



KAIPARA
DISTRICT

Kaipara te Oranganui • Two Oceans Two Harbours

LONG TERM PLAN MAHERE WĀ ROA 2021-2031

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“Welcome to the new way forward, one which we’ve called “Growing A Better Kaipara” because that’s exactly what we’re doing here. This Long Term Plan 2021-31 charts a decade ahead for one of the fastest growing districts in Northland and the North Island, and is filled with new projects and programmes for sustainable growth. ”

“Billion Dollar Council” is a label which a few years ago no-one would have expected could be applied to Kaipara District Council anytime, let alone anytime soon. So it may come as a pleasant surprise that, following careful management of finances, infrastructure assets and growth, in the latter years of this Long Term Plan we’re forecast to reach that value of Council community assets. It’s worth celebrating how we’ve all come a long way together for this place, and the journey ahead which is even more exciting.

Welcome to the new way forward, one which we’ve called “Growing A Better Kaipara” because that’s exactly what we’re doing here. This Long Term Plan 2021-31 charts a decade ahead for one of the fastest growing districts in Northland and the North Island, and is filled with new projects and

programmes for sustainable growth. We propose to enhance our household waste recycling programme, to create new libraries in both Dargaville and Mangawhai which are fit for the future, and to transform the Civic Precinct in Dargaville town. There will be a focus on water, particularly harmonisation of water services, and shared paths and cycleways in this great place between the two oceans and two harbours of Kaipara District. We’ll be doing the things we need to grow better.

“Growing a Better Kaipara” is the perfect name for our Long Term Plan 2021-31, especially considering where we’ve come from and where we’re headed. Thank you to everyone from the community who contributed to this work and to this document. Together we are Growing A Better Kaipara – it’s fresh, vibrant and full of promise.

Dr Jason Smith
Mayor, Kaipara District



“Over the last two years we have been listening to what our communities are saying about what is important to them now, and how they would like to see their community in 20 years. This Long Term Plan reflects these conversations...”

Over the last two years we have been listening to what our communities are saying about what is important to them now, and how they would like to see their community in 20 years. This Long Term Plan reflects these conversations, what you have told us is important to you, through our consultation, and the critical projects that are needed to do to keep our systems functioning.

Our Elected Members, your elected representatives, have established a vision and strategic outcomes for Kaipara's future and have directed and set our priorities. We are now ready to present our plan for the next ten years that will move us towards our vision of a better Kaipara.

Throughout, we have kept an eye on the resource needed to deliver our ambitious programme, stretching some planned activities out over a longer period to ensure we have the capacity and funds to complete them. Investment and projects are spread across the district with new investment being made in many of our communities over the next ten years. We have also recognised the significant challenges facing many of our communities, in terms of climate change and waste minimisation, and will be working hard to deliver positive outcomes in these areas. Ensuring we respond to current and future challenges as well as maintaining and renewing asset is always a difficult balancing act; trying to keep rates down, while at the same time, trying to

deliver to the needs and wants of our communities. We are confident that we have achieved a fair balance in this document.

Central Government is commencing a significant reform programme, which will result in changes to the way Local Government operates and the services we deliver. At this early stage they have advised not to factor the change into our ten-year plans. However, it would be naive and irresponsible of us to have no eye to the future. So while our plan addresses priority projects, we have continued focus on initiatives that will build or maintain our local economy and support the wellbeing of our community, such as the Kaihū Valley Trail, which will form a key part of our future tourism offering, the stopbanks, which will help keep our land productive, and becoming shareholders in Northland Inc, Northland's economic development agency.

Elected Members have now confirmed our work programme and handed it back to me to lead its delivery, with the rest of Kaipara District Council. I want to thank those who have given us feedback and made submissions. I am delighted we have been able to support some of the local initiatives you highlighted. In offering your feedback you have truly helped to shape the future of our district.

Louise Miller
Chief Executive

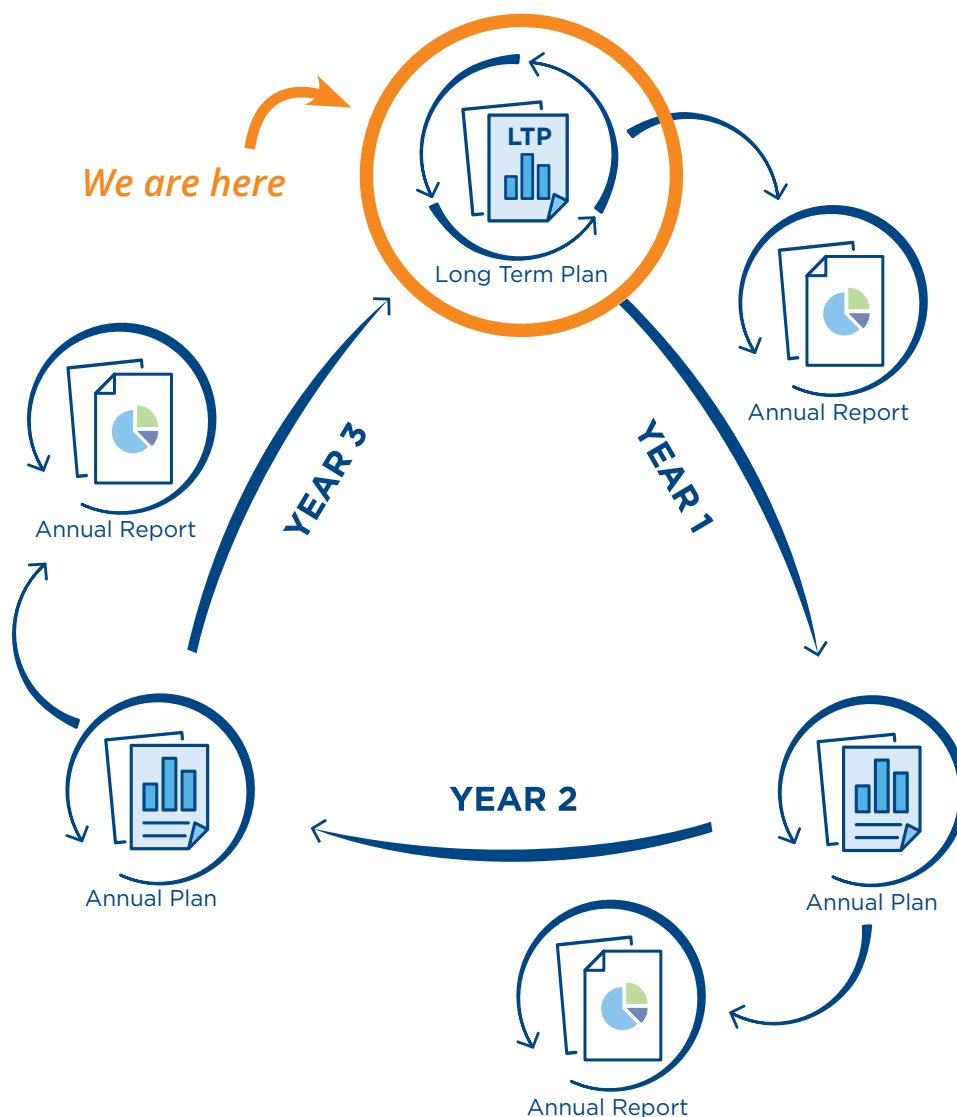
What is a Long Term Plan?

Every three years we develop a Long Term Plan (LTP) in consultation with the community. This sets our vision, direction, budgets and work plans for the following 10 years. The LTP 2021-2031 was finalised in June 2021, following substantial community input. The LTP is our lead document that sets out all our activities. It includes a financial strategy, details our performance measures and provides the rationale for delivery of our activities, amongst other things. In the two years after adopting an LTP, we develop

an annual plan. This is an update to what we agreed through the LTP, highlighting the changes to our budgets and work plans for each specific year. Any significant or material changes are consulted on with the community. This process allows us to make sure that our budgets and work plans are flexible enough to respond to the needs of our community and the demands of growth.

All these documents are available on our website kaipara.govt.nz in the 'Council' section.

Council Planning and Reporting Cycle



Kaipara District Elected Members



Mayor
Dr Jason Smith



Deputy Mayor
Anna Curnow



Dargaville Ward
Karen Joyce-Paki



Kaiwaka-Mangawhai Ward
Jonathan Larsen



Kaiwaka-Mangawhai Ward
Peter Wethey



West Coast-Central Ward
Victoria del la Varis-Woodcock



Otamatea Ward
Mark Vincent



Dargaville Ward
Eryn Wilson-Collins



West Coast-Central Ward
David Wills

The Kaipara Story

How we got here

In 2020, elected members came up with a vision, to set the planning, thoughts, and scope of the work we're setting out in the pages to follow. After the vision was adopted we developed a programme of work to meet the needs and wants of our communities. Elected members worked with our

teams to determine what work was financially viable, able to be resourced effectively, while balancing the overall financial impact on rates and debt. We consulted the community on their views and deliberated on what they said. This has all been incorporated into the Long Term Plan laid out before you.

That vision is "Growing a better Kaipara".



This vision is based on the promise of our district's abundant wellbeing in our "Kaipara te Oranganui – Two Oceans, Two Harbours". It's our social, economic, cultural, and environmental wellbeing that will enable our district and our communities to thrive.

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

As a district, Kaipara has had strong growth, particularly in some areas. Overall, Kaipara's population growth from 2013- 2019 has made it the fastest growing district in Northland. The work we're doing now will enable us to continue to sustain and manage growth.

Our main economic drivers are still agriculture and manufacturing, which have been growing steadily. This strong primary sector economy has kept things moving well, compared to other councils, following

the COVID-19 downturn.

The vision of Growing a better Kaipara is supported by six community outcomes:

Climate Smart - Climate change and its impacts are reduced through community planning

Healthy Environment - Our natural environment is protected and open to the community

Celebrating Diversity - Our local heritage and culture are valued and reflected in the community

A Trusted Council - An open organisation working for our community

Prosperous Economy - Development is encouraged, supported and sustainable

Vibrant Communities - Kaipara communities offer an attractive place to live and visit

More information on the projects we're planning, and what we're doing now to deliver on these community outcomes can be found in the activity plans for each area of council business, and in the source documents found later in this document.

What's coming next

A lot can happen in 10 years. We have planned for possible scenarios in our Significant Forecasting Assumptions, Infrastructure Strategy, and other planning documents. We've also considered feedback from our spatial plan design meetings, and the direction our communities provided about how they see their future.

Global impacts from climate change will start to affect Kaipara, so we need to start preparing now to respond to it and to meet central government expectations. Some things are in our control, and we'll do what we can. Others are happening around us, like the changes currently proposed by central government.

Externally funded projects

We've been fortunate to secure government funding for a large number of projects within our LTP.

This is an ambitious programme of work, and it must be noted there is a resourcing challenge for infrastructure programmes across the country. Many councils will be facing a period of capital work in the coming years to replace and repair aging and broken assets that need intensive work.

Some of the projects listed below will be in construction when this LTP starts on 01 July 2021 and will continue over the life of the LTP. As they're already underway, with a more detailed understanding of the work and costs involved, there is a greater chance we'll be able to deliver within timeframes and on budget.

Over the last LTP period, Kaipara District Council has been growing internal capability, expanding our internal project delivery team, establishing a Project Management Office, and establishing oversight and Governance frameworks to ensure there is clear and transparent reporting and progress updates on projects. The Northland Transportation Alliance (NTA) has also continued to improve on their shared services work delivering the transport programme for Northland.

We've streamlined procurement by establishing a panel of reliable preferred suppliers to deliver professional services and the Three Waters programme.

The Externally Funded Projects include:

Externally Funded Programmes (now through MBIE)

Wharves

June 2019, MBIE allocated \$4,950,000 of funding from the Provincial Growth Fund (PGF) to begin the redevelopment of the Kaipara Harbour. The funding was divided into two tranches, \$950,000 for the investigation and analysis of the financial and economic benefits of a network of wharves and \$4,000,000 for the subsequent construction and implementation of the identified opportunities. The Dargaville pontoon was opened in October 2020 and procurement is underway for both Pouto and Pahi wharf, both of which will be fully constructed by the end of 2021.

Kai Water

In April 2020, Council secured funding of \$740,000 from MBIE, enabling the establishment of two practical working examples of irrigating high value horticultural crops in the Kaipara. These demonstration sites are intended to be used to inform landowners and external investors about high value land and water use and the application of innovative technologies. Access to practical working examples, expert advice and local knowledge will provide decision support and confidence in transforming land usage towards horticulture in the Kaipara. While work is currently ongoing, it's planned for the sites to be operational by October 2021.

Pouto Road

The PGF has allocated funding to seal 9.8km of Pouto Road from the end of the current sealed section to Ari Ari Road. As part of the works, the Greenhill quarry near the northern end of the peninsula has been re-opened and is producing most of the materials needs for the seal extension. It's planned for this project to be completed by April 2022.

Waipoua River Road

In September 2019 MBIE allocated \$1,610,000 from the PGF to Te Roroa to seal approximately 1.5km of Waipoua Road from the state highway to the proposed visitor centre. The Waipoua River Road sealing project is part of Te Roroa's objectives to

enable the delivery of the Rakau Rangitira project by creating an enhanced single-entry point for the kauri walks and Tane Mahuta experience. It's planned for construction to be completed by July 2022.

Unsealed Roding network investigations

The implementation of the 'Unsealed Roding Improvements' project has recently commenced with 29km of unsealed road having been reconstructed to date utilising the approved \$3.15m PGF funding included in Roding Package Funding Agreement 2 and \$4.91m of approved Infrastructure Reference Group (IRG) funding. Phase 3 is planned to be completed in September 2021.

Mangawhai Shared Path

In October 2020, MBIE allocated \$2.4m of funding from the Infrastructure Reference Group (IRG) fund for the construction of approximately 3.8km of shared pathway on Molesworth Drive and improvements to the Insley Street/Moir Street intersection and Molesworth Drive/Moir Street intersection. It's planned for construction to be completed by October 2022.

Kaiwaka Footbridges

In November 2020, MBIE approved \$750,000 funding from the IRG fund for the construction of two bridges in Kaiwaka and a linked pathway. By implementing these pedestrian bridges, we align to the walking and cycling strategy, and will link to the Ancient Kauri Trail, supporting growth and economic development for the township. Construction is expected to be completed by March 2022.

Kaihu Valley Trail

In October 2020, MBIE allocated \$4m of funding from the IRG fund to construct sections of the Kaihu Valley Trail. The allocated funding will deliver a 36km

walking and cycle trail, providing a higher quality journey between Dargaville and Donnelly's Crossing. The track will form part of the Ancient Kauri Trail. It's planned for construction to be completed in late 2022.

Kaipara stopbank enhancement (\$6m)

MBIE have allocated funding through their Climate Resilience programme towards stopbank improvements in Kaipara. Two projects were announced by the Minister in October 2020 which are critical to the success of the North Kaipara Agricultural Delta.

Te Kopuru to Dargaville section (which aligns with the land transformation enabled by the water security being funded through the Tai Tokerau Water Trust) and Raupo Floodgates (which reduces the 30km of internal stopbanks which would otherwise have to be raised to accommodate rising sea levels).

Three Waters Programme

The Department of Internal Affairs also awarded a total of \$4.691m for nine projects as part of the Three Waters Programme. These projects are planned to be completed by March 2022. They include –

Watermain renewals in Dargaville, Maungatūroto (both treated and raw water) and Ruawai

Wastewater renewals in Dargaville and Kaiwaka Water reservoir, truck filler and main upgrade in Maungatūroto

Wastewater Treatment Plan aerator for Te Kopuru

There are also several Tourism Infrastructure Fund applications, that look to support existing and new tourism development areas in Kaipara. These projects are currently underway, and new applications where possible will be made to support our work.



Mangawhai Village footpath upgrade Photo: KDC

Climate Change

KAIPARA'S CHANGING CLIMATE - SOME IMPACTS AND IMPLICATIONS



Permanent sea level rise

- 0.3m between 2045-2060
- Damage to houses, buildings and property.
- Risk to insurability and increase costs to insure.
- Reduced ability to develop property and restrictions on land use.
- Damage to coastal ecosystems, including dune habitats and nesting sites



Average temperature will rise

- 0.5°C to 1.5°C warmer by 2040.
- Up to 3.5°C warmer by 2090.



Cyclones

- Increase in severity (and possibly frequency) of ex-tropical cyclones reaching Northland.



More heatwave days

(≥ 3 consecutive days with max temperatures > 25°C)

- 10-20 more heatwave days by 2040.
- Risk of heat stress negatively affecting the health of people, animals and plants.
- Restrictions on water use.
- Increased risk of wildfire - longer spells of extreme fire hazard.



Ocean chemistry and heating

- Ocean acidification.
- Increased sea temperatures and ocean heatwaves.
- Altered marine ecosystems, particularly affecting hard shelled species.
- Increase in marine pests.
- Impacts on aquaculture & fishing industries (i.e. oyster farming).
- Changes to the range of species, location and abundance of fish and sea birds around NZ.
- Possible decline in fisheries.



Extreme rainfall

- Increase in intensity of extreme, rare rainfall events.
- Increased land instability and risk of slips.
- Increased freshwater flooding.



Longer dry periods

- More intense and frequent drought (regional increase in frequency by up to 10% by 2090)
- 4 - 15% decrease in rainfall by 2040

**Information predominantly sourced from the NIWA report - Current and future climate of the Kaipara District, and other sources as listed on our website.*

Our climate is changing. Global and national evidence shows that average temperatures and sea levels are rising and will continue to rise for generations to come. A changing climate will affect our natural environment, our places of work and local economy, our health and wellbeing, our cultures as well as our homes, properties, and wider communities. The infographic shows some of the projected climate change impacts and implications. These are not all the impacts and implications but a representative sample to show the breadth of what a changing climate could mean for Kaipara.

How intensely and how quickly our climate changes depends on future global emissions. We know reducing emissions is urgent and requires a collective, forward-thinking response. We know Kaipara community's wellbeing will be impacted. We also know central government guidance and legislative requirements are increasing, and local government needs to increasingly prepare for, and respond to, climate change to meet those requirements.

Over the next 10 years Council seeks to lead the way and help Kaipara communities become Climate

Smart. In the LTP 2021-2031 Council has laid out some foundational steps to meet this outcome. You can find these foundational steps throughout the Plan. In our Infrastructure Strategy we have an area of work focused on resilience, which includes aligning with climate change adaptation planning and decision-making. Each of the activity profiles addresses how climate change has been considered in activity management and planning, including the key next steps to increase Council's understanding and consideration of climate change. Council's District Leadership activity profile now includes introduced mitigation and adaptation services through the new climate change work programme

which enhances Council's climate change strategy and planning.

We do not have all the answers as Council's climate change strategy, planning and action needs to be adaptable and resilient so that we can continue to serve Kaipara communities as scientific evidence is refined and as central government policies change. We also recognise that we are at the start of a much bigger conversation with Kaipara communities. Over the next 10 years Council will build on our foundational steps to determine the kind of actions Kaipara District Council and Kaipara communities can take to be sustainable and resilient and thrive in a changing climate.

Government Changes

With a changing political environment over the next 10 years, we're focussing on the basics. The Three Waters Review, the Resource Management Act reform, a panel looking at local government and the changes we're likely to see in the world of waste minimisation, recycling and climate change are all factors that influenced our planning and preparation of this document.

Three Waters review

Council signed a Memorandum of Understanding in 2020 to participate in the process of defining future service delivery options through the government-led Three Waters Review. The review will establish new entities to manage the delivery and quality of our drinking water, wastewater, and stormwater services. Any decisions made about whether Kaipara participates will be made in late 2021, after consultation occurs with the community.

Whether services are managed by Kaipara or a new body, yet to be established, the communities of Kaipara will need Three Waters services, so we've included costings for these throughout our Infrastructure Strategy, financial plans, and other planning documents.

More information on what the Three Waters reform will look like for Kaipara will be available in late 2021.

Act. It will be replaced by three new Acts, which are still to be written.

Natural and Built Environments Act (NBA) to provide for land use and environmental regulation (this would be the primary replacement for the RMA)

Strategic Planning Act (SPA) to integrate with other legislation relevant to development, and require long term regional spatial strategies

Climate Change Adaptation Act (CAA) to address complex issues associated with managed retreat and funding and financing adaptation.

The focus is on reducing the breadth of regional and district planning documents from 100+ across the country to about 14 nationwide. How this changes the way Council manages consents in the district will become clearer as further information is available.

Our District Plan is due for renewal, we've reallocated our timeframes, and are looking to accelerate our current District Plan Review, to be notified by the end of 2022, before the next local government elections.

Local government review

In April 2020 it was announced a review of Local Government has started and is due to be completed by 2023. The initial focus is "how local government will be a contributor to the wellbeing and prosperity of New Zealand". A report is due to the Minister for Local Government by September 2021, and will signal the likely direction of the review, and key steps.

In September 2022, a further draft report is expected

Resource Management Act reform

The Government has announced a repeal and replacement of the current Resource Management

with recommendations and a chance for public consultation, with a final report available in April 2023.

Council executive and elected members will be taking part in this review, working to ensure that the communities of Kaipara, and the wider Northland are given the best possible opportunities to thrive.

Consultation on this process, and what the future of Local Government may look like will be led by the Government, and we'll make sure you're kept up to date on any proposals.

Waste minimisation and the changes

The Ministry for the Environment (MfE) is completing a wide-ranging review around waste minimisation, and how we can do better as a country. They're looking at creating a national waste strategy, to support their review around waste legislation. They've raised the possibility of increasing the waste disposal levy (how much it costs providers to take waste to landfill) and they're looking at standardised kerbside collections, changes to packing and rethinking plastics. For now, the research and reports are just setting a direction, but it is likely broad changes in this area may come into effect in the next 10 years, which will set standards and rules about how, what and when we collect recycling, waste, and organic and inorganic materials.

Waka Kotahi

Funding for the transport activity is dependent on subsidy from Waka Kotahi. Applications for funding through the National Land Transport Fund are made through the Regional Land Transport Plan. Funding approval will be notified later this year (2021) once all of the regional land transport plans form the National Land Transport Programme.

Across New Zealand Waka Kotahi have provided early advice to Councils that due to a constrained funding environment, the subsidy investment is likely to be lower than what was applied for. On 27 May 2021 the Waka Kotahi Board has endorsed indicative investment for Local Road Maintenance of \$49.6m over the first three years of the Long Term Plan (21-24), which is \$6.2m lower than that which was sought over the next three years being \$55.8m. Of the \$6.2m reduction in the supported expenditure, an estimated \$2.4m was to be funded by Council, with the remaining \$3.8m to be funded by Waka Kotahi.

Waka Kotahi has made no public announcements on the funding in the outer years of the Plan.

Whilst the announcement from Waka Kotahi is the most up to date information available at the time of preparing and finalizing the Long Term Plan, Council has not adjusted its forecast assumption by the reduction in the subsidy. This is because Council is yet to receive indicative funding for subsidy on a project level and is therefore unable to determine the affected expenditure, including whether the expenditure is operating or capital in nature. The effect of not adjusting the forecast assumption is that the estimated subsidies and grants is overstated by \$3.8m. This flows through to other disclosures within the Long Term Plan.

Once the National Land Transport Programme is confirmed there will be sufficient information for Council to adjust its budgets (operational and capital) and assess any subsequent impacts on levels of service. These issues will be addressed via Council decision-making or after consultation with the community, depending on the significance of the required changes.



Kai Iwi Lakes Photo: KDC

Growth

Supporting Growth

In 2020 Kaipara had an estimated resident population of 25,200 people and is experiencing strong growth (20.6% from 2013 to 2019), primarily driven by residents leaving Auckland.

Growth is expected to continue to be strong over the next 10 years. Government investment in transport infrastructure between Northland and Auckland is expected to accelerate this trend. Rail and road improvements are under construction, which includes the motorway from Puhoi to Wellsford.

A Spatial Plan has been developed for the district that includes the key growth centres. We are investigating a plan change to the Operative District Plan that will result in more effective rules to support sustainable growth.

This Infrastructure Strategy provides a long term response to growth. The Development Contributions Policy includes new development contributions for Maungatūroto, Kaiwaka and Mangawhai, where we are likely to experience most growth and need to invest in infrastructure ahead of development.

Kaipara will be working with Iwi, Ministry of Housing and Urban Development, Waka Kotahi, Northland Regional Council and Whangārei District Council to develop a joint work programme that recognises the expected growth in the Auckland to Northland corridor and the need to align work.

Water supply

Over 70% of Kaipara is on private water supply. In the eastern growth area, there is a water supply system servicing Maungatūroto, a private system in Kaiwaka, and a small system servicing the Mangawhai campground and a small number of other properties in Mangawhai.

The immediate focus is to strengthen the Maungatūroto supply and provide a tank filler so water carriers who service the area do not have to travel to Whangārei or Auckland.

The Mangawhai Central development provides an opportunity to create a reticulated system with the possibility to expand it in the future. Viranda Group Partners, at the hearing for Plan Change 78, said they have been given rights to water from two streams and will look to provide a reticulated

system for the commercial area. Whangārei District Council signalled the potential to extend their water supply through to Langs Beach. There is a business case that will explore connecting a tank filler to that network to service the East.

Wastewater

There is sufficient capacity within our existing Dargaville, Maungatūroto and Kaiwaka waste systems to accommodate the anticipated growth for the next 10 years.

With growth levels in Mangawhai there is more substantial investment signalled in the LTP. There are currently 2,411 connections and the existing capacity of the treatment system is around 2,800. The entire plant is based on the premise that it will provide for 4,500 – 5,000 connections. Council considers the Mangawhai Wastewater scheme as a single programme of works with different components that are added during the life of the wastewater system. The Infrastructure Strategy developed as part of the LTP 2021-2031 includes a roadmap for the Mangawhai plant. A new balancing tank is being constructed, which will provide additional protection to the harbour by increasing the flow to the treatment works at peak flows. Additionally, in peak summer periods it can buffer daily peak flow to reduce the demand on the aeration system.

Over the time of the last LTP we have seen an average of 94 connections a year. We have investigated future options for between 70 and 100 new connections, which allows us to prepare for lower or faster rates of growth.

Future connections will be distributed across the Mangawhai urban area and the Spatial Plan encourages growth in areas that can connect to the system. The Mangawhai Central Development will be connected to the system (noted that 500 houses are currently allowed under the current District Plan and Plan Change 78 is seeking an increase to 1,000). This process is currently in motion, and two appeals have been lodged with the Environment Court. We will monitor the rate of take up (i.e. building consents) to keep ahead of it. We expect the development to be subdivided and built in stages. As growth occurs and Council determines it needs more capacity, the cost of the infrastructure has been planned to be

available just before it is required.

The proposed direction in the Infrastructure Strategy is to continue to dispose to land rather than seek consents for a coastal or estuary outfall. Water is a precious resource and there are many opportunities to reuse it – particularly given the high quality of water that the Mangawhai Community Wastewater Scheme (MCWWS) produces.

We are changing the filtration system to further improve water quality, which will provide new opportunities to use the water. Over time we will increase the number of filters, which will increase capacity of the plant. The balancing tank can be repurposed quickly as a treatment tank which will accommodate an increase in connections.

The Council is currently developing an irrigation system for the adjacent golf course and \$1.5m has been budgeted in Year 1 of the LTP to allow construction. With our current water quality this can be used to irrigate at night. Improving the quality to Grade A will allow for further irrigation uses and

increase the amount that can be reused for the benefit of the community.

We will still need to dispose of water in storm events and funding has been set aside to increase the size of the pipe from the plant to the reservoir at Browns Road.

The LTP includes \$300,000 to design the system in the 2021/2022 financial year. Construction will commence in the 2024/2025 financial year with \$10m in this 10 year period and \$10m in the following 20 years.

Expanding the MCWWS will be funded through development contributions not rates with the exception of 50% of the cost of interest on these growth projects.

With growth, the cost of operating and maintaining the plant will be spread over a larger rate base which will reduce the burden on existing users.

The debt relating to construction of the original plant has decreased over recent years, here is the current breakdown:

Properties that opted to pay a targeted rate over a number of years	\$9.4m
Debt being paid off by the general rate which will be repaid by 2022	\$0.6m
Debt being paid off through growth by development contributions	\$28.0m
Total owing (as at June 30 2021)	\$38.0m

Transport

Traffic demand as a result of growth will generally be met through the existing roading network and promoting means of alternative transport.

In Mangawhai the main investments in this LTP are the Mangawhai Shared Path and the Cove Road Connection Projects. Subject to funding from Waka Kotahi, a business case will be developed for the connection between Cove Road and central Mangawhai. This will include consultation with the community and affected landowners.

Construction is anticipated later in the ten year

period and will allow us to gather development contributions.

In Kaiwaka we will continue to work with Waka Kotahi to determine the preferred route for four-laneing and solutions to connect the township around the current state highway.

The Spatial Plan includes two projects – investigating Kaiwaka Eastern Connections and Oneriri Road Intersection. We we will seek funding from Waka Kotahi to develop-business cases and create a preferred network, which may be built by developers.

Changes made post consultation

In the following pages you will find details of the decisions Council has made on key issues the community raised during our pre-engagement and consultation processes.

This plan includes several significant policies, planning and infrastructure projects to accommodate growth over the next ten years, while keeping rates increases to less than five percent per annum (including inflation but excluding growth).

Key Decisions

While we always have an eye on the future, we have not lost sight of our day-to-day business. We

are determined to, wherever possible, improve the current lives of our existing residents.

Submissions are one part of the LTP process, and when elected members make decisions, they take into account responses from submitters, staff advice and reports and information gathered outside the submission process, such as conversations with their communities, organisations and key relationships.

The consultation process sought feedback on several key proposals, each with a preferred option. The topics and preferred options included:



KEY DECISION 1

Waste Minimisation

How should Council better manage its recycling collection?

You said

- 77% of submissions supported a change to introduce recycling crates, saying it would encourage recycling, remove the costs of recycling at transfer stations and reduce landfill.
- 23% opposed saying it should remain as is, staying user pays, to reduce the rates increase, rural residents wouldn't have a kerbside service and that those on reduced incomes would struggle to meet the costs.

Council decided

On balance, elected members considered that recycling and improvement to the service we currently offer is important. Some of the points raised against by submitters had merit and Council decided to defer the implementation of the crate service until Year Two of the LTP (from 01 July 2022). It would still be funded by a targeted rate and give staff a year to plan and inform communities about how the new service would work. Staff were tasked with the investigation of how we balance the needs of rural and urban users to ensure equal levels of service, and how that will impact the proposed targeted rate.



KEY DECISION 2

Equalising water supply and wastewater rates

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

You said

- 58% of respondents supported the preferred option to equalise the costs of drinking water.
- 42% didn't support the preferred option, saying every network should be ringfenced and be paid for by users. Others stated to do nothing until Government has decided on the scope of Taumata Arowai - Three Waters, and we should focus more on supplementing rainwater tanks and self-supply.

Council decided

We will go ahead with the proposal to equalise costs, making it more affordable for smaller schemes, especially with upcoming large capital works projects, and ensures a consistent service across all those connected to the Council network. Equalising costs will ensure the benefits are shared while the use of funds can be targeted to those areas that have a backlog in maintenance through subsidies/grants as they become available.

How should Council charge for wastewater services to networked houses?

You said

- 55% of submitters agreed with our preferred option, of equalising rates, ensuring an equal service to those connected.
- 45% wanted Option 2, or ringfencing the networks, so those connected pay for the capital expenses. There were concerns about the affordability and significant jump some areas will face in meeting the proposed equalised rate.

Council decided

We will go ahead with the proposal to equalise costs, with a staggered entry for Te Kopuru. This allows for affordability in smaller schemes especially with upcoming large capital works projects and ensures a consistent service across all those connected to the Council network. Equalising costs will ensure the benefits are shared while the use of funds can be targeted to those areas that have a backlog in maintenance through subsidies/grants as they become available.



| KEY DECISION 3

Securing Water supplies

Should Council connect to the Tai Tokerau Trust Water Store?

You said

- 59% of submitters supported the preferred option of connecting to the Tai Tokerau Water Store, recognising the need to secure water for Dargaville township.
- 41% of submitters said Option 2, of not connecting was preferable, stating they were broadly in favour of securing water and an improvement in Council services, but wary of Council's ability to fully utilise the Tai Tokerau Water Store, and the impacts Taumata Arowai – Three Waters would have on the work.

Council decided

While elected members believe that securing a water supply is an important step for Dargaville, on hearing feedback and with further investigation into options, they decided we were better placed to reduce the initial spend of \$2m, down to \$100,000 and complete a business case in the forthcoming year. The business case will determine the best option for securing a water supply and for financing it. When we have a clear option, we'll come back to the community.



KEY DECISION 4

Climate change

How much should Council commit to Climate Change planning and response?

You said

- 60% of submissions supported Option 1 – continuing with the baseline amount of \$1.5m over the next 10 years, with concerns over the need to spend money elsewhere, waiting for central government to set a framework, or looking at alternative ways to spend on climate change action.
- 16% of the submissions supported Option 2 - increasing investment to \$1.8m over 10 years. Those who wanted more spending, wanted to see increased efforts on climate change, especially increased engagement and education and said that this is an important issue and we should be working on funding it more.
- 24% of the submissions supported Option 3 – increasing investment to \$3m over the next 10 years, saying that climate change is the biggest issue we face today, and this issue needs the most investment from Council.

Other comments around climate change included the public health benefits of managed climate change, soil health and biodiversity being important, that local government should focus on adaptation, and that climate change is a collective action problem, requiring collaborative aligned approaches.

Council decided

They agreed with submitters and would continue with the baseline work as detailed in the Consultation Document.

As more information is brought forward around investigations into the impacts of climate change and more direction from central government is announced, our approach to climate change may change.



KEY DECISION 5a

Dargaville Civic Precinct

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

You said

- 34% of the submissions support Option 1, to demolish the annex, and repair and reinstate the older buildings. Comments included the unsustainability of leaky buildings and the health risks they pose, and that demolishing is the most economically sensible option. Submitters also mentioned the opportunity to better meet the needs of the community by providing a community centre, library, cultural centre, conference meeting rooms and “pop-up” shops.
- 15% said no. Their feedback primarily related to the loss of the space, the lack of cost/benefit analysis presented in the consultation document and the uncertainty of what will happen to existing services there, such as the Citizens Advice Bureau and the Anzac Theatre (51% of respondents didn't choose an answer).

Council decided

We will demolish the Town Hall annex when it is no longer economical to continue repairing it, this is likely to occur in 2024. We'll then proceed with recladding and reinstating the Municipal Chambers and Northern Wairoa War Memorial Hall. We'll work with those current users of the facilities to see how we can continue to support them through this change.

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

You said

- 36% of the submissions support Option 1 to develop a new building adjacent to the Northern Wairoa War Memorial Hall to support the library and community hub. Themes from the feedback were that a library is a vitally important place for all ages of the community and that there is not enough space or books at the current Dargaville Library. The feedback relating to a community hub also expressed the importance of community spaces and how this would be a great asset to the community.
- 15% said no, comments from this feedback questioned why Council does not repair and use their current office building to house the new library and included suggestions for Council to consider another vacant premise in Dargaville (49% of respondents didn't choose an answer).

Council decided

We will support the formation of a trust to facilitate the development of a community hub and library next to the Municipal Building and Northern Wairoa War Memorial Hall.

What should Council do with the current Dargaville Council office building at 42 Hokianga Road?

You said

- 56% of respondents said to demolish and retain the land. The feedback from these submitters proposed different suggestions for the land after demolition which included building accommodation for emergency housing or kaumatua flats, a community garden, or a public park/green space.
- 44% who said to sell the building highlighted the financial benefits of selling for both Council and ratepayers. Other suggestions included remediating the current office building to house the proposed library and community hub or to sell it to a Non-Government Organisation who will refurbish it to create extra housing.

Council decided

We will demolish the building, once it is no longer required and find appropriate ways to repurpose the green space.



KEY DECISION 5b **Mangawhai Library Relocation**

Do you support the Council securing a site and building a new library in Mangawhai, and if yes, where?

You said

- 45% in support of securing the site focused on the inadequate space in the current library and emphasised the need for a new library given Mangawhai's growing population.
- 55% of submitters opposed establishing a new library in Mangawhai. The issues for the opponents were the costs of the project to ratepayers, the need for other services such as a medical centre and the need for more consultation with the community to determine the service of this resource.
- In terms of preferred location 52% selected Mangawhai Village and 48% selected Mangawhai Central. Other options submitted included next to Fagan Place behind the shops, and various locations in Mangawhai Community Park.

Council decided

Staff should proceed with work to secure a site for a future library in Mangawhai. This recognised that land will become increasingly scarce, opportunities to incorporate cultural and community functions and that there are opportunities for this to be funded through external funding including development.

Due to no significant support for either preferred location identified that the site will be selected considering relevant technical matters such as suitability, accessibility, and land availability, and will go back to Council for approval of any land purchases, if necessary.



KEY DECISION 6

Regional Economic Development CCO

Should Council become a shareholder in Northland Inc and contribute to the wider investment and Growth Reserve Fund?

You said

- 47% of submitters agreed with option 1 to become a shareholder in Northland Inc. Those who were supportive, stated that the proposal would be better for the region and district, would help to attract more business and employment into the district.
- 53% of submitters were against the proposal to join the CCO, for reasons such as, it will add more bureaucracy, not as sustainable without Whangārei District Council and that the funding could be better used for local projects or Kaipara specific solutions.

Council decided

The Council will become an equal shareholder in Northland Inc (resulting in Northland Inc becoming a Council Controlled Organisation of Kaipara District Council), committing to financial contributions as proposed of \$29,000 in Year 1 transitioning to \$180,000 from Year 6 of the LTP 2021-2031. Also, this decision is contingent on agreement by the Northland Regional Council and Far North District Council.



KEY DECISION 7

Closed Circuit Television (CCTV)

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

You said

- 52% of respondents agreed with option 1, and that we should collect the charge on behalf of the Dargaville Community Development Board (DCDB). Those who supported said it will encourage a safer community, which is a benefit for everyone.
- 47% preferred option 2 on not collecting the rate saying business and retailers should pay for this as it largely benefits them.

Council decided

The Council agreed to implement a targeted rate of \$9.00 (GST exclusive) per rating unit, collected for the DCDB to fund CCTV operations in the Dargaville and Ruawai townships as proposed in the Consultation Document of the LTP 2021-2031. The targeted rate will apply to rating units from the Dargaville and West Coast/Central wards, and those rating units from the Otamatea ward that currently pay a targeted rate for the Ruawai Tokatoka War Memorial Hall.

Changes made from Submissions

As part of the submissions we received, here are some of the new community projects we've included in the LTP.

Project details	Council decision
Te Kopuru Pump Track Surrounds	Council approved the allocation of \$20,000 to complement the Community funded Pump Track development in Year 1 of the LTP. The funding is for the Pump Track Surrounds and includes practical elements such as seating, lighting, drainage and parking. This does not cover all costs related to the development of the park and Te Kōpuru will need to raise further funds to complete the track.
Lincoln Downs Mountain Bike Park	Council will contribute up to \$375,000 toward the Mountain Bike Park (in a 50% matched funding model), predominantly focused on the access road and car park which is likely to be vested in Council. No design work has been done however the funding would allow for the investigations to be progressed.
McClea Park, Kaiwaka	Council will contribute \$100,000 to bring the previously neglected McClea Park in Kaiwaka up to a standard that is acceptable to the public and easier to maintain, in the first year of the LTP. Council investment will be used to provide drainage and improving the hard surfaces.
Ripiro Beach - Beach Management Business Case Development	Council included \$50,000 in Year 1 and \$50,000 in Year 2 of the LTP to progress the Ripiro Beach management project. The funding will be used to understand what is needed for better beach management and include a beach management plan. Engagement, education, and regulation could be a component of this work.
Baylys Beach - Parking and Connectivity Improvements	Council agreed to include \$100,000 in Year 1 to develop a business case (investigation and design) and \$300,000 in Year 2 for construction, of the parking and connectivity improvements project at Baylys Beach as recommended by the Northland Transportation Alliance. We will apply to the 2022 Tourism Innovation Fund (TIF) and have assumed an 80% subsidy for the purpose of the LTP. We'll improve existing footpaths as part of the annual footpath renewal programme.
Civil Defence Emergency Management – tsunami sirens upgrade	We're bringing forward \$20,000, set aside in every year of the LTP to invest \$100,000 in Year 2, and an additional \$100,000 in Year 3 to upgrade the tsunami sirens. The Tsunami Siren Upgrade Project is led by Northland Regional Council and will occur over Years 2 and 3 of the LTP. The network in Mangawhai is not meeting the required standard and must be replaced. A further 10 new sirens will be included in the project. This is a significant upgrade to the current system as it will cover a larger geographic area and new sirens can be remotely activated and convey messages.



Te Kopuru Photo: Mark Schreurs

Additional information

As part of the process, and the time involved in creating this LTP we've found some projects where timelines changed, that were omitted but now should be included, or need to be better aligned to ensure streamlined service delivery. These projects fall into those categories, they are also below our

thresholds for consultation from our Significance and Engagement Policy or come about because of other Council's LTPs. These projects were presented to Council as part of their deliberations, and the below details the additional projects and their funding sources.

Project details

Kaihu Water Treatment and Truck filler

A water treatment plant will be constructed to supply water to the Waikaraka Marae, a truck filler for the Kaihu community and water carriers outside the Marae grounds. This project seeks to address the water shortages that occur during drought for the non-reticulated community of Kaihu. Dargaville water is restricted during these times and water carriers go further to fetch water to supply households, usually at much higher prices than they pay under normal conditions.

Elected members approved \$500,000 for capital expenditure for the construction of the Kaihu Water Treatment Plant and Truck Filler into the 2021-2022 financial year (which is funded by subsidy from the Northland Regional Council, making the investment cost neutral).

They approved \$65,000 per year in the LTP for operational expenditure recoverable through water charges of at least \$65,000 per year over the LTP.

Mangawhai Water Security

There is an opportunity to extend the Whangārei district water supply system to Mangawhai. This could be to connect to create tank filling stations.

Council approved \$100,000 for investigation into a possible water security option, however it's limited to considering the connection to the Whangārei network as a potential tank filler site.

Wood Street Mangawhai

There are two related activities/projects being further developed in the Wood Street area. Both projects were included in the LTP 2018-2028.

Transport - Iterative improvements within the Wood Street retail area were trialled during the LTP 2018-2028 period as part of the Waka Kotahi NZTA Innovating Streets programme. Using a tactical urbanism approach the Council has been collaborating with the Mangawhai Business Association, Wood Street businesses and community, testing layout and design to create a more people-friendly area. The interim designs included a one-way road system, extra off-street parking and a new access route through the old fire station, and the introduction of various streetscape improvements. A permanent upgrade is now required to realise the benefits.

Stormwater – The Wood Street area experiences flooding which is both a barrier to growth and a safety risk. A business case has been developed which confirms the most effective response and involves draining water to the west (via the golf course).

We propose to complete the roading and waters investigations in Year 1 and then move into the construction phase in Years 2 and 3 of the LTP (subject to Waka Kotahi NZTA subsidy).

By bringing the funding forward the transportation and stormwater team can collaborate to deliver the programme, which will reduce the disruption to community and businesses.

Council agreed to align stormwater and transport projects in Wood Street in Years 1 to 3 of the LTP, to bring forward \$4m from Year 5 and 6 of the LTP to Years 1 to 3 in the Transport Activity and agreed to bring forward \$800,000 from Year 4 of the LTP for Wood Street area stormwater improvements.

MCWWS Balance Tank

In September 2020 Council approved a budget of \$2.1m for the construction of a balance tank (which improves the performance of the wastewater system in peak flows), \$1.45m of this was not included in the capital works budget but has now been budgeted for.

Council approved the changes, and the new budget, set at \$3.1m. This allows components of projects that were already planned from 2024/2025 to move to 2022/2023. It includes additional scope such as a larger inlet screen and odour controls that will increase the capacity of the plant.

Further investigation has resulted in some extra works to improve the safety and stability of the system, including earthworks and the movement of some existing infrastructure.

Dargaville Transfer Station Weigh bridge

\$65,000 was included to install a weigh bridge at the Dargaville Transfer Station to more accurately measure the waste that is taken to the Dargaville Transfer Station. This will provide good information for planning future transfer station activities and data for reporting refuse going to landfill.

Project details continued

Paparoa Wastewater

Kaipara has several coastal communities who have failing septic systems. The regulatory team is aware of specific issues in Paparoa, which predominantly effects the commercial area.

The proposal includes a consultant's assessment of the proposal which will provide the community and Council with a report. The report will cover -

Risk assessment – construction and operations

Assessment of environmental effects

Performance review – i.e., will it work?

Recommendations.

Approved the allocation of \$60,000 for investigations to support a community wastewater scheme in Paparoa. Once we know more, we'll come back to the community to figure out how they fund the implementation of the best solution.

SCADA System

Supervisory Control and Data Acquisition (SCADA) is a critical system for managing our water and wastewater network. The draft LTP included \$250,000 however there has been an increasing number of failures which increases Council's risk exposure in terms of our response time to events and ability to rectify. This increases the risk of environmental impact, consent breach as well as health and safety. The proposal is to increase the resilience of the system by moving to a secure data centre. The impact of this is a slight increase in capital costs and the introduction of an annual operating cost both funded through the water and wastewater targeted rates.

Council approved that the SCADA system replacement programme be brought forward from Year 4 of the LTP to Year 1 and the capital cost be increased by \$100,000 over the 10 years of the plan to \$350,000 (all to be funded from depreciation reserves); and approved the additional SCADA operational costs of \$900,000 over the 10 years of the LTP.

Spring Street and Wastewater Reticulation

The Spring Street Project provides an efficient solution for a community which has developed on land which is not suitable for septic systems. Consultation with the community has occurred since the LTP was developed and this has highlighted a risk for Council in terms of its ability to force landowners to connect to the system given the approvals that have been provided historically. The additional funds will allow the connections to be made whilst the main works are being undertaken.

Council approved an additional \$175,000 in the LTP (funded through the Wastewater Targeted Rate) for the 'Spring Street Wastewater Project' which allows for connections to be made to the Dargaville wastewater system.

These ratepayers connecting will pay the appropriate building consent, development contribution and connection fee, as a portion of the investment.

Dargaville Stormwater stopbanks and floodgates

As a first step in understanding the current assets, the risks faced from flooding and the options available \$200,000 was approved in the first three years for stopbanks and floodgates.

The scope and cost of required future projects can be understood in time for other funding opportunities if investigations are started now.

With this work we'll build a comprehensive understanding of the boundary between river and land in the Dargaville urban area with special consideration for protection of life, property, and business from flooding and an options assessment that gives a starting point for discussions with the public and possible funding agencies, with special consideration to what level of service can be delivered and what the costs would be.

Joint Council Controlled Organisation (CCO)

Part of our consultation looked at joining, financially, and through membership, a regional CCO with the Northland Regional Council and the Far North District Council.

Northland Inc Limited

Northland Inc Ltd, established in July 2012, is the region's economic development agency and regional tourism organisation.

Policies and objectives

Prior to 1 July 2021, Northland Inc Ltd was 100% owned by Northland Regional Council. Following public consultation as part of our LTP 2021-2031 consultation processes, Kaipara District Council (KDC) has agreed to become joint owners of Northland Inc Ltd effective 1 July 2021.

Far North District Council undertook the same consultation and will also take a 33.3% ownership of Northland Inc.

A Joint Committee has been established to co-ordinate the responsibilities, duties, and powers of councils as shareholders in Northland Inc Ltd. All three councils have committed to an annual level of funding for economic development in their LTPs 2021-2031 which will be transferred into, and

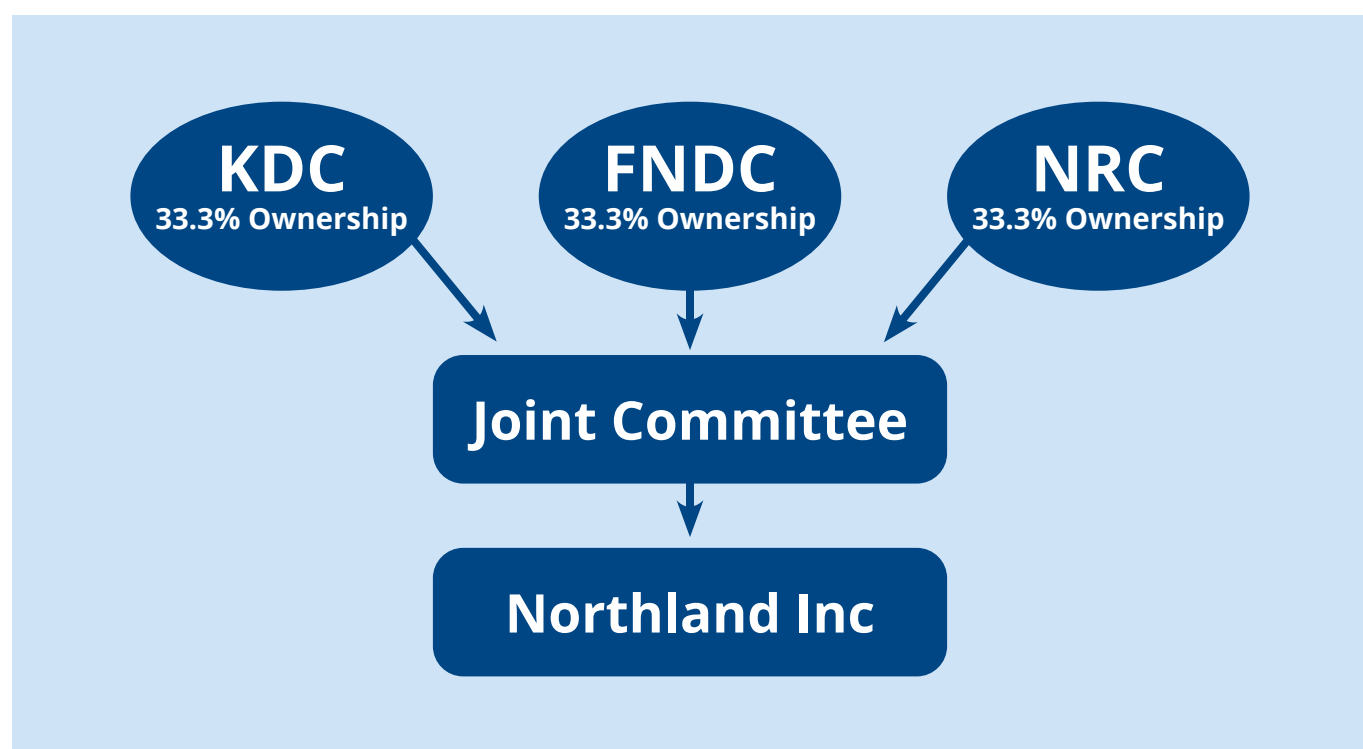
subsequently allocated from, Northland Regional Council's Investment and Growth Reserve.

Northland Inc Ltd is provided with a base-level of operational funding from the Investment and Growth Reserve. It is project-funded through other public and private agencies, with central government being the next largest contributor. The organisation has a governance board of professional directors, each appointed on a fixed-term basis by the Joint Committee. Operational activity is led by a chief executive officer.

The six objectives (pou) of Northland Inc. Ltd are as follows:

- Pou tahi: Māori economic development
- Pou rua: Environmental sustainability
- Pou toru: Regional investment
- Pou whā: Destination management and marketing
- Pou rima: Advocacy and profile for Tai Tokerau economic development
- Pou ono: Organisational culture

More details on the performance measures, and how Northland Inc. operates can be found in the District Leadership, Finance and Internal Services Activity Profile.



The above diagram displays the ownership model of Northland Inc as a Joint Council Controlled Organisation.

Development of Maori capacity to contribute to decision-making processes

In recognition of Te Tiriti o Waitangi/The Treaty of Waitangi, Council acknowledges the ongoing obligations that it has in conjunction with the provisions afforded to Māori in both the Resource Management Act 1991 (RMA) and Local Government Act 2002 (LGA). Council will be continuing to look for more meaningful ways to further build on existing relationships and raise Māori capacity to input into decision-making at a Local Government level.

Council has a Memorandum of Understanding (MOU) with Te Uri o Hau which reflects the relationship between the two parties and formalises the way the two parties work together on a wide range of issues. This document was renegotiated in 2016 and can be reviewed annually. A review was started in early 2021 and will continue for the rest of the year.

In November 2020, Council signed a Mana Enhancing Agreement (MEA) with Te Roroa.

Both the MOU and MEA provide for regular funding towards services provided by Te Uri o Hau and Te Roroa which allows for the ongoing development of capacity within these organisations.

Co-governance arrangements are in place for both Taharoa Domain Governance Committee and the Harding Park/Pou Tu O Te Rangi Joint Committee.

In November 2020 Council voted to incorporate a

Māori ward, as part of the Representation Review occurring in 2021. It will be in place for the Local Government elections in October 2022.

Kaipara District Council is one of four councils that supported the work undertaken by the Northland Regional Council and Auckland Council, alongside Ngāti Whatua and Kaipara Uri on the future governance arrangements for the Kaipara Harbour once the treaty settlement process has been completed.

Council has an agreed procedure to provide for iwi input into resource consent processing as well as ensuring that iwi have the opportunity for input into the Long Term Plan and Annual Plans during the draft Plan consultation process. These are covered in the MOU.

Council holds regular Tangata Whenua Hui with staff and kuia/kaumātua from local iwi and Hapū attending, we've also started a quarterly operational staff level hui. The Chief Executive is part of the regular Iwi Local Government Chief Executive Forum (ILGACE) Hui and Kaipara Council is also signed on to the Whanaungatanga Ki Taurangi relationship agreement between the Northland Mayoral and Chair forum (Northland Mayors and Chair) and Te Kahu O Taonui (Northland iwi chairs forum).

Waikaretu Marae Photo: Gillian Bruce



Community Capex projects

For a full list of capital projects refer to The Capital Projects List Appendix

Capital Projects 2022 - 2023

Budgeted costs of \$250,000 and above



\$9.964M

OPEN SPACES AND FACILITIES

PARKS AND PLAYGROUNDS
WALKWAYS
PUBLIC TOILETS



\$2.450M

STORMWATER

PIPE RENEWALS
PIPE EXTENSIONS



\$375,000

WASTE MINIMISATION

RECYCLING
CLOSED LANDFILL MANAGEMENT



\$3.156M

WATER SUPPLY

PIPE RENEWALS
RETICULATION RENEWALS
PIPE EXTENSIONS



\$66.627M

TRANSPORT

SHARED PATHS
UNSEALED ROAD IMPROVEMENTS
SUMP REPAIRS



\$6.180M

FLOOD PROTECTION AND LAND DRAINAGE

STOPBANKS
CANALS
FLOOD MITIGATION



\$4.622M

DISTRICT LEADERSHIP, FINANCE AND INTERNAL SERVICES

KAIPARA WHARVES
UPGRADE AND RENEWAL OF SCADA
IT EQUIPMENT



\$7.253M

WASTEWATER

PIPE RENEWALS
RETICULATION RENEWALS
PIPE EXTENSIONS

The Financial Situation

Financial Strategy Summary

This strategy sets out how Council plans to fund its operations and the impact on rates, debt, and level of service.

Looking forward, the Council has several projects and programmes proposed over the next 10 years to meet the LTP 2021-2031 Community Outcomes.

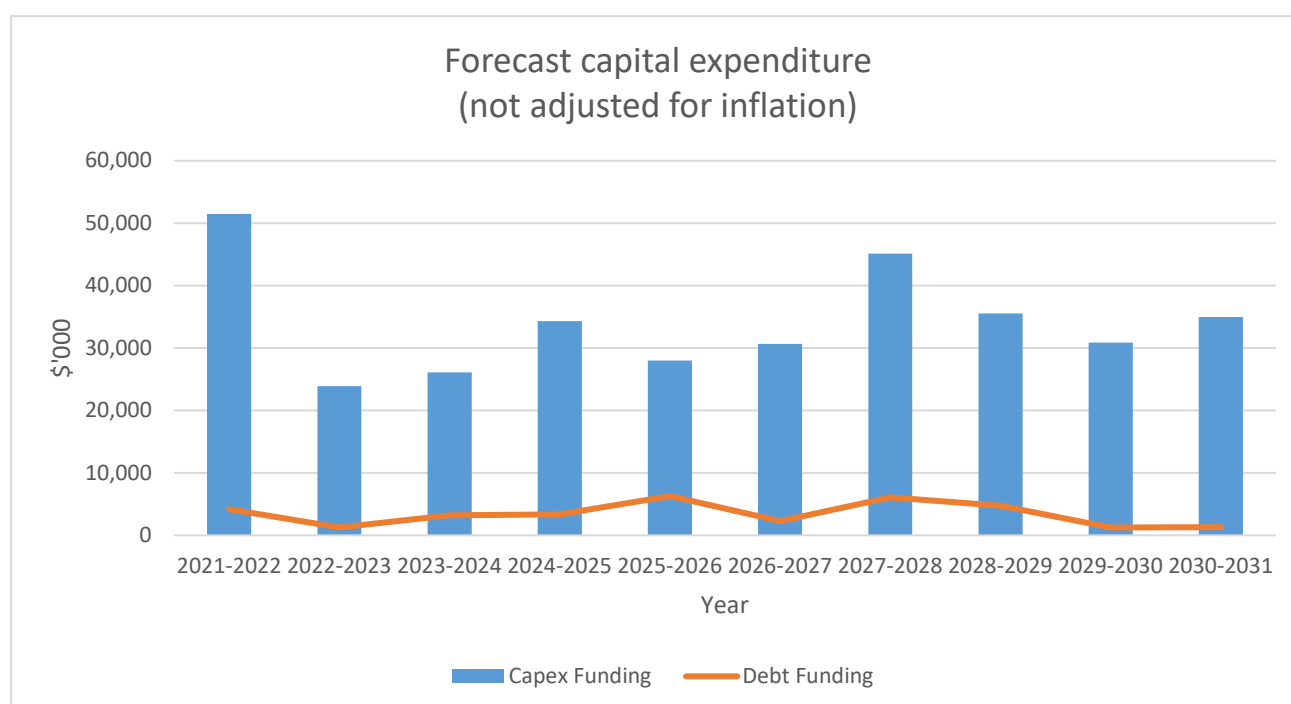
The proposed 10 year plan incorporates an ambitious capital expenditure programme, a programme that focuses on building resilience of our infrastructure, investing in planning in the areas of future growth, and developing adaptation plans to combat climate change. It also ensures we continue to do the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

Council agreed the largest priority was providing renewals to reduce the annual maintenance cost in the future and to ensure its current infrastructure is fit for purpose.

Service levels would be maintained at current levels, except the additional investment in cycling and walking tracks with the largest investments being the Kaihu Valley Trail and Mangawhai Shared Path. A key proposition of this plan is that several capital projects are reliant on substantial external funding and will only be undertaken if grants or financial contributions are received as planned. Many of these subsidised projects will increase the level of service, the largest projects being those relating to flood protection works.

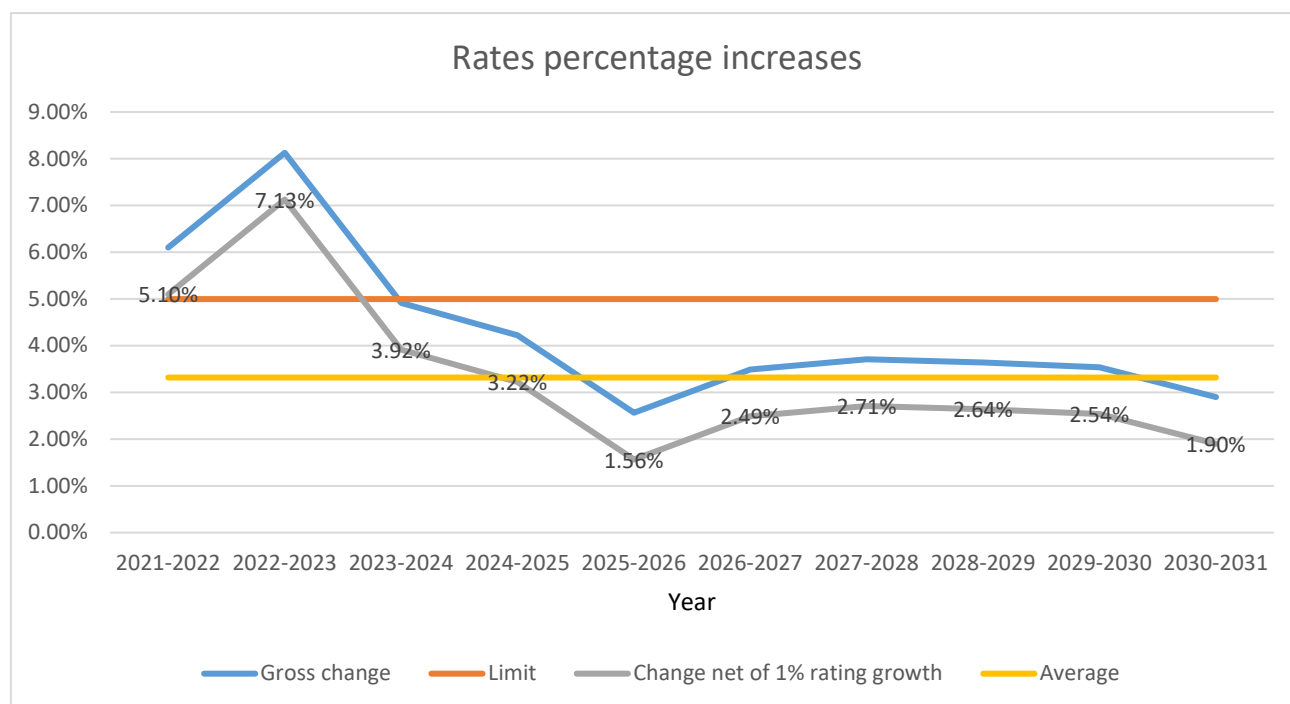
The Council has a large and challenging capital expenditure programme and will be under pressure to complete it. Much of the programme is for renewals and there is some provision for new initiatives and growth. Central government has supported its regions and Council has been successful in receiving subsidies for several capital projects. Many of these programmes of subsidised work start or will be constructed in the early years of the LTP 2021-2031.

There are also many future projects that are budgeted to be funded by grants, subsidies, and financial contributions in the later years of the plan. In the next year we have a capital projects programme of \$51.5m, a significant portion of which is Government funded projects.



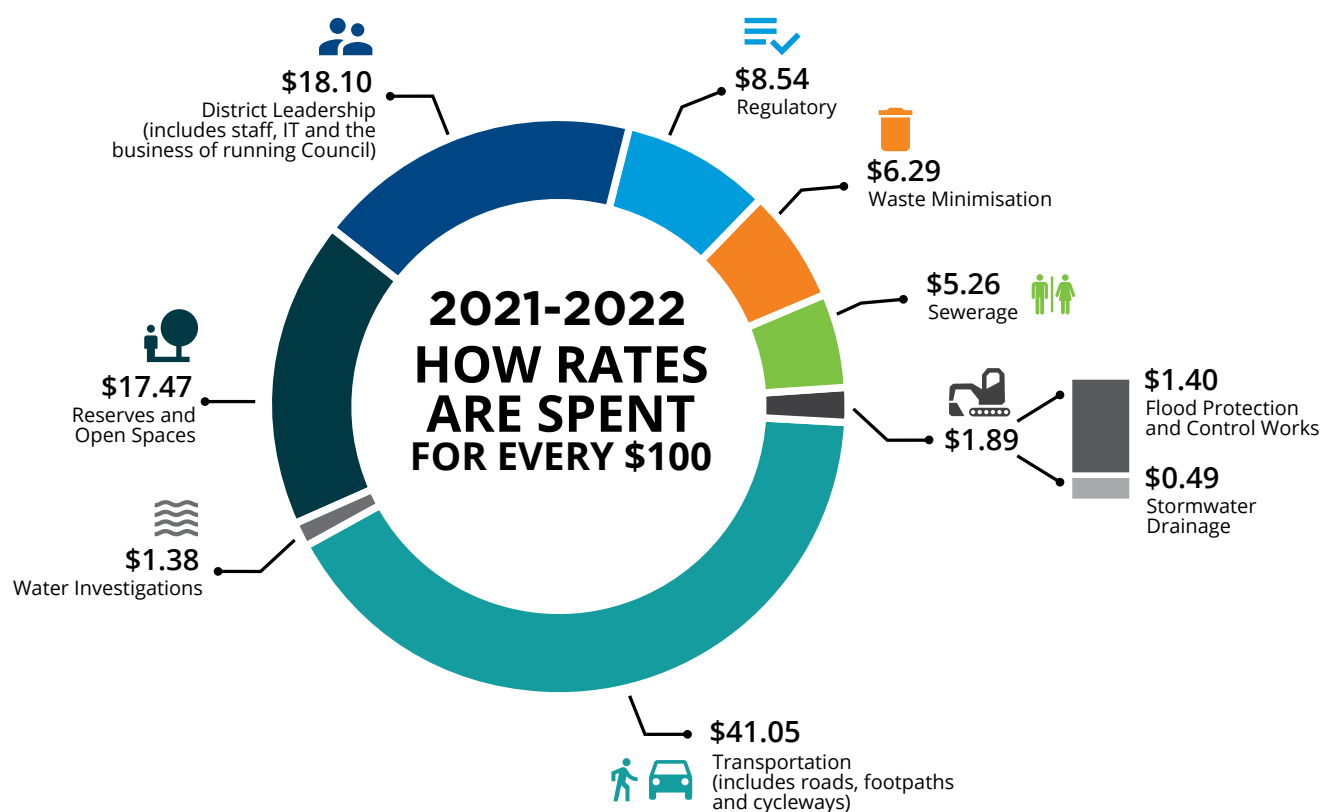
Rates

Over the next 10 years, the average rates increase is displayed in the chart below.



While the above is an average, it's best to look at sample properties, or use the online calculator via kaipara.govt.nz/calculator to see how your rates are broken down. The chart above includes all rates, excluding water by the meter.

Rates in the first year are sitting at an average increase of 5.1%. There will be further changes that result from the property revaluation or Northland Regional Council rates. The chart below shows how \$100 of rates is spent across the specific areas of Council (it includes the general rate portions only, and for the 2021/2022 year we've allocated money for water supply investigations across the district paid for by the general rate). To read more about the projects you can look at the activity profiles for each of the below.



In the second year of this LTP (the 2022-2023 financial year) the biggest driver of costs will be the implementation of the new recycling system, some other capital projects that have been moved forward from outer years will also have a significant financial impact on the planned increase.

On the above graph we talk about 'Change net of 1% of rating growth', this shows us taking into account the growth in the rating base across a year. As a simplified example, if you have a 10 acre property worth \$300,000, then subdivide it to 10x 1 acre areas, each worth \$300,000, the rating base has grown, so the costs of our rates is shared across the future rating growth each year.

Property Revaluation

Property valuations have also been carried out by Quotable Value (QV) for rating purposes (this happens triennially, once every three years). The relative changes in property values between different areas and different types of property causes fluctuations in the incidence of rates between different ratepayers. Over the next 3 year period Council will look at the possibility of using a capital value system in the hope of allocating rates in a fairer manner.

The valuation can have a significant impact, in the residential market there was significant increases in property values from 3 years ago, with house values increasing 20-45% above 2017 capital values.

These impacts mean that we redraw how much of the portion of the rating pie we take from each property. Overall it doesn't increase the amount we receive; it just redistributes how much we collect based on the land value of your property.



Debt

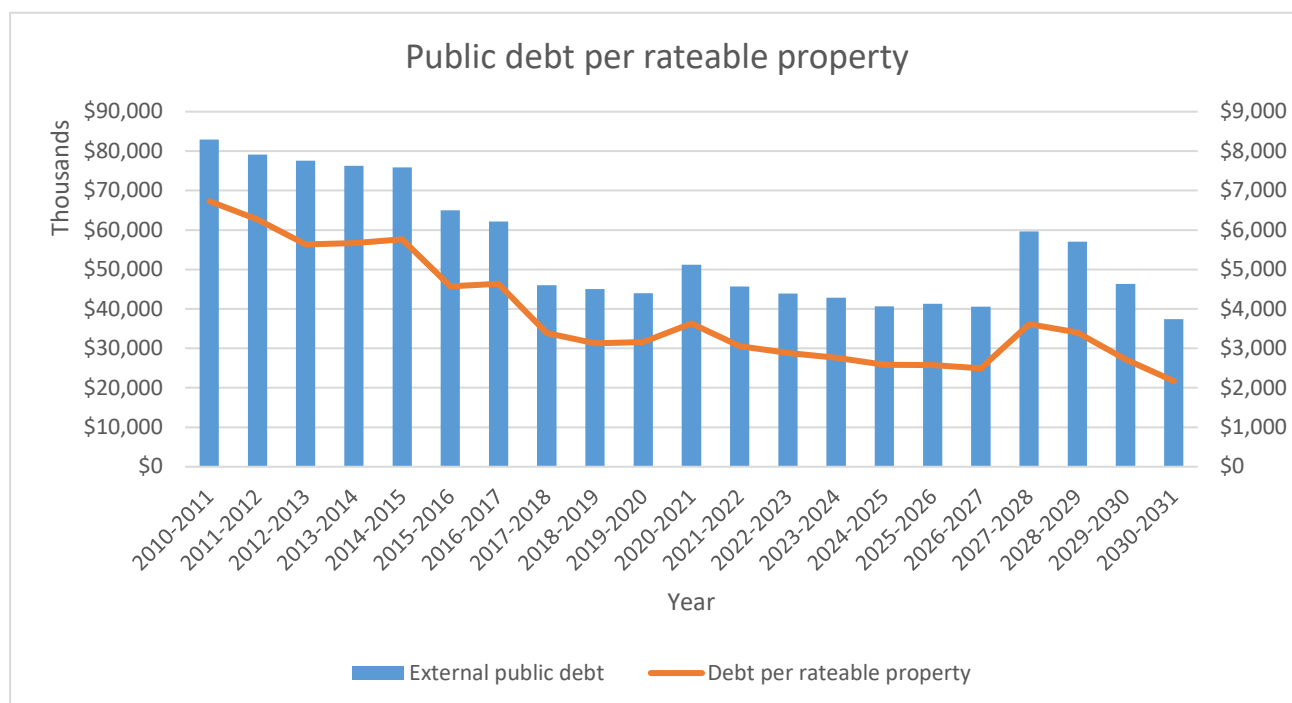
The key objective of Kaipara District Council at the development of the last two LTPs was to repay debt, as debt had climbed to \$83 m and was at its peak in 2011. This was being paid for by a population of 18,700 (rateable properties totalled 12,310) so the key challenge was to reduce risk through the reduction of debt. Our current debt level is \$44m (as at 30 June 2021).

Service levels were kept at a base level and depreciation was not able to be funded for most assets. This meant that there was always going to be a backlog of renewals as the Council had not accumulated sufficient funds to ensure its aging infrastructure could be repaired and renewed as necessary.

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

The next 10 years have an ambitious capital project plan, that will involve borrowing money while the market is good, to get projects completed, funded by future ratepayers.

The table below shows that even though the debt is increasing over the life of the LTP, the actual debt per rateable property will decrease.



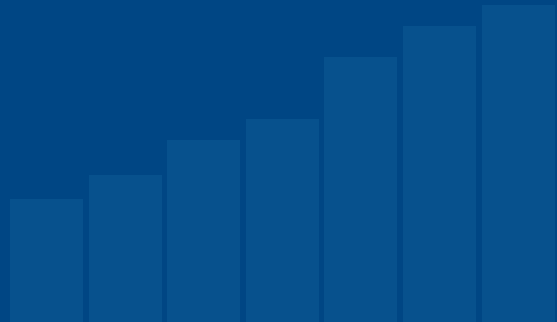


Mangawhai Heads Photo: Keith Duddy



SECTION 2

Financial Strategy



Mangawhai Heads Photo: [plegmone/stock.adobe.com](https://www.plegmone/stock.adobe.com)

Overview

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

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

Since then, Council has agreed upon community outcomes to give a future direction:

- Climate Smart
- Celebrating Diversity
- Vibrant Communities
- Healthy Environment
- Prosperous Economy
- A Trusted Council

Of key importance has been the development and improvement of asset management plans (AMPs). These AMPs have allowed the Infrastructure Strategy and Financial Strategy to be developed through a number of iterations. These strategies show that the Infrastructure Strategy can be supported by an affordable and sustainable Financial Strategy.

Strategic direction 2021-2031

The Council has a number of projects and programmes proposed over the next 10 years to meet the Long Term Plan 2021-2031 (LTP) Community Outcomes.

The proposed 10-Year Plan incorporates an ambitious capital expenditure programme. A programme that focuses on building resilience of our infrastructure, investing in planning in the areas of future growth, and

developing adaptation plans to combat climate change. It also ensures we continue to do the basics well; we maintain and renew our assets across the existing transport and waters networks.

Council agreed the largest priority was providing

Acknowledging the past

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

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

Council did not have good data on its asset's conditions, which meant asset management plans were not robust. This was a contributing limitation factor, as well as high debt, and not being able to fund needed capital and renewal programmes. Council's key driver was to improve financial resilience, reduce debt, have a balanced budget, and affordable rates (as much as possible).

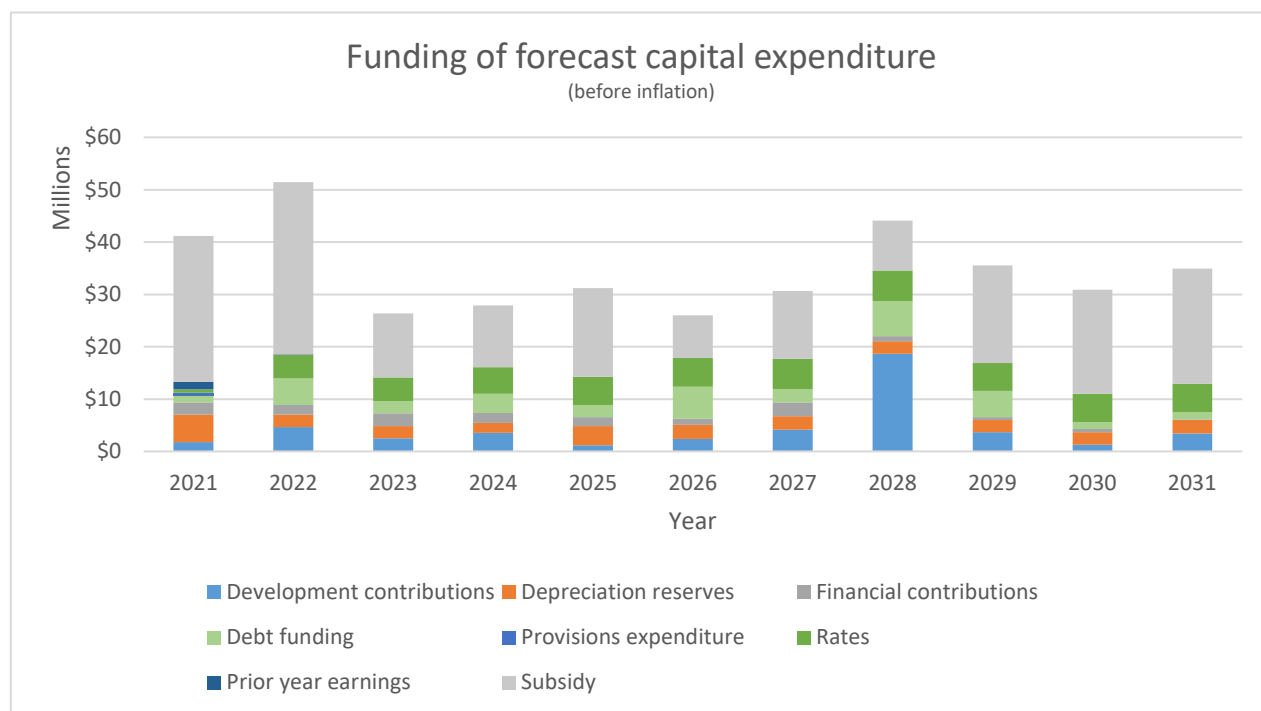
renewals to reduce the annual maintenance cost in the future and to ensure its current infrastructure is fit for purpose. The community has told us it wants the Council to continue with a new District Plan so this will be continued at pace and funded from general rates.

New library facilities have been proposed for Mangawhai in the LTP. A new facility for the Dargaville Library will be part of a larger civic development and is dependent on being transferred to a trust which would then raise funds to build the centre. Service levels would be maintained at current levels, except with the provision of additional investment in cycling and walking tracks with the largest investments being the Kaihu Valley Trail and

Mangawhai Shared Path.

A key proposition of this plan is that a number of capital projects are reliant on substantial external funding and will only be undertaken if grants or financial contributions are received as planned.

Many of these subsidised projects will increase the level of service, the largest projects being those relating to flood protection works.



Council has a larger than normal capital expenditure budget for the first year of the LTP due to investment from central government. This is a direct result from applications to the Provincial Growth Fund (PGF) and

then further investment in Shovel Ready Projects. This has meant some headway has been able to be made in renewals and other projects that previously may not have been assessed as a priority.

Key points of the Financial Strategy 2021-2031

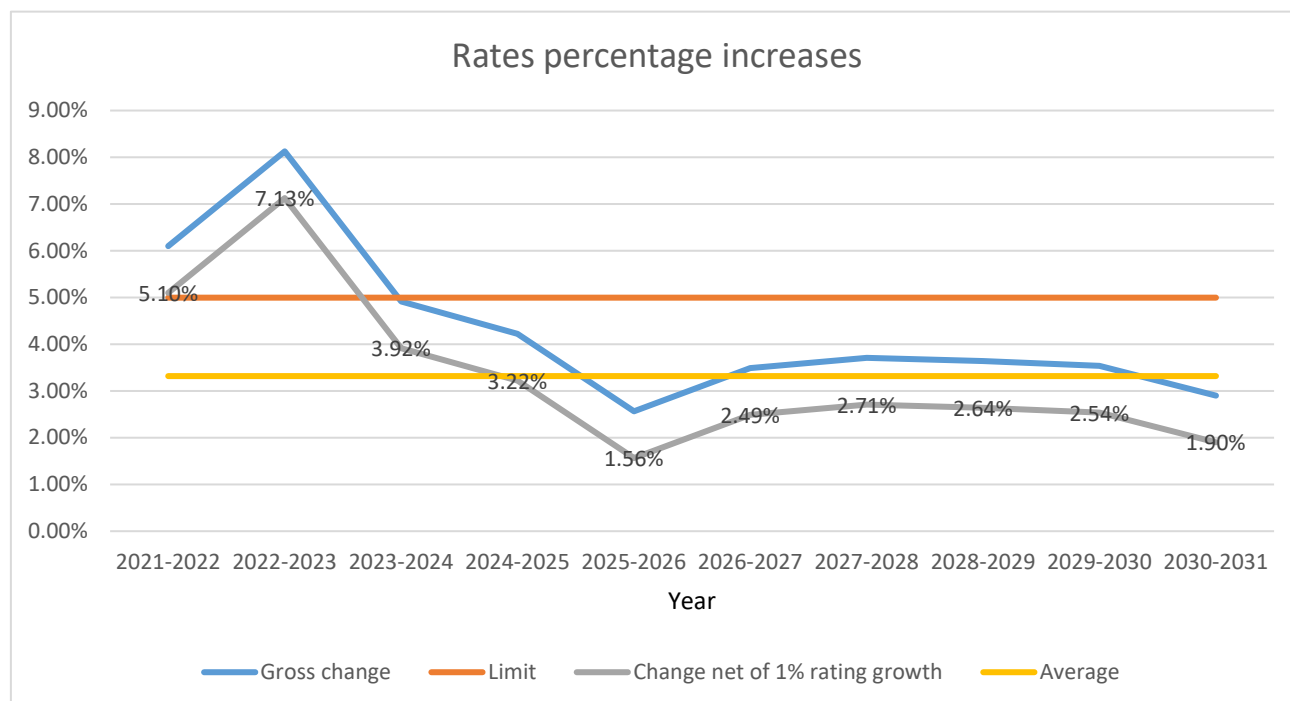
The financial strategy aims:

- To maintain a balanced budget
- To balance affordability with financial prudence (rate increases are no higher than an average 5% over the life of LTP (general and targeted) after allowing for annual growth in rateable properties (water by meter is excluded from this calculation as this is effectively a consumption charge)
- To manage debt to achieve intergenerational equity
- To have net external debt capped at \$60 million
- To ensure increased funding of depreciation of all assets with the exception of transportation assets to 100% so that renewals can be funded
- To maintain and provide for renewal of our existing assets, as this is an important focus of

- our Infrastructure Strategy and this is likely to result in higher rates in the early years of this LTP to get to the correct base level of expenditure
- To ensure development contributions are set to recover the cost of growth
- To use other sources of revenue to fund projects. There are many projects that are budgeted to be funded by grants, subsidies, and financial contributions.

Rates Revenue and Forecast Movements

Rates are predicted to move an average of 3.32% pa over the life of the LTP, and together with fees and subsidies generating sufficient income to cover ongoing future expenditure.



If adopted, Council will have managed to maintain affordable rate increases which will also provide a more sustainable funding base through increasing renewal expenditure. This means financial resilience is increased and debt is steadily retired over the 10-year period.

The steep change for water in the first year is required to maintain and renew our existing network. An increase in debt is required to fund growth projects in 2028 relating to the construction of Cove Road and increased capacity at the Mangawhai Wastewater Plant.

Prudent Financial Management

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

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

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

Affordability of Rates

Rates affordability particularly, is an issue because we have a fast-growing population but a number of people in the community are at retirement age and on a fixed pension. Council recognises that it has not provided for the appropriate renewal expenditure in the past and is proposing to rectify this in the LTP 2021-2031. This means the targeted rates and water by meter may be problematic for sectors of our community. Council will look to limiting rates increases to an average of 5% over the 10 years (after providing for growth and excluding water which is primarily a consumption charge).

In the notes to the financial statements you can see that the affordability benchmark is not met and that the limit is exceeded over the 10 years in both the rates (income) affordability and rates (increase) affordability charts, but on average we're below it. The reason for exceeding Council's benchmark of 5% is a historical issue of underfunded renewal expenditure which is proposed to be rectified starting in year 1, and the proposed implementation of the recycling system in year 2 of the plan.

If adopted, Council will smooth the rates by only increasing the funding of depreciation slowly, and by looking to share the costs of providing many services across the district.

The Council provides services such as water by meter, wastewater and community service, and parks and reserves. In order to make the rates more affordable to those less populated communities,

Council will spread the costs of similar services across a greater base to ensure ratepayers benefit from economies of scale. Council will continue to maximise government funding sources to transfer the burden from rates where possible.

In addition to the revised LTP being produced this year, property valuations have also been carried out by Quotable Value (QV) for rating purposes

(this happens triennially, once every three years).

The relative changes in property values between different areas and different types of property causes fluctuations in the incidence of rates between different ratepayers.

QV has advised the following movement in valuations which can ultimately impact on affordability:

Sector	No. Assets	2020 CV (\$000)	CV% Change	2020 LV (\$000)	LV % Change
Dairy & Pastoral	1,609	\$2,396,132	4.0%	\$1,848,113	4.9%
Arable, Horticultural & Specialist	128	\$127,293	16.5%	\$76,081	19.4%
Forestry	158	\$95,231	5.4%	\$85,531	5.4%
Lifestyle	5,026	\$3,114,329	20.7%	\$1,688,169	23.9%
Mining	15	\$3,974	38.4%	\$2,978	58.6%
Residential	7,228	\$4,220,868	24.2%	\$2,124,678	24.4%
Commercial	288	\$210,005	19.0%	\$80,557	22.8%
Industrial	201	\$131,701	17.6%	\$43,152	40.4%
Other	1,097	\$276,875	14.8%	\$138,359	31.5%
Utilities	44	\$207,842	9.5%	\$3,873	34.4%
TOTAL	15,794	\$10,784,249	17.2%	\$6,091,490	17.5%

Over the next 3-year period Council will look at the possibility of using a capital value system in the hope of allocating rates in a fairer manner.

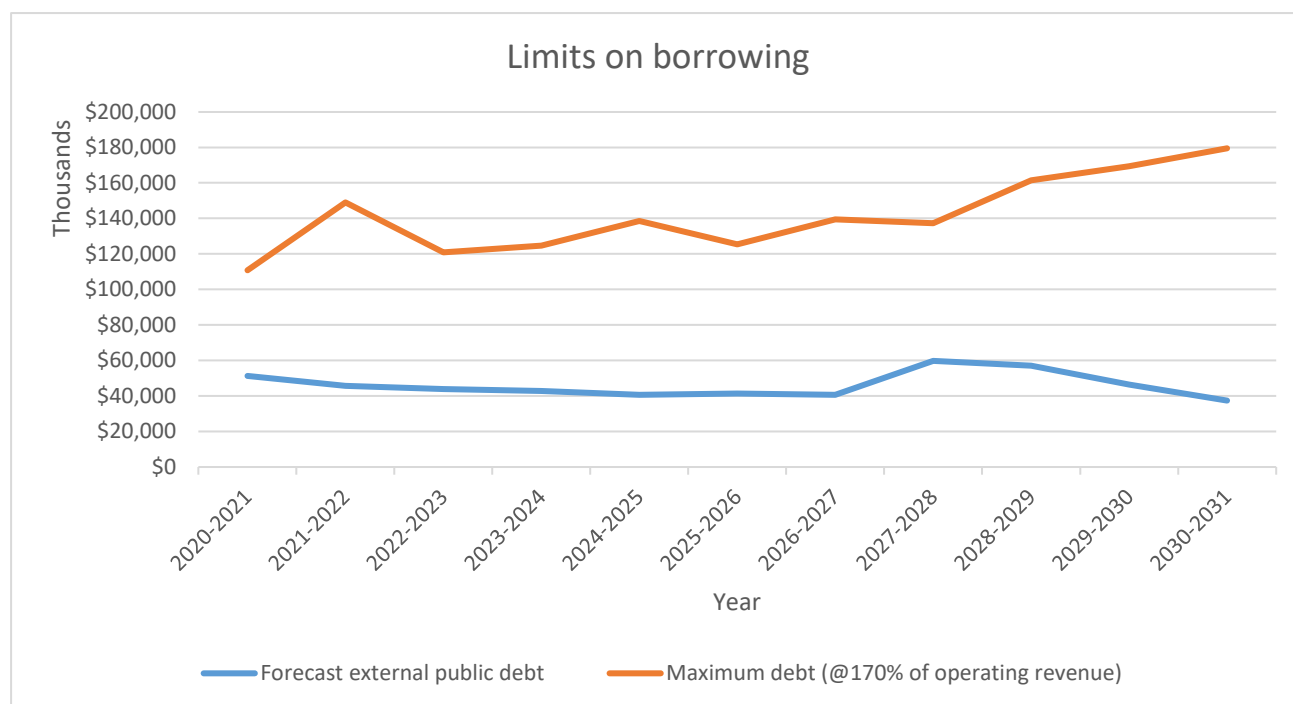
Use of Debt

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

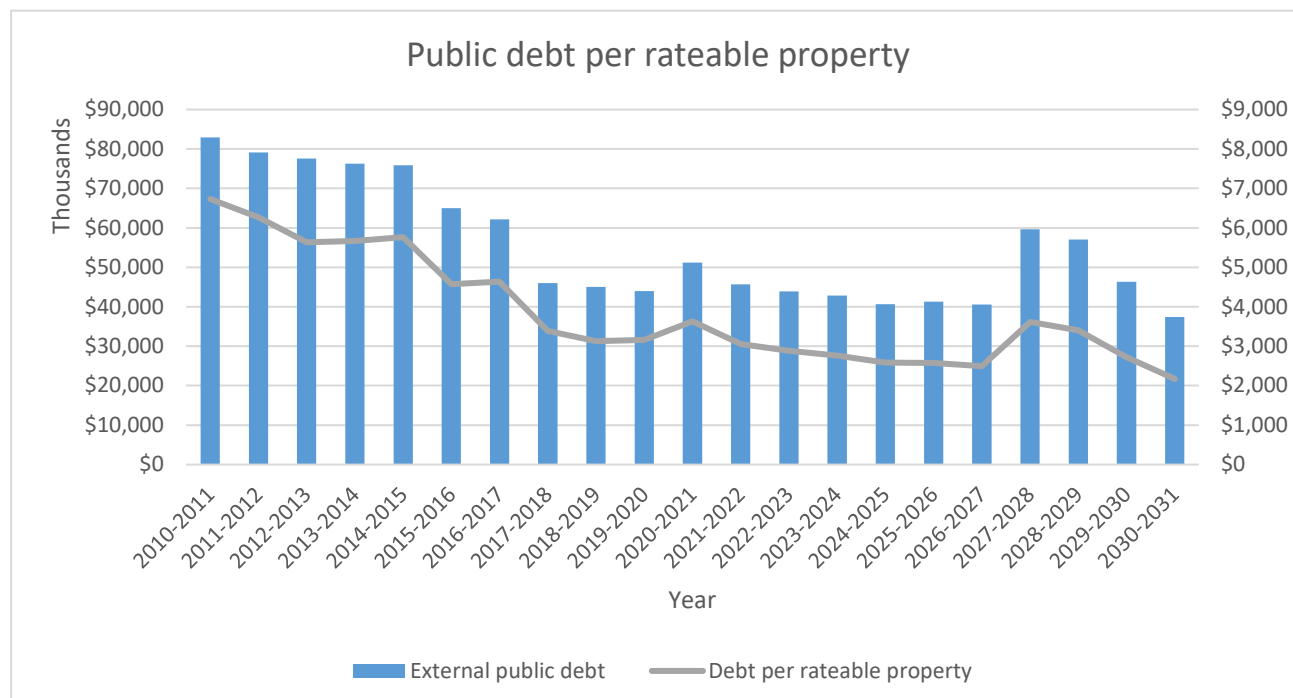
A key funding stream for investment in infrastructure is by way of borrowings/debt. The use of debt allows the costs of infrastructure to be spread over the life of the asset and paid for by all users of the assets across generations. The management of debt to ensure sustainable financial management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

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

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



The table below shows that even though the debt is increasing over the life of the LTP, the actual debt per rateable property will decrease.



Council's approach to manage this challenge is to ensure forecasting is carried out and that the debt that is required to fund assets is primarily borrowed from the Local Government Funding Agency (LGFA), which has been set up to provide cheaper debt financing to local government organisations.

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

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

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

Public debt projections compared to public debt requirements 2020-2031

Public debt projections compared to public debt requirements 2020-2031											
For the year ended: 30 June	2020-2021 \$'000	2021-2022 \$'000	2022-2023 \$'000	2023-2024 \$'000	2024-2025 \$'000	2025-2026 \$'000	2026-2027 \$'000	2027-2028 \$'000	2028-2029 \$'000	2029-2030 \$'000	2030-2031 \$'000
Public debt projections	51,168	45,702	43,924	42,847	40,657	41,296	40,562	59,674	57,061	46,339	37,367
Future reserve obligations	8,576	12,211	12,044	12,418	13,009	14,180	13,699	15,193	17,218	18,707	20,895
Debt requirement	59,743	57,913	55,968	55,264	53,666	55,477	54,261	74,868	74,279	65,046	58,262

The future obligation reserves include the financial contribution reserve, provision expenditure reserve, and the Mangawhai Endowment Lands Account

Reserve but excludes the funded depreciation reserves which Council could choose to use to reduce public debt.



Road grading Photo: KDC

Factors expected to have a significant impact on the Council for the next 10 years

Population Growth

Census figures from 2018 showed Kaipara is one of the fastest growing districts in terms of population growth in New Zealand. According to Infometrics, Kaipara had an estimated resident population of 25,200 persons in 2020. The forecast projections show the population rising from 24,600 in 2021 to 28,524 in 2031 (projecting an additional 3,924 in population).

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

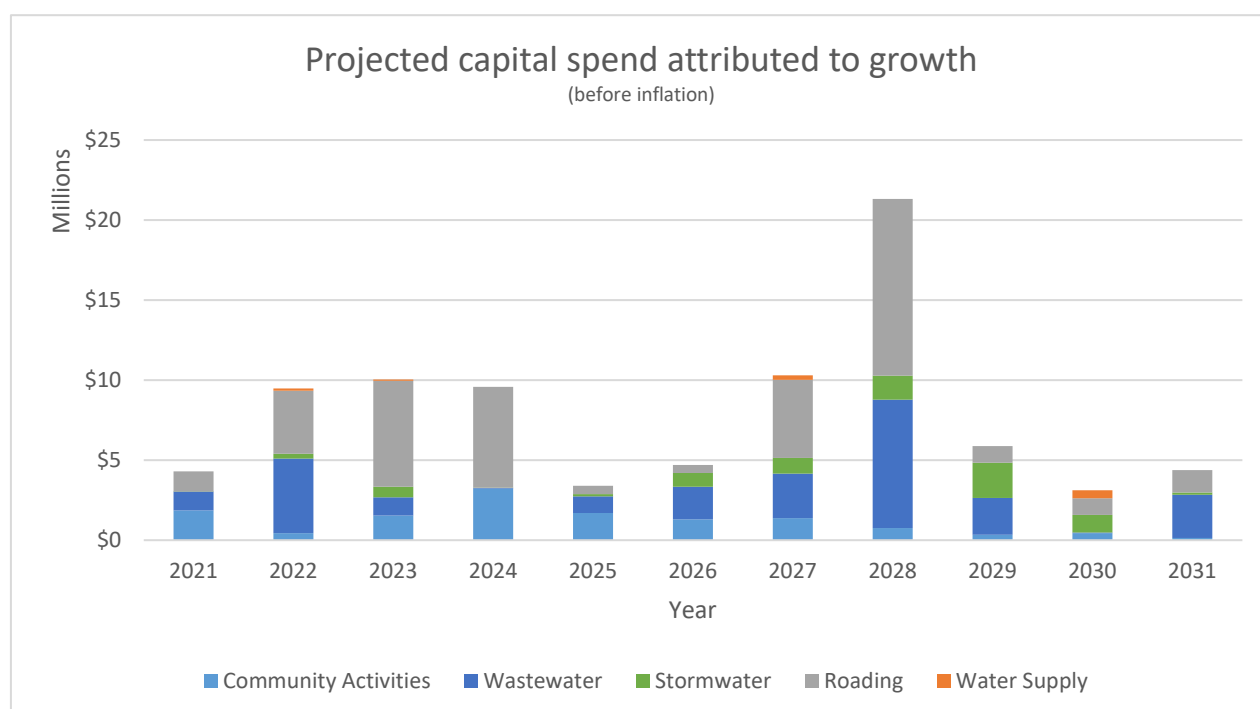
The ongoing projected population and housing growth creates demand for additional capacity in our infrastructure. Over the next 10 years, Council is estimating there will be a further 2,077 households

in the district.

Council Response

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

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



As can be seen from the graph above there are large upgrades planned on the Mangawhai Wastewater Treatment Plant in 2028 to improve capacity of the

plant to meet growth. In addition, Cove Road will be extended through Mangawhai Central.

Council is currently in the process of undertaking a full review of the District Plan, which will result in the notification of a new District Plan. One of the key strategic objectives of the new plan will be to provide a range of suitably zoned residential and business land to meet the needs of our growing population. Additionally, the spatial plans have identified a need for various types of development opportunities throughout our district in the short, medium, and long-term. In response (and to ensure that planned development occurs in the right places), council has commenced work on a 're-zoning' plan change to the operative District Plan. The intention is to publicly notify this plan change before the end of this year (2021). In addition to this, we are expecting that Estuary Estates (Mangawhai Central) will start to be populated with commercial and residential properties, as per the allowance of this in chapter 16 of the current District Plan. Each new subdivision improves income collected from both financial and development contributions, which also means new amenities can be funded for our growing population. For the Mangawhai Wastewater Treatment Plant, where a greater investment was made in capacity in 2010, funding costs continue to be well ahead of development contributions received. Debt is used to fund growth related infrastructure and development contributions are used to repay this debt.

Risks

There is a risk that the growth will not increase as forecast and Council will need to be able to reduce associated capital projects associated with growth. Another risk is judging when to meet additional demands. If the cost to service the debt is used to fund the asset, and growth does not occur as

planned, then the costs will fall disproportionately on the existing ratepayers. This is because much of the growth costs are not solely attributed to future properties and the general ratepayer pays part of the future interest cost on the Mangawhai Wastewater Treatment Plant. Note: the loan initially allocated to general rates will be repaid by 2022.

Aging Infrastructure

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

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

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

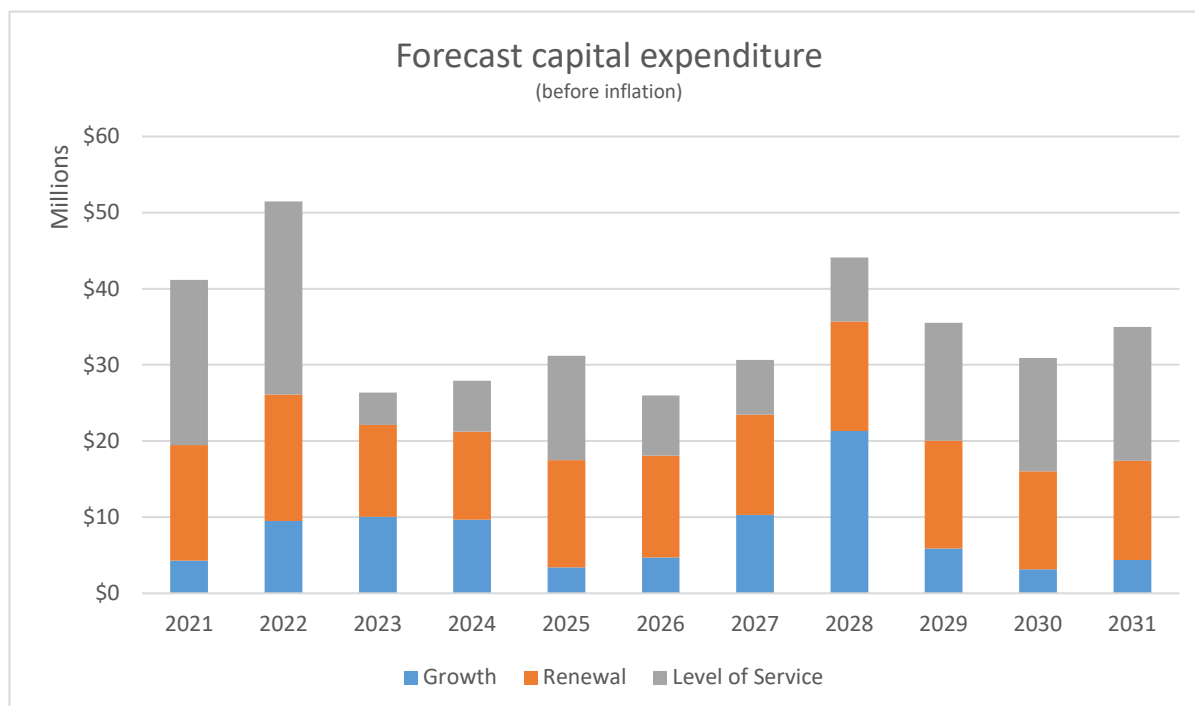
Council's response

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

In this LTP there is an increased provision for renewals on infrastructure to ensure critical assets are not run to failure.



Tomarata Bridge Photo: KDC



Risks

Our population is aging which will increase concerns about rates affordability, particularly amongst those with lower fixed incomes, therefore this needs to be balanced with the requirement to clear the backlog to the renewals programme.

Depreciation to be fully rated for

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

Council's response

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

The activities related to flood protection, Council property, and community activities already have fully funded depreciation through the rates calculation. Roads are an exception and are funded by rates and Waka Kotahi (NZTA) subsidies (62%).

Unfunded depreciation

Unfunded depreciation					
For the year ended: 30 June	2020-2021 \$'000	2021-2022 \$'000	2022-2023 \$'000	2023-2024 \$'000	2024-2025 \$'000
Wastewater	490	317	222	116	0
Stormwater	124	0	0	0	0
Water supply	66	0	0	0	0
Total	680	317	222	116	0

Risks

There is a risk that the large renewal projects are higher than the depreciation being funded, however, they will be funded by debt in this case. In the next 10 years water renewals are predicted to be higher than the depreciation being funded. The equalisation of water and wastewater schemes will ensure the impact of capital costs on smaller communities is minimised and that communities support each other.

Investment in our Communities

The Council has a large capital expenditure programme to progress which will continue to be challenging to complete. Much of the programme is for renewals and there is some provision for new initiatives and growth. Central government has been supportive of its regions and Council has been successful in applying for capital projects to be fully subsidised. Many of these programmes of subsidised work do not start or will be constructed in the early years of the LTP 2021-2031.

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

Council's response

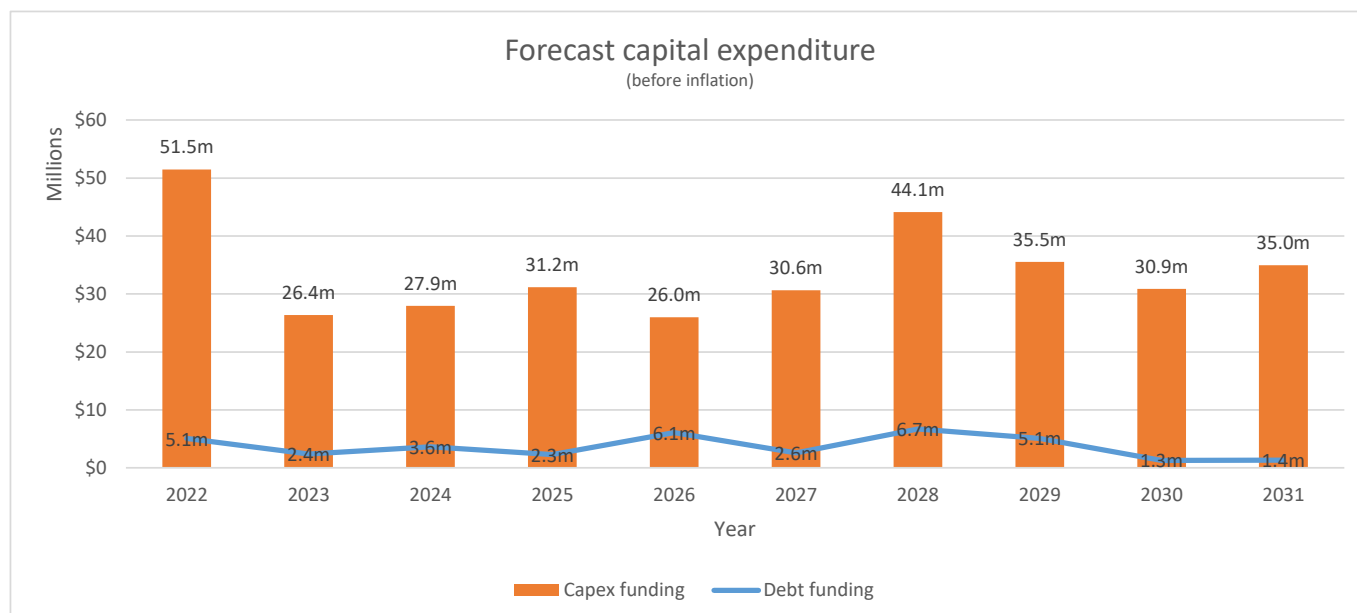
Council has improved its monitoring process of projects and now has a programme manager taking an overview of all externally funded projects, reporting to a newly created Externally Funded Projects Committee. Council has appointed a specific project manager and resources coordinator to the larger projects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

Council has thought strategically about future third party funded projects it may require, and these are detailed in the Long Term Plan 2021-2031. If the funding sources are not confirmed, then the associated projects won't be completed in the stated year and will be deferred until funding can be obtained.

The 10 years capital programme for capital expenditure (\$000's before inflation)	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Community Activities	2,938	1,968	5,818	3,838	4,306	2,121	1,636	1,616	916	616
Regulatory Management	4,801	481	610	397	420	330	430	347	330	330
District Leadership, Finance and Internal Services	6,060	160	60	7,290	220	60	60	10,063	10,140	10,401
Solid Waste	100	0	0	0	0	0	0	0	0	0
The Provision of Roads and Footpaths	6,076	1,800	345	1,758	2,560	3,405	10,675	3,166	375	3,025
Stormwater Drainage	340	0	250	750	400	1,100	550	0	0	900
Flood protection and control works	1,319	1,345	270	530	3,260	1,775	4,100	5,140	1,875	425
Grand Total	28,093	19,235	19,435	15,059	13,209	20,072	25,269	13,803	15,223	17,869



Rugby Photo: KDC



Risk

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

Impact of COVID 19 on our District

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

Kaipara's changing climate

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

Council response

Council will develop a climate change work

programme over the next 10 years to ensure a strategic, aligned approach to meeting climate change responsibilities. The climate change work programme includes policy to set standards on how we identify, understand, consider, and report on climate change throughout Council, climate action plan/s (including emissions targets), adaptive pathways projects with priority communities, and improved communications and engagement. The costs of this are set out at \$1.5 million over 10 years. This work meets our current and expected statutory responsibilities and is the minimum we are required to do. Requirements around climate change planning and response come from our resource management, natural hazards, and risk management obligations. Some of the legislation that determines these obligations include the Resource Management Act 1991, Local Government Act 2002, Building Act 2004, Civil Defence Emergency Management Act 2002 and Climate Change Response Act 2002.

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

Council will need to make challenging decisions on how best to allocate resources towards resilience and adaptation projects. We acknowledge communities' calls for protection responses and investment in further protection works. We recognise the importance of water resilience and increasing water security. Council also recognises that large-scale, infrastructure resilience projects will cost more than our ratepayers can afford. External funding is

imperative. Access to external funding from central government to accelerate the building of priority stopbanks has been provided for in this LTP. Council will also provide better security of water source for Takiwira - Dargaville by investigating water storage facilities in the early years of the LTP. These climate resilience activities are also in our Infrastructure Strategy.

Climate-related risks

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

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

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

(Note: The Forecasting Assumptions discuss these risks in more detail)

Over the next three years Council will develop accurate and thorough information regarding which Council services will be impacted and the degree of impact, chief of which is infrastructure services. Council will identify which assets are exposed,

assess the degree of urgency regarding exposure, and analyse impacts on levels of service. Council will also identify values of exposed assets, anticipated costs associated with climate change impacts, and anticipated costs of adaptation response options. We commit to applying the best available, quality science and climate change projections to identify climate-related risks.

Council also commits to transparent, accessible, and consistent disclosure of these financial risks as they are identified and better understood. Our upcoming Climate Smart Policy will establish practices on climate-related risk disclosure.

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

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

Council proposes to provide better security of water source for Dargaville through investigating water storage facilities in the early years of the Long Term Plan.

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

Specific Financial Risks

- Climate change will have many environmental changes (sea rise, raised groundwater, flood risk, temperature rise, drought, fire, landslides etc.). These changes will lead to increased costs to maintain infrastructure services (increased costs of maintenance, repair, low emissions, and adaptive design etc.)
- Due to the physical risks to assets, insurance premiums will substantially increase, or insurance cover will not be available for assets in locations known to be vulnerable. These trends

are already happening throughout New Zealand

- Increasing physical risks could lead to property value reduction, decreased insurability, and increased cost to, increased compliance and design costs, reduced ability to develop property and restrictions on land use, and increased costs of repair and protection. These impacts could lead to inability for community to afford rates, lower rates revenue, decreased or development contributions revenue
- Communities locally and throughout the world are using legal processes to challenge councils and governments about their climate actions. If Council does not act decisively or fails to bring the community on the climate transition journey, it is likely that this will result in litigation from people resistant to proposed changes and/or from people frustrated by a lack of progress
- If more natural disasters occur, it is likely to affect how the market views our suitability for investment. Climate risk equals credit risk for the Kaipara and Council
- Physical changes and the need to adapt will result in significant costs. However, the cost of carbon (currently \$35 per tonne in New Zealand) will also dramatically increase over time, as New Zealand and the world introduce market pricing to drive the needed economic transformations. The IPCC report prices of approximately \$150 per tonne will be needed to reach the science-based goals (much higher than current cost of carbon in New Zealand). Carbon needs to be considered alongside cash as a constraint for all activities
- Carbon pricing, potential disruption of long-haul supply chains and an immature marketplace (i.e. poorly positioned to adopt the sustainable practices required from our Council procurement requirements) may make it more difficult and costly to secure supplies and suppliers. Council will need to improve local supply chains so they are better able to meet our sustainability requirements and help us achieve our emission reduction goals (e.g. a zero-carbon supply chain will be needed to help us achieve our goals)
- Council has yet to set emissions targets or reduction plans, or adaptation response support for the organisation or the district. Failure to establish strong adaptation and mitigation action could expose Council to political and reputational risk
- Government have established the Climate Change Response Act which places obligations on sectors to manage and report emissions. Government is about to introduce five (5) yearly carbon budgeting for key sectors that would require the disclosure of emissions and will set five (5) yearly targets for sectors to reach. This will impact on the carbon intensive aspects of Council's activities and holding companies and the economic activity in the region.





SECTION 3 | Accounting Information

Prospective Financial Statements



Prospective Statement of Comprehensive Revenue and Expense

Prospective Statement of Comprehensive Revenue and Expense	Annual Plan	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget
For the year ended: 30 June	2020-2021 \$'000	2021-2022 \$'000	2022-2023 \$'000	2023-2024 \$'000	2024-2025 \$'000	2025-2026 \$'000	2026-2027 \$'000	2027-2028 \$'000	2028-2029 \$'000	2029-2030 \$'000	2030-2031 \$'000
Revenue											
Rates	38,780	41,942	45,200	47,355	49,161	50,408	52,139	53,934	55,764	57,944	59,529
Subsidies and grants*	19,890	38,260	18,195	18,019	24,285	14,971	21,130	17,647	29,824	32,332	36,278
Activity Income	6,114	7,066	7,348	7,604	7,682	7,976	8,377	8,711	8,909	8,908	9,331
Contributions	3,046	3,860	4,543	4,616	4,588	4,661	4,683	4,716	4,769	4,501	4,574
Investments and other income	340	1,703	1,156	1,689	763	406	472	717	431	694	587
Total revenue	68,169	92,830	76,443	79,282	86,479	78,422	86,802	85,725	99,697	104,378	110,298
Expenses											
Activity costs	24,022	26,138	28,777	29,045	31,249	30,970	30,859	31,413	32,988	33,373	34,166
Employee benefits	13,152	15,520	15,753	16,036	16,421	16,815	17,219	17,597	18,002	18,398	18,821
Finance costs	2,860	2,568	2,548	2,529	2,511	2,452	2,402	2,458	2,570	2,530	2,479
Depreciation	10,825	11,089	12,101	12,831	13,633	14,503	15,446	16,467	17,665	18,584	19,508
Total expenses	50,859	55,314	59,178	60,442	63,814	64,740	65,926	67,936	71,225	72,885	74,974
Surplus/(deficit) for the period	17,311	37,516	17,265	18,841	22,665	13,682	20,876	17,789	28,472	31,493	35,324
Other comprehensive revenue and expense											
(Items that will not be reclassified subsequently to surplus or deficit)											
Gain/(loss) on revaluation	13,268	13,400	13,600	13,800	14,000	14,200	14,400	14,600	14,800	15,000	15,200
Total comprehensive revenue and expense for the period	30,579	50,916	30,865	32,641	36,665	27,882	35,276	32,389	43,272	46,493	50,524

*Subsidies include the PGF Fund, MBIE and Waka Kotahi NZ Transport Agency Funding.

Prospective Statement of Changes in Net Assets/Equity

Prospective Statement of Changes in Net Assets/Equity	Annual Plan	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget
For the year ended: 30 June	2020-2021 \$'000	2021-2022 \$'000	2022-2023 \$'000	2023-2024 \$'000	2024-2025 \$'000	2025-2026 \$'000	2026-2027 \$'000	2027-2028 \$'000	2028-2029 \$'000	2029-2030 \$'000	2030-2031 \$'000
Balance at 1 July	677,709	705,783	756,699	787,564	820,205	856,870	884,752	920,028	952,417	995,689	1,042,182
Comprehensive revenue and expense for the period											
Surplus/(deficit) for the period	17,311	37,516	17,265	18,841	22,665	13,682	20,876	17,789	28,472	31,493	35,324
Other comprehensive revenue and expense for the period											
Surplus on revaluation of infrastructure	13,268	13,400	13,600	13,800	14,000	14,200	14,400	14,600	14,800	15,000	15,200
Total comprehensive revenue and expense for the period	30,579	50,916	30,865	32,641	36,665	27,882	35,276	32,389	43,272	46,493	50,524
Balance at 30 June	708,287	756,699	787,564	820,205	856,870	884,752	920,028	952,417	995,689	1,042,182	1,092,706

Prospective Statement of Financial Position

Prospective Statement of Financial Position	Annual Plan	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget
As at: 30 June	2020-2021 \$'000	2021-2022 \$'000	2022-2023 \$'000	2023-2024 \$'000	2024-2025 \$'000	2025-2026 \$'000	2026-2027 \$'000	2027-2028 \$'000	2028-2029 \$'000	2029-2030 \$'000	2030-2031 \$'000
Net assets/equity											
Accumulated comprehensive revenue and expense	480,913	472,657	488,691	506,056	525,943	535,990	556,541	589,112	613,183	637,487	667,755
Asset revaluation reserves	239,769	295,350	308,950	322,750	336,750	350,950	365,350	379,950	394,750	409,750	424,950
Restricted reserves	5,772	5,845	5,973	6,105	6,233	6,364	6,497	6,634	6,767	6,902	7,040
Council created reserves	-18,167	-17,153	-16,050	-14,705	-12,057	-8,552	-8,361	-23,278	-19,011	-11,956	-7,039
Total net assets/equity	708,287	756,699	787,564	820,205	856,870	884,752	920,028	952,417	995,689	1,042,182	1,092,706
<i>represented by</i>											
Current assets											
Cash and cash equivalents	1,926	526	526	526	526	526	526	526	526	526	526
Trade and other receivables	8,317	8,567	8,817	9,067	9,317	9,567	9,817	10,067	10,317	10,567	10,817
Accrued revenue	1,641	1,641	1,641	1,641	1,641	1,641	1,641	1,641	1,641	1,641	1,641
Other financial assets	115	115	115	115	115	115	115	115	115	115	115
Non current assets held for sale	186	0	0	0	0	0	0	0	0	0	0
Total current assets	12,185	10,849	11,099	11,349	11,599	11,849	12,099	12,349	12,599	12,849	13,099
<i>less Current liabilities</i>											
Trade and other payables	11,219	11,559	11,899	12,239	12,579	12,919	13,259	13,599	13,939	14,279	14,619
Provisions	135	135	135	135	135	135	135	135	135	135	135
Employee entitlements	905	944	974	1,004	1,034	1,064	1,094	1,124	1,154	1,184	1,214
Public debt	1,973	0	0	0	0	0	0	0	0	0	0
Total current liabilities	14,232	12,638	13,008	13,378	13,748	14,118	14,488	14,858	15,228	15,598	15,968
Working capital/(deficit)	-2,047	-1,789	-1,909	-2,029	-2,149	-2,269	-2,389	-2,509	-2,629	-2,749	-2,869
<i>plus Non current assets</i>											
Property, plant, equipment	768,355	811,811	840,575	871,293	905,854	935,112	970,048	1,021,708	1,062,904	1,098,623	1,140,239
LGFA Borrower notes	704	824	944	1,064	1,184	1,304	1,424	1,544	1,664	1,784	1,904
Biological assets	1,045	1,045	1,045	1,045	1,045	1,045	1,045	1,045	1,045	1,045	1,045
Derivative financial assets	0	0	0	0	0	0	0	0	0	0	0
Other financial assets	279	279	279	279	279	279	279	279	279	279	279
Total non current assets	770,383	813,959	842,843	873,680	908,362	937,739	972,796	1,024,575	1,065,891	1,101,731	1,143,466
<i>less Non current liabilities</i>											
Public debt	49,194	45,702	43,924	42,847	40,657	41,296	40,562	59,674	57,061	46,339	37,367
Provisions	4,859	5,504	5,957	6,410	6,862	7,315	7,768	8,220	8,673	8,876	9,078
Derivative financial liabilities	5,995	4,265	3,489	2,190	1,824	2,107	2,049	1,754	1,839	1,584	1,446
Total non current liabilities	60,049	55,471	53,370	51,446	49,343	50,718	50,379	69,649	67,573	56,799	47,891
Net assets	708,287	756,699	787,564	820,205	856,870	884,752	920,028	952,417	995,689	1,042,182	1,092,706

Prospective Cash Flow Statement

Prospective Cash Flow Statement	Annual Plan	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget
For the year ended: 30 June	2020-2021 \$'000	2021-2022 \$'000	2022-2023 \$'000	2023-2024 \$'000	2024-2025 \$'000	2025-2026 \$'000	2026-2027 \$'000	2027-2028 \$'000	2028-2029 \$'000	2029-2030 \$'000	2030-2031 \$'000
Cash Flow from Operating Activities											
Receipts:											
Rates	38,780	41,942	45,200	47,355	49,161	50,408	52,139	53,934	55,764	57,944	59,529
Fees, charges and other	9,480	11,291	12,267	12,603	12,661	13,037	13,469	13,844	14,103	13,842	14,347
Grants and subsidies	19,890	38,260	18,195	18,019	24,285	14,971	21,130	17,647	29,824	32,332	36,278
Interest received	20	6	6	6	6	6	6	6	6	6	6
<i>sub total</i>	68,169	91,499	75,668	77,983	86,113	78,422	86,744	85,430	99,697	104,124	110,160
Payments:											
Suppliers and employees	37,034	41,205	44,077	44,629	47,218	47,049	47,625	48,558	50,454	51,568	52,784
Interest expense	2,860	2,568	2,548	2,529	2,511	2,452	2,402	2,458	2,570	2,530	2,479
<i>Sub total</i>	39,894	43,773	46,625	47,158	49,729	49,501	50,027	51,016	53,024	54,098	55,263
<i>Net Cash Flow from/(to) Operating Activities</i>	28,275	47,726	29,043	30,825	36,385	28,920	36,718	34,414	46,674	50,025	54,897
Cash Flow from Investing Activities											
Receipts:											
Sale of Property, plant and equipment	0	0	0	0	0	0	0	0	0	0	0
<i>sub total</i>	0	0	0	0	0	0	0	0	0	0	0
Payments:											
Property, plant and equipment purchases	7,993	51,461	27,265	29,749	34,195	29,560	35,983	53,526	44,061	39,304	45,924
<i>sub total</i>	7,993	51,461	27,265	29,749	34,195	29,560	35,983	53,526	44,061	39,304	45,924
<i>Net Cash Flow from/(to) Investing Activities</i>	-7,993	-51,461	-27,265	-29,749	-34,195	-29,560	-35,983	-53,526	-44,061	-39,304	-45,924
Cash Flow from Financing Activities											
Payments:											
Loans (repayment)/drawn (net)	-453	2,334	-1,778	-1,077	-2,190	640	-734	19,112	-2,613	-10,722	-8,973
<i>Net Cash Flow from/(to) Financing Activities</i>	-453	2,334	-1,778	-1,077	-2,190	640	-734	19,112	-2,613	-10,722	-8,973
<i>Net Increase/(Decrease) in cash and cash equivalents</i>	19,829	-1,400	0	0	0	0	0	0	0	0	0
Cash and cash equivalents at beginning of period	1,926	1,926	526	526	526	526	526	526	526	526	526
Cash and cash equivalents at end of period	1,926	526	526	526	526	526	526	526	526	526	526

Whole of Council - Prospective Funding Impact Statement

Whole of Council - Prospective Funding Impact Statement	Annual Plan	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget
For the year ended: 30 June	2020-2021 \$'000	2021-2022 \$'000	2022-2023 \$'000	2023-2024 \$'000	2024-2025 \$'000	2025-2026 \$'000	2026-2027 \$'000	2027-2028 \$'000	2028-2029 \$'000	2029-2030 \$'000	2030-2031 \$'000
Operating funding											
Sources of operating funding											
General rates, uniform annual general charges, rate penalties	26,480	28,529	29,314	30,687	32,161	33,157	34,123	35,303	36,767	37,749	38,805
Targeted rates	12,300	13,413	15,886	16,668	17,000	17,251	18,016	18,631	18,998	20,195	20,724
Subsidies and grants for operating purposes	4,809	5,348	5,594	5,389	5,567	5,752	5,939	6,142	6,495	6,701	6,915
Fees and charges	6,114	7,066	7,348	7,604	7,682	7,976	8,377	8,711	8,909	8,908	9,331
Interest and dividends from investments	20	6	6	6	6	6	6	6	6	6	6
Local authorities fuel tax, fines, infringement fees and other receipts	320	366	375	383	391	400	408	417	425	434	442
Total operating funding	50,042	54,727	58,524	60,736	62,807	64,541	66,870	69,209	71,599	73,992	76,223
Application of operating funding											
Payments to staff and suppliers	37,606	42,363	45,138	45,622	48,235	48,091	48,692	49,648	51,530	52,669	53,910
Finance costs	2,860	2,568	2,548	2,529	2,511	2,452	2,402	2,458	2,570	2,530	2,479
Other operating funding applications	0	0	0	0	0	0	0	0	0	0	0
Total applications of operating funding	40,466	44,931	47,686	48,151	50,746	50,543	51,094	52,106	54,100	55,199	56,389
Surplus (deficit) of operating funding	9,576	9,796	10,838	12,585	12,061	13,998	15,776	17,103	17,499	18,793	19,834
Capital funding											
Sources of capital funding											
Subsidies and grants for capital expenditure	15,081	32,913	12,601	12,631	18,719	9,220	15,191	11,505	23,330	25,631	29,363
Development and financial contributions	3,046	3,860	4,543	4,616	4,588	4,661	4,683	4,716	4,769	4,501	4,574
Increase (decrease) in debt	-138	2,101	-351	1,002	-249	4,775	591	5,831	3,537	-1,532	-1,417
Gross proceeds from sale of assets	0	0	0	0	0	0	0	0	0	0	0
Lump sum contributions	0	0	0	0	0	0	0	0	0	0	0
Other dedicated capital funding	0	0	0	0	0	0	0	0	0	0	0
Total sources of capital funding	17,989	38,873	16,793	18,249	23,058	18,656	20,465	22,052	31,636	28,600	32,520
Applications of capital funding											
Capital expenditure - to meet additional demand	4,512	9,481	10,374	10,303	3,741	5,365	12,112	25,916	7,409	4,043	5,884
Capital expenditure - to improve the level of service	13,519	25,343	4,392	7,111	14,948	9,003	8,430	10,222	18,989	18,705	22,806
Capital expenditure - to replace existing assets	9,218	15,478	11,438	11,341	14,488	14,151	14,374	16,298	16,586	15,455	16,108
Increase (decrease) in reserves	315	-1,634	1,427	2,079	1,941	4,135	1,325	-13,281	6,150	9,190	7,555
Increase (decrease) of investments	0	0	0	0	0	0	0	0	0	0	0
Total applications of capital funding	27,565	48,669	27,631	30,834	35,118	32,654	36,241	39,154	49,134	47,393	52,354
Surplus (deficit) of capital funding	-9,576	-9,796	-10,838	-12,585	-12,061	-13,998	-15,776	-17,103	-17,499	-18,793	-19,834
Funding Balance	0	0	0	0	0	0	0	0	0	0	0

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

Reconciliation of Prospective Funding Impact Statement to Prospective Statement of Comprehensive Revenue and Expense	Annual Plan	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget
For the year ended: 30 June	2020-2021 \$'000	2021-2022 \$'000	2022-2023 \$'000	2023-2024 \$'000	2024-2025 \$'000	2025-2026 \$'000	2026-2027 \$'000	2027-2028 \$'000	2028-2029 \$'000	2029-2030 \$'000	2030-2031 \$'000
Revenue											
Statement of Comprehensive Revenue and Expense											
<i>Total revenue</i>	68,169	92,830	76,443	79,282	86,479	78,422	86,802	85,725	99,697	104,378	110,298
Funding Impact Statement											
Total operating funding	50,042	54,727	58,524	60,736	62,807	64,541	66,870	69,209	71,599	73,992	76,223
Total sources of capital funding	18,127	36,772	17,144	17,247	23,307	13,881	19,874	16,221	28,098	30,131	33,937
add Provisions	0	1,331	775	1,299	366	0	58	295	0	255	138
<i>Total revenue</i>	68,169	92,830	76,443	79,282	86,479	78,422	86,802	85,725	99,697	104,378	110,298
Expenses											
Statement of Comprehensive Revenue and Expense											
<i>Total expenses</i>	50,859	55,314	59,178	60,442	63,814	64,740	65,926	67,936	71,225	72,885	74,974
Funding Impact Statement											
Total applications of operating funding	40,504	44,931	47,686	48,151	50,746	50,543	51,094	52,106	54,100	55,199	56,389
deduct Internal charges and recoveries	-610	-1,158	-1,061	-994	-1,018	-1,042	-1,067	-1,090	-1,077	-1,100	-1,126
add Depreciation expense	10,825	11,089	12,101	12,831	13,633	14,503	15,446	16,467	17,665	18,584	19,508
add Provisions	139	453	453	453	453	735	453	453	537	203	203
<i>Total expenses</i>	50,859	55,314	59,178	60,442	63,814	64,740	65,926	67,936	71,225	72,885	74,974

Targeted Rates for Metered Water Supply

Targeted Rates for Metered Water Supply	Annual Plan	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget
For the year ended: 30 June	2020-2021 \$'000	2021-2022 \$'000	2022-2023 \$'000	2023-2024 \$'000	2024-2025 \$'000	2025-2026 \$'000	2026-2027 \$'000	2027-2028 \$'000	2028-2029 \$'000	2029-2030 \$'000	2030-2031 \$'000
Targeted rates for metered water supply											
Water Supply	3,145	4,194	4,444	4,623	4,648	4,759	4,913	4,975	5,042	5,444	5,518
<i>Total Targeted Rates for metered water supply</i>	3,145	4,194	4,444	4,623	4,648	4,759	4,913	4,975	5,042	5,444	5,518

Prospective Depreciation Summary

Prospective Depreciation Summary	Annual Plan	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget
For the year ended: 30 June	2020-2021 \$'000	2021-2022 \$'000	2022-2023 \$'000	2023-2024 \$'000	2024-2025 \$'000	2025-2026 \$'000	2026-2027 \$'000	2027-2028 \$'000	2028-2029 \$'000	2029-2030 \$'000	2030-2031 \$'000
by Groups of activities											
Community Activities	327	362	449	550	705	924	1,180	1,283	1,370	1,445	1,515
Regulatory Management	49	49	52	53	55	56	57	59	60	62	63
District Leadership, Finance and Internal Services	494	561	838	902	977	1,029	1,079	1,113	1,149	1,187	1,223
Solid Waste	7	8	10	13	27	50	74	110	128	132	149
The Provision of Roads and Footpaths	6,821	6,878	7,284	7,693	8,093	8,438	8,809	9,316	9,831	10,222	10,670
Stormwater Drainage	516	523	560	595	620	666	734	797	907	1,014	1,072
Flood protection and control works	173	200	260	267	296	348	359	369	413	528	649
Sewerage and the treatment and disposal of sewage	1,390	1,452	1,536	1,606	1,669	1,759	1,875	2,096	2,438	2,572	2,684
Water supply	1,048	1,057	1,112	1,152	1,191	1,232	1,279	1,324	1,369	1,421	1,483
Total Groups of activities depreciation	10,825	11,089	12,101	12,831	13,633	14,503	15,446	16,467	17,665	18,584	19,508

Prospective Statement of Financial Reserves

Prospective Statement of Financial Reserves	Annual Plan	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget
For the year ended: 30 June	2020-2021 \$'000	2021-2022 \$'000	2022-2023 \$'000	2023-2024 \$'000	2024-2025 \$'000	2025-2026 \$'000	2026-2027 \$'000	2027-2028 \$'000	2028-2029 \$'000	2029-2030 \$'000	2030-2031 \$'000
Accumulated Funds											
Opening Balance	448,682	433,597	472,657	488,691	506,056	525,943	535,990	556,541	589,112	613,183	637,487
Transfers in	55,768	60,689	40,422	42,643	47,572	39,986	51,838	65,390	59,409	60,138	67,873
Transfers out	-23,536	-21,629	-24,388	-25,278	-27,684	-29,940	-31,287	-32,820	-35,337	-35,835	-37,604
<i>Accumulated Funds</i>	480,913	472,657	488,691	506,056	525,943	535,990	556,541	589,112	613,183	637,487	667,755
Asset Revaluation Reserves											
Opening Balance	226,501	281,950	295,350	308,950	322,750	336,750	350,950	365,350	379,950	394,750	409,750
Transfers in	13,268	13,400	13,600	13,800	14,000	14,200	14,400	14,600	14,800	15,000	15,200
Transfers out	0	0	0	0	0	0	0	0	0	0	0
<i>Asset Revaluation Reserves</i>	239,769	295,350	308,950	322,750	336,750	350,950	365,350	379,950	394,750	409,750	424,950
Restricted Reserves Mangawhai Endowment Lands Account											
Opening Balance	5,672	5,686	5,845	5,973	6,105	6,233	6,364	6,497	6,634	6,767	6,902
Transfers in	175	213	219	223	228	232	237	241	246	251	256
Transfers out	-75	-54	-90	-92	-99	-101	-103	-105	-114	-115	-118
<i>Restricted Reserves Mangawhai Endowment Lands Account</i>	5,772	5,845	5,973	6,105	6,233	6,364	6,497	6,634	6,767	6,902	7,040
Council Created Reserves											
Opening Balance	-17,090	-15,450	-17,153	-16,050	-14,705	-12,057	-8,552	-8,361	-23,278	-19,011	-11,956
Transfers in	9,356	10,828	12,391	13,070	13,736	14,469	15,209	15,953	16,889	17,052	17,776
Transfers out	-10,433	-12,531	-11,288	-11,726	-11,088	-10,965	-15,017	-30,871	-12,622	-9,997	-12,859
<i>Council Created Reserves</i>	-18,167	-17,153	-16,050	-14,705	-12,057	-8,552	-8,361	-23,278	-19,011	-11,956	-7,039

Prospective Rating Base information

Prospective Rating Base information	Annual Plan	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget
At end of preceding financial year: 30 June	2020-2021 \$'000	2021-2022 \$'000	2022-2023 \$'000	2023-2024 \$'000	2024-2025 \$'000	2025-2026 \$'000	2026-2027 \$'000	2027-2028 \$'000	2028-2029 \$'000	2029-2030 \$'000	2030-2031 \$'000
Rateable Rating Units	14,775	14,953	15,220	15,498	15,747	16,016	16,273	16,522	16,771	17,000	17,240

Prospective Statement of Reserves Funds

Prospective Statement of Reserves Funds	Open Spaces and Facilities	Resource Consents, Building Control & Compliance	Flood protection and Land Drainage	District Leadership, Finance and Internal Services	Waste Minimisation	Transportation	Wastewater	Stormwater	Water Supply	Total Reserves Funds
For the year ended: 30 June	2021-2031 \$'000	2021-2031 \$'000	2021-2031 \$'000	2021-2031 \$'000	2021-2031 \$'000	2021-2031 \$'000	2021-2031 \$'000	2021-2031 \$'000	2021-2031 \$'000	2021-2031 \$'000
Council Created Reserves										
Depreciation Reserve										
Opening Balance	432	80	437	1,102	27	0	155	778	518	3,529
Deposited	9,783	567	3,689	10,058	701	34,021	19,032	7,489	12,620	97,959
Withdrawn	-4,733	0	-1,069	-4,012	0	-34,021	-4,951	-1,325	-12,845	-62,956
Closing Balance	5,482	647	3,056	7,149	727	0	14,237	6,942	293	38,533
Development Contribution Reserve										
Opening Balance	0	0	0	0	0	-480	-24,985	-38	29	-25,475
Deposited	1,223	0	0	0	0	2,343	21,433	1,220	402	26,620
Withdrawn	-3,084	0	0	0	0	-16,223	-34,413	-5,613	-1,238	-60,572
Closing Balance	-1,861	0	0	0	0	-14,360	-37,966	-4,432	-807	-59,426
Financial Contribution Reserve										
Opening Balance	7,207	0	0	0	0	642	0	0	0	7,848
Deposited	18,439	0	0	0	0	452	0	0	0	18,890
Withdrawn	-15,436	0	0	0	0	0	0	0	0	-15,436
Closing Balance	10,210	0	0	0	0	1,093	0	0	0	11,303
Provision Expenditure Reserve										
Opening Balance	0	0	0	0	184	0	-1,538	0	0	-1,353
Deposited	0	0	0	0	2,000	0	1,905	0	0	3,905
Withdrawn	0	0	0	0	0	0	0	0	0	0
Closing Balance	0	0	0	0	2,184	0	368	0	0	2,552
Restricted Council Reserves										
Restricted Reserves Mangawhai Endowment Lands Account										
Opening Balance	0	0	0	5,686	0	0	0	0	0	5,686
Deposited	0	0	0	2,345	0	0	0	0	0	2,345
Withdrawn	0	0	0	-991	0	0	0	0	0	-991
Closing Balance	0	0	0	7,040	0	0	0	0	0	7,040

Long Term Plan Disclosure Statement

for period commencing 01 July 2021

What is the purpose of this Statement?

The purpose of this statement is to disclose the council's planned financial performance in relation to various benchmarks to enable the assessment of whether the Council is prudently managing its revenues, expenses, assets, liabilities, and general financial dealings.

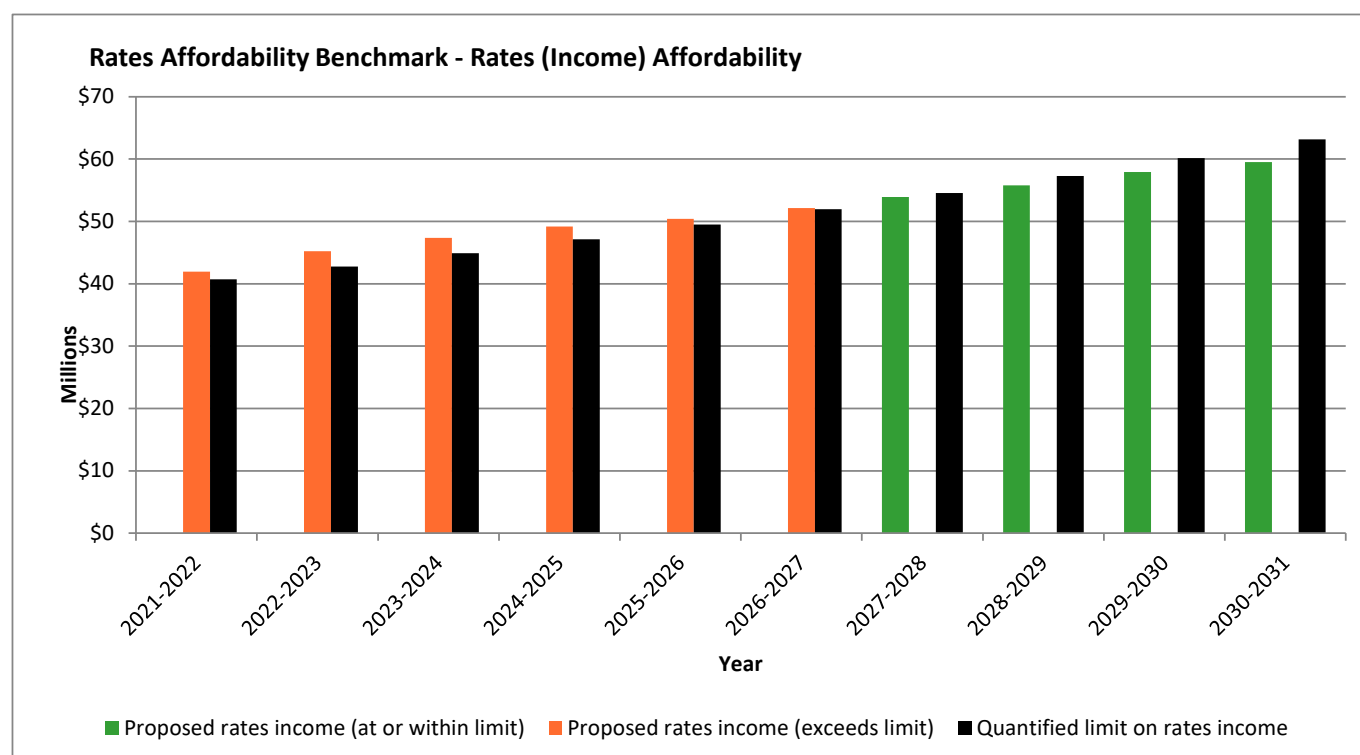
The council is required to include this statement in its long-term plan in accordance with the Local Government (Financial Reporting and Prudence) Regulations 2014 (the regulations). Refer to the regulations for more information, including definitions of some of the terms used in this statement.

Rates affordability benchmark

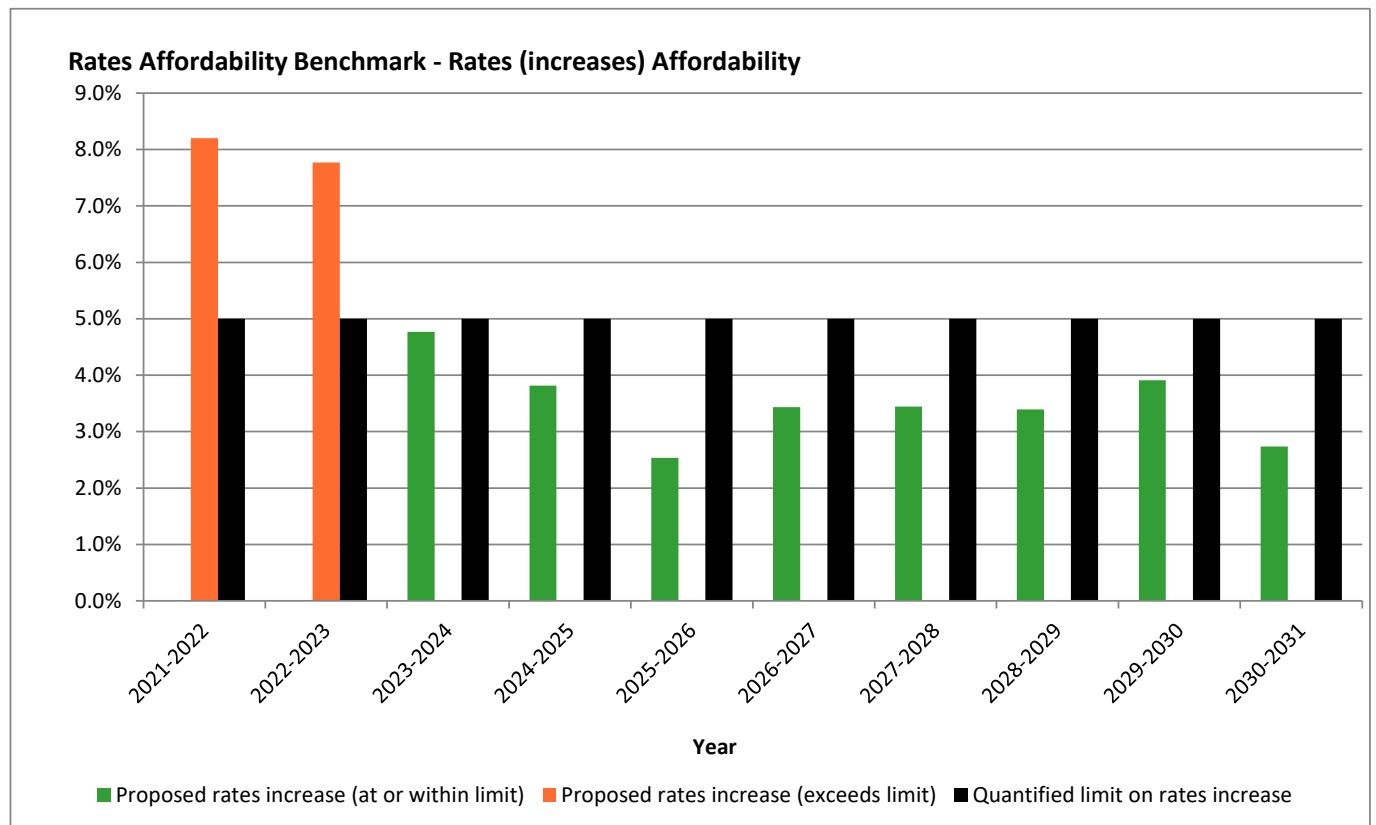
The council meets the rates affordability benchmark if –

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

The following graph compares the 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 the projected rates for 2021/2022 followed by 5% for the remainder of the plan, measured in \$ millions. For this DIA rates affordability benchmark water by meter is included.



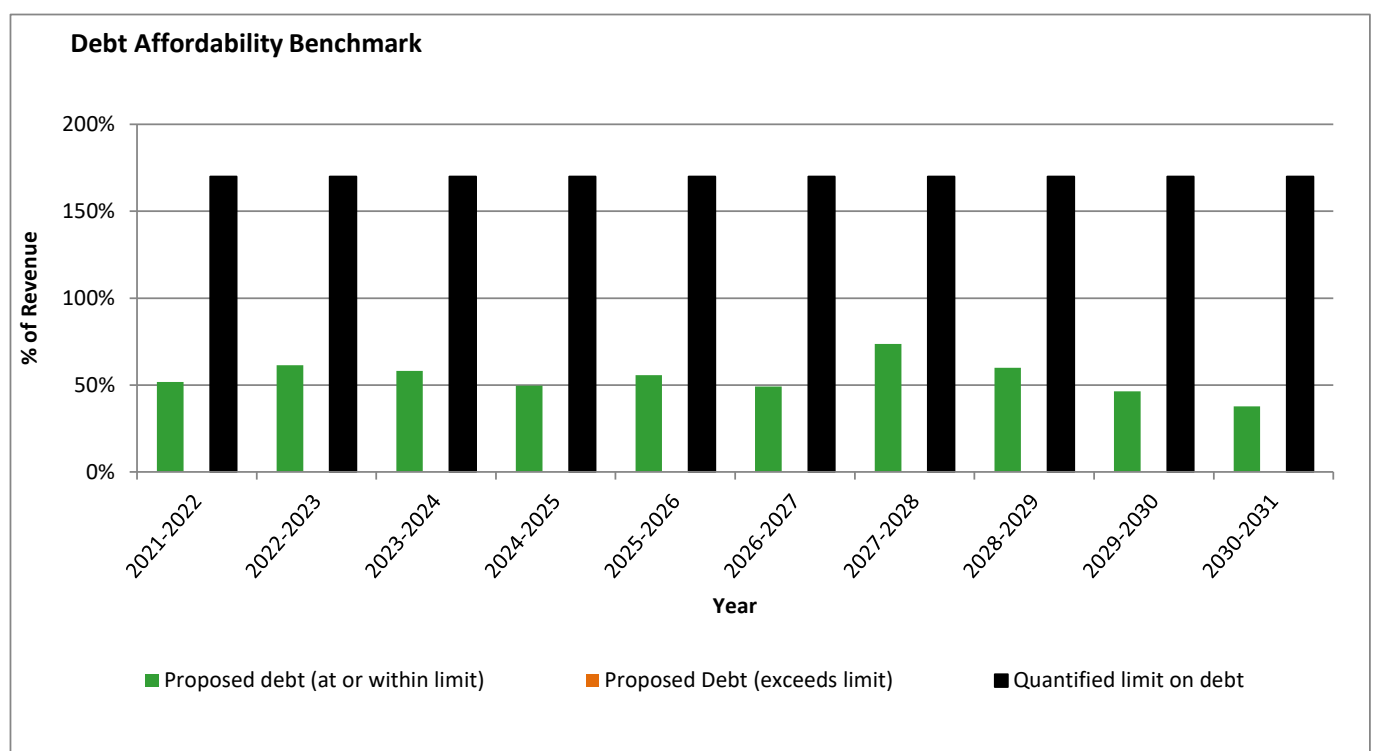
The following graph compares the council's Planned rates increases with a quantified limit on rates increases contained in the financial strategy included in this long-term plan. The quantified limit is 5% measured in percentage terms. For this DIA rates affordability benchmark water by meter is included.



Debt affordability benchmark

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

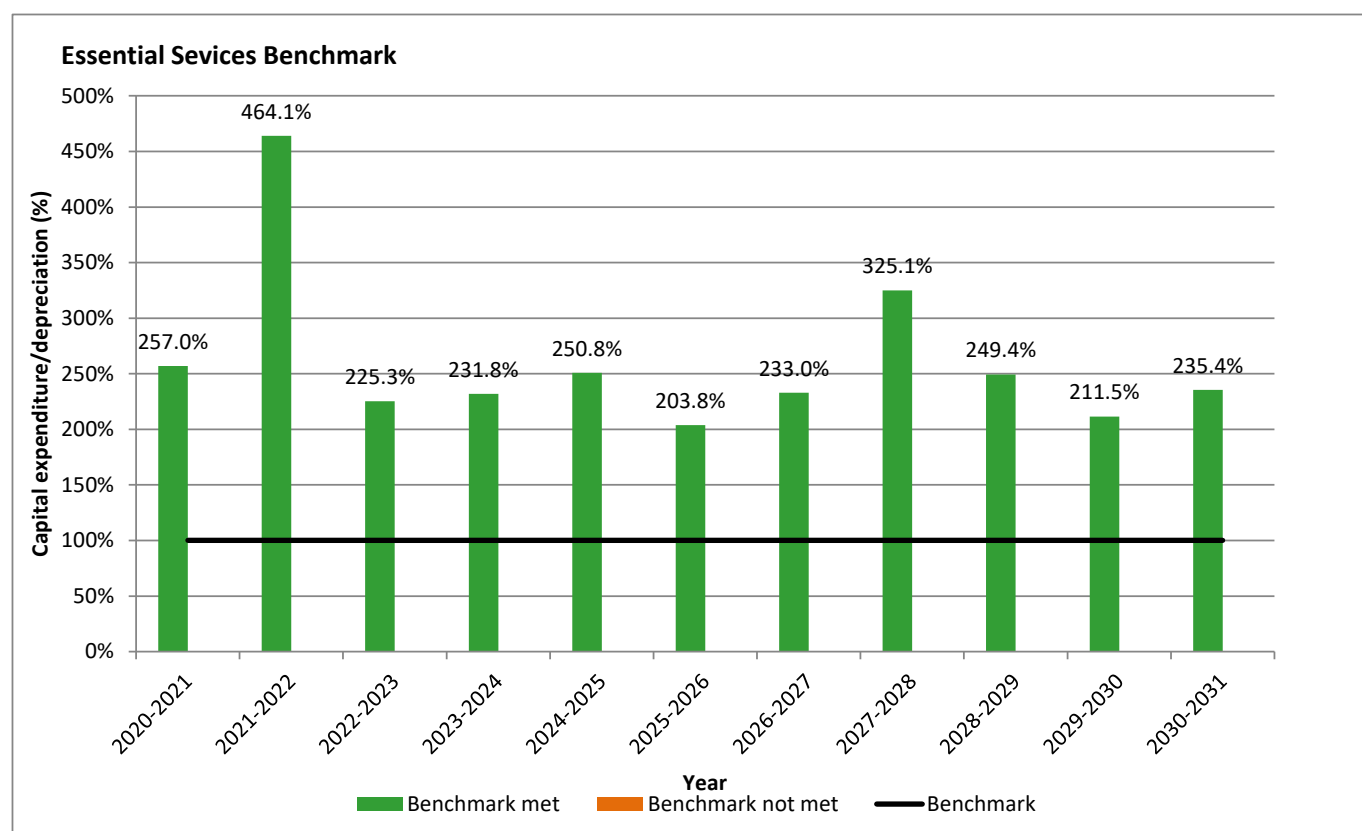
The following graph compares the council's planned debt with a quantified limit on borrowing contained in the financial strategy included in this long-term plan. The quantified limit is the quantified limits are a preferred limit of 170% of total revenue (excluding development and financial contributions, vested assets and non-cash revenue).



Essential services benchmark

The following graph displays the council's planned capital expenditure on network services as a proportion of expected depreciation on network services.

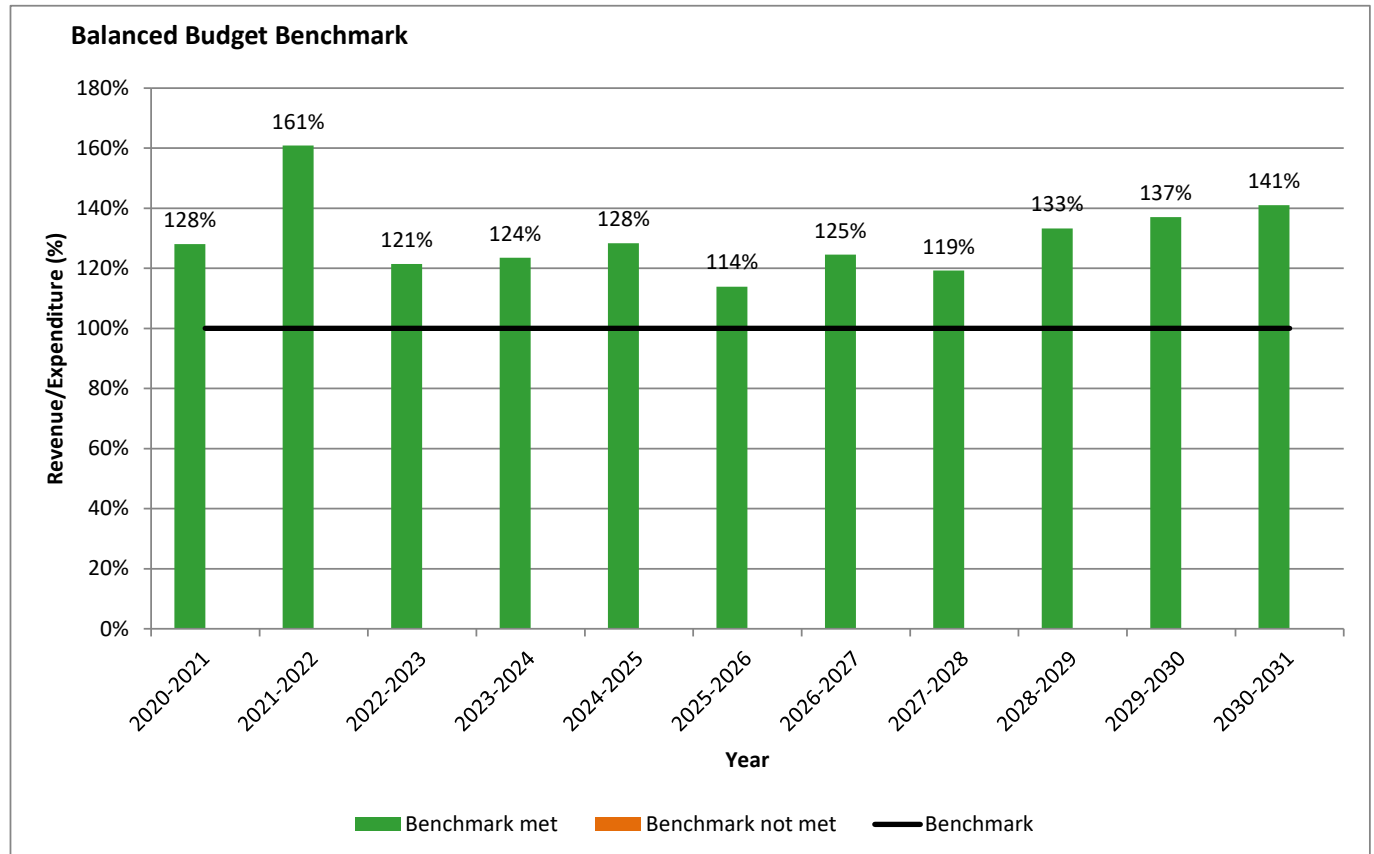
The council meets the essential services benchmark if its planned capital expenditure on network services equals or is greater than expected depreciation on network services.



Balanced budget benchmark

The following graph displays the council's planned revenue (excluding Development Contributions, financial contributions, vested assets, gains on derivative financial instruments, and revaluations of property, plant or equipment) as a proportion of planned operating expenses (excluding losses on derivative financial instruments and revaluations of property, plant or equipment).

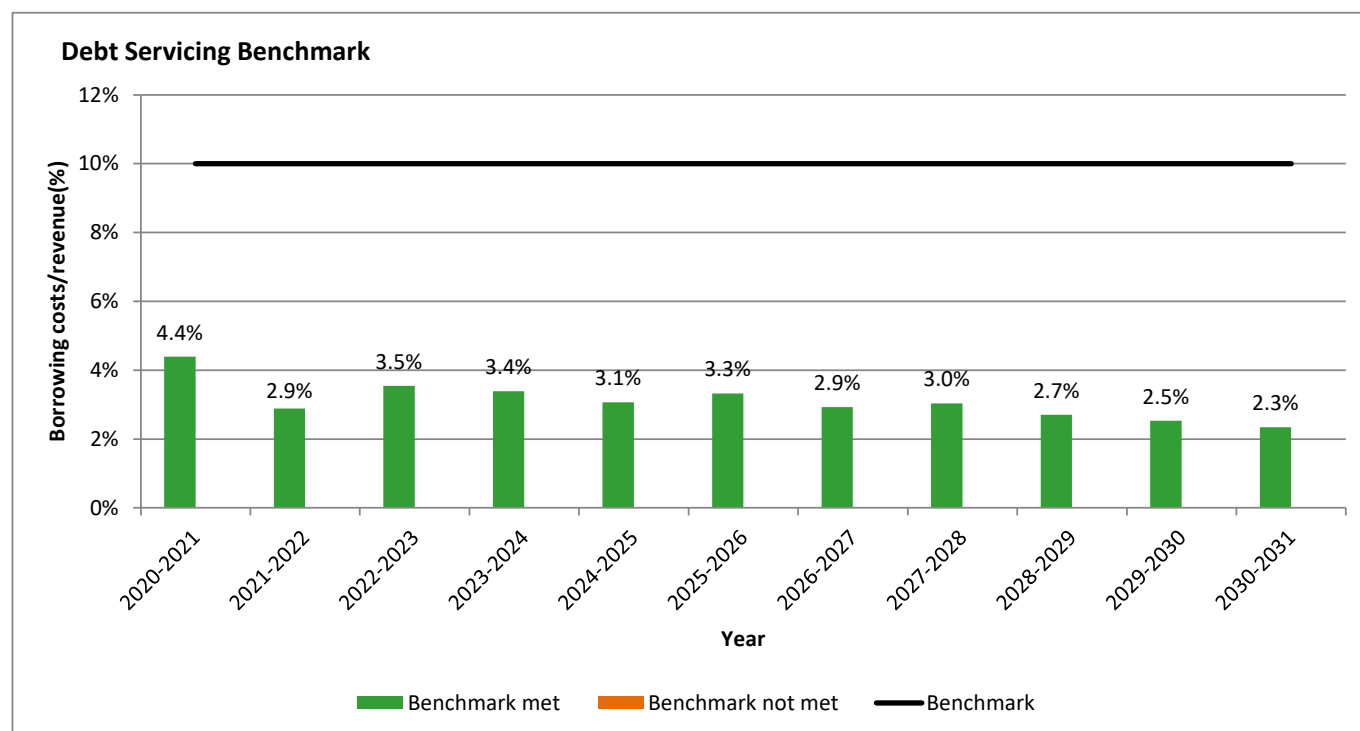
The council meets the balanced budget benchmark if its planned revenue equals or is greater than its planned operating expenses.



Debt servicing benchmark

The following graph displays the council's planned borrowing costs as a proportion of planned revenue (excluding Development Contributions, financial contributions, vested assets, gains on derivative financial instruments, and revaluations of property, plant or equipment).

Because Statistics New Zealand projects the council's population will grow more slowly than the national population is projected to grow, it meets the debt servicing benchmark if its planned borrowing costs equal or are less than 10% of its planned revenue.



1. Accounting Policies

Reporting Entity

The Council is a territorial local authority governed by the Local Government Act 2002.

The primary objective of the Council is to meet the current and future needs of communities for provision of good quality local infrastructure, local public services and performance of regulatory functions rather than making a financial return. Accordingly, Council has designated itself as a Public Sector Public Benefit Entity (PS PBE). Council will be classified as a "Tier 1" entity.

Basis of Preparation

The Council, who is authorised and responsible for the Prospective Financial Statements, believe the assumptions underlying the statements are appropriate and, as such, adopted the Long Term Plan 2021/2031 on 30 June 2021.

The Council will update and adopt an Annual Plan for each of years 2 and 3 of the Long Term Plan 2018/2028 before the commencement of these years. The Council will adopt a new Long Term Plan before the commencement of year 4 of the Long Term Plan 2021/2031.

No actual financial results have been incorporated within the Prospective Financial Statements.

Cautionary Note

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

The information contained within these Prospective Financial Statements may not be suitable for use in another capacity.

Act 2002, Part 6, section 95 and Part 2 of Schedule 10, which includes the requirement to comply with NZGAAP.

In preparation of these Prospective Financial Statements, Kaipara District Council has adopted the accounting standards for local and regional authorities for Public Benefit Entities (PS PBE) and has complied with PBE FRS-42. No changes have been made to these policies.

Measurement Base

The Prospective Financial Statements have been prepared on an historical cost basis, modified by the revaluation of certain infrastructural assets, biological assets and other financial assets.

Functional and Presentation Currency

The Prospective Financial Statements are presented in New Zealand dollars and all values are rounded to the nearest thousand dollars (\$'000). The functional currency of Kaipara District Council is New Zealand dollars.

Standards and amendments, issued but not yet effective that have not been early adopted, and which are relevant to the Council are:

Financial Instruments

PBE IPSAS 41 Financial Instruments replaces PBE IPSAS 29 Financial Instruments: Recognition and Measurement and PBE IFRS 9 Finance Instruments and is effective for financial years beginning on or after 1 January 2022, with early adoption permitted. The main changes compared with PBE IPSAS 29 that are relevant to the Council are:

- The requirement to determine impairment of financial assets on an expected credit loss basis,
- New financial asset classification requirements for determining whether an asset is measured at fair value or amortised cost.

The Council plans to apply the new standards in preparing the 30 June 2022 prospective financial statements.

Statement of Compliance

The Prospective Financial Statements of Kaipara District Council have been prepared in accordance with the requirements of the Local Government

Significant Accounting Policies

Revenue

Revenue is recognised to the extent that it is probable that the economic benefits or service potential will flow to the Council and the revenue can be reliably measured, regardless of when the payment is being made.

Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duty. The specific recognition criteria described below must also be met before revenue is recognised.

Revenue from non-exchange transactions:

General and targeted rates

General and targeted rates are set annually and invoiced within the year. The Council recognises revenue from rates when the Council has struck the rate and provided the rates assessment. Rates revenue is measured at the amount assessed, which is the fair value of the cash received or receivable.

Government grants and funding

Revenue from non-exchange transactions with the Government and Government agencies is recognised when the Council obtains control of the transferred asset (cash, goods, services, or property); and

- It is probable that the economic benefits or service potential related to the asset will flow to the Council and can be measured reliably; and
- The transfer is free from conditions that require the asset to be refunded or returned to the Government if the conditions are not fulfilled.

Revenue from Government grants and funding is measured at the fair value of the assets (cash, goods, services, or property) transferred over to the Council at the time of transfer.

To the extent that there is a condition attached that would give rise to a liability to repay the grant amount or to return the granted asset, a deferred revenue liability is recognised instead of revenue. Revenue is then recognised only once the Council has satisfied these conditions.

Fines

The Council recognises revenue from fines when the notice of infringement or breach is served by the Council.

Direct charges – subsidised

Rendering of services – subsidised

Rendering of services at a price that is not approximately equal to the value of the service provided by the Council is considered a non-exchange transaction. This includes rendering of services where the price does not allow the Council to fully recover the cost of providing the service and where the shortfall is subsidised by income from other activities, such as rates.

Generally there are no conditions attached to such revenue. Revenue from such subsidised services is recognised when the Council issues the invoice or bill for the service. Revenue is recognised at the amount of the invoice or bill, which is the fair value of the cash received or receivable for the service. Revenue is recognised by reference to the stage of completion of the service to the extent that the Council has an obligation to refund the cash received from the service (or to the extent that the customer has the right to withhold payment from the Council for the service) if the service is not completed.

Sale of goods – subsidised

A sale of goods at a price that is not approximately equal to the value of the goods provided by the Council is considered a non-exchange transaction. This includes sales of goods where the price does not allow the Council to fully recover the cost of producing the goods and where the shortfall is subsidised by income from other activities such as rates. Revenue from the sale of such subsidised goods is recognised when the Council issues the invoice or bill for the goods. Revenue is recognised at the amount of the invoice or bill, which is the fair value of the cash received or receivable for the goods.

Revenue from exchange transactions

Direct charges – full cost recovery

Rendering of other services – full cost recovery

Revenue from the rendering of services is recognised by reference to the stage of completion of the service. Stage of completion is measured by reference to labour hours incurred to date as a percentage of total estimated labour hours for each

contract. When the contract outcome cannot be measured reliably, revenue is recognised only to the extent that the expenses incurred are eligible to be recovered.

Sale of goods – full cost recovery

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of the goods, and when the amount of revenue can be measured reliably and it is probable that the economic benefits or service potential associated with the transaction will flow to the Council.

Interest revenue

For all financial instruments measured at amortised cost and interest-bearing financial assets classified as available-for-sale, interest income is recorded using the effective interest rate. Effective interest rate is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset or liability. Interest income is included in finance income in the Statement of Comprehensive Revenue and Expense.

Dividends

Revenue is recognised when the Council's right to receive the payment is established, which is generally when shareholders approve the dividend.

Rental revenue

Rental revenue arising from operating leases is accounted for on a straight-line basis over the lease terms and is included in revenue in the Statement of Comprehensive Revenue and Expense due to its operating nature.

Other gains and losses

Other gains and losses include fair value gains and losses on financial instruments at fair value through surplus/(deficit), and realised gains and losses on the sale of property, plant and equipment (PP&E) held at cost.

Vested Assets

Where a physical asset is acquired for nil or nominal consideration the fair value of the asset received is recognised as revenue. Assets vested in Council are recognised as revenue when control over the asset is obtained.

Development Contributions

The revenue recognition point for Development and Financial Contributions is when Council provides or is able to provide the service for which the contribution was levied. Otherwise, Development or Financial Contributions are recognised as liabilities until such time as the Council provides, or is able to provide, the service.

Borrowing Costs

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 Council has no obligation to award on receipt of the grant application and are recognised as expenditure when a successful applicant has been notified of the Council's decision.

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.

Cash and Cash Equivalents

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

Trade and Other Receivables

Policy for 2022-2023 Years Onwards – Standard PBE IPSAS 41

Trade 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. Indicators that there is no reasonable expectation of recovery include probability that the debtor will enter into bankruptcy, receivership or liquidation, default in payments and the age of the debt.

Policy for 2021-2022 and the Comparative Year of 2020-2021 – Standard PBE IPSAS 29

Trade and other receivables are initially measured at fair value, less any provision for impairment. A provision for impairment of receivables is established when there is objective evidence that the Council will not be able to collect all amounts due according to the original terms of receivables. Significant financial difficulties of the debtor, probability that the debtor will enter into bankruptcy, receivership or liquidation, and default in payments are considered indicators that the debt is impaired. The amount of the provision is the difference between the assets carrying amount and the present value of estimated future cash flows, discounted using the effective interest method. The carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is reflected in the surplus/(deficit). When the receivable is uncollectable, it is written off against the allowance account. Overdue receivables that have been negotiated are reclassified as current (that is, not past due).

Financial Assets

Policy for 2022-2023 Years Onwards – Standard PBE IPSAS 41

Financial assets in the scope of PBE IPSAS 41 are classified as either subsequently measured at amortised cost, fair value through other comprehensive revenue and expense (FVOCRE) or fair value through surplus or deficit (FVSD). The classification depends on the business model for managing the financial assets and its contractual cash flow characteristics. Financial assets are reclassified if the business model for managing those financial assets has changed.

(i) Initial recognition and derecognition

At initial recognition, financial assets or financial liabilities are measured at their fair value or, in the case of a financial asset not at FVSD, plus or minus transaction costs that are directly attributable to the acquisition or issue of the financial asset. The fair value of a financial instrument at initial recognition is normally the transaction price (i.e., the fair value

of the consideration given or received). When the transaction is a non-exchange transaction, the fair value is determined and any gain or loss is recognised as a non-exchange transaction depending on the conditions attached to the transaction. The significant inputs used in the fair value measurement are the observable market rates.

(ii) Financial assets at fair value through net surplus/(deficit)

Derivatives – not in hedge relationships

Derivatives are recognised at fair value on initial recognition and subsequently with changes in fair value recognised in surplus or deficit when they are not in a hedging relationship. The significant inputs used in the fair value measurement are the observable market rates.

(iii) Financial assets at amortised cost

Financial assets subsequently measured at amortised cost are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual cash flows are solely payments of principal and interest (SPPI) on the principal balance. Financial assets at amortised cost are included in current assets, except for those with maturities greater than 12 months after balance date, which are classified as non-current. The impairment requirements of PBE IFRS 41 apply to Council's financial assets that are carried at amortised cost and are based on a forward-looking expected credit loss model.

Other financial assets at amortised cost include the following:

Loans and advances

Loans, including loans to community organisations are measured at amortised cost and are stated net of expected credit losses using the general approach.

Policy for 2021-2022 and the Comparative Year of 2020-2021 – Standard PBE IPSAS 29

The Council classifies its financial assets into the following four categories: financial assets at fair value through surplus/(deficit), held-to-maturity investments, and loans and receivables. The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition and re-evaluates this designation at every reporting date.

Financial assets and liabilities are initially measured

at fair value plus transaction costs unless they are carried at fair value through profit or loss in which case the transaction costs are recognised in the surplus/(deficit).

Purchases and sales of investments are recognised on trade-date, the date on which Council commits to purchase or sell the asset. Financial assets are de-recognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Council has transferred substantially all the risks and rewards of ownership.

The fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date. The quoted market price used is the current bid price.

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The Council uses a variety of methods and makes assumptions that are based on market conditions existing at each balance date. Quoted market prices or dealer quotes for similar instruments are used for long term debt instruments held.

Other techniques, such as estimated discounted cash flows, are used to determine fair value for the remaining financial instruments. The four categories of financial assets are:

1. Financial Assets at Fair Value through Surplus/(Deficit)

After initial recognition assets in this category are measured at their fair values. Gains or losses on re-measurement are recognised in the surplus/(deficit).

2. Loans and Receivables

These are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market.

After initial recognition they are measured at amortised cost using the effective interest method, less impairment. Gains and losses when the asset is impaired or de-recognised are recognised in the surplus/(deficit).

Loans, including loans to community organisations made by Council at nil, or below-market interest rates are initially recognised at the present value of their expected future cash flows, discounted at the current market rate of return for a similar asset/investment. They are subsequently measured at amortised cost using the effective interest method.

The difference between the face value and present value of expected future cash flows of the loan is recognised in the Statement of Comprehensive Revenue and Expense as a grant.

3. Held to Maturity Investments

Held to maturity investments are assets with fixed or determinable payments and fixed maturities that Council has the positive intention and ability to hold to maturity.

After initial recognition they are measured at amortised cost using the effective interest method, less impairment. Gains and losses when the asset is impaired or derecognised are recognised in the surplus/(deficit).

4. Available for Sale

This category encompasses:

- Investments that Council intends to hold long term but which may be realised before maturity; and
- Shareholdings that Council holds for strategic purposes.

After initial recognition these investments are measured at their fair value.

Gains and losses are recognised directly in other comprehensive income except for impairment losses, which are recognised in the surplus/(deficit). On de-recognition the cumulative gain or loss previously recognised in equity is recognised in the surplus/(deficit).

Impairment of Financial Assets

At each balance sheet date Council assesses whether there is any objective evidence that a financial asset or group of financial assets is impaired. Any impairment losses are recognised in the surplus/(deficit). The impairment test is applied to loans and other receivables, and quoted and unquoted equity investments, as follows:

Loans and Other Receivables

Impairment of a loan or a receivable is established when there is objective evidence that Council will not be able to collect amounts due according to the original terms. Significant financial difficulties of the debtor/issuer, probability that the debtor/issuer will enter into bankruptcy, and default in payments are considered indicators that the asset is impaired. The amount of the impairment is the difference between the asset's carrying amount and

the present value of estimated future cash flows, discounted using the original effective interest rate. For debtors and other receivables, the carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in the surplus/(deficit). When the receivable is uncollectable, it is written off against the allowance account. Overdue receivables that have been renegotiated are reclassified as current (i.e. not past due). For term deposits, local authority stock, Government stock and community loans, impairment losses are recognised directly against the instruments carrying amount.

Impairment of term deposits, local authority stock, Government stock, and related party and community loans is established when there is objective evidence that the Council will not be able to collect amounts due to the original terms of the instrument. Significant financial difficulties of the issuer, probability the issuer will enter into bankruptcy, and default in payments are considered indicators that the instrument is impaired.

- **Quoted and Unquoted Equity Investments**

For equity investments classified available for sale, a significant or prolonged decline in the fair value of the investment below its cost is considered an indicator of impairment. If such evidence exists the cumulative loss (measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in other comprehensive income) is removed from equity and recognised in the surplus/(deficit). Impairment losses recognised in the surplus/(deficit) on equity investments are not reversed through the surplus/(deficit).

Accounting for Derivative Financial Instruments and Hedging Activities

The Council's activities expose it primarily to the financial risks of changes in interest rates. The Council uses interest rate swaps to manage its exposure. Derivative financial instruments are recognised initially at fair value. The Council has elected not to hedge account for these derivative financial instruments. Changes in the fair value of the derivative financial instruments are recognised in the surplus/(deficit).

Non-Current Assets Held for Sale

Non-current assets held for sale are classified as held for sale if their carrying amount will be recovered principally through a sale transaction, not through continuing use. Non-current 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 non-current assets held for sale are recognised in the surplus/(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.

Non-current assets (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

Financial Liabilities

Policy for 2022-2023 Years Onwards – Standard PBE IPSAS 41

Financial liabilities in the scope of PBE IPSAS 41 are classified as either subsequently measured at amortised cost, fair value through other comprehensive revenue and expense (FVOCRE) or fair value through surplus or deficit (FVSD). The classification depends on the business model for managing the financial liabilities and its contractual cash flow characteristics. Financial liabilities are reclassified if the business model for managing those financial liabilities has changed.

(i) Initial recognition and derecognition

At initial recognition, financial liabilities are measured at their fair value or, in the case of a financial liability not at FVSD, plus or minus transaction costs that are directly attributable to the acquisition or issue of the financial liability.

(ii) Financial liabilities at amortised cost

Financial liabilities subsequently measured at amortised cost are held within a business model whose objective is to hold financial liabilities in order to fund contractual cash flows and the contractual cash flows are solely payments of principal and interest (SPPI) on the principal balance. Financial liabilities at amortised cost are included in current liabilities, except for those with maturities greater

than 12 months after balance date, which are classified as non-current.

Property, Plant and Equipment

Property, Plant and Equipment consist of:

- **Operational Assets**

These include land, buildings, plant and equipment, and motor vehicles.

- **Restricted Assets**

Restricted assets are community housing and parks and reserves owned by the Council which 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.

Property, plant and equipment are shown at cost or valuation, less accumulated depreciation and impairment losses.

- **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 Council and the cost of the item can be measured reliably.

In most instances, an item of property, plant and equipment is recognised at its cost. Where an asset is acquired at no cost, or for a nominal cost such as a vested asset, it is recognised at fair value as at the date of acquisition.

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

- **Disposals**

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount of the asset. Gains and losses on disposals are included in the surplus/(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 Council and the cost of the item can be measured reliably.

Assets under Construction

Assets under construction are not depreciated. The total cost of a project is transferred to the relevant asset class on its completion and then depreciated.

Revaluation

Infrastructural assets are revalued with sufficient regularity by independent valuers to ensure that their carrying amount does not differ materially from fair value and at least every three years. All other asset classes are carried at depreciated historical cost.

The carrying values of revalued assets are assessed annually to ensure that they do not differ materially from the assets' fair values. If there is a material difference, then the off-cycle asset classes are revalued.

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 income 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/(deficit).

Any subsequent increase on revaluation that reverses a previous decrease in value recognised in the surplus/(deficit) will be recognised first in the surplus/(deficit) up to the amount previously expensed, and then recognised in other comprehensive revenue and expense.

Depreciation

Depreciation is provided on a straight-line basis on all property, plant and equipment other than land, at rates that will write off the cost (or valuation) of the assets to their estimated residual values over their useful lives. The useful lives and associated depreciation rates of major classes of assets have been estimated as follows:

	Expected Life Years	Depreciation Straight-line
Roading		
Top Surface (seal)	4-20	5%-25%
Pavement (basecourse)		
• Urban Sealed	40-80	1.25%-2.5%
• Rural Sealed	40-80	1.25%-2.5%
• Unsealed	20-60	5%
Foundation and Unsealed Subgrade	n/a	-
Culverts	25-100	1%-4%
Kerb and Channel	25-80	1%-1.25%
Bridges	40-100	1%-2.5%
Signs	12	8.3%
Streetlights	15-40	2.5%-6%
Footpaths	25-80	1.25%-4%
Drainage	15-100	1%-6%
Water Supply	20-80	1.25%-4%
Wastewater	14-80	1.25%-7%
Stormwater	40-80	1.25%-2.5%
Landfills and Transfer Stations	33.3	3%
Halls	50	2%
Community Housing	50	2%
Plant, Equipment and Motor Vehicles	5-10	10%-20%
Buildings	50	2%
Building Contents	10	10%
Other Plant	5	20%
Computer and Office Equipment	5	20%
Library Collection	5	20%

The residual value and useful life of an asset is reviewed, and adjusted if applicable, at each financial year end.

Intangible Assets

Intangible Assets consists of:

Software Acquisition and Development

Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software.

Costs associated with maintaining computer software are recognised as an expense when incurred. Costs that are directly associated with the development of software for internal use by Council, are recognised as an intangible asset. Direct costs include the software development employee costs and an appropriate portion of relevant overheads.

Easements

Easements are recognised at cost, being the costs directly attributable in bringing the asset to its intended use. Easements have an indefinite useful life and are not amortised but are instead tested for impairment annually.

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 de-recognised. The amortisation charge for each period is recognised in the surplus/(deficit).

The useful lives and associated amortisation rates of major classes of intangible assets have been estimated as follows:

- **Computer software - three years - 33%**

Biological (Forestry Assets)

Forestry assets are independently revalued annually at fair value less estimated point of sale costs. Fair value is determined based on the present value of expected net cash flows discounted at a current market determined pre-tax rate.

Gains or losses arising on initial recognition of biological assets at fair value less estimated point of sale costs and from a change in fair value less estimated point of sale costs are recognised in the surplus/(deficit).

The costs to maintain the forestry assets are included in the surplus/(deficit).

New Zealand Units (Forestry) – Emissions Trading Scheme

Emission Trading Units (ETU) allocated under the Emissions Trading Scheme (ETS) are recognised at deemed cost based on the fair value at the date of receipt (that is, historic value). The credits are recognised when they have been received and are recognised as income in the Statement of Comprehensive Revenue and Expense. Gains and losses on disposal are determined by comparing the disposal proceeds with the carrying amount of the New Zealand Units (NZU). Gains and losses on disposals are reported in the surplus/(deficit).

After initial recognition, ETS credits are measured at cost less impairment.

Impairment of Non-Financial Assets

Non-financial assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets 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.

Value in use is depreciated replacement cost for an asset where the future economic benefits or service potential of the asset are not primarily dependent on the assets ability to generate net cash in-flows and where the entity would, if deprived of the asset, replace its remaining future economic benefits or service potential.

The value in use for cash-generating assets is the present value of expected future cash flows.

If an asset's carrying amount exceeds its recoverable amount the asset is impaired and the carrying amount is written down to the recoverable amount.

For revalued assets the impairment loss is recognised against the revaluation reserve for that class of asset. Where that results in a debit balance in the revaluation reserve, the balance is recognised in the surplus/(deficit).

For assets not carried at a revalued amount, the total impairment loss is recognised in the surplus/(deficit).

The reversal of an impairment loss on a revalued asset is credited to the revaluation reserve. However,

to the extent that an impairment loss for that class of asset was previously recognised in the surplus/(deficit), a reversal of the impairment loss is also recognised in the surplus/(deficit).

Creditors and Other Payables

Creditors and other payables are initially measured at fair value and subsequently measured at amortised cost using the effective interest method.

Employee Benefits

Employee benefits that District Council expects to be settled within 12 months of balance date are measured at nominal values based on accrued entitlements at current rates of pay. These include salaries and wages accrued up to balance date, annual leave earned to, however not yet taken at balance date.

Superannuation Schemes - Defined Contribution Schemes

Obligations for contributions to defined contribution superannuation schemes are recognised as an expense in the Statement of Comprehensive Revenue and Expense.

Provisions

The Council recognises a provision 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 expenditures will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not recognised for future operating losses.

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".

Financial Guarantee Contracts

A financial guarantee contract is a contract that requires Council to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due. Financial guarantee contracts are initially recognised at fair value. If a financial guarantee contract was

issued in a stand-alone arms-length transaction to an unrelated party, its fair value at inception is equal to the consideration received. When no consideration is received a provision is recognised based on the probability Council will be required to reimburse a holder for a loss incurred discounted to present value. The portion of the guarantee that remains unrecognised, prior to discounting at fair value, is disclosed as a contingent liability.

Financial guarantees are subsequently measured at the initial recognition amount less any amortisation, however if Council assessed that it is probable that expenditure will be required to settle a guarantee, then the provision for the guarantee is measured at the present value of the future expenditure.

Borrowings

Borrowings are initially recognised at their fair value. After initial recognition, all borrowings are measured at amortised cost using the effective interest method.

Borrowings are classified as current liabilities unless the Council has an unconditional right to defer settlement of the liability for at least 12 months after balance date or if the borrowings are expected to be settled within 12 months of balance date.

Net Assets/Equity

Net Assets/Equity is the community's interest in the Council and is measured as the difference between total assets and total liabilities. Net Assets/Equity is disaggregated and classified into a number of reserves.

The components of net assets/equity are:

- Accumulated comprehensive revenue and expense
- Restricted reserves
- Council created reserves
- Asset revaluation reserves.

Restricted and Council Created Reserves

Restricted and Council created 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 Council.

These reserves are subject to specific conditions accepted as binding by Council and which may not be revised by 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 are reserves restricted by Council decision. The Council may alter them without references to any third party or the Courts. Transfers to and from these reserves are at the discretion of the Council.

Asset Revaluation Reserves

This reserve relates to the revaluation of property, plant and equipment to fair value.

Goods and Services Tax (GST)

All items in the Financial Statements are stated exclusive of GST, except for receivables and payables, which are stated on a GST inclusive basis. Where GST is not recoverable as input tax then it is recognised as part of the related asset or expense.

The net amount of GST recoverable from, or payable to, the Inland Revenue Department (IRD) is included as part of receivables or payables in the balance sheet.

The net GST paid to, or received from the Inland Revenue Department, 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.

Budget Figures

The budget figures have been prepared in accordance with NZGAAP, using accounting policies that are consistent with those adopted by Council for the preparation of the Financial Statements.

Cost Allocation

The Council has derived the cost of service for each significant activity of Council using the cost allocation system outlined below:

- Direct costs are those costs directly attributable to a significant activity. Indirect costs are those costs, which 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 allocations determined by management.

Critical Accounting Estimates and Assumptions

In preparing these prospective Financial Statements Council has made estimates and assumptions concerning the future. These estimates and assumptions may differ from the subsequent actual results.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations or future events that are believed to be reasonable under the circumstances.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Closure and Post-Closure Provisions

All Council landfills are now closed. Provision has been made for the future costs of closing the Dargaville and Hakaru landfills being the aftercare of the landfill for the prescribed period. Estimated costs, adjusted for inflation, have been built up on an item by item basis. The provision held, at each balance date, represents the net present value of the estimated future costs. A detailed reassessment and the anticipated remaining lives of the landfills are performed regularly.

The impact of changes to the provision arising from the reassessment of the life of the landfill and estimated future costs are capitalised to deferred closure and post-closure costs within property, plant and equipment in the Statement of Financial Position. The annual change in the net present value of the provision due to the passage of time is recorded as the time value adjustment of provisions in the Statement of Comprehensive Revenue and Expense. Financial reporting standards require this to be disclosed as an interest cost in the Statement of Comprehensive Revenue and Expense.

Infrastructural Assets

There are a number of assumptions and estimates used when performing Depreciated Replacement Cost valuations over infrastructural assets. These include:

- the physical deterioration and condition of an asset, for example the Council could be carrying an asset at an amount that does not reflect its actual condition. This is particularly so for those assets which are not visible, for example

water supply, stormwater and wastewater pipes that are underground. This risk is minimised by Council performing a combination of physical inspections and condition modelling assessments of underground assets;

- estimating any obsolescence or surplus capacity of an asset; and estimates are made when determining the remaining useful lives over which the asset will be depreciated. These estimates can be impacted by the local conditions, for example weather patterns and traffic growth. If useful lives do not reflect the actual consumption of the benefits of the asset, then Council could be over or under estimating the annual depreciation charge recognised as an expense in the Statement of Comprehensive

Revenue and Expense. To minimise this risk Council's infrastructural asset useful lives have been determined with reference to the New Zealand Infrastructural Asset Valuation and Depreciation Guidelines published by the National Asset Management Steering Group, and have been adjusted for local conditions based on past experience. Asset inspections, deterioration and condition modelling are also carried out regularly as part of the Council's Asset Management planning activities, which gives Council further assurance over its useful life estimates.

Experienced independent valuers perform the Council's infrastructural asset revaluations.



Whakapirau Photo: KDC



SECTION 3 | Accounting Information

Funding Impact Statement Rating Tools



Funding Impact Statement – Rating Tools

The Whole of Council Funding Impact Statement as required under the Local Government (Financial Reporting and Prudence) Regulations 2014 can be found on page 52.

The following information sets out the revenue and financing mechanisms that the Council will use, including information about the different rates the Council will set for 2021-2022.

The sources of funding set out in the funding impact statement are intended to be used for each year of the Long Term Plan.

From the 2022-2023 year the Council will set and assess a waste minimisation targeted rate which will be assessed on all properties, for the purposes of providing a recycling service. It will be calculated as a fixed amount.

The Definition of a Separately Used or Inhabited Part of a Rating Unit (SUIP)

Council will apply uniform charging on a Separately Used or Inhabited Part of a Rating Unit (SUIP) basis for the following rates:

- Wastewater Network Targeted Rates on residential properties.

Separately Used or Inhabited Part of a Rating Unit includes any portion inhabited or used by a person other than the owner, and who has the right to use or inhabit that portion by virtue of a tenancy, lease, licence or other agreement. For the purpose of this Policy, vacant land and vacant premises offered or intended for use or habitation by a person other than the owner and usually used as such are defined as 'used'. For the avoidance of doubt, a rating unit that has a single use or occupation is treated as having one Separately Used or Inhabited Part.

The following are examples of rating units with more than one Separately Used or Inhabited Part where the above requirements are met:

- Single dwelling with flat attached;
- Two or more houses, flats or apartments on one Record of Title (rating unit);
- Business premise with flat above;
- Commercial building leased to multiple tenants;
- Farm property with more than one dwelling;
- Council property with more than one lessee; and
- Where part of a rating unit is subject to a right of exclusive occupation.

General Rates

Background

General rates are appropriate for funding activities or providing services where there is a significant public good element or where a private good generates positive externalities or benefits for the wider community. General rates can also be appropriate in situations where funding a capital project, where imposing the cost on those who would benefit from the project, would otherwise place too great a burden on them.

Local authorities can set general rates either as a uniform or differential rate on property value (land, capital or annual value) and/or a Uniform Annual General Charge (UAGC) as a fixed amount per rating unit or SUIP. Council will apply a differential rate in the dollar on land value. The UAGC will continue to be applied to each rating unit.

Activities Funded

All activities that are not funded by fees and charges, targeted rates, borrowings or any other income are funded out of the general rates.

(Please refer to the Revenue and Financing Policy prepared for the Long Term Plan 2021-2031 for a full list of activities funded by general rates.)

Land Liable for the Rate

All land within the Kaipara District is liable for the rate.

Rates Differential Definitions

The Council has defined its rates differential categories using using the use to which the land is put.

The definition for each rates differential category is listed in the table below.

Differential Category	Definition
Residential and small sized lifestyle properties	All land that is used exclusively, or almost exclusively, for residential purposes including investment flats or used for lifestyle purposes and is less than two hectares.
Other	All land that is not included in the definition of "residential and small lifestyle properties". It includes land used exclusively, or almost exclusively, for dairy, horticultural, forestry, pastoral and specialist purposes, commercial, industrial or mining purposes and as a utility asset. Commercial includes resthomes and short stay accommodation such as motels and hotels.

How the rate is assessed

The general rate is assessed on all rating units in the district on the following basis:

- A fixed amount per rating unit of \$764.00 (UAGC) including GST. The UAGC will generate \$9,578,253 (excluding GST).
- A differential rate in the dollar on land value.

Differential Category	Rates Differential	Rate in the dollar of land value for 2020/2021 (incl GST)	Revenue value-based rate (excl GST)
Residential and small sized lifestyle properties	100%	\$0.002681	\$6,907,463
Other	155%	\$0.004156	\$11,043,491
All properties			\$17,950,954

Where two or more contiguous rating units are owned by the same person or persons, and are used jointly as a single unit, the ratepayer is liable for only one UAGC, which is in line with section 20 of the Local Government (Rating) Act 2002.

In total, general rates will generate \$27,529,207 (excluding GST) in 2021/2022. Collectively, general rates represent 67% of the Council's total rates revenue.

Targeted Rates

Targeted rates may be used to fund specific Council activities. Targeted rates are appropriate for services or activities where a specific group of ratepayers benefit from that service or where the revenue collected is targeted towards funding a specific type of expenditure.

Lump sum contributions will not be invited in relation to any of the Council's targeted rates.

Wastewater Targeted Rates – All Networks

Background

The Council provides wastewater collection and treatment systems in Dargaville, Glinks Gully, Te Kopuru, Maungaturoto, Kaiwaka and Mangawhai. A targeted rate will be assessed on land connected or able to be connected to the wastewater network.

Costs will be shared across all schemes excluding Te Kopuru, with all schemes, excluding Te Kopuru being assessed the same rate in 2021/2022. This approach recognizes that the service being received by the end user is the same irrespective of location and hence the costs should be the same. For affordability reasons, Council has calculated the targeted rate for the Te Kopuru network separately.

The wastewater targeted rates will generate around \$5,796,128 million (excluding GST) in rates revenue in 2021/2022.

For the purposes of calculating the targeted rate, defined operating costs and capital costs are aggregated across all wastewater schemes (excluding Te Kopuru) and divided by the total number of properties connected and capable of connection to the networks.

Activities funded

The expenses in maintaining the wastewater treatment plant, pump stations, reticulation repairs and minor upgrades including renewals of the respective systems.

Land liable for the rates

The targeted rates apply to all properties connected or capable of connection to the following wastewater networks:

- Dargaville
- Glinks Gully
- Te Kopuru
- Maungaturoto
- Kaiwaka
- Mangawhai

Properties within 30 metres of the sewerage drain in the above areas are liable for the rate.

How the rates are assessed

The rates are assessed on a differential basis. The Council has defined its differential categories being the use to which a rating unit is put (as a residence or not) and whether the service is provided or available. The liability factors used are per SUIP of a rating unit for properties used primarily as a residence, and per rating unit and per pan or urinal for all other properties.

The targeted rates are assessed on the following basis:

Properties not connected to the wastewater network as at 30 June 2021 but are capable of being connected (i.e. service available)

- A fixed amount per SUIP to all units used primarily as a residence; and
- A fixed amount per rating unit to all other units.

Properties that are connected to the wastewater network as at 30 June 2021 (i.e. service provided)

- A fixed amount per SUIP to all units used primarily for residential purposes;
- A fixed amount per rating unit to all other units; and
- An additional charge per pan (urinal or water closet) to all other units for each pan after the second.

Properties capable of connection are defined as being within 30 metres of a public sewerage drain to which it is capable of being effectively connected, either directly or through a private drain.

The fixed amount for units that are not connected to the relevant wastewater network as at 30 June 2021 but are capable of being connected is equivalent to 75% of the corresponding fixed amount applied to properties connected to the wastewater network.

The additional pan charge for connected nonresidential units with three or more pans is equivalent to 50% of the corresponding fixed amount applied to properties connected to the wastewater network.

Wastewater Network	Primary use of land	Units connected to the relevant wastewater network	Units capable of connection to the relevant wastewater network, as at 30 June 2021 ¹	Units connected to the relevant wastewater network, not primarily used for residential purposes, as at 30 June 2021 ²	All units
		Charge ³ (incl GST)	Charge ³ (incl GST)	Change per pan (incl GST)	Contribution to wastewater targeted rate (excl GST)
Dargaville Glinks Gully Kaiwaka Mangawhai Maungaturoto	Residence	\$1,054.12	\$790.59		\$4,846,902
	Other	\$1,054.12	\$790.59	\$527.06	\$781,196
Total					\$5,628,098
Te Kopuru	Residence	\$871.41	\$653.56		\$152,875
	Other	\$871.41	\$653.56	\$435.71	\$15,155
Total					\$168,030

¹ Situated within 30 metres of a public sewerage drain to which it is capable of being effectively connected, either directly or through a private drain.

² This is an additional pan charge for the third or more pan. It is in addition to the fixed amount per SUIP that applies to all connected properties of the relevant wastewater network as at 30 June 2021.

³ Fixed amount per SUIP for units used primarily as a residence and fixed amount per rating unit for other units. The fixed amount per SUIP and per rating unit are the same amount.

Wastewater Targeted Rate – Mangawhai Wastewater Capital Contribution A

Background

The Council introduced targeted rates in 2013/2014 to fund the capital cost of the Mangawhai Community Wastewater Scheme (MCWWS) and to ensure equity amongst current and future users of the Scheme. The Mangawhai Wastewater Capital Contribution A targeted rate applies to those who prior to 30 June 2013 had not previously been invoiced for any capital contribution, either as a targeted rate or as a development contribution and were charged the targeted rate in 2013/2014.

Activities funded

Capital expenses in developing the wastewater treatment plant and pump stations to provide wastewater services to the Mangawhai area.

Land liable for the rate

The targeted rate applies to all properties connected or capable of connection to the Mangawhai wastewater network as at 30 June 2013, where there had been no previous targeted rate for the capital costs of the Scheme set on the property (previously known as a “one off targeted rate”) or where Council had not invoiced the land for a development contribution.

An indicative map of Mangawhai Wastewater Capital Contribution A area and the list of affected properties can be viewed in the Appendix - Maps (pages 98 to 125) of this document. Please contact the Council if you would like confirmation whether a property is within the rating area or not.

How the rates are assessed

The targeted rate is a fixed amount per rating unit to all land liable for the rate within the Mangawhai Wastewater Capital Contribution A area of \$676.00 (including GST). This amount is calculated from a principal amount of \$8,397 (including GST), payable over 30 years from 01 July 2013 at annual interest of 6.99%. The Council's Early Payment of Rates for Subsequent Years Policy applies to this rate.

The rate will generate around \$204,565 (excluding GST) in rates revenue in 2021/2022.

Wastewater Targeted Rate – Mangawhai Wastewater Capital Contribution D

Background

The Council introduced targeted rates in 2013/2014 to fund the capital cost of the Mangawhai Community Wastewater Scheme (MCWWS) and to ensure equity amongst current and future users of the Scheme.

Activities funded

Capital expenses in developing the wastewater treatment plant and pump stations to provide wastewater services to the Mangawhai area.

Land liable for the rate

The targeted rate applies to all properties connected or capable of connection to the Mangawhai wastewater network as at 30 June 2012, whereas at 30 June 2013 the property had been invoiced for four instalments, amounting to \$2,186.50 including GST, (or the equivalent) and had not subsequently paid the initial capital contribution in full.

An indicative map of the Mangawhai Wastewater Capital Contribution D area and the affected properties can be viewed in the Appendix (page 102) of this document. Please contact the Council if you would like confirmation whether a property is within the rating area or not.

How the rates are assessed

The targeted rate is a fixed amount per rating unit to all land liable for the rate within the Mangawhai Wastewater Capital Contribution D area of \$569.95 (including GST). This amount is calculated from a principal amount of \$6,210.50 (including GST), payable over 21 years from 01 July 2013 at annual interest of 6.99%. The Council's Early Payment of Rates for Subsequent Years Policy applies to this rate.

The rate will generate around \$20,320 (excluding GST) in rates revenue in 2021/2022.

Wastewater Targeted Rate – Mangawhai Wastewater Capital Contribution E

Background

The Council introduced targeted rates in 2013/2014 to fund the capital cost of the Mangawhai Community Wastewater Scheme (MCWWS) and to ensure equity amongst current and future users of the Scheme.

Activities funded

Capital expenses in developing the wastewater treatment plant and pump stations to provide wastewater services to the Mangawhai area.

Land liable for the rate

The targeted rate applies to all properties connected or capable of connection to the Mangawhai wastewater network as at 30 June 2012, whereas at 30 June 2013 the property had been invoiced for three previous instalments, amounting to \$1,668.90 including GST, (or the equivalent) and had not subsequently paid the initial capital contribution in full.

An indicative map of the Mangawhai Wastewater Capital Contribution E area and the affected properties can be viewed in the Appendix (page 103) of this document. Please contact the Council if you would like confirmation whether a property is within the rating area or not.

How the rates are assessed

The targeted rate is a fixed amount per rating unit to all land liable for the rate within the Mangawhai Wastewater Capital Contribution E area of \$606.31 (including GST). This amount is calculated from a principal amount of \$6,728.10 (including GST), payable over 22 years from 01 July 2013 at annual interest of 6.99%. The Council's Early Payment of Rates for Subsequent Years Policy applies to this rate.

The rate will generate around \$40,069 (excluding GST) in rates revenue in 2021/2022.

Wastewater Targeted Rate – Mangawhai Wastewater Capital Contribution F

Background

The Council introduced targeted rates in 2013/2014 to fund the capital cost of the Mangawhai Community Wastewater Scheme (MCWWS) and to ensure equity amongst current and future users of the Scheme.

Activities funded

Capital expenses in developing the wastewater treatment plant and pump stations to provide wastewater services to the Mangawhai area.

Land liable for the rate

The targeted rate applies to all properties connected or capable of connection to the Mangawhai wastewater network as at 30 June 2012, where at 30 June 2013 the property had been invoiced for two previous instalments, amounting to \$1,135.70 including GST, (or the equivalent) and had not subsequently paid the initial capital contribution in full.

An indicative map of the Mangawhai Wastewater Capital Contribution F area and the affected properties can be viewed in the Appendix (page 104) of this document. Please contact the Council if you would like confirmation whether a property is within the rating area or not.

How the rates are assessed

The targeted rate is a fixed amount per rating unit to all land liable for the rate within the Mangawhai Wastewater Capital Contribution F area of \$643.26 (including GST). This amount is calculated from a principal amount of \$7,261.30 (including GST), payable over 23 years from 01 July 2013 at annual interest of 6.99%. The Council's Early Payment of Rates for Subsequent Years Policy applies to this rate.

The rate will generate around \$10,628 (excluding GST) in rates revenue in 2021/2022.

Stormwater Targeted Rates – All Networks

Background

Council provides urban stormwater networks in Baylys, Dargaville, Kaiwaka, Mangawhai and Te Kōpuru. Stormwater systems predominantly incorporated into the road network are provided in Glinks Gully, Kelly's Bay, Pahi, Whakapirau, Tinopai, Paparoa and Maungatūroto. Stormwater for Ruawai is incorporated in the Raupo Drainage District.

Council has set rates so that 10% of the stormwater network costs are funded by all ratepayers through the general rate. The remaining 90% of costs continue to be funded by the targeted rate.

Operating costs for stormwater (except interest and depreciation) are split evenly between individual networks based upon land values. The operating costs (excluding interest and depreciation) are then combined with the capital costs (including interest, funded depreciation and loan repayments) in each individual scheme to calculate the rate payable for those connected to each scheme. This reflects a move towards 'equalising' the rate payable for the service being received irrespective of location. This approach recognises the argument that the service being received by the end user is the 'same' irrespective of location and hence the costs should be similar.

Activities funded

The expenses in running and maintaining the following stormwater networks:

- Baylys
- Dargaville
- Te Kōpuru
- Kaiwaka
- Mangawhai

Land liable for the rates

The targeted rates apply to all land in the following stormwater networks:

- Baylys
- Dargaville
- Te Kōpuru
- Kaiwaka
- Mangawhai

Indicative maps of the areas of the respective stormwater networks can be viewed in the Appendix - Maps (pages 105 to 107) of this document. Please contact the Council if you would like confirmation whether a property is within the rating area or not.

How the rates are assessed

The targeted rates are assessed on the land value of all rating units located within the stormwater networks and applied as a uniform rate in the dollar on land value.

Stormwater Network	Rate in the Dollar of Land Value for 2021/2022 (incl GST) (\$)	Total Revenue (excl GST) (\$)
Baylys	0.001589	73,415
Dargaville	0.002058	558,476
Kaiwaka	0.000675	24,345
Mangawhai	0.000782	1,092,547
Te Kōpuru	0.000964	15,617
Total		\$1,764,400

Land Drainage Scheme Targeted Rate – Raupo

Background

Kaipara District is a rural production area that supports farming and cropping communities on low lying land near rivers, streams and canals. These communities are prone to flooding during heavy weather events and tidal fluctuations. Land drainage work is undertaken to maintain and improve the current capacity of its land drainage network and stop banks. This is likely to improve the productivity of land normally affected by high groundwater levels or ponded water following heavy rainfall events and tidal fluctuations.

Activities funded

The targeted rate for the Raupo Land Drainage Scheme is used to fund the operations in maintaining the Raupo Land Drainage Scheme. This includes maintenance of drains and outlets by weed spraying and machine cleaning, maintenance and, if necessary, replacement of floodgates.

Land liable for the rate

All land located within the Raupo Land Drainage Scheme.

An indicative map of the Raupo Land Drainage Scheme and the areas where the differentials apply can be viewed in the Appendix (pages 107 to 108) of this document. Please contact the Council if you would like confirmation whether a property is within the rating area or not.

How the rate is assessed

The targeted rate is assessed on the following basis:

- A differential rate in the dollar on land value across all properties located within the Raupo Land Drainage Scheme area.

The table below shows the rates differentials that the Council has applied in 2021/2022.

Rates differential definitions and rates

The Council has defined its rates differential categories based on the location of the land within the scheme.

Differential Category	Differential Factor	Rate in the Dollar of Land Value for 2021/2022 (incl GST) (\$)	Revenue from Land Drainage Scheme Targeted Rate (excl GST)	Share of Land Drainage Scheme Targeted Rate
Raupo District A	83%	0.003100	\$458,487	85%
Raupo District B	7%	0.000261	\$2,318	<1%
Raupo Township	100%	0.003735	\$77,781	14%
All properties			\$538,586	100%

Land Drainage Targeted Rates – Other Schemes

Background

Kaipara District is a rural production area that supports farming and cropping communities on low lying land near rivers, streams and canals. These communities are prone to flooding during heavy weather events and tidal fluctuations. Land drainage work is undertaken to maintain and improve the current capacity of its land drainage network and stopbanks. This is likely to improve the productivity of land normally affected by high ground water levels or ponded water following heavy rainfall events and tidal fluctuations.

Land drainage work is undertaken in 29 other drainage districts of various sizes with administrative and technical support from Council. Each of these schemes is self-funding.

Activities funded

The targeted rates for each land drainage scheme are used to fund the operations in maintaining the 29 respective schemes. This includes maintenance of drains and outlets by weed spraying and machine cleaning, maintenance and if necessary replacement of floodgates, drain cleaning and stop bank maintenance.

Land liable for the rates

The targeted rates apply to all land in each of the following land drainage schemes:

- | | | | |
|-------------------|----------------------|------------------|---------------------------|
| • Aoroa | • Arapohue No1 | • Arapohue No2 | • Aratapu Village & Swamp |
| • Awakino Point | • Awakino Valley | • Greenhill | • Hoanga |
| • Horehore | • Kaihu | • Kopuru Swamp | • Koremoa |
| • Mangatara | • Manganui | • Mititai | • Notorious |
| • Oruariki | • Otiria | • Owairangi | • Tangowahine No1 |
| • Tangowahine No2 | • Tangowahine Valley | • Tatarariki No1 | • Tatarariki No2 |
| • Tatarariki No3 | • Te Hapai | • Tikinui | • Whakahara |

Indicative maps of the areas of the respective land drainage schemes can be viewed in the Appendix - Maps (pages 109 to 123) of this document. Please contact the Council if you would like confirmation whether a property is within the rating area or not.

How the rates are assessed

The targeted rate for each land drainage scheme is assessed as a uniform rate in the dollar on land value.

A table of the rates

Land Drainage Scheme	Rate in the dollar of land value for 2021/2022 (incl GST) (\$)	Revenue from land drainage targeted rates (excl GST)
Aoroa	0.001562	\$3,670
Arapohue No1	0.000395	\$4,404
Arapohue No2	0.000277	\$3,785
Aratapu Swamp	0.000747	\$17,333
Aratapu Village	0.000423	\$4,316
Awakino Point	0.000554	\$12,074
Awakino Valley	0.000593	\$38,761
Greenhill	0.000374	\$3,254
Hoanga	0.002033	\$21,612
Horehore	0.000607	\$30,944
Kaihu	0.000579	\$39,319
Kopuru Swamp	0.000811	\$8,738
Koremoa	0.000354	\$2,609
Mangatara	0.000571	\$17,782
Manganui	0.000114	\$10,192
Mititai	0.000427	\$4,593
Notorious	0.000432	\$12,198
Oruariki	0.001138	\$17,381
Otiria	0.000881	\$5,596
Owairangi	0.000431	\$4,862
Tangowahine No1	0.000594	\$5,355,
Tangowahine No2	0.000760	\$4,556
Tangowahine Valley	0.000241	\$4,447
Tatarariki No1	0.000394	\$5,509
Tatarariki No2	0.000472	\$2,611
Tatarariki No3	0.000527	\$6,127
Te Hapai	0.000661	\$4,168
Tikinui	0.000914	\$2,981
Whakahara	0.000718	\$5,293
Total		\$304,470

Water Supply Targeted Rate

Background

The Council provides reticulated water supplies to Dargaville (including Baylys), Glinks Gully, Ruawai, Maungatūroto (Station Village), Maungatūroto (Township) and Mangawhai.

Costs will be shared across all schemes, with all schemes being assessed the same rate in 2021/2022. This approach recognises that the service being received by the end user is the same irrespective of location and hence the costs should be the same.

Activities funded

The expenses in maintaining each of the water supply networks. In particular, the costs associated in treating the water for domestic consumption.

Land liable for the rates

The targeted rates apply to all land in defined areas in the following water supply networks:

- Dargaville (including Baylys)
- Ruawai
- Maungaturoto (Township)
- Glinks Gully
- Maungaturoto (Station Village)
- Mangawhai

Properties within 30 metres of the water reticulation in the above areas are liable for the rate.

Rates differential definitions

These rates are assessed on a differential basis. The Council has defined its rates differential categories based on the provision or availability to the land of the water supply service provided by, or on behalf of, the Council.

The definition for each rates differential category is listed in the table below.

Differential Category	Definition
Metered properties	Land that is connected to the relevant water supply network as at 30 June 2021 irrespective of how much water is consumed.
Other properties	Land that is not connected to the relevant water supply network as at 30 June 2021, but is situated within 30 metres of a water supply network to which it is capable of being effectively connected.

How the rates are assessed

The targeted rate for each water supply network is assessed on the following differential basis:

Metered properties:

- A scale of charges based on the per cubic metre amount of water consumed. The charge for up to the first cubic metre of water consumed is calculated on 25% of the average costs across all water supply networks.

Other properties:

- A fixed amount per rating unit. The rate set is equivalent to 75% of the volumetric charge for a metered property for up to the first cubic meter of water consumed.
- Excludes those that could connect to the Mangawhai scheme, but are not connected.

The table below lists the water charges and rates that will apply:

	Metered Properties		Other properties	All units
	Volumetric charge (up to and including the first cubic metre) (incl GST)	Volumetric charge (per cubic metre beyond the first cubic metre) (incl GST)	Fixed amount per Rating Unit (incl GST)	Revenue from Water Supply Targeted Rate (excl GST)
Dargaville Glinks Gully Mangawhai Maungatūroto Station Village Maungatūroto Township Ruawai	\$319.53	\$3.65	\$239.65	\$4,194,418

Mangawhai Harbour Restoration Targeted Rate

Background

The targeted rate for the Mangawhai Harbour Restoration commenced on 01 July 1996. It funds a grant to the Mangawhai Harbour Restoration Society to assist it in servicing a loan to finance rectification of the collapse of the geomorphyl and ecological structure of the Mangawhai Harbour.

Activities funded

In addition to servicing a loan to the Mangawhai Harbour Restoration Society for rectification of the collapse of the geomorphyl and ecological structure of the Mangawhai Harbour, the grant funded by the targeted rate also funds an enhanced harbour dredging programme and includes operating costs of a works nature, such as replanting.

Land liable for the rate

All land that is located within the Mangawhai Harbour Restoration area.

An indicative map of the Mangawhai Harbour Restoration area can be viewed in the Appendix (page 124) of this document. Please contact the Council if you would like confirmation whether a property is within the rating area or not.

How the rate is assessed

The targeted rate is assessed as a fixed amount per rating unit to all units located within the Mangawhai Harbour Restoration Area of \$80.00 (including GST).

Where two or more contiguous rating units are owned by the same person or persons, and are used jointly as a single unit, the ratepayer is liable for only one targeted rate on a fixed amount basis, which is in line with section 20 of the Local Government (Rating) Act 2002.

The rate will generate around \$342,886 (excluding GST) in rates revenue in 2021/2022.

Ruawai Tokatoka Hall Targeted Rate

Background

The Ruawai Tokatoka Hall rate was introduced in 2009/2010 to fund the maintenance of the Ruawai Tokatoka Community Hall. The targeted rate is consistent with Council's Halls Policy that community halls be managed and maintained by the community.

Activities funded

The operating costs of maintaining the Ruawai Tokatoka Hall.

Land liable for the rate

All land that is located within the Ruawai Tokatoka Hall Targeted Rate area.

An indicative map of the Ruawai Tokatoka Hall Targeted Rate area can be viewed in the Appendix (page 124) of this document. Please contact the Council if you would like confirmation whether a property is within the rating area or not.

How the rate is assessed

The targeted rate is assessed on the following basis:

- a fixed amount per rating unit to all units located within the Ruawai Tokatoka Hall Targeted Rate area of \$37.26 (including GST).

Where two or more contiguous rating units are owned by the same person or persons, and are used jointly as a single unit, the ratepayer is liable for only one targeted rate on a fixed amount basis, which is in line with section 20 of the Local Government (Rating) Act 2002.

The rate will generate around \$15,000 (excluding GST) in rates revenue in 2021/2022.

Forestry Roding Targeted Rate

Background

The Forestry Roding Targeted Rate was introduced in 2015/2016 for six years to 2021 in order to partially fund the impact of forestry and logging trucks and maintain current standards on Council roads. The rate has been extended to 2027/2028. The NZ Transport Agency will also contribute.

Activities funded

The costs of funding the impact of forestry and logging trucks and maintaining current standards on Council roads.

Land liable for the rate

All land that is located within the Forestry Roding Targeted Rate area.

A map of the Forestry Roding Targeted Rate area can be viewed in the Appendix (page 125) of this document.

How the rate is assessed

The targeted rate is assessed on the following basis:

- A rate in the dollar on land value across all properties used for growing exotic trees that are in the Forestry Roding Targeted Rate area. The targeted rate is \$0.007558 (including GST).

The rate will generate around \$415,500 (excluding GST) in rates revenue.

Closed Circuit Television (CCTV) Targeted Rate

Background

The Closed Circuit Television (CCTV) targeted rate commenced on 1 July 2021. It funds a grant to the Dargaville Community Development Board (DCDB) to assist with the ongoing costs, expansion and maintenance of the CCTV network in Dargaville and Ruawai.

Activities funded

The grant funded by the targeted rate also funds the ongoing costs, expansion and maintenance of the CCTV network in Dargaville and Ruawai. This targeted rate funds the Safer Community Activity.

Land liable for the rate

All land that is located within the Dargaville, Central, West Coast and North areas. Also all land that is located within the Ruawai Tokatoka Hall Targeted Rate area.

An indicative map of the CCTV Targeted Rate area can be viewed in the Appendix (page 123) of this document. Please contact the Council if you would like confirmation whether a property is within the rating area or not.

How the rate is assessed

The targeted rate is assessed as a fixed amount per rating unit to all units in the identified areas above.

The rate is \$10.35 (including GST).

Where two or more contiguous rating units are owned by the same person or persons, and are used jointly as a single unit, the ratepayer is liable for only one targeted rate on a fixed amount basis, which is in line with section 20 of the Local Government (Rating) Act 2002.

The rate will generate around \$50,103 (excluding GST) in rates revenue in 2021/2022.

Rating Information

Due Date for Payment of Rates

All rates, with the exception of water charges for metered properties, will be payable in four equal instalments due on:

Instalment Number	Due Date
Instalment 1	20 August 2021
Instalment 2	20 November 2021
Instalment 3	20 February 2022
Instalment 4	20 May 2022

Water charges – metered properties

Water meters are read and invoices sent on a six monthly cycle. The amount payable is due on the 20th of the month following the month that the invoice was dated. The due dates are set out in more detail below.

Penalties

Pursuant to section 132 and to sections 57 and 58 of the Local Government (Rating) Act 2002, the Council delegates the authority to the Revenue Manager and the Revenue Operations Officer to apply the following penalties on unpaid rates:

- a) A penalty of 10% of the rates (other than water by meter rates) assessed in the 2021/2022 financial year that are unpaid after the due date for each instalment will be added on the relevant penalty date for each instalment stated below, except where a ratepayer has entered into an arrangement by way of direct debit authority, and honours that arrangement. For each instalment the date the penalty will be added is as follows:

Instalment Number	Penalty Date
Instalment 1	21 August 2021
Instalment 2	21 November 2021
Instalment 3	21 February 2022
Instalment 4	21 May 2022; and

- b) A penalty of 10% of the amount of all rates (including any penalties) other than water-by-meter rates from any previous financial years that are unpaid on 07 July 2021 will be added on 08 July 2021; and
- c) A penalty of 10% of the amount of all rates to which a penalty has been added under (b) and which remain unpaid will be added on 10 January 2022 will be added on 11 January 2022; and
- d) Water charges – metered properties

A penalty of 10% of the water by meter rates charged per invoice that are outstanding after the due date for payment will be added on the relevant penalty date for each billing month and area stated below, except where a ratepayer has entered into an arrangement by way of direct debit authority, and honours that arrangement. For each billing month and area, the due date and the date the penalty will be added is as follows:

Water-by-meter Rates Area	Billing Month	Due Date	Penalty Date
Dargaville (Hokianga Road and side streets) and Glinks Gully	July 2021 January 2022	20 August 2021 20 February 2022	21 August 2021 21 February 2022
Dargaville (Station and Beach Roads) and Mangawhare	August 2021 February 2022	20 September 2021 20 March 2022	21 September 2021 21 March 2022
Dargaville Township East	September 2021 March 2022	20 October 2021 20 April 2022	21 October 2021 21 April 2022
Dargaville (Awakino Road and Main Street) and Ruawai	October 2021 April 2022	20 November 2021 20 May 2022	21 November 2021 21 May 2022
Dargaville (Ranfurly, Plunket and Tirarau Streets) and Maungaturoto Railway; Maungaturoto Township, and Mangawhai	November 2021 May 2022	20 December 2021 20 June 2022	21 December 2021 21 June 2022
North Dargaville to Kaihu, Awakino Point and Baylys Beach	December 2021 June 2022	20 January 2022 20 July 2022	21 January 2022 21 July 2022

Payment of Rates

Rates payments can be made:

1. By direct debit.
2. By online banking.
3. By telephone banking.
4. By credit card online, MasterCard and Visa only. There is a transaction fee for payments by credit card online.
5. By automatic payment.
6. In person (EFTPOS, MasterCard, Visa, or cash). There is a transaction fee for payments by credit card at Council's offices. Payment of rates will be accepted during normal business hours at either of the following two Council offices:
 - a. Dargaville: 42 Hokianga Road;
 - b. Mangawhai: Unit 6, The Hub, 6 Molesworth Drive

Any payments of rates due will be credited first to the oldest amounts due.

Sample Properties

The following table calculates the impact of Council's rating policy on properties:

- in different locations within the district
- with different land uses (residential, dairy, commercial, etcetera); and
- with different land values.

The land values presented in the table are representative of the land values in that location and for that land use.

Please note that the indicative rates on properties liable for the Mangawhai Wastewater Capital Contribution targeted rates would vary from the amounts shown in the schedule by the addition of one of the following amounts depending on which rate is applied: \$676.00 in the case of Capital Contribution A, \$569.95 in the case of Capital Contribution D, \$606.31 in the case of Capital Contribution E and \$643.26 in the case of Capital Contribution F.

The 'Other rates' column includes the Tokatoka - Ruawai War Memorial Hall, CCTV, Forestry and Mangawhai Harbour Restoration Targeted Rates (where applicable)

Indicative rates are inclusive of GST.

District Area	Land Value 2020 -2021	Total Rates 2020-2021	Rates 2021/2022								\$ change (per year)	% change
			Land Value 2021-2022	Value-based general rate	UAGC	Stormwater	Wastewater	Land drainage	Other rates	Total Rates 2021/2022		
Residential Properties												
Baylys Beach	86,000	1,196	112,000	300	764	178	-	-	10	1,253	57	4.76%
	136,000	1,447	175,000	469	764	278	-	-	10	1,522	75	5.18%
	380,000	2,671	400,000	1,072	764	635	-	-	10	2,482	-189	-7.08%
Dargaville	40,000	1,907	77,000	206	764	158	1,054	-	10	2,193	286	14.99%
	60,000	2,019	102,000	273	764	210	1,054	-	10	2,312	293	14.50%
	230,000	2,969	300,000	804	764	617	1,054	-	10	3,250	282	9.48%
Glinks	165,000	2,521	200,000	536	764	-	1,054	-	10	2,365	-157	-6.21%
	240,000	2,730	285,000	764	764	-	1,054	-	10	2,593	-137	-5.02%
	270,000	2,813	325,000	871	764	-	1,054	-	10	2,700	-113	-4.02%
Kaiwaka	73,000	2,183	110,000	295	764	74	1,054	-	-	2,187	4	0.20%
	146,000	2,451	220,000	590	764	149	1,054	-	-	2,557	105	4.29%
	300,000	3,017	360,000	965	764	243	1,054	-	-	3,026	9	0.30%
Mangawhai	160,000	2,796	170,000	456	764	133	1,054	-	80	2,487	-309	-11.06%
	300,000	3,046	350,000	938	764	-	1,054	-	80	2,837	-209	-6.86%
	500,000	4,061	530,000	1,421	764	414	1,054	-	80	3,733	-327	-8.05%

District Area	Land Value 2020 -2021	Total Rates 2020-2021	Rates 2021/2022								\$ change (per year)	% change
			Land Value 2021-2022	Value-based general rate	UAGC	Stormwater	Wastewater	Land drainage	Other rates	Total Rates 2021/2022		
Residential Properties continued												
Maungaturoto	99,000	2,298	129,000	346	764	-	1,054	-	-	2,164	-134	-5.82%
	135,000	2,398	175,000	469	764	-	1,054	-	-	2,287	-110	-4.60%
	195,000	2,564	300,000	804	764	-	1,054	-	-	2,622	58	2.27%
Pahi	128,000	1,120	180,000	483	764	-	-	-	-	1,247	127	11.35%
	220,000	1,375	275,000	737	764	-	-	-	-	1,501	126	9.19%
	385,000	1,833	425,000	1,139	764	-	-	-	-	1,904	70	3.83%
Paparoa	98,000	1,036	127,000	341	764	-	-	-	-	1,105	68	6.59%
	155,000	1,194	200,000	536	764	-	-	-	-	1,300	106	8.85%
	225,000	1,389	300,000	804	764	-	-	-	-	1,568	179	12.92%
Ruawai	39,000	1,041	70,000	188	764	-	-	261	48	1,261	220	21.11%
	52,000	1,121	94,000	252	764	-	-	351	48	1,415	294	26.25%
	98,000	1,402	175,000	469	764	-	-	654	48	1,934	532	37.93%
Te Kopuru	20,000	1,515	30,000	80	764	29	871	-	10	1,755	241	15.88%
	50,000	1,639	106,000	284	764	102	871	-	10	2,032	394	24.02%
	94,000	1,821	136,000	365	764	131	871	-	10	2,142	321	17.63%
Tinopai	45,000	889	61,000	164	764	-	-	-	-	928	39	4.34%
	165,000	1,222	195,000	523	764	-	-	-	-	1,287	65	5.28%
	370,000	1,792	390,000	1,046	764	-	-	-	-	1,810	18	1.01%
Lifestyle Properties												
Kaiwaka	170,000	1,236	240,000	643	764	-	-	-	-	1,407	171	13.86%
	250,000	1,458	300,000	804	764	-	-	-	-	1,568	110	7.54%
	355,000	2,292	425,000	1,766	764	-	-	-	-	2,530	238	10.38%
Mangawhai	390,000	1,942	445,000	1,193	764	-	-	-	80	2,037	95	4.90%
	1,490,000	7,302	1,570,000	6,525	764	-	-	-	80	7,369	67	0.92%
Maungaturoto	120,000	1,097	175,000	469	764	-	-	-	-	1,233	136	12.39%
	225,000	1,733	295,000	1,226	764	-	-	-	-	1,990	257	14.85%
	460,000	2,744	630,000	2,618	764	-	-	-	-	3,382	638	23.25%
Paparoa	155,000	1,194	185,000	496	764	-	-	-	-	1,260	66	5.49%
	230,000	1,754	265,000	1,101	764	-	-	-	-	1,865	111	6.34%
	480,000	2,830	530,000	2,203	764	-	-	-	-	2,967	136	4.81%

District Area	Land Value 2020 -2021	Total Rates 2020-2021	Rates 2021/2022								\$ change (per year)	% change
			Land Value 2021-2022	Value-based general rate	UAGC	Stormwater	Wastewater	Land drainage	Other rates	Total Rates 2021/2022		
Pastoral Properties												
Kaihu	340,000	2,228	365,000	1,517	764	-	-	-	10	2,291	64	2.85%
Kaiwaka	2,020,000	9,599	2,070,000	8,603	764	-	-	-	80	9,447	-152	-1.59%
Pouto	780,000	4,122	680,000	2,826	764	-	-	-	10	3,600	-521	-12.65%
Waipoua	325,000	2,311	560,000	2,327	764	-	-	324	10	3,426	1,115	48.23%
Dairy Properties												
Maungaturoto	670,000	3,648	740,000	3,075	764	-	-	-	-	3,839	191	5.24%
Pouto	1,010,000	5,969	1,280,000	5,319	764	-	-	1,623	10	7,717	1,748	29.29%
Ruawai	2,790,000	20,568	2,820,000	11,719	764	-	-	8,741	48	21,272	704	3.42%
Tokatoka	790,000	4,467	780,000	3,242	764	-	-	560	10	4,576	108	2.43%
Horticultural Properties												
Central	390,000	2,676	550,000	2,286	764	-	-	217	10	3,277	601	22.48%
Forestry Properties												
Waipoua	335,000	4,762	370,000	1,538	764	-	-	-	2,807	5,108	346	7.28%
Commercial Properties												
Dargaville	80,000	2,253	84,000	349	764	173	1,054	-	10	2,350	97	4.32%
	155,000	3,247	165,000	686	764	340	1,581	-	10	3,381	134	4.13%
	720,000	9,566	720,000	2,992	764	1,482	4,216	-	10	9,465	-101	-1.05%
Mangawhai	295,000	6,460	335,000	1,392	764	262	3,162	-	80	5,660	-800	-12.38%
	430,000	10,560	485,000	2,016	764	379	5,798	-	80	9,036	-1,523	-14.43%
	620,000	4,092	680,000	2,826	764	532	-	-	80	4,202	110	2.69%
Maungaturoto	300,000	5,831	390,000	1,621	764	-	3,162	-	-	5,547	-284	-4.88%
Industrial Properties												
Dargaville	117,000	2,516	165,000	686	764	340	1,054	-	10	2,854	337	13.41%

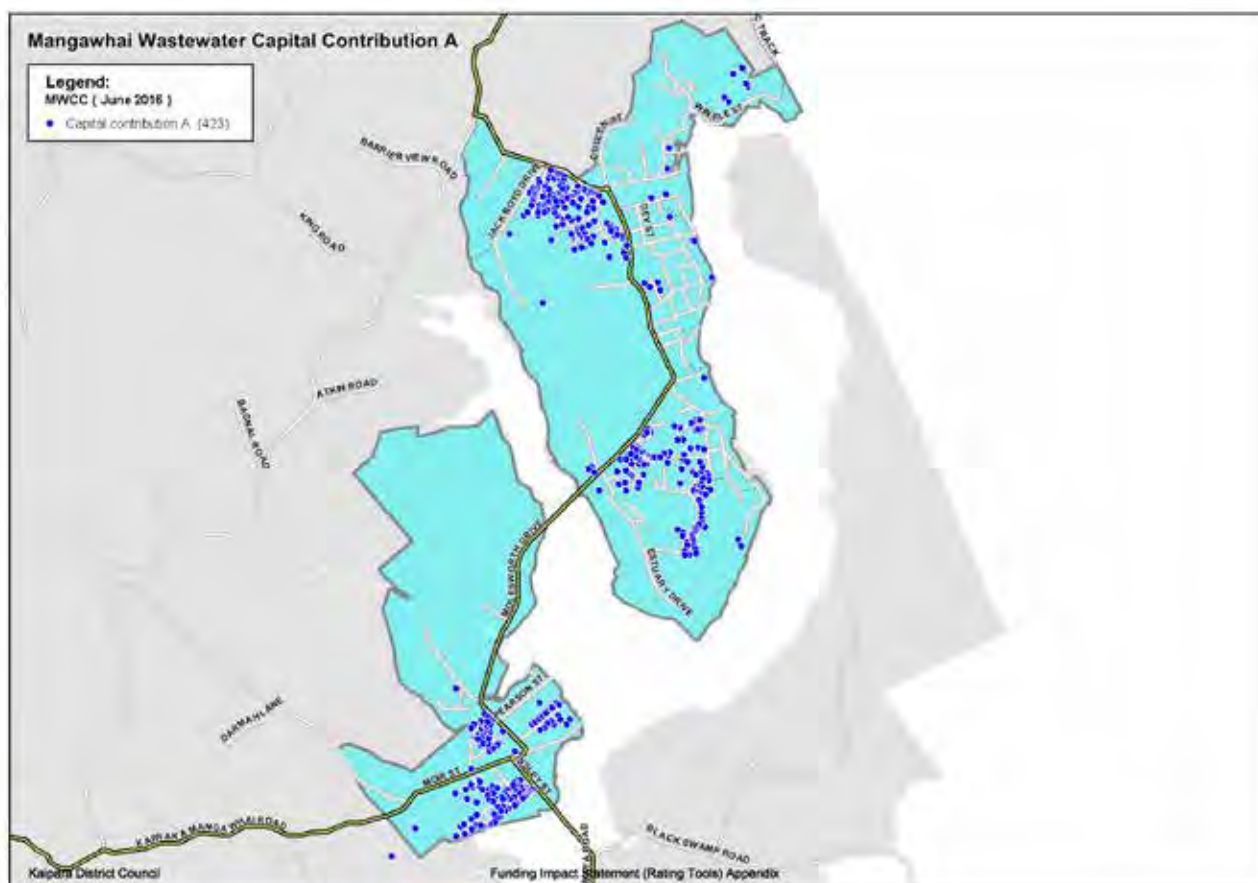


SECTION 3 | Accounting Information

Appendix - Maps



Ruawai Township next to the Northern Waikato River Photo: KDC



Valuation Location

122001352 - 49 Jack Boyd Drive
 122010203 - Wintle Street
 122010206 - Wintle Street
 122010211 - Wintle Street
 122010213 - Wintle Street
 122010215 - Wintle Street
 122010226 - Wintle Street
 122010228 - Wintle Street
 122010229 - Wintle Street
 122010230 - Wintle Street
 122010232 - Wintle Street
 122010233 - Wintle Street
 122010234 - Wintle Street
 122011305 - 61 Mangawhai Heads Road
 122011354 - 31A Jack Boyd Drive
 122011378 - 48A Driftwood Place
 122011381 - 44 Driftwood Place
 122011384 - 38 Driftwood Place
 122011385 - 36 Driftwood Place
 122011386 - 34 Driftwood Place
 122011387 - 32 Driftwood Place
 122011388 - 30 Driftwood Place
 122011392 - 27 Driftwood Place
 122011396 - 35 Driftwood Place
 122011398 - 2 Driftwood Place
 122011417 - 24 Driftwood Place
 122011419 - 19 Driftwood Place
 122011422 - 13 Driftwood Place
 122011430 - 7 Sandy Lane
 122011437 - 7 Marram Place
 122011444 - 48E Driftwood Place
 122011453 - 27 Spinifex Road
 122011458 - 17 Spinifex Road
 122011460 - 13 Spinifex Road
 122011465 - 3 Spinifex Road
 122011468 - 6 Spinifex Road
 122011470 - 10 Spinifex Road
 122011474 - 10 Marram Place
 122011476 - 16 Marram Place
 122011479 - 22 Marram Place
 122011487 - 3 Anchorage Road
 122011499 - 79B/1 Jack Boyd Drive
 122011516 - 63 Mangawhai Heads Road

Valuation Location

122011518 - 67 Mangawhai Heads Road
 122011519 - 69 Mangawhai Heads Road
 122011521 - 5 Parklands Ave
 122011522 - 7 Parklands Ave
 122011523 - 9 Parklands Ave
 122011524 - 11 Parklands Ave
 122011525 - 13 Parklands Ave
 122011526 - 15 Parklands Ave
 122011527 - 19 Parklands Ave
 122011528 - 21 Parklands Ave
 122011529 - 23 Parklands Ave
 122011530 - 25 Parklands Ave
 122011531 - 27 Parklands Ave
 122011532 - 29 Parklands Ave
 122011535 - 196 Thelma Road North
 122011537 - 200 Thelma Road North
 122011538 - 202 Thelma Road North
 122011541 - 208 Thelma Road North
 122011542 - 210 Thelma Road North
 122011545 - 214 Thelma Road North
 122011546 - 216 Thelma Road North
 122011547 - 18 Parklands Ave
 122011553 - 10 Hillside Ave
 122011555 - 6 Hillside Ave
 122011557 - 89 Mangawhai Heads Road
 122011558 - 87 Mangawhai Heads Road
 122011559 - 85 Mangawhai Heads Road
 122011560 - 83 Mangawhai Heads Road
 122011561 - 81 Mangawhai Heads Road
 122011564 - 4 Hillside Avenue
 122011566 - 2 Hillside Avenue
 122011567 - 14 Parklands Ave
 122011568 - 12 Parklands Ave
 122011569 - 10 Parklands Ave
 122011570 - 8 Parklands Ave
 122011574 - 209 Thelma Road North
 122011576 - 207 Thelma Road North
 122011577 - 205 Thelma Road North
 122011579 - 9 Jack Boyd Drive
 122011580 - 203 Thelma Road North
 122011581 - 201 Thelma Road North
 122011582 - 11 Jack Boyd Drive
 122011583 - 13 Jack Boyd Drive

Valuation Location

122011584 - 199 Thelma Road North
 122011585 - 197 Thelma Road North
 122011588 - 195 Thelma Road North
 122011589 - 193 Thelma Road North
 122011592 - 191 Thelma Road North
 122011599 - 183 Thelma Road North
 122011601 - 38 Mangawhai Heads Road
 122011605 - 190 Thelma Road North
 122011606 - 5 Thelma Road South
 122011607 - 7 Thelma Road South
 122011608 - 9 Thelma Road South
 122011610 - 13 Te Whai Street
 122011612 - 10 Thelma Road South
 122011613 - 8 Te Whai Street
 122011615 - 4 Te Whai Street
 122011617 - 186 Thelma Road North
 122011618 - 184 Thelma Road North
 122011619 - 182 Thelma Road North
 122011620 - 14 Te Whai Street
 122011621 - 5 Anchorage Road
 122011622 - 7A Anchorage Road
 122011624 - 9 Anchorage Road
 122011625 - 7C Anchorage Road
 122011627 - 3 Beachcomber Road
 122011628 - 5 Beachcomber Road
 122011629 - 7 Beachcomber Road
 122011630 - 9 Beachcomber Road
 122011633 - 4B Beachcomber Road
 122011634 - 4A Beachcomber Road
 122011640 - 23 Anchorage Road
 122011644 - 10 Anchorage Road
 122011645 - 8 Anchorage Road
 122011646 - 6 Anchorage Road
 122011648 - Thelma Road South
 122011654 - 16 Te Whai Street
 122011655 - 18 Te Whai Street
 122011695 - 17 Parklands Ave
 122011696 - Parklands Ave
 122011702 - 297 Molesworth Drive
 122011703 - 297A Molesworth Drive
 122011704 - 285B Molesworth Drive
 122011705 - 285A Molesworth Drive
 122011706 - Molesworth Drive

Valuation Location

122011713 - 4 Sailrock Drive
 122011714 - 6A Sailrock Drive
 122011716 - 6C Sailrock Drive
 122011718 - 6E Sailrock Drive
 122011719 - 6F Sailrock Drive
 122011720 - 8 Sailrock Drive
 122011812 - 289 Molesworth Drive
 122011870 - Molesworth Drive
 122011871 - 13 Sailrock Drive
 122011873 - 9 Sailrock Drive
 122011875 - 5 Sailrock Drive
 122011876 - 3 Sailrock Drive
 122012005 - 8 Thelma Road South
 122012006 - 6 Thelma Road South
 122012008 - 2 Thelma Road South
 122014257 - 4A Kahu Drive
 122100302 - 145C Wintle Street
 122100303 - 145D Wintle Street
 122100800 - 97 Wintle Street
 122101700 - 115 Wintle Street
 122105900 - 89 Wintle Street
 122116700 - 1A Doris Street
 122117800 - 8 Wintle Street
 122119802 - 53 Olsen Avenue
 122122702 - 37 Olsen Avenue
 122126600 - 25-29 Wharfedale Crescent
 122136900 - 264 Molesworth Drive
 122137101 - Molesworth Drive
 122138104 - 8A Fagan Place
 122138105 - Fagan Place
 122148301 - 34 North Avenue
 122148302 - 36 North Avenue
 122148303 - 38 North Avenue
 122150800 - Robert Street
 122168301 - 26 Heather Street
 122182414 - 48 Lincoln Street
 122182418 - 67A Lincoln Street
 122183601 - 26 Estuary Drive
 122183700 - 75 Moir Point Road
 122183703 - 104 Moir Point Road
 122183704 - 106 Moir Point Road
 122183705 - 108 Moir Point Road
 122183713 - Jordan Street
 122183715 - 6 Devon Street
 122183716 - 53 Moir Point Road
 122183717 - 10 Devon Street
 122183718 - 12 Devon Street
 122183719 - 55 Moir Point Road
 122183723 - 7B Cornwall Way
 122183724 - 9B Cornwall Way
 122183727 - 11 Cornwall Way
 122183728 - 9A Cornwall Way
 122183729 - 7A Cornwall Way
 122183731 - Devon Street
 122183732 - 18 Devon Street
 122183733 - 14 Cornwall Way
 122183735 - 10 Cornwall Way
 122183736 - 8 Cornwall Way
 122183737 - 6 Cornwall Way
 122183738 - 4 Cornwall Way
 122183744 - Moir Point Road
 122183745 - Moir Point Road
 122183746 - Moir Point Road
 122183748 - 85 Moir Point Road
 122183750 - Moir Point Road
 122183751 - Moir Point Road
 122183752 - Moir Point Road
 122183754 - Moir Point Road
 122183755 - Moir Point Road
 122183756 - 101 Moir Point
 122183757 - Moir Point Road
 122183758 - 3 Jordan Street
 122183759 - 5 Jordan Street
 122183760 - 7 Jordan Street
 122183761 - 9 Jordan Street
 122183762 - 11 Jordan Street
 122183763 - 13 Jordan Street
 122183764 - 15 Jordan Street
 122183766 - 4 Molesworth Drive
 122183768 - 10 Jordan Street
 122183770 - 14 Jordan Street
 122183771 - 10 Jordan Street

Valuation Location

122183808 - 7 Nautical Heights
 122183810 - 11 Kawanu Lane
 122183811 - 13 Nautical Heights
 122183813 - 17 Nautical Heights
 122183814 - 19 Nautical Heights
 122183815 - 21 Nautical Heights
 122183817 - 22 Nautical Heights
 122183818 - 20 Nautical Heights
 122183819 - 18 Nautical Heights
 122183820 - 16 Nautical Heights
 122183821 - 14 Nautical Heights
 122183822 - 12 Nautical Heights
 122183823 - 10 Nautical Heights
 122183824 - 8 Nautical Heights
 122183825 - 6 Nautical Heights
 122183826 - 4 Nautical Heights
 122183827 - 2 Nautical Heights
 122183828 - 1 Kawanu Lane
 122183830 - 5 Kawanu Lane
 122183831 - 7 Kawanu Lane
 122183832 - 8 Kawanu Lane
 122183833 - 9 Kawanu Lane
 122183834 - 6 Kawanu Lane
 122183835 - 4 Kawanu Lane
 122183860 - 10 Norfolk Drive
 122183874 - 18B Norfolk Drive
 122183881 - 24E Norfolk Drive
 122183885 - 23 Norfolk Drive
 122183895 - 9A Norfolk Drive
 122183901 - 2 Quail Way
 122183902 - 45 Seabreeze Road
 122183906 - 56 Norfolk Drive
 122183909 - 16 Quail Way
 122183912 - 13-17 Quail Way
 122183914 - 1 Quail Way
 122183918 - 48 Moir Point Road
 122183923 - 5 Quail Way
 122183924 - 3 Quail Way
 122183927 - 40C Moir Point Road
 122183928 - 40A Moir Point Road
 122183930 - 38 Moir Point Road
 122183943 - 19 Quail Way
 122183945 - 56A Moir Point Road
 122183946 - 56 Moir Point Road
 122183948 - 52 Moir Point Road
 122183949 - 50 Moir Point Road
 122183963 - 18C Quail Way
 122183977 - 31 Seabreeze Road
 122183978 - 29D Seabreeze Road
 122183981 - 29A Seabreeze
 122183986 - 34 Seabreeze
 122183992 - 46 Seabreeze
 122183993 - 48 Seabreeze
 122183994 - 50 Seabreeze Road
 122183998 - 58 Seabreeze Road
 122184018 - 28 Norfolk Drive
 122184021 - 33 Norfolk Drive
 122184022 - 35 Norfolk Drive
 122184023 - 37 Norfolk Drive
 122184024 - 39 Norfolk Drive
 122184029 - 46D Norfolk Drive
 122184035 - 40C Norfolk Drive
 122184044 - 34D Norfolk Drive
 122184071 - 4 Quail Way
 122184074 - 4 Bodan Lane
 122184075 - 3 Bodan Lane
 122184076 - 1 Bodan Lane
 122184082 - 8 Quail Way
 122184084 - 40 Moir Point Road
 122184090 - Moir Point Road
 122184101 - 3 Seabreeze
 122184102 - 5B Seabreeze Road
 122184103 - 5A Seabreeze
 122184104 - 7 Seabreeze Road
 122184105 - 9B Seabreeze Road
 122184106 - 9A Seabreeze Road
 122184108 - 13 Seabreeze Road
 122184109 - 15 Seabreeze Road
 122184110 - 17 Seabreeze Road
 122184111 - 19 Seabreeze Road
 122184113 - 23 Seabreeze Road
 122184120 - 18 Seabreeze Road

Valuation Location

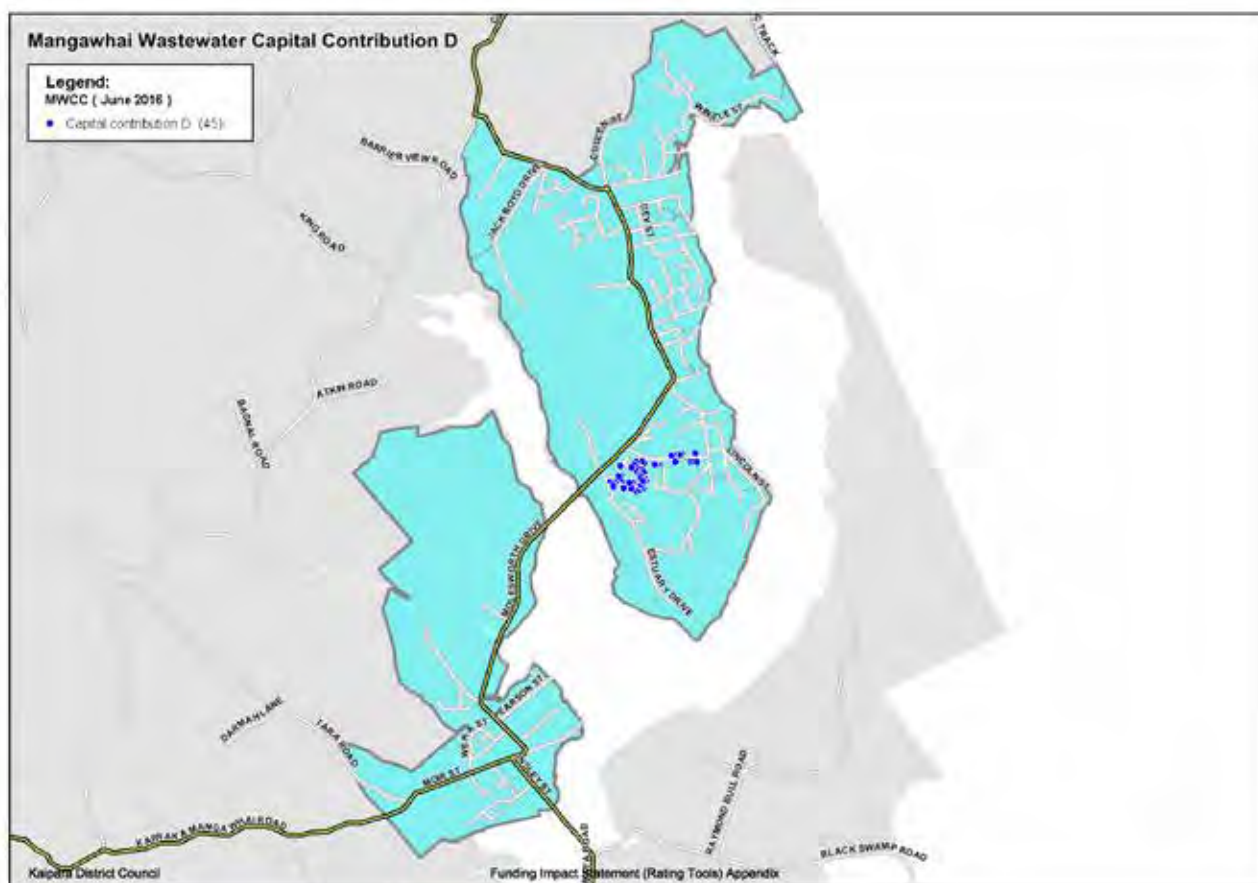
122184121 - 20 Seabreeze Road
 122184124 - 10 Seabreeze Road
 122184125 - 8 Seabreeze Road
 122184126 - 6 Seabreeze Road
 122184218 - 2 Seabreeze Road
 122186400 - 40 Pearson Street
 122188700 - 5 Dune View Drive
 122188706 - 6 Moir Street
 122188712 - 9 Dune View Drive
 122188713 - 11 Dune View Drive
 122188714 - 13 Dune View Drive
 122188715 - 15 Dune View Drive
 122188716 - 17 Dune View Drive
 122188717 - 19 Dune View Drive
 122188718 - 21 Dune View Drive
 122188719 - 23 Dune View Drive
 122188720 - 25 Dune View Drive
 122188721 - 24 Dune View Drive
 122188722 - 22 Dune View Drive
 122188723 - 18 Dune View Drive
 122188724 - 20 Dune View Drive
 122188725 - 3/16 Dune View Drive
 122188726 - 14 Dune View Drive
 122188732 - Dune View Drive
 0122191100B - 43 Moir Street
 0122191100C - 43 Moir Street
 0122191100D - 43 Moir Street
 122191600 - 14 Insley Street
 122191601 - 16A Insley Street
 122191602 - 16B Insley Street
 122191608 - 30 Insley Street
 122191610 - 3 Kedge Drive
 122191611 - 5 Kedge Drive
 122191612 - 7 Kedge Drive
 122191613 - 9 Kedge Drive
 122191614 - 11 Kedge Drive
 122191618 - 19 Kedge Drive
 122191619 - 4 Kedge Drive
 122191620 - 6 Kedge Drive
 122191621 - 8A Kedge Drive
 122191622 - 8B Kedge Drive
 122191623 - 10 Kedge Drive
 122191624 - 12 Kedge Drive
 122191625 - 14 Kedge Drive
 122191628 - 6 Halyard Way
 122191630 - 8B Halyard Way
 122191631 - 8C Halyard Way
 122191632 - 10 Halyard Way
 122191636 - 7 Halyard Way
 122191638 - 7A Halyard Way
 122191641 - 20 Kedge Drive
 122191642 - 22 Kedge Drive
 122191643 - 24 Kedge Drive
 122191645 - 28 Kedge Drive
 122191646 - 30A Kedge Drive
 122191647 - 30B Kedge Drive
 122191648 - 32 Kedge Drive
 122191651 - 36B Kedge Drive
 122191654 - 42 Kedge Drive
 122191659 - 21 Kedge Drive
 122191663 - 27B Kedge Drive
 122191664 - 27C Kedge Drive
 122191667 - 33 Kedge Drive
 122191669 - 37 Kedge Drive
 122191675 - 5 Spinnaker Lane
 122191677 - 11-13 Spinnaker Lane
 122191679 - 20 Spinnaker Lane
 122191680 - 18 Spinnaker Lane
 122191681 - 14-16 Spinnaker Lane
 122191684 - 10 Spinnaker Lane
 122191685 - 6 Spinnaker Lane
 122191687 - 6B Spinnaker Lane
 122191688 - 6A Spinnaker Lane
 122191691 - 53 Kedge Drive
 122191692 - 55-61 Kedge Drive
 122191693 - 65-68 Kedge Drive
 122191695 - 69 Kedge Drive
 122191696 - 71 Kedge Drive
 122191698 - 74 Kedge Drive
 122191699 - 71 Kedge Drive
 122191706 - 62-64 Kedge Drive
 122191707 - 60 Kedge Drive

Valuation Location

122191711 - 66 Kedge Drive
 122193402 - 4 Ruby Lane
 122193403 - 6 Ruby Lane
 122193405 - 1 Herons Lane
 122193407 - 2 Herons Lane
 122193409 - 9 Herons Lane
 122193411 - 3 Ruby Lane
 122193412 - 1 Ruby Lane
 122194001 - 8 Kagan Ave
 122194003 - 61 Moir Street
 122194006 - 7 Kagan Ave
 122194007 - 9 Kagan Ave
 122194009 - 15 Kagan Ave
 122194010 - 17 Kagan Ave
 122194018 - 6 Kagan Ave
 122194026 - 61D Moir Street
 122194027 - 61E Moir Street
 122194200 - 71 Moir Street
 122194201 - 71 Moir Street
 122194202 - 69 Moir Street
 122194203 - 69 Moir Street
 122195101 - Moir Street
 122195400 - 42 Moir Street
 122195606 - 19 Longview Street
 122195607 - 21 Molesworth Drive
 122195609 - 17 Molesworth Drive
 122195610 - 15 Molesworth Drive
 122195611 - Molesworth Drive
 122195612 - 9 Longview Street
 122195613 - 11 Longview Street
 122195615 - 15 Longview Street
 122195618 - 14 Longview Street
 122195619 - 16 Longview Street
 122195620 - 15 Weka Street
 122195621 - 13 Weka Street
 122195622 - 11 Weka Street
 122195623 - 9 Weka Street
 122195624 - 2 Kakapo Place
 122195625 - 4 Kakapo Place
 122195626 - 6 Kakapo Place
 122195629 - 9 Kakapo Place
 122195630 - 7 Kakapo Place
 122195633 - 1 Kakapo Place
 122195634 - 2 Longview Street
 122195640 - 8 Weka Street
 122195641 - 10 Weka Street
 122195642 - 12 Weka Street
 122195643 - 14 Weka Street
 122195644 - 4 Takahe Place
 122195645 - 6A Takahe Place
 122195646 - 6B Takahe Place
 122195647 - 8 Takahe Place
 122195652 - 7 Takahe Place
 122195654 - 3B Takahe Place
 122195655 - 3A Takahe Place
 122195656 - 18 Weka Street
 122195659 - 22B Weka Street
 0122195666 - 70 Moir Street
 0122191100B - 1 Moir Street
 0122191100C - 1 Moir Street
 0122191100D - 1 Moir Street
 122011391 - 25 Driftwood Place
 122011410 - 20F Driftwood Place
 122011414 - 20B Driftwood Place
 122011416 - 22 Driftwood Place
 122011471 - 12 Spinifex Road
 122011536 - 198 Thelma Road North
 122011539 - 204 Thelma Road North
 122011540 - 206 Thelma Road North
 122011548 - 16 Parklands Avenue
 122011571 - 6 Parklands Avenue
 122011578 - 7 Jack Boyd Drive
 122011595 - 25 Jack Boyd Drive
 122011647 - 4 Anchorage Road
 122011717 - 6D Sailrock Drive
 122011872 - 11 Sailrock Drive
 122011874 - 7 Sailrock Drive
 122104400 - 8 Pearl Street
 122166200 - 216 Molesworth Drive
 122182218 - 27C Devon Street
 122183726 - 65 Moir Point Road
 122183734 - 12 Cornwall Way

Valuation Location

122183740 - 22 Devon Street
 122183753 - Moir Point Road
 122183767 - 6 Jordan Street
 122183867 - 8D Norfolk Drive
 122183903 - Moir Point Road
 122183916 - 40B Moir Point Road
 122183929 - 36 Moir Point Road
 122183947 - 54 Moir Point Road
 122184033 - 42 Norfolk Drive
 122184107 - 11 Seabreeze Road
 122191604 - 20 Insley Street
 122191617 - 17 Kedge Drive
 122191649 - 34 Kedge Drive
 122191657 - 48 Kedge Drive
 122191658 - 50 Kedge Drive
 122191670 - 39 Kedge Drive
 122191708 - 56 Kedge Drive
 122191709 - 52-54 Kedge Drive
 122193410 - 5 Ruby Lane
 122194013 - 16 Kagan Avenue
 122194025 - 61C Moir Street
 122195614 - 13 Longview Street
 122195665 - 26 Weka Street

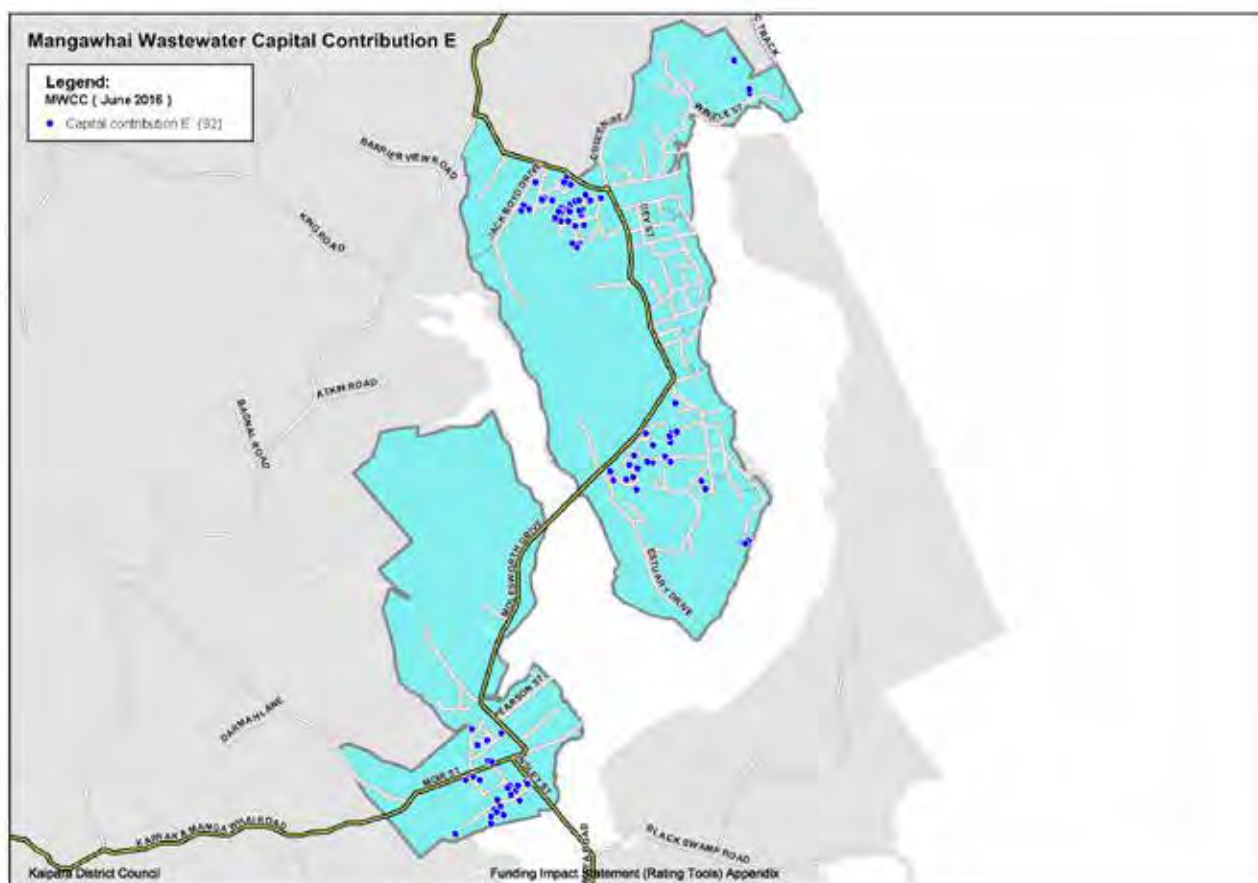


Valuation Location

0122183861 - 6 Norfolk Drive, Mangawhai
 0122183863 - 2 Norfolk Drive, Mangawhai
 0122183864 - 8A Norfolk Drive, Mangawhai
 0122183865 - 8B Norfolk Drive, Mangawhai
 0122183873 - 16 Norfolk Drive, Mangawhai
 0122183876 - 22 Norfolk Drive, Mangawhai
 0122183878 - 24B Norfolk Drive, Mangawhai
 0122183880 - 24D Norfolk Drive, Mangawhai
 0122183883 - 27 Norfolk Drive, Mangawhai
 0122183884 - 25 Norfolk Drive, Mangawhai
 0122183888 - 19 Norfolk Drive, Mangawhai
 0122183889 - 17 Norfolk Drive, Mangawhai
 0122183891 - 15A Norfolk Drive, Mangawhai
 0122183892 - 13 Norfolk Drive, Mangawhai
 0122183944 - 59 Seabreeze Road, Mangawhai
 0122183968 - 43 Seabreeze Road, Mangawhai
 0122183969 - 41 Seabreeze Road, Mangawhai
 0122183975 - 35 Seabreeze Road, Mangawhai
 0122183976 - 33 Seabreeze Road, Mangawhai
 0122183989 - 40 Seabreeze Road, Mangawhai
 0122183995 - 52 Seabreeze Road, Mangawhai
 0122183996 - 54 Seabreeze Road, Mangawhai
 0122183997 - 56 Seabreeze Road, Mangawhai
 0122184015 - 30C Norfolk Drive, Mangawhai
 0122184016 - 30B Norfolk Drive, Mangawhai
 0122184017 - 30A Norfolk Drive, Mangawhai
 0122184027 - 45 Norfolk Drive, Mangawhai
 0122184031 - 46B Norfolk Drive, Mangawhai
 0122184032 - 46A Norfolk Drive, Mangawhai
 0122184037 - 40A Norfolk Drive, Mangawhai
 0122184038 - 38 Norfolk Drive, Mangawhai
 0122184040 - 34H Norfolk Drive, Mangawhai
 0122184041 - 34G Norfolk Drive, Mangawhai
 0122184043 - 34E Norfolk Drive, Mangawhai
 0122184045 - 34C Norfolk Drive, Mangawhai
 0122184046 - 34B Norfolk Drive, Mangawhai
 0122184047 - 34A Norfolk Drive, Mangawhai
 0122184048 - 32 Norfolk Drive, Mangawhai
 0122184049 - 30F Norfolk Drive, Mangawhai
 0122184051 - 44 Norfolk Drive, Mangawhai
 0122184114 - 28 Seabreeze Road, Mangawhai

Valuation Location

0122184115 - 26 Seabreeze Road, Mangawhai
 0122184116 - 24 Seabreeze Road, Mangawhai
 0122184122 - 14 Seabreeze Road, Mangawhai
 0122184123 - 12 Seabreeze Road, Mangawhai
 0122183866 - 8C Norfolk Drive, Mangawhai
 0122183868 - 8E Norfolk Drive, Mangawhai
 0122183890 - 15B Norfolk Drive, Mangawhai
 0122183896 - 7 Norfolk Drive, Mangawhai
 0122183973 - 39A Seabreeze Road, Mangawhai



Valuation Location

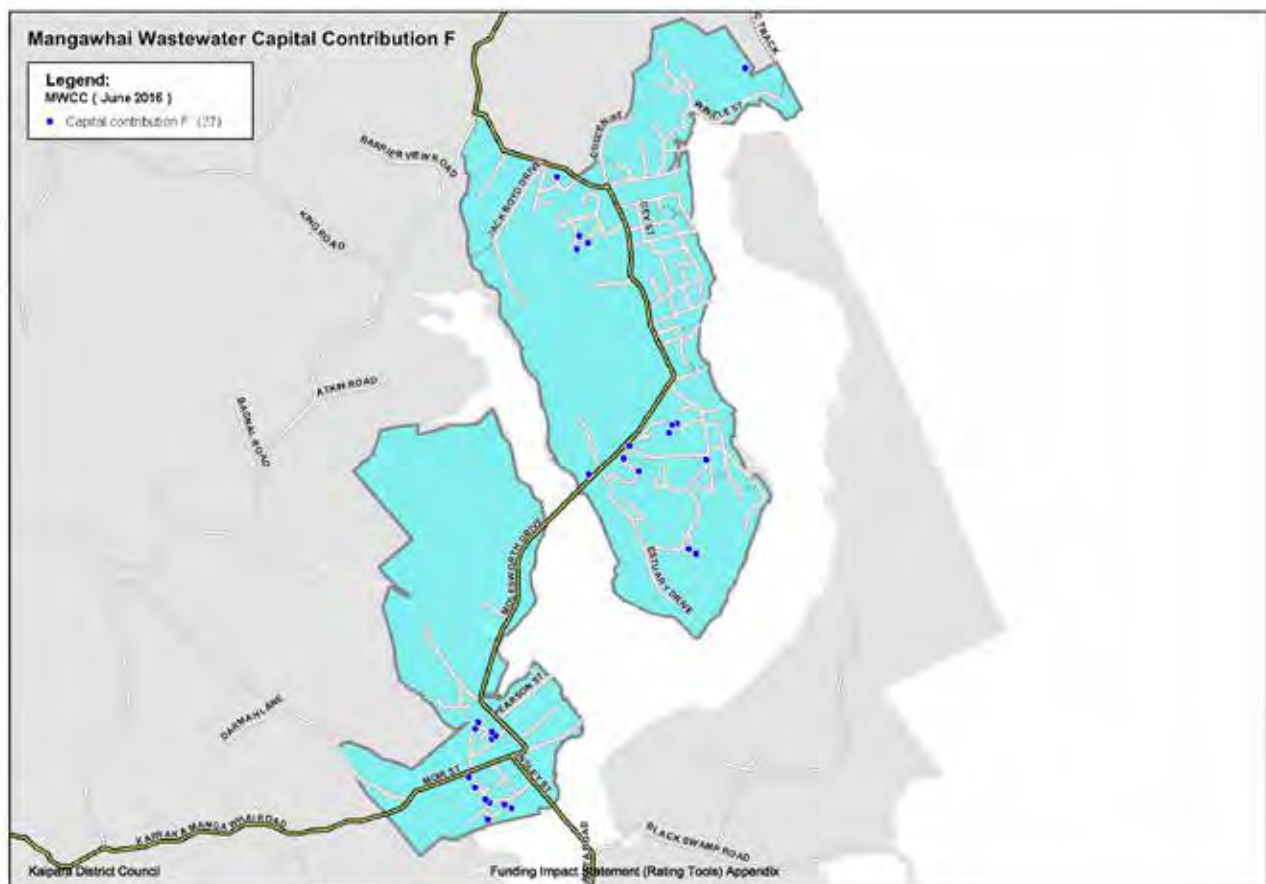
0122010201 - Wintle Street, Mangawhai
 0122011377 - 48B Driftwood Place, Mangawhai
 0122011379 - 48 Driftwood Place, Mangawhai
 0122011380 - 46 Driftwood Place, Mangawhai
 0122011383 - 40 Driftwood Place, Mangawhai
 0122011389 - 28 Driftwood Place, Mangawhai
 0122011393 - 29 Driftwood Place, Mangawhai
 0122011400 - 43 Driftwood Place, Mangawhai
 0122011439 - 11 Marram Place, Mangawhai
 0122011446 - 52 Driftwood Place, Mangawhai
 0122011447 - 54 Driftwood Place, Mangawhai
 0122011452 - 29 Spinifex Road, Mangawhai
 0122011454 - 25 Spinifex Road, Mangawhai
 0122011455 - 23 Spinifex Road, Mangawhai
 0122011456 - 21 Spinifex Road, Mangawhai
 0122011457 - 19 Spinifex Road, Mangawhai
 0122011459 - 15 Spinifex Road, Mangawhai
 0122011461 - 11 Spinifex Road, Mangawhai
 0122011462 - 9 Spinifex Road, Mangawhai
 0122011467 - 4 Spinifex Road, Mangawhai
 0122011472 - 14 Spinifex Road, Mangawhai
 0122011477 - 18 Marram Place, Mangawhai
 0122011484 - 17 Marram Place, Mangawhai
 0122011534 - 33 Parklands Avenue, Mangawhai
 0122011562 - 79 Mangawhai Heads Road, Mangawhai
 0122011565 - 4A Hillside Avenue, Mangawhai
 0122011572 - 4 Parklands Avenue, Mangawhai
 0122011575 - 5 Jack Boyd Drive, Mangawhai
 0122011593 - 189 Thelma Road North, Mangawhai
 0122011594 - 23 Jack Boyd Drive, Mangawhai
 0122011596 - 187 Thelma Road North, Mangawhai
 0122011598 - 29 Jack Boyd Drive, Mangawhai
 0122011603 - 194 Thelma Road North, Mangawhai
 0122011609 - 11 Te Whai Street, Mangawhai
 0122011635 - 2 Beachcomber Road, Mangawhai
 0122011636 - 17 Anchorage Road, Mangawhai
 0122011637 - 19 Anchorage Road, Mangawhai
 0122011642 - 14 Anchorage Road, Mangawhai
 0122100300 - 145 Wintle Street, Mangawhai
 0122100301 - 145B Wintle Street, Mangawhai
 0122169802 - Moir Point Road, Mangawhai

Valuation Location

0122182415 - 65 Lincoln Street, Mangawhai
 0122182420 - Lincoln Street, Mangawhai
 0122182421 - 65 Lincoln Street, Mangawhai
 0122183720 - 61 Moir Point Road, Mangawhai
 0122183730 - 20A Cornwall Way, Mangawhai
 0122183807 - 5 Nautical Heights, Mangawhai
 0122183829 - 3 Kawau Lane, Mangawhai
 0122183862 - 4 Norfolk Drive, Mangawhai
 0122183879 - 24C Norfolk Drive, Mangawhai
 0122183887 - 21A Norfolk Drive, Mangawhai
 0122183887 - 21A Norfolk Drive, Mangawhai
 0122183894 - 9B Norfolk Drive, Mangawhai
 0122183907 - Molesworth Drive, Mangawhai
 0122183911 - 31 Quail Way, Mangawhai
 0122183925 - 22 Quail Way, Mangawhai
 0122183926 - 24 Quail Way, Mangawhai
 0122183934 - 28 Quail Way, Mangawhai
 0122183960 - 5 Sandpiper Lane, Mangawhai Heads
 0122183967 - 20 Quail Way, Mangawhai
 0122183982 - 27 Seabreeze Road, Mangawhai
 0122183987 - 36 Seabreeze Road, Mangawhai
 0122184020 - 31 Norfolk Drive, Mangawhai
 0122184028 - 48 Norfolk Drive, Mangawhai
 0122184034 - 40D Norfolk Drive, Mangawhai
 0122184118 - 22A Seabreeze Road, Mangawhai
 0122184119 - 16 Seabreeze Road, Mangawhai
 0122184127 - 4 Seabreeze Road, Mangawhai
 0122191605 - 22 Insley Street, Mangawhai
 0122191606 - 24 Insley Street, Mangawhai
 0122191616 - 15 Kedge Drive, Mangawhai
 0122191627 - 4 Halyard Way, Mangawhai
 0122191629 - 8A Halyard Way, Mangawhai
 0122191633 - 12 Halyard Way, Mangawhai
 0122191635 - 9 Halyard Way, Mangawhai
 0122191640 - 3 Halyard Way, Mangawhai
 0122191652 - 38 Kedge Drive, Mangawhai
 0122191668 - 35 Kedge Drive, Mangawhai
 0122191671 - 41 Kedge Drive, Mangawhai
 0122191674 - 3 Spinnaker Lane, Mangawhai
 0122191676 - 9 Spinnaker Lane, Mangawhai
 0122191678 - 22 Spinnaker Lane, Mangawhai

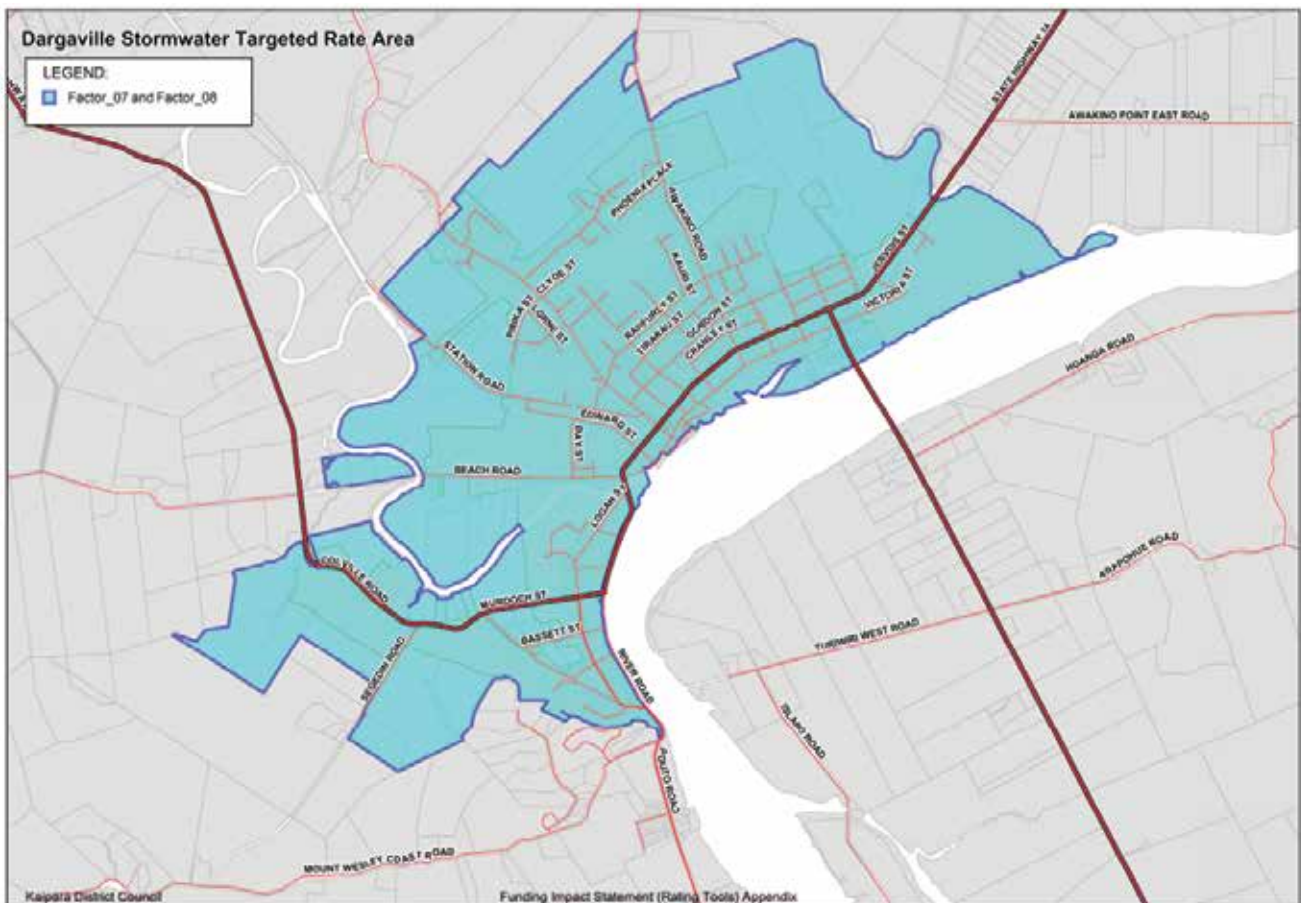
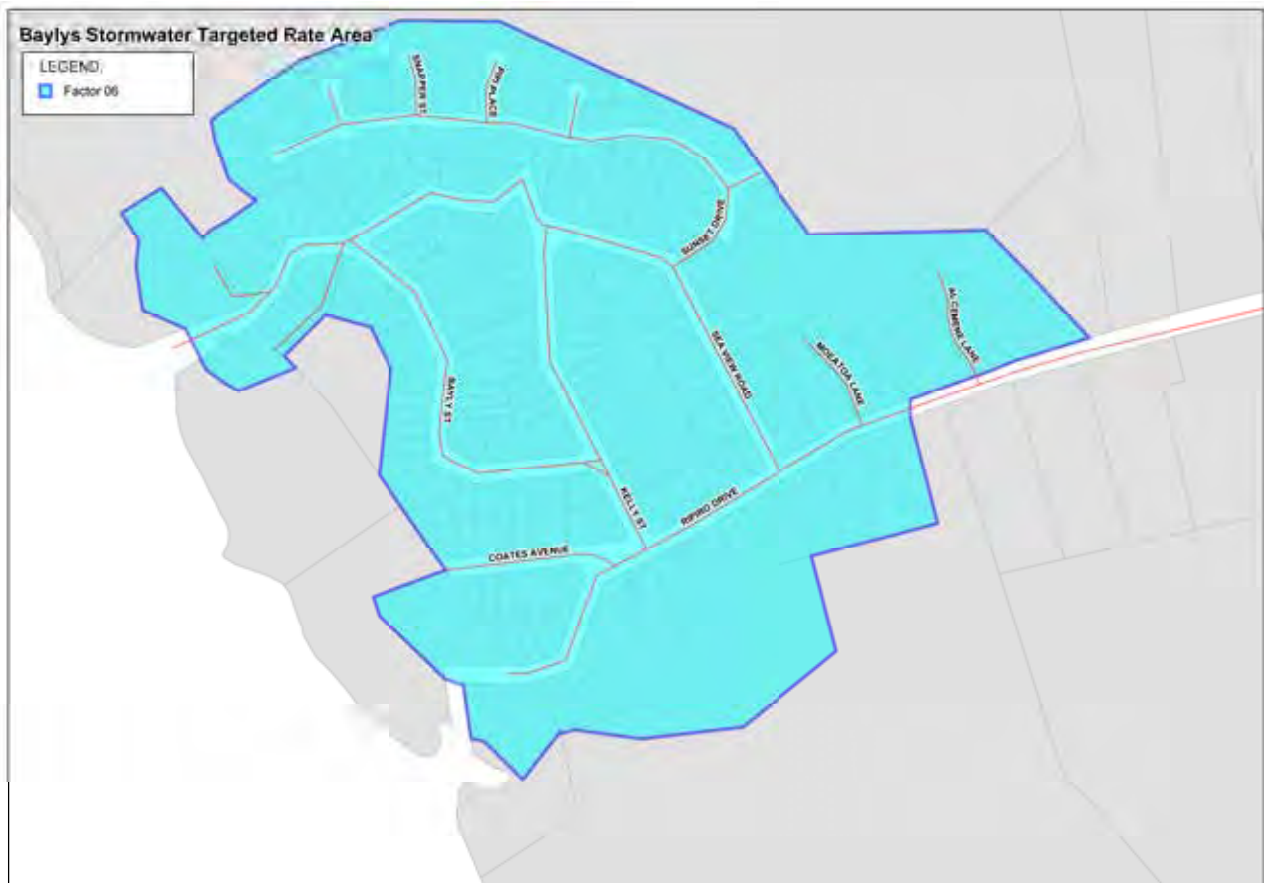
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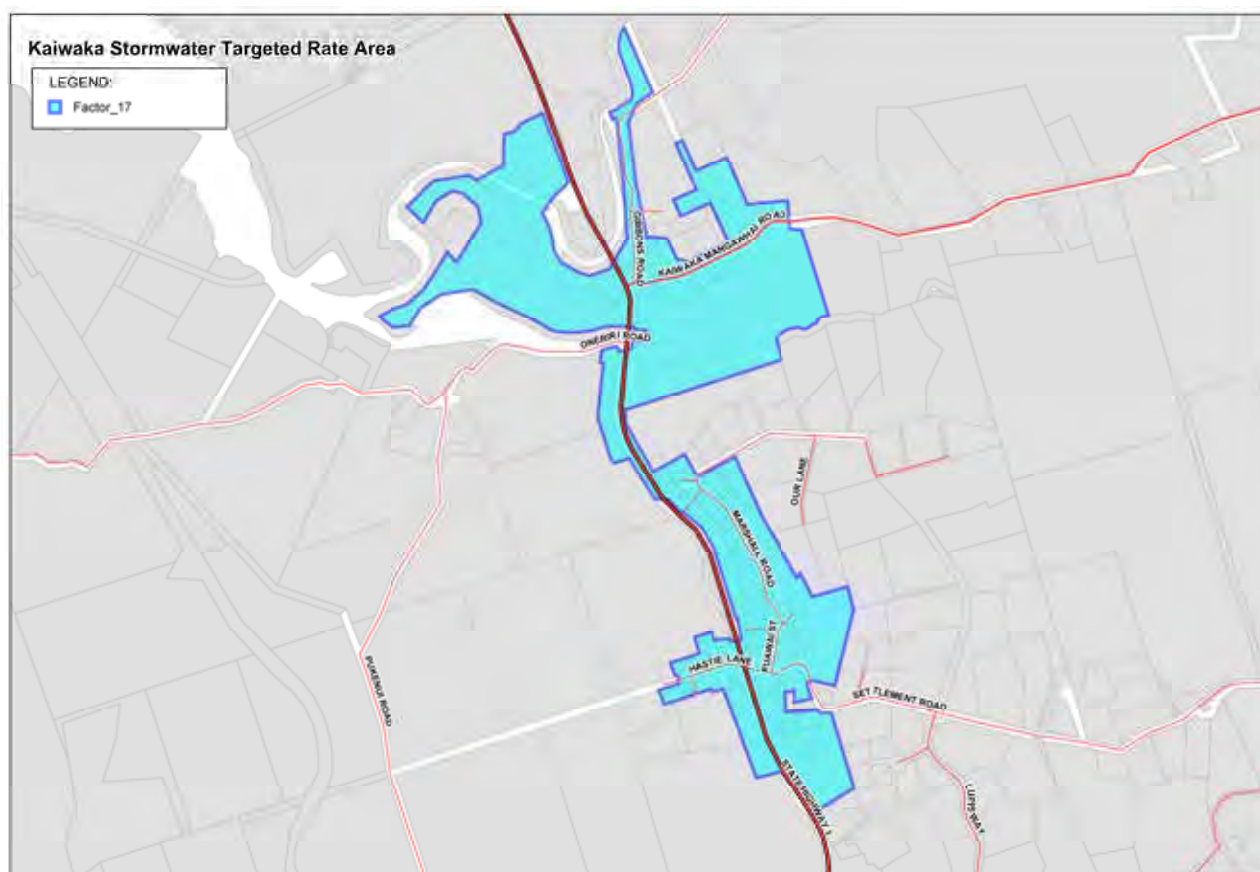
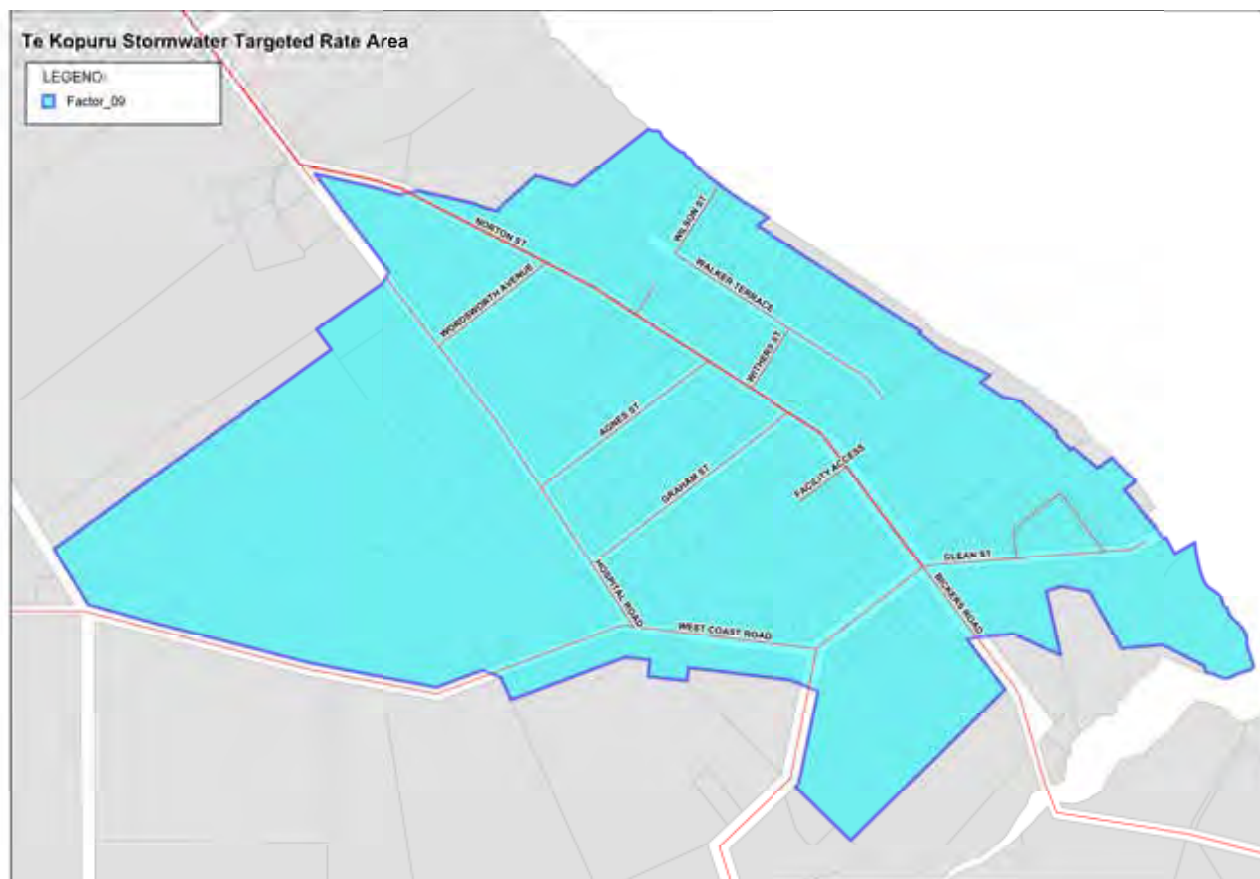
0122191683 - 12 Spinnaker Lane, Mangawhai
 0122191697 - 78 Kedge Drive, Mangawhai
 0122194000 - 1 Kagan Avenue, Mangawhai
 0122194020 - 65 Moir Street, Mangawhai
 0122194023 - 61A Moir Street, Mangawhai
 0122194024 - 61B Moir Street, Mangawhai
 0122195001 - 58 Moir Street, Mangawhai
 0122195006 - 56 Moir Street, Mangawhai
 0122195628 - 11 Kakapo Place, Mangawhai
 0122195632 - 3 Kakapo Place, Mangawhai
 0122195635 - 4 Longview Street, Mangawhai
 0122195658 - 22A Weka Street, Mangawhai
 0122011394 - 31 Driftwood Place, Mangawhai
 0122011438 - 9 Marram Place, Mangawhai
 0122011563 - 77 Mangawhai Heads Road, Mangawhai
 0122011587 - 17 Jack Boyd Drive, Mangawhai
 0122183936 - 32 Quail Way, Mangawhai
 0122195651 - 9A Takahe Place, Mangawhai

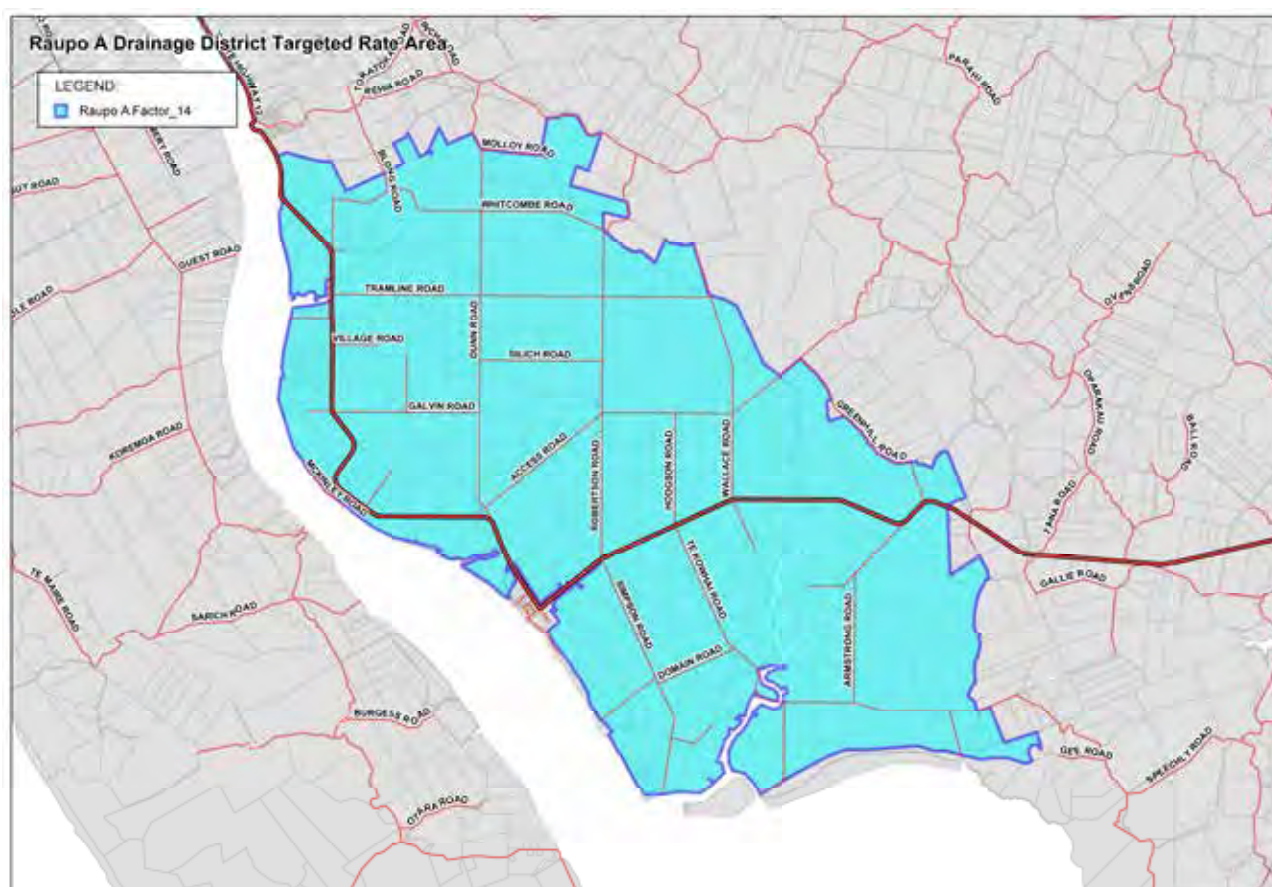
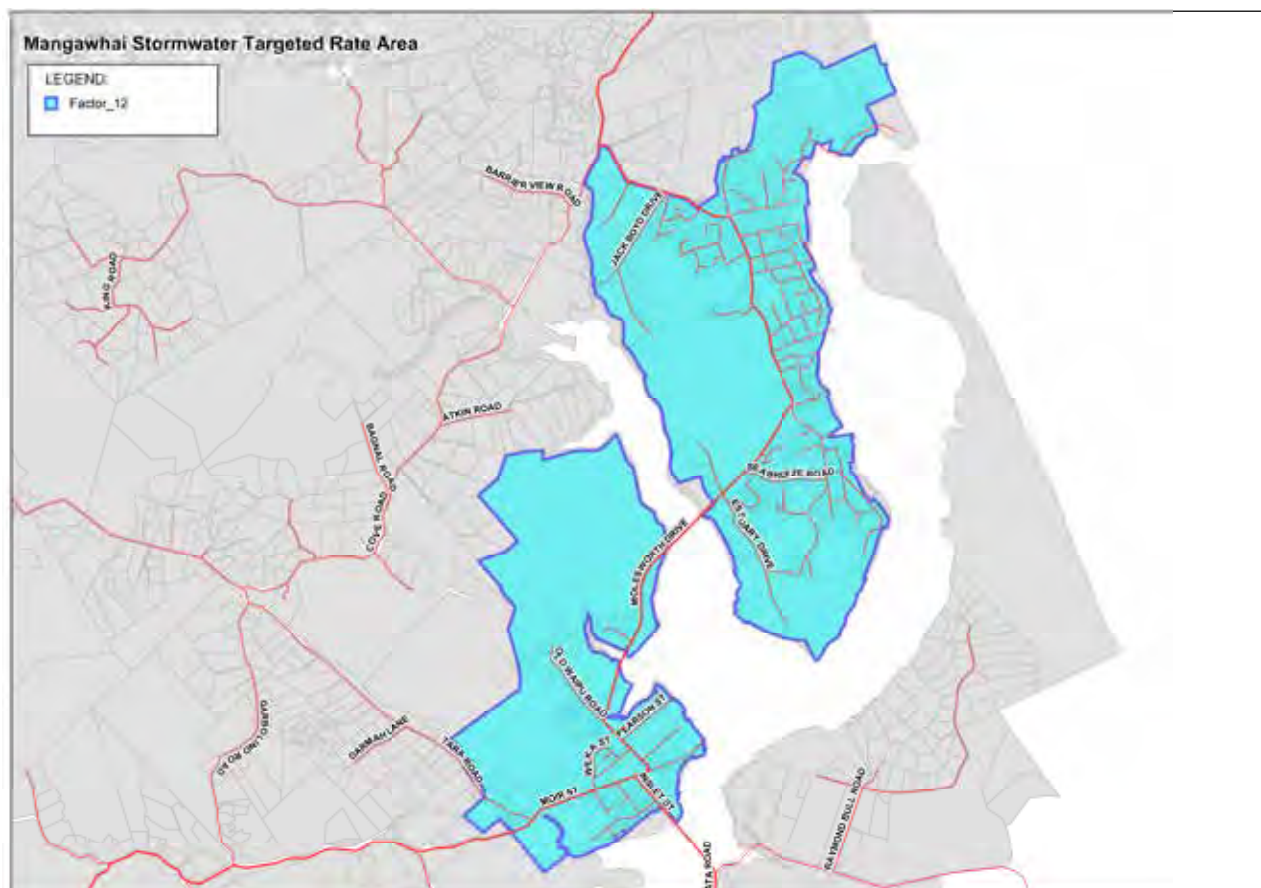


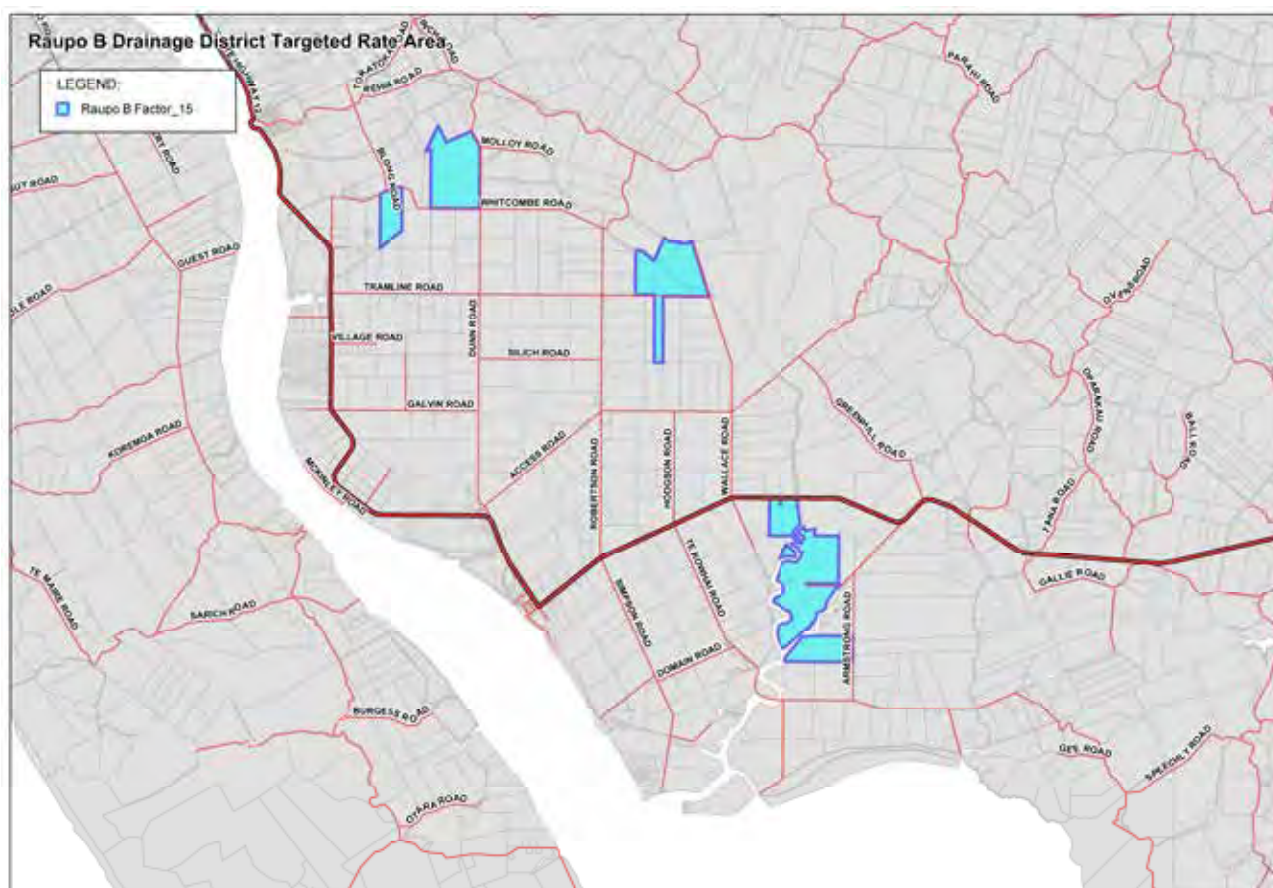
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80%	80%
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60%	60%
50%	50%
40%	40%
30%	30%
20%	20%
10%	10%
0%	0%

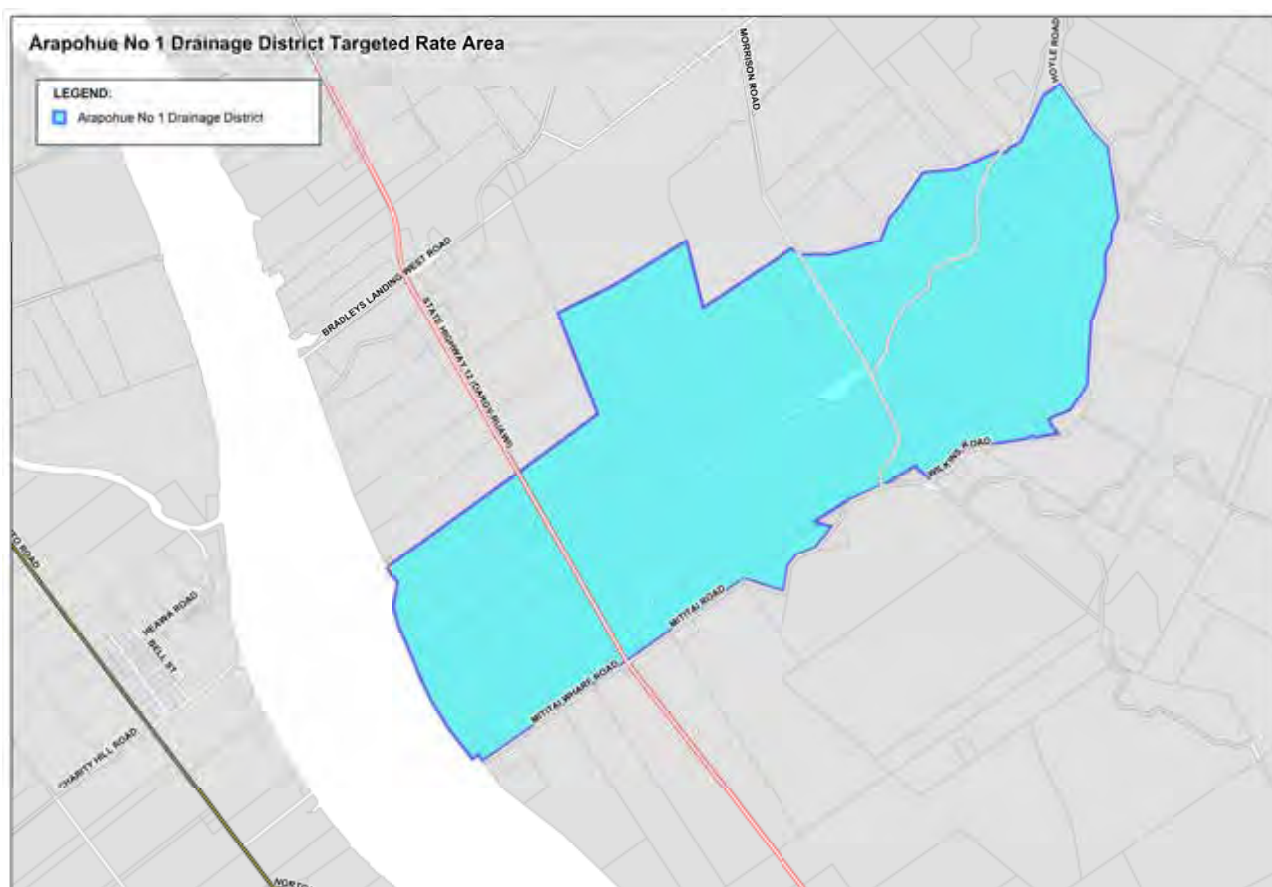
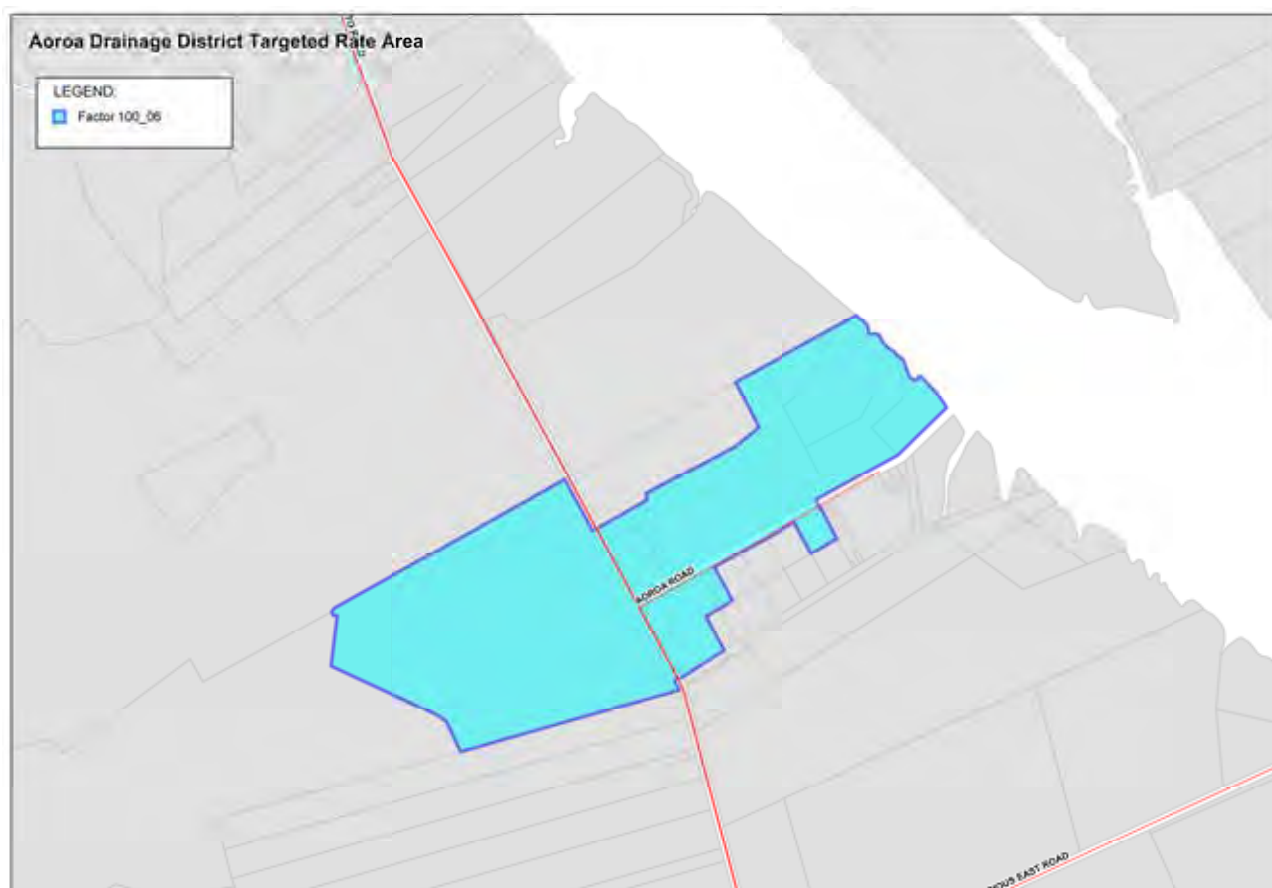
0122010225 - 2 Sandbar Close, Mangawhai
0122011554 - 8 Hillside Avenue, Mangawhai
0122011626 - 11 Anchorage Road, Mangawhai
0122011626 - 11 Anchorage Road, Mangawhai
0122011631 - 8 Beachcomber Road, Mangawhai
0122012007 - 4A Thelma Road South, Mangawhai
0122183765 - 17 Jordan Street, Mangawhai
0122183769 - 8 Jordan Street, Mangawhai
0122183899 - 46 Moir Point Road, Mangawhai
0122183900 - 1 Seabreeze Road, Mangawhai
0122183910 - 26 Quail Way, Mangawhai
0122183961 - 18A Quail Way, Mangawhai
0122183964 - 18D Quail Way, Mangawhai
0122184039 - 36 Norfolk Drive, Mangawhai
0122184077 - 54 Norfolk Drive, Mangawhai
0122191656 - 46 Kedge Drive, Mangawhai
0122191662 - 27A Kedge Drive, Mangawhai
0122191666 - 31 Kedge Drive, Mangawhai
0122191686 - 8 Spinnaker Lane, Mangawhai
0122194011 - 20 Kagan Avenue, Mangawhai
0122194016 - 10 Kagan Avenue, Mangawhai
0122194021 - 2 Kagan Avenue, Mangawhai
0122195617 - 12 Longview Street, Mangawhai
0122195631 - 5 Kakapo Place, Mangawhai
0122195637 - 8 Longview Street, Mangawhai
0122195639 - 6 Weka Street, Mangawhai
0122195653 - 5 Takahe Place, Mangawhai
0122195657 - 20 Weka Street, Mangawhai

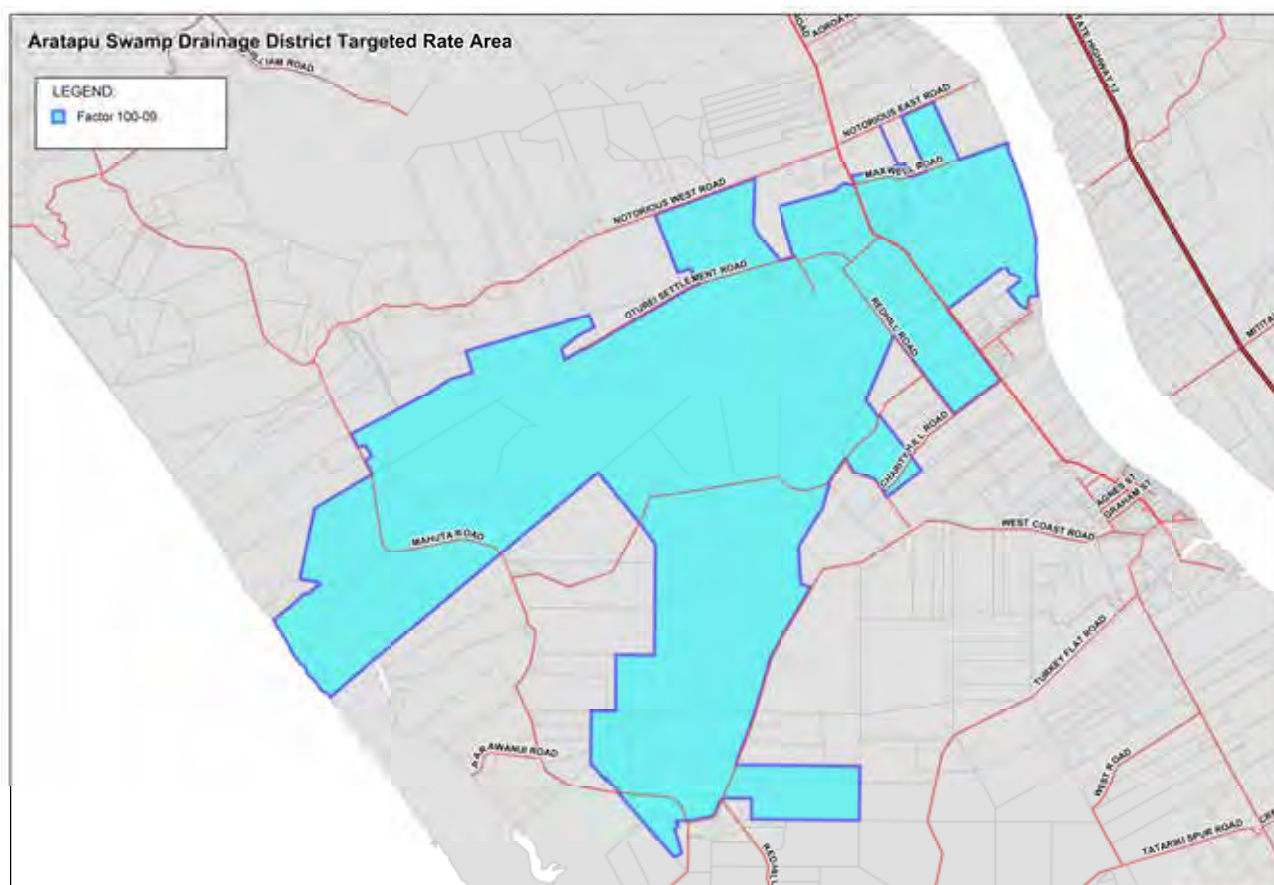
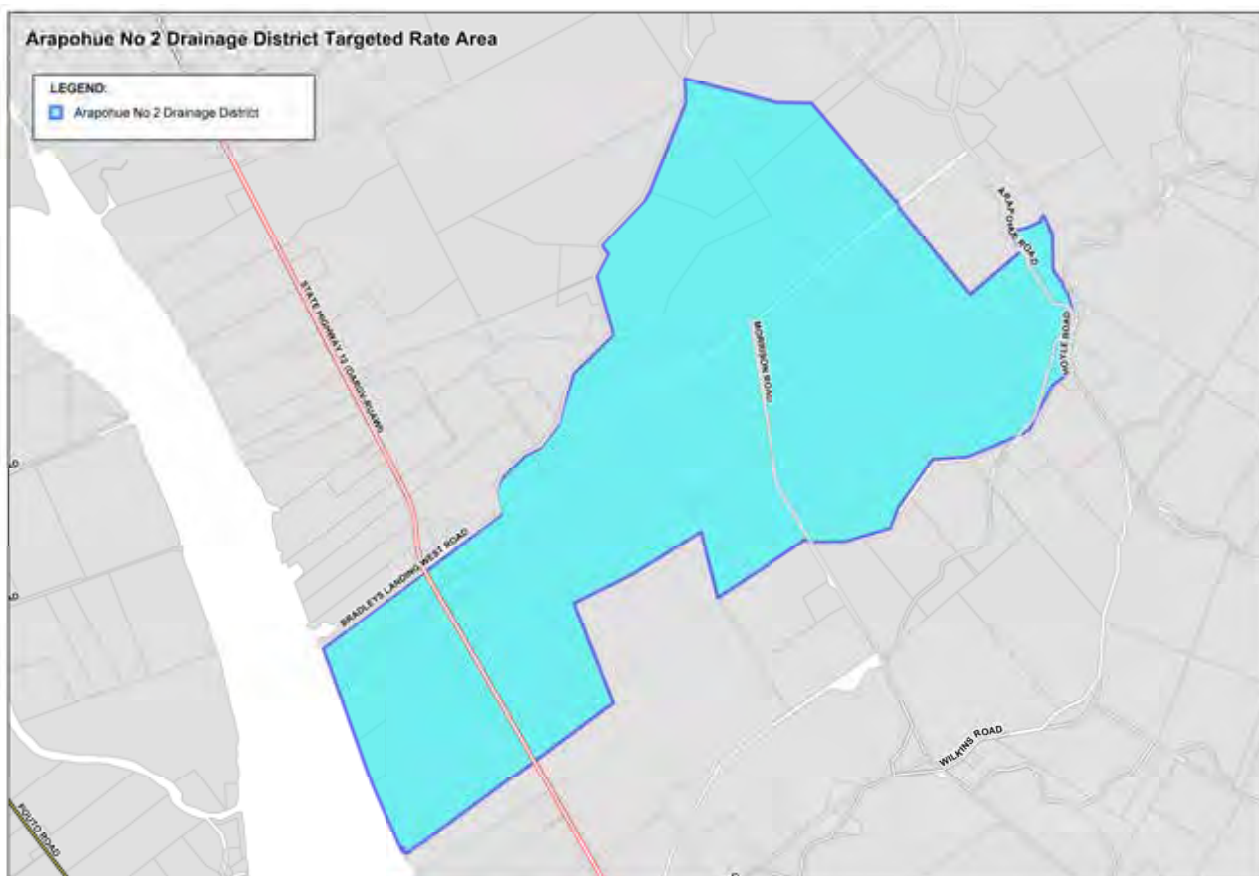


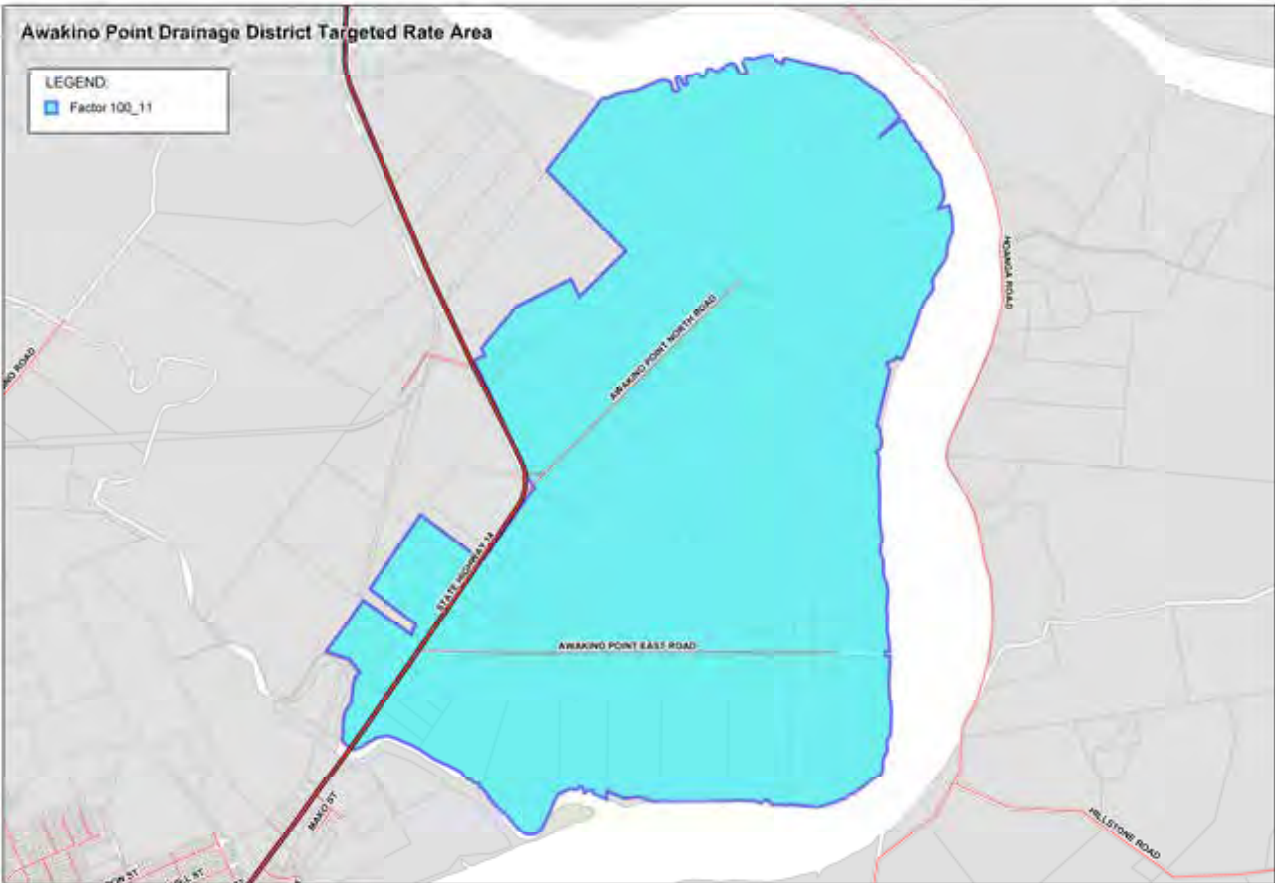
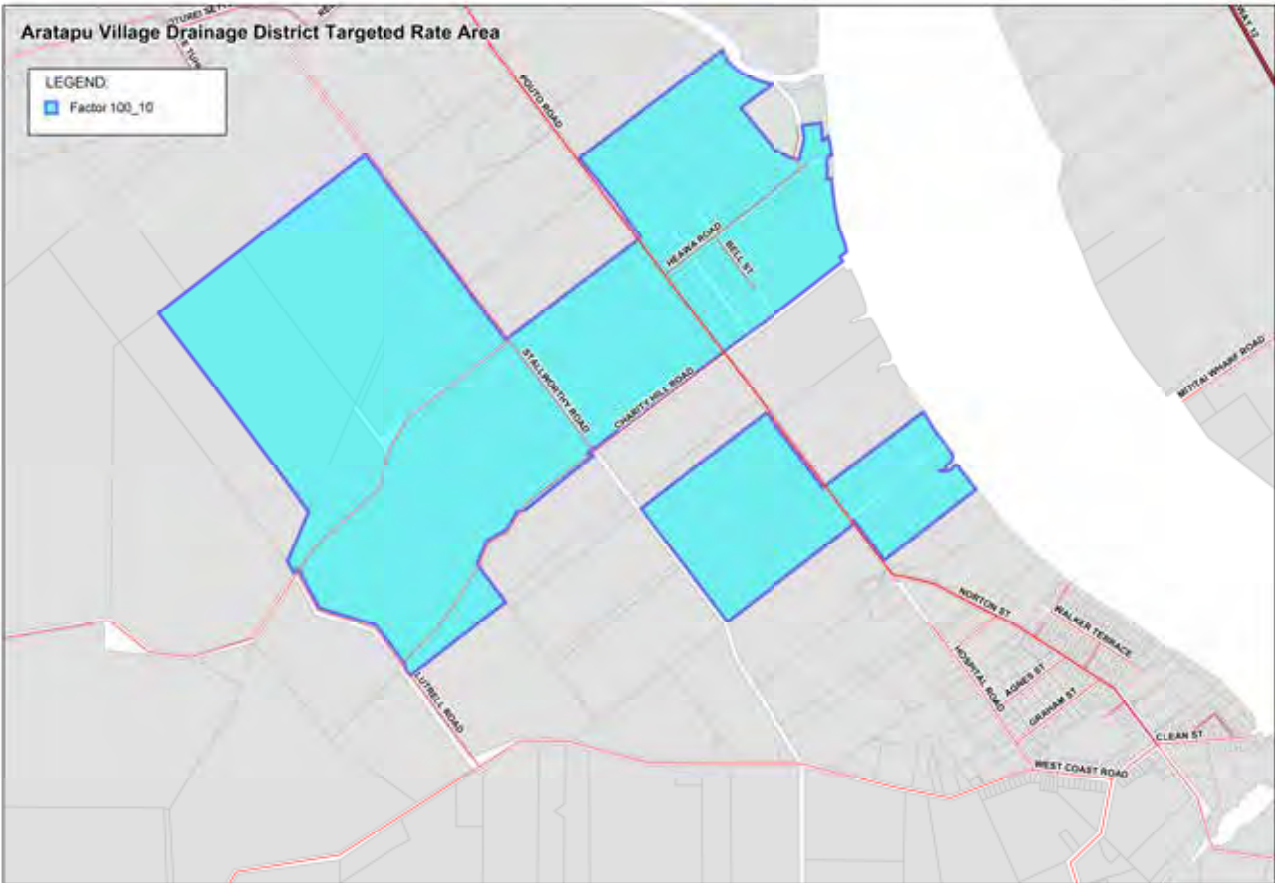


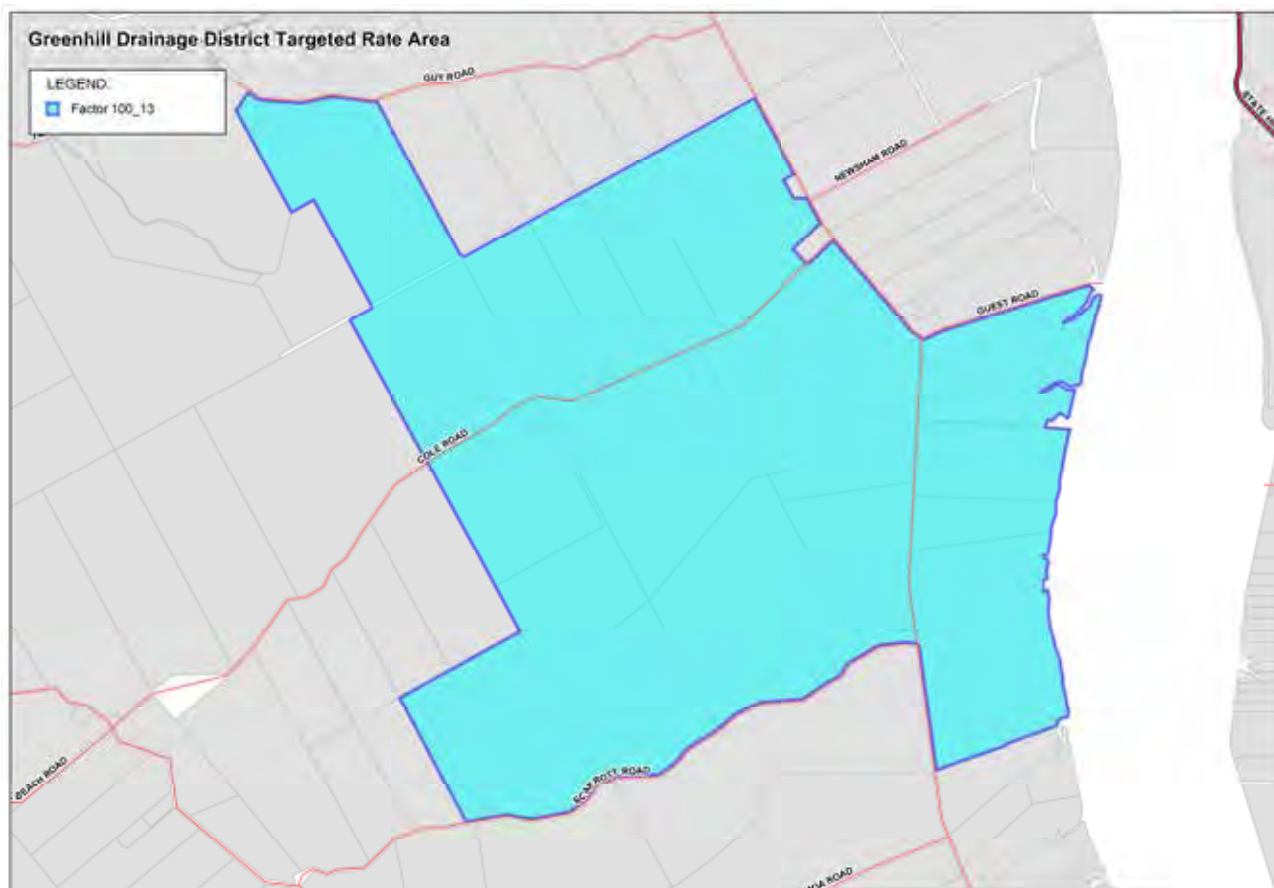


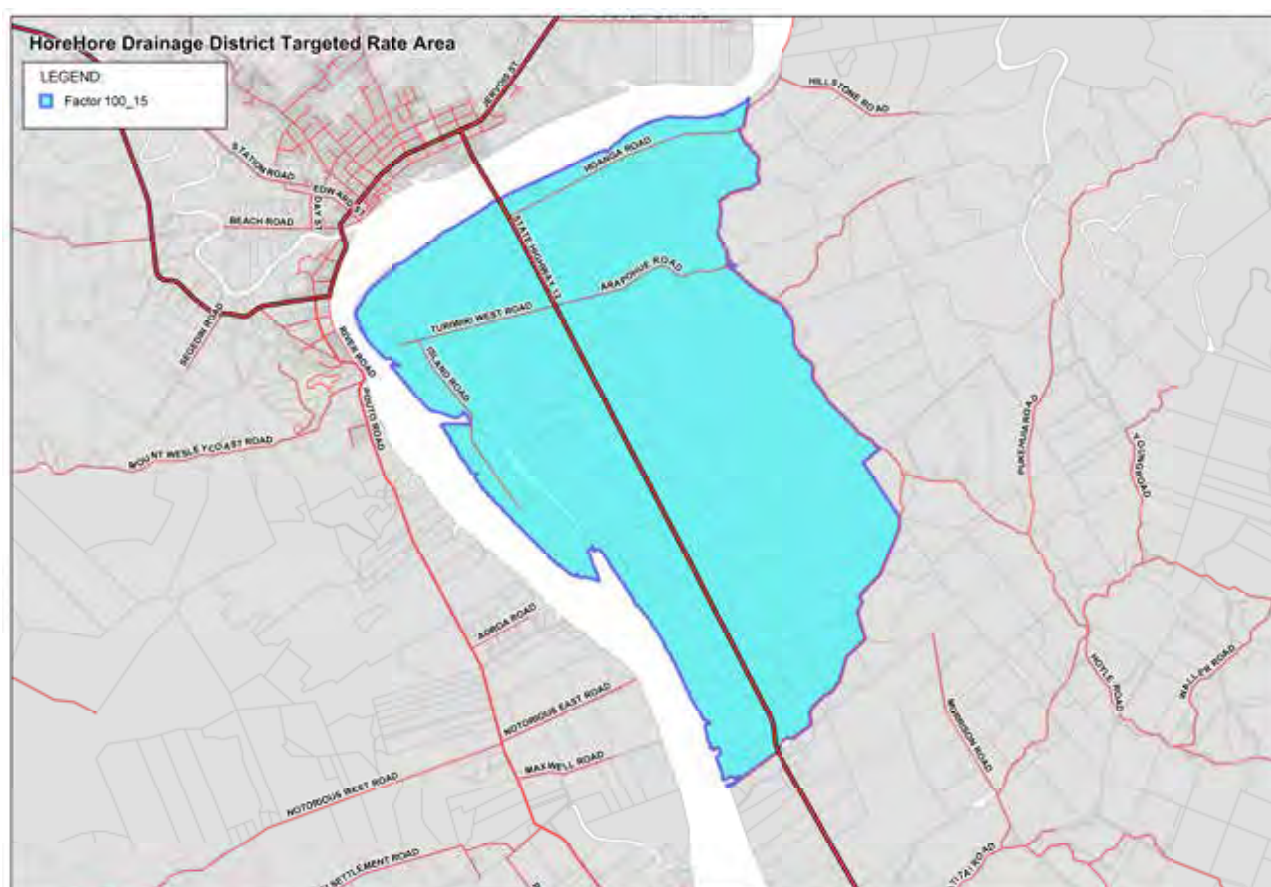
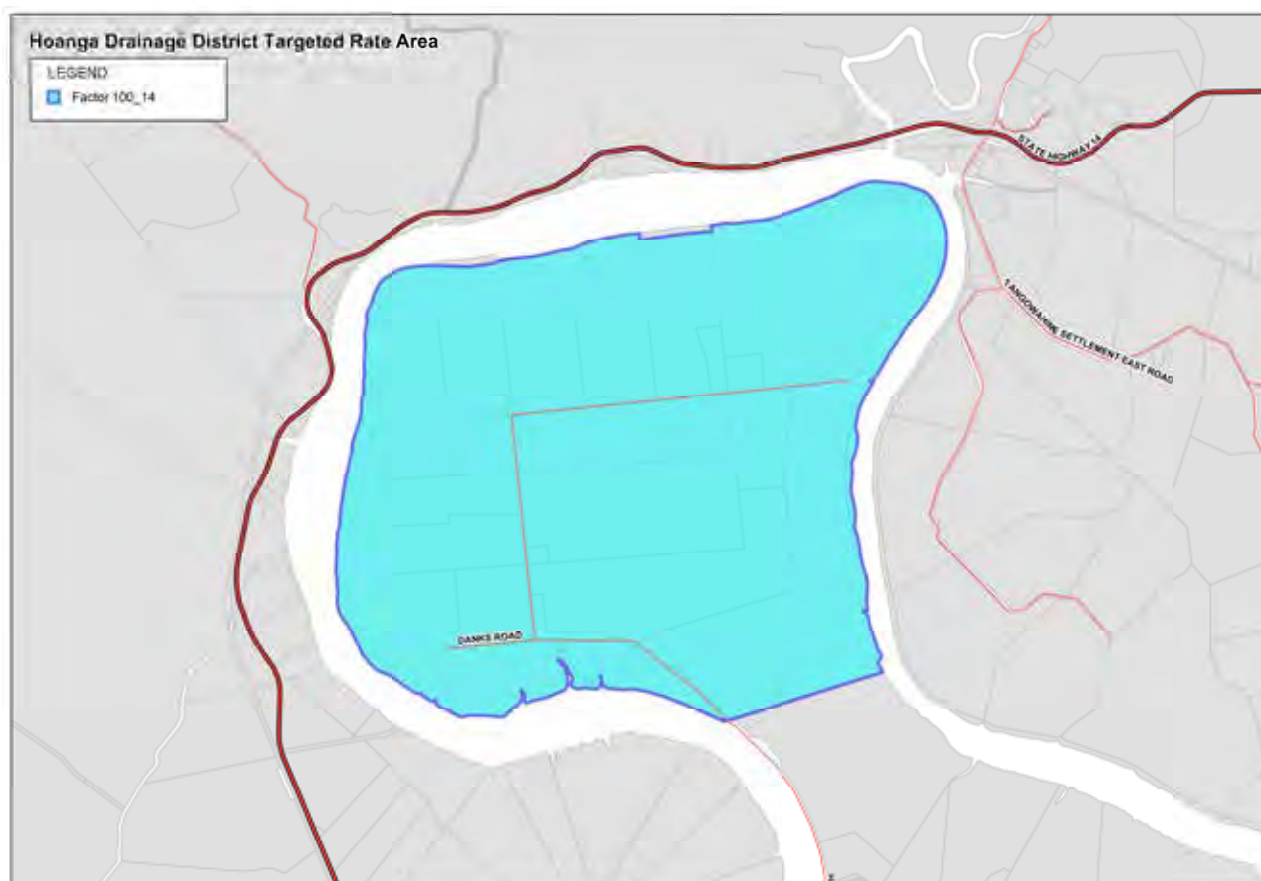


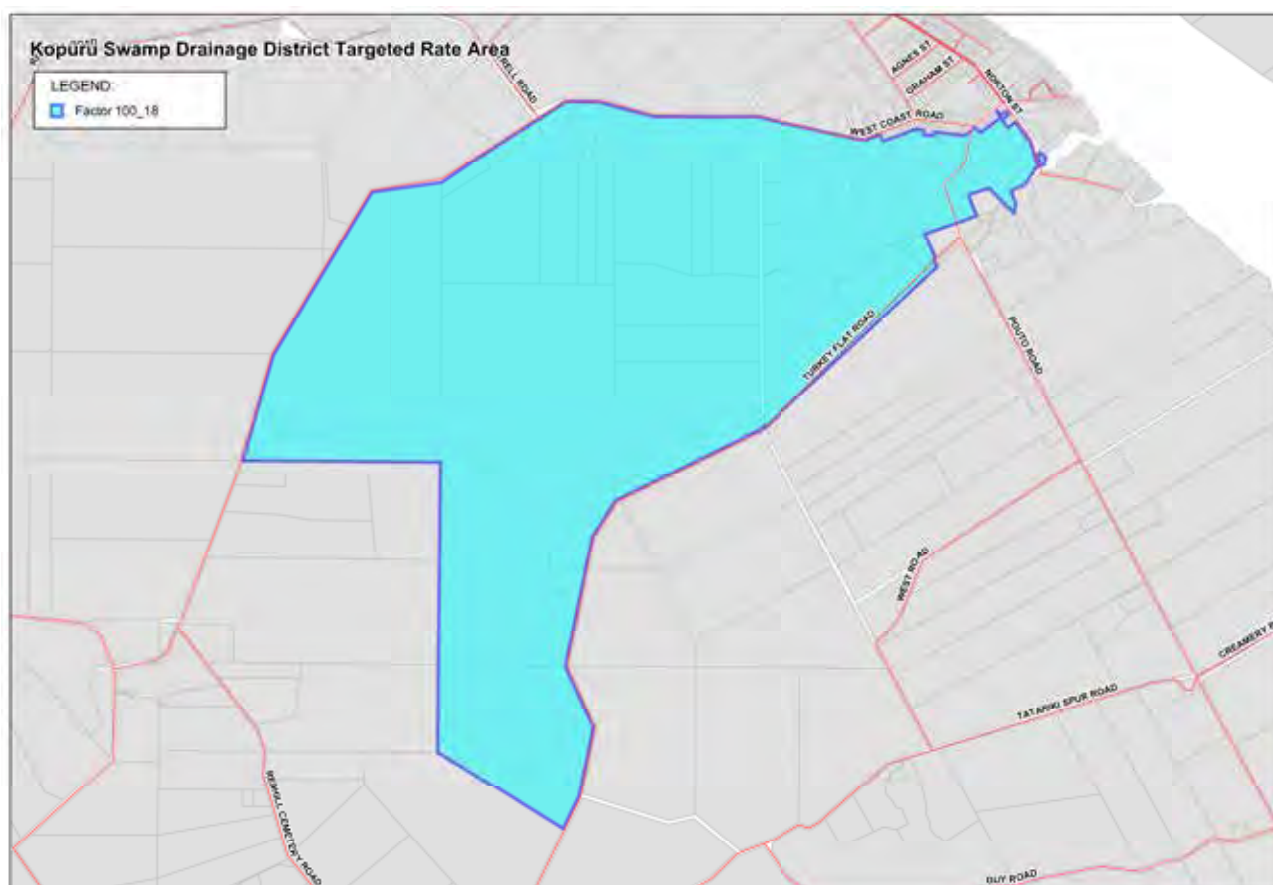
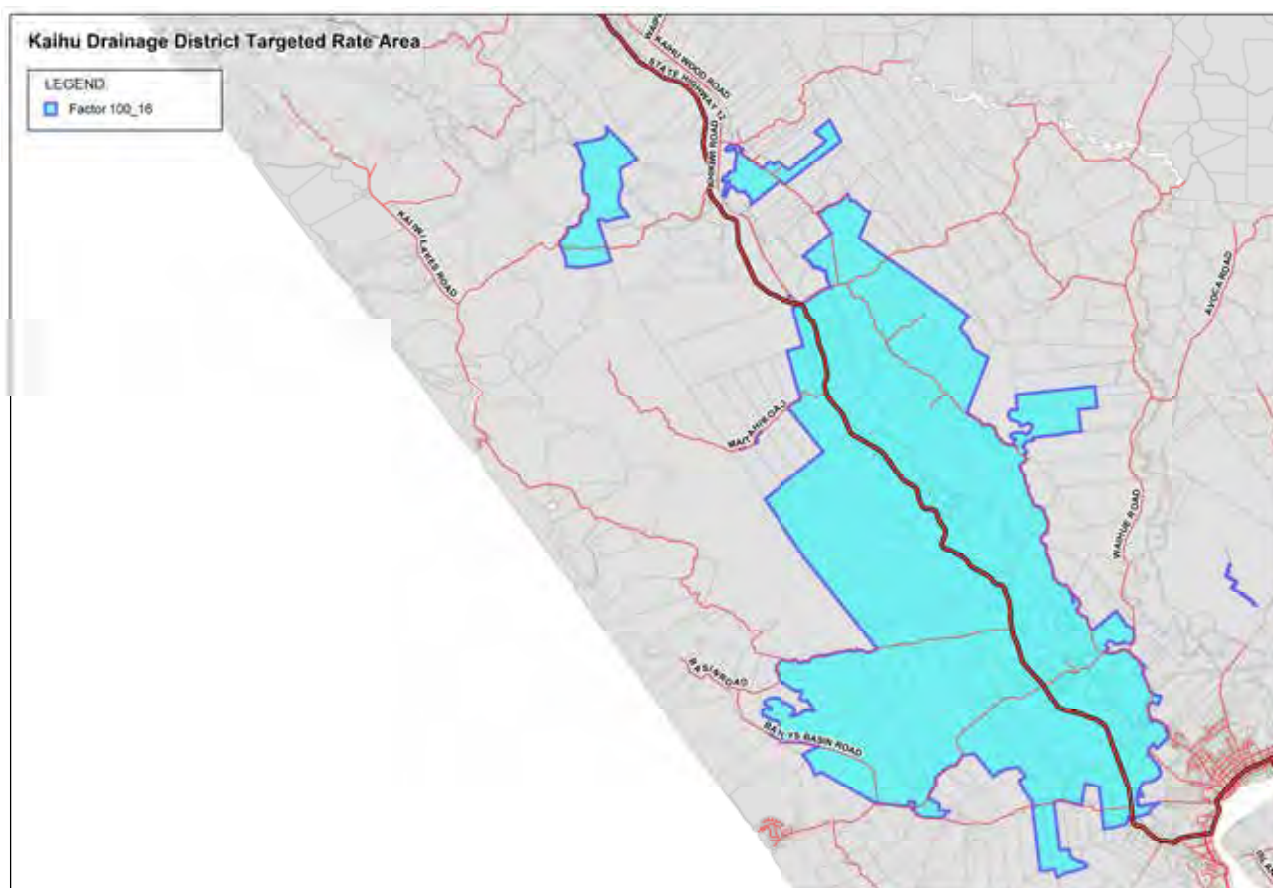


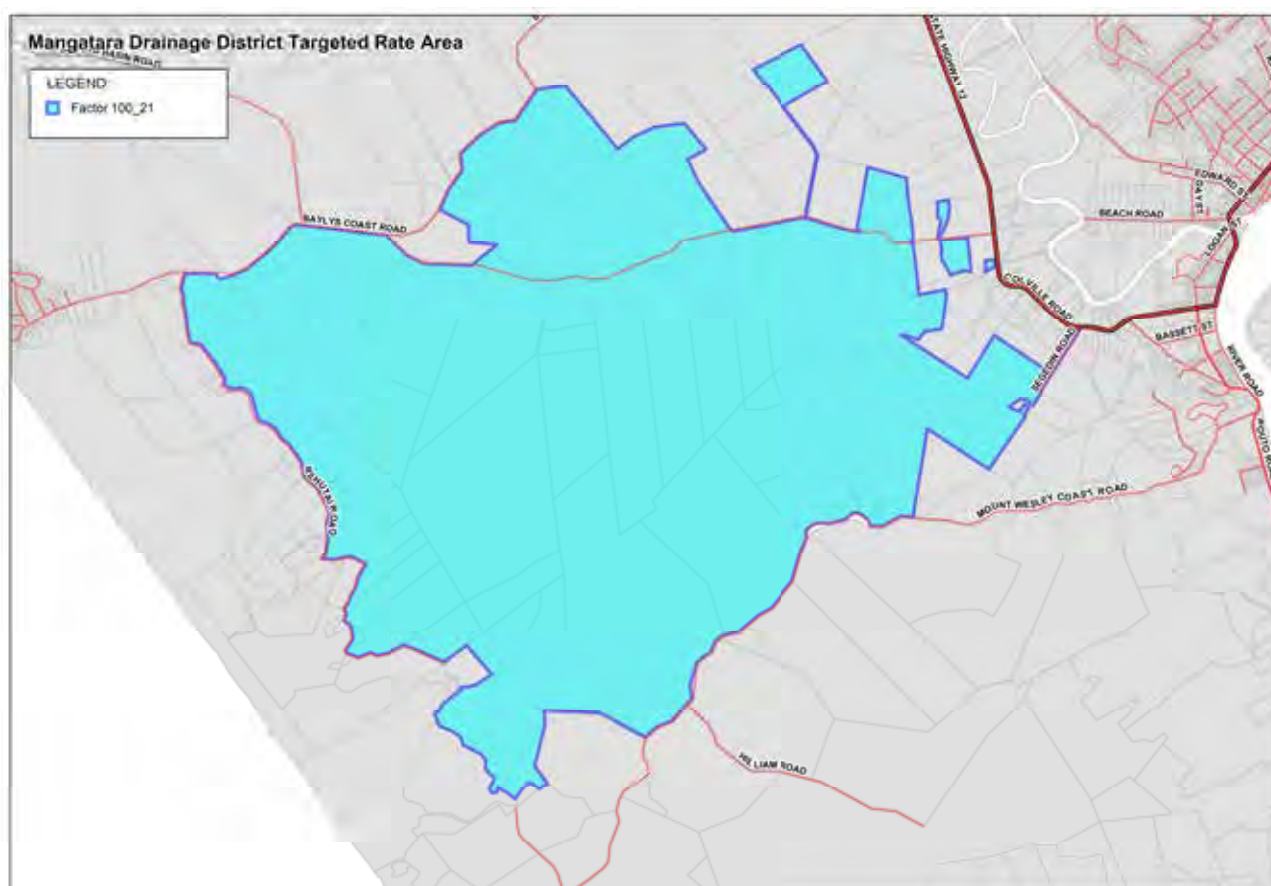
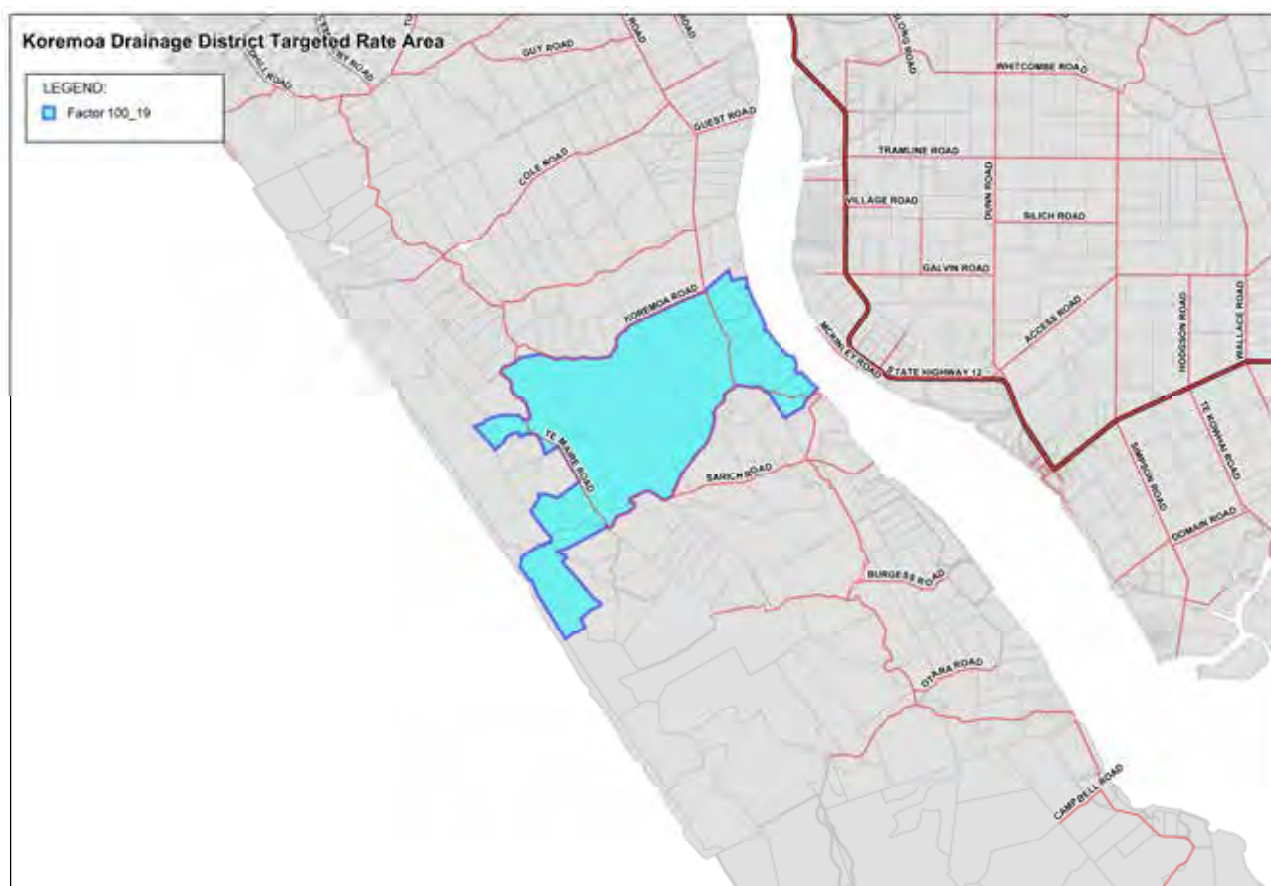


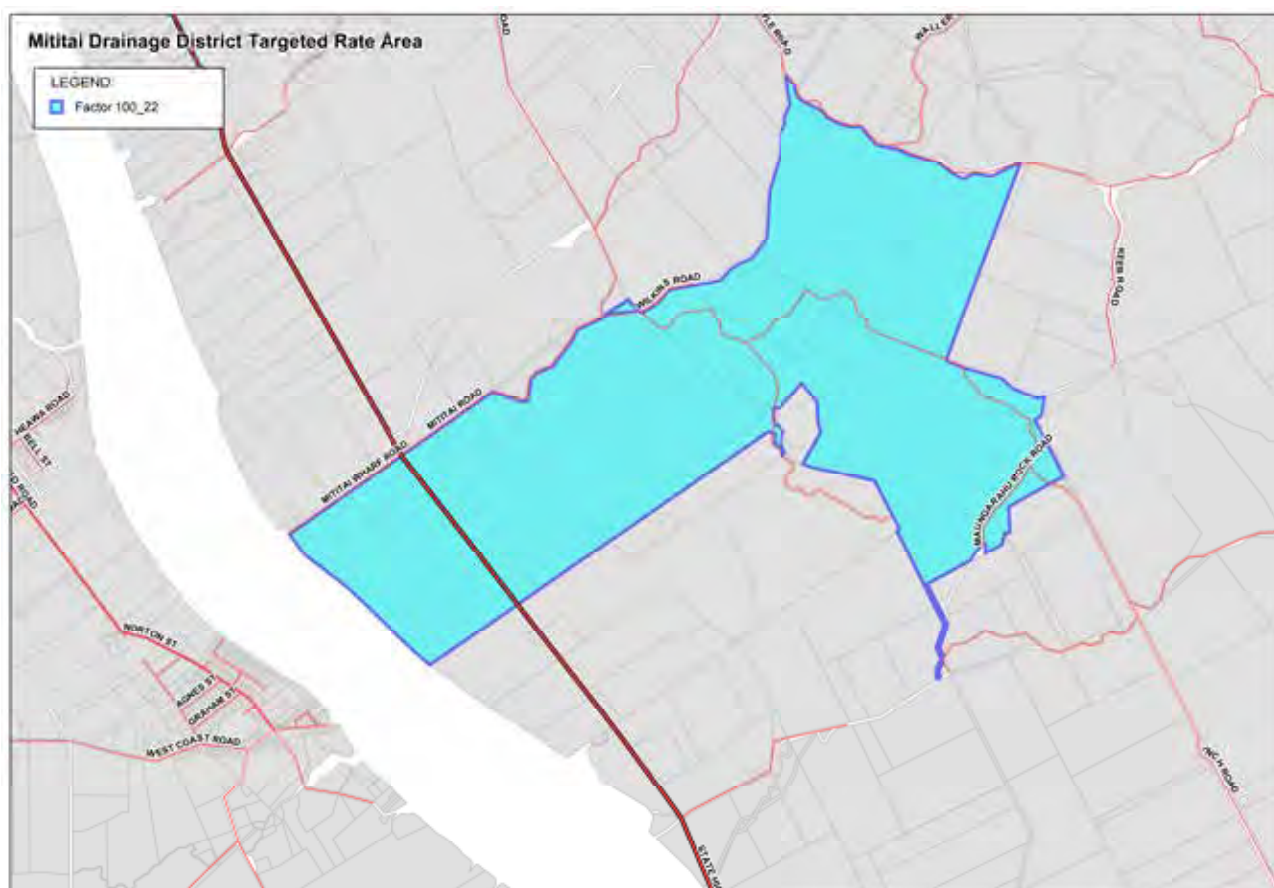
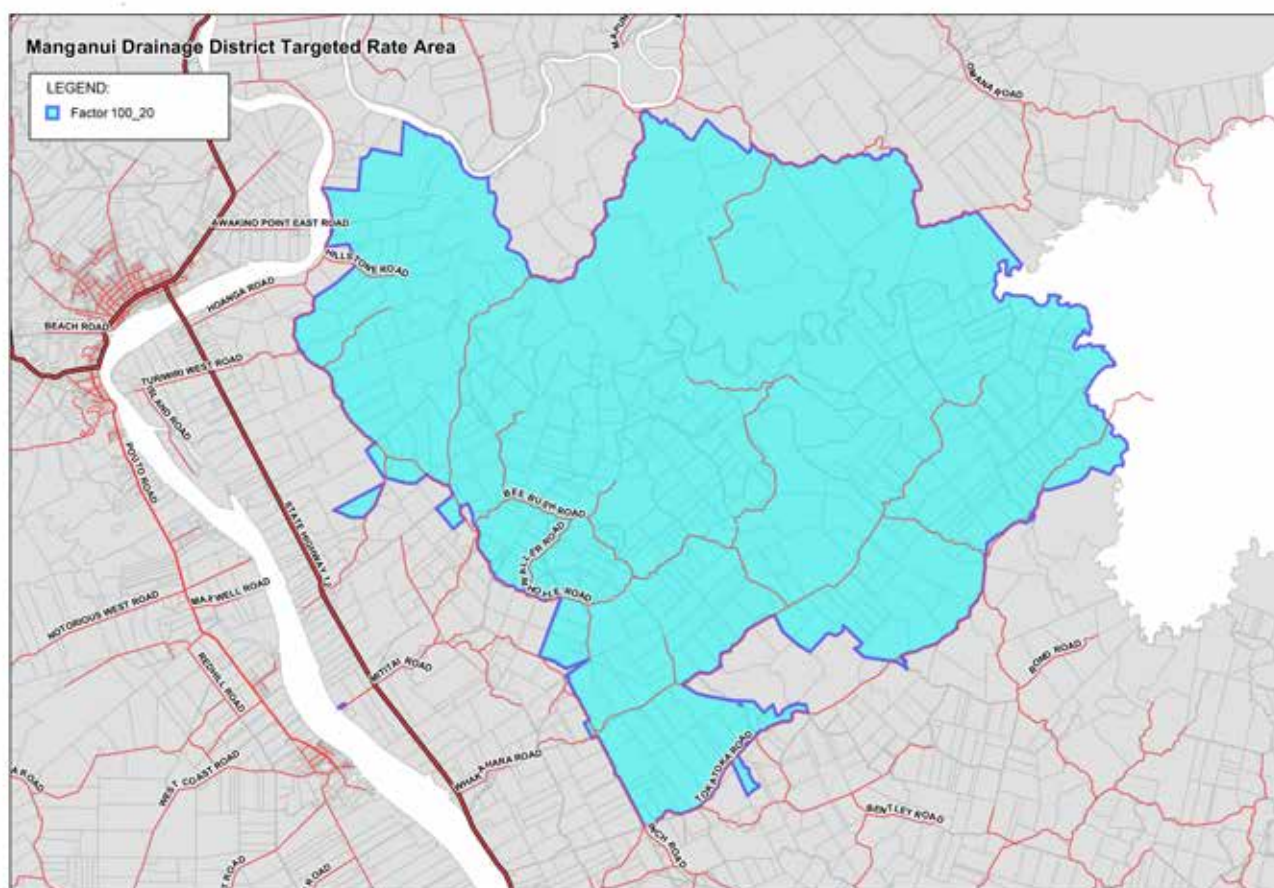


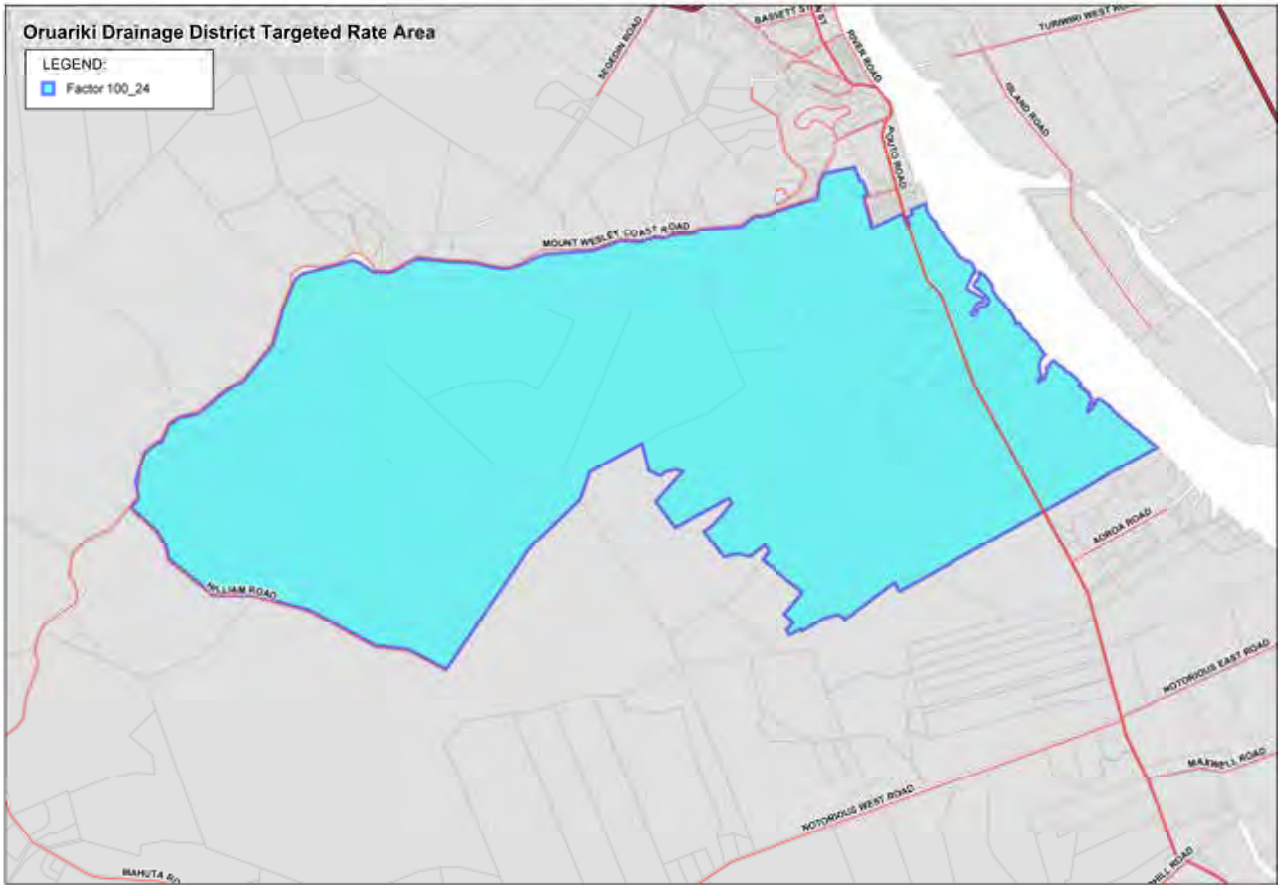
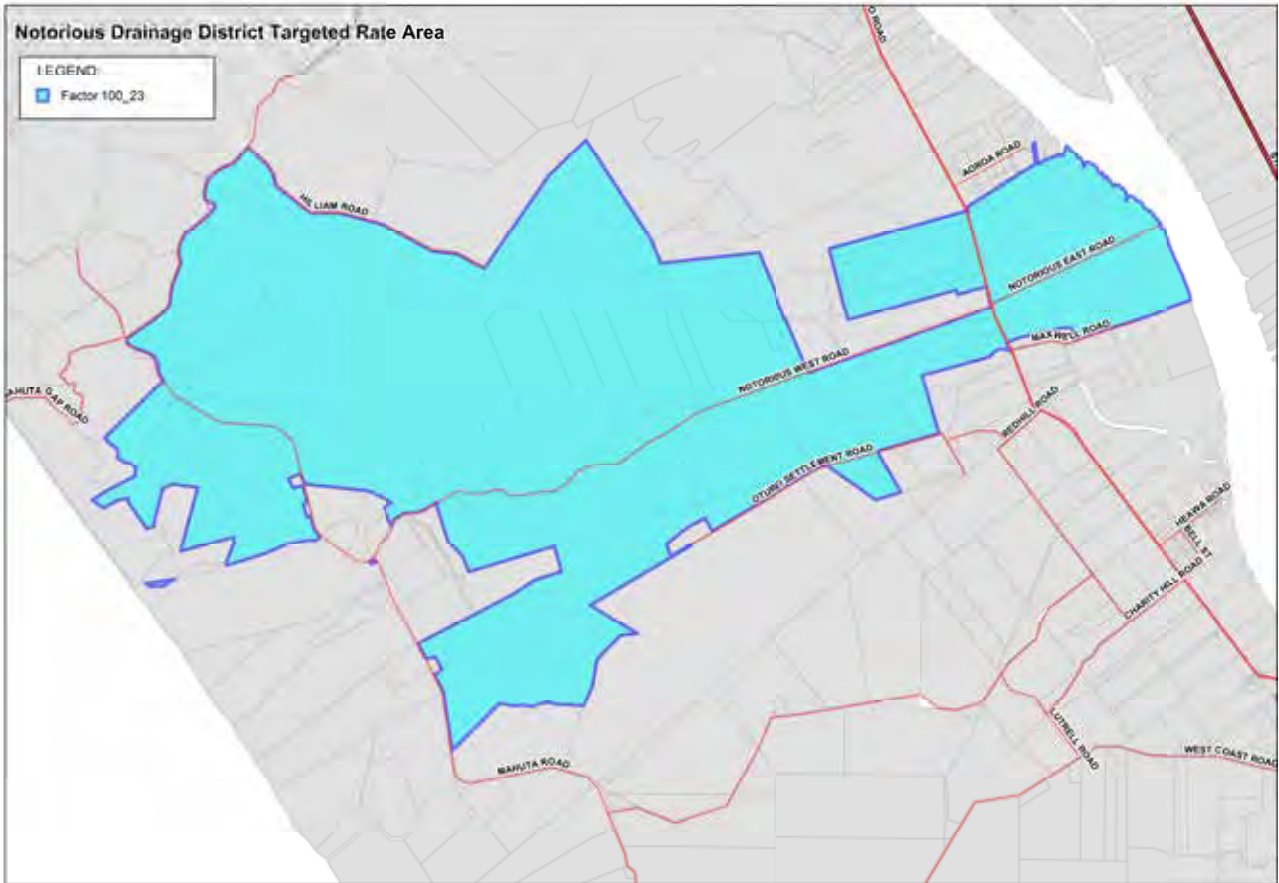


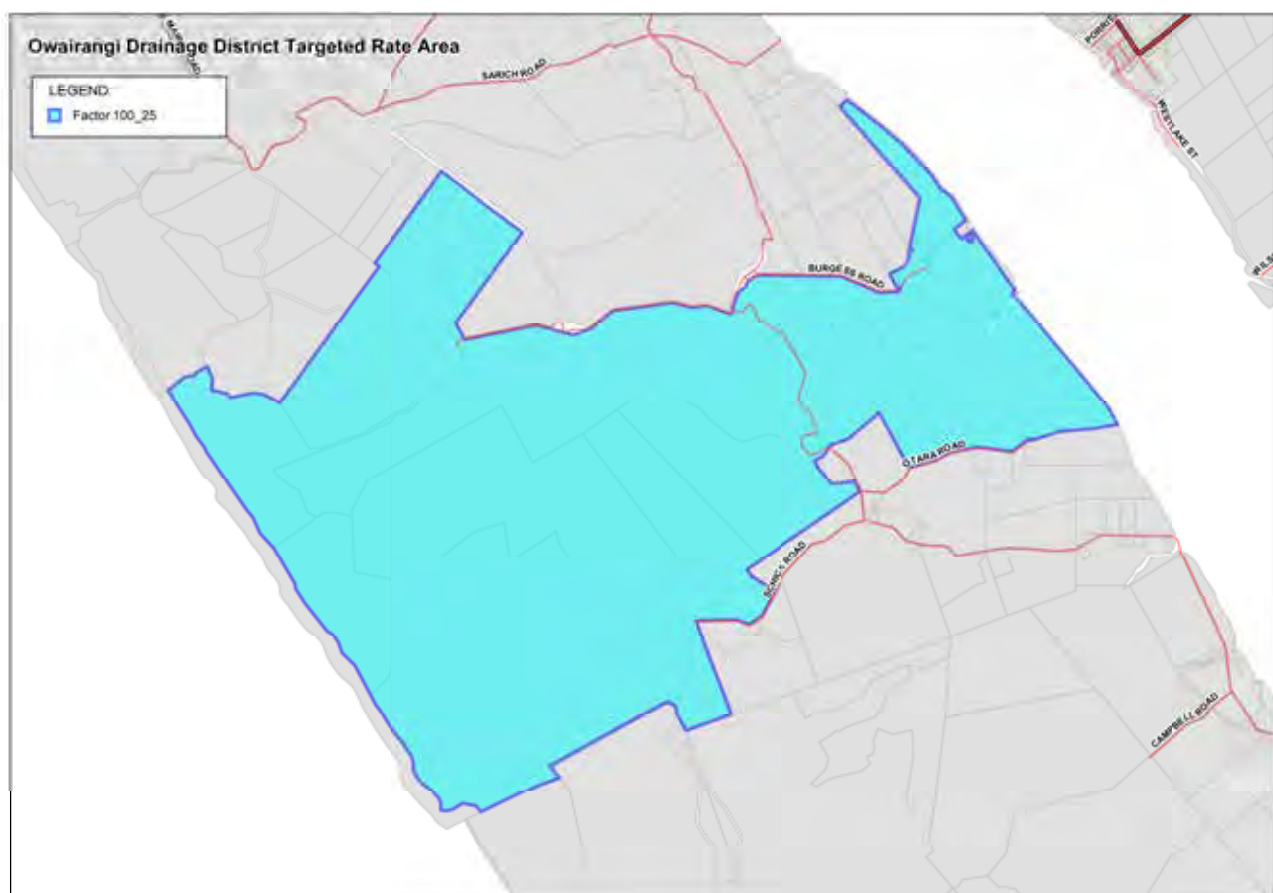
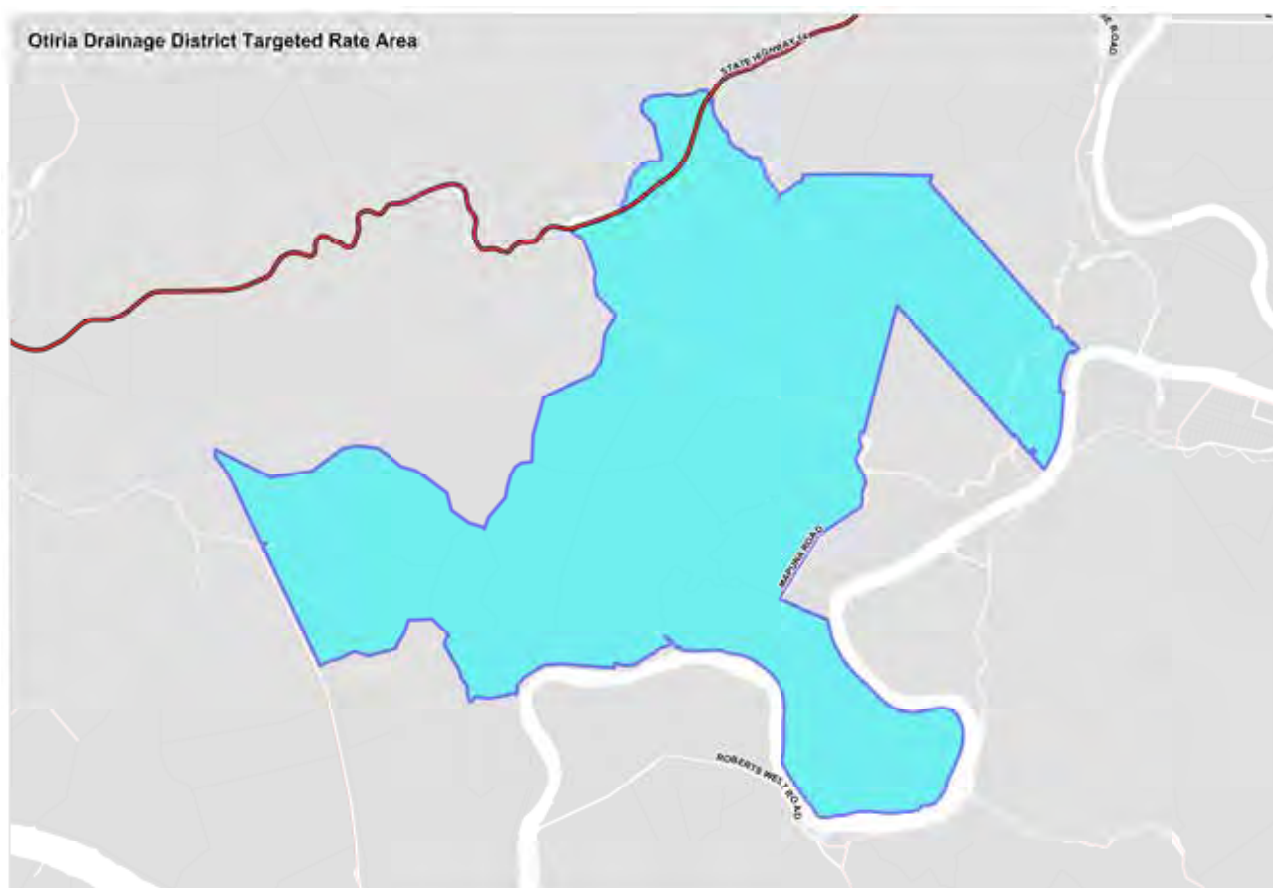


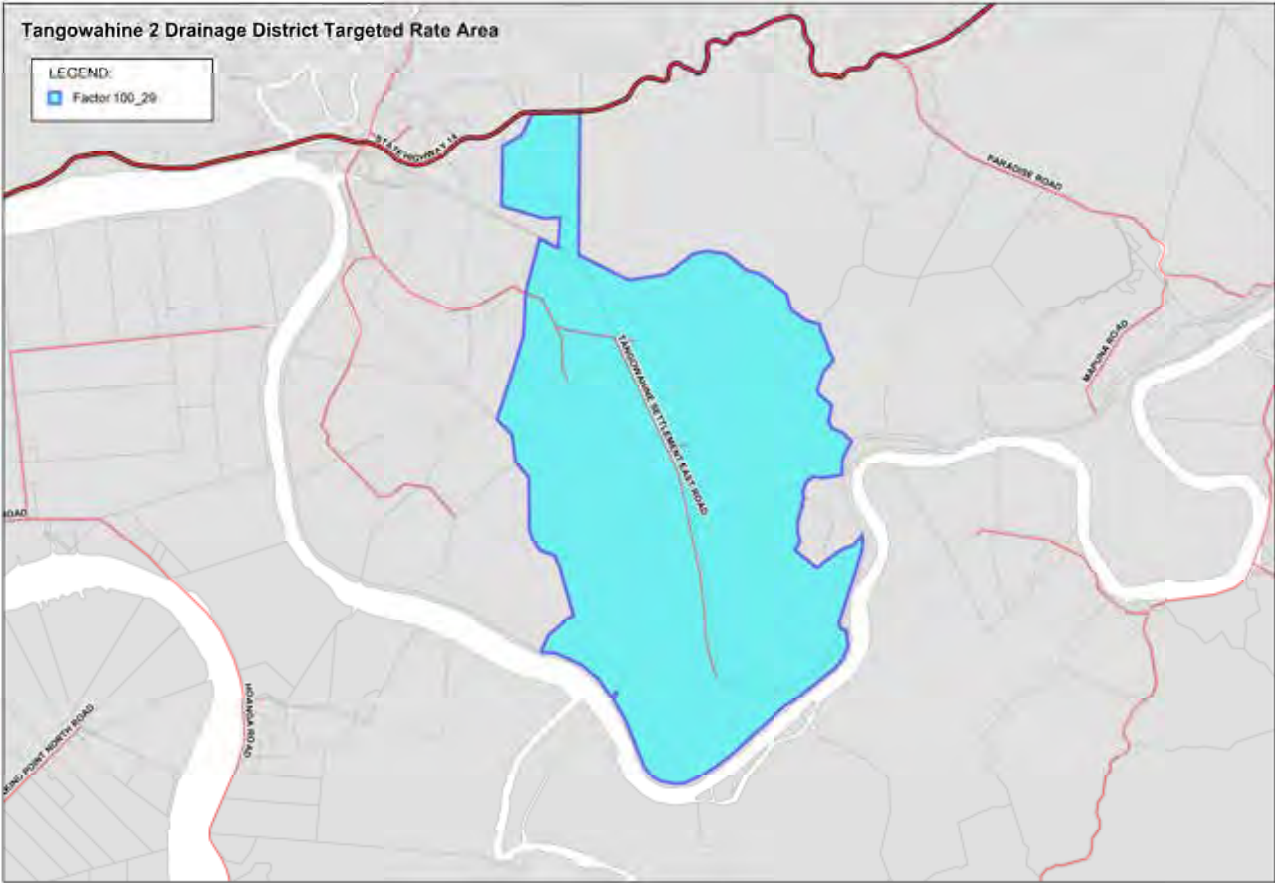
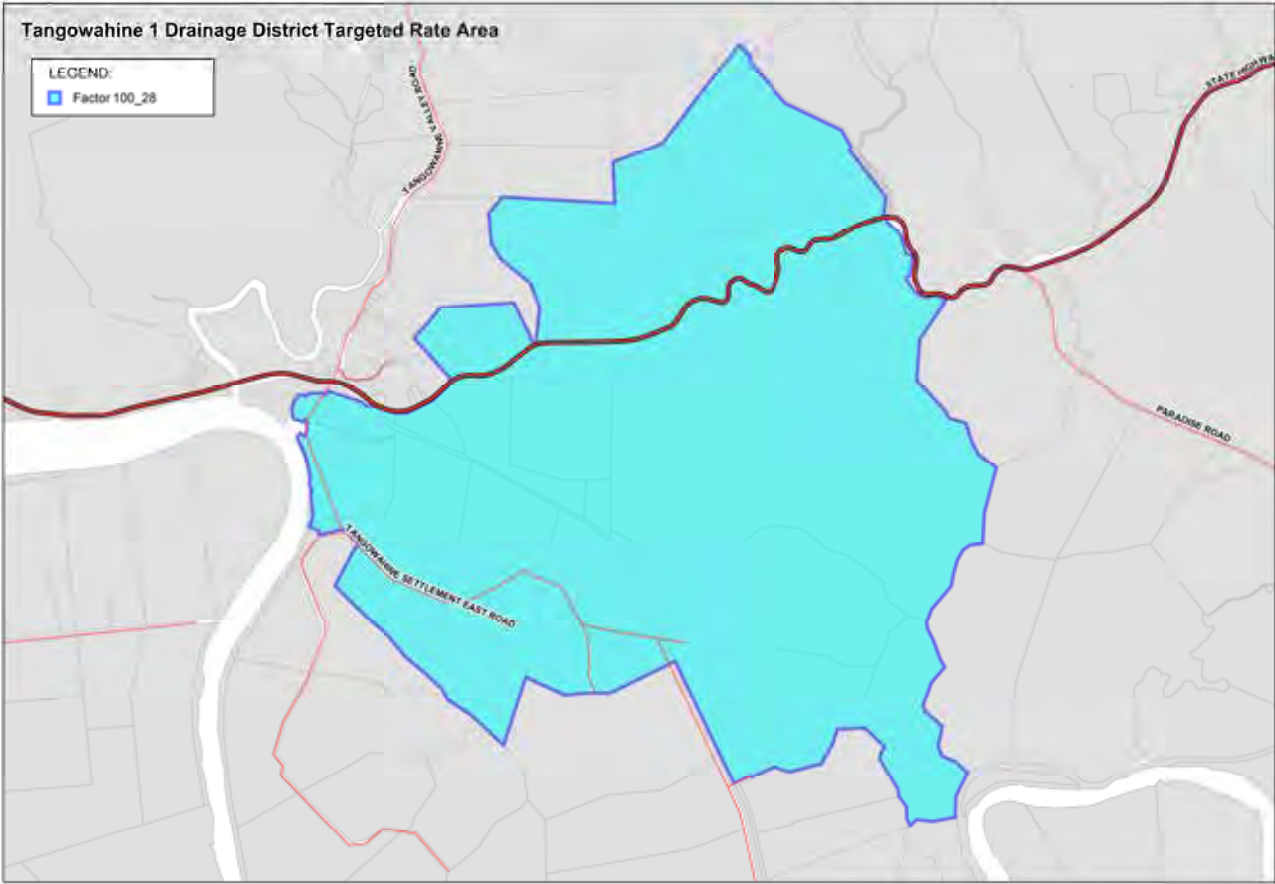


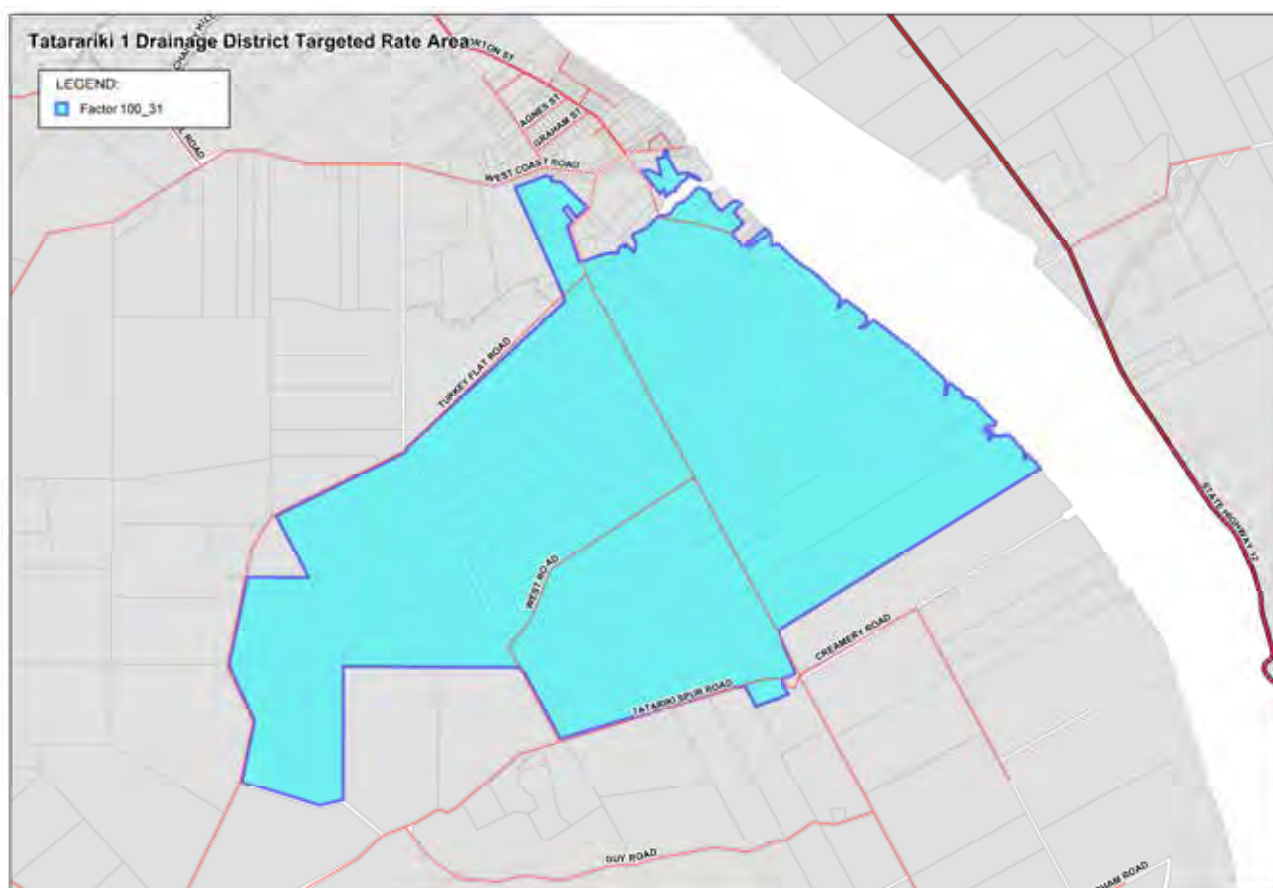
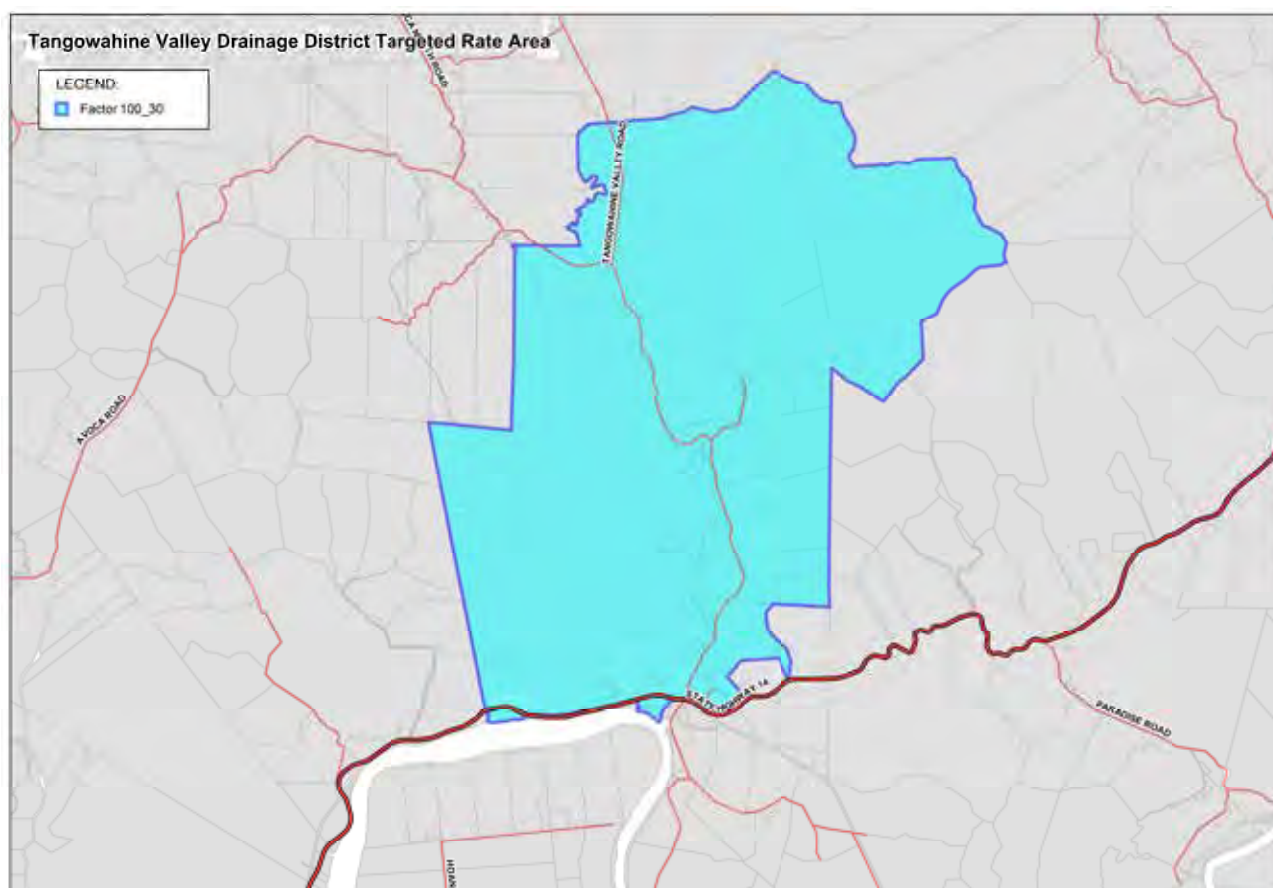


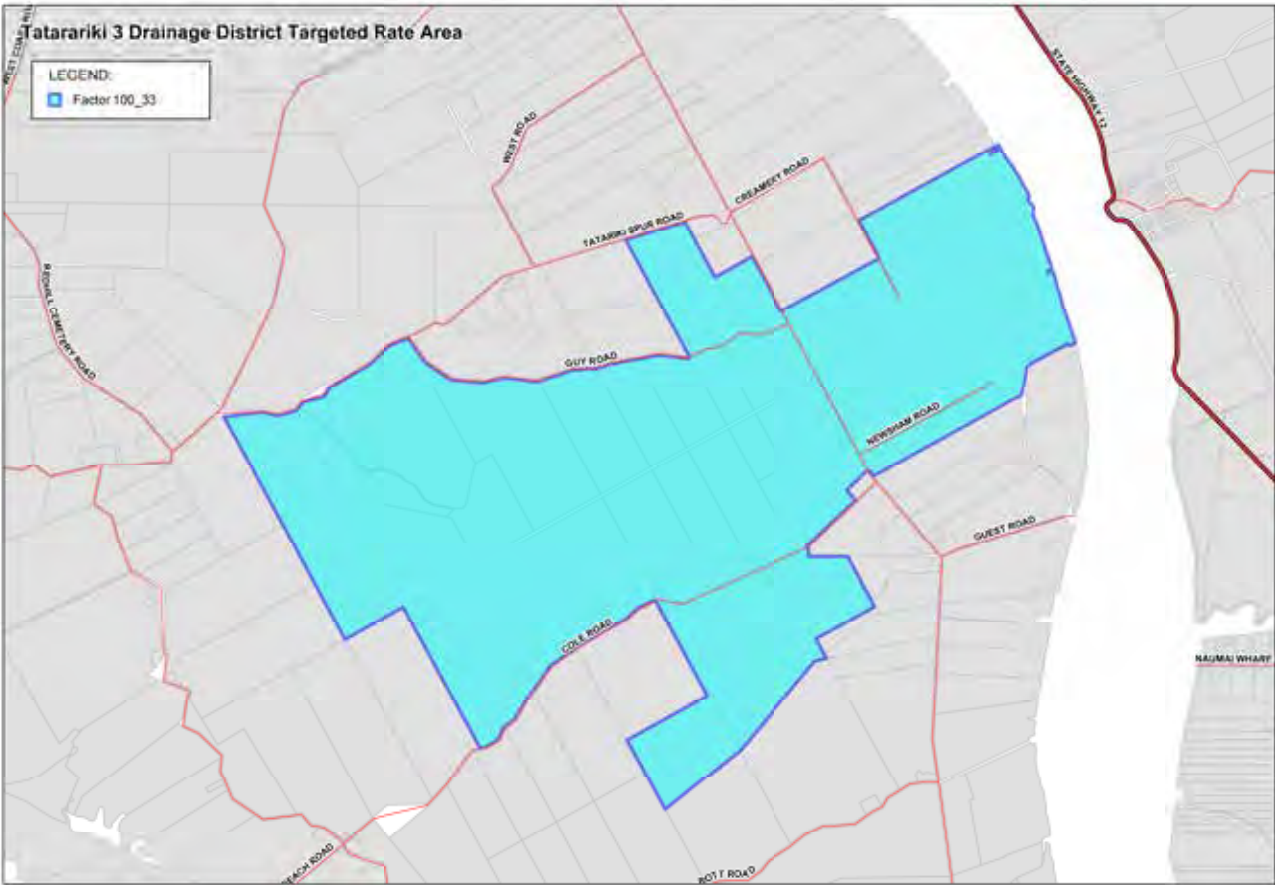


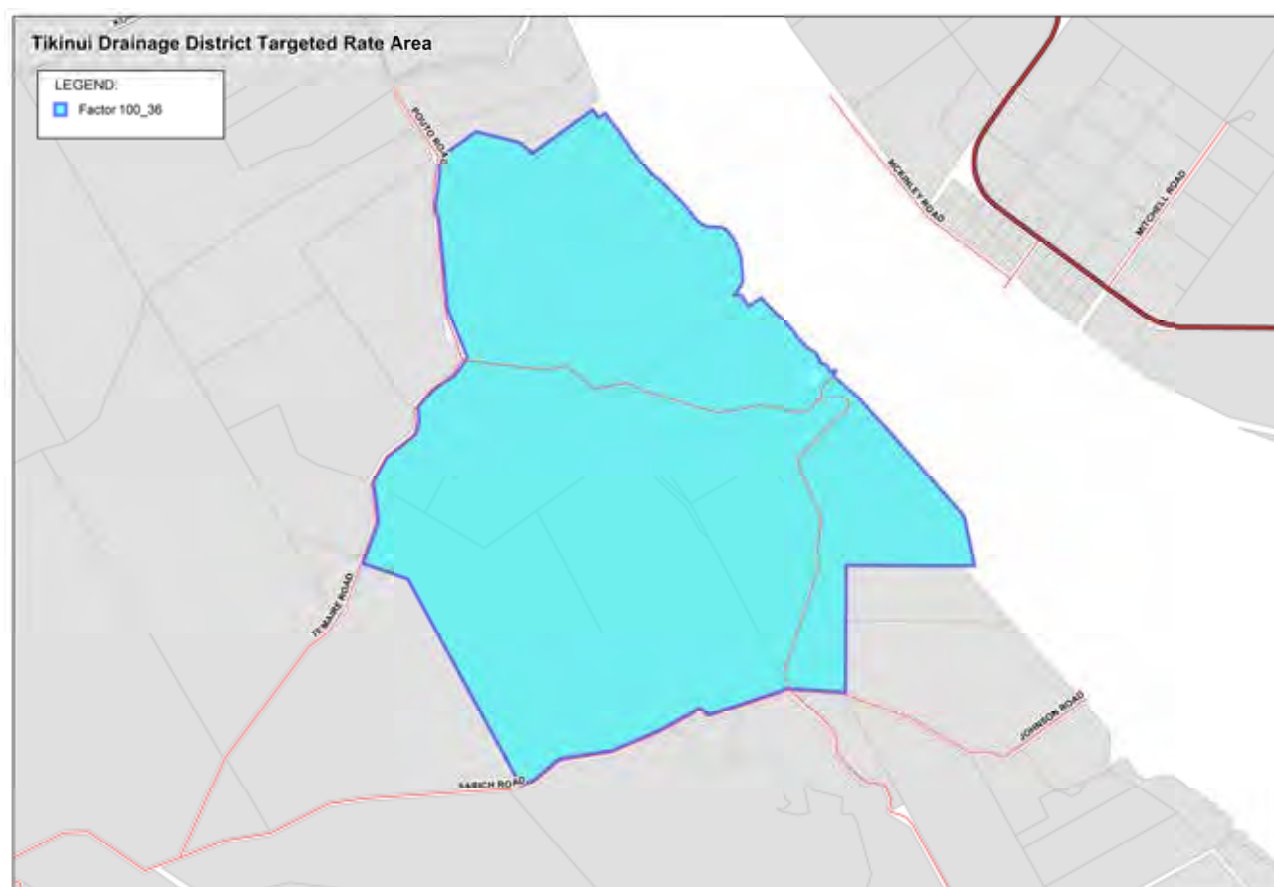
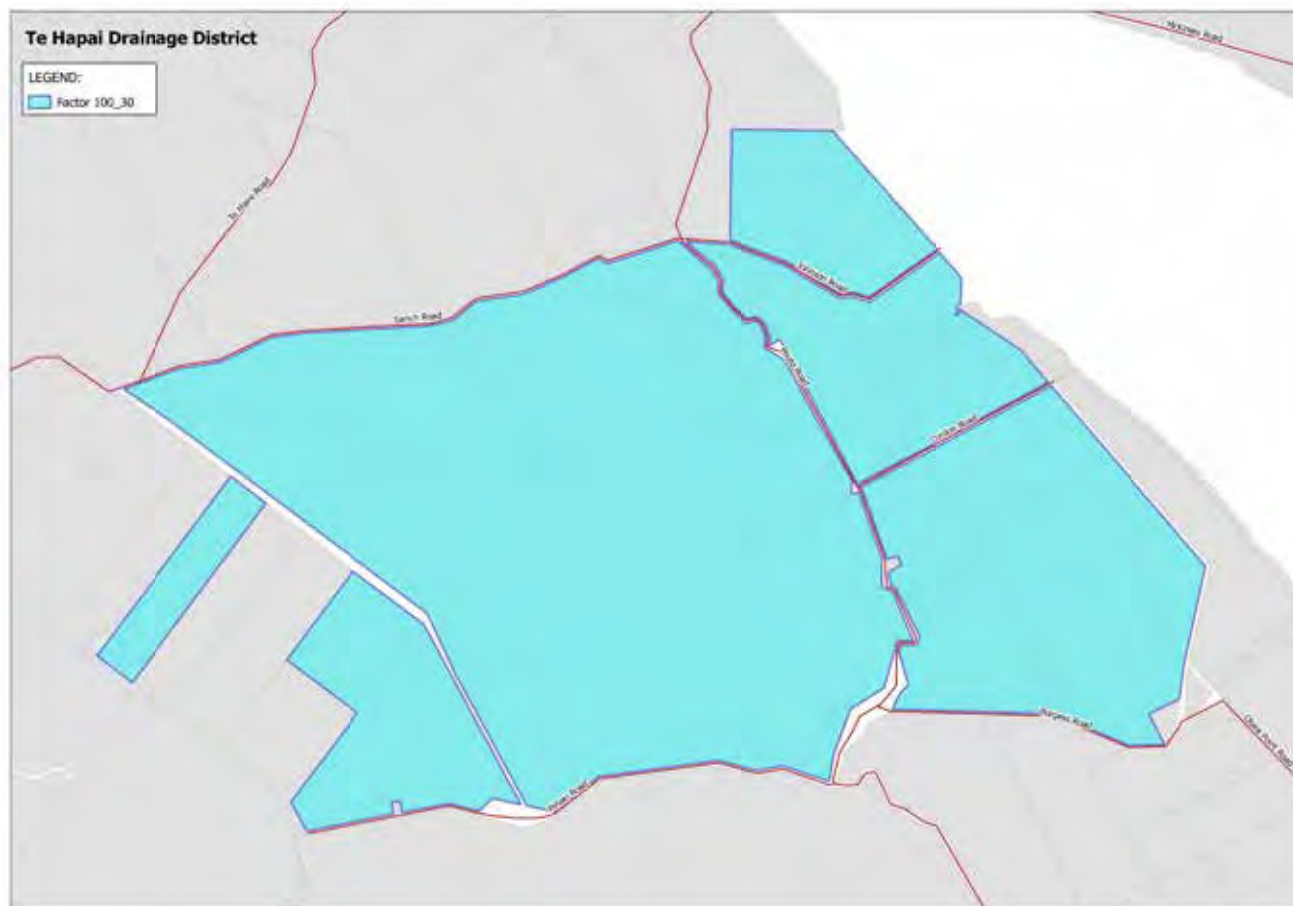


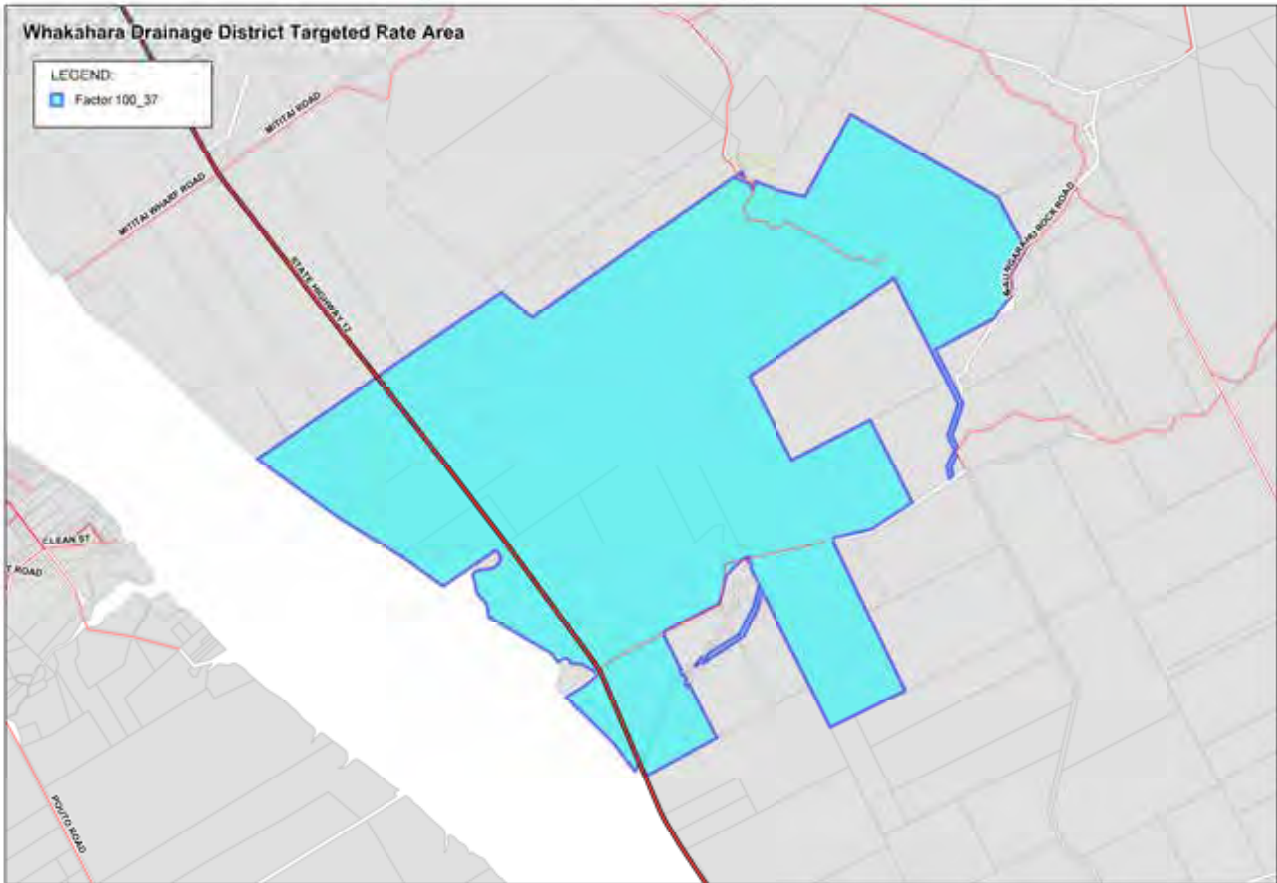


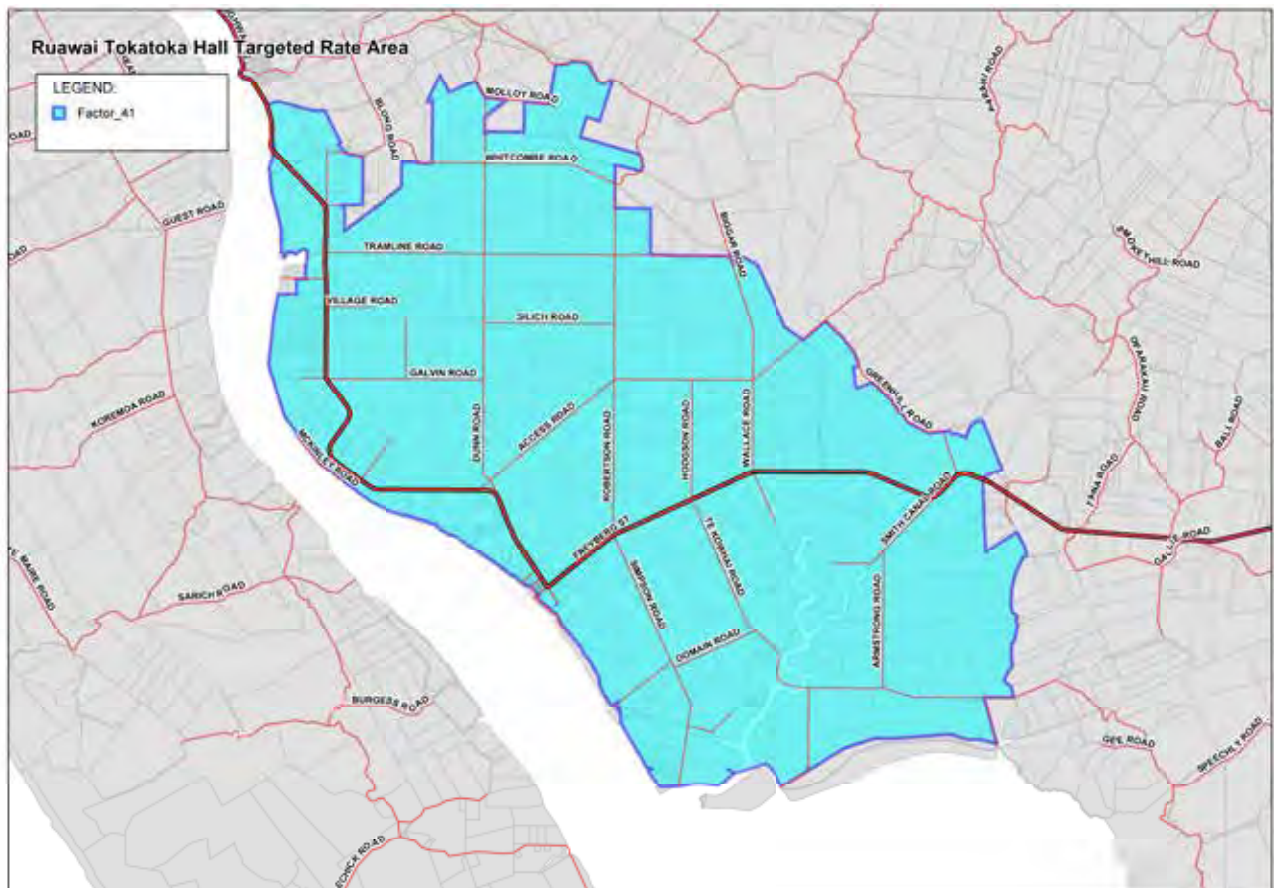
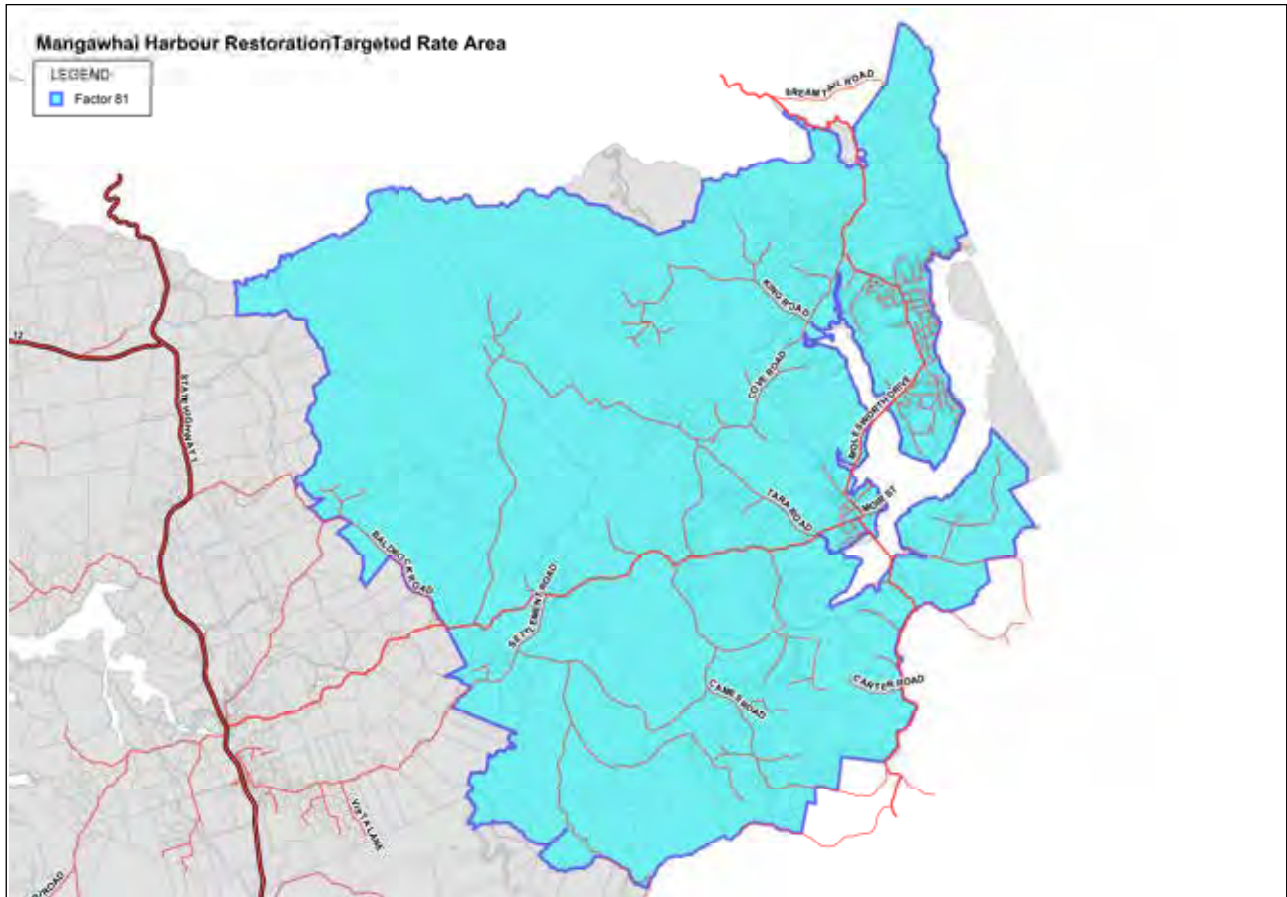


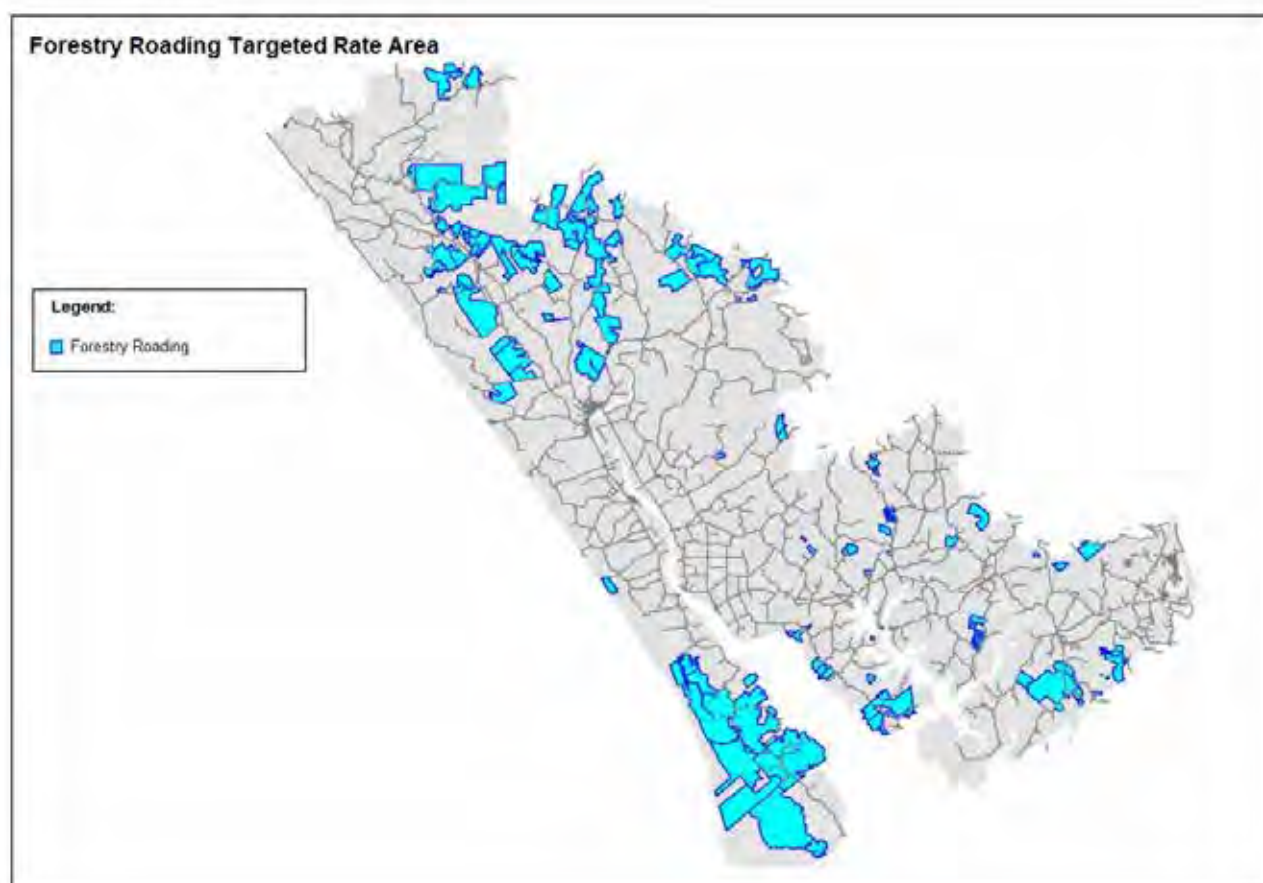












Valuation Location

0099000200B - Waipoua Settlement Road, Katui
 0099017200 - 16 Monteith South Road, Aranga
 0099022900 - Monteith South Road, Aranga
 0099023400 - Monteith Road, Aranga
 0099024000 - Omamari Road, Omamari
 0099024400 - SH12 Dargaville-Waipoua, West Coast
 0099028600 - 1345 SH12 Dargaville-Waipoua, West Coast
 0099029800 - SH12 Dargaville-Waipoua, West Coast
 0099030800 - Babylon Coast Road, Omamari
 0100006100 - Waimatenui East Road, Waimatenui
 0100006300 - Kaikohe Road, Tutamoe
 0100009101 - Mangatu Road, Donnelly's Crossing
 0100010800 - Opouteke Road, Whataro
 0100014800 - Baker Road, Kaihu
 0100015600 - Opouteke Road, Whataro
 0100016900 - Waipara Road, Kaihu
 0100017100 - Waipara Road, Kaihu
 0100017800 - Kaihu Wood Road, Kaihu
 0100018100 - 63 Kaihu Wood Road, Kaihu
 0100018104 - 63 Kaihu Wood Road, Kaihu
 0100018105 - 63 Kaihu Wood Road, Kaihu
 0100020800 - Shepherd Road, Mamaranui
 0100022200 - 374 Maropiu Road, Maropiu
 0100022400 - Maropiu Road, Maropiu
 0100022401 - Maropiu Road, Maropiu
 0100024500 - Waimata Road, Waihue
 0101000800 - Nichols Road, Kairara
 0101001200 - Swamp Road, Mararetu
 0101002602 - Waihue Road, Waihue
 0101005800 - Waihue Road, Waihue
 0101007900A - State Highway 14, Central
 0101013400 - State Highway 14, Central
 0102000100 - Tangowahine Valley Road, Avoca
 0102000600 - 1889 Tangowahine Valley Road, Avoca
 0102000608 - 1889 Tangowahine Valley Road, Avoca
 0102000707 - Murray Road, Tangowahine
 0102000900 - Murray Road, Tangowahine
 0102002105 - Avoca North Road, Avoca
 0102002600 - Tangowahine Valley Road, Avoca
 0102005900 - Avoca North Road, Avoca
 0102007001 - State Highway 14, Central

Valuation Location

0103000800 - 1000 Houto Road, Kirikopuni
 0103002400B - 137 Paerata Road, Tangiteroria
 0103002402 - Houto Road, Kirikopuni
 0103002500 - Houto Road, Kirikopuni
 0103003101 - Kirikopuni Station Road, Kirikopuni
 0103009900 - State Highway 14, Central
 0103010408 - Pukehuia Road, Pukehuia
 0103015400 - Child Road, Tangiteroria
 0104000100 - Basin Road, Omamari
 0108002500 - Mititai Road, Mititai
 0108003500 - Hoyle Road, Arapohue
 0110004803 - 149 Te Maire Road, Te Maire
 0110005202 - Schick Road, Pouto Peninsula
 0110010600 - Pouto Road, Pouto Peninsula
 0110012300B - Pouto Road, Pouto Peninsula
 0110012303 - Ari Ari Road, Pouto Peninsula
 0110012500 - Ari Ari Road, Pouto Peninsula
 0110015800 - Pouto Road, Pouto Peninsula
 0112002700 - Te Kowhai Road, Ruawai
 0112004900 - Gee Road, Hukatere
 0112006500 - 51 Summer Road, Hukatere
 0112006701 - Tinopai Road, Tinopai Peninsula
 0112006800 - 944 Tinopai Road, Tinopai Peninsula
 0112009601 - Karakanui Road, Hukatere
 0112014700 - Tinopai Road, Tinopai Peninsula
 0115024600 - Ovens Road, Oparakau
 0115026000 - Ups And Downs Road, Ararua
 0116003300 - Bull Road, Maungaturoto
 0116003302 - Bull Road, Maungaturoto
 0116003303 - Bull Road, Maungaturoto
 0116003304 - Bull Road, Maungaturoto
 0116003305 - Bull Road, Maungaturoto
 0116003306 - Bull Road, Maungaturoto
 0116003307 - Arcadia Road, Paparoa
 0116003308 - Arcadia Road, Paparoa
 0116003309 - Arcadia Road, Paparoa
 0116003311 - Bull Road, Maungaturoto
 0116003312 - Bull Road, Maungaturoto
 0116003313 - Bull Road, Maungaturoto
 0116003314 - Bull Road, Maungaturoto
 0117000103 - Arcadia Road, Paparoa

Valuation Location

0117000600 - Golden Stairs Road, Maungaturoto
 0117010604 - 121 Wearmouth Road, Paparoa
 0118001100 - Finlayson Brook Road, Maungaturoto
 0118010307 - State Highway 1, Kaiwaka
 0119012900 - Bickerstaffe Road, Maungaturoto
 0119012903 - 972 Bickerstaffe Road, Maungaturoto
 0119012904 - Bickerstaffe Road, Maungaturoto
 0119012905 - Bickerstaffe Road, Maungaturoto
 0119012906 - Bickerstaffe Road, Maungaturoto
 0119012910 - Bickerstaffe Road, Maungaturoto
 0119012911 - 888 Bickerstaffe Road, Maungaturoto
 0120000400 - State Highway 1, Kaiwaka
 0120007100 - State Highway 1, Kaiwaka
 0120023700 - Pritchard Road, Hakaru
 0120027300 - State Highway 1, Kaiwaka
 0122000400 - Brown Road, Tara



SECTION 3 | Accounting Information

Significant Forecasting Assumptions



Population and Demographic Assumptions - Population Fluctuations

Assumption	<p>The populations of some coastal settlements in Kaipara fluctuate considerably throughout the year with regular influxes of holiday makers. Comparisons of the number of occupied dwellings and unoccupied dwellings as well as comparisons of wastewater volumes suggests the combined population of Mangawhai Village and Mangawhai Heads can more than double during holiday periods.</p> <p>Population fluctuations are expected to continue to be a feature of Kaipara's coastal communities. However, the level to which they fluctuate is anticipated to decrease over time. A trend towards a greater proportion of occupied dwellings versus unoccupied dwellings is already evident in Mangawhai and this is anticipated to continue. This is partly driven by Mangawhai's improving commutability to Auckland and improving services. In Mangawhai and across the district this trend is also being perpetuated by New Zealand's ageing population retiring to lifestyle destinations. In addition, some traditional bach communities are emerging as satellite suburbs of growing parent settlements, such as Baylys which is easily commutable to Dargaville.</p>
Risk	<p>Population fluctuations increase.</p> <p>The capacity of Council infrastructure needs to be capable of meeting the needs of the peak population not just the resident population. If the peak population increases to beyond the planned capacity of the infrastructure, there may be operational issues and unforeseen costs.</p>
Reasons and Financial Effect of Uncertainty	<p>A key downward driver on the proportion of holiday homes in Kaipara's settlements is New Zealand's ageing population and their desire to retire by the sea. In addition, former holiday homes are increasingly being taken up by young families seeking more affordable housing. These drivers appear unlikely to change.</p> <p>The proportion of holiday homes in Kaipara's coastal settlements may be driven up if the level of disposable income available to the working age population in neighbouring Auckland and Whangārei increases relative to house prices. Such an increase could allow more people to purchase a holiday home in Kaipara. Infometrics economic forecasts suggest this is unlikely to occur, especially due to the COVID-19 recession.</p> <p>This suggests a reversal in the trend towards lower population fluctuations is unlikely over the near planning horizon.</p>
Level of uncertainty	Low

Population and Demographic Assumptions - Rating Unit Growth

Assumption	<p>The assumption is that:</p> <ul style="list-style-type: none">• district rating units will increase by nearly 2,500 between 2021 and 2031 from just over 14,700 to 17,240 units, increasing by another 2,000 units to reach around 19,000 rating units by 2041• strongest growth will be in the southern parts of the district with Mangawhai, Rehia-Oneriri, Kaiwaka and Maungatūroto accounting for the majority of the 2,500-district rating unit increase between 2021 and 2031• rating unit growth in all other parts of the district will be small and in some cases may decline slightly in the LTP 2021 2031 period. <p>Rating units are expected to increase by the following amounts over the LTP 2021 2031:</p> <table><tr><th>Area</th><th>2021</th><th>2031</th></tr><tr><td>District</td><td>14,775</td><td>17,240</td></tr></table>	Area	2021	2031	District	14,775	17,240
Area	2021	2031					
District	14,775	17,240					
Risk	Rating unit growth occurs at higher or lower rates than assumed.						
Reasons and Financial Effect of Uncertainty	<p>Economic conditions and the discretionary nature of the housing market can cause variations in rating unit growth from that assumed. Lower rating unit growth than anticipated would have a minimal impact on existing ratepayers.</p> <p>Unforeseen fluctuations in economic conditions can affect the ability of people to invest in both business and residential development activity.</p> <p>Any significant deviation from rating unit projections will affect both rates revenue and development contributions revenue. Council should be cautious by monitoring rating unit growth and ensuring it remains close to or meets these projections.</p> <p>Council may be able to manage the impacts of any downward variation by changing the proposed timing of capital works projects which are required to support growth. Where the capital works projects have already been completed there will be increased finance costs as Council would have to fund these works without the rating revenue or development contributions revenue it anticipated.</p>						
Level of uncertainty	Low						

Population and Demographic Assumptions - Household Growth

Assumption	<p>Kaipara District Council uses a set of Medium-High series household projections provided by Infometrics as an indication of future growth.</p> <p>The ageing population of the district, combined with trends of greater life expectancy and smaller families, means that the average household size of the district is projected to ease from 2.37 individuals per household in 2019 to 2.14 individuals per household in 2051. The effect of this is to spread the same population over a greater number of households. Accordingly, household numbers are projected to grow faster than the population, from 10,000 in 2019 to 14,600 in 2051.</p> <p>All areas of the district are projected to have more households in 2051 than in 2021.</p>
Risk	Household growth does not occur as projected.
Reasons and Financial Effect of Uncertainty	<p>The age structure of Kaipara's population affects the kinds of services required from Council. In addition, pensioners are on fixed incomes and may struggle to afford rates increases.</p> <p>If population ageing in Kaipara is too pronounced, it may lead to population decline in some areas or make rates increases unaffordable.</p> <p>The risk of more pronounced population ageing appears low as the Mangawhai area (Kaipara's key growth area and key area for attracting older migrants) is already attracting a growing number of young migrants. These young migrants are attracted by more affordable housing and improving commuting times back to Auckland. As transport links are improved, this trend is anticipated to strengthen.</p>
Level of uncertainty	Low

Population and Demographic Assumptions - Absentee to Resident Ratepayers

Assumption	The percentage of absentee ratepayers is anticipated to stabilise over the next ten years. Based on postal addresses, approximately 56% (74% in 2017) of ratepayers in the Kaipara district (excluding Mangawhai) reside within the district and 44% (26% in 2017) outside the district. For Mangawhai, 43% (47% in 2017) reside within the district and 57% outside the district. Of those Mangawhai ratepayers that reside outside the district 20% (48% in 2017) are in Auckland and 37% (5% in 2017) elsewhere. The Environmental Scan of the Kaipara district advises that Mangawhai's population (in particular Mangawhai Heads) greatly swells during holiday periods and that there are limited numbers of rental properties available in Dargaville.
Risk	The proportion of absentee ratepayers increases beyond expectations.
Reasons and Financial Effect of Uncertainty	The ability of the nation's working age population to afford a second home will probably be the greatest driver of uncertainty around this assumption. A high percentage of absentee residents has implications for Council services which must be able to deal with seasonal use. Flexibility can be built into contracts to allow higher or more frequent services to be delivered during the holiday periods. It is expected that the differing demands of resident and absentee communities can be managed and funded for the foreseeable future.
Level of uncertainty	Low

Population and Demographic Assumptions - Affordability

Assumption	The assumption is that the average household income in Kaipara was \$85,884 in 2019 (Infometrics, 2020) however the COVID-19 lockdown and ensuing economic recession have impacted heavily on some businesses and households. Council has therefore made the assumption that the community will have limited ability to absorb any significant rates increases over the first three years of the Long Term Plan.
Risk	Reduced ability to pay for Council services.
Reasons and Financial Effect of Uncertainty	Rise in general and/or targeted rates to pay for increased costs of assets management and capital works projects to maintain expected level of service. Key assumption that Council will catch up on its renewals and remedial work.
Level of uncertainty	Low

Population and Demographic Assumptions - Population Growth

Assumption	Kaipara District Council uses a set of Medium-High series population projections provided by Infometrics as an indication of future growth. This projected growth will slow over 2020 and 2021 with softer net migration and a decline in employment as a consequence of COVID-19. Population growth is projected to pick up from 2022 onwards, with the district growing steadily to reach a population of 32,600 in 2051. Most growth is projected to be centred in the Mangawhai area (as it has been historically) with other south-eastern areas such as Kaiwaka also growing rapidly. Strong growth is also projected for the north-west of the district though not to the same extent as the south-east.
Risk	Population growth does not occur as projected. The amount of development is a key consideration for Council when planning how it will fund the infrastructure required. If growth falls short of that projected, it may result in problems repaying debts raised to fund new infrastructure.
Reasons and Financial Effect of Uncertainty	Population growth is driven by the balance of births, deaths, and net migration. Changing trends in the number of children per family, life expectancy and local job opportunities can therefore drive demographic change. The population projections prepared for Kaipara District Council by Infometrics are based on a number of assumptions around these trends and how they will change. If these trends deviate from the assumptions it will undermine the accuracy of the projections. The key drivers of growth in Mangawhai and south-east Kaipara are the Auckland housing market and improvements in transport linkages with Auckland. High house prices in Auckland assist those nearing retirement age to cash up and move to Mangawhai. In addition, they encourage young families to seek affordable housing and lifestyle opportunities outside the city and commute back for work. The provision of additional services in Mangawhai further contributes to its appeal to migrants. The key variable likely to affect population growth in most other area of Kaipara (particularly north-west Kaipara) is the level of local employment. Employment growth attracts workers and their families while economic downturn can force them to seek opportunities elsewhere.
Level of uncertainty	Low/Medium

Population and Demographic Assumptions - Development contribution connections to the Mangawhai wastewater scheme

Assumption	Only connections to the Mangawhai wastewater scheme on properties that have not paid a development contribution in the past, or a capital rate, will be liable to pay a development contribution upon connection. The assumption is that an annual average of 84 properties will connect and pay the development contribution ¹ .			
	See table below:			
	Year	Number of connections with DC Payable	Year	Number of connections with DC payable
	2021/2022	84	2026/2027	84
	2022/2023	84	2027/2028	84
	2023/2024	84	2028/2029	84
	2024/2025	84	2029/2030	84
	2025/2026	84	2030/2031	84
Risk	Connections paying a development contribution occur at a lesser rate than assumed			
Reasons and Financial Effect of Uncertainty	Development contributions income at Mangawhai assumes these levels of connection to the scheme. Because of the relatively high unit wastewater contribution at Mangawhai, even small variations from the projected numbers of paying connections could have a significant financial impact. Council may be able to manage the impacts of such a variation by changing the proposed timing of capital works projects going forward, particularly those which are required to support growth. Where the capital expenditure has already been incurred there will be increased finance costs which Council would expect to recover through future development contributions. Should these assumptions not be achieved, the Council would need to reconsider the timing of future capital works projects and/or obtain alternative funding sources to repay the debt.			
Level of uncertainty	High			

Staffing Assumptions - Staff Recruitment and Retention

Assumption	Adequate staffing levels are expected to be maintained and there are not expected to be any recruitment issues when replacing staff.
Risk	Kaipara District Council unable to recruit staff with appropriate skills and experience.
Reasons and Financial Effect of Uncertainty	This may result in delays to project deadlines and impact on the level and quality of service. This risk can be mitigated by various initiatives, but these bring operating cost implications.
Level of uncertainty	Medium

Asset Management Assumptions - Drought

Assumption	Severe drought, resulting in water shortages, will not occur to the extent that water supply for human consumption and sanitation is compromised. Projects to meet increase in demand to manage water restriction have been added to the LTP 2021-2031.
Risk	Water shortages may result in emergency aid being required and losses in economic opportunities.
Reasons and Financial Effect of Uncertainty	Kaipara is projected to have longer dry periods, seasonal changes to rainfall patterns, and reduced flows in waterways and shallow groundwater.
Level of uncertainty	Low

Asset Management Assumptions - Property Designations - Resource Consents

Assumption	Any new property designations or resource consents required for water, stormwater, and wastewater systems, or for the significant upgrading of existing systems, will be able to be obtained, subject to conditions acceptable to Council. Any necessary land purchased, prior to the time that has been scheduled for the actual construction works. Council has assumed that there will be no significant changes to existing resource or discharge consent conditions that create significant additional costs.
Risk	Conditions attached to existing resource consents change, or Council is unable to renew these when they expire.
Reasons and Financial Effect of Uncertainty	A significant change could increase compliance costs which would need to be funded from increasing user charges or rates.
Level of uncertainty	Low

¹ Actual connections to the Mangawhai wastewater scheme in from 2017/2018 to 2019/2020 averaged 94 new connections annually. It is acknowledged that some of those additional connections will be to properties where a development contribution or a capital rate has already been paid, and which can connect as reticulation is extended. No development contribution will be payable in such cases. An assumed 10% reduction has been applied to take account of these properties. The development contributions model assumes 84 development contribution payable connections to the scheme annually over the period of the long term plan.

Asset Management Assumptions - Significant Land Use Changes

Assumption	There will not be any major changes to land uses in the district that have consequential impacts on Council infrastructure needs.
Risk	Unforeseen land use, of a type that has potential significant effects, occurs.
Reasons and Financial Effect of Uncertainty	Council will need to assess the situation, but this matter is not entirely within Council's hands. A third party may lodge an application for a plan change or non-complying consent at any time. This can lead to higher unforeseen costs in certain areas. Higher costs to Council to enable land use transitions. Litigation costs regarding land use transitions.
Level of uncertainty	Low

Asset Management Assumptions – Building control

Assumption	Council will continue to meet the requirements of being accredited by International Accreditation New Zealand in order to maintain its registration with the Department of Building and Housing as a Building Consent Authority. That Council will be faced with a significant leaky building claim is unlikely. Reference: Ministry of Business Innovation and Employment.
Risk	Loss of accreditation so Council could no longer grant building consents. A significant leaky building claim has the potential to affect the general rates.
Reasons and Financial Effect of Uncertainty	Council has a continuous improvement programme to focus on ensuring standards are met. There has been investment in additional management resource to support this process. Council has consistently achieved compliance to date. Council has in the past had very limited exposure to leaky building claims, and the improvements to processes arising from accreditation make it even less likely for a substantial claim to arise in future.
Level of uncertainty	Low

Asset Management Assumptions – Flood Protection

Assumption	Weather patterns and rain intensity are expected to increase steadily as are tidal sea levels in the future.
Risk	Predictions are under or over estimated.
Reasons and Financial Effect of Uncertainty	Significant additional "one-off" repair costs and rating impacts may be incurred as a result of storm events. It could be expected that higher operating costs will be incurred because of public demands for higher levels of readiness.
Level of uncertainty	Low

Asset Management Assumptions – Waste minimisation

Assumption	Landfills outside the district can no longer be used. The district's closed landfills no longer meet resource consent standards.
Risk	Demand for services rise steeply or change in type and nature of services.
Reasons and Financial Effect of Uncertainty	If Council needed to re-commission one or more closed landfills there would be significant extra cost and contingent liability for their operation.
Level of uncertainty	Low

Asset Management Assumptions – Water Supply Demand

Assumption	Increase in demand over that forecasted for treated water is not expected to significantly impact on either asset requirements or operating costs.
Risk	Development demand exceeds forecasts.
Reasons and Financial Effect of Uncertainty	Water is charged on a volumetric basis and a change to volume used will be reflected in revenue.
Level of uncertainty	Low

Emergency Management

Assumption	It is assumed that there will be no natural disasters requiring emergency management work that cannot be funded out of the budgetary provisions.
Risk	A major natural disaster occurs.
Reasons and Financial Effect of Uncertainty	Significant additional "one-off" repair costs and rating impacts may be incurred as a result of emergency events.
Level of uncertainty	Low/Medium

Legislative Changes

Assumption	Legislative changes are anticipated that may result in policy and procedural reviews.
Risk	Legislative changes result in general and specific costs for particular items such as tsunami warning systems.
Reasons and Financial Effect of Uncertainty	It could be expected that higher operating costs will be incurred because of public demands or legislative requirements for higher levels of readiness.
Level of uncertainty	Low/Medium

Legislative Changes	
Assumption	Legislative changes are anticipated that may result in policy and procedural reviews.
Risk	Costs of policy and procedure reviews rise well above budget provisions.
Level of uncertainty	Low/Medium
Asset Management Assumptions - Libraries	
Assumption	Changes in the district's population demographics resulting in greater numbers of retirees and Māori youth, is expected to increase demand for library services. There is a growing demand for digital services. It is anticipated there will be ongoing demands for changes in the range and types of services that the district's libraries are expected to provide. This is expected to continue to increase.
Risk	Demand for services rise steeply or change in type and nature of services.
Reasons and Financial Effect of Uncertainty	The technology associated with reading and the role of libraries is changing. There will be additional costs associated with the new technology and services.
Level of uncertainty	Low/Medium
Property Designations - Resource Consents	
Assumption	Any new property designations or resource consents required for water, stormwater, and wastewater systems, or for the significant upgrading of existing systems, will be able to be obtained, subject to conditions acceptable to Council. Any necessary land purchased, prior to the time that has been scheduled for the actual construction works. Council has assumed that there will be no significant changes to existing resource or discharge consent conditions that create significant additional costs.
Risk	The necessary designations or consents cannot be obtained, or the necessary land purchased, before the scheduled time of construction, resulting in works being delayed.
Reasons and Financial Effect of Uncertainty	The risk can be minimised if Council always has a clear and detailed future forward work programme to which it is committed, for at least the next three years, enabling timely consent applications or timely land purchases. This will be achieved through Council's 30 year Infrastructure Strategy.
Level of uncertainty	Medium
Property Designations - Resource Consents	
Assumption	Any new property designations or resource consents required for water, stormwater, and wastewater systems, or for the significant upgrading of existing systems, will be able to be obtained, subject to conditions acceptable to Council. Any necessary land purchased, prior to the time that has been scheduled for the actual construction works. Council has assumed that there will be no significant changes to existing resource or discharge consent conditions that create significant additional costs.
Risk	Resource consent standards lead to higher treatment standards which lead to higher cost.
Reasons and Financial Effect of Uncertainty	Higher treatment standards will lead to higher capital and operating costs. While Council can anticipate some of these changes and ensure that they are reflected in budgets the final impact will not be known until the resource consent is granted.
Level of uncertainty	Medium
Asset Management Assumptions - Drinking Water Standards	
Assumption	There are proposed changes to the New Zealand Drinking Water Standards which the Council are unable to accurately quantify now.
Risk	New Drinking Water Standards lead to higher treatment standards which lead to higher cost.
Reasons and Financial Effect of Uncertainty	Higher treatment standards will lead to higher capital and operating costs. Any impacts will not be known until revised Drinking Water Standards are published.
Level of uncertainty	Medium
Asset Management Assumptions - Significant Land Use Changes	
Assumption	There will not be any major changes to land uses in the district that have consequential impacts on Council infrastructure needs.
Risk	The planned plan change based on the recently completed spatial plan opens areas for growth with no existing infrastructure.
Reasons and Financial Effect of Uncertainty	Areas of potential growth based on the spatial plan and subsequently the District Plan will be financed through development contributions.
Level of uncertainty	Medium
Asset Management Assumptions - District Leadership	
Assumption	The Local Government Act 2002 provisions relating to decision-making and the expectations which the community has on Council is assumed to remain unchanged.
Risk	Council is unable to meet community expectations. Changes to key legislation may require reviews on local governance.
Reasons and Financial Effect of Uncertainty	There may be increased costs associated with quality assurance for decision making processes.
Level of uncertainty	Medium

Asset Management Assumptions - Local Government structure

Assumption	Northland and Auckland remains the same and no significant shared service or amalgamated service structures are put in place. Council is aware of the 3 Waters programme of work, but it is too early to draw any future conclusions on impact of governance structures or representation.
Risk	Amalgamation as a result of legislation or otherwise is introduced
Reasons and Financial Effect of Uncertainty	There is initial disruption and costs associated with any changing governance or representation structures, however longer-term efficiency in service delivery.
Level of uncertainty	Medium

Asset Management Assumptions - Roading

Assumption	There is sufficient provision in the LTP to cope with the effects of likely storm events.
Risk	Storms greater than average sized events will require a reprioritisation of expenditure in the LTP to accommodate the costs to repair the district's roads.
Reasons and Financial Effect of Uncertainty	Not all costs may be able to be covered by existing budget constraints.
Level of uncertainty	Medium

Asset Management Assumptions - Open Spaces

Assumption	It is assumed that expectations of reserve maintenance, the range and standard of facilities provided, safety and accessibility and compatibility will not change significantly.
Risk	Cost of operations and maintenance rise above expectations and start to undermine maintenance standards and community expectations.
Reasons and Financial Effect of Uncertainty	If the increased expectation is to be met, it will increase costs.
Level of uncertainty	Medium

Asset Management Assumptions - Stormwater

Assumption	Demand for new stormwater systems or significant upgrades to stormwater systems are not expected to significantly impact on either asset requirements or operating costs.
Risk	That development demand exceeds forecasts and/or slows down significantly. That a severe weather event or more frequent events affects the integrity of a system.
Reasons and Financial Effect of Uncertainty	If development increases significantly from forecasts, this may require increased expenditure to increase capacity to meet the demand. Storm damage or response to increased expectations for treatment and/or disposal of stormwater could increase rates within the affected catchment area.
Level of uncertainty	Medium

Asset Management Assumptions - Wastewater Demand

Assumption	Demand increases will not exceed existing projections and projects in excess of those planned.
Risk	That development demand exceeds forecasts or slows down significantly.
Reasons and Financial Effect of Uncertainty	The activity is confined to identified catchment areas, so financial impacts will be within the specific area. Due to the current and projected growth for eastern parts of Kaipara, Council will need to review its planning models more frequently.
Level of uncertainty	Medium

Asset Management Assumptions - Wastewater Treatment Plants

Assumption	Resource consents for major capital works are expected to be obtained without undue delays and consent compliance will therefore be achievable.
Risk	Resource consents are appealed to the Environment Court resulting in significant delays.
Reasons and Financial Effect of Uncertainty	There can be additional costs associated with complying with consent conditions as standards continue to increase. These additional costs will be borne by the catchment area serviced.
Level of uncertainty	Medium

Asset Management Assumptions - Water Conservation

Assumption	Water conservation measures are expected to be sufficient to counter the effects on demand arising from adverse drought conditions and high peak season water demand.
Risk	Conservation methods are not sufficient to counter the effects of a drought.
Reasons and Financial Effect of Uncertainty	While demand can be managed by regulation, a reduced water supply would mean reduced income from those supply areas which pay by metered usage.
Level of uncertainty	Medium

Asset Management Assumptions - Asset Management Plan Information

Assumption	Council has developed Asset Management Plans for several of its activities. Council continues to improve its asset planning information - particularly in regard to asset condition and performance.
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Asset Management Assumptions - Asset Management Plan Information (continued)

Risk	Asset conditions differ from the current information
Reasons and Financial Effect of Uncertainty	Any need to increase maintenance budgets and/or renewals expenditure above planned levels would lead to increased costs (and therefore rating requirement) for Council. The extent of this risk cannot be quantified. By conducting rigorous asset condition assessments and a continuous improvement programme around asset data, condition, and criticality the unknown and unquantifiable risks can be managed and reduced.
Level of uncertainty	High

Asset Management Assumptions - Infrastructure Capital Projects

Assumption	The district's infrastructure has historically lacked investment at the appropriate time (due to budget constraints) which has resulted in a significant portion of assets ageing and in need of costly renewals. Completing asset planning information related to the condition of assets is ongoing and budgeted for, therefore where accurate information is not available best estimates are used.
Risk	Information is not accurate or up to date to enable accurate prioritisation for projects.
Reasons and Financial Effect of Uncertainty	Council is focused on updating its asset condition and performance information to support prioritisation of works into the future. Where accurate information is not available and best estimates are used there is a risk renewal projects may be under or over scoped and costed.
Level of uncertainty	High

Asset Management Assumptions - Contractors

Assumption	In some instance's contractors are in short supply which can impact delivery of the capital works programme.
Risk	Timing of work can be delayed where contractors cannot be secured.
Reasons and Financial Effect of Uncertainty	The Infrastructure Team has a procurement strategy that is focused on supplier relationships and collaboration with other councils. In support of this focus a supplier panel has been created recently which will mitigate this risk to some extent where the panel have made a commitment to support Council works.
Level of uncertainty	High

Asset Management Assumptions - Freshwater Management

Assumption	The new rules from the National Environment Standards and the National Policy Statement for Freshwater Management put restrictions on increasing the volume of water takes. The hierarchy considered by the Regional Council is when assessing water takes is Environment comes first, then People and then Animals.
Risk	Council will not get sufficient water from water takes during droughts and may breach consents.
Reasons and Financial Effect of Uncertainty	Dargaville has historically experienced water shortages during droughts. Steps can be taken, however, to reduce demand and manage water resources more effectively. (Drought Management Plans have been developed).
Level of uncertainty	High

Asset Management Assumptions - Contracts

Assumption	It is expected that there will be no changes in the availability of tenderers for Council contracts when they are tendered.
Reasons and Financial Effect of Uncertainty	Planned expenditure to meet growth and renewals cannot be carried out. This is mainly due to the level of post COVID financial stimulus being provided by Central Government having an impact on the availability of suitable contractors to undertake planned works. The unavailability of suitable contractors could not only delay projects but increase costs, and depending on the length of delay could mean that the condition of assets being replaced deteriorates further.
Risk	Contractors become very scarce and difficult to secure, limiting the range for selection and driving costs upward.
Level of uncertainty	High

Asset Management Assumptions - Capital Works Cost

Assumption	On average, costs of major capital works will not vary significantly from costs estimated at the concept stage.
Risk	Costs rise steeply above estimates.
Reasons and Financial Effect of Uncertainty	<p>Council has a higher level of confidence regarding capital project costs in the short term but less certainty in the longer term due to fluctuations in the economy and district growth trends.</p> <p>A 5% variation in a \$500,000 project would add \$25,000 to the project cost. Given the long useful life associated with many of Council's capital works projects such a variation would not have a significant rating impact.</p> <p>If Council was concerned about the increase in cost then it could look for alternative ways of completing the works and/or change the scope of the works to be completed. Should the cost be lower than estimated there would be a favourable impact on Council's budgets.</p> <p>In the long term there is uncertainty around the scale and degree to which infrastructure assets will need to be fortified and/or relocated and the associated cost for capital works projects. While a conservative 2021-2031 capital works programme may reduce financial risk in the short term, it may significantly increase risk to infrastructure assets in the long term and increase risk to ability to pay.</p> <p>There is also uncertainty around risk of cost to insure and insurability regarding exposed infrastructure assets and the timeframe regarding insurability. Changes to insurance costs and insurability may trigger capital works projects.</p>
Level of uncertainty	High

Depreciation Rates on Planned Asset Acquisitions

Assumption	Depreciation expenses on new assets acquired within the term of this Plan have been determined at the applicable rate defined within the accounting policies.
Risk	That the depreciation rate applied to acquire assets is inaccurate.
Reasons and Financial Effect of Uncertainty	The depreciation expense and funding would differ from that forecast.
Level of uncertainty	Low

Refinancing Term Loans/External Funding:

Assumption	External loans are managed on a portfolio basis and refinanced in accordance with the parameters of the LTP, the liability management policy and on the advice of Council's Treasury Advisors. Refinancing of external loans is assumed to be readily achieved. Council expects to maintain a significant lead-in time within which it can seek to lock in funding at acceptable margins.
Risk	Refinancing of external loans is difficult.
Reasons and Financial Effect of Uncertainty	The refinancing of Term Loans/External Funding may prove difficult to secure due to conditions within financial markets. This could lead to increased borrowing costs. Council will look to manage this risk by maintaining significant lead-in time before debt is needed.
Level of uncertainty	Low

Internal Borrowing

Assumption	Where activities undertake long term asset purchase or replacement, Council internally funds the expenditure from its cash on hand or debt facilities. Activities are separately charged on a principal and interest basis to recover funds used. Payment terms are made over five years for IT and similar short life expenditure, 10 years for the District Plan and 20 years for infrastructural assets except for the Mangawhai Wastewater Scheme which is over 30 to 40 years depending on the debt tranche. Operational reserves (cash on hand) are utilised in the first instance to minimise external debt funding. These reserves are effectively on call.
Risk	That the reserves are required in short timeframes and Council's liquidity facilities are insufficient.
Reasons and Financial Effect of Uncertainty	Expenditure is planned through the Annual and Long Term Plans. Council operates within the parameters of its Treasury Policy which incorporates the liquidity and liability management policies.
Level of uncertainty	Low

Lump Sum Payments

Assumption	That a proportion of property owners connected to the Mangawhai Wastewater Scheme paying the Capital Contribution A F targeted rate will pay for their share of the capital costs of building the scheme via a lump sum rather than over the 30 year term as a targeted rate. Council has assumed that take up of the offer is assumed to be minimal at this stage.
Risk	That the number of property owners taking up the lump sum option will be higher or lower than forecast.
Reasons and Financial Effect of Uncertainty	Any lump sums collected will be used to reduce debt. A property having paid the lump sum will also no longer be liable for paying a capital contribution via a targeted rate. Hence, any variance in the number of properties paying lump sums will not affect the targeted rate for capital costs payable by other properties.
Level of uncertainty	Low

Sources for Funds for Future Replacement of Significant Assets

Assumption	It is assumed that funding for the replacement of significant assets will be obtained in accordance with Council's Revenue and Financing Policy.
Risk	The main risk is that budgets for some capital replacements may not have been included and sources may not meet requirements.
Reasons and Financial Effect of Uncertainty	There is little or no risk that sources of funds for replacement of significant assets will not be achieved. Funding of all asset replacements during the life of the LTP has been disclosed.
Level of uncertainty	Low

Government Funding

Assumption	It is assumed that government contributions (via Waka Kotahi NZ Transport Agency funding, Crown Infrastructure Partners, and the Provincial Growth Fund) will continue at the same material rate as previously agreed.
Risk	Government funding is not approved, or subsidy rates decrease.
Reasons and Financial Effect of Uncertainty	If government funding decreases, subsidy dependant projects are likely to be impacted. Council will need to work through these, along with the impact on debt and project prioritisation, and/or the impact on balanced budget where projects are removed.
Level of uncertainty	Low

Local Government Funding Agency (LGFA)						
Assumption	Guarantee Obligations: Council has become a “guaranteeing local authority” in the LGFA when it joined the Agency. This means it will have guarantee obligations. At the year-end 2020, LGFA had borrowings totalling \$14.464 billion.					
Risk	Council is one of 44 local authorities that guarantee LGFA's borrowings. These could be called on if LGFA defaulted on repayments of interest or capital.					
Reasons and Financial Effect of Uncertainty	The only borrowers from the LGFA are Local Authorities and there has been no default by a Local Authority in New Zealand. In the event of a default. The LGFA will immediately be able to appoint a receiver and assess a special rate against all ratepayers in the defaulting Local Authority's district. The LGFA has considerable sources of capital and liquidity available to meet any shortfall in timing of payments before any call is made under the guarantee. Operational risk is minimal due to the conservative borrowing and lending policies proposed as part of the LGFA scheme.					
Level of uncertainty	Low					
Vested Assets						
Assumption	Council does expect to receive vested assets over the life of this Plan.					
Risk	The value of vested assets is greater than predicted thereby increasing depreciation expense. That contributions in kind do not provide the cash resource required to undertake the growth projects set out in the LTP.					
Reasons and Financial Effect of Uncertainty	From time to time developers will seek to vest certain assets in Council in lieu of making payments for financial or development contributions.					
Level of uncertainty	Medium					
Useful Lives of Significant Assets:						
Assumption	It is assumed that no significant assets will fail before the end of their useful lives as determined in accordance with the depreciation rates set out in the accounting policies of Council.					
Risk	Some assets may wear out and fail sooner or later than calculated.					
Reasons and Financial Effect of Uncertainty	There is no certainty that asset components will last exactly to their design or assessed lives. However, replacement is budgeted at the expected end of useful life and earlier replacement will result in a loss on disposal of any residual value. Earlier replacement may result in the deferral of other discretionary capital projects in order to remain within self imposed debt limits as set out. Some assets are likely to last longer than their design lives which would help to balance the effects of any early replacement of assets.					
Level of uncertainty	Medium					
Revaluation of Non-Current Assets						
Assumption	Revaluations are planned to be undertaken as follows: <ul style="list-style-type: none">• Roadings annually• 3 waters: every three years• Community and operational assets remain at cost It is assumed that these will be completed on a rotational basis i.e. not all revaluations will occur in one particular year. For the purposes of this LTP, the values of non-current assets have been increased using factors reflecting average annual movements.					
Risk	The actual inflation rate may vary from the average annual movement information applied.					
Reasons and Financial Effect of Uncertainty	There is no certainty as to what the actual inflation rates will be over the next ten years. External influences beyond Council control can affect these rates. If the asset class is depreciable the depreciation will differ from that in the forecast.					
Level of uncertainty	Medium					
Interest Rates on Borrowing						
Assumption	Interest Rates on Borrowing: The forecast interest rates are the actuals for existing loans and swaps. The interest cost of the new debt or refinanced debt is assumed to be at a margin of 1.2% with a commitment fee of 0.5%, which is a conservative estimate, using the long term average forecasts assuming that we continue to borrow from the Local Government Funding Agency (LGFA). The combined all up of cost is assumed to range from 4% to 5%.					
Risk	Interest rates will increase beyond those budgeted for in the 10 year LTP period.					
Reasons and Financial Effect of Uncertainty	A 1% variation in interest rates would give the following increases in interest costs at the following levels of debt:					
	Total debt		\$65m	\$60m	\$50m	\$45m
	Interest \$ Variance with Movement of:	1%	\$650,000	\$600,000	\$500,000	\$450,000
	A \$500,000 increase in interest costs equates to approximately a 1.5% increase in rates for 2020/2021.					
Level of uncertainty	Medium					
Waka Kotahi NZ Transport Agency Subsidy Rate						
Assumption	The NZTA's financial assistance rate (FAR) for Kaipara District Council has been increased from 61% to 62%. It is assumed that this FAR will remain for the life of the plan. It is also assumed that the level of subsidy will increase in proportion to increased costs.					
Risk	There is a risk that subsidy rates will reduce within the 10 year period.					
Reasons and Financial Effect of Uncertainty	Roadings activities dominate Council's expenditure. Any change in the subsidy rate has a direct impact on Council's budget, level of rating or level of service.					
Level of uncertainty	Medium					

Price Level Changes

Assumption	The influence of COVID-19 has dramatically changed how councils will forecast price level changes. Through Council's membership of the Society of Local Government Managers (SOLGM), economic advisors BERL have cast 3 price level change scenarios with identifying regional characteristics which will influence changing price level projections. The scenarios are: 1. Stalled rebuild where GDP and employment grow more slowly; 2. BERL Mid; and 3. Faster rebuild where GDP and employment grow more rapidly. Guidance on the characteristics of districts was provided for Councils to select the scenario most relevant. Due to Kaipara's dominant agricultural base, lower reliance on the most hard-hit tourism sector and its high growth rate, BERL's 'Faster Rebuild' scenario has been adopted. The principal assumption made for the ten year period between 2021 and 2031 is that annual inflation will occur at rates in line with the 'Faster rebuild scenario' Local Government Cost Adjuster estimates and the Local Government Cost Index (LGCI) which have been prepared for local government use by SOLGM (see tables below). Adjustors: % Per annum change Local Government Cost Adjustor Forecasts Three Scenarios - Mahuru 2020 <i>Table 4.15 Local government cost adjustors, Faster rebuild scenario, % change on year earlier</i>																																																																																																					
	<table><tr><th colspan="6">Faster rebuild scenario</th></tr><tr><th>Year</th><th>Planning & Regulation</th><th>Roading</th><th>Transport</th><th>Community</th><th>Water & Environment</th></tr><tr><td>2019</td><td>3.2</td><td>2.3</td><td>2.8</td><td>2.0</td><td>3.8</td></tr><tr><td>2020</td><td>1.7</td><td>1.9</td><td>1.8</td><td>1.7</td><td>2.5</td></tr><tr><td>2021</td><td>1.4</td><td>1.5</td><td>1.4</td><td>0.7</td><td>-2.2</td></tr><tr><td>2022</td><td>2.6</td><td>3.3</td><td>2.7</td><td>3.1</td><td>4.1</td></tr><tr><td>2023</td><td>2.6</td><td>3.2</td><td>2.7</td><td>2.8</td><td>3.4</td></tr><tr><td>2024</td><td>2.5</td><td>3.2</td><td>2.7</td><td>2.8</td><td>3.4</td></tr><tr><td>2025</td><td>2.5</td><td>3.2</td><td>2.7</td><td>2.8</td><td>3.5</td></tr><tr><td>2026</td><td>2.5</td><td>3.1</td><td>2.6</td><td>2.8</td><td>3.5</td></tr><tr><td>2027</td><td>2.5</td><td>3.1</td><td>2.6</td><td>2.6</td><td>3.0</td></tr><tr><td>2028</td><td>2.5</td><td>3.1</td><td>2.6</td><td>2.8</td><td>3.4</td></tr><tr><td>2029</td><td>2.4</td><td>3.1</td><td>2.6</td><td>2.8</td><td>3.4</td></tr><tr><td>2030</td><td>2.4</td><td>3.1</td><td>2.6</td><td>2.8</td><td>3.4</td></tr><tr><td>2031</td><td>2.4</td><td>3.0</td><td>2.6</td><td>2.6</td><td>3.0</td></tr><tr><td>20 year average %pa</td><td>2.2</td><td>2.6</td><td>2.3</td><td>2.2</td><td>2.6</td></tr></table>						Faster rebuild scenario						Year	Planning & Regulation	Roading	Transport	Community	Water & Environment	2019	3.2	2.3	2.8	2.0	3.8	2020	1.7	1.9	1.8	1.7	2.5	2021	1.4	1.5	1.4	0.7	-2.2	2022	2.6	3.3	2.7	3.1	4.1	2023	2.6	3.2	2.7	2.8	3.4	2024	2.5	3.2	2.7	2.8	3.4	2025	2.5	3.2	2.7	2.8	3.5	2026	2.5	3.1	2.6	2.8	3.5	2027	2.5	3.1	2.6	2.6	3.0	2028	2.5	3.1	2.6	2.8	3.4	2029	2.4	3.1	2.6	2.8	3.4	2030	2.4	3.1	2.6	2.8	3.4	2031	2.4	3.0	2.6	2.6	3.0	20 year average %pa	2.2	2.6	2.3	2.2	2.6
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Based on a projected annual operating expenditure of \$50 million, a plus/ (minus) 1% movement in the forecast inflation rate would result in an approximate movement in operating costs of plus/ (minus) \$500,000. Similarly, with an annual capital works programme of \$40 million a plus/(minus) 1% movement in the forecast inflation rate would result in an approximate movement in capital costs of plus/(minus) \$400,000. If the impact of inflation on Council's budgets turns out to be higher than forecast and Council did not wish to generate additional revenue by increasing rates, then either additional operational efficiencies or reduction in service levels or planned capital expenditure would need to be considered. Should the impact of inflation turn out to be lower than forecast then there would be a favourable impact on Council's operating and capital expenditure budgets.																																																																																																						
Level of uncertainty																																																																																																						
High																																																																																																						

Other Assumptions

Emissions Trading Scheme:

Assumption	Council currently holds New Zealand units for pre 1990 forests but does not plan on surrendering or obtaining any units. With the sale of much of the woodlot these units may be available for sale.
Risk	In the event that pre 1990 forests are lost and could not be re-planted or regenerated Council would need to surrender or purchase credits. The cost to purchase carbon credits will increase.
Reasons and Financial Effect of Uncertainty	As Council is not planning on deforesting any of its land, it would have the New Zealand Units available to meet any unforeseen events. As the cost of carbon will increase over time it will cost more for Council to meet future requirements to offset emissions.
Level of uncertainty	Low

COVID-19

Assumption	Council does not expect the impact of COVID-19 to have any material impact on its financial forecasts. Apart from the assumptions adopted from the BERL inflationary factors, the financial forecasts have been prepared on a consistent basis to previous LTP's.
Risk	That impacts of COVID-19 do affect the financial forecasts.
Reasons and Financial Effect of Uncertainty	Any impact will be included in the subsequent years' annual plans.
Level of uncertainty	Medium

Climate Change

Assumption	The Council follows New Zealand Government advice about anticipated changes and is meeting legal obligations placed on the Council to consider the impacts of climate change. The financials have been prepared to meet the minimum work required to carry out our climate change responsibilities and requirements, which come from our resource management, natural hazards and risk management obligations.
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Population and Demographic Assumptions

Assumption	Climate Change
Reasons and Financial Effect of Uncertainty	Increasing physical risks could lead to property value reduction, decreased insurability, or increased cost to insure, increased compliance and design costs, reduced ability to develop property and restrictions on land use, and increased costs of repair and protection.
Risk	Increased risks leading to reducing property values.
Level of uncertainty	Medium

Asset Management Assumptions

Risk	Decreased capacity to adapt due to restrictive land designations and land use lock-in (where costs are too high to change land use). Increased GHG emissions due to land use lock-in and increased costs of emissions off-setting.
Level of uncertainty	Medium
Risk	Increased frequency and/or severity of natural hazards will increase emergency management service requirements.
Reasons and Financial Effect of Uncertainty	Significant increase in repair costs. Increased operational costs to match community needs and expectations.
Level of uncertainty	Medium
Risk	Sea level rise and extreme weather events will increase spending on transportation networks repair and reduce levels of service. Inability for Council to pay for transportation network (roading relocation) in the long term.
Reasons and Financial Effect of Uncertainty	Cost will be greater than budget. Delegated capital works projects on roading may create infrastructure lock-in and reduce adaptation opportunities and/or increase costs to relocate roads in the long term.
Level of uncertainty	Medium
Risk	Increased severity of storm events, including extreme rainfall events will decrease ability of drainage schemes and stormwater networks.
Reasons and Financial Effect of Uncertainty	Higher operating costs due to increased repair and maintenance costs. Lack of ability to insure/higher costs to insure assets due to increased exposure and risk. Increased costs for large-scale capital works projects to improve capacity of flood protection systems.
Level of uncertainty	Medium
Risk	Operation cost of solid waste disposal services significantly increases.
Reasons and Financial Effect of Uncertainty	Increased legislative requirements to reduce GHG emissions, off-set GHG emissions and increased costs of carbon credits will increase operation cost, including strategy development and reporting requirements, legal costs, and level of service/implementation changes.
Level of uncertainty	Medium

Asset Management Assumptions (continued)	
Risk	Current water conservation methods are inadequate to meet increasing drought conditions, rainfall pattern changes and salination of low lying freshwater sources.
Reasons and Financial Effect of Uncertainty	Increased costs to improve water storage infrastructure. Increased costs for consultation and/or other external expertise to help incorporate and set-up water conservation methods (i.e. grey water reticulation into infrastructure strategy and management plans.
Risk	Sea level rise and increased frequency and/or severity of natural hazards will reduce the useful lives of significant infrastructure assets
Reasons and Financial Effect of Uncertainty	Council needs to factor climate change scenarios into its asset maintenance and renewal planning assumptions.
Level of uncertainty	Medium
Risk	Sea level rise and increased frequency and/or severity of natural hazards will increase pressure and damage to assets and accelerate depreciation rates.
Level of uncertainty	Medium
Assumption	Current and projected increase in global temperature and sea level rise, will increase frequency/severity of extreme weather events and natural hazards. Current costs structures will be impacted by climate change adaption and mitigation needs.
Risk	Sea level rise, extreme weather events, and slow on-set changes may lead to growing financial burdens, revenue, credit and investment impacts, lost productivity, increased emergency management costs, and unfunded contingent liabilities.
Reasons and Financial Effect of Uncertainty	Increasing damage by natural hazards will impact funding investments in infrastructure and increase emergency management requirements. Continued and increasing economic disruptions. Loss of asset values and insurance premium increases and withdrawals. Potential lost productivity – especially the land based primary sector. Reduction in revenue from rates linked to asset values affected by climate change. Increased need for large scale investments for adaption. Increased operational costs to implement need for early action. Lack of capacity of current investment appraisal approached (inappropriate for complexity and long term nature of climate change).
Level of uncertainty	Medium
Assumption	Will bring an increase in the frequency and severity of extreme weather events impacting Council infrastructure assets.
Risk	Cost of capital works projects will reactively and sharply increase due to rising need for system upgrades, relocation and/or redesign to adapt to environmental changes.
Reasons and Financial Effect of Uncertainty	Increasing physical risks could lead to property value reduction, decreased insurability, or increased cost to insure, increased compliance and design costs, reduced ability to develop property and restrictions on land use, and increased costs of repair and protection.
Level of uncertainty	Medium/High
Risk	Lack of capacity of 3 Waters systems to cope with pressure from increased severity and/or frequency of coastal inundation, salination and rising groundwater, flooding, erosion and drought. Damage to infrastructure assets due to increasing coastal hazards.
Reasons and Financial Effect of Uncertainty	Significantly increased costs to improve asset capacity and reduce exposure. Increased infrastructure repair and maintenance costs. Increased operational costs to develop and implement drought and water shortage adaption response actions.
Level of uncertainty	High
Risk	Lack of community's ability to pay for required infrastructure projects if adaptation response defaults to "one-off repair costs".
Reasons and Financial Effect of Uncertainty	Council recognises that a basic investment in climate mitigation measures is necessary and the community will be consulted on regarding their appetite for a larger investment.
Level of uncertainty	High
Risk	Sea level rise and increased coastal flooding will decrease capacity for stopbank system and drainage system.
Reasons and Financial Effect of Uncertainty	Maintenance costs increase, and lack of ability to insure/higher costs to insure assets due to increased exposure and risk.
Level of uncertainty	High
Risk	Council is unable to meet community expectations, including risk of community push-back on adaption and mitigation decisions or on lack of decisive action. Increased compliance risk for Council to meet legislative obligations and statutory requirements. Lack of clarity and guidance from central government and increased costs on navigating differing legislative guidance.
Reasons and Financial Effect of Uncertainty	Higher costs to obtain legal advice, higher operating costs for policy and strategy development. Decreased success with resource consents and increased costs to obtain consents. Increased litigation costs.
Level of uncertainty	High



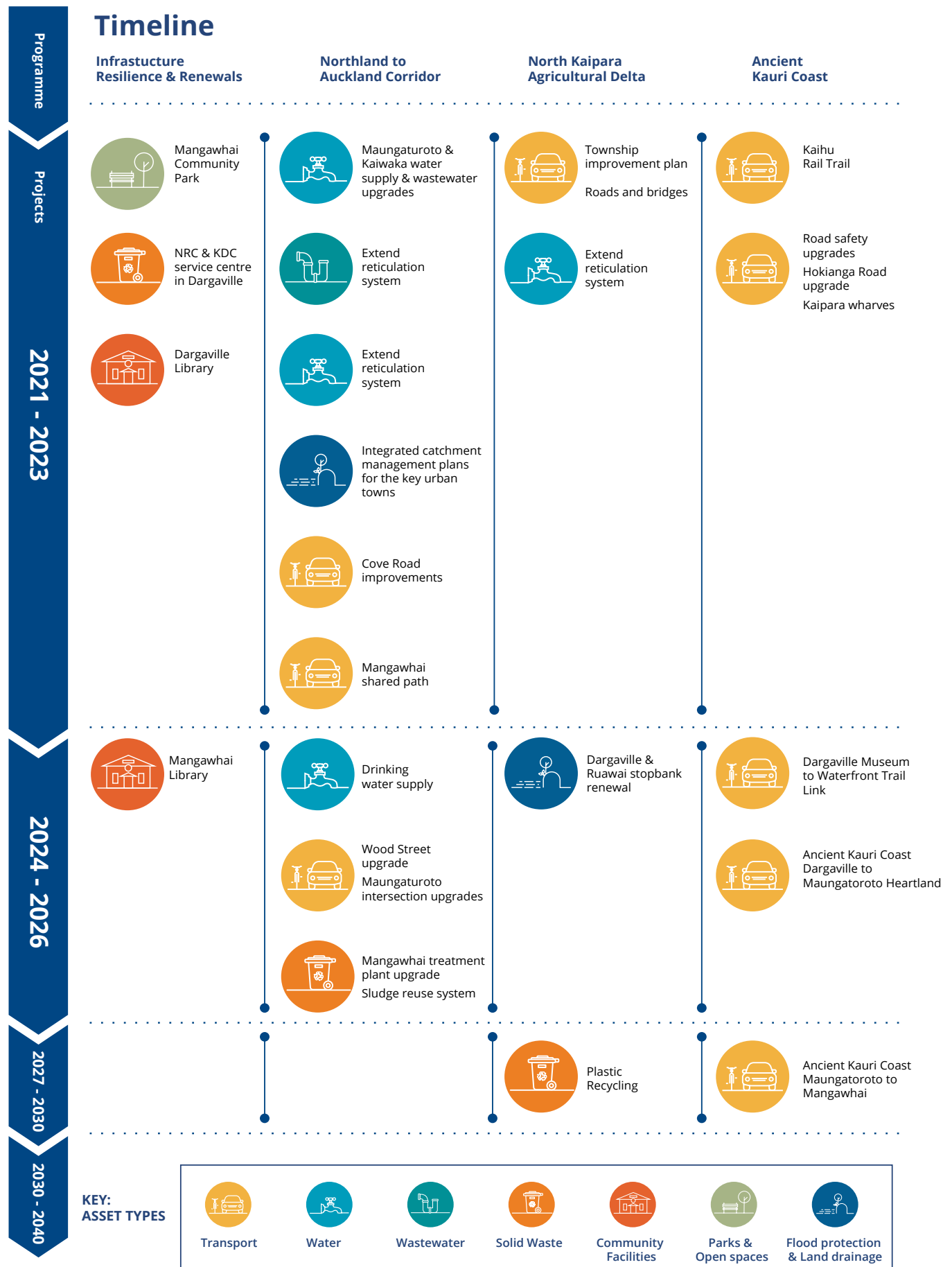


SECTION 4

Infrastructure Strategy



Significant Projects



Executive Summary

Since the previous census in 2013, Kaipara District has become New Zealand's fourth fastest growing District. This rapid growth has been driven primarily in the key urban towns of Dargaville, Maungatūroto, Kaiwaka and Mangawhai. This growth has prompted the Council to progress several Spatial Plans for these key urban areas and a Sub-regional Spatial Plan to stitch all of Kaipara's towns, villages and settlements together and show how they could sustainably develop and grow over the next 30 years. This Infrastructure Strategy is essentially all the structures, systems and Kaipara's infrastructure – its roads, water, wastewater, stormwater, solid waste, open spaces, and flood protection – are its backbone, making it easy to live in functional and connected communities, and support the vision to 'Grow a better Kaipara'.

Kaipara District has become New Zealand's fourth fastest growing District.

This infrastructure strategy provides a response to

- Kaipara's projected population growth over the next 30 years which is being accelerated in the east through its proximity to Auckland. Council's infrastructure will play a key role in facilitating the growth and aspirations identified in Ngā Wawata the Kaipara District Spatial Plan.
- Economic changes, particularly in agriculture and manufacturing are the main drivers of Kaipara's economy and have seen continual growth over recent years. Suitable infrastructure is needed to support the expansion of these industries, including flood protection, water supply and reliable transport links to get goods to market.
- Tourism is becoming increasingly important, particularly with increased focus on domestic tourism and the proximity of Auckland. The west coast only attracts 10% of Tai Tokerau tourism and there is an opportunity for the community to participate in the benefits of tourism whilst minimizing the impact on the environment.

- **Climate change** and sea level rise as this will increase the frequency and severity of extreme weather events in Kaipara, including flooding and coastal inundation, but also drought.
- **Regionally significant infrastructure projects** will have an influence on future development patterns in the Kaipara District and the local infrastructure needed to support this development.

The Infrastructure Strategy is targeted at key challenges faced in the District

- Aging infrastructure
- Meeting customer expectations and legislative requirements
- Providing for resilience
- Funding infrastructure for growth
- Minimising waste in a rural district

Four pillars have been established which direct and influence our strategy. The basis of these is in the four well-beings – social, cultural, environmental and economic. The third pillar (Te Aranga Principles) relates to how the Council seeks to fulfil its Treaty partnership obligations in its activity programmes and also its partnership / mana enhancing agreements with Iwi and Hapu.

Nga Pou e Wha – the four pillars of:

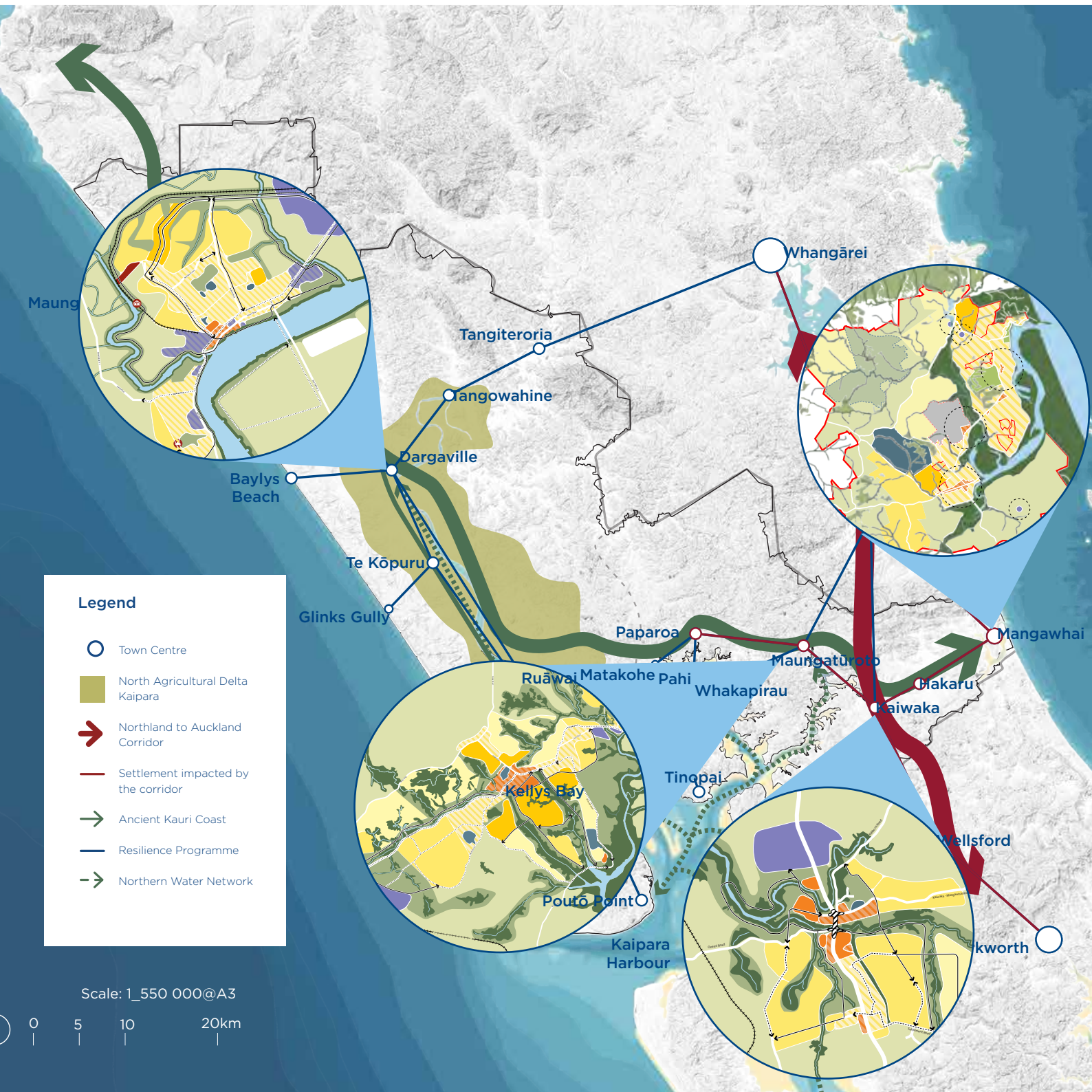
- Customer-centric design
- Circular economy
- Te Aranga design principles
- Managing demand

Spatial planning

An integrated spatial – infrastructure planning exercise has been undertaken across the entire Kaipara District. This includes spatial plans for key urban centres which identifies the key infrastructure requirements.

The Infrastructure Strategy incorporates this planning work and the investment signalled gives effect to the desired spatial outcomes.

Infrastructure Programme



Kaipara District Council, through this Strategy, is responding to these issues through four key programmes;



Northland to Auckland Corridor

The Northland to Auckland Corridor is a big picture spatial planning exercise which looks at how to manage the expected urban growth along the corridor from Northland to Auckland, including how housing and development will be located around core transport links. This project stems from significant upgrades to the North Auckland Rail line, the Puhoi to Warkworth motorway extension, four-laning of the State Highway from Whangārei south to the Port Marsden turnoff, the growing importance of NorthPort and the strong growth pressures being experienced in the Warkworth, Kaiwaka/Mangawhai, Maungatūroto and Waipu areas.

SIGNIFICANT PROJECTS:

1. Maungatūroto Growth (Spatial Plan)
2. Kaiwaka Growth (Spatial Plan)
3. Mangawhai Growth (Spatial Plan)
4. Water reticulation in Kaiwaka
5. Water Supply for Mangawhai and possible reticulation
6. Wastewater treatment plant upgrades at Mangawhai
7. Tourism Infrastructure Projects for select communities
8. Waste minimisation (washing, shredding, recycling)



North Kaipara Agricultural Delta

The North Kaipara Agricultural Delta programme seeks to protect highly productive land through increased stopbank protection. This would enable high value horticulture conversions where there is a reliable water source or via the Te Tai Tokerau Water Trust water storage project. This in turn creates demand for the creation of new zoning in Dargaville to allow for businesses associated with processing and value add products. This programme aligns with Council's Adaptive Pathways Planning for Climate Change, the Kaipara Kai project and the Te Tai Tokerau Water Trust.

SIGNIFICANT PROJECTS:

1. Implementing **climate change** adaptation programme
2. Improvements to **stopbanks** – Te Kopuru to Dargaville, Dargaville – Awakino Point East and Raupo
3. Upgrade and repair key **transport** structures to meet High productivity Vehicle requirements e.g. the Kaiwaka-Mangawhai Bridge
4. Work with NZTA to **upgrade detour routes** alongside the SH1 corridor
5. Improving **water security** for communities
6. Extension of **waste** scheme in Dargaville



Ancient Kauri Coast

The Ancient Kauri Coast route was developed to promote travelers to seek out an alternative to the established SH 1 tourism route. The extended Ancient Kauri Coast includes the Brynderwyns and Mangawhai and traverses through many of Kaipara's historic villages and settlements. The next stage is to develop more experiences and improve transport and visitor infrastructure.

The Ancient Kauri Coast programme includes development of a Tourism Plan/Strategy and Destination Management Planning. The programme also includes development of key tourism infrastructure projects, chiefly those stemming from the Kaipara Harbour, water transport and wharves. These wharves will also link in with new investment in cycle tourism projects. The Kaihu Valley Trail will create a multiday cycle experience connecting Waipoua Forest with Dargaville. In addition to these lead infrastructure projects, the necessary support facilities to cater for people utilising these places including toilets and parking will be provided.

SIGNIFICANT PROJECTS:

1. Develop and open the **Kaihu Valley Trail** alongside accommodation and tourism initiatives
2. **Premier Park** - Tahoroa Domain upgrades around Kai Iwi Lakes
3. Implement the first phase of the **Dargaville Township Improvement Plan**, including Hokianga Road, riverside cycle path and intersection improvements
4. **Premier Parks** - Pou tu te Rangi/Harding Park development plan
5. Parks projects
6. **Dargaville to Maungatūroto Heartland Trail**
7. **Dargaville Pontoon**
8. **New wharf at Pouto Point**
9. **Sealing the Pouto Road**
10. **Renewal of the Pahi Wharf**
11. Develop (in partnership with WDC) the **Brynderwyns Cycle Trail** and associated Mountain Bike Parks
12. Continue to implement the **Mangawhai Community Plan** including the shared path network and **Mangawhai Community Park**



Building Resilience

Increasing resilience in the asset network recognizes the Council's core responsibilities in managing its assets efficiently and effectively but also in how it plans for climate change events and how these assets could be impacted.

The programme of work is broken down under targeted Strategic Asset Management Plans (SAMPs) for each of the core activities of water, wastewater, stormwater, flood protection and land drainage, waste minimisation, parks and recreational facilities and transportation.

BUILDING RESILIENCE INTO OUR ASSET NETWORK

1. Improved **Water Security** in Dargaville and Mangawhai
2. **Wastewater, Drinking water and stormwater** renewals
3. Improvements to the **unsealed road network**
4. **Bridge** renewals and replacements
5. Implement **speed management** plans across network
6. **Carpark sealing** programme
7. **Dargaville Civic Precinct**
8. **SCADA** – Improving resilience of water and waste systems
9. Closed **landfill** remediation works



PART 1

Strategic Context



Kai Iwi Lakes - Photo: Natalie Edwards

1.0 | Introduction

The strategic context sets out the internal strategic context – the Council strategic documents and the challenges specific to the Council’s infrastructure and the external strategic context.



Kellys Bay Photo: Natalie Edwards

The strategic context for this strategy contained in Part 1 aims to show the inter-relationships of the various Council strategic documents including the new vision, mission and community priorities for the Council. The creation of this Infrastructure Strategy has been driven from a bottom-up approach – the draft Strategic Activity Management Plans (SAMPs) and from a top-down Spatial Plans and vision/community documents. The approach is very different from previous infrastructure strategies and seeks to provide the Council with a clear and transparent infrastructure prospectus, which it can use for future discussions with the community and its funding and infrastructure partners.

Kaipara District nestled between Northland’s biggest urban centre of Whangarei and New Zealand’s largest city Auckland, presents multiple opportunities and challenges the Council and community need to grapple with to plan for the future. Part 1 covers the primary external trends affecting Kaipara of population growth, economic changes, climate change and sea level rise and regionally significant projects. Moving down another level of detail are five of the biggest infrastructure challenges that Council has in the District. Many of these challenges are also opportunities for the Council to do things differently, such as how it deals with and recycles its waste products.

This strategic context is intended to set the scene for how the Council responds to these external trends and challenges, covered in Part 2.

“Kaipara District nestled between Northland’s biggest urban centre of Whangarei and New Zealand’s largest city Auckland, presents multiple opportunities and challenges.”

1.1 | Purpose and Scope

Why do we need an Infrastructure Strategy?

The Local Government Act (2002) stipulates that a local authority must, as part of its long term plan, prepare and adopt an infrastructure strategy for a period of at least 30 consecutive financial years.

The Purpose

The purpose of this document is to identify the significant infrastructure issues for Kaipara District Council (KDC or 'Council') over a 30 year period. This includes identification of principal options for managing those issues and the implications of those options.

In a way that contributes to the long term sustainable management of the Council's infrastructure.

So that financial and implementation consequences of the Council's vision, community priorities and strategies are analysed, understood and integrated into the Council's primary forward planning document – the Long Term Plan.



Mangawhai Photo: Natalie Edwards

1.2 | Kaipara District Infrastructure Strategic Framework

The strategic framework diagram over page shows the inter-relationships between the Council's key strategy documents as they relate to the infrastructure area. The highest level is the vision and community priorities. The next level is the Spatial Plans and District Plan that guide development and signal the infrastructure required in the future. To service the infrastructure requirements from the spatial plans and to keep maintaining the core assets, four large programmes are proposed within this strategy. The Activity Management Strategy outlines the individual activity plans that provide the detail on the infrastructure activities including condition, Level of Service, valuation, forecast expenditure and issues.

The two bottom levels show the significant projects currently proposed within the programmes and activity plans. These projects are not an exhaustive list but show some of the more significant and diverse range of projects the Council is proposing over the upcoming two Long Term Plan (LTP) cycles.

"To service the infrastructure requirements from the spatial plans and to keep maintaining the core assets, four large programmes are proposed within this strategy."



1.2 Kaipara District Infrastructure Strategic Framework

The Strategic Framework

VISION

VISION FOR KAIPARA DISTRICT

PLANNING STRATEGY

SPATIAL PLANS

KEY URBAN AREAS | MANGAWHAI | SUB REGIONAL

PROGRAMMES

INFRASTRUCTURE
RESILIENCE &
RENEWALS

ANCIENT
KAURI COAST

NORTH
KAIPARA
AGRICULTURAL
DELTA

NORTHLAND
TO AUCKLAND
CORRIDOR

ASSET MANAGEMENT STRATEGY

Transport
(Road, bridges
footpaths &
cycling)

Water
Supply

Stormwater

Wastewater

Flood
Protection &
Land
Drainage

Community
Facilities

Parks and
Open Spaces

Waste
Minimisation

KEY PROJECTS 2021-2023



Kaihu Valley Trail
Road Safety &
Hokianga Road
upgrade



Kaipara Wharves



Integrated
catchment
management plans
for the key urban
towns



Maungaturoto &
Kaiwaka SW & WW
upgrades



Mangawhai Waste
Scheme Extension



Priority Bridges

KEY PROJECTS 2024-2026



Dargaville Museum
to waterfront trail
link



Water Storage



Dargaville & Ruawai
stopbank renewal



Wood Street &
Maungaturoto
intersection
upgrades



Mangawhai
Treatment Plant
upgrade



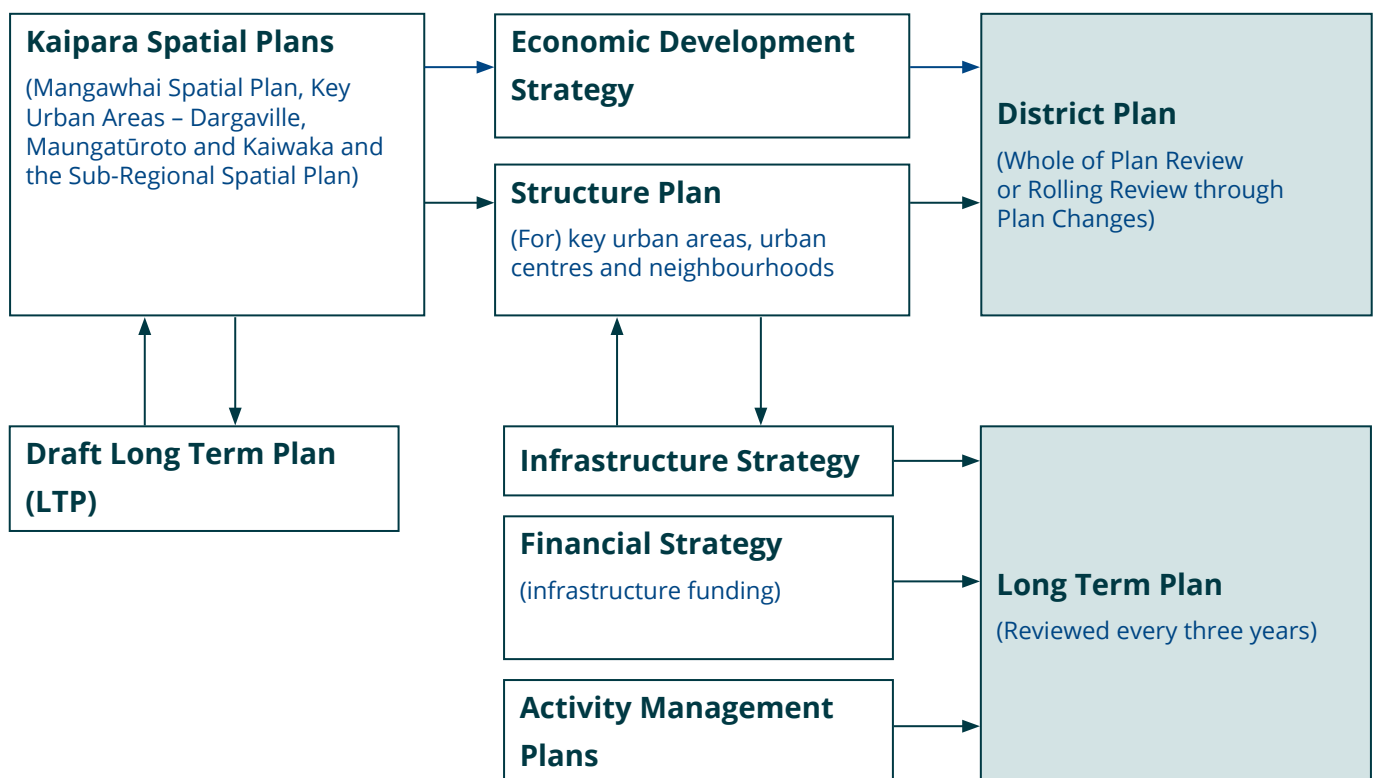
Second priority
bridges

1.2 | Kaipara District Infrastructure Strategic Framework

This diagram shows the relationships between Council's Spatial Plans, future Economic Development, Structure Plans and other key planning documents. It also shows how the Infrastructure Strategy will play an important role in determining future infrastructure investments for Kaipara's Key Urban Areas (Dargaville, Maungatūroto and Kaiwaka) by the Council to enable sustainable development and renewal of it's existing asset network.

The Kaipara spatial plans, as well as the strategy documents (economic development, infrastructure and financial) operate on a 30 year planning horizon. The LTP and District Plan operate on a 10 year horizon, while the Annual Plan is based on a one year horizon.

Relationships Between Strategic Documents:



1.3 | Audience

The information contained within this Infrastructure Strategy may be of interest to many different individuals and groups – in particular, partner organisations. Shown in the adjacent table are potential stakeholders that will be most interested in the Council's decisions towards infrastructure investment.

External Organisations	Partners	Co-Funding Agencies
Fire and Emergency organisations (reticulated water supply for fire fighting)	Kaipara residents and ratepayers	Ministry of Business, Innovation and Employment (administers of the Provincial Growth Fund and other grant programmes)
Infrastructure Providers such as a joint Councils and NZTA transportation shared service, Northpower and Chorus	Elected members	NZ Transport Agency (transport subsidy and project funding)
Council auditors and credit agencies	Land developers and landowners wishing to develop	Taumata Arowai
Government ministries such as the Ministry of Health (potable water supply), Education and Transport.	Mana Whenua, Northland Inc. and other territorial authorities	



Kai Iwi Lakes, Taharoa Domain Photo: KDC

1.4 | Vision and Mission

Vision

Growing a better Kaipara

This builds on the promise of our district's abundant wellbeing in our "Kaipara te Oranganui – Two Oceans, Two Harbour's. It's our social, economic, cultural and environmental wellbeing that will enable our district and our communities to thrive.

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

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



Mission

Nurturing our people and place by inspiring a vibrant, healthy and caring community.



Climate Smart

Climate change and its impacts are reduced through community planning



Celebrating Diversity

Our local heritage and culture are valued and reflected in the community



Vibrant Communities

Kaipara communities offer an attractive place to live and visit



Healthy Environment

Our natural environment is protected and open to the community



Prosperous Economy

Development is encouraged, supported and sustainable



A Trusted Council

An open organisation working for our community

1.5 | Trends Affecting Kaipara

As part of the requirements for the Infrastructure Strategy, a summary of the trends that could affect Kaipara, and therefore the future provision of infrastructure has been provided under four themes as shown on the right.

The provision and maintenance of infrastructure in Kaipara is a continuous, long term effort to ensure the continuation of sustainable development and enabling people to thrive in Kaipara.

Understanding what the future holds for Kaipara, both within and outside district borders, is crucial to enable the Council to make educated planning decisions for local infrastructure.

There are future external factors and trends which the Council cannot completely anticipate or control but will profoundly impact the District. It is important that the Council observes these trends, as it still retains influence over the development patterns laid out in the Spatial Plans and the way that future infrastructure is provided.

The four trends of population growth, economic changes, climate change and regionally significant infrastructure projects will affect Kaipara District in the future. Though we do not know the quantum of these effects in an uncertain future. We have contributed to numerous studies to help us understand these trends and how they could influence the district. These trends have the most impact on how we identify our future growth areas including how we provide the infrastructure to enable growth to occur.

Equally as important, in understanding these trends is how we adapt our vulnerable areas and seek to transform them to be more productive and resilient.



Population Growth

Kaipara's population growth from 2013-2019 has made it the fastest growing district in Northland.



Economic Changes

Agriculture and manufacturing are the main drivers of Kaipara's economy, and have seen continual growth over recent years. However, there remains uncertainty in the wake of the COVID-19 pandemic.



Climate Change and Sea Level Rise

Climate change will increase the frequency and severity of extreme weather events in Kaipara, including sea level rise, but also drought, as has been observed in 2019/2020.



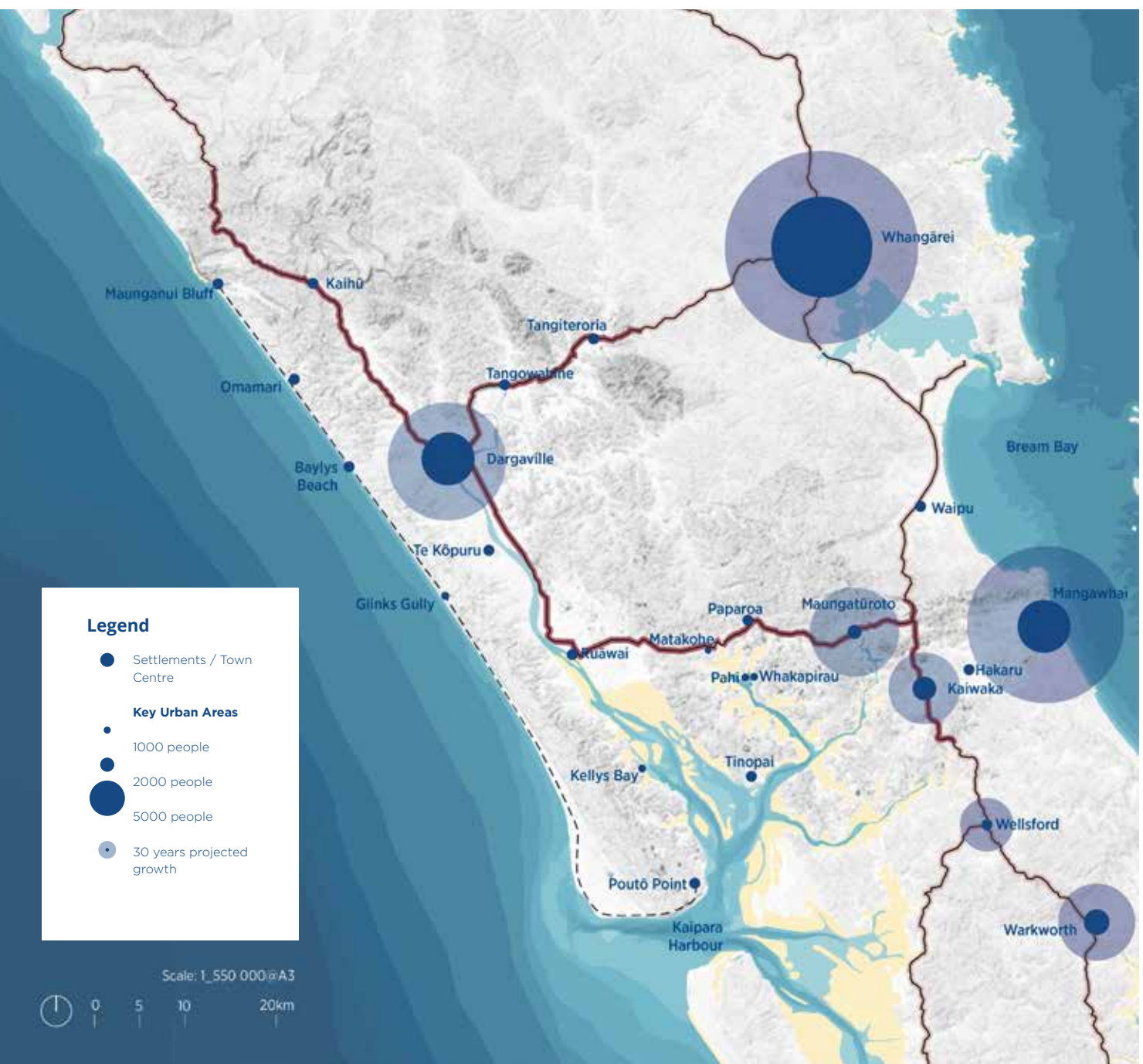
Regionally Significant Infrastructure Projects

Numerous significant regional level infrastructure projects will have an influence on future development patterns in the Kaipara District.

1.5 | Trends Affecting Kaipara

As identified in the Sub-Regional Spatial Plan, Kaipara will need to plan for the provision of appropriate infrastructure for the various towns and villages in the district. Infrastructure investment will be particularly required in the Key Urban Centres.

This map shows graphically the level of population change expected in Kaipara's key urban areas over the next 30 years.



1.5 | Trends Affecting Kaipara

Population Growth

The Kaipara District has been growing rapidly thanks to its proximity to Auckland, lifestyle opportunities and growing employment. According to the 2018 Census, Kaipara's population grew 20.6% from 18,963 in 2013 to 22,869 in 2018, making it the fastest growing district in Northland. Kaipara's population has grown strongly over the past 15 years to 2019, reaching a population of 24,100 in 2019. The district's population is projected to grow to 26,839 in 2026, 28,523 in 2031 and 32,551 in 2051.

"Population growth is projected to pick up from 2022 onwards, with the district growing steadily to reach a population of 32,600 in 2051."

Most of Kaipara's growth has been focused around Mangawhai and the southeast of the district; those parts which are closest to Auckland. This trend is expected to continue, with the Mangawhai population projected to increase from 6,086 in 2021 to 7,630 in 2026, 9,040 in 2031 and approx. 12,718 in 2051. The growth of Mangawhai and other areas of the Kaipara southeast have primarily been driven by migration from Auckland.



Mangawhai Photo: Keith Duddy

1.5 | Trends Affecting Kaipara

Projected For Kaipara District 2013-2051

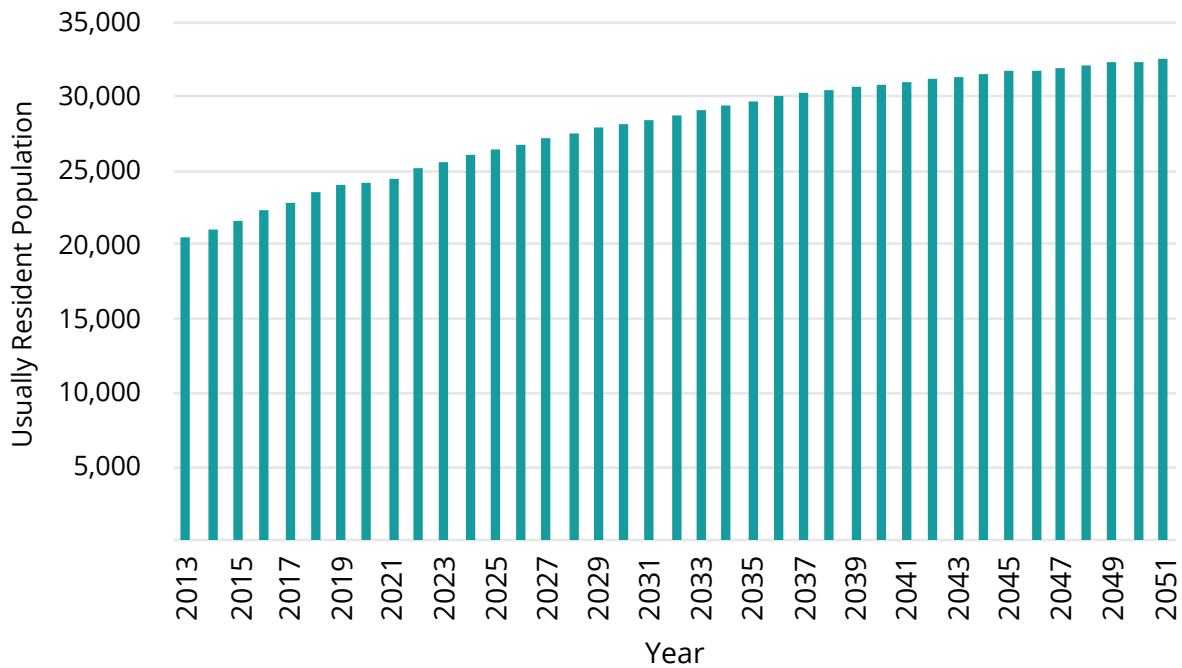


Figure 1. Usually Resident Population actual and forecast Kaipara District

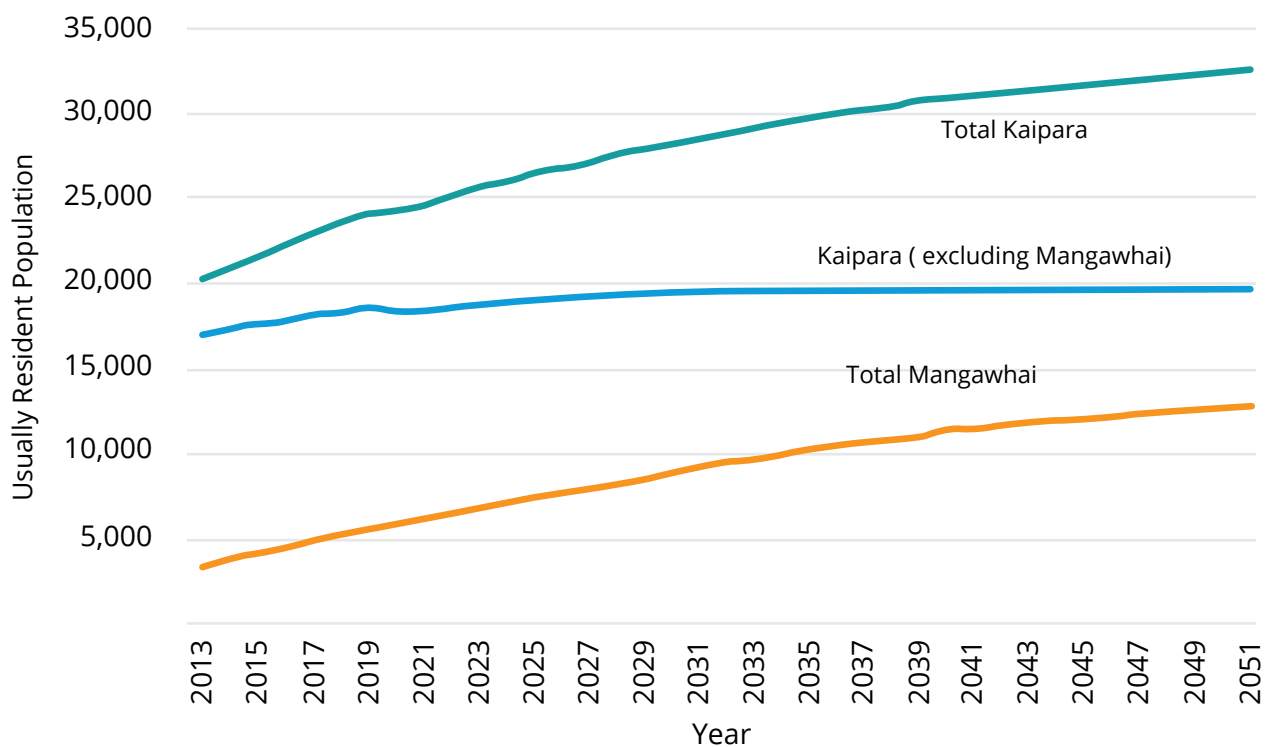


Figure 2. Usually Resident Population of total Kaipara, Kaipara (including Mangawhai) and total Mangawhai

1.5 | Trends Affecting Kaipara

In contrast to the southeast, population growth in northern and western parts of the district appear to be more closely aligned to employment growth, with more jobs attracting and retaining workers and their families.

Employment in Kaipara District grew steadily over the past decade, at nearly 2% per annum.

The strength of Kaipara's economy is therefore anticipated to result in continued population growth in northern and western areas as well as in the southeast. The figure to the right presents' population projections for the different areas of Kaipara from 2013 to 2051.

"During the 2030s, more stringent environmental regulation is expected to result in higher carbon prices and greater regulation related to freshwater quality."



Kai Iwi Lakes Photo: KDC

1.5 | Trends Affecting Kaipara

What does this trend mean for the Council Infrastructure?

Anticipation of continual population growth provides the impetus for implementing the key urban areas spatial plans, specifically in southeast Kaipara by progressing structure plans and plan changes to align the land use activities with the infrastructure provision. For example, more people coming to live in an area means increased demand on our water supply infrastructure. This is a challenge which intersects with the Council's aging infrastructure. Understanding the trends in population growth is necessary for understanding Kaipara's future infrastructural requirements and how best to share the cost of these to both renew and upgrade our infrastructure.

Through analysing this trend and undertaking regular discussions and negotiations with interested developers, the Council will work to align infrastructure planning with development expectations. This assists the Council to be an enabler for quality development proposals that grow our towns and attract new jobs and industry.

"... more people coming to live in an area means increased demand on our water supply infrastructure."

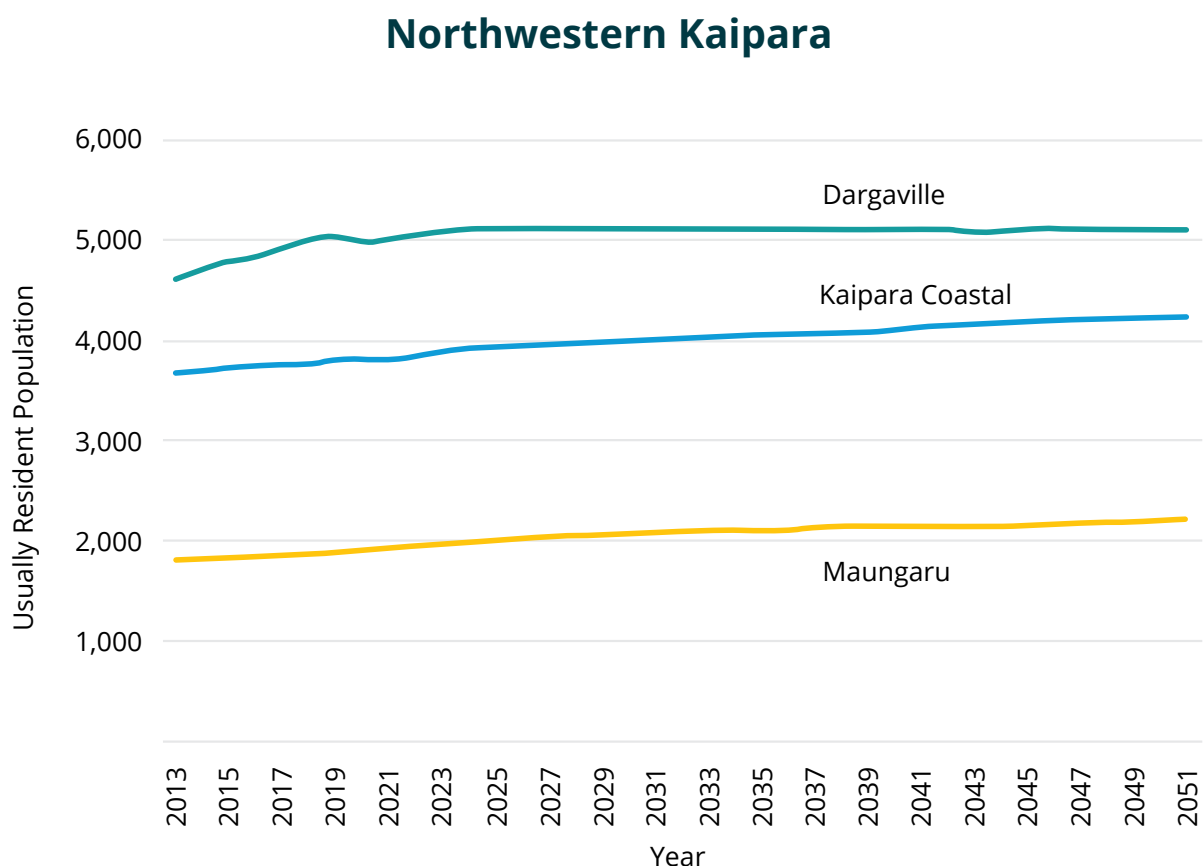


Figure 3. Usually Resident Population actual and forecast for the Northwestern Kaipara

1.5 | Trends Affecting Kaipara

Economic Changes

Kaipara's economy is founded on its primary industries (particularly dairy). The primary industries are supported by a strong manufacturing sector which includes processing of milk and meat and production of agricultural equipment and supplies.

Kaipara's economy has been expanding over the past decade with Gross Domestic Product (GDP) growth averaging 2.5% per annum between 2009 and 2019. Employment has also grown with an additional 1,186 jobs added between 2009 and 2019. Employment growth has largely been driven by the construction sector which added 299 jobs between 2009 and 2019. Strong job growth has also been experienced in the service sectors which support construction, such as resource consenting, engineering and architectural services.

Changes are afoot in Kaipara's primary sector. In particular, the dairy sector has seen 220 less jobs over the 2009-2019 decade, with less dairy cows and hectares in dairy production. This, however, has not reduced the amount of milk solids produced which has been relatively consistent, with the dairy payout increasing substantially from \$137m in 2009 to \$192m in 2019.

This ability to produce more with less follows a decade of research, development and innovation and has made more land available for environmental restoration, forestry and transitioning into new crops.

What does this trend mean for the Council infrastructure?

Council has been partnering with central government and the Northland Regional Council to understand the potential that its high quality soils, warm climate and proximity to Auckland has for land use connected with the primary sector. This research is now available for landowners via the Kaipara Kai information hub. This research has assisted the Council and its partners to establish a programme to facilitate projects that explore the expansion of high value crops which create more jobs on the land and in processing facilities located in our towns. Also included is stop bank upgrades to protect productive land, improving water security and roading improvements to assist in getting goods to market. This programme is called the North Kaipara Agricultural Delta and is explained further in Part 2.

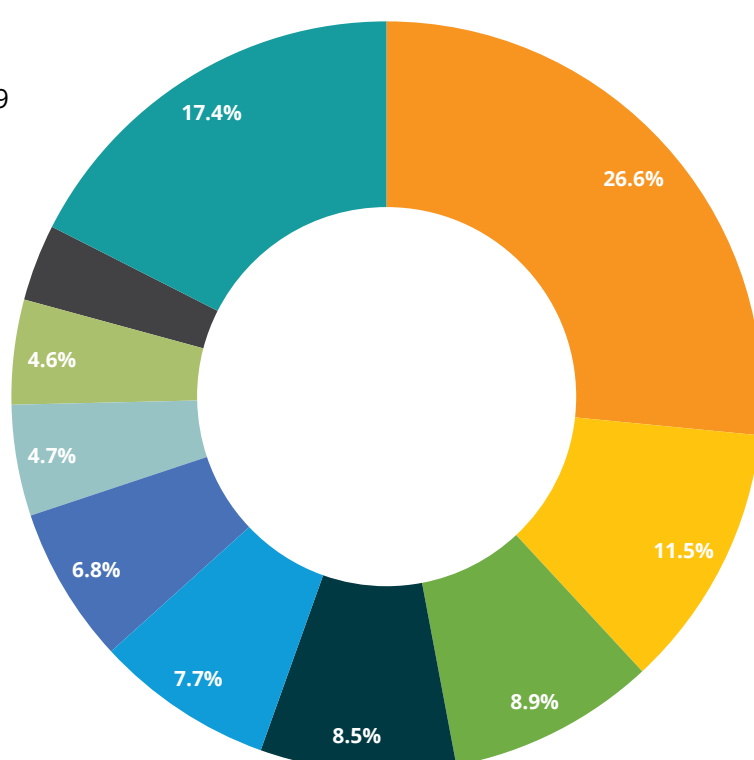
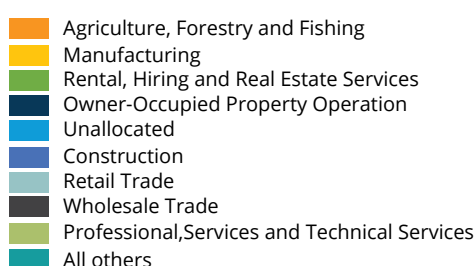


Figure 4. Kaipara District Main Industries based on GDP (Source Infometrics)

1.5 | Trends Affecting Kaipara

Tourism is an untapped opportunity for the Kaipara district – especially given our ready access to the Auckland market.

The Council is looking to develop Kaipara's unique offering to support and diversify our local economy. The focus on providing attractive and safe multi-day cycling trails and rejuvenating the historic Kaipara Harbour wharves network are the start of creating our distinctive point of difference. The research Council has conducted has shown that there is latent demand for visitors to engage with these activities and we hope to facilitate more events such as the Tour Aotearoa which takes cyclists through much of west Kaipara, including the whole Pouto Peninsula. This sees an influx of local activity, particularly at Pouto Point. Meanwhile, water transport and Kaipara's wharves network has historically played a significant role in the district's development; recent investigations indicate that the Kaipara Harbour offers a range of experiences

which can be capitalised on in the future. However, to promote this offering of experiences, investment into the appropriate infrastructure is necessary.

To promote a variety of tourism opportunities, the Council has been partnering with central government to source external funding to upgrade and install the necessary infrastructure. The Ancient Kauri Coast programme is the collection of tourism based, open space and town centre projects that aims to enhance the tourism experiences and entice people to stay longer (see Part 2).

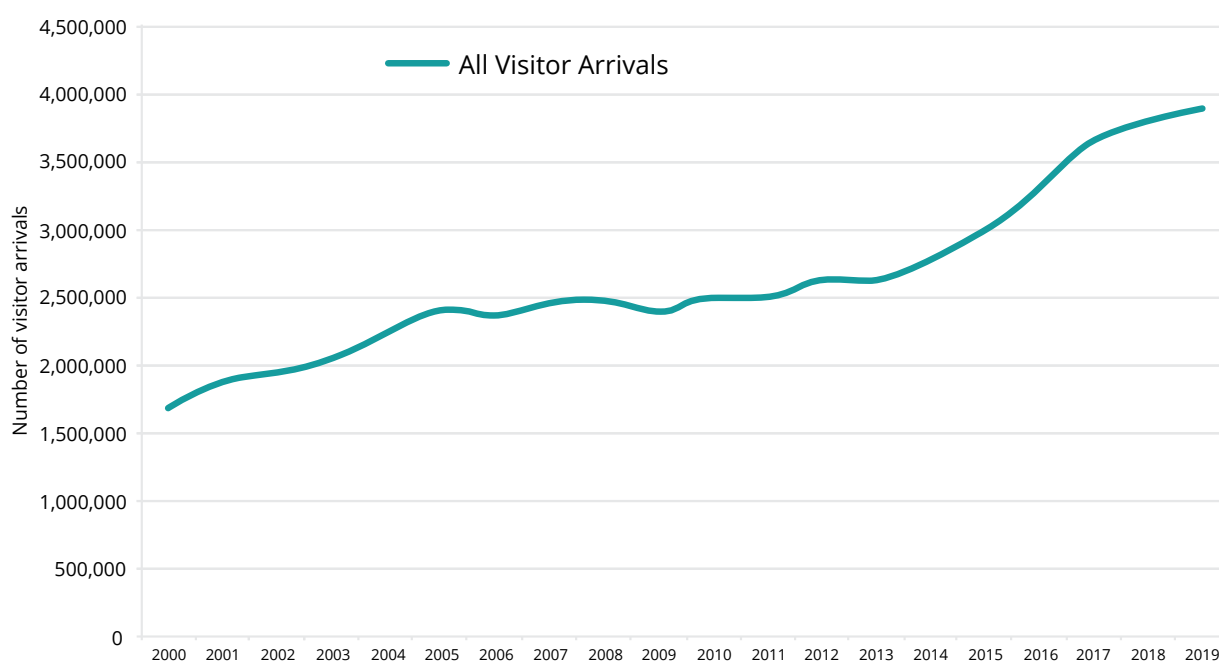


Figure 5. Visitor Arrivals into New Zealand retrieved from Statistics NZ
– Visitor Arrival Statistics (YE Jun)

1.5 | Trends Affecting Kaipara

This pattern of overall tourism spend is shown below in the international and domestic visitors to Kaipara District. The figure adjacent shows solid growth in visitor spend by domestic visitors over the last 10 years, but virtually no change for international visitors. This highlights the significance of domestic (out of district) visitors overall, and a relative decline in the capture of overseas visitors for Kaipara District over the last 10-15 years (given national visitor arrivals are growing strongly).

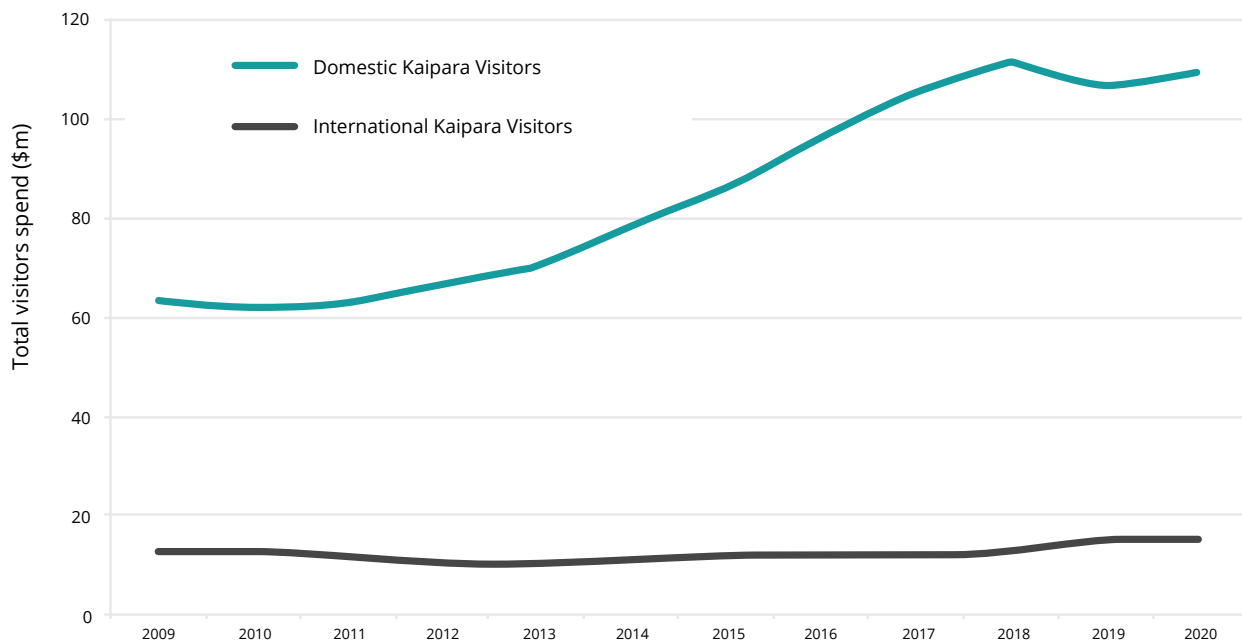
Even before the COVID-19 pandemic, the data indicated that the Kaipara District was best suited to domestic tourism and niche international visitor opportunities. Overall, the potential exists to create niche tourism opportunities that can have a positive impact on local populations, without the negatives associated with mass tourism models.

Research conducted as part of the Kaipara Wharves Feasibility Study suggests that the District can position niche experiences around its areas of

relative experiential strength. This includes the harbour – especially the more sheltered estuarine environments, the landscape, the culture, history and people – and the activities they participate in such as fishing and cycling. Many of the experiences (especially those that are guided) will be blended and offer visitors a sample of several different types of experiences.

The overall approach would be one that could be labelled “slow tourism” or “integrated community tourism”. It would be based on guided experiences and self-guided routes throughout the district. The routes could, in places, be facilitated by local operators (like the current ferry operator who takes mountain bikers across the harbour).

Creating exploratory routes also enables locals to offer their services along the way (such as bike shops, cafes, guides, accommodation providers). This is common and well-established elsewhere in the world.



Source: Monthly Regional Tourism Estimates (MRTes), MBIE, YE Jan

Figure 6. Domestic and international Visitor Spend – Kaipara District

⁷ Estimates based on non-resident card spending data, Ministry of business, Innovation and Employment. Domestic Visitors are those whose card data indicates residence >40km away.

1.5 | Trends Affecting Kaipara

That said, New Zealand's strong agricultural sector, and position as a food exporter, is likely to provide a solid foundation for regional New Zealand (Infometrics, 2019). The ability of Kaipara's economy to recover is therefore better than most due to its focus on kai production. The food sector has been largely unaffected by the nationwide lockdown restrictions and export prices for food commodities (particularly dairy and meat) are holding up well.

"... New Zealand's strong agricultural sector, and position as a food exporter, is likely to provide a solid foundation for regional New Zealand."

Unemployment rate
Average annual rate

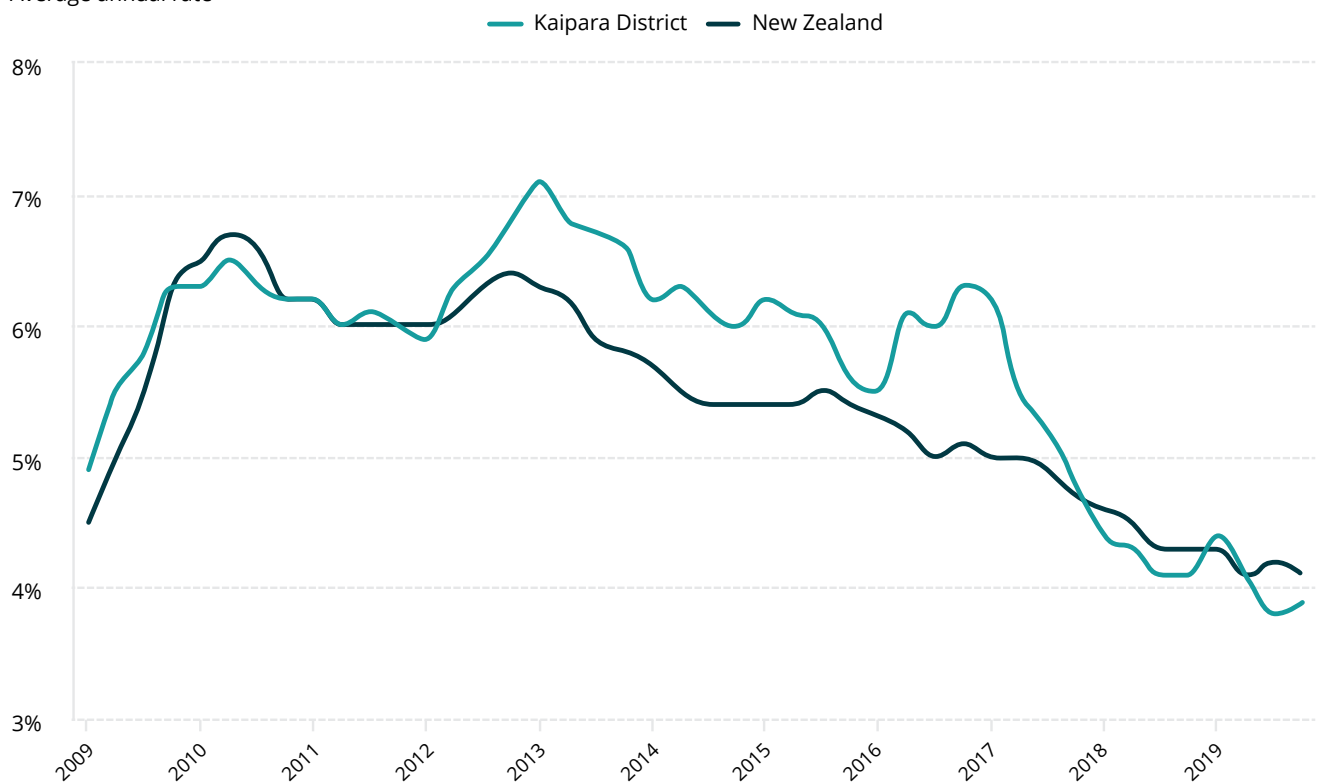


Figure 7. Average unemployment annual rate of New Zealand and Kaipara District

1.5 | Trends Affecting Kaipara

What does this trend mean for the Council infrastructure?

Kaipara's proximity to Auckland (both the international airport and as New Zealand's largest domestic centre) makes it well positioned to offer weekend getaways and family road trip experiences. The Council is looking to support its local tourism industry with upgrading and replacing our aging wharf infrastructure and facilitating new cycle trails and other tourism projects. Improving access for all modes is key to encouraging more visitors.

"The Council is looking to support its local tourism industry with upgrading and replacing our aging wharf infrastructure and facilitating new cycle trails"



Whakapirau Photo: KDC

1.5 | Trends Affecting Kaipara

Climate Change and Sea Level Rise

It is projected that by about 2040, Kaipara's climate will be warmer throughout the year, slightly less wet overall, drier in winter and spring and wetter in autumn. Kaipara will see less water flowing in rivers and streams annually, with lowered low flow and high flow levels. Our soils will also be drier, with more moisture deficit and evapotranspiration accumulation.

Kaipara will also experience more weather extremes. Extreme hot days will be more frequent, and we will see more heatwaves. With an increase in intensity of sub-tropical cyclone events, our rare, extreme rainfall events will become more intense and bring more rain in a short amount of time. Mean annual floods will become larger. Extreme wind events will also become more intense.

On Kaipara's coastlines, sea levels are projected to rise about 0.3metres by 2040 and Kaipara will see more intense extreme sea levels.

Due to these projected changes, Kaipara District faces increased flooding, coastal erosion, storm surge, coastal inundation and saltwater intrusion, drought, bushfire, extreme winds, and soil erosion and landslides. These are not new hazards for Kaipara. However, the increased frequency and/or severity of these hazards introduces increased risks to infrastructure assets.



Ripiro Beach Photo: Oliver Foerstner

Risks to infrastructure include:

- Reduced integrity and breaching of stopbanks and flood defences
- Reduced capacity of land drainage networks
- Unplanned overflows, contamination and pipe damage to water supply, wastewater, and stormwater networks
- Flooding and/or erosion of waste minimisation management sites and contaminated sites and leaching
- Disruption to and reduced integrity of transport networks
- Flooding (alluvial, pluvial and coastal) of buildings;
- Damage to power lines and/or reduced capacity of transmission for electricity transmission and
- Coastal flooding, saltwater intrusion and/or storm damage to coastal reserves, parks and wharves.

All the risks identified pose a connected primary risk of erosion of services levels/failure by Council to provide expected levels of service. In short, increased frequency and/or severity of natural hazards poses risk to both the assets themselves and to Council's obligation to provide certain levels of service.

The intensity of impact for the above risks, including negative or positive outcomes, is based on several factors. These factors include physical location, current condition and asset capacity, dependency on the service, available alternatives, and possibility of intervention and/or response. Understanding and reducing negative impacts is one outcome of this strategy's climate resilience work focus. Climate resilience work focus aims to reinforce positive impacts and identify opportunities for efficiency, increased capacity, and sustainability.

1.5 | Trends Affecting Kaipara

What does this trend mean for the Council's infrastructure?

Infrastructure services play an integral role in increasing a community's resilience and capacity to adapt. Climate resilience work focus puts Council on track to make sure assets are ready for a hotter and somewhat drier Kaipara, with higher sea levels and more extreme weather events. Council is currently in the process of developing a climate change work programme that will establish action on adaptation, mitigation and sustainability.

All significant infrastructure programmes will need to consider an options assessment framework to inform the approach taken to address climate

change impacts. Adaptive pathways (discussed further in the Part 2) will be a key strategy for determining adaptation responses, especially in the community interface area. Climate adaptation projects already identified include stop bank and flood gate upgrades, improving water security and stormwater infrastructure upgrades.

“Council is currently in the process of developing a climate change work programme that will establish action on adaptation, mitigation and sustainability.”



1.5 | Trends Affecting Kaipara

Regionally Significant Infrastructure Projects

Largescale infrastructure projects, or even the combined effect of many incremental improvements, has a strong influence on patterns of development.

Perhaps the most significant regional infrastructure projects to affect the Kaipara are the continued improvements to State Highway 1 (SH1) and connectivity with Auckland.

Mangawhai is already attracting migrants from Auckland who commute back to the city for work. Further reducing travel times between Kaipara and Auckland is anticipated to further accelerate Kaipara's growth. An extension of the Northern Motorway from Puhoi to Warkworth is already under construction; anticipated to open by the end of 2021. Planning for a further extension, bypassing the Dome Valley and reconnecting with SH1 north of Te Hana is also progressing. An application for a Notice of Requirement (NOR),

together with an associated application for regional resource consents has already been lodged. When completed, this will result in Mangawhai being located just 18 minutes, and Maungatūroto 25 minutes from the end of the new motorway.

North Port, the port servicing Kaipara and the Northland Region, also has the potential to influence Northland's future direction. The port is built on a natural deep-water channel and has considerable vacant port and industrial zoned land into which it can expand.

North Port features prominently in the Government's review of the Upper North Island supply chain. There is growing pressure for some or all of the freight handled by the Ports of Auckland to shift to North Port. If this eventuates, it may reduce transport costs to Kaipara exporters and importers, further encouraging industry to establish in the District.



North Port Photo: Northland Inc

1.5 | Trends Affecting Kaipara

Furthermore, the development of industry around the port and associated job creation would result in more families potentially moving to the Bream Bay and Mangawhai areas. This would further prompt the need to upgrade local infrastructure to cater to this growth. In particular, Cove Road (the coastal route connecting Mangawhai and Waipu/SH1) may increasingly come under pressure from commuters to the port.

Along with proposals around the expansion of North Port has come the proposal to build a rail link to the port, especially as the port further increases its freight handling.

At the same time, a major rejuvenation of the North Auckland rail system has begun. The line from Whangarei to Auckland has been upgraded to accommodate modern hi-cube containers and the rail link to the Far North is to be reopened.

The rejuvenation of rail in Northland will provide a welcome alternative to moving bulk freight by road. The presence of an efficient rail network in Northland could further entice industry to relocate to Northland, particularly where industries are feeling the pressures of rising land prices and growing congestion in Auckland. This will have implications for provision of local infrastructure in rail-served industrial areas such as Maungatūroto and Kaiwaka, which have access to the main north rail line, as well as SH1 and SH12.

“The presence of an efficient rail network in Northland could further entice industry to relocate to Northland.”



1.5 | Trends Affecting Kaipara

What does this trend mean for the Council's infrastructure?

Getting ahead of development that occurs as result of major infrastructure involves making land use plan changes and locking in the land, consenting and construction requirements for the infrastructure needed.

To facilitate the significant infrastructure projects and spatial planning the Council is looking towards partnering with multiple Government and local government agencies to co-ordinate all planning

and development along the Northland to Auckland Corridor. This includes working with MHUD and Kainga Ora to prepare for accelerated growth in Mangawhai, Kaiwaka and Maungaturoto. More information on this programme response is covered in Part 2. Increasing drinking water security is also key.



1.5 | Trends Affecting Kaipara

This map depicts the future influence of some of the regionally significant projects if or when they are realised.



1.6 | What Are Our Infrastructure Challenges?

Over the past three years, the Council has engaged broadly as part of projects such as the Spatial Planning for Dargaville, Maungaturoto, Kaiwaka and Mangawhai, Kaipara Wharves Feasibility Study, as well as public meetings and residents' surveys. The feedback provided an analysis conducted as part of the Activity Management Plans, which has helped to shape the district's key infrastructure challenges into five categories.



Aging infrastructure

Many of Kaipara's infrastructure assets are approaching or past their useful life, particularly its water supply and wastewater assets. Significant expenditure can be expected on renewal work in the future.

Meeting customer expectations and legislative requirements

Kaipara's residents have expectations for infrastructure in the district, which is a challenge for the Council's financial capacity. Additionally, the planning framework (national, regional and local) significantly changes the Council's ability to meet Levels of Service.

Recognising the need and providing for resilience

Kaipara's infrastructural networks must be endowed with the capacity to endure and recover from shocks, particularly from natural events (drought, flooding etcetera) brought on by climate change.

Balancing how to fund new infrastructure

Kaipara will be faced with many competing funding priorities, and a careful balance must be struck to meet the expected level of growth in local communities over the short, medium and long term.

Uncertainty around waste minimisation

Recycling rates in Kaipara are low; meanwhile, uncertainty remains as central government strategies for waste minimisation are still being finalised.

Current low levels of diversion from landfill on top of increasing costs for landfill will impact on communities.

1.6 | What Are Our Infrastructure Challenges?

Aging Infrastructure

Overview

The District's infrastructure has historically lacked investment at the appropriate time (due to budget constraints) which has resulted in a significant portion of assets aging and in need of costly renewals.

The adjacent examples are some of the most pressing situations due to the aging infrastructure that the Council has to deal with over the next three years of the LTP.

Dargaville Water Pipes

In the historic area of Dargaville a large portion of the water lines are classed as being in very poor condition, owing to be in the 50-80 age bracket. As a result of this lack of investment, the maintenance costs (attending to leakage) and lack of pressure are the resulting issues. The Council will need to invest heavily in this infrastructure to bring it up to an improved level of reliable service.

Road Bridges

Through the Northland Transportation Alliance (NTA), the Council has identified a serious need

to upgrade bridges on the roading network that are reaching the end of their lives and require renewal. The bridges upgrade programme will seek to strengthen and upgrade 5% of Kaipara's bridges over the following 10 years. The bridges that are being prioritised have reached the end of their design life and structurally require strengthening or replacement.

Rural Settlements Infrastructure

Several of Kaipara's smaller villages and settlements which have historically developed using more self-sufficient methods such as on-site septic systems are now reaching a point where these

systems are now failing. In smaller rural communities, on-site concrete tanks and pipes are cracking. This is causing the receiving environment (i.e. creeks and beaches) to become contaminated with untreated wastewater especially during high rainfall events. The Council and the community will need to work through options to address this situation. This could include considering whether the release of rural land bordering these villages could be rezoned for residential and business development and help fund part of a new centralised wastewater system.

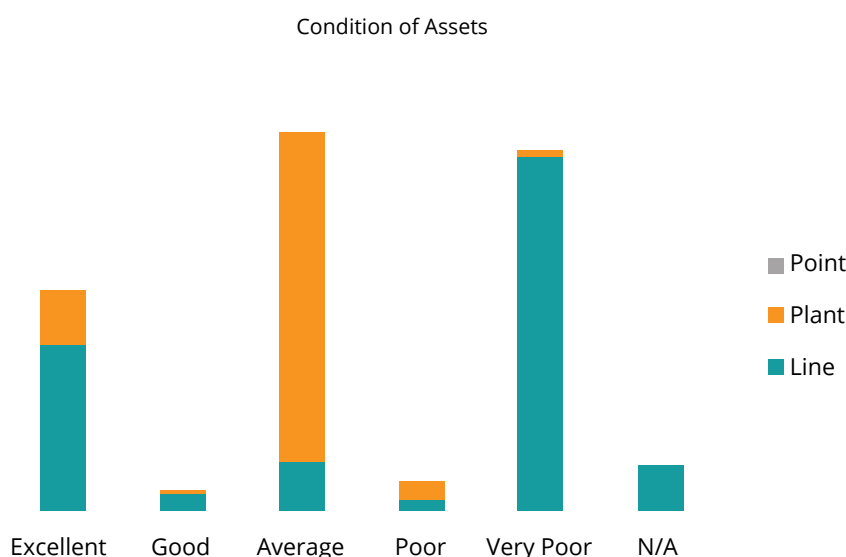


Figure 8. Condition of Assets – water supply

1.6 | What Are Our Infrastructure Challenges?

Meeting Customer Expectations And Legislative Requirements

This section covers the challenges the infrastructure area has in meeting customer expectations and the legislative requirements.

The Government's Three Waters legislative review (following the Havelock North campylobacter bacterium outbreak) has highlighted increased expectations in water quality. The expectations to restore clean waters in the district's receiving environments means sediment must be reduced in addition to addressing any substandard wastewater schemes.

Customer Expectations

Customer expectations, in some areas, exceed the ability for the Council to fund the level of service expected. City dwellers who move to a rural district often have high expectations for a service they have received from a city council. For example, there is a desire for more roads to be sealed as unsealed roads make up 72% of the network. With limited financial capacity, this desire must be considered alongside structural upgrades to bridges that have reached the end of their design life and at risk of failing if not renewed.

Legislative Changes

Legislative change through central government policy statements can significantly affect the Council's ability to meet minimum Level of Service and required improvements to infrastructure assets.

Changes in Northland Regional Council's Proposed Regional Plan for Northland, environmental standards and the Resource Management Act 1991 (RMA), may also affect services.

In addition, changes in legislation can influence the ease at which new water treatment consents are obtained or existing consents are renewed.

Experience demonstrates that consent conditions are becoming more stringent, with increased monitoring requirements being commonplace. There is a likelihood of better management and possibly reduced volumes in water take consents.

The Ministry for the Environment (MfE) is promoting a series of National Environmental Standards that can be enforced as regulations under the RMA. One such standard is the proposed standard for Ecological Flows and Water Levels, the objective of which is to facilitate the sustainable management of New Zealand's water resources. It intends to promote consistency in the way decisions are made to ensure sufficient variability and quantity of water flowing in rivers, groundwater systems, lakes, and wetlands. Whilst the Onsite Wastewater Systems National Environmental Standard has been withdrawn, other standards have the potential to impose costs on ratepayers including those not connected to a Council wastewater system (such as remote rural settlements as discussed prior).



1.6 | What Are Our Infrastructure Challenges?

Increasing Resilience

Cultivating resilience in our communities and productive areas means endowing them with the capacity to endure and recover from shocks.

The impending impacts of climate change in Kaipara highlight the need for improving resilience of infrastructure from natural events. Extreme weather events, such as prolonged drought, intense rainfall and sea level rise, will all place unprecedented pressures on Kaipara's infrastructure.

Improving resilience of infrastructure includes flood protection measures, such as stopbank improvements, floodgates renewal and a pipe renewals programme for the urban stormwater network.

Resilience In Our Drainage Districts

Flood protection and control covering flood control schemes, river alignment control and land drainage are co-ordinated in 31 drainage districts. (Refer to drainage district map on subsequent page). As each drainage district is managed differently, there are variable Levels of Service (LOS), some of which do not meet the minimum standards. Failure to meet minimum standards will be exacerbated by increased intensity of storm events and sea level rise. The drainage districts were established to provide leadership to protect people's homes, livelihoods and infrastructure including road connections in the many low-lying parts of the District.

Urban Stormwater Network

The condition of large parts of the urban stormwater network condition is not known. Our lack of knowledge in this area means many assets do not end up being recognised for renewals. This makes managing the assets difficult as there is not sufficient data to make informed judgements. Over the last two years, over 150 stormwater manholes have been identified which have not previously been on the list. Further research needs to be completed to model their effects and eventually

plan for potential significant events.

The biggest gap is in the data knowledge of the pipe network. The known Stormwater network is made up of 87.3km of pipeline, 83.0km is tagged as 'Waters' assets, the remainder being Transport and privately owned assets. The ownership split between Waters and Transport is currently under review and should be taken as

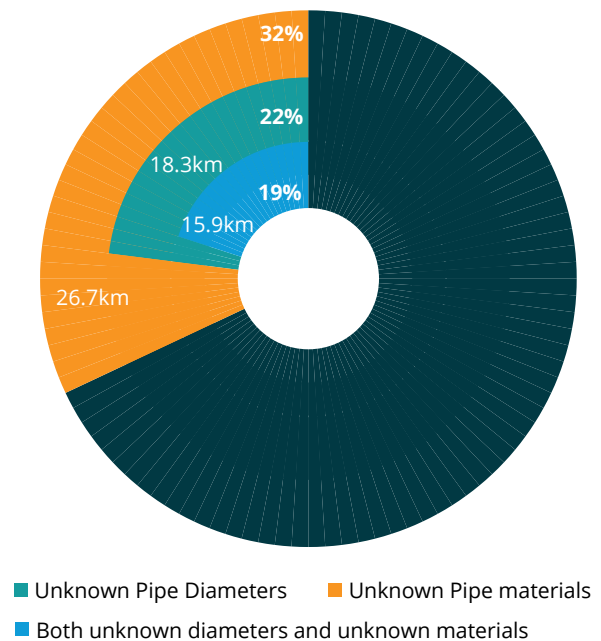


Figure 9a. Stormwater pipe network

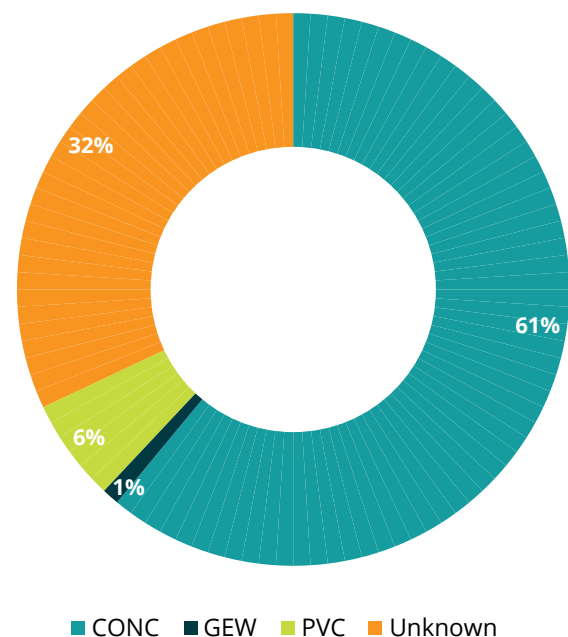


Figure 9b. Stormwater Pipe Materials

1.6 | What Are Our Infrastructure Challenges?

Funding Growth

A balance must be struck between competing funding priorities, particularly on how to fund new infrastructure needed to meet the expected level of growth in our towns over the short, medium and long term. As one of the fastest growing Districts in New Zealand, the Council needs to be able to capitalise on external funding as well as create clear structure plans to support development which enriches its communities rather than become a financial burden. This financial challenge will need innovative solutions to support sustainable development and the aspirations set out in our Spatial Plans.

The Spatial Plans for Dargaville, Maungatūroto, Kaiwaka and Mangawhai show the potential spatial changes and improvement possibilities that our key urban areas could see over the life of this Infrastructure Strategy (2021-2051). The Council is currently consulting on the Sub-regional Spatial Plan for the Kaipara District, which seeks to provide direction for the future District Plan review on how Kaipara's rural and coastal communities could potentially grow.

“As one of the fastest growing Districts in New Zealand, the Council needs to be able to capitalise on external funding as well as create clear structure plans to support development...”



Dargaville Township next to the Northern Wairoa River
Photo: KDC

Council cannot exceed its debt ceiling so must work alongside those who wish to develop land and find smart solutions to fund larger bulk infrastructure projects. All Councils in New Zealand, especially in high growth areas, are investigating how to innovatively fund growth-related infrastructure projects.

1.6 | What Are Our Infrastructure Challenges?

Some of the options that the Council will consider include:

- External funding – the Tai Tokerau water storage project in west Kaipara may create opportunity for a funding application to MBIE, with further financial support from NRC.
- Interest-free loan – previous funding schemes such as the Housing Infrastructure Fund have allocated capital funding to cover the upfront cost of infrastructure schemes, with a cost recovery from developers and house builders over the 10-year period, resulting in a smaller cost and risk to the Council.
- Separate Agreement – wherever there is a particularly large development proposal, or project specific to an area that Council wishes to support but does not have the ability to fund some of the key bulk infrastructure, then an agreement with developers can be a tool to unlock this impasse. This would usually recognise the creation of an infrastructure asset like road sealing that is utilised by people outside their development area. Agreements will show the cost which the Council is contributing to cover this additional capacity.

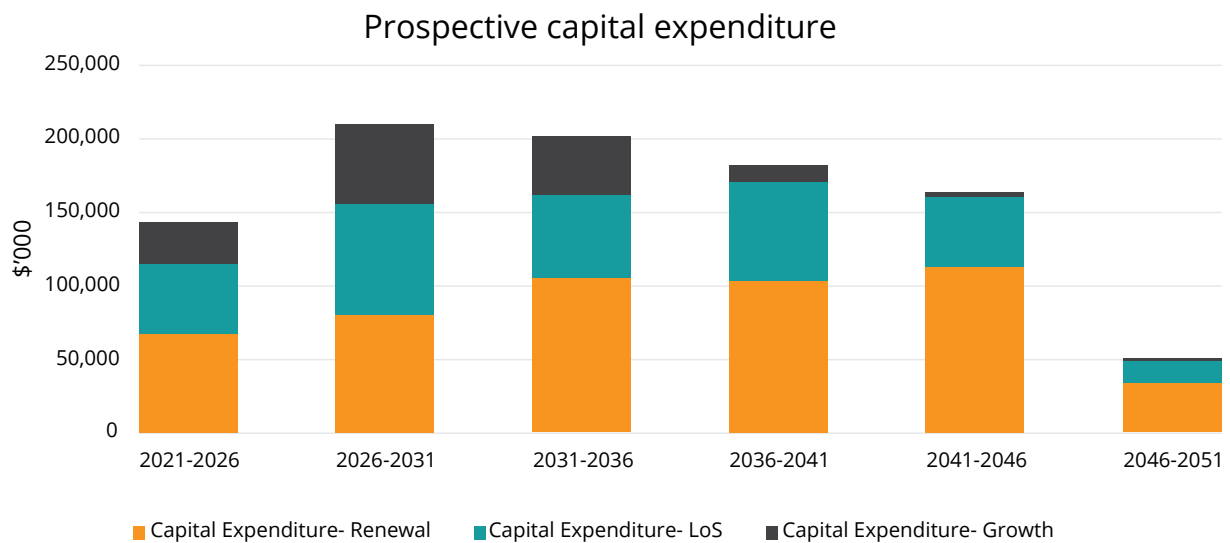


Figure 10 Year Capex by Area



1.6 | What Are Our Infrastructure Challenges?

Uncertainty Around Minimising Waste in a rural district

We have low levels of recycling, however it is clear from our community that this is an important matter. Landfill costs are increasing and that increases the costs to our community.

Currently, central government's direction regarding waste minimisation is limited to the New Zealand Waste Strategy, published in 2010. However, the Local Government Waste Management Manifesto 2020 Update was released to set out national waste management actions.

Local direction for waste minimisation in the Kaipara district is determined by the Waste Management and Minimisation Plan 2017/2022.

Council has achieved increasing diversion rates for the past five years and it continues to strive to seek opportunities to increase diversion from Landfill. Such opportunities include making it easier to recycle and focusing on composting.

The Local Government Waste Management Manifesto (LGWMM) 2020 Update outlines key priorities for local governments with regard to waste management and the reduction in waste to landfill, further reducing the costs borne by councils and their communities.

International ramifications which have occurred in the recycling sector in the past two years which have shaped these actions, include:

- Restricting imports of recyclable materials in China, impacted our recycling market particularly for grades of paper and plastic collected from kerbside
- The effects of COVID-19 on the waste sector such as the global economic downturn on consumer demand for products and services; disruptions to recycling and waste services; and shrinking of International commodity markets
- The ways in which plastic is managed is evident in the Amendments to the Basel Convention to restrict the export of mixed plastic grades, which will in turn increase the cost to export mixed grades of plastic
- Councils rationalising the types of plastics collected for recycling and potentially implementing a comprehensive range of measures to deliver sustainable use of plastics, and potentially a national plastic action plan
- Australia banning the export of waste plastic, paper, glass and tyres which will take effect early 2021.

1.6 | What Are Our Infrastructure Challenges?

Kaipara's waste is largely comprised of putrescible items (something that is liable to decay) which makes up 40% of all waste. Paper and plastic make up the next largest share, each comprising 15% of all waste.

The latest waste consumption audit for the years of 2017-2022 as shown in figure on next page, varies to that of 2012-2015 with:

A decrease of:

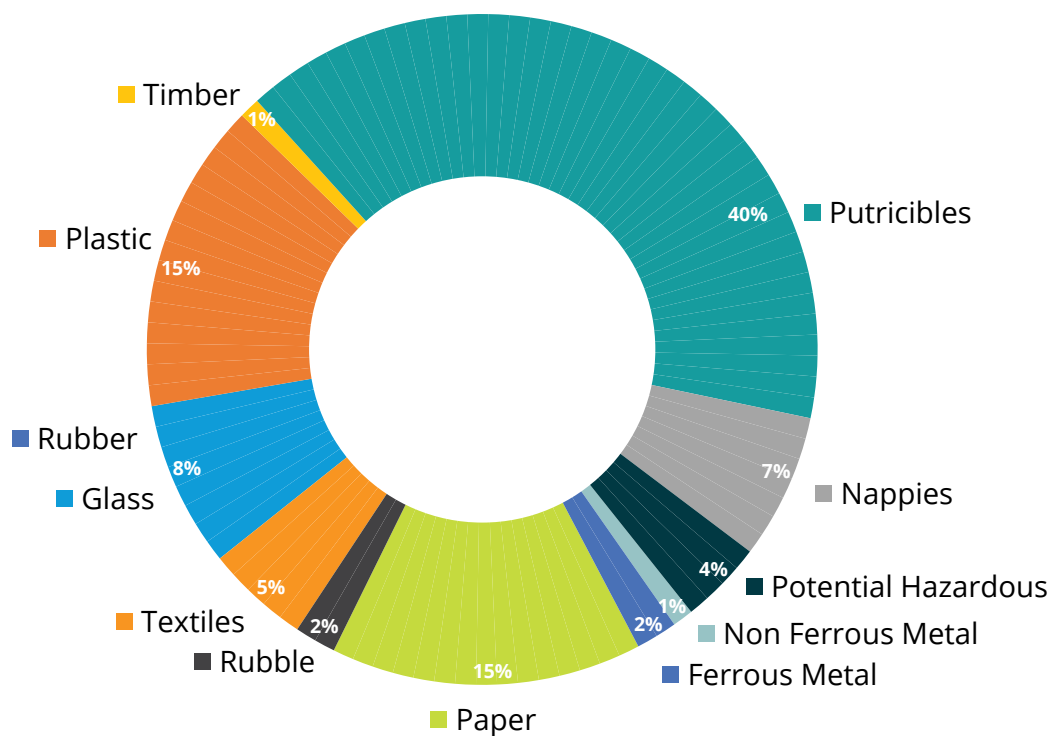


Ferrous Metals (3% to 2%)
Glass (11% to 8%)
Paper (20% to 15%)
Plastic (17% to 15%)

Moreover, an increase of:



Putrescible items (33% to 40%)
Textiles (4% to 5%)
Potential hazardous (2% to 4%)
Rubble (1% to 2%)



Rubber<1

Figure 11. Kerbside Refuse Composition (2017-2020)



PART 2

Implementation



2.0 | Introduction

Part 2 covers Infrastructure Strategy implementation through a series of Principal Options. It also discusses the funding impact of these options and the key frameworks the Council will be employing to manage infrastructure over the next three years ahead of the next LTP review. Part 4 aims to give a clear picture on the significant infrastructure decisions that will have the largest impact on rates associated with infrastructure. These decisions are not finalised and still require further investigation to understanding their implications fully.

“Part 2 aims to give a clear picture on the significant infrastructure decisions that will have the largest impact on rates associated with infrastructure.”

The following are discussed in this section:

- The principal options that the Council wishes to raise with the community
- The framework for how infrastructure will be managed, including procurement
- The overall funding approach across all activity areas
- The implementation summary (to be completed following selection of significant decisions and the funding approach)



2.0 | Principal Management Options Overview

This section of the Infrastructure Strategy provides a series of key decisions that are deemed significant and which underpin the strategic direction where the Council is heading.

Criteria	Measure
Impact on Council's direction	Major and long-term
Change in Council's current Levels of Service	Major and long-term
Level of public impact and/or interest	Major and District-wide, or Major for an identified community of interest
Impact on Council's capability (non-cost)	Major and long-term
Net financial cost/revenue of implementation, excluding any financial impact already included in a long-term plan/annual plan.	Net capital expenditure >10% of total rates in year commenced, and/or net operating expenditure >2.5% of total rates in year commenced.



2.1 | How Will We Manage Infrastructure

This section looks at the principles of how the Council approaches its work (Nga Pou e Wha) and the strategies it engages to assist it to achieve its goals.

The Council's response to the identified trends, challenges and opportunities is built around Nga Pou e Wha – the four pillars. These four pillars have a basis in the four well-beings – social, cultural, environmental and economic. In this case, a “Kaipara-focused” lens has been applied. The

relevance of these pillars to the Councils' work is explained in the adjacent table.

The third and fourth pillars (Te Aranga Principles and Managing Demand) relate to how the Council seeks to fulfil its Treaty partnership obligations and the mechanism by which it manages demand in its activity programmes.

 <p>Customer-centric Design</p>	<p>Infrastructure can enable and support the wider outcomes our community is looking to achieve. This principle seeks to be inclusive and involve the community during the design phase of projects, so that integration of community, partners and stakeholders are considered alongside other drivers in the decision-making process. We recognise that projects should not happen in isolation but should be part of a wider place-based approach (refer to Kaipara Spatial Plans). This more collaborative, partnership-based type of approach will be key to providing a more integrated infrastructure response.</p>
 <p>Circular Economy</p>	<p>The world's dominant economic model can be characterised as 'take, make and waste'. In a circular economy, resources are never abandoned to become waste. Our 2017 Waste Minimisation Strategy signals the first step in reducing our disposal to landfills in Kaipara. We will look for opportunities to reduce waste and support circular material use in our operational and capital works activities. This will help us to see the possibilities around our waste and maintenance operations so that we are reducing the impact on our environment and creating our own Kaipara circular economy.</p>
 <p>Te Aranga Design Principles</p>	<p>The key objective of the Te Aranga Principles is to enhance the protection, reinstatement, development and articulation of mana whenua cultural landscapes, enabling all of us to connect to and deepen our 'sense of place'. These principles were developed in Te Aranga marae in Hawke's Bay by Māori design professionals as a framework for people not familiar with the te ao Māori – the Māori worldview – to engage and learn. We will seek to engage early, especially on projects that are sensitive to mana whenua and establish how best we can ensure that adequate time and resources are set aside for meaningful, fruitful dialogue and follow-up actions.</p>
 <p>Managing Demand</p>	<p>We aim to make the best use of the infrastructure we have by using technology and data as the basis for our renewals and capital upgrade programme. The process of demand management provides Council with a high-level tool to identify where infrastructure growth is likely to occur over a period. It enables a natural, structured growth of the public system to occur. Without this type of assessment, ad hoc development of localised assets occurs and can leave a burdensome, somewhat redundant legacy for Council to operate and maintain. Demand management strategies provide alternatives to the creation of new assets in order to meet demand and look at ways of modifying customer demands so that the utilisation of existing assets is maximised and the need for new assets is deferred or reduced.</p>

2.1 | How Will We Manage Infrastructure – The PMO

The Programme Management Office (PMO) aims to centralise all KDC projects by aligning them to the governance framework and being responsible for collecting and coordinating all related information to measure and define project delivery. The Council has focused on the standardisation of all project deliverables and the methodology of how projects should be approached and delivered using best practice principles and tools.

The objectives of the PMO are:

- Implement a common methodology and governance
- Standardised terminology and deliverables
- Introduce effective repeatable project management processes
- Provide common supporting tools
- Improve levels of project success within the organisation.



Figure 12. The PMO Framework – how the Council manages projects

2.1 | Principal Management Options

Adaptive Planning For Climate Change Events

Adaptive planning helps to avoid poor decisions regarding climate change that lock communities into a trajectory that may not be viable in the long term. Such plans are used to determine a combination of low-regrets options that use

environmental (or service level) cues to identify timing of infrastructure upgrades. Moreover, methods such as options analysis processes are used which can be implemented at a range of scales, and incorporate uncertainty of timing and severity of climate impacts into long term planning.

Adaptive Planning For Raupo, Dargaville And Te Kōpuru

Principal Options	Options	Advantages	Disadvantages
1. Adaptive planning for Raupo, Dargaville and Te Kōpuru Climate change data indicates that the Council will see higher sea levels coupled with more intense storm events. This requires conscious decisions to be made around which areas need to be protected and which areas will require adaptive planning to determine communities' future responses.	Do nothing – accept that climate change events will occur and leave the land drainage districts to continue as they are. No extra funding required for stopbank upgrades, floodgates etcetera.	Prioritise investment in other parts of the District.	Risk of wholesale loss of drainage districts, resulting in loss of arable land and adverse economic impacts. Insurance cover may not be able to be secured (see Granity, West Coast). Costs will increase as storms are likely to get more intense.
	Prioritise water storage/retention and stopbank improvements over the next 6 years, ideally partnering with external agencies to help protect Raupo to Ruāwai and Dargaville to Te Kōpuru.	By investing in water storage systems there will be methods to reduce the flood damage in 1-500 events. Increasing the height of stopbanks and improving the sluice gates will increase resilience over the long term.	It is difficult to protect all areas, even with improvements to flood control measures. Considerable investment may be required to protect these towns and productive areas.
	Increase heights of all stopbanks and upgrade all sluice gates and associated infrastructure for all our vulnerable towns and rural land.	Increases the resilience of most of the towns.	Substantial cost to upgrade and maintain; may cause unintentional effects further down the catchment where there are no flood protection measures.

Significant Intention Statement: The Council will work with drainage district partners in Raupo, Dargaville and Te Kōpuru to investigate further protection measures over the following 6 years, including raising of stopbank levels and water storage/retention as possible adaptation response options.

2.1 | Principal Management Options

Transport

The Council has been investigating the feasibility and funding for three walking and cycling projects. Funding has been secured for the Mangawhai Shared Path and further funding applications have been submitted for the Kaihu Rail Trail and the Dargaville River Trail.

New Walking And Cycle Trails In Kaipara

Principal Options	Options	Advantages	Disadvantages
1. Development of new walking and cycling trails To implement the Kaipara District Walking and Cycling Strategy, there are several projects that have been identified to benefit residents and attract visitors to the District. These are the Kaihu Rail Trail (KRT), Mangawhai Shared Path (MSP) and Dargaville River Trail (DRT).	Do nothing – defer the implementation of the walking and cycling strategy.	Prioritise other areas of investment.	Enabling and promoting safe and healthy walking and cycling trails will not be able to occur for young people through to seniors. Lack of support for the diversity of the Kaipara economy, especially the tourism sector.
	Prioritise three walking and cycling projects, when there is a substantial external funding portion covering the majority of the investment.	Connectivity between towns (KRT) and within the towns themselves (MSP & DRT). Increase the number of new walkers and cyclists in the District. Increased tourism dollars which circulate within the host community.	Still requires Council contribution. Additional maintenance cost to maintain infrastructure.
	Prioritise more trail upgrades through increased Council contribution.	More certainty of delivery with confirmed funding.	Loads additional borrowing burden on existing ratepayers to cover the cost of the upgrades.

Significant Intention Statement: The Council will progress walking and cycling projects when there is a confirmed 95% external funding portion.

2.1 | Principal Management Options

Transport

The Kaipara Unsealed Roads Centre of Excellence was established through the Provincial Growth Fund sponsored Kaipara Kickstart Programme. This programme has and is rolling out \$8.06m of unsealed network improvements this year and next year. 72% of Kaipara District roading network is unsealed which requires a considerable investment each year to the prescribed condition rating.

Priority On The Unsealed Road Network

Principal Options	Options	Advantages	Disadvantages
2. Prioritising the unsealed road network over sealing roads. NTA has developed an Unsealed Network Centre of Excellence to manage the District's unsealed road network.	Do nothing – NTA to apply a bare minimum maintenance regime as similar to the previous LTP.	Reduced expenditure of this item.	Increased safety risk. Ride comfort reduces considerably. Increased maintenance costs for vehicles.
	Unsealed programme includes regular planned and unplanned maintenance to keep all unsealed roads to good condition categorised around the amount of usage.	Prioritised renewals and maintenance around a monitored asset management system.	No sealing component to bring roads up to a higher Levels of Service.
	Combination of limited unsealed and sealed programme.	Increases the amount of sealed road network.	Reduced Levels of Service for unsealed network.

Significant Intention Statement: The Council will support NTA and focus maintenance on the unsealed road network. NTA will only seal new roads where there is either external funding commitment (e.g., Pouto Road) or a group within an area who can contribute 100% of the expected cost.

2.1 | Principal Management Options

Water Security And Supply For Kaipara's Growth Towns

Water security for Kaipara's towns is one of the Council's key challenges and the Council has a variety of options to address how to:

- match the communities' expectations
- design within new Government legislation
- ensure affordability for current and future generations

This section covers the different options for the towns of Mangawhai; Kaiwaka and Maungatūroto; and Dargaville, Baylys Beach and Te Kōpuru.



Photo credit: Northland Inc, Sarah Orme

2.1 | Principal Management Options

Water Security And Supply For Kaipara's Growth Towns

Principal Options	Options	Advantages	Disadvantages
1. Mangawhai water supply and reticulation Mangawhai does not have a public reticulated water supply – water tanks are currently the primary water supply solution. Changing climate conditions are putting increasing pressure on homeowners as droughts increase in frequency and duration. Costs to install more water reservoirs would fall back on homeowners if they have the space available. Auckland and Whangarei were able to provide water to cartage contractors through recent summer seasons. This is unlikely to continue in the face of increased levels of drought/water shortages, without serious investment into appropriate infrastructure.	Do nothing – requires individual households to manage their own water system.	Lower operating costs for residents during non-drought years. Reuse of rainwater which reduces the impact on the stormwater system.	Limited firefighting capacity if there is a major fire event in built-up areas. If there are drought conditions, there is a high cost and long waiting list for tanker water supply. Public health risk if there is not a robust management system for large organisations/facilities (e.g., local school).
	Reticulated water supply in a staged manner by partnering with external parties.	Bulk line could be installed from Mangawhai Heads to the Village and provide for potable water, firefighting capacity and resilience. Ability to open dialogue with developers about offsetting costs by providing needed infrastructure – recover costs through development contributions to relieve financial burden from individual communities, while creating opportunities for the Council to proactively add value to local communities. Help facilitate and direct growth and densities of developments as they occur.	New growth areas and main commercial areas will likely comprise initial stages, while reticulation to existing areas may be de-prioritised due to significant costs of retrofitted reticulation. May make existing rain tanks obsolete unless there is a dual system plumbed into the house or business. May increase wastewater production due to anticipated increase in communal water supply usage.
	Targeted rate and development contribution funded water system introduced in Mangawhai to supply reticulated water.	Firefighting resilience; water supply system secured for the future to allow for anticipated growth.	Costs are levelled at those people who gain the most benefits. The targeted rate could be a significant increase in rates, especially for people on fixed incomes.

Significant Intention Statement: The Council will seek to provide reticulated water supply in a staged manner. As major developments are implemented it would be beneficial to partner with developers or seek external funding options where applicable to be able to construct the initial stages of water supply and treatment.

2.1 | Principal Management Options

Water Security And Supply For Kaipara's Growth Towns

Principal Options		Options	Advantages	Disadvantages
2.	Maungatūroto and Kaiwaka water supply and reticulation. Maungatūroto has a public water supply and reticulation network to the existing community. Kaiwaka does not have a public reticulated water supply, with water tanks the primary water supply solution.	Do nothing – requires the individual households to manage their own water system at Kaiwaka.	Maungatūroto There are no significant changes to the metered rate to cover project costs.	Maungatūroto Future connections may be declined if there is not a more reliable water solution found, thereby reducing the ability for future development.
			Kaiwaka Lower operating costs for residents during non-drought years. Reuse of rainwater which reduces the impact on the stormwater system.	Kaiwaka Limited firefighting capacity if there is a major fire event in the built-up areas. If there are drought conditions, there is a high cost and long waiting list for tanker water supply. Public health risk if there is not a robust management system for large organisations/ facilities (e.g., local school).
		Joint project to source, treat and reticulate water in a staged manner by partnering with external parties.	Collaborate with a large development partner to secure a water treatment and supply solution that can be rolled out progressively with new growth areas.	New growth areas and main commercial areas will likely comprise initial stages, while reticulation to existing areas may be de-prioritised due to significant costs of retrofitted reticulation. May make existing rain tanks obsolete unless there is a dual system plumbed into the house or business. May increase wastewater production due to anticipated increase in communal water supply usage.
		The Council could potentially fund bulk upgrades for Maungatūroto and claim back from future developers. Targeted rate funded water system introduced in Kaiwaka to supply reticulated water.	Firefighting resilience. Water supply system secured for the future to allow for anticipated growth.	Maungatūroto Council becomes the infrastructure banker and therefore must take the risk on when development may occur and the payback period.
				Kaiwaka Costs are levelled at the people who gain the most benefits. The targeted rate could be a significant increase in rates, especially for people on fixed incomes.

Significant Intention Statement: The Council will undertake an options assessment to identify a safe and reliable water supply for the towns of Maungatūroto and Kaiwaka, as a joint project and seek to partner with external parties to reduce the rates burden.

2.1 | Principal Management Options

New Disposal Solution for Mangawhai Community Wastewater Scheme

The Mangawhai Community Wastewater Scheme (MCWWS) is reaching the end of its consentable limits and is in need of additional treated effluent disposal solution to continue to receive future connections post-2032.

This significant decision relates to which option the Council should continue to investigate as this will dictate the upgrades to the plant required to match the disposal option, including the advantages and disadvantages for each.

Principal Options	Options	Advantages	Disadvantages
1. New Disposal Solution for Mangawhai Community Wastewater Scheme The MCWWS was constructed in 2009 and was originally sized for 20 years of growth. In subsequent years, the scheme has had several small upgrades and additional land purchased for treated effluent land disposal (25ha to 65ha). The draft Mangawhai Spatial Plan proposed land use changes to increase the capacity for serviced wastewater from the current population of 5,000 to 15,000-17,000 by 2043 (under a medium growth scenario). The current scheme is expected to reach its irrigation field capacity by 2032 (averaging 70 new connections per year). Technical reports also predict that the Council could exceed their consenting limits for nitrogen removal as early as the summer of 2026. There is therefore a need to investigate future disposal solution options for accommodating anticipated growth.	Discharge to field Acquisition or lease of additional land to supplement current disposal field at Browns Road. This includes upgrade to treatment works and new rising main and pumps.	<ul style="list-style-type: none"> • Acceptable by tangata whenua and environmental groups • Does not load the harbour with treated effluent 	<ul style="list-style-type: none"> • Area required is up to 1.5x greater than the application area • Requires land acquisition • Odour effects on neighbours • New rising main required • Medium capital cost
	Discharge to sea outfall Rising main of around 4km, as well as ocean outfall of around 3km out from Mangawhai Heads Beach. Includes upgrade of treatment works.	<ul style="list-style-type: none"> • Future-proofing opportunities • Existing land disposal can be retained 	<ul style="list-style-type: none"> • Compromised marine conditions • Construction location at beach access • High capital cost • Ongoing maintenance cost • Cost uncertainty • Unfavourable public perception • Write-off of farm assets • Pipelines may require directional drilling • Least acceptable option for tangata whenua and environmental groups
	Discharge to estuary Rising main around 1km, potential gravity main. Total flow can be diverted to estuary. Includes upgrade to treatment works. Filtered through a vegetated bed before release into the estuary.	<ul style="list-style-type: none"> • Most affordable option • Existing land disposal can be retained • Best quality discharge to minimise ecological impact • Possibility for upgrades on existing site 	<ul style="list-style-type: none"> • Unfavourable public perception • Requires highest standard of effluent (but feasibly manageable)

Significant Intention Statement: The Council will investigate the Mangawhai Community Wastewater Scheme – discharge solution via an irrigation to field disposal option for environmental, cultural, community and economic reasons.

2.1 | Principal Management Options

Waste Minimisation

Focus On Increasing The Use Of Recycle Products

Principal Options	Options	Advantages	Disadvantages
Focus on reducing residual waste to landfill by investing in composting and processing equipment such as washing and shredding plant for plastics. To implement the Waste Minimisation Strategy, there are several investments that require the Council to create viable products	Do nothing – do the bare minimum in managing our recycled system following international market crisis.	Reduced short term expenditure.	Councils, communities and operators will suffer financially long term.
	Seek to formalise further partnerships with qualified enterprises e.g. involve manufacturers and distributors to have greater responsibility for products through their lifecycle.	This will avoid recycled materials ending up in landfills. Incentivise better design and material choices. A move towards a circular economy.	Circular economy business models are harder to develop as most are currently under a linear economy logic.
	Pre-treatment: engage and educate the public on how to reduce waste production through simple day-to-day choices.	Reducing the amount of waste being sent to landfill will directly have an environmental, financial and social positive impact. Conserving resources to make new material Creating a sustainable future generation.	Relying on the public alone may not be the most effect way to manage waste minimisation.

Significant Intention Statement: The Council will seek to partner with suitable qualified enterprises to store, process and distribute Kaipara District recycling to encourage new reuse markets, Councils in the North are actively seeking to form collaborative partnerships to share knowledge, resources and access to markets.

2.1 | How Will We Manage Infrastructure

Procurement Strategy

Our Procurement Strategy 2019 details how the Council seeks to conduct its procurement activities. Procurement is one of the most important aspects of the Council's role in facilitating delivery of infrastructure services and activities that promote community wellbeing in Kaipara. The Council has sought to align its procurement approach with good practice expectations set out by central government.

The way in which the Council conducts its procurement activities for infrastructure paves the way for broader cultural, economic, environmental and social outcomes in Kaipara. This is encapsulated by its Broader Outcomes, shown in the adjacent figure.

Kaipara Procurement Objectives:

- Deliver safely – a commitment to reducing harm to us and the people involved in our supply chain
- Creating and demonstrating public value through our activities with particular focus on:
 - Good price;
 - Good quality and
 - Good outcomes.
- Improve the efficiency of the way we progress projects through their lifecycle to deliver the capital programme
- Increase the ability of our Iwi, communities and businesses' in Kaipara to participate in Council activities;
- Increase the size and skill level of the supply chain delivering work in Kaipara;
- Support reduced greenhouse gas emissions and promote sustainable use of resources.

How will we implement our Procurement Objectives?

- The Procurement team (within Infrastructure Services) will be responsible for the implementation of the Procurement Strategy and will ensure strong oversight, governance and direction.
- The Procurement team will oversee pre-qualification requirements, while also focusing on relationships with approved suppliers and vendors. The level of pre-qualification required will be related to the level of risk of the given activity.
- Procurement Plans will be developed, and will include weightings to reflect Procurement Objectives; consider opportunities for packaging of work to provide stronger pipelines of work; and incorporate safety expectations through each project's lifecycle.
- We will seek to create critical mass and thus achieve greater efficiency. This could be utilising regional buying power to increase what we buy in a single activity, or packaging work in one given area
- We will generate collaborative opportunities by improving our relationships with our Regional Councils, suppliers and other agencies.

2.1 | How Will We Manage Infrastructure

Procurement Strategy – Broader Outcomes



2.2 | The Overall Funding Approach

Consistent with the Local Government Act 2002 (LGA), the Council budgeting process is iterative. Initial budgets are set with consultation between senior management and managers which is then workshopped with Council elected members. At the end of the LTP workshops, the Council agrees the draft budget it feels is in line with community expectations and is prepared to send out for public consultation. Based on submissions received from members of the community, feedback is sent back to the Council for final ratification before being formally adopted in June 2021.

Kaipara's infrastructure – its roads, water, wastewater, stormwater, solid waste, open

spaces, and flood protection – are its backbone, making it easy to live in functional and connected communities, and supporting thriving communities working together.

Infrastructure is the Council's biggest investment. The funds needed to provide and keep this infrastructure working mainly come from:

- your rates
- NZTA subsidies for road maintenance and upgrades
- development and financial contributions
- targeted rates for Four Waters infrastructure – water supply, stormwater, wastewater and land drainage.

Major Capital Expenditure				
Description	Cost (\$m)			
	2021/26	2026/31	2031/41	2041/51
Stormwater	7.355	16.717	6.390	4.465
Water Supply	8.011	10.185	38.473	18.309
Wastewater	13.227	25.788	43.612	12.534
Transport	100.245	114.328	241.433	172.756
Flood Protection and Control	14.437	38.255	51.794	5.791
Waste Minimisation	1.905	3.209	1.967	2.441
Reserves and Open Spaces ¹	10.498	7.566	10.301	11.486

¹ Includes costs for Swimming pool, reserves, public toilets, Mangawhai Harbour Restoration Society, cemeteries, and camping.



PART 3

Key Programme Responses



Mangawhai Photo: Stijn te Strake

3.0 | Our Opportunities

Introducing The Four Key Programmes

In response to the infrastructure challenges and external trends affecting the Kaipara District, four strategic programmes have been developed to prioritise and co-ordinate significant infrastructure improvements. This approach will also inform who the Council will collaborate with to achieve the programme goals.

1. Northland to Auckland Corridor



2. North Kaipara Agricultural Delta



3. Ancient Kauri Coast



4. Building Resilience



3.1 | Key Programme 1:

Northland To Auckland Corridor Programme

Overview

Since the last Infrastructure Strategy in 2018, the New Zealand Government has approved and commenced several multi-million-dollar upgrades to transport infrastructure between Auckland and Whangārei. This includes the renewal of the North Auckland Trunk Rail line, the Puhoi to Warkworth motorway extension, and four-lane State Highway from Whangārei south to the Port Marsden turnoff. These significant upgrades have spurred a new regional collaboration approach to manage the expected urban growth along the corridor from Northland to Auckland. Based on the Hamilton-Auckland growth corridor model (upgrading rail and motorway links to growing urban centres), a similar Northland growth corridor has been proposed. This would see a partnership between Whangārei District Council, Kaipara District Council, Northland Regional Council and Auckland Council, together with NZ Transport Agency, Kāinga Ora (the Government's agency for housing and urban development), Northland District Health Board, and Māori to be formalised in the near future.

"This programme of big picture spatial planning not only requires a collaborative approach across the agencies, but will require Māori, the private sector and communities to be at the table, to discuss how this integrated corridor plan will work."

The first step is to review the spatial planning that the three Councils are responsible for, and work with the communities that are within this corridor to visualise how this growth could be incorporated. This spatial analysis is then overlaid across the impacts of a suite of large transportation and essential services infrastructure needed to enable people and business activities to thrive and prosper. This programme of big picture spatial planning not only requires a collaborative approach across the agencies, but will require Māori, the private sector and communities to be at the table, to discuss how this integrated corridor plan will work.

The Kaipara communities of interest for this corridor include the key urban areas of Mangawhai, Kaiwaka and Maungatūroto. All Kaiwaka, Maungatūroto and Mangawhai have recently had spatial plans adopted, which have indicated the level of sustainable development and the type of infrastructure needed to support this expected growth. The Council has signaled a need to partner with large landowners and developers to realise bulk infrastructure upgrades including consenting, design, land acquisition and construction for a long term water supply solution for Kaiwaka and Maungatūroto.

3.1 | Key Programme 1:

This map depicts the area of influence that this programme could have over the planning and infrastructure co-ordination for this corridor.



3.1 | Key Programme 1:

Significant Projects



1. **Mangawhai Library**



2. **Wastewater treatment plant upgrades at Mangawhai – up to 7000 connections.**



3. **Tourism Infrastructure Projects for select communities ... Maungatūroto and Kaiwaka**



4. **Waste minimisation (washing, shredding, recycling)**

3.2 | Key Programme 2:

North Kaipara Agricultural Delta Programme

The North Kaipara Agricultural Delta programme seeks to protect highly productive land through increased stopbank protection. This would enable high value horticulture conversions where there is a reliable water source or via the water storage projects proposed in the Te Kōpuru rural area. This in turn creates the necessary demand for the creation of new zoning in Dargaville to allow for businesses associated with processing and value add products.

Overview

The climate of Kaipara District can be characterised as mild, humid and rather windy; owing to its northern location, low elevation and proximity to the sea. Summers are warm and tend to be humid, while winters are mild, with much of the district only observing a few light frosts per year. Rainfall is typically plentiful year-round, with occasional very heavy falls. However, dry spells and drought can occur, especially during summer and autumn. Despite relatively high average annual rainfall overall in Kaipara, a lack of storage means much of this water is not able to be harvested for use at other times, including summer and during droughts. The Kai for Kaipara Water Resources Assessment (Williamson Water & Land Advisory) concludes that in the short term, there are options for developing small-scale horticulture using run-of-river, groundwater or closed loop irrigation water supplies. The greatest concentration of high value soils in the Kaipara District is predominantly in the river delta between Pouto-Te Kōpuru to Dargaville-Ruāwai, stretching out to Kaihu. Much of this land is low-lying and susceptible to flooding events and salt water incursion.

The Council has partnered with Northland Regional Council and the Provincial Development Unit (within MBIE) to progress several water storage projects to realise the potential of the Te Kōpuru rural area and stimulate jobs in the agricultural and horticultural sectors. Scoping reports have indicated that if the water storage projects are fully implemented, that Kaipara District could benefit with an increase of \$85m in GDP and up to 95 additional jobs (Source: Scoping of Irrigation Schemes in Northland report 2017). In addition, the Kaipara Kai project (part of the Kaipara Kickstart programme) has established considerable horticulture research and resources to assist landowners who are contemplating changing their land use in the future.

Climate Change Approach – Adaptive Pathways Planning

Adaptive pathways planning is a decision-making process used to identify outcomes sought and the range of options available to achieve this under changing circumstances. This is a developing process, however, its trialling in Hawke's Bay has attracted acclaim in developing effective climate change approaches.

Using adaptive planning strategies will determine a combination of low-regret options that use environmental (or service level) cues to determine timing of infrastructure upgrades. Options analysis processes will be used as it can be implemented at a range of scales and incorporate uncertainty of timing and severity of climate impacts into longterm planning.

3.2 | Key Programme 2:

This map depicts the extent of the agricultural delta, where the proposed water storage projects and potential irrigation area could develop and towns it encaptures.



Land Use Capability (LUC)

1_Highly suitable for cultivated cropping, vineyards and berry fields, pasture, tree crops or production forestry with minimal physical limitations for arable use. (None in the Kaipara District Area)

2_Suitable for many cultivated cropping, vineyards and berry fields, pasture, tree crops or production forestry with slight physical limitations for arable use.

3_Suitable for cultivated cropping, vineyards and berry fields, pasture, tree crops or production forestry with moderate physical limitations to arable use.

3.2 | Key Programme 2:

Significant Projects



1. **Assessment of stopbanks and level of service and alignment with adaptation decision-making and ownership**



2. **North Kaipara Agricultural Delta – Te Kōpuru to Dargaville, Dargaville – Awakino Point East and Raupo Stopbanks**



3. **Upgrade and repair key transport structures to meet HPMV requirements eg. the Kaiwaka-Mangawhai bridge**



4. **Work with NZTA to upgrade detour routes alongside the SH1 corridor.**



5. **Water Storage and security of water supply for communities as above.**



6. **Contribution towards the cost of investigating new water storage infrastructure in western Kaipara.**



7. **Contribution towards development of new water storage infrastructure in western Kaipara.**



8. **Sludge System Reuse**



9. **Dargaville Growth (Spatial Plan Projects)**



10. **Dargaville TIP**

11. **Waste Minimisation (washing shredding recycling)**

3.3 | Key Programme 3:

Ancient Kauri Coast Programme

The Ancient Kauri Coast route was developed by Northland Inc in 2017 to promote travellers to seek out an alternative to the established SH 1 tourism route. It is the beginning of telling the Kaipara District heritage story and showcasing the many special places that both domestic and international visitors are invited to discover. The next stage is to develop more experiences, improve and connected centres with richer stories and promotion of the Ancient Kauri Coast.

The extended Ancient Kauri Coast includes the Brynderwyns and Mangawhai and traverses through many of Kaipara's historic villages and settlements including Paparoa, Maungatūroto, Matakoho, Te Kōpuru and Kaihu.

Overview

The Ancient Kauri Coast programme is broken into three components:

Tourism Plan/Strategy

Development of a Tourism Plan/Strategy or Destination Management Plan which includes facilitating tourism groups to drive collaboration and marketing efforts and establishment of a Kaipara District Tourism Website to host content and link in with other regional tourism offerings. It will also be important for this strategy to be connected into the wider Northland Economic Development Plan and Destination Management Plan and leverage a close partnership with Northland Inc. and Auckland Tourism, Events and Economic Development.

Key Tourism Infrastructure Project

The Council has been partnering with the Provincial Development Unit to prioritise several projects to connect and stimulate tourism business activity. The projects stemming from the Kaipara Harbour Water Transport and Wharves Feasibility Study include a new pontoon at Dargaville Wharf, new pontoon and renewal of the Pahi Wharf and a new wharf at Pouto Point. There are also further projects planned to connect and improve other wharves and ancestral marae in future years. These wharves will also link in with new investment in cycle tourism projects. The Kaihu Valley Trail will create a multi-day cycle experience connecting Waipoua Forest with Dargaville. This trail links to enhancements of the Kaipara Harbour missing link trail which takes cyclists down to Pouto Point. Mountain bike parks and new cycle trails designed for all ages are proposed in Pou Tu o Te Rangi Park, Mangawhai and Taharoa Domain (Kai Iwi Lakes). In addition to these lead infrastructure projects, the necessary support facilities to cater for people utilising these places including toilets and parking will be provided, if not already available.

Town Centre Upgrades

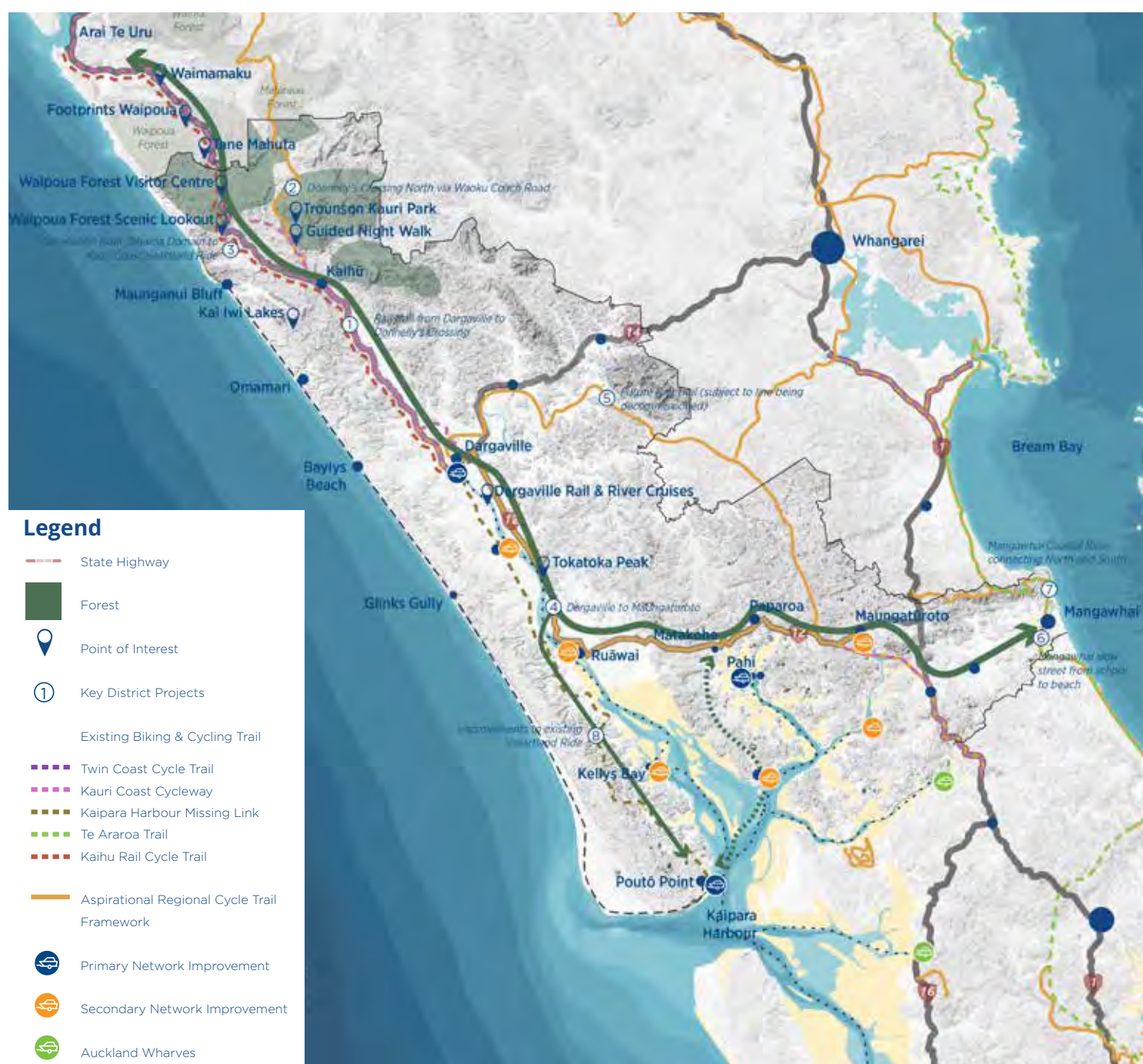
The Council has recently adopted several key spatial plans which include the key urban areas of Dargaville, Maungatūroto and Kaiwaka and the Mangawhai Spatial Plan. Within these plans, there are key moves which the Council will seek to implement in a staged manner over the next 30 years. These upgrades include improving walking and cycling connections, creating safer and more enticing streets, enhancing the Council's community infrastructure, incentivising building owners to preserve heritage buildings and enabling developers through water upgrades to build new commercial enterprises. By focusing on staged improvements in these towns and others along the Ancient Kauri Coast route, both residents and visitors will benefit and be encouraged to spend time and money supporting retailers and tourism businesses.

3.3 | Key Programme 3:

Ancient Kauri Coast Programme

Kaipara District Council is unlikely to be able to fully fund the projects required to implement the staged upgrades of the town centres, there will need to be investment from external sources, identified partners and central government funds.

This map depicts the extent of the Ancient Kauri Coast programme, supporting the existing travel route from east coast to west coast showcasing the historic and distinctive places of interest.



3.3 | Key Programme 3:

Significant Projects

1. North Kaipara



Develop and open the Kaihu Valley Trail alongside accommodation and tourism initiatives



Premier Park – Taharoa Domain upgrades around Kai Iwi Lakes

2. Central Kaipara



Implement the first phase of the Dargaville Township Improvement Plan, including Hokianga Road, riverside cycle path and intersection improvements



Premier Parks



Parks projects



Dargaville to Maungatūroto Heartland Trail



Dargaville Pontoon

3. Poutō Peninsula



New wharf at Pouto Point



Sealing the Pouto Road

4. Kaipara Harbour



Renewal of the Pahi Wharf



Establishment of a beach landing opportunity at the ancestral marae of Arapaoa and Oruawharo

5. East Kaipara



Develop (in partnership with WDC) the Brynderwyns Cycle Trail and associated mountain bike parks



Continue to implement the Mangawhai Community Plan including the shared path network and Mangawhai Community Park

3.4 | Key Programme 4:

Building Resilience Into Our Asset Network

Overview

Since the last LTP, the Infrastructure Department has managed to bring all water services consents up-to-date and legally compliant. This has required gaining a greater understanding of both existing Levels of Service and what future expectations may include. The Council cannot renew all its assets at the same time. It must prioritise when each centre, village and settlement will require renewal and plan for events that are outside of its control, giving regard to climate change related weather events and sea level rise. Increasing resilience in the asset network programme recognizes the Council's core responsibilities in managing its assets efficiently and effectively but also in how it plans for climate change events and how these assets could be impacted.

The programme of work is broken down under the following AMPs:

Water and Wastewater Network

Conduct asset condition surveys and create models of the network to attain complete knowledge. Subsequently, prioritise critical assets which are in suboptimal condition; identify assets which require capacity increases to minimise leakages and breaks and to meet the minimum level of service.

Respond to climate change and sea level rise flooding, including protecting wastewater treatment, pump station and pond facilities, and groundwater infiltration in flooding events. When conducting asset renewal and upgrades, pursue water-sensitive and nature-mimicking design where possible. Investigate low emissions options for capital works projects and operational activities.

Waste Minimisation

Promoting mechanisms/incentives to support circular economies by reduction in waste, increasing recycling rates, and implementing plastic washing and shredding/preparation.

Parks and Recreational Facilities

Bring all open spaces, tracks and recreational facilities up to a minimum standard and within all codes and NZ standards.

Transportation

Pursue the following for the road network:


- Resilience to flooding events in accordance with Levels of Service, implement road safety upgrades of black spot and pedestrian safety areas
- Maintain minimum drivable standards on sealed and unsealed road networks
- Improving the unsealed road standards
- Upgrade end of design life road bridges
- Encourage sustainable travel with safer walking and cycling while connecting important points of interest such as schools to parks and town centres
- Investigate low emissions, circular economy approaches to operational activities and capital works projects



3.4 | Key Programme 4:

Significant Projects

Capital Projects

- | | | | |
|---|--------------------------------|---|---------------------------------|
|  | 1. Dargaville Water Storage |  | 4. Maungatūroto Growth Projects |
|  | 2. Dargaville Water Security |  | 5. Kaiwaka Water Supply |
|  | 3. Maungatūroto Water Security |  | 6. Mangawhai Water supply |





PART 4

Activity Management Plans



4.0 | Introduction

Kaipara's infrastructure safeguards our environment and enables our communities to be functional and connected.

The Activity Management Strategy focuses on renewals programmes and renewals investment to get the best long-term outcome and reduce ongoing maintenance costs. A summary of the significant capital is also included in this section.

Our Activity Management Strategy is comprised of seven activity groups, each administered through an AMP.

Each Activity Management Strategy summarises the Council's strategic and long-term management and investment approach for provision and maintenance of the given activity.

This strategy applies to the following activity groups:

Transport		Safer roads that are resilient to the effects of climate change/flooding and unrestricted bridges, footpaths and cycleways that connect communities
Three Waters	Water Supply	The collection, treatment and distribution of quality potable drinking water in a cost-effective, sustainable and environmentally-friendly manner
	Wastewater	The management, treatment and disposal of sewage
	Stormwater	The management of discharges and collecting of contaminants in a manner that protects the environment and public health
Flood Protection & Land Drainage		Flood control schemes, river alignment control, and land drainage
Waste Minimisation		Reduce waste, increase recycling and resource recovery for the protection of the environment and human health
Reserves And Open Spaces		Maintain a diverse range of open space and reserve assets

4.1 | Transport

Overview

The Transport AMP includes all Council-formed roads, bridges and associated assets, as well as parking, footpaths and cycleways. It excludes private roads and unformed roads.

In Kaipara, transport plays a major role in connecting to the key destinations in Northland, and through the rest of New Zealand through Auckland. Our transport assets are critical for people to move around quickly and safely, but also for the movement of goods to drive our primary industries and wider economy. The Transport AMP seeks to improve customers' journey experiences by delivering on safe, direct and timely journeys with minimum disruptions.

Overview

Under this activity and the associated Activity Management Plan, are the provisions of the required transport infrastructure that has been agreed to meet the community's objectives in the Long-Term Plan and the requirements under the Local Government Act as one of the Council's core services.

The AMP for Transport seeks to improve standards for both sealed and unsealed road networks. Sustainable transport will be promoted with safer walking and cycling opportunities, while connecting important points of interest such as schools to parks and town centres. It is also important to ensure that flooding risk to the transport network is minimised where possible.

The adjacent table summarises the asset groups and data in Kaipara which are under the provisions of the Activity Management Plan.

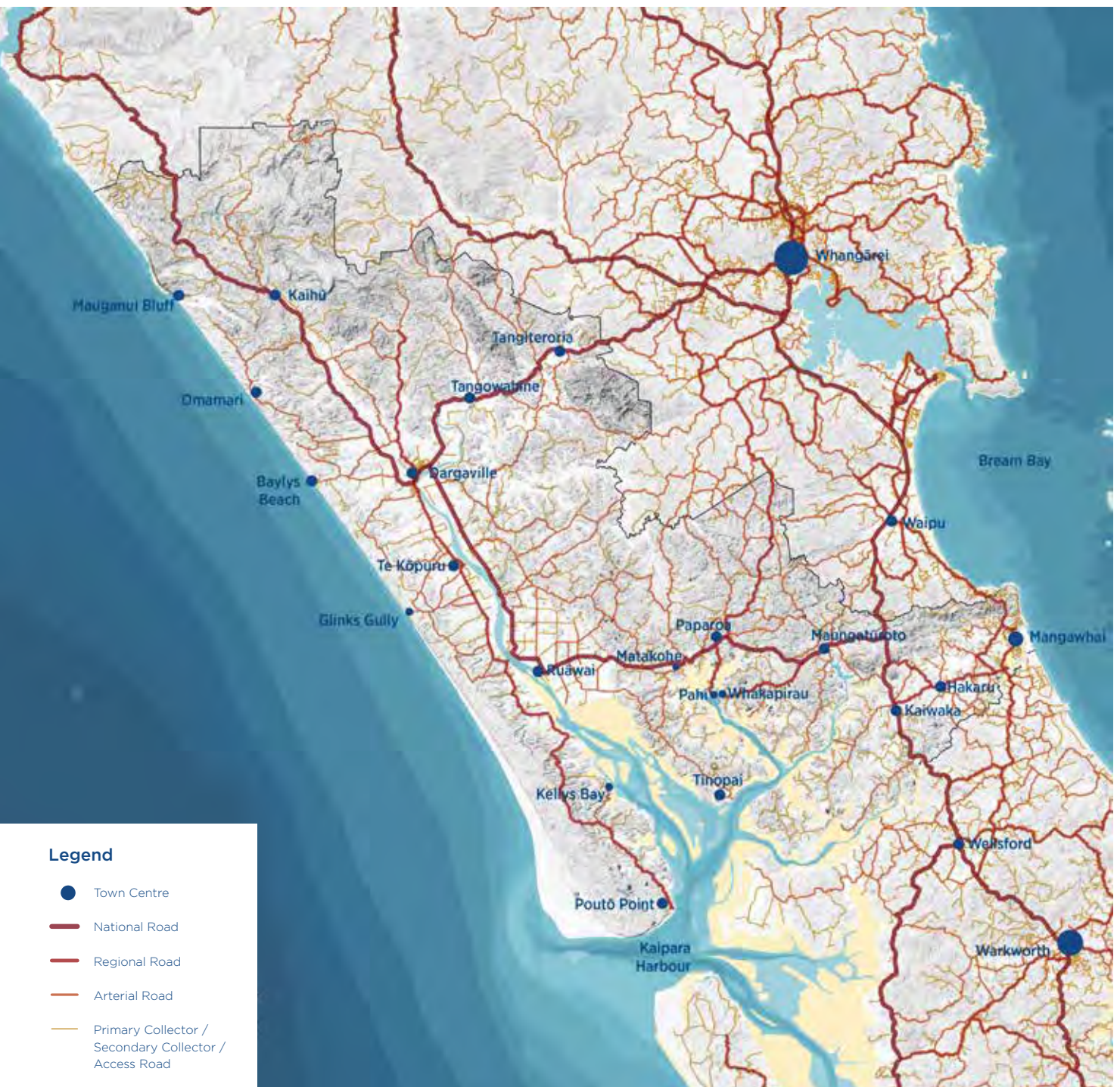
Inventory of Transport Assets in Kaipara

Transport Asset	Quantity
Bridges	348
Channels	1,845 km
Drainage	139 km
Drainage Structures	14,462 km
Footpaths	91 km
Land	3,234 ha
Lighting	1,184
Furniture	Railings, retaining walls, traffic facilities
Signs	9,459
Pavement	448 km
Unsealed	1,125 km
Formation	1,573 km

4.1 | Transport

Kaipara's roading network is made up of roads that serve different purposes and are broken up by roading classification called One Network Road Classification (ONRC). The adjacent map shows the breakdown of the Kaipara roading network.

The ONRC considers the needs of all road users, be they motorists, cyclists or pedestrians. It gives road users more consistency and certainty about what standard and services to expect on the national road network, including the most appropriate safety features.



4.1 | Transport

The NTA was formed to manage all of Northland's roading and transport assets on behalf of each of the territorial authorities.

The formation of the NTA was for improving the delivery of all transport services through better professional service resource utilisation. This has assisted in standardising activity management including transportation procurement across Northland.

Asset Condition

Overall network condition and performance is good, although there are some performance issues relating to sealed pavements, unsealed roads, bridges and footpaths due to historic under-investment in renewals. There is also an increasing trend of wet road and nighttime crashes on the low volume rural sealed network.

The condition of the road network assets is determined by detailed condition inspections and asset performance analysis that is carried out in accordance with Transport Industry Data Standards and Best Practices and the standards of the NZTA's (Waka Kotahi) Performance Monitoring Tool, (PMRT).

Modelling of asset performance using the condition information enables a programmed approach to managing renewals and maintenance of the transport network assets. The NTA has been utilising industry best practice modelling tools and where tools do not exist, developing modelling tools so that investment decisions can be made that deliver the appropriate long-term outcomes.

NZTA's PMRT also provides benchmarking of the transport network through Peer Comparison. This involves comparing each Council's transport network assets and service delivery so that a consistent manner can be applied into the future.

What we need to work on to get better

- Approximately 10% of the sealed network is in a very poor condition, and is the highest priority to be improved
- Residents' satisfaction with the unsealed network is low. The NTA is establishing an Unsealed Road Network Centre of Excellence (CoE) to assist with the decision-making and the evidence required to support the investment in the unsealed roading network. The CoE is a resource that offers continuity in the way upgrading, maintenance and renewal of the unsealed networks are managed
- Bridges and culverts are in relatively good condition with approximately 27 of 348 bridges being posted and/or restricted from HPMV/50Max vehicle use. The age profile for bridges shows an increasing need for planning the replacement bridges and component renewals to extend the life of non-critical route bridges. This need has arisen out of the post-world war bridge construction activities that occurred during the late 1940's and through into the 1960's
- Footpaths are in poor to very poor condition through lack of maintenance and renewals investment. These assets are also older and constructed to obsolete standards. Footpath renewals will be updated to the latest standards and a progress programme of investment based on priority is being introduced to tackle this underinvestment situation.

Investment in maintenance and renewals and development of new strategies will address these performance issues.

4.1 | Transport

Activity Issues

The NTA has summarised the challenges to meet the wider Northland customer expectations into seven problem areas.

Northland Transportation Issues:

Sealed Roads – Larger renewal programmes to address historic backlogs and inappropriate allocation of in-house costs and maintenance contract fixed costs in Kaipara and Far North are resulting in our sealed roads having some of the highest costs per kilometre in our peer group.

Drainage – Ad hoc historic maintenance of drainage systems has increased the susceptibility of our pavements to water ingress and premature failure. It also increases the likelihood of flooding and slips during heavy rain events.

Resilience – Erosion-prone land, high-intensity rainfall events and low-capacity drainage systems make our roads susceptible to slips and flooding during heavy rain events, resulting in road closures that often affect critical routes. Transport networks will need to adapt to increasingly challenging conditions and prioritise works to mitigate the highest risks. For example, slips are expected to get worse over time due to the effects of climate change. However, slips are not immediately addressed if they do not affect travel time due to Northland's significant geology problems relating to slow land movements.

As a result, Council cannot financially afford to fix every slip.

Unsealed Roads – Use of out of specification General All Passing (GAP) aggregates on our unsealed roads is resulting in:

- Making up 72% of the network
- Adverse health impacts to residents due to dust
- High levels of community dissatisfaction due to poor road condition and
- High maintenance costs.

Structures – Lack of historic maintenance and renewal of structures in the Far North and Kaipara is resulting in a large number of structures prematurely reaching the end of their life which is adversely affecting freight access and increasing demands for expensive bridges. Hence the need to upgrade bridges on the roading network that are reaching the end of their lives and require renewal. The bridge upgrade programme will seek to improve the overall structural standard so that the design standard is able to be maintained for the vehicle types expected.

Growth and Alternative Transport – Rapid growth and lack of suitable alternative transport modes are causing congestion in Whangarei during commuter peaks, in Kerikeri/Waipapa and Mangawhai during peak holiday periods. Lack of alternative transport modes in many communities restricts access to places of employment, education and social opportunities which is leading to severance, safety issues and higher levels of social deprivation.

Safety – Northland has a narrow, winding and unforgiving rural road network which, combined with poor driver behaviour, has resulted in the region being a high Community at Risk for Death and Serious Injury (DSI) crashes and the rate of DSI crashes is trending upward for all three councils. The Far North and Kaipara District Councils also have higher Collective Risks than their peer group.



4.1 | Transport

The Council has recently adopted place based spatial plans for the key urban areas. To enable future development so that it does not cause unintended consequences at a later stage, Network Operating Frameworks are proposed.

A Network Operating Framework is an agreed process that enables collaborative discussions and that links strategic intent with operational and planning decisions. It does this using workshop-based steps and a common language for the stakeholders to use. Towards the end of the process, there is a tool that allows performance deficiencies to be identified and interventions tested and compared. It is a holistic vision of transport that focuses on:

- Moving people and goods, not vehicles, and seeing this by time of day
- Seeing transport as supporting broader community goals
- Balancing the competing demands for limited road space
- Thinking 'network' rather than sites or routes.

Kaipara Transport Direction

- Less focus on sealed roads
- More focus on unsealed roads
- More focus on providing adequate drainage
- More focus on bridge renewals
- Continued focus on safety including speed management
- Alignment with climate change adaptation planning and focus on resilience improvements
- More focus on low emissions, sustainable and circular economy-guided activities
- Continuation of the shared path programme
- Continuation of intersection improvements



4.1 | Transport

Key Strategic Issues

A review of the issues associated with transport reveals several common issues which are outlined in the adjacent table. The medium-high and high issues (highlighted green) are identified as key issues. These issues have had an options assessment on the following page on how the Council and NTA plan to mitigate or manage this issue in the future.

Transport Issue and Consequences

Issue / Risk	Likelihood	Consequence
Unsealed Roads – customer perception issues	Low – Medium	<ul style="list-style-type: none"> • Dust leading to resident dissatisfaction • Perception of LOS unrealistic (urban to rural expectations) • Developments occurring that do not allow provision for LOS change to sealed roads
Funding – ability for NTA to attract level of Government funding and Council's ability to fund part share of significant transport projects	Low – Medium	<ul style="list-style-type: none"> • NZTA's future ability to provide capital improvements subsidy • Changing Government Priority Statement priorities • The Council's ability to provide for the local share of investment priorities • Mangawhai growth drives demand for significant investment by the Council, thereby reducing the ability to invest elsewhere.
Drainage – ability to deal with regular inundation	Low – Medium	<ul style="list-style-type: none"> • Poor historic drainage maintenance reduces roading drainage assets ability to deal with inundation • Undersize or misaligned culverts
Industry capacity and capability	Low – Medium	<ul style="list-style-type: none"> • Competency of contractors – lack of skilled workforce and upskilling of existing workforce • Quality of contractors – procurement compliance, industry best practice competency • Quantity of contractors tendering for projects • Delay to delivery of capital and new work programmes due to capacity within the industry

4.1 | Transport

Road Safety – high number of fatal and serious crashes	Medium – High	<ul style="list-style-type: none"> Increasing trend of wet road and nighttime crashes Increasing trend of Death and Serious Injury crashes, e.g. drink or drug driving, driving with no seatbelts, unfit for use vehicles, speed related crashes
Resilience – climatic events, climate change and sea level rise impacts	Medium – High	<ul style="list-style-type: none"> Communities cut off from essential services when the network is under duress through emergency events Unstable soils affected during emergency/heavy rainfall events Climate change and sea level rise affecting coastal assets and increased coastal flooding during high tides that coincide with heavy rainfall events Developments occurring in areas that will be subjected to increasing sea levels Need to retreat assets due to climate change and sea level rise in the future, potentially affecting whole communities
Structures – including bridges and other structures condition	Medium – High	<ul style="list-style-type: none"> Aging bridge stock High number of wooden structures in poor to very poor condition 27 bridges restricted from HPMV and 50MAX



4.1 | Transport

Issues Options Assessment

The following tables are options assessments for the three key strategic issues which present the highest risk for transport, where the preferred option for each issue is highlighted green and explained further in the anticipated response.

Anticipated response to transport issues

Issue	Options	Implications
Road Safety – High number of fatal and serious crashes	Do Nothing	High likelihood of the upward trend of Death and Serious Injury will continue.
	Focus on a site-specific behavioural campaign	Kaipara-specific targeted campaigns at the groups where the majority of the crashes are occurring i.e. young people driving on unsealed roads. Does not include any safety infrastructure improvements i.e. crash barriers on blind corners.
	Behavioral campaign and black spots/ identified safety issues improvements	Kaipara-specific targeted campaigns at specific crash issues and programme of safety improvements at known locations to prevent or reduce serious injury.
Anticipated response – Improving community road safety awareness through educational programmes and improving physical attributes of the transport network to reduce the occurrence and reduce the effect of accidents on the transport network. Investing in better surface treatments to improve skid resistance in wet road conditions and investing in better roadside delineation to improve visibility at night.		

4.1 | Transport

Anticipated response to transport issues

Issue	Options	Implications
Resilience – climatic events, climate change and sea level rise impacts	Do Nothing	Blown out budgets due to the high amount of unscheduled emergency works to clear slips and flooding debris and follow up repairs.
	Improved assets	Proactive maintenance and renewals of vulnerable roading assets such as aging bridges and coastal roads to create more resilience and reliable connection to the wider network.
	Adaptive planning to establish appropriate community and infrastructure response to climate change events	Develop adaptive plans for vulnerable and coastal communities that indicate a future strategy and funding allocation for proactively dealing with climate related events.

Anticipated response – Development of a regional resilience strategy and implementation of better network resilience management. Investment repairing slips and improving drainage assets to reduce the impact of heavy rain events on the transport network.

Issue	Options	Implications
Structures – including bridges and other structures condition	Do Nothing	Could result in some properties and settlements being cut off until a temporary bridge is erected.
	Replace/renew only bridges and structures that are deemed a high safety risk of failure	This would replace or renew a smaller amount of bridges and structures each year and may not keep up with best practice and structural standards.
	Replace/renew through a systematic programme approach which aims to tackle enough to spread the cost over 30 years	A programme approach provides an affordable solution that provides the opportunities that industry and community need to achieve commercial and social connectivity.

Anticipated response – Delivery of a programmed, proactive bridge upgrade and replacement programme over the following 30 years (see graph below).

4.1 | Transport

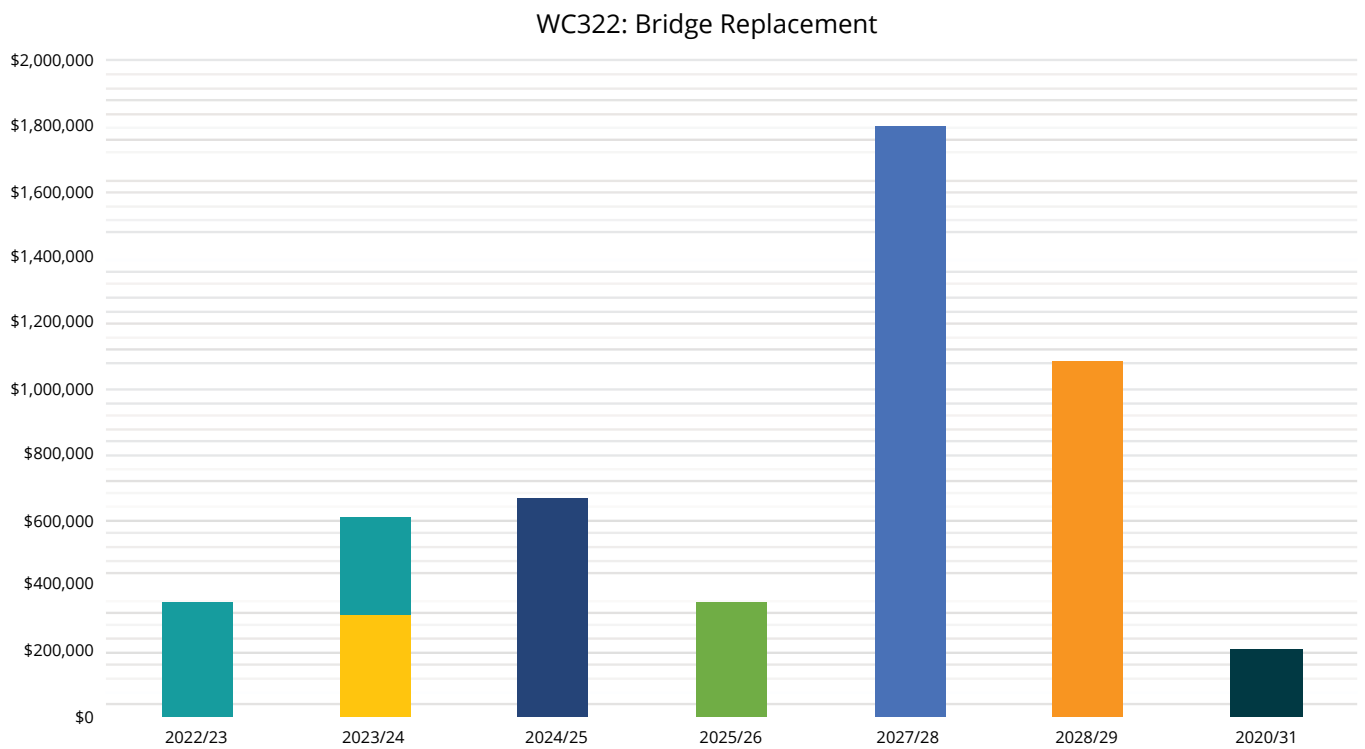


Figure 12. Cost of Bridge Replacement 2022-2031



3.1 | Transport

Activity Funding Strategy

Activity funding strategy puts a focus on renewals to reduce ongoing maintenance cost.

The below figure shows the breakdown in the first year of the LTP to be 50% new projects 50% renewals and maintenance. This is driven by the transport projects linked to the Kaipara Kickstart programme for sealing the remaining unsealed section of the Pouto Road. The new

projects expenditure then reduces from 2022/23, with a balanced programme of New Works and Operational Maintenance and Renewals work to keep funding of assets at an optimized level to aid in attracting subsidy across the whole programme. In later years of the 10-year programme focus shifts away from purely maintenance and focuses on renewals of assets to provide a better long-term investment outcome for council.

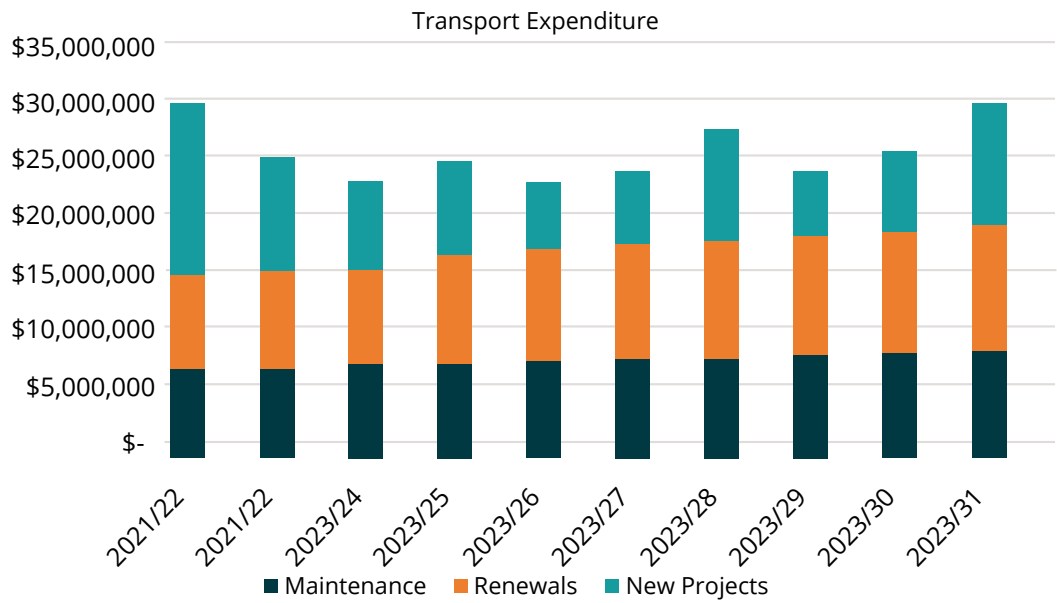


Figure #. Showing the breakdown of transport expenditure by type



4.1 | Transport

Prospective Infrastructure Strategy Costs

For the year ended: 30 June	Total Transport Budget (\$'000)						
	2021-26	2026-2031	2031-2036	2036-2041	2041-2046	2046-2051	2021-2051
Total operating expenditure	65,981	76,834	91,317	107,361	128,941	151,829	622,262
Capital Expenditure - Growth	18,659	23,540	1,435	1,632	1,855	400	47,521
Capital Expenditure - LoS	26,297	27,042	29,417	33,446	38,026	8,209	162,436
Capital Expenditure - Renewal	55,289	63,747	90,138	85,366	102,202	22,064	418,806
Total capital expenditure	100,245	114,328	120,990	120,443	142,083	30,673	628,763
Total expenditure	166,226	191,162	212,307	227,804	271,024	182,502	1,251,025

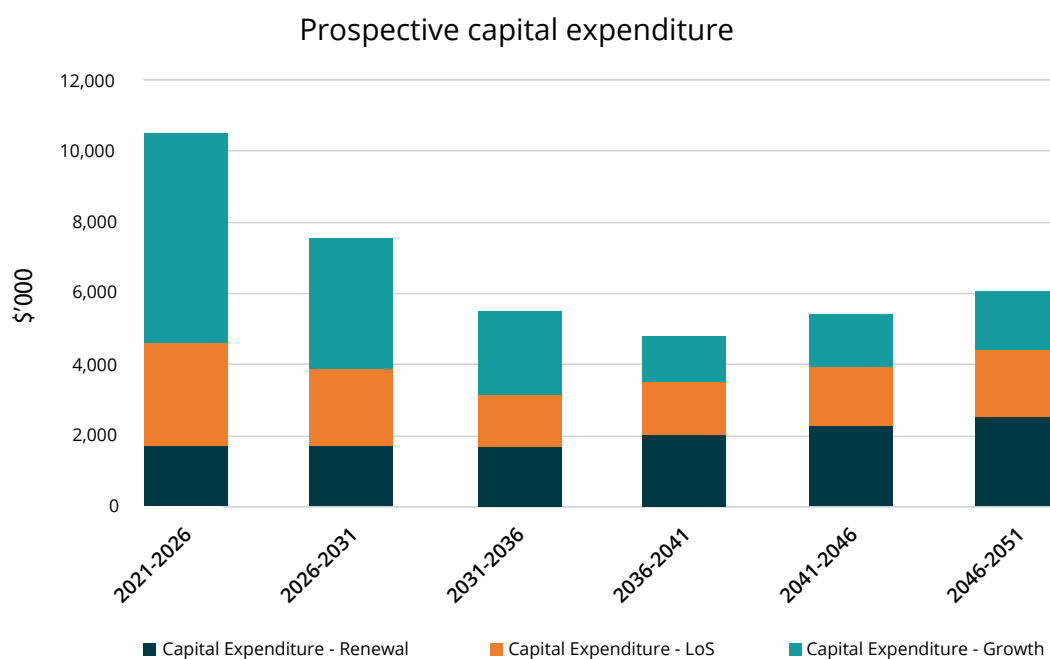


Figure 13. Transport Budget

4.2 | Water Supply

Activity Overview

The Water Supply AMP covers the storage, treatment and supply of quality potable drinking water.

It is critical for constant, adequate, sustainable and high-quality water to be supplied to the reticulated areas of the Kaipara District for domestic consumers, growth and local economic development. However, Kaipara is faced with external factors affecting our communities, such as climate change, which requires measures be put in place to safeguard this precious resource.

Water Supply in Kaipara

Five community water supply schemes currently run for Dargaville (including Baylys Beach), Glinks Gully, Ruāwai, Maungatūroto and Mangawhai (see figure of next page) providing them with a sustainable safe drinking water supply.

Outside of these reticulated areas communities rely on self-serviced water supplies, mainly through private water tanks.

Kaipara's water supply networks are quite old and are thus in predominantly poor condition.

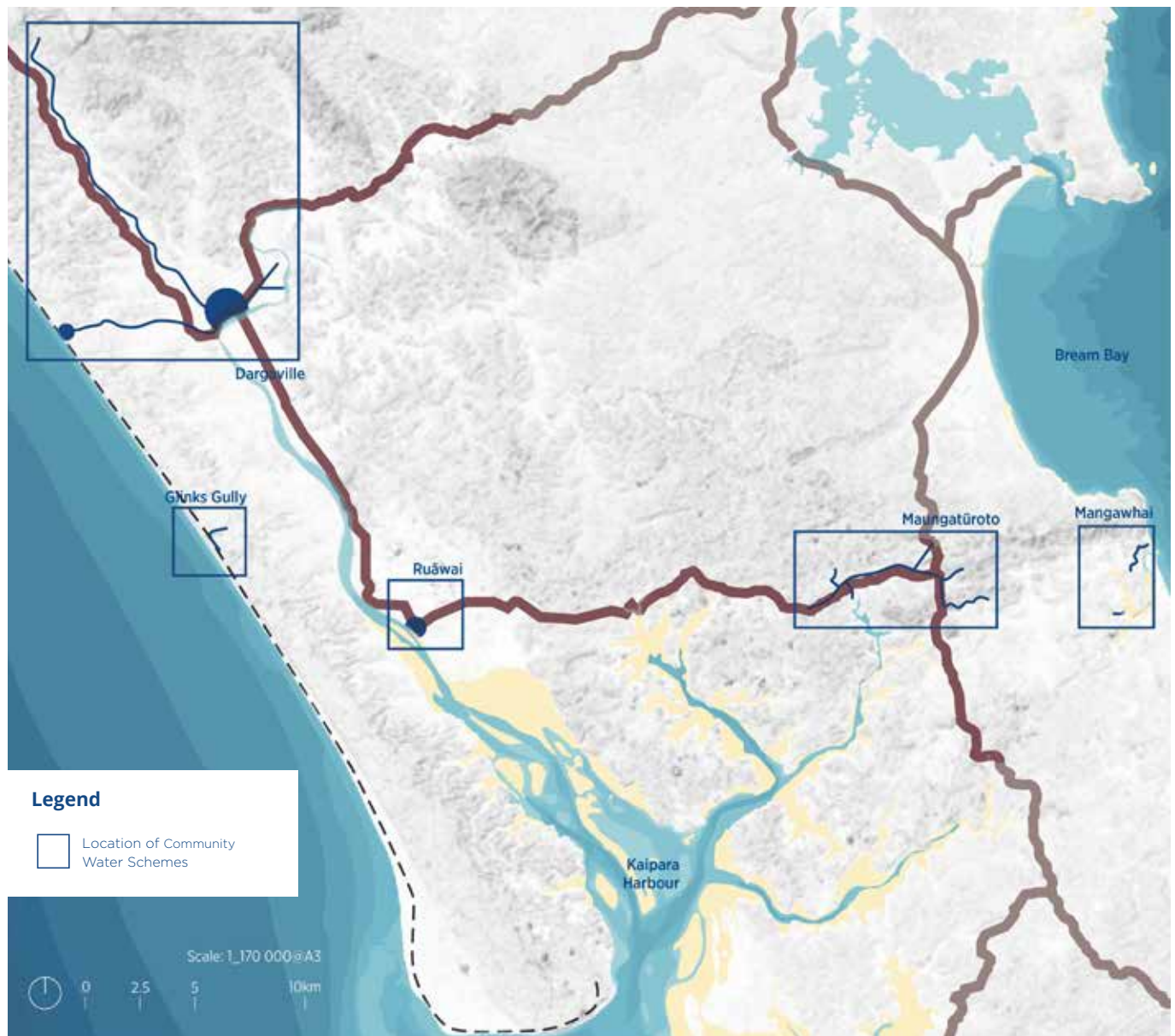


Figure 13. Locations of Kaipara District's five community water schemes

4.2 | Water Supply

Condition of Water Supply Assets

Kaipara's water supply infrastructure is aged and in largely poor condition. More accurate data is required to fully understand the true extent of all water supply assets condition.

Condition of Water Supply Assets in Kaipara

The Council faces historic issues around aging and poor condition of water supply infrastructure.

The overall poor condition results in an increased risk of failure and significant repair costs. Water supply is becoming more critical with climate forecasting being increasingly extreme (as demonstrated in recent drought conditions).

Data around asset condition is sparse in certain areas, and further investigation is required to optimise asset management practices.

A pragmatic approach is required, with particular focus on poor quality assets. Due to the sheer volume of the aging network, upgrades need to be made based on a needs/condition-based criterion first, rather than based on asset design life.

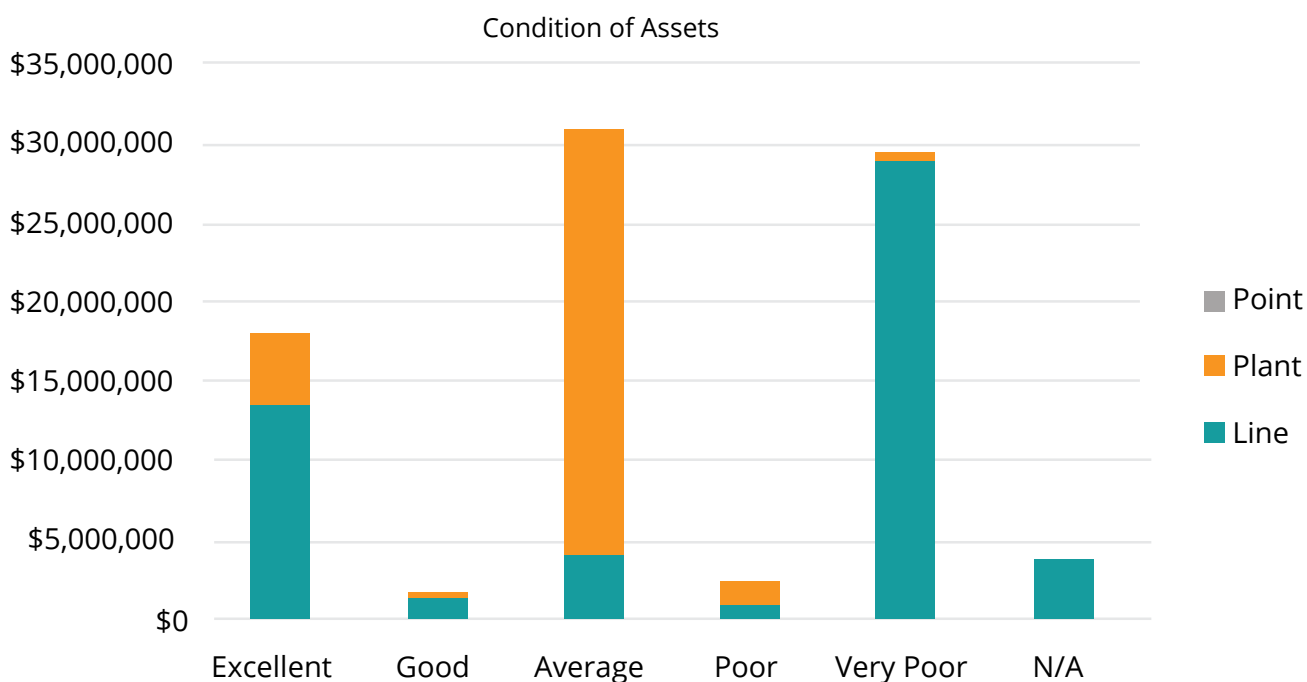


Figure 14. Condition of Water Supply Assets

4.2 | Water Supply

Key Strategic Issues

A review of the issues associated with the water supply schemes reveals several common issues which are outlined in the adjacent table. The medium-high and high issues (highlighted green) are identified as key issues. These issues have had an options assessment on the following pages on how the Council plans to mitigate or manage this issue in the future.

Table #. Water Supply Issue and Consequences

Issue / Risk	Likelihood	Consequence
It is difficult to keep water quality up to standard when treatment and supply systems come under pressure	Low – Medium	Poor water quality risks community public health and people's faith in the Council services and systems.
Decreased ability to respond to customer issues	Low – Medium	Customer dissatisfaction; people's faith in the Council deteriorates.
Rapid growth in Kaipara will increase demand for water	Low – Medium	Unreliable security of water supply coupled with ad hoc planning and consenting has the potential to continue the decentralised water approach which is unable to be monitored for water safety or provide additional fire fighting for community resilience.
The current asset data and asset register are unreliable and inaccurate	Medium – High	Council cannot efficiently and effectively plan future works and capital upgrades without sufficient knowledge of current asset condition. The risk is that there will be spikes in activity budgets as costly reactive expenditure occurs (emergency work rates) and assets continue to age and risk further failure.
Current infrastructure is aged near or past its useful life. \$24m of pipe assets are in very poor condition, with constant breakages and leakages in the network	Medium – High	Loss of potable water creates greater stress on treatment plants, supply chains and high users of water such as processing plants, schools and hospitals.
As a result of climate change, Northland is forecast to become drier overall, with some periods of heavier rainfall	High	Kaipara is currently dependent on its stream flows for water supply, and these will no longer be sufficient to support the current townships moving forward.

4.2 | Water Supply

Issues Options Assessment

The following tables are options assessments for the three key strategic issues which present the highest risk for water supply, where the preferred option for each issue is highlighted green and explained further in the anticipated response.

Table #. Anticipated response to water supply issues

Issue	Options	Implications
The current asset data and asset register are unreliable and inaccurate	Do Nothing	Unreliable data results in uncertainty in asset value and condition. Possible inefficiencies of management and failure most likely. Less asset management certainty.
	Cleanup of existing data	Current data set improved but this is reliant solely on existing knowledge. Can be done relatively quickly, with some initial cost and time associated.
	Additional data gathering	Gaps in network knowledge to be fixed, allowing better maintenance prioritisation of assets. Higher allocation of cost and time associated with inspections, data inputting and verification.
Anticipated response – Gather additional data to sequence the costs of required renewals, based on condition rating and age. The information gathered will help prioritise renewals investment for assets which are in poorest condition and spread the replacement programme over multiple years to reduce the spike impact on rates.		
Issue	Options	Implications
As a result of climate change, Northland is forecast to become drier overall, with some periods of heavier rainfall	Do Nothing	Possible system failures in drought scenario, with consequences for residents and the local economy. Increased costs for residents and businesses due to water cartage.
	Improved assets	Improve the pipe network which would result in fewer breaks/leakages and therefore improve the use of existing water supplies. Renewal costs to provide resilience to the existing network. Does not address water security and dry period supply.
	Additional storage and water schemes	Increased security and quantity of supply. Future-proofing for increased likelihood of dry periods. Higher capital and operating costs required for new assets and associated maintenance.
Anticipated response – Over the medium-long term, additional water storage will help communities adapt to increasing drought conditions and contribute to their resilience. The water storage projects have a higher upfront capital cost but a greater number of wider strategic benefits. These benefits include supplying water for both towns and new horticulture enterprises. This option does require a collaborative funding effort to get them across the line including funding from central government.		

4.2 | Water Supply

Table #. Anticipated response to water supply issues

Issue	Options	Implications
Current infrastructure is aged near or past its useful life. \$24m of pipe assets are in very poor condition, with constant breakages and leakages in the network	Do Nothing	Network deteriorates, possible risks to water quality and supply, resulting in economic and public health problems.
	Reactive repair and maintenance of assets	Requires prioritising replacement of the poorest condition assets whilst still maintaining wider network. May be difficult to budget for the long term as failures may become unpredictable.
	Proactive repair and maintenance of assets	Systematic replacement of assets according to condition and age before incurring leakage or infiltration issues. Higher cost to lift Levels of Service to provide greater resilience over time. Needs strong understanding of asset conditions across the whole network to be effective.

Anticipated response – A proactive response requires prioritised repairs and maintenance based on up-to-date and comprehensive data. A proactive response will contribute to greater water resilience in our communities. A reactive stance may look to save costs in the short-term, but the nature of the reactive works is generally more expensive overall than proactive/planned maintenance and repairs.



4.2 | Water Supply

Activity Funding Strategy

This activity requires Increased capital investment to be spent over a long-sustained period, with particular emphasis placed on early testing and asset management. The adjacent table outlines major capital expenditure between 2021-2051.

Water Supply Assets Funding Strategy

Emphasis is placed on testing and asset management, in order to best utilise the management process. The network is closely evaluated to identify which parts are in poor condition, allowing for works to be prioritised accordingly.

As a result, a key focus is placed on maintenance renewals and improvements of existing networks in order to provide a secure and sustainable system for the future.



4.2 | Water Supply

Prospective Infrastructure Strategy Costs

For the year ended: 30 June	Total Water Supply Budget (\$'000)						
	2021-26	2026-2031	2031-2036	2036-2041	2041-2046	2046-2051	2021-2051
Total operating expenditure	16,694	17,692	20,510	23,775	27,004	30,629	136,304
Capital Expenditure - Growth	206	984	13,286	1,852	0	0	16,327
Capital Expenditure - LoS	579	0	0	0	0	0	579
Capital Expenditure - Renewal	7,227	9,201	11,149	12,186	8,568	9,741	58,072
Total capital expenditure	8,011	10,185	24,435	14,038	8,568	9,741	74,978
Total expenditure	24,705	27,877	44,945	37,813	35,572	40,370	211,282

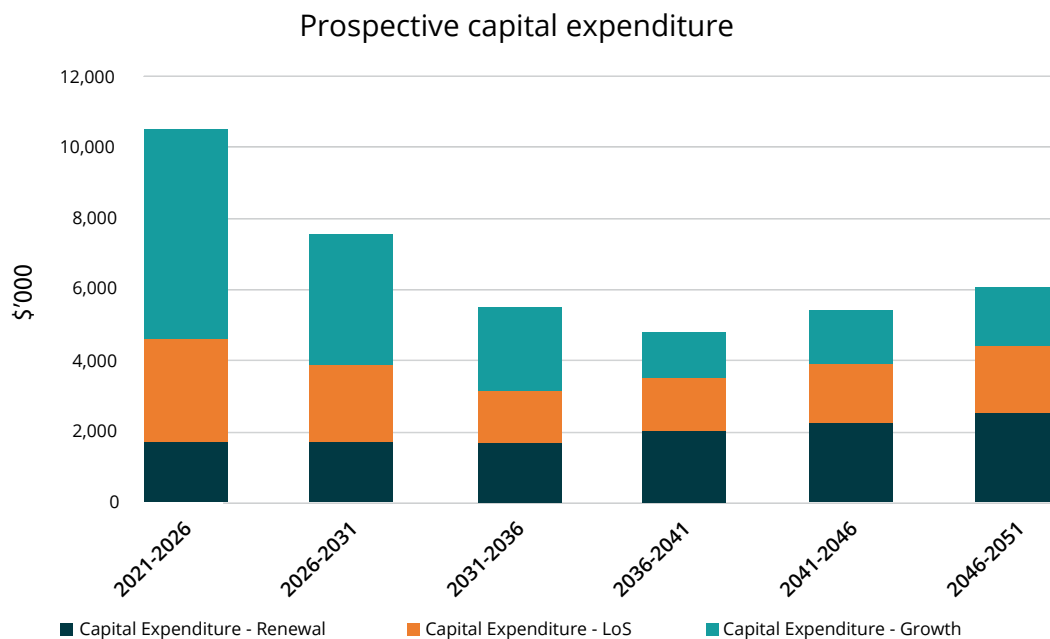


Figure 15. Water supply Budget

4.3 | Wastewater

Activity Overview

The wastewater activity focuses on protecting public and environmental health by collecting and treating wastewater prior to its discharge into receiving environments. Continued growth, as well as the need to provide for visitors in peak periods (particularly in coastal communities), has resulted in the Council's ongoing commitment to significant wastewater infrastructure development.

The Council undertakes asset management, planning, operation and maintenance of these wastewater schemes, including capital and refurbishment programmes, consent monitoring and continuous maintenance through its network contractors.

"It is highly important that we maintain wastewater from adversely affecting the people and receiving environment."

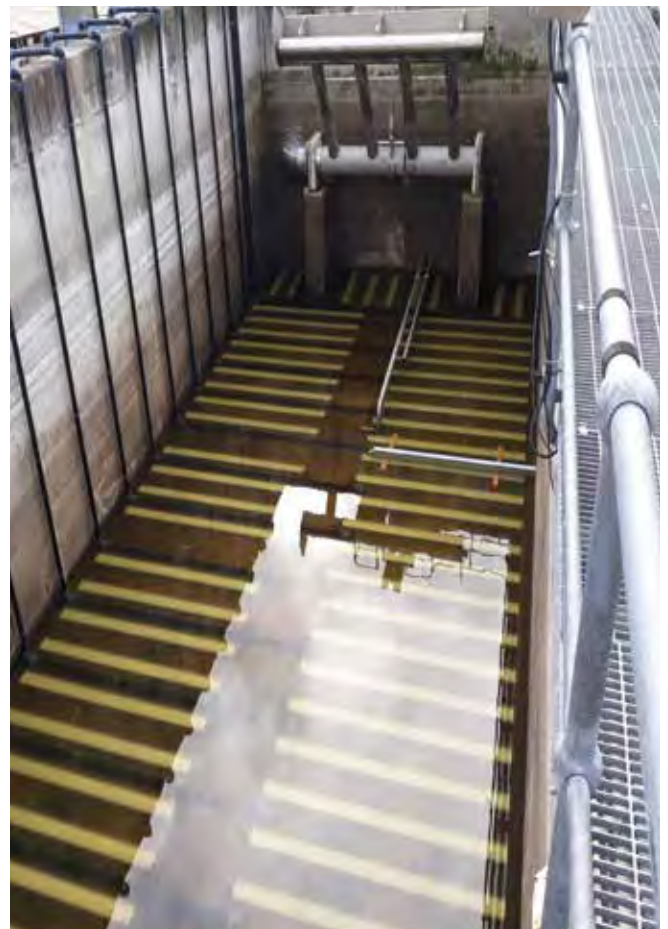
Wastewater in Kaipara

Provisioning wastewater infrastructure and ensuring environmental compliance comes with considerable pressures particularly on smaller communities. It is highly important that we maintain wastewater from adversely affecting the people and receiving environment.

The Council operates six community wastewater schemes (see figure on next page) in Dargaville, Glinks Gully, Kaiwaka, Maungatūroto, Te Kōpuru and Mangawhai. The purpose of these schemes is to protect public health by providing reliable wastewater service that minimises adverse effects on the public and environment.

Generally, this is done by collecting and treating wastewater prior to releasing it into the receiving environments. The quality of discharged wastewater is then monitored by NRC via consenting processes.

KDC owns and manages a number of smaller wastewater treatment facilities, generally servicing campgrounds and other community facilities. However, operations and maintenance funding are from community facilities budgets and are managed under independent service agreements



4.3 | Wastewater

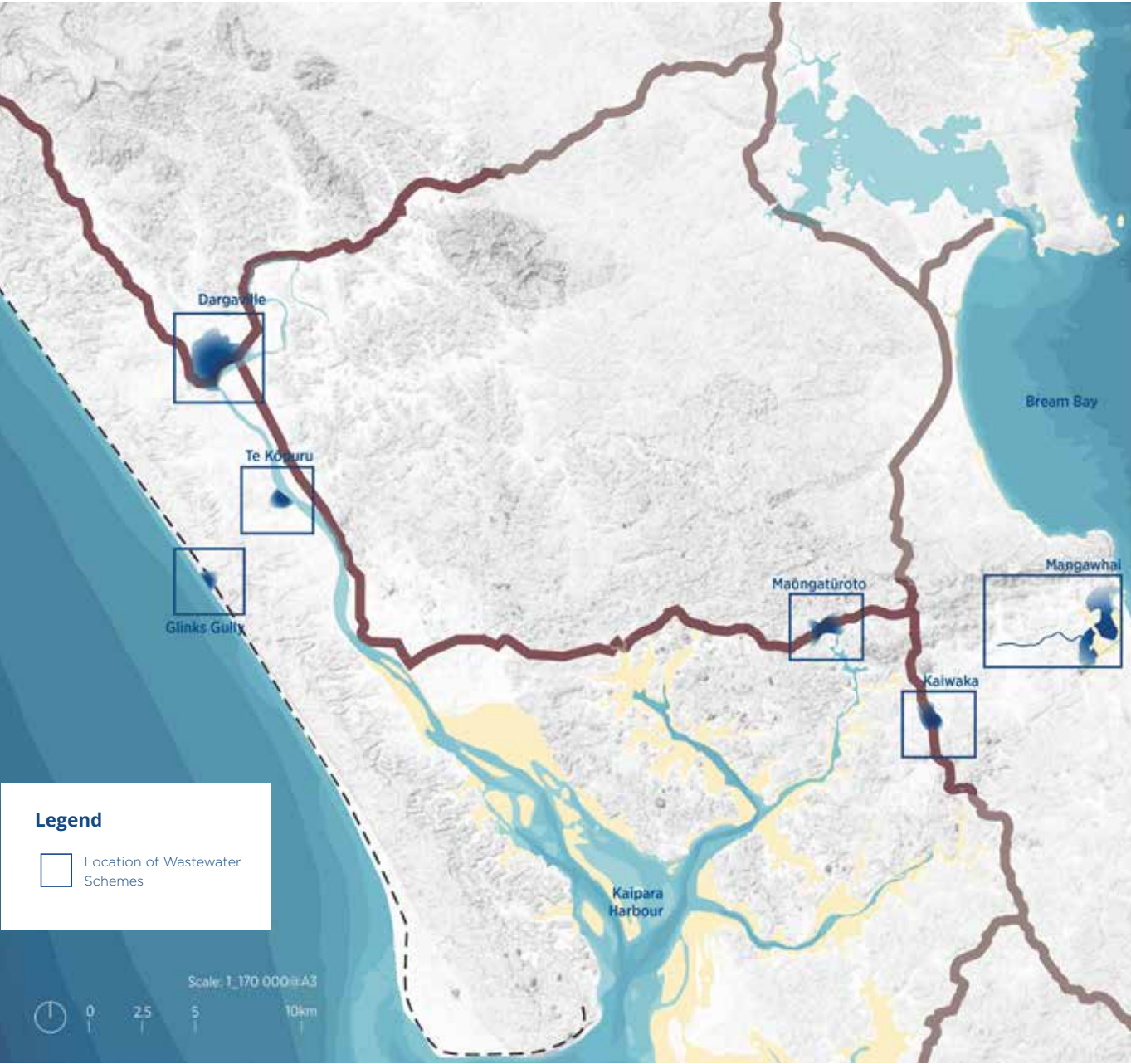


Figure 15. Kaipara District's Six Wastewater Schemes

4.3 | Wastewater

Condition of Wastewater Assets

Kaipara's communities value the streams, estuaries, rivers and harbour. As a result, the Council has historically prioritised investment into Kaipara's six community wastewater schemes to protect these sensitive receiving environments. This has delivered an overall condition rating of the District's wastewater assets as average to above average.

Kaipara's Wastewater Asset Condition

Most of Kaipara's wastewater network are 11- 20 years old – Figure #. The relatively young age of the network, along with the Council's proactive maintenance programme has resulted in most of the six schemes rated as average or above average condition.

Mangawhai is Kaipara's newest wastewater treatment plant, which is recognised as having the highest quality of wastewater treatment. There is, however, a lack of current knowledge around

the condition of some of Council's networks, particularly in Mangawhai, whose reticulated network has not proactively been surveyed since it was installed in the early 2000's. The condition rating process involves the use of mobile cameras and contractor surveying of reticulated pipelines. There has been an ongoing monitoring programme, which has reduced the likelihood of system failure while maintaining consistent Levels of Service. 24km of pipeline have been surveyed since 2018 in Dargaville. 49km of pipeline is scheduled to be surveyed in Mangawhai, and 10km of pipeline are scheduled in Maungatūroto in the next stages of the condition rating programme.

The biggest threat to the wastewater network is stormwater infiltration into the piped network, during high rainfall events. For example, Dargaville's network is one of the oldest in the district and has up to 15 times the wastewater flows during high rainfall.

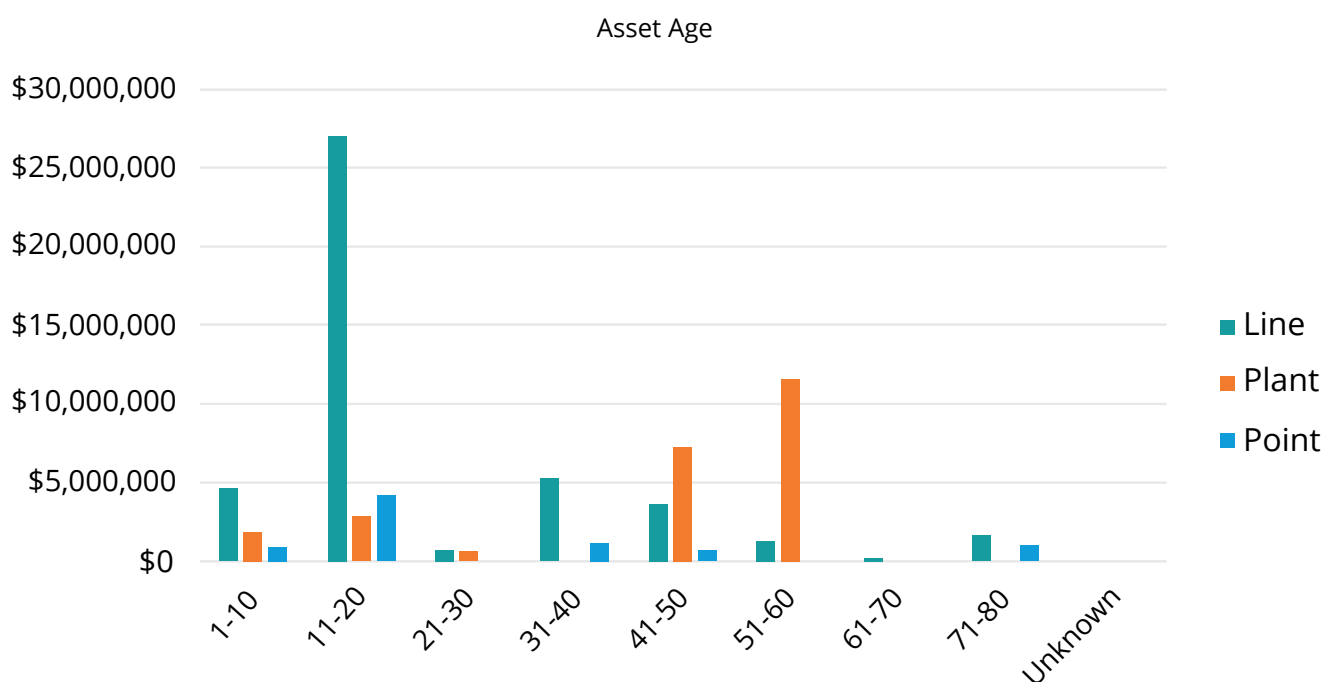


Figure 16. Wastewater Asset Age

4.3 | Wastewater

Key Strategic Issues

The issues or risks posed to the Council's six wastewater schemes, assessed by likelihood and consequence is outlined in the adjacent table. Those coloured green are those which pose the highest risk in Kaipara. These issues have had an options assessment on the following pages for how the Council plans to mitigate or manage this issue in the future.

Table #. Wastewater Supply Issue and Consequences

Issue / Risk	Likelihood	Consequence
Increased legislative requirements and higher environmental standards are increasing the costs to maintain assets and keep consents compliant	Low – Medium	The Council has invested heavily in the last three years to ensure all environmental consents for wastewater treatment are legal and compliant. If this Level of Service was to decline, NRC, tangata whenua and the affected communities may complain and lobby to the Council to rectify.
The future land disposal area and associated consenting has not yet been determined for the Mangawhai Community Wastewater System (MCWS)	Low – Medium	The Council is investigating options for land disposal close to the existing disposal area. If this option is not forthcoming, then alternative treatment and disposal options will need to be found.
Capacity for new connections to the MCWS may not be able to be accommodated unless there are minimum upgrades undertaken each year	Low – Medium	If the Council rezones land for additional development, it may not be able to accommodate additional connections unless there is a Private Agreement to fund the upgrade.
Capacity of the five other wastewater schemes* is unknown until capacity modelling is undertaken	Medium – High	The Council may not be able to accept additional connections to individual wastewater schemes until capacity modelling is carried out. This could put off potential developers and people who are wishing to invest in the District.
Inaccessibility of some pipes reduces the amount of inspections, which increases the risk of scheme failure	Medium – High	Wastewater overflow into street or harbour. NRC compliance and negative media cause damage to the Council's reputation.
The timing of when future development will occur in the key urban areas and how it is to be funded (Development Contributions or Developer Agreements) needs to be confirmed to avoid extra holding costs to the Council and negative environmental effects around its current schemes	Medium – High	If the Council upgrades bulk wastewater infrastructure and development is delayed and not taken up in a staged manner, then the cost of that borrowing is borne by the Council and the District's ratepayers.

*Five wastewater schemes include: Dargaville, Glinks Gully, Kaiwaka, Maungaturoto and Te Kopuru

4.3 | Wastewater

Issues Options Assessment

Inaccessibility, timing of future development and unknown capacity are the three most immediate issues for wastewater infrastructure in Kaipara. The following tables outline the possible options and resulting implications in response to each issue, where the preferred option for each issue is highlighted green.

Table #. Anticipated response to wastewater issues

Issue	Options	Implications
Inaccessibility of some pipes reduces the amount of inspections which increases the risk of scheme failure	Do Nothing	Inability to detect the most vulnerable parts of the pipe network will result in inaccurate condition assessments and could cause fluctuations in forecast budgets.
	Undertake CCTV camera and contractor surveys before and after inaccessible sections to gain a sample of the condition.	Inaccessible sections of the network will have a best endeavours condition rating based on surveying and inspections with additional contingency for unknown elements.
	Undertake more rigorous CCTV camera and contractor surveying to ascertain accurate condition ratings of the entire pipe network.	Tackling difficult pipe sections that most probably need replacing as part of the inspection programme will give the overall scheme additional resilience.

Anticipated response – Gaining a complete understanding of the entire wastewater system is an ambitious undertaking but needs to be strived for. Once we can benchmark the current status of our assets, we can then take a more pragmatic approach to condition assessments in the future not just based on age or other arbitrary factors.



4.3 | Wastewater

Table #. Anticipated response to wastewater issues

Issue	Options	Implications
The timing of when future development will occur in the key urban areas and how it is to be funded (Development Contributions or Developer Agreements) needs to be confirmed to avoid extra holding costs to the Council and negative environmental effects around schemes that it anticipates growth	Do Nothing	Not having an upgrade plan for when development proposals start coming into the Council could result in delays to consenting and future development.
	Council seeks to negotiate a Private Agreement approach for large development proposals.	The full cost of the wastewater upgrades are difficult to estimate ahead of time and therefore who pays for additional costs needs to be understood. Executing an agreement ties the Council and the developer into an implementation timeframe which provides certainty of delivery and cost recovery.
	Developer transfers the cost to upgrade the bulk wastewater infrastructure to the future owner of the land.	The payback period for the Council could be protracted depending on the take up timeframes of land for development.

Anticipated response – By understanding our system and completing future project assessments that are associated with growth, we can provide better information to developers who wish to build in the district, whilst also protecting the interests of ratepayers. By being able to negotiate how the infrastructure is provided, we will be able to ensure that an appropriate level of infrastructure is built to facilitate and plan for growth. This will also reduce the likelihood of higher costs and inefficiencies of constructing the required infrastructure after development has occurred.

Issue	Options	Implications
Capacity of the five other wastewater schemes* is unknown, until capacity modelling is undertaken.	Do Nothing	Any upgrades to the scheme may result in too little or too much capacity, which creates imbalance in asset management investment.
	Undertake a capacity modelling project to gain a complete picture of the wastewater schemes.	Generating a capacity wastewater model requires robust data inputs and known development growth scenarios for the areas of interest. If the inputs are inaccurate then the results will also be inaccurate.
	Undertake a capacity modelling project alongside a development proposal.	Capacity model generally has a focus on the development proposal and can be pushed through as part of a consenting approval. This can result in not predicting accurately the wider scheme capacity. The main benefit is that the developer pays upfront for a cost that the Council usually is required to cover.

Anticipated response – Complete modelling to fully understand our networks and what is required to maintain our current Levels of Service in the changing legislative environment and includes forecasting future growth. This allows us to effectively and efficiently plan and deliver projects based on sound principles and knowledge of condition, capacity and criticality.

*Five wastewater schemes include: Dargaville, Glinks Gully, Kaiwaka, Maungaturoto and Te Kopuru

4.3 | Wastewater

Prospective Infrastructure Strategy Costs

For the year ended: 30 June	Total Wastewater Budget (\$'000)						
	2021-26	2026-2031	2031-2036	2036-2041	2041-2046	2046-2051	2021-2051
Total operating expenditure	28,429	28,740	33,716	38,406	40,240	41,665	211,195
Capital Expenditure - Growth	9,404	19,790	23,752	7,034	1,333	1,515	62,827
Capital Expenditure - LoS	574	3,032	4,774	3,349	3,808	4,329	19,867
Capital Expenditure - Renewal	3,249	2,966	2,201	2,502	734	814	12,466
Total capital expenditure	13,227	25,788	30,727	12,885	5,875	6,659	95,161
Total expenditure	41,655	54,528	64,444	51,291	46,115	48,323	306,356

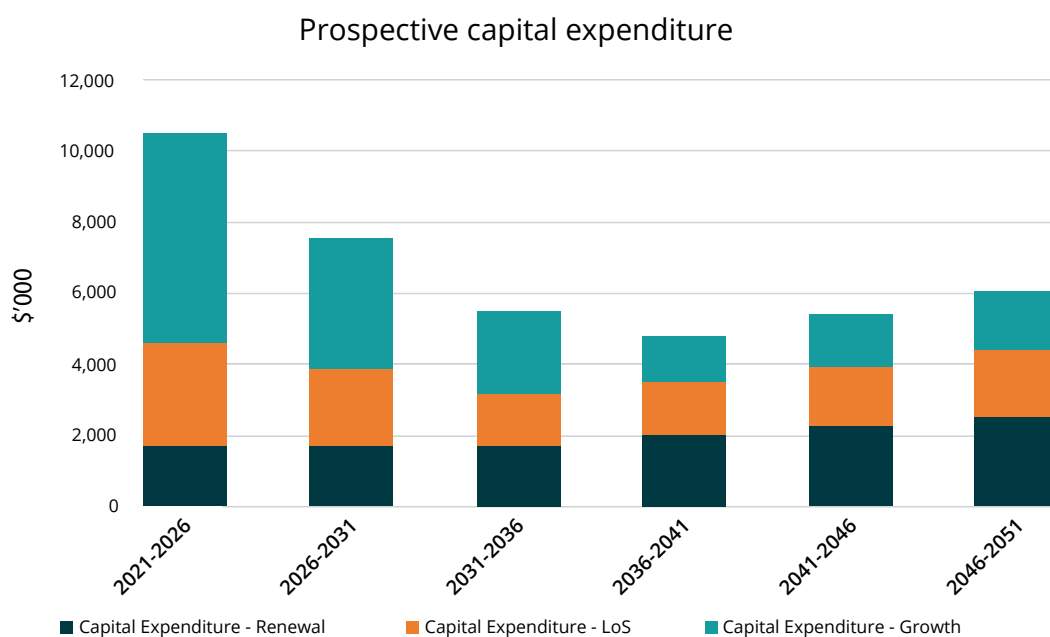


Figure 16. Wastewater Budget

4.4 | Stormwater

Activity Overview

The purpose of the Stormwater AMP is to plan and manage for drainage of normal and extreme water storm events.

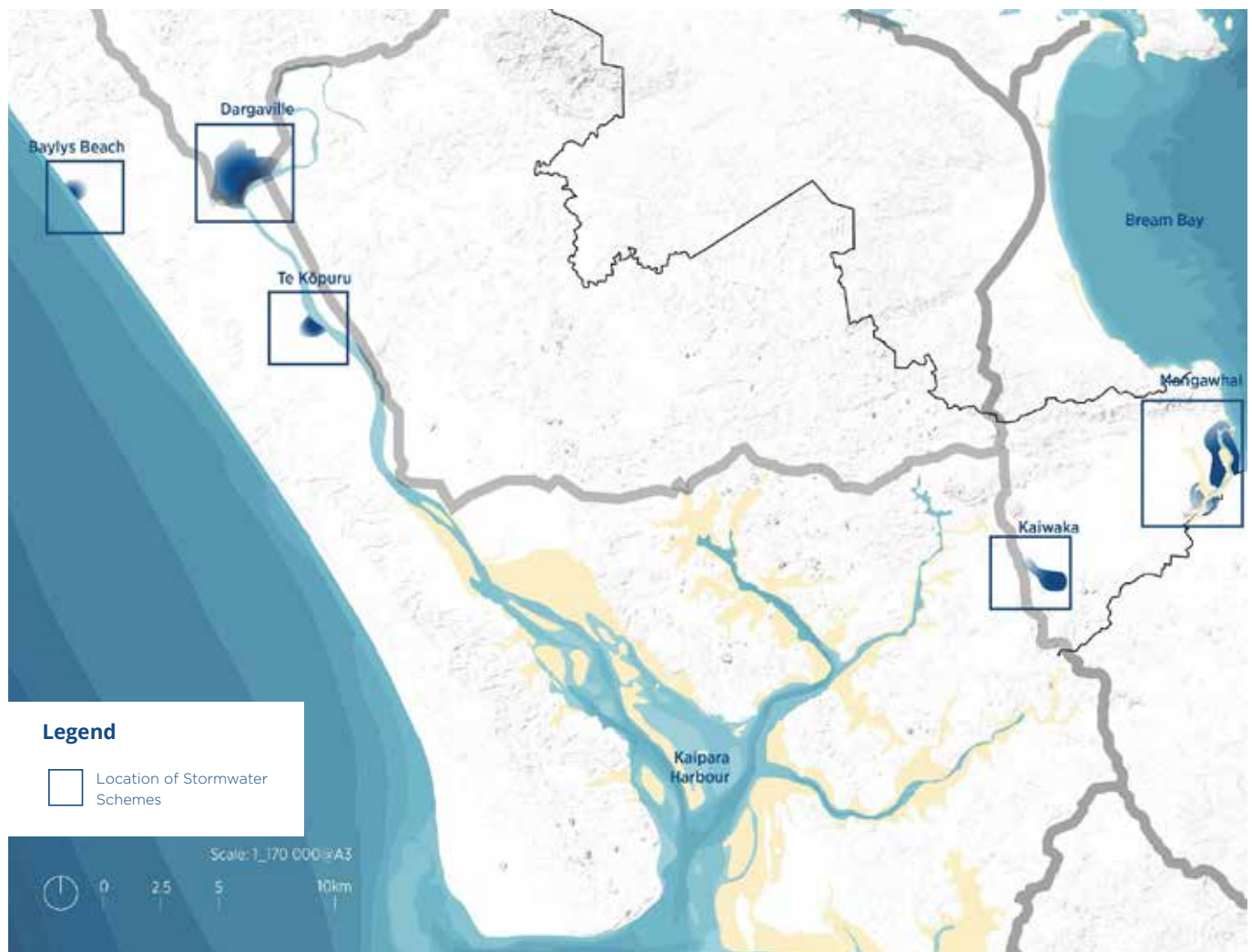
The provision of sustainable stormwater systems is about finding a balance between maintaining and enhancing natural watercourses and providing piping to enable urbanisation to occur. The Council is required to manage the effects of collecting and treating stormwater runoff prior to it entering the receiving environment water such that it is not detrimentally affected.

Locations of the Council's Stormwater Schemes

The Council operates five community stormwater drainage schemes for Dargaville, Baylys Beach, Te Kōpuru, Kaiwaka and Mangawhai. Stormwater systems predominantly incorporated into the road network are provided in Glinks Gully, Kelly's Bay, Pahi, Whakapirau, Maungatūroto, Tinopai, Paparoa and Matakoho.

These act to remove and discharge stormwater in regular and extreme rainfall events, whilst collecting contaminants to protect the environment.

The drainage schemes are a mixture of open drains, pipes, manholes and sumps. Information surrounding these assets is variable.



Location of Stormwater Schemes

4.4 | Stormwater

Asset Condition

The condition of the majority of the stormwater network assets is largely unknown. This makes it difficult to produce an accurate condition assessment.

Asset Condition

There are 83km of pipeline and 70km of open drains spread across the five community stormwater networks, with Dargaville and Mangawhai comprising the bulk of the whole network.

Condition and performance data relating to stormwater historically has not been well-documented, due to the asset register containing several unknown, incomplete and incorrectly

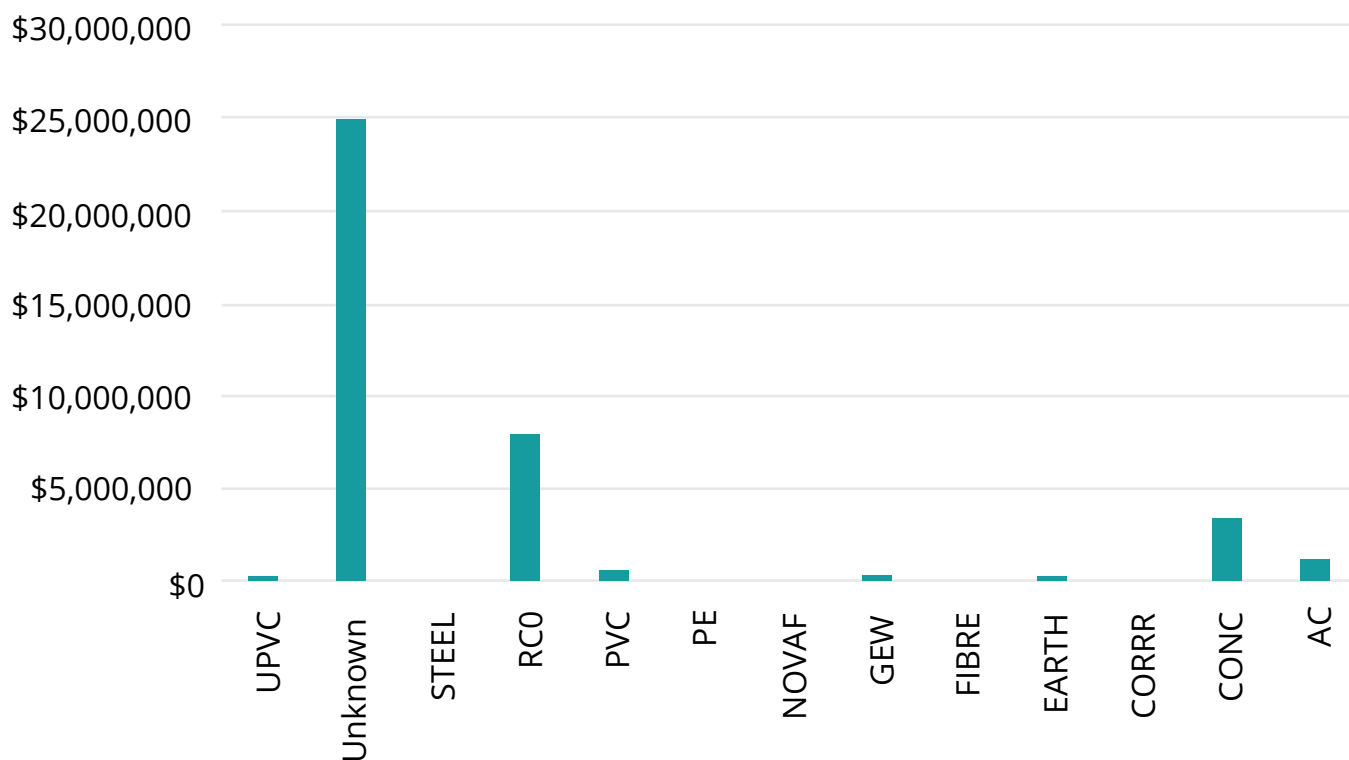
coded assets. However newer assets from recent subdivisions have been well- documented.

Improving the quality of data and knowledge of the older existing networks has been identified as a critical project and is now underway.

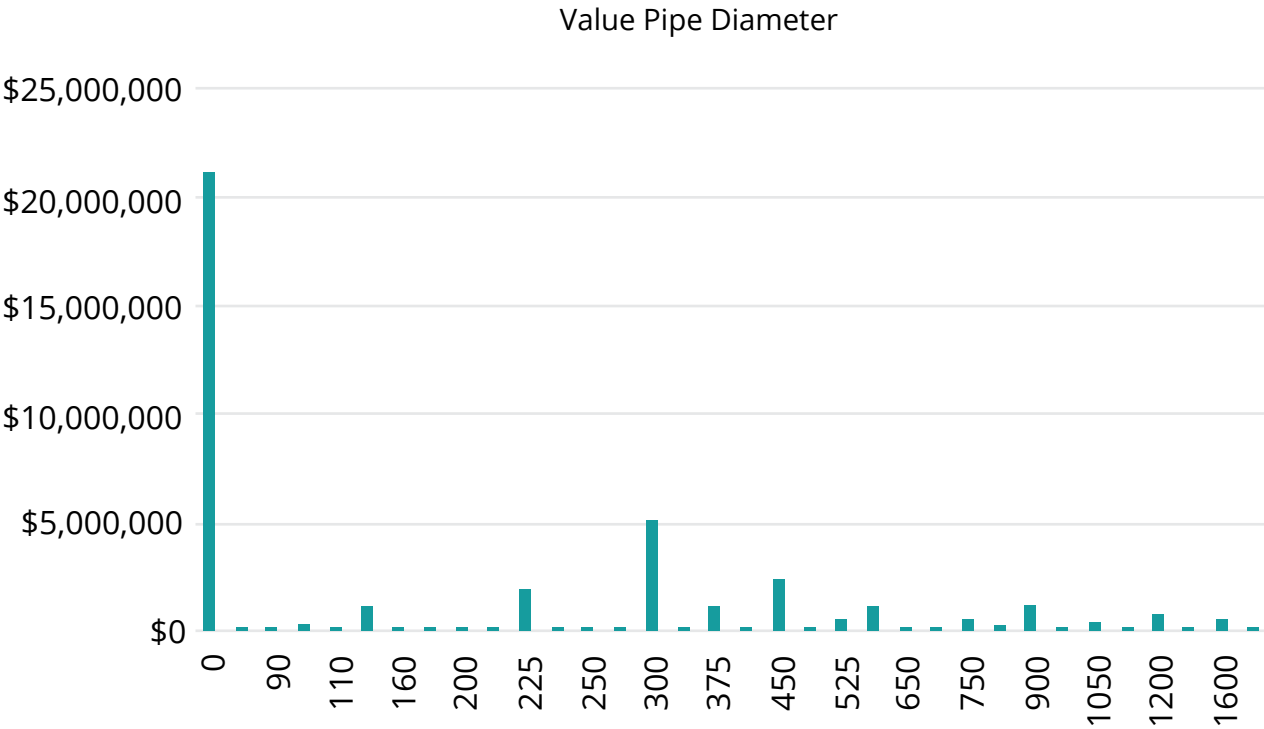
Asset condition has typically been recorded as 'Excellent' and asset age from installation dates are unreliable in all but the most recent developments. This skews the data and makes the overall condition of assets appear better than it is and means that it cannot be used as a reliable database.

Due to this inaccurate data management, repairs have previously been prioritised based on the age of the asset. This approach is problematic if the recorded installation dates are not correct.

Value Pipe Material



4.4 | Stormwater



4.4 | Stormwater

Key Strategic Issues

A review of the issues associated with Kaipara's stormwater schemes reveals a number of common themes which are outlined in the adjacent table. Those coloured green are considered to be those which pose the highest risk in Kaipara.

Stormwater Issues and Consequences

Issue / Risk	Likelihood	Consequence
Poor understanding of ownership and associates operation/maintenance responsibilities	Low – Medium	Fragmented and disconnected management of stormwater assets. As it stands, there are already discrepancies between urban, roading and private stormwater systems.
Rapid growth and visitors brought on by improvements to SH 1, particularly in Kaiwaka and Maungatūroto	Low – Medium	Increased need for reticulated stormwater systems and investigation into capacity of existing infrastructure.
There are some in the community who wish to pipe the deep open drains in urban areas, due to safety concerns	Low – Medium	Piping open drains increases efficiency of stormwater flows to the final receiving environment which can cause downstream erosion and increased sedimentation effects. It also does not allow for the natural filtering process that exists in open drain environments.
Poor understanding of the impact of urban stormwater discharge into receiving environments, including outfall locations, landowner responsibility and management of discharge consents/monitoring	Low – Medium	Poor monitoring of the effects of stormwater discharge, resulting in adverse effects upon the receiving environment, including upon the district's beaches, farmland and harbour.
Compromised water quality in sensitive receiving environments from contaminants in stormwater discharges	Medium – High	The Council will need to observe and comply with environmental requirements set out by NRC with respect to stormwater quality, to ensure these are appropriate for the risks involved and affordable to the Kaipara community. Requirements should be incorporated into each township's respective Stormwater Catchment Management Plan.
The current asset data and asset register are unreliable and inaccurate	Medium – High	The Council cannot effectively and efficiently plan future works and capital upgrades without sufficient knowledge of current systems. The wrong assets could be prioritised over other more urgent areas.
Climate change and sea level rise can impact existing network and hinder future growth by overwhelming existing capacity and existing flood protections	Medium – High	Existing networks are not able to cope with future pressures brought on by climate change, and communities are flooded as a result of inadequate stormwater infrastructure.

4.4 | Stormwater

Issues Options Assessment

The following tables are options assessments for key strategic issues for the stormwater assets. Compromised water quality, incomplete asset information and climate change have been identified as the most immediate issues for the stormwater network. For each issue/risk, the preferred option is highlighted green.

Anticipated response to stormwater issues

Issue	Options	Implications
Compromised water quality	Do Nothing	Impacts on receiving environments of downstream waterways. Negative cultural, social and environmental effects, and unhappy public perception.
	Discharge management – construction sites, discharge points	More restrictive and stringent measures e.g. resource consent monitoring, or enforcement of engineering standards to ensure that stormwater discharge points meet current best practice. Review and identification of overland flow paths, as well as receiving environment testing may result in increased regulatory and enforcement costs, but with improved water quality.
	Discharge Treatment – increase the treatment devices (both natural and engineered)	Not reliant on community changes. Set up and maintenance costs of devices can be high.

Anticipated response – The Council will improve enforcement of current best standards and any requirements to meet resource consents, including remediation of historical stormwater issues due to lack of oversight on previous approved developments.



4.4 | Stormwater

Anticipated response to stormwater issues

Issue	Options	Implications
The current asset data and asset register are unreliable and inaccurate	Do Nothing	Unreliable data results in uncertainty in asset value and condition. Possible inefficiencies of management and future failure are most likely.
	Cleanup of existing data	Current data set improved, which can be done relatively quickly. Some cost and time associated for this option.
	Additional data gathering	Gaps in network knowledge fixed, allowing better maintenance prioritisation of assets. More cost and time associated with this option, based on the amount of effort needed.

Anticipated response – The Council's knowledge of its stormwater assets is suboptimal, even though work has been completed in the 2018-2020 LTP period, there is far more work to be done. The Council still has limited knowledge of its systems and that is only based on assets that are known to be there. Of greater concern is the large amount of infrastructure that is under pressure that is not identified on any of our asset registers. By making a big push to identify, capture and verify all asset data Council can appropriately plan for stormwater management and renewal.

Issue	Options	Implications
Climate change and sea level rise can impact existing network and hinder future growth by overwhelming existing capacity and existing flood protections	Do Nothing	Possible system failures with overloading in high rain events. Flooding occurs and water quality is reduced.
	Upgrade infrastructure	Will add cost but increases the efficiency and effectiveness of the stormwater network.
	Improved catchment planning	Additional requirements to improve services and resilience. Better understanding of flows and requirements for downstream infrastructure to facilitate anticipated growth. Can be achieved in some areas through mutually beneficial Development Agreements.

Anticipated response – Through the creation of robust catchment management plans in response to the spatial plans adopted for our townships, we will be better placed to understand the upgrades and infrastructure required to facilitate and plan for growth and the resilience of our networks. In this way, we can provide better information to anyone looking to do work or develop land in the Kaipara District and promote collaborative working practices to achieve mutually beneficial outcomes.

4.4 | Stormwater

Prospective Infrastructure Strategy Costs

For the year ended: 30 June	Total Stormwater Budget (\$'000)						
	2021-26	2026-2031	2031-2036	2036-2041	2041-2046	2046-2051	2021-2051
Total operating expenditure	6,421	7,479	8,388	8,879	9,289	9,880	50,336
Capital Expenditure - Growth	2,142	7,440	626	712	476	541	11,937
Capital Expenditure - LoS	4,290	5,350	44	50	190	216	10,141
Capital Expenditure - Renewal	924	3,926	2,320	2,638	1,423	1,618	12,849
Total capital expenditure	7,355	16,717	2,990	3,400	2,090	2,376	34,927
Total expenditure	13,776	24,196	11,378	12,278	11,378	12,255	85,262

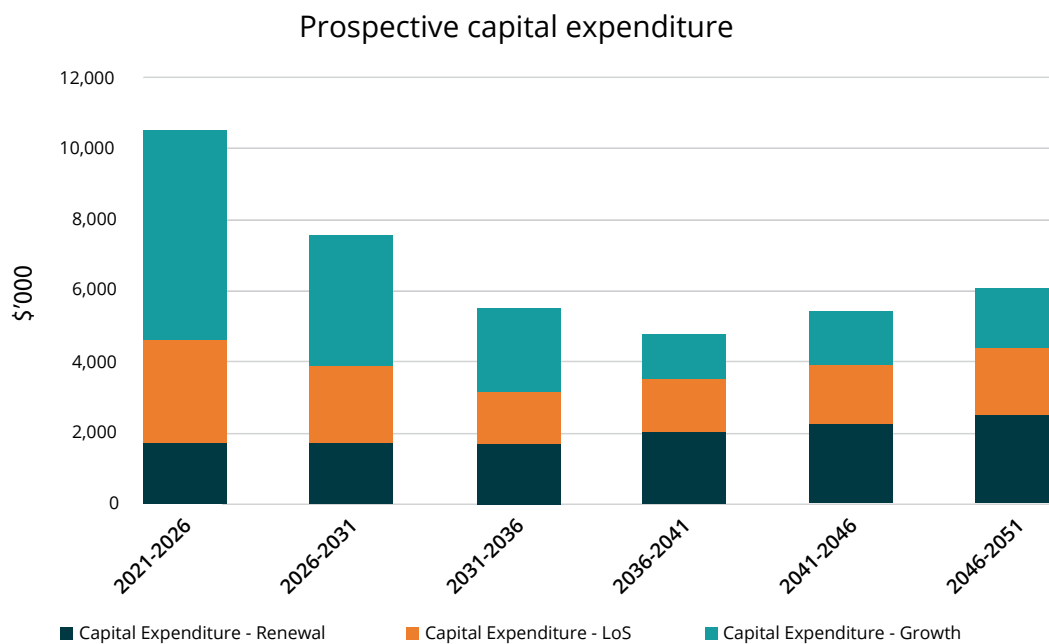


Figure 17. Stormwater Budget

4.5 | Flood Protection & Land Drainage

Activity Overview

The Flood Protection and Land Drainage AMP involves the planning and management for flood protection over Kaipara's drainage districts.

Historically, protection of communities from flooding caused by severe weather events was administered by drainage boards – this model still holds for the Raupo Drainage District.

Land drainage responsibilities became amalgamated under the Local Government Act 1984 and are currently co-ordinated between KDC and NRC. Existing drainage committees made the decision to remain under their local area of responsibility than that of regional responsibilities.

Land Drainage In Kaipara

The Council is conscious of climate change as a significant trend affecting Kaipara. The maintenance and development of flood protection and land drainage infrastructure is therefore important in mitigating the effects of climate change. For example, sea level rise will affect Kaipara's coastal areas, rivers and waterways. This puts pressure on people, their properties, infrastructure and roads.

Through our land drainage networks, we seek to deliver on the following in a cost-effective manner:

- Protection of land from tidal waters;
- Managing surface water in events of flooding and
- Diversion of runoff from inland hills.

Council co-ordinates land drainage works in 31 land drainage schemes of various sizes (see figure on next page). The largest is the Raupo Drainage District, where the Council provides administrative and technical support. To fund the costs of local infrastructure, a targeted rate applies for each drainage district.

The Raupo and Northern area land drainage networks represent a major investment by the community and are of vital importance to the quality of life of the district's residents and the sustainable management of both tidal and flood waters.

Demand Management

The Council's approach to demand management is based on the analysis of factors affecting demand, including:

- Population growth
- Increase in land drainage services
- Technological change
- Quality of stormwater runoff on the receiving environment and
- Changes in water patterns.

Demand management strategies are recommended based on examination of the aforementioned factors. This ensures that asset utilisation is optimised, that the Council objectives and customer needs are met, and that more sustainable services are provided.

Challenges

It is important to highlight the fragmented nature of drainage districts makes it difficult to administer, resulting in inconsistencies and mixed results. The Council tends to take a facilitation role for infrastructure in these drainage districts, rather than a management approach. Furthermore, formal standards have not been established for stopbanks or other related infrastructure. As such due to the changing nature of the climate and predicted sea level rise, taking a co-ordinated approach to all of our drainage districts is almost impossible and this is likely to result in failed schemes and different levels of service across the district.

4.5 | Flood Protection & Land Drainage

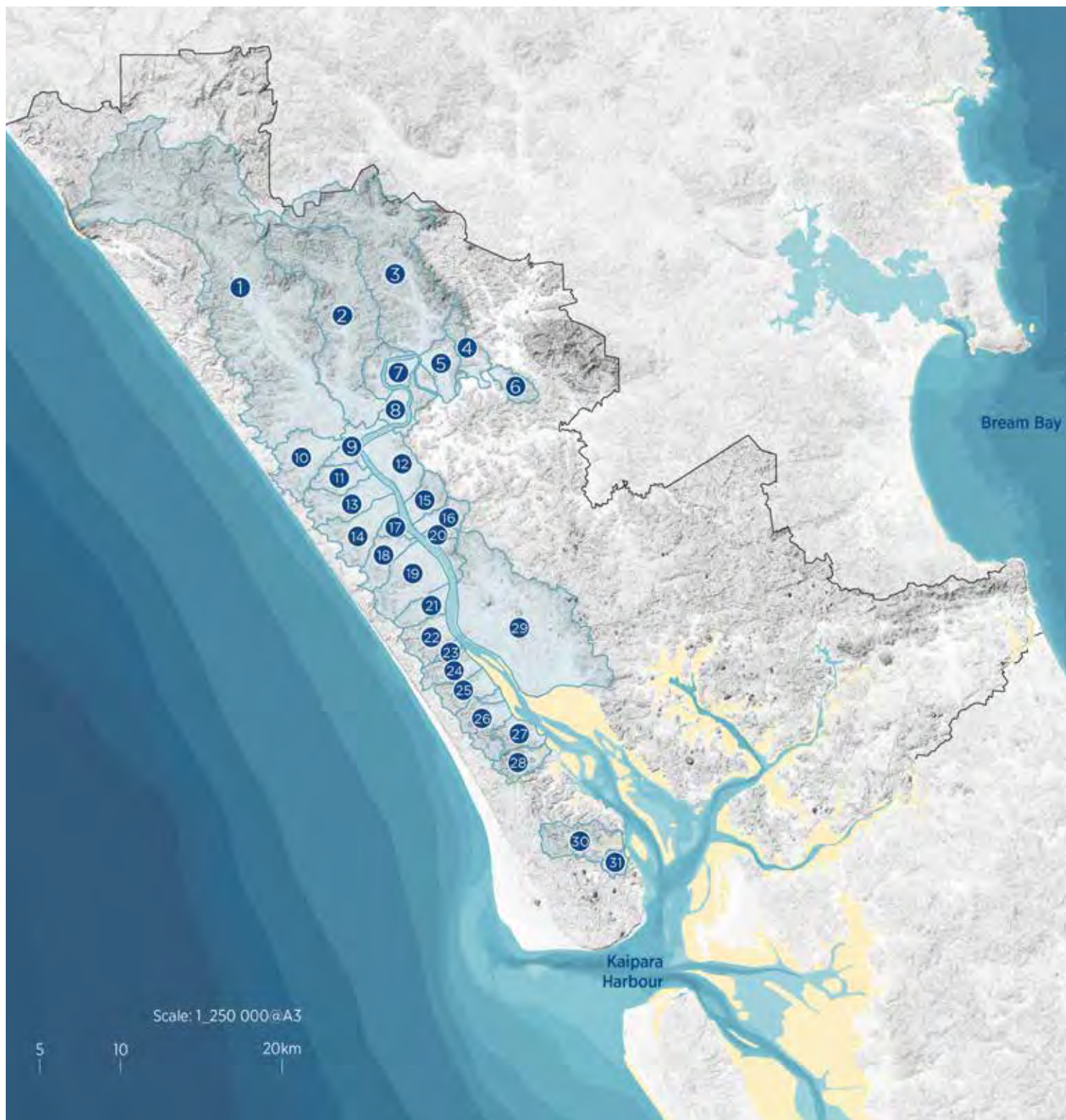


Figure 18. Land Drainage Districts in Kaipara

4.5 | Flood Protection & Land Drainage

Asset Condition

The current asset data and asset register overall are unreliable and inaccurate in terms of the information contained within them. It is essential that this information is gathered to increase the knowledge of our current systems to enable the Council to facilitate with land drainage representatives the future works and capital upgrades.

The Raupo area contains better data, due to condition assessments made and overall more organised management.

Land Drainage Asset Conditions

The assumed Levels of Service outlined in the AMP are:

- Drains are able to remove floodwater within three tidal cycles
- Stopbanks currently positioned 2.6m above mean sea level, with 0.5m above for extreme high tide events in Raupo
- Raupo Drainage Committee, a formal Council committee, is in place to perform delegated functions. Whereas flood protection activities outside of the Raupo Drainage District are administered through informal community committees that are supported by the Council's Land Drainage Co-ordinator upon request. NRC is responsible for catchment management.

System adequacy is generally reflective of the capacity to capture and convey flows as a result of extreme weather events without damage occurring to habitable floors or arable land. This, however, is not well-defined across the district, requiring stormwater catchment studies in areas of growth and historical issues.

Improvement plan: Targeted maintenance of all stopbanks, stopbank ownership and ensuring all land drainage protections are at the same standard and will be an improvement over the next Long Term Plan period.

Level of Service and Performance Measures

Measuring performance				
What we measure	LTP Year 1 Target 2021 /2022	LTP Year 2 Target 2022 /2023	LTP Year 3 Target 2023 /2024	LTP Year 4-10 Target 2025 /2031
The number of flood events not contained by the drainage schemes up to a 1:5 year flood.	0			
Service requests for additional cleaning of drains i.e. missed by the monitoring and maintenance programmes.	< 5 service requests per year			
Bi-annual inspection of our drainage network to ensure it can contain a 1:5 year flood.	2 inspections per year			
Targeted maintenance of the stopbank system in the Raupo Drainage District to prevent tidal flows from inundating private property during high tide and/or when the river is in flood.	Minimum yearly inspections and targeted maintenance completed			

4.5 | Flood Protection & Land Drainage

Key Strategic Issues

A review of the issues associated with the Council flood protection schemes reveals a number of common themes which are outlined in the adjacent table.

Land Drainage Issues and Consequences

Issue / Risk	Likelihood	Consequence
The current network does not have sufficient capacity to cope with the impacts of climate change and sea level rise	Medium – High	Increased severity of storm events leading to increased risk to land and property damage, as well as potential loss of life. Increased cost of insurance and replacement value of assets.
Public safety – the community wishes to pipe the deep open drains in urban areas (Ruāwai)	Low – Medium	Community disquiet and potential Council reputational risk if there was an incident/accident. When concerns are raised there is an investigation to understand the community's reasons why the drain needs to be piped and then each case assessed with regards to safety, health and water quality aspects to determine if the piping is warranted.
Water quality	Low – Medium	Understanding and complying with the environmental requirements of NRC with respect to stormwater quality, ensuring these requirements are appropriate for the risks involved and affordable to the Kaipara community. Any requirements will need to be incorporated in the development of Stormwater Catchment Management Plans for each township.
Coastal discharges – a better understanding of the impact that stormwater discharge has on the receiving environment is required	Low – Medium	Areas where there are pre-existing coastal outlets that are as yet unidentified and unmarked need to be investigated thoroughly and the appropriate consents and monitoring established for the welfare of the receiving environment.
The current asset data and asset register are unreliable and inaccurate	Medium – High	The current asset data and asset register are unreliable and inaccurate in terms of the information contained within. It is essential that this information is gathered to increase the knowledge of our current systems to enable the Council to effectively and efficiently plan future works and capital upgrades.
Land management responsibility	Medium – High	Further clarification of ownership and associated operation and maintenance responsibilities is needed across the Raupo Drainage District.

4.5 | Flood Protection & Land Drainage

Issues Options Assessment

A review of the issues associated with the Council flood protection schemes reveals a number of common themes which are outlined in the adjacent table.

Anticipated response to land drainage issues

Issue	Options	Implications
The current asset data and asset register are unreliable and inaccurate	Do Nothing	Unreliable data results in uncertainty in asset value and condition. Possible inefficiencies of management and failure are most likely.
	Cleanup of existing data	Current data set improved, which can be done relatively quickly. Some cost and time associated for this option.
	Additional data gathering	Gaps in network knowledge fixed, allowing better maintenance prioritisation of assets. Cost and time associated with this option.

Anticipated response – The Council will be looking to increase its knowledge of all land drainage assets to ensure that it can provide the correct response to any future demand or protection; this will be focused on stopbanks and floodgates.

Issue	Options	Implications
Land management responsibility	Do Nothing	Poor co-ordination between the Council and other stakeholders e.g. Raupo Drainage Board, resulting in mismanagement of flood protection assets; limited response to climate change.
	Commit to identifying ownership of assets and work with drainage boards to formalise responsibilities for stopbanks and floodgates. Require documentation to clarify issues if assets are to remain with respective drainage boards.	There is a large amount of land drainage infrastructure in the district which has questions around ownership and responsibilities, by working with the drainage districts to formalise ownership of the assets and the land it sits on the Council can remove a lot of questions around responsibilities for maintaining and enhancing existing assets.
	Acquire seaward-facing assets by utilising the Local Government Act (LGA) and Land Drainage Act 1908 (LDA) and raising general rates to cover costs of climate change response. Subsequently realign the nature of drainage districts from land drainage to be more flood protection-oriented.	This is the Council's last option and the least palatable. It would mean that there is a complete breakdown in trust between the Council and the drainage districts. There would be significant costs in utilising the legal powers of the LGA or the LDA. If other options do not eventuate then the Council would need to consider this option.

Anticipated response – The Council will look to liaise with existing Land Drainage Districts and the landowners within them to try to come to a position regarding the ownership of assets and the responsibilities around maintenance and climate change response.

4.5 | Flood Protection & Land Drainage

Prospective Infrastructure Strategy Costs

For the year ended: 30 June	Total Flood Protection & Land Drainage Budget (\$'000)						
	2021-26	2026-2031	2031-2036	2036-2041	2041-2046	2046-2051	2021-2051
Total operating expenditure	4,027	4,737	6,423	8,824	10,545	10,986	45,541
Capital Expenditure - Growth	0	0	0	0	0	0	0
Capital Expenditure - LoS	13,907	37,716	20,970	30,557	4,724	1,005	108,879
Capital Expenditure - Renewal	531	539	127	141	51	11	1,398
Total capital expenditure	14,437	38,255	21,096	30,697	4,775	1,016	110,277
Total expenditure	18,464	42,992	27,520	39,521	15,320	12,001	155,817

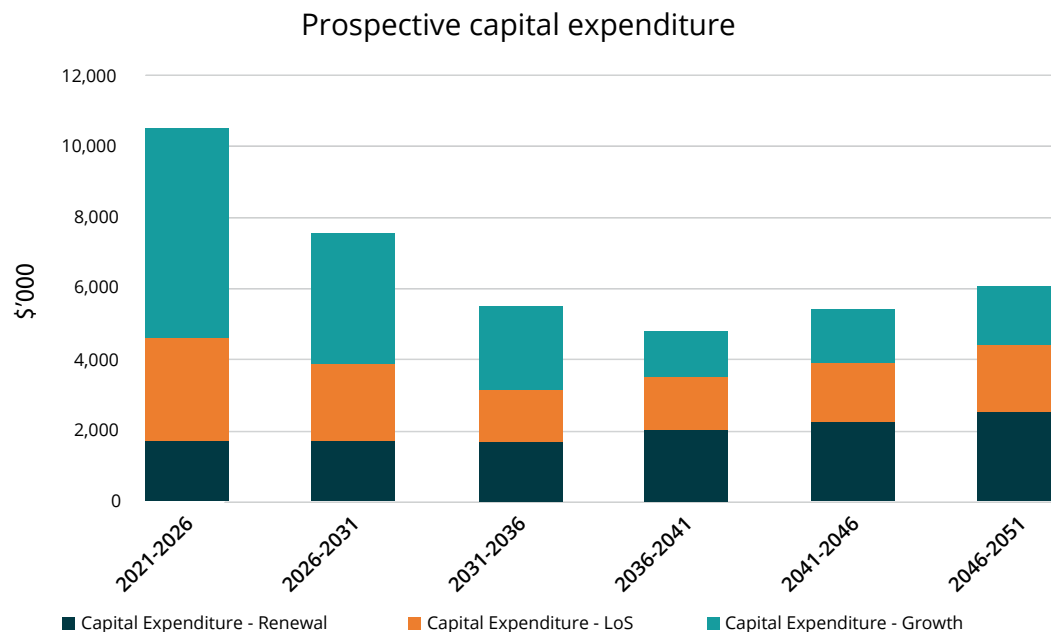


Figure 19. Stormwater Budget

4.6 | Waste Minimisation

Activity Overview

Kaipara District aims to reduce waste and promote a circular economy. The waste minimisation activity purpose is to collect and distribute the communities disposal and recycling products to meet its statutory obligations and community needs.

The decisions the Council makes on managing waste minimisation directly affect its communities and its environment.

The Council need to ensure that this service is affordable, hygienic and environmentally sustainable, which contributes to its well-being, by protecting and enhancing its natural assets and open spaces.

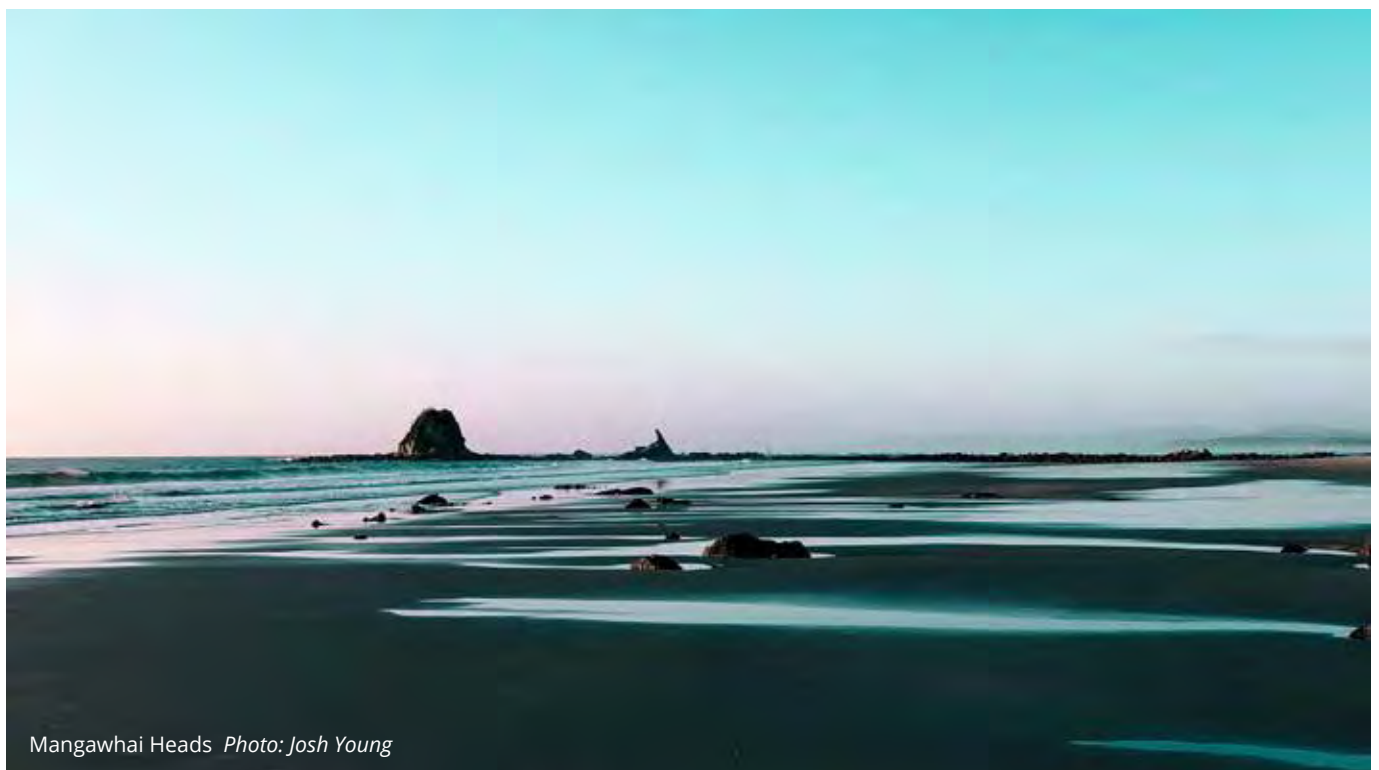
“Kaipara District aims to reduce waste and promote a circular economy.”

Waste Minimisation in Kaipara

Waste minimisation assets and associated services form an infrastructure network that is directly proportionate to the well-being and quality of life of those residing within the Kaipara District.

The Council owns a limited number of waste minimisation assets such as transfer stations, closed landfills, collection cages and public litterbins. These asset groups are to be managed to meet the interests and expectations of stakeholders alongside regulatory compliance requirements.

Whilst there are no open landfills currently in Kaipara, the Council provides two transfer stations – as shown in the figure over the page. One of which is operating in Dargaville (Awakino Rd) to cater for the northwestern area and the other in Hakarū (Kaiwaka Mangawhai Rd) catering for the southeastern area of the District. General waste is collected, moderately compacted and later transferred to Puwera Landfill, south of Whangarei. Whereas recycling collected at the two stations is processed and sold to market by a Specialist contractor.



Mangawhai Heads Photo: Josh Young

4.6 | Waste Minimisation

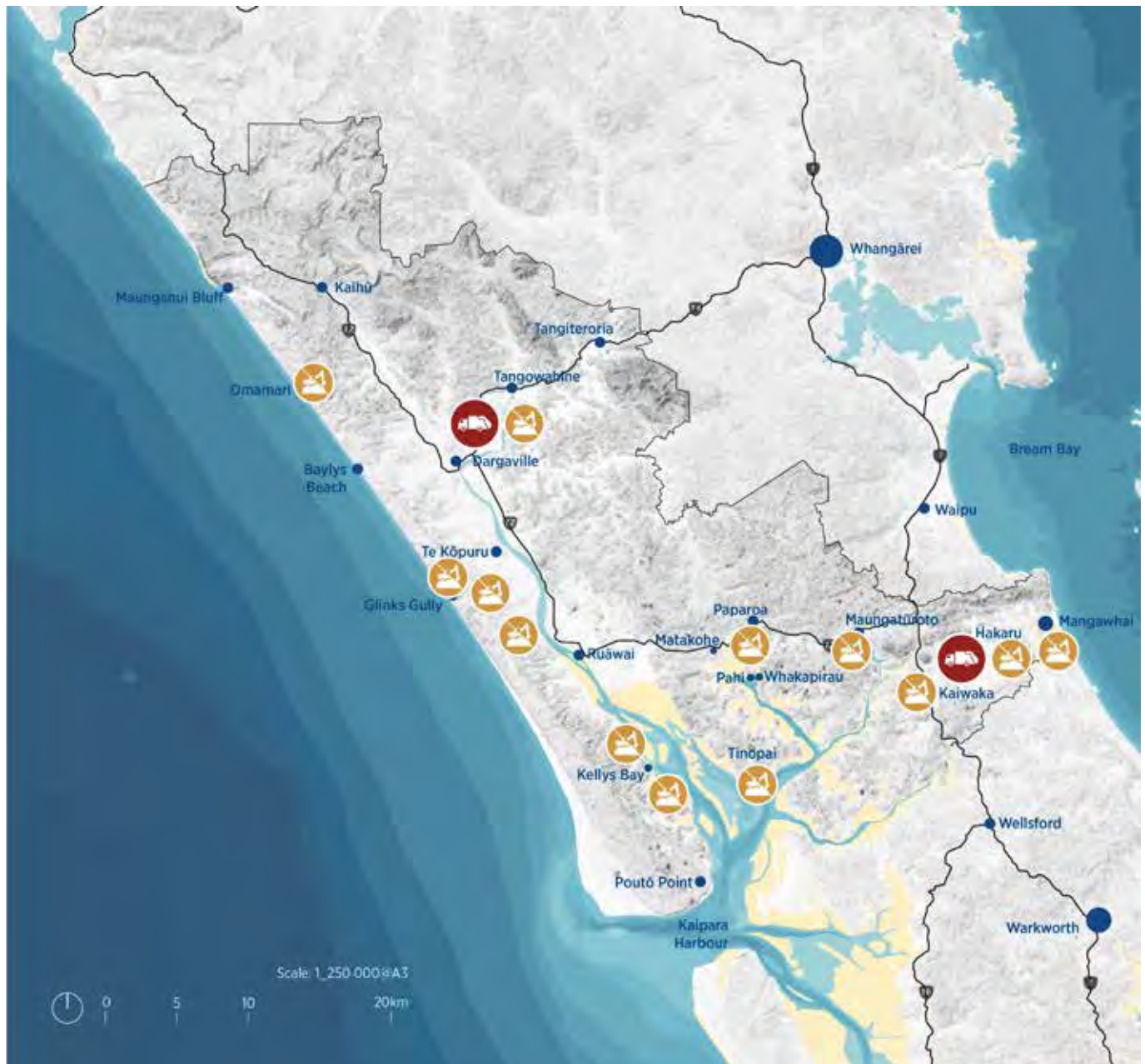


Figure 20. Location of Kaipara's Closed Landfill sites and Transfer Stations

4.6 | Waste Minimisation

Primary Assets and Services

The Council-owned minor site facilities and infrastructure are not currently valued by the Council for formal depreciation and renewal purposes. Asset value is relatively minor and most assets are owned by the contractors.

The Council's primary focus is to deliver solid waste collection disposal that is affordable, environmentally sustainable and hygienic which aligns with both the Council's statutory requirements and community's needs.

Waste Minimisation Services in Kaipara

The Council's services include:

- Currently, all solid waste from Dargaville and Hakarū is transferred to Whangarei's Puwera commercial landfill
- Recycling services are undertaken weekly in association with the weekly bagged kerbside collection (major urban areas only) from Mangawhai to Dargaville. There are also drop-off facilities at both transfer stations
- Abandoned vehicles services and illegal dumping retrieval are carried out as and when required, separate to contracted services.
- There are also a number of historic closed landfill sites that the Council has responsibilities for and carries liability for ongoing monitoring and maintenance, as well as reinstatement obligations for their closures
- Setting service levels and associated performance measures assists to define the service standard that the customer can expect from the Council. Performance measure targets provide a basis for measuring the Council's performance through identified indicators.



Photo credit: Sustainable Kaipara, Compost pick up service trial in Mangawhai.

According to annual surveys conducted by Key Research Ltd 2016-2019, kerbside and recycling collection services have been improving. 2019 saw the lowest percentage of satisfaction with litterbin services across the District, largely due to capacity following freedom campers and household rubbish being dumped in litterbins. As a result, a review of litterbin capacity, frequency of clearing as well as locations are incorporated as part of the Waste Minimisation Improvement Plan.

4.6 | Waste Minimisation

Waste Minimisation Asset Risks

There are present-day waste minimisation assets risks which have been rated high or extreme and are activity related:

- Illegal dumping and the impacts of climate change at closed landfills
- Environmental contamination at operations and waste minimisation facilities and
- Risks to other businesses due to implementation of central government Initiatives.

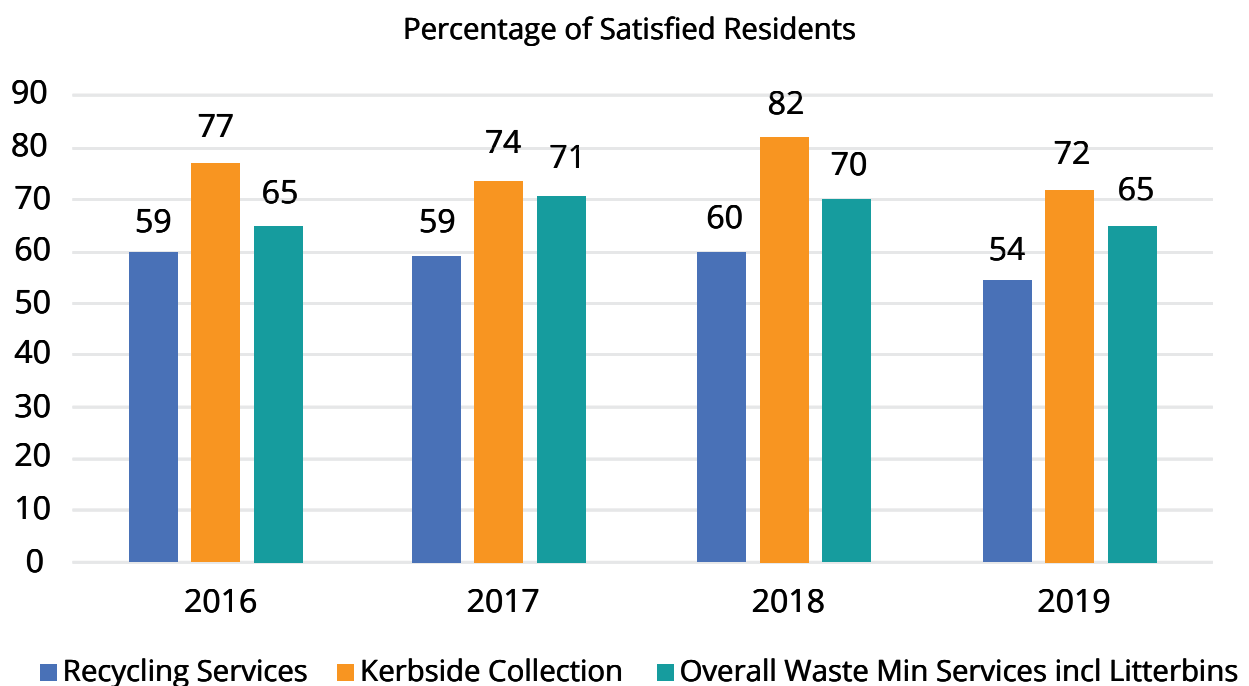


Figure 21. Comparison of percentage of Satisfied Residents between 2016-2019

4.6 | Waste Minimisation

Key Strategic Issues

The key issues relating to the effects of waste minimisation activity in the Kaipara District are listed in the adjacent table.

Anticipated response to waste minimisation issues

Issue	Options	Implications
Closed landfill management issues: <ul style="list-style-type: none"> • Climate change effects on landfills • Leachate contamination of water • Management of pollutants in landfill sites. 	Do Nothing	Contaminants will continue running in receiving environments and cause potential damage to flora and fauna.
	At all closed landfills, investigate the following: <ul style="list-style-type: none"> • Effects of climate change • Extent of contamination of water through the management of clearwater diversion drains and leachate treatment systems • Pollutants (e.g. heavy metals) within existing landfills 	Focuses on current and future issues by providing a risk management framework and a clear path to meet legislative requirements, while satisfying public perception.
	Organise a vegetation-focused filtration programme to help manage the impacts of stormwater runoffs	Investing into natural systems enables mitigation of adverse environmental effects.
Anticipated response – Multiple projects to investigate current closed landfills, and also to identify any unknown landfills that may be vulnerable to increased risk of erosion and land slips and coastal/freshwater flooding. This will be used to focus our attention where needed to provide better outcomes for heavy metal contamination of waterways and the contamination of storm and ground water through untreated leachates.		
Issue	Options	Implications
Increase in illegal dumping (fly tipping) including abandoned vehicles: <ul style="list-style-type: none"> • Increase in fly tipping due to isolated communities with limited facilities • Abandoned vehicle retrieval costs are on the rise • Lack of reporting by the public to the Council. 	Do Nothing	Illegal dumping will play a role in public health, environmental and economic consequences.
	Seek to facilitate a circular economy and increase waste diversion to achieve reductions in overall disposal costs and cumulative effects on the environment such as recycling and scrap metal	Public gains access to feasible and cost-effective options for recycling and refuse disposal, while facilitation of a circular economy will install environmental and economic resilience in the district.
	Educate and provide a feasible and accessible tool for the public to promote reporting of illegal dumping	Ability to track the unauthorised activity of fly tipping and impose fines appropriately.
Anticipated response – The Council will seek to facilitate a circular economy solution and work with a service provider that can take unused cars for scrap and recycling of materials, thereby reducing the disposal and cumulative effect on the environment.		

4.6 | Waste Minimisation

Issues Options Assessment

Anticipated response to waste minimisation issues

Issue	Options	Implications
Ability to meet community expectations particularly around: <ul style="list-style-type: none"> • Kerbside collection delays • Recycling collection is not sustainable • State of transfer stations and recyclable facilities • Capacity of public litterbins 	Do Nothing	Not addressing these issues will result in a higher number of customer complaints, reputational damage and potential budget blow out if disposal rates stay high and recycled products have no market and therefore require stockpiling or cartage.
	Council introduces management interventions to address behaviour issues around illegal dumping, recycling promotion and getting the public to report on contractor kerbside delays.	Behavioural changes will assist with improving the quality of the solid waste and how the Council responds to customer-raised complaints. It may not further address all issues, especially the standard of transfer stations and increased cost of recycling materials.
	Improve the Levels of Service to address increased costs of recycling by providing better processing – subsequently explore higher value market opportunities to help fund better recycling practices. Improve transfer stations and capacity of public litterbins to match more efficient technologies.	Better processing of recycled products has the potential to open up new market opportunities to help fund better recycling practices (see circular economy in Part 2). Likely to have an increase of >15% operational costs to cover the start up and operational costs of additional recycling plants.

Anticipated response – The Council is looking to construct a purpose-built recycling and resort centre to focus on providing a better-quality product that is more marketable and can be utilised for future uses. In addition, it is also investigating newer technologies around the collection of urban rubbish through litterbins, in particular heavy use and holiday areas. The installation of a washing and recycling plant will enable the Council to be able to recycle more materials and seek better markets, thereby reducing the cost of landfill fees and promoting a more circular economy.

4.6 | Waste Minimisation

Prospective Infrastructure Strategy Costs

For the year ended: 30 June	Total Flood Protection & Land Drainage Budget (\$'000)						
	2021-26	2026-2031	2031-2036	2036-2041	2041-2046	2046-2051	2021-2051
Total operating expenditure	14,419	18,493	8,970	10,034	27,937	31,705	111,557
Capital Expenditure - Growth	121	0	0	0	0	0	121
Capital Expenditure - LoS	1,784	3,209	921	1,047	1,142	1,299	9,401
Capital Expenditure - Renewal	0	0	0	0	0	0	0
Total capital expenditure	1,905	3,209	921	1,047	1,142	1,299	9,522
Total expenditure	16,323	21,701	9,891	11,080	29,080	33,004	121,079

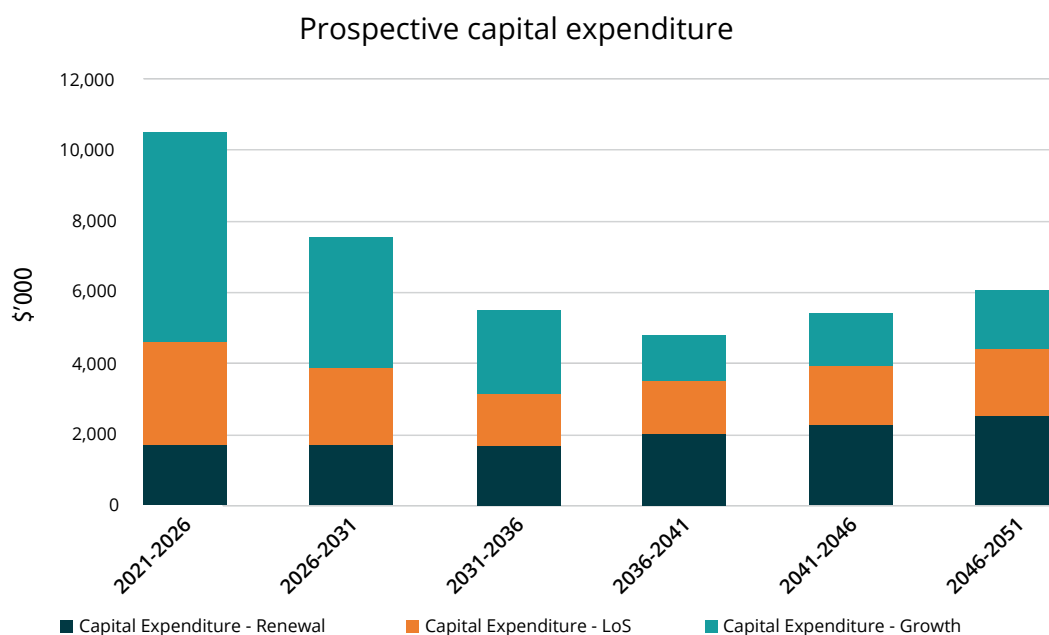


Figure 22. Waste minimisation Budget

4.7 | Reserves & Open Spaces

Activity Overview

The Council manages and maintains a diverse range of Reserves and Open Spaces assets, including public open space for aesthetic, passive and active uses, public cemeteries, campgrounds, playgrounds, coastal structures to access the rivers or coast, as well as public toilets to meet the needs of residents and visitors.

The Council's Reserves and Open Spaces assets has been developed over time in response to community aspirations, needs and demands. This ensures the whole community has opportunities to access a range of facilities and public open spaces for physical activities, leisure and recreation or simply for the enjoyment of their intrinsic values.

Reserves and Open Spaces

The Kaipara District is rich in landscapes, environments and thus, a diversity of reserves and open spaces. The Reserves and Open Spaces activity covers a large range of playing fields to local playgrounds, cemeteries, seaside picnic spaces, wilderness coastal areas, riparian strips, iconic rock formations and some larger bush reserves. Open space areas and facilities that support public use are critical to both the social and physical well-being of Kaipara's communities.

Although the Council is the main provider of community assets in the Kaipara District, it also contributes in varying scales of partnerships with landowners and community groups to provide access and further improve the wider open space network. The Department of Conservation (DOC) oversees the provision of various reserves and conservation areas. This includes large wilderness areas in Pouto and the Waipoua Forest to meet a range of recreational and environmental needs. Whereas local schools provide facilities and sports fields for community use, sports clubs and organisations also provide facilities such as buildings, swimming pools and sports fields. Some local schools provide facilities and sports fields which are available for community use and there

are other sports clubs and organisations that provide facilities, including buildings, swimming pools and sports fields.

Key Open Space Assets in Kaipara managed by the AMP

Asset Description		Quantity
Playgrounds		16
Public toilets / changing rooms		323
Cemeteries	Council-managed	4
	Community-managed	4
Walkways		6,042m
Open spaces	Gardens	62
	Gardens – area	11,009m ²
	Parks – maintained	97
	Parks – green space/ area mown	594,953m ²
Coastal structures	Boat ramps	8
	Groynes	4
	Impact piles	3
	Sea walls	25
	Wharves	3
Campgrounds	In-house	1
	Community	4

4.7 | Reserves & Open Spaces

Asset Condition

The Council's ROS AMP manages a wide variety of unrelated assets, many of which have uncontrolled public access and usage. In addition, the asset group includes substantial tracts of land making up parks and reserves, which are not given condition ratings.

The condition of assets related to reserves and open spaces are graded by an internationally recognised National Parks and Recreation Assets Condition Grading Standards (PRAMS).

Overall, asset conditions are average to good with sports and recreation facilities having been upgraded with new technologies in turf management.

Reserves and Open Spaces Asset and Conditions

Asset	Condition
Public Toilets	Recent independent audits completed, that rated asset condition from poor to excellent. This needs to become a regular bi-annual assessment. A condition assessment conducted in 2019 found that the general ambience of public toilets is improving, and half of all toilets have an ambience rating of 1 or 2 and 26/32 have an ambience rating of 3 or better (1 being the highest and 5 lowest).
Playgrounds	General condition good. Recent independent audit results show 66% across the District. Benchmarked across the country, the Council is in the average/above average category. An independent safety audit undertaken in 2020 of 19 sites and 105 items of equipment found 23 items did not comply with New Zealand and Australia playground standards. The report found that the majority of playgrounds were in good condition. Many of the non-complying playgrounds were in coastal settings which influenced the life and wear of equipment.
Walkways	The Mangawhai coastal access walkways have been assessed as part of the Mangawhai Community Plan in 2017. This prompted the Council to begin the process of assessing all of the walkway's trails and structures across the district to grade them against the NZS 2858 track standards.
Outdoor Furniture and Fittings	Data for furniture has been collected and this has fed into the Maintenance Contract schedules prior to re-tendering. This data has also been added to the Council's asset management system AssetFinda.
Green Space	Condition assessment surveys were carried out on all assets located in green space that is included in the Maintenance Contract. All of these assets are included in the cemetery, playground, outdoor furniture and fittings, walkway, gardens or public toilet section of the AMP.
Cemeteries	Good condition with plenty capacity. Current information tells us we have enough capacity across all of the cemeteries in the district to cover the next 10 years (approx.) though this will need to be reviewed in the next LTP.
Campgrounds	Campground data is currently being collected, data is being collated and the Council is in the process of reviewing the campgrounds against the campground standards. A project will be undertaken to assess and complete any works to bring these in line with accepted standards.
Coastal Structures	The Council has undertaken a condition and structural review of all Kaipara District's wharves in the Kaipara Harbour, as part of the Kaipara Water Transport and Wharves Feasibility Study. This report showed the condition of the wharves to vary from very poor to good. It is now in the process of evaluating the report and forming a renewals plan on the wharves that it has ownership and responsibility over.

4.7 | Reserves & Open Spaces

Issues Options Assessment

The Open Space asset is subject to various risks in the ordinary course of business. The table to the right summarises key issues, possible options and related implications.

The most significant of these are listed in the adjacent tables.

Anticipated response to Reserves and Open Spaces issues

Issue	Options	Implications
Climate change and sea level rise: The frequency and severity of extreme weather events result in greater damage to the Council administered public open spaces	Do Nothing	Effects of climate change on the Council and/or private/public open spaces will increase the likelihood of flooding, erosion and contamination from stormwater and wastewater overflow and potential loss of open space.
	Budgeting for extra costs of repairs	The Council will continue to identify and invest in open spaces for the benefit of the community. Minor damage will be repaired as it occurs, though where land is lost through coastal erosion, or other climate change mechanisms, the Council will not be looking to construct hard infrastructure to protect these areas at this stage.
	Protect existing assets through proactive management of hazardous zones and stormwater overflow to account for large rain and flood events	Avoids adverse effects of climate change on the environment, safety of the population and any additional potential additional costs.
	Adapt existing assets by providing more softer measures	Softer adaptations such as coastal planting instead of hard retaining walls to allow assets to change gradually as a result of climate change events.

Anticipated response – The Council will budget for increased costs to repair damage as it occurs. In order to be cost-effective, this will include a variety of activities and will not be limited to one approach.

4.7 | Reserves & Open Spaces

Anticipated response to Reserves and Open Spaces issues

Issue	Options	Implications
Increase operational costs due to new facilities and land vested with the Council through development	Do Nothing	Reduced Levels of Service for non-high-profile assets.
	Work closer with community groups to provide maintenance for open spaces such as walkways, parks, etcetera.	Community groups would need to apply for funding through contestable funding streams. Staff allocation of time to facilitate community groups and outcomes to monitor health and safety practices employed by community groups.
	Increase operational budgets for open space land vested from development	Requires working closer with community groups and developers who are interested in designing new reserve spaces that the community needs, looking into the future.

Anticipated response – Operational budgets will need to be increased to manage reserves vested to the Council. In the past the Council has tried to avoid having land vested to avoid maintenance issues, though this has resulted in a disproportionate response to the Levels of Service for maintenance in certain areas and the provision of parks and open spaces for our communities.

Issue	Options	Implications
Costs: <ul style="list-style-type: none"> • Reduced levels of funding would compromise the ability to maintain and enhance • Additional assets will increase maintenance costs • Limited lifecycle data may cause asset failure, unexpected replacement timeframes and costs • Health and Safety Act 2015 may add additional cost to services by volunteers, affecting the amount of work they can do 	Do Nothing	Unable to fund maintenance, new facilities and funding for related services may cause assets to deteriorate and reduce user experience and community held events.
	Focus on providing improved funding strategy and seek a major strategic purchase	Meeting quality and community standards, providing opportunities for development partnerships as well as potential district-wide economic benefits.
	Seek additional external funding for key open space upgrades, thereby reducing the operational component of certain areas and freeing up money for other management initiatives	Reduces the risk of limited maintenance and upgrades of facilities.

Anticipated response – Where possible the Council will need to account for any funding streams that will be closing off (e.g. development contributions) and will need to ensure that effective operations and maintenance activities are recovered through other funding processes.

4.7 | Reserves & Open Spaces

Anticipated response to Reserves and Open Spaces issues

Issue	Options	Implications
Asset failure: <ul style="list-style-type: none"> Damage to assets poses health and safety risks to users, staff and contractors 	Do Nothing	Continue to impose health risks to the users and staff and loss of ability for the community to utilise the open spaces and facilities.
	Fixing damage to assets with minor repairs to enable assets to be returned to public use in the short to medium term	Increased costs to meet quality standards as well as maximising social, economic and environmental benefits.
	Focus on fixing assets to avoid similar events to occur in the medium to long term	Ability to utilise assets by the public, staff and contractors without any potential hazards and reduce costs of long-term damages.

Anticipated response – A proactive response to management and renewals of Reserves and Open Spaces is required to ensure cost effective maintenance. If the Council was to move to a fix on failure model it would be more expensive and potentially put some of its more vulnerable community members at risk.



4.7 | Reserves & Open Spaces

Funding Strategy

The AMPs have been developed as a tool to help the Council manage its assets, deliver LOS and identify the expenditure and funding requirements of the activity.

The 10-year forecast for capital expenditure is shown in the table over page.

Renewal Expenditure:

A move to an Open Spaces asset management database inventory system for assets combining location, condition, materials and lifecycle information has seen a more comprehensive planning and decision-making process evolve. This has resulted in robust decision-making and a more systematic approach, especially to depreciation planning in renewal of assets.



4.7 | Reserves & Open Spaces

Prospective Infrastructure Strategy Costs

For the year ended: 30 June	Total Flood Protection & Land Drainage Budget (\$'000)						
	2021-26	2026-2031	2031-2036	2036-2041	2041-2046	2046-2051	2021-2051
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Total capital expenditure	1,905	3,209	921	1,047	1,142	1,299	9,522
Total expenditure	16,323	21,701	9,891	11,080	29,080	33,004	121,079

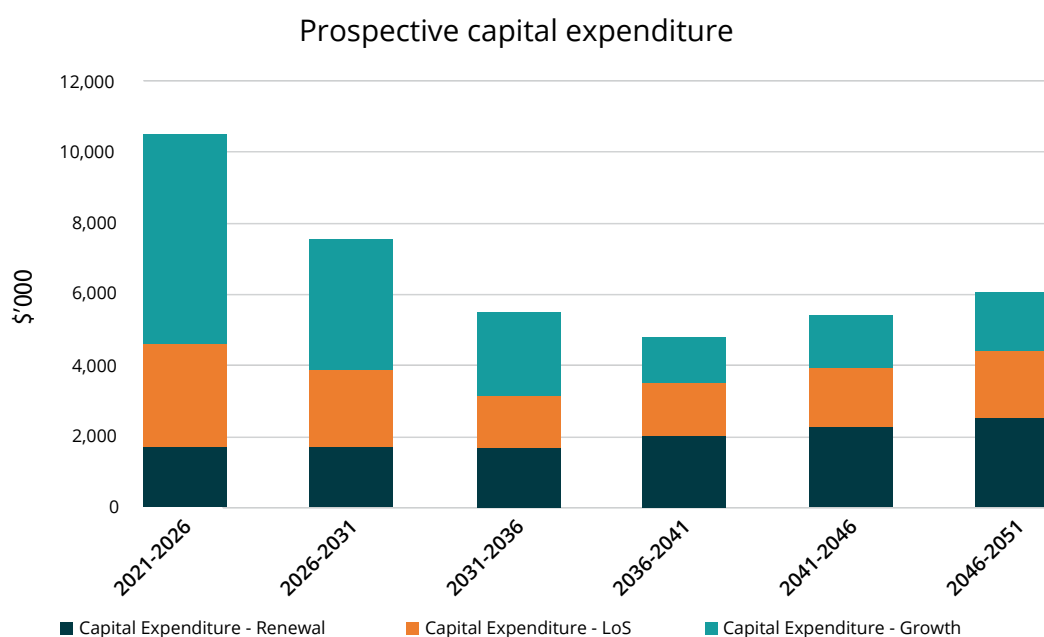


Figure 22. Reserves and Open Spaces Budget

4.8 | Key Assumptions

Key assumptions are a work in progress.

Finance team to confirm and update.

Financial Assumptions			
Assumptions	<p>That all expenditure has been stated on 01 July 2019 New Zealand dollar values (GST exclusive) and no allowance has been made for inflation.</p> <p>Asset valuations are in 2018 New Zealand dollar values.</p>	Discussion	<p>The LTP will incorporate inflation factors. This could have a significant impact on the affordability of the AMPs if inflation is higher than allowed for, however the Council is using the best information practicably available from Business and Economic Research Limited (BERL).</p>
Levels of Service			
Assumptions	<p>Asset management activity aims to maintain a consistent Levels of Service across the district.</p>	Discussion	<p>Although service levels may vary for a number of reasons, the aim is to maintain assets to the levels noted in the AMPs.</p>
Growth Forecasts			
Assumptions	<p>Kaipara District Council uses a set of Medium-High series population projections provided by Infometrics as an indication of future growth.</p> <p>This projected growth will slow over 2020 and 2021 with softer net migration and a decline in employment as a consequence of COVID-19. Population growth is projected to pick up from 2022 onwards, with the district growing steadily to reach a population of 32,600 in 2051.</p> <p>Most growth is projected to be centred in the Mangawhai area (as it has been historically) with other southeast areas such as Kaiwaka also growing rapidly.</p> <p>Strong growth is also projected for the northwest of the District though not to the same extent as the southeast.</p>	Discussion	<p>If growth deviates from what has been projected, it will have a significant impact for infrastructure planning. If higher, the Council may need to advance capital projects. If it is lower, the Council may have to defer planned works.</p> <p>The Council plans its infrastructure (e.g. size of water pipes) to have sufficient capacity for the population it is anticipated to serve over its design life. If population exceeds the designed capacity, there will be additional costs.</p> <p>The amount of development is a key consideration for the Council when planning how it will fund the required infrastructure. If growth falls short of that projected, it may result in a shortfall of income.</p>

4.8 | Key Assumptions

Network Capacity			
Assumptions	Current knowledge of network capacity and condition is largely unknown, however it is assumed that much of the district's piping is old and regularly fails and will require repair/replacement.	Discussion	<p>If the network capacity is lower than assumed, the Council may be required to advance capital works projects to address congestion. The risk of this occurring is low; however, the impact on expenditure could be large. If the network capacity is higher than assumed, the Council may be able to defer works. The risk of this occurring is low and is likely to have little impact.</p> <p>There is a degree of uncertainty regarding network capacity with increased severity of rainfall events and risk of freshwater flooding, increased frequency of coastal inundation and flooding, and increased drought.</p>
Natural Hazards			
Assumptions	Climate change will bring an increase in the frequency and severity of extreme weather events.	Discussion	Network capacity may be insufficient. There will be an increase in costs to maintain and repair exposed assets. Capital works projects may need to be altered or advanced to account for increased exposure and vulnerability.
Strong Growth Activity in the East			
Assumptions	Future economic and growth data scenarios point towards the towns of Mangawhai, Maungatūroto and Kaiwaka as anticipated main growth area, with land identified for rezoning as part of recent spatial plans.	Discussion	To support anticipated demand, there should be a focus on investigating, designing and consenting the infrastructure needed to enable sustainable development, while fulfilling clear environmental standards, within the first 3-6 years of the LTP.
Partnerships Will be Formed to Assist in Delivery of Infrastructure			
Assumptions	The Council already has a strong working relationship with the Ministry of Business, Innovation and Employment (MBIE) in delivering the Kaipara Kickstart programme and will continue to foster this partnership in the programme's implementation. It will also continue to collaborate with Northland councils to shared knowledge and help each other in the climate change challenge.	Discussion	Further partnerships will need to be formalised, particularly in the development of the Northland to Auckland Corridor programme, Kaipara Harbour project development, iwi-led projects and large development proposals.

4.8 | Key Assumptions

Population Fluctuations	
Assumptions	Discussion
<p>The populations of some coastal settlements in Kaipara fluctuate considerably throughout the year with regular influxes of holidaymakers. Comparisons of the number of occupied dwellings and unoccupied dwellings, as well as comparisons of wastewater volumes, suggest that the combined population of Mangawhai Village and Mangawhai Heads can more than double during holiday periods.</p> <p>Population fluctuations are expected to continue to be a feature of Kaipara's coastal communities. However, the level to which they fluctuate is anticipated to decrease over time. A trend towards a greater proportion of occupied dwellings versus unoccupied dwellings is already evident in Mangawhai and this is anticipated to continue. This is partly driven by Mangawhai's improving commutability to Auckland and improving services. However, in Mangawhai and across the district, this trend is being perpetuated by the aging population retiring to lifestyle destinations. In addition, some traditional bach communities are emerging as satellite suburbs of growing parent settlements, such as Baylys Beach which is easily commutable to Dargaville.</p>	<p>The capacity of the Council infrastructure needs to be capable of meeting the needs of the peak population and not just the usually resident population. If the peak population increases beyond the planned capacity of the infrastructure, there may be operational issues and unforeseen costs.</p> <p>A key downward driver on the proportion of holiday homes in Kaipara's settlements is New Zealand's aging population and their desire to retire by the sea. In addition, former holiday homes are increasingly being taken up by young families seeking more affordable housing. These drivers appear unlikely to change.</p> <p>The proportion of holiday homes in Kaipara's coastal settlements may be driven up if the level of disposable income available to the working age population in neighbouring Auckland and Whangarei increases. Substantial increases in disposable income could allow more people to purchase a holiday home in Kaipara. Similarly, rising house prices make developing and investing in property more attractive. However, Infometrics economic forecasts suggest that disposable income, house prices and consumer confidence are all likely to fall over the near term due to the COVID-19 recession.</p> <p>This suggests that a reversal in the trend towards lower population fluctuations is unlikely over the near planning horizon.</p>



Mangawhai Photo: Curt Martin



SECTION 5

Activity Statements



How to read this section

The following section describes the different Groups of activities that Council undertake. For the Long Term Plan 2021-2031 Council's work is classed into nine Groups. The information provided about each activity within the Groups includes:

- The Groups purpose, associated legislation, risks and issues and funding options
- What that activity does
- How it relates to the community outcomes
- What we will deliver over the next ten years
- Performance measures and targets for 2021 to 2031 (how you can tell we have done what we said we would do)
- Any changes to the Levels of Service (what Council will provide and to what extent)
- Any significant negative effects
- The money we have budgeted for each activity and the capital projects associated with each activity
- How the activity considers climate change

	Group of Activity	Activity
1.	Building, Resource Consents and Compliance	Resource Consents Building Compliance
2.	District Leadership, Finance and Internal Services	Governance Policy and District Planning Emergency Management Economic Development Internal Services: <ul style="list-style-type: none"> • Financial Services • People and Capability • Digital Services • Communications • Customer Services
3.	Flood Protection and Land Drainage	Flood Protection and Land Drainage
4.	Open Spaces and Facilities	Open Spaces Community Development Libraries Pensioner Housing Northern Wairoa War Memorial Hall
5.	Stormwater	Stormwater
6.	Transportation	Roading and Footpaths
7.	Waste Minimisation	Refuse and Recycling
8.	Wastewater	Wastewater
9.	Water Supply	Water Supply

Activities and how they contribute to the wellbeings

Council want to ensure the Community wellbeings are considered in all the work we do. The wellbeings include, social, economic, environmental and cultural aspects and are a way of measuring the quality of life and things that people care about. By ensuring these are in the forefront of our minds when planning the

needs of the District, we can ensure the quality of life for our communities is enhanced. The activity profiles look at ways these wellbeings can be further developed, through infrastructure projects, financials considerations and providing quality services.

Resource Consents, Building Control and Compliance

Purpose

As a growing district we need to plan for future growth whilst ensuring there is a balance between protecting the existing environment and the economic and social needs of our community. This group of activities enhances the quality of the natural and built environment through planning and regulatory measures and ensures we meet our responsibilities under various legislation, such as the Building Act 2004; Dog Control Act 1996; Resource Management Act 1991; and the Local Government Act 2002.

Legislation associated with this service

- Local Government Act 2002
- Building Act 2004
- Resource Management Act 1991
- Resource Legislation Amendment Act 2017
- Reserves Act 1977
- Health Act 1956
- Food Act 2014
- Sale and Supply of Alcohol Act 2012
- Dog Control Act 1996
- Impounding Act 1955
- Camping Ground Regulations 1985
- Hazardous Substances and New Organisms Act 1996
- Burial and Cremation Act 1964
- General Bylaws 2008 (currently under review)
- Food Hygiene Regulations 1974
- Food Regulations 2015
- Health (Registration of Premises) Act 1966
- Health (Hairdressers) Regulations 1980
- Health (Burial) Regulations 1946
- Housing Improvement Regulations 1947
- The Litter Act 1979.

- Not meeting building and resource consent application and compliance inspection timeframes, particularly with the increased volumes
- Complaints regarding consent decisions leading to legal challenges
- Errors when processing a building or resource consent application
- Legislative changes leading to a shifting statutory framework including compressed processing time
- Increasing development pressure on Mangawhai is leading to greater interest in resource consents and concerns regarding consent decisions
- Raw water and wastewater issues throughout the district requiring further sanitary surveys revealing major works to be carried out in the i.e. Kaihu, Paparoa, Pahi, Tinopai areas (but not limited to), includes auditing.

How we fund this service

- General rates
- Fees and charges
- Borrowing
- Asset sales
- Fines and infringements



Risks and Issues

- Qualified team members for the building, resource consent and compliance areas are in short supply and difficult to attract

How are we considering Climate Change?

Climate Smart Community Outcome helps guide Council's building control, resource consents and compliance activities. While we are still in the process of identifying specific climate-related risks to these activities, we recognise that climate change will increase current challenges. Consents, building control and compliance all feed into the lifespan of planning and development across the district. These activities occur across different phases and under different timeframes. Quickly growing climate change compliance requirements will increase the challenge of aligning these activities. We will continue

to reduce risk of liability by being consistent in regulation and implementation across the lifespan of planning and development.

We also understand that these activities have an important role to play in enforcing and supporting Kaipara's adaptation and mitigation responses. Through these activities Council can help to reduce risk, reduce negative impacts, and encourage resilience. We will ensure these activities align with and bolster Council's growing climate change response.

What we will deliver	When
<ul style="list-style-type: none"> Building and resource consents delivered in a timely fashion. With improved training within the building services to support commercial buildings Information and consenting processes that enable developers large or small to do business easier Working with Northland councils to identify earthquake-prone buildings Initiate the Kennel Project which will bring the animal shelter function for animal management in-house 	2021/2022
<ul style="list-style-type: none"> Building and resource consents delivered in a timely fashion Information and consenting processes that enable developers large or small to do business easier Work with legislative changes, e.g. review of Resource Management Act 	2022/2023
<ul style="list-style-type: none"> Building and resource consents delivered in a timely fashion Information and consenting processes that enable developers large or small to do business easier Work with legislative changes, e.g. review of Resource Management Act 	2023/2024
<ul style="list-style-type: none"> Building and resource consents delivered in a timely fashion Information and consenting processes that enable developers large or small to do business easier Work with legislative changes, e.g. review of Resource Management Act 	2024/2031



Building Control

What we do

We are responsible for administering and implementing the provisions of the Building Act 2004. We maintain accreditation as a Building Consent Authority and ensure all buildings are constructed and maintained to appropriate standards and specifications.

We provide information on request to applicants who intend to build or develop a property. We meet the building consent application and Code Compliance Certificate timeframes as well as provide certification that consented buildings people visit, work, and live in comply with the New Zealand Building Code. We also inspect and audit buildings in compliance with regulations and take enforcement action where necessary.

Contribution to Community Outcomes

- Climate Smart - Being climate smart means that Kaipara is reducing its greenhouse gas emissions and responding to the social, cultural, economic, and environmental challenges and opportunities presented by climate change. We encourage development that front foots climate change and reduces the impacts on our communities.
- Vibrant Communities - To thrive, communities must be connected, resilient, healthy, and inspiring. Supporting communities we seek to make it easy to get things done within legislative requirements.
- Healthy Environment - The environment can directly and indirectly impact on our health and wellbeing. We manage development to ensure natural and physical resources are safeguarded and positive environmental outcomes are achieved.
- A Trusted Council - Kaipara District Council considers the way we communicate and engage with our communities. We seek to build partnerships in order to address the collective challenges that our communities face.
- Celebrating diversity - Kaipara's future together recognises that the Council has a leadership role in making Kaipara a district where diversity is welcomed and celebrated. The Council can do this by upskilling the internal organisation and developing authentic relationships to achieve the outcome of a diverse, inclusive, and welcoming Council, and through improving service delivery.
- Prosperous economy - A prosperous economy is integral to achieving our wider goals for the district. We need to ensure our Council/district is investment-friendly, supports sustainable growth and that the benefits lead to broad-based prosperity for our communities.

Performance measures	LTP Year 1 Target 2021/2022	LTP Year 2 Target 2022/2023	LTP Year 3 Target 2023/2024	LTP Year 4 Target 2024/2031
Percentage of non-notified resource consents processed within 20 working days.	≥80%	≥90%	≥95%	≥95%
Percentage of Land Information Memorandums (LIM) processed within 10 working days.	100%	100%	100%	100%
Percentage of s224(c) certificates for new land titles processed within 10 working days.	100%	100%	100%	100%

Changes in Levels of Service

There will be no changes to the level of service.

Significant Negative effects

Currently no significant negative effects associated with this activity.

Compliance

What we do

We provide registration, verification, and inspection services to monitor and enforce standards of public health for; preparation of safe and suitable food; mobile trades; hairdressing salons; camping grounds, offensive trades, funeral parlours, and hazardous substances in public and non-workplaces. We protect the environment and water ways from effluent and illegal wastewater nuisance.

To ensure the safe and responsible sale, supply, and consumption of alcohol, we process, assess, and grant applications for alcohol licences and managers' certificates.

We respond in a timely manner to dog, stock, noise, and parking complaints as well as provide advice and monitor recreational water quality. We educate and assist animal owners to act responsibly to minimise any danger, to alleviate any health nuisance in the community.

We carry out consent conditions for monitoring and compliance purposes also investigate potential District Plan breaches / regulatory complaints and take enforcement action where necessary.

Meeting our environmental monitoring and compliance objectives and statutory obligations which is to educate and protect the environment our communities wish to thrive in.

Contribution to Community Outcomes

- **Climate Smart** - Being climate smart means that Kaipara is reducing its greenhouse gas emissions and responding to the social, cultural, economic, and environmental challenges and opportunities presented by climate change. We encourage development that front foots climate change and reduces the impacts on our communities.
- **Vibrant Communities** - To thrive, communities must be connected, resilient, healthy, and inspiring. Supporting communities we seek to make it easy to get things done within legislative requirements.
- **Healthy Environment** - The environment can directly and indirectly impact on our health and wellbeing. We manage development to ensure natural and physical resources are safeguarded

and positive environmental outcomes are achieved.

- **A Trusted Council** - Kaipara District Council considers the way we communicate and engage with our communities. We seek to build partnerships in order to address the collective challenges that our communities face.
- **Celebrating diversity** - Kaipara's future together recognises that the Council has a leadership role in making Kaipara a district where diversity is welcomed and celebrated. The Council can do this in terms of improving service delivery, upskilling the internal organisation, and developing authentic relationships to achieve the outcome of a diverse, inclusive, and welcoming Council.
- **Prosperous economy** - A prosperous economy is integral to achieving our wider goals for the district. We need to ensure our Council/district is investment-friendly, supports sustainable growth and that the benefits lead to broad based prosperity for the communities.



Performance measures	LTP Year 1 Target 2021/2022	LTP Year 2 Target 2022/2023	LTP Year 3 Target 2023/2024	LTP Year 4 Target 2024/2031
Percentage of food premises verified when required under the Food Act.	100%	100%	100%	100%
Percentage of alcohol premises inspected annually.	100%	100%	100%	100%
Percentage of resource consent complaints regarding unconsented works and noncompliance with the District Plan and resource consent investigation initiated within 5 working days.	100%	100%	100%	100%
Percentage of all granted resource consents are monitored each year to ensure they comply with relevant conditions.	25%	25%	25%	25%
Percentage of noise callouts to be responded to within 30 minutes.	90%	95%	95%	95%
Percentage of all dog attacks and or wandering stock are responded to (within one hour) as a Priority 1.	95%	95%	95%	95%

Changes in Levels of Service

There will be no changes to the level of service.

Significant Negative effects

Activity	Effect	Mitigation
Hazardous substances utilised	Environment detrimentally affected	Expertise in the field within Council



Prospective Funding Impact Statement

Resource Consents, Building Control and Compliance

PFIS - Resource Consents, Building Control and Compliance	Annual Plan	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget
For the year ended: 30 June	2020-2021 \$'000	2021-2022 \$'000	2022-2023 \$'000	2023-2024 \$'000	2024-2025 \$'000	2025-2026 \$'000	2026-2027 \$'000	2027-2028 \$'000	2028-2029 \$'000	2029-2030 \$'000	2030-2031 \$'000
Sources of operating funding											
General rates, uniform annual general charges, rate penalties	2,505	2,352	2,247	2,234	2,363	2,274	2,287	2,172	2,130	2,066	2,026
Targeted rates	0	0	0	0	0	0	0	0	0	0	0
Subsidies and grants for operating purposes	0	0	0	0	0	0	0	0	0	0	0
Fees and charges	3,946	4,919	5,211	5,409	5,609	5,816	6,041	6,262	6,490	6,718	6,955
Internal charges and overheads recovered	514	0	0	0	0	0	0	0	0	0	0
Interest and dividends from investments	0	0	0	0	0	0	0	0	0	0	0
Local authorities fuel tax, fines, infringement fees and other receipts	5	5	7	7	7	7	7	8	8	8	8
Total operating funding	6,970	7,276	7,465	7,651	7,979	8,097	8,335	8,441	8,627	8,792	8,988
Application of operating funding											
Payments to staff and suppliers	5,329	5,677	5,820	5,905	6,174	6,294	6,474	6,591	6,771	6,892	7,079
Finance costs	0	0	5	4	3	3	3	2	2	2	2
Internal charges and overheads recovered	1,592	1,950	1,585	1,685	1,744	1,740	1,796	1,784	1,787	1,831	1,838
Other operating funding applications	0	0	0	0	0	0	0	0	0	0	0
Total applications of operating funding	6,921	7,227	7,409	7,593	7,920	8,087	8,273	8,377	8,561	8,725	8,919
Surplus (deficit) of operating funding	49	49	55	57	59	61	62	64	66	68	69
Sources of capital funding											
Subsidies and grants for capital expenditure	0	0	0	0	0	0	0	0	0	0	0
Development and financial contributions	0	0	0	0	0	0	0	0	0	0	0
Increase (decrease) in debt	0	100	3	4	4	5	5	5	5	6	6
Gross proceeds from sale of assets	0	0	0	0	0	0	0	0	0	0	0
Lump sum contributions	0	0	0	0	0	0	0	0	0	0	0
Other dedicated capital funding	0	0	0	0	0	0	0	0	0	0	0
Total sources of capital funding	0	100	3	4	4	5	5	5	5	6	6
Applications of capital funding											
Capital expenditure - to meet additional demand	0	0	0	0	0	0	0	0	0	0	0
Capital expenditure - to improve the level of service	0	100	0	0	0	0	0	0	0	0	0
Capital expenditure - to replace existing assets	0	0	0	0	0	0	0	0	0	0	0
Increase (decrease) in reserves	49	49	52	53	55	56	57	59	60	62	63
Increase (decrease) of investments	0	0	0	0	0	0	0	0	0	0	0
Total applications of capital funding	49	149	52	53	55	56	57	59	60	62	63
Surplus (deficit) of capital funding	49	49	55	57	59	61	62	64	65	68	69
Funding Balance	0	0	0	0	0	0	0	0	0	0	0

District Leadership, Finance and Internal Services

Purpose

We ensure our governance activities help elected members make decisions. We also provide services to the community relating to policies, strategies, bylaws, plans and reporting, together with Civil Defence Emergency Management (CDEM).

Our internal services relate to those functions of Council which assist the day to day running of our activities. They include Finance, Information Services, Customer Services, People and Capability, Communications and Economic Development.

Legislation associated with this service

- Local Government Act 2002
- Local Government (Rating) Act 2002
- Resource Management Act 1991
- Reserves Act 1977
- Health and Safety at Work Act 2015
- Employment Relations Act 2000
- Local Government Official Information and Meeting Act 1987
- Local Authorities Members' Interests Act 1968
- Local Electoral Act 2001
- Citizenship Act 1977
- Civil Defence Emergency Management Act 2002
- Climate Change Response Act 2002
- Fire and Emergency New Zealand Act 2017
- Mangawhai Empowering Lands Act and
- Kaipara Validation Act.

Risks and Issues

- Any plans, policies or bylaws that involve slow processes may not reflect the community priorities and needs and can result in frustration of the community
- Changes in national or regional policy may require us to investigate changes to our policies and District Plan, impacting future costs
- Accelerated growth within the Kaipara district places a demand on Council operations to significantly improve both our internal capacity

and capability

- The need to understand and effectively manage climate-related risks places a high demand on Council's limited resources
- The breadth and wide variety of issues and information that Council needs to assimilate places high demand on elected members, and
- Services provided are not always digitally enabled and may not meet residents' expectations.

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- Services provided are not always digitally enabled and may not meet residents' expectations.

How we fund this service

- General rates
- Fees and charges
- Grants, subsidies and other funding sources
- Borrowing and
- Asset sales.

How are we considering Climate Change?

A Climate Smart Community Outcome helps guide this group's varied activities. In reviewing these activities, we considered the effects of climate change and how to enhance our response. Over the next three years, we will continue to identify projected changes and understand connected impacts, implications and risks. Council also

understands that increased strategy and planning is needed around climate change. Under district planning and policy activities, Council will develop a climate change work programme to guide a comprehensive and consistent adaptation and mitigation response. We will engage our Mana Whenua partners to ensure climate change response supports Mana Whenua climate change values and aspirations.

Governance

What we do

The Mayor and Councillors are elected every three years to provide governance over the activities, services, and projects of Council. They must represent their communities and make decisions in an open, transparent and accountable manner with the whole of the district in mind.

This activity supports the democratic processes by providing administrative support, advice and information to elected members, including managing elections and matters relating to representation. It also ensures engagement with tangata whenua, district communities, public interest groups and

key stakeholders to identify their priorities and preferences.

The activity also undertakes civic duties such as citizenship and district awards ceremonies.

Contribution to Community Outcomes

- Vibrant Communities: Decisions are made with the intention of enhancing the district.
- Celebrating diversity: Elected members represent the district.
- A trusted Council: Decisions made are robust and transparent.

What we will deliver	When
<ul style="list-style-type: none"> • Elected member portal review • Assessment of audio/video capture and live screen technology • Conduct Representation Review 	2021/2022
<ul style="list-style-type: none"> • Administer local government elections for the Kaipara district • Meeting technology improvements 	2022/2023
<ul style="list-style-type: none"> • Māori wards review (if needed) 	2023/2024
<ul style="list-style-type: none"> • Conduct Representation Review (if needed) • Administer local government elections for the Kaipara District 	2024/2031

Performance measures	LTP Year 1 Target 2021/2022	LTP Year 2 Target 2022/2023	LTP Year 3 Target 2023/2024	LTP Year 4 Target 2024/2031
Council maintain and improve opportunities for Māori to contribute to local government decisionmaking processes.	Achieved	Achieved	Achieved	Achieved

Performance measures continued	LTP Year 1 Target 2021/2022	LTP Year 2 Target 2022/2023	LTP Year 3 Target 2023/2024	LTP Year 4 Target 2024/2031
Elected Members are performing well.	60%	3% more than previous	3% more than previous	3% more than previous
The community has trust in the Council.	60%	3% more than previous	3% more than previous	3% more than previous
LGOIMA requests processed by the LGOIMA team completed within statutory timeframes.	100%	100%	100%	100%
Long Term Plan, Annual Plan and Annual Reports will be adopted within timeframes set in the Local Government Act 2002.	Compliant	Compliant	Compliant	Compliant

Changes in Levels of Service

There will be no changes to the level of service.

Significant Negative effects

Currently no significant negative effects.

Policy and District Planning

What we do

We work with our communities to meet their needs by developing policies, bylaws, plans and strategies in accordance with Council's direction and legislative requirements. We regularly review these documents to ensure they remain fit-for-purpose.

Our District Plan, through its policies, objectives and rules, promotes the sustainable management of natural and physical resources within our district, helping ensure that land use and development is appropriate for its location.

We review the District Plan to ensure that it is legally compliant, including making plan changes if required. Our spatial planning project, developed through working with Mana Whenua, our communities and stakeholders, helps us understand their needs and concerns for now and into the future. This project provides a solid basis for our District Plan review to ensure it is fit-for-purpose for the community it serves.

This activity also ensures we give effect to National Policy Statements and National Environmental Standards developed under the Resource Management Act 1991 as well as the Regional Policy Statement and the Regional Plan and we implement amendments to the Resource Management Act 1991

through the District Plan provisions.

We make submissions on proposed or reviewed regional and national resource management instruments, such as proposed regional policy statements and national policy statements, monitor the District Plan to ensure it meets its policy objectives and use this monitoring to inform future reviews.

The creation of a climate change work programme is a new addition to policy and district planning activities. The climate change work programme will enable Council to provide stronger adaptation and mitigation planning services and to better understand and manage climate-related risks. Through the climate change work programme, we will give effect to amendments to the Resource Management Act 1991 and to the Climate Change Response Act 2002.

Contribution to Community Outcomes

- Climate smart: Council will enhance its strategic approach to climate change adaptation and mitigation through the development of a climate change work programme. The effects of climate change will also be considered as we develop our new District Plan.

- Vibrant communities: District planning enables productive land use and activities. The climate change work programme supports communities' resilience and wellbeing in a changing climate.
- Healthy environments: District planning, policies and climate change work programme ensure environmental sustainability is taken into consideration.
- A trusted Council: Decisions and policies are made through consultation with the public and engagement processes are thorough and inclusive.

What we will deliver	When
<ul style="list-style-type: none"> • District Plan Review: <ul style="list-style-type: none"> - Continuation of technical advice development and informal community engagement on various chapter topics to assist in policy development • Climate change work programme <ul style="list-style-type: none"> - Climate Smart Policy development underway - Climate Action Plan development underway - Adaptive Pathways pilot project underway • Complete Stormwater Bylaw development process • Complete Omnibus Reserve Management Plan • Complete statutory review of Easter Sunday Shop Trading Policy • Complete statutory review of Wastewater Bylaw • Complete statutory reviews of Class 4 Gambling Venue and TAB Venue Policies • Implementing Mana Whenua partnership agreements, on resource management and policy matters 	2021/2022
<ul style="list-style-type: none"> • District Plan Review <ul style="list-style-type: none"> - Complete informal community engagement programme and publicly notify the new District Plan for formal statutory consultation • Climate change work programme <ul style="list-style-type: none"> - Complete Climate Smart Policy development process - Climate Action Plan development underway - Adaptive Pathways pilot project underway • Complete statutory review of Alcohol Control Bylaw 	2022/2023
<ul style="list-style-type: none"> • District Plan Review <ul style="list-style-type: none"> - Management of appeals on the proposed District Plan • Commence Taharoa Domain Bylaws review • Climate change work programme <ul style="list-style-type: none"> - Complete Climate Action Plan development - Complete Adaptive Pathways pilot project • Development of District Plan monitoring strategy and programme 	2023/2024
<ul style="list-style-type: none"> • District Plan Review <ul style="list-style-type: none"> - Finalise appeals and adopt the new District Plan • Complete all statutory policy and bylaw reviews as required • Climate change work programme <ul style="list-style-type: none"> - Complete Adaptive Pathways major project/s - Monitor and review Climate Action Plan • Develop policies, plans and strategies in accordance with Council's strategic direction • Implement improvements needed to ensure effectiveness and efficiency of District Plan 	2024/2031

Performance measures	LTP Year 1 Target 2021/2022	LTP Year 2 Target 2022/2023	LTP Year 3 Target 2023/2024	LTP Year 4 Target 2024/2031
All statutory development and review timeframes for Bylaws and Policies are met.	100%	100%	100%	100%

Changes in Levels of Service

There will be no changes to the level of service.

Significant Negative effects

The legislative framework for statutory policies does not always enable Council to meet our communities' aspirations. We mitigate this by ensuring we provide clear and 'plain English' information when we consult to assist understanding.

Planning must balance the desires of individuals, businesses and developers with those of the wider

community. This often takes the form of influencing or controlling growth and associated development activities, as well as other activities, so the quality of life for neighbours or the wider community is not diminished. In other cases, development can impose unacceptable costs on community facilities and infrastructure or the environment.

We aim to mitigate this by ensuring the District Plan review and plan change processes are undertaken using best practice community engagement approaches to ensure we have a good understanding of the range of views of our communities.

Activity	Effect	Mitigation
District Plan	Poorly designed can incur detrimental environmental and social impacts	Review the plan with the community and use best practice techniques

Emergency Management

What we do

We provide leadership and support to the community, before and in an emergency and in the recovery afterwards. We will work alongside other agencies such as Police, fire and ambulance and any other organisation to offer leadership and support; and will inform and update the community, including local and national media where required.

We help the community get prepared for emergencies by reducing the risk of hazards through good regulation, planning and policies. In an emergency, we will operate an Emergency Operations Centre whenever necessary. To ensure we have this capability, we run internal and external training sessions regularly.

We also have a shared services agreement with

Northland Regional Council (NRC) which gives us additional capability to manage CDEM.

There are seven communities with Community Response Plans. These include Dargaville, Mangawhai, Matakohē, Maungatūroto, Paparoa and Ruawai.

Contribution to Community Outcomes

- Climate smart: Emergency Management helps ensure we are prepared for any increase in frequency and intensity of natural hazard events, which may be exacerbated by climate change.
- A trusted Council: A clear plan is in place in case of an emergency.

What we will deliver	When
<ul style="list-style-type: none"> • Continue staff training and development so that Council can respond before, during and after any emergency 	2021/2024
<ul style="list-style-type: none"> • Purchase 10 new Tsunami sirens in Mangawhai to replace the existing network 	2022/2024
<ul style="list-style-type: none"> • Northland CDEM Group Plan – contribution and input into its development 	2021 and 2026

Performance measures	LTP Year 1 Target 2021/2022	LTP Year 2 Target 2022/2023	LTP Year 3 Target 2023/2024	LTP Year 4 Target 2024/2031
Conduct Civil Defence training exercises.	1 per year	1 per year	1 per year	1 per year

Changes in Levels of Service

There will be no changes to the level of service.

Significant Negative effects

Currently no significant negative effects.

Economic Development

What we do

Economic development is becoming more and more important for our district. We are focused on actively encouraging people to live, work, visit and invest in the Kaipara. We do this through collaboration with key agencies from central government, groups in Northland, the community and industry, with the aim of helping to create a prosperous economy with better employment opportunities.

COVID-19 has had significant impacts on our community. Council must weigh-up the cost of services and what we deliver against the potential benefits for the community, particularly with economic development. Securing external funding is a big focus of this work to ensure we can better respond to those impacts.

External funding

- The Ministry of Business and Innovation (MBIE) recently confirmed additional funding of \$12 million from the Infrastructure Reference Group (IRG) fund for several new projects across the Kaipara district.
- The following projects have been enabled as a result of this additional secured funding: Kaihu Rail Trail; Kaiwaka Footbridges; Unsealed roading network improvements (part 2).
- This IRG funding is in addition to the \$21.13 million which MBIE awarded from the Provincial Growth Fund (PGF) to enable the Kaipara Kickstart programme in 2019. From this \$19 million of funding remains, which will be applied to the following projects: Pouto Road sealing phase 1; Waipoua River Road;

Wharves; Kai Water, Unsealed roading network improvements (part 2).

- As funding continues to be released, these projects will progress and assist with increasing the potential for job creation and revenue coming into the district.

Regional Council Controlled Organisation

As part of the LTP 2021-2031, Council consulted with the community on the proposal for Northland Inc to become a jointly owned Council Controlled Organisation (CCO) of the Northland Regional Council (NRC), Kaipara District Council (KDC) and Far North District Council (FNDC). All councils agreed with the proposal which means that KDC has an equal share in Northland Inc and Northland Inc is responsible for delivering economic development for the district and the broader region. KDC has input into this process through a joint committee that will be established to oversee Northland Inc.

Nature and scope of activities

The nature and scope of activities of Northland Inc are described below. The māori economic development, environmental sustainability and organisational culture pou are embedded across the three work programmes.

Work programme	Activities
Regional investment	<ul style="list-style-type: none"> • Actively supporting and facilitating investment in strategic sectors (as defined in business plan) in the Tai Tokerau Northland economy • Leveraging the Investment and Growth Reserve to increase investment into the Tai Tokerau Northland economy • Supporting and facilitating the development of new and enabling infrastructure such as UFB, roads, rail and water • Deliver the Extension 350 Programme, Northland Kai and Ngawha Innovation and Enterprise Centre • Delivering business advice effectively across the region to support innovation, capacity and capability development through incubation services and the Regional Business Partnership, New Zealand Trade and Enterprise, Callaghan Innovation and Business Mentors New Zealand • Developing clusters, business networks or associations to take advantage of market development opportunities that leverage Tai Tokerau Northland's key sectors and comparative advantages • Building and sharing specialist knowledge through a business events programme and provide opportunities to access a range of capital support mechanisms for Tai Tokerau Northland businesses • Engage and partner with iwi, hapū, marae and the Māori community, central government agencies and other entities supporting Māori Economic Development to advance their aspirations in economic development and enable investment, business growth and completion of economic development projects
Destination management and marketing	<ul style="list-style-type: none"> • Deliver the destination management plan • Facilitate the regions access to the Regional Event Fund • Identifying, and where appropriate, assisting with the development of infrastructure, products, services and sub-regional destinations aiding the sector to respond to the industry changes imposed by COVID-19 and to coordinate the recovery effort • Improving regional dispersal, length of stay, expenditure and the appeal of off-peak travel particularly through leverage of the Twin Coast Discovery programme as a region wide development framework for tourism • Co-ordinate, and where appropriate, lead the implementation of an Annual Tactical Marketing Plan for destination marketing, in alignment with the direction of national tourism organisations (including potential travel bubbles) and in partnership with the Tai Tokerau Northland tourism sector
Advocacy and profile for Tai Tokerau economic development	<ul style="list-style-type: none"> • Provide economic development intelligence and insights • Support development of a long term economic development strategy for Tai Tokerau Northland (subject to securing appropriate funding) • Assist with project management and delivery of economic response activities (including PGF funded projects) • Maintain a delivery structure for the region (Action Plan) • Work with, advocate for and support Māori businesses, trusts and entities with their aspirations for growth • Delivering a promotional programme to encourage investment and market development of Tai Tokerau Northland's strategic growth sectors

Key performance measures

These key performance indicators relate specifically to Northland Inc, and will be covered off in the Northland

How we'll measure our performance	2021/2022	2022/2023	2023/2024
Māori economic development			
Proportion of Māori businesses satisfied with Northland Inc support	>50%	>50%	>50%
Number of engagements or established relationships with iwi/hapū groups and other Māori organisations, e.g. marae, land trusts, etc. that have led to a positive outcome	10	15	20
Proportion of businesses / projects that Northland Inc are supporting that have identified their environmental aspirations and complied with governmental regulations	80% of businesses / projects	90% of businesses / projects	100% of businesses / projects
Number of workshops and events that help promote or support environmental sustainability values and culture in Te Tai Tokerau	4	5	6
Environmental sustainability			
Reduction percentage of Northland Inc's carbon footprint	Initial carbon footprint audit completed	2% Net reduction in footprint measured in tonnes	5% Net reduction in footprint measured in tonnes
Regional investment			
Number of unique businesses assisted (reporting by TA and industry), and client satisfaction score	230/NPS >50	240/NPS >50	250/NPS >50
Proportion of those businesses assisted that are Māori (by TA and industry)	20%	30%	40%
Value of grant funding and investment facilitated for Māori businesses	\$110k	\$120k	\$130k
Number of inward delegations hosted	3	3	3
Number of high impact projects that are implemented	4	4	4
Destination management and marketing			
Number of destination promotion campaign initiatives to generate national exposure to the region (including number of businesses that are engaged in the campaign)	1 campaign per year	1 campaign per year	1 campaign per year
Number of workshops and events to promote product development and position Te Tai Tokerau Northland as a green tourism destination	Establish baseline number of projects	Establish baseline number of projects	Establish baseline number of projects

How we'll measure our performance	2021/2022	2022/2023	2023/2024
Profile and advocacy of economic development			
Number of regional economic development updates or reports released	4	6	6
Number of media features that profile the region	12	24	24
Number of media activity that references Northland Inc	24	52	52

Contribution to Community Outcomes

Climate smart: Economic Development considers the effects of climate change and bolsters communities' capacities to adapt.

Vibrant communities: Promoting growth and facilitating development across the district.

Prosperous economy: Promotes business and communities around the district.

Changes in Levels of Service

There will be no changes to the level of service.

Significant Negative effects

There are no significant negative effects.

Internal Services

What we do

Internal services are functions at Council that support other activities. They are important part in keeping Council running. An outline of the activities is below:

External funding

The mission of the Kaipara District Council's IT department is to provide both strategic IT vision, and enterprising solutions so Council can meet its goals, deliver results, and enhance Council's mana. It also strives to provide the highest quality technology-based services, in the most cost-effective manner, to facilitate Council services.

People and Capability

People and capability provide the framework to drive culture, employee performance, remuneration, recruitment, health and safety, wellness and overall engagement. We are business partners with our leadership teams to provide sound employment advice, and work with employees to ensure we retain, train and ensure that they are safe at work.

Customer Service

Customer services is our interface with our

communities and with our visitors. Our customer service team assist with answering general enquiries, documentation and customer needs. Customer services is delivered through our customer service centres in Dargaville and Mangawhai.

Financial Services

Financial Services are an important service of Council. This team provides financial planning, monitoring, and reporting to Council and to other internal business activities. The team also administer transactional functions including rates, water billing, accounts receivable and receipting, including the administration and maintenance of property records by ensuring the Rating Information Database (RID) and other property information systems are kept up to date. Billing processes are undertaken for land and water rates as well as sundry debt and receipting functions for all of Council. Direct debit processing and timely follow-up of overdue amounts mean that arrears are kept to a minimum. Another service provided by the team is general procurement advice and management.

Communications

Communicating and engaging with the community

is pivotal to increasing trust, raising awareness and ensuring the Community have their say on Council projects and plans. This team drives strategic communications, branding and internal, corporate and daily media communications through various channels to acknowledge our district. The department also efficiently produces all written and visual for publication. Additionally, we support all Council functions in responding to daily media enquiries.

Contribution to Community Outcomes

- Climate smart: Promote a sustainable working environment.
- A trusted council: Services are easy to access.

Changes in Levels of Service

There will be no changes to the level of service.

Significant Negative effects

There are no significant negative effects.

How are we considering Climate change?

A Climate Smart Community Outcome helps guide this group's varied activities. In reviewing these activities, we considered the effects of climate change and how to enhance our response. Over the next three years, we will continue to identify projected changes and understand connected impacts, implications and risks. Council also understands that increased strategy and planning is needed around climate change. Under District Planning and Policy activities, Council will develop a climate change work programme to guide a comprehensive and consistent adaptation and mitigation response. We will engage our Mana Whenua partners to ensure climate change response supports Mana Whenua climate change values and aspirations



Prospective Funding Impact Statement

District Leadership, Finance & Internal Services

PFIS - District Leadership, Finance & Internal Services	Annual Plan	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget
For the year ended: 30 June	2020-2021 \$'000	2021-2022 \$'000	2022-2023 \$'000	2023-2024 \$'000	2024-2025 \$'000	2025-2026 \$'000	2026-2027 \$'000	2027-2028 \$'000	2028-2029 \$'000	2029-2030 \$'000	2030-2031 \$'000
Sources of operating funding											
General rates, uniform annual general charges, rate penalties	6,406	5,984	6,506	7,609	7,227	7,641	6,788	7,120	7,946	8,032	8,372
Targeted rates	0	49	51	52	53	55	56	58	60	61	63
Subsidies and grants for operating purposes	201	0	0	0	0	0	0	0	0	0	0
Fees and charges	339	150	153	156	159	162	215	268	171	75	178
Internal charges and overheads recovered	8,467	12,170	12,917	13,394	14,195	14,000	14,628	14,814	15,143	15,678	15,863
Interest and dividends from investments	20	6	6	6	6	6	6	6	6	6	6
Local authorities fuel tax, fines, infringement fees and other receipts	315	361	368	377	384	393	401	409	417	426	434
Total operating funding	15,748	18,719	20,001	21,594	22,025	22,257	22,094	22,676	23,744	24,277	24,915
Application of operating funding											
Payments to staff and suppliers	13,217	16,501	16,921	18,026	19,271	18,871	18,324	18,498	19,251	19,543	19,741
Finance costs	-267	57	-26	47	413	670	496	553	320	358	286
Internal charges and overheads recovered	571	881	988	1,002	1,311	1,047	1,051	1,038	1,064	1,062	1,049
Other operating funding applications	0	0	0	0	0	0	0	0	0	0	0
Total applications of operating funding	13,520	17,439	17,883	19,075	20,995	20,588	19,871	20,089	20,636	20,963	21,076
Surplus (deficit) of operating funding	2,228	1,280	2,118	2,519	1,030	1,669	2,223	2,587	3,108	3,315	3,840
Sources of capital funding											
Subsidies and grants for capital expenditure	3,000	2,100	0	0	0	0	0	0	0	0	0
Development and financial contributions	0	0	0	0	0	0	0	0	0	0	0
Increase (decrease) in debt	-223	948	-998	-751	-664	133	34	208	-30	55	70
Gross proceeds from sale of assets	0	0	0	0	0	0	0	0	0	0	0
Lump sum contributions	0	0	0	0	0	0	0	0	0	0	0
Other dedicated capital funding	0	0	0	0	0	0	0	0	0	0	0
Total sources of capital funding	2,777	3,048	-998	-751	-664	133	34	208	-30	55	70
Applications of capital funding											
Capital expenditure - to meet additional demand	0	0	0	0	0	0	0	0	0	0	0
Capital expenditure - to improve the level of service	3,640	4,161	195	334	114	142	44	45	66	47	48
Capital expenditure - to replace existing assets	320	640	296	303	309	316	322	443	336	342	349
Increase (decrease) in reserves	1,045	-473	628	1,131	-58	1,344	1,890	2,307	2,676	2,980	3,512
Increase (decrease) of investments	0	0	0	0	0	0	0	0	0	0	0
Total applications of capital funding	5,005	4,328	1,120	1,768	365	1,801	2,257	2,795	3,078	3,370	3,910
Surplus (deficit) of capital funding	-2,228	-1,280	-2,118	-2,519	-1,030	-1,669	-2,223	-2,587	-3,108	-3,315	-3,840
Funding Balance	0	0	0	0	0	0	0	0	0	0	0

Flood Protection and Land Drainage

Purpose

We protect people and property from flooding experienced through severe weather events. Responsibilities overlap between Kaipara District Council and Northland Regional Council (NRC) who coordinate resources to manage the districts flood defence controls. We maintain and operate drainage districts.

Legislation associated with this service

- Land Drainage Act 1908
- River Boards Act 1908
- Soil Conservation and Rivers Control Act 1941
- Local Government Act 1974
- Local Government Act 2002
- Resource Management Act 2002
- Local Government (Rating) Act 2002.

Risks and Issues

- Climate change presents multiple risks, from rising sea levels to reflecting impacts in future LoS
- There is a threat that productive land will be lost which will impact on the economic wellbeing of the district
- Objections from targeted ratepayers who feel they do not benefit from the targeted rate, e.g. infrastructure investment decisions
- Dissatisfaction, as not all landowners contribute
- Landowners hampering access to public drains on private land
- Some overlap and confusion on the respective roles of our Council and NRC for land drainage.

How we fund this service

- General rates
- Targeted rates
- Fees and charges
- External Funding

What we do

We are conscious that we need to keep climate change in mind as we maintain and develop our flood protection and control activities. Climate

change means more flooding from extreme weather events and rises in sea levels, affecting not just coastal areas but also our rivers and other waterways. The results of heavy rains can put people, property, infrastructure, and roads at risk. Our assets are designed for the long term, and climate change means we will have to consider how best to manage our needs against costs.

Flood protection and land drainage covers flood control schemes, river alignment control and land drainage. We coordinate land drainage work in 30 drainage districts of various sizes. These include Kaihu Valley and Mangatara Drainage Districts, both of which discharge into the Kaihu River which is administered by NRC. The largest district is the Raupo Drainage District where we provide administrative and technical support.

We maintain the current capacity of the land drainage network with:

weed spraying

drain clearance

floodgate and outlet maintenance in all districts

floodgate and stopbank maintenance in Raupo
discretionary stopbank maintenance for the remaining districts.

We also provide flood protection through various drainage system stopbanks and floodgates, monitor rivers for tidal and stormwater levels during weather events and warn of potential flooding.

We have a Raupo Drainage Committee, a formal committee of this Council, is in place to perform delegated functions. All flood protection activities outside Raupo are administered by informal community committees supported, where practical, by our Land Drainage Co-ordinator. Landowners are responsible for maintaining privately-owned stopbanks; and NRC is responsible for catchment management.

Contribution to Community Outcomes

- Climate smart: Adapting infrastructure for stopbanks, floodgates and monitoring river level changes
- Healthy environment: Providing flood protection and resilience for areas within the District.

What we will deliver	When
<ul style="list-style-type: none"> Investigate water storage option - floodgate options in Ruawai (G and K Canals) Model infrastructure requirements for flood susceptible areas to allow LoS under increasing rain intensity and river level. Use this to plan LoS projects for stopbanks, floodgates and other network infrastructure Complete asset data for stopbanks in all land drainage districts. Develop a standard for routine condition assessment of these assets in 100m lengths by the contractor and complete this assessment Review catchment definition Mangatara and neighbouring land drainage districts. Refine lot by lot contribution and consult on rates distribution Murphy Bower stopbank construction Asset data collated into Asset Management system (Assetfinda) Increasing support to land drainage districts for increasing pressures of climate change Develop maintenance schedule with maintenance contractor and asset management improvements for clarity on ownership and responsibility of core assets 	2021/2022
<ul style="list-style-type: none"> Continue investigating floodgate and infrastructure options in all drainage districts Continue modelling infrastructure requirements for flood susceptible areas to allow LoS under increasing rain intensity and river level. Use this to plan LoS projects for stopbanks, floodgates and other network infrastructure Continue to review catchment definition and neighbouring land drainage districts. Refine lot by lot contribution and consult on rates distribution 	2022/2023
<ul style="list-style-type: none"> Continue to review catchment definition and neighbouring land drainage districts. Refine lot by lot contribution and consult on rates distribution Continue investigating floodgate and infrastructure options in all drainage districts Continue modelling infrastructure requirements for flood susceptible areas to allow LoS under increasing rain intensity and river level. Use this to plan LoS projects for stopbanks, floodgates and other network infrastructure Increasing support to Land Drainage Districts for increasing pressures of climate change 	2023/2024
<ul style="list-style-type: none"> Complete review of catchment definition and neighbouring land drainage districts. Refine lot by lot contribution and consult on rates distribution Continue investigating floodgate and infrastructure options in all drainage districts Complete modelling infrastructure requirements for flood susceptible areas to allow LoS under increasing rain intensity and river level. Use this to plan LoS projects for stopbanks, floodgates and other network infrastructure Continue to Increase support to Land Drainage Districts for increasing pressures of climate change Align investigations, modelling and feasibility activities with climate change adaptive strategies [adaptive pathways planning decisions]. 	2024/2031

Performance measures	LTP Year 1 Target 2021/2022	LTP Year 2 Target 2022/2023	LTP Year 3 Target 2023/2024	LTP Year 4 Target 2024/2031
The number of flood events not contained by the drainage schemes up to a 1:5-year flood.	0	0	0	0
Service requests for broken, blocked, or failing floodgates	< 10 service requests per year	< 7 service requests per year	< 5 service requests per year	< 5 service requests per year
Service requests for additional cleaning of drains i.e. missed by the monitoring and maintenance programmes.	< 5 service requests per year	< 5 service requests per year	< 5 service requests per year	< 5 service requests per year

Performance measures continued	LTP Year 1 Target 2021/2022	LTP Year 2 Target 2022/2023	LTP Year 3 Target 2023/2024	LTP Year 4 Target 2024/2031
Biannual inspection of our drainage network to ensure it can contain a 1:5year flood.	2 inspections per year	2 inspections per year	2 inspections per year	2 inspections per year
Targeted maintenance of the stopbank system in the Raupo Drainage District to prevent tidal flows from inundating private property during high tide and/or when the river is in flood.	Minimum yearly inspections and targeted maintenance completed	Minimum yearly inspections and targeted maintenance completed	Minimum yearly inspections and targeted maintenance completed	Minimum yearly inspections and targeted maintenance completed

Changes in Levels of Service

There will be no changes to the level of service.

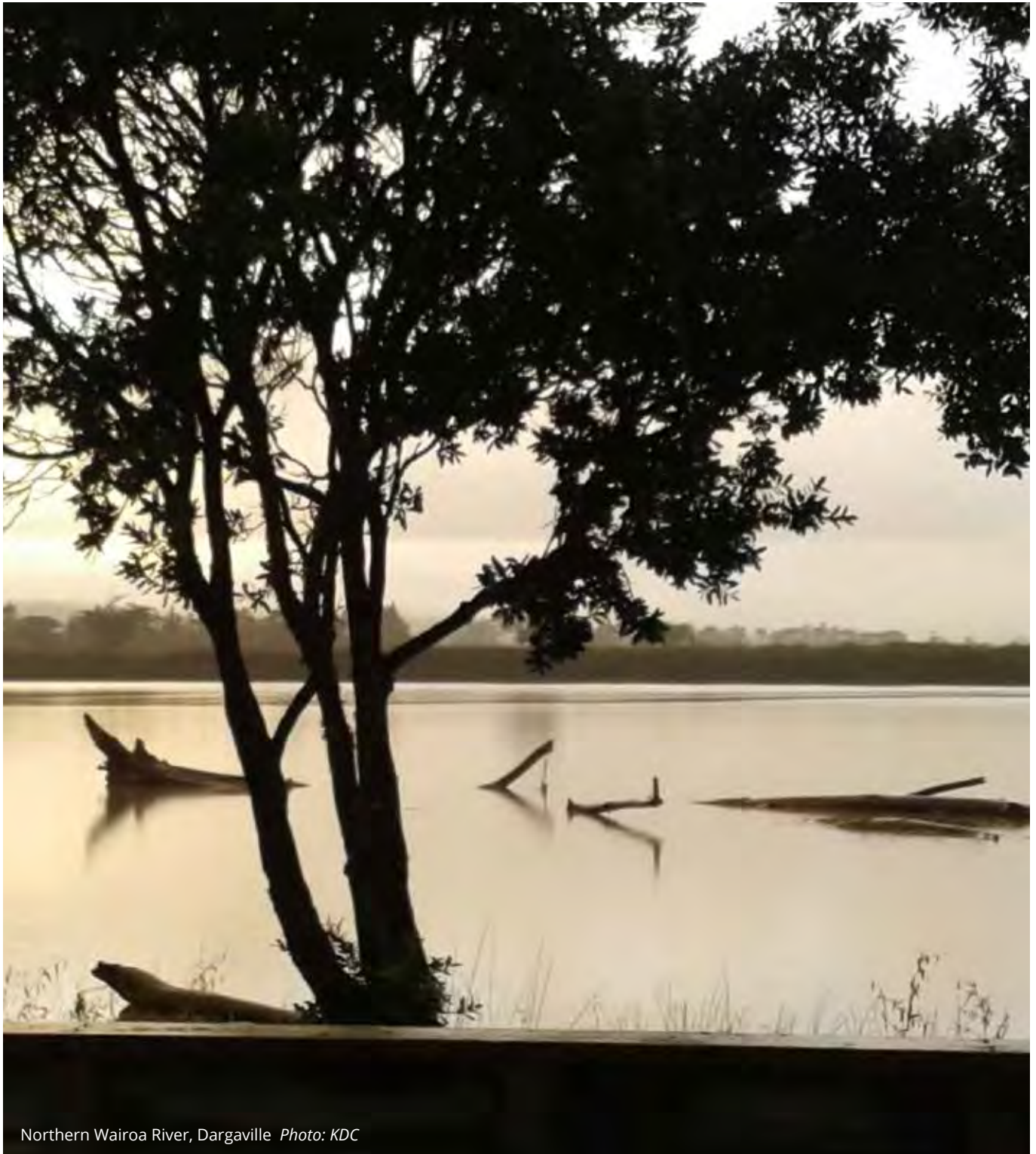
Significant Negative effects Identified significant negative effect/issue	Mitigation
Drainage capacity A lack of drainage networks or maintenance on the existing network could result in increased flooding of farming and cropping communities in low-lying land near rivers, streams, and canals	Inspections and assessment of network capacity and monitoring of service requests relating to capacity issues. Planning continual improvement to maintain levels of service.
Climate Change The severity of storm events, including rainfall event intensity is projected to increase. Sea level rise will increase severity of coastal inundation and flooding.	Alignment with climate change adaptive strategies plans and implementation of those strategies.
Level of Service (LOS) versus Feasibility The construction and maintenance costs of infrastructure upgrades to meet a set level of service is beyond the means of the community to afford.	The provision of a set level of land drainage management should be assessed on a case-by-case basis. This will be managed through consultation with communities to determine the most practicable way forward, without negatively impacting on public health and the environment or creating risk to persons or property.
Infrastructure not funded to fully cover required maintenance Base infrastructure maintenance and renewals has been under resourced leaving capacity and resilience issues.	A robust maintenance schedule is being developed with the maintenance contractor and asset management improvements are set to allow clarity on ownership and responsibility of core assets. We have collated information on our stopbanks which will be used to access external funding streams.
Future growth The spatial plans have identified the likely growth areas in Kaipara.	To enable future land use changes, the LoS require from land drainage activities will need to be set and appropriate funding allocated.
Public safety Public safety is at the forefront of network operations some assets however have an inherent risk	All risks to the public are elevated with urgency to the maintenance contractor and continual improvement is applied to the built environment. Land drainage utilises an open drain network which has fundamental risks.
Asset data Many aspects of the asset management system still require improvement.	The current asset data still has gaps and inconsistencies. Asset data management is a process of continual improvement and there are multiple improvement projects underway and planned. Accurate asset data is essential information to enable Council to effectively plan future works and capital upgrades as well as routine operational monitoring of the network. Data on stopbank condition is especially critical to understand the future burden for upgrade activities.

How are we considering Climate change?

Council's Climate Smart Community Outcome guides Flood Protection activities. Sea level rise, increasing coastal hazards, and increasing intensity of rainfall events and flooding will impact Council's flood protection and land drainage activities. While we understand these risks in a general sense, we are in the process of identifying urgency and scale of impact.

We will continue to improve our understanding of climate-related risks and use this information to inform adaptive pathway planning to help communities decide on adaptation responses.

We are investigating and understanding current asset conditions and capacity and continuing with improvement projects including maintenance to ensure we are prepared to enact adaptation responses.



Northern Wairoa River, Dargaville Photo: KDC

Prospective Funding Impact Statement

Flood Protection and Land Drainage

PFIS - Flood Protection and Land Drainage	Annual Plan	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget
For the year ended: 30 June	2020-2021 \$'000	2021-2022 \$'000	2022-2023 \$'000	2023-2024 \$'000	2024-2025 \$'000	2025-2026 \$'000	2026-2027 \$'000	2027-2028 \$'000	2028-2029 \$'000	2029-2030 \$'000	2030-2031 \$'000
Sources of operating funding											
General rates, uniform annual general charges, rate penalties	78	136	164	170	63	322	332	341	-90	-50	-9
Targeted rates	714	843	911	957	956	996	989	1,013	1,049	1,053	1,089
Subsidies and grants for operating purposes	0	0	0	0	0	0	0	0	0	0	0
Fees and charges	8	0	0	0	0	0	0	0	0	0	0
Internal charges and overheads recovered	0	0	0	0	0	0	0	0	0	0	0
Interest and dividends from investments	0	0	0	0	0	0	0	0	0	0	0
Local authorities fuel tax, fines, infringement fees and other receipts	0	0	0	0	0	0	0	0	0	0	0
Total operating funding	800	979	1,074	1,126	1,019	1,318	1,321	1,354	959	1,003	1,080
Application of operating funding											
Payments to staff and suppliers	419	555	577	607	655	686	676	694	725	726	755
Finance costs	0	1	1	1	0	0	0	0	0	0	0
Internal charges and overheads recovered	89	163	175	188	202	216	216	218	226	240	259
Other operating funding applications	0	0	0	0	0	0	0	0	0	0	0
Total applications of operating funding	508	719	752	795	858	902	893	913	951	966	1,014
Surplus (deficit) of operating funding	293	260	322	331	161	416	429	441	9	37	66
Sources of capital funding											
Subsidies and grants for capital expenditure	0	6,000	0	0	7,791	0	0	0	12,599	13,015	13,445
Development and financial contributions	0	0	0	0	0	0	0	0	0	0	0
Increase (decrease) in debt	16	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1
Gross proceeds from sale of assets	0	0	0	0	0	0	0	0	0	0	0
Lump sum contributions	0	0	0	0	0	0	0	0	0	0	0
Other dedicated capital funding	0	0	0	0	0	0	0	0	0	0	0
Total sources of capital funding	16	5,999	-1	-1	7,790	-1	-1	-1	12,598	13,014	13,443
Applications of capital funding											
Capital expenditure - to meet additional demand	0	0	0	0	0	0	0	0	0	0	0
Capital expenditure - to improve the level of service	0	6,060	62	63	7,655	67	69	71	12,193	12,523	12,861
Capital expenditure - to replace existing assets	155	0	103	0	249	179	0	0	4	100	435
Increase (decrease) in reserves	155	200	157	267	47	170	359	369	410	428	213
Increase (decrease) of investments	0	0	0	0	0	0	0	0	0	0	0
Total applications of capital funding	310	6,260	321	330	7,951	415	428	440	12,607	13,051	13,509
Surplus (deficit) of capital funding	-293	-260	-322	-331	-161	-416	-429	-441	-9	-37	-66
Funding Balance	-1	0	0	0	0	0	0	0	0	0	0

Open Spaces and Facilities

Purpose

We provide community development, libraries, a hall and pensioner housing to contribute to our social wellbeing and pride, providing natural spaces open to all and enabling our community to come together and encourage active play. We support community involvement in placemaking, outdoor activities, creating partnerships to provide recreation facilities and civic spaces that are fit-for-purpose. Financial contributions from developers mean we have a healthy fund that enables us to invest in increased park and open space development. A community development approach strengthens local democracy and the capacity of communities to participate actively in determining the processes and outcomes of social and economic change.

Legislation associated with this service

- Local Government Act 2002
- Local Government Amendment Act 2012
- Resource Management Act 1991
- Reserves Act 1977
- Health and Safety at Work Act 2015
- Employment Relations Act 2000
- Local Government Official Information and Meeting Act 1987
- Local Authorities Members' Interests Act 1968
- Local Electoral Act 2001; and
- Citizenship Act 1977

Risks and Issues

Reserves and open spaces

- There is a perception of a lack of facilities in some areas
- We rely on community-owned and/or managed sports parks. The only Council-owned and managed facility is Memorial Park in Dargaville
- As we develop new facilities and new land is vested through development this has the effect of increasing operational expenditure. If this is not allowed for then maintenance of facilities may suffer causing additional costs to bring these facilities back to a useable state
- Community volunteers play a big role in the care and development of our parks and reserves. The

new Health and Safety at Work Act 2015 may add additional cost to services completed by volunteers and may affect the amount of work they can do

Community development

- There are always more applications than funds available and this results in a lot of rejections, often to welfare and social services areas which do not fit the fund criteria. The risk is community dissatisfaction over the lack of funding, often leading to lobbying Council outside the grants system for funding
- Financial support to respond to the aspirations identified by communities is limited, so work needs to be prioritised against the community priorities and desired outcomes
- Balancing the level of engagement of the community in council projects to ensure inclusion and momentum

Libraries

- There are uneven service levels across the district with only one Council-provided library (in Dargaville) and four community run libraries. With the increasing growth in other areas this could be perceived negatively by residents

Pensioner housing

- Inventory is ageing; and rents are not sufficient to cover renewals as building elements (such as roofs) require replacement
- Many councils no longer see this as core Council operations
- Northern Wairoa War Memorial Hall
- The Municipal Building, used as part of the adjacent and joined Northern Wairoa War Memorial Hall, needs earthquake strengthening
- The Annex to the Northern Wairoa War Memorial Hall has watertightness defects which will reduce its life and it cannot be economically repaired

How we fund this Group

- General rates
- Targeted rates
- Fees and charges
- Grants, subsidies and other funding sources
- Financial contributions
- Borrowing; and asset sales.

Open Spaces

What we do

Actively maintain and improve a network of parks and recreational areas throughout Kaipara district. We operate four cemeteries and support community-run cemeteries. We provide over 30 public toilets within civic areas and reserves across Kaipara district, and oversee community-run campgrounds and the Kai Iwi Lakes campgrounds. We maintain and manage Council-owned coastal assets and facilities, including wharves.

Contribution to Community Outcomes

- Climate smart: Consider the effects of Climate change when future planning.
- Vibrant communities: Provide adequate open spaces and support the development of attractive open spaces.
- Healthy environment: Provide clean recreational spaces by keeping the parks and facilities well maintained.

What we will deliver	When
<ul style="list-style-type: none"> • Review current terms of Operations and Maintenance Contract, tender and award new contract • Pahi Toilet replacement • Mangawhai coastal walkway • New Master Plan for Mangawhai Community Park • Te Kopuru Pump Track surrounds • McClean Park, Kaiwaka 	2021/2022
<ul style="list-style-type: none"> • Ancient Kauri Trail • Deliver a new playground n 	2022/2023
<ul style="list-style-type: none"> • Dargaville toilets • Coastal structures: renewals • Park upgrades district-wide • Playground renewals • Lincoln Downs Mountain Bike Park (Browns Road) and MAZ skate bowl 	2023/2024
<ul style="list-style-type: none"> • Renew Operations and Maintenance Contract • Playground renewals • Toilet renewals • Community infrastructure upgrades/renewals • Hard surface renewals • Carpark sealing 	2024/2031

Performance measures	LTP Year 1 Target 2021/2022	LTP Year 2 Target 2022/2023	LTP Year 3 Target 2023/2024	LTP Year 4 Target 2024/2031
Percentage of residents who are very satisfied or satisfied with their local parks and sports fields. Measured by: Residents Survey	85%	86%	87%	87%
Percentage of residents who are very satisfied or satisfied with the district's public toilets. Measured by: Residents Survey	>70%	>70%	>70%	>70%
Compliance with parks maintenance contract specifications monthly audits.	90%	90%	90%	90%

Performance measures continued	LTP Year 1 Target 2021/2022	LTP Year 2 Target 2022/2023	LTP Year 3 Target 2023/2024	LTP Year 4 Target 2024/2031
Parks maintenance contract: number of health and safety audits per month.	Contractor: 4 Council: 1	Contractor: 4 Council: 1	Contractor: 4 Council: 1	Contractor: 4 Council: 1
Compliance with Resource consent conditions. Wastewater/ water take consents.	No abatement notices received	No abatement notices received	No abatement notices received	No abatement notices received

Changes in Levels of Service

Berm mowing to be removed in new contract.

Significant Negative effects

Activity	Effect	Mitigation
Working in culturally sensitive sites	Potential damage to sites	Archaeological assessments, planning and research
Chemical spraying	Impacts on soil conditions Accidental spraying of native plants due to weather conditions	Reduce spraying by more mechanical edge control Spray in appropriate weather conditions i.e. low wind.
Construction	Impacts on environment	Using appropriate materials, processes and planning of works Resource Consent requirements



Mangawhai Bowl Jam 2019 Photo: Douglas Bagg

Community Development

What we do

We bring Council and community together through positive relationships. We aim to remove barriers that prevent people from participating in the community issues that affect their lives by facilitating workshops and engagement events. This approach aims to strengthen local democracy and the capacity of communities to participate actively in determining the processes and outcomes of social and economic change.

We administer the Community Assistance Policy, including community grants; Community Licence to Occupy (LTO), we deliver the Mangawhai Endowment Lands Account (MELA) and Reserves Contribution, administer the Rural Travel Fund, Kai Ora Fund and Creative Communities Scheme, distribution of Community Development Fund and deliver the Citizens and Environmental Awards.

We distribute the Community Development Fund to develop and support community projects, build capacity and capability, promote and support community events across Kaipara. We advise and advocate for increased opportunities for community participation in Council projects. We support community initiatives that may have cultural elements or a focus in their programme e.g. heritage trails, Settlers Day, interpretation panels.

Contribution to Community Outcomes

- Celebrating diversity: Promoting community development and ideas throughout the district.
- Vibrant communities: Ensure engagement, consultation and community input is heard.
- Prosperous economy: Work with the community to develop ideas and initiatives.

What we will deliver	When
<ul style="list-style-type: none"> • Administer the contestable funding programme • Coordinate the Citizens and Environmental Awards • Coordinate the Community Agreement processes: <ul style="list-style-type: none"> - Contracts for Service - Community Licences to Occupy - Community Leases - Development Agreements <p>Support community and Council-led projects by advising on, and participation in, the implementation and review of community plans such as:</p> <p>Examples:</p> <ul style="list-style-type: none"> • Mangawhai Community Plan • Kaiwaka Improvement Plan • Ancient Kauri Trail • Dargaville Township Improvement Plan • Paparoa Connections • Te Kopuru Community Activation Plan 	2021/2031

Performance Measures

Nil.

Changes in Levels of Service

No change in the levels of service.

Significant Negative effects

There are no significant negative effects for this activity.



Libraries

What we do

We have one public library, situated in Dargaville, that provides traditional library lending services, DVDs, computers, printing, WiFi, events, holiday programmes and literacy initiatives. We also assist four volunteer community libraries in Paparoa, Maungaturoto, Kaiwaka and Mangawhai. These community libraries are managed under the Community Assistance Policy.

All Kaipara district library members have free online access to ebooks, eaudio, emagazines, online Britannica, Generosity NZ funding search and their library account. The libraries share a catalogue and computer system with training and support provided

by Dargaville Library and our Digital Services Team. All libraries provide WiFi to their communities with Dargaville also loaning computers and laptops.

Planning is underway for a cross-council project to develop improved spaces in Mangawhai and Dargaville.

Contribution to Community Outcomes

- Vibrant communities: Provide the community with access to books, internet, and WiFi
- Prosperous economy: Promoting life long learning through the Library facilities

What we will deliver	When
<ul style="list-style-type: none"> • A modern library environment in Dargaville and Mangawhai is included as part of Council's Civic Building Strategy • Continuously work to improve library services to residents and visitors • Support community libraries to improve and develop their services and work to align standards between libraries • Investigate co-operative initiatives with other Northland libraries 	2021/2022
<ul style="list-style-type: none"> • Progress towards a modern library environment in Dargaville. • Identify and secure a site for a new Council library in Mangawhai • Continuously work to improve library services to residents and visitors • Support community libraries to improve and develop their services and work to align standards between libraries • Investigate co-operative initiatives with other Northland libraries 	2022/2023
<ul style="list-style-type: none"> • Progress towards a modern library environment in Dargaville • Progress towards a modern library environment in Mangawhai • Continuously work to improve library services to residents and visitors • Support community libraries to improve and develop their services and work to align standards between libraries • Investigate co-operative initiatives with other Northland libraries 	2023/2024
<ul style="list-style-type: none"> • New integrated Community Hub in Dargaville • Progress towards a modern library environment in Mangawhai • Radio-frequency identification (RFID) project installed in libraries • Continuously work to improve library services to residents and visitors • Support community libraries to improve and develop their services and work to align standards between libraries • Investigate co-operative initiatives with other Northland libraries 	2024/2031

Performance measures	LTP Year 1 Target 2021/2022	LTP Year 2 Target 2022/2023	LTP Year 3 Target 2023/2024	LTP Year 4 Target 2024/2031
Percentage of library users who are very satisfied or satisfied with the district's library services.	85%	85%	85%	85%

Changes in Levels of Service

There will be no changes to the level of service.

Significant Negative effects

Activity	Effect	Mitigation
Customer Service	We rely on the goodwill of volunteers to run our community libraries in the Kaipara	Larger library in Dargaville Branch library in Mangawhai with paid staff
Library Buildings	Currently not fit-for-purpose	Larger library in Dargaville Branch library in Mangawhai with paid staff
Health and Safety	Dargaville library's layout	Possible new building or site to be investigated

Pensioner Housing

What we do

We own three pensioner housing villages in Dargaville, Ruawai and Mangawhai. Pensioner housing is targeted for people over the age of 55 who meet certain criteria, including the capability of living independently. The Dargaville Community Development Board manages the Dargaville and

Ruawai pensioner housing and a contractor manages the Mangawhai pensioner housing.

Contribution to Community Outcomes

- Vibrant communities: Providing and maintaining local accommodation options for our elderly community members who are in need.

What we will deliver	When
<ul style="list-style-type: none"> 36 units in Dargaville and Ruawai will be available to older community members of limited means. 	2021/2031

Performance measures	LTP Year 1 Target 2021/2022	LTP Year 2 Target 2022/2023	LTP Year 3 Target 2023/2024	LTP Year 4 Target 2024/2031
Zero net cost to ratepayers for our pensioner housing services. Measured by: Council annual budget	Zero cost	Zero cost	Zero cost	Zero cost
Pensioner housing annual occupancy rate. Measured by: Quarterly reporting from management agencies.	90%	90%	90%	90%

Changes in Levels of Service

There will be only minor changes to the level of service for the Dargaville and Ruawai units. The changes will involve upgrading the Dargaville and Ruawai units to meet the Healthy Homes regulations. Council anticipates that the provision of housing

for elderly in Mangawhai will be transferred to a Community Housing provider. That provider will then be responsible for upgrading the standard of housing provided.

Significant Negative effects

There are no significant negative effects.

Northern Wairoa War Memorial Hall

What we do

We own and manage one hall, the Northern Wairoa War Memorial Hall (also called the Dargaville Town Hall).

Contribution to Community Outcomes

- Vibrant communities: Facilities are provided for the community across the district.

What we will deliver	When
<ul style="list-style-type: none">Continue to mitigate mould caused by water ingress to allow for continued use of some parts of the complex	Ongoing
<ul style="list-style-type: none">Support the formation of a trust who will fundraise and construct new Community Hub and Library on the Council reserve adjacent to the Northern Wairoa War Memorial Hall	2021/2024
<ul style="list-style-type: none">Demolition of the 1990's Northern Wairoa War Memorial Hall annex extension	2024/2025

Changes in Levels of Service

There will need to be changes to the level of service if portions of the building can no longer be used safely due to weathertightness defects. In approximately 2024/2025 the Annex will be demolished to enable the construction of a Community Hub/Library. The hall will not be available for a period while the demolition occurs, and the hall is reclad.

Significant Negative effects

Possible health issues if mould or water problems affect those using the building.

How are we considering Climate change?

Council is still in the process of understanding how changes to Kaipara's climate will impact the diverse

set of activities within Open Spaces and Facilities. Over the next three years, we aim to identify specific climate-related risks and recognise ways we can manage risk and adapt our services. In some areas, we are already incorporating climate change responses. Climate Smart Community Outcome helps guide our Open Spaces activities and we have identified a need to consider and account for climate change in future planning. Community Development activities support and celebrate community groups in their pursuit of sustainable, environmental health initiatives. Improving cycling and footpath networks via our community plans throughout the district will encourage alternative, low emissions modes of movement.



Prospective Funding Impact Statement

Open Spaces and Facilities

PFIS - Open Spaces and Facilities	Annual Plan	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget
For the year ended: 30 June	2020-2021 \$'000	2021-2022 \$'000	2022-2023 \$'000	2023-2024 \$'000	2024-2025 \$'000	2025-2026 \$'000	2026-2027 \$'000	2027-2028 \$'000	2028-2029 \$'000	2029-2030 \$'000	2030-2031 \$'000
Sources of operating funding											
General rates, uniform annual general charges, rate penalties	4,512	4,811	5,536	5,495	7,062	6,965	7,916	7,936	8,274	8,548	8,746
Targeted rates	331	350	360	370	381	392	403	415	427	439	452
Subsidies and grants for operating purposes	43	52	52	52	52	52	52	52	52	52	52
Fees and charges	1,081	1,226	1,189	1,223	1,081	1,113	1,207	1,239	1,275	1,312	1,369
Internal charges and overheads recovered	0	0	0	0	0	0	0	0	0	0	0
Interest and dividends from investments	0	0	0	0	0	0	0	0	0	0	0
Local authorities fuel tax, fines, infringement fees and other receipts	0	0	0	0	0	0	0	0	0	0	0
Total operating funding	5,967	6,439	7,137	7,141	8,576	8,522	9,577	9,643	10,028	10,351	10,620
Application of operating funding											
Payments to staff and suppliers	4,878	4,690	5,157	4,998	5,645	5,355	5,765	5,869	6,084	6,205	6,398
Finance costs	50	40	53	48	111	126	184	177	188	189	182
Internal charges and overheads recovered	890	1,213	1,349	1,400	1,598	1,543	1,720	1,726	1,755	1,814	1,833
Other operating funding applications	0	0	0	0	0	0	0	0	0	0	0
Total applications of operating funding	5,817	5,943	6,558	6,445	7,354	7,024	7,668	7,772	8,027	8,207	8,413
Surplus (deficit) of operating funding	149	496	579	695	1,221	1,498	1,909	1,870	2,001	2,144	2,206
Sources of capital funding											
Subsidies and grants for capital expenditure	0	950	387	0	0	0	0	0	0	0	0
Development and financial contributions	500	1,389	1,885	1,940	1,976	2,037	2,085	2,132	2,188	1,986	2,044
Increase (decrease) in debt	43	236	50	2,571	337	2,417	-294	89	380	-436	-470
Gross proceeds from sale of assets	0	0	0	0	0	0	0	0	0	0	0
Lump sum contributions	0	0	0	0	0	0	0	0	0	0	0
Other dedicated capital funding	0	0	0	0	0	0	0	0	0	0	0
Total sources of capital funding	543	2,575	2,322	4,511	2,312	4,454	1,791	2,221	2,567	1,550	1,574
Applications of capital funding											
Capital expenditure - to meet additional demand	1,121	440	1,578	3,412	1,858	1,445	1,583	895	410	546	176
Capital expenditure - to improve the level of service	506	1,970	174	2,471	942	2,764	458	745	766	288	296
Capital expenditure - to replace existing assets	345	528	276	284	1,382	614	401	293	787	310	318
Increase (decrease) in reserves	-1,279	133	872	-960	-648	1,129	1,258	2,158	2,606	2,550	2,990
Increase (decrease) of investments	0	0	0	0	0	0	0	0	0	0	0
Total applications of capital funding	693	3,071	2,901	5,206	3,534	5,952	3,700	4,091	4,568	3,693	3,781
Surplus (deficit) of capital funding	-149	-496	-579	-695	-1,221	-1,498	-1,909	-1,870	-2,001	-2,144	-2,206
Funding Balance	0	0	0	0	0	0	0	0	0	0	0

Stormwater

Purpose

Stormwater drainage protects our communities, infrastructure, and public places from flooding by discharging stormwater and collecting contaminants to minimise adverse effects from rain, runoff, and high tides. Stormwater drainage on state highways is managed by NZ Transport Agency (NZTA).

Legislation associated with this service

- Local Government Act 2002
- Resource Management Act 1991
- Civil Defence and Emergency Management Act 2002
- Land Drainage Act 1908
- New Zealand Coastal Policy Statement
- Regional Plan for Northland
- Regional Water and Soil Plan for Northland, and
- Regional Coastal Plan for Northland.

Significant Negative effects Identified significant negative effect/issue	Mitigation
Drainage capacity A lack of drainage networks or maintenance on the existing network could result in increased flooding of farming and cropping communities in low-lying land near rivers, streams, and canals	Inspections and assessment of network capacity and monitoring of service requests relating to capacity issues. Planning continual improvement to maintain levels of service.
Climate Change The severity of storm events, including rainfall event intensity is projected to increase. Sea level rise will increase severity of coastal inundation and flooding.	Alignment with climate change adaptive strategies plans and implementation of those strategies.
Level of Service (LOS) versus Feasibility The construction and maintenance costs of infrastructure upgrades to meet a set level of service is beyond the means of the community to afford.	The provision of a set level of land drainage management should be assessed on a case-by-case basis. This will be managed through consultation with communities to determine the most practicable way forward, without negatively impacting on public health and the environment or creating risk to persons or property.
Infrastructure not funded to fully cover required maintenance Base infrastructure maintenance and renewals has been under resourced leaving capacity and resilience issues.	A robust maintenance schedule is being developed with the maintenance contractor and asset management improvements are set to allow clarity on ownership and responsibility of core assets. We have collated information on our stopbanks which will be used to access external funding streams.
Future growth The spatial plans have identified the likely growth areas in Kaipara.	To enable future land use changes, the LoS require from land drainage activities will need to be set and appropriate funding allocated.
Public safety Public safety is at the forefront of network operations some assets however have an inherent risk	All risks to the public are elevated with urgency to the maintenance contractor and continual improvement is applied to the built environment. Land drainage utilises an open drain network which has fundamental risks.
Asset data Many aspects of the asset management system still require improvement.	The current asset data still has gaps and inconsistencies. Asset data management is a process of continual improvement and there are multiple improvement projects underway and planned. Accurate asset data is essential information to enable Council to effectively plan future works and capital upgrades as well as routine operational monitoring of the network. Data on stopbank condition is especially critical to understand the future burden for upgrade activities.

How we fund this Group

- General rates
- Targeted rates
- Development contributions
- Financial contributions
- Borrowing, and
- Asset sales.

What we do

We manage five (5) community stormwater drainage schemes for Dargaville, Baylys, Te Kopuru, Kaiwaka and Mangawhai. The level of service for the schemes is to protect habitable floors from flooding by removing and discharging stormwater. The system collects contaminants in a way that protects our environment and public health; and responds promptly and reasonably to threats of flooding on habitable floors. We maintain the performance of the

stormwater drainage systems to the expectations of the community.

Stormwater drainage systems in Whakapirau, Glinks Gully, Kelly's Bay, Pahi, Tinopai, Paparoa, Maungatūroto and Matakōhe are mostly incorporated into our roads network. There are several open drain systems that exist throughout the district.

Contribution to Community Outcomes

- Climate smart: Catchment plans and resource consents are managed to mitigate the effects of Climate change.
- Vibrant communities: Stormwater is managed to support community and business activities.
- Healthy environment: Investment into Infrastructure to minimize environmental effects and run-off into our waterways.

What we will deliver	When
<ul style="list-style-type: none"> • Create hydrological models for stormwater networks in Mangawhai, Kaiwaka, Dargaville, Te Kopuru, Baylys, Maungatūroto and Paparoa where LoS or growth design questions need answering • Develop a standard for routine condition assessment of stopbank assets in the urban area and begin this assessment • Model infrastructure requirements in Dargaville for flood susceptible areas to allow LoS under increasing rain intensity and river levels • Create overland flow maps for the whole district. Required for reliable Stormwater Catchment Management Plans (CMP), land use planning and renewals strategy. Incorporate this into public maps system • Complete the new CMP for Dargaville and Mangawhai • Complete Closed Circuit Television (CCTV) condition assessments in Kaiwaka, Maungatūroto, Paparoa, Te Kopuru and Baylys so asset conditions can be used in the renewal's strategy • Start restoration of Mangawhai stormwater ponds requiring upgrade to meet current standards 	2021/2022
<ul style="list-style-type: none"> • Complete the CMP for Kaiwaka, Maungatūroto, Paparoa, Te Kopuru and Baylys • Continue developing overland flow maps for the whole district. Required for reliable Stormwater Catchment Management Plans (CMP), land use planning and renewals strategy. Incorporate this into public maps system • Continue restoration of Mangawhai stormwater ponds requiring upgrade to meet current standards • Continue collaborative monitoring projects with NRC • Complete the condition assessment of the urban stopbanks • Model infrastructure requirements in Mangawhai for flood susceptible areas to allow funding for LoS • Complete CCTV condition assessments in Whakapirau, Tinopai, Pahi, (Glinks Gully, Kelly's Bay, Ruawai, Pouto and Matakōhe as necessary) so asset conditions can be used in the renewal's strategy • Finalise the Stormwater Bylaw and/or Policy 	2022/2023

What we will deliver continued	When
<ul style="list-style-type: none"> Continue restoration of Mangawhai stormwater ponds requiring upgrade to meet current standards Complete the CMP for all remaining areas with stormwater infrastructure, not limited to Whakapirau, Tinopai, Pahi, (Glinks Gully, Kellys Bay, Ruawai, Pouto and Matakohē as necessary) Continue developing overland flow maps for the whole district. Required for reliable Stormwater Catchment Management Plans (CMP), land use planning and renewals strategy. Incorporate this into public maps system Continue collaborative monitoring projects with NRC 	2023/2024
<ul style="list-style-type: none"> Complete restoration of Mangawhai stormwater ponds requiring upgrade to meet current standards Complete developing overland flow maps for the whole district. Required for reliable Stormwater Catchment Management Plans (CMP), land use planning and renewals strategy. Incorporate this into public maps system Re-run hydrological models for specific areas of the stormwater networks LoS or growth design questions need answering 	2024/2031

Performance measures	LTP Year 1 Target 2021/2022	LTP Year 2 Target 2022/2023	LTP Year 3 Target 2023/2024	LTP Year 4 Target 2024/2031
Network System adequacy For each flooding event, using a maximum of 1:50 year (50-year ARI, Annual Exceedance Probability 2%), the number of habitable floors affected. (Expressed per 1,000 properties connected to the district's stormwater system.)	<10	<10	<10	<10
Response time The median response time in an urgent flooding event (defined as an event is where a habitable floor is reasonably at risk of being affected Priority 1 (P1), measured from the time that the Council (or subcontractor) receives notification to the time that service personnel reach the site.	<2 hours for urgent events	<2 hours for urgent events	<2 hours for urgent events	<2 hours for urgent events
Customer satisfaction The number of Customer Service Requests (CSR) received regarding single network issues (however reasonably defined) per year/1,000 properties. This includes all CSR that relate to stormwater infrastructure whether directed to the contractor or individual Council staff member.	<18	<18	<18	<18
Discharge compliance Abatement notices, infringement notices, enforcement orders, convictions.	0	0	0	0
Positive Environmental Outcomes Water sensitive design, green infrastructure, low carbon design and construction, resilient network	As defined in the Stormwater CMP or Emissions Targets	As defined in the Stormwater CMP or Emissions Targets	As defined in the Stormwater CMP or Emissions Targets	As defined in the Stormwater CMP or Emissions Targets

Significant Negative effects Identified significant negative effect/issue	Mitigation
Level of Service (LoS) versus Feasibility The construction and maintenance costs of infrastructure upgrades to meet LoS is beyond the means of the community to afford. Targeted rates for small communities do not enable good network management.	This will be managed through consultation with communities to determine the most practicable way forward, without negatively impacting on public health and the environment or creating risk to persons or property.
Contamination of Urban Watercourses Urban stormwater runoff has the potential to adversely impact the receiving environment stakeholders and users.	The engineering standard provides minimum standards for stormwater infrastructure. Updates will include best practice for Water Sensitive Design and treatment. Continue to improve understanding of coastal/estuarine outfalls and the effects on the environment and incorporate best practice into catchment management plans.
Contamination of Rural Watercourses Rural stormwater runoff is likely to have a different contaminant profile than that from the urban areas. Depending on land use rural runoff potentially has elevated levels of nitrogen and phosphates than urban stormwater, due to fertiliser usage and animal husbandry.	The engineering standard provides general guidance for the management of rural stormwater runoff. The section primarily relates to quantity control of runoff, although there is a recommendation that appropriate water quality treatment options be considered in conjunction with attenuation. The Engineering Standards will be updated to reflect best practice in Water Sensitive Design and treatment.
Climate Change Increasingly climate change effects, particularly increased intensity of rainfall events and sea level rise will challenge the resilience and capacity of the network.	Investigation of potential negative effects and solutions that relate to the district. Increased focus on Water Sensitive Design and green infrastructure will play a big part in these solutions. Focus on flood protection devices in low-lying areas of Dargaville and Mangawhai is critical.
Flooding Direct Impact Urban catchments create a greater amount of impervious coverage (such as roads, roofs, and paved areas) than would be seen in the natural environment. Runoff is generated quicker from paved areas and can result in overland flow paths and localised flooding, which can damage property and increase the risk to life.	The Engineering Standards allow for protection of the receiving environment from potential erosion and flooding. The attenuation of runoff allows for flooding to be controlled locally, within the specific device. Online tools are being developed to enable better planning around problem areas such as overland flow paths.
Network Resilience and Capacity not supported by a holistic design Historical focus on grey infrastructure has not gained the district the potential advantages of water sensitive design	In the long term, continuing this philosophy will negatively impact on the capacity for aquifers to recharge and the catchments to be resilient under increasing hydrologically challenging times. There is now a focus on green infrastructure and water sensitive design.
Stormwater Infiltration Studies of the stormwater network in Dargaville and Mangawhai have found stormwater leaking into the wastewater system	Ageing infrastructure, particularly in Dargaville, is due to long term under investment. Continue with renewal plans and condition investigations.
Infrastructure not maintained to the correct standard Base infrastructure maintenance and renewals has been under resourced leaving capacity and resilience issues. Green infrastructure devices have been poorly catalogued and maintained.	A robust maintenance schedule is being developed with the maintenance contractor and asset management improvements are set to allow clarity on ownership and therefore responsibility of the maintenance and renewals of those core and green infrastructure assets.
Future growth The spatial plans have identified the likely growth areas in Kaipara. Fast growth without good infrastructure planning has in some cases such as Mangawhai left deficit in funding and LoS provision.	Formal, reticulated stormwater systems and funding will be required in the future for small townships so LoS can be maintained with growth. Because five schemes have agreed targeted stormwater rates, funding for works beyond these schemes is currently very small and an overall funding model should be agreed on to engage community growth.

Significant Negative effects Identified significant negative effect/issue	Mitigation
Public safety Public safety is at the forefront of network operations some assets however have an inherent risk	All risks to the public are elevated with urgency to the maintenance contractor and continual improvement is applied to the built environment. Generally Council policy is to not pipe open drains (and not allow private piping of open drains) unless there a strong evidence to for a positive safety gain.
Asset data Many aspects of the asset management system still require improvement.	Asset data management is a process of continual improvement and there are multiple improvement projects underway and planned. There are still many roading assets not represented in the Waters database though, and some assets have incorrect ownership tags. These will require asset cleansing surveys.

How are we considering Climate change?

Council's Climate Smart Community Outcome guides Stormwater activities. In planning these activities, Council has considered climate change projections for sea level rise, increased flooding and coastal inundation and erosion, and increased severity of storms and intensity of rainfall events, including increased intensity in short-duration rainfall events. We understand that Kaipara's changing climate poses a variety of risks to Council's stormwater activities. We understand that a lot of our stormwater assets are exposed and at risk. We also

anticipate that discharge allowances will decrease, impacting levels of service and increasing the cost to provide expected services.

Stormwater assets play a vital role in enabling the built environment. We will continue to improve our understanding of risk by analysing regional hydrodynamic modelling and expanding our flow modelling and analysis where possible.

As we gather more information on climate-related risks, we will begin to explore possible adaptation responses. Where feasible, we will incorporate adaptation decisions into new projects and pursue sustainable, emissions-efficient designs and project management process.



Prospective Funding Impact Statement

Stormwater

PFIS - Stormwater	Annual Plan	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget
For the year ended: 30 June	2020-2021 \$'000	2021-2022 \$'000	2022-2023 \$'000	2023-2024 \$'000	2024-2025 \$'000	2025-2026 \$'000	2026-2027 \$'000	2027-2028 \$'000	2028-2029 \$'000	2029-2030 \$'000	2030-2031 \$'000
Sources of operating funding											
General rates, uniform annual general charges, rate penalties	294	385	409	433	438	444	473	516	633	748	776
Targeted rates	1,685	1,764	1,902	2,026	2,023	1,904	2,179	2,285	2,524	2,910	3,044
Subsidies and grants for operating purposes	0	0	0	0	0	0	0	0	0	0	0
Fees and charges	0	0	0	0	0	0	0	0	0	0	0
Internal charges and overheads recovered	0	0	0	0	0	0	0	0	0	0	0
Interest and dividends from investments	0	0	0	0	0	0	0	0	0	0	0
Local authorities fuel tax, fines, infringement fees and other receipts	0	0	0	0	0	0	0	0	0	0	0
Total operating funding	1,980	2,149	2,312	2,460	2,462	2,348	2,652	2,801	3,156	3,658	3,820
Application of operating funding											
Payments to staff and suppliers	703	590	634	669	669	536	554	568	586	605	625
Finance costs	146	155	192	193	139	146	213	234	319	412	434
Internal charges and overheads recovered	360	450	479	533	540	496	530	548	581	628	642
Other operating funding applications	0	0	0	0	0	0	0	0	0	0	0
Total applications of operating funding	1,209	1,195	1,306	1,395	1,348	1,177	1,296	1,349	1,487	1,645	1,702
Surplus (deficit) of operating funding	771	954	1,006	1,065	1,113	1,171	1,355	1,451	1,670	2,013	2,118
Sources of capital funding											
Subsidies and grants for capital expenditure	0	0	0	0	0	0	0	0	0	0	0
Development and financial contributions	7	98	140	144	127	128	123	120	120	108	111
Increase (decrease) in debt	-5	631	611	-374	-23	2,733	690	2,626	4,192	478	-860
Gross proceeds from sale of assets	0	0	0	0	0	0	0	0	0	0	0
Lump sum contributions	0	0	0	0	0	0	0	0	0	0	0
Other dedicated capital funding	0	0	0	0	0	0	0	0	0	0	0
Total sources of capital funding	1	729	751	-230	104	2,861	813	2,747	4,312	586	-749
Applications of capital funding											
Capital expenditure - to meet additional demand	27	282	693	11	154	1,002	1,156	1,842	2,794	1,444	204
Capital expenditure - to improve the level of service	373	829	655	118	303	2,385	370	1,781	2,463	696	41
Capital expenditure - to replace existing assets	96	208	52	161	134	369	590	1,412	1,270	322	333
Increase (decrease) in reserves	276	364	357	544	628	277	52	-837	-545	137	792
Increase (decrease) of investments	0	0	0	0	0	0	0	0	0	0	0
Total applications of capital funding	772	1,683	1,757	835	1,218	4,032	2,169	4,198	5,982	2,599	1,369
Surplus (deficit) of capital funding	-771	-954	-1,006	-1,065	-1,113	-1,171	-1,355	-1,451	-1,670	-2,013	-2,118
Funding Balance	0	0	0	0	0	0	0	0	0	0	0

Transportation

Purpose

The transportation group of activities aim is to link our great places, keep our communities connected, safe and active, and to contribute to the sustainability and growth of the local economy. Our transport network is vital for connecting our communities and provides for safe access to the places that make visiting and living in Kaipara an enjoyable experience.

Legislation associated with this service

- Local Government Act 2002
- Local Government (Rating) Act 2002
- NZTA funding criteria
- Government Policy Statement (GPS)

Risks and Issues (Problems affecting our transport network)

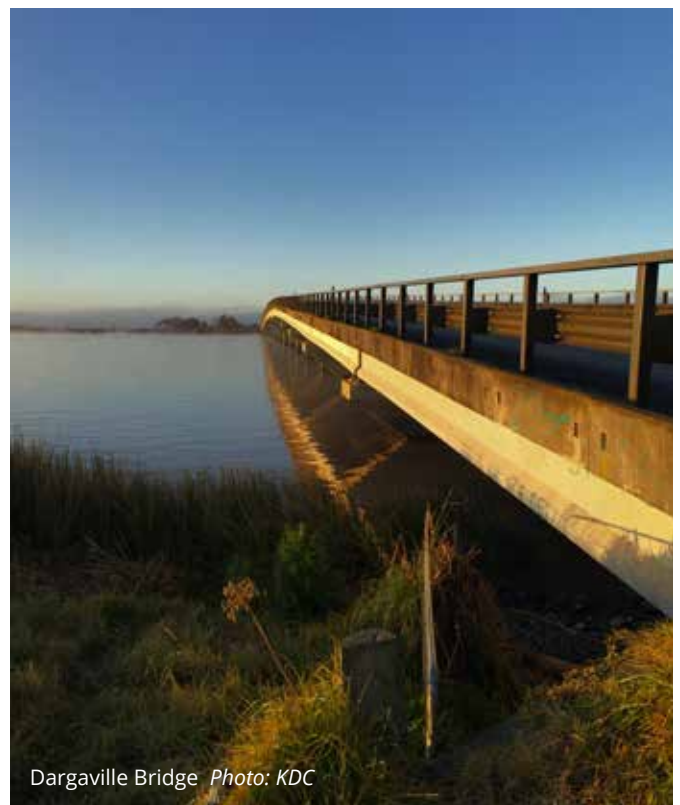
- Sealed roads – Larger renewal programmes to address historic backlogs, inappropriate allocation of inhouse costs and maintenance contract fixed costs in Kaipara are resulting in our sealed roads having some of the highest costs per kilometre in our peer group
- Drainage – Ad hoc historic maintenance of drainage systems has increased the susceptibility of our pavements to water ingress and premature failure. It also increases the likelihood of flooding and slips during heavy rain events
- Resilience - Poor geology, a subtropical climate and poor drainage systems make our roads susceptible to slips and flooding during heavy rain events, resulting in road closures that often affect critical routes. This is only expected to get worse over time due to the effects of climate change
- Unsealed Roads – Use of out of specification GAP aggregates on our unsealed roads is resulting in:
 - adverse health impacts to residents due to dust
 - high levels of community dissatisfaction due to poor road condition and
 - high maintenance costs
- Structures – Lack of historic maintenance and renewals of structures in KDC is resulting in a large number of structures prematurely reaching the end of their life which is adversely affecting

freight access and increasing demands for expensive bridge replacement

- Growth and Alternative Transport - Rapid growth and lack of suitable alternative transport modes are causing congestion in Mangawhai during peak holiday periods. Lack of alternative transport modes in many communities restricts access to places of employment, education and social opportunities which is leading to severance, safety issues and higher levels of social deprivation
- Safety – Northland has a narrow, winding and unforgiving rural road network which combined with poor driver behaviour has resulted in the region being a 'Community at Risk' for death and serious injury (DSI) crashes and the rate of DSI crashes is trending upward for all three councils. KDC also has higher Collective Risks than their peer group

How we fund this

- General rates
- Targeted rates
- Grants, subsidies, and other funding sources
- Development contributions
- Financial contributions
- Borrowing
- Asset sales.



Dargaville Bridge Photo: KDC

Roading and footpaths

What we do

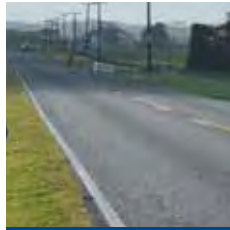
Transport supports economic transactions, growth and development, social cohesion, health, and the daytoday running of our communities. It is one of

the most important functions we provide. We are the roadcontrolling authority for our district, and we are responsible for planning, creating, operating, maintaining, and rehabilitating all roads (except state highways).

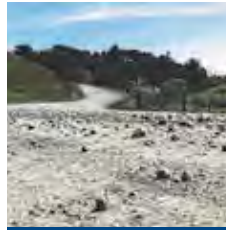
Kaipara District Council's network is made up of:



1,574km
Total road network



455km
of Sealed roads



1,119km
of Unsealed roads



349
Bridges and large culverts



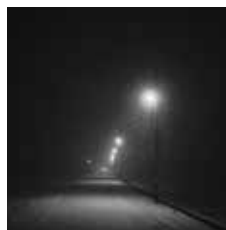
14,504
Drainage systems



94km
of Footpaths



0km
of Cycleways



1,185
Streetlights



8,935
Signs

We undertake the following:

- Routine roadside drainage maintenance
- Mowing and vegetation control
- Footpath maintenance
- Information and regulatory signage
- Road marking
- Streetlights
- Street cleaning
- Safety barriers and guide fences
- Pedestrian crossings and island separations
- Walkways, shared paths and cycleways
- Emergency work from initial response to reinstatement.

We also assist the NZ Transport Agency (NZTA) to manage areas of the transport network through our townships along the State Highways where the speed limit is less than 70km/h.

We are a member of the Northland Transportation Alliance (NTA) that provides the professional services to Council for the Transport Network through a

shared services business unit based in Whangarei. The NTA members also include Far North District Council (FNDC), Whangarei District Council (WDC), Northland Regional Council (NRC).

Other responsibilities for Council include:

- Road safety promotion and education
- Advocate for NZTA and other central government funding to support key Transport Infrastructure Projects in Kaipara district
- Ensure all new works meet Council's Engineering Standards
- Liaise with NZTA regarding the State Highway Network throughout Kaipara district
- Member of Northland Lifelines Group
- Member of Regional Transport Committee
- Member of Regional Freight Group
- Member of Regional Stock Truck Effluent Dumping working party.

Contribution to Community Outcomes

- Climate smart: Future Infrastructure design will need to adapt to support the effects of Climate change.
- Vibrant communities: Street design and landscaping contributes to a vibrant community.
- Prosperous economy: Safe and well maintained roads ensures easy travel and access around the district.
- A Trusted Council: Provide safe and connected walkways, cycleways and vehicle access.

What we will deliver	When
<ul style="list-style-type: none"> • Implement district-wide road safety improvements, including school zones, speed limit reviews, local area road traffic improvements and prioritised road safety initiatives and an education programme • Implement the network resilience strategy which includes a significant programme of slip repairs and drainage improvements across the district to mitigate the effects of climate change and significant weather events that cause communities to be severed from essential services • Secure funding and deliver the network cycleway programme • Implement township improvement programmes • Complete the LED infill lighting programme • Implement the footpath programme to improve pedestrian safety and connectivity throughout the district • Undertake the bridge replacement and upgrade programme • Develop the Wood Street capital improvement project business case • Develop the Ripiro Beach, beach management plan business case • Develop the Baylys Beach Parking and connectivity program business case 	2021/2022
<ul style="list-style-type: none"> • Continue district-wide road safety improvements, including school zones, speed limit reviews, local area road traffic improvements and prioritised road safety initiatives and an education programme • Continue the network resilience strategy which includes a significant programme of slip repairs and drainage improvements across the district to mitigate the effects of climate change and significant weather events that cause communities to be severed from essential services. • Complete the delivery of the Provincial Growth Fund (PGF) unsealed roads package • Secure funding and continue to deliver the network cycleway programme • Continue township improvement programmes • Continue the footpath programme to improve pedestrian safety and connectivity throughout the district • Continue the bridge replacement and upgrade programme • Implement the Wood Street capital improvement project • Implement the Ripiro Beach, beach management plan derived from the business case • Implement the Baylys Beach Parking and connectivity capital improvement project 	2022/2023
<ul style="list-style-type: none"> • Continue district-wide road safety improvements, including school zones, speed limit reviews, local area road traffic improvements and prioritised road safety initiatives and an education programme • Continue the network resilience strategy which includes a significant programme of slip repairs and drainage improvements across the district to mitigate the effects of climate change and significant weather events that cause communities to be severed from essential services. • Secure funding and continue to deliver the network cycleway programme • Continue township improvement programmes • Continue the footpath programme to improve pedestrian safety and connectivity throughout the district • Continue the bridge replacement and upgrade programme • Continue the Wood Street capital improvement project • Continue the Ripiro Beach, beach management plan derived from the business case • Continue the Baylys Beach Parking and connectivity capital improvement project 	2023/2024

What we will deliver	When
<ul style="list-style-type: none"> Continue district-wide road safety improvements, including school zones, speed limit reviews, local area road traffic improvements and prioritised road safety initiatives and an education programme Continue the network resilience strategy which includes a significant programme of slip repairs and drainage improvements across the district to mitigate the effects of climate change and significant weather events that cause communities to be severed from essential services. Secure funding and continue to deliver the network cycleway programme Continue township improvement programmes Continue the footpath programme to improve pedestrian safety and connectivity throughout the district Continue the bridge replacement and upgrade programme 	2024/2031

Performance measures	LTP Year 1 Target 2021/2022	LTP Year 2 Target 2022/2023	LTP Year 3 Target 2023/2024	LTP Year 4 Target 2024/2031
The change from the previous financial year in the number of fatalities and serious injury crashes on the local road network, expressed as a number.	<= 0	<= 0	<= 0	<= 0
Pensioner housing annual occupancy rate. Measured by: Quarterly reporting from management agencies.	=>90	=>90	=>90	=>90
The percentage of the sealed local road network that is resurfaced (each financial year).	=>8%	=>8%	=>7%	=>7%
The maintenance of the roads meets the Council level of service targets as specified in our roading maintenance contracts.	=>85%	=>85%	=>85%	=>85%
The percentage of the sealed local road network that is rehabilitated (annually).	>=0.6%	>=0.6%	>=0.5%	>=0.6%
The percentage of customer service requests relating to roads and footpaths to which the territorial authority responds within the time frame specified in the LTP.	=>95%	=>95%	=>95%	=>95%
The percentage of footpaths within a territorial authority district that fall within the level of service or service standard for the condition of footpaths that is set out in the territorial authority's relevant documentation (such as its annual plan, activity management plan, asset management plan, annual works programme or LTP).	=>90% in fair or better condition	=>90% in fair or better condition	=>90% in fair or better condition	=>90% in fair or better condition

Changes in Levels of Service

The levels of service have all being standardised throughout Northland which should give the

community consistent service wherever they are in the Region.

Significant Negative Effects

Activity	Effect	Mitigation
Road Safety	High number of fatal and serious crashes. Northland has a narrow, winding, and unforgiving rural road network which combined with poor driver behaviour has resulted in the region being a high Community at Risk for death and serious injury (DSI) crashes and the rate of DSI crashes is trending upward for all three councils. KDC also has higher Collective Risks than their peer group.	Behavioural campaign and black spots / identified safety issues improvements. Kaipara specific targeted campaigns at specific crash issues and programme of safety improvements as known locations to prevent or reduce serious injury.
Resilience	Poor geology, a subtropical climate and poor drainage systems make our roads susceptible to slips and flooding during heavy rain events, resulting in road closures that often affect critical routes.	Adaptive Pathways to establish appropriate community and infrastructure response to climate change events. Develop adaptive plans for vulnerable and coastal communities that indicate a future strategy and funding allocation for proactively dealing with climate related events. Proactive maintenance and renewals of vulnerable roading assets such as aging bridges and coastal roads to create more resilience and reliable connection to the wider network.
Structures	Aging bridge stock, a high number of wooden structures in poor to very poor condition and 27 bridges restricted from HPMV and 50MAX reduce the networks capacity to provide appropriate Levels of Service to all road users	Replace/renew bridges and structures through a systematic programmed approach which aims to tackle enough of the transport network assets to spread the cost over 30 years

How are we considering Climate change?

Council's Climate Smart Community Outcome guides Council's road activities. We are identifying climate-related risks to our road network and are investigating ways to increase resilience and sustainability and promote positive environmental

outcomes. As we better understand how changes to Kaipara's climate will impact roads, we will continue to identify adaptation and mitigation opportunities. Some activities include aligning with Adaptive Pathways, increasing energy efficiency, and supporting low-emissions, sustainable transport options.



Prospective Funding Impact Statement

Transportation

PFIS - Transportation	Annual Plan	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget
For the year ended: 30 June	2020-2021 \$'000	2021-2022 \$'000	2022-2023 \$'000	2023-2024 \$'000	2024-2025 \$'000	2025-2026 \$'000	2026-2027 \$'000	2027-2028 \$'000	2028-2029 \$'000	2029-2030 \$'000	2030-2031 \$'000
Sources of operating funding											
General rates, uniform annual general charges, rate penalties	10,145	11,301	11,574	12,395	12,792	13,264	13,950	14,691	15,127	15,872	16,267
Targeted rates	407	416	429	443	457	472	486	501	0	0	0
Subsidies and grants for operating purposes	4,565	5,296	5,542	5,337	5,515	5,700	5,887	6,090	6,443	6,649	6,863
Fees and charges	160	0	0	0	0	0	0	0	0	0	0
Internal charges and overheads recovered	1,930	2,012	2,090	2,168	2,220	2,273	2,328	2,379	2,434	2,487	2,545
Interest and dividends from investments	0	0	0	0	0	0	0	0	0	0	0
Local authorities fuel tax, fines, infringement fees and other receipts	0	0	0	0	0	0	0	0	0	0	0
Total operating funding	17,207	19,024	19,636	20,343	20,984	21,708	22,651	23,662	24,004	25,008	25,675
Application of operating funding											
Payments to staff and suppliers	8,237	8,908	9,189	8,870	9,169	9,480	9,794	10,135	10,671	11,016	11,383
Finance costs	74	68	87	93	83	91	87	86	128	117	117
Internal charges and overheads recovered	4,543	5,716	5,920	6,195	6,382	6,493	6,733	6,864	7,078	7,341	7,459
Other operating funding applications	0	0	0	0	0	0	0	0	0	0	0
Total applications of operating funding	12,854	14,693	15,196	15,158	15,634	16,064	16,614	17,084	17,876	18,474	18,958
Surplus (deficit) of operating funding	4,353	4,331	4,440	5,185	5,350	5,645	6,037	6,578	6,127	6,534	6,717
Sources of capital funding											
Subsidies and grants for capital expenditure	12,081	22,456	12,215	12,550	10,900	9,162	14,954	11,505	10,730	12,616	15,919
Development and financial contributions	104	210	294	307	280	300	290	284	284	267	279
Increase (decrease) in debt	529	351	447	375	141	20	-102	1,370	-182	-135	119
Gross proceeds from sale of assets	0	0	0	0	0	0	0	0	0	0	0
Lump sum contributions	0	0	0	0	0	0	0	0	0	0	0
Other dedicated capital funding	0	0	0	0	0	0	0	0	0	0	0
Total sources of capital funding	12,714	23,017	12,956	13,232	11,321	9,482	15,141	13,159	10,833	12,748	16,316
Applications of capital funding											
Capital expenditure - to meet additional demand	1,312	3,954	6,849	6,716	572	568	5,724	13,328	1,298	1,338	1,852
Capital expenditure - to improve the level of service	8,460	10,731	3,306	3,976	5,099	3,185	6,178	4,243	3,130	5,152	8,339
Capital expenditure - to replace existing assets	6,976	13,407	9,715	10,026	10,896	11,245	11,594	12,925	12,746	13,039	13,443
Increase (decrease) in reserves	319	-744	-2,473	-2,301	103	130	-2,318	-10,759	-214	-247	-601
Increase (decrease) of investments	0	0	0	0	0	0	0	0	0	0	0
Total applications of capital funding	17,068	27,348	17,396	18,417	16,671	15,127	21,178	19,737	16,960	19,282	23,033
Surplus (deficit) of capital funding	-4,353	-4,331	-4,440	-5,185	-5,350	-5,645	-6,037	-6,578	-6,127	-6,534	-6,717
Funding Balance	0	0	0	0	0	0	0	0	0	0	0

Waste Minimisation

Purpose

We deliver refuse collection and disposal service that meet our statutory obligations and community needs. We ensure that this service is affordable, hygienic, and environmentally sustainable, contributing to our wellbeing, and protecting and enhancing our natural assets and open spaces.

Legislation associated with this service

- Local Government Act 2002
- Waste Minimisation Act 2008
- Resource Management Act 1991
- Hazardous Substances and New Organisms Act 1996
- Litter Act 1979
- Health Act 1956
- Climate Change Response Act 2002.

Risks and Issues

Operational Solid Waste Facilities

- Environmental contamination occurs through events beyond the control of Council
- Operator fails to meet contractual obligations
- Central government legislation drives up disposal costs - this relates to waste minimisation levies
- Illegal dumping of rubbish – due to decrease in service level (e.g. missed collections, costs of disposal, distance to travel)
- Public and contractor health – contractors and members of the public are exposed to health risks
- Public and contractor safety - accidents causing injury and damage to Kaipara residents, visitors, or property.

Closed Landfills

- Illegal substances deposited without Council knowledge
- Leachate contamination to groundwater
- Adjacent landowner issues
- Not meeting Resource consents conditions
- Unknown historic illegal landfills on Council land
- Impact of Climate Change – unknown cost to protect closed landfills in coastal areas

Other Business Risks

- KDC may have to implement central government initiatives that are currently under investigation. Central government proposed changes are expected in the next 1 – 3 years. It is not known how these will affect our current levels of service, budgets and already planned projects. These include but are not limited to:
 - Increasing the disposal levy
 - Standardising kerbside refuse and recycling (both how we collect and what we collect)
 - introduction of Container Deposit Schemes and
 - Compulsory Product Stewardship of some products
- Lack of reliable data for renewals/replacements and valuations
- General maintenance, operation and collection contract management are unsatisfactory resulting in unnecessary or excessive costs and insufficient output or quality
- Poor contractor performance.

How we fund this

- General rates
- Fees and charges
- Financial contributions
- Borrowing
- Asset sales
- Lump sum contributions
- Waste Minimisation Grant
- User pays



Refuse and Recycling

What we do

The decisions we make on managing solid waste directly affect our communities and our environment. We focus on delivering a seamless, affordable, and hygienic rubbish collection service balanced against environmental goals of waste minimisation and reducing waste to landfill as described in our Waste Management and Minimisation Plan 2017.

We provide two transfer stations for general waste and recycling disposal. Contractors look after weekly kerbside general refuse and recycling is undertaken in all urban areas and some rural areas of the Kaipara district. A recycling drop-off service is offered at two transfer stations and litterbins are provided throughout the Kaipara district.

We manage leachate pollution from historic landfills to protect environmental quality; and closed landfill activities that comply with the legislation. We also clear illegally dumped rubbish and remove abandoned vehicles.

Contribution to Community Outcomes

- Climate smart: Provide recycling and waste minimisation options when planning for the future.
- Vibrant communities: Promote a clean environment across the district.
- Healthy environment: Recycling is encouraged.

What we will deliver	When
<ul style="list-style-type: none"> • Expand the Council Solid Waste Team to enable more focus on waste minimisation and improvements to the activity • Provision of waste minimisation, sustainable and circular economy education to communities and business, through Council website/publicity and external groups funded by Council • Installation of weigh bridge at Dargaville Transfer Station • Planning and procurement of new transfer station and kerbside collection contracts for implementation in Year 2 • Planning for improved recycling services for implementation in Year 2. • Purchase recycling bins ready for recycling collection change in Year 2 	2021/2022
<ul style="list-style-type: none"> • Implement changes set by central government, these could include container deposit schemes, kerbside collection standardisation of refuse and recycling, both products collected and how we collect them. • Implement recycling collection changes throughout the Kaipara district 	2022/2023
<ul style="list-style-type: none"> • Begin work on closed landfill remediation as identified in assessments for climate change readiness. • Develop and implement composting facility 	2023/2024
<ul style="list-style-type: none"> • Closed Landfill Climate change upgrades investigations – 2024/2025 • Closed Landfill Climate change upgrades as required – 2025/2028 • Solar power compaction bin installation 2025/2026 - 2027/2028 • Transfer station sound proofing 2025/2026 and 2028/2029 • Negotiation for potential buy back or Hakaru Landfill or site upgrade - 2026/2027 • Glinks Gully Cap renewal – 2026/2027 • Kaiwaka Landfill – potential redevelopment into dog park 2027/2028 • Dargaville Wetland Renewal – if required 2031/2032 	2024/2031

Performance measures	LTP Year 1 Target 2021/2022	LTP Year 2 Target 2022/2023	LTP Year 3 Target 2023/2024	LTP Year 4 Target 2024/2031
Percentage of residents who are very satisfied or satisfied with waste management	70%	70%	75%	75%
Average amount of general refuse collected and disposed of per property within the Kaipara District	Set benchmark	Less than previous	Less than previous	Less than previous
Average amount of recycling collected and deposited per property within the Kaipara District	Set benchmark	Greater than previous	Greater than previous	Greater than previous
Closed landfill activities meet legislative compliance. No resource consent abatement notices, infringement notices, enforcement orders or convictions	Nil	Nil	Nil	Nil

Changes in Levels of Service

To increase the levels of recycling, it is proposed (subject to Consultation) to introduce recycling bins which will be funded through a targeted rate. A composting facility will be provided to reduce

volumes of waste to landfill.

It is noted that central government is looking at initiatives that may be added throughout the period of this LTP to increase levels of service especially with regards to recycling.

Significant Negative Effects

Activity	Effect	Mitigation
Waste Minimisation Activity	Kerbside Collections: Loose kerbside recycling materials and broken solid waste bags may become windblown litter and odorous if not collected promptly.	This is managed through contract specification with regards to kerbside collection and also bylaws around when refuse and recycling should be placed out for collection.
	Transfer Station and Recyclable Facilities: Excessive recyclable and general refuse materials may become windblown litter.	This is managed through contract specification and regular inspections by Council staff to ensure sites are tidy. Additional storage and fencing will be considered if this becomes an issue.
	Closed Landfills: Closed landfills can be targets for illegal dumping (fly tipping) which can become odorous and untidy. Also, potential for odour issues arising from landfill gases escaping into the atmosphere.	Closed landfills are inspected quarterly for fly tipping and gas odours.
	Public Litterbins: Capacity problems can cause bins to become over full (in holiday seasons) and overflowing litter is blown around the area	Council regularly reviews bin capacity and suitability with contractors – this is largely managed by contractors; additional collections are completed over the seasonal periods where required.
Discharges of pollutants to water and land. (Environmental effects)	Transfer Stations: There is a possibility of stormwater contamination on site if materials are not managed well.	This is managed via separation of leachate and stormwater management systems and regular inspections of the separate systems.
	Closed Landfills: If closed landfills are not capped off and vegetated correctly, they may release additional solid waste or leachate to the environment.	Closed landfills are Consented under the Northland Regional Council there are strict monitoring conditions on leachate discharge.

Significant Negative Effects continued

Activity	Effect	Mitigation
Discharge or migration of landfill gas (environmental and economic effects)	Closed Landfills: Potentially explosive/flammable landfill gases may have a noxious odour and could damage soil health and vegetation, there is also concerns around the emissions of greenhouse gases.	Council monitors closed landfills as per resource consent conditions which includes monitoring for evidence of landfill gas, Northland Regional Council also monitor.
Disruption of service (social and economic effects)	Kerbside and Litterbin Collections: Disruption to kerbside solid waste services can cause a public health effect if wastes are not collected in a timely manner.	This is managed by the contractor – Council can utilise a subcontractor if refuse contractor does not meet contract conditions.
	Transfer Stations: Failure to open these sites can prevent businesses operating and create public health risks with the storage of waste on properties.	Waste can be stored at residences or business for short periods of time. In the event of a long-term closure waste, both kerbside and general waste can be transported directly to Pūwera Landfill south of Whangarei.
Unaffordable or uneconomic cost of services (social and economic effects)	Recycling: The loss of viable markets for recovered materials can have a negative effect on the economic viability of recycling	This is managed by Council contractors. Council provides drop off locations for recycling through the two Transfer Stations and a recycling kerbside collection in the main urban areas, the contractor is responsible for all marketing. This is a user pays service with no rate payer funding.
	Self-Haul Waste: Disposal costs are governed by conditions outside of council control. Gate and other disposal charges are influenced by these.	All refuse disposal is user pays and managed by the refuse contractors, any rise in costs by contractor has to be justified and approved by Council.
	Kerbside Collection: This is also influenced by conditions outside of Council control.	As for above disposal is user pays and managed by refuse contractors.
	Transfer Stations: Gate charges are directly influenced by the cost of disposal at landfill.	Transfer station disposal costs are user pays, and any increases in gate charges need to be approved by Council. Transfer Station disposal activities are user pay basis, Council provides a small budget for property and asset maintenance.
	Public Litter bin Collections: Issues caused by illegal dumping of household rubbish and capacity issues over seasonal periods	This is managed by Council contractors and a free service to the public. Capacity is increased over seasonal periods and bins monitored.
	Closed Landfills: Central government legislation governs how we manage closed landfills, any changes could result in additional cost.	This is beyond Council control and any changes need to be managed and prioritised. Regular inspections are completed to ensure closed landfills are up to the current standards.
Discharges of pollutants to water and land. (Environmental effects)	Any reports of dumping are dealt with promptly and if offenders identified they are prosecuted.	When dumping is reported Council manages the clean up as soon as practicably possible, offenders are prosecuted where evidence is found.

How are we considering Climate change?

Council's Climate Smart Community Outcome guides Waste Minimisation activities. We are still in the process of understanding the kinds of risks climate change poses to Council's waste minimisation services.

Over the next three years we will identify climate-related risks to our coastal closed landfills and aim

to identify those at risk and any remedial actions that may be required. We are aiming to reduce the district's overall emissions by reducing the amount of solid waste that goes to landfill, this will be achieved through waste diversion, recycling, and education. We are developing an improved system to treat and discharge leachate. We will support groups and businesses towards waste reduction and circular economy practices, including facilitation of increased composting opportunities.



Prospective Funding Impact Statement

Waste Minimisation

PFIS - Waste Minimisation	Annual Plan	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget
For the year ended: 30 June	2020-2021 \$'000	2021-2022 \$'000	2022-2023 \$'000	2023-2024 \$'000	2024-2025 \$'000	2025-2026 \$'000	2026-2027 \$'000	2027-2028 \$'000	2028-2029 \$'000	2029-2030 \$'000	2030-2031 \$'000
Sources of operating funding											
General rates, uniform annual general charges, rate penalties	1,055	1,732	1,632	1,421	1,493	1,610	1,701	1,834	1,942	1,743	1,794
Targeted rates	0	0	1,699	1,777	1,835	1,894	1,965	2,016	2,077	2,154	2,218
Subsidies and grants for operating purposes	0	0	0	0	0	0	0	0	0	0	0
Fees and charges	79	195	202	208	214	221	228	234	241	249	256
Internal charges and overheads recovered	0	0	0	0	0	0	0	0	0	0	0
Interest and dividends from investments	0	0	0	0	0	0	0	0	0	0	0
Local authorities fuel tax, fines, infringement fees and other receipts	0	0	0	0	0	0	0	0	0	0	0
Total operating funding	1,134	1,927	3,533	3,406	3,543	3,726	3,894	4,085	4,261	4,146	4,269
Application of operating funding											
Payments to staff and suppliers	699	1,271	2,583	2,456	2,545	2,635	2,732	2,809	2,905	3,003	3,104
Finance costs	17	14	25	21	20	43	49	75	94	86	83
Internal charges and overheads recovered	129	286	619	616	637	650	683	694	702	732	742
Other operating funding applications	0	0	0	0	0	0	0	0	0	0	0
Total applications of operating funding	845	1,570	3,227	3,092	3,202	3,328	3,465	3,578	3,701	3,820	3,928
Surplus (deficit) of operating funding	289	357	306	314	341	398	429	507	560	326	341
Sources of capital funding											
Subsidies and grants for capital expenditure	0	0	0	81	28	57	238	0	0	0	0
Development and financial contributions	0	0	0	0	0	0	0	0	0	0	0
Increase (decrease) in debt	-32	241	-46	137	743	305	969	529	-182	-193	1,030
Gross proceeds from sale of assets	0	0	0	0	0	0	0	0	0	0	0
Lump sum contributions	0	0	0	0	0	0	0	0	0	0	0
Other dedicated capital funding	0	0	0	0	0	0	0	0	0	0	0
Total sources of capital funding	-32	241	-46	218	771	363	1,207	529	-182	-193	1,030
Applications of capital funding											
Capital expenditure - to meet additional demand	0	0	0	121	0	0	0	0	0	0	0
Capital expenditure - to improve the level of service	0	340	0	148	835	461	1,311	675	0	0	1,222
Capital expenditure - to replace existing assets	0	0	0	0	0	0	0	0	0	0	0
Increase (decrease) in reserves	257	258	260	263	277	300	324	360	378	132	149
Increase (decrease) of investments	0	0	0	0	0	0	0	0	0	0	0
Total applications of capital funding	257	598	260	532	1,112	761	1,636	1,036	378	132	1,371
Surplus (deficit) of capital funding	-289	-357	-306	-314	-341	-398	-429	-507	-560	-326	-341
Funding Balance	0	0	0	0	0	0	0	0	0	0	0

Wastewater

Purpose

Protection of the public and environmental health, through treatment of wastewater in selected areas.

Legislation associated with this service

- Local Government Act 2002
- The Health (Drinking Water) Amendment Act 2007
- Drinking-water Standards for New Zealand 2005 and 2018
- Resource Management Act 1991.

Risks and Issues

- Failure of a scheme due to the age of the assets, and the inaccessibility for inspections (pipes are underground so difficult to find and inspect adequately)
- Affordability, the cost to repair and provide service with aging pipes coupled with small communities served by a scheme can push the expenses (and rates) out of reach for communities
- Higher environmental standards for discharge consents (treated wastewater released into harbours or rivers), will require communities to front the costs of upgrading equipment or services to meet the standards
- The Mangawhai Community Wastewater Scheme (MCWWS) requires implementation of recommended upgrades to the wastewater treatment plant. The modelling for the reticulation determines future upgrades and includes consideration for Mangawhai Central Development
- Our Infrastructure Strategy assumes a continuation of land-based disposal options through increased efficiency and alternative disposal options
- The exact future capacity of the five other wastewater schemes is unknown until specific capacity analyses (modelling) are undertaken
- Ongoing asset management condition and performance assessments required to prioritise maintenance and renewals.

How we fund this Group

- Targeted rates
- Development contributions
- User fees and charges
- Borrowing
- Asset sales and
- General rate.

What we do

We collect, treat, and dispose of wastewater through sustainable, cost effective and environmentally friendly methods. We own and operate wastewater schemes for Glink's Gully, Te Kopuru, Dargaville, Maungatūroto, Kaiwaka and Mangawhai. We undertake asset management, planning, operation and maintenance of the wastewater schemes, capital and refurbishment programmes and consent monitoring and compliance, along with responsibility of professional and physical works undertaken on the network.

Contribution to Community Outcomes

- Climate change: Manage our wastewater to minimise negative effects of climate change.
- Vibrant communities: Manage our service to ensure communities and business are supported.
- Healthy environment: Manage wastewater standards with discharge having no detrimental effects on the environment.



What we will deliver	When
<ul style="list-style-type: none"> Investigating the disposal system for MCWWS Undertake wastewater modelling for the district Investigation and documentation of asset conditions Continue the extension of the MCWWS reticulation and disposal system Start construction of the balance tank for the MCWWS Investigate alternative usages for sludge from MCWWS Plan for 3 waters reform Wastewater rate equalisation will see a correction of wastewater rates across the district Investigate and construct a wastewater treatment extension for Spring Street (Dargaville) residential subdivision Investigate options assessment for a wastewater scheme in Paparoa 	2021/2022
<ul style="list-style-type: none"> Work programme implemented for disposal system MCWWS Continue wastewater modelling for the district Work programme designed for asset replacement or renewal Determine feasible option for sludge usage MCWWS 	2022/2023
<ul style="list-style-type: none"> Construct disposal system for MCWWS Commence development for recyclable use of sludge from MCWWS Implement outcomes from wastewater modelling Asset replacement and renewal work commences Implement outcomes from 3 waters reform 	2023/2024
<ul style="list-style-type: none"> Construct and complete disposal system for MCWWS Develop a recyclable use of sludge from MCWWS Upgrade the Dargaville Wastewater Treatment Plant to increase capacity 	2024/2031



Performance measures	LTP Year 1 Target 2021/2022	LTP Year 2 Target 2022/2023	LTP Year 3 Target 2023/2024	LTP Year 4 Target 2024/2031
The number of dry weather sewage overflows from Council's sewerage systems, expressed per 1,000 sewerage connections to that sewerage system. The resource consent provides for severe weather events and power failure exceptions.	≤1	≤1	≤1	≤1
Where Council attends to sewage overflows resulting from a blockage or other fault in the territorial authority's sewerage system, the following median response times apply: Attendance time: from the time that the territorial authority receives notification to the time that service personnel reach the site. (Department of Internal Affairs measure)	≤2 hours	≤2 hours	≤2 hours	≤2 hours
Where Council attends to sewage overflows resulting from a blockage or other fault in the territorial authority's sewerage system, the following median response times apply: Resolution time: from the time that the territorial authority receives notification to the time that service personnel confirm resolution of the blockage or other fault.	≤48 hours	≤48 hours	≤48 hours	≤48 hours
The total number of complaints received by Council about sewage odour. Expressed per 1,000 sewerage connections.	≤10	≤10	≤10	≤10
The total number of complaints received by Council about sewerage system faults e.g. blockages, breaks. Expressed per 1,000 sewerage connections.	≤27	≤26	≤25	≤24
The total number of complaints received by Council about Council's response to issues with its sewerage system. Expressed per 1,000 sewerage connections.	≤50	≤48	≤46	≤44
The number of abatement notices, infringement notices, enforcement orders and convictions received by Council in relation to its resource consents for discharge from its sewerage systems.	0	0	0	0
Major capital projects are completed within budget.	Achieved	Achieved	Achieved	Achieved

Changes in Levels of Service

To increase the levels of recycling, it is proposed (subject to Consultation) to introduce recycling bins which will be funded through a targeted rate. A composting facility will be provided to reduce

volumes of waste to landfill.

It is noted that central government is looking at initiatives that may be added throughout the period of this LTP to increase levels of service especially with regards to recycling.

Significant Negative Effects

Activity	Effect	Mitigation
Environmental Health	In case of failure or significant breakage, there could be contamination of public waterways which may have large environmental or personal health issues.	Remote monitoring and alarms are in place for operators to react quickly to contain any spillages. For pump stations, use of sucker trucks. For pipe breakages, quick responses, and containment of spillage before it gets to waterways
Renewals	The rising cost of ongoing maintenance or pipe renewal may become economically unrealistic.	Use competitive bidding as far as possible and create price and quality tension for better results.
Wastewater plants	Failure of a wastewater treatment plant (WTP) in meeting the resource consent may result in Northland Regional Council (NRC) issuing an infringement notice.	Ongoing close monitoring of performance and acting quickly to rectify.
Population growth	Urban areas such as Mangawhai are experiencing rapid growth and this is projected to continue requiring infrastructure planning to remain ahead of this growth.	Growth projections are factored into current modelling that informs upgrades of reticulated wastewater network, wastewater treatment plant and disposal systems to increase capacity. Growth and its impacts on modelling are reviewed regularly.

How are we considering Climate change?

Council's Climate Smart Community Outcome guides Wastewater activities. Kaipara's changing climate will impact on wastewater activities. Increasing average temperatures and changes to rainfall patterns will increase pressure on treatment plant and on the wastewater network. Sea level rise and increasing risk from coastal hazards will also impact Council's low-lying assets in the wastewater network. These changes will increase the risk of flooding and overflow due to increased inflow and infiltration. Discharge allowances are likely to decrease. We understand these risks will impact on current expected levels of service and costs to provide expected services, and we will need to be adaptive and strategic to meet expected levels of service. We also understand we have a responsibility to manage these risks and protect the natural environment and communities. We will continue to explore adaptation opportunities in our wastewater

activities, including seeking out ways to manage inflows and infiltration during heavy rainfall. We will continue to consider climate change impacts as we make management decisions for our wastewater activities. Considerations in planning and design include carrying out, where feasible, climate scenario analysis and risk analysis for major projects or operational works.



Prospective Funding Impact Statement

Wastewater

PFIS - Wastewater	Annual Plan	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget
For the year ended: 30 June	2020-2021 \$'000	2021-2022 \$'000	2022-2023 \$'000	2023-2024 \$'000	2024-2025 \$'000	2025-2026 \$'000	2026-2027 \$'000	2027-2028 \$'000	2028-2029 \$'000	2029-2030 \$'000	2030-2031 \$'000
Sources of operating funding											
General rates, uniform annual general charges, rate penalties	1,484	1,449	880	928	722	637	677	691	805	790	831
Targeted rates	6,018	5,796	6,090	6,420	6,647	6,779	7,025	7,368	7,819	8,133	8,340
Subsidies and grants for operating purposes	0	0	0	0	0	0	0	0	0	0	0
Fees and charges	9	26	27	28	29	30	31	32	33	34	35
Internal charges and overheads recovered	0	0	0	0	0	0	0	0	0	0	0
Interest and dividends from investments	0	0	0	0	0	0	0	0	0	0	0
Local authorities fuel tax, fines, infringement fees and other receipts	0	0	0	0	0	0	0	0	0	0	0
Total operating funding	7,511	7,271	6,996	7,377	7,398	7,446	7,732	8,091	8,657	8,957	9,207
Application of operating funding											
Payments to staff and suppliers	2,883	2,190	2,243	2,286	2,244	2,314	2,389	2,449	2,437	2,513	2,591
Finance costs	2,564	2,026	2,010	1,960	1,626	1,265	1,279	1,252	1,448	1,311	1,331
Internal charges and overheads recovered	1,385	1,536	1,578	1,704	1,704	1,744	1,817	1,884	1,957	2,028	2,053
Other operating funding applications	0	0	0	0	0	0	0	0	0	0	0
Total applications of operating funding	6,831	5,751	5,831	5,950	5,574	5,323	5,485	5,585	5,842	5,852	5,975
Surplus (deficit) of operating funding	680	1,520	1,166	1,427	1,824	2,122	2,247	2,506	2,815	3,105	3,232
Sources of capital funding											
Subsidies and grants for capital expenditure	0	491	0	0	0	0	0	0	0	0	0
Development and financial contributions	2,436	2,130	2,167	2,168	2,157	2,151	2,145	2,141	2,140	2,117	2,117
Increase (decrease) in debt	-715	-54	-47	-622	-330	-359	-192	1,512	-164	-795	-818
Gross proceeds from sale of assets	0	0	0	0	0	0	0	0	0	0	0
Lump sum contributions	0	0	0	0	0	0	0	0	0	0	0
Other dedicated capital funding	0	0	0	0	0	0	0	0	0	0	0
Total sources of capital funding	1,721	2,567	2,120	1,546	1,828	1,792	1,953	3,654	1,976	1,322	1,298
Applications of capital funding											
Capital expenditure - to meet additional demand	2,053	4,666	1,187	43	1,158	2,350	3,326	9,851	2,908	53	3,652
Capital expenditure - to improve the level of service	528	574	0	0	0	0	0	2,662	370	0	0
Capital expenditure - to replace existing assets	515	836	687	328	799	599	733	596	743	440	455
Increase (decrease) in reserves	-695	-1,989	1,412	2,602	1,695	966	141	-6,949	770	3,935	423
Increase (decrease) of investments	0	0	0	0	0	0	0	0	0	0	0
Total applications of capital funding	2,401	4,087	3,286	2,973	3,652	3,915	4,201	6,160	4,791	4,427	4,530
Surplus (deficit) of capital funding	-680	-1,520	-1,166	-1,427	-1,824	-2,122	-2,247	-2,506	-2,815	-3,105	-3,232
Funding Balance	0	0	0	0	0	0	0	0	0	0	0

Water Supply

Purpose

A reliable and high-quality water supply to Kaipara district's reticulated areas is essential for communities and local economic development. Public water supplies ensure communities receive water at the cost of production. Our water supply activities also protect and enhance our natural assets and open spaces.

Legislation associated with this service

- Local Government Act 2002
- The Health (Drinking Water) Amendment Act 2007
- Drinking-water Standards for New Zealand 2005 and 2018
- Resource Management Act 1991.

Risks and Issues

- The security of water supply for Dargaville is challenging during dry years
- Supplying raw water to customers for farming and horticultural uses is a risk, and if incorrectly used as drinking water without appropriate treatment, it may result in public health issues
- The renewals programme is still based on affordability and condition assessments. Our water supply assets are in poor shape with older schemes which are nearing the end of their effective lives and need renewal. Renewal costs will be high and must be done in a planned and affordable manner. Some small communities serviced by old schemes may find the renewals required unaffordable
- Asset condition knowledge (pipes) is mixed and we risk unforeseen asset failure, and
- Inadequate asset management

How we fund this Group

- Targeted rates
- Fees and charges
- Development contributions
- Financial contributions
- Borrowing
- Asset sales, and
- Lump sum contributions.

What we do

We operate five community water supply schemes for Dargaville (including Baylys), Glinks Gully, Ruawai, Maungatūroto and Mangawhai (mostly supplying the Mangawhai Heads Holiday Park and the Woods Street commercial precinct) giving them a sustainable drinking water supply.

We own and maintain the whole water supply network for the five schemes. We treat raw water to produce quality and quantities of drinking water to drinking water standards (potable); and distribute treated water to the point of supply to customers to meet specific flow, pressure, and quality standards. This includes water for emergency firefighting services for Dargaville's urban area.

We also undertake:

- customer services
- water billing
- asset management
- planning
- treatment plant operations and maintenance
- network operations and maintenance
- capital and refurbishment programme; and
- consent monitoring and compliance.

Contribution to Community Outcomes

- Climate smart: Consider water conservation and water security when future planning.
- Healthy environment: Providing clean water supply to our communities.



What we will deliver	When
<ul style="list-style-type: none"> Feasibility study for connection to Dargaville from all options Application for new consent at Ahikiwi water take Water rates equalisation will see a correction of water charges across the district Kaihu Water Treatment Plant and Truck Filler will be delivered subject to the success of external funding application Investigate a water security solution for Mangawhai Business Case for connection to Tai Tokerau Water Storage Kaipara District Council SCADA (Supervisory Control and Data Acquisition) Upgrade Continue planning and collaboration on 3 Waters Reform 	2021/2022

Performance measures	LTP Year 1 Target 2021/2022	LTP Year 2 Target 2022/2023	LTP Year 3 Target 2023/2024	LTP Year 4 Target 2024/2031
The extent to which Council's drinking water supply complies with part 4 of the NZDWS (bacteria compliance criteria) - Mandatory	Dargaville, Maungatūroto, Ruawai, Glinks Gully and Mangawhai All schemes must be compliant	Dargaville, Maungatūroto, Ruawai, Glinks Gully and Mangawhai All schemes must be compliant	Dargaville, Maungatūroto, Ruawai, Glinks Gully and Mangawhai All schemes must be compliant	Dargaville, Maungatūroto, Ruawai, Glinks Gully and Mangawhai All schemes must be compliant
The extent to which Council's drinking water supply complies with part 5 of the NZDWS (protozoal compliance criteria) - Mandatory	Dargaville, Maungatūroto, Ruawai, Glinks Gully and Mangawhai All schemes must be compliant	Dargaville, Maungatūroto, Ruawai, Glinks Gully and Mangawhai All schemes must be compliant	Dargaville, Maungatūroto, Ruawai, Glinks Gully and Mangawhai All schemes must be compliant	Dargaville, Maungatūroto, Ruawai, Glinks Gully and Mangawhai All schemes must be compliant
The percentage of real water loss from our networked reticulation system (average for total network of all schemes) ¹ .	≤28%	≤28%	≤27%	≤26%
Median response time for attendance for urgent callouts; from the time the local authority receives notification to the time that service personnel reach the site.	≤2 hours	≤2 hours	≤2 hours	≤2 hours
Median response time for resolution of urgent callouts; from the time the local authority receives notification to the time that service personnel confirm resolution of the fault or interruption.	≤48 hours	≤48 hours	≤48 hours	≤48 hours
Median response time for attendance for nonurgent callouts; from the time the local authority receives notification to the time that service personnel reach the site.	≤3 hours	≤3 hours	≤3 hours	≤3 hours
Median response time for resolution of nonurgent callouts; from the time the local authority receives notification to the time that service personnel confirm resolution of the fault or interruption.	≤3 days	≤3 days	≤3 days	≤3 days

Performance measures continued	LTP Year 1 Target 2021/2022	LTP Year 2 Target 2022/2023	LTP Year 3 Target 2023/2024	LTP Year 4 Target 2024/2031
Total number of complaints about drinking water quality e.g., clarity, odour, taste, pressure or flow and continuity of supply. Expressed per 1,000 water connections.	≤40	≤39	≤38	≤37
Total number of complaints received by Council about Council's response to any of these issues. Expressed per 1,000 water connections.	≤40	≤39	≤38	≤37
Water take consents:	100% compliance with Northland Regional Council consents.	100% compliance with Northland Regional Council consents.	100% compliance with Northland Regional Council consents.	100% compliance with Northland Regional Council consents.
The average consumption of drinking water per day per resident within Kaipara district. Average calculated by the billed metered consumption (m3) x 1,000 divided by the number of connections x 365 x 2.5 (occupancy rate).	Dargaville 275 Maungatūroto 340 Ruawai 130 Glinks Gully 52 Mangawhai* 230 *Mangawhai calculation to consider the campground	Dargaville 275 Maungatūroto 340 Ruawai 130 Glinks Gully 52 Mangawhai* 230 *Mangawhai calculation to consider the campground	Dargaville 275 Maungatūroto 340 Ruawai 130 Glinks Gully 52 Mangawhai* 230 *Mangawhai calculation to consider the campground	Dargaville 275 Maungatūroto 340 Ruawai 130 Glinks Gully 52 Mangawhai* 230 *Mangawhai calculation to consider the campground
Major capital projects are completed within budget.	Achieved when completed at or below budget	Achieved when completed at or below budget	Achieved when completed at or below budget	Achieved when completed at or below budget

1Real water loss is calculated by subtracting the meter readings and 'other components' from the total water supplied to the networked reticulation system.

Changes in Levels of Service

There will be no changes to the level of service.

Significant Negative Effects

Activity	Effect	Mitigation
Drought	People will not have enough water effecting household and commercial premises. Those on non-reticulated supplies or who capture their own water will be affected by reduced availability of water. Water carts may not be able to supply.	Apply water restrictions to manage the demand enabling an equitable distribution of water. Long term plan is to increase capacity through consent renewal, investigation of existing holding dam use and tapping into new sources of water, e.g., Tai Tokerau Water Trust Water Storage.

Significant Negative Effects continued

Activity	Effect	Mitigation
Drinking Water	Non-compliance can occur at the water treatment plant (WTP) or within the water network.	<p>We mitigate potential negative effects through a mix of asset management planning activities, including:</p> <ul style="list-style-type: none"> • asset development work • monitoring and testing • demand management initiatives and • public education, including water conservation programmes. <p>We have stringent monitoring and testing regimes to control and supply the community with compliant drinking water.</p>
Water system	Water treatment system failure could affect dialysis patients.	<p>Our contractors have a list of dialysis patients and notify them immediately of any outages, supplying water if needed.</p> <p>We mitigate potential negative effects through a mix of asset management planning activities, including:</p> <ul style="list-style-type: none"> • asset development work • monitoring and testing • demand management initiatives and • public education, including water conservation programmes.
Pipes	Breaks in the lines are unpredictable and difficult to detect in wet weather. However, any rapid reservoir depletion is a trigger for network investigation. Our Water Asset Management Plan describes our water assets and the practices used to manage them which helps to reduce possible negative effects and risks	<p>We mitigate potential negative effects through a mix of asset management planning activities, including:</p> <ul style="list-style-type: none"> • asset development work • monitoring and testing • demand management initiatives and • public education, including water conservation programmes.

How are we considering Climate change?

Council's Climate Smart Community Outcome guides Water Supply activities. Council has identified climate change projections and potential impacts and implications for Kaipara's water supply. We understand that increasing drought conditions and lower mean flow levels pose risks to water supply activities. While demand for potable water will remain and increase, access to water will decrease. Water supply activities face changes to water quality, reduced water quality and flows and increasing pressures on water take consents.

We will continue to identify impacts and potential negative effects. We will seek adaptive planning and designs in our asset developments and upgrades. Where feasible, we will pursue opportunities for

sustainable, low emissions design and project management. We will continue to seek options for water storage, water conservation and maintaining water quality. We will ensure our asset management plans (AMPs) reflect the critical nature of conserving water supply and adapt to changes in access and availability.

Prospective Funding Impact Statement

Water Supply

PFIS - Water Supply	Annual Plan	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget
For the year ended: 30 June	2020-2021 \$'000	2021-2022 \$'000	2022-2023 \$'000	2023-2024 \$'000	2024-2025 \$'000	2025-2026 \$'000	2026-2027 \$'000	2027-2028 \$'000	2028-2029 \$'000	2029-2030 \$'000	2030-2031 \$'000
Sources of operating funding											
General rates, uniform annual general charges, rate penalties	0	381	366	0	0	0	0	0	0	0	0
Targeted rates	3,145	4,194	4,444	4,623	4,648	4,759	4,913	4,975	5,042	5,444	5,518
Subsidies and grants for operating purposes	0	0	0	0	0	0	0	0	0	0	0
Fees and charges	491	550	566	579	589	634	656	675	698	520	537
Internal charges and overheads recovered	0	0	0	0	0	0	0	0	0	0	0
Interest and dividends from investments	0	0	0	0	0	0	0	0	0	0	0
Local authorities fuel tax, fines, infringement fees and other receipts	0	0	0	0	0	0	0	0	0	0	0
Total operating funding	3,636	5,125	5,377	5,202	5,236	5,393	5,569	5,650	5,740	5,964	6,055
Application of operating funding											
Payments to staff and suppliers	1,281	1,981	2,013	1,806	1,862	1,921	1,984	2,035	2,099	2,166	2,234
Finance costs	277	208	202	163	117	109	91	79	70	55	44
Internal charges and overheads recovered	742	1,230	1,254	1,246	1,279	1,302	1,343	1,347	1,350	1,390	1,407
Other operating funding applications	0	0	0	0	0	0	0	0	0	0	0
Total applications of operating funding	2,300	3,419	3,469	3,216	3,258	3,332	3,417	3,461	3,519	3,610	3,685
Surplus (deficit) of operating funding	1,337	1,706	1,907	1,986	1,978	2,061	2,152	2,190	2,221	2,354	2,371
Sources of capital funding											
Subsidies and grants for capital expenditure	0	916	0	0	0	0	0	0	0	0	0
Development and financial contributions	0	33	57	57	49	44	40	38	37	23	23
Increase (decrease) in debt	248	-352	-365	-330	-448	-468	-508	-498	-471	-499	-480
Gross proceeds from sale of assets	0	0	0	0	0	0	0	0	0	0	0
Lump sum contributions	0	0	0	0	0	0	0	0	0	0	0
Other dedicated capital funding	0	0	0	0	0	0	0	0	0	0	0
Total sources of capital funding	248	597	-308	-273	-400	-424	-468	-460	-434	-476	-457
Applications of capital funding											
Capital expenditure - to meet additional demand	0	139	67	0	0	0	322	0	0	662	0
Capital expenditure - to improve the level of service	13	579	0	0	0	0	0	0	0	0	0
Capital expenditure - to replace existing assets	1,383	1,017	1,370	1,232	1,736	1,872	1,800	1,719	1,778	2,004	1,901
Increase (decrease) in reserves	189	570	163	480	-157	-235	-439	11	9	-787	13
Increase (decrease) of investments	0	0	0	0	0	0	0	0	0	0	0
Total applications of capital funding	1,584	2,304	1,599	1,713	1,579	1,637	1,684	1,730	1,786	1,878	1,913
Surplus (deficit) of capital funding	-1,337	-1,706	-1,907	-1,986	-1,978	-2,061	-2,152	-2,190	-2,221	-2,354	-2,371
Funding Balance	0	0	0	0	0	0	0	0	0	0	0



SECTION 6 | Policies and Statements

Policies





Significance and Engagement Policy

Kaipara District Council 2020

Context

Introduction

For every decision Council makes, whether big or small, we need to consider how important that decision is to our communities and how it might impact them. Sometimes we are already aware of people's views on a matter or are very limited in our choices about a decision, but at other times we need to hear your thoughts first before we decide what to do.

Often when Council is making an important, or significant decision, the way we engage with you is set by legislation and there is a process we must follow, but sometimes we can choose. When deciding how significant a decision is for our communities, we look at a number of factors, including:

- who is affected by, or interested in the decision
- what the costs will be
- what the overall likely impact of the decision will be.

These factors are part of working out the best way to engage with our communities on the issue. Do we need to just tell you it's happening? Do we need to ask you for feedback on a draft proposal? Or do we need to involve you every step of the way?

This Significance and Engagement Policy (SEP) guides Council's assessment of the significance of matters and sets out how and when our communities can expect us to engage, before making a final decision on both significant and not so significant matters.



The SEP outlines how we involve our community in decision-making.



Legislative framework

The key purpose of the SEP is to agree with the community on the approach Council should use when considering which decisions and actions of Council are 'significant'. At the same time, the SEP details how Council will engage with the community on matters identified as significant, before making a final decision. The SEP is also required to outline how Council will engage with the community on matters that are not significant, as well as providing a list of assets that Council has decided are 'strategic assets' for the purposes of section 97 of the Local Government Act 2002 (LGA).

The LGA (section 76-81) provides a framework which applies to all decision-making processes, including the



What is section 97 of the LGA about? If something is a strategic asset (as defined in section 5 of the LGA), then if Council wants to transfer ownership or control of that asset, it must include that as a proposal in its draft Long Term Plan.

consideration of community views. For each decision, Council determines how those requirements apply.

Check out the Local Government Act for more information: www.legislation.govt.nz

Decisions of Council are often made under legislation with specific consultation processes for plans, policies or other matters. Examples of these are District Plans under the Resource Management Act 1991 and



Council's decision-making is further framed by other things, such as the requirements of Government policy, technical matters and financial implications. These matters can also influence engagement on an issue (e.g. if there is only one, or very limited viable options, such as a specific change required by new legislation).

Reserve Management Plans under the Reserves Act 1977. For most other matters that have a prescribed consultation process, Council must follow the requirements of the LGA. These are explained in the following section.

Regardless of the level of significance, if the decision is about a matter that has a prescribed process, Council must follow that process. However this does not mean that Council is limited to only engaging in accordance with the legislation, Council can choose to undertake additional engagement activities to support the decision-making process if this is considered appropriate.

Attachment 1 provides an overview of the range of policies, plan and matters for which a prescribed consultation process is in place. For these matters, Council usually develops a specific engagement plan designed to meet the legal requirements, and any other relevant matters.



Local Government Act 2002 consultation requirements

Consultation is one of the ways we engage to find out about community views and preferences before making a decision. We consult on certain decisions because we recognise how important they are to our communities, or because we are required to by statute, or both.

The LGA contains principles which guide consultation as well as some specific requirements. It refers to consultation in two different, but closely related ways: 'consultation' and the 'special consultative procedure' (SCP). As the name implies, the 'special consultative procedure' is a specific kind of consultation.

Section 82 and 82A Local Government Act

Section 82 of the LGA provides some overarching principles for consulting.

This includes:

- identify people who will be affected by or have an interest in the decision
- provide them with reasonable access to relevant information in an appropriate format on the purpose and scope of the decision
- encourage people to give their views
- give people a reasonable opportunity to give their views in an appropriate way
- listen to, and consider those views, with an open mind
- after the decision, provide access to the decision and any other relevant material.

Section 82A details some additional obligations if the consultation is a specific requirement under the LGA. Where this section applies Council also develops:

- a description of what we want to do, and why
- an analysis of the practical options (with advantages and disadvantages)
- a draft of the policy or relevant document (or details of the changes to any policy or document).



Attachment 1 shows which matters these sections apply to.

Section 83 – the Special consultative procedure (SCP)

The SCP builds on the principles of section 82 of the LGA as well as detailing additional requirements, including developing a 'statement of proposal' (SOP). An SOP is a document that provides detailed information on what the proposal is about and how people can provide their feedback. Depending on what the consultation is about, for example a long term plan or a bylaw, the exact content requirements are further prescribed in the LGA. In addition to meeting the principles of section 82, Council will:

- make the SOP publicly available
- allow feedback to be provided for a minimum of one month
- ensure people are given an opportunity to present their views to the council through spoken interaction (or using sign language).



For Long Term Plans, Council is required to produce a 'Consultation Document', rather than a Statement of Proposal.

What is 'consultation' and what is 'engagement'?

Often the two terms 'consultation' and 'engagement' are used interchangeably, however this is not accurate. Most councils in New Zealand, including Kaipara District Council, apply the principles developed by the International Association of Public Participation (IAP2) when talking about these matters.

The IAP2 developed the Spectrum of Public Participation ([Attachment 2](#)) to assist with the selection of the appropriate level of participation, or 'engagement' for the issue or problem. The graph below provides a summarised version of the Spectrum.



This means that engagement can range from letting you know about the decision and why it was made, to supporting others to make their own decisions that Council then implements.

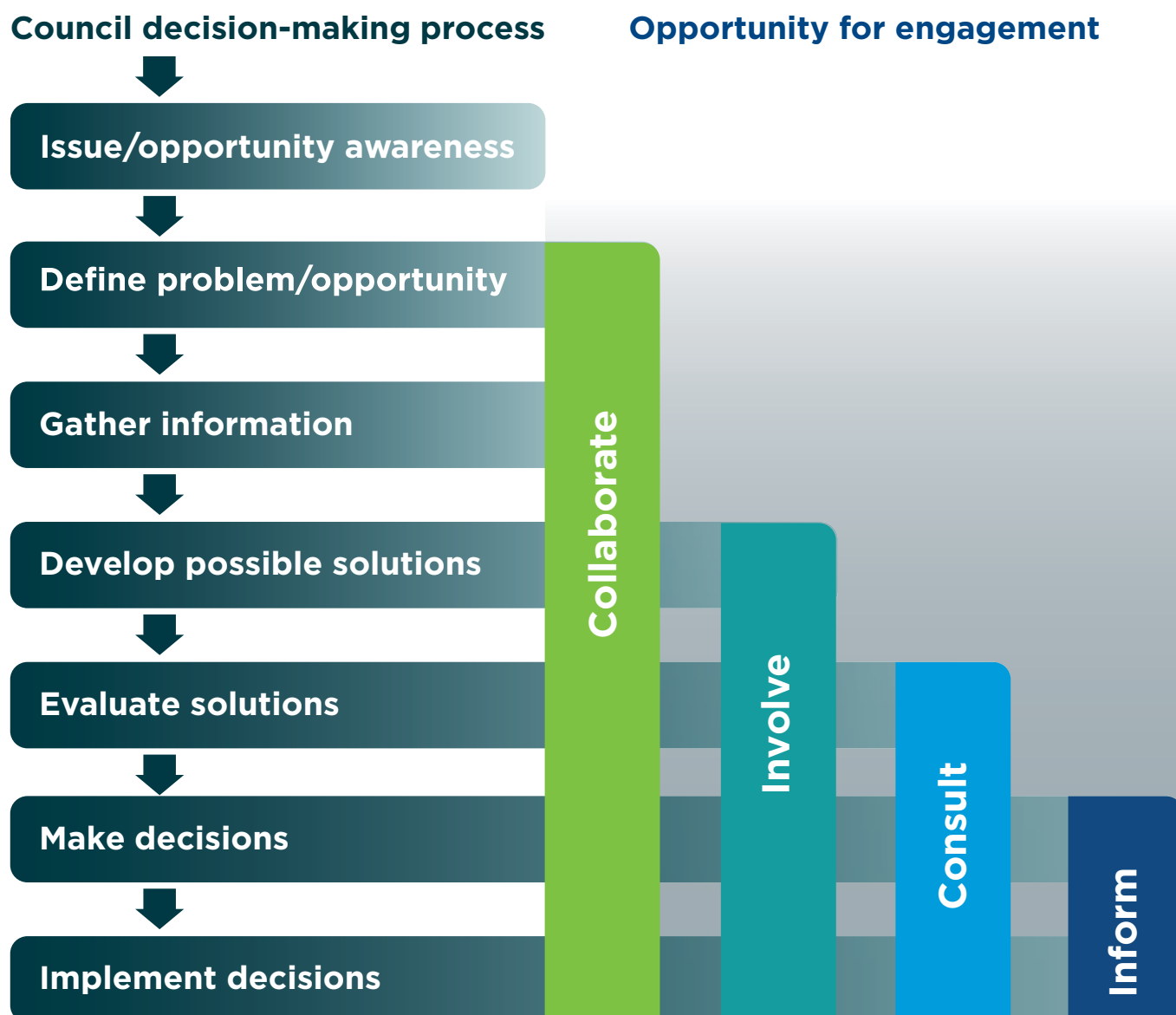
Consultation is just one of the engagement options available, depending on the matter.



Consultation generally is when we develop a proposal, often a draft policy or plan, and then ask you for your views on the draft proposal. We consider your views before deciding on what the final policy or plan should say.



Another way of looking at the different types of engagement is to look at the steps in the decision-making process as an issue, proposal or decision progresses from development to final decision. **Diagram 1** below outlines the steps and the associated types of opportunities for participation.



Attachment 3 provides an overview of the different types of tools and methods Council can use, depending on which level of engagement is appropriate and the specific issue or proposal.

Empowerment

The highest level of engagement 'empowerment' is not included in the graph above. This is because it is generally used in circumstances outside of the decision-making process where Council's role is assisting others to make a decision. Often this kind of engagement is supported by Council through a framework of grants, advice and support.

Very occasionally and in certain circumstances, councils chose to empower the community to decide through a binding referendum. Councils can also delegate decisions to a group of people, for example a reserve management committee, made up of members of the community with an interest in the reserve.

Māori

Māori have a unique relationship with councils through the Treaty of Waitangi and supporting legislation. This relationship is reflected in the principles and requirements of the LGA to ensure participation by Māori in local authority decision-making processes.

In summary, the LGA requires councils to:

- take into account Māori interests where any significant decisions are to be made affecting 'land or a body of water'
- establish and maintain processes to provide opportunities for Māori to contribute to council decision-making processes
- consider ways to foster the development of Māori capacity to contribute to council decision-making processes
- put in place processes to consult with Māori
- assist Māori to better participate generally in decision-making.

To meet these duties, obligations, and commitments, Council will:

- recognise the enduring presence, aspirations, and cultural obligations of Mana Whenua (local iwi, hapū and Marae) as kaitiaki (stewards) in the Kaipara District
- actively consider the recognition and protection of Māori rights and interests within the Kaipara District, and how we contribute to the needs and aspirations of Māori
- where a significant decision relates to land or a body of water, take into account the relationship of Māori, and their culture and traditions with their ancestral land, water, sites, wāhi tapu, valued flora and fauna, and other taonga
- ensure all decision reports of Council consider impacts on Māori, and if any potential impacts are identified, how these have, or will be, addressed
- establish and maintain processes to provide opportunities for Māori to contribute to our decision-making processes, as provided for in Council's Long Term Plan.

In the Kaipara District, our Mana Whenua relationships are informed by our Mana Enhancing Agreement with Te Iwi o Te Roroa and our Memorandum of Understanding with Te Uri o Hau. Council's engagement processes are guided by these documents.

Mana Whenua by definition are Māori people from a specific location, region or geographical landscape who exercise territorial rights and authority over occupied tribal lands.

Council works with both Te Uri o Hau and Te Iwi o Te Roroa, supported by Te Kuihi as Mana Whenua, in acknowledgement of, and in accordance with, Treaty of Waitangi settlement processes and the associated legislative framework.

While supported and underpinned by this SEP, our commitments to working with Māori are broader than those matters the SEP addresses. Council will, in accordance with the above principles, engage or work with Mana Whenua and/or iwi/hapū on a specific matter, normally in advance of undertaking any engagement activity in accordance with this SEP.

The Policy

Policy Statement

Kaipara District Council aspires to actively and meaningfully engage with its communities as part of its decision-making processes. Genuine engagement will be encouraged in a manner that is consistent with the significance of the issue proposal or decision, is transparent and clearly communicated.

Principles

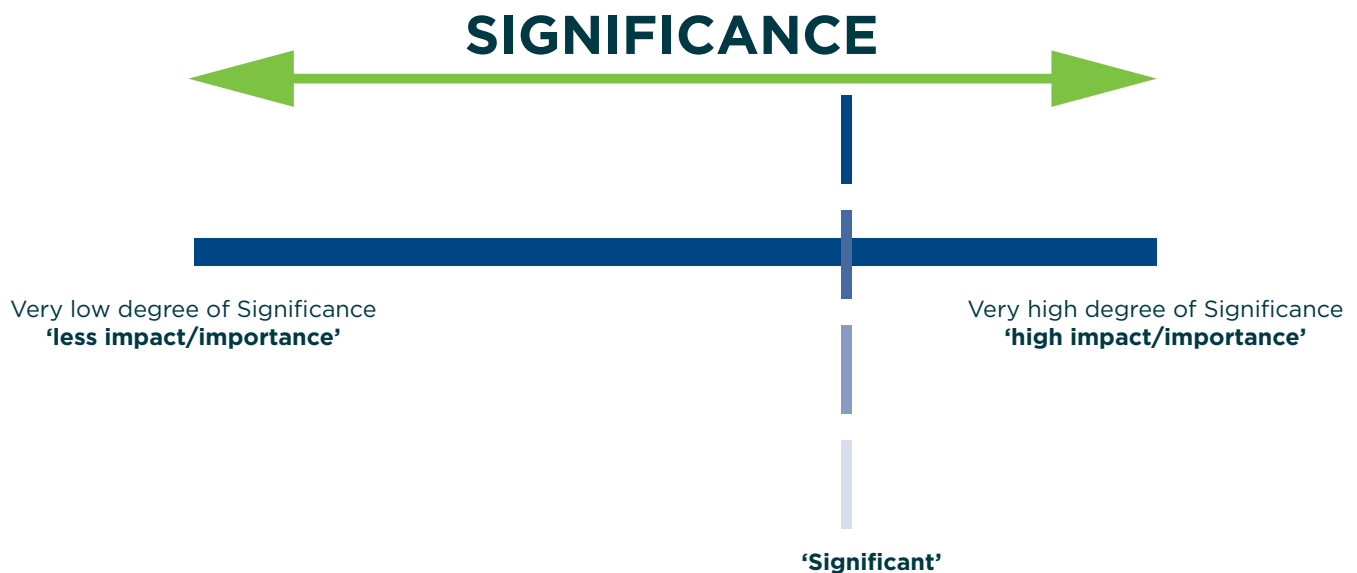
The LGA provides a range of matters we are expected to consider in making decisions and understanding the views and preferences of our community when making those decisions. The following principles guide Council in ensuring these requirements are met.

- engaging with an open mind and a willingness to listen
- providing information that is balanced, sufficient and in plain language
- being clear on the purpose of the engagement and the scope of the decision(s)
- allowing time and make resources available, to ensure participants have fair opportunity to understand the matter and contribute their views
- making the engagement process inclusive and accessible
- valuing contributions made, time given, and local knowledge
- tailoring engagements to be flexible and best meet the needs of those who are being engaged
- ensuring good information sharing of community views and preferences within Council
- coordinating engagement across Council departments to minimise duplication and consultation fatigue
- ensuring people can access and understand the rationale for the final decisions made.



Determining Significance

The terms significance and significant are defined in the LGA (section 5). Significance refers to the degree of importance of the issue. This indicates that it is not a yes/no proposition, but that the consideration of significance can be assessed on a continuum. Under the definition, something is 'significant' if it has a high degree of significance.



Council will consider the following criteria when determining the degree (very low to very high) of significance of an issue, proposal or decision:

- the current and future impact on the community:
 - the number of people affected by, or with an interest in the matter
 - the degree to which they may be impacted by the decision
 - the level of community interest already apparent for the issue, proposal or decision
 - the potential to generate community interest
 - known divided community views on the matter
- whether the matter is subject to specific statutory requirements, including consultation
- Council's ability to deliver on the current Long Term Plan
- the financial consequences, including ongoing and consequential costs (including depreciation) to the community
- The impact on Council's direction
- the consistency of the proposed decision with existing policy and strategy
- unbudgeted capital expenditure of > 10% of total rates in year commenced
- unbudgeted operational expenditure of > 1% of total rates in year commenced.

Engaging on matters with a high degree of significance

The significance of the issue, proposal or decision influences how much time, money and effort the Council will invest in exploring and evaluating options and engaging with the community before making a decision. For matters determined to have a high degree of significance, Council will, at a minimum, consult with the community in accordance with the requirements of section 82 of the LGA, except for matters with a prescribed statutory consultation process. In those cases, Council will, at a minimum, consult in accordance with the relevant statutory requirements.

Consideration of the significance criteria and the specific proposal or decision may indicate that a higher level



See **Attachment 3** for the tools and methods you can expect to see when Council engages on a significant matter.

of engagement than consultation in accordance with section 82, or the relevant legislative prescribed process, is appropriate.

For matters with a high degree of significance, an engagement plan will be prepared that will:

- detail the appropriate form and extent of engagement
- state the purpose of engagement and how any feedback can influence the final decision
- factor in the unique needs of each affected community
- consider the extent that Kaipara District Council is already aware of the views of potentially interested and affected people
- involve elected members throughout the engagement process.

Where a decision has district-wide implications, Council will endeavour to ensure that the locations selected for direct engagement with communities are spread across the district and are readily accessible to local residents and ratepayers.

Sometimes the nature and circumstances of a decision to be made on a matter with a high degree of significance may not provide an opportunity for engagement. This is generally in circumstances where an immediate or quick response is required and it is not reasonably practicable to engage, including if a delay in decision-making could result in:

- risk to people's health and safety
- unreasonable or significant damage to property
- the loss of a substantial opportunity to achieve Council's strategic objectives.

Other situations include circumstances where emergency works are required, or the matter relates to the operation and maintenance of a council asset and responsible management requires the works to take place immediately.

In these instances, the significance assessment will detail the reasons why the decision is required without consulting in accordance with section 82 of the LGA.

Engaging on other matters

If a matter has been determined to have a lower degree of significance, Council must still decide what level of engagement with the community is appropriate. This decision will be informed by:

- what, if any, aspect of the decision can change as a result of engagement due to the legislative, technical and operational aspects of the matter
- the decision-making requirements of the LGA
- the level of Council's existing understanding of the views and preferences of the interested or affected persons
- the need for confidentiality or commercial sensitivity
- whether the matter relates to a policy, strategy or plan that Council has already consulted on
- the characteristics of the interested or affected persons (e.g. geographically, or by interest, age or activity)
- urgent matters, where an immediate or quick response is required
- the length of time the matter relates to (e.g. is it a one-off decision or a ten year strategy).

While the above criteria will assist in determining the level of engagement and who to engage with, these details are also informed by the specific situation. Just because a matter has a higher level of significance compared to another matter, it does not mean that a higher level of engagement is necessarily appropriate and vice versa.

The following theoretical scenarios provide some examples of this.

Scenario 1: Very low significance/high level of targeted engagement

Council's Long Term Plan includes a small budgeted amount for playground upgrades. The decision to proceed with the upgrade to a specific playground is of lower significance. However, what the playground should look and feel like is of great importance to the local community. The best outcome for Council and the community is achieved through collaboration with the community to decide how the playground should be upgraded.

Scenario 2: Low to moderate significance/very low level of engagement

Council's streetlamps are being replaced with more energy efficient LED lights. The money for this has been allocated within existing operational budgets with savings expected to be achieved within three years of installation. Because of the nature of the works, there will be some disruption to traffic flows. The decision is largely operational with a lower level of significance; however the works will impact on a large proportion of the community. Therefore, a lower level of engagement, informing the community about the matters Council considered when making the decision and how the installation will be managed is appropriate.

For matters of lower significance that have a low impact on the general public as well as Council's diverse communities, Council will generally either engage at the 'inform' or 'consult' level.



See [Attachment 3](#) for 'inform' and 'consult' methods and tools.

Where an issue may be of greater interest to stakeholders or may impact on a distinct group of affected or particularly interested people, Council will consider engaging at the involve or collaborate level of engagement, depending on to which extent the matter has limited legal, technical, operational or financial constraints.



See [Attachment 4](#) for a flowchart on how to determine which type or level of engagement is appropriate.

Strategic Assets

This section provides a list of assets or group of assets that Council needs to retain if it is to maintain its capacity to achieve or promote any outcome that it determines to be important to the current or future well-being of the community.

The LGA requires that any decision to transfer the ownership or control of a strategic asset to or from the local authority must be explicitly provided for in a Long Term Plan, after community consultation using the special consultative procedure.

The following list provides the assets, or groups of assets that Council considers meet the above criteria:

- **The transportation networks**
- **Water supply schemes**
- **Wastewater schemes**
- **The open spaces (including reserves and cemeteries) network**
- **Stormwater schemes**
- **The stop bank network**

Council takes a group or whole-of-asset approach to the above assets. This means the group assets as a whole are considered the strategic asset, and not each individual asset within the group. For example:

The transportation network as a whole is the strategic asset, however the smaller parcels of land that make it up individually are not, and the purchase or sale of one or a few small parcels does not impact on Council's ability to maintain its capacity to achieve or promote an associated outcome.

The requirement to provide a transfer of a strategic asset through a Long Term Plan proposal would therefore only be required if the proposal relate to the whole asset.



Attachment 1

Statutory consultations*

Type	What	Act	Type of consultation required**
Bylaw	Health Act Bylaw	Health Act 1956	SCP or S82
Bylaw	Land Transport Act Bylaws	Land Transport Act 1998	SCP or S82
Bylaw	Local Government Act Bylaws	Local Government Act 2002	SCP or S82
Bylaw	Prostitution Reform Act Signage Bylaw	Prostitution Reform Act 2003	SCP or S82
Bylaw	Reserves Act Bylaws	Reserves Act 1977	SCP or S82
Bylaw	Waste Minimisation Act Bylaw	Waste Minimisation Act 2008	SCP or S82
Bylaw	Burial and Cremation Act Bylaw	Burial and Cremation Act 1964	SCP or S82
Bylaw	Dog Management Bylaw	Dog Control Act 1996	SCP or S82
Bylaw	Dog Management Policy	Dog Control Act 1996	SCP
Policy	Easter Trading Policy	Shop Trading Hours Act 1990	SCP
Bylaw	Freedom Camping Bylaw	Freedom Camping Act 2011	SCP
Plan	LTP	Local Government Act 2002	SCP
Plan	Waste Management and Minimisation Plan	Waste Minimisation Act 2008	SCP
Policy	Dangerous and Insanitary Buildings Policy	Building Act 2004	SCP
Policy	Class 4 Gambling Venue Policy	Gambling Act 2003	SCP
Policy	Local Approved Products Policy	Psychoactive Substances Act 2013	SCP
Policy	Board Venue Policy	Racing Act 2003	SCP
Policy	Local Alcohol Policy	Sale and Supply of Alcohol Act 2012	SCP
Finance policy	Policy for early payment of rates in current financial year	Local Government (Rating) Act 2002	SCP
Other	Pedestrian malls	Local Government Act 1974	SCP
Bylaw	Litter Act Bylaw	Litter Act 1979	Other
Bylaw	Sale and Supply of Alcohol Act Fees Bylaw	Sale and Supply of Alcohol Act 2012	Other
Other	Stopping a road	Local Government Act 1974	Other
Other	Temporary road closure	Local Government Act 1974	Other
Other	Declare a private drain to be public	Local Government Act 1974	Other
Other	Erection of transport shelters	Local Government Act 1974	Other
Other	Leasing powers of council with respect to ferries	Local Government Act 1974	Other
Other	Conditions of fixing levels of roads	Local Government Act 1974	Other
Plan	Civil defence emergency management group plans	Civil Defence Emergency Management Act 2002	Other
Plan	Reserve Management Plans	Reserves Act 1977	Other
RMA	District Plan	RMA	Other
RMA	Plan changes	RMA	Other
RMA	Notified Resource Consent application	RMA	Other

*This table is indicative only; it does not provide a definitive list of every statutory consultation requirement of Council and is current as at the adoption date of this Policy.

**In certain circumstances, Council can resolve to make minor amendments to some of the documents listed here without consultation.



Attachment 1

Statutory consultations* (continued)

Type	What	Act	Type of consultation required**
Other	Alter significantly the intended level of service provision for any significant activity including the decision to commence or cease the activity	Local Government Act 2002	SCP (LTP)
Other	Transfer the ownership or control of a strategic asset to or from Council	Local Government Act 2002	SCP (LTP)
Plan	Annual Plan – subject to section 95 LGA	Local Government Act 2002	S82/S82A
Policy	Significance and Engagement Policy	Local Government Act 2002	S82/S82A
Finance policy	Revenue and Financing Policy	Local Government Act 2002	S82/S82A
Finance policy	Development Contributions Policy OR Financial Contributions Policy (or both)	Local Government Act 2002	S82/S82A
Finance policy	Rates Remissions Policy	Local Government Act 2002	S82/S82A
Finance policy	Rates Postponement Policy	Local Government Act 2002	S82/S82A
Finance policy	Policy on the remission and postponement of rates on Maori freehold land	Local Government Act 2002	S82/S82A
Other	Fees and Charges under s150 LGA	Local Government Act 2002	S82/S82A
Other	Transferring responsibilities to another Local Authority	Local Government Act 2002	S82/S82A
Other	Establishing or becoming a shareholder in a Council Controlled Organisation (includes a council controlled trading organisation)	Local Government Act 2002	S82/S82A

**This table is indicative only; it does not provide a definitive list of every statutory consultation requirement of Council and is current as at the adoption date of this Policy.*

***In certain circumstances, Council can resolve to make minor amendments to some of the documents listed here without consultation.*



Attachment 2

IAP2 Spectrum of Public Participation

IAP2 Spectrum of Public Participation



IAP2's Spectrum of Public Participation was designed to assist with the selection of the level of participation that defines the public's role in any public participation process. The Spectrum is used internationally, and it is found in public participation plans around the world.

INCREASING IMPACT ON THE DECISION			
PUBLIC PARTICIPATION GOAL	PROMISE TO THE PUBLIC	INFORM	EMPOWER
		CONSULT	COLLABORATE
To provide the public with balanced and objective information to assist them in understanding the problem, alternatives, opportunities and/or solutions.	We will keep you informed.	To obtain public feedback on analysis, alternatives and/or decisions.	To partner with the public in each aspect of the decision including the development of alternatives and the identification of the preferred solution.
		We will keep you informed, listen to and acknowledge concerns and aspirations, and provide feedback on how public input influenced the decision.	To place final decision making in the hands of the public.
		To work directly with the public throughout the process to ensure that public concerns and aspirations are consistently understood and considered.	We will look to you for advice and innovation in formulating solutions and incorporate your advice and recommendations into the decisions to the maximum extent possible.
		We will work with you to ensure that your concerns and aspirations are directly reflected in the alternatives developed and provide feedback on how public input influenced the decision.	We will implement what you decide.

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Attachment 3

Methods and tools of engagement

There are many ways we engage with our communities. Most people who have been involved in engagement processes are familiar with reading about a Council consultation in the newspaper, filling in submission forms, attending public meetings and in some cases attending hearings. This is however not the only option, and depending on what the issue or proposal is, there are other ways to support effective public participation.

Over the time of a decision making process, Council may use a variety of engagement tools. The ones shown in the table below provide some examples. Some tools may be applicable across many levels of engagement. This applies especially to those tools listed in the 'inform' column. Often these tools are also used to create awareness of the engagement activities planned for the other levels of engagement.

Tools and methods for empowerment

Where Council has determined to empower the community or a specific geographical or interest group to make the final decision on a matter, generally Council's role is to support them in their engagement choices as part of the process.

Inform	Consult	Involve	Collaborate
Public Notices News Story Advertisements Email advisories People's Panel Information flyers Radio advertising Social media advisories KDC website Council agendas and reports	Written submissions Hearings Public meetings Social media Attendance at community group/RR meeting Information stands (field days, community markets etc) Surveys	Stakeholder workshops Seminars Exhibitions Open days Drop in days/sessions	Community/Stakeholder working groups Community advisory groups Partnership forums Citizens panels

Method selection

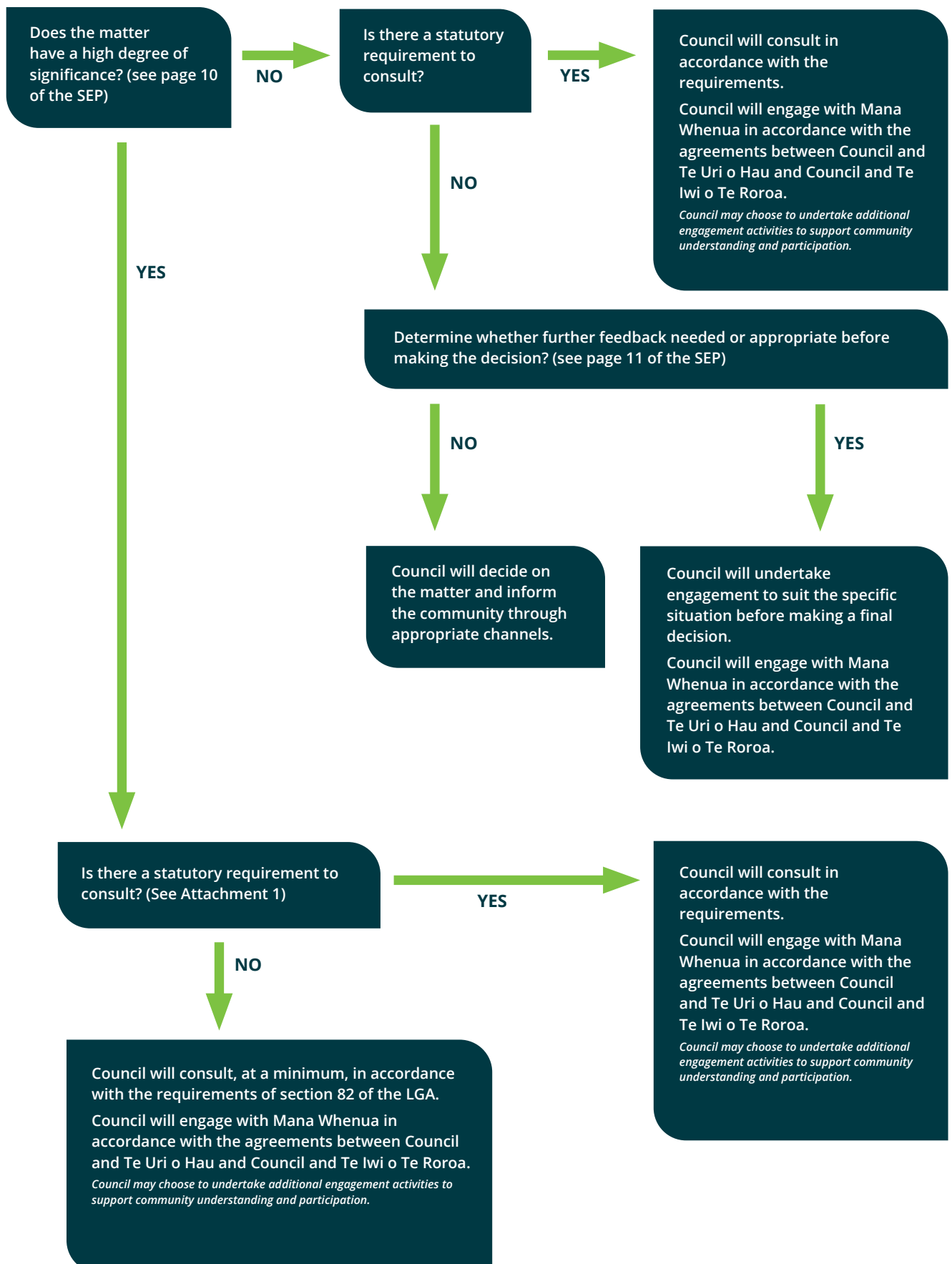
The type of methods chosen will depend on several factors. Consideration will be given to how many people Council needs to reach (is it the residents of one street or the entire District?), what period of time is needed to engage (is it the summer holidays where people are away?), and how complex the matter is (do we need to provide a lot of information first for people to understand the issue before we ask for feedback?).

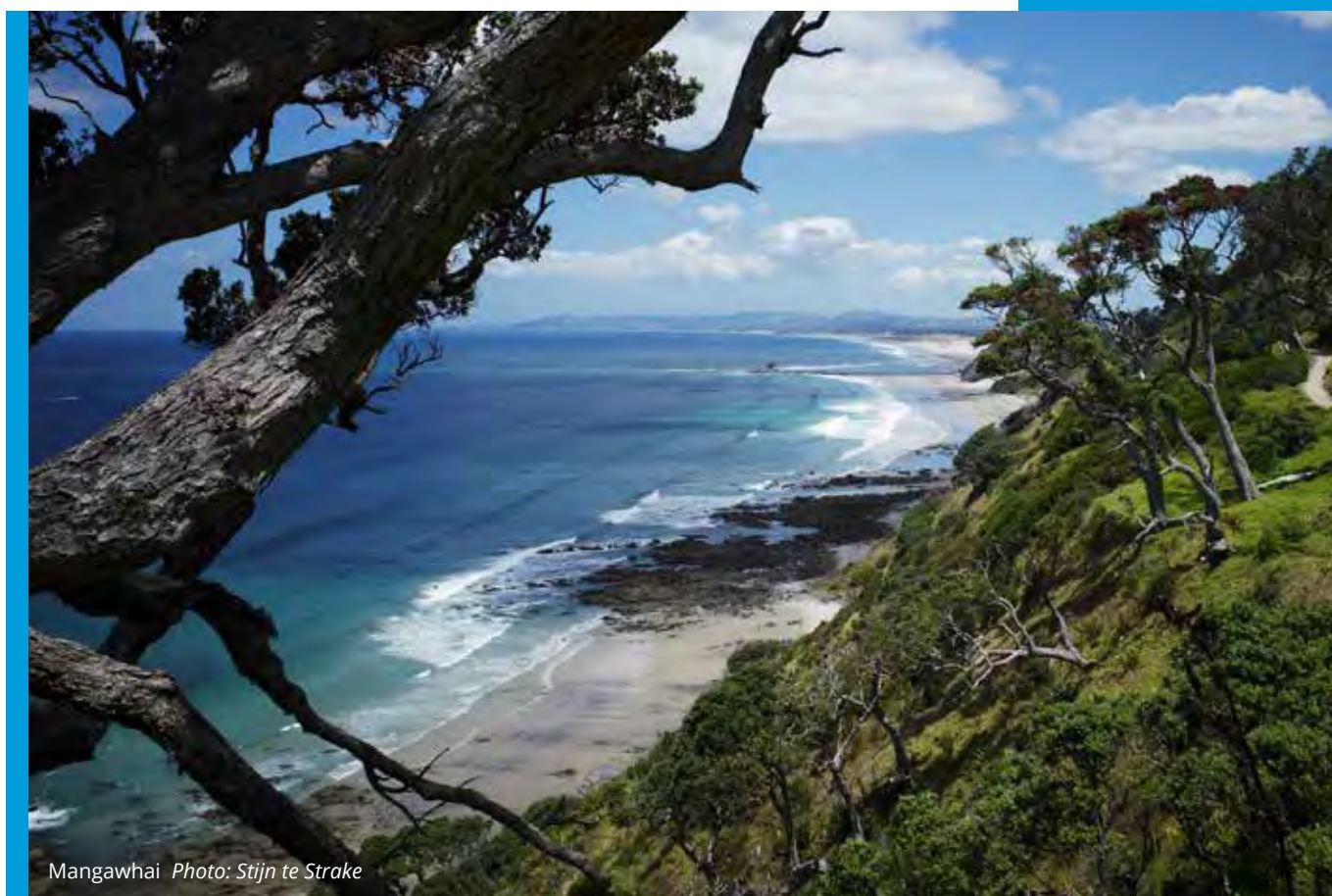
Council staff use internal checklists, templates and guidelines to assist in developing engagement plans that meet the principles outlined in this SEP.



Attachment 4

Process to determine how to engage





Revenue and Financing Policy

Kaipara District Council 2020

Introduction

The Revenue and Financing Policy sets out how Council funds each activity it is involved in and why. Council is required to have this policy to provide predictability and certainty to customers about the sources and levels of funding. The Revenue and Financing Policy describes how Council funds its operating and capital expenses from the funding sources available to Council and why it chooses the various mechanisms to fund the operating and capital expenditure of Council.

Purpose

This Revenue and Financing Policy is required by section 102 and Part 1 of Schedule 10 of the Local Government Act 2002 (LGA) to be included as part of Council's Long Term Plan and will be reviewed three-yearly as part of the Long Term Plan process.

The Council must undertake services in a financially prudent and sustainable way for the Council and community as a whole. The Council decisions and rationale underpinning the funding of these services are set out in this Policy.

Our Funding Approach

In determining how activities are funded Council is obliged to equitably share the costs of delivering services across different users as well as ensuring equity between current and future generations. In deciding how to fund each activity, Council considers the nature of the services provided and who benefits from those services.

It considers Sec101(3):

- The community outcomes to which an activity primarily contributes
- The distribution of benefits between the community, identifiable parts of the community and individuals
- The period during which the benefits are expected to occur
- The extent to which actions, or inactions, of individuals or groups contribute to the need to undertake the activity; and
- The costs and benefits of funding the activity distinctly from other activities.

It then considers the overall impact of any allocation of liability for revenue needs on the current and future well-being of the district and determines whether it needs to modify any of its earlier decisions.

Description of Funding Mechanisms

Types of Expenditure

Broadly speaking Council has two types of expenses: **operating expenditure and capital expenditure**.

Operating expenditure is used to fund the ongoing day to day activities and services of Council.

Capital expenditure is money spent in acquiring or upgrading a business asset such as equipment or buildings. Council has three categories of capital expenditure spread across its activities:

- Renewals – capital expenditure that increases the life or replaces an existing asset with no increase in service level
- Increased Level of Service (ILOS) – capital expenditure that increases the service level delivered by the asset; and
- Additional Capacity (AC) – capital expenditure that is required to provide additional capacity in whole or part necessary to accommodate growth.

Funding Mechanisms

Different funding sources are used for different types of expenditure. Council funds its expenditure using the following funding mechanisms.

User Fees and Charges are fees charged to individuals or groups who are directly using a Council service. In this case, there is a direct benefit to an individual or group. User fees and charges also include rental income. For a user charge to be charged, the beneficiaries must be able to be identified and charged directly for the

service they receive. Council also considers issues like the affordability of user charges or how they compare to the market rate for services. The use of user charges may be balanced with other funding sources where the Council believes that a charge set too high will reduce use and therefore diminish the value of the service to the community and impose a greater cost on ratepayers.

Rates

There are two main types of rates:

- General Rates, which can be distinguished according to
 - Value base rates
 - Differentials
 - Uniform Annual General Charge (UAGC)
- Targeted Rates

General Rate is a rate assessed across all rateable properties in the district based on a property valuation system. It is used to fund those services where Council believes there is a public benefit to the whole of the community across the district and where a fixed charge per Rating Unit is not considered appropriate. In so doing, Council acknowledges that a rate based on property value does not necessarily match ability to pay. By law, the General Rate must be based on a property valuation system. Council currently uses a land valuation system.

Council has two differentials to its General Rate, (100% for residential and lifestyle land under 2 hectares; 155% for all other land use categories). The use of these differentials is to recognise that in addition to the public good element of the services funded by General Rates where everyone benefits and can use them there is a difference, which we have assessed by using land use categories, as to how much ratepayers characterised by each category benefit from the service, primarily the roading network and the extent to which they contribute to the costs of that service. The variable component of general rates is set as cents per dollar of land value, which is assessed according to the two differentials.

The Uniform Annual General Charge (UAGC) is a proportion of the General Rate set at a fixed amount per Rating Unit in the district. It is used to ensure a fair distribution across ratepayers given the marked difference in land values across the district. This mitigates the impact of a value-based rate which would otherwise place an unfair burden on higher value properties. The level of the UAGC represents a base level for the cost of benefits received from the services Council provides. Council's policy is to review the UAGC annually and set at close to the maximum allowable by law, however having consideration for impact on affordability. This policy has been developed following consideration of the impacts of the overall allocation of rating liability required under section 101(3)(b) of the LGA.

Targeted Rates (Area of Service) are rates that are charged to particular communities or groups of ratepayers. They are used to fund services where a particular community or group benefits from the activity being funded. Targeted rates may be assessed on the land value (LV), applied on a uniform basis to each ratepayer (TR) or charged based on the ratepayer's consumption of the service (consumption). The following activities currently utilise targeted rates funding mechanisms:

- Flood protection and land drainage (LV)
- Stormwater drainage (LV)
- Wastewater treatment and reticulation (TR)
- Water supply (Consumption)
- Mangawhai Harbour Restoration (TR)
- Ruawai Tokatoka Hall (TR)
- Forestry Roads Targeted rate (LV)
- Safer Community (TR)

Council will charge each Rating Unit for each targeted rate. The wastewater targeted rate is to be charged per Separately Used or Inhabited Part (SUIP) except for non-residential properties which will be assessed based on rating units and pan charges.

Separately Used or Inhabited Parts of a Rating Unit (SUIP)

Separately Used or Inhabited Part of a Rating Unit (SUIP) includes any portion inhabited or used by a person other than the owner, and who has the right to use or inhabit that portion by virtue of a tenancy, lease, license or other agreement. For the purpose of this policy, vacant land and vacant premises offered or intended for use or habitation by a person other than the owner and usually used as such are defined as 'used'. For the avoidance of doubt, a rating unit that has a single use or occupation is treated as having one SUIP.

Under the LGA charging SUIP is a factor that may be used to determine liability for both a UAGC and for targeted rates. The following are examples of where there may be application of multiple charges for SUIP:

- Single dwelling with flat attached
- Two or more houses, flats or apartments on one Certificate of Title (Rating Unit)
- Business premise with flat above
- Commercial building leased to multiple tenants
- Farm property with more than one dwelling
- Council property with more than one lessee
- Where part of a rating unit is subject to a right of exclusive occupation.

Proceeds from Asset Sales is the funding received from selling physical assets, such as plant and equipment. They are initially used to repay debt associated with that asset. Any remaining proceeds will be used to repay debt.

Development contributions are levies paid in accordance with the Council's Development Contributions Policy and the LGA 2002 to recover Council expenditure on reserves, community infrastructure and network infrastructure to meet increased demand resulting from new development. These levies can be used for capital expenditure for the purpose they were charged for and may not be used to cover operational costs.

Financial contributions under the Resource Management Act Financial contributions apply to holders of resource consents in the form of sums payable, or land transferred to the Council. These contributions are used to mitigate, avoid or remedy any adverse effects arising from subdivision or development. Council's Policies on Financial Contributions set out the methods by which contributions are calculated and required.

Grants and Subsidies are funding received from other agencies, usually for a specific purpose. As such, they are used to fund those purposes.

Depreciation Reserves are funds in which the probable replacement cost of assets is accumulated each year over the life of the assets, so that they can be replaced readily when they become obsolete. Depreciation in turn is funded from rates.

Other Reserves are funds for specific purposes. Retained earnings are used to fund operating or capital expenses at the Council's discretion. Special reserves will be used to fund either operating or capital expenses according to the policy applying to those reserves.

Investment Interest and Dividends are used to reduce the amount of General Rate required.

Borrowing is defined as taking on debt. The Council usually only borrows to fund long-lived capital assets. The Council will not borrow to fund operating costs for a service unless there are reasons to justify borrowing as a short-term or interim solution. It is used to ensure fairness or intergenerational equity so that current ratepayers pay for the services they use now, and future ratepayers pay their share too. It is generally used where other available funding sources are exhausted. Council only uses borrowing to fund operational expenditure when it is financially prudent to do so and where there are clearly benefits that are delivered beyond the immediate financial year in which the expenditure is incurred. An example is where there is a significant single year spike in operational costs in delivering a particular activity (such as desludging the

wastewater ponds), where the ongoing benefits of the work outweigh the financial costs of borrowing.

Lump Sum contributions are where ratepayers are asked to pay a capital (or lump sum) payment towards meeting the cost of providing a particular asset in their community (e.g. upgrading of wastewater supply) rather than pay for these capital costs via an annual targeted rate. These contributions will be used to fund the retirement of debt for specific capital activity from time to time.

Application of Funding Mechanisms to Expenditure

Different funding sources are used for different types of expenditure. Council uses the funding mechanisms as follows:

Funding Mechanism	Operating Expenditure	Capital Expenditure		
		Additional Capacity	Increased Level of Service	Renewals
General Rates, including the Uniform Annual General Charge	•		•	•
Targeted Rates	•		•	•
Lump Sum Contributions		•*	•	•
Fees and Charges	•		•	•
Borrowing	•**	•	•	•
Asset Sales			•	•
Development Contributions		•		
Financial Contributions		•		
Grants and Subsidies	•		•	•
Depreciation			•	•

*Application depends on how the activity to which capital expenditure relates is funded.

**Used in exceptional circumstances.

The description of funding mechanisms is a statement with respect to the funding of operational expenses and capital expenditure expenses.

Funding of Activities

In determining how activities are funded Council is obliged to equitably share the costs of delivering services across different users as well as ensuring equity between current and future generations. In deciding how to fund each activity, Council considers the nature of the services provided and who benefits from those services and uses the approach as described above.

In the LTP the % split is defined for clarity in budgeting. Actuals may vary, plus or minus 10%.

The analysis undertaken for 2021- 2031 has been placed into a table for each of the services performed.

Council Service	Community Outcomes	Period of Benefit and Distinct Funding	Exacerbator	Distribution of Benefits	Modification Funding Split	Funding Source Operating Capital
Reserves/ open spaces (parks, gardens beaches)	Vibrant communities	Short and long term benefits Distinct funding low benefit	None identified	Gardens and parks open to all Beach esplanade accessible Hired for events minimal New Households	Public 100%	General rates Fees and charges Financial contributions Development contributions Borrowing Grants and subsidies
Cemeteries (network)	Vibrant communities	Short and long term benefits Distinct funding low benefit	None identified	Reserve for all Burial of family member	Costs unaffordable by individuals if paid for all costs Public 30% Private 70%	Fees and charges General rates Financial contributions Borrowing
Ruawai Tokatoka Hall	Vibrant communities Celebrating diversity	Short term benefits Distinct funding high benefit	None identified	Users of Ruawai Tokatoka Hall Funds collected for its renewal	Private 100%	Targeted rates
Sports Parks (network)	Vibrant communities	Short and long term benefits Distinct funding low benefit	None identified	Organised sport	Sports clubs don't have funds to contribute to costs Public 95% Private 5%	Fees and charges General rates Financial contributions Borrowing
Campgrounds (network)	Vibrant communities Prosperous economy	Short and long term benefits Distinct funding medium benefit	None identified	General access to some facilities Kai Iwi Lakes tourists and holiday makers 100%	Some campgrounds cannot recover Private 100%	Fees and charges Lease General rates Financial contributions Borrowing
Community assistance (supporting community organisations and volunteers)	Vibrant communities Trusted council	Short and long term benefits Distinct funding low benefit	None identified	Benefits groups and individuals e.g. Dargaville pool, community partnerships	Public 100%	General rates Grants and Subsidies
Civil defence enhance capability to recover from emergencies	Trusted council Prosperous economy	Short and long term benefits Distinct funding high benefit	None identified	Benefits attributable to the whole community Some added value services to individuals	Public 100%	General rates Grants and subsidies Borrowing

Council Service	Community Outcomes	Period of Benefit and Distinct Funding	Exacerbator	Distribution of Benefits	Modification Funding Split	Funding Source Operating Capital
Community libraries	Vibrant communities Celebrating diversity	Short and long term benefits Distinct funding low benefit	None identified	Information and education of public Social benefits Individuals borrowing books New households	Individuals cannot be fully charged Public 100%	General rates Fees and charges Grants and subsidies Borrowing Financial and development contributions
Animal control (dog licensing, impounding facilities for dogs and stock)	Vibrant communities	Short term benefits Distinct funding medium benefit	Wandering, menacing or dangerous animals and those dogs impounded	General benefit keeping stock and animals under control Animal control so individuals can keep dogs and dog walking areas signposted	Public 50% Private 50%	Fees and charges General rates Borrowing
Building Control (consenting, inspecting and certifying building work, enforcement)	Vibrant communities Trusted council Prosperous economy	Short term benefits Distinct funding high benefit	Non-compliance with consents	Building enforcement provides public benefits Administration, enquiries and answering of calls cannot be charged Direct benefits to owners of property to build	Public 15% Private 85%	Fees and charges General rates
District leadership District Plan (consultation, District Plan)	Trusted council Prosperous economy Celebrating diversity Climate smart	Short and long term benefits Distinct funding low benefit	None identified	Whole community benefits by a well thought out district plan and from policies and bylaws developed	Public 100%	General rates
Resource consents (process land use, subdivision and monitoring)	Prosperous economy Trusted council	Short term benefits Distinct funding high benefit	Non-compliance with consents or District Plan	Community has protection from adverse events Monitoring of complaints Telephone enquiries and administration cannot be charged Consent to individual has direct benefits	Public 30% Private 70%	Fees and charges General rates

Council Service	Community Outcomes	Period of Benefit and Distinct Funding	Exacerbator	Distribution of Benefits	Modification Funding Split	Funding Source Operating Capital
Environmental health (controlling food safety, sale of liquor)	Prosperous economy Trusted council	Short term benefits Distinct funding medium benefit	Non-compliance with Acts	Enforcement of bylaws benefits community health and safety Benefit holding License or certifications for activities	Public 70% Private 30%	Fees and charges General rates
Parking	Trusted council Prosperous economy	Short term benefits Distinct funding medium benefit	Those that breach parking restrictions	Parking spaces attributable to individuals	Private 100%	Fees and charges
Mangawhai harbour restoration	Prosperous economy Healthy environment	Short term benefits Distinct funding high benefit	None identified	Benefits Mangawhai public using harbour Monies gathered on behalf of society	Private 100%	Targeted rates
Governance (informed decisions)	Trusted council	Short and long term benefits Distinct funding low benefit	None identified	Allows public to be part of democratic process Council takes leadership on behalf of all residents	Public 100%	General rates
Corporate services (annual plan, annual reports, long term plans, finance and computing)	Trusted council	Short and long term benefits Distinct funding low benefit	None identified	Long term plans, annual plans annual reports All activities benefit targeted rate activities benefit from this and get an allocation	Public 100%	Fees and charges General rates Borrowing
Roads, footpaths and bridges	Prosperous economy Vibrant communities	Short and long term benefits Distinct funding medium benefit	Heavy traffic	Have access to a roading network Individual properties gain varying benefits Heavy maintenance of forestry roads New households	Public Private Forestry roads	General rates Targeted rates Grants and subsidies Development Contributions Financial contributions Borrowing

Council Service	Community Outcomes	Period of Benefit and Distinct Funding	Exacerbator	Distribution of Benefits	Modification Funding Split	Funding Source Operating Capital
Waste management and waste minimisation (transfer station, recycling, rubbish collection, waste minimisation education)	Healthy environment	Short and long term benefits Distinct funding medium benefit	Fly-tippers and those who abuse the kerbside collection	Public litter bins as promote public health Landfill rehabilitation for 15 years of past landfills Recycling helps sustainability Recycling weekly for each household No charge for recycling at transfer stations for households from 2022 Transfer stations Waste collection for every household weekly	Recycling Private 100% Other Public 95% Other Private 5%	Fees and charges General rates Targeted rates from 2023 Grants and subsidies Borrowing
Stormwater drainage	Prosperous economy	Short and long term benefits Distinct funding high benefit	None identified	Some public benefits as stormwater is controlled Private properties primarily benefit New households Note, hybrid model used for calculating allocation of rates (operational and capital)	Public 10% Private 90%	Targeted rates (on LV) General rates Development contributions Borrowing
Flood protection and control works	Prosperous economy Climate smart	Short and long term benefits District funding high benefit	None identified	Protects roads and private property Protects electricity Particular communities benefit	Private 100%	Targeted rates (on LV) General rates Development contributions Borrowings
Water supply	Prosperous economy	Short and long term benefits Distinct funding high benefit	None identified	Access to safe drinking water Assured supply of fire fighting Water for public toilets	Private 100% Connectable - want sections in communities to connect 75% charge	Fees and charges Targeted rates and water by meter equalised General rates

Council Service	Community Outcomes	Period of Benefit and Distinct Funding	Exacerbator	Distribution of Benefits	Modification Funding Split	Funding Source Operating Capital
				<p>Private household benefits</p> <p>Provide integrated management.</p> <p>Spread the risk associated with operating assets and intensive network services.</p> <p>Ensure funds are available to upgrade the networks and complete projects at the optimal time.</p> <p>Avoid any sudden changes in the level of funding for small communities</p> <p>New households</p>	Sections benefit in sale value so should be charges	<p>Financial contributions</p> <p>Development contributions</p> <p>Borrowing</p> <p>Grants & subsidies</p>

Council Service	Community Outcomes	Period of Benefit and Distinct Funding	Exacerbator	Distribution of Benefits	Modification Funding Split	Funding Source Operating Capital
Wastewater treatment and reticulation	Prosperous economy	Short and long term benefits Distinct funding low benefit	High waste users pay based on activity levels	Public benefit is that harbours are kept clean Public toilets Private household benefits Provide integrated management. Spread the risk associated with operating assets and intensive network services. Ensure funds are available to upgrade the networks and complete projects at the optimal time. Avoid any sudden changes in the level of funding for small communities New households	Private 95% Public 5% Exception Te Kopuru is being phased into equalisation. Fully equalised in 2024/2025 Connectable - want sections in communities to connect 75% charge Sections benefit in sale value so should be charges Note: 50% interest on Mangawhai outstanding development contributions included in general rates	Fees and charges General rates Targeted rates - equalised Financial contributions Development contributions Borrowing Grants & subsidies
Safer Community	Prosperous Economy Trusted Council	Short and Long term benefits Distinct funding high Benefit	None identified	Safety benefits Dargaville community Wider rural community benefits as West Coast central ward and Ruawai use same facilities	Private 100%	Targeted rates



Development Contributions Policy

Kaipara District Council 2020

This Development Contributions Policy is in two sections.

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

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

This policy is operative from 1 July 2021 and is based on capital expenditure proposed in the Long Term Plan 2021-2031 (LTP). It takes direction from Council's Revenue and Financing Policy on which activities are to be funded by development contributions. **Part 1** sets out the purpose of the policy, provides the growth and infrastructure context and compares development and financial contributions. **Part 2** sets out the decisions the Council has taken in making this policy, following the legislative considerations required of it and set out in more detail in **Section 2 - Part 4**.

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

Section 1 – Introduction, policy decisions and practical application

Part 1 - Introduction

1.1 *Purpose*

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

The purpose of this policy is to:

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

1.2 *Why have this policy?*

When population and business growth take place, new development takes place to accommodate it. The extra traffic, water consumption, wastewater generation and stormwater run-off from development, all use up spare *capacity* in Council's infrastructure. Unless provision is made, that capacity can be used up over time and networks start to fail. Traffic congestion, low water pressure or quality, wastewater overflows and flooding can all signal a failure to keep up with growth. In some cases, parks, libraries and other public amenities can become crowded as the capacity they were designed for is used up.

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

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

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

1.3 *Financial contributions*

Financial contributions are usually used for local infrastructure directly associated with a new development – that is, within, nearby or linking it to wider public networks. Council will not normally get involved financially with this local infrastructure. It expects developers to provide it and vest it with

Council once it is completed to the right standard. No financial contribution will be needed in such a case although reserve contributions will still be required.

In some situations though, it may be best for Council to become financially involved. It can decide to enable development by building a piece of local infrastructure and then charging financial contributions to recover its costs. Typically, this happens where multiple developers are involved, and it is not fair or practical for one developer to provide local infrastructure ahead of others who

will also benefit from it. Financial contributions are a good funding source in this situation and Chapter 22 of the Kaipara District Plan allows Council to levy them when needed.

1.4 ***What are development contributions used for?***

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

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

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

1.5 ***Development agreements***

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

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

1.6 ***The approach to growth in our District***

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

1.7 ***How is our District growing?***

Kaipara District has grown strongly in recent years, particularly in and around Mangawhai and with growth starting to strengthen in the other main centres. Infometrics¹ projects the resident

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

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

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

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

population to grow from 24,100 in 2019 to nearly 32,600 in 2051. This will be accompanied by strong dwelling growth. Infometrics² also expects strong employment growth after 2022, moderating after 2030.

1.8 *The infrastructure response*

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

- a) Specific water supply upgrades and extensions at Dargaville and Maungatūroto, not previously required;
- b) Surplus capacity in the existing network at Mangawhai and additional wastewater capacity projects at Mangawhai, Dargaville, Kaiwaka and Maungatūroto;
- c) Stormwater upgrades and extensions at Dargaville, Kaiwaka, Mangawhai;
- d) Roding projects including the Cove Road link, Wood Street improvements and the shared path at Mangawhai and major projects at Kaiwaka; and
- e) Community infrastructure projects including Mangawhai Library.

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

Employment in Kaipara District grew steadily over the past decade, at nearly 2% per annum. Employment growth is expected to turn negative in 2020 and 2021 because of COVID-19 and the resultant economic shock. Strong employment growth is expected for the remainder of the 2020's as the district recovers from the economic shock and returns to its prior growth path. During the 2030s, more stringent environmental regulation is expected to result in higher carbon prices and greater regulation related to freshwater quality. Coupled with greater uptake of automation technology across the economy, this is expected to reduce the rate of employment growth, particularly in agriculture.

Part 2 - Policy decisions

2.1 *Requiring development contributions for 'development'*

The Council using its powers under the Act³ has decided that it may require development contributions at the times set out⁴ for its activities in the geographic areas described in this policy. It will only do this when 'development' as defined in the Act⁵, occurs. Development is any activity that generates demand for reserves, network infrastructure or community infrastructure. In so doing it requires new or additional assets, or assets of increased capacity, and causes the Council to incur capital expenditure. Once it collects contributions, the Council will use them for the purposes specified in the areas collected⁶.

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

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

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

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

2.2 *Activities*

The activities funded by development contributions contribute both directly and indirectly to the following community outcomes set out in the Council's Long Term Plan 2021-2031.

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

The Council has met its obligations under the Act⁷ when making its Revenue and Financing Policy and has determined that development contributions are an appropriate source of funding to meet the growth-related component of capital expenditure on the following activities:

- a) Roding
- b) Water supply
- c) Wastewater
- d) Stormwater, and

³ Section 199(1) of the LGA 2002

⁴ Section 198 and s200(4) of the LGA 2002

⁵ Section 197(1) of the LGA 2002

⁶ Section 197AB(1)(d) of the LGA 2002

⁷ Section 101(3)(a) and (b) of the LGA 2002

- e) Community infrastructure activities including libraries, sports fields, and public toilets.

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

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

2.3 *Catchments*

The Council has considered the grouping of developments into catchments⁸ and has determined to:

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

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

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

2.4 *Limitations on costs included*

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

The Council has decided to retain its policy on financial contributions. This policy and the methodology to calculate contributions makes it clear that the Council will not require financial and development contributions on the same development for the same purpose⁹.

2.5 *Asset capacity provided in the past*

The Council has considered its past capital spending and identified a number of assets provided in recent years in anticipation of development¹⁰. Where there is capacity in the assets created or land acquired, the Council has decided that it may seek to recover a fair proportion of the costs of those assets through development contributions by including the value of surplus capacity in its

⁸ Section 197AB(1)(g) of the LGA 2002

⁹ Section 200(1)(a) of the LGA 2002.

¹⁰ Section 199(2) of the LGA 2002

calculations.

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

2.6 *Period of benefits*

The Council considers that capital expenditure on infrastructure during the LTP period should be recovered over the full take-up period of each asset, from all development that created the need for that expenditure or will benefit from capacity it provides, including development occurring after the LTP period¹¹.

The Council has determined that:

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

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

2.7 *Cost allocation*

With its capital projects for the next 10 years listed in the Long Term Plan, the Council has identified¹²:

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

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

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

The Council will:

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

¹¹ Section 197AB(1)(b) and Schedule 13 of the LGA 2002

¹² Section 197AB(1)(c) of the LGA 2002

- c) work out a cost that each unit of development projected in coming years needs to meet by way of a development contribution.

2.8 *Interest and inflation*

The Council has decided to include¹³:

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

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

With the exception of the Mangawhai Community Wastewater Scheme (MCWWS), part of the interest incurred for projects carried out in the past in anticipation of growth has already been incurred and has been funded as an operating expense by rates on the existing community. Council has been unable to recover this past interest from development or financial contributions. In relation to the Mangawhai Community Wastewater Scheme, the interest and finance costs incurred during construction of the scheme have been included as part of the total cost of the scheme to be funded from existing users and growth- up to 50%

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

¹³ Section 197AA of the LGA 2002

2.9 Development contribution amounts

Table 1 shows the schedule of development contributions payable for each activity type in each part of the district. The amounts exclude GST¹⁴.

TABLE 1 - SCHEDULE OF DEVELOPMENT CONTRIBUTIONS 2021-2031						
Main Area	Stormwater	Wastewater treatment	Water supply	Roading	Community	Total
Mangawhai	\$426	\$24,797	\$-	\$3,405	\$496	\$29,125
Dargaville	\$216	\$1,887	\$301	\$90	\$496	\$2,990
Te Kopuru	\$-	\$-	\$-	\$90	\$496	\$587
Maungatūroto	\$2,531	\$1,524	\$860	\$90	\$496	\$5,502
Kaiwaka	\$2,032	\$1,465	\$-	\$3,405	\$496	\$7,399
Baylys Beach	\$5,539	\$-	\$301	\$90	\$496	\$6,426
Glinks Gully	\$-	\$-	\$-	\$90	\$496	\$587
Ruawai	\$-	\$-	\$-	\$90	\$496	\$587
District	\$-	\$-	\$-	\$90	\$496	\$587
Roading East	\$-	\$-	\$-	\$3,315	\$496	\$3,811

Note 1: These contribution amounts do not include GST

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

TABLE 2 - Capital expenditure identified to meet increased demand resulting from growth and sources of funding by activity.

	2021-2031 LTP					Surplus capacity			
	Total Capital LTP Costs	Development Contributions (new)	Development Contributions (Future)	Rates/Loan	Subsidies/Grants	Total Current value of surplus capacity projects	Development contributions (new)	Development Contributions (Future)	Rates/Loan
Roading	\$214,573,841	\$2,751,162	\$13,424,433	\$68,293,674	\$130,104,571	\$13,523,287	\$318,968	\$325,305	\$12,879,013
Wastewater Treatment	\$39,015,036	\$8,143,553	\$19,677,322	\$11,194,162	\$-	\$69,227,087	\$10,815,071	\$17,368,489	\$41,043,527
Stormwater	\$24,071,673	\$944,919	\$4,701,111	\$18,425,643	\$-	\$1,535,223	\$135,642	\$159,386	\$1,240,195
Water Supply	\$18,196,415	\$173,460	\$1,071,124	\$16,951,831	\$-	\$1,382,993	\$544	\$427	\$1,382,021
Community	\$37,500,667	\$1,106,455	\$1,977,911	\$32,316,302	\$2,100,000	\$-	\$-	\$-	\$-
Solid Waste	\$5,113,367	\$-	\$-	\$5,113,367	\$-	\$-	\$-	\$-	\$-
Land Drainage	\$52,692,467	\$-	\$-	\$52,692,467	\$-	\$-	\$-	\$-	\$-
TOTAL	\$391,163,467	\$13,119,549	\$40,851,901	\$204,987,446	\$132,204,571	\$85,668,589	\$11,270,225	\$17,853,606	\$56,544,757

2.10 Units of demand

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

It has determined that units of demand generated by different land use types will be those reflected in **Table 3** of this policy. **Table 3** shows the demand expected from a range of different residential types including demand expected from accommodation units and the retirement sector¹⁵.

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

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

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

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

Table 3 lists certain activities that fall outside the definition of 'development' in the Act¹⁶, as generating zero units of demand on one or more infrastructure types.

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

2.11 When are development contributions paid?

The Act allows the Council to require a development contribution at the time of granting a subdivision or resource consent, a building consent or service connection. Council recognises that the generation of revenue for the developer could be somewhere between the consenting and the development being completed. The Council has decided to bring contribution payment timing closer to the point where the development generates revenue¹⁷.

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

- a) in the case of a resource consent for land use, at the time of notification of commencement or commencement of the consent, whichever is the earlier

¹⁵ Schedule 13 2 of the LGA 2002

¹⁶ Section 197(1) of the LGA 2002

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

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

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

Regardless of when it requires a development contribution, the contribution amounts must be consistent with the policy in force at the time the application for the consent or service connection was accepted¹⁸.

2.12 Remissions, postponements and refunds

In addition to the rights to reconsideration and objection provided for in the Act, the Council will consider applications for remission, reduction or postponement of development contributions when it applies this policy. This will be subject to the conditions and criteria¹⁹ in **Part 3**.

2.13 Development agreements

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

In entering into a development agreement, the Council will comply with all the requirements under the Act²⁰ and ensure that:

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

¹⁸ Section 198(2A) of the LGA 2002

¹⁹ Section 199A, section 199B and section 199C of the LGA 2002

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

Part 3 – Practical application

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

3.1 *Requirement for development contributions – test for ‘development’ - issuing an assessment*

When granting:

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

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

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

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

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

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

That assessment must be consistent with the contents of the policy in force at the time the application for resource consent, building consent, or service connection was accepted²¹.

²¹ Section 198(2A) of the LGA 2002

3.2 Determining units of demand

The Council has decided to use a standard table to determine units of demand for most common types of development. This is to ensure practicality and administrative efficiency in attributing demand to particular developments or types of development, and that this is done on a consistent and equitable basis²².

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

Demand for infrastructure capacity may come from:

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

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

Table 3	
Units of Demand Generated by Subdivision and Development	
Lot Unit of Demand	Units of demand
One residential or rural lot.	1.0
One mixed-use residential/commercial lot.	1.0
One commercial or industrial lot with an area of less than 1,000m ² .	Lot area divided by 1,000 per m ²
One commercial or industrial lot with an area of 1,000m ² or more.	1.0
For the purposes of calculating water supply and wastewater Development Contributions ONLY, any <u>existing</u> <i>legally established lot</i> not connected to either the water supply network or the wastewater network as the case may be, excluding any existing <i>legally established lot</i> in the Mangawhai Community Wastewater Scheme area for which a targeted rate to fund capital costs for the scheme has or will be paid.	0
For the purposes of calculating water supply and wastewater Development Contributions ONLY, any <u>proposed</u> <i>lot</i> not to be connected to either the water supply network or the wastewater network as the case may be.	0
One <i>serviced site</i> .	Special assessment

²² Schedule 13.2 of the LGA 2002

Table 3 Units of Demand Generated by Subdivision and Development	
One <i>lot</i> : <ul style="list-style-type: none"> wholly covenanted in perpetuity as provided for by section 22 of the Queen Elizabeth the Second National Trust Act 1977 the title of which prevents any form of development on the <i>lot</i>. 	0
Activity Unit of Demand	Units of demand
One <i>dwelling unit</i> (including any <i>accommodation unit</i>) of two or more <i>bedrooms</i> per unit	1.0
One commercial or industrial unit including the commercial part of any activity but excluding any part that comprises accommodation units	The <i>gross business</i> area on the <i>lot</i> (or in the case of calculating contribution for stormwater, the <i>impervious area</i>) multiplied by the applicable <i>unit of demand</i> factors in this table.
Any <i>dwelling unit</i> or <i>accommodation unit</i> of one or fewer <i>bedrooms</i> per unit	0.5
Any <i>retirement unit</i> for purposes of calculating the roading contribution only	0.3
Any <i>retirement unit</i> for purposes of calculating the water supply and wastewater contributions only	0.5
Any <i>aged care room</i> for purposes of calculating the roading contribution only	0.2
Any <i>aged care room</i> for purposes of calculating the water supply and wastewater contributions only	0.4
Any development including <i>dwelling units</i> or <i>accommodation units</i> , situated in attached or multiple storey complexes of more than three units and any retirement unit or aged care room	For stormwater ONLY, the <i>impervious area</i> multiplied by the applicable <i>unit of demand</i> factor in this table.
Other activity (Activity not specified elsewhere in this table).	Special assessment
For the purposes of calculating water supply and wastewater Development Contributions ONLY, any <u>existing</u> <i>legally established</i> development not connected to either the water supply network or the wastewater network as the case may be, excluding any existing <i>legally established</i> development in the Mangawhai Community Wastewater Scheme area for which a targeted rate to fund capital costs for the scheme has or will be paid.	0

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

3.3 *Special assessments*

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

3.4 *Amount of contribution*

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

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

$$[(a) \times (\text{Sum of } (n) - \text{Sum of } x)] + \text{GST}$$

Where:

(a) = the applicable development contribution amount per *unit of demand* determined from **Table 1** and the *activity-funding area* for each type of community facility in which the subdivision or development lies.

(n) = for each *lot at the completion of the consent or authorisation application*, the total *lot units of demand* OR the total *activity units of demand*, determined by **Table 3**, whichever is the greater.

(x) = for each *lot in existence* (or for which a section 224 certificate under the Resource Management Act 1991 has been issued) **prior to the date of the consent or authorisation application**, the total *lot units of demand* OR the total *activity units of demand* for the existing development, determined by **Table 3**, whichever is the greater.

3.5 **Invoicing**

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

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

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

3.6 **Remissions, reductions, postponements and refunds**

Nothing in this policy diminishes from the rights of reconsideration or objection provided for by the Act²³. In addition to these rights, the Council will consider applications for the remission, reduction or postponement of development contributions.

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

Remissions and reductions

The Council may, at the request of an applicant:

- a) consider allowing remissions for particular community infrastructure works, such as those undertaken by schools or charitable organisations. Applications for remissions will be considered on a case by case basis.
- b) review the contribution payable and grant a remission or reduction of the development contribution where the applicant has provided and/or funded the same infrastructure that a development contribution has been required for. That remission or reduction will be limited to the cost of infrastructure provided or funded and be subject to Council procurement procedures. In cases where the cost of infrastructure provided or funded exceeds the development contribution payable, the Council will meet the excess costs by separate agreement with the applicant, also subject to the Council's procurement procedures.

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

Postponements

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

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

- a) issue a certificate under section 224(c) of the Resource Management Act 1991, prior to the payment of a Development Contribution; and
- b) register the Development Contribution under the Statutory Land Charges Registration Act 1928, as a charge on the title of the land in respect of which the Development Contribution was required.

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

Requests for review

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

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

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

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

- a) will, as soon as reasonably practicable, consider the request
- b) may determine whether to hold a hearing for the purposes of the review and if it does, give at least five working days' notice to the applicant of the date, time and place of the hearing

- c) may at its discretion uphold, remit in whole or in part or postpone (as the case may be) the original Development Contribution required and will advise the applicant in writing of its decision within ten working days of making that decision, and
- d) may charge such fee as determined in its annual schedule of fees, to consider the request.

Refunds

The Council will refund development contributions in accordance with the requirements of sections of the relevant sections of the Act²⁴. The Council may retain any portion of a development contribution, to a value equivalent to the costs incurred by it in relation to a development or building, in the case where a development is discontinued, and the Council is required to refund the development contribution²⁵.

3.7 Reconsideration process

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

- a) the development contribution was incorrectly calculated or assessed under this policy; or
- b) the Council incorrectly applied this policy; or
- c) the information used to assess the applicant's development against this policy, or the way the Council has recorded or used it when requiring the development contribution, was incomplete or contained errors²⁶.

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

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

The Council (or a Committee of Council or an officer so delegated) will limit its considerations to matters set out in the Act²⁷ and will within 15 working days of receiving the request and all relevant information, advise the applicant of the outcome²⁸.

²⁴ Section 209 and section 210 of the LGA 2002

²⁵ Section 209(2) of the LGA 2002

²⁶ Section 202A and section 199A of the LGA 2002

²⁷ Section 199A of the LGA 2002

²⁸ Section 199B(1) of the LGA 2002

3.8 ***Contributions not paid***

If contributions are not paid at the times required, the Council may²⁹:

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

If, after exercising its powers to prevent a development proceeding, any development contribution remains unpaid, the Council may take debt recovery action to recover that development contribution. A development contribution is recoverable as a debt³⁰.

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

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

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

3.9 ***Information requirements***

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

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

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

3.10 ***Statement on GST***

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

²⁹ Section 208 of the LGA 2002

³⁰ Section 252 of the LGA 2002

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

Part 4 - Legislation

4.1 *General*

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

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

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

4.2 *Requiring development contributions for development*

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

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

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

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

- a) for or towards the purpose of the activity or the group of activities for which the contributions were required, and
- b) for the benefit of the district or the part of the district that is identified in the development contributions policy in which the development contributions were required.

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

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

4.3 *Activities*

The Council incurs capital works expenditure in order to:

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

Section 101(3)(a) of the Act states that the funding needed to meet these expenditure requirements

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

4.4 *Catchments*

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

4.5 *Calculation of development contributions*

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

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

4.6 *Limitations on costs included*

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

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

4.7 *Asset capacity provided in the past*

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

4.8 *Period of benefits*

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

Under Schedule 13 1(2) of the Act, Council may identify capital expenditure for the purposes of calculating development contributions in respect of assets or groups of assets that will be built after

the period covered by the long-term plan and that are identified in the development contributions policy. The Council's policy position on the period of benefits is set out in **Part 2**.

4.9 **Cost allocation**

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

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

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

4.10 **Interest and inflation**

In keeping with section 197AA of the Act, the purpose of development contributions is to enable the Council to recover the total cost of capital necessary to service growth over the long term. This enables the Council to include interest and inflation in the amounts of development contributions. The Council's policy position on interest and inflation is set out in **Part 2** and the way in which these are calculated is described in **Part 5**.

4.11 **Explanation of development contribution calculation**

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

4.12 **Development contribution amounts**

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

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

4.13 **Units of demand**

In accordance with Schedule 13.2 of the Act, the Council, in determining the maximum development contribution that may be required for a particular development or type of development, must demonstrate in its methodology that it has attributed units of demand to particular developments or types of development on a consistent and equitable basis. The Council's policy in determining units of demand is set out in **Part 2 and Table 3**.

4.14 **When are development contributions paid?**

Under section 198(1)(a), (b) and (c) and section 198(4A) of the Act, a development contribution may

be required at the time the Council grants:

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

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

4.15 *Remissions, postponements and refunds*

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

4.16 *Reconsiderations*

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

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

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

4.17 *Development agreements*

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

4.18 *Powers of recovery and refunds*

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

4.19 *Related Council policies/strategies/bylaws or guidelines*

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

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

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

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

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

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

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

Part 5 – Calculating the development contributions

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

5.1 *Listing projects and information required*

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

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

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

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

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

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

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

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

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

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

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

5.2 **Analysis of combined and additional capacity for growth projects**

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

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

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

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

5.3 **AC cost allocation between new and future units of demand**

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

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

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

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

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

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

5.4 **Growth Assumptions**

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

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

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

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

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

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

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

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

5.5 ***Interest and Inflation***

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

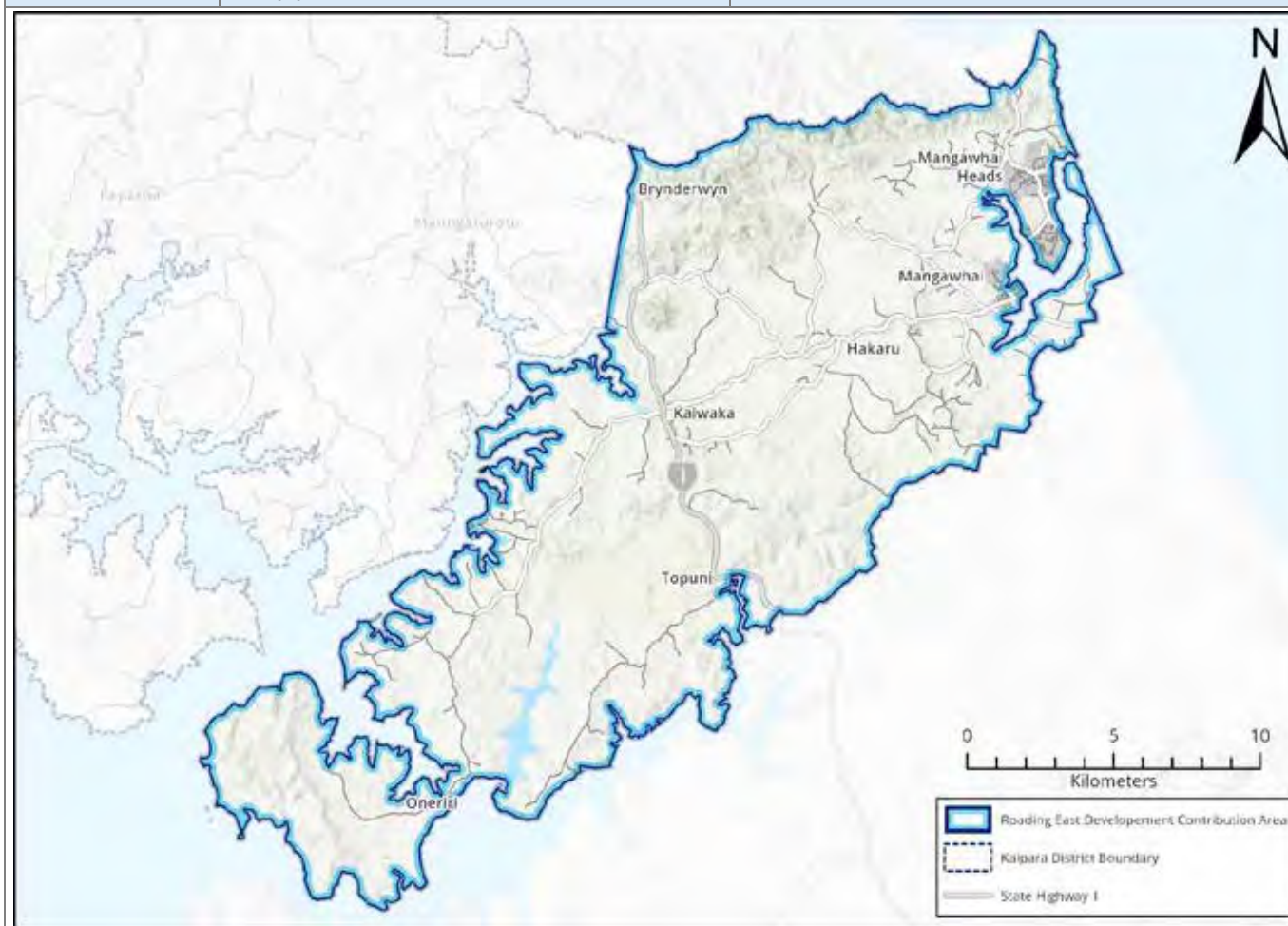
The Council is trying to recover all interest by the end of the development contribution calculation period.

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

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

Appendix 1 – Development Contribution Activity-Funding Areas

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



Appendix 2 – Assessment of Significant Assumptions

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

Appendix 3 – Glossary of Terms

“AC cost”	means the cost for providing additional capacity to service the development of new households and businesses.
“Accommodation units”	has the meaning given to it in section 197(2) of the Local Government Act 2002 (See definitions below).
“Activity-funding area”	means the whole or any part of the District as defined in this Policy, which will be served by a particular activity type.
“Activity unit of demand”	means the demand for a community facility generated by development activity other than subdivision.
“Additional capacity project” or “AC project”	means a capital project in the Long Term Plan intended only to provide additional capacity to service new and future households and businesses.
“Aged care room”	means any residential unit in a “rest home” or “hospital care institution” as defined in section 58(4) of the Health and Disability Service (Safety) Act 2001.
“Allotment” or “lot”	has the meaning given to the term “allotment” in section 218(2) of the Resource Management Act 1991. (See definitions below).
“Bedroom”	means a room used for sleeping, normally accommodating no more than three persons.
“Combined project” or “AC/ILOS project”	means a project in the Long Term Plan intended to deal with shortfalls in levels of service to existing households and businesses by bringing assets up to the <i>service standard</i> and/or by providing additional service life, and to provide capacity for further growth.
“Commercial”	for the purposes of this Policy, means the provision of goods, services and travellers accommodation principally for commercial gain, including camping grounds, caravan/trailer home parks, a depot for the maintenance, repair and storage of vehicles, machinery, equipment and materials and the storage and use of hazardous substances but does not include stalls or produce markets or farm buildings associated with normal farming operations including sheds, barns, garages and buildings for indoor poultry livestock and crops production.
“Community infrastructure”	has the meaning given to it in section 197 of the Local Government Act 2002 (See definitions below).
“Development”	has the meaning given to it in section 197 of the Local Government Act 2002. (See definitions below).
“Development contributions calculation period”	means the period between 1 July 2018 and a date 30 years after the date of adoption of this Policy.
“Dwelling unit”	means any building or group of buildings or any part of those buildings, used or intended to be used solely or principally for residential purposes and occupied or intended to be occupied by not more than one household – and includes a minor household unit, a utility building or any unit of commercial accommodation.

"Gross business area"	<p>means:</p> <ul style="list-style-type: none"> (a) the <i>gross floor area</i> of any building, including the gross floor area of all floors of a multi-storey building; plus (b) the area of any part of the <i>lot</i> used solely or principally for the storage, sale, display or servicing of goods or the provision of services on the <i>lot</i> but not including permanently designated vehicle parking, manoeuvring, loading and landscaping areas, the conversion of which to another use would require resource consent. <p>The <i>gross business area</i> excludes the area of network infrastructure including pipes, lines and installations, roads, water supply, wastewater and stormwater collection and management systems, but includes the area of buildings occupied by network service providers, including offices, workshops, warehouses and any outside areas used for carrying out their normal business.</p>
"ILOS cost"	means the cost of improving levels of service to existing households and businesses by bringing assets up to the <i>service standard</i> and/or by providing additional service life.
"Impervious Area"	means that part of the <i>lot</i> which is already covered or is to be covered by any impermeable artificial surface but excludes any impervious areas created without a building or resource consent.
"Improved level of service project" or "ILOS project"	"means a capital project in the Long Term Plan intended only to deal with shortfalls in levels of service to existing households and businesses by bringing assets up to the <i>service standard</i> and/or by providing additional service life.
"Industrial"	means for the purposes of this Policy, any land, building or part of a building used for the processing, assembly, servicing, testing, repair, packaging, storage or manufacture of a product or produce, including the maintenance, repair and storage of vehicles, machinery, equipment and materials, and the storage of hazardous substances associated with the activity, but does not include mineral extraction or farm buildings associated with normal farming operations including sheds, barns, garages and buildings for indoor poultry livestock and crops production.
"Legally established"	"means, in relation to any <i>lot</i> or development, any <i>lot</i> for which a title has been issued, or any dwelling, commercial or industrial unit for which a code compliance certificate has been issued. <i>Legally established</i> development includes buildings and structures that can be shown to have been in existence when this policy became operative on 1 July 2018 but have since been demolished.
"Lot unit of demand"	means the demand for a community facility generated by the creation of lots through subdivision.
"Past surplus capacity"	means capacity in assets provided as a result of capital expenditure made in anticipation of development since 1 July 2001.
"Remaining surplus capacity"	means the estimated remaining capacity in capital assets at the end of the Long Term Plan period, available to service future development occurring after the Long Term Plan period.

"Retirement unit"	means any residential unit other than an aged care room, in a <i>"retirement village"</i> as defined in section 6 of the Retirement Villages Act 2003.
"Serviced Site"	means any site dedicated for the location of a vehicle or tent for the accommodation of persons, which is provided with utility services such as water supply, wastewater disposal, solid waste disposal, electricity or gas, either directly to the site or in the immediate vicinity.
"Service standard"	<p>means a level of service for any Council activity set by Council and stated in the Asset Management Plan for the activity concerned, (available for inspection on request at any office of the Council) having due regard to one or more of the following factors:</p> <ul style="list-style-type: none"> (a) demand data based on market research; (b) widely accepted and documented engineering or other minimum standards; (c) politically endorsed service levels based on community consultation; (d) safety standards mandated by local or central government; (e) environmental standards mandated by local or central government; (f) existing service levels, where these are recognised by all concerned parties to be adequate but have no formal ratification; (g) efficiency considerations where the <i>service standard</i> must take account of engineering and economic efficiency requirements which require a long-term approach to optimality.
"Surplus capacity project" or "SC project"	means a past capital expenditure project carried out since 1 July 2001 in anticipation of new development and providing surplus capacity for further development.
"Unit of demand"	is a unit of measurement by which the relative demand for an activity, generated by different types of development (existing or proposed), can be assessed. A <i>unit of demand</i> may be expressed as a <i>lot unit of demand</i> or an <i>activity unit of demand</i> .
"Utility Building"	is a structure containing facilities (such as toilet, shower, laundry, hot water cylinder, laundry tub) that make the site habitable prior to or during the erection of a dwelling.

Definitions Under Acts

"Accommodation units"	is defined in section 197(2) of the Local Government Act 2002 to mean <i>"units, apartments, rooms in 1 or more buildings, or cabins or sites in camping grounds and holiday parks, for the purpose of providing overnight, temporary, or rental accommodation."</i>
"Allotment"	is defined under section 218(2) of the Resource Management Act 1991 as follows: <i>"(a) any parcel of land under the Land Transfer Act 1952 that is a continuous area and whose boundaries are shown separately on a survey plan, whether or not: (i) the subdivision shown on the survey plan has been allowed, or subdivision approval has been granted, under another Act; or (ii) a subdivision consent for the subdivision shown on the survey plan has been granted under this Act; or (b) any parcel of land or building or part of a building that is shown or identified separately— (i) on a survey plan; or (ii) on a licence within the meaning of Part 7A of the Land Transfer Act 1952; or (c) any unit on a unit plan; or (d) any parcel of land not subject to the Land Transfer Act 1952."</i>
"Community infrastructure"	is defined under section 197 of the Local Government Act 2002 to mean <i>"the following assets when owned, operated, or controlled by a territorial authority:</i> <i>(a) community centres or halls for the use of a local community or neighbourhood, and the land on which they are or will be situated;</i> <i>(b) play equipment that is located on a neighbourhood reserve;</i> <i>(c) toilets for use by the public."</i>
"Development"	is defined under section 197 of the Local Government Act 2002 as follows: <i>"(a) any subdivision, building (as defined in section 8 of the Building Act 2004), land use, or work that generates a demand for reserves, network infrastructure, or community infrastructure; but (b) does not include the pipes or lines of a network utility operator."</i>

Appendix 4 – Demand Factors for Business Development

D.1. Roading Assumptions

Average business site size = 1,500m²

Gross business area is 60% of site = 1,000m²

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

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

Sites per net hectare = 5 (7,500m² sites, 2,500m² roads)

Gross business area per hectare = 5 X 1,000 = 5,000m²

Each site of 1,500m² and each 1,000m² of gross business area has = 30/5 FTE's = 6 FTE's

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

Unit of Demand Factor = 18/9 = 2 per 1,000m² of business area OR 0.002 per m² of business area

D.2 *Water Supply and Wastewater Treatment Assumptions:*

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

Average household occupancy = 2.8 persons

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

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

1,000m² business land area uses 15,000 litres / 10 = 1,500 litres per day

Unit of Demand Factor = 1,500/560 = 2.67 per 1,000m² land area

Assume gross business area is 60% of land area i.e. 1,000m² site has 600m² gross business area and uses 1,500 litres per day

Unit of Demand factor = 1,500/560/600 = 0.00446 per m² of gross business area

Unit of Demand factor is 4.46/1,000m² of gross business area for water and wastewater OR 0.00446 per m² of gross business area

D.3 Stormwater Assumptions

Average residential site = 600m²

Runoff co-efficient for greenfields = 0.40ⁱ = C₁

Runoff co-efficient for residential areas = 0.55ⁱⁱ = C₂

Runoff co-efficient for business use = 0.65ⁱⁱⁱ = C₃

Unit of Demand Factor for business land

$$\begin{aligned}
 &= \frac{C_3 - C_1}{C_2 - C_1} \times \frac{1,000\text{m}^2}{600\text{m}^2} \\
 &= \frac{0.65 - 0.40}{0.55 - 0.40} \times \frac{1,000\text{m}^2}{600\text{m}^2} \\
 &= 2.78 \text{ per } 1,000\text{m}^2 \text{ site OR } 0.00278 \text{ per m}^2 \text{ of } \textit{impervious area}.
 \end{aligned}$$

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

ⁱ Heavy clay soil types – pasture and grass cover.

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

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

Appendix 5 – Schedule of Assets

The following tables sets out the schedule of assets with associated proportion % recovered through Development Contributions.

Council considers the Mangawhai Wastewater Scheme a single programme of works with different components, some of which have different proportions of funding from development contributions versus other sources. (reference Sec 201A of the LGA as the basis of undertaking this grouping of assets).

Activity	Rating area code	Project name	Year Completed	Project Source	Growth %	Project Cost
COMMUNITY	Community (new)	Mangawhai Library	2024	LTP2021-2031	50%	\$5,295,010
COMMUNITY	Community (new)	Premier parks - Kai Iwi Lakes	2031	LTP2021-2031	38%	\$1,164,961
	Community Total					\$6,459,971
ROADING	District Roothing	10058 Estuary Drive	2016	surplus capacity 2016-2018	50%	\$242,207
ROADING	District Roothing	10069 Estuary Drive	2016	surplus capacity 2016-2018	50%	\$19,835
ROADING	District Roothing	10071 Estuary Road- Seal Extension	2016	surplus capacity 2016-2018	50%	\$333,442
ROADING	District Roothing	10085 Jack Boyd	2016	surplus capacity 2016-2018	50%	\$23,794
ROADING	District Roothing	10130 Moir Point Road - Seal widening	2016	surplus capacity 2016-2018	50%	\$154,577
ROADING	District Roothing	10235 Settlement Road	2018	surplus capacity 2016-2018	50%	\$164,156
ROADING	District Roothing	10237 Settlement Road - Seal Extension	2018	surplus capacity 2016-2018	50%	\$8,295
ROADING	District Roothing	10548 Settlement Road Seal Extension 2017/18	2018	surplus capacity 2016-2018	50%	\$757,563
ROADING	District Roothing	11063 KDC client request projects 25%G	2019	surplus capacity 2019-2021	25%	\$34,987
ROADING	District Roothing	11116 Drainage Improvements (kaipara network)	2019	surplus capacity 2019-2021	6%	\$21,432
ROADING	District Roothing	11129 Kelly Str. RP0-388 - new footpaths SP1	2019	surplus capacity 2019-2021	31%	\$96,060
ROADING	District Roothing	211 Renewals Unsealed Road Metaling	2012	surplus capacity 2002-2014	6%	\$325,984
ROADING	District Roothing	211 Renewals Unsealed Road Metaling	2013	surplus capacity 2002-2014	6%	\$419,468
ROADING	District Roothing	211 Renewals Unsealed Road Metaling	2014	surplus capacity 2002-2014	6%	\$1,767,000
ROADING	District Roothing	212 Renewals Reseals (Chip Seals & Thin AC Surfacing)	2012	surplus capacity 2002-2014	6%	\$981,202
ROADING	District Roothing	212 Renewals Reseals (Chip Seals & Thin AC Surfacing)	2013	surplus capacity 2002-2014	6%	\$700,494
ROADING	District Roothing	212 Renewals Reseals (Chip Seals & Thin AC Surfacing)	2014	surplus capacity 2002-2014	6%	\$1,062,000
ROADING	District Roothing	213 Renewals Drainage Renewals- (Major Drainage Control)	2012	surplus capacity 2002-2014	6%	\$354,551
ROADING	District Roothing	213 Renewals Drainage Renewals- (Major Drainage Control)	2013	surplus capacity 2002-2014	6%	\$245,917
ROADING	District Roothing	213 Renewals Drainage Renewals- (Major Drainage Control)	2014	surplus capacity 2002-2014	6%	\$723,000
ROADING	District Roothing	214 Renewals Sealed Road Pavement Rehabilitation	2012	surplus capacity 2002-2014	6%	\$1,150,221
ROADING	District Roothing	214 Renewals Sealed Road Pavement Rehabilitation	2013	surplus capacity 2002-2014	6%	\$1,246,333
ROADING	District Roothing	214 Renewals Sealed Road Pavement Rehabilitation	2014	surplus capacity 2002-2014	6%	\$7,494,400
ROADING	District Roothing	215 Renewals Structures Strengthening	2012	surplus capacity 2002-2014	6%	\$174,534
ROADING	District Roothing	215 Renewals Structures Strengthening	2013	surplus capacity 2002-2014	6%	\$101,575
ROADING	District Roothing	215 Renewals Structures Strengthening	2014	surplus capacity 2002-2014	6%	\$400,000
ROADING	District Roothing	222 Renewals Signs and markings renewals	2012	surplus capacity 2002-2014	6%	\$19,533
ROADING	District Roothing	222 Renewals Signs and markings renewals	2013	surplus capacity 2002-2014	6%	\$58,075

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ROADING	District Rooding	222 Renewals Signs and markings renewals	2014	surplus capacity 2002-2014	6%	\$257,000
ROADING	District Rooding	231 Renewals Associated Improvements	2012	surplus capacity 2002-2014	6%	\$97,035
ROADING	District Rooding	231 Renewals Associated Improvements	2013	surplus capacity 2002-2014	6%	\$489,888
ROADING	District Rooding	231 Renewals Associated Improvements	2014	surplus capacity 2002-2014	6%	\$1,102,000
ROADING	District Rooding	241 Renewals Emergency Works (Preventative maintenance)	2012	surplus capacity 2002-2014	6%	\$8,118
ROADING	District Rooding	241 Renewals Emergency Works (Preventative maintenance)	2013	surplus capacity 2002-2014	6%	\$162,749
ROADING	District Rooding	241 Renewals Emergency Works (Preventative maintenance)	2014	surplus capacity 2002-2014	6%	\$570,000
ROADING	District Rooding	322 Improvements Bridge Replacements	2012	surplus capacity 2002-2014	6%	\$39,947
ROADING	District Rooding	322 Improvements Bridge Replacements	2013	surplus capacity 2002-2014	6%	\$423,000
ROADING	District Rooding	341 Improvements Minor Improvements & Safety Projects	2012	surplus capacity 2002-2014	6%	\$322,046
ROADING	District Rooding	341 Improvements Minor Improvements & Safety Projects	2013	surplus capacity 2002-2014	6%	\$725,566
ROADING	District Rooding	341 Improvements Minor Improvements & Safety Projects	2014	surplus capacity 2002-2014	6%	\$1,792,000
ROADING	District Rooding	4324 Improvements Road reconstruction - Otamatea Ward DC	2012	surplus capacity 2002-2014	6%	\$893,178
ROADING	District Rooding	4324 Improvements Road reconstruction - Otamatea Ward DC	2013	surplus capacity 2002-2014	6%	\$1,560
ROADING	District Rooding	4324 Improvements Road reconstruction - Otamatea Ward DC	2014	surplus capacity 2002-2014	6%	\$994,000
ROADING	District Rooding	13004 New Footpath 20/21	2021	surplus capacity 2019-2021	38%	\$59,500
ROADING	District Rooding	13006 Paths; Walkways and Cycleways 20/21	2021	surplus capacity 2019-2021	38%	\$949,700
	District Rooding Total					\$27,967,924
ROADING	Rooding East	11122 Insley Street Shared Path	2019	surplus capacity 2019-2021	38%	\$14,131
ROADING	Rooding East	11125 Insley/Moir Intersection (Intersection 1)	2019	surplus capacity 2019-2021	38%	\$25,072
ROADING	Rooding East	11125 Insley/Moir Intersection (Intersection 1)	2020	surplus capacity 2019-2021	38%	\$103,317
ROADING	Rooding East	11125 Insley/Moir Intersection (Intersection 1)	2021	surplus capacity 2019-2021	38%	\$436,683
ROADING	Rooding East	11144 Moir Street Shared Path	2019	surplus capacity 2019-2021	38%	\$30,257
ROADING	Rooding East	11144 Moir Street Shared Path	2020	surplus capacity 2019-2021	38%	\$602,293
ROADING	Rooding East	11146 Moir/Molesworth Intersection (Intersection 2)	2019	surplus capacity 2019-2021	38%	\$24,997
ROADING	Rooding East	11146 Moir/Molesworth Intersection (Intersection 2)	2020	surplus capacity 2019-2021	38%	\$72,416
ROADING	Rooding East	11146 Moir/Molesworth Intersection (Intersection 2)	2021	surplus capacity 2019-2021	38%	\$467,584
ROADING	Rooding East	12000 Wood Street - Mainstreet redevelopment	2020	surplus capacity 2019-2021	38%	\$7,868
ROADING	Rooding East	12034 MCP Paths; Walkways and Cycleways 19/20	2020	surplus capacity 2019-2021	38%	\$11,574
ROADING	Rooding East	Cove Road Connection to Mangawhai Central	2028	LTP2021-2031	88%	\$12,326,846
ROADING	Rooding East	Kaiwaka Eastern Link Road Growth	2026	LTP2021-2031	50%	\$340,613
ROADING	Rooding East	Kaiwaka Oniriri Road Intersection Upgrade	2025	LTP2021-2031	38%	\$275,042
ROADING	Rooding East	Mangawhai – Improved access to Alamar Boat Ramp	2031	LTP2021-2031	88%	\$2,865,260
ROADING	Rooding East	Mangawhai Shared Path	2030	LTP2021-2031	38%	\$25,025,752

ROADING	Roding East	Wood Street Urban Improvements	2024	LTP2021-2031	38%	\$4,191,506
	Roding East Total					\$46,821,212
STORMWATER	Baylys Beach stormwater	11082 Chases Gorge Investigation	2019	surplus capacity 2019-2021	38%	\$20,000
STORMWATER	Baylys Beach stormwater	11082 Chases Gorge Investigation	2020	surplus capacity 2019-2021	38%	\$3,450
STORMWATER	Baylys Beach stormwater	12037 Chases Gorge	2020	surplus capacity 2019-2021	38%	\$41,000
STORMWATER	Baylys Beach stormwater	12037 Chases Gorge	2021	surplus capacity 2019-2021	38%	\$256,000
STORMWATER	Baylys Beach stormwater	5.2.3.1.1 Cap Dev (Los Enh) Piped Network Baylys Beach Upgrade Reticulation	2014	surplus capacity 2002-2014	6%	\$44,000
STORMWATER	Baylys Beach stormwater	Baylys Beach SW - Cynthia Place Stormwater upgrades	2027	LTP2021-2031	25%	\$256,681
STORMWATER	Baylys Beach stormwater	Chases Gorge	2022	LTP2021-2031	25%	\$250,000
	Baylys Beach stormwater Total					\$871,131
STORMWATER	Dargaville stormwater	11098 Dargaville SW	2020	surplus capacity 2019-2021	38%	\$89,704
STORMWATER	Dargaville stormwater	3.1.2 Ren Piped Network Dargaville	2012	surplus capacity 2002-2014	6%	\$19,220
STORMWATER	Dargaville stormwater	3.1.2 Ren Piped Network Dargaville	2013	surplus capacity 2002-2014	6%	\$21,425
STORMWATER	Dargaville stormwater	3.1.2 Ren Piped Network Dargaville	2014	surplus capacity 2002-2014	6%	\$211,000
STORMWATER	Dargaville stormwater	Dargaville SW Growth	2031	LTP2021-2031	63%	\$631,374
	Dargaville stormwater Total					\$972,722
STORMWATER	Kaiwaka stormwater	Kaiwaka SW growth Capital Works	2030	LTP2021-2031	63%	\$1,352,773
	Kaiwaka stormwater Total					\$1,352,773
STORMWATER	Mangawhai stormwater	11093 Mangawhai SW	2020	surplus capacity 2019-2021	19%	\$64,243
STORMWATER	Mangawhai stormwater	5.1.4.1 Cap Dev (Los Enh) Compliance Mangawhai Stormwater Discharge Consent Renewal	2012	surplus capacity 2002-2014	31%	\$58,000
STORMWATER	Mangawhai stormwater	5.2.1.1.4.1.5 Cap Dev (Los Enh) Network Improvements Asset Man Dev Mangawhai Stormwater Management Plan	2012	surplus capacity 2002-2014	31%	\$169,000
STORMWATER	Mangawhai stormwater	5.2.3.4.2 Cap Dev (Los Enh) Piped Network Mangawhai Upgrade Reticulation	2014	surplus capacity 2002-2014	6%	\$169,000
STORMWATER	Mangawhai stormwater	Mangawhai Stormwater Discharge Consent Renewal	2003	surplus capacity 2002-2014	31%	\$58,000
STORMWATER	Mangawhai stormwater	Mangawhai SW	2022	LTP 2021-2031	63%	\$300,000
STORMWATER	Mangawhai stormwater	Mangawhai SW - 130-138 Mangawhai Heads road redirection of flow and culvert upgrade	2023	LTP 2021-2031	38%	\$258,200
STORMWATER	Mangawhai stormwater	Mangawhai SW - Jack Boyd drive SW resilience	2027	LTP 021-2031	38%	\$2,433,250
STORMWATER	Mangawhai stormwater	Mangawhai SW Growth	2031	LTP 2021-2031	63%	\$385,542
STORMWATER	Mangawhai stormwater	Mangawhai SW Lincoln and Cheviot street new stormwater system	2028	LTP 2021-2031	38%	\$1,496,411
STORMWATER	Mangawhai stormwater	Mangawhai SW Taranui culvert capacity upgrade	2022	LTP 2021-2031	25%	\$49,000

STORMWATER	Mangawhai stormwater	Mangawhai SW Taranui increase upstream capacity and install wetland at 10 Taranui Place	2024	LTP 2021-2031	63%	\$85,050
STORMWATER	Mangawhai stormwater	Mangawhai Town Plan Wood St and surrounds stormwater upgrade	2030	LTP 2021-2031	19%	\$4,505,712
STORMWATER	Mangawhai stormwater	13022 Mangawhai SW	2021	surplus capacity 2019-2021	31%	\$276,757
	Mangawhai stormwater Total					\$10,308,164
STORMWATER	Maungaturoto stormwater	Maungaturoto Paparoa SW growth Capital Works	2029	LTP 2021-2031	63%	\$2,557,431
	Maungaturoto stormwater Total					\$2,557,431
WASTEWATER TREATMENT	Dargaville wastewater	Dargaville growth design	2022	LTP 2021-2031	100%	\$100,000
WASTEWATER TREATMENT	Dargaville wastewater	Dargaville wastewater growth - 1800m Wastewater line from Bower St to Awakino area to PS1	2028	LTP2021-2031	100%	\$989,445
WASTEWATER TREATMENT	Dargaville wastewater	Dargaville wastewater treatment plant upgrade	2028	LTP2021-2031	63%	\$2,456,064
WASTEWATER TREATMENT	Dargaville wastewater	Station Road reticulation	2022	LTP2021-2031	63%	\$200,000
	Dargaville wastewater Total					\$3,745,509
WASTEWATER TREATMENT	Kaiwaka wastewater	Kaiwaka wastewater growth	2023	LTP2021-2031	100%	\$104,100
WASTEWATER TREATMENT	Kaiwaka wastewater	KAIWAKA New Assets - Council Funded Additional Capacity for Growth - Council Contribution	2012	surplus capacity 2002-2014	44%	\$7,733
WASTEWATER TREATMENT	Kaiwaka wastewater	KAIWAKA Renewals All Asset Groups	2012	surplus capacity 2002-2014	6%	\$2,063
WASTEWATER TREATMENT	Kaiwaka wastewater	KAIWAKA Renewals All Asset Groups	2013	surplus capacity 2002-2014	6%	\$2,825
WASTEWATER TREATMENT	Kaiwaka wastewater	KAIWAKA Renewals All Asset Groups	2014	surplus capacity 2002-2014	6%	\$12,000
WASTEWATER TREATMENT	Kaiwaka wastewater	KAIWAKA Renewals AMP Improvements	2012	surplus capacity 2002-2014	6%	\$3,193
WASTEWATER TREATMENT	Kaiwaka wastewater	KAIWAKA Renewals AMP Improvements	2013	surplus capacity 2002-2014	6%	\$278
	Kaiwaka wastewater Total					\$132,192
WASTEWATER TREATMENT	Maungaturoto wastewater	Connect Maungaturoto Rail Village to Maungaturoto	2028	LTP2021-2031	63%	\$736,819
WASTEWATER TREATMENT	Maungaturoto wastewater	Maungaturoto wastewater growth - Bickerstaff to Judd	2028	LTP2021-2031	63%	\$442,092
WASTEWATER TREATMENT	Maungaturoto wastewater	Maungaturoto wastewater growth - connection to south and south valley, Bickerstaff Rd 670m growth and renewal	2022	LTP2021-2031	100%	\$75,000
	Maungaturoto wastewater Total					\$1,253,911
WATER SUPPLY	Dargaville/ Baylys water supply	DARGAVILLE & BAYLYS New Assets - Council Funded Additional Capacity for Growth - Council Contribution	2012	surplus capacity 2002-2014	44%	\$2,079
WATER SUPPLY	Dargaville/ Baylys water supply	DARGAVILLE & BAYLYS New Assets - Council Funded Additional Capacity for Growth - Council Contribution	2013	surplus capacity 2002-2014	44%	\$4,515
WATER SUPPLY	Dargaville/ Baylys water supply	Dargaville Watermain Upgrade - Hokianga Rd to Outer Dargaville Plateau 1.4km	2030	LTP2021-2031	100%	\$827,163
WATER SUPPLY	Dargaville/ Baylys water supply	Dargaville Watermain Upgrade to Awakino Plant 2km	2022	LTP2021-2031	63%	\$80,000
WATER SUPPLY	Dargaville/ Baylys water supply	Dargaville Water Treatment Upgrades - Investigation, Design and Construction	2023	LTP2021-2031	63%	\$83,280

	<i>Dargaville/ Baylys water supply Total</i>					\$997,038
WATER SUPPLY	Mangawhai water supply	Mangawhai New Assets - Council Funded Additional Capacity for Growth - Council Contribution	2012	surplus capacity 2002-2014	44%	\$1,094
	<i>Mangawhai water supply Total</i>					\$1,094
WATER SUPPLY	Maungaturoto water supply	Maungaturoto Bickerstaff to Judd Watermain - 1.2km	2027	LTP2021-2031	100%	\$321,911
WATER SUPPLY	Maungaturoto water supply	Maungaturoto South, South Valley, Bickerstaff Rd 670m Watermain Connection Renewal and Growth	2022	LTP2021-2031	88%	\$75,000
	<i>Maungaturoto water supply Total</i>					\$396,911
WASTEWATER TREATMENT	Mangawhai wastewater	Reticulation – Pipes	2012	Surplus Capacity 2012-2031	49%	\$18,390,283
WASTEWATER TREATMENT	Mangawhai wastewater	Reticulation – Pipes	2016	Surplus Capacity 2012-2031	100%	\$176,372
WASTEWATER TREATMENT	Mangawhai wastewater	Reticulation – Pipes	2019	Surplus Capacity 2012-2031	100%	\$84,387
WASTEWATER TREATMENT	Mangawhai wastewater	Reticulation – Pipes	2021	Surplus Capacity 2012-2031	100%	\$1,650,000
WASTEWATER TREATMENT	Mangawhai wastewater	Reticulation – Pipes	2022	Surplus Capacity 2012-2031	76%	\$1,150,000
WASTEWATER TREATMENT	Mangawhai wastewater	Reticulation – Pipes	2031	Surplus Capacity 2012-2031	100%	\$11,611,923
WASTEWATER TREATMENT	Mangawhai wastewater	Reticulation – Pumps	2012	Surplus Capacity 2012-2031	38%	\$2,264,453
WASTEWATER TREATMENT	Mangawhai wastewater	Reticulation – Pumps	2016	Surplus Capacity 2012-2031	75%	\$8,400
WASTEWATER TREATMENT	Mangawhai wastewater	Reticulation – Pumps	2018	Surplus Capacity 2012-2031	68%	\$512,868
WASTEWATER TREATMENT	Mangawhai wastewater	Treatment Plant – Civil Works & Buildings	2012	Surplus Capacity 2012-2031	50%	\$4,224,364
WASTEWATER TREATMENT	Mangawhai wastewater	Treatment Plant – Civil Works & Buildings	2021	Surplus Capacity 2012-2031	63%	\$660,000
WASTEWATER TREATMENT	Mangawhai wastewater	Treatment Plant – Civil Works & Buildings	2023	Surplus Capacity 2012-2031	63%	\$2,491,000
WASTEWATER TREATMENT	Mangawhai wastewater	Treatment Plant – Civil Works & Buildings	2031	Surplus Capacity 2012-2031	63%	\$469,719
WASTEWATER TREATMENT	Mangawhai wastewater	Treatment Plant – Electrical Works	2012	Surplus Capacity 2012-2031	50%	\$1,610,465
WASTEWATER TREATMENT	Mangawhai wastewater	Treatment Plant – Plant, Pumps & Equipment	2012	Surplus Capacity 2012-2031	49%	\$8,298,214
WASTEWATER TREATMENT	Mangawhai wastewater	Treatment Plant – Plant, Pumps & Equipment	2013	Surplus Capacity 2012-2031	31%	\$31,983
WASTEWATER TREATMENT	Mangawhai wastewater	Treatment Plant – Plant, Pumps & Equipment	2014	Surplus Capacity 2012-2031	19%	\$423,000
WASTEWATER TREATMENT	Mangawhai wastewater	Treatment Plant – Plant, Pumps & Equipment	2019	Surplus Capacity 2012-2031	63%	\$1,328,048
WASTEWATER TREATMENT	Mangawhai wastewater	Treatment Plant – Plant, Pumps & Equipment	2028	Surplus Capacity 2012-2031	88%	\$11,013,541
WASTEWATER TREATMENT	Mangawhai wastewater	Land – Farm Purchase	2012	Surplus Capacity 2012-2031	50%	\$7,222,178
WASTEWATER TREATMENT	Mangawhai wastewater	Specialist Subconsultants & Fees – Fees	2003	Surplus Capacity 2012-2031	38%	\$173,927
WASTEWATER TREATMENT	Mangawhai wastewater	Specialist Subconsultants & Fees – Fees	2004	Surplus Capacity 2012-2031	38%	\$225,499
WASTEWATER TREATMENT	Mangawhai wastewater	Specialist Subconsultants & Fees – Fees	2005	Surplus Capacity 2012-2031	38%	\$81,500
WASTEWATER TREATMENT	Mangawhai wastewater	Specialist Subconsultants & Fees – Fees	2006	Surplus Capacity 2012-2031	38%	\$241,273
WASTEWATER TREATMENT	Mangawhai wastewater	Specialist Subconsultants & Fees – Fees	2007	Surplus Capacity 2012-2031	38%	\$427,831
WASTEWATER TREATMENT	Mangawhai wastewater	Specialist Subconsultants & Fees – Fees	2008	Surplus Capacity 2012-2031	12%	\$1,154,862
WASTEWATER TREATMENT	Mangawhai wastewater	Specialist Subconsultants & Fees – Fees	2009	Surplus Capacity 2012-2031	38%	\$473,365

WASTEWATER TREATMENT	Mangawhai wastewater	Specialist Subconsultants & Fees – Fees	2012	Surplus Capacity 2012-2031	41%	\$12,056,104
WASTEWATER TREATMENT	Mangawhai wastewater	Specialist Subconsultants & Fees – Fees	2016	Surplus Capacity 2012-2031	100%	\$16,797
WASTEWATER TREATMENT	Mangawhai wastewater	Specialist Subconsultants & Fees – Fees	2018	Surplus Capacity 2012-2031	75%	\$165,158
WASTEWATER TREATMENT	Mangawhai wastewater	Specialist Subconsultants & Fees – Fees	2019	Surplus Capacity 2012-2031	100%	\$28,050
WASTEWATER TREATMENT	Mangawhai wastewater	Specialist Subconsultants & Fees – Fees	2021	Surplus Capacity 2012-2031	46%	\$121,000
	<i>Mangawhai wastewater Total</i>					<i>\$88,786,563</i>
Grand Total						\$192,624,545

Figures: Actual costs in prior years - current LTP22-31 years are estimated inflated costs.



Financial Contributions Policy

Kaipara District Council 2020

The Local Government Act 2002 requires Council to have a policy outlining how it intends to fund additional or new infrastructure which is required by growth.

Financial contributions under the Resource Management Act 1991, mainly consider the marginal impact of developments based primarily on environment effects assessments. Development contributions are Council's primary source of funding growth. However, from time to time financial contributions may be sought instead. Development contributions under the Local Government Act 2002 consider the wider impacts of multiple developments on the infrastructure of the district (cumulative effect). Development contributions under the Local Government Act 2002 are in addition to and separate from financial contributions. The development contributions and financial contributions cannot be taken for the same purpose (refer to s.200 of the Local Government Act 2002). Council's policy on development contributions will be included in the Long Term Plan (LTP).

Financial Contributions

The Council's ability to require financial contributions was set to end in April 2022. The Resource Legislation Amendment Act 2017 (RLAA) was passed in April 2017, but part of the Act replacing the ability to require financial contributions under the RMA was not to come into force for 5 years. The Resource Management Amendment Act was passed into law on 1 July 2020. The Act has replaced the parts of the RLA that would have ended the ability to take financial contributions in 2022.

Council's Policy on Financial Contributions is set out in its District Plan which was prepared under the Resource Management Act 1991.

Summary of Financial Contributions

Chapter 22 of the District Plan sets out the financial contribution provisions. Section 22.1.1 states that Council has developed a policy on development and financial contributions in Council's LTP which gives effect to the Local Government Act 2002. Development contributions under the Local Government Act 2002 are in addition to and separate from financial contributions. Council considers that financial contributions will generally only be imposed in areas of the district where the Development Contributions Policy does not apply or where the Development Contributions Policy does not address the type of adverse effects generated by the development or activity.

Financial contributions will not be required to mitigate effects of subdivision and development on those arterial and collector roads that are already covered by Council's Development Contributions Policy.

Financial contributions can be required for:

- a) The protection and/or enhancement of significant heritage or natural features
- b) The protection or enhancement of riparian areas
- c) The establishment and/or upgrading the transport network (including roads)
- d) The establishment and/or upgrading of reserves and public open space areas
- e) The installation and/or upgrading of any network utility including sewerage, stormwater disposal and water supply.

For clarity, financial contributions mean a contribution of money or land, or a contribution of money and land, which will be determined at the discretion of council.

District Plan

Plan chapter	Reference	Purpose
22	22.10.2	Significant heritage or Ecological features
	22.10.3	Renewable Energy Activities
	22.10.4	Enhancements of Riparian Protection (Land use activities)
	22.10.5	Transport Networks (including roads)
	22.10.6	Reserves
	22.10.7	Network utilities

Included within the Long Term Plan is \$18.9 million forecast to be received for reserve contributions. These contributions are budgeted to be spent on reserve development and occasional acquisitions.



Mangawhai Photo: Natalie Edwards

Treasury Policy

Kaipara District Council 2020

1.0 Introduction

1.1 Policy purpose

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

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

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

It is intended that the policy be distributed to all personnel involved in any aspect of Council's financial management. In this respect, all staff must be completely familiar with their responsibilities under the policy at all times.

2.0 Scope and Objectives

2.1 Scope

This document identifies the policy and procedures of Council in respect of treasury management activities.

The policy has not been prepared to cover other aspects of Council's operations, particularly transactional banking management, systems of internal control and financial management. Other policies and procedures of Council cover these matters.

2.2 Risk Appetite

Council's overriding obligation is to manage its affairs prudently and in the interests of its community and is guided by the obligations imposed by the Local Government Act 2002.

Accordingly Council's philosophy on the conduct of its treasury activities is to ensure that the risks associated are properly identified, quantified and managed to ensure it meets the obligations under the Act and that there is minimal negative impact on the Council arising from such risks. Council is a risk averse entity and does not wish to seek risk from its treasury activities. Accordingly, activity that may be construed as speculative in nature is expressly forbidden.

2.3 Objectives

The objective of this Treasury Policy is to control and manage costs and investment returns that can influence operational budgets and public equity. Specifically: -

Statutory and principal objectives

- All external borrowing, investments and incidental financial arrangements (e.g. use of interest rate hedging financial instruments) will meet requirements of all relevant legislation including but not limited to:
 - Local Government Act 2002, in particular Part 6 including sections 101,102, 104 and105, and incorporate the Liability Management Policy and Investment Policy.
 - Local Government (Financial Reporting and Prudence) Regulations 2014, in particular Schedule 4.
 - Trustee Act 2019 (effective January 2021). When acting as a trustee or investing money on behalf of others, the Trustee Act highlights that trustees have a duty to invest prudently and that they shall exercise care, diligence and skill that a prudent person of business would exercise in managing the affairs of others. Details of relevant sections can be found in the Trustee Act 2019 Part 3 and Part 4.
- All projected external borrowings are to be approved by Council as part of the Annual Plan or the Long Term Planning process (LTP) or resolution of Council before the borrowing is affected;
- All legal documentation in respect to external borrowing and financial instruments will be approved by Council's solicitors prior to the transaction being executed.
- Council will not enter into any borrowings denominated in a foreign currency.
- Council will not transact with any Council Controlled Trading Organisation (CCTO) on terms more favourable than those achievable by Council itself.
- Hire Purchase, Deferred Purchase, Trade Credit - for the purposes of sub-paragraph (c)(ii)(B) of the definition of "borrowing" in section 112 of the LGA 2002, "borrowing" does not include:
 - Debt incurred in connection with hire purchase of goods, the deferred purchase of goods or services, or the giving of credit for the purchase of goods or services, if the goods or services are obtained in the ordinary course of Council's performance of its lawful functions, on terms and

conditions available generally to parties of equivalent credit-worthiness, for amounts not exceeding in aggregate \$250,000; or

- The deferred purchase of goods or services or the giving of credit for the purchase of goods or services through the mechanism of contract retentions held for periods less than 365 days.
- Other - Instruments not specifically referred to in this policy may only be used with specific Council approval; and
- Council routinely defers payment following completion of construction or other large scale engineering contracts in accordance with standard industry practices. Although this practice may mean that these deferred payments fall within the definition of borrowing for the purposes of the Act and this policy, these contractual arrangements create very little risk for Council. There is no interest exposure on these payments; the credit-worthiness of the contracting party is not relevant; and the deferred period is sufficiently long that no impact on liquidity is anticipated, as payments can be programmed in advance through the Annual Plan process or standard cash flow procedures. Therefore, Council will enter into these contracts in accordance with its standard procurement procedures, and deferred payment conditions will not require any additional approval by Council.

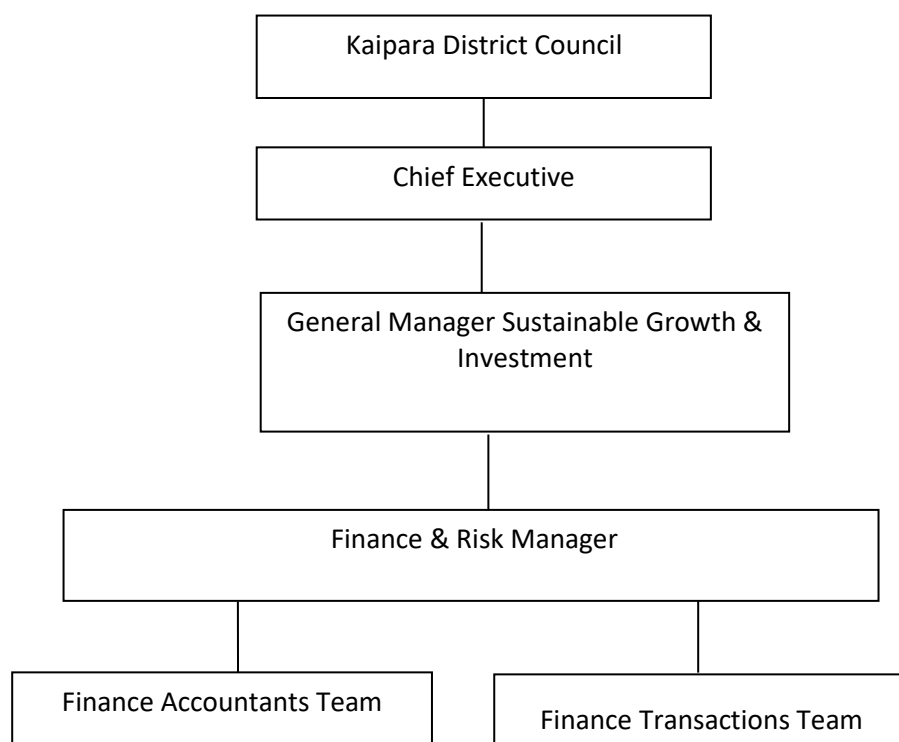
General objectives

- To manage investments to optimise returns in the long term whilst balancing risk and return considerations.
- Minimise Council's costs and risks in the management of its borrowings.
- Minimise Council's exposure to adverse interest rate movements.
- Monitor, evaluate and report on treasury performance.
- Borrow funds and transact risk management instruments within an environment of control and compliance under the Council approved Treasury Policy so as to protect Council's financial assets and manage costs.
- Arrange and structure external long term funding for Council at a favourable margin and cost from debt lenders. Optimise flexibility and spread of debt maturity terms within the funding risk limits established by this Policy statement.
- Monitor and report on financing/borrowing covenants and ratios under the obligations of Council's lending/security arrangements.
- Comply with financial ratios and limits stated within this policy.
- Monitor Council's return on investments.
- Ensure the Council, management and relevant staff are kept abreast of the latest treasury products, methodologies, and accounting treatments through training and in-house presentations.
- Maintain appropriate liquidity levels and manage cash flows within Council to meet known and reasonable unforeseen funding requirements.
- To minimise exposure to credit risk by dealing with and investing in credit worthy counterparties.
- Ensure that all statutory requirements of a financial nature are adhered to.
- Ensure that financial planning will not impose an unequitable spread of costs/benefits over current and future ratepayers; and
- Develop and maintain relationships with financial institutions, investors and investment counterparties.

3.0 Management Responsibilities

3.1 Overview of management structure

The following diagram illustrates those positions or functions that have treasury responsibilities.



3.2 Council

Council has ultimate responsibility for ensuring that there is an effective Policy for the management of its risks. In this respect Council decides the level and nature of risks that are acceptable, given the underlying objectives of Council.

Council is responsible for approving the Treasury Policy. While the Policy can be reviewed and changes recommended by other persons, the authority to make or change Policy cannot be delegated.

In this respect, Council has responsibility for:

- Approving the long term financial position of Council through the 10 year LTP and the adopted Annual Plan;
- Approving new debt through the adoption of the Annual Plan, specific Council resolution and approval of this policy.
- Approving the Treasury Policy incorporating the following:
 - Counterparties and credit limits.
 - Risk management methodologies and benchmarks.
 - Guidelines for the use of financial instruments; and
 - Receive a triennial review report on the policy.
- Evaluating and approving amendments to policy.
- Approving budgets and high-level performance reporting;
- Approve opening and closing of bank accounts; and

- Approval for one-off transaction falling outside Policy.

Council should also ensure that:

- It receives regular information from management on risk exposure and financial instrument usage in a form, that is understood, and that enables it to make informed judgements as to the level of risk undertaken.
- Issues raised by auditors (both internal and external) in respect of any significant weaknesses in the treasury function are resolved in a timely manner; and
- Submissions are received from management requesting approval for one-off transactions falling outside policy guidelines.

3.3 Chief Executive (CE)

While Council has final responsibility for the policy governing the management of Council's risks, it delegates overall responsibility for the day-to-day management of such risks to the Chief Executive.

4.0 Liability Management Policy

Council's liabilities comprise borrowings and various other liabilities. Council maintains borrowings in order to:

- Fund working capital requirements and short term funding gaps;
- Raise specific debt associated with projects and capital expenditures; and
- Fund assets whose useful lives extend over several generations of ratepayers.

4.1 Debt ratios and limits

Debt will be managed within the following macro limits.

Ratio	KDC Policy Limits	LGFA Lending Covenants
Net debt as a percentage of total revenue	<170%	<175%
Net interest expense on external debt (debt secured under debenture) as a percentage of total revenue	<15%	<20%
Net interest expense on external debt (debt secured under debenture) as a percentage of total annual rates income	<20%	<25%
Liquidity (External debt + available portion of committed loan facilities + liquid investments) to existing external debt	>110%	>110%

- Total Revenue is defined as cash earnings from rates, grants and subsidies, user charges, interest, dividends, financial and other revenue and excludes non-government capital contributions (e.g. developer contributions and vested assets); Net debt is defined as total debt less liquid investments
- When calculating net debt, the LGFA allows the deduction of:
 - a) cash, term deposits and any investments held within investment portfolios (whether these are ring fenced or not). Investment portfolios might include listed equities, fixed interest securities, listed property securities or units in managed funds.
 - b) LGFA borrower notes can be deducted.
 - c) any council lending to a CCO or CCTO can also be deducted but only where the CCO or CCTO is a going concern and not dependent upon council financial support.
- External debt is the aggregate of bank drawdown amounts, issued commercial paper (CP), term debt, capitalised finance leases and financial guarantees provided to third parties.
- Liquid funds are assets defined as:
 - a) Overnight bank cash deposits
 - b) Wholesale/retail bank term deposits no greater than 30-days
 - c) Bank issued RCDs less than 181 days
 - d) Approved fixed interest securities
 - e) Any loans to Council Controlled Organisation (CCO) or Council Controlled Trading Organisation (CCTO) (that are a going concern) that mature within 12 months.
- Net Interest is defined as the amount equal to all interest and financing costs less interest income for the relevant period.
 - a) Gross interest is calculated by adding together the value of all Council's financing costs including interest costs on debt, costs of derivatives (but not any unrealised mark to market movements) and

any costs on committed bank facilities. The finance component of a lease payment may also be part of a council's interest cost (to be confirmed with LGFA).

- b) Interest Council earned on cash, term deposits and fixed interest is deducted to provide the net interest amount. Council cannot deduct any foreign exchange gains or unrealised gains on investments.
- Annual Rates Income is defined as the amount equal to the total revenue from any funding mechanism authorised by the Local Government (Rating) Act 2002 together with any revenue received from other local authorities for services provided (and for which the other local authorities rate). Council can add on any revenue received from income for which Council rates (e.g. volumetric water charges).
- Debt will be repaid as it falls due in accordance with the applicable loan agreement. Subject to the debt limits, a loan may be rolled over or re-negotiated as and when appropriate. Disaster recovery requirements are to be met through the liquidity ratio.
- To minimise concentration risk the Local Government Funding Agency Limited (LGFA) will require that no more than the greater of NZD 100 million or 33% of Council's borrowings from the Local Government Funding Agency Limited will mature in any 12-month period.

4.2 Asset Management Plans

In approving new debt Council considers the impact on its borrowing limits as well as the economic life of the asset that is being funded and its overall consistency with Council's LTP.

4.3 Borrowing mechanisms

Council is able to borrow through a variety of market mechanisms including issuing stock/bonds, commercial paper (CP) and debentures, direct bank borrowing, accessing the short and long term wholesale and retail capital markets directly or internal borrowing of reserve and special funds. In evaluating strategies for new borrowing (in relation to source, term, size and pricing) the following is taken into account:

- a) Available terms from banks, LGFA, debt capital markets and loan stock issuance.
- b) Council's overall debt maturity profile, to ensure concentration of debt is avoided at reissue/rollover time.
- c) Prevailing interest rates and margins relative to term for loan stock issuance, LGFA, debt capital markets and bank borrowing.
- d) The market's outlook on future credit margin and interest rate movements as well as its own.
- e) Legal documentation and financial covenants together with security and credit rating considerations.
- f) For internally funded projects, to ensure that finance terms for those projects are at similar terms to those from external borrowing; and
- g) Alternative funding mechanisms such as leasing should be evaluated with financial analysis in conjunction with traditional on-balance sheet funding. The evaluation should take into consideration, ownership, redemption value and effective cost of funds.

Council's ability to readily attract cost-effective borrowing is largely driven by its ability to rate, maintain a strong financial standing and manage its relationships with its investors, LGFA and financial institutions/brokers.

Council has the ability to pre-fund up to 18 months of forecast debt requirements including re-financings.

4.4 Security

Council's external borrowings and interest rate management instruments are secured by way of a charge over rates and rates revenue offered through a Debenture Trust Deed. Under a Debenture Trust Deed, Council's borrowing is secured by a floating charge over all Council rates levied under the Local Government (Rating) Act 2002. The security offered by Council ranks equally or *pari passu* with other lenders.

If Council considers that security should be given by mortgaging or otherwise charging a physical asset instead of rates, it may do so (with the exception of Council's water assets, per Section 130(3)(a) of the Local Government Act). Independent advice will be sought if considered necessary.

Where security is considered to be offered over specific assets, prior Council approval as well as the following are required:

- a) A direct relationship between the debt and the purchase or construction of the asset, which it funds (e.g. project finance).
- b) Council considers a charge over physical assets to be appropriate.
- c) Any pledging of physical assets must comply with the terms and conditions contained within the security arrangement.
- d) Any lending to a CCO/CCTO will be on a secured basis and be approved by Council.

4.5 Debt repayment

The funds from all asset sales, operating surpluses, grants and subsidies will be applied to the reduction of debt and/or a reduction in borrowing requirements once any direct debt obligations are repaid, unless Council specifically directs that the funds will be put to another use.

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

Council will manage debt on a net portfolio basis and will only externally borrow when it is commercially prudent to do so.

4.6 Guarantees/contingent liabilities and other financial arrangements

The Council may from time to time provide financial guarantees to third parties. Management must ensure that the business plan of the guaranteed party furthers the strategic objectives of the Council and that financial statements are received on a regular basis. Should the guarantee be called up, the Council must take immediate action to recover the money.

Any such amounts guaranteed if material are to be included in the definition of 'External Debt' for the purpose of determining compliance with the Borrowing Limits set out above.

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

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

As set out in Section 62 of the Local Government Act, Council does not give any guarantee, indemnity or security in respect of the performance of any obligation by a Council Community Trading Organisation (CCTO).

Financial arrangements include:

- o Advances to community organisations.

Council will ensure that sufficient funds or lines of credit exist to meet amounts guaranteed. Guarantees given will not exceed NZ\$1 million in aggregate or attached to a property.

4.7.1 New Zealand Local Government Funding Agency Limited investment

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

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

4.8 On-lending to Council Controlled Organisations

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

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

Any lending arrangements (direct or indirect) to a CCO or CCTO must be approved by Council. In recommending an arrangement for approval the CFO considers the following:

- Credit risk profile of the borrowing entity, and the ability to repay interest and principal amounts outstanding on due date.
- Impact on Council's credit standing, credit rating, debt burden (particularly in relation to S&P credit assessment), lending covenants with the LGFA and other lenders and Council's future borrowing capacity.
- The form and quality of security arrangements provided.
- The lending rate given factors such as; CCO or CCTO credit profile, external Council borrowing rates, borrower note and liquidity buffer requirements, term etc.
- Lending arrangements to the CCO or CCTO must be documented on a commercial arm's length basis. A term sheet, including matters such as borrowing costs, interest payment dates, principal payment dates, security and expiry date is agreed between the parties.
- Accounting and taxation impact of on-lending arrangement.

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

5.0 Investment Policy and Limits

5.1 General policy

Council is currently a net borrower and is likely to remain so for the foreseeable future. Council should internally borrow from special reserve funds in the first instance to meet future capital expenditure requirements, unless there is a compelling reason for establishing external debt. Investments are maintained to meet specified business reasons. However, it should be noted that Council does not currently have any investment funds corresponding to special funds and has a policy of borrowing net of special funds that are likely to remain unspent at the year end.

Such reasons can be:

- For strategic purposes consistent with Council's LTP;
- To reduce the current ratepayer burden;
- The retention of vested land;
- Holding short term investments for working capital and liquidity requirements;
- Holding investments that are necessary to carry out Council operations consistent with Annual Plans, to implement strategic initiatives or to support inter-generational allocations;
- Holding assets (such as property) for commercial returns;
- Provide ready cash in the event of a natural disaster. The use of which is intended to bridge the gap between the disaster and the reinstatement of normal income streams and assets; and
- Invest amounts allocated to accumulated surplus, Council created restricted reserves and general reserves.

Council recognises that as a responsible public authority all investments held, should be low risk. Council also recognises that low risk investments generally mean lower returns.

5.2 Investment mix

Council may maintain investments in the following assets from time to time:-

- Equity investments, including investments held in CCO/CCTO and other shareholdings;
- Property investments incorporating land, buildings, a portfolio of ground leases and land held for development;
- Forestry investments; and
- Financial investments.

5.2.1 Equity investments

Equity investments, including investments held in CCO/CCTO and other shareholdings. Council maintains equity investments and other minor shareholdings.

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

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

Any purchase or disposition of equity investments requires Council approval. Council may also acquire shares that are gifted or are a result of restructuring. Any purchase or disposition of equity investments will

be reported to the next meeting of Council.

Council recognises that there are risks associated with holding equity investments and to minimise these risks Council, through the relevant sub-committee as applicable, monitors the performance of its equity investments on a twice yearly basis to ensure that the stated objectives are being achieved. Council seeks professional advice regarding its equity investments when it considers this appropriate.

5.2.2 Property investments

Council's overall objective is to only own property that is necessary to achieve its strategic objectives. As a general rule, Council will not maintain a property investment where it is not essential to the delivery of relevant services, and property is only retained where it relates to a primary output of Council. Council reviews property ownership through assessing the benefits of continued ownership in comparison to other arrangements which could deliver the same results. This assessment is based on the most financially viable method of achieving the delivery of Council services. Council generally follows similar assessment criteria in relation to new property investments.

Council reviews the performance of its property investments on a regular basis.

5.2.3 Financial investments

Financial investment objectives

- Council's primary objectives when investing is the protection of its investment capital. Accordingly, Council may only invest in approved creditworthy counterparties. Creditworthy counterparties and investment restrictions are covered in section 6.5. Council may invest in approved financial instruments as set out in section 6.2. These investments are aligned with Council's objective of investing in high credit quality and highly liquid assets.

Council's investment portfolio will be arranged to provide sufficient funds for planned expenditures and allow for the payment of obligations as they fall due.

- Council's net investment interest rate profile will be managed within the parameters outlined in section 6.0.

Special funds, reserve and endowment funds

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

No interest is payable on internal borrowing to/from reserves, unless otherwise directed by Council or in accordance with the fund agreements.

Trust funds

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

5.3 New Zealand Local Government Funding Agency Limited investment

Despite anything earlier in this Policy, Council may invest in shares and other financial instruments of the New Zealand Local Government Funding Agency Limited (LGFA), and may borrow to fund that investment.

Council's objective in making any such investment will be to:

- Obtain a return on the investment; and

- Ensure that the LGFA has sufficient capital to become and remain viable, meaning that it continues as a source of debt funding for the Council.

Because of these dual objectives, Council may invest in LGFA shares in circumstances in which the return on that investment is potentially lower than the return it could achieve with alternative investments.

Notwithstanding the Counterparty Credit Risk Limits (set out in Section 6.3 of this policy), Council may invest in financial instruments issued by the LGFA up to a maximum of \$5 million (i.e. borrower notes). If required in connection with the investment, Council may also subscribe for uncalled capital in the LGFA and be a Guarantor.

6.0 Risk Management

The definition and recognition of interest rate, liquidity, funding, investment, counterparty credit, market, operational and legal risk of Council will be as detailed below and applies to both the Liability Management policy and Investment policy.

6.1 Risk recognition

Interest rate risk is the risk that investment returns or funding costs (due to adverse movements in market interest rates) will materially exceed or fall short of projections included in the LTP and Annual Plan so as to adversely impact revenue projections, cost control and capital investment decisions/returns/and feasibilities.

The primary objective of interest rate risk management is to reduce uncertainty relating to interest rate movements through fixing of investment returns or funding costs. Certainty around funding costs is to be achieved through the active management of underlying interest rate exposures.

6.2 Approved financial instruments

Dealing in interest rate products must be limited to financial instruments approved by Council.

Approved financial instruments are as follows:

Category	Instrument
Cash management and borrowing	Bank overdraft Committed cash advance and bank accepted bill facilities (short term and long term loan facilities) Committed standby facilities from the LGFA Uncommitted money market facilities Retail and Wholesale Bond, both Fixed Rate (MTN) and Floating Rate Note (FRN) issuance (including forward start from the LGFA) Commercial paper (CP) /Bills / Promissory notes Finance Leases
Investments	Term deposits (including those linked to prefunding strategies) Call and Short term bank deposits Bank registered certificates of deposit (RCDs) NZ Government, LGFA, Local Authority stock or State Owned Enterprise (SOE) bonds and FRNs (senior) Corporate bonds (senior) Corporate Floating Rate Notes (senior) Promissory notes/Commercial paper (senior) Corporate/SOE/Other Local Authority Bonds NZLGFA Borrower Notes Bank term deposits linked to pre funding maturing debt
Interest rate risk management	Forward rate agreements ("FRAs") on: <ul style="list-style-type: none"> Bank bills Government bonds

Category	Instrument
	<p>Interest rate swaps including:</p> <ul style="list-style-type: none"> • Forward start swaps and collars (start date <36 months, unless linked to existing maturing swaps and collars) • Amortising swaps (whereby notional principal amount reduces) • Swap extensions and shortenings <p>Interest rate options on:</p> <ul style="list-style-type: none"> • Bank bills (purchased caps and one for one collars) • Government bonds • Interest rate swaptions (purchased swaptions and one for one collars only)

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

All investment securities must be senior in ranking. The following types of investment instruments are expressly excluded:

- Structured debt where issuing entities are not a primary borrower/ issuer; and
- Subordinated debt, junior debt, perpetual notes and hybrid notes such as convertibles.

6.3 Interest rate risk control limits

Net debt/borrowings

Council debt/borrowings should be within the following fixed/floating interest rate risk control limit:

Debt Interest Rate Policy Parameters (calculated on a rolling monthly basis):		
Debt Period Ending	Minimum Fixed	Maximum Fixed
0 – 36 months	40%	90%
37 – 60 months	30%	75%
60 – 84 months	0%	60%
Greater than 84 months	0%	50%

“Fixed Rate” is defined as all known interest rate obligations on forecast gross external debt, including where debt is borrowed on a fixed interest rate basis and where hedging instruments have fixed movements in the applicable reset rate.

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

Forecast gross external debt is the amount of total external debt for a given period (12 month). This allows for pre-hedging in advance of projected physical drawdown of new debt. When approved forecasts are changed (signed off by the CFO), the amount of interest rate fixing in place may have to be adjusted to ensure compliance with the Policy minimum and maximum limits.

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

Forecast gross external debt is to be reviewed by the Risk & Finance Manager as part of the ongoing strategic

risk management process, and the specific levels of core debt deemed to be that which is not seasonal or working capital related.

- A fixed rate maturity profile that is outside the above limits, but self corrects within 90-days is not in breach of this Policy. However, maintaining a maturity profile beyond 90-days requires specific approval by Council;
- The above interest rate risk control limits apply when external debt exceeds \$25 million;
- Floating rate debt may be spread over any maturity out to 12 months. Bank advances may be for a maximum term of 12 months;
- Interest rate swap maturities beyond the maximum LGFA bond maturity must be approved by Council through a specific approval.
- Interest rate options must not be sold outright. However, 1:1 collar option structures are allowable, whereby the sold option is matched precisely by amount and maturity to the simultaneously purchased option. During the term of the option, only the sold side of the collar can be closed out (i.e. repurchased) otherwise, both sides must be closed simultaneously. The sold option leg of the collar structure must not have a strike rate “in-the-money”;
- Purchased borrower swaptions mature within 12 months;
- Interest rate options with a maturity date beyond 12 months that have a strike rate (exercise rate) higher than 2.00% above the appropriate swap rate, cannot be counted as part of the fixed rate cover percentage calculation; and
- Forward start period on swaps and collar strategies to be no more than 36 months, unless it extends the maturity of existing interest rate fixing (via either derivatives or fixed rate borrowing).

Foreign currency

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

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

Council shall not borrow or enter into incidental arrangements, within or outside New Zealand, in currency other than New Zealand currency.

Council does not hold investments denominated in foreign currency.

All foreign currency hedging must be approved by the GM Sustainable Growth & Investment.

6.4 Liquidity risk/funding risk

6.4.1 Risk recognition

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

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

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

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

6.4.2 Liquidity/funding risk control limits

- Alternative funding mechanisms such as leasing should be evaluated with financial analysis in conjunction with traditional on-balance sheet funding. The evaluation should take into consideration, ownership, redemption value and effective cost of funds;
- External term loans and available portion of committed debt facilities together with available unencumbered liquid investments must be maintained at an amount exceeding 110% of existing total external debt;
- Council has the ability to pre-fund up to 18 months forecast debt requirements including re-financings. Debt re-financings that have been pre-funded, will remain included within the funding maturity profile until their maturity date;
- The CE has the discretionary authority to re-finance existing debt on more favourable terms. Such action is to be reported and ratified by the Council at the earliest opportunity;
- The maturity profile of the total committed funding in respect to all loans and committed facilities, is to be controlled by the following system and apply when external debt exceeds \$25 million:

Period	Minimum Cover	Maximum Cover
0 to 3 years	15%	60%
3 to 7 years	25%	85%
7 years plus	0%	60%

- A funding maturity profile that is outside the above limits, but self corrects within 90-days is not in breach of this Policy. A maturity schedule outside these limits for a period greater than 90 days requires specific the Council approval ; and

- With regard to calculating the funding maturity profile, total committed bank facility amounts are recognised as maturing at the facility's legal expiry date.

6.5 Counterparty credit risk

Counterparty credit risk is the risk of losses (realised or unrealised) arising from a counterparty defaulting on a financial instrument where Council is a party. The credit risk to Council in a default event will be weighted differently depending on the type of instrument entered into.

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

Counterparties and limits can only be approved on the basis of long term credit ratings (Standard & Poor's, Fitch or Moody's) being A and above or short term rating of A-1 or above.

Limits should be spread amongst a number of counterparties to avoid concentrations of credit exposure.

The following matrix guide will determine limits.

Counterparty/Issuer	Minimum long term / short term credit rating – stated and possible	Total maximum per counterparty (\$m)
NZ Government	N/A	Unlimited
Local Government Funding Agency	N/A	Unlimited
NZ Registered Bank	A/ A-1	30.0
Local Government Stock/ Bonds/FRN/ CP	A+/ A-1 (if rated)	10.0
This summary list will be expanded on a counterparty named basis which will be authorised by the CE.		

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

- Investments (e.g. Bank Deposits) – Transaction Notional × Weighting 100%. (Unless a legal right of set-off over corresponding borrowings exist whereupon a 0% weighting may apply);
- Interest Rate Risk Management (e.g. swaps, FRAs) – Transaction Notional × Maturity (years) × 3%; and
- Foreign Exchange – Transactional principal amount x the square root of the Maturity (years) x 15%.

No more than 50% of the investment portfolio will be held with one bank at any one time.

Investments are normally held to maturity date. Where investments are liquidated before legal maturity date, approval is obtained from the CE, who also approves guidelines for a minimum acceptable sale price. The General Manager Sustainable Growth and Investment (GMSGI) evaluates quotes based on these instructions and proceeds with the transaction.

Local Government Funding Agency

Borrower Notes.

On occasion when Council borrows from the LGFA it will be required to contribute part of that borrowing back as equity in the form of "Borrower Notes". A Borrower Note is a written, unconditional declaration by a borrower (in this instance the LGFA) to pay a sum of money to a specific party (in this instance Council) at a future date (in this instance upon the maturity of the loan). A return is paid on the Borrower Notes and can

take the form of a dividend if the Borrower Notes are converted to redeemable preference shares.

Risk management

To avoid undue concentration of exposures, financial instruments should be used with as wide a range of approved counterparties as possible. Maturities should be well spread. The approval process must take into account the liquidity of the market the instrument is traded in and re-priced from.

6.6 Operational risk

Operational risk is the risk of loss as a result of human error (or fraud), system failures and inadequate procedures and controls.

Operational risk is very relevant when dealing with financial instruments given that:

- Financial instruments may not be fully understood;
- Too much reliance is often placed on the specialised skills of one or two people;
- Most treasury instruments are executed over the telephone; and
- Operational risk is minimised through the adoption of all requirements of this policy.

6.6.1 Dealing authorities and limits

Transactions will only be executed by those persons and within limits approved by Council.

6.6.2 Segregation of duties

As there are a small number of people involved in borrowing and investment activity, adequate segregation of duties among the core borrowing and investment functions of deal execution, confirmation, settling and accounting/reporting is not strictly achievable. The risk will be minimised by the following process:-

- The GM Sustainable Growth & Investment (GMSGI) reports directly to the CE;
- There is a documented approval process for borrowing, interest rate and investment activity;
- Any execution activities undertaken by the GMSGI will be checked by the Risk & Finance Manager and the RFM will report any irregularities direct to the CE. Any execution activities undertaken by the RFM will be checked by the Financial Services Manager(FSM) and any irregularities reported to the GMSGI and CE; and
- In the absence of the FSM, the FSM's deal execution delegated authority moves to the Revenue Manager.

6.6.3 Procedures

All treasury instruments should be recorded and diarised within a treasury spreadsheet, with appropriate controls and checks over journal entries into the general ledger. Deal capture and reporting must be done immediately following execution/confirmation. Details of procedures including templates of deal tickets should be compiled in a treasury procedures manual separate to this policy.

Procedures should include:

- Regular management reporting;
- Regular risk assessment, including review of procedures and controls as directed by Council or appropriate sub-committee of Council; and
- Organisational, systems, procedural and reconciliation controls to ensure:
 - All borrowing, interest rate and investment activity is bona fide and properly authorised;
 - Checks are in place to ensure Council accounts and records are updated promptly, accurately and completely; and
 - All outstanding transactions are revalued regularly and independently of the execution function to ensure accurate reporting and accounting of outstanding exposures and hedging activity.

Organisational controls

- The GMSGI or equivalent has responsibility for establishing appropriate structures, procedures and controls to support borrowing, interest rate and investment activity; and
- All borrowing, investment, cash management and interest rate risk management activity is undertaken in accordance with approved delegations authorised by Council.

Electronic banking signatories

- Positions approved by the CE as per register;
- Dual signatures are required for all electronic transfers

Authorised personnel

- All counterparties are provided with a list of personnel approved to undertake transactions, standard settlement instructions and details of personnel able to receive confirmations.

Recording of deals

- All deals are recorded on properly formatted deal tickets by the Finance Accountants Team and approved as required by the RFM, GMSGI or CE. Deal summary records for borrowing, investments, interest rate risk management and cash management transactions (on spreadsheets) are maintained and updated promptly following completion of transaction.

Confirmations

- All inward letter confirmations including registry confirmations are received and checked by the Finance Transactions Team against completed deal tickets and the treasury spread sheet records to ensure accuracy;
- All deliverable securities are held in Council's safe;
- Deals, once confirmed, are filed (deal ticket and attached confirmation) by the Finance Transactions Team in deal date/number order; and
- Any discrepancies arising during deal confirmation checks which require amendment to Council records are signed off by the RFM, GMSGI or CE.

Settlement

- The majority of borrowing, interest rate and investment payments are settled by direct debit

authority; and

- For electronic payments, batches are set up electronically. These batches are checked by the FSM to ensure settlement details are correct. Payment details are authorised by two approved signatories as per Council registers.

Reconciliations

- Bank reconciliations are performed monthly by the Finance Transactions Team and checked and approved by the FSM. Any unresolved un-reconciled items arising during bank statement reconciliation which require amendment to Council's records are signed off by the GMSGI;
- A monthly reconciliation of the treasury spread sheet to the general ledger is carried out by the FSM and reviewed by the GMSGI; and
- Interest income from the treasury spreadsheet is reconciled to bank statements.

6.7 Legal risk

Legal and regulatory risks relate to the unenforceability of a transaction due to an organisation not having the legal capacity or power to enter into the transaction usually because of prohibitions contained in legislation. While legal risks are more relevant for banks, Council may be exposed to such risks with Council unable to enforce its rights due to deficient or inaccurate documentation.

Council will seek to minimise this risk by adopting policy regarding:-

- The use of standing dealing and settlement instructions (including bank accounts, authorised persons, standard deal confirmations, contacts for disputed transactions) to be sent to counterparties;
- The matching of third party confirmations and the immediate follow-up of anomalies; and
- The use of expert advice.

6.8 Agreements

Financial instruments can only be entered into with banks that have in place an executed ISDA Master Agreement with Council.

Council's internal/appointed legal counsel must sign off on all documentation for new loan borrowings, re-financings and investment structures.

6.9 Financial covenants and other obligations

Council must not enter into any transactions where it would cause a breach of financial covenants under existing contractual arrangements.

Council must comply with all obligations and reporting requirements under existing funding facilities and legislative requirements.

6.10 Specific Council Approval

Any activity outside the limits set in section 6 will require specific Council approval.

7.0 Cash Management

The Finance Accountants Team has the responsibility to carry out the day-to-day cash and short term debt management activities. All cash inflows and outflows pass through bank accounts controlled by the finance function.

- The Finance Accountants Team will calculate and maintain comprehensive cash flow projections on a daily (two weeks forward), weekly (four weeks forward) and monthly (12 months forward) basis. The Long Term Planning process completed every three years looks forward for 10 years. These cash flow forecasts determine Council's borrowing requirements and surpluses for investment;
- On a daily basis, electronically download all Council bank account information;
- Co-ordinate Council's operating units to determine daily cash inflows and outflows with the objective of managing the cash position within approved parameters;
- Undertake short term borrowing functions as required, minimising overdraft costs;
- Ensuring efficient cash management through improvement to accurate forecasting using spreadsheet modelling;
- Minimise fees and bank/Government charges by optimising bank account/facility structures;
- Match future cash flows to smooth overall timeline;
- Provide reports detailing actual cash flows during the month compared with those budgeted;
- Maximise the return from available funds by ensuring significant payments are made within the vendor's payment terms, but no earlier than required, unless there is a financial benefit from doing so; and
- Cash is invested for a term of no more than three months and in approved instruments and counterparties.

8.0 Measuring Treasury Performance

In order to determine the success of Council's treasury management function, the following benchmarks and performance measures have been prescribed.

Those performance measures that provide a direct measure of the performance of treasury staff (operational performance and management of debt and interest rate risk) are to be reported to Council or an appropriate sub-committee of Council on a quarterly basis.

8.1 Operational performance

All treasury limits must be complied with including (but not limited to) counterparty credit limits, dealing limits and exposure limits.

All treasury deadlines are to be met, including reporting deadlines.

8.2 Management of debt and interest rate risk

The actual funding cost for Council (taking into consideration costs of entering into interest rate risk management transactions) should be below the budgeted interest cost.

9.0 Reporting

When budgeting forecast interest costs/returns, the actual physical position of existing loans, investments and interest rate instruments must be taken into account.

9.1 Treasury reporting

The following reports are produced:

Report Name	Frequency	Prepared By	Recipient
Daily Cash Position Treasury Spreadsheet	Daily	FA	FSM
Treasury Exceptions Report	As required	FSM	GMSGI
Treasury Report <ul style="list-style-type: none"> • Policy limit compliance • Borrowing limits • Funding and Interest Position • Funding facility • New treasury transactions • Cost of funds vs budget • Cash flow forecast report • Liquidity risk position • Counterparty credit • Treasury performance Debt maturity profile • Treasury investments 	Monthly (ELT)/ Quarterly (Council)	FSM	ELT/Council
Quarterly Treasury Strategy Paper	Quarterly	GMSGI	Council
Statement of Public Debt	Monthly	FSM	Council
Revaluation of financial instruments	At least Annually	FSM	Council
LGFA covenant reporting	At least annually		LGFA

9.2 Accounting treatment of financial instruments

Council uses financial market instruments for the primary purpose of reducing its exposure to fluctuations in interest rates. The purpose of this section is to articulate Council's accounting treatment of derivatives in a broad sense.

Under NZ IPSAS accounting standards changes in the fair value of derivatives go through the Income Statement unless derivatives are designated in an effective hedge relationship.

Council's principal objective is to actively manage Council's interest rate risks within approved limits and chooses not to hedge account. Council accepts that the mark-to-market gains and losses on the revaluation of derivatives can create potential volatility in Council's annual accounts.

The RFM is responsible for advising the GMSGI and CE of any changes to relevant NZ IPSAS which may result in a change to the accounting treatment of any financial derivative product.

All treasury financial instruments must be revalued (mark-to-market) at least once annually for risk management purposes. Banks can confirm valuation of financial instruments at least six monthly and during periods of significant change quarterly.

9.3 Valuation of treasury instruments

All treasury financial instruments must be revalued (mark-to-market) at least annually. This includes those instruments that are used only for hedging purposes.

Underlying rates to be used to value treasury instruments are as follows: -

- Official daily settlement prices for established markets.
- Official daily market rates for short term treasury instruments (e.g. FRA settlement rates calculated by Reuters from price maker quotations as displayed on the BKBM page).
- Relevant market mid-rates provided by the company's bankers at the end of the business day (5.00pm) for other over-the-counter treasury instruments; and
- For markets that are illiquid, or where market prices are not readily available, rates calculated in accordance with procedures approved by the GMF.

10.0 Policy Review

This Treasury Policy is to be formally reviewed on a triennial basis.

The CE has the responsibility to prepare a review report that is presented to Council or Council sub-committee. The report will include:

- Recommendation as to changes, deletions and additions to the policy.
- Overview of the treasury management function in achieving the stated treasury objectives, including performance trends in actual interest cost against budget (multi-year comparisons);
- Summary of breaches of policy and one-off approvals outside policy to highlight areas of policy tension.
- Analysis of bank and lender service provision, share of financial instrument transactions etcetera.
- Comments and recommendations from Council's external auditors on the treasury function, particularly internal controls, accounting treatment and reporting.
- An annual audit of the treasury spreadsheets and procedures should be undertaken; and
- Total net debt servicing costs and debt should not exceed limits specified in the covenants of lenders to Council.

Council receives the report, approves policy changes and/or reject recommendations for policy changes.



Māori Freehold Land Rates Postponement and Remission Policy

Kaipara District Council 2020

1.1 Overview, Background and Objectives

Section 102(2) of the Local Government Act 2002 provides that a Council must adopt a policy on the postponement and remission of rates on Māori freehold land.

This Policy is to ensure the fair and equitable collection of rates occurs from all sectors of the community. It is important to also recognise that Māori freehold land has particular conditions, and ownership structures which may make it appropriate to provide relief from rates.

Specifically, this Policy considers the matters set out in schedule 11 of the LGA 2002 and is intended to support the following objectives:

- Recognise matters related to the physical accessibility of the land;
- Facilitate development or use of the land.

This Policy also has an objective to recognise situations where there is no occupier, or person gaining an economic or financial benefit from the land.

1.2 Conditions

1.2.1 Remission for undeveloped and inaccessible Māori Freehold Land

- 1 Council may remit rates penalties and/or current year or arrears of rates on Māori freehold land where the land has been unoccupied for the period which the remission is requested;
- 2 To be eligible for remission no person may, during the course of the year for which the remission is granted:
 - a) lease the land;
 - b) do one or more of the following things on the land, for profit or other benefit:
 - i. reside on the land;
 - ii. de-pasture or maintain livestock on the land;
 - iii. store anything on the land;
 - iv. use the land in any other way.

1.2.2 Remission to facilitate development of Māori Freehold Land

Council may remit the previous years' arrears and penalties provided the person or entity requesting the remission will pay for the annual rates for the current and previous two years and has agreed to contract to Council to keep all future rates paid in full.

1.3 Criteria

- 1 Application for land to be granted remission of rates must be made by the owners or trustees, Council or any person(s) who has gained a right to occupy through the Māori Land Courts and is the authorised occupier(s).
- 2 The land is Māori freehold land as defined in the Local Government (Rating) Act 2002.
- 3 Owners or trustees or any authorised occupier(s) must include the following information in their application:
 - a) The details of the property for which the application for remission is being made;

- b) The objectives (as outlined under Overview, Background and Objectives above) that will be achieved by providing a remission, together with an explanation as to how the land fits within the objectives;
- c) Documentation that proves the land which is the subject of the application is Māori freehold land, as defined above.

1.4 Delegation of decision-making

Decisions about applying a remission of rates will be made by the General Manager Finance or Chief Executive.

1.5 Rates Postponement

This Policy does not provide for the postponement of the requirement to pay rates.



Early Payment of Current Year Rates Policy

Kaipara District Council 2020

Early Payment of Current Year Rates Policy

In accordance with section 55 of the Local Government (Rating) Act 2002, which empowers councils to accept early payment of rates, Council will accept payment in full of all rates assessed in the current year on or before the due date for the first instalment of the year. Early payment of rates will attract neither a discount, nor interest on the sum paid.

Early Payment of Rates for Subsequent Years Policy

1.1 Overview and Background

The objective of this policy scheme is to assist ratepayers who want to make payment of specified rates (Wastewater - Mangawhai Capital Contribution targeted rates A, D, E and F) in anticipation of liability for the specified rates in subsequent financial years. This Policy is made under section 56 of the Local Government (Rating) Act 2002. Its effect is to provide ratepayers with the opportunity to extinguish their liability in relation to the Mangawhai Wastewater Capital Contribution sooner than under the long term rating option, and at a discount to the amount payable over time.

This policy is limited to the rates listed under the conditions and criteria. Council will accept payment of other rates for subsequent financial years not listed in the conditions and criteria below. However, early payment of these rates will attract neither a discount, nor interest on the sum paid.

1.2 Conditions and Criteria

1. Definition: "specified rates" means any one of the following targeted rates:
 - Wastewater – Mangawhai Capital Contribution A
 - Wastewater – Mangawhai Capital Contribution D
 - Wastewater – Mangawhai Capital Contribution E
 - Wastewater – Mangawhai Capital Contribution F
2. As long as a rating unit is subject to one of the specified rates, the ratepayer may, at any time before the due date for the last instalment of rates payable in that financial year, pay an amount calculated in accordance with this Policy to clear the rating unit's liability for the specified rate for all future years.
3. The sum to clear the rating unit's liability will equal the original principal amount (excluding GST) applying to that specified rate, less the principal and interest paid (excluding GST), plus GST.

4. In the financial years 2021/2022, 2022/2023 and 2023/2024 the amount of the payment to clearing unit's liability will be:

Schedule of Wastewater – Mangawhai Capital Contribution Targeted Rates	Liability per unit if paid in 2021/2022 financial year (GST incl)	Liability per unit if paid in 2022/2023 financial year (GST incl)	Liability per unit if paid in 2023/2024 financial year (GST incl)
Wastewater – Mangawhai Capital Contribution A	\$7,483.67	\$7,330.77	\$7,167.20
Wastewater – Mangawhai Capital Contribution D	\$4,817.35	\$4,584.13	\$4,334.61
Wastewater – Mangawhai Capital Contribution E	\$5,333.11	\$5,099.58	\$4,849.73
Wastewater – Mangawhai Capital Contribution F	\$5,869.60	\$5,636.62	\$5,387.36

5. Elections must be in writing and addressed to the General Manager Sustainable Growth and Investment or Finance Services Manager.
6. The Council will credit the payment in accordance with the Policy.
7. The discount offered by electing to make a payment in accordance with this Policy equals the Council's estimate of the cost of interest (plus GST) over the estimated term of the specified rate.

1.3 Delegation of decision-making

Decisions about applying the discount will be made by the Revenue Manager, General Manager Finance or Chief Executive.



Ripiro Beach Photo: Oliver Foerstner

Rates Postponement and Remission Policy

Kaipara District Council 2020

Rates Postponement and Remission Policy

Overview and Background

Section 102(3) of the Local Government Act 2002 provides that a Council may adopt a rates remission policy and/or a rates postponement policy. The two policies have been combined into a single Rates Postponement and Remission Policy.

The objective of this scheme is to:

- provide financial assistance and support to ratepayers
- address rating anomalies
- address matters related to wastewater charges
- cover other objectives.

The Council must consult on a draft policy or amendment in a manner that gives effect to section 82 of the Local Government Act 2002 to adopt and amend this Policy.

The Council's Rates Postponement and Remission Policy is set out in four parts, each containing a number of schemes.

Part One - Financial Assistance and Support

- Rates Postponement for Financial Hardship
- Rates Remission for Financial Hardship
- Rates Remission of Penalties Only.

Part Two - Addressing Anomalies

- Rates Remission of Multiple Uniform Annual General Charges and other Uniform Charges on Rating Units
- Rates Remission for Community, Sporting and Other Organisations
- Rates Postponement or Remission for Miscellaneous Purposes.

Part Three - Addressing Matters Related to Wastewater Charges

- Rates Remission for School Sewerage Charges

Part Four - Other Schemes

- Water Supply Rates Remission for Excessive Water Rates due to a Fault.

Full details of each rates remission and postponement scheme

Part One - Financial Assistance and Support Schemes*Rates Postponement for Financial Hardship***Objective**

The objective of this scheme is to assist ratepayers experiencing financial hardship which affects their ability to pay rates.

Criteria

The ratepayer must meet the following criteria to be considered for rates postponement for hardship:

- 1 The ratepayer must be the current owner of the rating unit and owned the property for at least five years.
- 2 The rating unit must be used solely by the ratepayer as his/her residence.
- 3 No person entered on the Council's rating information database as the "ratepayer" must own any other rating units or investment properties (whether in the District, in New Zealand or overseas) or have significant interests or ownership of a businesses or shares.
- 4 The current financial situation of the ratepayer must be such that he/she is unlikely to have sufficient funds left over, after the payment of rates, for normal health care, proper provision for maintenance of his/her home and chattels at an adequate standard, as well as making provision for normal day-to-day living expenses.
- 5 The ratepayer (or authorised agent) must make an application to Council on the prescribed form (copies can be obtained from the Council Offices, at either Dargaville or Mangawhai, or on Council's website www.kaipara.govt.nz).

Conditions

The Council will consider, on a case-by-case basis, all applications received that meet the above criteria.

- 1 For the rates to be postponed, written confirmation of the ratepayer's financial situation must be provided from the ratepayer's budget advisor. Additionally, Council reserves the full right to have the question of hardship addressed by any outside agency with relevant expertise e.g. budget advisors or the like.
- 2 For the rates to be postponed, the Council will require a statutory declaration:
 - a) that the ratepayer does not own any other property or have significant interest in a business or shares; and
 - b) containing the value of the ratepayer's property insurance and the value of encumbrances against the property, including mortgages and loans.
- 3 For the rates to be postponed, the Council will require the ratepayer to first make acceptable arrangements for payment of future rates, for example by setting up a system for regular payments.
- 4 The Council will add a postponement fee each year to the postponed rates. The fee will cover the period from when the rates were originally due to the date that they are paid. This fee will not exceed the Council's administrative and financial costs of the postponement.
- 5 The postponement will apply from the beginning of the rating year in which the application is made, although the Council may consider backdating to before the rating year in which the application is made depending on the circumstances.
- 6 Any postponed rates will be postponed until:
 - a) the death of the ratepayer(s); or
 - b) the ratepayer/s cease/s to be the owner or occupier of the Rating Unit; or
 - c) the ratepayer/s cease/s to use the property solely as his/her residence; or
 - d) the postponed rates are 80% of the available equity in the property; or

- e) a date specified by Council.
- 7 All or part of the postponed rates may be paid at any time. The applicant may also elect to postpone the payment of a lesser sum than that which they would be entitled to have postponed pursuant to this scheme.
- 8 Postponed rates will be registered as a statutory land charge on the rating unit title. This means that the Council will have first call on the proceeds of any revenue from the sale or lease of the rating unit.

Delegation of decision-making

Decisions relating to the postponement of rates will be made by the General Manager Sustainable Growth and Investment or Chief Executive.

Rates Remission for Financial Hardship

Objective

The objective of this Policy is to assist ratepayers experiencing extreme financial hardship which affects their ability to pay rates.

Criteria

The ratepayer must meet the following criteria to be considered for a rates remission for financial hardship:

- a) The ratepayer must be the current owner of the rating unit and owned the property for at least five years.
- b) The rating unit must be used solely by the ratepayer as his/her residence.
- c) No person entered on the Council's rating information database as the "ratepayer" must own any other rating units or investment properties (whether in the District, in New Zealand or overseas) or have significant interests or ownership of a businesses or shares.
- d) The current financial situation of the ratepayer must be such that s/he is unlikely to have sufficient funds left over, after the payment of rates, for normal health care, proper provision for maintenance of his/her home and chattels at an adequate standard, as well as making provision for normal day-to-day living expenses.
- e) The ratepayer (or authorised agent) must make an application to Council on the prescribed form (copies can be obtained from the Council Offices, at either Dargaville or Mangawhai, or on Council's website www.kaipara.govt.nz).

Conditions

The Council will consider, on a case by case basis, all applications that meet the above criteria.

- a) For the rates to be remitted, the ratepayer's financial situation must be such that the ratepayer is eligible for, and has applied for, the Government rates rebate scheme. Additionally, Council reserves the full right to have the question of hardship addressed by any outside agency with relevant expertise e.g. budget advisors or the like.
- b) For the rates to be remitted, the Council will require a statutory declaration that the ratepayer does not own any other property or have significant interest in a business or shares.
- c) The remission will apply from the beginning of the rating year in which the application is made, although the Council may consider backdating to before the rating year in which the application is made depending on the circumstances.

Delegation of decision-making

Decisions relating to the remission of rates for financial hardship will be made by the General Manager Sustainable Growth and Investment or Chief Executive.

Rates Remission of Penalties Only

Objective

The objective of this scheme is to enable the Council to act fairly and reasonably in relation to penalties applied when rates have not been received by the due date.

Criteria

- 1 Where the ratepayer meets the payment conditions agreed with the Council to resolve rates arrears, the Council can remit any part of the penalties already incurred.
- 2 The penalties incurred on the first instalment of each financial year will be remitted if the ratepayer pays the total amount of rates due for the year, excluding the penalty on the first instalment, but including any arrears owing at the beginning of the financial year, by the second instalment due date.
- 3 There are extenuating circumstances.
- 4 The ratepayer has paid after the penalty date, but has not received a rates penalty remission under this scheme within the past two years.

Conditions

- 1 The remission will apply from the beginning of the rating period in which the application is approved and may not necessarily be backdated to prior years.

Treatment of Penalties on Small Overdue Balances

When a small balance is overdue which is uneconomical to collect, the Revenue Manager, the General Manager Sustainable Growth and Investment, or the Chief Executive may write-off the balance in line with other Council procedures. Penalties will not be applied in these circumstances.

Delegation of decision-making

Decisions relating to the remission of rates penalties will be made as follows:

- for meeting condition/criterion 1 (enters payment conditions to resolve rate arrears) - General Manager Sustainable Growth and Investment or Chief Executive
- for meeting condition/criterion 2 (pays outstanding rates by instalment 2) - Revenue Manager, General Manager Sustainable Growth and Investment or Chief Executive
- for meeting condition/criterion 3 (extenuating circumstances) - General Manager Sustainable Growth and Investment or Chief Executive
- for meeting condition/criterion 4 (late payment but first in two years) - Revenue Manager, General Manager Sustainable Growth and Investment or Chief Executive
- for meeting condition/criterion 6 (backdating remission to prior years) - General Manager Sustainable Growth and Investment or Chief Executive.

Part Two - Addressing Anomalies

Rates Remission of Uniform Annual General Charges and other Uniform Charges on Rating Units

Objective

To enable Council to act fairly and equitably with respect to the imposition of uniform charges on two or more separate rating units that are contiguous, and used jointly for a single residential or farming use but do not currently meet section 20 of the Local Government (Rating) Act 2002.

Conditions and Criteria

- 1 The Council may remit multiple sets of Uniform Annual General Charges and relevant targeted rates set as a fixed amount per rating unit or Separately Used or Inhabited Part of Rating Unit (SUIP) in the following circumstances:
 - a) Where a ratepayer owns and resides on two separate residential rating units that are contiguous and used jointly as a single residential property.
 - b) Where a farming operation consists of a number of separate Certificates of Title or rating units that are contiguous, the occupier of all rating units is the same and operated jointly as a single farm but is owned by a number of separate owners. In some cases, the rating units may have different property categories.
- 2 Properties that have been subdivided for sale are not eligible for remission of Annual General Charges and relevant targeted rates.
- 3 Targeted rates set as a fixed amount for a service actually provided or made available to each separate part of the rating unit, such as water and wastewater rates, shall not be eligible for remission.
- 4 Owners wishing to claim a remission under this scheme may be required to make a written application or declaration using the appropriate application form and to supply such evidence as may be requested to verify that a remission should be granted under this scheme.
- 5 Applications must be received prior to the commencement of the rating year (1 July – 30 June). Successful applications received during a rating year will be applicable from the commencement of the following year. No applications will be backdated.

Delegation of decision-making

Decisions relating to the remission of rates will be made by the Revenue Manager, General Manager Sustainable Growth and Investment or Chief Executive.

Rates Remission for Community, Sporting and Other Organisations

Objective

To enable Council to act fairly and equitably with respect to the imposition of rates on land used or occupied by societies or association of persons for organisations that have a strong community focus, but do not currently meet the 100% and 50% non-rateable criteria under Schedule 1 of the Local Government (Rating) Act 2002.

Criteria

- 1 Council may remit all or part of rates to land that is being used or occupied under the following circumstances:
 - a) Land owned or used by a society or association of persons, whether incorporated or not, for the purposes of a public hall, library, museum or other similar institution.
 - b) Land owned or used by a society or association of persons, whether incorporated or not, for games or sports other than galloping races, harness races and greyhound races, and does not

meet the 50% non-rateable definition as a club licence under the Sale and Supply of Alcohol Act 2012 is for the time being in force.

- c) Land owned or used by a society or association or persons, whether incorporated or not, the object or principal object of which is to conduct crèches or to conserve the health or well-being of the community or to tend the sick or injured.
 - d) Land owned or used by a society or associations of persons, whether incorporated or not for sporting, recreation, or community purposes that does not meet the 100% and 50% non-rateable criteria under Schedule 1 of the Local Government (Rating) Act 2002.
- 2 In all cases, land that is used for the private pecuniary profit of any members of the society or association shall not be eligible for a rates remission.

Conditions

- 1 The rates remission for the following uses is:

Land use	Remission
Public halls, libraries, museums	100%
Sports Clubs	50%
Other community groups	50%

- 2 The remission of rates does not extend to rates set for water supply, wastewater services and (if applicable) refuse services.
- 3 Applications must be received prior to the commencement of the rating year (1 July – 30 June). Successful applications received during a rating year will be applicable from the commencement of the following year. No applications will be backdated.

Delegation of decision-making

Decisions relating to the remission of rates will be made by the Revenue Manager, General Manager Sustainable Growth and Investment or Chief Executive.

Rates Postponement or Remission for Miscellaneous Purposes

Objective

The objective of this scheme is to enable the Council to postpone or remit rates and/or penalties on rates in circumstances that are not specifically covered by other schemes in the Rates Postponement and Remission Policy, but where the Council considers it appropriate to do so.

Criteria

- 1 The Council may postpone or remit rates and/or penalties on rates on a rating unit where it considers it just and equitable to do so because:
 - a) There are special circumstances in relation to the rating unit, or the incidence of the rates (or a particular rate) assessed for the rating unit, which mean that the unit's rates are disproportionate to those assessed for comparable rating units;
 - b) The circumstances of the rating unit or the ratepayer are comparable to those where a postponement or remission may be granted under the Council's other rates postponement or remission schemes, but are not actually covered by any of those schemes;
 - c) There are exceptional circumstances that the Council believes that it is equitable to postpone or remit the rates and/or penalties on rates.

Conditions

- 1 Where the Council and the ratepayer have agreed to postpone rates and/or penalties on rates:
 - a) Applications must be received in writing by Council from the ratepayer.
 - b) Applicants may elect to postpone a lesser amount than the maximum they would be entitled to under the scheme.
 - c) Postponed rates will be registered as a Statutory Land Charge on the Certificate of Title.
 - d) Council will add a postponement fee to the postponed rates for the period between the due date and the date the rates are paid. This fee is to cover Council's administrative and financial costs and may vary from year to year.
 - e) Any postponement is valid for the year in which the application was made.
 - f) Ratepayers will be encouraged to obtain financial and/or legal advice about the rates postponement from an appropriate independent person.
- 2 The Council has the final discretion to decide whether to grant a rates postponement or rates and/or penalties on rates remission under this scheme.
- 3 Applications must be received prior to the commencement of the rating year (1 July – 30 June). Successful applications received during a rating year will be applicable from the commencement of the following year. No applications will be backdated.

Delegation of decision-making

Decisions relating to the remission of rates and/or penalties on rates will be made by the Chief Executive.

Part Three - Addressing Matters Related to Wastewater Charges*Rates Remission for School Sewerage Charges***Objective**

To maintain the intent in providing relief and assistance to educational establishments that are subject to multiple pan charges for wastewater services as defined in the since repealed Rating Powers (Special Provision for Certain Rates for Educational Establishments) Amendment Act 2001.

Conditions and Criteria

- 1 This part of the scheme will apply only to educational establishments as defined in the repealed Rating Powers (Special Provision for Certain Rates for Educational Establishments) Amendment Act 2001. The scheme does not apply to any schoolhouse, or any part of a school used for residential purposes.
- 2 The calculated number of pans of any educational establishment in any one year subject to the relevant wastewater targeted rate will be the lesser of:
 - a) The **actual** number of toilet pans in the establishment, or
 - b) The **notional** number of toilet pans in the establishment. The notional number is calculated as one pan per 20 pupils/staff. A part thereof a notional pan will attract no charge.
- 3 The charging regime to apply to these educational establishments will be the same as for commercial ratepayers with multiple pans. That is a fixed amount per rating unit of the education establishment will apply for the first two pans, with the third or more pans attracting a charge for each pan at 50% of the corresponding fixed amount.

Delegation of decision-making

Decisions relating to the remission of rates will be made by the Revenue Manager, General Manager Sustainable Growth and Investment or Chief Executive.

Part Four - Other schemes*Water Supply Rates Remission for Excessive Water Rates due to a Fault***Objective**

The objective of this scheme is to provide relief to ratepayers who have excessive water rates due to a fault (leak) in the internal reticulation serving their rating unit.

Conditions and Criteria

- 1 Definitions:
 - a) Remission means the partial or total write-off of water rates owed to the Council;
 - b) The boundary between the Council maintained water system and the privately maintained water system is taken as being the water meter.
- 2 Council may remit the whole or part of water rates where the application meets the following criteria:
 - a) A remission will only be considered where immediate action to repair or minimise water loss is taken on notification. Any remission will only apply up to the date the ratepayer became aware of or was notified of the leak.
 - b) A remission will not normally be granted where the leak is the result of poor workmanship or incorrect installation.
 - c) All applicants are requested to submit their application in writing, using an 'Excess Water Charges Remission Application Form'.

- d) Details of the location and the repairs to the reticulation be submitted for verification (e.g. receipt or supplier's invoice) and information supplied showing due diligence in the repair of the leak.
- e) Any remission under this scheme is a "one-off" and any further remissions for subsequent leaks on the same reticulation supply line may only be granted if the full reticulation system is replaced. Where there are special circumstances which prevent this any remission will only be given at the discretion of the General Manager Sustainable Growth and Investment.

Delegation of decision-making

Unless otherwise specified, decisions relating to the remission of rates will be made by the Revenue Manager, General Manager Sustainable Growth and Investment or Chief Executive



SECTION 6 | Policies and Statements

Statements of Comparison



Statements of Comparison

Water and Sanitary Services Assessment

Under Part 7 of the Local Government Act 2002, Council is required to undertake an assessment of water services and other sanitary services.

The Water and Sanitary Services Assessment (WSSA) is required to include all areas within the district, both Council serviced and unserved areas. The Assessment satisfies Council's requirement under Schedule 10 of the Local Government Act 2002 which requires Council to explain any variation between proposals in the Long Term Plan and the WSSA. While the WSSA fulfils Council's obligations under the Local Government Act, it will also go some way to performing Council's obligations under section 35 of the Resource Management Act 1991, where Council is required to gather information, monitor and keep records on the environment.

The WSSA also supports Council in formulating District Plans and in development forecasting.

The WSSA was undertaken in 2005 and was the result of a qualitative research process that gathered and analysed Council and public documents, and the local knowledge of community members. While Council has records relating to the larger reticulated communities, for the smaller un-served communities in which residents supply their own services, Council may have very little information. Overall, the Assessment found that Council supplied water and sanitary services adequately and met the present needs of the specific urban communities in which they are located. The services were also capable of being upgraded to meet forecast future demands driven by development or expected changes in use. Residents in rural communities without reticulated water and sanitary services also appeared to be adequately meeting their needs.

In late 2017 Council identified that some residents in the Kaihu and Maungaturoto areas adjacent to Council's raw water supply watermains were inappropriately using the raw water meant for irrigation and stock as potable water. These raw water supplies are provided as extraordinary supplies for agricultural purposes i.e. they are not potable water connections. Council is working with affected residents to provide alternative private potable water supplies.

Council are currently in the process of undertaking a new Assessment due to be completed by December 2021.

Key Issues

The key issues identified in the WSSA and the changes since then are summarised below:

Water Supply

Quantity

There were no issues identified with either reticulated or non-reticulated communities in the 2005 WSSA report. The research identified no issues with access to adequate water supplies. They are generally in good condition and have adequate capacity to meet present and forecast future demands, notwithstanding that some communities require new sources of water or modifications to their abstraction resource consents.

In some communities, the Kaipara district has a high level of absentee homeowners and significant summertime transient populations especially on the east coast, namely at Mangawhai. This results in dramatically fluctuating populations and high peak demand periods over the summer months, which requires careful water resource management. Water conservation and demand management is recognised as being increasingly important to ensuring long term sustainable water supplies in the District.

There have been instances of raw water shortage for Dargaville water supply in during drought periods. Due to unavailability of easily accessible raw water and cost-benefit analysis, it was decided to manage the raw water shortage by implementing a Drought Management Plan.

Quality

Council's public water supplies are treated in accordance with the Drinking-water Standards for New Zealand (DWSNZ) 2005 Revised (2018). All the district water supply systems are compliant with the standards and are filtered, chlorinated, and with the exception of Ruawai, Ultra Violet disinfected. As part of DWSNZ, continuous monitoring of various parameters is required. In order to monitor and control water quality, Council has implemented SCADA at the Dargaville and Maungaturoto Water Treatment Plants. Annual water supply pipe renewals are done mainly in Dargaville, Maungaturoto and Ruawai. In 2016 the Council also built a new water treatment plant in Mangawhai. This means that all reticulated supplies in the district are designed and operated to meet the Drinking Water Standards for New Zealand 2005 (revised 2018).

The findings of the Havelock North enquiry may require Council to provide additional monitoring, reporting or some other change in the operation of drinking water schemes especially in catchment management and development and use of Water Safety Plans.

There are many small communities that are not on a public reticulated water supply scheme. These communities, if consuming untreated water from streams and shallow bores, may be at risk of contracting water borne diseases. Water contamination can come from several sources such as farm runoff, excrement from local fauna and septic tank runoff. Contaminants such as cryptosporidium, campylobacter, giardia and e-coli can cause serious illnesses, which can be particularly dangerous for infants, elderly people and those with weak immune systems. In late 2017, when Council became aware that some residents connected to the raw water mains in Kaihu and Maungaturoto were using this extraordinary agricultural supply for human consumption, Council responded to rectify the situation by providing bottled water to residents while taking steps to ensure the property owners provide alternative private potable water supplies.

Wastewater

There are six reticulated wastewater systems operated by Council. Management and maintenance of Council's wastewater systems, including renewals, is undertaken by contractors engaged by Council.

The Council-owned reticulated systems are generally in sound condition and are operating satisfactorily.

Many properties within the Kaipara are used seasonally. Often holiday homes are vacant for most of the year and then used very heavily over summer. This can lead to unreasonable strain being placed upon the septic system and can lead to system failure and resulting contamination of the environment. Monitoring of septic tank management is underway by the Health Team of Council.

Council has implemented SCADA system to all its wastewater pumping stations at Dargaville. SCADA helps in monitoring, functioning and operations of pump stations efficiently and ultimately reduction of sewer overflows.

Pipe renewals by relining and open cut have been implemented annually and studies of the system capacities (models) of the wastewater schemes have commenced within the first three years of the Long

Term Plan 2018/2028 and will continue into the 2021-2031 Long Term Plan.

Stormwater

Council operates five reticulated stormwater systems in the main towns and settlements within the District. Management and maintenance of the Council's stormwater systems is undertaken by contractors engaged under the main Operations and Maintenance Contract.

Dargaville is subject to flooding periodically due to storm events coinciding with high tides in the Northern Wairoa River.

Council is in the process of updating its Stormwater Management Plan for Dargaville. The outcomes of the study will be assessed and improvements will be planned accordingly.

The assessment of the other main towns and settlements within the district has found that overall, the environmental and public health risks of flooding and stormwater contamination are judged as being no more than minor. Mangawhai is currently experiencing growth, and its stormwater infrastructure is under-developed.

In smaller communities there is generally no formal reticulated stormwater systems apart from the drainage associated with the roads. Aside from communities where onsite wastewater systems may pose a contamination risk, the assessment has found that the environmental and public health risks in these communities are judged as being no more than minor.

Cemeteries/Crematoria

Council's cemeteries have adequate capacity for at least the next 10 years; provisions are therefore considered to be satisfactory.

Some deaths occurring in the district are dealt with by either cremation or burial outside the District. Whilst there are no crematoria within Council's area, facilities in Whangarei and Auckland are used and have ample capacity to meet the demands from the Kaipara.

Public Toilets

The existing facilities operated by Council and the Department of Conservation are of adequate quantity and quality, and consequently, it is assessed that public health is adequately protected.

Solid Waste

All local authorities are required to develop and adopt a Waste Management and Minimisation Plan (WMMP) under section 43 of the Waste Minimisation Act, 2008. The purpose of a WMMP is to outline a local authority's strategy to manage waste more efficiently and reduce the amount of waste being put in landfills by enhancing the recycling and re-use of materials.

The Kaipara District Council developed its current WMMP which was adopted in 2017 and is due for

review in 2022. The plan sets out Objectives and proposed improvements to be completed over the life of the WMMP.

Variations between the Kaipara District Waste Management and Minimisation Plan and the Kaipara District Long Term Plan.

The only variation from the current WMMP is the addition of Climate change protection works for coastal closed landfills this had not been considered in the current WMMP but will be included in the reviewed 2022 WMMP.



Red Hill Photo: Mark Schreurs



SECTION 7

Asset Management Plans



Asset Management Plans

Council has prepared Asset Management Plans for six activity areas:

Flood Protection and Land Drainage

Open Spaces

Transportation

Waste Minimisation

Stormwater

Wastewater

Water Supply

These groups of activities incorporate the delivery of core services that Council provides to the communities. The purpose of these plans is to ensure that Council is prudently managing its assets for the benefit of Kaipara's communities by providing targeted improvements over the longer term. An Asset Management Plan (AMP) describes the assets and details the practices used to manage the assets, including levels of service, demand for additional or different service, maintenance, renewal, or replacement of the assets, along with financial requirements of those management practices.

Council proposes to manage and improve these assets through the implementation of its AMPs for each asset type over the 2021/2031 period.

The full Asset Management Plans can be found via our website, kaipara.govt.nz/SAMPS.

Transportation Asset Management Plan

This Activity Management Plan has been prepared by the Northland Transport Alliance (NTA) on behalf of the Far North District Council (FNDC), Kaipara District Council (KDC) and Whangarei District Council (WDC). The AMP outlines how the district councils will maintain, operate, and develop its transportation activities over the next three year period (2021/2024) in detail and indicate the intentions over the next 10 and 30 years.

The purpose of the Transportation AMP is to provide good-quality local infrastructure, local public services, and performance of regulatory functions in a way promotes the social, economic, environmental, and cultural well-being of communities in the present and for the future. It is also to meet the vision and objectives of councils commitments to the community, as defined in the Long Term Plan (LTP),

and to be consistent with the strategic direction both nationally through the Government Policy Statement (GPS) and regionally through Northland's Regional Land Transport Plan (RLTP).

The Roding Efficiency Group (REG) have developed the One Network Road Classification (ONRC) principles and performance measures and these have been embedded into this AMP. The AMP has also adopted the NZ Transport Agency's Business Case Approach. The funding assistance rate (FAR) that Council receives from the NZTA has been confirmed at 62%. This provides the community with sound funding stability.

Water Supply Asset Management Plan

The purpose of the Water Supply Asset Management Plan is to summarise Council's strategic and long-term management approach for the provision and maintenance of water supply assets.

The Council operates five community potable water supply schemes:

Dargaville (including Baylys).

Glinks Gully.

Ruawai.

Maungaturoto; and

Mangawhai.

The focus of a Water Supply system is to protect public health by providing potable water to the communities with reliable services. The water supply schemes are designed and operated to meet the Drinking Water Standards of New Zealand 2005 (Revised 2018).

None of Council's water supply schemes rely on secure aquifers as a water source and so all the potable water supplied is fully treated and chlorinated.

The focus of the 2021/2031 AMP is to continue with renewals, assess and renew critical assets like large diameter pipes under buildings, capacity studies, and ensuring security of supply for current and future populations.

The AMP provides discussion of the key elements affecting management of Council's Water Supply assets including the legislative framework, links to community outcomes, policies and strategy, the proposed levels of service and performance measures and demand, and environmental and

service management. The results of the Havelock North enquiry may trigger legislative changes which require preparedness and Council will respond to any legislative changes as and when they occur.

Stormwater Asset Management Plan

The purpose of the Stormwater Asset Management Plan is to summarise Council's strategic and long term management approach for the provision and maintenance of stormwater assets.

To protect people, dwellings, private property, and public areas from flooding by managing stormwater, discharges and collecting contaminants in a manner that protects the environment and public health,

Council operates five community stormwater schemes:

Dargaville.

Baylys.

Te Kopuru.

Kaiwaka; and

Mangawhai.

The National Policy Statement on Freshwater Management and the Proposed Northland Regional Plan provide stricter guidelines and require more stringent management approaches to stormwater catchments and discharge points to protect the environment. Climate change and sea level rise have also been identified in the AMP as issues that need to be investigated.

The AMP provides discussion of the key elements affecting management of Council's stormwater assets including the legislative framework, links to community outcomes, policies and strategy, the proposed levels of service and performance measures and demand, and environmental and service management.

Flood Protection and Land Drainage

The Raup and northern area flood protection and land drainage networks represents a major investment by the community and is of vital importance to the quality of life of the district's residents and the sustainable management of both tidal and flood waters. The community expectation that this investment in land drainage assets is secure and managed in a way which maximises return in

terms of outputs and costs.

The goals of the Flood protection and land drainage networks are to achieve the following in a cost-effective manner:

Protect land from tidal waters

Control surface water during flooding

Divert run-off from inland hills

To do this several drains, floodgates, stopbanks and a storm pump have been constructed and integrated with naturally formed channels to achieve these goals. These assets are overseen by self-managed drainage districts; and in the case of Raup a formal committee to council comprised of representatives of the district who are assisted by Council staff and a land drainage co-ordinator.

The National Policy Statement on Freshwater Management and the Proposed Northland Regional Plan provide stricter guidelines and require more stringent management approaches to drainage catchments and discharge points to protect the environment. Climate change and sea level rise have also been identified in the AMP as issues that need to be investigated.

Wastewater Asset Management Plan

The purpose of the Wastewater Asset Management Plan is to summarise Council's strategic and long term management approach for the provision and maintenance of wastewater assets.

The Council operates six community wastewater schemes:

Dargaville.

Glinks Gully.

Te Kopuru.

Maungaturoto.

Kaiwaka; and

Mangawhai.

The wastewater systems focus on protecting public and environmental health by collecting and treating wastewater prior to release into receiving environments. The National Policy Statement on Freshwater Management and the Proposed Northland Regional Plan provide stringent approaches to wastewater management and this issue as an example is raised in the Wastewater AMP for 2021/2031. The competing requirements of funding and compliance are apparent especially for

smaller schemes within the district.

The AMP provides discussion of the key elements affecting management of Council's wastewater assets including the legislative framework, links to community outcomes, policies and strategy, the proposed levels of service and performance measures and demand, and environmental and service management.

Waste Minimisation Asset Management Plan

The purpose of the Waste Minimisation Asset Management Plan is to manage the assets prudently. When managing these assets Council must ensure the interests and expectations of stakeholders are considered alongside regulatory compliance requirements. The AMP documents this approach by outlining the asset management processes and practices used to develop optimised lifecycle management strategies.

The scope of the Waste Minimisation AMP covers the weekly bagged refuse collection, the weekly recycling service, the transfer stations at Dargaville and Hakaru, litter control, management of closed landfills including monitoring, removal of abandoned vehicles and the management of illegally dumped refuse throughout the Kaipara.

The bulk of the costs likely to arise in the 10 year forecast horizon are related to operational costs Council will investigate options to reduce waste, and

to improve recycling across the district.

Open Spaces Asset Management Plan

Council manages and maintains a diverse range of Open Space & Facilities assets, including public open space for aesthetic, passive and active uses, public cemeteries, campgrounds playgrounds, coastal structures to access the rivers or coast, as well as public toilets to meet the needs of visitors and the traveling public.

We actively maintain a network of parks and reserves throughout Kaipara District. Within our Council owned or managed parks and reserves, we operate four cemeteries. We also support community run cemeteries, provide over 30 public toilets within civic areas and reserves across the District; and oversee community run campgrounds and the Kai Iwi Lakes Campground. We maintain and manage council owned coastal assets/facilities, including the proposed wharves as part of the Kaipara Kick Start project.

Council also has a duty to protect and enhance the natural environment within the District. With effective management, open spaces provide environmental benefits including natural landscapes, increased infiltration through permeable surfaces, enhanced air quality and shade. Biodiversity and ecological values can also be improved through native plantings and pest control.



Glinks Gully Photo: Jasmine Horton



SECTION 8 | Glossary and Appendix

Glossary



Differential Category	Definition
Absentee Ratepayer	Person/s who own property in the District but lives outside of the District for most of the year. The Council refers to these property owners as absentee ratepayers.
Activity	Goods or Services provided by or on behalf of the Council.
Additional Capacity	The proportion of infrastructural capacity provided through the Council's capital works programme that is available to service growth and development.
Annual Plan	Contains the Council's proposed budget and funding impact statement for one financial year. Identifies any variation from the financial statements and funding impact statement.
Annual Report	A report that Council prepares once a year to assess performance against its objectives, activities, performance targets and budgets outlined in the Long Term Plan or Annual Plan.
Applicable Revenue	Applicable revenue is the debt level compared against the total revenue i.e. rates, fees and charges, subsidies but excluding penalties.
Asset	A resource of economic value controlled by Council, such as a park, road, stormwater system, water supply or wastewater plant.
Assumption	A statement that is used as the basis for making particular predictions of outcomes that may or may not occur.
Business and Economic Research Limited (BERL)	An organisation that provides analysis across a wide range of fields to the public and private sectors, including economic forecasting.
Capital Expenditure	Money spent to build or buy a new asset or to improve the standard of an existing asset.
Community	A network of people and organisations linked together by factors such as place (geographical community), common interest or identity (e.g. hapu, voluntary organisation) or administrative community (e.g. the District).
Community Outcomes	The outcomes the Council aims to achieve to promote community well-being in the District now and in the future.
Consumer Price Index (CPI)	An index by Statistics New Zealand which records changes to the prices of consumer items bought by New Zealand households, giving a measure of inflation. The CPI measures price changes for food, housing, personal and health care, recreation and education, transportation, tobacco and alcohol, credit services, household operation and apparel.
Debt	Debt can be displayed in two ways. External debt is money owed to outside parties while debt level requirement is money owed to external parties plus internal borrowings from Council reserves, cash funds etc.
Depreciation	The charge representing consumption or use of an asset, assessed by spreading the asset's value over its estimated economic life. Depreciation includes amortisation of intangible assets unless otherwise stated.
Development Contributions	A revenue contribution from property developers to cover the cost of servicing growth resulting from development activity. Further glossary terms on Development Contributions can be found within the Policy document located in Part Two of the Long Term Plan.
District Plan	A detailed plan of the way the District's environment will be managed to achieve the purpose and principles of the Resource Management Act 1991.

Differential Category	Definition
Dwelling Unit	Any building, part of a building or group of buildings used or intended to be used principally for residential purposes and occupied or intended to be occupied by not more than one household.
Equity	As a financial term, also known as net worth. The total value of assets less total liabilities.
Financial Strategy	A strategy covering the period of the Long Term Plan to assist the Council in its prudent financial management and to provide information on the overall effects of its funding and expenditure proposals.
Fixed Charge	A charge that is applied equally to all contributors i.e. all those who must pay are charged the same base amount.
Funding Impact Statement	A document that includes information that discloses revenue and financing mechanisms and indicates the level or amount of funds to be produced by each mechanism.
General rate	A rate assessed across all rating units in the District based on a land valuation system that is applied to fund services considered to provide benefits District-wide.
Groups of Activities	Goods or services provided by, or on behalf of, a Council including facilities and amenities, the performance of regulatory and other governmental functions.
Intergenerational Equity	A concept of achieving fairness between customers over time by ensuring that current ratepayers and future ratepayers each contribute to the cost of the assets they benefit from.
Internal Borrowing	The temporary use of Council funds for a different purpose from that for which they were received. The funds will be repaid at a later stage to enable them to be used for their original purpose.
Investment Policy	A document that states Council's policies in respect to investments.
Levels of Service	The service parameters or requirements for a particular activity. Service levels usually relate to quality, quantity, reliability, responsiveness, environmental acceptability and cost.
Liability Management Policy	A document that states Council's policies concerning the management of both borrowing and other liabilities.
Local Authority	A regional, district or city council.
Local Government Act 2002 (LGA)	Refers to the Local Government Act 2002 that defines the powers and responsibilities of local authorities.
Local Government (Rating) Act 2002 (LGRA)	Defines how local authorities can set rates and apply their rating policy.
Local Government Cost Index (LGCI)	A measure of the rate at which the costs to local government of providing services have changed. This provides information about increases in local government costs like the Consumer Price Index provides information about increases in household costs.
Long Term Plan	A Long Term Plan adopted every three years under section 93 of the Local Government Act 2002. It describes Council's activities, why it participates in these activities and how the activities will be funded. It includes information that is regarded as the Annual Plan for the first year to which it relates; and is reported on through the Annual Report.

Differential Category	Definition
Mangawhai Community Wastewater Scheme (MCWWS)	The wastewater scheme for Mangawhai. Formerly known as EcoCare.
Drinking-Water Standards New Zealand (NZDWS)	Drinking water standards set by the Ministry of Health.
Operating Expenditure	A category of expenditure that a business incurs as a result of performing its normal operations.
Rates	A charge against the property to help fund services and assets that the Council provides.
Rates Remission	A reduction of rates required by the Council where provided under the Council's Rates Remission Policy.
Rates Postponement	A postponement of the requirements to pay rates where provided under the Council's Rates Postponement Policy.
Rating Unit	One or more parcels or part-parcels of land that are rated as a discrete unit as defined by the Rating Valuations Act 1998.
Revenue and Financing Policy	A comprehensive policy stating how each activity of Council is to be funded – from rates, user charges, subsidies, other income or a combination of these. It also includes details of the various rating mechanisms used by Council.
Segmented Debt Policy	Under this policy Council separated debt associated with large water and wastewater scheme assets, such as the Mangawhai Community Wastewater Scheme, into a separate category that was exempt from its normal 'core' debt borrowing limits.
Significance	The degree of importance attached by Council to an issue, proposal, decision or other matter in terms of its likely impact on the well-being of the District.
Significant Decision	A Council decision that has a high degree of significant importance in terms of economic, social, environmental, or cultural well-being.
Separately Used or Inhabited Part (SUIP)	Separately Used or Inhabited Part of a rating unit includes any portion inhabited or used by a person other than the owner, and who has the right to use or inhabit that portion by virtue of a tenancy, lease, license, or other agreement. For the purposes of this policy, vacant land and vacant premises offered or intended for use or habitation by a person other than the owner and usually used as such are defined as 'used'.
Special Consultative Procedure	A process required by the Local Government Act 2002. This sets out a series of steps that a local authority must take when consulting on certain types of decisions.
Statutory Requirements	Requirements identified and defined in law.
Targeted Rates	A rate that is charged only to members of particular communities or groups of ratepayers that benefit from the activity being funded by the rate.
Taumata Arowai - Three Waters	Taumata Arowai will be the new water services regulator for Aotearoa in the second half of 2021.
Uniform Annual General Charge (UAGC)	A fixed charge rate applied to every separately used part of a rating unit or inhabited rating unit in the District.
Units of Demand	Is a unit of measurement by which the relative demand for an activity, generated by different types of development (existing or proposed), can be assessed. A unit of demand may be expressed as a lot unit of demand or an activity unit demand.



SECTION 8 | Glossary and Appendix

Appendix - Capital Projects List



Mangawhai Cliff Walk Photo: KDC

Capital Projects with a ten year cost of more than \$250,000*

*(unadjusted for inflation)

Project	2022 \$'000	2023 \$'000	2024 \$'000	2025 \$'000	2026 \$'000	2027 \$'000	2028 \$'000	2029 \$'000	2030 \$'000	2031 \$'000	Total \$'000
Open Spaces and Facilities											
Mangawhai Library Development	0	150	4,850	0	0	0	0	0	0	0	5,000
Kaiwaka bush Kauri path	550	0	0	0	0	0	0	0	0	0	550
Carpark sealing (district wide)	50	250	250	250	250	250	250	0	0	0	1,550
Environmental protection and enhancement	50	50	50	50	50	50	50	50	50	50	500
New playgrounds	0	0	100	0	0	100	0	0	100	0	300
Parks hard surface renewals	70	70	70	50	50	50	50	50	50	50	560
Parks infrastructure renewals	100	100	100	100	100	100	100	100	100	100	1,000
Playground renewals	50	40	40	40	40	40	40	40	40	40	410
Track upgrades	0	0	0	50	50	50	75	100	100	100	525
Pahi toilet replacements	250	0	0	0	0	0	0	0	0	0	250
Library - Dargaville and Community building	0	0	0	0	2,000	0	0	0	0	0	2,000
Library replacements (Books and equipment)	58	58	58	58	58	58	58	58	58	58	580
Mangawhai Library book replacements	0	0	0	0	58	58	58	58	58	58	348
Mangawhai Library Initial book inventory	0	0	0	290	0	0	0	0	0	0	290
Alamar car park	500	0	0	0	0	0	0	0	0	0	500
Lincoln Downs Mountain Bike Park	0	750	0	0	0	0	0	0	0	0	750
Mangawhai Coastal Walkway	0	250	250	750	750	750	200	200	200	-	3,350
Mangawhai Community Park	0	0	0	480	165	150	195	0	0	0	990
Mangawhai Activity Zone Skate Bowl	800	0	0	0	0	0	0	0	0	0	800
Reclad Northern Wairoa War Memorial Hall	0	0	0	1,000	0	0	0	0	0	0	1,000
Premier parks - Taharoa Domain	0	0	0	200	200	200	100	100	100	100	1,000
Dargaville toilet replacements	0	0	0	20	200	0	0	200	0	0	420
Premier parks - Pou Tu O Te Rangi	0	0	0	110	125	145	60	60	60	60	620
Memorial Park drainage	0	0	0	0	0	0	250	250	0	0	500
Selwyn Park drainage	0	0	0	0	0	20	150	150	0	0	320
Total Open Spaces and Facilities	2,478	1,718	5,768	3,448	4,096	2,021	1,636	1,416	916	616	24,113
District Leadership, Finance and Internal Services											
Kaipara Wharves Physical works	2,100	0	0	0	0	0	0	0	0	0	2,100
IT equipment - new	40	40	40	40	40	40	40	40	40	40	400
IT equipment - replacements	80	80	80	80	80	80	80	80	80	80	800
Upgrade and renew SCADA	275	41	0	17	0	0	0	17	0	0	350
Replacement vehicles (7 p.a.)	210	210	210	210	210	210	210	210	210	210	2,100
Dargaville offices - Hard fitout	623	0	0	0	0	0	0	0	0	0	623
Dargaville offices - Soft fitout	593	0	0	0	0	0	0	0	0	0	593
Total District Leadership, Finance and Internal Services	3,921	371	330	347	330	330	330	347	330	330	6,966

Capital Projects with a ten year cost of more than \$250,000*

*(unadjusted for inflation)

Project	2022 \$'000	2023 \$'000	2024 \$'000	2025 \$'000	2026 \$'000	2027 \$'000	2028 \$'000	2029 \$'000	2030 \$'000	2031 \$'000	Total \$'000
Flood Protection and Land Drainage											
District Wide Land Drainage - Awakino East Stopbanks	0	0	0	7,000	0	0	0	0	0	0	7,000
District Wide Land Drainage - Eastern Wairoa Stopbanks	0	0	0	0	0	0	0	5,000	5,000	5,000	15,000
District Wide Land Drainage - Kaihu stopbanks	0	0	0	0	0	0	0	5,000	5,000	5,000	15,000
District Wide Land Drainage - Improvements District Wide	60	60	60	60	60	60	60	60	60	60	600
District Wide Land Drainage - Te Kopuru Stopbank	3,500	0	0	0	0	0	0	0	0	0	3,500
District Wide Land Drainage - Internal Stopbanks	2,500	0	0	0	0	0	0	0	0	0	2,500
Total Flood Protection and Land Drainage	6,060	60	60	7,060	60	60	60	10,060	10,060	10,060	43,600
Wastewater											
Te Kopuru Wastewater Treatment Upgrade	0	0	0	0	0	0	350	0	0	0	350
Dargaville Wastewater Renewals	263	0	0	0	0	0	0	0	0	0	263
Dargaville Wastewater Project - (1800m) Bowen St to Awakino to Pump Station 1	50	0	0	0	0	0	765	0	0	0	815
Dargaville Wastewater Renewals	0	200	200	260	260	260	260	260	260	260	2,220
Dargaville Wastewater Treatment Plant upgrade	0	0	0	0	0	0	2,000	0	0	0	2,000
Spring St reticulation	375	0	0	0	0	0	0	0	0	0	375
Managawhai Wastewater minor pump replacements	45	45	45	45	45	45	45	45	45	45	450
Kaiwaka wastewater renewals	0	250	0	250	0	250	0	250	0	0	1,000
Connect Maungaturoto Rail Village to Maungaturoto	0	0	0	0	0	0	600	0	0	0	600
Maungaturoto Wastewater growth - Bickerstaffe to Judd	0	0	0	0	0	0	360	0	0	0	360
Maungaturoto Wastewater Renewals	50	150	60	150	194	60	0	291	0	0	955
Upgrade Existing Reticulation	750	0	0	0	0	0	0	0	0	0	750
Extend Reticulation (8years)	400	0	0	0	0	0	0	0	0	0	400
Balancing tank (Mangawhai)	1,450	1,000	0	0	0	0	0	0	0	0	2,450
Capacity upgrades to 5000 connections (Mangawhai)	300	0	0	1,000	2,000	2,000	4,000	0	0	0	9,300
Extensions to reticulation including new disposal system (Mangawhai)	1,500	0	0	0	0	750	2,250	2,250	0	2,650	9,400
Mangawhai Wastewater small extensions right of ways	40	40	40	40	40	40	40	40	40	40	400
Total Wastewater	5,223	1,685	345	1,745	2,539	3,405	10,670	3,136	345	2,995	32,088
Waste Minimisation											
Dargaville Landfill Wetland Renewal (to be reviewed every 3 years)	0	0	0	0	0	0	0	0	0	300	300
Glinks Gully Landfill Cap renewal	0	0	0	0	300	0	0	0	0	0	300
Hakaru Landfill	0	0	0	0	0	600	0	0	0	0	600
Kaipara Solid Waste - Climate Change Upgrades to closed landfills	0	0	100	500	0	100	500	0	0	600	1,800
Kaiwaka closed landfill	0	0	0	0	0	350	0	0	0	0	350
Dargaville Transfer Station sound proofing	0	0	0	200	0	0	50	0	0	0	250
Recycling Bins	275	0	0	0	0	0	0	0	0	0	275
Total Waste Minimisation	275	0	100	700	300	1,050	550	0	0	900	3,875

Capital Projects with a ten year cost of more than \$250,000*

*(unadjusted for inflation)

Project	2022 \$'000	2023 \$'000	2024 \$'000	2025 \$'000	2026 \$'000	2027 \$'000	2028 \$'000	2029 \$'000	2030 \$'000	2031 \$'000	Total \$'000
Stormwater											
Dargaville Stormwater Growth	0	0	0	0	0	50	200	100	100	50	500
Dargaville Stormwater Renewals	50	50	50	50	50	195	1,000	950	195	195	2,785
Kaiwaka Stormwater growth Capital Works	0	0	0	0	0	0	50	500	500	0	1,050
Chases Gorge	250	0	0	0	0	0	0	0	0	0	250
Maungaturoto/Paparoa Stormwater growth	0	0	0	0	0	50	1,000	1,000	0	0	2,050
Maungaturoto Paparoa Stormwater renewals	40	40	40	40	40	30	30	30	30	30	350
Mangawhai Stormwater	300	0	0	0	0	0	0	0	0	0	300
Managwhai Stormwater - Pohutukawa Place Pond	0	0	0	0	0	0	50	410	0	0	460
Mangawhai Stormwater - Mangawhai Heads Road	50	200	0	0	0	0	0	0	0	0	250
Mangawhai Stormwater - Ti Tree Grove North	0	0	0	0	0	0	50	1,000	0	0	1,050
Mangawhai Stormwater - Jack Boyd Drive	0	0	0	80	1,000	1,000	0	0	0	0	2,080
Mangawhai Stormwater Coastal outfalls - Olsen St, Wharfdale Cres, Alamar St	0	0	0	50	1,800	0	0	0	0	0	1,850
Mangawhai Stormwater Growth	0	0	0	0	0	0	100	100	0	100	300
Mangawhai Stormwater Lincoln and Cheviot Street	0	0	0	0	0	50	1,170	0	0	0	1,220
Mangawhai Town Plan Wood St and Surrounds	380	1,000	0	120	0	0	300	1,000	1,000	0	3,800
Te Kopuru Stormwater Open drain upgrades	0	0	0	50	250	250	0	0	0	0	550
Te Kopuru Stormwater Renewals	0	0	0	20	20	50	50	50	50	50	290
Total Stormwater	1,070	1,290	90	410	3,160	1,675	4,000	5,140	1,875	425	19,135
Water Supply											
Dargaville watermain renewals	0	500	500	1,000	1,000	1,000	1,000	1,000	1,000	1,000	8,000
Dargaville Watermain Upgrade - Hokianga Rd to Outer Dargaville Plateau (1.4km)	0	0	0	0	0	0	0	0	630	0	630
Kaihu tank filler	500	0	0	0	0	0	0	0	0	0	500
Maungaturoto Bickerstaffe to Judd Watermain - (1.2km)	0	0	0	0	0	270	0	0	0	0	270
Maungaturoto water renewals	0	150	400	400	400	400	400	400	400	400	3,350
Maungaturoto Water Reservoirs (Griffin Rd)	0	250	0	0	0	0	0	0	0	0	250
Ruawai WTP and reservoir	276	0	0	0	0	0	0	0	0	0	276
Ruawai water renewals	0	350	20	150	150	100	0	0	0	0	770
Glinks Gully water renewals	0	50	160	10	25	10	0	0	0	0	255
Total Water Supply	776	1,300	1,080	1,560	1,575	1,780	1,400	1,400	2,030	1,400	14,301

Capital Projects with a ten year cost of more than \$250,000*

*(unadjusted for inflation)

Project	2022 \$'000	2023 \$'000	2024 \$'000	2025 \$'000	2026 \$'000	2027 \$'000	2028 \$'000	2029 \$'000	2030 \$'000	2031 \$'000	Total \$'000
Transportation											
Bob Taylor Road (Bridge)	0	0	0	0	0	0	1,800	0	0	0	1,800
Bridge replacements	1,000	650	389	334	650	1,000	0	0	1,000	790	5,813
Mamaranui Road (Bridge)	0	0	0	0	0	0	0	1,080	0	0	1,080
Monteith Road (Bridge)	0	350	0	0	0	0	0	0	0	0	350
Omana Road (Bridge)	0	0	311	0	0	0	0	0	0	0	311
Pukehuia Road (Bridge)	0	0	300	0	0	0	0	0	0	0	300
Structures component replacements	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,030	1,030	1,030	10,090
Taiphua Road	0	0	0	666	0	0	0	0	0	0	666
Waioku Road	0	0	0	0	350	0	0	0	0	0	350
Unsealed road metalling	3,044	3,044	3,044	3,044	3,044	3,044	3,044	3,135	3,135	3,135	30,714
Associated improvements for Rehab and Reseals	250	250	250	250	250	250	250	250	250	250	2,500
Baylys Beach Parking and Connectivity Improvements	100	300	0	0	0	0	0	0	0	0	400
Dargaville / Tangiteroria speed management plan	0	0	500	0	0	0	0	0	0	0	500
District wide road safety improvements	500	500	500	500	500	500	500	500	500	500	5,000
Drainage improvement programme	50	100	100	100	100	100	100	100	100	100	950
Mangawhai / Kaiwaka Area speed management plan	500	0	0	0	0	0	0	0	0	0	500
Ruawai / Maungaturoto speed management plan	0	250	0	0	0	0	0	0	0	0	250
Slip repair	500	500	500	1,500	1,500	1,500	1,500	1,500	2,000	2,000	13,000
Drainage renewals	625	625	625	625	625	625	625	644	644	644	6,309
Dargaville River Path	0	0	100	2,000	0	0	0	0	0	0	2,100
Dargaville to Maungaturoto HR	0	0	0	200	200	200	200	200	200	0	1,200
Hokianga Road improvements	0	0	0	200	500	1,000	1,000	0	0	0	2,700
Mangawhai to Waipu Cove Trail	0	0	0	0	0	0	0	0	800	2,900	3,700
Unsealed Road Improvements	4,003	0	0	0	0	0	0	0	0	0	4,003
Waiuku Coach Trail	0	0	0	0	0	800	0	0	0	0	800
Sealed road resurfacing	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,060	2,060	2,060	20,180
Sealed road pavement rehabilitation	1,300	1,300	1,300	1,800	1,800	1,800	1,800	1,854	1,854	1,854	16,662
Mangawhai Shared Path - Wood Street to Village (MBIE Funded)	3,700	0	0	0	0	0	0	0	0	0	3,700
Cove Road Connection to Mangawhai Central	0	250	0	0	0	0	10,000	0	0	0	10,250
Kaiwaka Eastern Network Growth	0	0	0	0	300	0	0	0	0	0	300
Kaiwaka Oniriri Road Intersection Upgrade	0	0	0	250	0	0	0	0	0	0	250
LED Infill lighting programme	1,000	0	0	0	0	0	0	0	0	0	1,000
Mangawhai – Improved access to Alamar Boat Ramp	0	0	0	200	0	0	0	0	0	2,000	2,200
Mangawhai Shared Path	2,210	5,725	5,725	-	-	5,863	1,054	1,054	1,054	-	22,685
Network Wide Footpath Projects	200	200	200	200	200	200	200	200	200	200	2,000
Pouto Road Second Coat Sealing	0	0	500	0	0	0	0	0	0	0	500
Wood Street Urban Improvements	100	2,000	1,900	0	0	0	0	0	0	0	4,000
Pouto Road Phase 1 (Physical works)	3,200	0	0	0	0	0	0	0	0	0	3,200
Kaihu Valley Trail	2,000	0	0	0	0	0	0	0	0	0	2,000
Kaiwaka footbridges	500	0	0	0	0	0	0	0	0	0	500
Traffic services renewals	185	185	185	185	185	185	191	191	191	191	1,872
Total Provision of Roads and Footpaths	27,968	19,230	19,430	15,054	13,204	20,067	25,264	13,798	15,018	17,654	186,686
Other capital projects of less than \$250k	3,691	715	730	858	736	255	210	238	315	585	8,333
Total Capital Projects	51,461	26,369	27,933	31,182	26,000	30,643	44,120	35,535	30,889	34,965	339,096

INDEPENDENT AUDITOR'S REPORT ON KAIPARA DISTRICT COUNCIL'S 2021-31 LONG-TERM PLAN

I am the Auditor-General's appointed auditor for Kaipara 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. We have carried out this work using the staff and resources of Deloitte Limited. We completed our report on 30 June 2021.

Qualified Opinion

In our opinion, except for the effects of the matters described in the Basis for qualified opinion section of our report

- the plan provides a reasonable basis for:
 - o long-term, integrated decision-making and co-ordination of the Council's resources; and
 - o 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 57 to 61 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.

Basis for qualified opinion – Waka Kotahi funding

As outlined on page 13, funding for the transport activity is dependent on a subsidy from Waka Kotahi NZ Transport Agency (Waka Kotahi). On 27 May 2021, the Waka Kotahi Board endorsed an indicative subsidy of \$49.6m for the Council's Local Road Maintenance, over the first three years of the plan. This is \$6.2m lower than the Council had requested and has forecasted in its plan.

The Council has not adjusted its forecast assumption by the reduction in the subsidy from Waka Kotahi, despite that being the best information available at the time of preparing and finalising the Council's plan. The effect of not adjusting its forecast assumption is that the estimated subsidies and grants is overstated by \$3.8m. Given the Council has not adjusted for this we are uncertain of the effects this would have.

There are no satisfactory audit procedures we could perform to confirm the impact of the reduction in the subsidy on the plan.

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.

Emphasis of matter

Without further modifying our opinion, we draw attention to the following disclosures:

Uncertainty over three waters reforms

Page 12, outlines the Government's intention to make three waters reform decisions during 2021. The effect that the reforms may have on three waters services provided is currently uncertain because no decisions have been made. The Plan was prepared as if these services will continue to be provided by the Council, but future decisions may result in significant changes, which would affect the information on which the Plan has been based.

Uncertainty over the delivery of the capital programme

Page 464 outlines that the Council is proposing to spend \$339m on capital projects over the next 10 years. Although the Council has taken steps to deliver its planned capital programme, as outlined on page 133, there is uncertainty over the delivery of the programme due to significant constraints in the construction market. If the Council is unable to deliver on a planned project, it could affect intended levels of service.

Uncertainty over debt repayment of the planned Mangawhai Wastewater scheme development

Page 14, 15 and 129 outlines that the Council is proposing to fund planned development of the Mangawhai Wastewater scheme through development contributions rather than rates. The Council plans to fund the initial expenditure through debt, which will be recovered by associated development contributions over the life of the entire scheme. The Council's ability to repay the debt is uncertain, because it is dependent on the Council's assumptions around growth and the collection of the proposed development contributions. Should these assumptions not be achieved, the Council would need to reconsider the timing of future capital works projects and/or obtain alternative funding sources to repay the debt.

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.

I am 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. I do not express an opinion on the merits of the plan's policy content.

Independence

In carrying out our work, we complied with the Auditor-General's:

- independence and other ethical requirements, which incorporate the independence and ethical requirements of Professional and Ethical Standard 1 (Revised); and
- quality control requirements, which incorporate the quality control requirements of Professional and Ethical Standard 3 (Amended).

Other than our work in carrying out all legally required external audits, fraud awareness training and the provision of a whistle blower hotline service (since discontinued), we have no relationship with or interests in the Council.



Bryce Henderson,
for Deloitte Limited
On behalf of the Auditor-General, Auckland, New Zealand

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