

Ordinary Meeting

Tuesday 26 February 2019

10.30am

Taranaki Regional Council, Stratford



Agenda for the Ordinary Meeting of the Taranaki Regional Council to be held in the Taranaki Regional Council chambers, 47 Cloten Road, Stratford, on Tuesday 26 February 2019 commencing at 10.30am.

Councillors	D N MacLeod	(Chairman)
	M J Cloke	
	M G Davey	
	M P Joyce	
	D L Lean	(Deputy Chairman)
	C L Littlewood	
	M J McDonald	
	D H McIntyre	
	B K Raine	
	N W Walker	
C S Williamson		

Apologies

Notification of Late Items

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Agenda Memorandum

Date 26 February 2019

**Memorandum to
Chairperson and Members
Taranaki Regional Council**



**Subject: Confirmation of Minutes – 11 December
2018**

Prepared by: M J Nield, Director-Corporate Services

Approved by: B G Chamberlain, Chief Executive

Document: 2191723

Resolve

That the Taranaki Regional Council:

1. takes as read and confirms the minutes and resolutions of the Ordinary Meeting of the Taranaki Regional Council held in the Taranaki Regional Council chambers, 47 Cloten Road, Stratford, on Tuesday 11 December 2018 at 10.30am.

Matters arising

Appendices

Document #2174880 – Minutes Ordinary Meeting

**Minutes of the Ordinary Meeting of the
Taranaki Regional Council, held
Taranaki Regional Council Chambers, 47
Cloten Road, Stratford, on Tuesday 11
December 2018 at 10.30am.**



Present	Councillors	D N MacLeod M J Cloke M G Davey M P Joyce C L Littlewood D H McIntyre B K Raine N W Walker C S Williamson	(Chairperson)
Attending	Messrs	B G Chamberlain G K Bedford M J Nield A D McLay S R Hall P Ledingham R Ritchie	(Chief Executive) (Director-Environment Quality) (Director-Corporate Services) (Director-Resource Management) (Director-Operations) (Communications Officer) (Communications Manager)
	Mrs	K van Gameren	(Committee Administrator)
Apologies		The apologies from Councillor D L Lean and Councillor M J McDonald were received and sustained.	
Notification of Late Items		There were no late items of business.	

1. Confirmation of Minutes - 30 October 2018

Resolved

THAT the Taranaki Regional Council

1. takes as read and confirms the minutes and resolutions and confidential minutes of the Ordinary Meeting of the Taranaki Regional Council held in the Taranaki Regional Council, 47 Cloten Road, Stratford, on Tuesday 30 October 2018 from 10.30am.

Raine/Williamson

Matters arising

There were no matters arising.

2. Consents and Regulatory Committee Minutes – 20 November 2018

Resolved

THAT the Taranaki Regional Council

1. receives the minutes of the Consents and Regulatory Committee meeting of the Taranaki Regional Council held in the Taranaki Regional Council chambers, 47 Cloten Road, Stratford, on Tuesday 20 November 2018 at 9.30am
2. adopts the recommendations therein.

Joyce/Littlewood

Matters arising

There were no matters arising.

3. Policy and Planning Committee Minutes – 20 November 2018

Resolved

THAT the Taranaki Regional Council

1. receives the minutes of the Policy and Planning Committee meeting of the Taranaki Regional Council held in the Taranaki Regional Council chambers, 47 Cloten Road, Stratford, on Tuesday 20 November 2018 at 10.30am
2. adopts the recommendations therein.

Walker/Raine

Matters arising

There were no matters arising.

4. Regional Transport Committee Minutes – 28 November 2018

Resolved

THAT the Taranaki Regional Council

1. receives the minutes of the Regional Transport Committee meeting of the Taranaki Regional Council held in the Taranaki Regional Council chambers, 47 Cloten Road, Stratford, on Wednesday 28 November 2018 at 11.00am
2. adopts the recommendations therein.

Williamson/MacLeod

Matters arising

Committee Chairperson, Councillor C S Williamson, noted to the Council that the independent commissioner has announced that the consents for the Mt Messenger By-Pass Project have been granted giving approval for the project.

The NZ Transport Agency has announced that the culvert on SH3 at Lake Mangamahoe, damaged during a heavy rain event in August 2017, will be reinstated with work expected to be finished late February 2019.

5. Executive, Audit and Risk Committee Minutes – 3 December 2018

Resolved

THAT the Taranaki Regional Council

1. receives the minutes and confidential minutes of the Executive, Audit and Risk Committee meeting of the Taranaki Regional Council held in the Taranaki Regional Council chambers, 47 Cloten Road, Stratford, on Monday 3 December 2018 from 10.00am
2. adopts the recommendations therein.

MacLeod/Walker

Matters arising

There were no matters arising.

6. Joint Committee Minutes

Resolved

THAT the Taranaki Regional Council

1. receives the unconfirmed minutes of the Taranaki Solid Waste Management Committee meeting held on Thursday 15 November 2018
2. receives the unconfirmed minutes of the Taranaki Civil Defence Emergency Management Group Joint Committee meeting held on Tuesday 27 November 2018.

Walker/Cloke

**7. 2019 Meeting Schedule
February 2019 Meeting Dates**

- 7.1 The full schedule of meeting dates for 2019 was received and adopted.

Resolved

THAT the Taranaki Regional Council

1. receives and adopts the 2019 Council meeting schedule and notes the meetings scheduled for February 2019.

Davey/Raine

There being no further business, Chairman D N MacLeod, declared the meeting of the Ordinary Meeting of the Taranaki Regional Council closed at 11.15am.

Confirmed

Chairperson: _____
D N MacLeod

Date: 26 February 2019

Agenda Memorandum

Date 26 February 2019

**Memorandum to
Chairperson and Members
Taranaki Regional Council**



**Subject: Consents and Regulatory Committee
Minutes – 5 February 2019**

Prepared by: G K Bedford, Director-Environment Quality

Approved by: B G Chamberlain, Chief Executive

Document: 2201566

Resolve

That the Taranaki Regional Council:

1. receives the minutes of the Consents and Regulatory Committee meeting of the Taranaki Regional Council held in the Taranaki Regional Council chambers, 47 Cloten Road, Stratford, on Tuesday 5 February 2019 at 9.30am
2. adopts the recommendations therein.

Matters arising

Appendices

Document #2196874 – Minutes Consents and Regulatory Committee Meeting

Minutes of the Consents and Regulatory Committee Meeting of the Taranaki Regional Council, held in the Taranaki Regional Council Chambers, 47 Cloten Road, Stratford, on Tuesday 5 February 2019 at 9.30am.



Members	Councillors	M P Joyce	(Committee Chairperson)
		M J Cloke M G Davey C L Littlewood M J McDonald B K Raine N W Walker	
		D N MacLeod	(ex officio)(from 9.40am)
Representative Members	Mr	H Eriwata	(Iwi Representative)
	Mr	K Holswich	(Iwi Representative)
	Ms	F Mulligan	(Iwi Representative)
Attending	Messrs	B G Chamberlain	(Chief Executive)
		G K Bedford	(Director-Environment Quality)
		A D McLay	(Director-Resource Management)
		S Tamarapa	(Iwi Communications Officer)
		B E Pope	(Compliance Manager)
		C H McLellan	(Consents Manager)
	Mrs	K van Gameren	(Committee Administrator)
	Mr	P Ledingham	(Communications Officer)
	Mrs	V MacKay	(Science Manager)
	Mrs	H Gerrard	(Science Manager)
Mr	R Phipps	(Science Manager)	
Mr	J Hooker	(Iwi Representative)	

One Member of the media.

Opening Karakia Mr H Eriwata (Iwi Representative) gave the opening Karakia to the Consents and Regulatory Committee.

Apologies The apologies from Councillor D L Lean and Councillor D N MacLeod (for lateness) were received and sustained.

Notification of Late Items There were no late items of business.

1. Confirmation of Minutes - 20 November 2018

Resolved

THAT the Consents and Regulatory Committee of the Taranaki Regional Council

1. takes as read and confirms the minutes of the Consents and Regulatory Committee meeting of the Taranaki Regional Council held in the Taranaki Regional Council chambers, 47 Cloten Road, Stratford, on Tuesday 20 November 2018 at 9.30am
2. notes that the recommendations therein were adopted by the Taranaki Regional Council on 11 December 2018.

Raine/McDonald

Matters Arising

There were no matters arising.

2. Resource consents issued under delegated authority and applications in progress

- 2.1 The Committee considered and discussed the memorandum advising of consents granted, consents under application and of consent processing actions since the last meeting of the Committee.
- 2.2 The Committee noted and discussed the regulation of forestry, particularly slash management on hill sides and it was agreed to report back to a subsequent Committee meeting on this matter.
- 2.3 The recording and presentation of iwi involvement in consents was discussed and it was noted this system was under review and related to the outcome of Mana Whakahono a Rohe (iwi partnerships) discussions.

Recommended

THAT the Taranaki Regional Council

1. receives the schedule of resource consents granted and other consent processing actions, made under delegated authority.

Joyce/McDonald

3. Mt Messenger Resource Consent Decision and Appeals

- 3.1 Mr A D McLay, Director-Resource Management, spoke to the memorandum advising the Committee of the Hearing Commissioner's decision on the resource consent applications lodged for the Mt Messenger By-pass project and subsequent appeals to that decision.

- 3.2 The Environment Court will determine the process, but it is possible mediation may occur for the four appellants (Pascoes are part of Poutama appeal) before a formal hearing.

Recommended

THAT the Taranaki Regional Council

1. receives the memorandum Mt Messenger Resource Consent Decision and Appeals
2. notes that the Commissioner's decision has been appealed by the Director-General of Conservation; Te Runanga o Ngati Tama Trust and Nga Hapu o Poutama.

Cloke/Walker

4. Compliance monitoring annual reports

- 4.1 Mrs V MacKay, Science Manager, spoke to the memorandum advising the Committee of 15 tailored compliance monitoring reports that have been prepared since the last meeting of the Committee and highlighted the *NPDC wastewater performance and improvement* case study.
- 4.2 The Committee noted and discussed the Waitaha Catchment Monitoring Programme Annual Report, in particular, matters regarding to adverse environmental effects from potential residential development in the catchment and the environmental performances and monitoring of the consented discharges. Council staff advised the Committee that there is now continuous water quality monitoring on the stream that will ultimately lead to improved scrutiny and environmental performance.

Recommended

THAT the Taranaki Regional Council

1. receives the 18-11 TAG Oil (NZ) Ltd Vanner Landfarm Monitoring Programme Annual Report 2017-2018 and adopts the specific recommendations therein
2. receives the 18-20 McKechnie Aluminium Monitoring Programme Annual Report 2017-2018 and adopts the specific recommendations therein
3. receives the 18-22 Dow AgroSciences Monitoring Programme Annual Report 2017-2018 and adopts the specific recommendations therein
4. receives the 18-35 STDC Eltham WWTP Monitoring Programme Annual Report 2017-2018 and adopts the specific recommendations therein
5. receives the 18-42 Westside Rimu Production Station Monitoring Programme Annual Report 2017-2018 and adopts the specific recommendations therein
6. receives the 18-43 TWN Partnership Limited Waihapa Production Station Monitoring Programme Annual Report 2017-2018 and adopts the specific recommendations therein

7. receives the 18-44 Cheal Petroleum Ltd Production Station Monitoring Programme Annual Report 2017-2018 and adopts the specific recommendations therein
8. receives the 18-45 TAG Oil (NZ) Ltd Sidewinder Production Station Monitoring Programme Annual Report 2017-2018 and adopts the specific recommendations therein
9. receives the 18-49 NPDC Crematorium Monitoring Programme Annual Report 2017-2018 and adopts the specific recommendations therein
10. receives the 18-50 Stratford Power Station (Contact Energy Ltd) Monitoring Programme Annual Report 2017-2018 and adopts the specific recommendations therein
11. receives the 18-54 Shell Exploration NZ Limited Pohukura Production Station Monitoring Programme Annual Report 2017-2018 and adopts the specific recommendations therein
12. receives the 18-69 Methanex Motunui and Waitara Valley Combined Monitoring Programme Annual Report 2017-2018 and adopts the specific recommendations therein
13. receives the 18-75 Beach Energy Kupe Production Station Monitoring Programme Annual Report 2017-2018 and adopts the specific recommendations therein
14. receives the 18-77 Waitaha Catchment Monitoring Programme Annual Report 2017-2018 and adopts the specific recommendations therein
15. receives the 18-90 Irrigation Water Compliance Monitoring Programme Annual Report 2017-2018 and adopts the specific recommendations therein.

Littlewood/Holswich

5. Incident, Compliance Monitoring Non-compliances and Enforcement Summary – 2 November 2018 to 17 January 2019

- 5.1 The Committee received and noted the summary of the Council's Incidents, Compliance Monitoring Non-compliances and Enforcement for the period 2 November 2018 to 17 January 2019.
- 5.2 Mr B E Pope, Compliance Manager, provided an overview to the Committee on the reported incidents and answered questions concerning officer assessments of the incidents.

Recommended

THAT the Taranaki Regional Council

1. receives the memorandum

2. receives the summary of the Incidents, Compliance Monitoring Non-compliances and Enforcement for the period from 2 November 2018 to 17 January 2019, notes the action taken by staff acting under delegated authority and adopts the recommendations therein.

Davey/MacLeod

6. Prosecution Sentencing Decision Appeal - AL & JS Vernon

- 6.1 Mr A D McLay, Director-Resource Management, spoke to the memorandum updating the Committee on the High Court appeal of AL & JS Vernon against the prosecution decision for a breach of the *Regional Fresh Water Plan* and the *Resource Management Act 1991*.

Recommended

THAT the Taranaki Regional Council:

1. receives the report and notes the High Court appeal, by AL & JS Vernon on their sentence, was not upheld and was dismissed.

Eriwata/Holswich

There being no further business, the Committee Chairperson Councillor M P Joyce, declared the Consents and Regulatory Committee meeting closed at 10.20am.

Confirmed

Chairperson

_____ **M P Joyce**

Date

19 March 2019

Agenda Memorandum

Date 26 February 2019

**Memorandum to
Chairperson and Members
Taranaki Regional Council**



**Subject: Policy and Planning Committee Minutes
– 5 February 2019**

Prepared by: A D McLay, Director-Resource Management

Approved by: B G Chamberlain, Chief Executive

Document: 2201563

Resolve

That the Taranaki Regional Council:

1. receives the minutes of the Policy and Planning Committee meeting of the Taranaki Regional Council held in the Taranaki Regional Council chambers, 47 Cloten Road, Stratford, on Tuesday 5 February 2019 at 10.35am
2. adopts the recommendations therein.

Matters arising

Appendices

Document #2197366 – Minutes Policy and Planning Committee Meeting

Minutes of the Policy and Planning Committee Meeting of the Taranaki Regional Council, held in the Taranaki Regional Council Chambers, 47 Cloten Road, Stratford, on Tuesday 5 February 2019 at 10.35am.



Members	Councillors	N W Walker	(Committee Chairperson)
		M P Joyce C L Littlewood D H McIntyre B K Raine C S Williamson	
		D N MacLeod	(ex officio)
Representative Members	Councillor	G Boyde	(Stratford District Council)
	Mr	J Hooker	(Iwi Representative)
	Mr	P Muir	(Taranaki Federated Farmers)
	Councillor	P Nixon	(South Taranaki District Council)
Attending	Messrs	B G Chamberlain	(Chief Executive)
		A D McLay	(Director-Resource Management)
		G K Bedford	(Director-Environment Quality)
		C L Spurdle	(Planning Manager)
		S Tamarapa	(Iwi Communications Officer)
		P Ledingham	(Communications Officer)
	Mrs	K van Gameren	(Committee Administrator)
	Mr	R Phipps	(Science Manager)
	Mrs	V MacKay	(Science Manager)
	Mrs	H Gerrard	(Science Manager)
	Ms	K Langton	(Policy Analyst)
	Mr	Q Amore	(Environment Team Leader)
Mr	J Clough	(Wrightson Consulting)	

One Member of the media.

Apologies The apologies from Councillor D L Lean, Councillor R Jordan (New Plymouth District Council) and Mr M Ritai (Iwi Representative) were received and sustained. Ms E Bailey (Iwi Representative) requested to attend the meeting via ZOOM, but due to technical problems was unable to connect into the meeting. Ms Bailey emailed questions to the Council for response and clarification.

Notification of Late Items There were no late items of business.

1. Confirmation of Minutes – 20 November 2018

Resolved

THAT the Policy and Planning Committee of the Taranaki Regional Council

1. takes as read and confirms the minutes and confidential minutes of the Policy and Planning Committee meeting of the Taranaki Regional Council held in the Taranaki Regional Council chambers, 47 Cloten Road, Stratford, on Tuesday 20 November 2018 at 10.30am
2. notes that the recommendations therein were adopted by the Taranaki Regional Council on 11 December 2018.

Walker/McIntyre

Matters Arising

There were no matters arising.

2. Ministry for the Environment – current work programme

- 2.1 Mr A D McLay, Director-Resource Management, spoke to the memorandum updating the Committee on the work the Ministry for the Environment has planned over the next 12 to 18 months and provided commentary on the implications for the Council, in particular the small Policy team.

Recommended

That the Taranaki Regional Council:

1. receives the memorandum *Ministry for the Environment – current work programme*
2. notes the many areas of interest or concern to the Council.

Littlewood/MacLeod

3. Report of the Parliamentary Commissioner for the Environment on *Overseer and regulatory oversight*

- 3.1 Mr G K Bedford, Director-Environment Quality, spoke to the memorandum introducing a report prepared by the Parliamentary Commissioner for the Environment on *Overseer and regulatory oversight*, together with commentary by the Chief Executive of Overseer Limited and independent experts, and provided commentary on the significance of the findings for the Council particularly with regard to the preparation of a *Regional Freshwater and Land Management Plan*.
- 3.2 The Council's position on the use of Overseer for regulatory purposes has been validated by the report.

Recommended

That the Taranaki Regional Council:

1. receives the memorandum *Report of the Parliamentary Commissioner for the Environment on Overseer and regulatory oversight*
2. notes that the Parliamentary Commissioner for the Environment has recommended that if the Government wants to see Overseer used as a regulatory tool it needs to undertake a comprehensive evaluation of the model, including its suitability, uncertainties and inaccuracies, ownership, governance and funding
3. notes that the Council has already commissioned an independent analysis of the suitability of using a model like Overseer as a regulatory tool as part of the review of the *Regional Fresh Water Plan*, and the conclusion of that analysis was that Overseer was not suitable for use in a regulatory context because of accuracy issues.

Williamson/Raine

Councillor M J Joyce left the Policy and Planning Meeting at 11.15am.

4. Proposed regulation of municipal waste water discharges

- 4.1 Mr G K Bedford, Director-Environment Quality, spoke to the memorandum to outline and present commentary on a recent Cabinet paper proposing future regulation of wastewater management in New Zealand.

Recommended

That the Taranaki Regional Council:

1. receives the memorandum *Proposed regulation of municipal waste water discharges*
2. notes the information contained therein concerning the regulatory management of wastewater systems in Taranaki
3. confirms that an evidential basis for the Government's proposals is not apparent in Taranaki and that this position forms the basis for any future engagement with the Ministry for the Environment in respect of an appropriate regulatory framework for wastewater management.

MacLeod/Nixon

5. Key Native Ecosystems programme update

- 5.1 Mr A D McLay, Director-Resource Management, spoke to the memorandum presenting an update to the Committee on the identification of 11 new Key Native Ecosystems (KNE) sites.

Recommended

THAT the Taranaki Regional Council:

1. receives this memorandum and the attached inventory sheets for Mount View, Cotebrook, Kaka Creek Bush, Hann Bush and Kahikatea Block, Te Huia Holdings Wetlands, Lowe South Block, BMW Farms, Corbett Road QEII Covenants, Te Urenui and Pohokura Pa, Ralph Arnold, and Mathews QEII
2. notes that the aforementioned sites have indigenous biodiversity values of regional significance and should be identified as Key Native Ecosystems.

Raine/Williamson

Closing Karakia Mr J Hooker (Iwi Representative) gave the closing Karakia to the Policy and Planning Committee and Karakia for kai (lunch).

There being no further business, the Committee Chairperson Councillor N W Walker, declared the meeting of the Policy and Planning Committee meeting closed at 11.30am.

Confirmed

Chairperson _____

N W Walker

Date

19 March 2019

Agenda Memorandum

Date 26 February 2019

**Memorandum to
Chairperson and Members
Taranaki Regional Council**



**Subject: Executive, Audit and Risk Committee
Minutes – 18 February 2019**

Prepared by: M J Nield, Director-Corporate Services

Approved by: B G Chamberlain, Chief Executive

Document: 2207798

Resolve

That the Taranaki Regional Council:

1. receives the minutes of the Executive, Audit and Risk Committee meeting of the Taranaki Regional Council held in the Taranaki Regional Council chambers, 47 Cloten Road, Stratford, on Monday 18 February 2019 at 10.00am
2. adopts the recommendations therein.

Matters arising

Appendices

Document #2206568 – Minutes Executive, Audit and Risk Committee

Minutes of the Executive, Audit and Risk Committee Meeting of the Taranaki Regional Council, held in the Taranaki Regional Council Chambers, 47 Cloten Road, Stratford, on Monday 18 February 2019 at 10.00am.



Members	Councillors	D L Lean M J Cloke M P Joyce D N MacLeod N W Walker	(Committee Chairperson)
Attending	Messrs	B G Chamberlain M J Nield C B Clarke	(Chief Executive) (Director-Corporate Services) (Passenger Transport Manager)
	Mrs	R Johnson	(Financial Services Manager)
	Mrs	K van Gameren	(Committee Administrator)
	Mr	P Ledingham	(Communications Officer)
Apologies		The apology from Councillor C S Williamson was received and sustained.	
Notification of Late Items		There were no late items of business.	
Acknowledgement		Committee Chairperson, D L Lean, thanked and acknowledged Committee Administrator, Kathryn van Gameren, for her support and service to the Council and Members. After 21 years, Mrs van Gameren leaves the Council on 22 February 2019.	

1. Confirmation of Minutes - 3 December 2018

Resolved

THAT the Executive, Audit and Risk Committee of the Taranaki Regional Council:

1. takes as read and confirms the minutes and confidential minutes of the Executive, Audit and Risk Committee meeting of the Taranaki Regional Council held in the Taranaki Regional Council chambers, 47 Cloten Road, Stratford, on Monday 3 December 2018 at 10.00am
2. notes the recommendations therein were adopted by the Taranaki Regional Council on 11 December 2018.

Cloke/Walker

Matters arising

There were no matters arising.

2. Financial and Operational Report

- 2.1 The memorandum to receive information on the operational and financial performance of the Council was noted and discussed by the Committee.

Recommended

THAT the Taranaki Regional Council

1. receives the memorandum and the November and December 2018 Monthly Financial Reports
2. notes the Common Seal has been affixed to the following documents:
 - 2018/06: Rural Predator Control, Year 1, Blocks 1 & 2
 - 2018/07: Rural Predator Control, Year 1, Block 3
3. notes the Regional Integrated Ticketing System update
4. notes the digital media report
5. notes the health and safety report.

Walker/Cloke

3. Quarterly Operational Report – December 2018

- 3.1 The Council's Quarterly Operational Report for the quarter ended 31 December 2018 was received and discussed by the Committee.

Recommended

THAT the Taranaki Regional Council

1. receives and adopts the Quarterly Operational Report for the quarter ended 31 December 2018.

Lean/MacLeod

4. Public Transport Operational Update for the quarter ending 31 December 2018

- 4.1 Mr C Clarke, Passenger Transport Manager, spoke to the memorandum to receive and consider the operational report on public transport services for the quarter ending 31 December 2018.

Recommended

THAT the Taranaki Regional Council

1. receives and notes the operational report of the public transport services for the quarter year ending 31 December 2018.

Joyce/Cloke

5. Taranaki Stadium Trust 2017/2018 Annual Report

As a Director on the Taranaki Stadium Trust, Mr M J Nield, Director-Corporate Services, declared his interest to the Executive, Audit and Risk Committee.

- 5.1 Mr M J Nield, Director-Corporate Services, spoke to the memorandum to receive and consider the Taranaki Stadium Trust's half-year report for the six months ended 31 December 2018.

Recommended

THAT the Taranaki Regional Council

1. receives the Taranaki Stadium Trust's half-year report for the six months ended 31 December 2018.

Lean/Cloke

6. Public Excluded

In accordance with section 48(1) of the *Local Government Official Information and Meetings Act 1987*, resolves that the public is excluded from the following part of the proceedings of the Executive, Audit and Risk Committee meeting held on Monday 18 February 2018 for the following reason/s:

Item 7 – Taranaki Stadium Trust: Statement of Intent for the year ending 30 June 2020

That the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information where the withholding of the information is necessary to maintain the effective conduct of public affairs through the free and frank expression of opinions by or between or to members.

Lean/Joyce

There being no further business, the Committee Chairperson, Councillor D L Lean, declared the open meeting of the Executive, Audit and Risk Committee closed at 10.55am.

Confirmed

Committee Chairperson: _____
D L Lean

Date: 1 April 2019

Agenda Memorandum

Date 26 February 2019



**Memorandum to
Chairperson and Members
Taranaki Regional Council**

**Subject: 2019/2020 Annual Plan: Statement of
Proposal and Consultation Document**

Approved by: M J Nield, Director – Corporate Services
BG Chamberlain, Chief Executive

Document: 2192440

Purpose

The purpose of this memorandum is to receive, consider and adopt the following documents for public consultation:

- The *2019/2020 Annual Plan – Statement of Proposal*
- The consultation documents for the *2019/2020 Annual Plan – Statement of Proposal*
- The 2019/2020 estimates – Appendix 1.

Executive summary

The purpose of this item is to adopt the *2019/2020 Annual Plan – Statement of Proposal* and the associated consultation documents for public consultation.

The *2019/2020 Annual Plan – Statement of Proposal* will be subject to a certain amount of additional design work, fine-tuning and editing during the production and printing process and as a result of the decisions made at this meeting.

The consultation documents will form the basis of the public consultation process prescribed in the *Local Government Act 2002*.

The *2019/2020 Annual Plan – Statement of Proposal* proposes a business as planned approach in line with the plans for 2019/2020 in the *2018/2028 Long-Term Plan*. Its development followed, and is consistent with, the Annual Plan workshop (December 2018). The *Plan* is not materially different from that provided for 2019/2020 in the *2018/2028 Long-Term Plan*, with one substantial exception.

There is one key issue (Yarrow Stadium), that was noted in the *2018/2028 Long-Term Plan*, that will form the basis of public consultation and engagement. There is an ancillary related matter that will also be consulted upon – that is the Council joining the Local Government Funding Agency (LGFA). The LGFA is a potential vehicle for the Council to borrow the funds for Yarrow Stadium.

The key points in the draft *Plan* are:

- A proposal to repair/reinstate Yarrow Stadium with a budget of up to \$55m. A borrowing programme over 25 years to fund the repairs/reinstatement. Changes to the rating for Yarrow Stadium to make it more transparent and to separate it from other activities and functions with single purpose Yarrow Stadium targeted rates.
- A proposed 0% change to general rates against a planned increase of 3.7% for 2019/2020 that was projected in the *2018/2028 Long-Term Plan*
- The Council's planned commitments in respect of all of its other core activities remain unchanged from those commitments identified in the *2018/2028 Long-Term Plan*.

The *2019/2020 Annual Plan -Statement of Proposal* reflects the operational and financial forecasts signalled to the regional community over the last few years through a number of long-term planning documents. These plans, strategies and policies include the regional policy statement, four regional plans (air, fresh water, soil and coastal), a pest management [plan, a biosecurity strategy, a biodiversity operational strategy, regional waste strategy, oil spill response plan, regional transport plan and passenger transport plan, civil defence group plan and asset management plans (river and flood control schemes and regional gardens). That is, there is nothing significant in the *Plan* that has not already been through significant public consultative procedures, with the exception of proposals for Yarrow Stadium.

Recommendations

That the Taranaki Regional Council:

1. receives this memorandum on the Consultation Documents, the *2019/2020 Annual Plan: Statement of Proposal* and the 2019/2020 estimates
2. notes that the formatting of the *2019/2020 Annual Plan – Statement of Proposal* is still to be completed and that there are a number of immaterial editorial changes to be made
3. advises the Chief Executive of any proposed amendments to the estimates and/or the Consultation Document and for the *2019/2020 Annual Plan: Statement of Proposal* and instructs the Chief Executive to progress any proposed amendments
4. having considered the provisions of section 97 of the *Local Government Act 2002*, confirms that no amendment to the *2018/2028 Long-Term Plan* is necessary and that the proposals for the long-term solution of Yarrow Stadium be included in the preparation and adoption of the *2019/2020 Annual Plan*
5. in respect to Yarrow Stadium, agrees that the development of options and associated level of analysis is appropriate to the significance of the matter being considered and the circumstances of the decision being made
6. in respect to Yarrow Stadium, that having considered the options, funding implications, the Council's legislative obligations and the decision-making requirements of the *Local Government Act 2002*, confirms that subject to recommendation 7 below, the preferred option is option 2
 - to raise up to \$55m to repair the stands and upgrade associated facilities, noting that the proposed facilities upgrades will be implemented in a prioritised manner to the extent of the available budget
 - to repay the up to \$55m of borrowing over 25 years

- to establish single purpose Yarrow Stadium fixed charge targeted rates in accordance with the Council's *Revenue and Financing Policy*.
- 7. in respect to Yarrow Stadium, agrees that additional alternative sources of funding continue to be explored and that if, by 31 December 2020, such funding has been sourced to enable the completion of option 4, at no additional cost to the Council, then the Council will further consider the implementation of option 4
- 8. having considered the provisions of sections 82 and 82A of the *Local Government Act 2002*, confirms the use of the special consultative procedure (section 83 of the *Local Government Act 2002*) is appropriate for the preparation and adoption of the *2019/2020 Annual Plan*
- 9. notes the balanced budget deficit for 2019/2020 and confirms the transfer from the Dividend Equalisation Reserve to fund the balanced budget deficit
- 10. notes that the use of the Dividend Equalisation Reserve to fund the balanced budget surpluses and deficits balances out over the ten-year life of the *2018/2028 Long-Term Plan* and that, over the full ten years, the Council's budgets balance
- 11. adopts the Consultation Documents, namely the *Consultation Document: 2019/2020 Annual Plan* and the *Consultation Document: Proposal to join the Local Government Funding Agency Scheme*, that will form the basis for the preparation of the *2019/2020 Annual Plan: Statement of Proposal*
- 12. publicly notifies and invites submissions on the Consultation Documents and the *2019/2020 Annual Plan: Statement of Proposal* pursuant to the special consultative procedure of the *Local Government Act 2002*
- 13. notes the timetable for the completion and adoption of the *2019/2020 Annual Plan*.

Background

The Council is required to prepare and adopt an annual plan in each year that it does not prepare and adopt a long-term plan. Section 95 of the *Local Government Act 2002* sets out the requirements for an annual plan. The section states:

95 Annual plan

1. A local authority must prepare and adopt an annual plan for each financial year.
2. Subject to subsection (2A), a local authority must consult in a manner that gives effect to the requirements of section 82 before adopting an annual plan under this section.
- 2A. Subsection (2) does not apply if the proposed annual plan does not include significant or material differences from the content of the long-term plan for the financial year to which the proposed annual plan relates.
3. An annual plan must be adopted before the commencement of the year to which it relates.
4. Despite subsection (1), for the first year to which a long-term plan under section 93 relates, the financial statement and funding impact statement included in that long-term plan in relation to that year must be regarded as the annual plan adopted by the local authority for that year.
5. The purpose of an annual plan is to –

- (a) *contain the proposed annual budget and funding impact statement for the year to which the annual plan relates; and*
 - (b) *identify any variation from the financial statements and funding impact statement included in the local authority's long-term plan in respect of the year; and*
 - [(c) *provide integrated decision making and co-ordination of the resources of the local authority; and*]
 - (d) *contribute to the accountability of the local authority to the community*
 - (e) *Repealed.*
- (6) *Each annual plan adopted under this section must –*
- (a) *be prepared in accordance with the principles and procedures that apply to the preparation of the financial statements and funding impact statement included in the long-term plan; and*
 - (b) *contain appropriate references to the long-term plan in which the local authority's activities for the financial year covered by the annual plan are set out; and*
 - (c) *include the information required by Part 2 of Schedule 10.*
- (6A) *Except where subsection (5) requires otherwise, the local authority must comply with subsection (6) (b) and (c) by means of reference to, rather than duplication of, the long-term plan.]*
- (7) *A local authority must, within 1 month after the adoption of its annual plan, –*
- (a) *make its annual plan publicly available; and*
 - (b) *send copies of that plan to –*
 - (i) *the Secretary; and*
 - (ii) *the Auditor-General; and*
 - (iii) *the Parliamentary Library.*

Discussion

The *2019/2020 Annual Plan* presents a solid programme to the regional community that is largely business as planned. The *Plan* presents a financially sustainable and prudent approach for 2019/2020. Other than for Yarrow Stadium, which was signalled for action in the *2018/2028 Long-Term Plan*, it contains no significant or material changes from the plans established for 2019/2020 in the *2018/2028 Long-Term Plan*.

Whilst not specifically addressed in the *2018/2028 Long-Term Plan*, the recently passed *New Plymouth District Council (Waitara Lands) Act 2018* comes into effect and has been included in the *2019/2020 Annual Plan*. An estimated \$8m may be received during 2019/2020. The process for deciding how these proceeds will be expended is included in the *2019/2020 Annual Plan*. The Council will establish the Waitara River Committee and a sub-committee. The Committee will determine how the proceeds are to be expended albeit, that they are required to be spent on the Waitara River, the Waitara River catchment or on the lower catchment of the Waitara River and 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.

Yarrow Stadium aside, the *2019/2020 Annual Plan* reflects the operational and financial forecasts signalled to the regional community over the last few years through a number of

long-term planning documents. These plans, strategies and policies include the regional policy statement, four regional plans (air, fresh water, soil and coastal), a pest management [plan, a biosecurity strategy, a biodiversity operational strategy, regional waste strategy, oil spill response plan, regional transport plan and passenger transport plan, civil defence group plan and asset management plans (river and flood control schemes and regional gardens). That is, there is nothing significant in the *Plan* that has not already been through significant public consultative procedures. The Consultation Document signals the continued business as planned approach including the following current programmes:

- protecting our rivers, lakes and water from pollution
- managing the wise and productive use of water and soil
- protecting the quality of our air
- managing our coastal resources wisely
- controlling animal and plant pests
- providing flood protection
- protecting biodiversity
- promoting efficient and safe transport networks
- providing public transport services, especially for transport disadvantaged people
- ensuring emergency and civil defence systems are well prepared for and respond effectively in times of need
- managing regional garden amenities and supporting the protection of heritage
- ensuring the ongoing development and maintenance of Yarrow Stadium
- owning and ensuring good governance of Port Taranaki Ltd
- advocating for and promoting the best interests of Taranaki people and the sustainable development of the region.

In the *2018/2028 Long-Term Plan*, it was clearly signalled that there would be a separate discussion and consultation process on the options to repair/reinstate Yarrow Stadium to operational capacity. This is the main area of consultation and engagement for this year.

Yarrow Stadium

The Council's *2018/2028 Long-Term Plan* provides for the long-term maintenance and development of Yarrow Stadium. The Stadium is owned by the Taranaki Stadium Trust, which is a council-controlled organisation that is controlled by the Council. The New Plymouth District Council has a management agreement with the Trust to operate the stadium and to undertake asset management. The New Plymouth District Council funds these activities.

The East and West Stands have been declared earthquake prone buildings. The East Stand cannot be used and the West Stand is available only in a very limited capacity.

Yarrow Stadium: Process Obligations

In its *2018/2028 Long-Term Plan*, the Council signalled that it would present options for addressing the issues with the stadium. In addressing these matters, legal advice has been taken on the decision making process obligations under the *Local Government Act 2002* (the Act).

The first matter to address is whether the decision being made requires an amendment to the *2018/2028 Long-Term Plan*. This matter is covered by section 97 of the Act. The matters being addressed are not specifically included in the *2018/2028 Long-Term Plan*. Therefore, an amendment to the *2018/2028 Long-Term Plan* would be required if the Council made a decision to significantly alter the intended level of service for a significant activity including deciding to commence or cease such an activity. A decision to transfer the ownership or control of a strategic asset would also require an amendment to the *2018/2028 Long-Term Plan* if not already provided for.

In this case, the range of options, especially at the two extremes (demolish the stands and return to grassed areas only, or build a new stadium with substantially different capabilities) would, arguably, constitute a significant change in the level of service and would, therefore, require an amendment to the *2018/2028 Long-Term Plan*. However, the repair/reinstatement options with reasonable variations essentially return the stadium to the previous levels of service. Therefore, particularly with the preferred option, there is no significant change to the level of service and therefore, there is no need to amend the *2018/2028 Long-Term Plan*.

Taranaki Stadium Trust and its assets are defined as strategic assets in the *2018/2028 Long-Term Plan* (refer page 139). As this proposal does not include transfer of ownership or control of a strategic asset, the *2018/2028 Long-Term Plan* does not require to be amended.

Therefore, the inclusion of this proposal and the preferred option in the *2019/2020 Annual Plan* is appropriate.

Under the Act, a key purpose of an annual plan is to identify variations and updates to the long-term plan. The long-term solution for Yarrow Stadium is an important update to the *2018/2028 Long-Term Plan*, one which was sign-posted in the *2018/2028 Long-Term Plan*.

The impact of the preferred option for the long-term solution does not have a substantial effect on the rest of the Council's activities. That is the levels of service and activities outlined in the *2018/2028 Long-Term Plan* will continue to be delivered upon. Neither does the proposal sustainably alter the Council's financial or infrastructure strategies.

Public consultation/engagement on the annual plan is obligatory unless the annual plan does not include significant or material differences from the content of the long-term plan. The long-term solution does not fall within this exemption from consultation meaning consultation/engagement on the *2019/2020 Annual Plan* will be required.

The form of consultation for the *2019/2020 Annual Plan* is one that gives effect to the requirements of sections 82 and 82A of the Act. The specific requirements for the consultation document for the *2019/2020 Annual Plan* are set out in section 95A of the Act.

Having regard to section 82 and 82A of the Act, it is appropriate for the Council to undertake the special consultative procedure (per section 83 of the Act) for the proposed long-term solutions for Yarrow Stadium and preparing and adopting the *2019/2020 Annual Plan*.

Yarrow Stadium: Options Development

A range of repair and reinstatement options has been investigated, developed and costed. These options range from demolishing the stands and returning to grassed areas only, through to repairing/reinstating (with variations) the stadium, through to building a new stadium.

A number of considerations were generally applied in the development of the options. These include:

- Returning the stadium to service
- Updating and future-proofing the stadium
- Enhancing the visitor experience
- Increasing the community use of the whole stadium venue.

New Plymouth District Council lead the process working with engineers, geotechnical expertise, architects, users (various sporting bodies) and other venue users. An external, independent, experienced stadium/venue designer was used to establish and prioritise the schedule of works that comprises each solution.

The total budget estimates for each option include the costs associated with addressing all of the works to address the above considerations as well as costs for design and analysis, project management, contingency and temporary stand solutions.

A thorough process has been undertaken to develop the various options and the associated estimates for each option. The work has been peer-reviewed. However, the validity of the estimates can only be verified once the agreed works proposals have gone to the market and the market has responded. There will be differences between the estimates and the final market prices. In some instances, these may be significant. The proposal is that, for the adopted option, the approved budget be the maximum cap and that some of the lower-prioritised elements of the programme will be left for future asset management plans, if the total budget looks as if it would be exceeded.

Once an option is adopted, the delivery of the solution will be managed by the Yarrow Stadium Joint Committee.

The structural repair options have been considered by three New Plymouth based engineering consultancies. TSE have considered options for repairing the West Stand, Calibre have considered options for the East Stand, and BCD group has peer reviewed this work. A workshop was held in New Plymouth where the 3 companies collaboratively worked through the various repair options.

The West stand repair essentially involves strengthening the ground underneath the structure. The stand was built on top of an old landfill site and recent geotechnical reports show that the ground conditions are significantly different than those detailed in the original

geotechnical reports at the time of construction. Ground remediation work will be required to strengthen the ground and prevent failure during a moderate seismic event.

The East stand involves a combination of structural work to strengthen the building, and additional work to the foundation structure. It appears that some critical foundation design elements have been omitted from the original design. This has resulted in the building being susceptible to a seismic event in a north/south direction. There are also a number of areas in the structure itself that need strengthening to meet current building standards.

Yarrow Stadium: Necessary additional works external to grandstands

At the same time as the structural work is being undertaken on the stands it is proposed a range of necessary works would also be undertaken. All of these works contribute to the considerations outlined above, and are all important to the successful relaunching of the Stadium. They also would have been considered/undertaken as part of the 2018/2028 asset management plans. In some of the options, these works are included or excluded. These additional works are briefly described in Appendix 1.

Yarrow Stadium: Economic Assessment

The Council commissioned the economists BERL to assess the value of the Yarrow Stadium to the Taranaki community over the last 15 years. BERL's key findings include:

- The Stadium has been assessed as 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, 8 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. BERL is in the process of preparing and finalising work on the economic impacts (advantages and disadvantages) of the various options.

Yarrow Stadium: The Options

The following section outlines each option, the pros and cons of each option and the total cost of each option. Attached is the *Yarrow Stadium Master Plan Options 2019* report. Each option has been graphically presented together with the existing site plan. The sheet for each option pictorially presents the options including outlining new buildings/additions (peach

colour), alterations (yellow), new covered seating (purple) and new un-covered seating (orange).

The table in the top right-hand corner of each option outlines:

- What the option is
- Effect on capacity
- Costs
- Pros and cons of the option.

Option 1

This option involves demolishing and removing both stands and replacing them with grassed banks. This option is the cheapest and fastest but effectively ensures that no national or international events are held at the stadium. There will be no covered seating and the overall capacity of the ground is severely reduced. The only seating options would be the existing north and south terraces. There are no hospitality options. This would be a significant step backwards for the region and economic activity would be reduced. The estimated total cost of this option is \$6m.

BERL estimate the ratio of benefit to capital cost ratio for this option to be 0.1.

Option 2

This option involves the repair/reinstatement of the two stands, the relocation of gym and changing facilities to a new building and the range of works outlined above. This returns the stands to use and brings the stadium/venue up to a modern standard. There is a new layout for the East Stand. On the downside, there is an appearance of little change and the limitations of use and capacity in hospitality areas remain. The total estimated cost of this works programme is \$54.1m. This project is the preferred option.

BERL estimate the ratio of benefit to capital cost ratio for this option to be 3.8.

Options 2A and 2B

There are two variations on Option 2. Option 2A involves demolishing the West Stand and fixing the East Stand at a total cost of \$50.2m. Option 2B involves fixing the East Stand and removing the roof from the West Stand at a total cost of \$56.1m. These options have been investigated and costed, but are not recommended for consideration as the total cost of the options is not substantially different from Option 2, but the loss in the level of service is significant. Both options would severely reduce the covered seating capacity and make the venue unattractive for national and international events.

With costs similar to Option 2, but benefits severely reduced, BERL did not specifically estimate the ratio of benefit to capital cost ratio for these options.

Option 3

This option involves the repair/reinstatement of the two stands, the relocation of gym and changing facilities to a new building, the range of works outlined above and the addition of permanent seating to the front of the East and West Stands. This option is similar to option 2 but it increases the seating capacity of the stadium making it more attractive for event organisers. The weaknesses in option 2 remain. This is the return the stadium to use and increase the total capacity option. The estimated cost of this works programme is \$56.3m.

BERL estimate the ratio of benefit to capital cost ratio for this option to be 3.8.

Option 4

This option is similar to option 3 but reconfigures the East Stand and adds multi-use community recreational and hosting facilities to the back of the East Stand. It also adds new toilet, storage and grounds servicing facilities. The addition of the new community-use recreational and hosting facilities extends the use of stadium facilities over and above pitch 1. It would essentially “bolt on” to the back of a reconfigured East Stand. The extended area available in the East Stand increases the available space for hospitality, conference, expos and community use. This is a step-forward for the venue in terms of its existing capability for community use and for its ability to financially attract additional national and international events. The estimated cost of this works programme is \$69m.

BERL estimate the ratio of benefit to capital cost ratio for this option to be 4.0.

Option 5

This option includes the repair and extension of the capacity of the West Stand, the total replacement of the existing East Stand with a new larger capacity structure and new south terraces (with pitch 1 moved south to be closer). A new East Stand and an enhanced West Stand significantly increases the capacity and number of covered seats. This makes the venue more financially attractive for larger national and international events. The extended community-use recreational facilities and associated benefits are included in this option as are the increased space options for hospitality, conferences, expos etc. The estimated cost of this works programme is \$121m.

BERL estimate the ratio of benefit to capital cost ratio for this option to be 2.6.

Option 6

This option is the same as option 5 with the inclusion of a new uncovered north stand. The additional of a new North Stand increases the financial attractiveness of the venue to hosts of national and international events. Pitch 1 becomes a more intimate viewing experience as the stands and southern terraces are all closer to the field. All the advantages/benefits of option 5 apply to this option. There is a small reduction in total capacity due to the removal of standing areas. Effectively, the venue comes an all-seater venue. The estimated cost of this works programme is \$133m.

Option 7

This option is a new stadium on the existing site with covered stands north, east and west and uncovered stand in the south. The main pitch is aligned with the mountain. This is a complete new build option. Pitch 2 is relocated. This option addresses all the principles for this project. It will address the community use options for expos, conferences etc. as well as being financially attractive to hosts of national and international events. The construction of a new stadium will mean that current uses will need to be relocated for 2 to 3 years. The estimated cost of this works programme is \$167m.

Option 8

This is the same as option 7 with the inclusion of a roof over a new stadium. This option provides guarantees for events regardless of the weather. This pros and cons for option 7 apply to this option. The estimated cost of this works programme is \$271m.

BERL estimate the ratio of benefit to capital cost ratio for this option to be 1.4.

Yarrow Stadium: Summary of Options Analysis

The options can be summarised as follows:

Options	1. Demolish stands and grass banks	2. Repairs stands and update facilities	2A. Fix East Stand. Demolish West Stand	2B. Fix East Stand. Remove West Stand roof	3. Repair stands. Extra seating	4. Repair stands. New community use facilities	5. New East Stand. Extended West Stand. New South.	6. New East, South and North Stands. Extended West Stand	7. New stadium	8. New stadium with roof
Can be implemented in 2-3 years	✓	✓	✓	✓	✓	✓	✓	✓	X	X
Good as or better than before	X	✓	X	X	✓	✓	✓	✓	✓	✓
Ok for international sporting events	X	✓	X	X	✓	✓	✓	✓	✓	✓
Comparable with other regions	X	✓	✓	✓	✓	✓	✓	✓	✓	✓
Within TRC financial limits	✓	✓	✓	X	X	X	X	X	X	X
Total estimated cost	\$6m	\$55m	\$50.2m	\$56.1m	\$56.3m	\$69m	\$121m	\$133m	\$167m	\$271m
Annual cost per household	NP/NT \$22 Strat \$15 ST \$15	NP/NT \$76 Strat \$51 ST \$51	NP/NT \$67 Strat \$47 ST \$47	NP/NT \$74 Strat \$52 ST \$52	NP/NT \$74 Strat \$52 ST \$52	NP/NT \$87 Strat \$61 ST \$61	NP/NT \$140 Strat \$100 ST \$100	NP/NT \$153 Strat \$108 ST \$108	NP/NT \$188 Strat \$133 ST \$133	NP/NT \$295 Strat \$210 ST \$210
Annual cost for New Plymouth and North Taranaki commercial and industrial ratepayers	NP/NT Industrial and commercial \$124	NP/NT Industrial and commercial \$428	NP/NT Industrial and commercial \$381	NP/NT Industrial and commercial \$415	NP/NT Industrial and commercial \$416	NP/NT Industrial and commercial \$490	NP/NT Industrial and commercial \$794	NP/NT Industrial and commercial \$864	NP/NT Industrial and commercial \$1,062	NP/NT Industrial and commercial \$1,668

Yarrow Stadium: Funding Arrangements and Borrowing Limits

The Council will need to borrow the necessary funds to bring Yarrow Stadium back to operational capacity (all options). For option 2, for example, up to \$55 million would be borrowed over a period of years to fund the reinstatement project. This would be on-lent to the Taranaki Stadium Trust so that the debt ultimately resides on the balance sheet of the Trust. This debt would be fully repaid (interest and principal) over 25 years. The repayment would be funded by increasing the existing Yarrow Stadium rating mechanisms, with some minor changes. The Council would collect the targeted rates and then forward them onto the Trust. The Trust would pay interest and principal back to the Council and the Council would then return the interest and principal to its bankers.

The Council's bankers have advised that on the strength of the current balance sheet and revenue streams to support borrowing, the Council could borrow up to approximately \$80m. The Council does not believe that it is prudent to borrow up to its limit on one project at one time potentially resulting in an inability to respond to unforeseen financial issues in the future. From a prudence point of view, the Council believes that it should limit its borrowing to at or near to \$55m for this project.

Yarrow Stadium: Funding/Rates Apportionment

The revenue and financing policy for Yarrow Stadium would remain unchanged. Since 2001, Yarrow Stadium funding has been apportioned across the region, with essentially 78% of the funding coming from the New Plymouth and North Taranaki constituencies, 5% of the funding from the Stratford constituency and 17% from the South Taranaki constituency. There is no proposal to change this mechanism, as it recovers funding from across the region and different categories of ratepayers in proportions that were developed by independent economists (BERL) based upon the approximate assessed level of benefits received in each part of the region and categories of ratepayers. The existing funding policy would continue for this reinstatement/repair project.

Yarrow Stadium: Targeted Rates Proposals

What is proposed is to move from a combination of fixed charges (part of the uniform annual general charge, or UAGC) and targeted land value differential rates (New Plymouth and North Taranaki constituencies), to a targeted annual fixed charge that recovers the same proportional amount from each ratepayer in a constituency. These fixed charges would be consistent with the funding policy allocations outlined above.

For Stratford and South Taranaki constituencies, each ratepayer has to date paid \$11 a year for Yarrow Stadium as part of their UAGC. It is proposed to create a targeted annual fixed charge of \$50.98 per ratepayer in Stratford and South Taranaki (for Option 2 with up to \$55m of borrowing repaid over 25 years at 3.6%pa).

For New Plymouth and North Taranaki constituencies, each residential, farming and small-holding ratepayer has to date paid, on average, \$20 a year for Yarrow Stadium. This has been a combination of \$11 from the UAGC and a differential rate based upon the land value of each property. For option 2, it is proposed to replace these with a targeted fixed annual charge of \$75.81. For industrial and commercial ratepayers, each landholder has to date paid, on average, \$100 a year for Yarrow Stadium. Again, this has been a combination of \$11

from the UAGC and a differential rate based upon the land value of each property. For option 2, it is proposed to replace these with a targeted fixed annual charge of \$428.30.

Yarrow Stadium: General Rates for 2019/2020

The forecast for 2019/2020 was for a general rates increase of 3.7% (*2018/2028 Long-Term Plan*). The removal of the UAGC component and the creation of targeted annual fixed charges means that the general rate change for 2019/2020 will be 0% rather than the 3.7% forecast.

Yarrow Stadium: External Borrowing

For external borrowing, it is proposed to take part in the Local Government Funding Agency (LGFA) Scheme. This scheme, used by most councils across the country, is able to raise debt on behalf of local authorities on terms that are more favourable than if they raised the debt directly. We believe the benefits of lower borrowing costs outweigh any costs and risks associated with the scheme. A separate special consultative exercise is required to be undertaken to join LGFA. A discussion of these costs and benefits is set out in the attached statement of proposal. Other lenders would also be approached to provide the external borrowing.

2019/2020 Annual Plan/Other Council Activities

Performance management framework

The performance measures and targets included in the *2019/2020 Annual Plan* have been updated from the *2018/2028 Long-Term Plan*. Performance measures and targets have been included in each group of activities to measure the levels of service and performance.

2019/2020 Estimates

The total planned expenditure in each group of activities is summarised as follows:

	2019/2020 Estimate \$	2018/2019 Estimate \$	Percentage Change	2019/2020 LTP \$	Percentage Change
Cost of services					
Resource management	\$22,662,160	\$14,647,450	54.7%	\$15,449,598	46.7%
Biosecurity and biodiversity	\$7,243,123	\$6,162,608	17.5%	\$6,949,006	4.2%
Transport	\$4,854,338	\$4,809,335	0.9%	\$4,896,935	-0.9%
Hazard management	\$930,193	\$918,545	1.3%	\$933,890	-0.4%
Recreation, culture and heritage	\$7,875,435	\$3,853,303	104.4%	\$4,417,801	78.3%
Regional representation, advocacy & investment management	\$1,759,701	\$1,592,777	10.5%	\$1,712,683	2.7%
Total operating expenditure	\$45,324,950	\$31,984,018	41.7%	\$34,359,913	31.9%

The key changes in expenditure are:

- Resource management: Provision has been made for expenditure of the \$8m of income that will be received from the sale of Waitara leasehold lands. The decisions on how and when this money will be spent will be made by the Waitara River Committee. Any unspent funds at 30 June 2020 will be transferred to a separate reserve. This was not budgeted for in the *2018/2028 Long-Term Plan* for either financial year.

- Biosecurity: The budget increases reflect the updated knowledge and understanding of the predator free project. This is funded by changes in the timing of the release of Predator Free 2050 Ltd funds and there is no adverse impact on rates.
- Transport: No significant changes.
- Hazard management: No significant changes.
- Recreation, culture and heritage: This reflects the funding of Yarrow Stadium repair and/or remediation. Assuming the preferred option is adopted, the Council will borrow up to \$55m and on-lend this to the Taranaki Stadium Trust. It is important that the debt sits on the books of the Trust. The Trust would not be able to raise this debt in its own name. The Council will set targeted rates of \$4.25m (from \$876,000) for Yarrow Stadium and transfer that money to the Trust. The Trust will pay the Council the interest and principal on the debt. The Council will then repay its debt. So the increase in expenditure is the increased funding to the Trust and the repayment of interest on the debt. This is offset by targeted rates income and interest on the debt from the Trust.
- Regional representation, advocacy and investment management: The increased budget relates to election expenses.

Total revenue is estimated at \$47,744,834 up from \$32,223,762 in 2018/2019.

Income	2019/2020	2018/2019	Percentage	2019/2020	Percentage
	Estimate \$	Estimate \$	Change	LTP \$	Change
General rates revenue	\$7,954,392	\$7,954,392	0.0%	\$8,248,705	-3.6%
Targeted rates revenue	\$6,217,530	\$2,220,791	180.0%	\$2,283,745	172.3%
Direct charges revenue	\$17,602,048	\$9,032,156	94.9%	\$9,822,745	79.2%
Government grants	\$3,277,474	\$3,646,423	-10.1%	\$3,665,618	-10.6%
Dividends	\$8,000,000	\$8,000,000	0.0%	\$8,000,000	0.0%
Other investment income	\$1,100,000	\$1,070,000	2.8%	\$1,091,400	0.8%
Vested assets	\$0	\$0	N/A	\$0	N/A
Gains/(losses) on revaluation of properties	\$0	\$0	N/A	\$0	N/A
Finance income	\$3,593,390	\$300,000	1097.8%	\$300,000	1097.8%
Total income	\$47,744,834	\$32,223,762	48.2%	\$33,412,213	42.9%

General rates are unchanged from 2018/2019 despite them being budgeted to rise by 3.7% in the 2018/2028 Long-Term Plan. Transport targeted rates are up by \$38,420 over last year. River and flood control targeted rates are \$10,344 higher than last year due. Yarrow Stadium targeted rates are up to \$4.25m to deliver the repair/reinstatement project.

Direct charge revenue is up \$8.6m on last year. \$8m of this relates to potential revenue from the sale of Waitara leasehold lands. Another \$0.41m is additional funding for the predator free project. Dividends from Port Taranaki Ltd are \$8m reflecting performance of the Company and the direction given to the Council in Port Taranaki Ltd's Statement of Corporate Intent. Finance income is up as the Council receives interest and principal repayment funding from the Taranaki Stadium Trust.

The net cost of service (the amount to be funded from general rates and investment returns) for each group of activities is better than planned for 2019/2020 in the 2018/2028 Long-Term Plan. The net position in each group of activities is summarised as follows:

	2019/2020 Estimate \$	2018/2019 Estimate \$	Percentage Change	2019/2020 LTP \$	Percentage Change
Net cost of services					
Resource management	\$7,328,457	\$7,017,752	4.4%	\$7,434,285	-1.4%
Biosecurity and biodiversity	\$4,907,578	\$4,507,510	8.9%	\$4,656,996	5.4%
Transport	\$450,676	\$444,740	1.3%	\$466,201	-3.3%
Hazard management	\$329,935	\$307,725	7.2%	\$314,934	4.8%
Recreation, culture and heritage	\$3,429,045	\$3,399,888	0.9%	\$3,964,682	-13.5%
Regional representation, advocacy & investment management	\$1,728,701	\$1,589,777	8.7%	\$1,709,683	1.1%
Total net cost of services	\$18,174,392	\$17,267,392	5.3%	\$18,546,781	-2.0%

The Council is required to operate a balanced budget.

In the *2018/2028 Long-Term Plan* it was outlined that, over the ten years, there would be fluctuations in the level of changes in general rates. Unchanged, these fluctuations would result in significant increases in some years and significant decreases in other years. To smooth the impact of rates changes, the Dividend Equalisation reserve is going to be utilised. In the early years of the Plan, the Reserve will fund the impact of changes to works programmes. In the later years, funds will be transferred back to the Reserve. The net impact of this approach is to eliminate the fluctuations in rates changes but, by the end of the life of this Plan, retain the overall value of the Reserve. This process continues, unchanged and as planned, for 2019/2020.

As noted earlier, general rates would remain unchanged despite a previously planned increase for 2019/2020 of 3.7%. With the Yarrow Stadium rates being fixed charges, the uniform annual general charge has to be removed. By law, only 30% of a Council's total rates can come from fixed charges.

Differences in valuation dates across the region and the effect of the UAGC make the calculation of the effect of rates increases on different groups of ratepayers variable. Specific rates for any property can be calculated using the table in the *Funding Impact Statement* within the *2019/2020 Annual Plan-Statement of Proposal*.

The estimates are attached to this memorandum (Appendix 2). When considering the estimates, it should be noted that a deficit (excess of expenditure over income) is funded by a combination of general rates and investment income. The changes proposed in the 2019/2020 estimates are summarised in each section.

Schedules of charges

The annual review of charges has been completed. The effect of increasing costs has necessitated an increase in the charge-out rates for staff. These increased charge-out rates affect the cost incurred for work such as resource consent applications and compliance monitoring charges. The charge-out rates are calculated using the Institution of Professional Engineers New Zealand (IPENZ) methodology with a multiplier of 2.1.

Fixed minimum charges for the processing of resource consents and the monitoring of compliance with resource consent conditions have changed in accordance with the new rates.

For the individual tailored compliance monitoring programmes, each programme has been reviewed and alterations (up and down) made. Each programme has been discussed with the resource consent holder.

Public consultation

Section 82 of the *Local Government Act 2002* outlines the principles of consultation:

- (1) *Consultation that a local authority undertakes in relation to any decision or other matter must be undertaken, subject to subsections (3) to (5), in accordance with the following principles:*
 - (a) *that persons who will or may be affected by, or have an interest in, the decision or matter should be provided by the local authority with reasonable access to relevant information in a manner and format that is appropriate to the preferences and needs of those persons:*
 - (b) *that persons who will or may be affected by, or have an interest in, the decision or matter should be encouraged by the local authority to present their views to the local authority:*
 - (c) *that persons who are invited or encouraged to present their views to the local authority should be given clear information by the local authority concerning the purpose of the consultation and the scope of the decisions to be taken following the consideration of views presented:*
 - (d) *that persons who wish to have their views on the decision or matter considered by the local authority should be provided by the local authority with a reasonable opportunity to present those views to the local authority in a manner and format that is appropriate to the preferences and needs of those persons:*
 - (e) *that the views presented to the local authority should be received by the local authority with an open mind and should be given by the local authority, in making a decision, due consideration:*
 - (f) *that persons who present views to the local authority should be provided by the local authority with information concerning both the relevant decisions and the reasons for those decisions.*
- (2) *A local authority must ensure that it has in place processes for consulting with Maori in accordance with subsection (1).*
- (3) *The principles set out in subsection (1) are, subject to subsections (4) and (5), to be observed by a local authority in such manner as the local authority considers, in its discretion, to be appropriate in any particular instance.*
- (4) *A local authority must, in exercising its discretion under subsection (3), have regard to –*
 - (a) *the requirements of section 78; and*
 - (b) *the extent to which the current views and preferences of persons who will or may be affected by, or have an interest in, the decision or matter are known to the local authority; and*
 - (c) *the nature and significance of the decision or matter, including its likely impact from the perspective of the persons who will or may be affected by, or have an interest in, the decision or matter; and*
 - (d) *the provisions of Part 1 of the Local Government Official Information and Meetings Act 1987 (which Part, among other things, sets out the circumstances in which there is good reason for withholding local authority information); and*

- (e) the costs and benefits of any consultation process or procedure.*
- (5) Where a local authority is authorised or required by this Act or any other enactment to undertake consultation in relation to any decision or matter and the procedure in respect of that consultation is prescribed by this Act or any other enactment, such of the provisions of the principles set out in subsection (1) as are inconsistent with specific requirements of the procedure so prescribed are not to be observed by the local authority in respect of that consultation.*

Section 83 outlines the process of consultation:

- (1) Where this Act or any other enactment requires a local authority to use or adopt the special consultative procedure, that local authority must –*
 - (a) prepare –*
 - (i) a statement of proposal; and*
 - (ii) a summary of the information contained in the statement of proposal (which summary must comply with section 89); and*
 - (b) include the statement of proposal on the agenda for a meeting of the local authority; and*
 - (c) make the statement of proposal available for public inspection at –*
 - (i) the principal public office of the local authority; and*
 - (ii) such other places as the local authority considers necessary in order to provide all ratepayers and residents of the district with reasonable access to that statement; and*
 - (d) distribute in accordance with section 89(c) the summary of the information contained in the statement of proposal; and*
 - (e) give public notice, and such other notice as the local authority considers appropriate, of the proposal and the consultation being undertaken; and*
 - (f) include in the public notice a statement about how persons interested in the proposal –*
 - (i) may obtain the summary of information about the proposal; and*
 - (ii) may inspect the full proposal; and*
 - (g) include in the public notice a statement of the period within which submissions on the proposal may be made to the local authority; and*
 - (h) ensure that any person who makes a submission on the proposal within that period –*
 - (i) is sent a written notice acknowledging receipt of that person's submission; and*
 - (ii) is given a reasonable opportunity to be heard by the local authority (if that person so requests); and*
 - (i) ensure that the notice given to a person under paragraph (h)(i) contains information –*
 - (i) advising that person of that person's opportunity to be heard; and*
 - (ii) explaining how that person may exercise that person's opportunity to be heard; and*

- (j) *ensure that, except as otherwise provided by Part 7 of the Local Government Official Information and Meetings Act 1987, every meeting at which submissions are heard or at which the local authority, community board, or committee deliberates on the proposal is open to the public; and*
- (k) *subject to the Local Government Official Information and Meetings Act 1987, make all written submissions on the proposal available to the public.*
- (2) *The period specified in the statement included under subsection (1)(g) must be a period of not less than 1 month beginning with the date of the first publication of the public notice.*
- (3) *This section does not prevent a local authority from requesting or considering, before making a decision, comment or advice from an officer of the local authority or any other person in respect of the proposal or any submission or both.*

Timetable

The following timetable is envisaged to complete the adoption of the *2019/2020 Annual Plan-Statement of Proposal*:

26 February 2019 – Ordinary Meeting

Adoption of the 2019/2020 estimates

Adoption of the draft *2019/2020 Annual Plan-Statement of Proposal*

Adoption of the Consultation Documents.

February/March 2019

Amendment of the estimates, the Consultation Documents and *2019/2020 Annual Plan-Statement of Proposal* for decisions made as a result of the 26 February 2019 Ordinary Meeting. Finalisation of the Consultation Documents and *2019/2020 Annual Plan-Statement of Proposal*. Preparation and printing of the Consultation Documents and *2019/2020 Annual Plan-Statement of Proposal*.

Saturday 16 March 2019

Public notification of the availability of the Consultation Documents and *2019/2020 Annual Plan-Statement of Proposal* for public submissions.

Monday 18 March 2019

Consultation Documents and *2019/2020 Annual Plan-Statement of Proposal* released for public consultation and submissions.

Tuesday 23 April 2019 (Tuesday after Easter)

Public submissions on the Consultation Documents and *2019/2020 Annual Plan-Statement of Proposal* close.

Monday 13 May 2019 and Tuesday 14 May 2019 – Ordinary Meeting (following Executive Committee Meeting)

Submissions on the Consultation Documents and *2019/2020 Annual Plan-Statement of Proposal* heard and considered.

Note that two days may be required to hear all the submissions.

Tuesday 21 May 2019 – Ordinary Meeting

2019/2020 Annual Plan adopted.

2019/2020 rates set.

Decision-making considerations

Part 6 (Planning, decision-making and accountability) of the *Local Government Act 2002* has been considered and documented in the preparation of this agenda item. The recommendations made in this item comply with the decision-making obligations of the *Act*.

Financial considerations—LTP/Annual Plan

This memorandum and the associated recommendations are consistent with the Council's adopted Long-Term Plan and estimates. Any financial information included in this memorandum has been prepared in accordance with generally accepted accounting practice.

Policy considerations

This memorandum and the associated recommendations are consistent with the policy documents and positions adopted by this Council under various legislative frameworks including, but not restricted to, the *Local Government Act 2002*, the *Resource Management Act 1991* and the *Local Government Official Information and Meetings Act 1987*.

Iwi considerations

This memorandum and the associated recommendations are consistent with the Council's policy for the development of Māori capacity to contribute to decision-making processes (schedule 10 of the *Local Government Act 2002*) as outlined in the adopted long-term plan and/or annual plan. Similarly, iwi involvement in adopted work programmes has been recognised in the preparation of this memorandum.

Legal considerations

This memorandum and the associated recommendations comply with the appropriate statutory requirements imposed upon the Council.

Appendices/Attachments

Document 2136260: 2019/2020 Annual Plan: Statement of Proposal

Document 2175587: Consultation Document: 2019/2020 Annual Plan

Document 2187873: Consultation Document: Proposal to join the Local Government Funding Agency Scheme

Document 2208648: NPDC Covering letter to Yarrow Stadium: Master Plan Options 2019

Document 2207690: Yarrow Stadium: Master Plan Options 2019

Document 2179548: BERL: Yarrow Stadium value to the Taranaki community

Appendix 1:

At the same time as the structural work is being undertaken on the stands it is proposed a range of necessary works would also be undertaken. All of these works contribute to the considerations outlined above, are all important to the successful relaunching of the Stadium. They also would have been considered/undertaken as part of the 2018/2028 asset management plans. In some of the options, these works are included or excluded. These additional works are:

Works programme	Detail	Benefits
Create additional space and provide additional food and beverage outlets and one toilet block to the south west corner	There are currently insufficient food and beverage units and toilets on site for the general public at major events. An expanded, flat, sealed area will provide space for a food 'village'	Customer experience, financial performance, economic impact, operational improvement.
Provide a dedicated goods lift to all levels of the East Stand	Currently no goods lift which means that one of the passenger lifts is used causing logistical challenges and poor customer experience in a high end area	Customer experience, operational improvement
Provide for technology upgrades to include wifi solution with captive portal, IPTV system, improved PA, and audio visual equipment to hospitality spaces	Enables the operator to leverage from better technology to improve customer experience and increase revenue	Customer experience, financial performance, utilisation, community use
Tar seal west car park, better lighting and improve sense of arrival	Poor experience on arriving at venue and lack of light could be a hazard	Customer experience, safety
Replace sports lighting with new LED system	Existing light system is beyond end of life and is a safety risk	Customer experience, community use, financial performance, safety
Improve east car park (and entry) for parking, team drop off and to avoid mixing with pedestrians	The vehicle flow is poor and is hazardous to pedestrians	Customer experience, safety
Extend pathway from Field 2 to Gate 3 and beyond to Gate 4	Path currently goes nowhere and a path is required to take patrons from Gate 3 to Gate 4 ticket office	Customer experience, operational improvement, safety

Works programme	Detail	Benefits
Provide new maintenance and grounds storage sheds	Increases the amount of space for storage of equipment and supplies	Operational improvement
Canopies/ weather protection and a general upgrade to entry gates	Scanners cut out in poor weather resulting in poor customer experience. A gatehouse is required for improved security at Gate 2	Customer experience, operational improvement
Replace the seats to the south	Seats are getting to end of life	Customer experience
Replace end of life catering equipment	Majority of equipment is at end of life and requires replacement	Operational improvement
Upgrade CCTV system by replacing cameras at end of life and resolving blind spots	The current system needs to be upgraded to overcome operational challenges.	Operational improvement, safety
Improve the levels of the pitch 1, upgrade drainage and provide new hybrid/reinforced turf system	The pitch has a significant fall toward the East Stand and has the potential to flood. A reinforced system will enable greater utilisation of the pitch	Operational improvement, utilisation, community use
Field 2, improve lighting to 500 lux, provide irrigation system and replace turf with new hybrid/reinforced system	Better facility for the local sporting teams and codes and supports the changes to the east car park	Community use, utilisation
Improve wayfinding signage	Some spaces are not well sign posted	Customer experience, operational improvement
Replace the grassed areas of the north and south terraces with hard finishes and repair the fascia of the retaining walls at pitch level	Makes the terraces easier to clean after events and easier for day to day maintenance. Reduces the risk of uneven surfaces for patrons	Operational improvement, customer experience, financial performance
Water recycling system from the stadium roofs on the East and/or West Stands	Enables the water that is harvested to be used for irrigation	Operational improvement

Works programme	Detail	Benefits
Replace cladding to the north and south ends of the East Stand	Cladding is showing signs of corrosion and could be replaced in conjunction with the repair/extension to the East Stand	Operational improvement
Relocate generator away from office/hospitality space	Will reduce the risk of disruption and noise to staff and patrons	Customer experience, operational improvement
Better management of hot water system	Currently everything is on one system. Will be more efficient to separate out	Customer experience, financial performance
Upgrade sports lights to Fields 3 and 4 to 200 lux	Allows improved community usage of Fields 3 and 4	Community use
Re-level Field 4 and install sub-surface drainage	Provides a better quality sports field for community sports	Community use
Automatic irrigation to Fields 3 and 4	Easier to irrigate these fields	Operational improvement
Provide conduits for Sky TV cabling	Ensures that cables are hidden and reduces the risk of trip hazards	Operational improvement
Move sewage pump to outside Gate 4 or gravity feed to main	Ensures that if the pump fails the situation can be solved easily	Operational improvement

Appendix 2:

This Appendix provides a summarised version of the departmental budgets. These budgets have been subject to rigorous management review and are fundamentally the same estimates as considered in the Long-Term Plan workshops. Explanations of the major variances are provided. Councillors should note that these estimates are translated/allocated into the various activities found in the Long-Term Plan.

10 01 00 Policy and planning

	2019/2020	2018/2019	\$ Change	% change
	Estimate	Estimate		
Revenue	\$3,000	\$3,000	\$0	0.0%
Total Revenue	\$3,000	\$3,000	\$0	0.0%
Expenditure				
Personnel	\$597,014	\$570,944	\$26,070	4.6%
Vehicles	\$17,000	\$12,000	\$5,000	41.7%
Operations	\$175,452	\$187,532	-\$12,080	-6.4%
Total Expenditure	\$789,466	\$770,476	\$18,990	2.5%
Deficit/(Surplus)	\$786,466	\$767,476	\$18,990	2.5%

No significant changes.

10 02 00 Resource consents

	2019/2020	2018/2019	\$ Change	% change
	Estimate	Estimate		
Revenue	\$810,370	\$794,560	\$15,810	2.0%
Total Revenue	\$810,370	\$794,560	\$15,810	2.0%
Expenditure				
Personnel	\$441,471	\$426,430	\$15,041	3.5%
Vehicles	\$13,000	\$12,000	\$1,000	8.3%
Operations	\$86,900	\$86,900	\$0	0.0%
Total Expenditure	\$541,371	\$525,330	\$16,041	3.1%
Deficit/(Surplus)	-\$268,999	-\$269,230	\$231	-0.1%

No significant changes.

10 03 00 Inspectorate

	2019/2020 Estimate	2018/2019 Estimate	\$ Change	% change
Revenue	\$1,348,047	\$1,321,672	\$26,375	2.0%
Total Revenue	\$1,348,047	\$1,321,672	\$26,375	2.0%
Expenditure				
Personnel	\$1,032,365	\$999,014	\$33,351	3.3%
Vehicles	\$77,000	\$60,000	\$17,000	28.3%
Operations	\$188,505	\$182,108	\$6,397	3.5%
Total Expenditure	\$1,297,870	\$1,241,122	\$56,748	4.6%
Deficit/(Surplus)	-\$50,177	-\$80,550	\$30,373	-37.7%

No significant changes.

10 05 00 Navigation safety

	2019/2020 Estimate	2018/2019 Estimate	\$ Change	% change
Revenue	\$0	\$0	\$0	N/A
Total Revenue	\$0	\$0	\$0	N/A
Expenditure				
Personnel	\$0	\$0	\$0	N/A
Vehicles	\$0	\$0	\$0	N/A
Operations	\$46,500	\$46,500	\$0	0.0%
Total Expenditure	\$46,500	\$46,500	\$0	0.0%
Deficit/(Surplus)	\$46,500	\$46,500	\$0	0.0%

No significant changes.

20 03 00 Emergency management

	2019/2020 Estimate	2018/2019 Estimate	\$ Change	% change
Revenue	\$0	\$0	\$0	N/A
Total Revenue	\$0	\$0	\$0	N/A
Expenditure				
Personnel	\$0	\$0	\$0	N/A
Vehicles	\$0	\$0	\$0	N/A
Operations	\$406,221	\$399,236	\$6,985	1.7%
Total Expenditure	\$406,221	\$399,236	\$6,985	1.7%
Deficit/(Surplus)	\$406,221	\$399,236	\$6,985	1.7%

No significant changes.

20 04 00 Science Services Physical/Chemistry

	2019/2020 Estimate	2018/2019 Estimate	\$ Change	% change
Revenue	\$5,000	\$5,000	\$0	0.0%
Total Revenue	\$5,000	\$5,000	\$0	0.0%
Expenditure				
Personnel	\$1,076,829	\$1,008,558	\$68,271	6.8%
Vehicles	\$33,000	\$20,000	\$13,000	65.0%
Operations	\$167,738	\$156,699	\$11,039	7.0%
Total Expenditure	\$1,277,567	\$1,185,257	\$92,310	7.8%
Deficit/(Surplus)	\$1,272,567	\$1,180,257	\$92,310	7.8%

One 1 year fixed term position to work on contaminated sites (per the *2018/2028 Long-Term Plan*). No other significant changes.

20 05 00 Science Services Hydrology/Biology

	2019/2020 Estimate	2018/2019 Estimate	\$ Change	% change
Revenue	\$7,000	\$7,000	\$0	0.0%
Total Revenue	\$7,000	\$7,000	\$0	0.0%
Expenditure				
Personnel	\$1,106,518	\$1,098,108	\$8,410	0.8%
Vehicles	\$54,000	\$45,000	\$9,000	20.0%
Operations	\$357,376	\$356,366	\$1,010	0.3%
Total Expenditure	\$1,517,894	\$1,499,474	\$18,420	1.2%
Deficit/(Surplus)	\$1,510,894	\$1,492,474	\$18,420	1.2%

No significant changes.

20 06 01 Science Services Business Support

	2019/2020 Estimate	2018/2019 Estimate	\$ Change	% change
Revenue	\$2,132,820	\$2,091,000	\$41,820	2.0%
Total Revenue	\$2,132,820	\$2,091,000	\$41,820	2.0%
Expenditure				
Personnel	\$189,522	\$186,022	\$3,500	1.9%
Vehicles	\$3,500	\$3,000	\$500	16.7%
Operations	\$10,400	\$10,400	\$0	0.0%
Total Expenditure	\$203,422	\$199,422	\$4,000	2.0%
Deficit/(Surplus)	-\$1,929,398	-\$1,891,578	-\$37,820	2.0%

No significant changes.

20 06 02 Science Services Laboratory Services

	2019/2020 Estimate	2018/2019 Estimate	\$ Change	% change
Revenue	\$0	\$0	\$0	N/A
Total Revenue	\$0	\$0	\$0	N/A
Expenditure				
Personnel	\$76,187	\$73,950	\$2,237	3.0%
Vehicles	\$0	\$0	\$0	N/A
Operations	\$412,000	\$402,000	\$10,000	2.5%
Total Expenditure	\$488,187	\$475,950	\$12,237	2.6%
Deficit/(Surplus)	\$488,187	\$475,950	\$12,237	2.6%

No significant changes.

20 07 00 Resource investigations

	2019/2020 Estimate	2018/2019 Estimate	\$ Change	% change
Revenue	\$50,000	\$50,000	\$0	0.0%
Total Revenue	\$50,000	\$50,000	\$0	0.0%
Expenditure				
Personnel	\$0	\$0	\$0	N/A
Vehicles	\$0	\$0	\$0	N/A
Operations	\$120,000	\$120,000	\$0	0.0%
Total Expenditure	\$120,000	\$120,000	\$0	0.0%
Deficit/(Surplus)	\$70,000	\$70,000	\$0	0.0%

No significant changes.

30 01 01 Land management

	2019/2020 Estimate	2018/2019 Estimate	\$ Change	% change
Revenue	\$98,000	\$78,000	\$20,000	25.6%
Total Revenue	\$98,000	\$78,000	\$20,000	25.6%
Expenditure				
Personnel	\$1,225,150	\$1,131,461	\$93,689	8.3%
Vehicles	\$90,250	\$92,000	-\$1,750	-1.9%
Operations	\$296,356	\$247,843	\$48,513	19.6%
Total Expenditure	\$1,611,756	\$1,471,304	\$140,452	9.5%
Deficit/(Surplus)	\$1,513,756	\$1,393,304	\$120,452	8.6%

One 5 year fixed term position to work on riparian programme (per the 2018/2028 Long-Term Plan). No other significant changes.

30 01 02 Riparian plant supply

	2019/2020 Estimate	2018/2019 Estimate	\$ Change	% change
Revenue	\$1,500,000	\$1,500,000	\$0	0.0%
Total Revenue	\$1,500,000	\$1,500,000	\$0	0.0%
Expenditure				
Personnel	\$69,721	\$64,609	\$5,112	7.9%
Vehicles	\$0	\$0	\$0	N/A
Operations	\$1,245,000	\$1,242,000	\$3,000	0.2%
Total Expenditure	\$1,314,721	\$1,306,609	\$8,112	0.6%
Deficit/(Surplus)	-\$185,279	-\$193,391	\$8,112	-4.2%

No significant changes.

30 01 03 Pole supply

	2019/2020 Estimate	2018/2019 Estimate	\$ Change	% change
Revenue	\$77,466	\$77,466	\$0	0.0%
Total Revenue	\$77,466	\$77,466	\$0	0.0%
Expenditure				
Personnel	\$49,609	\$36,180	\$13,429	37.1%
Vehicles	\$0	\$0	\$0	N/A
Operations	\$37,250	\$41,250	-\$4,000	-9.7%
Total Expenditure	\$86,859	\$77,430	\$9,429	12.2%
Deficit/(Surplus)	\$9,393	-\$36	\$9,429	-26191.7%

No significant changes.

30 01 04 Sustainable Land Management Initiatives MfE

	2019/2020 Estimate	2018/2019 Estimate	\$ Change	% change
Revenue	\$1,000,000	\$1,400,000	-\$400,000	-28.6%
Total Revenue	\$1,000,000	\$1,400,000	-\$400,000	-28.6%
Expenditure				
Personnel	\$0	\$0	\$0	N/A
Vehicles	\$0	\$0	\$0	N/A
Operations	\$1,000,000	\$1,400,000	-\$400,000	-28.6%
Total Expenditure	\$1,000,000	\$1,400,000	-\$400,000	-28.6%
Deficit/(Surplus)	\$0	\$0	\$0	N/A

Waitotara scheme did not proceed – no other significant changes.

30 01 05 Sustainable Land Management Initiatives STRESS

	2019/2020 Estimate	2018/2019 Estimate	\$ Change	% change
Revenue	\$302,000	\$302,000	\$0	0.0%
Total Revenue	\$302,000	\$302,000	\$0	0.0%
Expenditure				
Personnel	\$0	\$0	\$0	N/A
Vehicles	\$0	\$0	\$0	N/A
Operations	\$252,000	\$252,000	\$0	0.0%
Total Expenditure	\$252,000	\$252,000	\$0	0.0%
Deficit/(Surplus)	-\$50,000	-\$50,000	\$0	0.0%

No significant changes.

30 02 00 Environmental services

	2019/2020 Estimate	2018/2019 Estimate	\$ Change	% change
Revenue	\$136,500	\$136,500	\$0	0.0%
Total Revenue	\$136,500	\$136,500	\$0	0.0%
Expenditure				
Personnel	\$858,958	\$848,949	\$10,009	1.2%
Vehicles	\$69,000	\$78,000	-\$9,000	-11.5%
Operations	\$778,699	\$506,432	\$272,267	53.8%
Total Expenditure	\$1,706,657	\$1,433,381	\$273,276	19.1%
Deficit/(Surplus)	\$1,570,157	\$1,296,881	\$273,276	21.1%

Works in conjunction with the Department of Conservation work in the National Park – funded by transfer from reserve fund. No other significant changes.

30 02 01 Predator Free project

	2019/2020 Estimate	2018/2019 Estimate	\$ Change	% change
Revenue	\$2,032,045	\$1,618,598	\$413,447	25.5%
Total Revenue	\$2,032,045	\$1,618,598	\$413,447	25.5%
Expenditure				
Personnel	\$389,453	\$85,808	\$303,645	353.9%
Vehicles	\$28,000	\$7,000	\$21,000	300.0%
Operations	\$2,404,145	\$2,100,898	\$303,247	14.4%
Total Expenditure	\$2,821,598	\$2,193,706	\$627,892	28.6%
Deficit/(Surplus)	\$789,553	\$575,108	\$214,445	37.3%

Growth of the predator control project with Predator Free 2050 Ltd (per the 2018/2028 Long-Term Plan). No other significant changes.

30 03 01 River control and flood maintenance

	2019/2020 Estimate	2018/2019 Estimate	\$ Change	% change
Revenue	\$75,514	\$75,565	-\$51	-0.1%
Total Revenue	\$75,514	\$75,565	-\$51	-0.1%
Expenditure				
Personnel	\$99,237	\$96,803	\$2,434	2.5%
Vehicles	\$7,000	\$6,000	\$1,000	16.7%
Operations	\$68,232	\$70,003	-\$1,771	-2.5%
Total Expenditure	\$174,469	\$172,806	\$1,663	1.0%
Deficit/(Surplus)	\$98,955	\$97,241	\$1,714	1.8%

No significant changes.

30 03 02 River control schemes

	2019/2020 Estimate	2018/2019 Estimate	\$ Change	% change
Revenue	\$583,632	\$581,774	\$1,858	0.3%
Total Revenue	\$583,632	\$581,774	\$1,858	0.3%
Expenditure				
Personnel	\$30,713	\$29,783	\$930	3.1%
Vehicles	\$0	\$0	\$0	N/A
Operations	\$145,200	\$145,200	\$0	0.0%
Total Expenditure	\$175,913	\$174,983	\$930	0.5%
Deficit/(Surplus)	-\$407,719	-\$406,791	-\$928	0.2%

No significant changes.

30 03 04 South Taranaki river control schemes

	2019/2020 Estimate	2018/2019 Estimate	\$ Change	% change
Revenue	\$62,904	\$74,367	-\$11,463	-15.4%
Total Revenue	\$62,904	\$74,367	-\$11,463	-15.4%
Expenditure				
Personnel	\$0	\$0	\$0	N/A
Vehicles	\$0	\$0	\$0	N/A
Operations	\$50,000	\$45,000	\$5,000	11.1%
Total Expenditure	\$50,000	\$45,000	\$5,000	11.1%
Deficit/(Surplus)	-\$12,904	-\$29,367	\$16,463	-56.1%

No significant changes.

30 05 00 Environmental enhancement grants

	2019/2020 Estimate	2018/2019 Estimate	\$ Change	% change
Revenue	\$0	\$0	\$0	N/A
Total Revenue	\$0	\$0	\$0	N/A
Expenditure				
Personnel	\$0	\$0	\$0	N/A
Vehicles	\$0	\$0	\$0	N/A
Operations	\$110,000	\$110,000	\$0	0.0%
Total Expenditure	\$110,000	\$110,000	\$0	0.0%
Deficit/(Surplus)	\$110,000	\$110,000	\$0	0.0%

No significant changes.

30 06 00 Biodiversity operations

	2019/2020 Estimate	2018/2019 Estimate	\$ Change	% change
Revenue	\$0	\$0	\$0	N/A
Total Revenue	\$0	\$0	\$0	N/A
Expenditure				
Personnel	\$692,588	\$719,355	-\$26,767	-3.7%
Vehicles	\$51,000	\$13,500	\$37,500	277.8%
Operations	\$430,499	\$449,921	-\$19,422	-4.3%
Total Expenditure	\$1,174,087	\$1,182,776	-\$8,689	-0.7%
Deficit/(Surplus)	\$1,174,087	\$1,182,776	-\$8,689	-0.7%

No significant changes.

30 07 01 Tupare

	2019/2020	2018/2019	\$ Change	% change
	Estimate	Estimate		
Revenue	\$27,000	\$27,000	\$0	0.0%
Total Revenue	\$27,000	\$27,000	\$0	0.0%
Expenditure				
Personnel	\$285,810	\$279,534	\$6,276	2.2%
Vehicles	\$17,000	\$8,500	\$8,500	100.0%
Operations	\$181,922	\$190,771	-\$8,849	-4.6%
Total Expenditure	\$484,732	\$478,805	\$5,927	1.2%
Deficit/(Surplus)	\$457,732	\$451,805	\$5,927	1.3%

No significant changes.

30 07 02 Pukeiti

	2019/2020	2018/2019	\$ Change	% change
	Estimate	Estimate		
Revenue	\$165,000	\$120,000	\$45,000	37.5%
Total Revenue	\$165,000	\$120,000	\$45,000	37.5%
Expenditure				
Personnel	\$484,747	\$401,446	\$83,301	20.8%
Vehicles	\$19,000	\$9,000	\$10,000	111.1%
Operations	\$1,077,183	\$512,543	\$564,640	110.2%
Total Expenditure	\$1,580,930	\$922,989	\$657,941	71.3%
Deficit/(Surplus)	\$1,415,930	\$802,989	\$612,941	76.3%

First year of funding for the Kaitake trail - \$500,000 (per the 2018/2028 Long-Term Plan). One new FTE. No other significant changes.

30 07 03 Hollard Gardens

	2019/2020	2018/2019	\$ Change	% change
	Estimate	Estimate		
Revenue	\$5,000	\$5,000	\$0	0.0%
Total Revenue	\$5,000	\$5,000	\$0	0.0%
Expenditure				
Personnel	\$285,712	\$313,892	-\$28,180	-9.0%
Vehicles	\$7,000	\$4,000	\$3,000	75.0%
Operations	\$135,132	\$133,417	\$1,715	1.3%
Total Expenditure	\$427,844	\$451,309	-\$23,465	-5.2%
Deficit/(Surplus)	\$422,844	\$446,309	-\$23,465	-5.3%

No significant changes.

40 01 00 Yarrow Stadium

	2019/2020	2018/2019	\$ Change	% change
	Estimate	Estimate		
Revenue	\$7,622,780	\$301,415	\$7,321,365	2429.0%
Total Revenue	\$7,622,780	\$301,415	\$7,321,365	2429.0%
Expenditure				
Personnel	\$0	\$0	\$0	N/A
Vehicles	\$0	\$0	\$0	N/A
Operations	\$5,186,890	\$876,000	\$4,310,890	492.1%
Total Expenditure	\$5,186,890	\$876,000	\$4,310,890	492.1%
Deficit/(Surplus)	-\$2,435,890	\$574,585	-\$3,010,475	-523.9%

Increased funding for the Yarrow Stadium repair/reinstatement. Based on the recommended solution, targeted rates up to \$4.25m – funding transferred to the Trust – Trust repays the Council for interest and principal repayments.

40 03 00 Public information

	2019/2020 Estimate	2018/2019 Estimate	\$ Change	% change
Revenue	\$30,000	\$2,000	\$28,000	1400.0%
Total Revenue	\$30,000	\$2,000	\$28,000	1400.0%
Expenditure				
Personnel	\$152,395	\$149,217	\$3,178	2.1%
Vehicles	\$6,000	\$4,000	\$2,000	50.0%
Operations	\$237,350	\$181,950	\$55,400	30.4%
Total Expenditure	\$395,745	\$335,167	\$60,578	18.1%
Deficit/(Surplus)	\$365,745	\$333,167	\$32,578	9.8%

No significant changes.

40 04 00 Investment management

	2019/2020 Estimate	2018/2019 Estimate	\$ Change	% change
Revenue	\$0	\$0	\$0	N/A
Total Revenue	\$0	\$0	\$0	N/A
Expenditure				
Personnel	\$0	\$0	\$0	N/A
Vehicles	\$0	\$0	\$0	N/A
Operations	\$6,000	\$6,000	\$0	0.0%
Total Expenditure	\$6,000	\$6,000	\$0	0.0%
Deficit/(Surplus)	\$6,000	\$6,000	\$0	0.0%

No significant changes.

40 05 00 Representation

	2019/2020 Estimate	2018/2019 Estimate	\$ Change	% change
Revenue	\$0	\$0	\$0	N/A
Total Revenue	\$0	\$0	\$0	N/A
Expenditure				
Personnel	\$566,887	\$566,887	\$0	0.0%
Vehicles	\$7,000	\$8,000	-\$1,000	-12.5%
Operations	\$203,041	\$93,041	\$110,000	118.2%
Total Expenditure	\$776,928	\$667,928	\$109,000	16.3%
Deficit/(Surplus)	\$776,928	\$667,928	\$109,000	16.3%

Provision for the October 2019 elections. No other significant changes.

40 06 00 Corporate Services

	2019/2020	2018/2019	\$ Change	% change
Revenue	\$17,275,392	\$17,325,392	-\$50,000	-0.3%
Total Revenue	\$17,275,392	\$17,325,392	-\$50,000	-0.3%
Expenditure				
Personnel	\$3,843,033	\$3,619,368	\$223,665	6.2%
Vehicles	\$58,500	\$75,000	-\$16,500	-22.0%
Operations	\$3,774,014	\$3,758,258	\$15,756	0.4%
Total Expenditure	\$7,675,547	\$7,452,626	\$222,921	3.0%
Deficit/(Surplus)	-\$9,599,845	-\$9,872,766	\$272,921	-2.8%

General rates change is 0% compared to the 3.7% budgeted for in 2019/2020. Dividends from Port Taranaki Ltd are \$8m pa. Additional resources have been provided in the IT area. No other significant changes to expenditure levels.

40 07 01 Regional land transport planning

	2019/2020 Estimate	2018/2019 Estimate	\$ Change	% change
Revenue	\$38,920	\$36,717	\$2,203	6.0%
Total Revenue	\$38,920	\$36,717	\$2,203	6.0%
Expenditure				
Personnel	\$61,314	\$56,995	\$4,319	7.6%
Vehicles	\$0	\$0	\$0	N/A
Operations	\$15,000	\$15,000	\$0	0.0%
Total Expenditure	\$76,314	\$71,995	\$4,319	6.0%
Deficit/(Surplus)	\$37,394	\$35,278	\$2,116	6.0%

No significant changes.

40 07 02 Total mobility

	2019/2020 Estimate	2018/2019 Estimate	\$ Change	% change
Revenue	\$384,782	\$354,612	\$30,170	8.5%
Total Revenue	\$384,782	\$354,612	\$30,170	8.5%
Expenditure				
Personnel	\$60,668	\$54,934	\$5,734	10.4%
Vehicles	\$0	\$0	\$0	N/A
Operations	\$445,000	\$408,880	\$36,120	8.8%
Total Expenditure	\$505,668	\$463,814	\$41,854	9.0%
Deficit/(Surplus)	\$120,886	\$109,202	\$11,684	10.7%

No significant changes.

40 07 03 Passenger transport

	2019/2020 Estimate	2018/2019 Estimate	\$ Change	% change
Revenue	\$3,971,662	\$3,935,124	\$36,538	0.9%
Total Revenue	\$3,971,662	\$3,935,124	\$36,538	0.9%
Expenditure				
Personnel	\$176,064	\$195,920	-\$19,856	-10.1%
Vehicles	\$7,000	\$3,500	\$3,500	100.0%
Operations	\$3,796,230	\$3,775,200	\$21,030	0.6%
Total Expenditure	\$3,979,294	\$3,974,620	\$4,674	0.1%
Deficit/(Surplus)	\$7,632	\$39,496	-\$31,864	-80.7%

No significant changes.

40 08 00 Waitara Leasehold Lands

	2019/2020 Estimate	2018/2019 Estimate	\$ Change	% change
Revenue	\$8,000,000	\$0	\$8,000,000	N/A
Total Revenue	\$8,000,000	\$0	\$8,000,000	N/A
Expenditure				
Personnel	\$0	\$0	\$0	N/A
Vehicles	\$0	\$0	\$0	N/A
Operations	\$8,000,000	\$0	\$8,000,000	N/A
Total Expenditure	\$8,000,000	\$0	\$8,000,000	N/A
Deficit/(Surplus)	\$0	\$0	\$0	N/A

New costs centre to accommodate obligations arising from the *New Plymouth District Council (Waitara Lands) Act 2018*.



2019/2020 Annual Plan Taranaki Regional Council Statement of Proposal



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Foreword

We are pleased to present the Taranaki Regional Council's *2019/2020 Annual Plan*.

The Taranaki Regional Council again proposes a 'business as planned' approach in the coming financial year – but with Yarrow Stadium an important exception.

We intend to continue with the programmes and budgets set out in last year's 10-year plan. When we consulted the community on these last year, we noted that we'd also need to have a conversation on the Stadium's future once details, options and costings were clear.

That time has come. And we acknowledge that many of you are anxious to see a solution identified and implemented, and feel it has taken too long to get to this point. That sentiment is understandable. The Council, too, is keen to move forward as quickly as possible.

However, complex engineering and geotechnical issues have emerged from the closure of both the Stadium's stands after they were found to be quake-prone. Specialists have needed time to assess and analyse the problems and potential solutions. The Council has also needed to consult economic and financial analysts to satisfy ourselves that any preferred solutions are cost-effective, affordable and sustainable.

So a lot has been going on, and the work continues. Although potential solutions are developed enough to put to the community, expect refinements and revisions as the specialists delve further.

The options, with their pros and cons, and costs, are set out on these pages and summarised in a table on page (page number).

In a nutshell, the Council is committed to returning Yarrow Stadium to operational capability as soon as reasonably possible, and we propose to repair the stands and update some of the facilities at the same time. We'd need to borrow up to \$55 million, which would be repaid over 25 years from a targeted rate that would vary from constituency to constituency. Households will pay \$51 to \$76 a year, depending on location.

The Council believes the region deserves no less. We are convinced of the Stadium's value to the community, as borne out in a new economic analysis by Business and Economic Research Ltd (BERL). This report's main findings are also summarised in these pages and you can read the full BERL analysis at (web address).

But there are limits to what the Council can and should prudently borrow. Any restoration or redevelopment option costing more than \$55 million would need funding support from another party or parties. We would welcome funding support to allow us to expand the Stadium's capacity and usage potential. Our own discussions with potential co-funders have not so far proved fruitful but we trust that these parties will take note of the community's reaction to the options set out here.

Please read on. Our decision on Yarrow Stadium will have a big impact on the region now and into the future. We welcome and will consider carefully your informed feedback.



David MacLeod
Chairman



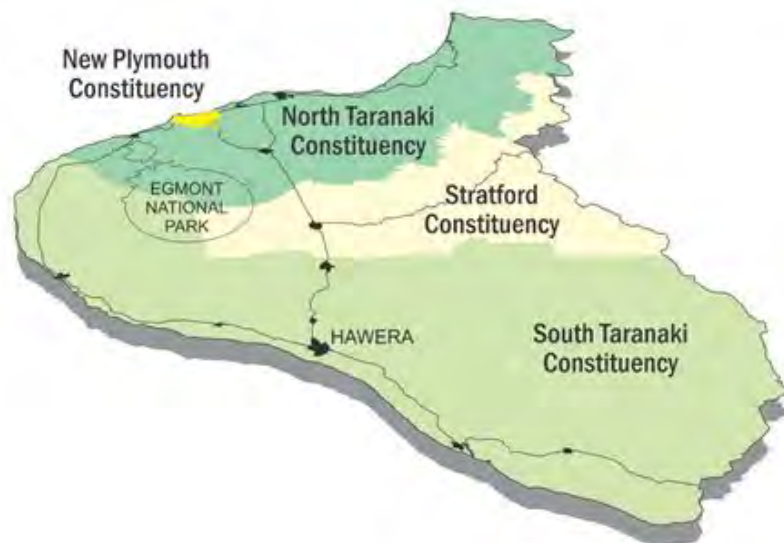
Basil Chamberlain
Chief Executive

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

The Council's *2018/2028 Long-Term Plan* provides for the long-term maintenance and development of Yarrow Stadium. The Stadium is owned by the Taranaki Stadium Trust, which is a council-controlled organisation that is controlled by the Council. The New Plymouth District Council has a management agreement with the Trust to operate the stadium and to undertake asset management. The New Plymouth District Council funds these activities.

The East and West Stands have been declared earthquake prone buildings. The East Stand cannot be used and the West Stand is available only in a very limited capacity.

Options Development

A range of repair and reinstatement options has been investigated, developed and costed. These options range from demolishing the stands and returning to grassed areas only, through to repairing/reinstating (with variations) the stadium, through to building a new stadium.

A number of considerations were generally applied in the development of the options. These include:

- Returning the stadium to service
- Updating and future-proofing the stadium
- Enhancing the visitor experience
- Increasing the community use of the whole stadium venue.

New Plymouth District Council lead the process working with engineers, geotechnical expertise, architects, users (various sporting bodies) and other venue users. An external, independent, experienced stadium/venue designer was used to establish and prioritise the schedule of works that comprises each solution.

The total budget estimates for each option include the costs associated with addressing all of the works to address the above considerations as well as costs for design and analysis, project management, contingency and temporary stand solutions.

The West stand repair essentially involves strengthening the ground underneath the structure. The stand was built on top of an old landfill site and recent geotechnical reports show that the ground conditions are significantly different than those detailed in the original geotechnical reports at the time of construction. Ground remediation work will be required to strengthen the ground and prevent failure during a moderate seismic event.

The East stand involves a combination of structural work to strengthen the building, and additional work to the foundation structure. It appears that some critical foundation design elements have been omitted from the original design. This has resulted in the building being susceptible to a seismic event in a north/south direction. There are also a number of areas in the structure itself that need strengthening to meet current building standards.

Necessary Additional Works External to Grandstands

At the same time as the structural work is being undertaken on the stands it is proposed a range of necessary works would also be undertaken. All of these works contribute to the considerations outlined above, and are all important to the successful relaunching of the Stadium. They also would have been considered/undertaken as part of the 2018/2028 asset management plans.

Economic Assessment

The Council commissioned the economists BERL to assess the value of the Yarrow Stadium to the Taranaki community over the last 15 years. BERL's key findings include:

- The Stadium has been assessed as 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, 8 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 Options

The following section outlines each option, the pros and cons of each option and the total cost of each option. Each option has been graphically presented together with the existing site plan. The sheet for each option pictorially presents the options including outlining new buildings/additions (peach colour), alterations (yellow), new covered seating (purple) and new un-covered seating (orange).

The table in the top right-hand corner of each option outlines:

- What the option is
- Effect on capacity
- Costs
- Pros and cons of the option.

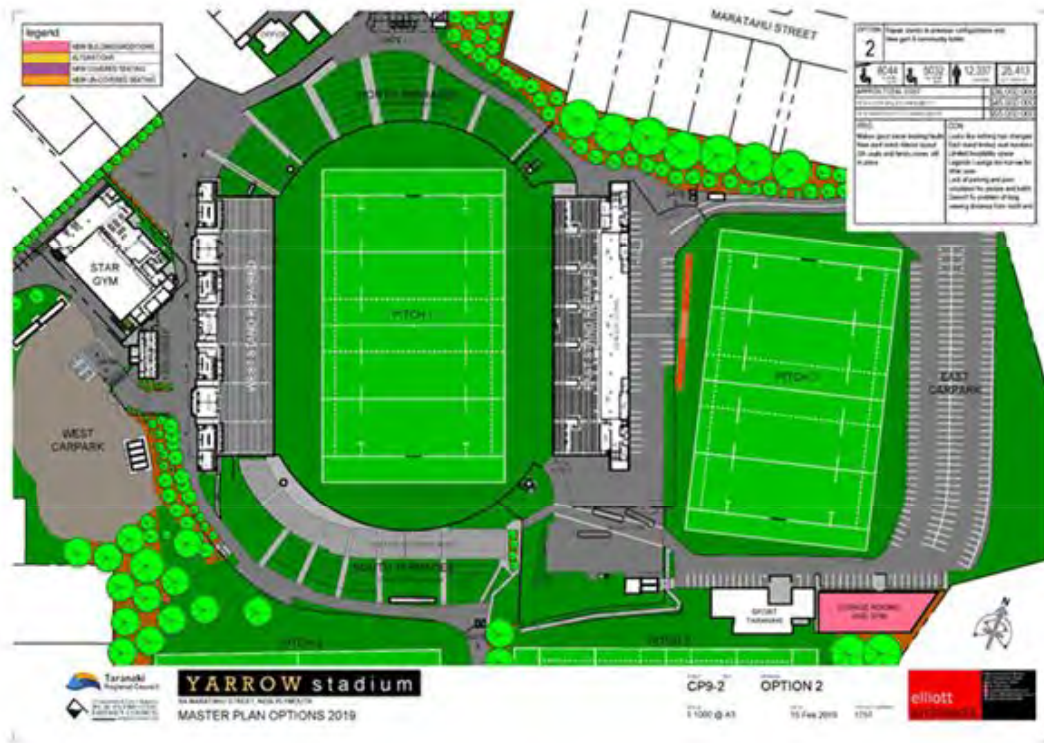
OPTION 1

This option involves demolishing and removing both stands and replacing them with grassed banks. This option is the cheapest and fastest but effectively ensures that no national or international events are held at the stadium. There will be no covered seating and the overall capacity of the ground is severely reduced. The only seating options would be the existing north and south terraces. There are no hospitality options. This would be a significant step backwards for the region and economic activity would be reduced. The estimated total cost of this option is \$6m.



OPTION 2

This option involves the repair/reinstatement of the two stands, the relocation of gym and changing facilities to a new building and the range of works outlined above. This returns the stands to use and brings the stadium/venue up to a modern standard. There is a new layout for the East Stand. On the downside, there is an appearance of little change and the limitations of use and capacity in hospitality areas remain. The total estimated cost of this works programme is \$54.1m. This project is the preferred option.



OPTIONS 2A AND 2B

There are two variations on Option 2. Option 2A involves demolishing the West Stand and fixing the East Stand at a total cost of \$50.2m. Option 2B involves fixing the East Stand and removing the roof from the West Stand at a total cost of \$56.1m. These options have been investigated and costed, but are not recommended for consideration as the total cost of the options is not substantially different from Option 2, but the loss in the level of service is significant. Both options would severely reduce the covered seating capacity and make the venue unattractive for national and international events.

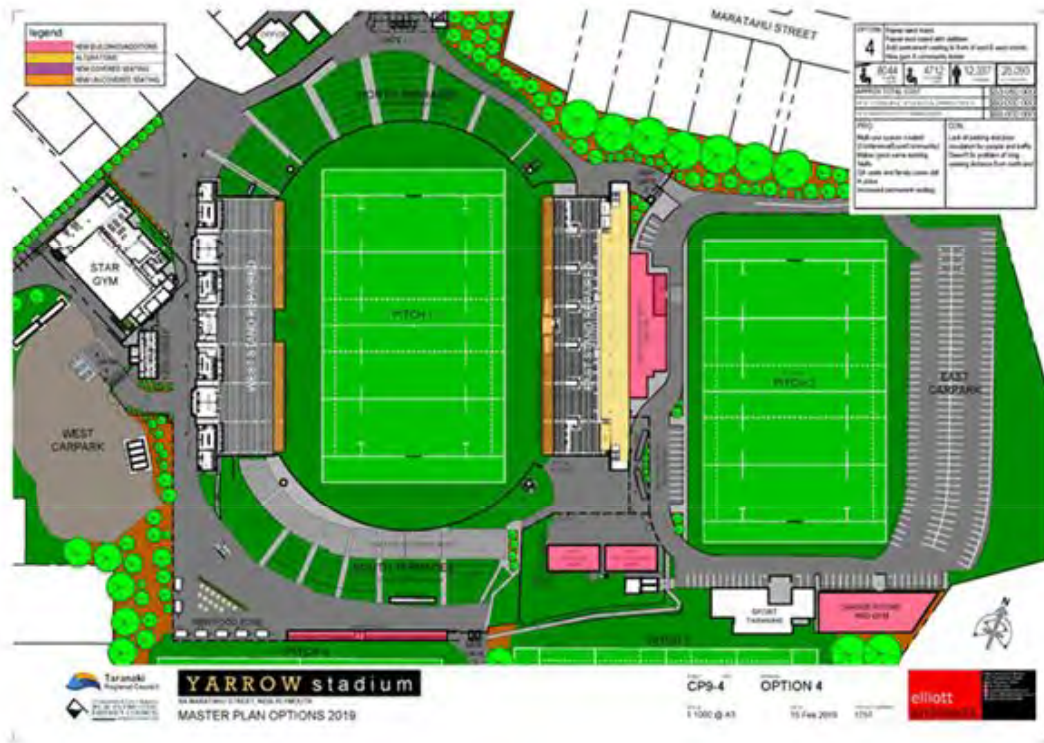
OPTION 3

This option involves the repair/reinstatement of the two stands, the relocation of gym and changing facilities to a new building, the range of works outlined above and the addition of permanent seating to the front of the East and West Stands. This option is similar to option 2 but it increases the seating capacity of the stadium making it more attractive for event organisers. The weaknesses in option 2 remain. This is the return the stadium to use and increase the total capacity option. The estimated cost of this works programme is \$56.3m.



OPTION 4

This option is similar to option 3 but reconfigures the East Stand and adds multi-use community recreational and hosting facilities to the back of the East Stand. It also adds new toilet, storage and grounds servicing facilities. The addition of the new community-use recreational and hosting facilities extends the use of stadium facilities over and above pitch 1. It would essentially “bolt on” to the back of a reconfigured East Stand. The extended area available in the East Stand increases the available space for hospitality, conference, expos and community use. This is a step-forward for the venue in terms of its existing capability for community use and for its ability to financially attract additional national and international events. The estimated cost of this works programme is \$69m.



OPTION 5

This option includes the repair and extension of the capacity of the West Stand, the total replacement of the existing East Stand with a new larger capacity structure and new south terraces (with pitch 1 moved south to be closer). A new East Stand and an enhanced West Stand significantly increases the capacity and number of covered seats. This makes the venue more financially attractive for larger national and international events. The extended community-use recreational facilities and associated benefits are included in this option as are the increased space options for hospitality, conferences, expos etc. The estimated cost of this works programme is \$121m.



OPTION 6

This option is the same as option 5 with the inclusion of a new uncovered north stand. The additional of a new North Stand increases the financial attractiveness of the venue to hosts of national and international events. Pitch 1 becomes a more intimate viewing experience as the stands and southern terraces are all closer to the field. All the advantages/benefits of option 5 apply to this option. There is a small reduction in total capacity due to the removal of standing areas. Effectively, the venue comes an all-seater venue. The estimated cost of this works programme is \$133m.



OPTION 7

This option is a new stadium on the existing site with covered stands north, east and west and uncovered stand in the south. The main pitch is aligned with the mountain. This is a complete new build option. Pitch 2 is relocated. This option addresses all the principles for this project. It will address the community use options for expos, conferences etc. as well as being financially attractive to hosts of national and international events. The construction of a new stadium will mean that current uses will need to be relocated for 2 to 3 years. The estimated cost of this works programme is \$167m.



OPTION 8

This is the same as option 7 with the inclusion of a roof over a new stadium. This option provides guarantees for events regardless of the weather. This pros and cons for option 7 apply to this option. The estimated cost of this works programme is \$271m.



Summary of Options Analysis

The options can be summarised as follows:

Options	1. Demolish stands and grass banks	2. Repairs stands and update facilities	2A. Fix East Stand. Demolish West Stand	2B. Fix East Stand. Remove West Stand roof	3. Repair stands. Extra seating	4. Repair stands. New community use facilities	5. New East Stand. Extended West Stand. New South.	6. New East, South and North Stands. Extended West Stand	7. New stadium	8. New stadium with roof
Can be implemented in 2-3 years	✓	✓	✓	✓	✓	✓	✓	✓	✗	✗
Good as or better than before	✗	✓	✗	✗	✓	✓	✓	✓	✓	✓
Ok for international sporting events	✗	✓	✗	✗	✓	✓	✓	✓	✓	✓
Comparable with other regions	✗	✓	✓	✓	✓	✓	✓	✓	✓	✓
Within TRC financial limits	✓	✓	✓	✗	✗	✗	✗	✗	✗	✗
Total estimated cost	\$6m	\$55m	\$50.2m	\$56.1m	\$56.3m	\$69m	\$121m	\$133m	\$167m	\$271m
Annual cost per household	NP/NT \$22 Strat \$15 ST \$15	NP/NT \$76 Strat \$51 ST \$51	NP/NT \$67 Strat \$47 ST \$47	NP/NT \$74 Strat \$52 ST \$52	NP/NT \$74 Strat \$52 ST \$52	NP/NT \$87 Strat \$61 ST \$61	NP/NT \$140 Strat \$100 ST \$100	NP/NT \$153 Strat \$108 ST \$108	NP/NT \$188 Strat \$133 ST \$133	NP/NT \$295 Strat \$210 ST \$210
Annual cost for New Plymouth and North Taranaki commercial and industrial ratepayers	NP/NT Industrial and commercial \$124	NP/NT Industrial and commercial \$428	NP/NT Industrial and commercial \$381	NP/NT Industrial and commercial \$415	NP/NT Industrial and commercial \$416	NP/NT Industrial and commercial \$490	NP/NT Industrial and commercial \$794	NP/NT Industrial and commercial \$864	NP/NT Industrial and commercial \$1,062	NP/NT Industrial and commercial \$1,668

Funding Arrangements and Borrowing Limits

The Council will need to borrow the necessary funds to bring Yarrow Stadium back to operational capacity. For option 2, for example, up to \$55 million would be borrowed over a period of years to fund the reinstatement project. This would be on-lent to the Taranaki Stadium Trust so that the debt ultimately resides on the balance sheet of the Trust. This debt would be fully repaid (interest and principal) over 25 years. The repayment would be funded by increasing the existing Yarrow Stadium rating mechanisms, with some minor changes. The Council would collect the targeted rates and then forward them onto the Trust. The Trust would pay interest and principal back to the Council and the Council would then return the interest and principal to its bankers.

The Council's bankers have advised that on the strength of the current balance sheet and revenue streams to support borrowing, the Council could borrow up to approximately \$80m. The Council does not believe that it is prudent to borrow up to its limit on one project at one time potentially resulting in an inability to respond to unforeseen financial issues in the future. From a prudence point of view, the Council believes that it should limit its borrowing to at or near to \$55m for this project.

Funding/Rates Apportionment

The revenue and financing policy for Yarrow Stadium would remain unchanged. Since 2001, Yarrow Stadium funding has been apportioned across the region, with essentially 78% of the funding coming from the New Plymouth and North Taranaki constituencies, 5% of the funding from the Stratford constituency and 17% from the South Taranaki constituency. There is no proposal to change this mechanism, as it recovers funding from across the region and different categories of ratepayers in proportions that were developed by independent economists (BERL) based upon the approximate assessed level of benefits received in each part of the region and categories of ratepayers. The existing funding policy would continue for this reinstatement/repair project.

Targeted Rates Proposals

What is proposed is to move from a combination of fixed charges (part of the uniform annual general charge, or UAGC) and targeted land value differential rates (New Plymouth and North Taranaki constituencies), to a targeted annual fixed charge that recovers the same proportional amount from each ratepayer in a constituency. These fixed charges would be consistent with the funding policy allocations outlined above.

For Stratford and South Taranaki constituencies, each ratepayer has to date paid \$11 a year for Yarrow Stadium as part of their UAGC. It is proposed to create a targeted annual fixed charge of \$50.98 per ratepayer in Stratford and South Taranaki (for Option 2 with up to \$55m of borrowing repaid over 25 years at 3.6%pa).

For New Plymouth and North Taranaki constituencies, each residential, farming and small-holding ratepayer has to date paid, on average, \$20 a year for Yarrow Stadium. This has been a combination of \$11 from the UAGC and a differential rate based upon the land value of each property. For option 2, it is proposed to replace these with a targeted fixed annual charge of \$75.81. For industrial and commercial ratepayers, each landholder has to date paid, on average, \$100 a year for Yarrow Stadium. Again, this has been a combination of \$11 from the UAGC and a differential rate based upon the land value of each property. For option 2, it is proposed to replace these with a targeted fixed annual charge of \$428.30.

General Rates for 2019/2020

The forecast for 2019/2020 was for a general rates increase of 3.7% (*2018/2028 Long-Term Plan*). The removal of the UAGC component and the creation of targeted annual fixed charges means that the general rate change for 2019/2020 will be 0% rather than the 3.7% forecast.

External Borrowing

For external borrowing, it is proposed to take part in the Local Government Funding Agency (LGFA) Scheme. This scheme, used by most councils across the country, is able to raise debt on behalf of local authorities on terms that are more favourable than if they raised the debt directly. The Council believes the benefits of lower borrowing costs outweigh any costs and risks associated with the scheme. A separate special consultative exercise is required to be undertaken to join LGFA. A discussion of these costs and benefits is set out in the statement of proposal. Other lenders would also be approached to provide the external borrowing.

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 Council is took the opportunity to consult on the extension and/or acceleration of three existing programmes.

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).

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 agreement 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 sites 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 \$
	Expenditure		
912,061	Resource management planning	941,991	932,084
1,102,352	Consent processing and administration	1,119,086	1,121,150
3,285,944	Compliance monitoring programmes	3,367,807	3,384,336
937,722	Pollution incidents and response	957,854	957,520
2,343,291	State of the environment monitoring	2,395,808	2,418,360
442,908	Resource investigations and projects	459,944	462,101
0	Waste minimisation	0	0
3,765,174	Sustainable land management plans and plant supply programme	3,954,442	4,304,000
	Waitara River catchment	8,000,000	0
1,857,998	Enhancement grants	1,465,228	1,870,047
14,647,450	Total expenditure	22,662,160	15,449,598
	Income		
3,232,796	General rates	3,207,448	3,306,408
5,927,698	Direct charges	14,031,703	6,313,313
1,702,000	Government grants	1,302,000	1,702,000
3,784,956	Investment funds	4,121,009	4,127,877
14,647,450	Total income	22,662,160	15,449,598
0	Operating surplus/(deficit)	0	0
	Capital expenditure		
0	Land	0	0
0	Buildings	17,000	0
994,000	Motor vehicles	481,000	441,000
298,061	Plant and equipment	144,429	120,829
0	Office furniture	0	0
0	Computer equipment	0	0
0	Flood and river control assets	0	0
0	Computer software	0	0
1,292,061	Total capital expenditure	642,429	561,829
	Funded by:		
1,292,061	Transfer from retained earnings	642,429	561,829
1,292,061	Total funding	642,429	561,829
	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
1,292,061	Total capital expenditure	642,429	561,829
308,000	Proceeds from sale of assets	159,000	159,000
611,672	Depreciation/amortisation	675,850	730,989

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 systems.

Indicative costs and sources of funds

2018/2019 Estimate \$		2019/2020 Estimate \$	2019/2020 Indicative \$
	Expenditure		
55,920	Biosecurity and biodiversity planning	57,703	56,981
3,063,701	Biosecurity/pest management	4,107,605	3,590,809
3,042,987	Biodiversity	3,077,815	3,301,216
6,162,608	Total expenditure	7,243,123	6,949,006
	Income		
2,076,428	General rates	2,147,901	2,071,205
1,755,098	Direct charges	2,168,545	2,125,010
0	Transfer from reserves	167,000	167,000
(100,000)	Transfer to reserves	0	0
2,431,082	Investment funds	2,759,677	2,585,791
6,162,608	Total income	7,243,123	6,949,006
0	Operating surplus/(deficit)	0	0
	Capital expenditure		
0	Land	0	0
0	Buildings	0	0
162,000	Motor vehicles	104,000	104,000
24,000	Plant and equipment	118,000	108,000
0	Office furniture	0	0
0	Computer equipment	0	0
0	Flood and river control assets	0	0
0	Computer software	0	0
186,000	Total capital expenditure	222,000	212,000
	Funded by:		
186,000	Transfer from retained earnings	222,000	212,000
186,000	Total funding	222,000	212,000
	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
186,000	Total capital expenditure	222,000	212,000
38,000	Proceeds from sale of assets	26,000	26,000
74,139	Depreciation/amortisation	124,822	79,062

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 Indicative \$
	Expenditure		
109,951	Regional land transport planning	113,391	150,992
4,652,884	Passenger transport	4,694,447	4,698,513
46,500	Harbour management	46,500	47,430
4,809,335	Total expenditure	4,854,338	4,896,935
	Income		
204,874	General rates	197,248	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
0	Government grants for capital	0	0
40,000	Transfer from reserves	8,633	8,633
(1,858)	Transfer to reserves	(335)	(332)
239,866	Investment funds	253,428	258,857
4,809,335	Total income	4,854,338	4,896,935
0	Operating surplus/(deficit)	0	0
	Capital expenditure		
0	Land	0	0
0	Buildings	0	0
0	Motor vehicles	0	0
0	Plant and equipment	0	0
0	Office furniture	0	0
0	Computer equipment	0	0
0	Flood and river control assets	0	0
0	Computer software	0	0
0	Total capital expenditure	0	0
	Funded by:		
0	Transfer from retained earnings	0	0
0	Total funding	0	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	Total capital expenditure	0	0
0	Proceeds from sale of assets	0	0
144,200	Depreciation/amortisation	144,200	144,200

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 Indicative \$
	Expenditure		
399,236	Civil defence emergency management	406,221	406,221
251,881	Flood management & general river control	251,713	256,009
267,428	River control schemes	272,259	271,660
918,545	Total expenditure	930,193	933,890
	Income		
141,757	General rates	144,403	140,067
711,706	Targeted rates	722,050	726,158
20,000	Direct charges	0	20,400
0	Government grants	0	0
0	Transfer from reserves	0	0
(45,651)	Transfer to reserves	(48,296)	(47,477)
165,968	Investment funds	185,532	174,867
993,780	Total income	1,003,689	1,014,015
75,235	Operating surplus/(deficit)	73,496	80,125
	Capital expenditure		
0	Land	0	0
0	Buildings	0	0
0	Motor vehicles	40,000	40,000
0	Plant and equipment	0	0
0	Office furniture	0	0
0	Computer equipment	0	0
0	Flood and river control assets	0	0
0	Computer software	0	0
0	Total capital expenditure	40,000	40,000
	Funded by:		
0	Transfer from retained earnings	40,000	40,000
0	Total funding	40,000	40,000
	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
0	Total capital expenditure	40,000	40,000
0	Proceeds from sale of assets	10,000	10,000
7,003	Depreciation/amortisation	8,232	8,232

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 Estimate \$	2019/2020 Indicative \$
	Expenditure		
2,827,303	Regional gardens	3,476,045	3,391,801
150,000	Puke Ariki	150,000	150,000
876,000	Yarrow Stadium	4,249,390	876,000
3,853,303	Total expenditure	7,875,435	4,417,801
	Income		
1,566,191	General rates	1,500,791	1,763,297
301,415	Targeted rates	4,249,390	296,619
152,000	Direct charges	197,000	156,500
1,833,697	Investment funds	1,928,254	2,201,385
3,853,303	Total income	7,875,435	4,417,801
0	Operating surplus/(deficit)	0	0
	Capital expenditure		
0	Land	0	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
0	Computer equipment	0	0
0	Flood and river control assets	0	0
0	Computer software	0	0
1,725,000	Total capital expenditure	1,711,000	1,666,000
	Funded by:		
1,725,000	Transfer from retained earnings	1,711,000	1,666,000
1,725,000	Total funding	1,711,000	1,666,000
	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
1,725,000	Total capital expenditure	1,711,000	1,666,000
18,000	Proceeds from sale of assets	0	0
475,981	Depreciation/amortisation	534,987	525,987

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 Indicative \$
	Expenditure		
6,000	Investment management	6,000	6,120
292,709	Community engagement	350,796	295,897
278,212	Advocacy and response	286,105	283,101
1,015,856	Governance	1,116,800	1,127,565
1,592,777	Total expenditure	1,759,701	1,712,683
	Income		
732,346	General rates	756,601	760,384
3,000	Direct charges	31,000	3,000
857,431	Investment funds	972,100	949,299
1,592,777	Total income	1,759,701	1,712,683
0	Operating surplus/(deficit)	0	0
	Capital expenditure		
0	Land	0	0
1,200,000	Buildings	0	0
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
0	Flood and river control assets	0	0
555,000	Computer software	357,700	357,000
2,100,000	Total capital expenditure	605,220	604,200
	Funded by:		
2,100,000	Transfer from retained earnings	605,220	604,200
2,100,000	Total funding	605,220	604,200
	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
2,100,000	Total capital expenditure	605,220	604,200
20,000	Proceeds from sale of assets	20,000	20,000
833,442	Depreciation/amortisation	855,925	875,925

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 February 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 Statement of Proposal* and prospective financial information on 26 February 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 \$
	Cost of services		
14,647,450	Resource management	22,662,160	15,449,598
6,162,608	Biosecurity and biodiversity	7,243,123	6,949,006
4,809,335	Transport	4,854,338	4,896,935
918,545	Hazard management	930,193	933,890
3,853,303	Recreation, culture and heritage	7,875,435	4,417,801
1,592,777	Regional representation, advocacy & investment management	1,759,701	1,712,683
31,984,018	Total operating expenditure	45,324,950	34,359,913
	Revenue from exchange transactions		
4,004,960	Direct charges revenue	4,098,590	4,090,846
1,070,000	Rent revenue	1,100,000	1,091,400
8,000,000	Dividends	8,000,000	8,000,000
	Revenue from non-exchange transactions		
7,954,392	General rates revenue	7,954,392	8,248,705
2,220,791	Targeted rates revenue	6,217,530	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
0	Vested assets	0	0
31,923,762	Total income	44,151,444	33,112,213
(60,256)	Operating surplus/(deficit) before finance income and expenses and taxation	(1,173,506)	(1,247,700)
300,000	Finance income	3,593,390	300,000
0	Finance expense	937,500	0
300,000	Net finance expense	2,655,890	300,000
239,744	Operating surplus before taxation	1,482,384	(947,700)
0	Other gains/losses		
0	Gains/(losses) on revaluation of properties	0	0
239,744	Operating surplus before taxation	1,482,384	(947,700)
(10,000)	Income tax expense	(10,000)	(10,000)
229,744	Surplus/(deficit) for the period	1,472,384	(957,700)
0	Other comprehensive income		
0	Revaluation of property, plant and equipment	0	0
0	Other comprehensive income, net of tax	0	0
229,744	Operating surplus/(deficit)	1,472,384	(957,700)

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 \$
	Retained Earnings		
68,433,735	As at 1 July	68,508,971	65,188,180
229,744	Total comprehensive income for the period	1,472,384	(957,700)
(154,508)	Transfers to and from reserves	537,002	537,825
68,508,971	As at 30 June	70,518,357	64,768,305
	Reserves		
11,239,866	As at 1 July	11,394,374	11,494,701
0	Total comprehensive income for the period	0	0
154,508	Transfers to and from reserves	(537,002)	(537,825)
11,394,374	As at 30 June	10,857,372	10,956,876
	Asset revaluation reserves		
4,509,338	As at 1 July	4,509,338	3,723,232
0	Total comprehensive income for the period	0	0
0	Transfers to and from reserves	0	0
4,509,338	As at 30 June	4,509,338	3,723,232
	Total equity		
84,182,939	As at 1 July	84,412,683	80,406,113
229,744	Total comprehensive income for the period	1,472,384	(957,700)
0	Transfers to and from reserves	0	0
84,412,683	As at 30 June	85,885,067	79,448,413

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 \$
	Current assets		
1,382,296	Cash and cash equivalents	5,153,045	709,271
3,400,000	Current portion of investments	0	0
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
8,432,296	Total current assets	7,653,045	3,259,271
	Non current assets		
2,500,000	Treasury investments	3,900,000	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
0	Loan to Yarrow Stadium Trust	22,564,110	0
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	33,455,828	33,309,718
81,005,387	Total non current assets	105,631,132	80,508,842
89,437,683	Total assets	113,284,177	83,768,113
	Current liabilities		
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
4,300,000	Total current liabilities	4,035,000	3,503,700
	Non current liabilities		
725,000	Employee entitlements	800,000	816,000
0	Borrowings	22,564,110	0
725,000	Total non current liabilities	23,364,110	816,000
5,025,000	Total liabilities	27,399,110	4,319,700
	Public equity		
68,508,971	Retained earnings	70,518,357	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
84,412,683	Total public equity	85,885,067	79,448,413

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 \$
	Cash flows from operating activities		
	Cash was provided from:		
10,175,183	Rates	14,171,922	10,532,450
300,000	Interest	3,593,390	300,000
8,000,000	Dividends	8,000,000	8,000,000
0	Goods and services tax	0	0
6,051,934	Other exchange transactions	5,385,648	6,071,985
7,596,645	Other non-exchange transactions	17,743,874	8,507,778
32,123,762		48,894,834	33,412,213
	Cash was applied to:		
29,787,583	Employees and suppliers	43,120,936	31,875,419
0	Interest	937,500	0
60,000	Taxation	60,000	60,000
29,847,583		44,118,436	31,935,419
2,276,179	Net cash flows from operating activities	4,776,398	1,476,794
	Cash flows from investing activities		
	Cash was provided from:		
0	Investments	4,435,890	1,499,000
384,000	Property, plant and equipment	215,000	215,000
384,000		4,650,890	1,714,000
	Cash was applied to:		
1,400,000	Investments	25,000,000	0
5,303,061	Property, plant and equipment	3,220,649	3,084,029
6,703,061		28,220,649	3,084,029
(6,319,061)	Net cash flows from investing activities	(23,569,759)	(1,370,029)
	Cash flows from financing activities		
	Cash was provided from:		
0	Borrowing	25,000,000	0
0		25,000,000	0
	Cash was applied to:		
	Borrowing	2,435,890	0
		2,435,890	0
0	Net cash flows from investing activities	22,564,110	0
(4,042,882)	Net increase/(decrease) in cash and cash equivalents	3,770,749	106,765
5,425,178	Opening cash balance	1,382,296	602,506
1,382,296	Closing cash and cash equivalents	5,153,045	709,271

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 \$

45,324,950. 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	7,954,392	5,142,319
3,026,744	0	3,106,386
2,220,791	6,217,530	2,283,745
9,032,156	17,602,048	9,822,745
3,646,423	3,277,474	3,665,618
8,000,000	8,000,000	8,000,000
1,070,000	1,100,000	1,091,400
0	0	0
0	0	0
300,000	3,593,390	300,000
40,000	585,633	585,633
(194,508)	(48,631)	(47,808)
32,069,254	48,281,836	33,950,038

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 xx). The rates to be collected from each district are:

- New Plymouth and North Taranaki constituencies—to produce \$ 5,716,305 at a rate of 0.000292484 cents in the dollar of capital value GST inclusive
- Stratford constituency—to produce \$ 772,054 at a rate of 0.000262202 cents in the dollar of capital value GST inclusive
- South Taranaki constituency—to produce \$ 2,659,193 at a rate of 0.00024324 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 habitation

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 habitation

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 only applies to the uniform annual general charge as the Council does not set a fixed charge for any other 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	Types of land to be funded	Different 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
Transport	Passenger transport services rate	All properties in the New Plymouth and North Taranaki constituencies	Capital value

Group of activities funded	Type of rates	Types of land to be funded	Different categories
		of the Taranaki region	
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

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 0.003879 GST inclusive to produce \$758,018 (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 0.000662 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 0.006783 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 0.000644 GST inclusive to produce \$70,396 (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 New Plymouth and North Taranaki constituencies of the Taranaki region (other than commercial and industrial rating units). The estimated fixed amount of \$ 87.18 for each rating unit for 2019/2020 to produce \$ 2,877,836.00 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 New Plymouth and North Taranaki constituencies of the Taranaki region. The estimated fixed amount of \$ 492.55 for each rating unit for 2019/2020 to produce \$ 933,867.00 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 Stratford constituency of the Taranaki region. The estimated fixed amount of \$ 58.63 for each rating unit for 2019/2020 to produce \$ 244,341.00 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 \$ 58.63 for each rating unit for 2019/2020 to produce \$ 830,755.00 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.

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	1 August 2019	28 August 2019	28 August 2019
Instalment 2	1 November 2019	27 November 2019	27 November 2019
Instalment 3	1 February 2020	26 February 2020	26 February 2020
Instalment 4	1 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).

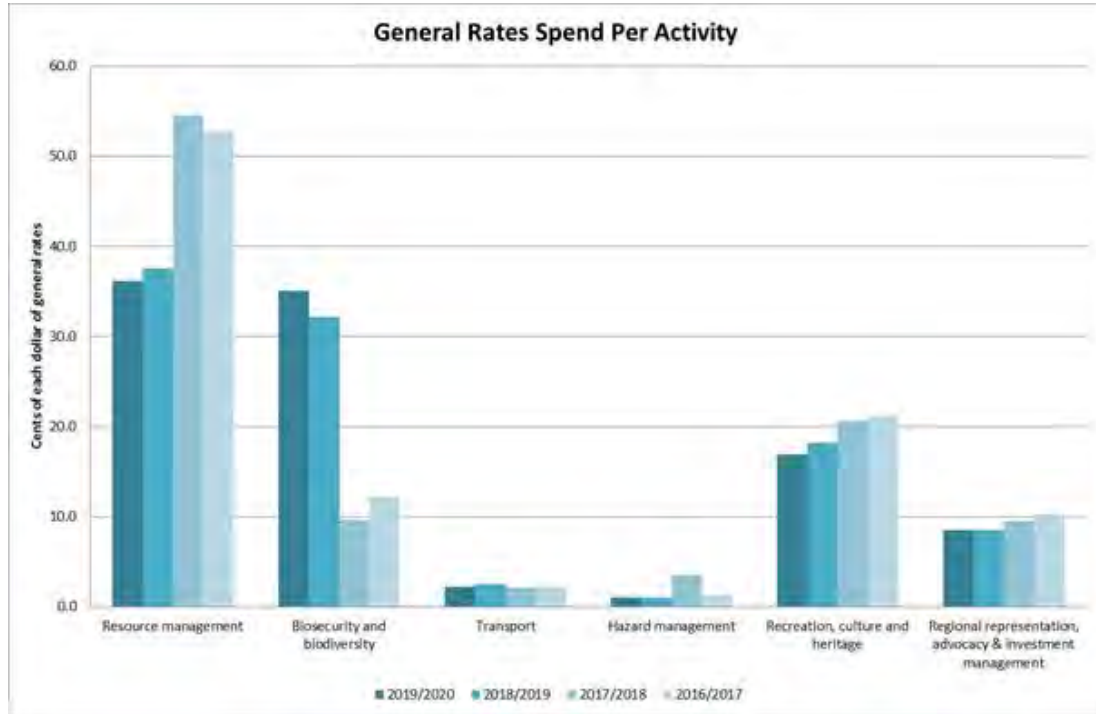
The Council will charge a penalty of 10% on so much of any rates levied before 1 July 2019 which remain unpaid on 1 July 2019 or such later date as required under section 58(1) (b) (ii). (South Taranaki constituency).

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, uniform annual general charges, 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
Total rates	\$505.34	\$543.86	\$620.90	\$717.20	\$813.49

Residential property

Capital value of property:	\$200,000	\$300,000	\$500,000	\$750,000	\$1,000,000
Total rates	\$152.85	\$191.37	\$268.41	\$364.71	\$461.00

Small holdings property

Capital value of property:	\$200,000	\$300,000	\$500,000	\$750,000	\$1,000,000
Total rates	\$152.85	\$191.37	\$268.41	\$364.71	\$461.00

Farmland property

Capital value of property:	\$500,000	\$1,000,000	\$2,000,000	\$3,000,000	\$5,000,000
Total rates	\$268.41	\$461.00	\$846.20	\$1,231.39	\$2,001.78

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	\$105.61	\$187.54	\$324.10	\$597.21	\$1,416.55

South Taranaki constituency

Capital value of property:	\$200,000	\$500,000	\$1,000,000	\$2,000,000	\$5,000,000
Total rates	\$101.90	\$178.28	\$305.58	\$560.17	\$1,323.95

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			
Rate	Factor	Differential	Value	Rate	Amount
General	CV		\$400,000	0.000292	\$116.80
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	\$87.18	\$87.18
		Commercial/industrial	0	\$492.55	N/A
		Farmland	0	\$87.18	N/A
		Small holding	0	\$87.18	N/A
Total rates					\$246.78

Calculate your own rates

New Plymouth and North Taranaki Constituencies					
Capital Value (CV):					
Rate	Factor	Differential	Value	Rate	Amount
General	CV			0.000292	
UAGC			1	\$0.00	\$0.00
River control	CV			0.000039	
Transport	CV			0.000068	
Yarrow Stadium		Residential		\$87.18	
		Commercial/industrial		\$492.55	
		Farmland		\$87.18	
		Small holding		\$87.18	
Total rates					

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	\$58.63	\$58.63
Total rates					

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	\$58.63	\$58.63
Total rates					

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
2011/2012						
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	
	26,399,561,000	100.00%	\$4,578,083	\$686,712	\$5,264,795	0.017342
2012/2013						
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	
	24,135,919,050	100.00%	4,699,686	704,953	5,404,639	0.019471
2013/2014						
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	
	\$26,750,740,00	100.00%	\$4,595,578	\$689,337	\$5,284,915	0.017179
2014/2015						
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	
	27,873,686,620	100.00%	4,632,379	694,857	5,327,236	0.016619
2015/2016						
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	
	28,430,592,547	100.00%	4,730,211	709,532	5,439,743	0.016638
2016/2017						
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	
	29,666,925,211	100.00%	\$4,743,441	\$711,516	\$5,454,957	0.015989
2017/2018						
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	
	30,709,638,609	100.00%	4,774,768	716,215	5,490,983	0.015548
2018/2019						
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	
	\$34,775,860,225	100.00%	\$4,927,648	\$739,147	\$5,666,795	0.014169
2019/2020						
New Plymouth	\$22,154,282,246	62.49%	\$4,750,143	\$712,521	\$5,462,664	
Stratford	\$2,993,705,385	8.44%	\$641,562	\$96,234	\$737,796	
South Taranaki	\$10,305,036,050	29.07%	\$2,209,740	\$33,1461	\$2,541,201	
	\$35,453,023,681	100.00%	\$7,601,445	\$1,140,217	\$8,741,662	0.021441

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.

Risk:	Exposure arising from:	How the risk is managed:
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%
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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 is 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 smooths 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	\$2,344,014	\$12,283,454

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	14,025	10,961,659,200	7,496,406,350
Totals	53,733	34,097,656,250	19,959,386,400

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
Mangaeahu 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
Waingongoro 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

pH	\$17.00
Alkalinity	\$23.00
Acidity	\$23.00
Conductivity	\$17.00
Salinity	\$17.00
Turbidity	\$17.00
Absorbance - filtered	\$17.00
Hardness	\$23.00
Boron	\$32.00
Chloride	\$29.00
Sulphate	\$32.00
Sulphide	\$29.00
Fluoride	\$29.00
Silica - reactive dissolved	\$29.00
Chlorine (kit)	\$23.00
Formaldehyde (kit)	\$23.00
Nitrogen - Ammonia	\$29.00
Nitrogen - Nitrite	\$29.00
Nitrogen - Nitrate	\$36.00
Nitrogen - Urea	\$36.00
Nitrogen - Total	\$48.00
Phosphorus - Total	\$36.00
Phosphorus - reactive dissolved	\$29.00
Settleable solids	\$17.00
Suspended solids	\$36.00
Total Grease	\$89.50
Floatable grease	\$96.00
Oil and Grease, or Hydrocarbons	\$106.00
Oil and Grease, and Hydrocarbons	\$109.00
Chlorophyll	\$53.00
Cyanide (total)	\$81.50
Phenol (total)	\$81.50
Methanol	\$53.00
Biochemical oxygen demand: - clean water	\$45.50
Biochemical oxygen demand: - wastewater	\$93.00
Biochemical oxygen demand: - filtered BOD-clean water	\$59.00
Biochemical oxygen demand: - filtered BOD-wastewater	\$105.00
Chemical oxygen demand - filtered	\$64.50
Chemical oxygen demand - total	\$53.00
DO meter - Field	\$24.00
Metals - direct soluble/acid soluble (includes cations)	\$24.00
Metals - total	\$53.00
Mercury - total	\$79.00
Vanadium (gallic acid)	\$53.00

Faecal coliforms or E.coli (Membrane filtration)	\$40.00
Faecal coliforms and E.coli (Membrane filtration)	\$42.00
Enterococci - Water/Wastewater (Membrane filtration)	\$42.00
Faecal coliforms (MPN)	\$95.00
Enterococci (MPN)	\$95.00
Shellfish (MPN)	\$113.00
Soil - Sample preparation	\$40.00
Air deposition filters	\$32.00
1080	\$78.00
Metals -mussels/shellfish	\$40.00

EXPLANATION

This schedule sets out the fixed minimum charges for laboratory analyses, and is also a scale of charges that will be 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 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 - HEREKAWA 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
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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
Kaipi 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:

- a) 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
- b) regulations 26 and 65 associated with sediment management
- c) regulations 28 and 55 addressing accelerated erosion, stream obstruction, or diversion of water flow
- d) regulations 31, 56, and 67 addressing sediment and stormwater controls
- e) regulations 36-46 for river crossings (fish passage, effects on other structures, erosion and sediment control and discharges)

- f) regulations 32 and 55 regarding site stabilisation
- g) regulation 58 regarding quarrying
- h) 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: \$314
 Discharge to water, no sampling: \$314
 Discharge to water consent, including sampling discharge and receiving environment: \$928
 Discharge to land and water consent, including sampling discharge and receiving environment: \$998
 Discharge to land and water consent, no sampling: \$367

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	\$732	\$1,170
Discharge to water consent, including sampling and reinspection	\$1,170	\$1,786

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 of this Appendix. 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
	Sources of operating funding		
7,954,392	General rates, uniform annual general charges, rates penalties	7,954,392	8,248,705
2,220,791	Targeted rates	6,217,530	2,283,745
3,646,423	Subsidies and grants for operating purposes	3,277,474	3,665,618
9,032,156	Fees and charges	17,602,048	9,816,070
9,370,000	Interest and dividends from investments	12,693,390	9,391,400
0	Local authorities fuel tax, fines, infringement fees and other receipts	0	0
32,223,762	Total operating funding	47,744,834	33,405,538
	Applications of operating funding		
29,837,586	Payments to staff and suppliers	43,918,437	28,337,807
0	Finance costs	0	0
0	Other operating funding applications	0	0
29,837,586	Total applications of operating funding	43,918,437	28,337,807
2,386,176	Surplus/(deficit) of operating funding	3,826,397	5,067,731
	Sources of capital funding		
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
384,000	Total sources of capital funding	195,000	215,000
	Applications of capital funding		
0	Capital expenditure to:	0	0
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	927,750	2,326,526
2,770,176	Total applications of capital funding	4,021,397	5,282,731
(2,386,176)	Surplus/(deficit) of capital funding	(3,826,397)	(5,067,731)
0	Funding balance	0	0

Resource management funding impact statement

2018/2019 Estimate \$ Annual Plan		2019/2020 Estimate \$ Annual Plan	2019/2020 Indicative \$ LTP
	Sources of operating funding		
3,232,796	General rates, uniform annual general charges, rates penalties	3,207,448	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	14,031,703	6,313,313
0	Internal charges and overheads	0	0
0	Local authorities fuel tax, fines, infringement fees and other receipts	0	0
10,862,494	Total operating funding	18,541,151	11,321,721
	Applications of operating funding		
9,876,459	Payments to staff and suppliers	17,793,634	11,102,441
0	Finance costs	0	0
4,239,665	Internal charges and overheads applied	4,283,380	5,101,161
0	Other operating funding applications	0	0
14,116,124	Total applications of operating funding	22,077,014	16,203,602
(3,253,630)	Surplus/(deficit) of operating funding	(3,535,863)	(4,881,881)
	Sources of capital funding		
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
308,000	Total sources of capital funding	159,000	159,000
	Applications of capital funding		
0	Capital expenditure to:	0	0
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	(4,019,292)	(5,284,710)
(2,945,630)	Total applications of capital funding	(3,376,863)	(4,722,881)
3,253,630	Surplus/(deficit) of capital funding	3,535,863	4,881,881
0	Funding balance	0	0

Biosecurity and biodiversity funding impact statement

2018/2019 Estimate \$ Annual Plan		2019/2020 Estimate \$ Annual Plan	2019/2020 Indicative \$ LTP
	Sources of operating funding		
2,076,428	General rates, uniform annual general charges, rates penalties	2,147,901	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	0	0
0	Local authorities fuel tax, fines, infringement fees and other receipts	0	0
3,831,526	Total operating funding	4,316,446	4,196,215
	Applications of operating funding		
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	1,501,308	496,091
0	Other operating funding applications	0	0
6,008,128	Total applications of operating funding	7,027,603	1,664,206
(2,176,602)	Surplus/(deficit) of operating funding	(2,711,157)	2,532,009
	Sources of capital funding		
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
38,000	Total sources of capital funding	26,000	26,000
	Applications of capital funding		
0	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	(2,740,157)	2,513,009
(2,138,602)	Total applications of capital funding	(2,685,157)	2,558,009
2,176,602	Surplus/(deficit) of capital funding	2,711,157	(2,532,009)
0	Funding balance	0	0

Transport funding impact statement

2018/2019 Estimate \$ Annual Plan		2019/2020 Estimate \$ Annual Plan	2019/2020 Indicative \$ LTP
	Sources of operating funding		
204,874	General rates, uniform annual general charges, rates penalties	197,248	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	0	0
0	Local authorities fuel tax, fines, infringement fees and other receipts	0	0
4,531,327	Total operating funding	4,592,612	4,629,777
	Applications of operating funding		
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	246,562	251,512
0	Other operating funding applications	0	0
4,665,135	Total applications of operating funding	4,710,138	4,752,735
(133,808)	Surplus/(deficit) of operating funding	(117,526)	(122,958)
	Sources of capital funding		
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
0	Total sources of capital funding	0	0
	Applications of capital funding		
0	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	(109,228)	(114,657)
(133,808)	Total applications of capital funding	(117,526)	(122,958)
133,808	Surplus/(deficit) of capital funding	117,526	122,958
0	Funding balance	0	0

Hazard management funding impact statement—civil defence emergency management

2018/2019 Estimate \$ Annual Plan		2019/2020 Estimate \$ Annual Plan	2019/2020 Indicative \$ LTP
	Sources of operating funding		
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	0	0
0	Local authorities fuel tax, fines, infringement fees and other receipts	0	0
183,912	Total operating funding	177,791	180,667
	Applications of operating funding		
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
399,236	Total applications of operating funding	406,221	406,221
(215,324)	Surplus/(deficit) of operating funding	(228,430)	(225,554)
	Sources of capital funding		
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
0	Total sources of capital funding	0	0
	Applications of capital funding		
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)
(215,324)	Total applications of capital funding	(228,430)	(225,554)
215,324	Surplus/(deficit) of capital funding	228,430	225,554
0	Funding balance	0	0

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
	Sources of operating funding		
(42,155)	General rates, uniform annual general charges, rates penalties	(33,388)	(40,600)
711,706	Targeted rates	722,050	726,158
0	Subsidies and grants for operating purposes	0	0
20,000	Fees and charges	0	20,400
0	Internal charges and overheads	0	0
0	Local authorities fuel tax, fines, infringement fees and other receipts	0	0
689,551	Total operating funding	688,662	705,958
	Applications of operating funding		
385,786	Payments to staff and suppliers	392,150	393,365
0	Finance costs	0	0
126,520	Internal charges and overheads applied	123,590	126,072
0	Other operating funding applications	0	0
512,306	Total applications of operating funding	515,740	519,437
177,245	Surplus/(deficit) of operating funding	172,922	186,521
	Sources of capital funding		
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
0	Total sources of capital funding	(10,000)	10,000
	Applications of capital funding		
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	74,626	109,044
177,245	Total applications of capital funding	162,922	196,521
(177,245)	Surplus/(deficit) of capital funding	(172,922)	(186,521)
0	Funding balance	0	0

Recreation, culture and heritage funding impact statement

2018/2019 Estimate \$ Annual Plan		2019/2020 Estimate \$ Annual Plan	2019/2020 Indicative \$ LTP
	Sources of operating funding		
1,566,191	General rates, uniform annual general charges, rates penalties	1,500,791	1,763,297
301,415	Targeted rates	4,249,390	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	0	0
0	Local authorities fuel tax, fines, infringement fees and other receipts	0	0
2,019,606	Total operating funding	5,947,181	2,216,416
	Applications of operating funding		
2,403,122	Payments to staff and suppliers	7,295,409	2,921,065
0	Finance costs	0	0
974,200	Internal charges and overheads applied	982,539	970,749
0	Other operating funding applications	0	0
3,377,322	Total applications of operating funding	8,277,948	3,891,814
(1,357,716)	Surplus/(deficit) of operating funding	(2,330,767)	(1,675,398)
	Sources of capital funding		
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
18,000	Total sources of capital funding	0	0
	Applications of capital funding		
0	Capital expenditure to:	0	0
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	(4,041,767)	(3,341,398)
(1,339,716)	Total applications of capital funding	(2,330,767)	(1,675,398)
1,357,716	Surplus/(deficit) of capital funding	2,330,767	1,675,398
0	Funding balance	0	0

Regional representation, advocacy and investment management funding impact statement

2018/2019 Estimate \$ Annual Plan		2019/2020 Estimate \$ Annual Plan	2019/2020 Indicative \$ LTP
	Sources of operating funding		
732,346	General rates, uniform annual general charges, rates penalties	756,601	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	0	0
0	Local authorities fuel tax, fines, infringement fees and other receipts	0	0
735,346	Total operating funding	787,601	763,384
	Applications of operating funding		
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	538,172	543,683
0	Other operating funding applications	0	0
1,565,844	Total applications of operating funding	1,730,706	1,683,687
(830,498)	Surplus/(deficit) of operating funding	(943,105)	(920,303)
	Sources of capital funding		
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
20,000	Total sources of capital funding	20,000	20,000
	Applications of capital funding		
0	Capital expenditure to:	0	0
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	(1,528,325)	(1,504,503)
(810,498)	Total applications of capital funding	(923,105)	(900,303)
830,498	Surplus/(deficit) of capital funding	943,105	920,303
0	Funding balance	0	0

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.	30%	Yes
• Increases	Total rates increase will not exceed 5% of total expenditure.	8.8%	No
Debt affordability benchmark	Total interest expense on net external public debt will not exceed 40% of total annual rates and levies.	23.5%	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.

Have your say

Tell us what you think

You can have your say online, by email or through the post. And if you want to, you can come along and explain your views personally to Councillors.

All submissions will be carefully considered before final decisions are made.

If you want more information, see the Annual Plan Statement of Proposal at www.trc.govt.nz, or you can inspect a copy at the Council office at 47 Cloten Road Stratford, or at District Council service centres or libraries. You can also call us on 0800 736 222.

Making a submission

Submissions must be received by **4pm on Tuesday 23 April (Tuesday after Easter)**.

Online: www.trc.govt.nz

Email: info@trc.govt.nz ('Annual Plan submission' in subject field)

Post: Annual Plan Submission
Chief Executive
Taranaki Regional Council
Private Bag 713
STRATFORD 4352

(The attached submission form can be used for postal submissions.)

What happens next?

Submissions open: 18 March 2019

Submissions close: 23 April 2019

Hearing of and deliberation on submissions: 13/14 May 2019.

Adoption of 2019/2020 Annual Plan: 21 May 2019.

2019/2020 Annual Plan becomes operative: 1 July 2019.

Submission form

SUBMITTER

Title (please circle):

Dr Mr Mrs Ms Miss...Other (please specify):

First name:

Surname:

Organisation/group (if applicable):

Postal address (please provide full postal address, including rural delivery and postcode):

Post code:

Phone (daytime):

Mobile:

Email:

I wish to present my submission personally at a hearing scheduled for 13/14
May 2019 (please tick) Yes

No

Signed:

YARROW STADIUM

Which is your preferred option for the future of Yarrow Stadium?

Tick one of these boxes:

- Option 1: Demolish stands, grass banks
- Option 2: Repair stands and update facilities
This is the Council's preferred option
- Option 3: Repair stands, add extra uncovered seating
- Option 4: Repair stands, add extra seating, add community facilities
This is a potential preferred option if a co-funding partner emerges
- Option 5: New East Stand, extended West Stand, new South Terrace
- Option 6: New East Stand, extended West Stand, new North Stand, new South Terrace
- Option 7: New Stadium
- Option 8: New Stadium with roof

COMMENTS

DRAFT

2019/2020 Annual Plan Statement of Proposal

Consultation Document

February 2019

DRAFT

Document 2175587

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About this Consultation Document:

The Council is preparing its 2019/2020 Annual Plan. This is the Consultation Document prepared in conjunction with the 2019/2020 Annual Plan Statement of Proposal, which can be found on the Council’s website (www.trc.govt.nz).

The Council is seeking your views on proposals around Yarrow Stadium.

Otherwise, the proposals for 2019/2020, as set out in the 2018/2028 Long-Term Plan, are being delivered upon.

Consultation is open until 23 April 2019 (Tuesday after Easter).

Decision time has arrived

The Taranaki Regional Council again proposes a 'business as planned' approach in the coming financial year – but with Yarrow Stadium **an important exception.**

We intend to continue with the programmes and budgets set out in last year's 10-year plan. When we consulted the community on these last year, we noted that we'd also need to have a conversation on the Stadium's future once details, options and costings were clear.

The time has come and the purpose of this Consultation Document is to consult the Taranaki community on that one single issue, the future of Yarrow Stadium. We acknowledge that many of you are anxious to see a solution identified and implemented, and feel it has taken too long to get to this point. That sentiment is understandable. The Council, too, is keen to move forward as quickly as possible.

However, complex engineering and geotechnical issues have emerged from the closure of both the Stadium's stands after they were found to be quake-prone. Specialists have needed time to assess and analyse the problems and potential solutions. The Council has also needed to consult economic and financial analysts to satisfy ourselves that any preferred solutions are cost-effective, affordable and sustainable.

So a lot has been going on, and the work continues. Although potential solutions are developed enough to put to the community, expect refinements and revisions as the specialists delve further.

The options, with their pros and cons, and costs, are set out on these pages and summarised in a table on page [\(page number\)](#).

In a nutshell, the Council is committed to returning Yarrow Stadium to operational capability as soon as reasonably possible, and we propose to repair the stands and update some of the facilities at the same time. We'd need to borrow up to \$55 million, which would be repaid over 25 years from a targeted rate that would vary according to constituency. Households would pay \$51 to \$76 a year, depending on location.

The Council believes the region deserves no less. We are convinced of the Stadium's value to the community, as borne out in a new economic analysis by Business and Economic Research Ltd (BERL). This report's main findings are also summarised in these pages and you can read the full BERL analysis at [\(web address\)](#).

But there are limits to what the Council can and should prudently borrow. Any restoration or redevelopment option costing more than \$55 million would need funding support from another party or parties. We would welcome funding support to allow us to expand the Stadium's capacity and usage potential. Our own discussions with potential co-funders have not so far proved fruitful but we trust that these parties will take note of the community's reaction to the options set out here.

Please read on. Our decision on Yarrow Stadium will have a big impact on the region now and into the future. We welcome and will consider carefully your informed feedback.

David MacLeod
Chairman

Basil Chamberlain
Chief Executive



What we do

In the 2019/2020 Annual Plan, the Council intends to maintain a strong focus on its core activities, as established and consulted on in the 2018/2028 Long-Term Plan.

No significant changes are proposed to what was adopted and consulted in respect of these activities (with the exception of Yarrow Stadium) in the 2018/2028 Long Term Plan. Consultation is therefore not being invited at this time about these other activities.

The Council’s activities are in key areas that largely define and shape the region’s economy and society – environmental regulation and enforcement; resource management; biosecurity and biodiversity; transport; recreation, culture and heritage; hazard management; and governance of Port Taranaki.

The Council’s activities are delivered through a range of policies, plans and strategies, and through our flagship programmes – most notably Towards Predator-Free Taranaki and the Riparian Management Programme

Through its work, the Council is improving lifestyles, supporting livelihoods and taking Taranaki forward.

Improving lifestyles	Supporting livelihoods	Taking Taranaki Forward
<ul style="list-style-type: none"> > Checking river health > Testing marine life > Monitoring swimming spots > Ensuring clean air > World-class gardens: <ul style="list-style-type: none"> • Pukeiti • Tūpare • Hollard Gardens > Public bus services > Investing in Yarrow Stadium > Assisting Puke Ariki, heritage and culture 	<ul style="list-style-type: none"> > Towards Predator-Free Taranaki > Regulating use of natural resources > Reporting environmental performance > Enforcing environmental standards > Flood protection > Monitoring nature's extremes > Sustainable farming > Riparian planting > Riparian fencing > Protecting wetlands > Protecting soil > Removing predators > Targeting pest plants 	<ul style="list-style-type: none"> > Supporting community initiatives > Restoring native habitats Connecting people > Planning for the future > Owning Port Taranaki > Building scientific knowledge > Educating future generations

Yarrow Stadium – the story so far

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.

See the full BERL report at [\(web address\)](#).

THE COUNCIL AND THE STADIUM

The Council has been involved with Yarrow Stadium since the beginning, providing \$9.6 million in 2001 for the development of the world-class facility at what was Rugby Park. The Council was permitted to do so under specific empowering legislation passed by Parliament that year.

The initial grant came from internal borrowings, which were repaid from regional rates over the subsequent 10 years. By 2012 the loan was totally repaid. But although the Stadium's day-to-day running costs were being met by the Stadium's operator (the New Plymouth District Council), there was no funding source for maintenance and development.

So 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, and entered into a formal partnership with NPDC as operator.

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, the Council cannot gamble with people's lives.

FUNDING OPTIONS

The Council is prepared to borrow up to \$55 million to fund a solution for Yarrow Stadium, but no more. Anything more would be getting too close to our borrowing limit, and it would not be prudent to leave ourselves unable to respond to unforeseen issues in the future.

Some will say that servicing such a loan is too much of a burden for ratepayers and that we are unfairly saddling future ratepayers with debt. The Council acknowledges that people are entitled to hold this view, but notes that the rates burden would amount to \$76 a year for households in North Taranaki and New Plymouth, and \$51 for those in Stratford and South Taranaki. And the Stadium will be enjoyed by future generations as well as current ratepayers.

The Council believes that overall, the region would be poorer without a venue of the standard of Yarrow Stadium. BERL's economic analysis provides data that fully confirms the Council's view.

Others will say that we should seize this opportunity to remodel the Stadium, making it usable for a wider range of sporting codes and perhaps even putting a roof over the pitch.

We would all appreciate and enjoy such a facility. But it would require funding support from another party or parties. We would welcome such support, especially if it could allow us to expand the Stadium's capacity and usage as envisaged in Option 4. Discussions so far with other parties have not been fruitful, however. We trust that these parties will take note of the community's reaction to the proposals set out here.

The more elaborate \$100-million-plus options would need to be led as well as substantially funded by another party or parties. Physical work could not begin until these were secured, and possibilities look very limited. BERL has also confirmed that the less expensive options offer more investment value than the bigger options. To put it another way, it's questionable whether the more expensive options would be worth the cost.

The Council also continues to investigate liability issues, but the prospects of financial compensation are unclear at best.

The options

This table summarises the options. More details on each option can be found on subsequent pages.

OPTIONS »	1	2*	3	4**	5&6***	7&8****
	Demolish Stands, grass banks	Repair stands, update facilities	As for Option 2, with extra seating	As for Option 3, plus new facilities	Improved / new Stands & Terraces	New Stadium, with or without roof
Can be implemented in 2-3 years	✓	✓	✓	✓	✓	✗
Good as or better than before	✗	✓	✓	✓	✓	✓
Okay for international sport	✗	✓	✓	✓	✓	✓
Comparable with similar regions	✗	✓	✓	✓	✓	✓
Within TRC financial limits	✓	✓	✗	✗	✗	✗
Total estimated cost	\$6m	Up to \$55m	\$56.3m	\$69m	\$121m - \$133m	\$167m - \$271m
Benefit-cost ratio	0.1	3.8	3.8	4.0	2.6	1.4
Annual cost per household (Nth = NP & NT; Sth = Stratford & ST)	Nth: \$22 Sth: \$15	Nth: \$76 Sth: \$51	Nth: \$74 Sth: \$52	Nrth: \$87 Sth: \$61	Nrth: \$140-\$153 Sth: \$100-\$108	Nrth: \$188-\$295 Sth: \$133-\$210
Commercial and industrial ratepayers (NP and NT only)	\$124	\$428	\$416	\$490	\$794 - \$864	\$1062 - \$1668

* Preferred option. Variations considered and dismissed by the Council include fixing East Stand and either demolishing the West Stand (\$50.2m), or removing its roof (\$56.1m). See option details.

** Possible preferred option if supported by co-funder.

***New East Stand, new South Terrace, extended West Stand (\$121m) OR new East and North Stands, extended West Stand, new South Terrace (\$133m). See option details.

****Completely rebuilt Stadium \$167m; rebuilt Stadium with roof \$271m. See option details.

Options in detail

See the final section of this document for an architectural master plan of each option.

OPTION 1: DEMOLISH BOTH STANDS, REPLACE THEM WITH GRASSED BANKS

Details; pros and cons: **Demolish and remove both stands and replace them with grassed banks. This option is the cheapest and fastest but effectively ensures that no national or international events are held at the Stadium. There will be no covered seating and the overall capacity of the ground is reduced. The only seating options would be the existing North and South Terraces. There are no hospitality options. This would be a significant step backwards for the social cohesion of the region and economic activity would be reduced.**

Estimated cost: **\$6m. (Ratio of benefit to cost: 0.1)**

OPTION 2 (PREFERRED OPTION): REPAIR STANDS AND UPDATE FACILITIES

Details, pros and cons: **Repair/reinstate the two stands, relocate gym and changing facilities to a new building and a range of updates (see below). This returns the stands to use and brings the stadium/venue up to a modern standard. There is a new layout for the East Stand. On the downside, there will be little evidence of any change to the Stadium, and the use and capacity of hospitality areas remain limited. This project is the preferred option.**

The scale of facility updates will depend on the final cost of repairs to the stands. Priorities are:

- Extra food & beverage retail space, extra toilet block.
- Goods lift in East Stand.
- Wi-fi & audio-visual technology upgrades.
- Seal west carpark, improve its lighting.
- LED lights for main pitch.
- Upgrade east car park and team drop-off area.

Estimated cost: **Up to \$55m. (Ratio of benefit to cost: 3.8)**

Variations: **The Council considered but discounted two variations to Option 2: demolishing the West Stand and fixing the East Stand (\$50.2m) or fixing the East Stand and removing the roof from the West Stand (\$56.1m). The total cost of the either is similar to that of Option 2, but the loss in the level of service is significant. Both options would reduce the covered seating capacity and make the venue unattractive for national and international events.**

OPTION 3: REPAIR STANDS WITH EXTRA SEATING CAPACITY

Details; pros and cons: **This option essentially another variation of Option 2, with the addition of four rows of uncovered permanent seating in front of the East and West Stands. This would increase the seating capacity of the stadium, making it more attractive for event organisers. The weaknesses in option 2 remain.**

Estimated cost: **\$56.3m (Ratio of benefit to cost: 3.8)**

OPTION 4 (POTENTIAL PREFERRED OPTION): REPAIR STANDS WITH EXTRA SEATING AND ADDITIONAL COMMUNITY FACILITIES

Details; pros and cons: **This option is the same as option 3 but with an extended East Stand including bigger Legends Lounge, an additional lounge above main concourse (new Level 3), improved access to upper floors, and an upgraded main entry, plus new toilet, storage and groundsman facilities. This will give patrons an improved experience and make the Stadium much more attractive to event promoters by increasing their revenue opportunities. It will also make the venue suitable for a much wider range of non-sport and community events. The Council is likely to favour this option if a co-funding partner emerges.**

Estimated cost: **\$69m. (Ratio of benefit to cost: 4.0)**

OPTION 5: NEW EAST STAND, EXTENDED WEST STAND, NEW SOUTH TERRACE

Details; pros and cons: **Repair and extend capacity of West Stand, replace East Stand with new structure with more capacity, build a new South Terrace (with pitch 1 moved south to be closer). A new East Stand and an enhanced West Stand would significantly increase the capacity and the number of covered seats. This would make the venue more financially attractive for larger national and international events. It would also widen the potential for community use and increase the space available for hospitality, conferences, expos and so on. However, the cost is well outside the Council's financial limit.**

Estimated cost: **\$121m. (Ratio of benefit to cost: 2.6)**

OPTION 6: NEW EAST STAND, EXTENDED WEST STAND, NEW NORTH STAND, NEW SOUTH TERRACE

Details; pros and cons: **This option is the same as Option 5 plus a new uncovered North Stand. This would increase the attractiveness of the venue for national and international events. The stands and South Terrace would all be close to pitch 1, offering spectators a more intimate viewing experience. All the advantages/benefits of Option 5 apply to this option. There is a small reduction in total capacity due to the removal of standing areas. Effectively, the Stadium becomes an all-seater venue. However, as with the previous option, the cost is well outside the Council's financial limit.**

Estimated cost: **\$133m.**

OPTION 7: NEW STADIUM

Details; pros and cons: **Develop a new stadium on the existing site with covered stands north, east and west and uncovered stand in the south. The main pitch would be aligned with the mountain. This is a complete new build option. Pitch 2 is relocated. This option caters for all community use options (expos, conferences and so on), as well as being financially attractive for national and international events. The construction of a new stadium will mean that current uses will need to be relocated for 2 to 3 years. The cost is well outside the Council's financial limit.**

Estimated cost: **\$167m.**

OPTION 8: NEW STADIUM WITH ROOF

Details; pros and cons: **The same as option 7 plus a roof over the new stadium. This would provide a true all-weather venue. This pros and cons for option 7 apply to this option.**

Estimated cost: **\$271m. (Ratio of benefit to cost: 1.4)**

Rating/Funding

The Council would need to borrow the necessary funds to bring Yarrow Stadium back to operational capacity. For the preferred option, up to \$55 million would be borrowed over the period of the reinstatement project, to be on-lent to the Taranaki Stadium Trust. This debt would be fully repaid (interest and principal) over 25 years. The repayment would be funded by increasing the existing Yarrow Stadium rating mechanisms, with some minor changes.

NO CHANGE TO HOW COSTS ARE SHARED

Unchanged would be the revenue and financing policy for Yarrow Stadium. Since 2001, Yarrow Stadium funding has been apportioned across the region, with 78% of the funding coming from the New Plymouth and North Taranaki constituencies, 5% of the funding from the Stratford constituency and 17% from the South Taranaki constituency. There is no proposal to change this mechanism, as it recovers funding from across the region in proportions that were developed by independent economists (BERL) based upon the approximate level of benefits received in each part of the region. The existing funding policy would continue for this reinstatement/repair project.

SINGLE CHARGE INSTEAD OF COMBINATION

What is being proposed is to move from a combination of fixed charges (part of the uniform annual general charge, or UAGC) and targeted land value differential rates (New Plymouth and North Taranaki constituencies), to a targeted annual fixed charge that recovers the same amount from each ratepayer in a constituency. These fixed charges will be consistent with the funding policy allocations outlined above.

WHAT IT WOULD MEAN FOR YOUR RATES

For Stratford and South Taranaki constituencies, each ratepayer has paid \$11 a year for Yarrow Stadium as part of their UAGC. The Council now proposes to create a targeted annual fixed charge of \$50.98 per ratepayer in Stratford and South Taranaki.

For New Plymouth and North Taranaki constituencies, each residential, farming and small-holding ratepayer has paid, on average, \$20 a year for Yarrow Stadium. This has been a combination of \$11 from the UAGC and a differential rate based upon the land value of each property. The Council now proposes to replace these with a targeted fixed annual charge of \$75.81. For industrial and commercial ratepayers, each land holder has paid, on average, \$100 a year for Yarrow Stadium. Again, this has been a combination of \$11 from the UAGC and a differential rate based upon the land value of each property. The Council now proposes to replace these with a targeted fixed annual charge of \$428.30.

These targeted charges can be summarised as follows:

	New Plymouth/North Taranaki	Stratford / South Taranaki
Residential, farming and small holding ratepayers	\$75.81 annually	\$50.98 annually
Industrial and commercial ratepayers	\$428.30 annually	\$50.98 annually

The forecast for 2019/2020 was for a general rates increase of 3.7% (2018/2028 Long-Term Plan). The removal of the UAGC component and the creation of targeted annual fixed charges means that the general rate change for 2019/2020 will be 0% rather than the 3.7% forecast.

For our external borrowing, we are proposing to take part in the Local Government Funding Agency (LGFA) Scheme. This scheme, used by most councils across the country, is able to raise debt on behalf of local authorities on terms that are more favourable than if they raised the debt directly. We believe the benefits of lower borrowing costs outweigh any costs and risks associated with the scheme. A discussion of these costs and benefits is set out in a statement of proposal which can be found on the Council's website ([insert reference](#)).

Have your say

Tell us what you think

You can have your say online, by email or through the post. And if you want to, you can come along and explain your views personally to Councillors.

All submissions will be carefully considered before final decisions are made.

If you want more information, see the Annual Plan Statement of Proposal at www.trc.govt.nz, or you can inspect a copy at the Council office at 47 Cloten Road Stratford, or at District Council service centres or libraries. You can also call us on 0800 736 222.

Making a submission

Submissions must be received by **4pm on Tuesday 23 April (Tuesday after Easter)**.

Online: www.trc.govt.nz

Email: info@trc.govt.nz ('Annual Plan submission' in subject field)

Post: Annual Plan Submission

Chief Executive

Taranaki Regional Council

Private Bag 713

STRATFORD 4352

(The attached submission form can be used for postal submissions.)

What happens next?

Submissions open: 18 March 2019

Submissions close: 23 April 2019

Hearing of and deliberation on submissions: 13/14 May 2019.

Adoption of 2019/2020 Annual Plan: 21 May 2019.

2019/2020 Annual Plan becomes operative: 1 July 2019.

Submission form

SUBMITTER

Title *(please circle)*

Dr Mr Mrs Ms Miss Other *(please specify)*

First name _____ Surname _____

Organisation/group *(if applicable)* _____

Postal address *(Please provide full postal address, including rural delivery and postcode)*

Postcode _____

Phone *(daytime)* _____ Mobile _____

Email _____

I wish to present my submission personally at a hearing scheduled for 13May Yes No

Signed _____

YOUR SUBMISSION

Note that your submission and any information you supply as part of it is considered public information and will be available in reports and documents relating to this process and will be published on our website, www.trc.govt.nz.

YARROW STADIUM

Which is your preferred option for the future of Yarrow Stadium?

Tick one of these boxes:

- Option 1: Demolish stands, grass banks
- Option 2: Repair stands and update facilities
This is the Council's preferred option
- Option 3: Repair stands, add extra uncovered seating
- Option 4: Repair stands, add extra seating, add community facilities
This is a potential preferred option if a co-funding partner emerges
- Option 5: New East Stand, extended West Stand, new South Terrace
- Option 6: New East Stand, extended West Stand, new North Stand, new South Terrace
- Option 7: New Stadium
- Option 8: New Stadium with roof

Comments

Master Plan options prepared by Elliot Architects



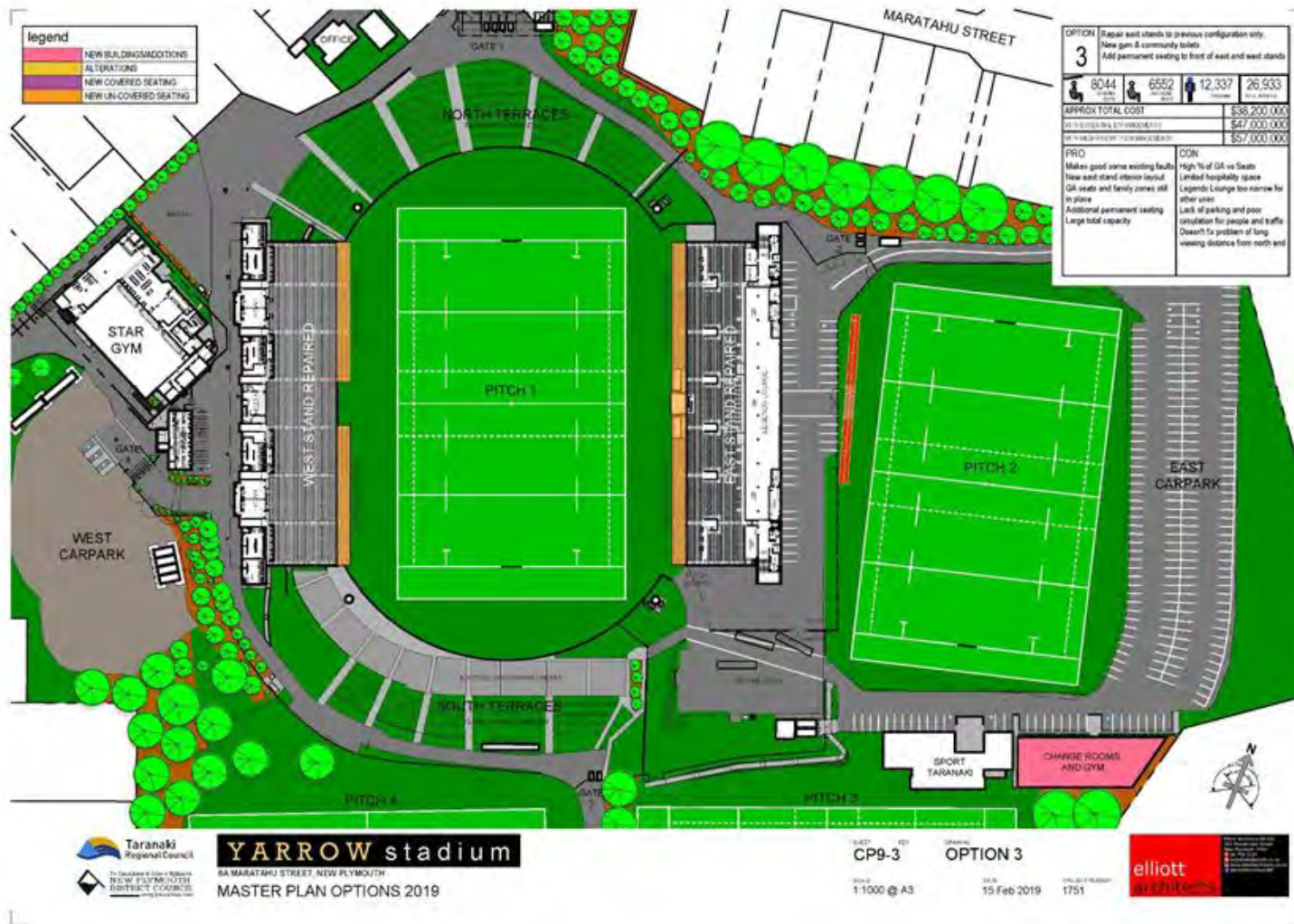
Option 1: Demolish stands, replace with grass banks



Option 2: Repair stands, update facilities



Option 3: Repair stands, with extra seating capacity



Option 4: Repair stands with extra seating and additional community facilities



Option 5: New East Stand, extended West Stand, new South Terrace



Option 6: New East Stand, extended West Stand, new North Stand, new South Terrace



Option 7: New Stadium



Option 8: New Stadium with roof



2019/2020 Annual Plan Statement of Proposal
Proposal to join the Local Government Funding
Agency Scheme
Consultation Document

Document: 2187873

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About this Consultation Document

This Consultation Document is part of the process of preparing the *2019/2020 Annual Plan*. The Consultation Document aims to clearly and succinctly describe the Council’s proposal to join the Local Government Funding Agency Scheme and highlight the key choices and implications.

Consultation is open until 23 April 2019.

Introduction

The Taranaki Regional Council (the Council) is considering participating in the New Zealand Local Government Funding Agency Ltd (LGFA) scheme. The LGFA is designed to allow local authorities to borrow at more favourable interest rates.

The LGFA is a council-controlled trading organisation (CCTO) established by a group of local authorities and the Crown. There are 31 shareholders, comprising the New Zealand Government (20%) and thirty councils (80%). The LGFA governance structure comprises the New Zealand Government and thirty councils, the LGFA Shareholders Council and the LGFA Board of Directors.

The LGFA Shareholders Council comprises five-to-ten appointees from the Council Shareholders and the Crown.

The LGFA Board is responsible for the strategic direction and control of the LGFA's activities, and is led by an independent chair.

All local authorities are able to borrow from the LGFA. Different benefits apply depending on the level of participation. Most local authorities borrowing from LGFA enter into guarantees in favour of LGFA and other local authorities. However, this is not compulsory. A local authority can choose not to provide these guarantees, which means it will not have this contingent liability, but would only be able to borrow a limited amount (\$20,000,000), and will be required to pay a higher interest rate.

The Council is proposing it will participate as a Guaranteeing Local Authority, one which guarantees the obligations of the LGFA.

Principal Shareholding Local Authorities are required to invest capital in the LGFA, and expect to receive a return on that capital; it is acknowledged that this may be less than might be achieved by alternative investments. This is because the overarching objective is that the benefits of the LGFA scheme are passed to Local Authorities as lower borrowing margins, rather than being passed to shareholders as maximised profits.

It is not proposed that Council be a Principal Shareholder at this stage.

You can make a submission online at www.trc.govt.nz, or by email or letter. If you want more information, you can see the complete proposed *2019/2020 Annual Plan* on our website, or at our office at 47 Cloten Road, Stratford. You can give us a call on 0800 736 222 and talk to one of our staff.

We look forward to hearing from you.



David Macleod
Chairman

Summary of the Proposal

Given the short nature of this entire Statement of Proposal, the Council is not producing a separate summary, this full version also serves as the summary.

Statutory Considerations

Section 56 of the *Local Government Act 2002* (LGA 2002) requires that before a local authority may establish or become a shareholder in a council-controlled organisation, the local authority must undertake consultation in accordance with section 82. Although Council is not proposing to acquire shares in the LGFA, borrowing under the LGFA Scheme will require it to acquire some capital notes issued by the LGFA that could, in some circumstances be converted into shares in the LGFA.

Reason for the proposal

The Council believes that participating in the LGFA Scheme provides an opportunity to borrow at lower interest margins, and that this benefit outweighs any costs and risks associated with the LGFA Scheme.

The Council is proposing it will participate in the Local Government Funding Agency as a Guaranteeing Local Authority, one which guarantees the obligations of the LGFA.

The Council is consulting on this proposal for the reasons set out above under "[Statutory Considerations](#)".

Analysis of Reasonably Practicable Options

The reasonably practicable options are as follows:

1. Participate in the LGFA scheme as a Principal Shareholding Local Authority.
2. Participate in the LGFA scheme as a Guaranteeing Local Authority, but not a Principal Shareholding Local Authority.
3. Participate in the LGFA scheme, but not as a Principal Shareholding Local Authority or as a Guaranteeing Local Authority.
4. Not participate in the LGFA scheme.

Option (2) is the preferred option.

This analysis is supplemented by some consideration of Council's specific circumstances below.

Q. SHOULD THE COUNCIL PARTICIPATE IN THE LGFA SCHEME AS A BORROWER?

As at 30 June 2018 the Council had no borrowings. This is expected to increase to approximately \$50 million for the Yarrow Stadium repair/reinstatement project over a 2 year period. Consequently, the benefits of lower interest margins are significant.

Based on these forecasts, the Council anticipates interest savings of approximately \$4,000 or 0.4% for every \$1.0 million of debt by participating as a Guaranteeing Local Authority. At the peak debt level of \$50 million this equates to approximately \$200,000 per annum. There are one off up-front costs associated with joining the LGFA of approximately \$24,000 and annual ongoing costs of approximately \$7,000 for documentation and Trustee appointment, plus approximately \$50,000 per annum for a credit rating. The Council believes that the benefit of these savings outweighs the costs of borrowing from LGFA.

Joining LGFA as a member council does not mean Council has any legal obligation to use LGFA for its borrowings. The Council is free to borrow from whatever borrowing source is the cheapest at the time of borrowing.

Consequently, the Council proposes that option (4) is NOT adopted.

Q. SHOULD THE COUNCIL PARTICIPATE IN THE LGFA SCHEME AS A PRINCIPAL SHAREHOLDING LOCAL AUTHORITY?

Investing in the LGFA Scheme as a Principal Shareholding Local Authority would provide a return on the amount invested in purchasing shares in the LGFA. It would also give the Council some rights in relation to the governance of the LGFA. However:

- a. Any return paid would be a return on equity and would not be paid if the LGFA ever got into financial strife.**
- b. The Council would have to invest additional capital to join the LGFA scheme, because it would need to purchase shares in the LGFA.**
- c. The Council would be required to subscribe for uncalled capital in the LGFA; and**
- d. The Council would have to also become a Guaranteeing Local Authority with the attendant risks detailed below. In any event, the Council would not easily be able to join as a Principal Shareholding Local Authority. Among other things it would need to find a current Principal Shareholding Local Authority that was prepared to sell some of its shares in the LGFA to the Council.**

Consequently, Council proposes that option (1) is NOT adopted.

Q. SHOULD THE COUNCIL PARTICIPATE IN THE LGFA SCHEME AS A GUARANTEEING LOCAL AUTHORITY?

If the Council joined the LGFA Scheme as a Guaranteeing Local Authority, it would be able to borrow more than \$20million from the LGFA and would be charged a lower interest margin for its borrowing.

LGFA currently has 59 member councils and is the largest lender to the local government sector with loans outstanding of approximately \$8.5 billion. One of the contributing factors to the success of LGFA in delivering low cost funding to the sector has been its AA+ credit rating. This is the same as the New Zealand Government. Currently, the LGFA estimates it is delivering costs savings to its member councils of \$25 million annually. This saving would otherwise need to be funded by higher rates.

LGFA would not achieve the AA+ credit rating without the guarantee structure and therefore there would be no savings in borrowing costs to councils.

LGFA GUARANTEE

Currently there are 48 councils (based on the LGFA September update) who have signed the joint and several guarantee. It is important to note that guarantors are guaranteeing LGFA and not individual councils.

The guarantee is limited to a council's rates income as a percentage of the rates income of all the guaranteeing councils. If the Taranaki Regional Council became a guaranteeing council, we estimate that the Taranaki Regional Council's share of the guarantee would be approximately 0.16%. This means that if a \$100 million call was made under the guarantee, Taranaki Regional Council would contribute \$160,000. This figure may change over time as the percentage of total rates income changes.

When assessing the potential liability, or consequence of a call under the guarantee we need to assess the likelihood of a:

1. council defaulting on its loans;
2. loss on the loans even if a council does default; and
3. call on guarantors.

All the above three factors have a very low probability due to the following mitigating factors.

LIKELIHOOD OF COUNCIL DEFAULT

Performance of the New Zealand Local Authority Sector: There has never been a default by a New Zealand Council. In addition, there is strong oversight of the sector by the Office of the Auditor General (OAG) and the Department of Internal Affairs (DIA). If the Government has concerns over the performance of a council, there are a number of intervention steps that can be taken including the appointment of a Crown Observer through to the appointment of Commissioners.

LIKELIHOOD OF A LOSS ON THE LOANS IN EVENT OF DEFAULT

LGFA has a range of financial covenants. LGFA member councils that borrow from LGFA need to comply with these financial covenants on an annual basis. The covenants restrict the amount of money a council can borrow. In its 2017 report on LGFA, Standard & Poor's state that "LGFA's loan quality is exceptional; all loans in its portfolio are neither past due nor impaired since LGFA's inception in 2011. It has sound underwriting processes, which involve periodic compliance to the covenants that it sets".

Further all lending undertaken by LGFA to councils is done with a security charge over the council's rates. This means that in the event of a default by a council, LGFA can appoint a statutory manager who can impose a special rate that would be able to recover the amount owed to LGFA. This ensures all lending to councils is the first ranking creditor.

LIKELIHOOD OF A CALL ON GUARANTORS

As at June 2018, LGFA had capital of \$199.4 million. This was made up of \$64.3 million of equity and \$135.1 million of borrower notes which could be converted into equity. In addition, there is a further \$20 million of uncalled capital. This provides almost \$220 million of equity that could be used before a call was made under the guarantee.

Further while the New Zealand Government does not guarantee LGFA it is a 20% shareholder in LGFA. In addition, the Government provides a \$1 billion committed credit facility to LGFA. This would provide LGFA access to funding in the event of a severe disruption in capital markets which in turn would provide continuity of funding to the local authority sector. The Government is a member of the LGFA Shareholder Council.

GOVERNANCE OF LGFA

The Board of LGFA is currently made up of 5 independent directors and 1 non-independent director. A non-independent director is someone who works in the local authority sector. There is a requirement that the majority of the directors are independent. One of the key objectives of the Director's is to protect the interests of the guaranteeing councils.

PERFORMANCE OF LOCAL AUTHORITY FINANCING VEHICLES IN OTHER COUNTRIES

There are many local authority financing vehicles that have been set up and successfully operated in other countries. These include financing vehicles in Denmark, Sweden, Norway, Finland, Netherlands, France, United Kingdom, Japan and Canada. They all utilise a cross-guarantee structure by member councils similar to the structure of LGFA. There has never been a call under the guarantee in any of these countries. The oldest of the entities is in Denmark which has successfully operated for 120 years.

STANDARD AND POOR'S ASSESSMENT OF RISK TO COUNCIL FROM THE GUARANTEE

Standard and Poor's noted in their credit rating report on Auckland Council on 25th September 2018 that:

"As part of the arrangements supporting the Local Government Funding Agency (LGFA), Auckland is party to a joint and several guarantee, which we consider a contingent liability. Given the strength of the institutional framework in New Zealand and the requirement that all debt be secured over rates, we believe that the likelihood of a default scenario that would trigger the joint and several guarantee is low. Therefore, the LGFA liability doesn't affect our view of Auckland's contingent liabilities."

Consequently, the Council is proposing that it will participate in the LGFA Scheme, not as a Principal Shareholding Local Authority but as a Guaranteeing Local Authority. Consequently, Council proposes that option (2) is adopted.

Q. SHOULD THE COUNCIL PARTICIPATE IN THE LGFA SCHEME WITHOUT BEING A GUARANTEEING LOCAL AUTHORITY?

If the Council was to join the LGFA Scheme without being a Guaranteeing Local Authority, the cost of participating would be less. However, it would face higher funding costs, reducing some of the benefit of participating. It is likely that Council would only be able to borrow up to \$20,000,000, but Council is anticipating borrowing more than \$20,000,000.

The LGFA charges a higher interest rate to Councils that are not guaranteeing borrowers. This would reduce the potential savings to \$60,000 per annum, \$3,000 or 0.3% for every million dollars. The limit on borrowing and the higher interest rate would result in a cost to Council, as compared to option 2 of \$140,000 per annum. This is offset by the risk of the guarantee, however as stated above the risk of the guarantee is considered to be low, compared to the savings.

Council proposes that option (3) is NOT adopted.

Investment Policy

The Investment Policy does not contain provisions to borrow from the Local Government Funding Agency.

The primary objective for the Council's interest in LGFA is to lower the cost of borrowing. Although the Council is not proposing to immediately acquire shares in the LGFA, borrowing under the LGFA Scheme will require it to acquire some capital notes issued by the LGFA that could, in some circumstances be converted into shares in the LGFA. The Investment Policy needs to be amended to provide for this.

The amendment to the Investment policy is to insert the following, immediately before the section titled "Property Investments":

"NZ Local Government Funding Agency Limited (LGFA)

Council may invest in shares of the LGFA and may borrow to fund that investment.

Council's objective in making any such investment will be to:

- obtain a return on the investment; and
- ensure that the LGFA has sufficient capital to become and remain viable, meaning that it continues as a source of debt funding for the Council.

Because of this dual objective, Council may invest in LGFA shares in circumstances in which the return on that investment is potentially lower than the return it could achieve with alternative investments.

If required with the investment, the Council may also subscribe for uncalled capital in the LGFA."

Liability Management Policy

The Liability Management Policy does not contain provisions to borrow from the Local Government Funding Agency.

The primary objective of this proposal is to allow borrowing by the Council at lower interest margins than it currently faces.

The Liability Management Policy will be amended to insert the following, immediately before the section titled "Liquidity risk management":

"NZ Local Government Funding Agency Limited

The Council may borrow from the NZ Local Government Funding Agency Limited (LGFA) and, in connection with that borrowing, may enter into the following related transactions to the extent it considers necessary or desirable:

- contribute a portion of its borrowing back to the LGFA as an equity contribution to the LGFA;
- provide guarantees of the indebtedness of other local authorities to the LGFA and of the indebtedness of the LGFA itself;
- commit to contributing additional equity (or subordinated debt) to the LGFA if required;
- subscribe for shares and uncalled capital in the LGFA; and
- secure its borrowing from the LGFA, and the performance of other obligations to the LGFA or its creditors with a charge over the Council's rates and rates revenue."

Tell us what you think

You can have your say online, by email or through the post. And if you want to, you can come along and explain your views personally to Councillors.

All submissions will be carefully considered before final decisions are made.

If you want more information, see the proposed *2019/2020 Annual Plan* at www.trc.govt.nz. Or you can inspect a copy at the Council's office, at 47 Cloten Road, Stratford, or at District Council service centres and libraries. You can also call us on 0800 736 222.

Making a submission

Submissions must be received by **4pm on Tuesday 23 April 2019**.

Online: www.trc.govt.nz

Email: info@trc.govt.nz ('Annual Plan submission' in subject field)

Post: 2019/2020 Annual Plan Submission
Chief Executive
Taranaki Regional Council
Private Bag 713
STRATFORD 4352

Or deliver your clearly-labelled submission by hand to the reception desk at 47 Cloten Road, Stratford.

The submission form on the following pages can be used for written submissions.

What happens next?

Submissions open: 18 March 2019

Submissions close: 23 April 2019

Submissions heard and deliberated upon: 13/14 May 2019

Adoption of 2019/2020 Annual Plan: 21 May 2019

2019/2020 Annual Plan becomes operative: 1 July 2019

Submission form

Submitter

Title *(please circle)* Dr Mr Mrs Ms Miss **Other** *(please specify)* _____

First name _____ Surname _____

Organisation/group *(if applicable)* _____

Postal address ***(Please provide full postal address, including rural delivery and postcode)***

Postcode _____

Phone *(daytime)* _____ Mobile _____

Email _____

I wish to present my submission personally at a hearing scheduled for 13 May 2019 (and possibly 14 May 2019).

Yes No

Signed _____

Your submission

Note that your submission and any information you supply as part of it is considered public information and will be available in reports and documents relating to this process and will be published on our website, www.trc.govt.nz.



When replying please quote:

19 February 2019

Mike Nield
Director Corporate Services
Taranaki Regional Council
Private Bag 713
STRATFORD

Dear Mike

YARROW STADIUM

The purpose of this letter is to detail a range of options investigated to address the earthquake prone stands at Rugby Park New Plymouth. This report covers options from demolishing the stands and returning the ground to basic operational state, through to building a brand new facility at Rugby Park or some other site. It also explores options to enhance the facility to expand community use, and meet the expectations from users and spectators.

The guiding principles that have been used throughout the process have been to:

1. Return the venue to service
2. Update/Future proof the venue
3. Enhance the visitor experience
4. Increase the community use of the venue

Various stakeholders have been engaged in the process either through workshops or direct feedback. This stakeholder group was made up from TRFU, various sporting bodies that have used the venue previously, contractors that are part of the service provided, disabled accessibility, venues staff, and trustees. An external consultant has been used to prioritise these suggestions in terms of enhancing the customer experience, alignment with the previous objectives and vision from the ground, and best value for meeting the needs of a modern community asset.

A review of how the stadium previously functioned was undertaken by the stadium management consultant. This established how well certain functional areas (such as catering, hospitality, ticketing and circulation) performed and where challenges in operating the stadium existed. The next step identified how to overcome the challenges which resulted in the creation of a detailed list of potential enhancements that could be included in the scope of works in addition to the repair works. Each of these items was considered in terms of how well it supported the vision and objectives of the stadium, which enabled each item to be categorised in terms of priority. The project team then provided cost advice against each item.

Liardet Street, Private Bag 2025, New Plymouth 4340, New Zealand
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The structural repair options have been considered by three new Plymouth based engineering consultancies. TSE have considered options for repairing the West Stand, Calibre have considered options for the East Stand, and BCD group has peer reviewed this work. A collaborative workshop was held in New Plymouth where the 3 companies worked together to work through the various repair options.

The West stand repair involves strengthening the ground underneath the structure. The stand was built on top of an old landfill site and recent geotechnical reports show that the ground conditions are significantly different than those detailed in the original geotechnical reports at the time of construction. Ground remediation work will be required to strengthen the ground and prevent failure during a moderate seismic event.

The East stand involves a combination of structural work to strengthen the building, and additional work to the foundation structure. It appears that some critical foundation design elements have been omitted from the original design. This has resulted in the building being susceptible to a seismic event in a north/south direction. There are also a number of areas in the structure itself that need strengthening to meet current building standards.

Yours sincerely

A handwritten signature in black ink, appearing to read 'KW', is centered below the text 'Yours sincerely'.

Kelvin Wright
Chief Operating Officer

Yarrow Stadium options – February 2019

Option 1: Demolish stands, replace with grass banks.

Option 2: Repair stands, update facilities.

Option 3: Repair stands, with extra seating capacity.

Option 4; Repair stands with extra seating and additional community facilities.

Option 5: New East Stand, extended West Stand, new South Terrace.

Option 6: New East Stand, extended West Stand, new North Stand, new South Terrace.

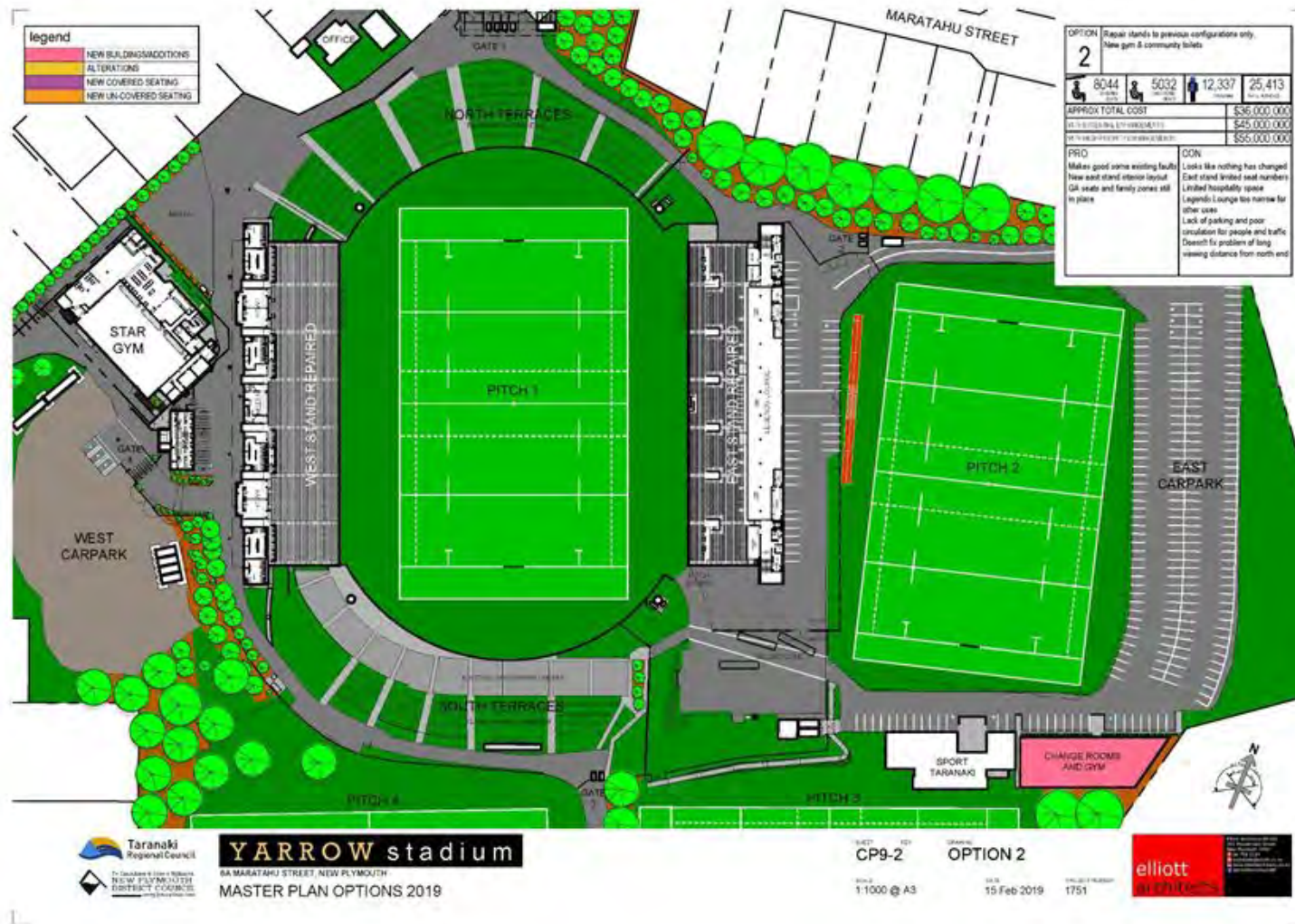
Option 7: New Stadium.

Option 8: New Stadium with roof.

Option 1: Demolish stands, replace with grass banks



Option 2: Repair stands, update facilities



Option 3: Repair stands, with extra seating capacity



Option 4: Repair stands with extra seating and additional community facilities



Option 5: New East Stand, extended West Stand, new South Terrace



Option 6: New East Stand, extended West Stand, new North Stand, new South Terrace

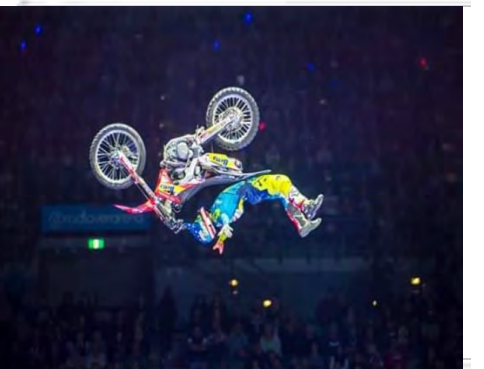
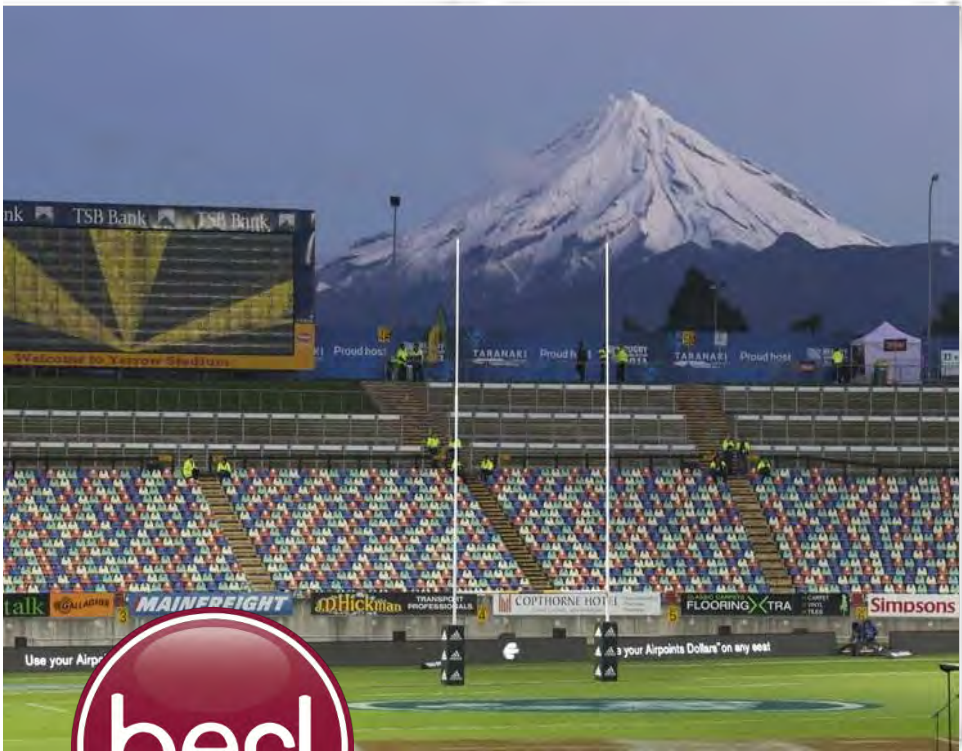


Option 7: New Stadium



Option 8: New Stadium with roof





Yarrow Stadium value to the Taranaki community

MAKING SENSE OF THE NUMBERS

October 2018

www.berl.co.nz

Author: Kel Sanderson and Hugh Dixon

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Yarrow Stadium Value to the Taranaki community
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Making sense of the value of Yarrow Stadium

Yarrow Stadium was developed as a modern stadium for Taranaki in New Plymouth in 2002, superseding Rugby Park. In 2017-18 the structure of one grandstand and the ground below the other at Yarrow Stadium have been found to be insufficiently stable to withstand earthquakes. Significant investment shall be required to repair or replace the stands or the stadium. The purpose of this report is to assess the value of the Yarrow Stadium to the Taranaki community over the last 15 years. This can assist decisions on the necessary investment.

\$100m value to Taranaki

Our findings are that the enjoyment by Taranaki people and the spending by visitors to Yarrow Stadium have brought over \$100 million of value to the Taranaki community over the 15 years from 2003 to 2017. In future, Taranaki can expect that the Present Value to them of the future stream of value shall be considerably larger than that estimated at \$100 million for 2003 to 2017, because the repaired Yarrow Stadium will last considerably longer than 15 years, and will provide a higher level of service and amenities in future than in the past.

The benefits and value to the community from a stadium like Yarrow cannot all be monetised. Community multi-use of the Stadium may not generate great revenue but does generate benefit, and is being pursued by Yarrow Stadium's owners, governance and management. Since 2014 community visitation, excluding at major events have increased from 16,397 in 2014/15 to 33,310 in 2016/17. The number of functions, like conferences etc. were 51 in 2014/15 and 128 in 2016/17. Both had doubled.

Community use doubled 2014-17

For the local people it provides a multi-use venue for special occasions, and frequent social enjoyment of the company of friends and family watching sporting events at Yarrow Stadium. This Stadium has value due to its central location in New Plymouth, its iconic backdrop of Mt Taranaki and the friendly atmosphere commented on by visitors. Yarrow Stadium is where Taranaki people entertain visitors to Taranaki and New Zealand at national and international sporting and other fixtures.

715,000 Taranaki people \$50m value

The two types of benefits which we can place dollar values on are:

- the amount Taranaki people have valued making 715,000 spectators' attendances at main fixtures at Yarrow Stadium over the 15 years. This value is over \$50 million
- the amount of economic activity generated in the Taranaki economy by the spending by 245,000 visitors to events at Yarrow Stadium. Many of these visitors stayed and spent on accommodation, entertainment and general spend which is estimated over \$60 million. The contribution to Taranaki GDP along the value chain is estimated at \$45 to \$55 million.

245,000 visitors \$45-55m added to Taranaki GDP

Any region needs a vibrant urban centre to attract people and businesses to locate there. Taranaki is fortunate to have New Plymouth as its main centre which has a high level of amenity, facilities and attractions including those of Yarrow Stadium with a capacity of over 22,000 people. Regional centres in New Zealand all have stadia of about that size. It would significantly compromise New Plymouth's and Taranaki's attraction to people and businesses if Yarrow Stadium was not repaired or replaced.

6,000+ Taranaki people to all NPC games

The nature of Taranaki and its people has been identified with the dairy cows grazing on lush pasture in the foreground, with Mt Taranaki as a backdrop, and also with their prowess at rugby, again with Mt Taranaki as a backdrop. The Taranaki community has shown a strong loyalty to rugby. Over the period 2003 to 2017 there have consistently been 6,000 to 8,000 spectators socialising at NPC games at Yarrow Stadium. Taranaki region also has a successful record of maintaining a high level of rugby participation and especially by girls and women. This is another key factor to indicate that there is a need to retain a Stadium facility in Taranaki, with the size and nature of Yarrow Stadium.

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1 Finding the value of Yarrow Stadium to Taranaki

Yarrow Stadium was developed as a modern stadium for Taranaki in New Plymouth in 2002, superseding Rugby Park. In 2017-18 the structure of one grandstand and the ground below the other at Yarrow Stadium have been found to be insufficiently stable to withstand earthquakes. Significant investment shall be required to repair or replace the stands or the stadium. The purpose of this report is to assess the value of the Yarrow Stadium to the Taranaki community over the last 15 years. This can assist decisions on the necessary investment.

1.1 Yarrow Stadium in Taranaki's development since 2002

Taranaki is a vibrant community with a strong economy and independent identity focussed on the fertile land and bush remnants around Mt Taranaki on the North Island's western side.

The Taranaki community has supported a number of recreational, sporting and cultural initiatives over the past twenty years which collectively have enhanced the reputation of Taranaki as a place to visit, to work and to live. One such initiative was the upgrading of Rugby Park in New Plymouth, to Yarrow Stadium in 2002, and its full functioning from 2003 to 2017.

The current work assesses the value of Yarrow Stadium to the Taranaki community from 2003 when the upgrade was completed, until the present. It is important to see the upgrading of Rugby Park into Yarrow Stadium as a part of the bigger picture of Taranaki becoming more attractive to its citizens, to current and potential visitors, and by internal and external migrants who may choose to move to Taranaki to live, work and play.

1.2 Method of assessing the value of Yarrow Stadium

This investigation can proceed in two different directions. It can:

- directly analyse the range of activities at Yarrow Stadium and assess their monetary value from spending by visitors to the Stadium from outside the region as a limited economic impact analysis or EIA, or
- take a big picture viewpoint to assess the extent to which Taranaki has become more attractive to current and prospective residents in a range of measures since Yarrow Stadium was completed in 2003.

There can always be debate as to the actual impact and value of any particular facility, whether the values would have accrued anyway through another means, or whether a benefit to one facility is gained through reduced benefit to another. The big picture will consider generally the place of any facility or event in the value of the quantitative standard of living, and the broader values of the way of life in the community. This report aims to find the value to the Taranaki community of the Yarrow Stadium over the past fifteen years.

To do this we assess the following:

1. Attendance at Yarrow Stadium by members of the Taranaki community, at other than major events.
2. The value of Taranaki people's enjoyment at major events at Yarrow Stadium since 2004.
3. The economic activity generated in Taranaki by visitors to major events at Yarrow Stadium since 2004.
4. Wider impacts on attraction of people and businesses to New Plymouth and Taranaki.
5. Providing a consistent, future venue for Taranaki's community and followers of sports.



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2 Yarrow Stadium expands its community use

Yarrow Stadium ownership, governance and management have accepted that its primary use is to host sporting events, particularly hosting rugby matches. However they also have stated in the Yarrow Stadium Asset Management Plan (AMP) 2015-2025, at page 17, and again in the AMP 2018-2028, that other uses for the Stadium include:

- conferences
- exhibitions
- trade shows
- conventions
- corporate functions
- weddings
- community events.

2.1 The intention to increase community use

The stakeholder engagement for the same Asset Management Plan (AMP) 2015 -2025 received an ‘overwhelming response from those outside of rugby for the stadium to become more multi-use.’

This AMP developed in 2015, and the updated 2018-2028 Yarrow Stadium AMP draft of October 2017 both show the Plan’s demand criteria as being:

- to promote multi-use
- to encourage community activity and participation
- to enhance visitor spectator experience.

In order to achieve these aims, the 2015 document set six key goals for the level of service, and these goals are represented by eleven performance measures.

Directly relevant to monitoring performance to increase community use, is the fact that seven of those eleven performance measures are concerned with community use of the stadium. They are:

- number of key community events
- total community visitation (not including major events)
- number of functions
- number of conferences/meetings
- number of expos/exhibitions
- number of community sport
- number of community other.

There is also a category ‘number of trainings’, which presumably could include major sports and minor ones, and it is also a large number which could skew interpretation of the numbers, so we omit this category in the number of functions.



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2.2 Early increase in community use 2014 to 2017

The stadium venue operation numbers since 2014 show that there was strong increase in these community participation performance measures.

At the headline level the community visitation, excluding major events was 16,397 in 2014/15. This visitation had increased to 33,310 in 2016/17 as shown in the AMP 2018-2028. These are significantly large numbers, and the total has more than doubled within two years.

The numbers of functions, conferences, expos and community uses were 51 in 2014/15 and this total number had more than doubled to 128 in 2016/17.

The numbers for the individual function types are as follows.

	2014-15	2016-17
Number of key community events	2	0
Total community visitation (not including major events)	16,397	33,310
Functions	9	11
Conference/meetings	26	43
Expos/exhibitions	2	6
Community sport	14	54
Community other	0	14
Sub-total functions	51	128
Trainings	198	311

These numbers indicate a significant achievement between 2014 and 2017 in bringing about an increase in community use and attendance at non-major functions at Yarrow Stadium. A strong increase has been achieved by focussing on these aspects in the recent years. Unfortunately we do not have similar numbers for previous years.

Nevertheless this picture augurs well for increased community involvement and benefit in future years.

Over 33,000 people from the Taranaki community visited a variety of 128 different functions at Yarrow Stadium in 2016/17. Double the number for 2014/15.



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3 Taranaki people's value of sport at Yarrow Stadium

The purpose of this section is to explore our ability to identify and measure the values of the on-going benefits from the Yarrow Stadium facility and major events which Taranaki people and communities have enjoyed over the period 2003 to 2017. In the context of broadening the attraction and benefits beyond the earlier concentration, largely on rugby matches, we first outline the events at Yarrow Stadium which have brought other sporting events to the Taranaki communities. We do not have such detailed information on Taranaki people's attendance at these sporting events as we do for the rugby matches.

3.1 Sports other than rugby at Yarrow Stadium

BERL has obtained lists of the occurrence of other events at Yarrow Stadium especially what are essentially sporting events. These are football, cricket, rugby league and some motor events. We have some estimates of spectator numbers for some events, and have assessed them for others.

A summary of the information we have includes:

- Rugby League: three pre-season NRL league games in 2005, 2008 and 2016 with total estimated spectators of 30,000.
- Football: FIFA Under 20 World Cup games in 2015, six matches, 19,830 spectators; and two Phoenix matches indications the total spectators would be 34,000 people
- bulking up these numbers with conservative assessments of missing data yields an estimate that from 2003 to 2017, bringing total football spectators to approximately 30,000
- Cricket / T20: matches in 2004, 2015 and 2016, an indication only in the media would imply a total of approximately 40,000 spectators.
- Motor: Crusty Demons, in 2007, 2009, Nitro Circus in 2016, 2017, and Trucks in 2012 with some media.

These other 'sporting' events at Yarrow Stadium had a total attendance of about 130,000 people of which 105,000 were Taranaki people and 25,000 were visitors to the Region.

These also are quite significant numbers, and the visitor component of these spectators is estimated to have contributed \$5 million to the region's GDP over the fifteen year period. .

3.2 Approach to valuing rugby at Yarrow Stadium

We are looking to find the full value of the Yarrow Stadium facility to the community. We therefore value the benefit which locals believe they derive from spending money and time at the facility or event. If that was not worth more to them than spending that money and time elsewhere, they would not attend the event

In the following section 4 we then follow the approach taken by some other economists who measure only the benefits which communities receive as the GDP stimulated by spending by visitors to the region. That thinking implies that if local people spend at a facility or event, then this is taking revenue and activity away from other people and businesses in the community, as the economy is a 'zero-sum game'. If this were the case, regions should only develop facilities which outsiders wish to go to.

To now provide a perspective on the value Taranaki people derive from rugby matches at Yarrow Stadium, we describe some of the key aspects of rugby in Taranaki which appear at least to some extent to be dependent upon the success and continuity of rugby at Yarrow Stadium.



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3.3 Taranaki spectators' value attending Yarrow rugby matches 2003-2017

The accepted method of estimating the perceived value of recreation and spectator events is to use a standard system of valuing the travel cost of travelling for the recreation or event. This values the vehicle travel cost and the value of the time at which a person might value 'spare' time. These numbers are developed by the New Zealand Transport Agency and are used in estimating the value of travel. (In NZTA analyses, where travel is a part of normal work, those hours are valued at full hourly rates.) The methodology is outlined in Appendix A.

We wish to assess the value which Taranaki people believe that they have received by attending Yarrow Stadium rugby matches from 2003 to 2017. For this analysis we include Taranaki spectators at all rugby matches including NPC pool matches, Semi Finals and Finals, Ranfurly Shield games, Super Rugby and international matches. The total number of Taranaki spectators at all of these matches from 2003 to 2017 is estimated to be approximately 625,000 spectator visits.

We do not have any breakdown of the origin within the region of those spectators. We have therefore used as a proxy the share of registered rugby players in the rugby clubs located in the different areas around Taranaki, and selected an urban centre in each area as the place those people travel from.

Table 3.1 Estimates of geographic distribution of Taranaki rugby spectators

Place near origin of spectators	Waitara	New Plymouth	Inglewood	Eltham	Hawera	Opunake	Waverly	Total
Origin's share of spectators (percent)	12	28	9	17	15	16	3	100
Origin's estimated spectators (000)	77	176	54	106	92	102	16	623

This allocation of registered players to the geographic location of their Clubs indicates that the registered rugby players are quite evenly distributed throughout the region.

Using this geographic distribution we have then estimated for each geographic group of spectators the vehicle travel costs and the time travel costs of attending their matches at Yarrow Stadium. As well as these 'imputed' or 'perceived' costs we also require an order-of-magnitude indication of the amount they would be expected to spend as an entrance charge and on food and beverage purchases as part of their travel and visit to and from the match. Given current charges of just \$35 per adult ticket, and in order to be conservative, we have made an assumption that each person spends on average a total of \$50 per visit as a spectator at Yarrow Stadium.

These estimates are combined in the total shown in the table.

Table 3.2 Estimate of components of Taranaki rugby spectators' perceived value

Taranaki spectators	Units	Totals	Per person/visit
Spectators	Number	624,400	
Total vehicle travel cost	\$000	\$11,400	\$18
Total travel time cost	\$000	\$5,400	\$9
Total modelled travel cost	\$000	\$16,700	\$27
Spend at the event	\$000	\$31,200	\$50
Total Taranaki spectators' value	\$ Million	\$48	\$77



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The indication is that over the period 2003 to 2017 it is likely that Taranaki rugby spectators would have perceived that they had received entertainment benefits to the value of at least \$48 million from attending rugby matches at Yarrow Stadium.

3.4 Region’s distribution of estimated spectator value

We have noted above that there is a reasonably even distribution of rugby participation across the Taranaki region. The travel cost method of estimating the perceived benefit of recreation or spectator activity, rests on the logic that if people travel a longer distance to participate, then that will cost them more than for someone nearby, and that indicates that the more-distant person places a higher value on this spectator activity.

This logic is reflected in the distribution across Taranaki region of the estimated spectator’s value. This is shown in the table.

Table 3.3 Estimated spectators’ value across Taranaki Region (\$ million)

Item	Waitara	New Plymouth	Inglewood	Eltham	Hawera	Opunake	Waverly	Total
Total modelled travel cost	\$1.2	\$0.6	\$1.2	\$3.7	\$4.7	\$3.9	\$1.5	\$16.8
Spend at the event	\$3.9	\$8.8	\$2.7	\$5.3	\$4.6	\$5.1	\$0.8	\$31.2
Taranaki spectators’ value	\$5	\$9	\$4	\$9	\$9	\$9	\$2	\$48

Source: TRFU, Clubs’ websites, NZTA EEM, AA Trip Estimator, BERL estimates

The distance which people travel from areas around the mountain like Eltham, Hawera and Opunake means that the travel cost compensates for the slightly lower numbers of expected spectators from those areas than from the New Plymouth area.

The effect is that the spectator value is about \$9 million for each of these areas around the mountain at Eltham, Hawera and Opunake. This \$9 million value is about the same as the \$9 million value for the larger spectator numbers from the New Plymouth area.

This in turn implies that communities from around the Region will all receive a similar benefit from the resumption of the quality spectator experience and community socialising at Yarrow Stadium.

Between 2003 and 2017 the Taranaki rugby spectators from communities around the region received an enjoyment value of \$48 million from attending matches at Yarrow Stadium.

The same will apply to benefit from a repaired or replaced Yarrow Stadium

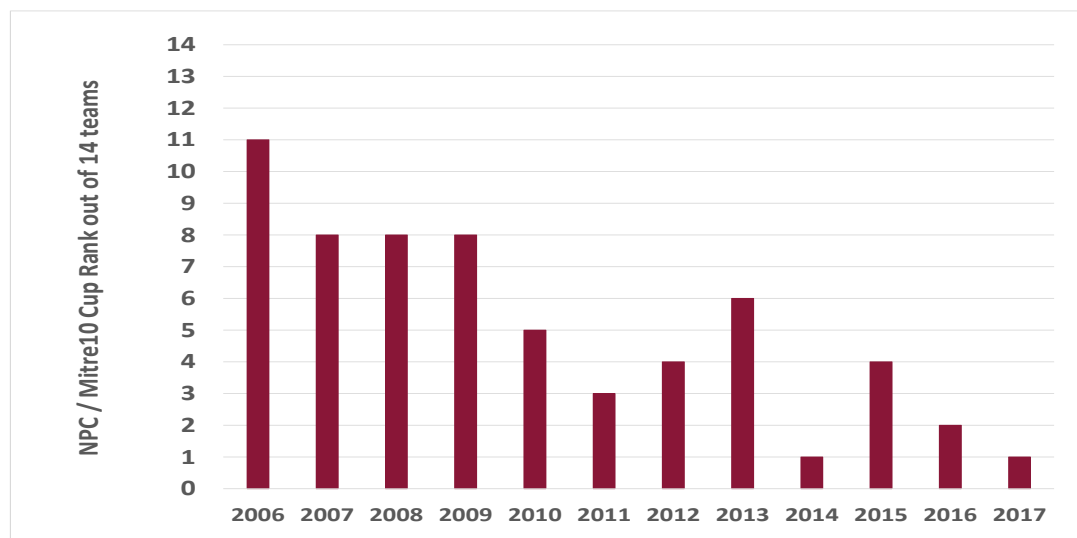


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3.5 Taranaki provincial rugby performance 2006 to 2017

The loyalty of the Taranaki community to the provincial rugby team's matches at Yarrow Stadium has been rewarded with a steady climb up the rankings of the NPC provincial rugby teams over the years from 2006 to 2017. The Taranaki Bulls' ranking within the 14 team competition is shown in the chart.

Figure 3.3 Taranaki Bulls' ranking in provincial competition 2006 to 2017



This shows that having started in 2006 as 11th out of the 14 provincial teams, the Taranaki Bulls improved to eighth for the 2007 to 2009 seasons and from then on they have improved their ranking further. They have been top of the competition or top-equal in 2014 and 2017.

Unfortunately this performance has not continued into the 2018 season.

3.6 Taranaki rugby participation figures

As well as a province or region which performs well at competitive rugby, there is also strong participation in rugby in total, and by girls and women in particular in Taranaki.

In the *New Zealand Rugby 2017 Provincial union participation benchmarking booklet* the chart showing the rugby players as a percentage of the population in the 14 NPC provinces shows Taranaki to have had the highest participation in each of the last four years 2014 to 2017. In 2017 the Taranaki participation was 6.5 percent. The next highest were Northland and Southland with 5.5 percent to 5.7 percent. Most other regional provinces were about 4.5 percent, and Wellington, Canterbury, and North Harbour about 3 percent, and Auckland 2.7 percent.

Within the overall picture of high rugby participation in Taranaki, the share of participation by girls and women is higher in Taranaki than across the country. In 2016 the number of girls and women registered in Taranaki was 30 percent of the number of boys and men. Across the country as a whole the percentage was 16 percent. In 2017, the Taranaki number of girls and women had increased to 38 percent of the number of boys and men, and in New Zealand as a whole the number had increased a little to 18 percent.

This indicates that the rugby community in Taranaki is a leading Region in becoming more inclusive for rugby participation by girls and women.



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4 Economic impacts of Taranaki's visitors to Yarrow Stadium

This section reports on the estimates of the present value of the economic benefits which can be assessed as coming to the Taranaki region from 2003 to 2017 because of the existence of Yarrow Stadium. Of course it could be argued that even if there were no Yarrow Stadium there may have been NPC rugby matches etc. played somewhere in Taranaki. That is possibly the case, but the reality is that there has been a Yarrow Stadium and this has attracted a range of events, many of which would NOT have come to Taranaki had Yarrow Stadium or a stadium of similar size and type not been here.

This will give one dimension of indication of the value which has accrued, and which could be lost if Yarrow Stadium is not re-instated, or replaced.

The other dimensions which have been explored in the earlier sections of this report are the on-going benefits from the Stadium facility and events which Taranaki people and communities enjoy.

4.1 How we estimate economic impacts

The strict economic interpretation of the impact or benefit which can be said to accrue to a facility such as a stadium in a region is the economic activity generated by people from outside the region who attend events at the stadium. These people generate economic activity by purchasing goods and services at the Stadium, and in the region as a whole. These goods and services include mainly food and beverages, accommodation, transport services, retail goods and other personal services.

The core of this analysis is as follows:

- assemble as far as possible a comprehensive list of events at Yarrow from 2003 to 2017
- obtain information where possible of the total attendance at each event;
- obtain for some representative events, the share of attendance who are visitors to the region
- obtain again for some representative or similar events, the pattern of spending by the visitors
- bulk up the spending by visitors to the region to each event.

This process generates the estimate of the total direct amount spent by visitors to the region to each event, and indirectly for all events in each year from 2003 to 2017.

Value added in the region: for each dollar spent some of that goes to cover the cost of components brought into the region, and the rest is the value added by businesses in the region. It is the total of this value added which is called GDP.

Value added along the value chain: from experience and analyses of the backward and forward linkages in the regional value chain we are able to estimate from the direct value added estimate, the total value added along the region's value chain as a result of the spending by the visitors.

Information from earlier analyses: there are earlier analyses of economic impacts of events at Yarrow Stadium such as the All Blacks vs France test in 2013 and the three Rugby World Cup matches in 2011. As well, BERL has over the years completed a number of Economic Impact Assessments (EIAs) in Taranaki for such events as WOMAD, garden festivals, exhibitions like Len Lye, and other activities and events. For a number of those by others and by BERL, surveys of the composition of those attending and the pattern and level of spending has been completed.

These earlier studies have provided a spectrum of sound information for assessing the likely visitor composition and spending patterns for people attending events at Yarrow Stadium between 2002 and 2017.

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4.2 Assessment of economic impacts of visitors 2003 to 2017

BERL takes the rational position that estimates of economic impacts should always be treated as indications of the orders-of-magnitude of the impacts on the particular economy involved. The levels of impact cannot be measured with a great level of accuracy as each of a number of factors will vary as between specific events, origin and demographic of visitors, timing and so on. Also surveys of spending patterns are not completed for all groups of those attending all of the different events.

However, robust estimates of economic impacts have been completed for some events at Yarrow Stadium over the period. These give an indication of level of spending by visitors for some of the larger events over the period, namely the All Blacks vs France in 2013 and the three Rugby World cup games in 2011 which included teams from Ireland, USA, Russia, Wales and Namibia. As well, BERL has completed a number of studies of spending by visitors to Taranaki to events like a number of WOMAD festivals, garden festivals and the like. These provide an indication of the spending pattern of New Zealand visitors from other regions.

With this position in mind we now assess the order-of-magnitude of the GDP generated in the Taranaki region as a result of the pattern of visitors to the region attending events at Yarrow Stadium from 2003 to 2017.

4.2.1 Attendance of visitors

Our high-level estimate of the number of people attending events at Yarrow Stadium over the 15 years from 2003 to 2017 inclusive has been approximately 975,000 people. We have actual attendances on a reasonable basis to estimate attendances at all main sporting events. Counting other events for which we do not have sufficient information, the total attendances would certainly exceed 1 million visits.

Of the total of 975,000 the number of Taranaki people's visits are estimated to be 730,000, which means that the number of visitors to Taranaki region to attend events at Yarrow Stadium over the fifteen years has been about 245,000.

The types of events which these 245,000 visitors attended were approximately as follows:

NPC rugby matches	75,000
Super Rugby matches	40,000
International rugby matches	100,000
Other events, FIFA U20 World Cup, T20 cricket, League	
Nitro circus, Wellington Phoenix 2016, 2017	30,000
Total visitors to the Region	245,000

The NPC visitors are mainly from other regions in NZ, although both NPC and Super Rugby matches do attract general tourists including those from Europe, who travel around New Zealand with the intention of attending one or two rugby matches while here. The Super Rugby matches attract a reasonable number of followers from the SANZAAR countries. The largest number is the 100,000 visitors for the international rugby matches which together with the Super Rugby visitors made up about 60 percent of the 245,000 visitors.

Looking at the 100,000 visitors to international rugby matches, about 80 percent of those attended matches at Yarrow Stadium as part of a larger tour of matches such as the 2005 British and Irish Lions tour, the Ireland tour of 2010, and the Rugby World Cup matches in 2011. Visitors on these tours generally have days between one match and the next, and stay in each place for a number of nights. An example was the Ireland tour in 2010 when Ireland played the All Blacks at Yarrow on 12 June and then played NZ Māori at Rotorua on 18 June. They then went to Australia, so followers are likely to have made a substantial tour in Australasia. Another example



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was the USA team in 2011 who played one match at Yarrow Stadium on 11 September and a second on 15 September. It is likely that a number of USA supporters would have spent six nights in Taranaki, and spent significant sums of money here.

The FIFA Under 20 World Cup matches played at Yarrow Stadium in June 2015 consisted of five Group E pool games played on three days over the period from Monday 1 June to Sunday 7 June. Group E was made up of Nigeria, Brazil, Korea Democratic Peoples' Republic and Hungary. Nigeria and Hungary each played three pool games during this time and Brazil and Korea DPR played two pool games each. However Brazil returned for a round-16 match against Uruguay on 11 June. It is probable some supporters of some or all of these countries would have stayed in Taranaki for the period of the round-robin pool games. The FIFA data indicates that total attendances at these matches was over 19,830 people. Where two games were played on the same day, some spectators came for both games, and others just the one.

4.2.2 Total direct spend by visitors at the time

Using the spending levels and an element of judgement for the composition of visitors to the various events, and given that about 80 percent of visitors to international matches and other events are following touring rugby teams, we have made estimates of visitor spending for all of the event types including football, T20 cricket, and NRL league games.

Our estimate is that the total direct spending by these 245,000 visitors over the 15 years has been over \$60 million.

This implies an average spend per person of \$240 to \$250. This seems relatively conservative given that the survey for the RWC 2011 matches indicated New Zealand visitor spending at \$211 per person and overseas visitors at \$382 per person. The latter is likely to be closer to the level of spend for the 80 percent of visitors who are followers of international touring teams.

4.2.3 Total Regional value chain impact at the time

The spending by visitors at the game and afterwards, in their accommodation, in the cafes and other food and beverage outlets and general retail goods and services, increases demand back up the value chain to suppliers to the direct providers of goods and services. Also the people employed to provide them with goods and services spend part of their money, and this effect is called the value chain multiplier effect.

In this case the combination of goods and services purchased indicate that the total impact along the value chain would be that of an increase in total spending by \$120 to \$130 million.

4.2.4 Total Regional value added at the time

The actual benefit to the people and communities of Taranaki is the increase in their wages and salaries at work, or their increased profits in their small businesses in hospitality, retail, transport and other services. In economics the earnings of wages, salaries, profits, interest and rents are called in total the value added by the amount spent. Where the value added in a region is totalled that is called the Gross Domestic Product or GDP for the region. In

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most regions in New Zealand a pattern of spending such as that by these visitors to Taranaki would generate approximately \$0.40 cents value added for each extra \$1.00 of spending along the value chain. This was also found to be the case in the EIAs of main Yarrow Stadium events.

The total Regional value added along the value chain at the time would amount to \$45 million to \$55 million.



MAKING SENSE OF
THE NUMBERS

Economic impacts of Taranaki's visitors to Yarrow Stadium

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5 Yarrow Stadium in a vibrant Taranaki attracting people

In Taranaki since 2002 there have been a range of improvements in private and public facilities, and events, and Yarrow Stadium is a part of that big picture. It is therefore contentious to attempt to apportion a specific part of that benefit to Yarrow Stadium as a component part of the whole. The facilities and events in the Taranaki region are spread widely throughout, from walking or riding the Coastal Walkway to surfing at Opunake, Oakura and beaches along the surf highway, to eating whitebait fritters at Mokau, visiting the Tawhiti Museum near Hawera or the Hollard Gardens at Kaponga.

However the main focus is on the city of New Plymouth, the regional centre.

5.1 New Plymouth's strength as a regional centre

New Plymouth is the main urban centre on the western side of the central North Island. The city therefore functions as a regional centre, or at a 'tertiary' level in New Zealand's settlement hierarchy having tertiary social service facilities – a base hospital and tertiary education.

5.1.1 New Plymouth in New Zealand settlement hierarchy

There are a number of ways of defining the tiers in settlement hierarchies, but in general the tier level reflects the level of social and business services located in the centre. Hence centres with primary schools and general practice medical facilities would be on the primary tier; those with secondary schools and a health centre of some form would be on the secondary tier and so on.

From the highest level in New Zealand we have the four main tiers reflecting their urban populations², and the level of services they have:

- 1 Metropolitan urban centres, Auckland (1.4 million); Wellington (390,000); Christchurch (370,000).
- 2 Zonal four urban centres which serve larger zones and/or provide a substantial specific function, like a substantial import/export seaport. These four are Hamilton (214,800), Napier-Hastings (127,600); Tauranga/Mt Maunganui (125,700) and Dunedin (115,100).
- 3 Six regional urban centres, each of similar size. These are Palmerston North (81,500), Nelson (63,300), Rotorua (55,800), New Plymouth (54,800), Whangarei (53,600) and Invercargill (49,300), each with about 50 to 60,000 residents in their urban area as defined by StatisticsNZ.
- 4 A large number, 41 districts with a number of smaller secondary and primary urban centres.

5.1.2 Urban amenity level reflected in property values

The urban amenity value at each level in the hierarchy is reflected in the average residential value in the urban area. The averages shown in the QV data for these tiers in the hierarchy areas illustrate this general principle.

² These data come from Statistics NZ Dataset: Urban area population projections – the 2013 Base

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Metropolitan centres:	Auckland area \$1.05 million; Wellington area \$650,000; Christchurch Area \$523,000. (Still depressed since the earthquakes.)
Zonal:	4 regional centres \$530,000
Regional:	6 centres \$440,000; Of which New Plymouth \$450,000
Districts:	41 Average \$320,000

This indicates that New Plymouth is well-placed above the amenity value in the 41 general districts, and a little above the average for the six regional centres.

5.2 Outdoor stadium amenity

As with the other regional centres, New Plymouth has a population of approximately 50,000 or more and has a range of recreational and cultural facilities. All of the ten regional centres with populations of 50,000 and above have substantial outdoor stadia of capacity for 18,000 or more spectators.

New Plymouth has the Yarrow Stadium, which, when fully operational has a capacity of over 24,000³ spectators.

Regional centre	Stadium capacity
Hamilton	25,800
Napier – Hastings	24,000
Tauranga	20,000
Dunedin	30,700
Palmerston North	25,000
Nelson	19,000
Rotorua	26,000
New Plymouth	22,400
Whangarei	18,500
Invercargill	18,000

The implication of this information is that New Plymouth city and the Taranaki region are well-served with the current Yarrow Stadium when at a capacity of over 22,000 spectators, with substantial grandstands providing covered seating and quality food and beverage facilities. However if Yarrow Stadium were to have its capacity permanently lowered much below this level, with limited covered seating, the city of New Plymouth, and the region of Taranaki would be seen to have a level of amenity in this dimension to be below what is to be expected in a region and city of this size and importance.

5.3 Yarrow Stadium and attractive Taranaki

Yarrow Stadium has generated high praise from international visitors both for the Stadium itself and for Taranaki as a whole.

World Rugby magazine 2009 ranked the Yarrow stand as the third best in the world, making specific mention of Mt Taranaki setting the dramatic backdrop. This mention occurs in a number of surveys and reports.

³ The actual capacity given for Yarrow Stadium varies as between sources. The Asset Management Plan (AMP) 2015-2015 Executive Summary states that in 2010 capacity was raised to 22,420. In the AMP 2018-2028 at Page 17, it states that capacity was raised to Rugby World Cup standards of 24,138, which includes 1,920 temporary seats. It would seem then a normal; capacity would be over 22,000.



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Visitors to the Rugby World Cup in 2011 rated as excellent the Stadium itself, the friendly people, the scenery including mountain and coast, and the “Sense of freedom you don’t get in other places.” One-third of them rated Taranaki as *Absolutely fantastic*, 10/10, and 83 percent rated it 8/10 or better.

Visitors to All Blacks vs France in 2013 when 82 percent rated the experience at the Stadium as 4 out of 5, or *Awesome*, and 92 percent said they had a good time in Taranaki.

New Zealand’s Entertainment Venue Association in 2016 gave Yarrow Stadium the national award for the best venue of more than 5,000 seats “with a clear vision, an exceptional visitor experience, and continued growth.”

And Yarrow Stadium is only one attraction for people to visit Taranaki.

Some of the specific events to attract visitors to Taranaki include:

- WOMAD (World of music and dance) which records nearly 50,000 show visits
- Powerco Garden Festival which similarly records about 50,000 event visits
- Taranaki International Arts Festival with nearly 20,000 event visits
- Len Lye Centre with similarly about 20,000 visits per year
- New Zealand Tattoo and Art Festival.

As well are **the public attractions** available to be enjoyed by all in the region, including

- the annual Americarna for wonderfully restored American cars
- the TSB Festival of Lights and performances which attract a total of more than 100,000 people to Pukekura Park over the holiday period.

Supporting all of these events and attractions are the range of quality and quirky accommodation, cafes, restaurants and bars. Some of these are becoming destinations in themselves.

Taranaki is the world’s #2 region to visit as ranked by Lonely Planet’s *Best in Travel 2017*. They mentioned Mt Taranaki’s Pouakai Crossing, as well as the region’s museums, Wind Wand, and some of the events and attractions listed above.

This powerful evidence indicates an *a priori* position:

If Taranaki and New Plymouth are to retain their credibility and amenity, it will be essential to re-instate or replace Yarrow Stadium.



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6 Conclusions

Yarrow Stadium was developed as a modern stadium for Taranaki in New Plymouth in 2002, superseding Rugby Park. In 2017-18 the structure of one grandstand and the ground below the other at Yarrow Stadium have been found to be insufficiently stable to withstand earthquakes. Significant investment shall be required to repair or replace the stands or the stadium.

Our findings are that the enjoyment by Taranaki people and the spending by visitors to Yarrow Stadium have brought over \$100 million of value to the Taranaki community over the 15 years from 2003 to 2017. In future, Taranaki can expect that the present value to them of the future stream of value shall be considerably larger than that estimated at \$100 million for 2003 to 2017, because the repaired Yarrow Stadium will last considerably longer than 15 years, and will provide a higher level of service and amenities in future than in the past.

The benefits and value to the community from a stadium like Yarrow Stadium cannot all be monetised. Community multi-use of the Stadium may not generate great revenue but does generate benefit, and is being pursued by Yarrow Stadium's owners, governance and management. Since 2014 community visitation, excluding at major events have increased from 16,397 in 2014/15 to 33,310 in 2016/17. The number of functions, like conferences etc. were 51 in 2014/15 and 128 in 2016/17. Both had doubled.

For the local people it provides a multi-use venue for special catered occasions, as well as the frequent social enjoyment of the company of friends and family watching sporting events at Yarrow Stadium. This Stadium has value due to its central location in New Plymouth, its iconic backdrop of Mt Taranaki and the friendly atmosphere commented on by visitors. Yarrow Stadium is where Taranaki people entertain visitors to Taranaki and New Zealand at national and international sporting and other fixtures.

The two types of benefits which we can place dollar values on are:

- the amount Taranaki people have valued making 715,000 spectators' attendances at main fixtures at Yarrow Stadium over the 15 years. This value is over \$50 million
- the amount of economic activity generated in the Taranaki economy by the spending by 245,000 visitors to events at Yarrow Stadium. Many of these visitors stayed and spent on accommodation, entertainment and general spend which is estimated over \$60 million. The contribution to Taranaki GDP along the value chain is estimated at \$45 to \$55 million.

Any region needs a vibrant urban centre to attract people and businesses to locate there. Taranaki is fortunate to have New Plymouth as its main centre which has a high level of amenity, facilities and attractions including those of Yarrow Stadium with a capacity of over 22,000 people. Regional centres in New Zealand all have stadia of about that size. It would significantly compromise New Plymouth's and Taranaki's attraction to people and businesses if Yarrow Stadium was not repaired or replaced.

The nature of Taranaki and its people has been identified with the dairy cows grazing on lush pasture in the foreground, with Mt Taranaki as a backdrop, and also with their prowess at the national game of rugby, again with Mt Taranaki as a backdrop. The Taranaki community has shown a strong loyalty to rugby. Over the period 2003 to 2017 there have consistently been 6,000 to 8,000 spectators socialising at NPC games at Yarrow Stadium. Taranaki region also has a successful record of maintaining a high level of rugby participation and especially by girls and women. This is another key factor to indicate that there is a need to retain a Stadium facility in Taranaki, with the size and nature of Yarrow Stadium.



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Appendix A Travel Cost Method to value local spectator visits

Travel Cost Method: A methodology for measuring benefits from individuals' recreational and spectator activities

The travel cost method (TCM) is one of the most frequently used non-market valuation techniques to value benefits of recreational and spectator activities based on peoples' revealed preference. It was developed by Harold Hotelling, a Harvard economist, who applied the method to calculate the value to tourists in monetary terms of visits to national parks in the United States in the late 1940s⁴. It has been used in a range of applications in New Zealand including by people estimating the revealed value to people of such activities as angling, tramping etc. The TCM method can be used to estimate the perceived value to local Taranaki people of a visit to an event at Yarrow Stadium.

As with the Economic Impact Assessment (EIA) in Section 2 of this report, the estimation of the value to Taranaki people of at least some of the visits to events at Yarrow Stadium will provide only an order-of-magnitude measure and not claim to be highly accurate. However it would allow potential funders of the Yarrow Stadium remediation to assess whether this value is trivial or quite substantial.

For the purpose of this estimation we require to know the location within Taranaki of the visitors to events, the distance to the Stadium and back and thus the vehicle running cost, and the time taken. In our current estimate of Taranaki people attending events at Yarrow from 2002 to 2017, over 87 percent have been to rugby matches.

As a first proxy as to where the visitors to Yarrow rugby matches come from within the Taranaki region, we have allocated the 715,000 spectator-visits as originating from areas of Taranaki proportional to the number of registered rugby players in those areas.

In order to estimate the travel cost we use the following.

The vehicle costs per kilometre and the value of time spent in non-work-related travel both come from the NZTA Economic Evaluation Manual.⁵ Finally the times and distances from the location of spectator-source areas to Yarrow Stadium were obtained online from the AA Trip Estimator.

Table 6.1 Estimation of Taranaki rugby spectators' values in geographic areas

Place near origin of spectators	Waitara	New Plymouth	Inglewood	Eltham	Hawera	Opunake	Waverly	Total
Origin's share of spectators	12%	28%	9%	17%	15%	16%	3%	100%
Origin's estimated spectators	77,000	176,000	54,000	106,000	92,000	102,000	16,000	623,000
Total return distance (km)	3,600	1,200	3,700	11,500	14,700	12,500	4,500	51,700
Total return travel time (hours)	58,800	45,900	59,100	163,900	215,200	168,200	67,600	778,700
Total vehicle travel cost (\$m)	0.8	0.3	0.8	2.5	3.2	2.8	1.0	11.4
Total travel time cost (\$m)	0.4	0.3	0.4	1.1	1.5	1.2	0.5	5.4
Total modelled travel cost (\$m)	1.2	0.6	1.2	3.7	4.7	3.9	1.5	16.8
Spend at the event (\$m)	3.9	8.8	2.7	5.3	4.6	5.1	0.8	31.2
Taranaki spectators' value (\$m)	5	9	4	9	9	9	2	48

Source: TRFU, Clubs' websites, NZTA EEM, AA Trip Estimator, BERL estimates

⁴ Hotelling, H. *The economics of public recreation*. Washington, National Parks Service. 1947.

⁵ NZ Transport Agency. *Economic evaluation manual*. Wellington. Effective from 1 January 2016.



Agenda Memorandum

Date 26 February 2019



**Memorandum to
Chairperson and Members
Taranaki Regional Council**

**Subject: Representation Review: Local
Government Commission Determination**

Approved by: M J Nield, Director – Corporate Services
BG Chamberlain, Chief Executive

Document: 2181054

Purpose

The purpose of this memorandum is to receive the Local Government Commission's determination on the Taranaki Regional Council's representation review.

Recommendation

That the Taranaki Regional Council:

1. receives the Local Government Commission's determination on the Taranaki Regional Council's representation review.

Background

Representation reviews are a requirement of the Local Electoral Act 2001 (the Act). They are reviews of the representation arrangements for a local authority. Local authorities are required to review their representation arrangements at least every six years.

The last representation review was in 2012 for the 2013 local authority elections. The outcome of the 2012 representation review was the retention of four constituencies and eleven elected members. The Council's proposal did not fully comply with the Act and the Council applied to the Local Government Commission (LGC) for approval for the North Taranaki (two members +15.84%) and South Taranaki (three members -10.07%) constituencies that did not comply with the + 10% rule.

Discussion

In undertaking the representation review, at the 28 June 2018 Ordinary Meeting, the Council decided to:

- retain four constituencies, being North Taranaki, New Plymouth, Stratford and South Taranaki

- include mesh blocks from the New Plymouth District City Ward into the New Plymouth Constituency resulting in an increase in population in the New Plymouth Constituency (2,200) and a decrease in population in the North Taranaki Constituency (2,200)
- agree to retain the number of elected members at eleven (11), being two (2) elected members for the North Taranaki constituency, five (5) elected members for the New Plymouth constituency, one (1) elected member for the Stratford constituency and three (3) elected members for the South Taranaki constituency
- note that the proposal did not fully comply with the Local Electoral Act 2001 but that the proposal is considered the most appropriate solution for Taranaki
- apply to the Local Government Commission for approval for the Stratford and South Taranaki constituencies to be retained as they do not comply with the $\pm 10\%$ rule and seek approval for the inclusion of part of the New Plymouth District City Ward into the New Plymouth Constituency and the changes in boundaries for the New Plymouth and North Taranaki Constituencies to comply with the $\pm 10\%$ rule.

The public consultation process has been completed with only one submission being received (a submission in support of the proposal from the South Taranaki District Council).

The Local Government Commission has made its determination on the application and has upheld the decision on representation arrangements. The representation review is now complete.

Decision-making considerations

Part 6 (Planning, decision-making and accountability) of the *Local Government Act 2002* has been considered and documented in the preparation of this agenda item. The recommendations made in this item comply with the decision-making obligations of the *Act*.

Financial considerations—LTP/Annual Plan

This memorandum and the associated recommendations are consistent with the Council's adopted Long-Term Plan and estimates. Any financial information included in this memorandum has been prepared in accordance with generally accepted accounting practice.

Policy considerations

This memorandum and the associated recommendations are consistent with the policy documents and positions adopted by this Council under various legislative frameworks including, but not restricted to, the *Local Government Act 2002*, the *Resource Management Act 1991* and the *Local Government Official Information and Meetings Act 1987*.

Iwi considerations

This memorandum and the associated recommendations are consistent with the Council's policy for the development of Māori capacity to contribute to decision-making processes (schedule 10 of the *Local Government Act 2002*) as outlined in the adopted long-term plan and/or annual plan. Similarly, iwi involvement in adopted work programmes has been recognised in the preparation of this memorandum.

Legal considerations

This memorandum and the associated recommendations comply with the appropriate statutory requirements imposed upon the Council.

Appendices/Attachments

Document 2181052: Local Government Commission: Determination of representation arrangements to apply for the election of the Taranaki Regional Council to be held on 12 October 2019



Local Government Commission
Mana Kāwanatanga ā Rohe

Determination

of representation arrangements to apply for
the election of the Taranaki Regional Council
to be held on 12 October 2019

Background

1. All regional councils are required by section 19I of the Local Electoral Act 2001 (the Act) to review their representation arrangements at least every six years. These reviews are to determine the number of constituencies, the name and boundaries of those constituencies and the number of councillors to be elected by each constituency.
2. The Taranaki Regional Council (the council) last reviewed its representation arrangements prior to the 2013 local authority elections. Accordingly it was required to undertake a review prior to the next elections in October 2019.
3. No appeals/objections were received on the council's last review. However, due to the non-compliance of two constituencies with fair representation requirements, the final proposal was referred to the Commission for determination. As a result of that determination, the following arrangements applied for the 2013 and subsequent 2016 elections.

Constituencies	Population*	Number of councillors per constituency	Population per councillor	Deviation from region average population per councillor	% deviation from region average population per councillor
North Taranaki	23,100	2	11,550	+1,579	+15.84
New Plymouth	50,700	5	10,140	+169	+1.70
Stratford	8,980	1	8,980	-991	-9.94
South Taranaki	26,900	3	8,967	-1,004	-10.07
Total	109,680	11	9,971		

* These are 2011 census statistics.

4. At a meeting on 26 June 2018 the council, under section 19I of the Act, resolved its initial representation proposal in its latest review.
5. The proposal was largely for the retention of status quo representation arrangements but involved the transfer of an area from the North Taranaki Constituency to the New Plymouth Constituency. This had the effect of making the boundary between the two constituencies the same as New Plymouth District ward boundaries, with the proposed New Plymouth Constituency now comprising the entirety of New Plymouth City Ward and the North Taranaki Constituency comprising the remaining district wards.

6. This resulted in proposed arrangements as set out in the following table.

Constituencies	Population*	Number of councillors per constituency	Population per councillor	Deviation from region average population per councillor	% deviation from region average population per councillor
North Taranaki	23,000	2	11,500	+775	+7.23
New Plymouth	57,700	5	11,540	+815	+7.60
Stratford	9,270	1	9,270	-1,455	-13.57
South Taranaki	28,000	3	9,333	-1,392	-12.98
Total	117,970	11	10,725		

* These are 2017 population estimates.

7. The council recorded the following reasons for its proposal:
- a. The proposed representation reflects the status quo (with only minor proposed boundary changes) which is well understood and accepted by the regional community.
 - b. The constituency boundaries are closely aligned to territorial authority boundaries.
 - c. The territorial authority boundaries align with identified communities of interest within Taranaki.
 - d. The proposed representation is close to complying with the +/-10% requirement in the Local Electoral Act.
8. The council notified its initial proposal on 4 July 2018. In doing so it acknowledged that two of the four proposed constituencies were outside the statutory +/-10% fair representation requirement.
9. The council received one submission by the deadline of 10 August 2018. This submission, from South Taranaki District Council, supported the council's proposal.
10. As the only submission was in support of the initial proposal, that proposal then became the council's final proposal.
11. In notifying the proposal the council advised, given the non-compliance with the fair representation requirement, the proposal was subject to final determination by the Local Government Commission. Accordingly the proposal was referred to the Commission under section 19V(4) of the Act.

Matters for determination by the Commission

12. Section 19V(3)(b) of the Act makes it clear that if a regional council considers that effective representation of communities of interest so requires, constituencies may be defined and membership distributed between them in a way that does not comply with the fair representation requirement (the '+/-10% rule'). Section 19V(4) then provides that in such a case, the regional council must refer its decision to the Commission for determination.
13. Section 19V(6) provides that on receiving a reference under subsection (4), the Commission must determine whether to:

- a. uphold the decision of the regional council, or
 - b. alter that decision.
14. Accordingly, the matters for determination by the Commission are limited to the council's decision to retain the current Stratford and South Taranaki constituencies with their current membership, despite these constituencies not complying with the '+/-10% rule'. It is noted, however, that if the Commission does not uphold the council's decision, alteration of that decision may impact on the other constituency arrangements.

Key considerations

15. Based on the legislative requirements, the Commission's *Guidelines for local authorities undertaking representation reviews* identify the following three key factors when considering representation proposals:
- a. communities of interest
 - b. effective representation of communities of interest
 - c. fair representation for electors.

Communities of interest

16. We note regions must be divided into constituencies for electoral purposes (section 19E of the Act). For the purposes of effective representation of communities of interest, section 19U requires constituency boundaries, so far as is practicable, to coincide with territorial authority boundaries or with territorial authority ward boundaries.
17. Given these requirements, we believe it is reasonable to take the communities of interest reflected in existing territorial authorities or their wards, as a starting point for communities of interest to be reflected in regional council constituencies.
18. In the case of Taranaki Region, two constituencies (Stratford and South Taranaki) mirror territorial authority boundaries with the other two (North Taranaki and New Plymouth) reflecting New Plymouth District ward boundaries. Accordingly the current regional constituencies, as groupings of sub-regional communities of interest, can be seen to reflect territorial authority communities of interest.

Effective representation of communities of interest

19. The Commission's Guidelines note that what constitutes effective representation will be specific to each local authority but that the following factors should be considered to the extent possible:
- a. avoiding arrangements that may create barriers to participation, such as at elections by not recognising residents' familiarity and identity with an area
 - b. not splitting recognised communities of interest between electoral subdivisions
 - c. not grouping together two or more communities of interest that share few commonalities of interest
 - d. accessibility, size and configuration of an area including access to elected members and vice versa.

20. The Taranaki Region has been divided into the same four constituencies, subject to boundary adjustments around the New Plymouth urban area since its constitution in 1989. It has comprised either ten or eleven elected members since its constitution in 1989. Accordingly these arrangements are now well established and are familiar to residents.
21. In its determination prior to the 2013 elections, the Commission commented that “the current constituencies continue to provide an appropriate basis for identifying communities of interest in the Taranaki Region. The constituencies appear to reflect communities of interest and be of such a size that permits reasonable access to elected members”.
22. In the current review there were no submissions suggesting any arrangements other than the current four constituencies electing eleven members, would provide more effective representation for the identified communities of interest.

Fair representation for electors

23. Section 19V(2) of the Act requires that the population of each constituency divided by the number of members to be elected by that constituency must produce a figure no more than 10 per cent greater or smaller than the population of the region divided by the total number of elected members (the ‘+/-10% rule’).
24. However, section 19V(3)(b) provides that, if a regional council or the Commission considers that effective representation of communities of interest so requires, constituencies may be defined and membership distributed between them in a way that does not comply with section 19V(2).
25. The council is proposing, for the purposes of effective representation of communities of interest, the Stratford (-13.57%) and South Taranaki (-12.98%) constituencies not comply with ‘the +/-10% rule’.
26. Accordingly we needed to consider whether closer compliance with the ‘+/-10% rule’ is desirable, possibly at the expense of effective representation of communities of interest.
27. Given the longevity of the current arrangements and their resulting familiarity to residents, along with their close relationship to territorial authority/ward boundaries, we believe they can be seen as assisting achievement of effective representation of communities of interest. On the other hand, we believe changing these arrangements is likely to create barriers to participation and split recognised communities of interest, by for example including parts of New Plymouth District in the Stratford and South Taranaki constituencies.
28. The degree of non-compliance proposed, at -13.57% and -12.98%, is not high and in line with what was allowed by the Commission for Taranaki Region in 2013, and also in other regions in New Zealand.
29. As noted, no appeals have been received against the council’s proposed constituency boundaries.
30. In conclusion, we consider existing arrangements do provide an appropriate balance between the requirements for both fair and effective representation. On this basis we have decided to uphold the decision of the council for the two identified constituencies not to comply with the ‘+/-10% rule’.

Commission's determination

31. Under section 19R of the Local Electoral Act 2001, the Commission upholds the decision of the Taranaki Regional Council not to comply with the section 19V(2) +/- 10% fair representation requirement in respect of the Stratford and South Taranaki constituencies, as non-compliance is required for effective representation of communities of interest within these constituencies.
32. Accordingly for the triennial Taranaki Regional Council elections to be held on 12 October 2019, there will continue to be Stratford and South Taranaki constituencies, electing one and three councillors respectively.
33. Therefore for those elections for the Taranaki Regional Council, covering the area delineated on LG-07-2019-Con-1, the following arrangements will apply:
 - a. North Taranaki Constituency, comprising the area delineated on LG-07-2019-Con-2, electing two councillors
 - b. New Plymouth Constituency, comprising the area delineated on LG-07-2019-Con-3, electing five councillors
 - c. Stratford Constituency, comprising the area delineated on SO 13046, electing one councillor
 - d. South Taranaki Constituency, comprising the area delineated on SO 13047, electing three councillors.

Local Government Commission

A handwritten signature in black ink, appearing to read 'P. Paraone', with a large, stylized initial 'P'.

Commissioner Pita Paraone (Chairperson)

A handwritten signature in blue ink, appearing to read 'Janie Annear', written in a cursive style.

Commissioner Janie Annear

A handwritten signature in black ink, appearing to read 'B. J. Duffy', with a large, stylized initial 'B'.

Commissioner Brendan Duffy

20 December 2018

Agenda Memorandum

Date 26 February 2019



**Memorandum to
Chairperson and Members
Taranaki Regional Council**

**Subject: Report from the Electoral Officer on the
2019 Triennial Elections**

Approved by: M J Nield, Director – Corporate Services
BG Chamberlain, Chief Executive

Document: 2209264

Purpose

The purpose of this memorandum is to receive an update report from the Council's Electoral Officer and to decide upon the order of candidates for the voting papers per regulation 31 of the *Local Electoral Regulations 2001*.

Recommendations

That the Taranaki Regional Council:

1. receives the report from the Council's Electoral Officer
2. agrees that the candidate's names on the 2019 local authority triennial election voting documents for the Taranaki Regional Council be in alphabetical order in accordance with Clause 31 of the Local Electoral Regulations 2001
3. notes the timetable for the 2019 local authority triennial elections.

Background

The Council has appointed Mr Dale Ofoske of Election Services Ltd as its Electoral Officer for the conduct of the 2016 and 2019 triennial elections. Mr Ofoske has prepared a report on the elections and has requested a Council resolution on the candidate order that will appear on the voting papers.

Discussion

Attached is a report from the Council's Electoral Officer in relation to the 2019 triennial elections on 12 October 2019. The report provides an update on preliminary matters including consideration of the order of candidate names to appear on voting documents.

Clause 31 of the *Local Electoral Regulations* allows the Council to determine that candidate's names on the voting documents be in alphabetical order of surname, pseudo-random order or random order. This decision is required before public notice is given under section 65 of the Act. If there is no resolution, then the candidate's name must be in alphabetical order.

The Council has used alphabetical order for previous elections. Information on the different options is included in the report. Based on that information, it is recommended that the Council continue to adopt the alphabetical ordering of candidate's names.

Decision-making considerations

Part 6 (Planning, decision-making and accountability) of the *Local Government Act 2002* has been considered and documented in the preparation of this agenda item. The recommendations made in this item comply with the decision-making obligations of the Act.

Financial considerations—LTP/Annual Plan

This memorandum and the associated recommendations are consistent with the Council's adopted Long-Term Plan and estimates. Any financial information included in this memorandum has been prepared in accordance with generally accepted accounting practice.

Policy considerations

This memorandum and the associated recommendations are consistent with the policy documents and positions adopted by this Council under various legislative frameworks including, but not restricted to, the *Local Government Act 2002*, the *Resource Management Act 1991* and the *Local Government Official Information and Meetings Act 1987*.

Iwi considerations

This memorandum and the associated recommendations are consistent with the Council's policy for the development of Māori capacity to contribute to decision-making processes (schedule 10 of the *Local Government Act 2002*) as outlined in the adopted long-term plan and/or annual plan. Similarly, iwi involvement in adopted work programmes has been recognised in the preparation of this memorandum.

Legal considerations

This memorandum and the associated recommendations comply with the appropriate statutory requirements imposed upon the Council.

Appendices/Attachments

Document 2209260: 2019 Triennial Elections - report from the Electoral Officer

Election Services

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Report to the
Taranaki Regional Council
regarding the

2019 Triennial Election

From the
Electoral Officer

12 February 2019



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Outline

The 2019 triennial local government elections will occur on Saturday 12 October 2019. An update on preliminary matters relating to the election is provided to Council, including consideration of the order of candidate names to appear on the voting documents.

Background

The 2019 triennial elections for most local authorities are due to occur on Saturday 12 October 2019 and are required to be undertaken according to the Local Electoral Act 2001, the Local Electoral Regulations 2001, the New Zealand Public Health & Disability Act 2000 and, to a limited extent, the Local Government Act 2002.

Certain pre-election information and tasks are outlined in this report for Council's information and attention.

The Local Electoral Regulations 2001 provides for Council to resolve the order of candidate names to appear on the voting documents (alphabetical, pseudo-random or random order). If no decision is made, the order of names defaults to alphabetical.

Narrative

2019 Elections

In 2018 Council undertook a representation arrangements review (review of constituencies, boundaries, number of elected members etc). The final proposal largely reflected the status quo but with a minor boundary change (to align the North Taranaki Constituency and the New Plymouth Constituency boundary with the New Plymouth City Ward boundary of the New Plymouth District Council), and accordingly elections will be required for the following positions:

- Councillors (11)
 - New Plymouth Constituency (5)
 - North Taranaki Constituency (2)
 - South Taranaki Constituency (3)
 - Stratford Constituency (1)

2019 Election Timetable

With an election date of **Saturday 12 October 2019**, the following key functions and dates will apply:

Nominations open/roll open

Friday 19 July 2019

Nominations close/roll closes (noon)

Friday 16 August 2019

Delivery of voting mailers

From Friday 20 September 2019

Close of voting

Noon Saturday 12 October 2019

A more detailed timetable is attached [Appendix 1](#).

2019 Election Fact Sheet A 2019 Election Fact Sheet summarising the key functions of the election ([Appendix 2](#)) is also attached.

Electoral System Council resolved on 15 August 2017 to adopt the first past the post (FPP) electoral system for the 2019 triennial election.

Compilation of non-resident Ratepayer Roll The compilation of the 2019 non-resident Ratepayer Roll is required to commence in early-mid 2019 by the three constituent territorial authorities. This will include:

- an insert detailing the qualifications and procedures for enrolment as a ratepayer elector to be included with a 2019 constituent territorial authority rates instalment notice ([Appendix 3](#));
- a national Ratepayer Roll inquiry hotline operating between 15 April and 30 August 2019;
- a confirmation letter issued to all current constituent territorial authority ratepayer electors in April 2019;
- a national advertising campaign on the qualifications and procedures for enrolment as a ratepayer elector during May 2019.

The above are all required to be undertaken by the constituent territorial authorities.

Local Government Regulatory Systems Amendment Bill One of the clauses of the Local Government Regulatory Systems Amendment Bill, if enacted, would be that the duty to facilitate and foster representative and substantial elector participation is placed on the chief executive of a local authority.

This new requirement would basically necessitate Council to promote the election process and particularly to encourage greater public participation.

Order of Candidate Names Regulation 31 of the Local Electoral Regulations 2001 provides the opportunity for Council to choose the order of candidate names appearing on the voting documents from three options – alphabetical, pseudo-random (names drawn out of a hat in random with all voting documents printed in this order) or random order (names randomly drawn by computer with each voting document different).

Council may determine which order the names of candidates are to appear on the voting documents, but if no decision is

made, the order of names defaults to alphabetical.

Council has resolved to adopt the alphabetical order for previous triennial elections.

For Council's information, following a recent analysis undertaken by Auckland Council, research showed there was no compelling evidence that candidates being listed first were more likely to be elected.

Alphabetical Order

Alphabetical order is simply listing candidate surnames alphabetically and is the order traditionally used in local and Parliamentary elections.

Comments regarding alphabetical order are:

- voters are easily able to find names of candidates for whom they wish to vote. Some candidates and voters over the years have argued that alphabetical order may tend to favour candidates with names in the first part of the alphabet, but in practice this is generally not the case – most voters tend to look for name recognition, regardless of where in the alphabet the surname lies;
- the order of candidate names on the voting document matches the order listed in the candidate directory (candidate profile statements).

Pseudo-Random Order

Pseudo-random order is where candidate surnames are randomly selected, and the same order is used on all voting documents for that position. The names are randomly selected by a method such as drawing names out of a hat.

Comments regarding pseudo-random order are:

- the candidate names appear in mixed order (not alphabetical) on the voting document;
- possible voter criticism/confusion as specific candidate names are not easily found, particularly where there are many candidates;
- the order of candidate names on the voting document does not match the order in the candidate directory (candidate profile statements).

Random Order

Random order is where all candidate surnames are randomly selected and are listed in a different order on every voting document. The names are randomly selected by computer so that the order is different.

Random order enables names to be listed in a completely unique order on each voting document.

Comments regarding random order are:

- the candidate names appear in mixed order (not alphabetical) on the voting document;
- possible voter criticism/confusion as specific candidate names are not easily found, particularly where there are many candidates;
- the order of candidate names on the voting document does not match the order listed in the candidate directory (candidate profile statements).

There is no longer any price differential in printing costs between the three orders of candidate names.

Number of Electors

The number of electors for the 2019 triennial elections in the Taranaki region is expected to be 84,000 (as at 31 January 2019 this was 83,392). This compares to 79,796 electors for the 2016 triennial election or +4.5% growth.

Pre-Election Report

Section 99A of the Local Government Act 2002 requires each local authority to prepare a pre-election report, whose purpose is to provide information to promote public discussion about the issues facing the local authority. The pre-election report is prepared by the Chief Executive, must contain financial and major project information, and must be completed by 2 August 2019 (two weeks before the close of nominations).

Online Voting Trials

Following a strong push by a number of local authorities (led by Auckland Council) in 2018 to trial online voting alongside postal voting for the 2019 local elections, the proposed trial was unfortunately halted due to costs. All security and delivery requirements for the online voting provider were met, but the cost involved forced the decision.

Work on a collaborative approach with relevant government sectors is continuing so as to deliver online voting for the 2022 local elections.

Recommendation

It is recommended that:

Council resolves for the 2019 triennial election, to adopt **either**:

- (i) the alphabetical order of candidate names; **or**
- (ii) the pseudo-random order of candidate names; **or**
- (iii) the random order of candidate names

as permitted under regulation 31 of the Local Electoral Regulations 2001.

Author:



Dale Ofsoske
Electoral Officer // Taranaki Regional Council
Election Services

APPENDIX 1



SATURDAY 12 OCTOBER 2019

Saturday 2 March - Tuesday 30 April 2019	Ratepayer roll enrolment confirmation forms sent [Reg 16, LER]
Saturday 2 March - Saturday 6 July 2019	Preparation of ratepayer roll [Reg 10, LER]
May 2019	National ratepayer roll qualifications and procedures campaign [Sec 39, LEA]
Monday 1 July 2019	Electoral Commission's enrolment update campaign commences
Wednesday 17 July 2019	Public notice of election, calling for nominations, rolls open for inspection [Sec 42, 52, 53, LEA]
Friday 19 July 2019	Nominations open / roll open for inspection [Sec 42, LEA]
Friday 16 August 2019	Nominations close (12 noon) / roll closes [Sec 5, 42, 55 LEA, Reg 21, LER]
Wednesday 21 August 2019	Public notice of day of election, candidates' names [Sec 65, LEA]
by Monday 16 September 2019	Electoral officer certifies final electoral roll [Sec 51, LEA, Reg 22, LER]
Friday 20 September - Wednesday 25 September 2019	Delivery of voting documents [Reg 51, LER]
Friday 20 September - Saturday 12 October 2019	Progressive roll scrutiny [Sec 83, LEA] Special voting period [Sec 5 LEA, Reg 35, LER] Early processing period [Sec 80, LEA]
by Friday 11 October 2019	Appointment of scrutineers (12 noon) [Sec 68, LEA]
Saturday 12 October 2019	Election day [Sec 10, LEA] Close of voting (12 noon) [Sec 84, LEA] Progress and preliminary results available as soon as practicable after close of voting [Sec 85, LEA]
Saturday 12 October (pm) - Thursday 17 October 2019	Official count [Sec 84, LEA]
Thursday 17 October - Wednesday 23 October 2019	Declaration of result/public notice of declaration [Sec 86, LEA]
mid-December 2019	Return of electoral donations & expenses form [Sec 112A, LEA]

LEA = Local Electoral Act 2001
LER = Local Electoral Regulations 2001



Dale Cifoskie, Electoral Officer
Taranaki Regional Council
October 2019

APPENDIX 2



GENERAL

Triennial elections for elected members of most local authorities throughout New Zealand are to be conducted, by postal vote, on Saturday 12 October 2019.

The elections will be conducted under the provisions of the Local Electoral Act 2001 and the Local Electoral Regulations 2001 and will be undertaken by Election Services, under contract to Taranaki Regional Council.

The elections are undertaken on behalf of the regional council by its three constituent territorial authorities (New Plymouth District Council, South Taranaki District Council and Stratford District Council). In addition to their own elections (Mayor, Council etc), each constituent territorial authority is required to undertake the regional council and district health board elections.

POSITIONS

During 2018, Taranaki Regional Council undertook a representation arrangements review (review of constituencies, boundaries, number of elected members etc). The final proposal retained the existing number of elected members and constituencies, but changed the boundaries between the New Plymouth and North Taranaki Constituencies.

Elections will be required for the following positions:

- Councillors (11)
 - New Plymouth Constituency (5)
 - North Taranaki Constituency (2)
 - South Taranaki Constituency (3)
 - Stratford Constituency (1)

NOMINATIONS

Nominations for the above positions will open on **Friday 19 July 2019** and close at **noon on Friday 16 August 2019**.

Nomination papers will be available during this period from:

- New Plymouth District Council's Civic Centre, 84 Lizard Street, New Plymouth;
- South Taranaki District Council's Administration Building, 105-111 Albion Street, Hawera;
- Stratford District Council's Administration Building, 61-63 Miranda Street, Stratford;
- by accessing www.trc.govt.nz;
- by telephoning the electoral office on 0800 922 822.

FACT SHEET
Triennial election
 Taranaki Regional Council
 12 OCTOBER 2019

To be eligible to stand for election, a candidate **must** be:

- a New Zealand citizen (by birth or naturalisation ceremony); **and**
- enrolled as a Parliamentary elector (anywhere in New Zealand); **and**
- nominated by two electors whose names appear on the electoral roll within the respective area that a candidate is standing for.

Detailed candidate information handbooks will be available from the electoral office from May 2019.

Completed nomination papers must be in the hands of the electoral officer or an electoral official at:

- New Plymouth District Council's Civic Centre, 84 Lizard Street, New Plymouth;
- South Taranaki District Council's Administration Building, 105-111 Albion Street, Hawera; or
- Stratford District Council's Administration Building, 61-63 Miranda Street, Stratford

by noon on Friday 16 August 2019.

ELECTORAL ROLL

Those eligible to vote in the election are all resident electors and non-resident ratepayer electors whose names appear on the electoral roll when it closes on Friday 16 August 2019. The Preliminary Electoral Roll will be available for public inspection from **Friday 19 July 2019 to Friday 16 August 2019** at the respective territorial authority offices and libraries within their districts.

Resident Roll: All parliamentary electors, including those on the Māori Electoral Roll, are automatically enrolled on the Resident Roll, at the address where they live.

Any alterations to the Resident Roll (eg change of address details, including new postal addresses) should be made by:

- completing the appropriate form at any post shop;
- phoning 0800 ENROLNOW (0800 367 656)
- accessing the Electoral Commission website on www.elections.org.nz

Ratepayer Roll: If a person is on the parliamentary roll in one area and pays rates on a property in another area, this person may be eligible to be enrolled on the non-resident ratepayer roll. A firm, company, corporation or society paying rates on a property may nominate one of its members or officers as a ratepayer elector (provided the nominated person resides outside the area). Ratepayer Roll enrolment forms are available at respective constituent territorial authority offices, websites or by phoning the electoral office on 0800 922 822.



ELECTORAL SYSTEM

The first past the post (FPP) electoral system will be used for the Taranaki Regional Council, South Taranaki District Council and Stratford District Council. For the New Plymouth District Council and the Taranaki District Health Board, the single transferrable voting (STV) electoral system will be used.

VOTING PERIOD

Voting documents will be sent to all eligible electors, by post, from **Friday 20 September 2019**.

The voting period is three weeks (**Friday 20 September 2019 to noon Saturday 12 October 2019**). Electors may post their completed voting documents back to the electoral officer using the orange pre-paid envelope sent with their voting document.

Polling places for the issuing of special voting documents and for the receiving of completed voting documents will be available from Friday 20 September 2019 to noon Saturday 12 October 2019 at:

- New Plymouth District Council's Civic Centre, 84 Lizard Street, New Plymouth;
- South Taranaki District Council's Administration Building, 105-111 Albion Street, Hawera;
- Stratford District Council's Administration Building, 61-63 Miranda Street, Stratford.

To be counted, all completed voting documents must be in the hands of the electoral officer or an electoral official by **noon Saturday 12 October 2019**.

Progress results will be known early afternoon on Saturday 12 October 2019, and preliminary results will be known early on Sunday morning 13 October 2019. These will be accessible on Council's website: www.trc.govt.nz

CONTACT US


For further information regarding this election, please contact the electoral office:



Dale Ofsoke, Electoral Officer
Taranaki Regional Council
C/o PO Box 5135, Wellesley Street, Auckland 1141
Email: info@electionservices.co.nz
Phone: 0800 922 822



APPENDIX 3



DO YOU LIVE IN ONE AREA AND PAY RATES ON A PROPERTY IN ANOTHER?

Then you may qualify to vote more than once at the local authority elections on 12 October 2019

- If you live and vote in one council district, but also pay rates on a property in another district, you may be eligible to enrol as a non-resident ratepayer elector in that other council district.
- If your council district has community or local boards established, and you are a residential elector in one community or local board area and pay rates on a property in another community or local board area, you may be eligible to enrol as a ratepayer elector in that other community or local board area.
- A firm, company, trust, corporation or society which pays rates on a property may nominate one of its members or officers as a non-resident ratepayer elector, provided that the nominator and the person nominated are both registered as Parliamentary electors at addresses which are outside the council district within which the property is situated.
- In the case of partners, joint tenants and tenants in common, who collectively pay rates on a property, one of the group may be nominated to be entered on the ratepayer electoral roll. Again, the nominated person and the nominator must be registered as Parliamentary electors at addresses which are outside the council district within which the property is situated.

Note: The term 'council district' includes a city, district and regional council area.

WHEREVER YOU PAY RATES IT PAYS TO VOTE

Eligibility to enrol or be nominated will depend on individual circumstances


In each case only one ratepayer elector can be nominated, irrespective of the number of properties owned by the firm, company, society, trust, partnership or ratepayer in a council district.

New Ratepayer Electors

If you think you may be eligible to enrol or to nominate a person for the ratepayer electoral roll, you will need to obtain an Enrolment Form for Ratepayer Electors from the city or district council to which you pay your rates.

If you are on the Parliamentary electoral roll you will automatically be on the local authority residential electoral roll

If you want further information please phone toll free
0800 54 8683
0800 LG VOTE
(from 15 April 2019 to 30 August 2019)



ENROL NOW - THE RATEPAYER ELECTORAL ROLL CLOSURES ON 16 AUGUST 2019

Agenda Memorandum

Date 26 February 2019

**Memorandum to
Chairperson and Members
Taranaki Regional Council**



Subject: Meeting Dates March-April 2019

Approved by: M J Nield, Director-Corporate Services

B G Chamberlain, Chief Executive

Document: 2191760

Purpose

The purpose of this memorandum is to provide notification to Members of the next round of Council meetings for 2019.

Meeting Dates

The six-weekly round of Council meetings for **March-April 2019** will be as follows:

Consents and Regulatory Committee	Tuesday 19 March 2019	9.30am
Policy and Planning Committee	Tuesday 19 March 2019	10.30am
Regional Transport Committee	Wednesday 27 March 2019	11.00am
Executive, Audit and Risk Committee	Monday 1 April 2019	10.00am
Ordinary Meeting	Tuesday 9 April 2019	10.30am

Joint Committee Meetings

Taranaki Civil Defence Emergency Management Group Joint Committee	Tuesday 5 March 2019	10.30am
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**Ordinary Meeting
Public Excluded**

In accordance with section 48(1) of the *Local Government Official Information and Meetings Act 1987*, resolves that the public is excluded from the following part of the proceedings of the Ordinary Meeting on Tuesday 26 February 2019 for the following reason/s:

Item 10- Confidential Executive Audit and Risk Committee Minutes

THAT the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information where the withholding of the information is necessary to maintain the effective conduct of public affairs through the free and frank expression of opinions by or between or to members.