 – 80 Years	1.25 – 5% SL
Kerbs	RAD	80 – 100 Years	1 – 1.25% SL
Signs	RAD	9-10 Years	10 – 11.1% SL
Street Lights	RAD	20 – 25 Years	4 – 5% SL
Bridges	RAD	36 – 100 Years	1 – 2.77% SL
Water Supply	Measurement Basis (*1)	Estimated Life	Depreciation Rate
Pipes	RAD	50 – 100 Years	1 – 2% SL
Valves and Hydrants	RAD	15 – 120 Years	0.82 – 6.67% SL
Pump Stations	RAD	5 – 106 Years	0.94 – 20% SL
Tanks	RAD	15 – 100 Years	1 – 6.67% SL
Treatment Plants	RAD	5 – 104 Years	0.96% – 20% SL
Wastewater	Measurement Basis (*1)	Estimated Life	Depreciation Rate
Pipes	RAD	15– 120 Years	0.82 – 6.67% SL
Manholes and Cesspits	RAD	25 – 75 Years	1.33 – 4% SL
Pump Stations	RAD	3 – 114 Years	0.88 – 33.3% SL
Treatment Plants	RAD	3 – 200 Years	0.5 – 33.3% SL
Stormwater	Measurement Basis (*1)	Estimated Life	Depreciation Rate
Pipes	RAD	12 – 200 Years	0.5 – 8.33% SL
Manholes and Cesspits	RAD	75 – 82 Years	1.22 – 1.33% SL
Solid Waste	Measurement Basis (*1)	Estimated Life	Depreciation Rate
Various	RAD	0 - 4 Years	0.00 - 25% SL
Other (Not Depreciated)	Measurement Basis (*1)	Estimated Life	Depreciation Rate
Land	REV		
Formation Costs for Roothing	COST		
Stop Banks	REV		
Work In Progress and Assets Under Construction	COST		
*1	CAD	=	Cost Less Accumulated Depreciation And Impairment Losses.
	RAD	=	Revaluation Less Subsequent Depreciation.
	REV	=	Revaluation (Not Depreciated).
	COST	=	Cost.

INTANGIBLE ASSETS

SOFTWARE ACQUISITION AND DEVELOPMENT

Acquired computer software licenses are capitalised on the basis of the costs incurred to acquire and bring to use the specific software.

Costs that are directly associated with the development of software for internal use are recognised as an intangible asset. Direct costs include the software development employee costs and an appropriate portion of relevant overheads. Staff training costs are recognised in the surplus or deficit when incurred. Costs associated with maintaining computer software are recognised as an expense when incurred. Costs associated with development and maintenance of the Council's website are recognised as an expense when incurred.

AMORTISATION

The carrying value of an intangible asset with a finite life is amortised on a straight-line basis over its useful life. Amortisation begins when the asset is available for use and ceases at the date that the asset is derecognised. The amortisation charge for each period is recognised in the surplus or deficit. The useful lives and amortisation rates have been estimated as follows:

Amortisation Rates Intangibles	Estimated Life	Amortisation Rate
Computer Software	3 years	33.3% SL
Pipiriki Wastewater Treatment Plant Resource Consent	22 years	5% SL

IMPAIRMENT OF PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

Intangible assets subsequently measured at cost that have an indefinite useful life, or are not yet available for use, are not subject to amortisation and are tested annually for impairment.

Property, plant and equipment and intangible assets subsequently measured at cost that have a finite useful life are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

If an asset's carrying amount exceeds its recoverable amount, the asset is regarded as impaired and the carrying amount is written down to the recoverable amount. The total impairment loss is recognised in the surplus or deficit. The reversal of an impairment loss is recognised in the surplus or deficit.

VALUE IN USE FOR NON-CASH-GENERATING ASSETS

Non-cash-generating assets are those assets that are not held with the primary objective of generating a commercial return. For non-cash generating assets, value in use is determined using an approach based on either a depreciated replacement cost approach, restoration cost approach, or a service units approach. The most appropriate approach used to measure value in use depends on the nature of the impairment and availability of information.

INVESTMENT PROPERTY

Properties leased to third parties under operating leases are classified as investment property unless the property is held to meet service delivery objectives, rather than to earn rentals or for capital appreciation. Investment property is measured initially at its cost, including transaction costs.

After initial recognition, all investment property is measured at fair value at each reporting date. Gains or losses arising from a change in the fair value of investment property are recognised in the surplus or deficit.

PAYABLES

Short-term creditors and other payables are recorded at their face value.

BORROWINGS

Borrowings are initially recognised at their fair value plus transaction costs. After initial recognition, all borrowings are measured at amortised cost using the effective interest method.

Borrowings are classified as current liabilities unless the Council or group has an unconditional right to defer settlement of the liability for at least 12 months after balance date.

EMPLOYMENT ENTITLEMENTS

SHORT-TERM EMPLOYEE ENTITLEMENTS

Employee benefits expected to be settled within 12 months after the end of the period in which the employee renders the related service are measured based on accrued entitlements at current rates of pay. These include salaries and wages accrued up to balance date, annual leave earned to, but not yet taken at balance date.

A liability and an expense are recognised for bonuses where the Council or group has a contractual obligation or where there is a past practice that has created a constructive obligation.

The Council expects all employee entitlements to be settled within 12 months of balance date.

SALARIES AND WAGES

Salaries and wages are recognised as an expense as employees provide services

SUPERANNUATION SCHEMES

DEFINED CONTRIBUTION SCHEMES

Obligations for contributions to KiwiSaver are accounted for as defined contribution superannuation schemes and are recognised as an expense in the surplus or deficit when incurred.

PROVISIONS

A provision is recognised for future expenditure of uncertain amount or timing when there is a present obligation (either legal or constructive) as a result of a past event, it is probable that an outflow of future economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised as an interest expense and is included in "finance costs".

EQUITY

Equity is the community's interest in the Council and is measured as the difference between total assets and total liabilities.

Equity is disaggregated and classified into the following components:

- Accumulated funds;
- Restricted reserves;
- Asset revaluation reserve;
- Fair value through other comprehensive revenue and expense reserve.

RESTRICTED RESERVES

Restricted reserves are a component of equity generally representing a particular use to which various parts of equity have been assigned. Reserves may be legally restricted or created by the Council.

Restricted reserves include those subject to specific conditions accepted as binding by the Council and which may not be revised by the Council without reference to the Courts or a third party. Transfers from these reserves may be made only for certain specified purposes or when certain specified conditions are met.

Also included in restricted reserves are reserves restricted by Council decision. The Council may alter them without reference to any third party or the Courts. Transfers to and from these reserves are at the discretion of the Council.

ASSET REVALUATION RESERVE

This reserve relates to the revaluation of property, plant and equipment to fair value.

FAIR VALUE THROUGH OTHER COMPREHENSIVE REVENUE AND EXPENSE RESERVE

This reserve comprises the cumulative net change in the fair value of assets classified as fair value through other comprehensive revenue and expense.

GOODS AND SERVICES TAX

All items in the financial statements are stated exclusive of GST, except for receivables and payables. Where GST is not recoverable as input tax, it is recognised as part of the related asset or expense.

The net amount of GST recoverable from, or payable to, the IRD is included as part of receivables or payables in the statement of financial position.

The net GST paid to, or received from, the IRD, including the GST relating to investing and financing activities, is classified as an operating cash flow in the statement of cash flows. Commitments and contingencies are disclosed exclusive of GST.

COST ALLOCATION

The cost of service for each significant activity of the Council has been derived using the cost allocation system outlined below:

- Direct costs are those costs directly attributable to a significant activity.
- Indirect costs are those costs that cannot be identified in an economically feasible manner with a specific significant activity.

Direct costs are charged directly to significant activities. Indirect costs are charged to significant activities using appropriate cost drivers such as staff numbers and size of budgets.

CRITICAL ACCOUNTING ESTIMATES AND ASSUMPTIONS

In preparing these prospective financial statements, estimates and assumptions have been made concerning the future.

These estimates and assumptions may differ from the subsequent actual results. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations or future events that are believed to be reasonable under the circumstances. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities over the Long Term Plan period, are discussed in the following policies and strategies which form part of this document:

- Financial Strategy
- Infrastructure Strategy
- Revenue and Financing Policy

CRITICAL JUDGEMENTS IN APPLYING ACCOUNTING POLICIES

Management has exercised the following critical judgements in applying accounting policies for these prospective financial results.

CLASSIFICATION OF PROPERTY

The Council owns a number of properties held to provide social housing. The receipt of market-based rental from these properties is incidental to holding them. The properties are held for service delivery objectives as part of the Council's social housing policy. The properties are therefore classified as property, plant and equipment rather than as investment properties.

Parcels of land held for an undetermined future use that are classified as Investment Property may be re-classified in the future if the land use changes.

Taumarunui Airport and Ohakune Railway station are held for strategic reasons rather than for generation of revenue and are therefore classified as property, plant and equipment rather than as investment property.

SIGNIFICANCE AND ENGAGEMENT POLICY (SUMMARY)

The decisions that the Council make affect communities on a daily basis. Some decisions are more significant than others, depending on the issue. Smaller operational decisions typically require little if any engagement with the community, whereas other decisions may require a robust decision-making process and extensive community engagement.

The purpose of the Significance and Engagement Policy is to:

- Enable Council and communities to identify the degree of significance attached to particular issues, proposals, assets, decisions and activities.
- Inform the community about what they can expect from Council regarding consultation and engagement.
- Outline which assets Council considers strategic.

Determining the significance of an issue is often an exercise in judgement. Council must assess how a decision may affect the community. There are both qualitative and quantitative considerations when determining the significance of a matter.

Qualitative considerations include things like the degree of impact on the community, whether the matter generates wide public interest or controversy, the impact on Council debt or rates, etc.

Quantitative considerations include major changes in funding requirements, changes to levels of service or major changes to the current state of Council's strategic assets.

Once the level of significance has been determined, the right level of engagement with the community can be determined. The range of tools available is wide, from no engagement being necessary through to the full Special Consultative Procedure as used for the development of the LTP and other large projects. There are several levels of engagement:

- Inform
- Consult
- Involve
- Collaborate

In general, the higher the degree of significance, the greater the community engagement and consultation.

FUNDING IMPACT STATEMENT

INTRODUCTION

Council is required under Schedule 10(15) of the Local Government Act 2002 (LGA) to adopt a Funding Impact Statement. This Statement provides a summary of Council's funding sources over the ten year period, as well as the detailed rates requirement for the 2024/25 financial year. The Statement represents the fiscal outcome from the Revenue and Financing Policy, which was reviewed by Council in accordance with the provisions of the LGA.

Rates are assessed in accordance with the Local Government (Rating) Act 2002 (LGRA) on all rating units in the district on the basis of values as at 30 June 2024.

OBJECTIVES AND MEASURES

OBJECTIVES	MEASURES
<ul style="list-style-type: none">• Provide the income by rates received to meet Council's LTP objectives, after user charges and other income is first applied.• Ensure that all ratepayers pay their fair share towards the cost of Council services.• Ensure that the incidence of rates is spread as fairly as possible over the different ratepayer groups.• Ensure consistency in the charging of rates.	<ul style="list-style-type: none">• Rating income is raised with user charges to meet, and not exceed, that required by Council's forecast work programme.• Council complies with the Balanced Budget requirement of Section 100 of the LGA.• Development of a Revenue and Financing Policy adopted, with consultation, with each LTP.• Setting of rates is in accordance with Council's Revenue and Financing Policy and Funding Impact Statement.• The setting of rates is in accordance with the provisions of the LG(R)A and the LGA.

LEGISLATIVE REQUIREMENTS

The LGA requires that Council include a Funding Impact Statement in each Long Term Plan and Annual Plan. This statement must include the following information, in the required prescribed form, for each year covered by the plan:

- The sources of funding to be used by the local authority,
- The amount of funds expected to be produced from each source,
- How the funds are to be applied.

The Funding Impact Statement must also include the other information set out in Schedule 10(15(3) – (6)) of the LGA.

PROPOSED RATES FOR 2024/25

This portion of the Funding Impact Statement has been prepared in two parts. The first part outlines the rating methodologies and differentials which Council proposes to use to set the rates for the 2024-34 Long Term Plan. The second part outlines the proposed rates for the 2024/25 rating year.

Where a new rate is not proposed to be set in 2024/25 rating year the schedule of rates will show this rate as N/A.

DEFINITION OF SEPARATELY USED OR INHABITED PART OF A RATING UNIT

A separately used or inhabited part of a rating unit is any part of a rating unit that is or is able to be separately used or inhabited by the ratepayer or by any other person or body having a right to use or inhabit that part by virtue of a tenancy, lease, licence or other agreement.

Uniform or Fixed Rates will be applied according to the following principles:

- Where a rating unit contains both a commercial operation and residential accommodation, two separately used parts of a rating unit are identified and each will be a SUIP.
- A farming unit with one dwelling will be treated as one SUIP, with each additional dwelling counting as an additional SUIP of the rating unit.
- Where a single rating unit contains a number of shops or offices, each office or shop will be a SUIP.
- Where a single rating unit contains a number of separately used or inhabited residential parts (block of flats), each separate unit will be counted as one SUIP.
- A motel/hotel complex will not be treated on the basis of the number of rooms, but on the basis of a motel/hotel being a commercial operation. The motel/hotel complex will be one SUIP. However, should a separate household unit be contained within the complex that would constitute an additional SUIP. Each residential occupancy in the motel/hotel complex will be an additional SUIP.
- Dwellings that are not fully self-contained will not be a SUIP. For a dwelling to be self-contained, it must be connected to water and wastewater services, and have facilities so that the person living or staying there does not have to share rooms such as a kitchen or bathroom. A kitchen is further defined as a room or area equipped with the intent for cooking. Any dwelling rented out separately to the main dwelling will be a SUIP.

GENERAL RATES

GENERAL RATE

A General Rate set on the basis of Capital Value (CV) to fund general activities. This rate is set on a differential basis as described below and assessed on all rateable land.

The General Rate differentials are based on the CV and land use as defined by Council's Valuation Service Provider and included in the Rating Information Database. The differentials are as set out in the following table.

(Refer Local Government (Rating) Act 2002, S13(2)(b) & S14, and Schedules 2(1&8) & 3(2))

GENERAL RATE DIFFERENTIALS	
Basis	Differential
All rating units other than hydro-electric properties with a CV in excess of \$50 million	100%
Hydro-electric properties with a CV in excess of \$50 million	61%

GENERAL RATE – DEFENCE LAND

Defence Land is rated on Capital Value but, in accordance with Section 22 LGRA, the assessed rate will not exceed the amount that would have been charged if the District's rate was calculated on the Land Value only.

(Refer Local Government (Rating) Act 2002, S22)

UNIFORM ANNUAL GENERAL CHARGE (UAGC)

A UAGC set on the basis of one charge assessed on every SUIP of a rating unit. This rate has been set at a level designed to ensure that the total of the UAGC and uniform targeted rates, exclusive of those set for water supply or sewerage disposal do not exceed the allowable maximum of 30%.

(Refer Local Government (Rating) Act 2002, S15 & 21 and Schedule 3(7))

TARGETED RATES

LAND TRANSPORT - LAND TRANSPORT DIFFERENTIAL RATE

A targeted rate set on the basis of Capital Value (CV) on all rating units in the District to fund land transport activity. This rate is set on a differential basis as described below.

The Land Transport Rate differentials are based on the CV and use as defined by Council's Valuation Service Provider and included in the Rating Information Database. The differentials are set out in the following table.

(Refer Local Government (Rating) Act 2002, S16(3)(a) and (4)(b) and Schedules 2(1&8) and Schedule 3(2))

LAND TRANSPORT RATE DIFFERENTIALS		
Differential	Basis	Basis
General	All rating units other than the following:	100%
Hydro-electric	Rating Units used for Hydro-electric purposes with a Capital Value in excess of \$50 million	61%
Forestry	Rating Units used for exotic forestry with a Quotable Value Category Code of FE	400%

LAND TRANSPORT RATE – DEFENCE LAND

Defence Land is rated on Capital Value but, in accordance with Section 22 LGRA, the assessed rate will not exceed the amount that would have been charged if the District's rate was calculated on the Land Value only.

(Refer Local Government (Rating) Act 2002, S22)

URBAN PERIPHERY ROADS

KAHA AND TAU STREET RESEALING

A targeted rate set on the basis of a fixed amount assessed on every rating unit within the defined rating area to fund the resealing of Kaha and Tau Streets.

The defined Rating Area is as follows - All rating units with frontage on Kaha or Tau Streets, Rangataua (excluding the three rating units with frontage on a short section of Tau Street already sealed: valuation numbers 12765 198 00; 12765 222 00; 12765 223 00.

(Refer Local Government (Rating) Act 2002, S16(3)(b) and (4)(a))

ECONOMIC DEVELOPMENT RATES

Council's Economic Development activity, which includes the funding provided to Visit Ruapehu, is funded through the 3 targeted rates listed below. 60% is funded from the Economic Development Targeted Rate and the Non-Commercial Visitor Accommodation Targeted Rate and 40% is funded from the Economic Development Commercial Targeted Rate.

ECONOMIC DEVELOPMENT TARGETED RATE

A targeted rate set on the basis of a fixed amount assessed on every SUIP in the District to fund Economic Development.

(Refer Local Government (Rating) Act 2002, S16(3)(a) and (4)(a) and Schedule 3(7))

ECONOMIC DEVELOPMENT COMMERCIAL TARGETED RATE

A targeted rate set on the basis of Capital Value (CV) assessed on every rating unit with Council's Valuation Service Provider's Category Codes C (Commercial) and I (Industrial) to fund Economic Development.

(Refer Local Government (Rating) Act 2002, S16(3)(b) and (4)(a), and Schedule 3(2))

NON COMMERCIAL VISITOR ACCOMMODATION TARGETED RATE

A Non Commercial Visitor Accommodation Rate set on the basis of a fixed amount per rating unit to fund services provided to the tourism sector. This rate will be assessed on any property that is advertised in any form as providing short term accommodation to the tourism sector. For clarity, this rate will be payable by any property (rating unit) that is advertised and used for short-term accommodation purposes, for example Bed & Breakfast (B&B), Book-a-Bach, Air B&Bs etc. This rate is not payable by any rating unit that is currently assessed as Economic Development – Commercial Targeted Rate.

(Refer Local Government (Rating) Act 2002, Sections 16(3)(b) and (4)(a) and schedule 3(7))

SOLID WASTE RATES

SOLID WASTE – WASTE MINIMISATION MANAGEMENT AND FACILITIES.

A targeted rate set on the basis of a fixed amount assessed on every SUIP in the District to fund the cost of landfills, transfer stations and general recycling costs, plus all other refuse costs not included in the service charge for kerbside collection charged to individual households.

(Refer Local Government (Rating) Act 2002, Sections 16(3)(a) and (4)(a) & Schedule 3(7))

SOLID WASTE - KERBSIDE COLLECTION

A targeted rate set on the basis of a fixed amount assessed differentially on every SUIP to which Council provides the service, to fund the cost of kerbside (refuse, recycling and food) collection services. Note: Vacant land and land with minor improvements are deemed not to receive the service therefore are not subject to this rate.

SOLID WASTE - KERBSIDE COLLECTION RATE DIFFERENTIALS		
Basis		Differential
Residential Differential	All rating units within the rateable areas defined AND used for "Residential" ¹ purposes. Note: vacant land and land with minor improvements ² are not liable for this rate	100%
Commercial Differential	All rating units within the rateable areas defined AND used for any purpose other than residential. Note: vacant land and land with minor improvements are not liable for this rate	50%

(Refer Local Government (Rating) Act 2002, Sections 16(3)(b) and (4)(b), Schedules 2 (1&5) & 3(7))

STORMWATER & FLOOD PROTECTION RATES

A targeted rate set on the basis of a fixed amount assessed on every SUIP within the following urban communities to which stormwater and flood protection services are provided to fund these services. In this context, "are provided" means that the rating unit is within a water or sewerage supply area and is liable for any of those rates.

(Refer Local Government (Rating) Act 2002, Sections 16(3)(b) and (4)(a) & Schedule 3 Cl 7)

STORMWATER RATING AREAS
Taumarunui, Piriaka, Ohakune, Raetihi, Ōwhango, National Park, Rangataua, Waiouru, Kakahi

STORMWATER & FLOOD PROTECTION RATES – CAPITAL VALUE

A targeted rate set on the basis of Capital Value (CV) on all rating units in the District to fund stormwater. This rate is set on a differential basis as described below.

The Stormwater & Flood Protection Capital Value Rate differentials are based on the CV and use as defined by Council's Valuation Service Provider and included in the Rating Information Database. The differentials are set out in the following table.

(Refer Local Government (Rating) Act 2002, S16(3)(a) and (4)(b) and Schedules 2(1&8) and Schedule 3(2))

STORMWATER RATE DIFFERENTIALS		
Differential	Basis	Basis
General	All rating units other than the following:	100%
Hydro-electric	Rating Units used for Hydro-electric purposes with a Capital Value in excess of \$50 million	61%

STORMWATER & FLOOD PROTECTION RATES – DEFENCE LAND

Defence Land is rated on Capital Value but, in accordance with Section 22 LGRA, the assessed rate will not exceed the amount that would have been charged if the District's rate was calculated on the Land Value only.

(Refer Local Government (Rating) Act 2002, S2)

¹ As defined as Residential by Council's Valuation Service Provider and included in the Valuation Information Database.

² As defined as OB Other Buildings, OBS Other Buildings, and/or OI Other Improvements by Council's Valuation Service Provider in their categories of Nature Improvements.

SEWERAGE

SEWERAGE SERVICE RATE

Council has set a targeted rate assessed on a differential basis for any land which is connected or capable of connection³, either directly or indirectly, to any of the District's public sewerage systems as follows.

SEWERAGE DIFFERENTIAL RATE		
Differential	Description	Basis
General Use	Land other than land used for Primary and Secondary Schools	100%
School Use	Land used for Primary and Secondary Schools	30%

(Refer Local Government (Rating) Act 2002, Section 16(3)(b) and (4)(b) and Schedules 2(1), 2(5), 3(7) & 3(12))

The rate is assessed per SUIP of a rating unit for general use land and per pan for schools.

DISTRICT WIDE ADDITIONAL PAN RATE (WATER CLOSET OR URINAL)

Council has set a targeted rate assessed on any rating unit in the general use category as defined above that has more than two pans per SUIP and which is connected, either directly or indirectly, to any of the District's public sewerage systems. The rate is assessed per pan.⁴

(Refer Local Government (Rating) Act 2002, Section 16(3)(b) and 16(4)(a) and Schedule 2(1), 2(5) & Schedule 3(12))

WATER

WATER RATE

A targeted rate on the basis of an amount assessed on every SUIP that is connected or capable of connection⁵, either directly or indirectly, to any of the District's Public Water Supply Systems, set on a differential basis.

(Local Government (Rating) Act 2002, Section 16(3)(b) and (4)(b) and Schedule 3(7))

DIFFERENTIAL	WATER RATES DESCRIPTION	BASIS
General Use	All Rating Units other than those defined as Extraordinary Use	100%
Extraordinary Use	Rating Units are deemed extraordinary by land use, Councils Water Bylaw, or agreement with Council.	120%

(Local Government (Rating) Act 2002, Section 16(3)(b) and (4)(b) and Schedules 2(1) & (5) & 3(7))

WATER BY METER CHARGES (N.B. WATER BY METER CHARGES ARE NOT RATES PURSUANT TO THE LGRA)

Users connected to any Council water supply where the supply is recorded through a water meter will be assessed the Water Differential Rate, as outlined above. (Refer Local Government (Rating) Act 2002, Section 16(3)(b) and (4)(b) and Schedules 2(1) & 3(7))

LUMP SUM CONTRIBUTIONS

Council is not seeking any lump sum contributions in respect of any targeted rates.

(Local Government Act 2002, Schedule 10 Clause 15(4)(e)).

DUE DATES FOR PAYMENT OF RATES

Council resolved that the rates for 2024/25 are payable in four equal instalments, on the dates set out below.

3 Capable of connection - The rating unit is within 30m of sewer main and practicably serviceable in the opinion of Council.

4 In terms of the Local Government (Rating) Act 2002 Schedule 3(4) a rating unit used primarily as a residence for one household will be treated as having only one water closet or urinal.

5 Capable of connection - The rating unit is within 100m of water main and practicably serviceable in the opinion of Council.

PENALTIES

A penalty of 10% will be added to any amount of an instalment of rates remaining unpaid after the relevant due date and will be added on the dates set out in the table below:

Instalment	Due Date	Penalty Date
1	20 August 2024	23 August 2024
2	22 November 2024	25 November 2024
3	20 February 2025	24 February 2025
4	20 May 2025	23 May 2025

A further penalty of 10% will be added to any rates from previous years that remain unpaid on 1 July 2024. The penalty will be applied on 12 July 2024.

A further penalty of 10% will be added to any amount of rates to which a penalty has been added under the above paragraph that remain unpaid on 12 January 2025. The penalty will be added on 12 January 2025.

Council delegates authority to the Executive Manager Finance, Strategy and Governance, to apply penalties on unpaid rates. Remission of penalties will be considered according to Council's Remission of Penalties Policy, which can be found on Council's website: www.ruapehudc.govt.nz.

OTHER RATING POLICY STATEMENT

PROJECTED NUMBER OF RATING UNITS

Local Government Act 2002 Schedule 10 Clause 15A requires Council to state for each year covered by the Plan the projected number of rating units within the district or region of the local authority at the end of the preceding financial year.

For the purposes of the 2024-2034 Long Term Plan Council has assumed that there will be some growth in the number of rating units.

The following table shows the growth assumptions for each of the years covered by the plan:

YEAR	RATING UNITS
2024/25	9195
2025/26	9219
2026/27	9242
2027/28	9266
2028/29	9289
2029/30	9313
2030/31	9336
2031/32	9360
2032/33	9384
2033/34	9408

SCHEDULE OF RATES FOR 2024/25

PLEASE NOTE ALL RATES INCLUSIVE GST.

Rate	Basis of Assessment	Differential (as per LG(R)A schedule 2)	Rates 2024/25	
			Rate GST incl.	Total Rate GST incl.
Uniform Annual General Charge	Per SUIP	-	\$775.07	\$7,135,615
General Rate – General Differential	Capital Value	1 & 8	\$0.00163881	\$10,729,140
General Rate – Hydro Electrical Differential	Capital Value	1 & 8	\$0.00099967	\$386,623
General Rate – Defence Land	Land Value	1	\$0.00043547	\$116,522
TARGETED RATES				
Land Transport				
General	Capital Value	1	\$0.00069768	\$4,356,868
Hydro Electrical	Capital Value	1 & 8	\$0.00042558	\$164,595
Forestry	Capital Value	1	\$0.00279073	\$843,190
Defence Land	Capital Value	1	\$0.00019743	\$52,829
Kaha and Tau Street Resealing	Per rating unit	-	\$124.00	\$3,968
Solid Waste				
<i>Solid Waste - Kerbside Collection</i>				
Residential	Per SUIP	1	\$88.19	\$390,269
Commercial	Per SUIP	1	\$44.10	\$23,416
Solid Waste – Waste Minimisation and Management Facilities	Per SUIP	-	\$95.62	\$880,274
Stormwater - Flood Protection				
Stormwater/Flood Protection Urban	Per SUIP	-	\$100.48	\$580,860
Stormwater/Flood Protection CV	Capital Value	-	\$0.00008474	\$554,842
Stormwater/Flood Protection CV Defence Force	Capital Value	1	\$0.00002252	\$6,026
Stormwater/Flood Protection CV Hydro	Capital Value	1 & 8	\$0.00005169	\$19,992
Wastewater				
District Wide Sewerage Rate				
General use (Inclusive of 2 pans)	Per SUIP	1 & 5	\$530.66	\$2,685,623
School Use	Per Pan	1 & 5	\$159.19	\$38,844
<i>District Wide Additional Pan Rate</i>				
General Use Per pan in excess of 2 pans per SUIP	Per Pan	-	\$265.33	\$333,779
Water				
<i>District Wide Water Rate</i>				
Connected or capable of connection	Per SUIP	1 & 5	\$948.26	\$5,666,776
Extra-Ordinary	Per SUIP	1 & 5	\$1,137.90	\$40,965
Economic Development Rates				
Economic Development Rate	Per SUIP	-	\$48.16	\$443,343

Economic Development Commercial Rate	Capital Value	-	\$0.00108865	\$408,962
Non-Commercial Visitor Accommodation Targeted Rate	Per rating unit	-	\$300.00	\$170,100

RATING EXAMPLES

Set out below are examples of the rates drawn from a range of land uses and property land values. Additionally, examples are shown for a range of residential properties drawn from a number of communities across the District.

			2023/24 Capital Value	2024/25 Capital Value	2024/25 Rate Requirement	\$ Change	% Change
Kakahi	Residential	Low	200,000	256,000	1,627	100	7%
Kakahi	Residential	Medium	225,000	288,000	1,704	108	7%
Kakahi	Residential	High	320,000	409,600	1,999	136	7%
National Park	Residential	Low	200,000	256,000	3,118	219	8%
National Park	Residential	Medium	400,000	512,000	3,738	278	8%
National Park	Residential	High	600,000	768,000	4,358	337	8%
Ohakune	Residential	Low	175,000	224,000	3,110	190	7%
Ohakune	Residential	Medium	390,000	499,200	3,753	231	7%
Ohakune	Residential	High	685,000	876,800	4,635	286	7%
Ohura	Residential	Low	50,000	64,000	2,022	142	8%
Ohura	Residential	Medium	94,000	120,320	2,158	155	8%
Ohura	Residential	High	220,000	281,600	2,549	193	8%
Owhango	Residential	Low	160,000	204,800	2,463	153	7%
Owhango	Residential	Medium	280,000	358,400	2,835	188	7%
Owhango	Residential	High	400,000	512,000	3,207	224	8%
Pipiriki	Residential	Low	99,000	126,720	1,756	126	8%
Pipiriki	Residential	Medium	168,000	215,040	1,970	147	8%
Pipiriki	Residential	High	213,000	272,640	2,110	160	8%
Raetihi	Residential	Low	100,000	128,000	2,896	187	7%
Raetihi	Residential	Medium	215,000	275,200	3,253	221	7%
Raetihi	Residential	High	255,000	326,400	3,377	233	7%
Rangataua	Residential	Low	190,000	243,200	2,227	129	6%
Rangataua	Residential	Medium	325,000	416,000	2,645	169	7%
Rangataua	Residential	High	415,000	531,200	2,924	196	7%
Taumarunui	Residential	Low	100,000	128,000	2,896	187	7%
Taumarunui	Residential	Medium	300,000	384,000	3,516	246	8%
Taumarunui	Residential	High	495,000	633,600	4,121	304	8%
Waiouru	Residential	Low	205,000	262,400	3,222	218	7%
Waiouru	Residential	Medium	240,000	307,200	3,330	228	7%
Waiouru	Residential	High	310,000	396,800	3,547	249	8%
Kakahi	Rural	Low	440,000	563,200	2,282	173	8%
Kakahi	Rural	Medium	2,450,000	3,136,000	8,512	769	10%
Kakahi	Rural	High	4,060,000	5,196,800	13,501	1,247	10%
National Park	Rural	Low	310,000	396,800	1,880	135	0
National Park	Rural	Medium	2,095,000	2,681,600	7,412	664	10%
National Park	Rural	Med/High	6,450,000	8,256,000	20,909	1,956	10%
Ohakune	Rural	Low	500,000	640,000	2,468	191	8%
Ohakune	Rural	Medium	1,120,000	1,433,600	4,390	375	9%
Ohakune	Rural	High	3,190,000	4,083,200	10,805	989	10%
Ohura	Rural	Low	273,000	349,440	1,765	124	8%
Ohura	Rural	Medium	1,990,000	2,547,200	7,086	633	10%
Ohura	Rural	High	4,020,000	5,145,600	13,378	1,235	10%
Owhango	Rural	Low	310,000	396,800	1,880	135	8%
Owhango	Rural	Medium	1,795,000	2,297,600	6,482	575	10%

			2023/24 Capital Value	2024/25 Capital Value	2024/25 Rate Requirement	\$ Change	% Change
Owhango	Rural	High	4,845,000	6,201,600	15,934	1,480	10%
Pipiriki	Rural	Low	375,000	480,000	2,081	154	8%
Pipiriki	Rural	Medium	1,060,000	1,356,800	4,204	357	9%
Pipiriki	Rural	High	3,550,000	4,544,000	11,921	1,096	10%
Raetihi	Rural	Low	234,000	299,520	1,644	112	7%
Raetihi	Rural	Medium	1,980,000	2,534,400	7,055	630	10%
Raetihi	Rural	High	6,155,000	7,878,400	19,994	1,868	10%
Taumarunui	Rural	Low	935,000	1,196,800	3,817	320	9%
Taumarunui	Rural	Medium	2,020,000	2,585,600	7,179	638	10%
Taumarunui	Rural	High	5,850,000	7,488,000	19,049	1,778	10%
Waiouru	Rural	Low	342,000	437,760	1,979	144	8%
Waiouru	Rural	Medium	990,000	1,267,200	3,987	336	9%
Waiouru	Rural	High	2,030,000	2,598,400	7,210	645	10%
Kakahi	Commercial	Medium	92,000	104,052	1,284	30	2%
National Park	Commercial	Low	700,000	791,700	5,808	113	2%
National Park	Commercial	Medium	1,600,000	1,809,600	9,380	-15	0%
National Park	Commercial	High	5,060,000	5,722,860	23,115	-509	-2%
Ohakune	Commercial	Low	450,000	508,950	4,903	192	4%
Ohakune	Commercial	Medium	1,430,000	1,617,330	8,794	52	1%
Ohakune	Commercial	High	2,320,000	2,623,920	12,327	-75	-1%
Ohura	Commercial	Low	50,000	56,550	2,066	120	6%
Ohura	Commercial	Medium	85,000	96,135	2,205	115	6%
Ohura	Commercial	High	280,000	316,680	2,979	87	3%
Owhango	Commercial	Low	135,000	152,685	2,503	86	4%
Owhango	Commercial	Medium	225,000	254,475	2,861	73	3%
Owhango	Commercial	High	405,000	458,055	3,575	48	1%
Raetihi	Commercial	Low	109,000	123,279	3,506	197	6%
Raetihi	Commercial	Medium	160,000	180,960	3,708	189	5%
Raetihi	Commercial	High	530,000	599,430	5,177	137	3%
Taumarunui	Commercial	Low	510,000	576,810	5,098	139	3%
Taumarunui	Commercial	Medium	800,000	904,800	6,249	98	2%
Taumarunui	Commercial	High	1,300,000	1,470,300	8,234	27	0%
Waiouru	Commercial	Low	240,000	271,440	4,026	178	5%
Waiouru	Commercial	Medium	345,000	390,195	4,443	163	4%
Waiouru	Commercial	High	580,000	655,980	5,375	129	2%

STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSE

	2024 AP Budget (000's)	2025 LTP Budget (000's)	2026 LTP Budget (000's)	2027 LTP Budget (000's)	2028 LTP Budget (000's)	2029 LTP Budget (000's)	2030 LTP Budget (000's)	2031 LTP Budget (000's)	2032 LTP Budget (000's)	2033 LTP Budget (000's)	2034 LTP Budget (000's)
Revenue											
Rates	28,189	31,333	34,376	37,680	39,862	41,849	43,922	46,100	48,353	50,702	53,167
Subsidies and Grants	18,616	15,550	18,404	20,712	35,209	23,295	20,665	20,610	20,912	21,332	27,415
Interest Revenue	26	105	103	103	104	106	107	108	110	111	113
Fees and Charges	3,081	3,833	3,932	4,037	4,142	4,245	4,347	4,448	4,546	4,648	4,745
Development and Financial Contributions	232	112	112	112	112	112	112	112	112	112	112
Other Revenue	577	535	547	563	580	593	609	625	640	655	669
Gains	-	-	-	-	-	-	-	-	-	-	-
Total Operating Revenue	50,721	51,468	57,474	63,207	80,009	70,200	69,762	72,003	74,673	77,560	86,221
Expenses											
Personnel Costs	7,183	7,766	8,345	8,680	9,474	9,865	10,256	10,647	11,037	11,428	11,819
Finance Costs	2,708	3,166	3,182	3,225	3,451	3,934	4,318	4,638	4,736	4,694	4,798
Depreciation and Amortisation Expense	12,518	11,945	12,439	12,790	13,201	13,836	14,425	14,843	15,220	15,595	15,980
Other Expenses	24,560	28,216	33,262	37,239	36,075	36,710	38,182	38,310	39,964	41,457	41,367
Losses	-	-	-	-	-	-	-	-	-	-	-
Total Operating Expenses	46,969	51,093	57,228	61,934	62,201	64,345	67,181	68,438	70,957	73,174	73,964
Operating Surplus / (Deficit) before tax											
Income Tax Expense	-	-	-	-	-	-	-	-	-	-	-
Operating Surplus / (Deficit) after tax	3,752	375	246	1,273	17,808	5,855	2,581	3,565	3,716	4,386	12,257

	2024 AP Budget (000's)	2025 LTP Budget (000's)	2026 LTP Budget (000's)	2027 LTP Budget (000's)	2028 LTP Budget (000's)	2029 LTP Budget (000's)	2030 LTP Budget (000's)	2031 LTP Budget (000's)	2032 LTP Budget (000's)	2033 LTP Budget (000's)	2034 LTP Budget (000's)
Other Comprehensive Revenue and Expense											
Gain / (Loss) on Property, Plant & Equipment Revaluations	4,772	12,975	7,642	10,400	11,093	11,434	11,551	11,507	11,924	11,832	12,172
Financial Assets at Fair Value Through Comprehensive Revenue and Expense	-	-	-	-	-	-	-	-	-	-	-
Total Other Comprehensive Revenue and Expenses	4,772	12,975	7,642	10,400	11,093	11,434	11,551	11,507	11,924	11,832	12,172
Total Comprehensive Revenue and Expense	8,523	13,350	7,888	11,673	28,901	17,289	14,132	15,072	15,640	16,218	24,429

STATEMENT OF CHANGES IN NET ASSETS/ EQUITY

	2024 AP Budget (000's)	2025 LTP Budget (000's)	2026 LTP Budget (000's)	2027 LTP Budget (000's)	2028 LTP Budget (000's)	2029 LTP Budget (000's)	2030 LTP Budget (000's)	2031 LTP Budget (000's)	2032 LTP Budget (000's)	2033 LTP Budget (000's)	2034 LTP Budget (000's)
Equity balance at 30 June											
Equity balance at 1 July	534,851	524,720	538,129	546,077	557,808	586,766	604,114	618,305	633,437	649,136	665,414
Special funds	-	59	59	59	59	59	59	59	59	59	59
Comprehensive income for year	8,523	13,350	7,888	11,673	28,901	17,289	14,132	15,072	15,640	16,218	24,429
Equity balance 30 June	543,374	538,129	546,077	557,808	586,766	604,114	618,305	633,437	649,136	665,414	689,904
Components of Equity											
Retained Earnings at 1 July	301,875	302,318	302,752	303,058	304,388	322,254	328,168	330,808	334,432	338,208	342,654
Special funds	-	59	59	59	59	59	59	59	59	59	59
Net Surplus/(Deficit)	8,523	375	246	1,273	17,808	5,855	2,581	3,565	3,716	4,386	12,257
Retained earnings 30 June	310,398	302,752	303,058	304,388	322,254	328,168	330,808	334,432	338,208	342,654	354,972
Revaluation Reserves at 1 July	228,204	222,402	235,376	243,019	253,419	264,512	275,946	287,497	299,004	310,928	322,760
Revaluation Gains	4,772	12,975	7,642	10,400	11,093	11,434	11,551	11,507	11,924	11,832	12,172
Revaluation Reserves 30 June	232,976	235,376	243,019	253,419	264,512	275,946	287,497	299,004	310,928	322,760	334,932
Council Created Reserves at 1 July	-	-	-	-	-	-	-	-	-	-	-
Transfers to / (from) reserves	-	-	-	-	-	-	-	-	-	-	-
Council created Reserves 30 June	-	-	-	-	-	-	-	-	-	-	-
Equity at 30 June	543,374	538,129	546,077	557,808	586,766	604,114	618,305	633,437	649,136	665,414	689,904

STATEMENT OF FINANCIAL POSITION

	2024 AP Budget (000's)	2025 LTP Budget (000's)	2026 LTP Budget (000's)	2027 LTP Budget (000's)	2028 LTP Budget (000's)	2029 LTP Budget (000's)	2030 LTP Budget (000's)	2031 LTP Budget (000's)	2032 LTP Budget (000's)	2033 LTP Budget (000's)	2034 LTP Budget (000's)
Current Assets											
Cash and Cash Equivalents	2,197	4,407	4,407	4,407	4,407	4,407	4,407	4,407	4,407	4,407	4,407
Receivables	1,704	2,623	2,623	2,623	2,623	2,623	2,623	2,623	2,623	2,623	2,623
Prepayments and Accrued Income	1,278	2,811	2,811	2,811	2,811	2,811	2,811	2,811	2,811	2,811	2,811
Inventory	348	310	310	310	310	310	310	310	310	310	310
Other Financial Assets	-	-	-	-	-	-	-	-	-	-	-
Total Current Assets	5,527	10,151	10,151	10,151	10,151	10,151	10,151	10,151	10,151	10,151	10,151
Non-Current Assets											
Investment in CCOs and Other Similar Entities	67	67	67	67	67	67	67	67	67	67	67
Other Financial Assets	967	1,612	1,652	1,675	1,706	1,792	1,848	1,808	1,750	1,663	1,614
Property, Plant & Equipment	597,193	592,797	602,215	615,675	650,840	676,014	695,241	711,345	726,442	741,658	766,759
Intangible Assets	-	155	155	155	155	155	155	155	155	155	155
Investment Property	6,916	6,007	6,133	6,261	6,386	6,508	6,631	6,751	6,873	6,996	7,116
Total Non-Current Assets	605,143	600,638	610,222	623,833	659,154	684,536	703,942	720,126	735,287	750,539	775,711
Total Assets	610,669	610,789	620,373	633,984	669,305	694,687	714,093	730,277	745,438	760,690	785,862

	2024 AP Budget (000's)	2025 LTP Budget (000's)	2026 LTP Budget (000's)	2027 LTP Budget (000's)	2028 LTP Budget (000's)	2029 LTP Budget (000's)	2030 LTP Budget (000's)	2031 LTP Budget (000's)	2032 LTP Budget (000's)	2033 LTP Budget (000's)	2034 LTP Budget (000's)
Current Liabilities											
Creditors and Other Payables	4,356	5,644	5,644	5,644	5,644	5,644	5,644	5,644	5,644	5,644	5,644
Borrowings	19,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000
Employee Entitlements	498	510	510	510	510	510	510	510	510	510	510
Income in Advance	1,612	2,009	2,009	2,009	2,009	2,009	2,009	2,009	2,009	2,009	2,009
Total Current Liabilities	25,466	16,163	16,163	16,163	16,163	16,163	16,163	16,163	16,163	16,163	16,163
Non-Current Liabilities											
Borrowings	41,612	56,267	57,903	59,783	66,146	74,180	79,395	80,447	79,909	78,883	79,565
Provisions	217	230	230	230	230	230	230	230	230	230	230
Derivative Financial Instruments	-	-	-	-	-	-	-	-	-	-	-
Total Non-Current Liabilities	41,829	56,497	58,133	60,013	66,376	74,410	79,625	80,677	80,139	79,113	79,795
Total Liabilities	67,295	72,660	74,296	76,176	82,539	90,573	95,788	96,840	96,302	95,276	95,958
Net Assets	543,374	538,129	546,077	557,808	586,766	604,114	618,305	633,437	649,136	665,414	689,904
Equity											
Accumulated Funds	310,398	302,752	303,058	304,388	322,254	328,168	330,808	334,432	338,208	342,654	354,972
Other Reserves	232,976	235,377	243,019	253,420	264,512	275,946	287,497	299,005	310,928	322,760	334,932
Total Equity	543,374	538,129	546,077	557,808	586,766	604,114	618,305	633,437	649,136	665,414	689,904

PROSPECTIVE CASH FLOW STATEMENT

	2024 AP Budget (000's)	2025 LTP Budget (000's)	2026 LTP Budget (000's)	2027 LTP Budget (000's)	2028 LTP Budget (000's)	2029 LTP Budget (000's)	2030 LTP Budget (000's)	2031 LTP Budget (000's)	2032 LTP Budget (000's)	2033 LTP Budget (000's)	2034 LTP Budget (000's)
Cash Flows from Operating Activities											
Cash was received from:											
Rates revenue	28,189	31,333	34,376	37,680	39,862	41,849	43,922	46,100	48,353	50,702	53,167
Interest received	26	105	103	103	104	106	107	108	110	111	113
Other revenue	22,274	19,918	22,884	25,312	39,930	28,133	25,621	25,683	26,098	26,635	32,829
Development contributions	232	112	112	112	112	112	112	112	112	112	112
	50,721	51,468	57,475	63,207	80,008	70,200	69,762	72,003	74,673	77,560	86,221
Cash was distributed to:											
Payments to suppliers and employees	(30,823)	(35,982)	(41,607)	(45,919)	(45,549)	(46,574)	(48,439)	(48,957)	(51,001)	(52,886)	(53,186)
Interest paid	(2,708)	(3,166)	(3,182)	(3,225)	(3,451)	(3,934)	(4,318)	(4,638)	(4,736)	(4,694)	(4,798)
	(33,531)	(39,148)	(44,789)	(49,144)	(49,000)	(50,508)	(52,757)	(53,595)	(55,737)	(57,580)	(57,984)
Net Cash Flows from Operating Activities	17,190	12,320	12,686	14,063	31,008	19,692	17,005	18,408	18,936	19,980	28,237
Cash Flows from Investment Activities											
Cash was distributed to:											
Purchase of property, plant & equipment	(21,891)	(17,292)	(14,343)	(15,979)	(37,399)	(27,699)	(22,224)	(19,561)	(18,516)	(19,103)	(29,029)
Purchase of investments	-	-	-	-	-	-	-	-	-	-	-
	(21,891)	(17,292)	(14,343)	(15,979)	(37,399)	(27,699)	(22,224)	(19,561)	(18,516)	(19,103)	(29,029)
Net Cash Flows from Investment Activities	(21,891)	(17,292)	(14,343)	(15,979)	(37,399)	(27,699)	(22,224)	(19,561)	(18,516)	(19,103)	(29,029)

	2024 AP Budget (000's)	2025 LTP Budget (000's)	2026 LTP Budget (000's)	2027 LTP Budget (000's)	2028 LTP Budget (000's)	2029 LTP Budget (000's)	2030 LTP Budget (000's)	2031 LTP Budget (000's)	2032 LTP Budget (000's)	2033 LTP Budget (000's)	2034 LTP Budget (000's)
Cash Flows from Financing Activities											
Cash was received from:											
Proceeds from borrowings	3,368	17,415	14,381	16,001	37,429	27,784	22,280	19,519	18,458	19,015	28,980
	3,368	17,415	14,381	16,001	37,429	27,784	22,280	19,519	18,458	19,015	28,980
Cash was distributed to:											
Repayment of borrowings	-	(12,443)	(12,724)	(14,085)	(31,038)	(19,777)	(17,061)	(18,366)	(18,878)	(19,892)	(28,188)
	-	(12,443)	(12,724)	(14,085)	(31,038)	(19,777)	(17,061)	(18,366)	(18,878)	(19,892)	(28,188)
Net Cash Flows from Financing Activities	3,368	4,972	1,657	1,916	6,391	8,007	5,219	1,153	(420)	(877)	792
Cash and Cash Equivalents											
Cash balance											
Net Increase/(Decrease) in Cash Held	(1,333)	-	-	-	-	-	-	-	-	-	-
Add Opening Cash bought forward	3,530	4,407	4,407	4,407	4,407	4,407	4,407	4,407	4,407	4,407	4,407
Closing Cash balance	2,197	4,407	4,407	4,407	4,407	4,407	4,407	4,407	4,407	4,407	4,407
Closing Balance made up of Cash and Cash Equivalents	2,197	4,407	4,407	4,407	4,407	4,407	4,407	4,407	4,407	4,407	4,407

FUNDING IMPACT STATEMENT FOR LONG-TERM PLAN (WHOLE OF COUNCIL)

	2024 AP Budget (000's)	2025 LTP Budget (000's)	2026 LTP Budget (000's)	2027 LTP Budget (000's)	2028 LTP Budget (000's)	2029 LTP Budget (000's)	2030 LTP Budget (000's)	2031 LTP Budget (000's)	2032 LTP Budget (000's)	2033 LTP Budget (000's)	2034 LTP Budget (000's)
Sources of operating funding											
General rates, uniform annual general charges, rates penalties	14,422	15,767	17,308	18,612	20,071	20,756	21,757	22,450	23,836	24,845	25,599
Targeted rates	13,769	15,566	17,068	19,068	19,791	21,093	22,165	23,650	24,517	25,857	27,568
Subsidies and grants for operating purposes	7,222	7,887	10,754	12,668	11,046	11,330	11,532	11,735	11,946	12,149	12,348
Fees and charges and other revenue	3,469	4,195	4,307	4,427	4,547	4,665	4,781	4,897	5,010	5,126	5,239
Interest and dividends from investments	26	105	103	103	104	106	107	108	110	111	113
Local authorities fuel tax, fines, infringement fees, and other receipts	189	173	173	173	174	174	175	175	176	177	177
Total operating funding (A)	39,097	43,693	49,713	55,051	55,733	58,124	60,517	63,015	65,595	68,265	71,044
Applications of operating funding											
Payments to staff and suppliers	31,744	35,982	41,607	45,919	45,549	46,574	48,439	48,957	51,001	52,886	53,186
Finance costs	2,708	3,166	3,182	3,225	3,451	3,934	4,318	4,638	4,736	4,694	4,798
Total applications of operating funding (B)	34,452	39,148	44,789	49,144	49,000	50,508	52,757	53,595	55,737	57,580	57,984
Surplus (deficit) of operating funding (A - B)	4,645	4,545	4,924	5,907	6,733	7,616	7,760	9,420	9,858	10,685	13,060

	2024 AP Budget (000's)	2025 LTP Budget (000's)	2026 LTP Budget (000's)	2027 LTP Budget (000's)	2028 LTP Budget (000's)	2029 LTP Budget (000's)	2030 LTP Budget (000's)	2031 LTP Budget (000's)	2032 LTP Budget (000's)	2033 LTP Budget (000's)	2034 LTP Budget (000's)
Sources of capital funding											
Subsidies and grants for capital expenditure	12,112	7,664	7,651	8,045	24,164	11,965	9,134	8,876	8,967	9,185	15,066
Development and financial contributions	231	112	112	112	112	112	112	112	112	112	112
Increase (decrease) in debt	3,369	5,034	1,636	1,880	6,363	8,034	5,215	1,052	(538)	(1,026)	682
Total sources of capital funding (C)	15,712	12,810	9,399	10,037	30,639	20,111	14,461	10,040	8,541	8,271	15,860
Application of capital funding											
Capital Expenditure											
- to meet additional demand	3,386	374	438	175	123	68	69	71	73	75	76
- to improve the level of service	7,216	5,625	2,369	2,815	15,895	10,133	5,759	2,953	2,524	2,042	10,336
- to replace existing assets	11,288	11,294	11,536	12,989	21,381	17,498	16,396	16,536	15,920	16,987	18,617
Increase (decrease) in reserves	(1,533)	62	(20)	(35)	(27)	28	(3)	(100)	(118)	(148)	(109)
Total applications of capital funding (D)	20,357	17,355	14,323	15,944	37,372	27,727	22,221	19,460	18,399	18,956	28,920
Surplus (deficit) of capital funding (C - D)	(4,645)	(4,545)	(4,924)	(5,907)	(6,733)	(7,616)	(7,760)	(9,420)	(9,858)	(10,685)	(13,060)
Funding balance ((A-B)+(C-D))	-	-	-	-	-	-	-	-	-	-	-

COST OF SUPPORT FUNDING IMPACT STATEMENT

	2024 AP Budget (000's)	2025 LTP Budget (000's)	2026 LTP Budget (000's)	2027 LTP Budget (000's)	2028 LTP Budget (000's)	2029 LTP Budget (000's)	2030 LTP Budget (000's)	2031 LTP Budget (000's)	2032 LTP Budget (000's)	2033 LTP Budget (000's)	2034 LTP Budget (000's)
Surplus / (deficit) of operating funding											
Sources of operating funding											
General rates, uniform annual general charges, rates penalties	(4)	(848)	(808)	(798)	(801)	(823)	(829)	(857)	(875)	(879)	(902)
Targeted rates	-	-	-	-	-	-	-	-	-	-	-
Subsidies and grants for operating purposes	-	-	-	-	-	-	-	-	-	-	-
Fees and charges and other revenue	275	279	291	304	317	330	342	356	369	381	393
Internal charges and overheads recovered	4,585	9,276	9,861	10,609	10,687	11,004	11,702	11,430	11,698	12,424	12,234
Interest and dividends from investments	26	105	103	103	104	106	107	108	110	111	113
Total operating funding (A)	4,882	8,812	9,447	10,218	10,307	10,617	11,322	11,037	11,302	12,037	11,838
Applications of operating funding											
Payments to staff and suppliers	3,975	8,472	9,086	9,765	9,798	10,105	10,840	10,598	10,901	11,664	11,507
Finance costs	230	(424)	(403)	(384)	(386)	(415)	(445)	(488)	(526)	(554)	(596)
Internal charges and overheads applied	-	-	-	-	-	-	-	-	-	-	-
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
Total applications of operating funding (B)	4,205	8,048	8,683	9,381	9,412	9,690	10,395	10,110	10,375	11,110	10,911
Surplus (deficit) of operating funding (A - B)	677	764	764	837	895	927	927	927	927	927	927

	2024 AP Budget (000's)	2025 LTP Budget (000's)	2026 LTP Budget (000's)	2027 LTP Budget (000's)	2028 LTP Budget (000's)	2029 LTP Budget (000's)	2030 LTP Budget (000's)	2031 LTP Budget (000's)	2032 LTP Budget (000's)	2033 LTP Budget (000's)	2034 LTP Budget (000's)
Surplus (deficit) of capital funding											
Sources of capital funding											
Subsidies and grants for capital expenditure	-	-	-	-	-	-	-	-	-	-	-
Development and financial contributions	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in debt	(1,019)	(280)	374	149	(155)	(428)	(448)	(536)	(543)	(563)	(516)
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-	-
Total sources of capital funding (C)	(1,019)	(280)	374	149	(155)	(428)	(448)	(536)	(543)	(563)	(516)
Application of capital funding											
Capital Expenditure											
- to meet additional demand	-	-	-	-	-	-	-	-	-	-	-
- to improve the level of service	698	-	716	570	306	-	-	-	-	-	-
- to replace existing assets	493	421	441	451	461	471	481	491	501	511	520
Increase (decrease) in reserves	(1,533)	63	(19)	(35)	(27)	28	(3)	(100)	(118)	(148)	(109)
Increase (decrease) in investments	-	-	-	-	-	-	-	-	-	-	-
Total applications of capital funding (D)	(342)	484	1,138	986	740	499	478	391	383	363	411
Surplus (deficit) of capital funding (C - D)	(677)	(764)	(764)	(837)	(895)	(927)	(927)	(927)	(927)	(927)	(927)
Funding Impact Statement	-	-	-	-	-	-	-	-	-	-	-

RECONCILIATION TO FINANCIAL IMPACT STATEMENT TO COMPREHENSIVE INCOME

	2024 AP Budget (000's)	2025 LTP Budget (000's)	2026 LTP Budget (000's)	2027 LTP Budget (000's)	2028 LTP Budget (000's)	2029 LTP Budget (000's)	2030 LTP Budget (000's)	2031 LTP Budget (000's)	2032 LTP Budget (000's)	2033 LTP Budget (000's)	2034 LTP Budget (000's)
Revenue											
Statement of Comprehensive Revenue and Expenditure											
Total Operating Revenue	50,721	51,468	57,474	63,207	80,009	70,200	69,762	72,003	74,673	77,560	86,221
Total revenue as shown in the Statement of Comprehensive Revenue and Expenses	50,721	51,468	57,474	63,207	80,009	70,200	69,762	72,003	74,673	77,560	86,221
Summary Funding Impact Statement											
Sources of operating and capital funding											
Total operating and capital funding sources as shown in the group of activities' funding impact statements	58,679	65,778	68,971	75,696	97,059	89,238	86,679	84,485	85,833	88,958	99,137
Corporate Services revenue unallocated	(4,589)	(9,276)	(9,861)	(10,609)	(10,687)	(11,004)	(11,702)	(11,430)	(11,698)	(12,424)	(12,234)
Total operating and capital funding sources as shown in the overall council funding impact statement	54,090	56,502	59,110	65,087	86,372	78,234	74,977	73,055	74,135	76,534	86,903
(Increase)/decrease in debt	(3,369)	(5,034)	(1,636)	(1,880)	(6,363)	(8,034)	(5,215)	(1,052)	538	1,026	(682)
Other gains	-	-	-	-	-	-	-	-	-	-	-
Total funding sources	50,721	51,468	57,474	63,207	80,009	70,200	69,762	72,003	74,673	77,560	86,221

	2024 AP Budget (000's)	2025 LTP Budget (000's)	2026 LTP Budget (000's)	2027 LTP Budget (000's)	2028 LTP Budget (000's)	2029 LTP Budget (000's)	2030 LTP Budget (000's)	2031 LTP Budget (000's)	2032 LTP Budget (000's)	2033 LTP Budget (000's)	2034 LTP Budget (000's)
Expenditure											
Statement of Comprehensive Revenue and Expenditure											
Total Operating Expenditure	46,969	51,093	57,228	61,934	62,201	64,345	67,182	68,438	70,957	73,174	73,964
Total expenses as shown in the Statement of Comprehensive Revenue and Expenses	46,969	51,093	57,228	61,934	62,201	64,345	67,182	68,438	70,957	73,174	73,964
Summary Funding Impact Statement											
Application of operating and capital funding											
Total application of operating and capital funding	59,398	65,778	68,973	75,697	97,059	89,239	86,681	84,486	85,834	88,959	99,138
Less internal charges and overheads applied	(4,589)	(9,276)	(9,861)	(10,609)	(10,687)	(11,004)	(11,702)	(11,430)	(11,698)	(12,424)	(12,234)
Application of total operating and capital funding as shown in the overall council Funding Impact Statement	54,809	56,502	59,112	65,088	86,372	78,235	74,979	73,056	74,136	76,535	86,904
Depreciation and amortisation expense	12,518	11,945	12,439	12,790	13,201	13,836	14,425	14,843	15,220	15,595	15,980
Increase/(decrease) in reserve	1,533	(62)	20	35	27	(28)	3	100	118	148	109
Capital expenditure	(21,891)	(17,292)	(14,343)	(15,979)	(37,399)	(27,698)	(22,225)	(19,561)	(18,517)	(19,104)	(29,029)
Loss on disposal of asset	-	-	-	-	-	-	-	-	-	-	-
Total funding application	46,969	51,093	57,228	61,934	62,201	64,345	67,182	68,438	70,957	73,174	73,964

OTHER DISCLOSURES STATEMENT

LONG-TERM PLAN DISCLOSURE STATEMENT FOR PERIOD COMMENCING 1 JULY 2024 PURPOSE

The purpose of this statement is to disclose Council’s planned financial performance in relation to various benchmarks to enable the assessment of whether the council is prudently managing its revenues, expenses, assets, liabilities, and general financial dealings.

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

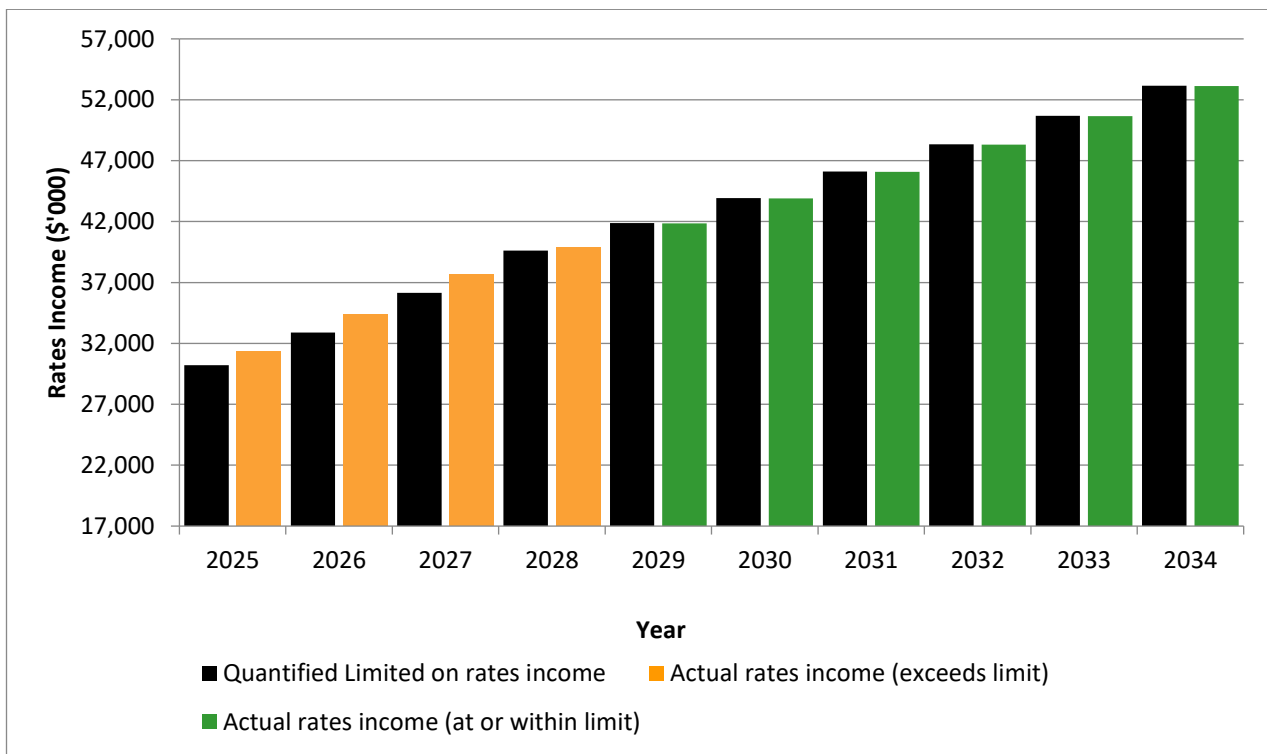
RATES AFFORDABILITY BENCHMARK

Council meets the rates affordability benchmark if—

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

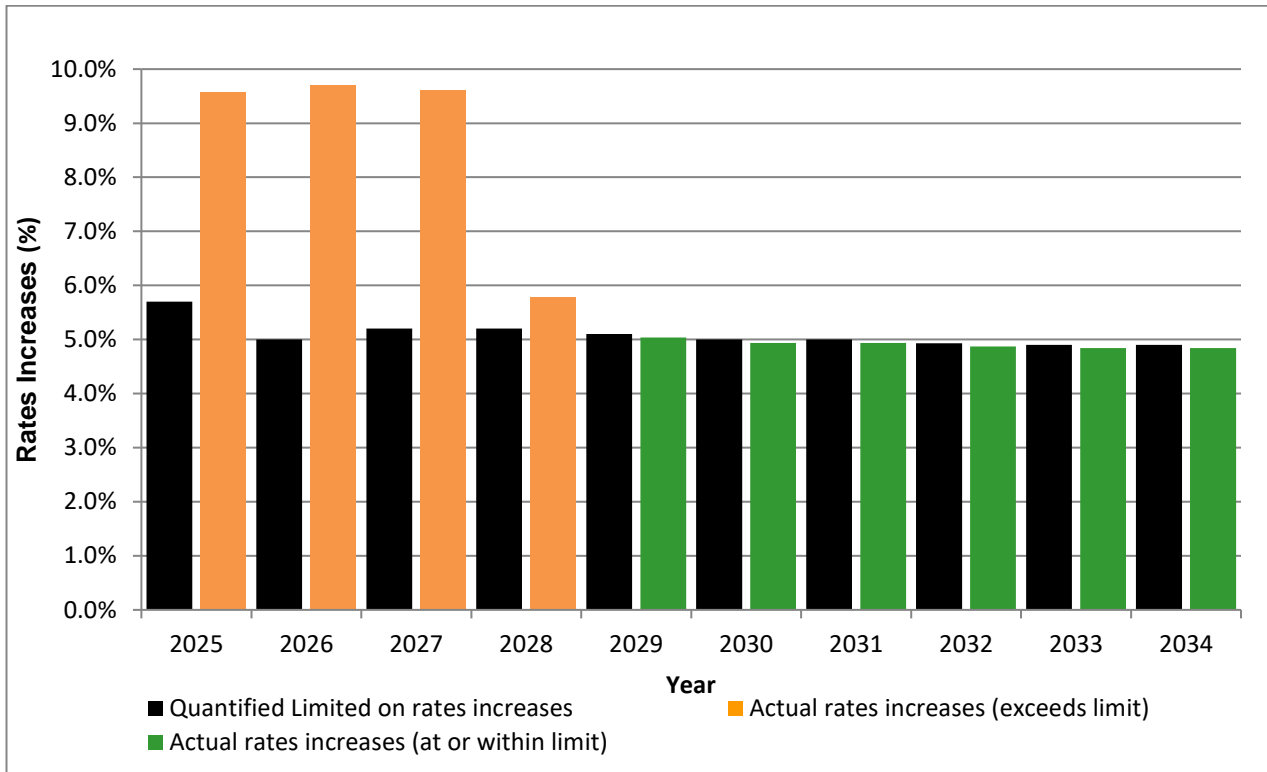
RATES (INCOME) AFFORDABILITY

The following graph compares Council’s planned rates with a quantified limit on rates contained in the financial strategy included in this long-term plan. The quantified limit is *no more than Local Government Cost Index (LGCI) plus 3% - year on year*



RATES (INCREASES) AFFORDABILITY

The following graph compares Council's planned rates increases with a quantified limit on rates increases contained in the financial strategy included in this long-term plan. The quantified limit is *no more than Local Government Cost Index (LGCI) plus 3% - year on year*.

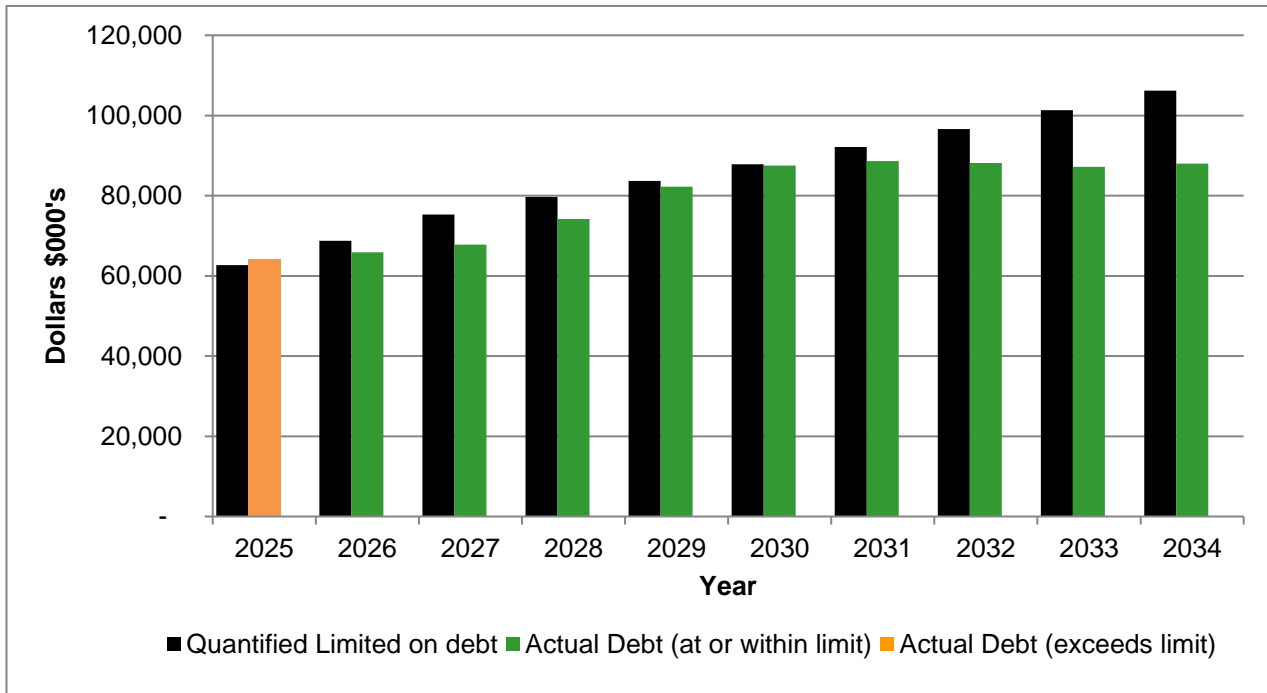


Note that after 2025 rates increases are likely to be subject to an Annual Plan.

DEBT LIMIT BENCHMARK

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

The following graph compares Council’s planned debt with a quantified limit on borrowing contained in the financial strategy included in this long-term plan. *The quantified limit is less than twice total annual rates bill.*



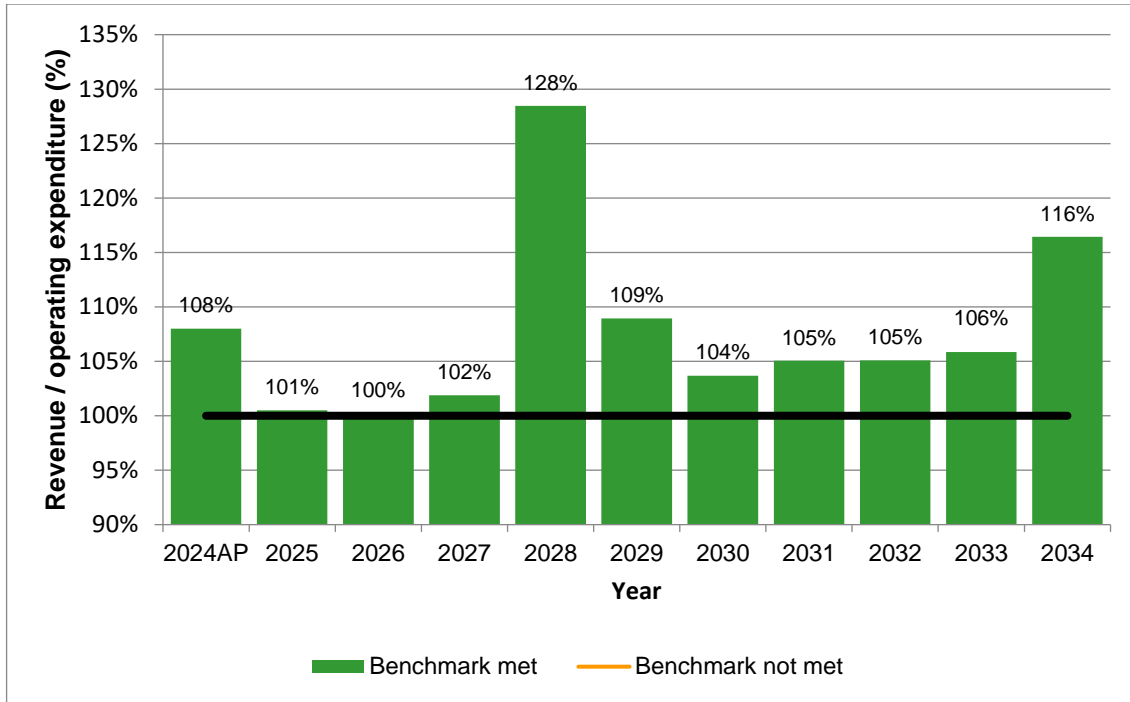
This graph shows that Council will only exceed a qualified limit in the first year of the Loan Term Plan and ability to start the gradual repayment of debt. This would also allow financial headroom for additional projects or any financial unknowns that may arise.

Council’s attitude to debt is set out in Section one of its Financial Strategy.

BALANCED BUDGET BENCHMARK

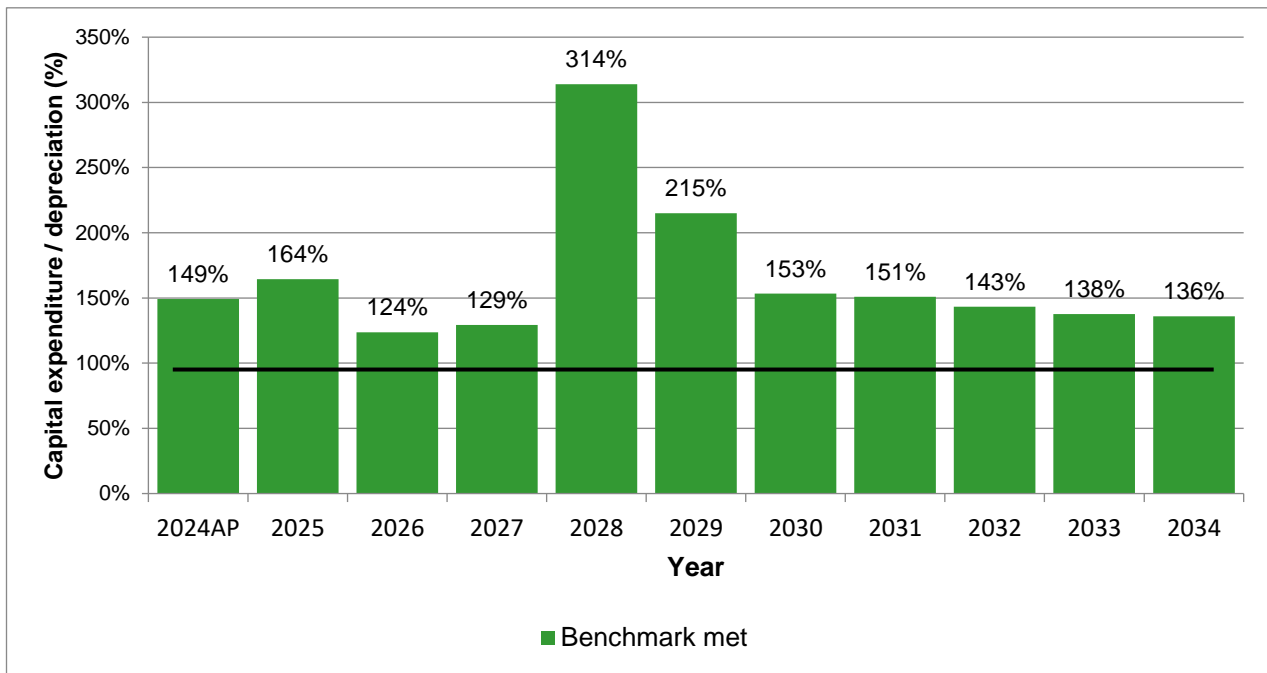
The following graph displays Council’s planned revenue (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments, and revaluations of property, plant, or equipment) as a proportion of planned operating expenses (excluding losses on derivative financial instruments and revaluations of property, plant, or equipment).

Council meets the balanced budget benchmark if its planned revenue equals or is greater than its planned operating expenses.



ESSENTIAL SERVICES BENCHMARK

The following graph displays Council's planned capital expenditure on network services as a proportion of expected depreciation on network services.

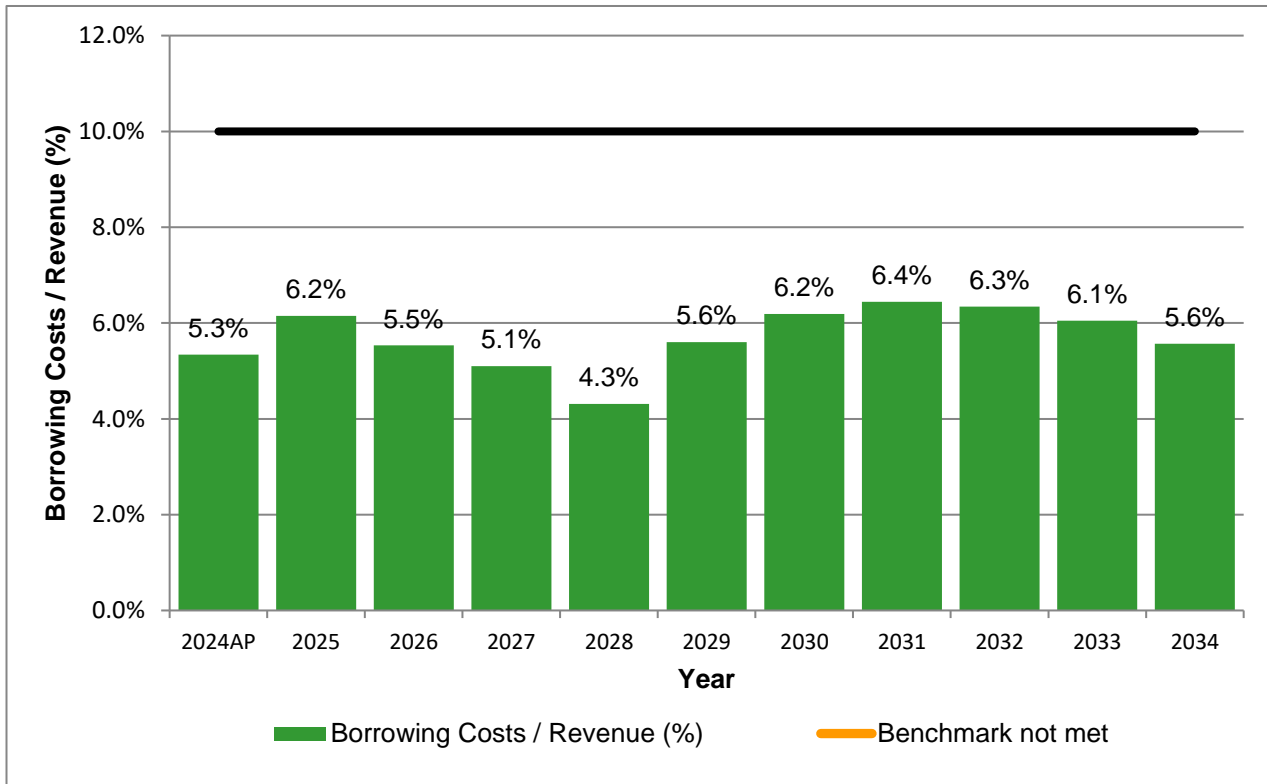


Council meets the essential services benchmark if its planned capital expenditure on network services equals or is greater than expected depreciation on network services.

DEBT SERVICING BENCHMARK

The following graph displays Council's planned borrowing costs as a proportion of planned revenue (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments, and revaluations of property, plant, or equipment).

Because Statistics New Zealand projects Council's population will grow more slowly than the national population is projected to grow, it meets the debt servicing benchmark if its planned borrowing costs equal or are less than 10% of its planned revenue.



ADDITIONAL INFORMATION OR COMMENT

[PART 1 FINANCIAL REPORTING: 5 INFORMATION TO BE DISCLOSED IN FINANCIAL STATEMENTS]

The notes to a local authority's financial statements must specify, in relation to each group of activities, the combined depreciation and amortisation expense for assets used directly in providing the group of activities. The below table shows RDC's combined depreciation forecast expense for each activity's asset base in delivering community services over the LTP 2024-34 period.

	2025 LTP Budget (000's)	2026 LTP Budget (000's)	2027 LTP Budget (000's)	2028 LTP Budget (000's)	2029 LTP Budget (000's)	2030 LTP Budget (000's)	2031 LTP Budget (000's)	2032 LTP Budget (000's)	2033 LTP Budget (000's)	2034 LTP Budget (000's)	Grand Total
Revenue											
Community Facilities	649	666	678	691	712	827	849	861	874	899	7,706
Community Support	727	753	770	786	803	807	821	836	850	865	8,018
Land Transport (Roading)	5,964	6,183	6,315	6,509	6,937	7,223	7,448	7,674	7,904	8,132	70,287
Stormwater and Flood Protection	430	440	449	458	467	475	483	492	500	509	4,702
Waste Management and Minimisation	94	99	101	118	142	166	194	210	216	236	1,577
Wastewater (Sewerage)	1,101	1,147	1,187	1,224	1,267	1,317	1,367	1,411	1,458	1,492	12,971
Water Supply	2,111	2,281	2,340	2,406	2,468	2,570	2,629	2,683	2,740	2,794	25,021
Leadership	105	105	113	113	113	113	113	114	114	114	1,116
Regulation	-	1	1	1	1	1	13	13	13	13	56
Cost of Support	764	764	836	895	926	926	926	926	926	926	8,811
Total Operating Revenue	11,945	12,439	12,790	13,201	13,836	14,425	14,843	15,220	15,595	15,980	140,265

FORECASTING ASSUMPTIONS

A forecasting assumption is defined as something the Council accepts as being true for the purposes of future decisions and actions.

The Local Government Act 2002 requires councils to disclose in their 10-Year Plan the significant forecasting assumptions they have used to develop their Plan and the risks underlying the financial estimates. In cases where the level of uncertainty is assessed as being high, this has to be disclosed as well as an estimate of the potential effects on the financial estimates.

Summary table of significant assumptions

Assumption	Risk	Level of uncertainty	Financial effect of uncertainty
Legislative/Central Government			
Three Waters Reforms			
<p>The Three Waters Reforms will be repealed in February 2024. Council will retain ownership of its three waters assets. It is assumed that there will be no financial assistance from central government in relation to Council's three waters assets.</p> <p>The "Revenue and Financing Policy" outlines the policies for funding capital expenditure from different sources (including the replacement of significant assets).</p>	<p>Costs associated with the upgrades required to enable Council's Water assets to become compliant with current legislative requirements will require significant levels of investment in the future. There is also the need for water services to become financially sustainable under future Local Water Done Well legislation.</p>	Medium	Moderate
Resource management reforms			
<p>The Natural and Built Environments Act and the Spatial Planning Act have been repealed. The Climate Change Adaptation Bill is unlikely to proceed. Legislation will be reverted back to the RMA. It is assumed that the RMA will be continued.</p>	<p>Further legislative changes could increase the levels of service and/or number of activities Council is required to deliver.</p>	Low	Moderate
Local Government Reform and Future for Local Government review			
<p>Policy decisions are expected in mid-2024, with legislation in early 2025. A wellbeing focus is anticipated however it is assumed there will be no functional change or new funding sources.</p>	<p>Reorganisation may occur sooner or create significant changes to function and/or funding. It is unclear whether the current government has the same priorities as the previous government in respect of the local government reform so there is the potential for change in this space.</p>	Low	Low

Assumption	Risk	Level of uncertainty	Financial effect of uncertainty
<p>Climate Change Response</p> <p>Further amendments to the Climate Change Act are anticipated. Climate change adaptation and mitigation policies are expected to have an impact on cost and operations.</p> <p>Though Council has planned to establish its greenhouse emissions base line with Toitū Envirocare, it is assumed that there will be no additional costs related to this.</p>	<p>New legislation may increase the scope or require a response from local government sooner than anticipated.</p>	<p>Low</p>	<p>Moderate</p>
<p>Road to Zero strategy will be implemented over 10 years</p> <p>It is assumed local government planning and resources will be required to support the national strategy in infrastructure improvements, speed management, vehicle safety, work-related road safety, road user choices, and system management.</p>	<p>Changes to central government strategies could impact operating budgets and scope, requiring more resources than planned.</p>	<p>Medium</p>	<p>Moderate</p>
<p>Community and Council</p>			
<p>External shock from natural disasters, pandemics</p> <p>There is a risk that future natural disasters or pandemics may impact regional or national economic activity and will require service delivery response systems preparedness.</p> <p>Council will continue to develop and maintain emergency management plans as part of our civil defence responsibilities. It is assumed that business will operate as normal for the life of the LTP.</p>	<p>Global events are unpredictable. A significant global shock could create cause for extreme restrictions on economic activity and movement.</p>	<p>Medium</p>	<p>Moderate</p>
<p>Levels of Service</p>	<p>It is assumed that there will be no changes to levels of service.</p>	<p>Low</p>	<p>Low</p>

Assumption	Risk	Level of uncertainty	Financial effect of uncertainty																																								
<p>Iwi settlements and ongoing negotiations</p> <p>Ngāti Rangī, Ngāti Maru (Taranaki), Ngāti Maniapoto, and Te Korowai o Wainuiārua claims have reached settlement. Negotiations are ongoing with Ngāti Hāua. It is assumed resources will be required for implementation of these and future settlement arrangements, and those resources have been budgeted for.</p>	<p>Settlement arrangements and timeframes are still uncertain and resource requirements may be greater than expected.</p>	<p>Low</p>	<p>Moderate</p>																																								
Population																																											
<p>Population growth</p> <p>Usual residential population (URP) over the next 10 years is expected to increase up to 3.5% between 2024-2034.</p> <table border="1" data-bbox="91 759 911 986"> <thead> <tr> <th colspan="8" style="background-color: #cccccc;">PROJECTED GROWTH: RUAPEHU DISTRICT URP 2020 - 2054</th> </tr> <tr> <th></th> <th>2024</th> <th>2029</th> <th>2034</th> <th>2039</th> <th>2044</th> <th>2049</th> <th>2054</th> </tr> </thead> <tbody> <tr> <td>HIGH</td> <td>13,171</td> <td>13,416</td> <td>13,653</td> <td>13,889</td> <td>14,181</td> <td>14,485</td> <td>14,715</td> </tr> <tr> <td>MEDIUM</td> <td>13,166</td> <td>13,371</td> <td>13,531</td> <td>13,662</td> <td>13,796</td> <td>13,904</td> <td>13,947</td> </tr> <tr> <td>LOW</td> <td>13,161</td> <td>13,324</td> <td>13,404</td> <td>13,421</td> <td>13,388</td> <td>13,290</td> <td>13,139</td> </tr> </tbody> </table>	PROJECTED GROWTH: RUAPEHU DISTRICT URP 2020 - 2054									2024	2029	2034	2039	2044	2049	2054	HIGH	13,171	13,416	13,653	13,889	14,181	14,485	14,715	MEDIUM	13,166	13,371	13,531	13,662	13,796	13,904	13,947	LOW	13,161	13,324	13,404	13,421	13,388	13,290	13,139	<p>Population growth may be significantly different than projected resulting from changes to migration, lower or higher birth and death rates, and major changes in industry attracting workers and/or migrants. Significantly higher population growth will put pressure on existing and planned infrastructure and services. Additional revenue may be required to meet increased demand for services.</p>	<p>Low</p>	<p>Moderate</p>
PROJECTED GROWTH: RUAPEHU DISTRICT URP 2020 - 2054																																											
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LOW	13,161	13,324	13,404	13,421	13,388	13,290	13,139																																				
<p>Ageing population</p> <p>An aging population is projected, with deaths expected to grow faster than births, slowing population growth from natural increase and continued dependence on net migration (Infometrics, 2023). The 65+ age group has been the fastest growing age group for the past two decades and this is projected to continue.</p>	<p>Long term ageing population trends are relatively stable however, migration can fluctuate. Higher inward net migration can temper the ageing population trend.</p>	<p>Low</p>	<p>Low</p>																																								

Assumption	Risk	Level of uncertainty	Financial effect of uncertainty
<p>Peak Population (tourism)</p> <p>It is assumed that Peak Population will decrease in most areas in the district. The peak population of most townships will decline between -0.03% to 0.26% per year between 2024-2034. With total district wide Peak Population to decrease by up to 2.66% between 2024-2034.</p>	<p>Tourism data and forecasting has been interrupted by the pandemic leading to high uncertainty. Visitor numbers could be impacted by volcanic activity, interruptions to seasonal winter tourism from climate change or the Ruapehu Alpine Lifts operation.</p>	<p>High</p>	<p>Moderate</p>
<p>Climate change will increase the frequency and intensity of extreme weather events and natural disasters</p> <p>Climate change will continue to be a major issue at the global, national, and regional level. It has the potential to dramatically affect the region's physical environment, infrastructure, communities, and economy. Flooding and storms are predicted to increase over the next 30 years.</p>	<p>Extreme weather events create more pressure than what is planned for on critical infrastructure like water and energy supplies, roads, and bridges. Network resilience is a significant issue, particularly on the Desert Road and State Highway 4 North of Whanganui.</p>	<p>Medium</p>	<p>Moderate</p>
<p>Changes to weather patterns: precipitation and temperature</p> <p>It is assumed there will be an increase in frequency and intensity of weather events putting pressure on infrastructure and services to deal with heat, cold and precipitation. Annual average temperatures across the region are likely to increase by between 0.7°C and 1.1°C by 2040. Ruapehu district is projected to see an increase in the number of days where the maximum temperature exceeds 25°C per year and a decrease in the number of frosts, with more noticeable change at higher elevations.</p>	<p>Climate change projections predict increased annual rainfall, increasing average annual temperatures and a reduction in the number of snow days. These changes will have potential impact on agriculture industry and snow tourism.</p>	<p>Medium</p>	<p>Moderate</p>

Assumption	Risk	Level of uncertainty	Financial effect of uncertainty
Infrastructure/Built Environment			
<p>Road network resilience</p> <p>It is assumed roading will require increased maintenance and repair work. Forestry activity is expected to increase causing further degradation. These roads are also vulnerable to increased frequency and intensity of storms, rainfall events, flood risk and landslides.</p>	<p>Road damage or maintenance requirements could exceed renewal and maintenance budgets.</p>	<p>Low</p>	<p>Moderate</p>
<p>Assets and asset lives (replacement, revaluation, depreciation)</p> <p>The assumption has been made that all assets will deliver the required level of service over their documented useful life as reflected in the Revenue and Financing Policy.</p> <p>It is assumed that the replacement cost for Assets will increase in line with BERL forecasts, and therefore the asset revaluation has been adjusted each year for each class of assets.</p> <p>For any new assets, depreciation is based on an estimated useful life similar to assets already owned by Council</p>	<p>Some assets may require replacement sooner than expected requiring financial resource above budget.</p> <p>Asset cost may increase more than the BERL forecasts</p> <p>The estimated useful life is significantly different</p>	<p>Medium</p> <p>Low</p> <p>Low</p>	<p>Low</p> <p>Low</p> <p>Low</p>
<p>Resource consents</p> <p>It is assumed that increased environmental standards will require more time and resource to ensure compliance with resource consents.</p>	<p>Existing consents are altered, and new wastewater treatment plant resource consents are required resulting in major investments to meet conditions. Further changes</p>	<p>Low</p>	<p>Low</p>

Assumption	Risk	Level of uncertainty	Financial effect of uncertainty
<p>Rateable units</p> <p>It is assumed that the number of rateable units will continue to experience small scale growth of approximately 0.25% per annum.</p>	<p>to the RMA may require additional resources.</p> <p>Growth occurs at a significantly different rate than expected. If rating unit growth is less than that projected there may be a period where the costs associated with certain infrastructure capital expenditure needs to be met by less projected rateable units.</p>	<p>Low</p>	<p>Moderate</p>
<p>Projects and Maintenance (Capital works projects)</p> <p>It is assumed that the Council will be able to deliver its capital works programme.</p>	<p>Project delays from contractor or resource supply shortages may impact Council's capacity and ability to deliver its capital works programme. Bad weather can cause delay in works, and damage from extreme weather events can require Council to re-prioritise the recovery from these events, adding to delays to the planned capital works.</p>	<p>High</p>	<p>Low</p>

Assumption	Risk	Level of uncertainty	Financial effect of uncertainty
Economy			
<p>Tourism</p> <p>Tourism, particularly winter tourism, is expected to be impacted by climate change through decreased snow levels.</p>	<p>Tourism levels are higher/lower than forecast. International tourism projections from MBIE have not been updated post-pandemic and uncertainty remains due to high fuel costs. Unpredictable weather patterns and volcanic activity can further impact on tourism in the District. Tourism contributes to peak population and demand for services and infrastructure.</p>	<p>High</p>	<p>Moderate</p>
<p>Agriculture and forestry</p> <p>It is assumed that increased environmental regulations and higher carbon pricing will reduce agricultural activity and encourage afforestation.</p>	<p>Transition to forestry may not occur or create higher than planned demand on infrastructure and other services.</p>	<p>Low</p>	<p>Moderate</p>

Assumption	Risk	Level of uncertainty	Financial effect of uncertainty
Financial			
Central Government Funding			
<p>It is assumed that Waka Kotahi NZ Transport Agency's funding assistance rate (FAR) will fund the same proportion of all maintenance and renewal costs for all district roads, other than Special Purpose Roads. The FAR for Special Purpose Roads will reduce from 100% to 75% from the 2024/25 financial year.</p>	<p>Central government policy may change with change of government, affecting central government funding. Any subsequent changes to Waka Kotahi road prioritisation may impact on future funding, especially in light of the increased need for funding in other districts which have had significant damage as a result of cyclones in early 2023. Total funding levels may be less than assumed in the LTP. As the direction of the Regional Land Transport Plan has been signalled for the next 3 years, the risk for the first 3 years is medium.</p>	Medium	Significant
<p>There is other funding assumed from Central Government from Tranche 1 of the better off funding for 3 Waters Reform. This funding has been applied to Town Revitalisation projects.</p>	<p>The risk for years 4-10 is higher as Waka Kotahi's FAR will be reassessed for that period.</p>	High	Significant
	<p>Risk is that this funding is withdrawn.</p>	Low	Moderate

Assumption	Risk	Level of uncertainty	Financial effect of uncertainty
<p>Renewability of External Funding</p> <p>All borrowings will be renewed under similar terms and conditions. Interest rates applied to replacement and new borrowings is the same as for existing borrowings. Council maintains a pool of external debt with the Local Government Funding Agency rather than establishing a new loan for each new capital project.</p>	<p>That interest rates change markedly to what is currently forecast</p>	<p>Low</p>	<p>Moderate</p>
<p>Interest rates</p> <p>Interest rates are assumed to be as follows:</p> <p>2024-25 – 5.90%</p> <p>2025-26 – 5.59%</p> <p>2026-27 – 5.50%</p> <p>2027-28 – 5.55%</p> <p>2028-29 – 5.63%</p> <p>2029-30 – 5.65%</p> <p>2030-31 – 5.83%</p> <p>2031-32 – 5.83%</p> <p>2032-33 – 5.93%</p> <p>2033-34 – 6.07%</p>	<p>There is a high degree of uncertainty around borrowing costs due to the fluctuations of interest rates. Uncertainty increases over time and the impacts of fiscal and monetary policy do not take immediate effect. High interest rates result in increased operational costs while lower than forecast interest rates will decrease operational costs.</p>	<p>Medium</p>	<p>Moderate</p>
<p>Inflation</p> <p>Inflation is assumed to increase in line with BERL assumptions (shown in table below).</p>	<p>Predictions to 2026 are reasonably likely however beyond that uncertainty increases. The impacts of fiscal and monetary policy do not take immediate effect and uncertainty increases over time. A higher than forecast impact of inflation may lead to rates increases,</p>	<p>Medium</p>	<p>Moderate</p>

operational efficiencies, or reduction in service levels or planned capital expenditure. Should the impact of inflation be lower than forecast, there will be a favourable impact on Council's operating and capital expenditure budgets.

Local Government Cost Adjuster per annum changes: BERL Cost Adjusters October 2023 update

Year	Planning & Regulation	Roading	Transport	Community	Water & Environment	Aggregated		
						OPEX	CAPEX	Total
2019	2.7%	3.5%	3.1%	2.4%	3.1%	2.9%	3.0%	2.9%
2020	1.3%	1.1%	1.2%	1.5%	2.3%	1.5%	1.6%	1.6%
2021	2.5%	1.9%	2.1%	1.6%	2.8%	2.3%	2.3%	2.3%
2022	7.3%	7.6%	7.0%	6.5%	9.3%	7.6%	7.8%	7.7%
2023	5.0%	4.8%	4.9%	4.3%	5.5%	4.9%	5.0%	5.0%
2024	3.4%	3.8%	3.4%	3.5%	5.0%	3.8%	4.0%	3.9%
2025	2.6%	2.9%	2.6%	2.7%	3.6%	2.9%	3.0%	2.9%
2026	2.1%	2.0%	2.1%	2.0%	2.5%	2.2%	2.2%	2.2%
2027	2.2%	2.3%	2.2%	2.2%	2.7%	2.3%	2.4%	2.3%
2028	2.1%	2.3%	2.2%	2.2%	2.6%	2.3%	2.3%	2.3%
2029	2.0%	2.2%	2.1%	2.1%	2.1%	2.2%	2.2%	2.2%
2030	1.9%	2.1%	2.0%	2.0%	2.3%	2.1%	2.1%	2.1%
2031	1.9%	2.0%	2.0%	1.9%	2.3%	2.0%	2.1%	2.0%
2032	1.9%	2.0%	1.9%	1.9%	2.2%	2.0%	2.0%	2.0%
2033	1.8%	2.0%	1.9%	1.9%	2.1%	1.9%	2.0%	1.9%
2034	1.8%	1.9%	1.9%	1.8%	2.1%	1.9%	1.9%	1.9%
20 year average	2.4%	2.6%	2.4%	2.4%	3.1%	2.6%	2.7%	2.6%

To the reader:

**Independent Auditor's Report on
Ruapehu District Council's 2024-2034 long-term plan**

I am the Auditor-General's appointed auditor for Ruapehu District Council (the Council). The Local Government Act 2002 (the Act) requires the Council's long-term plan (plan) to include the information in Part 1 of Schedule 10 of the Act. Section 94 of the Act requires an audit report on the Council's plan. Section 259C of the Act requires a report on disclosures made under certain regulations. I have carried out this work using the staff and resources of Audit New Zealand. We completed our report on 26 June 2024.

Opinion

In our opinion:

- the plan provides a reasonable basis for:
 - long-term, integrated decision-making and co-ordination of the Council's resources; and
 - accountability of the Council to the community;
- the information and assumptions underlying the forecast information in the plan are reasonable; and
- the disclosures on pages 220 to 224 represent a complete list of the disclosures required by Part 2 of the Local Government (Financial Reporting and Prudence) Regulations 2014 (the Regulations) and accurately reflect the information drawn from the plan.

This opinion does not provide assurance that the forecasts in the plan will be achieved, because events do not always occur as expected and variations may be material. Nor does it guarantee the accuracy of the information in the plan.

Emphasis of Matter

Without modifying our opinion, we draw attention to the following disclosure.

Risks associated with the infrastructure strategy

Without modifying our opinion, we draw attention to page 127 which outlines the risks of the infrastructure strategy limiting the amount of work on upkeep and renewal of critical assets to what the Council considers to be affordable. The Council notes that this could increase reactive maintenance and reduce network resilience and customer outcomes. The Council also notes its plans to assess its infrastructure assets over the next 2 to 3 years and make decisions about these assets in collaboration with the community.

Basis of opinion

We carried out our work in accordance with the International Standard on Assurance Engagements (New Zealand) 3000 (Revised) *Assurance Engagements Other Than Audits or Reviews of Historical Financial Information*. In meeting the requirements of this standard, we took into account particular elements of the Auditor-General's Auditing Standards and the International Standard on Assurance Engagements 3400 *The Examination of Prospective Financial Information* that were consistent with those requirements.

We assessed the evidence the Council has to support the information and disclosures in the plan and the application of its policies and strategies to the forecast information in the plan. To select appropriate procedures, we assessed the risk of material misstatement and the Council's systems and processes applying to the preparation of the plan.

Our procedures included assessing whether:

- the Council's financial strategy, and the associated financial policies, support prudent financial management by the Council;
- the Council's infrastructure strategy identifies the significant infrastructure issues that the Council is likely to face during the next 30 years;
- the Council's forecasts to replace existing assets are consistent with its approach to replace its assets, and reasonably take into account the Council's knowledge of the assets' condition and performance;
- the information in the plan is based on materially complete and reliable information;
- the Council's key plans and policies are reflected consistently and appropriately in the development of the forecast information;
- the assumptions set out in the plan are based on the best information currently available to the Council and provide a reasonable and supportable basis for the preparation of the forecast information;
- the forecast financial information has been properly prepared on the basis of the underlying information and the assumptions adopted, and complies with generally accepted accounting practice in New Zealand;
- the rationale for the Council's activities is clearly presented and agreed levels of service are reflected throughout the plan;
- the levels of service and performance measures are reasonable estimates and reflect the main aspects of the Council's intended service delivery and performance; and
- the relationship between the levels of service, performance measures, and forecast financial information has been adequately explained in the plan.

We did not evaluate the security and controls over the electronic publication of the plan.

Responsibilities of the Council and auditor

The Council is responsible for:

- meeting all legal requirements affecting its procedures, decisions, consultation, disclosures, and other actions relating to the preparation of the plan;
- presenting forecast financial information in accordance with generally accepted accounting practice in New Zealand; and
- having systems and processes in place to enable the preparation of a plan that is free from material misstatement.

We are responsible for expressing an independent opinion on the plan and the disclosures required by the Regulations, as required by sections 94 and 259C of the Act. We do not express an opinion on the merits of the plan's policy content.

Independence and quality management

We have complied with the Auditor-General's:

- independence and other ethical requirements, which incorporate the requirements of Professional and Ethical Standard 1 *International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand)* (PES 1) issued by the New Zealand Auditing and Assurance Standards Board. PES 1 is founded on the fundamental principles of integrity, objectivity, professional competence and due care, confidentiality, and professional behaviour; and
- quality management requirements, which incorporate the requirements of Professional and Ethical Standard 3 *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements* (PES 3) issued by the New Zealand Auditing and Assurance Standards Board. PES 3 requires our firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

Other than our work in carrying out all legally required external audits, and a limited assurance engagement in respect of the Council's Debenture Trust Deed, we have no relationship with or interests in the Council.



Clarence Susan
Audit New Zealand
On behalf of the Auditor-General, Hamilton, New Zealand