



# **2019/2020 Annual Plan Taranaki Regional Council**





## Table of Contents

Foreword .....	1
Your Councillors .....	2
Yarrow Stadium – reaffirming the vision .....	3
Purpose and Planning Processes .....	8
Working Together with Māori .....	10
Groups of Activities .....	13
Resource management .....	15
Biosecurity and biodiversity .....	24
Transport .....	27
Hazard management.....	30
Recreation, culture and heritage .....	33
Regional representation, advocacy and investment management.....	36
New Plymouth District Council (Waitara Lands) Act 2018.....	39
Financial statements .....	40
Funding impact statement .....	45
Explanatory Notes to the financial statements .....	52
Council-controlled organisations .....	61
Appendices .....	63
Appendix 1: Charging Policies .....	63
Appendix 2: Funding impact statements (regulations).....	73
Appendix 3: Reporting and prudence regulations .....	77

Document 2136260



## Foreword

We are pleased to present the Taranaki Regional Council's *2019/2020 Annual Plan*. The Council again proposes a 'business as planned' approach across most of its activities in the coming financial year. It will also provide funding for a major project to repair and refurbish Yarrow Stadium.

The multi-year Stadium project has a budget of up to \$50 million, and will result in the reinstatement of the two earthquake-prone grandstands and other associated refurbishments necessary for this facility to be a fit for purpose venue for the region into the future.

The Council's decision followed a wide-reaching public consultation process and we're confident we've settled on the best way forward for the community and the Stadium.

You'll find in this Plan the information about and reasons for the Stadium decision, and an outline of the process that led to it.

Elsewhere, the Council intends to continue with the programmes and budgets set out in last year's 10-year plan. We've been particularly excited by the community's uptake of the Towards Predator-Free project and our biodiversity monitoring suggests it's already making a difference. We expect even more encouraging news as the programme continues into 2020 and beyond.

Supply of plants for our flagship Riparian Management Programme will be ramped up further as the deadline looms for regulations to ensure all relevant landowners play their part. The environmental gains of this project, too, are becoming more evident, as noted in an independent NIWA report in the past year making a direct link between this streamside protection and improved water quality.

The Council will also continue with its core programmes and activities – extensive state-of-the-environment monitoring, efficient and timely processing of resource consents with appropriate environmental protections that are monitored rigorously and enforced if necessary, advocating for good transport networks, providing public transport services, and ensuring residents and visitors enjoy first-class experiences at our premier garden/heritage properties at Pukeiti, Tūpare and Hollard Gardens.

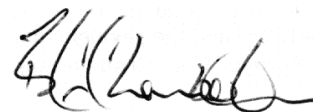
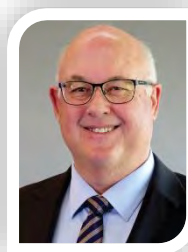
The financial impacts of this Plan that differ from the adopted *2018/2028 Long-Term Plan* relate solely to the Yarrow Stadium project. This project will be funded with a loan serviced with a targeted rate ranging from \$47.30 to \$70.34 a year, with commercial ratepayers in New Plymouth and North Taranaki paying more on a scale relating to business size. Details can be found within this Plan.

There will be no change in general rates for the 2019/2020 year. This compares to a *2018/2028 Long-Term Plan* projection of 3.7% for 2019/2020 and so, is a pleasing result.

This 2019/2020 Annual Plan was adopted on 21 May 2019. We welcome any questions.



David MacLeod  
Chairman



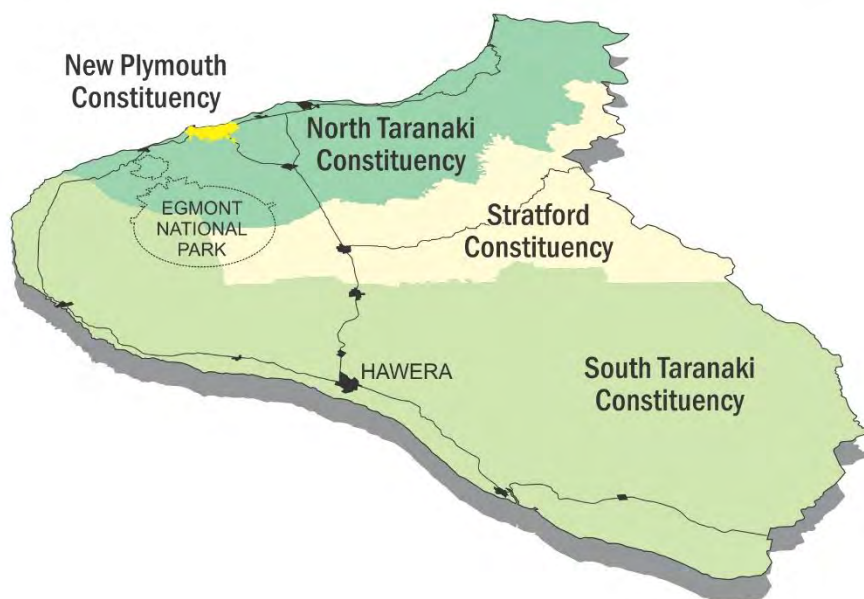
Basil Chamberlain  
Chief Executive

## Your Councillors

Your Councillors prepared this *Plan* with the assistance of Council staff and many others.

The Taranaki Regional Council has eleven representatives elected by the community through local body elections every three years, elected as follows:

New Plymouth constituency	Five members
North Taranaki constituency	Two members
Stratford constituency	One member
South Taranaki constituency	Three members







## Yarrow Stadium – reaffirming the vision

In opting to repair and refurbish Yarrow Stadium within a budget of up to \$50 million, the Council has reaffirmed its vision for the venue.

The vision was originally adopted in 2015 following stakeholder engagement. It is:

*The best regional stadium in New Zealand that regularly hosts national and international sports and entertainment events.*

*A stadium for both major events and community events and the premier outdoor field for team sports codes.*

*A stadium that is loved by sports fans and the local community.*

*A stadium that is a quality experience for event promoters, participants and spectators, which is achieved through superior event facilities, presentation and management and through the early adoption and smart use of technology.*

### The Stadium decision

The Council's repair and refurbishment project will include:

- Repairs to the earthquake-prone grandstands and consequential changes.
- Important refurbishments including additional food and beverage outlets and toilets, technology upgrades, LED pitch lighting, car park improvements, maintenance and grounds storage sheds, gate improvements, new South Terrace seating and reinstatement of Field 1.
- \$1.6 million for contingencies.

And the Council will ask the Yarrow Stadium operator, New Plymouth District Council, to seek ways to encourage increased use of the facility by a wider range of sporting and non-sporting organisations.

The repair/refurbishment project will be funded by a 25-year loan, to be serviced with a targeted rate that replaces previous rating for Yarrow Stadium. The new rate varies according to location and, in New Plymouth and North Taranaki, according to category of ratepayer:

- New Plymouth/North Taranaki households and farms: a fixed charge of \$70.34 a year
- New Plymouth/North Taranaki commercial and industrial: Total rate will vary by size of business. Most will pay between \$200 and \$600, with some higher and some lower.
- Stratford and South Taranaki – all ratepayers: a fixed charge of \$47.30 a year.

It is important to recognise that previous revenue streams from general and targeted rates that were used to fund long-term maintenance and development of Yarrow Stadium have been discontinued with the new funding arrangements replacing these previous rates. This means that the future changes are not all additional because they incorporate the previous rates and payments made by ratepayers.

See the *Funding Impact Statement* section for full details.

## Consultation and deliberation

The Council's decision followed a wide-reaching consultation process that resulted in 526 submissions, with 26 submitters also making their cases in person at a hearing that ran over two days.

Specifically, submitters were asked to indicate which of eight options they favoured. These ranged from demolishing both stands and replacing them with grassed banks (Option 1 - \$6 million) to developing a completely new roofed Stadium (Option 8 - \$271 million).

It was noted that the Council had considered 'half-way' options of demolishing and/or removing the roof of one or other stand, but dismissed them because any benefits were far outweighed by the costs. It was also noted that any option costing more than \$55 million would require co-funding from another party or parties, and no obvious candidates had so far been forthcoming.

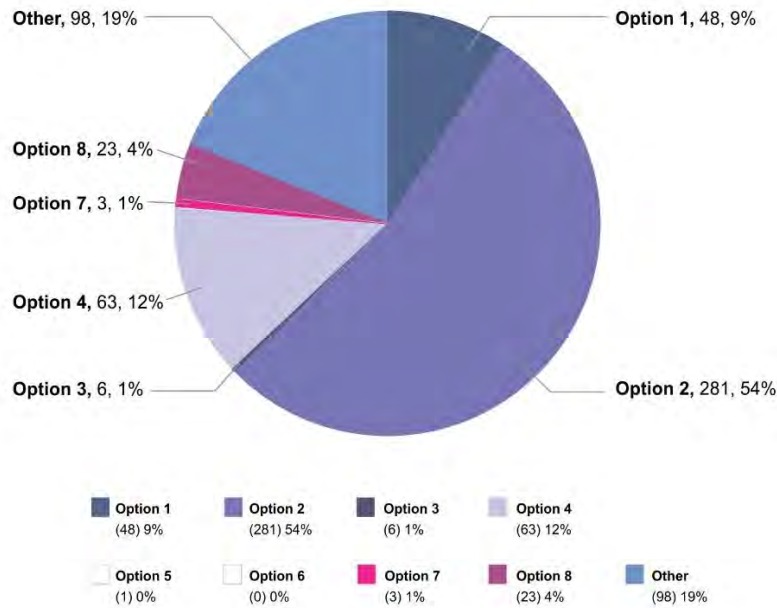
The Council's preferred option was a project budgeted at up to \$55 million including repair of the grandstands and essential refurbishments across the whole Stadium including outer fields (Option 2). If co-funding support was secured within 18 months, this project could be expanded to include a major extension to the rear of the main stand, bringing the budget to \$69 million (Option 4).

The majority (54%) of submitters indicated support for Option 2, the Council's preferred Option. However, a full 72% preferred one of options 2 through 8 – that is, repairing the stands and increasing the quality and range of facilities at the Stadium.

The majority of the 19% supporting other options wanted the stands repaired without any refurbishments to other facilities.



### All Submissions by Option



After considering the submissions, the Council went ‘back to basics’ and revisited the vision for Yarrow Stadium adopted in 2015 – for it to be the best non-metro stadium in the country for national and international sports, entertainment and community events, offering a quality experience for all who use it. After discussion and deliberation, the Council decided the vision still applies and is largely supported by the community. Clearly then, the Stadium must be reinstated to what it was, with updates that are necessary to meet current and foreseeable requirements for such venues.

As a result of the submissions, the Council decided to put a hold on the outer field refurbishments, pending further discussion with the wider sporting community. This has reduced the project budget by \$5 million.

The following points were noted:

- This is a repair and refurbishment project. The Council is working with a Stadium that already exists. If it was building a new one, a different approach might have been possible.
- Just fixing the grandstands would not result in a fit-for-purpose, usable Stadium. The refurbishments are included because they are essential – replacing end-of-life lighting with up-to-date LED fittings is but one leading example. Doing without them is out of the question. Despite views to the contrary, there are no other funding sources (depreciation reserves, ongoing rating streams, etc.) for these works.
- The refurbishments continue a development programme that was formed in consultation with the wider sporting community, and well before the earthquake-prone issue arose. Nothing has changed – apart from an opportunity to get them done efficiently and easily while the grandstands are being repaired.
- No insurance claim is possible. The grandstands were NOT closed because they had sustained damage. They were closed because they were found to be earthquake-prone, exposing staff and/or spectators to an unacceptable risk of death or serious injury. No actual material damage has been sustained, so there is nothing to claim insurance on. The Stadium has and will continue to have insurance coverage for any actual damage that occurs in an earthquake or in other circumstances.
- The possibility of liability claims is still being investigated but the law imposes a 10-year limitation on such claims. That is, you can’t seek damages if 10 years or more have gone by. The Stadium was built almost 20 years ago. So it would be unwise to expect financial compensation resulting from a liability claim.

## The community and the stadium

Yarrow Stadium has been a popular venue for a wide range of well-attended events. With its stunning backdrop of Mt Taranaki, it was the region's proud showcase to the nation and the world as it hosted four All Blacks tests, three World Cup rugby internationals and numerous Super Rugby, Ranfurly Shield and domestic rugby championship fixtures.

But the stadium's use has by no means been restricted to top-level rugby. It has been embraced by the regional community for a broad spectrum of events.

Its contribution to regional well-being and wealth is documented in a new economic study by Business and Economic Research Ltd (BERL). BERL's key findings include:

- The Stadium has been worth \$100 million to Taranaki over 15 years – about half in direct spending and half in flow-on spending (extra goods and services provided to stadium-goers).
- Community use, as measured by attendance at major events, doubled between 2014 and 2017.
- Rugby is important to Taranaki – it has the highest regional per capita participation rate in NZ, and the highest women's participation rate. Between 2003 and 2017, rugby fans spent \$48 million getting to and attending matches at the Stadium.
- Other major sporting events at the Stadium have included pre-season NRL league fixtures, Under-20 World Cup and Phoenix soccer fixtures, Twenty20 cricket fixtures and demonstration motorsport events (Crusty Demons, Nitro Circus, Monster Trucks).
- Community events at the stadium from 2014 to 2017 included 20 functions, 69 conferences/meetings, eight expos/exhibitions, 68 community sports events and 14 other community events.

BERL expects the 'future stream of value shall be considerably larger' if the Stadium is repaired and some improvements made.

## The Council and the stadium

The Taranaki Events Centre Trust, a private body set up for the specific purpose, developed and built the Stadium almost 20 years ago at what was Rugby Park. In 2001, after public consultation and enabling legislation by Parliament, the Council provided \$9.6 million to support the Trust in its endeavours. The initial grant came from internal borrowings, which were repaid from regional rates over the subsequent 10 years.

In 2003 the New Plymouth District Council also provided funding to enable improvements to be made in preparation for the Rugby World Cup. The NPDC also assumed effective ownership of the Stadium by taking control of the Trust, which was renamed Yarrow Stadium Trust.

The TRC's initial loan was totally repaid by 2012. But although the Stadium's day-to-day running costs were being met by the NPDC, there was no funding source for maintenance and development.

So, after due process and consideration, the TRC decided to continue its existing rating arrangements for the Stadium and direct the proceeds to maintenance and development, now that the original loan had been repaid. To facilitate this, it took control of the Yarrow Stadium Trust (now called Taranaki Stadium Trust), giving TRC effective ownership of the facility. The Trust entered into a formal management agreement with NPDC to manage and operate the venue.

TRC's funding under this arrangement has subsequently been used to fund projects such as the new scoreboard screen, urgent roof repairs, and expanding hospitality facilities at the Stadium.



### Earthquake-prone stands

When new hospitality suites were being built in 2017, the West Stand's foundations were found to have been damaged in the November 2016 Kaikoura earthquake. This damage was subsequently fixed, and no earthquake damage was found at the East Stand.

However, the discovery of damage to the West Stand indicated there might be ongoing risks, and an earthquake assessment was commissioned for both stands.

The East Stand was identified as earthquake-prone in November 2017, and the West Stand was identified as earthquake-prone in May 2018. Both were closed as a matter of public safety. There is only a relatively low risk of a significant earthquake occurring during an event when the stands are fully occupied. But when faced with the severe earthquake-prone designations provided by the Building Control Authority, neither the Council nor NPDC, as the manager of the venue, can gamble with people's lives.

## Purpose and Planning Processes

The Council is required to produce a long-term plan every three years, covering the next 10-year period. The Council is also required to prepare an annual plan for each financial year that it does not prepare a long-term plan. The annual plans prepared in the years after the long-term plan will mainly contain budget, funding and financial statements for that year in support of the long-term plan. The Council is required to prepare and adopt its next long-term plan by 30 June 2021.

This is the first *Annual Plan* produced by the Council under its *2018/2028 Long-Term Plan*. The purpose of the *Annual Plan* is to provide an update by exception against the *Long-Term Plan*, which remains the substantive reference document. Much of the material in the *Long-Term Plan*, e.g. explaining why we do what we do, remains current.

This *Annual Plan* concentrates on one year – in this case 2019/2020 – and includes such information as the performance measures for our programmes in this year. The Council put considerable effort into the preparation and adoption of its *2018/2028 Long-Term Plan*. This included significant public engagement and consultation processes. This *Annual Plan* continues to deliver on the agreements put in place with the community in that *Long-Term Plan*. Indeed, for 2019/2020, other than identified new opportunities, there are no significant or material differences from the plans set out for 2019/2020 in the *Long-Term Plan*.

In 2014, Parliament amended the *Local Government Act 2002* to clearly note that if there are no significant or material differences in an annual plan from the position established for that year in the Long-Term Plan, there is no obligation to undertake further public engagement and consultation. This is exactly the situation the Council found itself in. This *Annual Plan* delivers, almost exactly, what was outlined for 2019/2020 in the *2018/2028 Long-Term Plan*. There are no new issues, plans or programmes or work. The Council views this *Annual Plan* as “business as planned”.

The *2018/2028 Long-Term Plan* is important as it presents the Council’s strategic directions and programmes for the next decade. The *Long-Term Plan* is a document put together by the Council and the community. In it you will find a description of the activities the Council will be engaged in over the next 10 years, the objectives of those activities and their costs – as accurately as can be forecast over this period.

But the *Plan* does more than this – it describes how the Council, through its various activities and programmes will contribute to achieving the long-term outcomes for the community that the community itself has identified. Many of these activities focus on ensuring that Taranaki’s natural environment and physical resources are sustainably managed for the long-term benefit of the community. The *Plan* also describes how the Council with the help of the community and other organisations will work together to achieve these community outcomes.

There are a number of other more specific documents, plans and strategies that the Council has in place to help it carry out its work. These are also prepared and reviewed in consultation with the community. The *2018/2028 Long-Term Plan* brings all the parts together in a single business planning process and document.

The relationship between the Council’s legislative mandate, its various plans and strategies, its *Long-Term Plan* and annual plans is outlined in Figure 1.

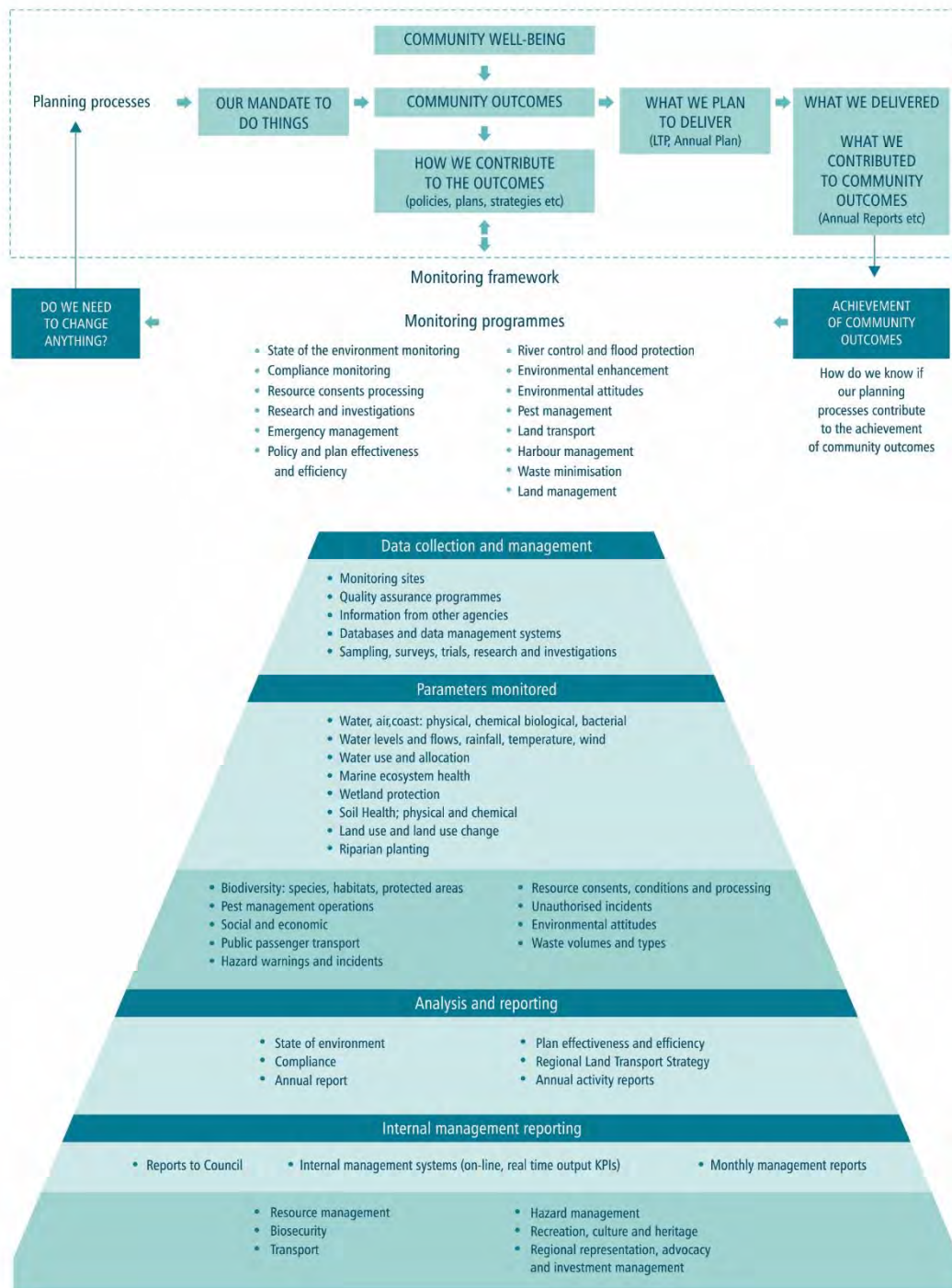
The emphasis in preparing this *Annual Plan* has been to produce a straight-forward easy to read document. This has been aided by the *Local Government Act 2002*, which only requires the Council to present, in an *Annual Plan*, financial information and deviations from the adopted *Long-Term Plan*. That is what this *Annual Plan* presents.

Except where noted, the plans, strategies, programmes and targets established in the *2018/2028 Long-Term Plan* apply to this *Annual Plan* and the 2019/2020 operations of the Council. Therefore it is important that readers read the *Long-Term Plan* in conjunction with this *Annual Plan*.

Copies of the *Long-Term Plan* are available from the Council or from the Council’s website ([www.trc.govt.nz](http://www.trc.govt.nz)).



Figure 1: The Taranaki Regional Council planning processes



## Working Together with Māori

The Council recognises the importance of working together with Māori across the region including Māori involvement in decision making processes. This is part of the Council's Mission Statement to carry out its various responsibilities by, among other things, taking into account the Treaty of Waitangi.

Furthermore, schedule 10 of the *Local Government Act 2002* requires the Council to set out any steps that the Council intends to take to foster the development of Māori capacity to contribute to the decision making processes of the Council. There are eight recognised iwi in the region.

To achieve these objectives the Council intends to undertake the following:

### Foundations of a relationship

Act cooperatively and in good faith showing flexibility and responsiveness and a desire to engage with Māori for the good governance of the region. This will be done in a manner that is inclusive and makes the best use of the resources of both Māori and the Council.

### Policy development

Provide opportunities to involve Māori in major policy decisions including but not limited to policies, plans and strategies under the *Local Government Act 2002*, the *Resource Management Act 1991*, the *Biosecurity Act 1993*, the *Civil Defence Emergency Management Act 2002*, the *Land Transport Management Act 2003*, the *Public Transport Management Act 2008* and the *Maritime Transport Act 1994*.

Notify Māori of draft long-term plans and draft annual plans under the *Local Government Act 2002*.

In carrying out these steps the Council will:

- provide sufficient information to enable Māori to participate effectively in the decision-making processes of the Council
- provide reasonable time for consideration of the information or advice given
- give full and genuine consideration to the views of Māori in making its decisions
- take into account iwi management plans in the development of the Council's regional plans and regional policy statements under the *Resource Management Act 1991*.

### Resource consents process

Continue and further develop best practice in resource consent processing and administration.

In carrying out these steps the Council will:

- encourage applicants to consult where Māori may be an interested and/or an affected party, as part of an assessment of environmental effects
- ensure that sufficient information is provided by applicants on any actual or potential effects on Māori
- consider extending resource consent processing periods to enable adequate consultation and possible resolution of issues with Māori
- have regard to the effects on Māori in assessing whether resource consent applications are to be notified or non-notified and require applicants to obtain written approval to non-notification where Māori are an affected party including with particular regard to statutory acknowledgements arising from Treaty of Waitangi settlements with iwi
- provide information and technical assistance on resource consents and resource consent processing and administration
- arrange and facilitate meetings and undertake other forms of consultation with Māori as part of resource consent processing and administration
- hold meetings and pre-hearing meetings on marae as appropriate
- arrange interpretation services for the presentation of evidence in Māori when requested
- exclude the public from a hearing and restricting the publication of evidence when necessary to avoid serious offence to tikanga Māori or to avoid the disclosure of the location of wāhi tapu





- consider the participation of Māori in resource consent monitoring, including input into the design of monitoring programmes and involvement in monitoring activities.

### Relationship agreement

The Council will work with iwi to develop a Mana Whakahono a Rohe relationship agreements regarding iwi input into resource management policy development and resource consents.

### Matauranga Māori

The Council will work with iwi to establish methods for monitoring Matauranga Māori in freshwater environments.

### Ongoing engagement

Meet with Māori to discuss any matter of mutual interest or importance at times and venues to be agreed.

Provide opportunities for Māori, within the framework of the Council's standing orders, to appear before and address any meeting of a Council standing committee or meeting of the full Council.

Seek opportunities when appropriate for the Council to be represented before meetings of Māori governance entities.

Establish as necessary, working parties or other informal groups with representatives of Māori and the Council to progress issues of mutual interest.

Contract with Māori for services for the delivery of specific advice, expertise, information, databases, research projects or training services.

Look to develop with the appropriate Māori governance entities, an effective working relationship between the Council and the governance entities, through memoranda of understanding protocols or other means.

## Representation

Continue to support the Māori representatives on the Councils Policy and Planning and Consents and Regulatory Committees, and in other areas arising out of Treaty of Waitangi obligations.

Consider the need for and desirability of establishing a Māori constituency or constituencies under the *Local Electoral Act 2001*.

## Information management

Share information held by the Council, subject to any statutory restrictions on the release or use of that information.

Protect sensitive information provided to the Council by Māori and restrict access to it in accordance with the *Local Government Official Information and Meetings Act 1987* and other relevant legislation. Obtain agreement from Māori to protect any sensitive or confidential information supplied by the Council.

Give due respect and recognition to silent files or plans held by or given to the Council by Māori.

Explore opportunities to develop in conjunction with Māori, databases or wāhi tapu sites using information technology where possible.

Maintain a database of iwi contacts including authorized voice, member hapu, and marae and provide to Māori contact details for key Council functions, responsibilities and personnel.

Consider iwi involvement or partnerships in Council resource investigations and projects.

## Training

In conjunction with Māori and iwi provide training in tikanga Māori, to councillors and Council staff.

Provide opportunities within the Council's work programmes and activities for Māori to gain experience, training and skill development.

## Resources

Provide technical advice, information and related support in the preparation and review of Council policies, plans and strategies.

Provide staff time and costs in attending meetings, hui or workshops.

Provide technical assistance and advice in preparing iwi planning documents and consider financial or other support for preparing such documents.

Provide technical advice, information and related support in the processing of applications for resource consent.

## Review

The Council will, with iwi, review the effectiveness of its policies and processes for working with iwi at times and places or in ways agreed with iwi.

## Groups of Activities

The following sections of this Plan summarise the plans and programmes for each one of the Council's groups of activities in detail for 2019/2020.

### Introduction

For the purpose of this *Annual Plan* the Council has arranged its business into six groups of activities, namely resource management, biosecurity, transport, hazard management, recreation culture and heritage, and regional representation, advocacy and investment management. For each group of activities, and activities within that group of activities, information is presented to:

- identify deviations, if any, from the *2018/2028 Long-Term Plan*
- identify performance targets for the 2019/2020 programme of activities
- identify the estimated levels of expenditure and how that expenditure is to be funded. Funding proposals are consistent with the Council's *Revenue and Financing Policy* (outlined in the *2018/2028 Long-Term Plan*).

### INTENDED LEVELS OF SERVICE, PERFORMANCE MEASURES AND TARGETS

Performance measures and targets by which performance may be judged in relation to intended levels of service are included for each group of activities. These essentially outline the key results or outcomes, in terms for example, standards of environmental quality, which the Council expects to achieve from each of its groups of activities. The measures and targets are not totally comprehensive, but those presented have been selected as key indicators, sufficient to allow performance to be meaningfully assessed.

In addition to the levels of service measures and targets presented for each group of activities, for each of the activities within every group, work programmes are presented which contain further performance related measures and information. The most important measures by which performance may be judged in respect of these work programmes is that of whether the defined tasks have been performed as specified.

As well as the specific output targets identified the Council also intends that performance may be measured in terms of:

- **Timeliness**—in all cases, unless stated otherwise, the target is to complete the tasks by 30 June of each year
- **Cost**—in all cases the target is to complete the tasks defined within the budget set in the *Indicative costs and sources of funds*
- **Quantity**—in all cases where a quantity measure is specified, the target is to meet that specified quantity
- **Quality**—in all cases the target is to meet the quality expectations of the elected Councillors. The Council has extensive quality control procedures in place to ensure a high level of quality is present in the receipt of products or undertaking of activities. These range from laboratory accreditation, professional standards and systems to legal standards and benchmarking surveys. Overarching these procedures, acceptance of performance by the Councillors on behalf of the regional community is acceptance of the overall quality of performance
- **Location**—in all cases where a location is specified, the target is to deliver the service in that location.

### COMMON ASSET INFORMATION

For each group of activities the Council is required to identify the assets or groups of assets required by the group of activities and identify, in relation to those assets or groups of assets:

- how the local authority will assess and manage the asset management implications of changes to:
  - demand for, or consumption of, relevant services
  - service provision levels and standards.
- what additional asset capacity is estimated to be required
- how the provision of additional asset capacity will be undertaken
- the estimated costs of the provision of additional asset capacity

- how the costs of the provision of additional asset capacity will be met
- how the maintenance, renewal, and replacement of assets will be undertaken
- how the costs of the maintenance, renewal, and replacement of assets will be met.

All groups of activities utilise the day to day operational assets of the Council (buildings, motor vehicles, plant and equipment, office furniture, and computer equipment). Other than for river control and flood protection activities, no assets of significance (as defined in the *Significance and Engagement Policy*—refer to the *2018/2028 Long-Term Plan*) or infrastructure assets are used.

The Council maintains sufficient operational assets to undertake its activities. The operational assets are maintained to sufficient service levels to enable staff to complete their duties efficiently and effectively. The maintenance and replacement of these assets is undertaken on a ten-year programme. All maintenance budgets are included in the operational expenses of the Council. New capital expenditure programmes and replacement capital expenditure programmes are also on a ten-year cycle and are included in the capital expenditure budgets.

All operational assets are depreciated over their useful life. Replacement and new operational assets are funded from retained earnings, being the accumulated depreciation on existing operational assets. Any significant increase in operational assets that could not be funded from retained earnings would be funded by application of the Council's *Revenue and Financing Policy* (no such expenditure is planned or provided for in this *Plan*).

Any additional asset information that is specific to each group of activities is included where relevant for each group under the heading *Specific group asset information*.

## Resource management

### Resource management activities

Resource management comprises the following activities:

#### RESOURCE MANAGEMENT PLANNING

—preparing, adopting and maintaining comprehensive and publicly considered policies, plans and strategies that will deliver to the Taranaki community, efficient and effective management of the Council's functions and Taranaki's natural and physical resources. This activity contributes to all levels of service (1 through 9) but is directly linked to the resource management policies, plans and strategies level of service (refer to level of service 8).

#### CONSENT PROCESSING AND ADMINISTRATION

—managing the Council's resource consenting responsibilities by efficiently and effectively providing advice on consenting obligations and processing applications—refer to levels of service 1, 2, 3, 5, 7 and 9.

#### COMPLIANCE MONITORING PROGRAMMES

—undertaking effective and efficient monitoring of resource consents and, where necessary, undertaking successful enforcement action—refer to levels of service 1, 2, 3, 5, 7 and 9.

#### POLLUTION INCIDENTS AND RESPONSE

—responding effectively to pollution incidents, reducing the occurrence and effects of pollution and other unauthorised incidents and, where necessary, undertaking successful enforcement action—refer to levels of service 1, 2, 3, 5, 7 and 9.

#### STATE OF THE ENVIRONMENT MONITORING

—monitoring the state of the environment in Taranaki to enable periodic evaluation of the state of and trends in environmental quality and of the effects of the implementation of the Council's policies and plans—this activity contributes to all levels of service (1 through 9).

#### RESOURCE INVESTIGATIONS AND PROJECTS

—providing relevant research information for resource management purposes—this activity contributes to all levels of service (1 through 9).

#### SUSTAINABLE LAND MANAGEMENT PLANS AND PLANT SUPPLY PROGRAMME

—promoting sustainable land and riparian management by providing land management advice and information on an individual property basis and through advocacy and facilitation—refer to levels of service 4, 5 and 6.

#### ENHANCEMENT GRANTS

—promoting the protection of the environment through the provision of targeted enhancement grants refer to levels of service 5 and 6.

### Key changes from the Long-Term Plan

There are no significant operational or financial changes from the outlined in the *2018/2028 Long-Term Plan*.



## Levels of service

### 1. Protection of the life-supporting capacity of water, in-stream uses and values

**Measure:** Macroinvertebrate Community Index (MCI) values (a measure of freshwater community richness and composition) at least 50 regionally representative sites.

**Target (Years 1-10):** The proportion of sites showing a trend (whether significant or indicative) of improvement in MCI against a base year of 1995 to exceed the proportion showing decline over the same period.

**Baseline:** There is a continuing regional trend of improvement in the quality of freshwater ecology across the region. MCI values were determined for 59 regionally significant sites. Trend analysis to June 2017 (from 1995) shows 30 sites of 57 with statistically significant trends of improvement, and one with a significant decline.

**Measure:** Microbiological state of inland waters and coastal waters at bathing sites.

**Target (Years 1-10):** Maintenance or increase in number of sites compliant with the 2003 Ministry of Health contact recreational guidelines.

**Baseline:** There are 11 freshwater and 9 coastal water bathing sites monitored since 2003/2004. The following sites were compliant with the 2003 Ministry of Health contact recreational guidelines:

	Freshwater	Coastal water
2003/2004	6	7
2017/2018	6	7

In 2016/2017, 78% of freshwater samples and >99% of coastal samples at these sites were compliant.

**Measure:** Ecological flows in catchments.

**Target (Years 1-10):** Guideline ecological flows are identified for all significant catchments with no catchments allocated below ecological flows set by Council policy or by any National Policy Statement or National Environmental Standard.

**Baseline:** Guideline ecological flows had been identified for all significant catchments. Three catchments or sub-catchments (about 1%) do not meet the Council's general ecological flow guideline but all consented abstractions comply with specific Council policies regarding the taking and use of water.

### 2. Efficient allocation of water for consumptive use

**Measure:** Allocation of surface water for consumptive use in catchments.

**Target (Years 1-10):** Guidelines identifying available surface water are applied for all significant catchments and consents to take, use, dam or divert water granted in accordance with Council policy or any National Policy Statement or National Environmental Standard.

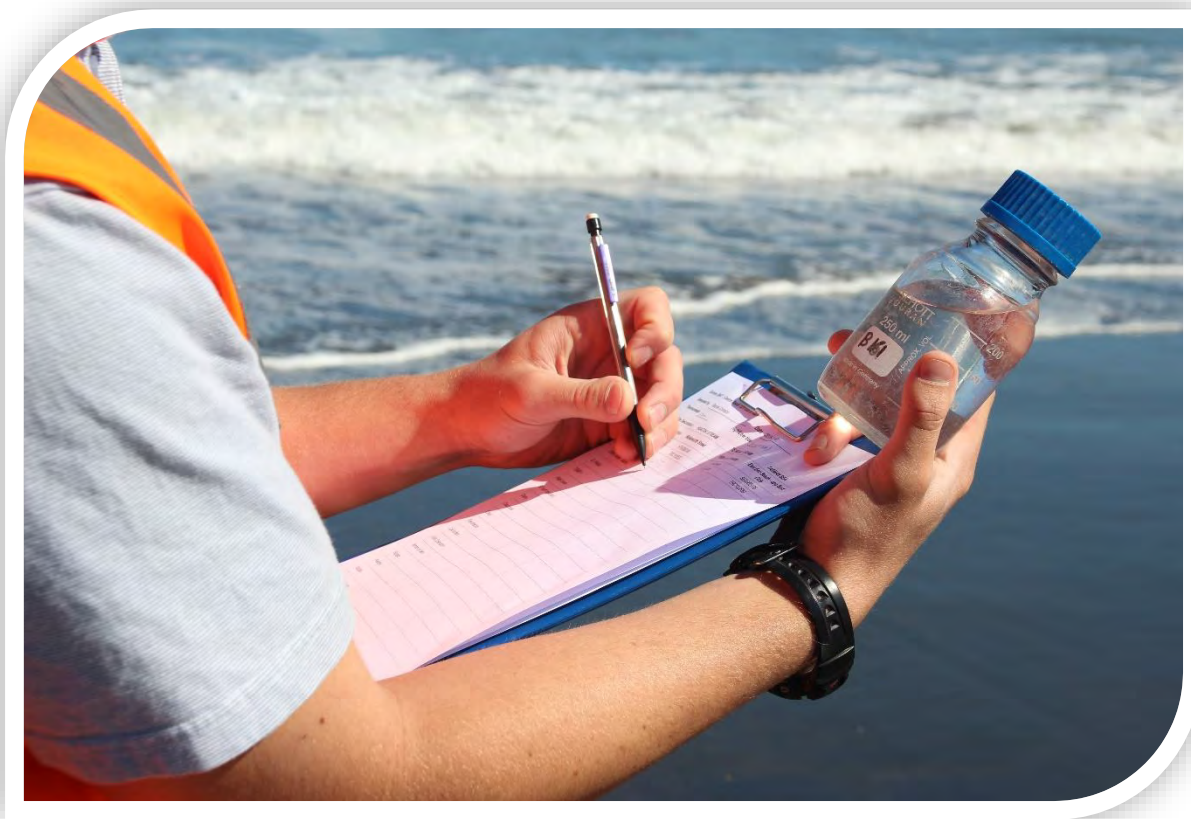
**Baseline:** Water accounting systems identifying surface water available for consumptive use have been developed, and consents to take, use, dam or divert water have been granted in accordance with Council policy. Regularly updated information on water allocation guideline information is published.

**Measure:** The number of significant water abstraction permits monitored each year, their environmental performance and the Council's response to non-compliance.

**Target (Years 1-10):** 100% of significant water abstraction consents monitored; 85% of abstractors to attain a 'good' or 'high' level of compliance and performance; Council response to every unauthorised incident to be reported publicly; the Council to respond to all non-compliance events in accordance with its documented enforcement procedures.

**Baseline:** In 2017/2018, 100% of significant water abstraction consents were monitored with 96% attaining a "good" or "high" level of compliance and performance. Every unauthorised incident was reported publicly. The Council responded to all non-compliance events in accordance with its documented enforcement procedures.





### 3. Maintenance and enhancement of overall water quality in our rivers and lakes, groundwater and coastal waters

**Measure:** Parameters that characterise the physical, bacteriological, biological and chemical quality of surface water.

**Target (Years 1-10):** Improvements in nutrient levels (ammonia, nitrate, total nitrogen, and dissolved reactive and total phosphorus), appearance (turbidity, clarity, absorbance, suspended solids), organic contamination (biochemical oxygen demand), bacterial levels (faecal coliform and enterococci bacteria), temperature, and algal cover, against a baseline of 1995 water quality, as applicable, at 11 representative sites.

**Baseline:** Overall, surface water quality in Taranaki is stable or improving and is generally better than in 1995. Trend analysis to June 2017, for both the past 19 and 7 years, has been completed and reported to Council. Trend analysis at the 11 regional representative sites demonstrates:

- MCI and periphyton indicators for ecological health: every site of the 11 representative sites shows stability (4 sites; to 2010, 8 sites) or

improvement (7 sites; to 2010, 3 sites) since 1995

- BOD: 9 (82%) sites of 11 stable against 1995 baseline, and all sites (100%) are stable over the recent period
- Bacteriological state: 82% show improvement (9%) or stability (73%) since 1995
- Nutrients: the number of sites showing stability or improvement is increasing over time. Since 1995, 67% of nutrient measures stable (56%) or improving (11%); 75% of nutrient measures stable (55%) or improving (36%) over recent years. Total nitrogen has been stable (55%) or improving (36%) since 1995, and more recently stable (82%) for all sites.

**Measure:** Nitrate levels in groundwater.

**Target (Years 1-10):** No sites in the state of the environment monitoring programme consistently above NZ human drinking water standard (NZDWS); improvement (decrease) in nitrate levels on a regional basis.

**Baseline:** In the latest survey, one site out of 35 was consistently above the NZDWS. Since 2002, 50% of sites sampled repeatedly have remained stable and

more site have showed an improvement (28%) than deterioration (21%).

**Measure:** Physicochemical and biological parameters for quality of Lake Rotorangi.

**Target (Years 1-10):** The trophic state (an indication of the ecological condition as affected by nutrient enrichment) of Lake Rotorangi to remain as it was in 1988 (mesotrophic/mildly eutrophic, or the middle category of trophic states).

**Baseline:** The current life-supporting capacity of the lake is stable and relatively healthy (better than almost 2/3 of lakes monitored nationally). State of lake shown to continue to be mesotrophic/mildly eutrophic.

**Measure:** The proportion of significant point source discharges into water monitored annually, associated consent compliance and the Council's response to non-compliance.

**Target (Years 1-10):** 100% of significant point sources monitored; 90% of consents for significant point sources to attain a 'good' or 'high' level of compliance and performance; Council response to every unauthorised incident to be reported publicly; the Council to respond to all non-compliance events in accordance with its documented enforcement procedures.

**Baseline:** In 2017/2018, 100% of significant point sources were monitored with 92% of significant industrial sources and 92.3% of significant agricultural sources attaining a 'good' or 'high' compliance and performance rating. The Council response to every unauthorised incident was reported publicly. The Council responded to all non-compliance events in accordance with its documented enforcement procedures.

#### 4. Protection of riparian land in intensively farmed (predominantly dairying) catchments

**Measure:** Protection of riparian land areas.

**Target (Years 1-10):** By 30 June 2020, 100% of riparian plan streams to be protected by fencing and 90% protected by vegetation where recommended.

**Baseline:** As of June 2017, 2,687 riparian management plans have been prepared recommending the planting of 5,981 km and fencing of 6,886 km of stream banks. At June 2017, 42.7% of the planting and 67.5% of the fencing had

been completed resulting in 85% of riparian plan streams now protected by fencing and 70% by vegetation where recommended.

#### 5. Sustainable land use in accordance with the physical capabilities of the land and soil resources

**Measure:** Changes in land use.

**Target (Years 1-10):** Maintain a positive trend towards more sustainable land uses at monitored (representative SEM) hill country and sand country sites.

**Baseline:** As of 30 June 2017, the area of hill country covered by sustainable land management plans was 204,335ha. The percentage of hill country being managed sustainably between 2007 and 2012 decreased slightly from 87.4% to 87.1%. Overall, from 1994 to 2012, sustainability increased by 3.2% from 83.9% to 87.1%. Between 2007 and 2012, the area of bare sand increased slightly at 2 of the 4 sites, decreased at 1 site and with no significant change at the other. The Council's own state of the environment monitoring of all coastal sand country shows a net decrease in bare sand of 65.5 ha.

**Measure:** Regional soil quality.

**Target (Years 1-10):** No overall deterioration in soil quality at 20 representative sites as shown by monitored soil structure parameters (density and macroporosity) maintenance of soil fertility at optimal (i.e. sustainable and productive) levels as shown by nutrient levels (total carbon and nitrogen, and Olsen phosphorus and mineralisable nitrogen) and no net increase in regional soil levels of cadmium and zinc to the extent that land use is compromised.

The five yearly survey took place during 2017/2018. Twenty sites were sampled and results indicated 71% of samples were within the target ranges. There was no overall significant change in soil cadmium concentrations. The results showed general pattern in soil quality are similar to those found in other regions.

**Baseline:** Measurements of soil quality structure, composition and health at 20 sites were undertaken in 2007/2008 as the baseline for further trend analysis. Re-sampling was undertaken in 2012/2013. Results show increases in the number of soil quality indicators lying within target ranges and no net increase in cadmium.





## 6. Enhanced opportunities for sustainable development and best use of hill country

**Measure:** Proportion of landowners informed of specific opportunities for sustainable land use on their properties.

**Target (Years 1-10):** 69% of hill country in private ownership (306,000 ha) with comprehensive farm plans.

**Baseline:** As at 30 June 2017, 204,335ha of private land have a farm plan.

## 7. Maintenance of a high standard of ambient air quality

**Measure:** National Environmental Standard (NES) pollutants, namely sulphur oxide, nitrogen oxides, inhalable particulate, and carbon monoxide.

**Target (Years 1-10):** Regional air quality to be maintained (i.e. at 2008 levels) within categories as defined by the Ministry for the Environment (MfE).

**Baseline:** Surveys undertaken to 2018 show air in the region matched the 'good' or 'excellent' categories of the MfE. Where monitoring repeated

previous surveys, it was found that air quality was being maintained. Monitoring of nitrogen oxide region-wide found 79% of results to be in the Ministry for the Environment's 'excellent' category.

**Measure:** The proportion of significant point source discharges into air monitored annually, associated consent compliance and the Council's response to non-compliance.

**Target (Years 1-10):** 100% of significant discharge point sources monitored; 90% of consents for significant air point source discharges to attain a 'good' or 'high' level of compliance and performance; the Council to respond to all non-compliance events in accordance with its documented enforcement procedures.

**Baseline:** In 2017/2018, 100% of significant point source emissions were monitored with 100% of sources attaining a 'good' or 'high' level of compliance and performance. Council responded to all non-compliance events in accordance with its documented enforcement procedures.

## 8. Resource management policies, plans and strategies that deliver efficient and effective management of the natural and physical resources of the region and are acceptable to the community

**Measure:** Operative plans policies and strategies.

**Target (Years 1-10):** Full compliance with statutory requirements and timetables for the preparation review and implementation of policies, plans and strategies.

**Baseline:** As of June 2017, the Council has a full suite of operative *Regional Policy Statement* and regional plans (water, air, soil and coastal).

## 9. Efficient and effective resource consent processing, compliance monitoring and enforcement

**Measure:** Compliance with Resource Management Act 1991 requirements.

**Target (Years 1-10):** 100% compliance.

**Baseline:** As of June 2017, processing, administering and compliance monitoring of resource consents was 100% compliant with Resource Management Act requirements.

## Activities—what we plan to do

What we plan to do in 2019/2020.

### 1. Resource management planning

Complete preparation/full reviews and interim reviews of resource management policies, plans and strategies:

*Regional Policy Statement:* Commence full review in 2019/2020 as part of the development of a combined natural resource management plan.

*Regional Coastal Plan:* Full review continued in 2019/2020 and will form part of the development of a combined natural resource management plan.

*Regional Air Quality Plan:* Commence full review in 2019/2020 as part of the development of a combined natural resource management plan.

*Regional Fresh Water and Land Plan:* Full review continued in 2019/2020 and will form part of the development of a combined natural resource management plan.

## 2. Consent processing and administration

Provide accurate and timely information in response to all appropriate requests for assistance in implementing Regional Plan rules.

Process and determine all accepted resource consent applications (approximately 400 consents per annum), in compliance with the *Resource Management Act 1991*, including compliance with statutory timeframes, and the Council's *Resource Consents Procedures* document.

Successfully defend 100% of consent decisions appealed to the Environment Court.

Minimise the number and duration of resource consent hearings by resolving, through the pre-hearing process, at least 50% of submissions received on resource consent applications.

## 3. Compliance monitoring programmes

100% of individual compliance monitoring programmes for all major consents designed, implemented and publicly reported upon (approximately 120 individual compliance monitoring programmes per annum) within the negotiated budgets and completed within nine months of the end of the monitoring period.

Implement and report on 100% of recommendations arising from prior year's monitoring of resource consents subject to an individual compliance monitoring programme.

Implement annual programmes for 100% of resource consents for agricultural discharges and 90% of minor industries not otherwise subject to an individual compliance monitoring programme (approximately 3,300 inspections per annum).

## 4. Pollution incidents and response

Respond to all consent non-compliance and implement appropriate advisory and enforcement actions to require 100% compliance with resource consents, regional plans and/or national environmental standards.

Respond to 100% of pollution and other complaints (generally within four hours of receipt) and where appropriate instigate control, clean up and enforcement procedures, where reasonable and appropriate, and publicly report on all environmental incidents.





Administer and implement the *Taranaki Regional Marine Oil Spill Response Plan* as agreed with Maritime New Zealand including responding to 100% of oil spills.

### 5. State of the environment monitoring

Implement and report on 100% of the Council's state of the environment monitoring programmes comprising monitoring of surface fresh water, levels and flows, fresh water quality, groundwater quantity and quality, coastal waters, biodiversity, air quality and land use sustainability using recognized and reputable methods of data collection, analysis and reporting in accordance with the Council's *State of the Environment Monitoring Procedures* document and *State of the Environment Monitoring Programmes*.

Monitor, review and where appropriate, further develop existing programmes by 30 June of each year.

Prepare and publish the five-yearly state of the environment report. The next report is due in 2020.

Maintain all quality assurance programmes and information databases for hydrometric, air quality, physicochemical freshwater, terrestrial biodiversity,

fresh water biological and marine biological data. IANZ registration for chemical analysis maintained.

Maintain public access to on-line live regional data on hydrology, meteorology, soil moisture and bathing beach water quality. Live data reported on the Taranaki Regional Council's website.

### 6. Resource investigations and projects

Over the period of the *2018/2028 Long-Term Plan* the Council intends to undertake a range of resource investigations and applied research projects. These are normally undertaken in partnership with science providers, other councils or resource users but may also include a range of other parties, including iwi, as potential partners for Council resource investigations and projects. Such projects evolve over time. Specifically for 2018/2019, the Council intends to:

Continue to support the "best practice dairying catchments" study in the Waiokura Stream catchment, and evaluation of data arising from this project.

Support studies into the behaviour and bioavailability of cadmium and other contaminants in agricultural soils and fertilizer.



Engagement in “Envirolink” and other science research opportunities, to enhance knowledge base for policy development and implementation. Projects with clear relevance and benefit to Taranaki to be adopted through “Envirolink” and other funding opportunities.

### 7. Sustainable land management plans and plant supply programme

**Planning services.** Provide property planning services to landholders. Prepare plans covering 1,000 ha of land use capability mapping in the hill country and 100 riparian plans in the intensive water management zone.

**Monitoring and reporting.** Liaise with and monitor approximately 2,600 riparian plans and 100 farm plans and report on the implementation of the recommended fencing and planting.

**Provision of advice.** When requested, provide advice on sustainable land management practices within ten working days.

Provide, on a cost-recovery basis, approximately 450,000 suitable plants for land stabilisation, soil conservation and riparian planting programmes.

Implement the South Taranaki and Regional Erosion Support Soil Conservation Programme including an estimated 4,000 poplar poles, 50ha of protection forestry and construction of 22 km of retirement fencing to retire 400 ha of marginal land.

### 8. Enhancement grants

Implement a programme using environmental enhancement grants for the protection of habitats of regional significance.



## Indicative costs and sources of funds

2018/2019 Estimate \$		2019/2020 Estimate \$	2019/2020 LTP \$
	<b>Expenditure</b>		
912,061	Resource management planning	942,104	932,084
1,102,352	Consent processing and administration	1,122,850	1,121,150
3,285,944	Compliance monitoring programmes	3,407,947	3,384,336
937,722	Pollution incidents and response	986,849	957,520
2,343,291	State of the environment monitoring	2,396,113	2,418,360
442,908	Resource investigations and projects	459,991	462,101
-	Waste minimisation	-	-
3,765,174	Sustainable land management plans and plant supply programme	3,954,815	4,304,000
	Waitara River catchment	8,000,000	0
1,857,998	Enhancement grants	1,465,242	1,870,047
<b>14,647,450</b>	<b>Total expenditure</b>	<b>22,735,911</b>	<b>15,449,598</b>
	<b>Income</b>		
3,232,796	General rates	3,206,901	3,306,408
5,927,698	Direct charges	14,106,703	6,313,313
1,702,000	Government grants	1,302,000	1,702,000
3,784,956	Investment funds	4,120,307	4,127,877
<b>14,647,450</b>	<b>Total income</b>	<b>22,735,911</b>	<b>15,449,598</b>
<b>0</b>	<b>Operating surplus/(deficit)</b>	<b>0</b>	<b>0</b>
	<b>Capital expenditure</b>		
-	Land	-	-
-	Buildings	17,000	-
994,000	Motor vehicles	481,000	441,000
298,061	Plant and equipment	144,429	120,829
-	Office furniture	-	-
-	Computer equipment	-	-
-	Flood and river control assets	-	-
-	Computer software	-	-
<b>1,292,061</b>	<b>Total capital expenditure</b>	<b>642,429</b>	<b>561,829</b>
	<b>Funded by:</b>		
1,292,061	Transfer from retained earnings	642,429	561,829
<b>1,292,061</b>	<b>Total funding</b>	<b>642,429</b>	<b>561,829</b>
	<b>Capital expenditure to:</b>		
-	- meet additional demand	-	-
-	- improve the level of service	-	-
1,292,061	- replace existing assets	642,429	561,829
<b>1,292,061</b>	<b>Total capital expenditure</b>	<b>642,429</b>	<b>561,829</b>
<b>308,000</b>	<b>Proceeds from sale of assets</b>	<b>159,000</b>	<b>159,000</b>
<b>611,672</b>	<b>Depreciation/amortisation</b>	<b>684,850</b>	<b>730,989</b>

# Biosecurity and biodiversity

## Biosecurity and biodiversity activities

Biosecurity and biodiversity comprises the following activities:

### BIOSECURITY AND BIODIVERSITY PLANNING

—preparing, adopting and maintaining comprehensive and publicly considered policies, plans and strategies that will deliver to the Taranaki community, efficient and effective management of the Council's biosecurity and biosecurity functions—refer to level of service 1.

### BIOSECURITY/PEST MANAGEMENT

—controlling pest plants and animals to minimise their adverse effects on biodiversity, primary production and the regional economy and environment—refer to levels of service 2 and 3.

### BIODIVERSITY

—maintaining and enhancing the indigenous biodiversity of the Taranaki region and managing pests to limit the impact on production and environmental values, including working alongside landowners and other groups and agencies in accordance with the Council's policies and its biodiversity and biosecurity strategies—refer to level of service 4.

## Key changes from the Long-Term Plan

There are no significant operational or financial changes from the outlined in the *2018/2028 Long-Term Plan*.

## Levels of service

### 1. Pest management plan that delivers efficient and effective management of biosecurity functions

**Measure:** Presence of appropriate pest management plan.

**Target (Years 1-10):** Pest management plan for pest plants and pest animals is in place in accordance with statutory requirements.

**Baseline:** One adopted pest management plan is in place; reviewed in 2018.

### 2. Pest animals controlled to minimize their adverse effects on biodiversity, primary production and the regional economy and environment

**Measure:** Area of the ring plain maintained under the *self-help possum control programme* at levels to reduce risks to the environment and primary production.

**Target (Years 1-10):** Residual trap catch (RTC) of less than 10% across the rural area covered by the self-help possum control programme.

**Baseline:** In 2016/2017, the RTC was 4.98% across the *self-help programme*.

### 3. Pest plants controlled or eradicated to minimize their adverse effects on biodiversity, primary production and the regional economy and environment

**Measure:** Control or eradication of “eradication” pest plants.

**Target (Years 1-10):** Control of 100% of known infestations of Senegal Tea, Climbing Spindleberry, Madeira Vine, Moth Plant and Giant Reed in the region.

**Baseline:** In 2016/2017, there were 152 properties where these plants were identified and controlled.

**Measure:** The extent of “sustained control” pest plants.

**Target (Years 1-10):** Reduce the extent of sustained control pest plants through an inspection and monitoring programme (of Category C properties) to identify infestations requiring control.

**Baseline:** 54 Category C properties in 2016/2017.

### 4. Maintenance and enhancement of indigenous biodiversity

**Measure:** Protection of Taranaki's biodiversity on private land.

**Target (Years 1-10):** Key Native Ecosystems (KNEs) on private land, covering at least 8,000ha, have a biodiversity plan.

**Baseline:** As at 30 June 2017, 88 Key Native Ecosystems (KNEs) comprising 4,345ha of private land had biodiversity plans.



**Measure:** Inventory of sites that contain regionally significant biodiversity (KNEs) in the region.

**Target (Years 1-10):** Maintain and regularly update current inventory of Key Native Ecosystems (KNEs).

**Baseline:** As of June 2017, the inventory contained 235 sites.

**Measure:** Maintain and improve the condition of KNEs

**Target (Years 1-10):** Improvement in biodiversity index at managed KNEs compared with a base year of application of the index.

**Baseline:** Repeat five year condition assessments conducted on KNEs with biodiversity plans during 2016/2017 showed that 95% either maintained or improved in condition.

## Activities—what we plan to do

What we plan to do in 2019/2020.

### 1. Biosecurity and biodiversity planning

Undertake an interim review of the *Pest Management Plan for Taranaki* in 2022/2023 and a ten-year full review in 2027/2028.

### 2. Biosecurity/pest management

Undertake operational programmes through both the *Pest Management Plan for Taranaki* and the *Biosecurity Strategy* including:

Eradication of selected pest plants.

Inspection, monitoring and where necessary, enforcement of sustained control pest programmes.

Raising public awareness of and respond to enquiries related to pest issues.

### 3. Biodiversity

Continue to assess ecosystem sites within the region on a voluntary basis, in order to identify further key native ecosystems.

Prepare at least 20 biodiversity plans per annum for properties containing key native ecosystems (KNE).

Initiate and support implementation of work programmes on all KNE's with a biodiversity plan.

Continue to assess ecosystem sites within the region on a voluntary basis, in order to identify further key native ecosystems.

#### 4. Towards Predator Free Taranaki

Support voluntary control of rodents in urban areas aiming for 1 in 5 properties trapping or baiting.

Undertake mustelid control on 20,000ha surrounding Mt Taranaki.

Complete a zero possum trial over 4,467 ha surrounding the Kaitake range and prevent re-infestation using a virtual barrier and electronic incursion detection system

### Indicative costs and sources of funds

2018/2019 Estimate \$		2019/2020 Estimate \$	2019/2020 LTP \$
	<b>Expenditure</b>		
55,920	Biosecurity and biodiversity planning	57,710	56,981
3,063,701	Biosecurity/pest management	4,107,869	3,590,809
3,042,987	Biodiversity	3,078,101	3,301,216
<b>6,162,608</b>	<b>Total expenditure</b>	<b>7,243,680</b>	<b>6,949,006</b>
	<b>Income</b>		
2,076,428	General rates	2,148,145	2,071,205
1,755,098	Direct charges	2,168,545	2,125,010
-	Transfer from reserves	167,000	167,000
(100,000)	Transfer to reserves	-	-
2,431,082	Investment funds	2,759,990	2,585,791
<b>6,162,608</b>	<b>Total income</b>	<b>7,243,680</b>	<b>6,949,006</b>
<b>0</b>	<b>Operating surplus/(deficit)</b>	<b>0</b>	<b>0</b>
	<b>Capital expenditure</b>		
-	Land	-	-
-	Buildings	-	-
162,000	Motor vehicles	104,000	104,000
24,000	Plant and equipment	118,000	108,000
-	Office furniture	-	-
-	Computer equipment	-	-
-	Flood and river control assets	-	-
-	Computer software	-	-
<b>186,000</b>	<b>Total capital expenditure</b>	<b>222,000</b>	<b>212,000</b>
	<b>Funded by:</b>		
186,000	Transfer from retained earnings	222,000	212,000
<b>186,000</b>	<b>Total funding</b>	<b>222,000</b>	<b>212,000</b>
	<b>Capital expenditure to:</b>		
-	- meet additional demand	-	-
-	- improve the level of service	-	-
186,000	- replace existing assets	222,000	212,000
<b>186,000</b>	<b>Total capital expenditure</b>	<b>222,000</b>	<b>212,000</b>
<b>38,000</b>	<b>Proceeds from sale of assets</b>	<b>26,000</b>	<b>26,000</b>
<b>74,139</b>	<b>Depreciation/amortisation</b>	<b>124,822</b>	<b>79,062</b>

# Transport

## Transport activities

Transport comprises the following activities:

### REGIONAL LAND TRANSPORT PLANNING

—contributing to an effective, efficient and safe land transport system in the public interest—refer to level of service 1.

### PUBLIC TRANSPORT

—promoting the provision of community public transport in Taranaki and assist the transport needs of the transport disadvantaged—refer to level of service 2.

### HARBOUR MANAGEMENT

—promoting safe navigation for all users of the waters of Port Taranaki—refer to level of service 3.

## Key changes from the Long-Term Plan

There are no significant operational or financial changes from the outlined in the *2018/2028 Long-Term Plan*.

## Levels of service

1. **Land transport policies and activities that deliver efficient, effective and value for money transport solutions, land transport infrastructure and services for Taranaki**

**Measure:** Presence of an appropriate *Regional Land Transport Plan for Taranaki*.

**Target (Years 1-10):** A *Regional Land Transport Plan for Taranaki* that is kept current in accordance with statutory requirements.

**Baseline:** The *Regional Land Transport Plan for Taranaki 2018/2019-2020/2021* is current and operational.

**Measure:** Presence of an appropriate *Regional Public Transport Plan for Taranaki*.

**Target (Years 1-10):** A *Regional Public Transport Plan for Taranaki* that is kept current in accordance with statutory requirements.

**Baseline:** The *Regional Public Transport Plan for Taranaki 2014-2024* is current and operational.

2. **Provision and increasing use of public transport services**

**Measure:** Annual number of passenger trips on the region's public transport services.

**Target (Years 1-10):** Annual Increase in the number of passengers carried.

**Baseline:** Between 2008/2009 and 2016/2017, passengers on community passenger transport services in the region grew from 349,607 to 614,815.

3. **Safe navigation for all users of the waters of Port Taranaki and its approaches**

**Measure:** The number of reported navigation safety incidents within Port Taranaki and its Approaches.

**Target (Years 1-10):** No significant incidents.

**Baseline:** There have been no significant incidents in the last 10 years.





## Activities—what we plan to do

What we plan to do in 2019/2020.

### 1. Regional land transport planning

Complete preparation/full reviews and interim reviews of the transport policies, plans and strategies:

Review, monitor and make adjustments to the regional land transport plan, as required, in accordance with statutory requirements.

Complete a full review of the *Regional Land Transport Plan 2021/2022-2026/2027* during 2020/2021.

Complete a mid-term review of the *Regional Land Transport Plan 2021/2022-2026/2027* during 2023/2024.

Review and make adjustments to the *Transport Activity Procurement Strategy*, as required, in accordance with statutory requirements.

### 2. Public transport

Provide Total Mobility subsidy assistance to qualifying persons through the New Zealand Transport Agency supported *Total Mobility Scheme*.

Operate public transport services in the New Plymouth district and regional Taranaki consistent with the *Regional Public Transport Plan* subject to funding approval from the New Zealand Transport Agency and the availability of local share funding.

Monitor the region's bus service contracts including patronage growth and fare box recovery. Monitor the commerciality ratio of the region's public transport services and publish the ratio annually.

Provide financial assistance to the Ironside Vehicle Society subject to funding eligibility criteria being met.

### 3. Harbour management

Provide harbourmaster and harbour warden services for Port Taranaki and implement the *Navigation Bylaw for Port Taranaki and Approaches*. No significant breaches of the requirements of the *New Zealand Port and Maritime Safety Code*, including the *Port Taranaki Harbour Safety Management System*.



## Indicative costs and sources of funds

2018/2019 Estimate \$		2019/2020 Estimate \$	2019/2020 LTP \$
	<b>Expenditure</b>		
109,951	Regional land transport planning	113,405	150,992
4,652,884	Passenger transport	4,694,525	4,698,513
46,500	Harbour management	46,500	47,430
<b>4,809,335</b>	<b>Total expenditure</b>	<b>4,854,430</b>	<b>4,896,935</b>
	<b>Income</b>		
204,874	General rates	197,288	207,344
1,207,670	Targeted rates	1,246,090	1,260,968
1,174,360	Direct charges	1,173,800	1,197,847
1,944,423	Government grants	1,975,474	1,963,618
-	Government grants for capital	-	-
40,000	Transfer from reserves	8,633	8,633
(1,858)	Transfer to reserves	(335)	(332)
239,866	Investment funds	253,480	258,857
<b>4,809,335</b>	<b>Total income</b>	<b>4,854,430</b>	<b>4,896,935</b>
<b>0</b>	<b>Operating surplus/(deficit)</b>	<b>0</b>	<b>0</b>
	<b>Capital expenditure</b>		
-	Land	-	-
-	Buildings	-	-
-	Motor vehicles	-	-
-	Plant and equipment	-	-
-	Office furniture	-	-
-	Computer equipment	-	-
-	Flood and river control assets	-	-
-	Computer software	-	-
<b>0</b>	<b>Total capital expenditure</b>	<b>0</b>	<b>0</b>
	<b>Funded by:</b>		
-	Transfer from retained earnings	-	-
<b>0</b>	<b>Total funding</b>	<b>0</b>	<b>0</b>
	<b>Capital expenditure to:</b>		
-	- meet additional demand	-	-
-	- improve the level of service	-	-
-	- replace existing assets	-	-
<b>0</b>	<b>Total capital expenditure</b>	<b>0</b>	<b>0</b>
<b>0</b>	<b>Proceeds from sale of assets</b>	<b>0</b>	<b>0</b>
<b>144,200</b>	<b>Depreciation/amortisation</b>	<b>144,200</b>	<b>144,200</b>

# Hazard management

## Hazard management activities

Hazard management comprises the following activities:

### CIVIL DEFENCE EMERGENCY MANAGEMENT

—supporting, within the Taranaki community and Iwi, an integrated comprehensive emergency management system including hazard awareness, reducing risk, maintaining readiness, and providing response and recovery capacity and capabilities—refer to levels of service 1, 2 and 3.

### FLOOD MANAGEMENT AND GENERAL RIVER CONTROL

—providing accurate and timely flood warnings, providing flood control advice and undertaking minor works and associated actions (audit of regional plans and consent applications to ensure activities are undertaken without an increased risk of flooding and river erosion) to minimise and prevent damage by floods and river erosion—refer to level of service 4.

### RIVER CONTROL SCHEMES

—managing and maintaining river control scheme works to accepted design standards to minimise and prevent damage by floods and river erosion—refer to level of service 4.

## Key changes from the Long-Term Plan

There are no significant operational or financial changes from the outlined in the *2018/2028 Long-Term Plan*.

## Levels of service

1. **A Civil Defence Emergency Management (CDEM) system that delivers efficient and effective civil defence emergency management in Taranaki that is acceptable to the community**

**Measure:** Presence of an appropriate Civil Defence Emergency Management system.

**Target (Years 1-10):** A *Civil Defence Emergency Management Group Plan* that is kept current and resourced in accordance with statutory requirements.

**Baseline:** Statutory reviews of the *Civil Defence Emergency Management Group Plan for Taranaki* are undertaken and implemented through annual work programmes. The *Plan* will next be reviewed in 2023.

**Measure:** Delivery of Adminstrating Authority requirements.

**Target (Years 1-10):** Adminstrating Authority requirements for Civil Defence Emergency Management are delivered as specified.

**Baseline:** All Adminstrating Authority requirements are currently delivered as specified.

2. **Effective hazard assessment and disaster risk management, community resilience, and emergency readiness and response capability and capacity in the region to levels that are acceptable to the community**

**Measure:** Level of capacity and capability within Taranaki CDEM.

**Target (Years 1-10):** Group capability and capacity to be maintained at or enhanced above the level as set out in the *Group Plan* and as assessed by the MCDEM monitoring and evaluation analysis tool.

**Baseline:** The Group's capability and capacity is set out in the operative *Group Plan* and has been assessed and recorded by the MCDEM monitoring and evaluation analysis tool in 2015.

**Measure:** The Emergency Management Office to be implementing effective multi-agency advisory group planning, training, maintenance and enhancement of facilities and equipment, hazard contingency plans, and standard operating procedures to minimise harm or damage to people and property arising from an emergency.

**Target (Years 1-10):** Response and recovery is carried out in accordance with established plans and procedures in order to minimise harm or damage to people and property, and reviewed for corrective actions.

**Baseline:** Response and recovery plans and procedures are set out in supporting plans and Standard Operating Procedures within the Emergency Management Office as listed in the operative Group Plan.

### 3. Effective CDEM Group Office servicing the needs of the CDEM Group area stakeholders and partners

**Measure:** CDEM Group Office performance monitoring.

**Target (Years 1-10):** Support the Emergency Management office to prepare, implement, monitor and report upon the *Taranaki Civil Defence Emergency Management Annual Business Plan*.

**Baseline:** The current *Taranaki Civil Defence Emergency Management Annual Business Plan* is being implemented, monitored and reported upon.

### 4. Flood protection and drainage schemes that protect life and property

**Measure:** The number of schemes maintained to their full service potential.

**Target (Years 1-10):** 100% of schemes maintained to ensure that they provide protection to the agreed standard and the scheme assets are maintained as established in the adopted asset management plans.

**Baseline:** As of 30 June 2017, the Waitara, Waiwhakaiho and Opunake flood control schemes were maintained to their full service potential. The Waitotara and Okato river control schemes were maintained to the standard set out in their scheme management plans.

## Activities—what we plan to do

What we plan to do in 2019/2020.

### 1. Civil defence emergency management

Support the Emergency Management office to prepare, implement, monitor and report upon the *Taranaki Civil Defence Emergency Management Annual Business Plan*.

Support the Emergency Management office to implement, monitor and report upon the operative *Civil Defence Emergency Management Group Plan for Taranaki*, and draft, and notify the next Plan in accordance with the statutory review period.

Support the Emergency Management office to maintain, review, and as needs be, implement effective response and recovery procedures to minimise harm or damage to people and property arising from emergency events.

### 2. Flood management and general river control

Effectively monitor rainfall and river levels and issue timely flood warnings. Maintain continuous monitoring systems (100% functional) and issue timely warnings for all cases, where necessary, in accordance with the *Flood Event Standard Operating Procedure* (approximately 35 warnings per annum).

Undertake minor emergency river and flood control works when necessary.

Respond to 100% of requests for drainage, river and flood control advice and assistance within ten working days.

Facilitate river control projects for the environmental enhancement of the region's waterways.

Resource management planners are given advice to ensure regional plan rule and consent conditions will not increase the risk of flooding or river erosion.

### 3. River control schemes

Manage all flood and river control schemes across the region in accordance with asset management plans or management plans; including Lower Waiwhakaiho, Lower Waitara, Opunake, Okato and Waitotara Schemes.

Manage other minor river schemes to standards as agreed with scheme participants.

## Indicative costs and sources of funds

2018/2019 Estimate \$		2019/2020 Estimate \$	2019/2020 LTP \$
	<b>Expenditure</b>		
399,236	Civil defence emergency management	406,221	406,221
251,881	Flood management & general river control	251,741	256,009
267,428	River control schemes	272,276	271,660
<b>918,545</b>	<b>Total expenditure</b>	<b>930,238</b>	<b>933,890</b>
	<b>Income</b>		
141,757	General rates	144,419	140,067
711,706	Targeted rates	722,058	726,158
20,000	Direct charges	-	20,400
-	Government grants	-	-
-	Transfer from reserves	-	-
(45,651)	Transfer to reserves	(48,296)	(47,477)
165,968	Investment funds	185,553	174,867
<b>993,780</b>	<b>Total income</b>	<b>1,003,734</b>	<b>1,014,015</b>
<b>75,235</b>	<b>Operating surplus/(deficit)</b>	<b>73,496</b>	<b>80,125</b>
	<b>Capital expenditure</b>		
-	Land	-	-
-	Buildings	-	-
-	Motor vehicles	40,000	40,000
-	Plant and equipment	-	-
-	Office furniture	-	-
-	Computer equipment	-	-
-	Flood and river control assets	-	-
-	Computer software	-	-
<b>0</b>	<b>Total capital expenditure</b>	<b>40,000</b>	<b>40,000</b>
	<b>Funded by:</b>		
-	Transfer from retained earnings	40,000	40,000
<b>0</b>	<b>Total funding</b>	<b>40,000</b>	<b>40,000</b>
	<b>Capital expenditure to:</b>		
-	- meet additional demand	-	-
-	- improve the level of service	-	-
-	- replace existing assets	40,000	40,000
<b>0</b>	<b>Total capital expenditure</b>	<b>40,000</b>	<b>40,000</b>
<b>0</b>	<b>Proceeds from sale of assets</b>	<b>10,000</b>	<b>10,000</b>
<b>7,003</b>	<b>Depreciation/amortisation</b>	<b>8,232</b>	<b>8,232</b>

## Recreation, culture and heritage

### Recreation, culture and heritage activities

Recreation, culture and heritage comprises the following activities:

#### REGIONAL GARDENS

—ensuring that Hollard Gardens, Tupare and Pukeiti are maintained and enhanced as regionally significant recreational and heritage amenities—refer to level of service 1.

#### PUKE ARIKI

—maintaining an ongoing partnership with the Puke Ariki regional museum and library including the use of exhibitions, presentations and services within annual projects—refer to level of service 2.

#### YARROW STADIUM

—facilitating the continued maintenance and development of Yarrow Stadium—refer to level of service 3.

### Key changes from the Long-Term Plan

There are no significant operational or financial changes from the outlined in the *2018/2028 Long-Term Plan*.

### Levels of service

#### 1. Tupare, Hollard Gardens and Pukeiti recognised as regionally or nationally significant gardens

**Measure:** Maintenance and enhancement of three regionally significant gardens.

**Target (Years 1-10):** Pukeiti, Tupare and Hollard Gardens maintained and enhanced in accordance with the provisions of the adopted asset management plans.

**Baseline:** The three properties are maintained to the latest adopted asset management plan. Latest asset management plans were adopted in 2017.

**Measure:** Level of use of Tupare, Hollard Gardens and Pukeiti.

**Target (Years 1-10):** Increasing the number of visitors and the number of events at each property.

**Baseline:** In 2016/2017, Tupare attracted 35,810 visitors, Hollard Gardens 18,175 and Pukeiti 29,109

visitors. There were 54 events at Tupare, 79 at Hollard Gardens and 11 at Pukeiti. All three properties were part of the *Powerco Taranaki Garden Spectacular*.

**Measure:** Access to Tupare, Hollard Gardens and Pukeiti.

**Target (Years 1-10):** Tupare, Hollard Gardens and Pukeiti open to the public daily with unrestricted free general access.

**Baseline:** Tupare and Hollard Gardens have been open in this way since 2002. Free access to Pukeiti commenced from 1 July 2010.

#### 2. Partnership relationship with the Puke Ariki regional museum and library

**Measure:** Annual project for the delivery of display and presentation material.

**Target (Years 1-10):** Delivery of an annual project.

**Baseline:** The ongoing partnership relationship with Puke Ariki continued during 2016/2017. The partnership contributed towards five projects.

#### 3. Presentation and operation of Yarrow Stadium as one of New Zealand's premier regional sporting stadium and venue

**Measure:** Maintenance and development of Yarrow Stadium for a range of events and activities.

**Target (Years 1-10):** Provision of funding for the ongoing maintenance and development of Yarrow Stadium.

**Baseline:** The Council commenced providing funding for the ongoing maintenance and development of Yarrow Stadium in 2012/2013.





## Activities—what we plan to do

What we plan to do in 2019/2020.

### 1. Regional gardens

Provide three regional gardens (Tupare, Hollard Gardens and Pukeiti) for free general use by the regional community. Tupare, Hollard Gardens and Pukeiti open to the public daily with unrestricted free general access.

Encourage the increased use of the regional gardens by the community for recreational purposes and for specific events.

Continue implementing the Pukeiti asset management plans focusing on completing the upgrade works in the Zone 1 Garden, the rhododendron collection in Zone 2 and recreational development opportunities in Zone 3. Priority tasks to be completed include:

- completing the Lodge and surrounds landscaping
- continuing the enhancement of the garden and the rhododendron collection.
- continuing the implementation of the Plant Collection Plan
- refurbishing the plant borders
- upgrading the outer ring tracks
- completing the fit-out of the Lodge
- continuing the growth in recreational activities with the construction of a fitness trail.

Continue implementing the Hollard Gardens asset management plans focusing on:

- installing a new toilet to meet demand in the Family Corner area
- installing new stylized play equipment.

Continue implementing the Tupare asset management plans focusing on:

- continuing to improve the story telling
- completing new art installation.

Review and adopt asset management plans for Tupare, Hollard Gardens and Pukeiti by 31 October 2020.

### 2. Yarrow Stadium

Contract with New Plymouth District Council for the operation and management of Yarrow Stadium.

Undertake asset management planning for the future maintenance, enhancement and development of Yarrow Stadium.

Provide regional funding for the future maintenance, enhancement and development of Yarrow Stadium.



## Indicative costs and sources of funds

2018/2019 Estimate \$		2019/2020	2019/2020 LTP \$
	<b>Expenditure</b>		
2,827,303	Regional gardens	3,476,409	3,391,801
150,000	Puke Ariki	150,000	150,000
876,000	Yarrow Stadium	3,942,719	876,000
<b>3,853,303</b>	<b>Total expenditure</b>	<b>7,569,128</b>	<b>4,417,801</b>
	<b>Income</b>		
1,566,191	General rates	1,500,951	1,763,297
301,415	Targeted rates	3,942,719	296,619
152,000	Direct charges	197,000	156,500
1,833,697	Investment funds	1,928,458	2,201,385
<b>3,853,303</b>	<b>Total income</b>	<b>7,569,128</b>	<b>4,417,801</b>
<b>0</b>	<b>Operating surplus/(deficit)</b>	<b>0</b>	<b>0</b>
	<b>Capital expenditure</b>		
0	Land	-	0
1,588,000	Buildings	1,606,000	1,606,000
77,000	Motor vehicles	45,000	0
60,000	Plant and equipment	60,000	60,000
0	Office furniture	-	0
0	Computer equipment	-	0
0	Flood and river control assets	-	0
0	Computer software	-	0
<b>1,725,000</b>	<b>Total capital expenditure</b>	<b>1,711,000</b>	<b>1,666,000</b>
	<b>Funded by:</b>		
1,725,000	Transfer from retained earnings	1,711,000	1,666,000
<b>1,725,000</b>	<b>Total funding</b>	<b>1,711,000</b>	<b>1,666,000</b>
	<b>Capital expenditure to:</b>		
0	- meet additional demand	-	0
0	- improve the level of service	-	0
1,725,000	- replace existing assets	1,711,000	1,666,000
<b>1,725,000</b>	<b>Total capital expenditure</b>	<b>1,711,000</b>	<b>1,666,000</b>
<b>18,000</b>	<b>Proceeds from sale of assets</b>	<b>0</b>	<b>0</b>
<b>475,981</b>	<b>Depreciation/amortisation</b>	<b>534,987</b>	<b>525,987</b>

# Regional representation, advocacy and investment management

## Regional representation, advocacy and investment management activities

Regional representation, advocacy and investment management comprises the following activities:

### INVESTMENT MANAGEMENT

—ensuring that the equity, property and treasury investments owned by the Council are efficiently managed—refer to level of service 2.

### COMMUNITY ENGAGEMENT

—promoting community awareness, understanding and involvement with the Council's functions and activities, together with demonstrating the value and contribution of the work of the Council to the region.

### ADVOCACY AND RESPONSE

—advocating and responding, on behalf of the Taranaki community, to initiatives proposed by other agencies, when those initiatives affect the statutory responsibilities of the Council or relate to matters of regional significance, which are of interest or concern to the people of Taranaki—refer to level of service 1.

### GOVERNANCE

—facilitating public representation by the Council and its committees in accordance with statutory requirements.

## Key changes from the Long-Term Plan

There are no significant operational or financial changes from the outlined in the *2018/2028 Long-Term Plan*.

## Levels of service

1. **Effective advocacy on behalf of the Taranaki community on matters that affect the statutory responsibilities of the Council or that relate to matters of regional significance which are of interest or concern to the people of Taranaki**

**Measure:** Level of advocacy undertaken.

**Target (Years 1-10):** Approximately 20 submissions made per year, with evidence of successful advocacy in most cases.

**Baseline:** In 2016/2017, 31 submissions were made with anecdotal evidence of successful advocacy in most cases.

2. **Port Taranaki ownership as a strategic investment**

**Measure:** The role of Port Taranaki Ltd in regional economy.

**Target (Years 1-10):** Maintain or increase the contribution from Port Taranaki Ltd to the regional economy.

**Baseline:** In 2012, the estimated Port dependent activity contributed \$465m to regional gross domestic product (GDP) and employed 1,270 full time equivalents. Industries utilizing the Port contributed \$2.5b to regional GDP and employed 11,700 FTEs.

**Measure:** The financial and operational performance of Port Taranaki Ltd.

**Target:** (Years 1-10): Ensure financial and operational performance from Port Taranaki Ltd is in accordance with the levels presented in each year's statement of corporate intent.

**Baseline:** Port Taranaki Ltd's performance is reviewed, against the statement of corporate intent twice a year.  
Effective management of property and treasury investments owned by the Council

**Measure:** Investment returns from property and treasury investments on general rates.



**Target (Years 1-10):** Maintain or increase the level of investment returns used to reduce each year's general rates requirement.

**Baseline:** Total investment returns from property and treasury investments in 2016/2017 were interest \$527,175 and lease rent \$861,412. These returns were used to reduce the general rate requirement.

## Activities—what we plan to do

What we plan to do in 2019/2020.

### 1. Investment management

Consider Port Taranaki's annual statement of corporate intent and monitor performance against established targets.

Appoint Directors at Port Taranaki Ltd's annual general meeting and at other times as required.

Undertake on-going liaison with port company directors and management.

Manage and, where appropriate, divest leasehold land in accordance with the *Investment Policy*.

Manage and maximise returns from treasury investments in accordance with the *Investment Policy*.

### 2. Community engagement

Engage with the community across a range of channels including print and digital publications, news media, websites, mobile and social media.

Produce five bi-monthly editions of the Council newsletter and publish through print and digital channels.

Implement the environmental awards programme.

Provide an on-going environmental education programme for school children and the wider community including class visits, field trips, the Pukeiti Rainforest School and support for community projects.

### 3. Advocacy and response

Assess the implications of policy initiatives proposed by other agencies including discussion documents, proposed policies, strategies, plans and draft legislation, and respond within required timeframes on approximately 20 occasions per year.

### 4. Governance

Completion of statutory planning and reporting documents (Long-Term Plan, Annual Plans and Annual Reports) within statutory requirements.

Preparation of agendas and minutes and the conduct of meetings in accordance with *Standing Orders* and the *Local Government Official Information and Meetings Act 1987*.

Conduct of triennial local authority elections without any need for re-conduct of the elections as a result of judicial review.

## Indicative costs and sources of funds

2018/2019 Estimate \$		2019/2020 Estimate \$	2019/2020 LTP \$
	<b>Expenditure</b>		
6,000	Investment management	6,000	6,120
292,709	Community engagement	350,835	295,897
278,212	Advocacy and response	286,139	283,101
1,015,856	Governance	1,116,926	1,127,565
<b>1,592,777</b>	<b>Total expenditure</b>	<b>1,759,900</b>	<b>1,712,683</b>
	<b>Income</b>		
732,346	General rates	756,688	760,384
3,000	Direct charges	31,000	3,000
857,431	Investment funds	972,212	949,299
<b>1,592,777</b>	<b>Total income</b>	<b>1,759,900</b>	<b>1,712,683</b>
<b>0</b>	<b>Operating surplus/(deficit)</b>	<b>0</b>	<b>0</b>
	<b>Capital expenditure</b>		
-	Land	-	-
1,200,000	Buildings	-	-
96,000	Motor vehicles	70,000	70,000
77,000	Plant and equipment	2,000	2,000
12,000	Office furniture	12,000	12,000
160,000	Computer equipment	163,520	163,200
-	Flood and river control assets	-	-
555,000	Computer software	357,700	357,000
<b>2,100,000</b>	<b>Total capital expenditure</b>	<b>605,220</b>	<b>604,200</b>
	<b>Funded by:</b>		
2,100,000	Transfer from retained earnings	605,220	604,200
<b>2,100,000</b>	<b>Total funding</b>	<b>605,220</b>	<b>604,200</b>
	<b>Capital expenditure to:</b>		
-	- meet additional demand	-	-
-	- improve the level of service	-	-
2,100,000	- replace existing assets	605,220	604,200
<b>2,100,000</b>	<b>Total capital expenditure</b>	<b>605,220</b>	<b>604,200</b>
<b>20,000</b>	<b>Proceeds from sale of assets</b>	<b>20,000</b>	<b>20,000</b>
<b>833,442</b>	<b>Depreciation/amortisation</b>	<b>855,925</b>	<b>875,925</b>

## New Plymouth District Council (Waitara Lands) Act 2018

Pursuant to the *Waitara Harbours Act 1940*, the Council has an interest in 180ha of New Plymouth District Council owned Waitara Harbour endowment lands. The *New Plymouth District Council (Waitara Lands) Act 2018* (the Act):

- provides lessees with the option to freehold their leasehold properties at any time
- provides for the split of net accumulated and ongoing income between the Council and the New Plymouth District Council
- in relation to the Council's income, provides for the establishment of funds and committees for the application of accumulated and ongoing income by creating
  - a fund to improve the health and well-being of the Waitara River and its catchment
  - a fund to improve Waitara and the lower Waitara River catchment.
- provides for spending in accordance with determinations made by the Waitara River Committee on the Council's functions and responsibilities
- provides for the Council to carry out all activities in addition to, and not instead of, any existing activities.

The Council must establish a standing committee called the Waitara River Committee. The Waitara River Committee comprises:

- 5 members nominated by the Council
- 4 members nominated by the Waitara River Authorities
- 1 member nominated by Te Kōwhatu Tū Moana, in recognition of the historical and continuing mana whenua exercised by the Waitara hapū in Waitara.

The Council must delegate to the Waitara River Committee all of the Council's powers that it considers necessary to enable the committee to perform its functions. The functions of the Waitara River Committee are:

- to determine the amounts and purposes of distributions of 70% of the Council income toward the restoration, protection, and enhancement of the environmental, cultural, and spiritual health and well-being of the Waitara River and the Waitara River catchment
- to determine the amounts and purposes of distributions of 30% of the Council income toward any matter in Waitara or in the lower catchment of the Waitara River

- to establish a subcommittee to make recommendations to the Waitara River Committee to determine the amounts and purposes of distributions of 30% of the Council income toward any matter in Waitara or in the lower catchment of the Waitara River.

These functions must be performed only in relation to matters that are within the role and responsibilities of the Council under the *Local Government Act 2002* or any other Act.

The ways in which the restoration, protection, and enhancement of the environmental, cultural, and spiritual health and well-being of the Waitara River and the Waitara River catchment can be pursued include building the capacity and capability of the Waitara River Authorities to pursue those purposes.

The Waitara River Committee must establish a subcommittee. The function of the subcommittee is to make recommendations to the Waitara River Committee in relation to the amounts and purposes of distributions of 30% of the Council income toward any matter in Waitara or in the lower catchment of the Waitara River. The subcommittee comprises 4 members nominated by Te Kōwhatu Tū Moana.

Through to 30 June 2020, The Council intends to:

- Ensure the establishment of the Waitara River Committee and the subcommittee
- Enable the Waitara River Committee and the subcommittee to develop a strategy for the delivery of the functions and responsibilities of the Committee and subcommittee.
- Commence the delivery of the strategy.

At this early stage it is unclear how quickly leaseholders will freehold their properties. Therefore, the Council is unable to provide any clarity over how much and when it will receive its share of any accumulated and ongoing income. This will become clearer as the sales process commences and the strategy development process is undertaken. Reporting on the funds allocated (income) and the distribution of funds received (expenditure) will commence with the preparation and publication of the audited *2018/2019 Annual Report* and will continue in each subsequent annual report.



## Financial statements

The following pages present the financial projections of the Council for 2019/2020. In particular, the following information is presented:

- the practices and assumptions used in preparing the financial information
- the sources of income and where it is planned to be spent
- the effect of the planned income and expenditure on the overall net worth of the Council
- what the Council owes and owns
- the forecast cash payments and receipts for each year
- additional supporting information.

The *Statement of Financial Position* includes the estimated financial position as at 1 July 2019. These figures differ from the estimated financial position as at 30 June 2019 included in the *2018/2028 Long-Term Plan*.

The forecast prospective financial information has been prepared for the purposes of this *Plan* and may not be suitable for any other purpose. The forecast prospective financial information presented is based upon best-estimate assumptions. Whilst every care has been taken in the preparation of the forecast prospective financial information, the actual results are likely to differ. These differences may be material. The forecasts are based upon assumptions and information available to the Council as at May 2019. Actual financial results have been incorporated to the extent that they affect the opening forecast prospective financial position as at 1 July 2019. There is no intention to update the forecast prospective financial information prior to the finalisation of this *Plan*.

The forecast financial information on pages 41 to 44 has been prepared in accordance with the Council's current accounting policies as specified on pages 52 to 58. The forecast financial information presented in this *Plan* has been prepared in compliance with *Public Benefit Entity Financial Reporting Standard No. 42: Prospective Financial Statements*.

The summing of each *Indicative costs and sources of funds* statement with each group of activities equates to the figures included in the *Statement of comprehensive revenue and expense*.

The Council is required to ensure that each year's projected operating revenues are set at a level sufficient to meet that year's projected operating expenses.

Prior to 1996/1997, the Council used dividends received from Port Taranaki Ltd to repay debt that the Council inherited upon the corporatisation of the new port company. Since then the Council has used the dividend returns to reduce the general rate requirement. In some years, the Council has received more dividend returns than it budgeted for. These extra dividends have accumulated in the Dividend Equalisation Reserve. In some years the Council has received less dividends than it budgeted for. In these cases the Council has used the Dividend Equalisation Reserve to smooth the impact on the general rate requirement.

The returns from Port Taranaki Ltd have the potential to fluctuate significantly. The Council uses the Dividend Equalisation Reserve to smooth fluctuations in dividend returns from Port Taranaki Ltd and, consequently, smooth the impact on general rate changes. Technically the use of the Dividend Equalisation Reserve results in unbalanced budgets where in some years the Council has surpluses and in others deficits.

The Council is required to ensure that each year's projected operating revenues are set at a level sufficient to meet that year's projected operating expenses. For 2019/2020, the Council's projected operating revenues are sufficient to cover projected operating expenses.

The Taranaki Regional Council adopted and authorised the issue of the *2019/2020 Annual Plan* and prospective financial information on 21 May 2019. The Council is responsible for the prospective financial statements presented, including the appropriateness of the assumptions underlying the prospective financial statements and all other required disclosures.

## Statement of comprehensive revenue and expense

2018/2019 Estimate \$		2019/2020 Estimate \$	2019/2020 LTP \$
	<b>Cost of services</b>		
14,647,450	Resource management	22,735,911	15,449,598
6,162,608	Biosecurity and biodiversity	7,243,680	6,949,006
4,809,335	Transport	4,854,430	4,896,935
918,545	Hazard management	930,238	933,890
3,853,303	Recreation, culture and heritage	7,569,128	4,417,801
1,592,777	Regional representation, advocacy & investment management	1,759,900	1,712,683
<b>31,984,018</b>	<b>Total operating expenditure</b>	<b>45,093,287</b>	<b>34,359,913</b>
	<b>Revenue from exchange transactions</b>		
4,004,960	Direct charges revenue	4,173,590	4,090,846
1,070,000	Rent revenue	1,100,000	1,091,400
8,000,000	Dividends	8,000,000	8,000,000
	<b>Revenue from non-exchange transactions</b>		
7,954,392	General rates revenue	7,954,392	8,248,705
2,220,791	Targeted rates revenue	5,910,867	2,283,745
5,027,196	Direct charges revenue	13,503,458	5,731,899
3,646,423	Government grants	3,277,474	3,665,618
-	Vested assets	0	-
<b>31,923,762</b>	<b>Total income</b>	<b>43,919,781</b>	<b>33,112,213</b>
<b>(60,256)</b>	<b>Operating surplus/(deficit) before finance income and expenses and taxation</b>	<b>(1,173,506)</b>	<b>(1,247,700)</b>
300,000	Finance income	3,286,719	300,000
-	Finance expense	937,500	-
300,000	Net finance expense	2,349,219	300,000
<b>239,744</b>	<b>Operating surplus before taxation</b>	<b>1,175,713</b>	<b>(947,700)</b>
	<b>Other gains/losses</b>		
-	Gains/(losses) on revaluation of properties	0	-
<b>239,744</b>	<b>Operating surplus before taxation</b>	<b>1,175,713</b>	<b>(947,700)</b>
(10,000)	Income tax expense	(10,000)	(10,000)
<b>229,744</b>	<b>Surplus/(deficit) for the period</b>	<b>1,165,713</b>	<b>(957,700)</b>
	<b>Other comprehensive income</b>		
-	Revaluation of property, plant and equipment	0	-
-	<b>Other comprehensive income, net of tax</b>	<b>0</b>	<b>-</b>
<b>229,744</b>	<b>Operating surplus/(deficit)</b>	<b>1,165,713</b>	<b>(957,700)</b>

This statement should be read in conjunction with the *Explanatory Notes to the Financial Statements*.

## Statement of changes in net assets/equity

2018/2019 Estimate \$		2019/2020 Estimate \$	2019/2020 LTP \$
	<b>Retained Earnings</b>		
<b>68,433,735</b>	As at 1 July	<b>68,508,971</b>	<b>65,188,180</b>
229,744	Total comprehensive income for the period	1,165,713	(957,700)
(154,508)	Transfers to and from reserves	537,002	537,825
<b>68,508,971</b>	<b>As at 30 June</b>	<b>70,211,686</b>	<b>64,768,305</b>
	<b>Reserves</b>		
<b>11,239,866</b>	As at 1 July	<b>11,394,374</b>	<b>11,494,701</b>
-	Total comprehensive income for the period	-	-
154,508	Transfers to and from reserves	(537,002)	(537,825)
<b>11,394,374</b>	<b>As at 30 June</b>	<b>10,857,372</b>	<b>10,956,876</b>
	<b>Asset revaluation reserves</b>		
<b>4,509,338</b>	As at 1 July	<b>4,509,338</b>	<b>3,723,232</b>
-	Total comprehensive income for the period	-	-
-	Transfers to and from reserves	-	-
<b>4,509,338</b>	<b>As at 30 June</b>	<b>4,509,338</b>	<b>3,723,232</b>
	<b>Total equity</b>		
<b>84,182,939</b>	As at 1 July	<b>84,412,683</b>	<b>80,406,113</b>
229,744	Total comprehensive income for the period	1,165,713	(957,700)
-	Transfers to and from reserves	-	-
<b>84,412,683</b>	<b>As at 30 June</b>	<b>85,578,396</b>	<b>79,448,413</b>

This statement should be read in conjunction with the *Explanatory Notes to the Financial Statements*.

## Statement of financial position

2018/2019 Estimate \$		2019/2020 Estimate \$	2019/2020 LTP \$
	<b>Current assets</b>		
1,382,296	Cash and cash equivalents	1,855,374	709,271
3,400,000	Current portion of investments	-	-
1,300,000	Receivables from exchange transactions	960,000	979,200
2,000,000	Receivables from non-exchange transactions	1,040,000	1,060,800
200,000	Prepayments	100,000	102,000
150,000	Work-in-progress	400,000	408,000
<b>8,432,296</b>	<b>Total current assets</b>	<b>4,355,374</b>	<b>3,259,271</b>
	<b>Non-current assets</b>		
2,500,000	Treasury investments	6,900,000	3,908,975
26,000,000	Port Taranaki Ltd	26,000,000	26,000,000
1,000	Civic Financial Services Ltd	1,000	1,000
798,118	Regional Software Holdings Ltd	798,118	798,118
-	Loan to Taranaki Stadium Trust	22,870,781	-
17,380,500	Investment properties	17,380,500	14,617,000
1,356,416	Intangible assets	1,531,576	1,874,031
32,969,353	Property, plant and equipment	33,446,828	33,309,718
<b>81,005,387</b>	<b>Total non-current assets</b>	<b>108,928,803</b>	<b>80,508,842</b>
<b>89,437,683</b>	<b>Total assets</b>	<b>113,284,177</b>	<b>83,768,113</b>
	<b>Current liabilities</b>		
2,500,000	Accounts payable	2,500,000	2,040,000
600,000	Work-in-progress	600,000	510,000
1,200,000	Employee entitlements	935,000	953,700
<b>4,300,000</b>	<b>Total current liabilities</b>	<b>4,035,000</b>	<b>3,503,700</b>
	<b>Non-current liabilities</b>		
725,000	Employee entitlements	800,000	816,000
0	Borrowings	22,870,781	0
<b>725,000</b>	<b>Total non-current liabilities</b>	<b>23,670,781</b>	<b>816,000</b>
<b>5,025,000</b>	<b>Total liabilities</b>	<b>27,705,781</b>	<b>4,319,700</b>
	<b>Public equity</b>		
68,508,971	Retained earnings	70,211,686	64,768,305
11,394,374	Reserves	10,857,372	10,956,876
4,509,338	Asset revaluation reserves	4,509,338	3,723,232
<b>84,412,683</b>	<b>Total public equity</b>	<b>85,578,396</b>	<b>79,448,413</b>
<b>89,437,683</b>	<b>Total liabilities and equity</b>	<b>113,284,177</b>	<b>83,768,113</b>

This statement should be read in conjunction with the *Explanatory Notes to the Financial Statements*.

## Statement of cash flows

2018/2019 Estimate \$		2019/2020 Estimate \$	2019/2020 LTP \$
	<b>Cash flows from operating activities</b>		
	Cash was provided from:		
10,175,183	Rates	13,865,259	10,532,450
300,000	Interest	3,286,719	300,000
8,000,000	Dividends	8,000,000	8,000,000
-	Goods and services tax	-	-
6,051,934	Other exchange transactions	5,478,639	6,071,985
7,596,645	Other non-exchange transactions	17,725,883	8,507,778
32,123,762		48,356,500	33,412,213
	Cash was applied to:		
29,787,583	Employees and suppliers	42,880,273	31,875,419
-	Interest	937,500	-
60,000	Taxation	60,000	60,000
29,847,583		43,877,773	31,935,419
<b>2,276,179</b>	<b>Net cash flows from operating activities</b>	<b>4,478,727</b>	<b>1,476,794</b>
	<b>Cash flows from investing activities</b>		
	Cash was provided from:		
-	Investments	2,129,219	1,499,000
384,000	Property, plant and equipment	215,000	215,000
384,000		2,344,219	1,714,000
	Cash was applied to:		
1,400,000	Investments	26,000,000	-
5,303,061	Property, plant and equipment	3,220,649	3,084,029
6,703,061		29,220,649	3,084,029
<b>(6,319,061)</b>	<b>Net cash flows from investing activities</b>	<b>(26,876,430)</b>	<b>(1,370,029)</b>
	<b>Cash flows from financing activities</b>		
	Cash was provided from:		
-	Borrowing	25,000,000	-
-		25,000,000	-
	Cash was applied to:		
-	Borrowing	2,129,219	-
-		2,129,219	-
-	<b>Net cash flows from investing activities</b>	<b>22,870,781</b>	<b>-</b>
<b>(4,042,882)</b>	<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>473,078</b>	<b>106,765</b>
5,425,178	Opening cash balance	1,382,296	602,506
<b>1,382,296</b>	<b>Closing cash and cash equivalents</b>	<b>1,855,374</b>	<b>709,271</b>

This statement should be read in conjunction with the *Explanatory Notes to the Financial Statements*.



## Funding impact statement

The total estimated expenditure for the Taranaki Regional Council for 2019/2020 is \$45,093,287. This expenditure will be funded from the following sources. These funding/financing sources are consistent with the Council's *Revenue and Financing Policy*.

2018/2019 Estimate \$		2019/2020 Estimate \$	2019/2020 LTP \$
4,927,648	General rates	7,954,392	5,142,319
3,026,744	UAGC	-	3,106,386
2,220,791	Targeted rates	5,910,867	2,283,745
9,032,156	Direct charges	17,677,048	9,822,745
3,646,423	Government grants	3,277,474	3,665,618
8,000,000	Dividends	8,000,000	8,000,000
1,070,000	Rent revenue	1,100,000	1,091,400
	- Vested assets		-
	- Gains/(losses) on property revaluation		-
300,000	Finance income	3,286,719	300,000
40,000	Transfer from reserves	585,633	585,633
(194,508)	Transfer to reserves	(48,631)	(47,808)
<b>32,069,254</b>	<b>Total funding</b>	<b>47,743,502</b>	<b>33,950,038</b>

### Capital value general rate

The Council proposes a general rate on the capital value on each rating unit in the region. The estimated general rate (in cents in the dollar of capital value) for 2019/2020 is 0.0258019 (GST inclusive). The Council proposes no differentials on the general rate. The general rate will be equalised between the three districts in the Taranaki region (see page 51). The rates to be collected from each district are:

- New Plymouth and North Taranaki constituencies—to produce \$5,716,304 at a rate of 0.000290096 cents in the dollar of capital value GST inclusive
- Stratford constituency—to produce \$772,053 at a rate of 0.000262218 cents in the dollar of capital value GST inclusive
- South Taranaki constituency—to produce \$2,659,193 at a rate of 0.000242980 cents in the dollar of capital value GST inclusive.

### Separately used or inhabited part of a rating unit

Separately used or inhabited part of a rating unit (SUIP): A SUIP is defined as a separately used or occupied part of a rating unit and includes any part of a rating unit that is used or occupied by any person, other than the ratepayer, having a right to use or inhabit that part by virtue of a tenancy, lease, licence, or other agreement, or any part or

parts of a rating unit that are used or occupied by the ratepayer for more than one single use.

Separately used or inhabited for a residential rating unit includes a building or part of a building that contains, two or more separately occupiable units, flats or houses each of which is separately inhabited or is capable of separate inhabitation

Separately used or inhabited for a small holding or farmland property rating unit includes a rural property/farm with multiple dwellings (e.g., a house is used by a farm worker) each of which is separately inhabited or is capable of separate inhabitation

Separately used or inhabited for a commercial or industrial rating unit: means a building or part of a building that is, or intended to be, or is able to be, separately tenanted, leased or subleased for commercial purposes

An exception is made for motels/hotels as these are treated as one business even if each accommodation unit may be capable of separate habitation.

This definition of SUIP applies to the uniform annual general charge when used and to all to fixed rates.

### Targeted rates

The following table summarises the types of targeted rate, the group of activities or activity funded by that targeted rate together with the matters and factors of the targeted rates.

Group of activities funded	Type of rates	Location and types of land to be funded	Different factors or categories
Hazard management	Flood and river control works rate	All properties in the New Plymouth and North Taranaki constituencies of the Taranaki region	Capital value
Hazard management	Flood and river control works rate	All properties in the South Taranaki constituency of the Taranaki region	Capital value

Group of activities funded	Type of rates	Location and types of land to be funded	Different factors or categories
Transport	Passenger transport services rate	All properties in the New Plymouth and North Taranaki constituencies of the Taranaki region	Capital value
Transport	Passenger transport services rate	All properties in the Stratford constituency of the Taranaki region	Capital value
Transport	Passenger transport services rate	All properties in the South Taranaki constituency of the Taranaki region	Capital value
Recreation, culture and heritage	Yarrow Stadium rate	All properties in the New Plymouth, North Taranaki, Stratford and South Taranaki constituencies of the Taranaki region	Fixed charge
Recreation, culture and heritage	Yarrow Stadium rate	All commercial and industrial properties in the New Plymouth and North Taranaki, constituencies of the Taranaki region	Land value

The Council proposes the following targeted rates for 2019/2020:

- A targeted rate for flood and river control works on the capital value on each rating unit in the New Plymouth and North Taranaki constituencies of the Taranaki region. The estimated targeted rate (in cents in the dollar of capital value) for 2019/2020 is 0.003847 GST inclusive to produce \$758,027 (GST inclusive).
- A targeted rate for flood and river control works on the capital value on each rating unit in the South Taranaki constituency of the Taranaki region. The estimated targeted rate (in cents in the dollar of capital value) for 2019/2020 is 0.000661 GST inclusive to produce \$72,340 (GST inclusive).
- A targeted rate for passenger transport services on the capital value on each rating unit in the

New Plymouth and North Taranaki constituencies of the Taranaki region. The estimated targeted rate (in cents in the dollar of capital value) for 2019/2020 is 0.006728 GST inclusive to produce \$1,325,657 (GST inclusive).

- A targeted rate for passenger transport services on the capital value on each rating unit in the Stratford constituency of the Taranaki region. The estimated targeted rate (in cents in the dollar of capital value) for 2019/2020 is 0.001255 GST inclusive to produce \$36,951 (GST inclusive).
- A targeted rate for passenger transport services on the capital value on each rating unit in the South Taranaki constituency of the Taranaki region. The estimated targeted rate (in cents in the dollar of capital value) for 2019/2020 is 0.000643 GST inclusive to produce \$70,396 (GST inclusive).
- A differential targeted rate for Yarrow Stadium in the New Plymouth and North Taranaki constituencies of the Taranaki region.

Groups of properties (matters) used	Amount of rate and factor to be used	Total amount to be produced
Group 1 Commercial and Industrial.	A rate of 0.032822 cents in the dollar of land value GST inclusive.	\$314,929 GST inclusive
Group 1 Commercial and Industrial.	Fixed amount of \$172.50 GST inclusive for all separately used or inhabited parts of a rating unit.	\$409,515 GST inclusive
Groups 2, 3 and 4 being Residential, Small holdings and Farmland as defined above.	Fixed amount of \$80.89 GST inclusive for all separately used or inhabited parts of a rating unit	\$2,812,176 GST inclusive.

- The Council differentiates the Yarrow Stadium targeted rate for the New Plymouth and North Taranaki constituencies based on land use. The differential categories are:
  - Group 1: Commercial/industrial. All rating units that are used primarily for any commercial or industrial purpose.
  - Group 2: Residential. All rating units with a land area of one hectare or less, not being rating units in Group 1, used for residential and related purposes.
  - Group 3: Small holdings. All rating units, not being rating units included in Groups 1 or 2,

having a land area of more than one hectare but no greater than four hectares.

- Group 4: Farmland. All rating units, not being rating units included in Group 1, 2 or 3, having a land area in excess of four hectares.
- A targeted rate for Yarrow Stadium as a fixed amount on all separately used or inhabited parts of a rating unit in the Stratford constituency of the Taranaki region. The estimated fixed amount of \$54.40 for all separately used or inhabited parts of a rating unit for 2019/2020 to produce \$251,848 GST inclusive.
- A targeted rate for Yarrow Stadium as a fixed amount on all separately used or inhabited parts of a rating unit in the South Taranaki constituency of the Taranaki region. The estimated fixed amount of \$54.40 for all separately used or inhabited parts of a rating unit for 2019/2020 to produce \$745,647 GST inclusive.

The above figures are estimated cents in the dollar rates based upon the required revenue to be recovered from each type of rate and the current capital or land value of the region or sub-part of the region. The final capital or land value of the region or sub-part of the region used to set the rates (in July 2019) will be different from the values used in the above calculations. The effect on the cents in the dollar rates is not expected to be significant.

The Council does not require a lump sum contribution for any of its targeted rates.

## Due dates

All rates will be payable in four equal instalments due on:

	New Plymouth & North Taranaki Constituencies	Stratford Constituency	South Taranaki Constituency
Instalment 1	28 August 2019	28 August 2019	28 August 2019
Instalment 2	27 November 2019	27 November 2019	27 November 2019
Instalment 3	26 February 2020	26 February 2020	26 February 2020
Instalment 4	27 May 2020	27 May 2020	27 May 2020

## Penalties and discounts

Pursuant to Section 57 and 58 of the *Local Government (Rating) Act 2002* the following penalties on unpaid rates will be applied.

A charge of 10 percent on so much of any instalment that has been assessed after 1 July 2019 and which remains unpaid after the due date for that instalment.

	New Plymouth & North Taranaki Constituencies	Stratford Constituency	South Taranaki Constituency
Instalment 1	28 August 2019	28 August 2019	28 August 2019
Instalment 2	27 November 2019	27 November 2019	27 November 2019
Instalment 3	26 February 2020	26 February 2020	26 February 2020
Instalment 4	27 May 2020	27 May 2020	27 May 2020

The Council will charge a penalty of 10 per cent on any portion of rates that were assessed or levied in any previous financial years to 1 July 2019 and which remain unpaid on 1 July 2019. The penalty will be applied on 30 September 2019 and a further additional penalty of 10 per cent on any rates that were assessed or levied in any previous financial years and which remain unpaid on 31 March 2020 (New Plymouth and North Taranaki constituencies).

The Council will charge a penalty of 10% on so much of any rates levied before 1 July 2019 which remain unpaid on 10 July 2019 or such later date as required under section 58(1) (b) (ii). A continuing additional penalty of 10% on so much of any rates levied before 1 July 2018 which remain unpaid six months after the previous penalty was added (Stratford constituency).

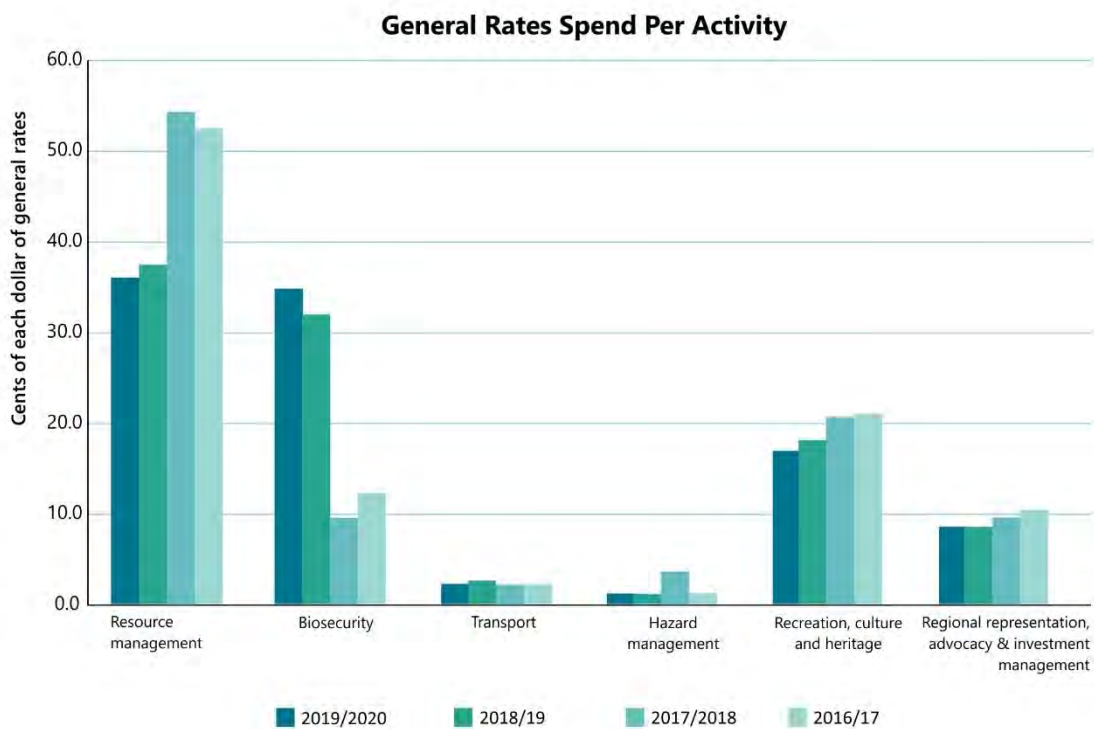
The Council will charge a penalty of 10% on so much of any rates levied before 1 July 2019 which remain unpaid on 1 July 2019 or such later date as required under section 58(1) (b) (ii). (South Taranaki constituency).

A discount of 3% will be allowed on the total rates set for the financial year, if the rates for a financial year are paid in full on or before the due date of the first instalment for the financial year. (South Taranaki constituency only). This will be 28 August 2019.

## Payment Locations

The Council's rates and charges will become due and payable at the principal offices and service centres of the region's district councils. The rates and charges can also be paid at the principal office of the Taranaki Regional Council.

Each dollar of general rates collected is spent in the following manner:





## Rating impact

The following are examples of the level of total rates that different groups of ratepayers will incur in 2019/2020 under this *Plan*. All figures are GST exclusive. These figures are calculated on the equalised capital value of each district. The actual rates struck will be on the unequalised capital value. Accordingly, there will be some differences (expected to be minor) between the figures below and the final rates figures charged.

### Ratepayers in the New Plymouth and North Taranaki constituencies:

In these constituencies ratepayers incur a mixture of capital value general rates, capital value targeted rates and fixed charge targeted rates. To determine the rates for any property, refer to the table for that type of property and then look by capital value.

#### Commercial and industrial property

Capital value of property:	\$200,000	\$300,000	\$500,000	\$750,000	\$1,000,000
Land value of property:					
\$50,000	\$240.96	\$279.31	\$356.00	\$451.87	\$547.74
\$100,000	\$255.23	\$293.58	\$370.28	\$466.14	\$562.01
\$150,000	\$269.50	\$307.85	\$384.55	\$480.41	\$576.28
\$300,000	\$312.32	\$350.66	\$427.36	\$523.22	\$619.09
\$500,000	\$369.40	\$407.74	\$484.44	\$580.31	\$676.17

#### Residential property

Capital value of property:	\$200,000	\$300,000	\$500,000	\$750,000	\$1,000,000
Total rates	\$147.03	\$185.38	\$262.07	\$357.94	\$453.81

#### Small holdings property

Capital value of property:	\$200,000	\$300,000	\$500,000	\$750,000	\$1,000,000
Total rates	\$147.03	\$185.38	\$262.07	\$357.94	\$453.81

#### Farmland property

Capital value of property:	\$500,000	\$1,000,000	\$2,000,000	\$3,000,000	\$5,000,000
Total rates	\$262.07	\$453.81	\$837.28	\$1,220.75	\$1,987.68

### Ratepayers in the Stratford and South Taranaki constituencies:

In these constituencies, ratepayers incur a mixture of capital value general rates, uniform annual general charges and fixed charge targeted rates.

#### Stratford constituency

Capital value of property:	\$200,000	\$500,000	\$1,000,000	\$2,000,000	\$5,000,000
Total rates	\$101.93	\$183.87	\$320.43	\$593.56	\$1,412.96

#### South Taranaki constituency

Capital value of property:	\$200,000	\$500,000	\$1,000,000	\$2,000,000	\$5,000,000
Total rates	\$98.16	\$174.46	\$301.62	\$555.94	\$1,318.91

## Actual rates to be paid

To calculate the approximate rates payable for a property, obtain the rateable capital value from the Rates Assessment Notice issued by your local district council and then complete the attached table. All figures include GST. For example, if you own a residential property in the North Taranaki constituency with a capital value of \$400,000, then the rates calculation would be as follows:

New Plymouth and North Taranaki Constituencies					
Capital Value (CV):			\$400,000	Land Value (LV):	
Rate	Factor	Differential	Value	Rate	Amount
General	CV		\$400,000	0.000291	\$116.40
UAGC			1	\$0.00	\$0.00
River control	CV		\$400,000	0.000039	\$15.60
Transport	CV		\$400,000	0.000068	\$27.20
Yarrow Stadium		Residential	1	\$80.89	\$80.89
		Commercial/industrial	0	\$172.50	N/A
	LV	Commercial/industrial	\$100,000	0.000285	N/A
		Farmland	0	\$80.89	N/A
		Small holding	0	\$80.89	N/A
<b>Total rates</b>					<b>\$240.09</b>

## Calculate your own rates

New Plymouth and North Taranaki Constituencies					
Capital Value (CV):			Land Value (LV):		
Rate	Factor	Differential	Value	Rate	Amount
General	CV			0.000291	
UAGC			1	\$0.00	\$0.00
River control	CV			0.000039	
Transport	CV			0.000068	
Yarrow Stadium		Residential		\$80.89	
		Commercial/industrial		\$172.50	
		Commercial/industrial		0.000285	
		Farmland		\$80.89	
		Small holding		\$80.89	
<b>Total rates</b>					

Stratford Constituency					
Capital Value (CV):					
Rate	Factor	Differential	Value	Rate	Amount
General	CV			0.000262	
UAGC			1	\$0.00	\$0.00
Transport	CV			0.000013	
Yarrow Stadium			1	\$54.40	\$54.40
<b>Total rates</b>					

South Taranaki Constituency					
Capital Value (CV):					
Rate	Factor	Differential	Value	Rate	Amount
General	CV			0.000243	
UAGC			1	\$0.00	\$0.00
River control	CV			0.000007	
Transport	CV			0.000006	
Yarrow Stadium			1	\$54.40	\$54.40
<b>Total rates</b>					

## Rates equalisation/apportionment

The three Taranaki based district councils collect regional general rates on behalf of the Taranaki Regional Council. The projected apportionment of general rates between districts is as follows:

District	Capital Value Equalised \$	%	Estimated Rate Revenue \$	GST \$	GST incl rate revenue \$	Rate in the \$ excl GST
<b>2011/2012</b>						
New Plymouth	15,950,320,000	60.42%	\$2,766,026	\$414,904	\$3,180,930	
Stratford	2,662,041,000	10.08%	\$461,638	\$69,246	\$530,884	
South Taranaki	7,787,200,000	29.50%	\$1,350,418	\$202,563	\$1,552,981	
	<b>26,399,561,000</b>	<b>100.00%</b>	<b>\$4,578,083</b>	<b>\$686,712</b>	<b>\$5,264,795</b>	<b>0.017342</b>
<b>2012/2013</b>						
New Plymouth	13,290,429,000	55.07%	2,588,117	388,218	2,976,335	
Stratford	2,593,336,050	10.74%	504,746	75,712	580,458	
South Taranaki	8,252,154,000	34.19%	1,606,823	241,023	1,847,846	
	<b>24,135,919,050</b>	<b>100.00%</b>	<b>4,699,686</b>	<b>704,953</b>	<b>5,404,639</b>	<b>0.019471</b>
<b>2013/2014</b>						
New Plymouth	\$16,094,949,00	60.17%	\$2,765,159	\$414,774	\$3,179,933	
Stratford	\$2,586,302,000	9.67%	\$444,392	\$66,659	\$511,051	
South Taranaki	\$8,069,489,050	30.16%	\$1,386,026	\$207,904	\$1,593,930	
	<b>\$26,750,740,00</b>	<b>100.00%</b>	<b>\$4,595,578</b>	<b>\$689,337</b>	<b>\$5,284,915</b>	<b>0.017179</b>
<b>2014/2015</b>						
New Plymouth	16,453,922,100	59.03%	2,734,493	410,174	3,144,667	
Stratford	2,633,724,816	9.45%	437,760	65,664	503,424	
South Taranaki	8,786,039,704	31.52%	1,460,126	219,019	1,679,145	
	<b>27,873,686,620</b>	<b>100.00%</b>	<b>4,632,379</b>	<b>694,857</b>	<b>5,327,236</b>	<b>0.016619</b>
<b>2015/2016</b>						
New Plymouth	16,961,017,823	59.66%	2,822,044	423,307	3,245,341	
Stratford	2,663,615,050	9.37%	443,221	66,483	509,704	
South Taranaki	8,805,959,674	30.97%	1,464,946	219,742	1,684,688	
	<b>28,430,592,547</b>	<b>100.00%</b>	<b>4,730,211</b>	<b>709,532</b>	<b>5,439,743</b>	<b>0.016638</b>
<b>2016/2017</b>						
New Plymouth	18,304,730,066	61.70%	\$2,926,703	\$439,005	\$3,365,708	
Stratford	2,873,743,895	9.69%	\$459,639	\$68,946	\$528,585	
South Taranaki	8,488,451,250	28.61%	\$1,357,098	\$203,565	\$1,560,663	
	<b>29,666,925,211</b>	<b>100.00%</b>	<b>\$4,743,441</b>	<b>\$711,516</b>	<b>\$5,454,957</b>	<b>0.015989</b>
<b>2017/2018</b>						
New Plymouth	16,998,928,540	55.35%	2,642,834	396,425	3,039,259	
Stratford	2,946,817,514	9.60%	458,378	68,757	527,135	
South Taranaki	10,763,892,555	35.05%	1,673,556	251,033	1,924,589	
	<b>30,709,638,609</b>	<b>100.00%</b>	<b>4,774,768</b>	<b>716,215</b>	<b>5,490,983</b>	<b>0.015548</b>
<b>2018/2019</b>						
New Plymouth	\$20,927,358,182	60.18%	\$2,965,459	\$444,819	\$3,410,277	
Stratford	\$3,082,320,450	8.86%	\$436,590	\$65,488	\$502,078	
South Taranaki	\$10,766,181,593	30.96%	\$1,525,600	\$228,840	\$1,754,440	
	<b>\$34,775,860,225</b>	<b>100.00%</b>	<b>\$4,927,648</b>	<b>\$739,147</b>	<b>\$5,666,795</b>	<b>0.014169</b>
<b>2019/2020</b>						
New Plymouth	\$22,154,282,246	62.49%	4,970,700	745,605	5,716,305	
Stratford	\$2,993,705,385	8.44%	671,351	100,703	772,054	
South Taranaki	\$10,305,036,050	29.07%	2,312,342	346,851	2,659,193	
	<b>\$35,453,023,681</b>	<b>100.00%</b>	<b>7,954,392</b>	<b>1,193,159</b>	<b>9,147,551</b>	<b>0.0258019</b>

# Explanatory Notes to the financial statements

## Summary of accounting policies

### Reporting Entity

Taranaki Regional Council is a regional local authority governed by the *Local Government Act 2002*.

The Taranaki Regional Council Group (TRC) consists of Taranaki Regional Council and its subsidiaries Port Taranaki Ltd (100% owned) and Taranaki Stadium Trust (100% controlled). The Council has a 15.5% investment in Regional Software Holdings Ltd. Port Taranaki Ltd is a port company governed by the *Port Companies Act 1988* and incorporated in New Zealand. Taranaki Stadium Trust is a charitable trust governed by the *Charitable Trusts Act 1957* and registered under the *Charities Act 2005*. Regional Software Holdings Ltd is a company governed by the *Companies Act 1993* and incorporated in New Zealand. Taranaki Stadium Trust and Regional Software Holdings Ltd are council-controlled organisations pursuant to the *Local Government Act 2002*.

The principal activity of the Taranaki Regional Council is the provision of local authority services, including resource management, biosecurity and biodiversity, transport services, hazard management, recreation and cultural services and regional representation to ratepayers and other residents of the Taranaki region.

The financial statements have been prepared in accordance with the requirements of the *Local Government Act 2002*, which includes the requirement to comply with New Zealand generally accepted accounting practice (NZ GAAP).

As the primary objective of the Council and Group is to provide goods or services for community and social benefit, rather than for making a financial return, the Council and Group are public benefit entities for the purpose of financial reporting. The financial statements of the Council and Group have been prepared in accordance with and comply with Tier 1 Public Benefit Entity (PBE) standards. The financial statements are presented in New Zealand dollars. The functional currency of Taranaki Regional Council is New Zealand dollars.

The financial statements have been prepared on a historical cost basis, modified by the revaluation of land and buildings, certain infrastructural assets, investment property, and financial instruments.

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Judgements that management have made regarding the estimated useful life of plant property and equipment, the fair value of property, plant and equipment, the valuation of employee entitlements and the value of receivables are disclosed in *Summary of Accounting Policies*.

### Significant accounting policies

The following significant accounting policies have been adopted in the preparation and presentation of the financial report:

#### SUBSIDIARIES

Consolidated prospective financial statements have not been prepared for the purposes of this *Plan*. The Council has not presented group prospective financial statements because the Council believes that the parent prospective financial statements are more relevant to users. The main purpose of prospective financial statements in this *Plan* is to provide users with information about the core services that the Council intends to provide, the expected cost of those services and as a consequence how much the Council requires by way of rates to fund the intended levels of service. The level of rates funding required is not affected by subsidiaries except to the extent that the Council obtains distributions from, or further invests in, those subsidiaries. Such effects are included in the prospective financial statements of the Council.

#### REVENUE

Revenue is recognised to the extent that it is probable that the economic benefits or service potential will flow to the Group 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. To the extent that there is a condition attached that would give rise to a liability to repay revenue, a deferred revenue liability is recognised instead of revenue. Revenue is then recognised only once the Group has satisfied these conditions.



Revenue from non-exchange transactions:

- General and targeted rates: The Group 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: Revenues from the Government is recognised when the Group obtains control of the transferred asset (cash, goods, services, or property), and when the revenue can be measured reliably and is free from conditions.
- Fines: The Group recognises revenue from fines when the notice of infringement or breach is served by the Council or Group.
- Direct charges – goods and services: Rendering of services or the sale of goods at a price that is not approximately equal to the value of the service provided by the Council or Group 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. Revenue from such subsidised services is recognised when the Council or Group issues the invoice or bill for the service.

Revenue from exchange transactions:

- Direct charges – goods and services: Revenue from the rendering of services or the sale of goods 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.
- 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.
- Dividends: Revenue is recognised when the Group's or 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 on investment properties is accounted for on a straight-line basis over the lease.

## EXPENDITURE

The budget figures presented in these financial statements are those included in the Council's adopted Annual Plan or Long-Term Plan. The budget figures are for the Council as a separate entity, and do not include budget information relating to subsidiaries or associates.

Indirect costs relate to the overall costs of running the organisation and include staff time, office space and information technology costs. Indirect costs are allocated as overheads across all activities. Overheads have been allocated against activity centres on the basis of staff numbers. However, in the case of Councillors (*Representation*), they have been allocated on a 0.5:1 ratio.

## INCOME TAX

Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Group operates and generates taxable income. Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred income tax liabilities are recognised for all taxable temporary differences except:

- When the deferred income tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting surplus or deficit nor taxable surplus or deficit.
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred income tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses.

Deferred tax assets are recognised to the extent that it is probable that taxable surplus will be available against which the deductible temporary differences and the carry-forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting surplus or deficit nor taxable surplus or deficit.

- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable surplus will be available against which the temporary differences can be utilised.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable surplus will be available to allow all or part of the deferred income tax asset to be utilised. Unrecognised deferred income tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position. Revenues, expenses and assets are recognised net of the amount of GST except:

- When the GST incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable; and
- In the case of receivables and payables, which are stated with the amount of GST included.

## CASH AND CASH EQUIVALENTS

Cash and cash equivalents in the statement of financial position comprise cash at bank and in hand and short-term deposits that are readily convertible to known amounts of cash.

## INVENTORIES

Inventories are valued at the lower of weighted average cost or net realisable value.

## FINANCIAL ASSETS AND LIABILITIES

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

### *Fair Value*

The Group carries out a fair value assessment of its financial assets and liabilities as at balance date in accordance with PBE IPSAS 30 Financial Instruments: Disclosures.

The Group's derivative financial instruments (interest rate swaps) are recognised at fair value in accordance with Level 2 valuation techniques (financial instruments with quoted prices for similar instruments in active markets or quoted prices for identical or similar instruments in inactive markets and financial instruments valued using models where all significant inputs are observable). Level 2 - the fair value is derived from inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (derived from prices). Financial instruments in this level include interest rate swaps and options and valuation of land. Fair value is stated at the indicative market value obtained from the calculation agent.

The fair value of corporate bonds and notes is estimated by an independent valuer (Bank of New Zealand) with reference to market value as at balance date. The fair value of the current loans and term loans are estimated based upon the market prices available for similar debt securities obtained from the lender at balance date.

The carrying value of the Group's other financial instruments do not materially differ from their fair value.

### *Classification and Measurement*

Financial assets are classified as financial assets at fair value through surplus or deficit, loans and receivables, held-to-maturity investments, or as derivatives designated as hedging instruments in an effective hedge. All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through surplus or deficit, transaction costs that are attributable to the acquisition of the financial asset.

Financial assets at fair value through surplus or deficit are carried in the *Statement of Financial Position* at fair value with net changes in fair value presented as other losses (negative net changes in fair value) or other gains (positive net changes in fair value) in the *Statement of Comprehensive Revenue and Expense*. Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. If there is positive intention and ability to hold these to maturity, they will be classified accordingly. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate method, less impairment.

Financial liabilities are classified, at initial recognition as, payables, loans and borrowings, or as derivatives designated as hedging instruments in an effective hedge. They are initially recognised at fair value and, in the case of payables and loans and borrowings, net of directly attributable transaction costs. They are subsequently measured at amortised cost using the

effective interest rate method. Gains and losses are recognised in surplus or deficit when the liabilities are derecognised. The effective interest rate amortisation is included as finance costs in the *Statement of Comprehensive Revenue and Expense*.

#### *Impairment*

The Group assesses, at each reporting date, whether there is evidence that a financial asset or a group of financial assets is impaired. Financial assets are impaired when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the receivables. Financial difficulties of the debtor, default payments or debts more than 60 days overdue are considered objective evidence of impairment. The carrying amount of an asset is reduced through the use of a provision account, and the amount of the loss is recognised in surplus or deficit. When a receivable is uncollectible, it is written off against the provision account for receivables. Subsequent recoveries of amounts previously written off are credited against surplus or deficit.

#### *Hedge Accounting*

Port Taranaki Ltd uses derivative financial instruments to hedge its exposure to fluctuations in foreign exchange rates, commodity prices and interest rate risks arising from operational, financing and investment activities.

Interest rate swaps are used to hedge against changes on BKBM interest rates associated with on-going term borrowings.

Foreign currency forward exchange contracts may be used from time to time to hedge foreign currency transactions when purchasing major fixed assets in foreign currency.

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income. The gain or loss relating to the ineffective portion is recognised immediately in surplus or deficit. Amounts accumulated in equity are reclassified to the *Statement of Comprehensive Revenue and Expense* in the periods when the hedged transaction affects surplus or deficit. If the hedging instrument no longer meets the criteria for hedge accounting, expires, or is sold, terminated or exercised, then hedge accounting is discontinued prospectively.

#### *Risk Management*

The main risks arising from the Group's financial instruments are summarised below. The Group seeks to minimise the effects of these risks by adhering to a treasury policy that is reviewed by the Council and Port Taranaki's board of directors respectively.

<b>Risk:</b>	<b>Exposure arising from:</b>	<b>How the risk is managed:</b>
Currency risk	Value of financial instruments fluctuating due to changes in foreign exchange rates	The Groups treasury policy allows foreign exchange forward exchange contracts to be entered into as appropriate (as described above).
Interest rate risk	Value of a financial instruments fluctuating due to changes in market interest rates	Reviewing banking arrangements to ensure the best return on funds while maintaining access to liquidity levels required.
Credit risk	Risk of default on cash and receivables balances by the other party to the transaction	Ensuring the Group places its cash with high credit quality financial institutions and monitoring aging of debtors.
Liquidity risk	Risk the Group cannot pay its contractual liabilities as they fall due	Active capital management and flexibility in funding arrangements in accordance with the Council's long term plan.

The Group manages its capital to ensure it is able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance.

The carrying amount of financial instruments recorded in the financial statements, net of any allowances for losses, represents the maximum exposure to credit risk without taking account of any collateral obtained.

The following tables detail the Group's remaining contractual maturity for its financial assets and liabilities. As the amounts included in the table are contractual undiscounted cash flows these amounts will not reconcile to the amounts disclosed in the Statement of Financial Position.

## **PROPERTY, PLANT AND EQUIPMENT**

Property, plant and equipment is measured initially at cost. Cost includes expenditure that is directly attributable to the acquisition of the items. The cost of an item of property plant and equipment is recognised only when it is probable that

future economic benefit or service potential associated with the item will flow to the Group, and if the item's cost or fair value can be measured reliably. Subsequent to initial recognition, property, plant and equipment are measured using either the cost model or the revaluation model. Land and buildings are measured at fair value, less accumulated depreciation on buildings and any impairment losses recognised after the date of the revaluation. The fair value of land and buildings is their market value as determined by a registered valuer.

Revaluation is performed on a class-by-class basis. If an item of property, plant and equipment is revalued, the entire class to which the asset belongs is revalued. Valuations are performed with sufficient frequency to ensure that the fair value of a revalued asset does not differ materially from its carrying amount. The valuation cycle for revalued asset classes is normally three years. A revaluation surplus is recorded in other comprehensive revenue and expense and credited to the asset revaluation reserve in net assets/equity. However, to the extent that it reverses a revaluation deficit of the same class of asset previously recognised in surplus or deficit, the increase is recognised in surplus or deficit. A revaluation deficit is recognised in the surplus or deficit, except to the extent that it offsets an existing surplus on the same asset class recognised in the asset revaluation reserve.

The residual value and the useful life of assets are reviewed at least annually. Depreciation calculated on a straight-line basis, which writes off the value of the assets over their expected remaining lives after allowing for residual values where applicable. The depreciation rates are as follows:

Buildings	5 to 50 years	2 to 20%
Motor vehicles	5 years	20%
Plant and equipment	2.5 to 25 years	4 to 40%
Office furniture and fittings	5 to 10 years	10 to 20%
Computer equipment	3 to 5 years	20 to 33%
Port installations	5 to 66 years	0.67 to 20%
Floating plant	3 to 25 years	4 to 33%
Resource consents	25 years	4%
Maintenance dredging	2 years	50%
Capital dredging	50 years	2%
Bulk tanks	5 to 25 years	4 to 20%

Flood scheme assets – the nature of these assets is equivalent to land improvements and, as such, they do not incur a loss of service potential over time. Land and flood scheme assets are not depreciated. Maintenance costs are expensed as they are incurred in the surplus or deficit in the Statement of Comprehensive Revenue and Expense.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the Statement of Comprehensive Revenue and Expense. An assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount.

For non-financial non-cash-generating assets, except for those assets that are valued using the revaluation model, the Group assesses at each reporting date whether there is an indication that a non-cash-generating asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable service amount. An asset's recoverable service amount is the higher of the non-cash-generating asset's fair value less costs to sell and its value in use.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the *Statement of Comprehensive Revenue and Expense*. An assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount.

For non-financial non-cash-generating assets, except for those assets that are valued using the revaluation model, the Group assesses at each reporting date whether there is an indication that a non-cash-generating asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable service amount. An asset's recoverable service amount is the higher of the non-cash-generating asset's fair value less costs to sell and its value in use.

Where the carrying amount of an asset exceeds its recoverable service amount, the asset is considered impaired and is written down to its recoverable service amount. Impairment losses are recognised immediately in surplus or deficit.

## INTANGIBLE ASSETS

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a non-exchange transaction is their fair value at the date of the exchange. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less



any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in surplus or deficit in the period in which the expenditure is incurred.

The amortisation expense on intangible assets with finite lives is recognised in surplus or deficit as the expense category that is consistent with the function of the intangible assets. The Group holds several computer software packages for internal use, including purchased software and software developed in-house by the Group. Purchased software is recognised and measured at the cost incurred to acquire the software. Developed software is recognised and measured during the development stage in accordance with the Research and Development paragraph below. Costs that are directly associated with the development of the software, including employee costs, are capitalised as an intangible asset. Staff training costs and costs associated with maintaining computer software are recognised as expenses in surplus or deficit when incurred. The estimated useful lives are as follows:

Computer software	2 to 5 years	20 to 50%
-------------------	--------------	-----------

## INVESTMENT PROPERTY

Investment properties are measured initially at cost, including transaction costs. The carrying amount includes the cost of replacing part of an existing investment property at the time that cost is incurred if the recognition criteria are met, and excludes the costs of day-to-day maintenance of an investment property. Subsequent to initial recognition, investment properties are measured at fair value, which is based on active market prices, adjusted if necessary, for any difference in the nature, location or condition of the specific asset at the reporting date. Gains or losses arising from changes in the fair values of investment properties are recognised in surplus or deficit in the year in which they arise.

## EMPLOYEE BENEFITS

Liabilities for wages and salaries (including non-monetary benefits), annual leave and accumulating sick leave are recognised in surplus or deficit during the period in which the employee rendered the related services, and are generally expected to be settled within 12 months of the reporting date. The liabilities for these short-term benefits are measured at the amounts expected to be paid when the liabilities are settled. Expenses for non-accumulating sick leave are recognised when the leave is taken and are measured at the rates paid or payable.

Employees of the Group become eligible for long service leave after a certain number of years of employment, depending on their contract. The liability for long service leave is recognised and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. The Group's liability is based on an actuarial valuation. Actuarial gains and losses on the long-term incentives are accounted for in the *Statement of Comprehensive Revenue and Expense*.

## PROVISIONS

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

## BORROWINGS

All borrowing costs are expensed in the period they occur, except to the extent the borrowing costs are directly attributable to the acquisition, construction, or production of qualifying assets. These shall be capitalised as part of the cost of the asset. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. The Council and Group have chosen not to capitalise borrowing costs directly attributable to the acquisition, construction or production of assets.

## EQUITY

Equity is the community's interest in the Council and Group and is measured as the difference between total assets and total liabilities. Equity is disaggregated and classified into a number of reserves. Accumulated comprehensive revenue and expense is the Council and Group's accumulated surplus or deficit since the formation of the Council, adjusted for transfers to/from specific reserves. The asset revaluation reserve for the revaluation of those PP&E items that are measured at fair value after initial recognition. The Cash flow hedge reserve is for the revaluation of derivatives designated as cash flow hedges. It consists of the cumulative effective portion of net changes in the fair value of these derivatives. Targeted rates reserves are a restricted equity reserve that comprises funds raised by the Council through targeted rates. The use of these funds is restricted to the specific purpose for which the targeted rates were levied. A Special purpose reserve is a restricted equity reserve created by the Council for the specific identified purpose. The use of these funds is restricted to the specific purpose.

The Council manages the Group's capital largely as a by-product of managing its revenue, expenses, assets, liabilities and general financial dealings. The *Local Government Act 2002* requires the Council to manage its revenue, expenses, assets, liabilities and general financial dealings in a manner that promotes the current and future interests of the community. In

addition, The *Local Government (Financial Reporting and Prudence) Regulation 2014* sets out a number of benchmarks for assessing whether the Council is managing its revenue, expenses, assets and liabilities prudently. An additional objective of capital management is to ensure that the expenditure needs identified in the Council's Long-Term Plan and Annual Plan are met in the manner set out in these plans. The *Local Government Act 2002* requires the Council to make adequate and effective provision in its Long-Term Plan and in its Annual Plan to meet the expenditure needs identified in those plans. The factors that the Council is required to consider when determining the most appropriate sources of funding for each of its activities are set out in the *Local Government Act 2002*. The sources and levels of funding are set out in the funding and financial policies in the Council's Long-Term Plan. The Council monitors actual expenditure incurred against the Long-term Plan and Annual Plan.

## LEASES

The determination of whether an arrangement is or contains a lease is based on the substance of the arrangement at inception date. The substance of the arrangement depends on whether fulfilment of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to use the asset, even if that right is not explicitly specified in an arrangement. Finance leases are leases that transfer substantially all risks and benefits incidental to ownership of the leased item to the Group. Assets held under a finance lease are capitalised at the commencement of the lease at the fair value of the leased property or, if lower, at the present value of the future minimum lease payments. The Group also recognises the associated lease liability at the inception of the lease, at the same amount as the capitalised leased asset. Leases in which the Group does not transfer substantially all the risks and benefits of ownership of an asset are classified as operating leases. Initial direct costs incurred in negotiating an operating lease are added to the carrying amount of the leased asset and recognised over the lease term.

## STATEMENT OF CASH FLOWS

Cash flows from operating activities are presented using the direct method. Definitions of terms used in the *Statement of Cash Flows*:

- Cash means cash on deposit with banks, net of outstanding bank overdrafts.
- Investing activities comprise the purchase and sale of property, plant and equipment, investment properties and investments
- Financing activities comprise the change in equity and debt capital structure of the Council and Group.
- Operating activities include all transactions and events that are not investing or financing activities.

Cash flows are included in the *Statement of Cash Flows* on a net basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority is classified as part of operating cash flows.

## WORK-IN-PROGRESS

Work-in-progress relates to unbilled time and costs (current asset) or time and costs billed-in-advance (current liability) for resource consent applications, resource consent compliance monitoring and unauthorised pollution incidents.

## CRITICAL ACCOUNTING ESTIMATES AND ASSUMPTIONS

The preparation of the Council's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

### *Judgements, estimates and assumptions*

In the process of applying the Council's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the consolidated financial statements:

Judgements that management have made regarding the estimated useful life of plant property and equipment, the fair value of property, plant and equipment, the valuation of employee entitlements and the value of receivables are disclosed in *Summary of Accounting Policies*.

## Reserves

Reserve funds are utilised to provide a fund for expenditure on specific purposes. In some circumstances the reserves are a legal requirement. The Council holds the following reserve funds:

### NORTH TARANAKI/WAITARA RIVER CONTROL SCHEME RESERVE

The Council strikes a targeted rate based on capital values over the New Plymouth District for purposes of:

- maintenance of the Waitara River Flood Protection scheme
- the construction of flood protection works in the lower Waiwhakaiho catchment; and
- for other minor river control works which are required for flood protection in the district.

Any unspent funds must be appropriated to this reserve. Funds may only be appropriated to cover expenditure on the above purposes. This reserve fund relates to the Hazard management group of activities.

	2019/2020 Estimate \$
Opening balance 1 July	1,207,397
Transfer from retained earnings	48,296
Transfer to retained earnings	0
Closing balance 30 June	1,255,693

### SOUTH TARANAKI RIVERS CONTROL SCHEME RESERVE

The Council strikes a targeted rate based on capital values over the New Plymouth District for purposes of:

- maintenance of the Waitara River Flood Protection scheme
- the construction of flood protection works in the lower Waiwhakaiho catchment; and
- for other minor river control works which are required for flood protection in the district.

Any unspent funds must be appropriated to this reserve. Funds may only be appropriated to cover expenditure on the above purposes. This reserve fund relates to the Hazard management group of activities.

	2019/2020 Estimate \$
Opening balance 1 July	(18,160)
Transfer from retained earnings	0
Transfer to retained earnings	0
Closing balance 30 June	(18,160)

### CONTINGENCY/DISASTER RESERVE

This reserve was created to meet the Council's share of the replacement cost of infrastructure assets affected by

natural disasters. It also covers the Council's commitments under the National Civil Defence Plan in the event of emergencies. It is available for any other contingency or emergency response purposes including oil spill response and flood response. This reserve fund relates to the Resource management and the Hazard management groups of activities.

	2019/2020 Estimate \$
Opening balance 1 July	1,086,000
Transfer from retained earnings	0
Transfer to retained earnings	0
Closing balance 30 June	1,086,000

### DIVIDEND EQUALISATION RESERVE

The Council transfers dividends received in excess of budget to this reserve. The reserve is to be used to equalise dividend returns over time. Dividends in excess of budget since 1996/97 have been transferred to the reserve. Prior to 1996/97 all dividends were used to repay debt incurred during the incorporation of Port Taranaki Ltd. From 1996/97 onwards dividends have been used to reduce the general rate requirement. This reserve fund relates to all groups of activities.

	2019/2020 Estimate \$
Opening balance 1 July	6,442,766
Transfer from retained earnings	0
Transfer to retained earnings	410,000
Closing balance 30 June	6,032,766

### PASSENGER TRANSPORT TARGETED RATE RESERVE (NEW PLYMOUTH/NORTH TARANAKI)

The Council strikes a targeted rate based on capital values over the New Plymouth District for purposes of funding passenger transport services. Any unspent funds must be appropriated to this reserve. Funds may only be appropriated to cover expenditure on these purposes. This reserve fund relates to the Transport group of activities.

	2019/2020 Estimate \$
Opening balance 1 July	8,371
Transfer from retained earnings	335
Transfer to retained earnings	8,633
Closing balance 30 June	73

## PEST ANIMAL MANAGEMENT: EGMONT NATIONAL PARK CONTROL RESERVE

This reserve was created to meet the Council's share of the costs associated with initial control works and maintenance works resulting from the cyclical pest control works undertaken by the Department of Conservation in the Egmont National Park. This reserve smoothes the Council's revenue and expenditure. Funds are transferred to the reserve annually. When the Council's expenditure is incurred the funding is sourced from the reserve fund. This reserve fund relates to the Biosecurity group of activities.

	2019/2020 Estimate \$
Opening balance 1 July	498,000
Transfer from retained earnings	0
Transfer to retained earnings	167,000
Closing balance 30 June	331,000

## ENDOWMENT LAND SALES RESERVE

This reserve was created to account for the proceeds from the sale of endowment land. The proceeds from the sale of endowment lands can only be used for purposes specified by the *Local Government Act 1974* and the *Local Government Act 2002*. This reserve fund relates to all groups of activities.

	2019/2020 Estimate \$
Opening balance 1 July	2,170,000
Transfer from retained earnings	0
Transfer to retained earnings	0
Closing balance 30 June	2,170,000

## Statement of comprehensive income

Included in the *Statement of Comprehensive Revenue and Expense* but not separately disclosed, are the following balances:

Year	Depreciation	Employee Benefits
2019/2020	\$2,353,014	\$12,337,014

## Rating base information

The number of rating units within the region at the end of the preceding financial year is:

Constituency	Number of rating units	Capital value (\$) of rating units	Land value (\$) of rating units
New Plymouth, North Taranaki	35,430	20,129,000,000	10,526,000,000
Stratford	4,278	3,006,997,050	1,936,980,050
South Taranaki	14,165	10,962,000,000	7,497,000,000
<b>Totals</b>	<b>53,873</b>	<b>34,097,997,050</b>	<b>19,959,980,050</b>





## Council-controlled organisations

A council-controlled organisation can be a company, partnership, trust, arrangement for the sharing of profits, union of interest, co-operation, joint venture or other similar arrangement in which one or more local authorities, directly or indirectly, controls the organisation.

### Taranaki Stadium Trust

The Taranaki Stadium Trust is a charitable trust and a council-controlled organisation under the *Local Government Act 2002*. The Taranaki Stadium Trust was established in November 1999 to own and operate the then Yarrow. The Taranaki Stadium Trust has no subsidiaries or joint ventures.

The purpose of the Trust is to promote the effective and efficient maintenance, development, management, operation and promotion of Yarrow Stadium as a community asset used for recreation, sporting and cultural activities for the benefit of the people of Taranaki, working in particular with the Taranaki Regional Council and the New Plymouth District Council.

The Trust, the New Plymouth District Council and the Taranaki Regional Council have a partnership arrangement for the operation and development/enhancement of the Yarrow Stadium facilities. Under the Trust's Deed and the management agreement between the Trust and the New Plymouth District Council, the

New Plymouth District Council operates and funds the operations of Yarrow Stadium. The Taranaki Regional Council funds, via the Trust, the long-term maintenance and development of Yarrow Stadium. This partnership for funding and operating, maintaining and developing assists in maintaining Yarrow Stadium as a premier regional sports and events venue.

The performance of Taranaki Stadium Trust can be judged against the following measures:

- The presence of a Management Agreement with the New Plymouth District Council for the operation of the Stadium
- The provision of annual funding for a programme of agreed maintenance and long-term development of the Stadium. The programme of maintenance and long-term development is to be agreed upon by the Taranaki Regional Council and the New Plymouth District Council.

### SIGNIFICANT POLICIES AND OBLIGATIONS ON OWNERSHIP AND CONTROL

The Trust will remain in the control of the Taranaki Regional Council as long as the partnership agreement between the Trust, the New Plymouth District Council and the Taranaki Regional Council continues. If the partnership dissolves, control of the Trust, and the associated obligations, revert to the New Plymouth District Council. The return clauses could be exercised during the lifetime of the *Plan*.

## Regional Software Holdings Ltd

Regional Software Holdings Ltd is a company governed by the *Companies Act 1993* and incorporated in New Zealand. Regional Software Holdings Ltd is a council-controlled organisation pursuant to *the Local Government Act 2002*. Regional Software Holdings Ltd has no subsidiaries or joint ventures.

Regional Software Holdings Ltd provides a framework for collaboration between the regional council shareholders. It supports the procurement or development of shared software resource products and services in a manner that provides a more cost effective alternative than individual councils can achieve on their own. The company operates through managed contractual arrangements, and by facilitating collaborative initiatives between shareholder councils. Some shareholder councils are both customers of Regional Software Holdings Ltd and providers of service to Regional Software Holdings Ltd.

The vision of Regional Software Holdings Ltd is to provide a high quality shared service for the regional council sector (and associated agencies) that delivers value to shareholders, customers and the sector.

The mission is to sponsor collaboration through the regional council special interest groups and provide a vehicle for delivering shared solutions and services to the sector in accordance with our values and in a manner that achieves:

- Consistent, common and efficient regional council specific processes and functions
- Value through economies of scale
- Reduced risk through ensuring continuity of supply and control of the destiny of regional council sector specific software
- Greater influence with central government through demonstration of a more cohesive and collaborative sector.

The current flagship is the Integrated Regional Information System (IRIS).

The performance of Regional Software Holdings Ltd can be judged against the following measures:

Non-financial

- Undertake an annual survey of users and shareholder/customer Councils in relation to product performance, Datacom support and RSHL support. Baseline to be developed following the completion of the first survey.
- Develop, approve, communicate and refine the annual roadmap for RSHL major enhancement projects. Draft annual roadmap presented to the Board by 31 December of each year for the following year. Adoption by the Board by 30 June of each year.
- Major Enhancement projects identified on the Annual Roadmap are all completed within approved budget or (for items in progress) on track against their agreed timeline and budget at 30 June of each year.
- Budgets for support and minor enhancements are approved by the Board by 30 June each year and delivery within these budgets is effectively managed by the Advisory Group.
- User Groups and business representatives are engaged in the development of the Major Enhancement Annual Roadmap.

Financial

- RSHL will operate within 5% (plus or minus) of its shareholder approved annual budget.
- Annual charges for shareholders and customers to be at level approved by the Board and Shareholder Councils based upon the approved operating budget and budgets for major and minor enhancements.

### SIGNIFICANT POLICIES AND OBLIGATIONS ON OWNERSHIP AND CONTROL

The Council will retain its shareholding in Regional Software Holdings Ltd as long as it remains a user of the IRIS solution.

## Appendices

### Appendix 1: Charging Policies

#### Resource Management Act Charging Policy

##### Schedule of charges pursuant to section 36 of the Resource Management Act 1991

##### Schedule 1: Scale of charges for staff time

	Rate for processing resource consents and responding to pollution incidents.	Rate for all other Council work.
Professional staff	\$94/hr	\$89/hr
Professional/supervisory staff	\$118/hr	\$110/hr
Managers	\$171/hr	\$160/hr
Support staff	\$94/hr	\$89/hr
Directors	\$285/hr	\$265/hr

##### EXPLANATION

This scale of charges is used to calculate the Council's actual and reasonable costs when carrying out functions under the *Resource Management Act 1991*, including any functions transferred to it under section 33. Where those actual and reasonable costs exceed any specified charges, the Council may recover those costs as additional charges under section 36(3) of the *Resource Management Act 1991*. Staff time is recovered at the charge appropriate to the task which they are undertaking. The charges are calculated as per the IPENZ method with a multiplier of 2.1. All collection costs incurred in the recovery of a debt will be added to the amount due. Overdue invoices will incur an interest charge at 12% per annum. All charges exclude GST. Effective from 1 July 2019.

##### Schedule 2: Fixed minimum charges for the preparation or change of policy statement or plans and the processing of resource consents

Request for preparation or change to a plan/policy statement	\$55,000
For non-notified farm dairy discharge consent	\$735
For non-notified consent other	\$1,225
For notified consents (limited and public)	\$7,000
Renewal or change consent:	
• Non-notified	\$1,225
• Notified (limited and public)	\$7,000
Non-notified review of consent	\$610
Notified review of consent	\$7,000
Extension of a consent lapse date	\$470
Certificate of compliance	\$1,225
Serve notice of a permitted activity	\$300
Approvals under <i>Resource Management Act</i> :	
Water Measuring Regulations	\$360
Transfer of consent to another party or change of consent holder name (1 to 5 consents)	\$94 per consent
Transfer of consent to another party or change of consent holder name (6 to 20 consents)	\$78 per consent
Transfer of consent to another party or change of consent holder name (more than 21)	\$63 per consent

##### EXPLANATION

Applicants, in accordance with Council policy, are required, where necessary, to pay all actual and reasonable charges for staff time, consultants, cultural and other experts, legal, hearing costs (including legal, administration, hearing commissioners (and disbursements and councillors acting as hearing commissioners costs), plant and laboratory analyses where these costs exceed the fixed minimum charges set out in Schedule 2. The above charges include those arising from any functions transferred to the Council under section 33 of the *Resource Management Act 1991*. Where independent commissioners are requested by submitters, these additional costs will be recovered from the applicant and reimbursed after collection from the submitter under Schedule 8. All collection costs incurred in the recovery of a debt will be added to the amount due. Overdue invoices will incur an interest charge at 12% per annum. All charges exclude GST. Effective from 1 July 2019.

## Schedule 3: Scale of charges for the use of plant

Multi-parameter field meter	\$100.00 per day
Mangati environmental sensors	\$5,000 per year
In stream temperature monitor	\$300.00 per year
Portable (12v) groundwater pump	\$120.00 per day
Suspended particulate sampler	\$30.00 per hour
Vandorn sampler	\$50.00 per day
Black disc	\$20.00 per deployment
Bladder pump	\$110.00 per day
Calibration test equipment	\$100.00 per hour
Disposable bailer	\$20.00 per sample
Peristaltic pump	\$60.00 per day
Groundwater level logger	\$180.00 per year
Rain gauge calibration	\$300.00 per deployment
Automatic water quality samplers	\$50.00 per day
Hydrological gauging equipment (wading)	\$75.00 per gauging
Hydrological gauging equipment (M9)	\$140.00 per gauging
Data logger	\$160.00 per year
GPRS telemetry	\$30 per month
Radio telemetry	\$10 per month
Repair Parts (battery/fuse/cable)	\$50 per deployment
Bertrand Rd hydrology equipment	\$750.00 per year
Lake Rotorangi telemetry	\$1,752.00 per year
Mangati hydrology equipment	\$2,540.00 per year
Mangaehu hydrology equipment	\$620.00 per year
Mangawhero-iti hydrology equipment	\$1,510.00 per year
Patea Skinner Rd hydrology equipment	\$475.00 per year
Patea McColl's bridge hydrology equipment	\$841.30 per year
Standard telemetry site equipment	\$2,500.00 per year
Tawhiti River telemetry	\$3,500.00 per year
Telemetry fee	\$360.00 per year
Waingongo hydrology equipment	\$665.00 per year
Waitaha telemetry/equipment	\$1,510.00 per year
Multigas monitor	\$100.00 per deployment
Passive absorption disks	\$170.00 per sample
Portable wind logger	\$350.00 per month
BTEX absorption disk	\$530.00 per sample
Deposition gauge	\$50.00 per month
Drager air sampler	\$40.00 per sample
DusTrak desktop monitor (PM10)	\$100.00 per day
DusTrak handheld	\$30.00 per deployment
Gastec air sampler	\$50.00 per sample
Stack air sampling kits	\$250.00 per day
Macroinvertebrate sample processing	\$334.00 per sample
Oxipond algal analysis	\$50.00 per sample
Periphyton aspirator	\$100.00 per day
Soil biomonitoring	\$7,658.00 per year
Ballance riparian administration	\$3,000.00 per year
Riverlands riparian administration	\$1,400.00 per year
Digital video survey	\$100.00 per day
Sound system	\$120.00 per day
Traffic management (TMS)	\$87.00 per hour
Video survey equipment	\$50.00 per day
Motorboat - Delia S	\$2,000.00 per day
Quad bike	\$350.00 per day
Single axle trailer	\$70.00 per day
Tandem trailer	\$95.00 per day
Spill response trailer	\$250.00 per day
Teryx ATV	\$500.00 per day
Electric fishing equipment	\$250.00 per day
Electrical submersible pump	\$50.00 per day
Fyke net	\$50.00 per deployment
G-minnow trap	\$10.00 per deployment
Spray unit	\$200.00 per day
Portable dissolved oxygen sensor	\$350 per month
Bladder pump-bladder	\$17.50 each
Groundwater sample tubing – bladder	\$3.10 per metre

Groundwater sample tubing – peristaltic	\$1.10 per metre
Groundwater sample tubing – drop tube	\$1.95 per metre
RTK GPS survey equipment	\$300 per day
Survey equipment – digital dumpy level	\$100 per day

### EXPLANATION

This scale of charges is used to calculate the Council's actual and reasonable costs when carrying out functions under the *Resource Management Act 1991*. Where those actual and reasonable costs exceed any specified amounts, the Council may recover those costs as additional charges under section 36(3) of the *Resource Management Act 1991*. The use of materials stored in the spill response trailer and/or used in spill response will be recovered from the spiller on an actual and reasonable basis. All collection costs incurred in the recovery of a debt will be added to the amount due. Overdue invoices will incur an interest charge at 12% per annum. All charges exclude GST. Effective from 1 July 2019.

## Schedule 4: Fixed minimum charges for laboratory analyses

The Council has engaged a contract laboratory, RJ Hill Laboratories Ltd, to undertake the Council's regular sample analysis. Pricing of analysis is set out in the Council's contract with the supplier, these negotiated prices are subject to commercial sensitivity and therefore are not published in detail in this schedule. The Council's approach to calculating laboratory analysis charges is to use the original contract pricing with the application of a handling cost (of \$3.64) per analysis method which provides for the time required to coordinate and maintain this service. Total costs of analysis including the adjustment will be made available on request. An explanation of the methods used for laboratory analyses is available on request.

### EXPLANATION

This schedule sets out the Council's approach to recovering actual and reasonable costs of laboratory analysis when carrying out functions under the *Resource Management Act 1991*. Where those actual and reasonable costs exceed the fixed charges in this schedule, the Council may recover those costs as additional charges under section 36(3) of the *Resource Management Act 1991*. An explanation of the methods used for laboratory analyses is available on request. All collection costs incurred in the recovery of a debt will be added to the amount due. Overdue invoices will incur an interest charge at 12% per annum. Charges exclude GST. Effective from 1 July 2019.



## Schedule 5: Fixed initial annual monitoring deposit charges for activities with tailored compliance monitoring programmes 2018/2019

### CATCHMENTS - HEREKAWE STREAM

Beach Energy Resources NZ (Kupe) Limited	\$2,604.09
Methanex Motunui Limited	\$4,684.44
New Plymouth District Council	\$2,494.09
New Zealand Oil Services Ltd	\$2,494.09
OMV Taranaki Limited	\$4,825.78

### CATCHMENTS - HONGIHONGI STREAM

Bulk Storage Terminals Limited - NEW PLYMOUTH	\$3,648.81
Fonterra Limited	\$1,710.02
Liquigas Limited - Head Office	\$1,971.70
Molten Metals Limited	\$2,993.71
New Plymouth District Council	\$1,710.02
OMV Taranaki Limited	\$2,265.04
Port Taranaki Limited	\$1,486.36
Z Energy Limited	\$2,008.37

### CATCHMENTS - LOWER WAIWHAKAIHO AIRSHED

Downer NZ Limited	\$8,052.17
Fitzroy Engineering Group Limited	\$8,794.67
Intergroup Limited	\$2,001.17
Katere Surface Coatings Limited	\$4,048.67
Ravensdown Limited	\$5,942.17

### CATCHMENTS - LOWER WAIWHAKAIHO RIVER

AML Limited (Trading as Allied Concrete)	\$2,846.86
Downer EDI Works Limited	\$2,860.35
Envirowaste Services Limited	\$3,116.78
Firth Industries Limited	\$3,440.65
Fitzroy Engineering Group Limited	\$5,117.80
Freight & Bulk Transport Limited	\$2,649.12
KiwiRail Holdings Limited	\$3,155.95
Nankervis Family Trust	\$2,697.86
New Plymouth District Council	\$11,568.53
New Zealand Railways Corporation	\$2,991.59
Ravensdown Limited	\$13,055.78
Taranaki Sawmills Limited	\$7,256.24
Technix Group Limited	\$6,458.31
Waste Management NZ Limited	\$3,388.52

### CATCHMENTS - MANGATI STREAM

Barton Holdings Limited	\$6,516.21
First Gas Limited	\$4,957.74
Greymouth Petroleum Acquisition Company Limited	\$6,150.50
J Swap Contractors Limited	\$7,262.09
McKechnie Aluminium Solutions Limited	\$9,394.45
New Plymouth District Council	\$6,538.42
Nexans New Zealand Limited	\$7,512.01
OMV New Zealand Limited	\$6,066.00
Schlumberger New Zealand Limited	\$9,681.26
Tasman Oil Tools Limited	\$6,487.39
Tegel Foods Limited - Feedmill	\$9,815.71
Tegel Foods Limited - Poultry Processing Plant	\$21,504.85
TIL Freight Limited	\$8,258.56

### CATCHMENTS - TAWHITI STREAM

Graeme Lowe Protein Limited	\$10,162.52
Silver Fern Farms Limited	\$18,444.36
Taranaki Fish & Game Council	\$1,701.22

### CATCHMENTS - WAITAHA STREAM

AICA (NZ) Limited	\$9,201.37
C&O Concrete Products Limited - NEW PLYMOUTH	\$3,154.22
Energyworks Limited	\$3,457.66
Greymouth Facilities Limited	\$3,705.89
Intergroup Limited	\$3,891.89
Meredith Scrap Metals Limited	\$6,262.33
New Plymouth District Council	\$5,460.69
Symons Property Developments Limited	\$4,808.56
Taranaki Sawmills Limited	\$6,750.38
TBS Coatings Limited	\$4,128.00
Weatherford New Zealand Limited	\$6,568.22
Woodwards 2008 Limited	\$1,158.00
Zelam Limited	\$1,368.83

### DAIRY PROCESSING

Fonterra Limited	\$196,924.59
Taranaki Regional Council	\$1,044.00

### HYDRO-ELECTRIC ENERGY

#### INDUSTRIAL

Ballance Agri-Nutrients Limited - PUNGAREHU	\$685.25
Dow AgroSciences (NZ) Limited	\$20,081.40
Downer NZ Limited	\$1,845.50
Energy Services International Limited	\$660.00
Fonterra Limited	\$620.25
McKechnie Aluminium Solutions Limited	\$18,696.00
Methanex Motunui Limited	\$1,228.00
New Zealand Oil Services Ltd	\$1,228.00
Port Taranaki Limited	\$23,278.01
Powerco Limited - ELECTRICITY OPERATIONS	\$603.75
Sandford Bros Limited	\$863.50
Solexin Industries Limited	\$574.75
Taranaki Bulk Storage Limited	\$974.00
Taranaki Stock Car Club Inc	\$574.75
Technix Bitumen Technologies Limited	\$650.50
Technix Taranaki Terminal Limited	\$1,723.00
Transpower New Zealand Limited	\$1,273.50
Tranzit Coachlines Taranaki Limited - NEW PLYMOUTH	\$398.75

#### IRRIGATION

Allan Lewis & Leonie Ann Campbell	\$2,190.67
Anthony Ingman & Kerstin Johanna Williams	\$389.00
AR Geary Trust	\$1,410.67
BR & RG Harvey Family Trust	\$719.00
Coastal Country Farms Limited	\$1,105.67
Cornwall Park Farms Limited	\$664.00
Craig Timothy McDonald	\$3,010.67
Croftwest Trust	\$2,800.67
David Pease Family Trust	\$2,190.67
Duncan Robert Emerson Wilson	\$2,234.00
Estate Ian Mantey Family Trust & Sally Mantey Family Trust	\$389.00
FJ Goodin & Sons Limited	\$1,410.67
Fonic Farms Limited	\$1,410.67
Gibbs G Trust	\$1,500.67
Graham Allen & Ruby Joyce Dorn	\$1,465.67
Greg McCallum	\$389.00
Hawera Golf Club Inc	\$414.50
Inglewood Golf Club Inc	\$634.50
James Robert & Donna Maree Baker	\$1,819.00
Jimian Limited	\$389.00
John & Elaine Glenda Sanderson	\$2,991.34
JW & MT Hamblyn Family Trusts	\$1,410.67
Kaihihi Trust	\$1,800.67
Kaitake Golf Club Inc	\$969.50
Kereone Farms Limited	\$3,464.67
Kohi Investments Limited	\$1,495.67

Larsen Trusts Partnership	\$389.00
Leatherleaf Limited	\$1,045.67
Luttrell Trust Partnership	\$3,790.67
Manaia Golf Club	\$634.50
Manukorihi Golf Club Inc	\$969.50
Mara Trust	\$1,495.67
New Plymouth Golf Club Inc	\$859.50
Nigel Wayne & Denise Mary King	\$1,105.67
Nilock & Camole Trusts	\$1,800.67
NRGE Farms Limited/Oceanview Trust	\$389.00
Ohawe Farm Limited	\$829.00
Pihama Farms Limited	\$1,615.67
Pinehill Land Company Limited	\$389.00
Pukeone Partnership	\$5,281.34
Riverside Farms Taranaki Ltd	\$1,105.67
RM & MC Julian Family Trust	\$2,580.67
Roger Dickie Family Trust	\$1,885.67
Spenceview Farms	\$3,790.67
Stratford Golf Club Inc	\$194.50
Taranaki Community Rugby Trust	\$389.00
Te Ngutu Golf Club Incorporated	\$799.50
Waikaikai Farms Limited	\$1,110.67
Waitara Golf Club Inc	\$909.50
Waiwira Holdings Ltd	\$3,175.67
Walker & McLean Partnership	\$1,500.67
Wayne Douglas & Sandra Christine Morrison	\$4,244.67
Westown Golf Club Incorporated	\$799.50
Woollaston Family Trust Partnership	\$1,495.67

## LANDFILLS / CLEANFILLS

A & A George Family Trust	\$1,379.22
AA Contracting Limited	\$1,674.44
Allan Edward Riddick	\$1,497.22
Barry John & Lynette Betty Bishop	\$1,674.44
Candyman Trust	\$2,398.00
Central Greenwaste & Firewood	\$1,328.00
Denis Wheeler Earthmoving Limited	\$1,379.22
Downer EDI Works Limited	\$1,497.22
Downer NZ Limited	\$2,939.44
Gas & Plumbing Ltd	\$1,442.22
Graham Harris Limited	\$1,497.22
Groundworkx Taranaki Limited	\$1,493.00
JW & CT Bailey Ltd	\$1,187.44
Malandra Downs Limited	\$1,791.50
New Plymouth District Council	\$71,724.70
Rocky Bay Holdings Limited	\$1,379.22
South Taranaki District Council	\$33,072.47
Stratford District Council	\$6,671.00
Taranaki Trucking Company Limited	\$1,336.44
TPJ Partnership	\$2,471.22
Value Timber Supplies Limited	\$3,259.50
Waverley Sawmills Limited	\$6,486.72
Westown Haulage Limited	\$3,113.75

## MARINE DISCHARGES

Anzco Foods Waitara Limited	\$4,363.00
Fonterra Limited	\$1,430.00
New Plymouth District Council	\$30,809.48
South Taranaki District Council	\$36,736.56

## MEAT PROCESSING

Ample Group Limited	\$21,526.78
ANZCO Foods Limited	\$3,461.55
Riverlands Eltham Limited	\$24,230.85
Silver Fern Farms Limited	\$18,762.00
Taranaki By-Products Limited	\$115,854.97

## MINOR INDUSTRIES

AML Limited (Trading as Allied Concrete)	\$1,409.67
--	------------

Blastways Limited	\$622.47
Colin David Boyd	\$3,928.80
Edmonds Industrial Coatings Ltd	\$134.35
Egmont Canine Retreat and Cattery	\$525.44
Eltham Sandblasting Limited	\$622.47
Firth Industries - Division of Fletcher Concrete & Infrastructure Limited	\$1,409.67
Fletcher Concrete & Infrastructure Limited	\$1,409.67
Fulton Hogan Limited - New Plymouth	\$140.44
Hawera Rewinds	\$525.44
Independent Services	\$134.35
Inglewood Timber Processors	\$525.44
JD Hickman 1997 Family Trust	\$2,496.50
Lorry Land Limited	\$525.44
Mervyn Jack Hooper	\$622.47
Napier Sandblasting Co Limited	\$622.47
New Plymouth District Council	\$6,666.47
New Zealand Pet Food Primary Processors	\$525.44
Nickel Blast & Paint 2013	\$622.47
Osflo Fertiliser Limited	\$7,291.00
Peter Jones	\$525.44
Soda Blast	\$622.47
Taranaki Galvanizers Limited	\$5,594.50
Transpower New Zealand Limited	\$622.47
W Abraham Limited	\$3,873.50
Waverley Sawmills Limited	\$360.44

## MISCELLANEOUS

New Plymouth District Council	\$10,158.34
New Plymouth District Council & Methanex Motunui Limited	\$35.11
New Plymouth Girls' High School	\$174.58
New Zealand Railways Corporation	\$35.11
Pungarehu Community Committee	\$174.58
South Taranaki District Council	\$349.16
Stratford District Council	\$174.58
Stratford High School	\$174.58
Taranaki Regional Council	\$35.11

## NON-RENEWABLE ENERGY

Contact Energy Limited - WELLINGTON	\$35,835.96
-------------------------------------	-------------

## PETROCHEMICAL

Ballance Agri-Nutrients (Kapuni) Limited	\$44,480.88
Beach Energy Resources NZ (Kupe) Limited	\$17,078.94
Bridge Petroleum Limited	\$995.01
BTW Company Limited	\$14,384.65
Cheal Petroleum Limited	\$25,166.04
Colin David Boyd	\$23,881.30
Contact Energy Limited	\$1,526.26
Greymouth Petroleum Acquisition Company Limited	\$21,447.81
Greymouth Petroleum Central Limited	\$3,017.74
Greymouth Petroleum Limited	\$14,910.20
Greymouth Petroleum Turangi Limited	\$12,676.74
GSNZ SPV1 Limited	\$4,988.78
M & O Pacific Limited trading as Wood Group Training	\$907.50
Methanex Motunui Limited	\$26,685.64
Nova Energy Limited	\$73.33
NZEC Tariki Limited	\$983.88
NZEC Waihapa Limited	\$11,401.64
NZEC Waihapa Limited and NZEC Tariki Limited	\$223.98
OMV NZ Production Limited	\$12,394.50
OMV Taranaki Limited	\$4,642.50
Petrochem Limited	\$4,227.74
Remediation (NZ) Limited	\$68,181.12
Shell Todd Oil Services Limited - New Plymouth Head Office	\$10,391.00
Surrey Road Landfarms Limited	\$16,260.60
TAG Oil (NZ) Limited	\$11,001.06
Taranaki Ventures Limited	\$5,808.20

Todd Energy Limited	\$35,640.23
Todd Generation Taranaki Limited	\$7,322.19
Todd Petroleum Mining Company Limited	\$19,283.11
TWN Limited Partnership	\$13,141.24
Vector Gas Trading Limited	\$15,567.53
Waste Remediation Services Limited	\$40,139.75
Westside New Zealand Limited	\$23,069.89

### PIGGERIES

Aorere Farms Partnership	\$1,123.51
DH Lepper Trust	\$6,499.00
RKM Farms Limited	\$5,145.00

### QUARRIES

AA Contracting Limited	\$924.50
Bunn Earthmoving Ltd	\$924.50
Burgess Crowley Partnership	\$924.50
Civil Quarries Limited	\$7,815.50
Dennis Mark & Diane Lillian Bourke	\$924.50
Ferndene Quarries Limited	\$924.50
Gavin & Linda Jones	\$924.50
Gibson Family Trust	\$924.50
Goodin AG Limited	\$924.50
Hey Trust	\$924.50
Horizon Trust Management Limited	\$2,773.50
Hurlstone Trust	\$1,667.00
Jones Quarry Limited	\$924.50
R A Wallis Limited	\$924.50
Richard John Dreaver	\$924.50
Surrey Road Quarry	\$924.50
Taranaki Trucking Company Limited	\$924.50
Taunt Contracting Limited	\$924.50
Vickers Quarries Limited	\$924.50
Whitaker Civil Engineering Limited	\$924.50
Windy Point Quarry Limited	\$924.50
Winstone Aggregates Limited	\$1,667.00

### SEWERAGE DISCHARGES & TREATMENT

New Plymouth District Council	\$17,410.00
Pacific Natural Gut String Co. Limited	\$564.50
South Taranaki District Council	\$67,424.09
Stratford District Council	\$15,298.00
Wai-iti Motor Camp Limited	\$2,986.50

### WATER TAKE

Alexander Bruce Middleton	\$689.50
Awatea Hawkes Bay Trust	\$524.50
Belmont Dairies Limited	\$524.50
Caiseal Trust Partnership	\$524.50
Carter AJ Limited	\$634.50
Cold Creek Community Water Supply Limited	\$13,638.00
Construction Mechanics (1993) Limited	\$524.50
Daniela Krumm	\$414.50
DP & JH Roper Family Trusts Partnership	\$634.50
Eric & Cedric Lander	\$859.50
Go 2 Milk Limited	\$389.00
Gwerder Brothers	\$524.50
Hernly Farm Limited	\$524.50
Ian Cassie	\$969.50
Ian Douglas & Judith Ann Armstrong	\$969.50
IHC New Zealand Inc - NORTH TARANAKI	\$634.50
Joblin Partners Limited	\$524.50
Kaipai Holdings Limited	\$524.50
Kathdan Trust Limited	\$859.50
Medley Partners	\$1,529.50
MJ Fahy & MO Fahy	\$634.50
MJ Washer Trusts Partnership	\$524.50
Naplin Trust	\$634.50
New Plymouth District Council	\$18,708.37

Ngatoro Poultry Limited	\$524.50
Norwood Farm Partnership	\$524.50
Nukumaru Water Scheme Society Inc	\$854.50
Oakura Farms Limited	\$194.50
Oaonui Water Supply Limited	\$7,889.99
Pariroa Marae - The Trustees	\$634.50
PKW Farms LP	\$1,573.50
Pungarehu Farmers Group Water Scheme	\$1,194.50
Rowan Paul Oldfield	\$744.50
SC & MJ O'Neill Family Trust	\$414.50
South Taranaki District Council	\$33,804.21
Stoney River Dairy Limited	\$194.50
Stratford District Council	\$8,232.07
Taranaki Greenhouses Limited	\$689.50
Taranaki Thoroughbred Racing	\$5,426.50
Te Rua O te Moko 2B Ahuwhenua Trust	\$854.50
The Tom Lance Trust	\$964.50
Wairau Nurseries	\$194.50
Zenith Farms Family Trust	\$749.50

### EXPLANATION

The Council's fixed initial deposit charges for activities with tailored compliance monitoring programmes, excluding that for the NES for plantation forestry, are presented in various groups based on the nature of the activity and/or type of industry. Any additional actual and reasonable costs over and above the initial fixed deposit charge will be charged in arrears.

For new tailored compliance monitoring programmes or inclusion of new consents into existing programmes (that arise between the setting of these charges and the end of the financial year that they relate to), an estimate will be provided to the consent holder and compliance monitoring work charged according to this. Where no estimate is provided, compliance monitoring costs will be recovered per Schedule 6 and 7 of this Plan.

Additional charges may be levied under section 36(5) of the *Resource Management Act 1991* where the Council's actual and reasonable costs exceed the fixed monitoring charge. See the scales of charges for staff time, consultants, plant and laboratory analyses set out in Schedules 1, 3 and 4. The above charges include those arising from any functions transferred to the Council under section 33 of the *Resource Management Act 1991*. All collection costs incurred in the recovery of a debt will be added to the amount due. Overdue invoices will incur an interest charge at 12% per annum. All charges exclude GST. Effective from 1 July 2019.

### CHARGES FOR MONITORING UNDER THE NATIONAL ENVIRONMENTAL STANDARD FOR PLANTATION FORESTRY

With reference to regulation 106 of the *National Environmental Standards For Plantation Forestry 2017* (NES), the Council sets the following charges under section 36(1)(cc) of the *Resource Management Act 1991* for monitoring permitted activities authorised under regulations in the NES that address earthworks, river crossings, forestry quarrying and harvesting.

The NES applies to commercial forest blocks of more than one hectare. The charges set out below will be applied to the Council's monitoring of these activities.

Explanation about the monitoring charges is included within the description of the charges and at the end.

## NOTIFICATION OF HARVESTING AND PRE ACTIVITY MONITORING

Earthworks and quarrying notification under regulations 25 and 52 have a minimum notification period of 20 working days. Notification will involve some work for the Council and allows the Council to plan for any compliance monitoring, including any pre earthworks/ harvest instream macroinvertebrate survey (\$1,947 per survey) monitoring by a freshwater biologist, if stream conditions provide for it.

## HARVESTING

The first inspection, with the earthworks plan available, will be used for discussion with the operator about how the regulations in the NES would be met.

Inspection (includes travel time, inspection and notification work) and sampling will be undertaken under:

- regulation 33 which requires roads, tracks and landings to be managed and aligned to divert water runoff to stable ground and away from areas of constructed fill, and to minimise disturbance to earthflows and gullies
- regulations 26 and 65 associated with sediment management
- regulations 28 and 55 addressing accelerated erosion, stream obstruction, or diversion of water flow
- regulations 31, 56, and 67 addressing sediment and stormwater controls
- regulations 36-46 for river crossings (fish passage, effects on other structures, erosion and sediment control and discharges)
- regulations 32 and 55 regarding site stabilisation
- regulation 58 regarding quarrying
- regulation 68 regarding restrictions on how harvesting can occur, on any riparian margin or adjacent to water bodies.
  - \$880 per inspection (8 hours)
  - \$108 per each upstream or downstream sample for colour, turbidity, and suspended solids, if stream conditions are appropriate.

## POST HARVESTING

Inspection(s) to ensure all the relevant NES requirements have been met, especially removal of stream structures, stabilisation, silt and sediment control, and slash and debris placement will occur. Includes travel time, inspection and notice:

- \$2,040 per survey for a post-harvest instream macroinvertebrate survey by a freshwater biologist, if stream conditions provide for it
- \$880 per inspection (8 hours).

## EXPLANATION

This section of the schedule sets out the charges for inspections and sampling to address activities under the NES. The number of inspections and sampling required

per forest will vary depending on size and once monitoring is undertaken, the degree of compliance with the regulations. Non-compliance with regulations will result in additional inspections and/or sampling to ensure compliance has been achieved.

It is envisaged that a moderate-sized and above forest would get one harvest inspection, a monthly inspection during harvesting and a post-harvest inspection, depending on compliance. Each moderate to large forest would also receive at least one harvest and post-harvest instream macroinvertebrate survey by a freshwater biologist if stream conditions provide for it.

Harvest inspections would be monthly as a minimum and may also include water quality sampling. If inspections take less than a day inclusive of equipment preparation, travel, on-site time, post-visit recording, issue of inspection notices, and any follow-up discussions to confirm details and accuracy of records, then some remission of the charge will occur.

Additional charges may be levied under section 36(5) of the *Resource Management Act 1991* where the Council's actual and reasonable costs exceed the fixed monitoring charge. See the scales of charges for staff time, macroinvertebrate sample processing, and laboratory analyses are set out in Schedules 1, 3 and 4. All collection costs incurred in the recovery of a debt will be added to the amount due. Overdue invoices will incur an interest charge at 12% per annum. All charges exclude GST. Effective from 1 July 2019.

## Schedule 6: Fixed minimum charges for monitoring farm dairy discharges

The fixed charges for farm dairy discharge compliance monitoring inspection and sampling are set out below:

- Discharge to land consent: \$358
- Discharge to water, no sampling: \$358
- Discharge to water consent, including sampling discharge and receiving environment: \$863
- Discharge to land and water consent, including sampling discharge and receiving environment: \$930
- Discharge to land and water consent, no sampling: \$412
- Discharge to land by contactors under regional consents: \$834

Where non-compliance is detected the following additional monitoring re-inspection and sampling fixed charge may apply:

	Minor Non-compliance	Significant Non-compliance
Discharge to land or water consent, no sampling	\$778	\$1,436
Discharge to water consent, including sampling and reinspection	\$1,037	\$1,696



## EXPLANATION

The above fixed minimum charges for the annual farm dairy discharge compliance monitoring inspection and re-inspection, both including sampling, are based on actual and reasonable charges for staff time (Professional Staff, Schedule 1) and laboratory analyses (Schedule 4). The above fixed minimum charges for monitoring, re-inspection and sampling after non-compliance with resource consent conditions or the *Resource Management Act 1991*, whether this arises from the annual inspection or not, are based on actual and reasonable charges for staff time (Professional Staff, Schedule 1) and laboratory analyses (Schedule 4).

Each farm dairy discharge non-compliance will be assessed in the context of the consent granted and compliance history of the consent. Significant non-compliance activities are non-compliances that will have actual or potential effects on the environment. Examples of a minor non-compliance are deficient baffles between ponds, minor failure to contain shed/race effluent and washings where these discharge to land, and stormwater diversion system deficient. Examples of significant non-compliance are ponding of effluent on the soil surface (unauthorised by resource consent), breach of discharge standards required in the resource consent, inadequate effluent storage and land area, significant increase in stock numbers beyond those allowed in the consent, and an inadequate effluent system. The above are examples and it should be noted they do not represent a complete list of non-compliances.

Additional charges may be levied under section 36(3) of the *Resource Management Act 1991* where the Council's actual and reasonable costs exceed the fixed monitoring and non-compliance charges. An example is a significant non-compliance for a discharge to land farm dairy discharge consent where sampling costs of the discharge and receiving water may be required. See the scales of charges for staff time, consultants, plant and laboratory analyses set out in Schedules 1, 3 and 4. All collection costs incurred in the recovery of a debt will be added to the amount due. Overdue invoices will incur an interest charge at 12% per annum. All charges exclude GST. Effective from 1 July 2019.

## Schedule 7: Fixed minimum charges for monitoring where no tailored compliance monitoring programme exists

The fixed charge for a regular compliance monitoring inspection that is not addressed in Schedule 5 or 6 is \$314 per inspection plus any additional plant or laboratory analyses costs as set out in Schedules 3 and 4.

The fixed charge for a regular compliance monitoring re-inspection arising from non-compliance detected in an inspection that is not addressed in Schedule 5 or 6 is \$349 per inspection plus any additional plant or laboratory analyses costs as set out in Schedules 3 and 4.

For the monitoring of some resource consents, it is not possible to predesign a monitoring programme, or to apply a fixed charge. This may be because the consent is exercised irregularly or the scale of the consented activity varies unpredictably. In such cases, the Council will scale the monitoring programme according to the activity and charge for reasonable inspection time, sample analysis and equipment hire as set out in Schedules 1, 3 and 4. This approach will be applied to monitoring of consents such as those associated with well-sites, hydraulic fracturing, forestry, construction of pipelines/highways /other roading projects and other temporary earthworks.

## EXPLANATION

The above fixed charges for compliance monitoring inspections and re-inspections are based on staff time for a Professional Staff (Schedule 1). Additional charges may be levied under section 36(3) of the *Resource Management Act 1991* where the Council's actual and reasonable costs exceed the fixed monitoring charge. See scales of charges for staff time, consultants, plant and laboratory analyses set out in Schedules 1, 3 and 4. The above charges include those arising from any functions transferred to the Council under section 33 of the *Resource Management Act 1991*. All collection costs incurred in the recovery of a debt will be added to the amount due. Overdue invoices will incur an interest charge at 12% per annum. All charges exclude GST. Effective from 1 July 2019.

## Schedule 8: Charges for those requesting hearing commissioners

Any submitter making a request, under section 100A of the *Resource Management Act 1991*, shall be required to pay the additional cost of having the application heard and decided by independent commissioners as reasonably determined by the Council using costs set out in Schedules 1 and 2.

## EXPLANATION

For a notified resource consent application a submitter may request that the Council delegate its functions, powers and duties required to hear and decide the application to one or more independent hearing commissioners. Section 36 (1)(ab) of the *Resource Management Act 1991* allows the Council to estimate the additional costs, as if the request had not been made, and immediately invoice the requestor(s) for this additional cost. Where more than one submitter makes a request the costs may be shared equally. If the additional cost of independent hearing commissioners is less than the payment then a refund will be made. Schedule 1 sets out the Council's scale of charges for staff time and Schedule 2 sets out the fixed minimum cost of processing resource consent applications and includes hearing costs. All collection costs incurred in the recovery of a debt will be added to the amount due. Overdue invoices will incur an interest charge at 12% per annum. All charges exclude GST. Effective from 1 July 2019.



## Building Act Charging Policy

### Schedule of charges pursuant to the Building Act 2004

Dam compliance and safety

Function	Deposit	Additional hourly charge
Project information audit memorandum	Large Dam (above \$100,000 value) \$1,040 Medium Dam (\$20,000 to \$100,000 value) \$825 Small Dam (\$0 to \$20,000 value) \$589	Actual and reasonable costs based on Appendix 1, Schedule 1—Scale of charges for staff time.
Lodge building warrant of fitness	\$109	Actual and reasonable costs based on Appendix 1, Schedule 1—Scale of charges for staff time. Actual and reasonable for expert advice.
Amendment to compliance schedule	\$109	Actual and reasonable costs based on Appendix 1, Schedule 1—Scale of charges for staff time. Actual and reasonable for expert advice.
Certificate of Acceptance	Large Dam (above \$100,000 value) \$4,185 Medium Dam (\$20,000 to \$100,000 value) \$2,116 Small Dam (\$0 to \$20,000 value) \$544	Actual and reasonable costs based on Appendix 1, Schedule 1—Scale of charges for staff time. Actual and reasonable for expert advice.
Lodge dam classification (potential impact category)	\$109	Actual and reasonable costs based on Appendix 1, Schedule 1—Scale of charges for staff time. Actual and reasonable for expert advice.
Lodge annual dam safety compliance certificate	\$109	Actual and reasonable costs based on Appendix 1, Schedule 1—Scale of charges for staff time. Actual and reasonable for expert advice.
Lodge dam safety assurance programme	\$109	Actual and reasonable costs based on Appendix 1, Schedule 1—Scale of charges for staff time. Actual and reasonable for expert advice.

#### EXPLANATION

The charges are for the Council's actual and reasonable costs when carrying out functions under the *Building Act 2004* in relation to dams. The charge (in most cases) will be made up of a deposit and where required an additional charge, when the cost of performing the function exceeds the deposit by more than \$20. If the cost of performing the function is less than the deposit paid by more than \$20, a refund will be given.

The *Building Act* does not specify a particular procedure for the Council to follow when setting *Building Act* fees and charges. Charges under the *Building Act 2004* for performing any other function under the Act will be based on the staff charge our rates in Schedule 1. The Council has decided, for completeness and ease of reference, to include these charges in this Plan. All collection costs incurred in the recovery of a debt will be added to the amount due. Overdue invoices will incur an interest charge at 12% per annum. All charges are GST exclusive. Effective from 1 July 2019.



## Local Government Act Charging Policy

### Schedule of charges pursuant to the Local Government Act 2002

#### Inspection and incident cost recovery

Pursuant to section 150 of the *Local Government Act 2002*, the Council gives notice that it has adopted the following schedules of charges for the recovery of the costs of inspection, including but not limited to routine and additional inspections, and inspections following any incidents, discharges, spillages or non-containment of substances that cause, or have the potential to cause, adverse environmental effects, where these costs are not covered by a more specific charge elsewhere.

The cost recovery schedule for staff time is set out in Schedule 1; plant is set out in Schedule 3; and laboratory analysis costs are set out in Schedule 4, with all schedules in Appendix 1.

#### EXPLANATION

The scale of charges set out above may apply for the recovery of reasonable costs incurred of staff time and analyses associated with inspections and following incidents, discharges, spillages, non-containment of substances or breaches of permitted activity standards that cause, or have the potential to cause, adverse environmental effects. Inspections of permitted activities may be undertaken to assess compliance with permitted activity standards. Inspections may involve actions such as taking and analysing samples to determine environmental effects. All collection costs incurred in the recovery of a debt will be added to the amount due. Overdue invoices will incur an interest charge at 12% per annum. All charges are GST exclusive. Effective from 1 July 2019.

# Local Government Official Information and Meetings Act Charging Policy

## Schedule of charges pursuant to the Local Government Official Information and Meetings Act 1987

Pursuant to section 13(1A) of the *Local Government Official Information and Meetings Act 1987* (LGOIMA), the Council may charge for the supply of information to recover its reasonable costs for labour and materials.

The cost recovery schedule for staff time is set out in Schedule 1.

The first 15 minutes of time spent actioning a request for information on each or any occasion relating to the same general matter shall be provided free of charge. The Council reserves its rights to charge for the provision of information above 15 minutes.

The Council requires payment in advance.

The first 20 pages of black and white photocopying on standard A4 or A3 paper shall be provided free of charge. Where the total number of pages of photocopying is in excess of 20 then each sheet of paper will be charged at 10 cents per sheet.

Upon receipt of a request for information, the Council will advise of the decision to charge, the estimated amount of the charge, how the charge has been calculated, the requirement to pay in advance and the right to seek a review by an Ombudsman of the estimated charge.

### EXPLANATION

The scale of charges set out above may apply for the recovery of staff time and reasonable costs incurred with the collection and supply of information under LGOIMA. The recovery regime is based upon the Ombudsman's guidance "*The LGOIMA for local government agencies: A guide to processing requests and conducting meetings*". All collection costs incurred in the recovery of a debt will be added to the amount due. Overdue invoices will incur an interest charge at 12% per annum. All charges are GST exclusive. Effective from 1 July 2019.

## Appendix 2: Funding impact statements (regulations)

The following information is presented for compliance with *Local Government (Financial Reporting and Prudence) Regulations 2014*. In accordance with the Regulations, the information presented is incomplete (in particular, the information presented does not include depreciation and internal transactions such as overheads) and it is not prepared in compliance with generally accepted accounting practice. It should not be relied upon for any other purpose than compliance with the *Local Government (Financial Reporting and Prudence) Regulations 2014*.

### Whole of council funding impact statement

2018/2019 Estimate \$ Annual Plan		2019/2020 Estimate \$ Annual Plan	2019/2020 Estimate \$ LTP
	<b>Sources of operating funding</b>		
7,954,392	General rates, uniform annual general charges, rates penalties	7,954,392	8,248,705
2,220,791	Targeted rates	5,910,867	2,283,745
3,646,423	Subsidies and grants for operating purposes	3,277,474	3,665,618
9,032,156	Fees and charges	17,677,048	9,816,070
9,370,000	Interest and dividends from investments	12,386,719	9,391,400
0	Local authorities fuel tax, fines, infringement fees and other receipts	0	0
<b>32,223,762</b>	<b>Total operating funding</b>	<b>47,206,500</b>	<b>33,405,538</b>
	<b>Applications of operating funding</b>		
29,837,586	Payments to staff and suppliers	43,677,775	28,337,807
0	Finance costs	0	0
0	Other operating funding applications	0	0
<b>29,837,586</b>	<b>Total applications of operating funding</b>	<b>43,677,775</b>	<b>28,337,807</b>
<b>2,386,176</b>	<b>Surplus/(deficit) of operating funding</b>	<b>3,528,725</b>	<b>5,067,731</b>
	<b>Sources of capital funding</b>		
0	Subsidies and grants for capital expenditure	0	0
0	Development and financial contributions	0	0
0	Increase/(decrease) in debt	0	0
384,000	Gross proceeds from sale of assets	195,000	215,000
0	Lump sum contributions	0	0
0	Other dedicated capital funding	0	0
<b>384,000</b>	<b>Total sources of capital funding</b>	<b>195,000</b>	<b>215,000</b>
	<b>Applications of capital funding</b>		
0	Capital expenditure to:		
0	- meet additional demand	0	0
0	- improve the level of service	0	0
5,303,061	- replace existing assets	3,220,649	3,084,029
107,509	Increase/(decrease) in reserves	(127,002)	(127,824)
(2,640,394)	Increase/(decrease) in investments	630,078	2,326,526
<b>2,770,176</b>	<b>Total applications of capital funding</b>	<b>3,723,725</b>	<b>5,282,731</b>
<b>(2,386,176)</b>	<b>Surplus/(deficit) of capital funding</b>	<b>(3,528,725)</b>	<b>(5,067,731)</b>
<b>0</b>	<b>Funding balance</b>	<b>0</b>	<b>0</b>

### Resource management funding impact statement

2018/2019 Estimate \$ Annual Plan		2019/2020 Estimate \$ Annual Plan	2019/2020 Indicative \$ LTP
	<b>Sources of operating funding</b>		
3,232,796	General rates, uniform annual general charges, rates penalties	3,206,901	3,306,408
0	Targeted rates	0	0
1,702,000	Subsidies and grants for operating purposes	1,302,000	1,702,000
5,927,698	Fees and charges	14,106,703	6,313,313
0	Internal charges and overheads recovered	0	0
0	Local authorities fuel tax, fines, infringement fees and other receipts	0	0
<b>10,862,494</b>	<b>Total operating funding</b>	<b>18,615,604</b>	<b>11,321,721</b>
	<b>Applications of operating funding</b>		
9,876,459	Payments to staff and suppliers	17,856,798	11,102,441
0	Finance costs	0	0
4,239,665	Internal charges and overheads applied	4,284,965	5,101,161
0	Other operating funding applications	0	0
<b>14,116,124</b>	<b>Total applications of operating funding</b>	<b>22,141,763</b>	<b>16,203,602</b>
<b>(3,253,630)</b>	<b>Surplus/(deficit) of operating funding</b>	<b>(3,526,159)</b>	<b>(4,881,881)</b>
	<b>Sources of capital funding</b>		
0	Subsidies and grants for capital expenditure	0	0
0	Development and financial contributions	0	0
0	Increase/(decrease) in debt	0	0
308,000	Gross proceeds from sale of assets	159,000	159,000
0	Lump sum contributions	0	0
0	Other dedicated capital funding	0	0
<b>308,000</b>	<b>Total sources of capital funding</b>	<b>159,000</b>	<b>159,000</b>
	<b>Applications of capital funding</b>		
0	Capital expenditure to:		
0	- meet additional demand	0	0
0	- improve the level of service	0	0
1,292,061	- replace existing assets	642,429	561,829
0	Increase/(decrease) in reserves	0	0
(4,237,691)	Increase/(decrease) in investments	(4,009,588)	(5,284,710)
<b>(2,945,630)</b>	<b>Total applications of capital funding</b>	<b>(3,367,159)</b>	<b>(4,722,881)</b>
<b>3,253,630</b>	<b>Surplus/(deficit) of capital funding</b>	<b>3,526,159</b>	<b>4,881,881</b>
<b>0</b>	<b>Funding balance</b>	<b>0</b>	<b>0</b>

## Biosecurity and biodiversity funding impact statement

2018/2019 Estimate \$ Annual Plan		2019/2020 Estimate \$ Annual Plan	2019/2020 Indicative \$ LTP
<b>Sources of operating funding</b>			
2,076,428	General rates, uniform annual general charges, rates penalties	2,148,145	2,071,205
0	Targeted rates	0	0
0	Subsidies and grants for operating purposes	0	0
1,755,098	Fees and charges	2,168,545	2,125,010
0	Internal charges and overheads recovered	0	0
0	Local authorities fuel tax, fines, infringement fees and other receipts	0	0
<b>3,831,526</b>	<b>Total operating funding</b>	<b>4,316,690</b>	<b>4,196,215</b>
<b>Applications of operating funding</b>			
4,693,908	Payments to staff and suppliers	5,526,295	1,168,115
0	Finance costs	0	0
1,314,220	Internal charges and overheads applied	1,501,863	496,091
0	Other operating funding applications	0	0
<b>6,008,128</b>	<b>Total applications of operating funding</b>	<b>7,028,158</b>	<b>1,664,206</b>
<b>(2,176,602)</b>	<b>Surplus/(deficit) of operating funding</b>	<b>(2,711,468)</b>	<b>2,532,009</b>
<b>Sources of capital funding</b>			
0	Subsidies and grants for capital expenditure	0	0
0	Development and financial contributions	0	0
0	Increase/(decrease) in debt	0	0
38,000	Gross proceeds from sale of assets	26,000	26,000
0	Lump sum contributions	0	0
0	Other dedicated capital funding	0	0
<b>38,000</b>	<b>Total sources of capital funding</b>	<b>26,000</b>	<b>26,000</b>
<b>Applications of capital funding</b>			
Capital expenditure to:			
0	- meet additional demand	0	0
0	- improve the level of service	0	0
186,000	- replace existing assets	222,000	212,000
100,000	Increase/(decrease) in reserves	(167,000)	(167,000)
(2,424,602)	Increase/(decrease) in investments	(2,740,468)	2,513,009
<b>(2,138,602)</b>	<b>Total applications of capital funding</b>	<b>(2,685,468)</b>	<b>2,558,009</b>
<b>2,176,602</b>	<b>Surplus/(deficit) of capital funding</b>	<b>2,711,468</b>	<b>(2,532,009)</b>
<b>0</b>	<b>Funding balance</b>	<b>0</b>	<b>0</b>

## Transport funding impact statement

2018/2019 Estimate \$ Annual Plan		2019/2020 Estimate \$ Annual Plan	2019/2020 Indicative \$ LTP
<b>Sources of operating funding</b>			
204,874	General rates, uniform annual general charges, rates penalties	197,288	207,344
1,207,670	Targeted rates	1,246,090	1,260,968
1,944,423	Subsidies and grants for operating purposes	1,975,474	1,963,618
1,174,360	Fees and charges	1,173,800	1,197,847
0	Internal charges and overheads recovered	0	0
0	Local authorities fuel tax, fines, infringement fees and other receipts	0	0
<b>4,531,327</b>	<b>Total operating funding</b>	<b>4,592,652</b>	<b>4,629,777</b>
<b>Applications of operating funding</b>			
4,412,729	Payments to staff and suppliers	4,463,576	4,501,223
0	Finance costs	0	0
252,406	Internal charges and overheads applied	246,654	251,512
0	Other operating funding applications	0	0
<b>4,665,135</b>	<b>Total applications of operating funding</b>	<b>4,710,230</b>	<b>4,752,735</b>
<b>(133,808)</b>	<b>Surplus/(deficit) of operating funding</b>	<b>(117,578)</b>	<b>(122,958)</b>
<b>Sources of capital funding</b>			
0	Subsidies and grants for capital expenditure	0	0
0	Development and financial contributions	0	0
0	Increase/(decrease) in debt	0	0
0	Gross proceeds from sale of assets	0	0
0	Lump sum contributions	0	0
0	Other dedicated capital funding	0	0
<b>0</b>	<b>Total sources of capital funding</b>	<b>0</b>	<b>0</b>
<b>Applications of capital funding</b>			
Capital expenditure to:			
0	- meet additional demand	0	0
0	- improve the level of service	0	0
0	- replace existing assets	0	0
(38,142)	Increase/(decrease) in reserves	(8,298)	(8,301)
(95,666)	Increase/(decrease) in investments	(109,280)	(114,657)
<b>(133,808)</b>	<b>Total applications of capital funding</b>	<b>(117,578)</b>	<b>(122,958)</b>
<b>133,808</b>	<b>Surplus/(deficit) of capital funding</b>	<b>117,578</b>	<b>122,958</b>
<b>0</b>	<b>Funding balance</b>	<b>0</b>	<b>0</b>



## Hazard management funding impact statement—civil defence emergency management

2018/2019 Estimate \$ Annual Plan		2019/2020 Estimate \$ Annual Plan	2019/2020 Indicative \$ LTP
	<b>Sources of operating funding</b>		
183,912	General rates, uniform annual general charges, rates penalties	177,791	180,667
0	Targeted rates	0	0
0	Subsidies and grants for operating purposes	0	0
0	Fees and charges	0	0
0	Internal charges and overheads recovered	0	0
0	Local authorities fuel tax, fines, infringement fees and other receipts	0	0
<b>183,912</b>	<b>Total operating funding</b>	<b>177,791</b>	<b>180,667</b>
	<b>Applications of operating funding</b>		
399,236	Payments to staff and suppliers	406,221	406,221
0	Finance costs	0	0
0	Internal charges and overheads applied	0	0
0	Other operating funding applications	0	0
<b>399,236</b>	<b>Total applications of operating funding</b>	<b>406,221</b>	<b>406,221</b>
<b>(215,324)</b>	<b>Surplus/(deficit) of operating funding</b>	<b>(228,430)</b>	<b>(225,554)</b>
	<b>Sources of capital funding</b>		
0	Subsidies and grants for capital expenditure	0	0
0	Development and financial contributions	0	0
0	Increase/(decrease) in debt	0	0
0	Gross proceeds from sale of assets	0	0
0	Lump sum contributions	0	0
0	Other dedicated capital funding	0	0
<b>0</b>	<b>Total sources of capital funding</b>	<b>0</b>	<b>0</b>
	<b>Applications of capital funding</b>		
0	Capital expenditure to:		
0	- meet additional demand	0	0
0	- improve the level of service	0	0
0	- replace existing assets	0	0
0	Increase/(decrease) in reserves	0	0
(215,324)	Increase/(decrease) in investments	(228,430)	(225,554)
<b>(215,324)</b>	<b>Total applications of capital funding</b>	<b>(228,430)</b>	<b>(225,554)</b>
<b>215,324</b>	<b>Surplus/(deficit) of capital funding</b>	<b>228,430</b>	<b>225,554</b>
<b>0</b>	<b>Funding balance</b>	<b>0</b>	<b>0</b>

## Hazard management funding impact statement—flood management, general river control and river control schemes

2018/2019 Estimate \$ Annual Plan		2019/2020 Estimate \$ Annual Plan	2019/2020 Indicative \$ LTP
	<b>Sources of operating funding</b>		
(42,155)	General rates, uniform annual general charges, rates penalties	(33,372)	(40,600)
711,706	Targeted rates	722,058	726,158
0	Subsidies and grants for operating purposes	0	0
20,000	Fees and charges	0	20,400
0	Internal charges and overheads recovered	0	0
0	Local authorities fuel tax, fines, infringement fees and other receipts	0	0
<b>689,551</b>	<b>Total operating funding</b>	<b>688,686</b>	<b>705,958</b>
	<b>Applications of operating funding</b>		
385,786	Payments to staff and suppliers	392,150	393,365
0	Finance costs	0	0
126,520	Internal charges and overheads applied	123,635	126,072
0	Other operating funding applications	0	0
<b>512,306</b>	<b>Total applications of operating funding</b>	<b>515,785</b>	<b>519,437</b>
<b>177,245</b>	<b>Surplus/(deficit) of operating funding</b>	<b>172,901</b>	<b>186,521</b>
	<b>Sources of capital funding</b>		
0	Subsidies and grants for capital expenditure	0	0
0	Development and financial contributions	0	0
0	Increase/(decrease) in debt	0	0
0	Gross proceeds from sale of assets	(10,000)	10,000
0	Lump sum contributions	0	0
0	Other dedicated capital funding	0	0
<b>0</b>	<b>Total sources of capital funding</b>	<b>(10,000)</b>	<b>10,000</b>
	<b>Applications of capital funding</b>		
0	Capital expenditure to:		
0	- meet additional demand	0	0
0	- improve the level of service	0	0
0	- replace existing assets	40,000	40,000
45,651	Increase/(decrease) in reserves	48,296	47,477
131,594	Increase/(decrease) in investments	74,605	109,044
<b>177,245</b>	<b>Total applications of capital funding</b>	<b>162,901</b>	<b>196,521</b>
<b>(177,245)</b>	<b>Surplus/(deficit) of capital funding</b>	<b>(172,901)</b>	<b>(186,521)</b>
<b>0</b>	<b>Funding balance</b>	<b>0</b>	<b>0</b>

## Recreation, culture and heritage funding impact statement

2018/2019 Estimate \$ Annual Plan		2019/2020 Estimate \$ Annual Plan	2019/2020 Indicative \$ LTP
	<b>Sources of operating funding</b>		
1,566,191	General rates, uniform annual general charges, rates penalties	1,500,951	1,763,297
301,415	Targeted rates	3,942,719	296,619
0	Subsidies and grants for operating purposes	0	0
152,000	Fees and charges	197,000	156,500
0	Internal charges and overheads recovered	0	0
0	Local authorities fuel tax, fines, infringement fees and other receipts	0	0
<b>2,019,606</b>	<b>Total operating funding</b>	<b>5,640,670</b>	<b>2,216,416</b>
	<b>Applications of operating funding</b>		
2,403,122	Payments to staff and suppliers	6,988,738	2,921,065
0	Finance costs	0	0
974,200	Internal charges and overheads applied	982,903	970,749
0	Other operating funding applications	0	0
<b>3,377,322</b>	<b>Total applications of operating funding</b>	<b>7,971,641</b>	<b>3,891,814</b>
<b>(1,357,716)</b>	<b>Surplus/(deficit) of operating funding</b>	<b>(2,330,971)</b>	<b>(1,675,398)</b>
	<b>Sources of capital funding</b>		
0	Subsidies and grants for capital expenditure	0	0
0	Development and financial contributions	0	0
0	Increase/(decrease) in debt	0	0
18,000	Gross proceeds from sale of assets	0	0
0	Lump sum contributions	0	0
0	Other dedicated capital funding	0	0
<b>18,000</b>	<b>Total sources of capital funding</b>	<b>0</b>	<b>0</b>
	<b>Applications of capital funding</b>		
0	Capital expenditure to:		
0	- meet additional demand	0	0
0	- improve the level of service	0	0
1,725,000	- replace existing assets	1,711,000	1,666,000
0	Increase/(decrease) in reserves	0	0
(3,064,716)	Increase/(decrease) in investments	(4,041,971)	(3,341,398)
<b>(1,339,716)</b>	<b>Total applications of capital funding</b>	<b>(2,330,971)</b>	<b>(1,675,398)</b>
<b>1,357,716</b>	<b>Surplus/(deficit) of capital funding</b>	<b>2,330,971</b>	<b>1,675,398</b>
<b>0</b>	<b>Funding balance</b>	<b>0</b>	<b>0</b>

## Regional representation, advocacy and investment management funding impact statement

2018/2019 Estimate \$ Annual Plan		2019/2020 Estimate \$ Annual Plan	2019/2020 Indicative \$ LTP
	<b>Sources of operating funding</b>		
732,346	General rates, uniform annual general charges, rates penalties	756,688	760,384
0	Targeted rates	0	0
0	Subsidies and grants for operating purposes	0	0
3,000	Fees and charges	31,000	3,000
0	Internal charges and overheads recovered	0	0
0	Local authorities fuel tax, fines, infringement fees and other receipts	0	0
<b>735,346</b>	<b>Total operating funding</b>	<b>787,688</b>	<b>763,384</b>
	<b>Applications of operating funding</b>		
1,020,229	Payments to staff and suppliers	1,192,534	1,140,004
0	Finance costs	0	0
545,615	Internal charges and overheads applied	538,371	543,683
0	Other operating funding applications	0	0
<b>1,565,844</b>	<b>Total applications of operating funding</b>	<b>1,730,905</b>	<b>1,683,687</b>
<b>(830,498)</b>	<b>Surplus/(deficit) of operating funding</b>	<b>(943,217)</b>	<b>(920,303)</b>
	<b>Sources of capital funding</b>		
0	Subsidies and grants for capital expenditure	0	0
0	Development and financial contributions	0	0
0	Increase/(decrease) in debt	0	0
20,000	Gross proceeds from sale of assets	20,000	20,000
0	Lump sum contributions	0	0
0	Other dedicated capital funding	0	0
<b>20,000</b>	<b>Total sources of capital funding</b>	<b>20,000</b>	<b>20,000</b>
	<b>Applications of capital funding</b>		
0	Capital expenditure to:		
0	- meet additional demand	0	0
0	- improve the level of service	0	0
2,100,000	- replace existing assets	605,220	604,200
0	Increase/(decrease) in reserves	0	0
(2,910,498)	Increase/(decrease) in investments	(1,528,437)	(1,504,503)
<b>(810,498)</b>	<b>Total applications of capital funding</b>	<b>(923,217)</b>	<b>(900,303)</b>
<b>830,498</b>	<b>Surplus/(deficit) of capital funding</b>	<b>943,217</b>	<b>920,303</b>
<b>0</b>	<b>Funding balance</b>	<b>0</b>	<b>0</b>

## Appendix 3: Reporting and prudence regulations

### Annual Plan disclosure statement for period commencing 1 July 2019

#### 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 annual 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.

Benchmark		Planned	Met
Rates affordability benchmark			Yes
• Income	Total rates will not exceed 60% of total revenue.	29%	Yes
• Increases	Total rates increase will not exceed 5% of total expenditure.	8.2%	No
Debt affordability benchmark	Total interest expense on net external public debt will not exceed 40% of total annual rates and levies.	6.76%	Yes
Balanced budget benchmark	100%	103%	Yes
Essential services benchmark	100%	The Council meets this benchmark if its capital expenditure on network services equals or is greater than depreciation on network services. The Council's only network services are in relation to flood protection and control works. The Council does not provide any of the other network services. These network services are in the form of land assets. Accordingly, there is no depreciation on these assets. The Council's capital expenditure will always be equal to or greater than the depreciation expense.	Yes
Debt servicing benchmark	10%	1.9%	Yes

#### NOTES

##### **Rates affordability benchmark**

For this benchmark,—

- the Council's planned rates income for the year is compared with a quantified limit on rates contained in the Financial Strategy included in the Council's Long-Term Plan; and
- the Council's planned rates increases for the year are compared with a quantified limit on rates increases for the year contained in the Financial Strategy included in the Council's Long-Term Plan.

The Council meets the rates affordability benchmark if—

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

##### **Debt affordability benchmark**

For this benchmark, the Council's planned borrowing is compared with a quantified limit on borrowing contained in the Financial Strategy included in the Council's Long-Term Plan. The Council meets the debt affordability benchmark if its planned borrowing is within each quantified limit on borrowing.

##### **Balanced budget benchmark**

For this benchmark, the Council's planned revenue (excluding development contributions, vested assets, financial contributions, gains on derivative financial instruments, and revaluations of property, plant, or equipment) is presented as a proportion of its 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 revenue equals or is greater than its operating expenses.

##### **Essential services benchmark**

For this benchmark, the Council's planned capital expenditure on network services is presented 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.

##### **Debt servicing benchmark**

For this benchmark, the Council's planned borrowing costs are presented 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 that the Council's population will grow slower than the national population growth rate, it meets the debt servicing benchmark if its planned borrowing costs equal or are less than 10% of its planned revenue.

