



It's time,
SOUTHLAND/MURIHIKU



SOUTHLAND
DISTRICT COUNCIL
Te Rohe Pōtae o Murihiku

Long Term Plan 2021-2031

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Southland/Murihiku

This is where we start *the next journey*



Over the course of more than two years getting to this point our objectives have been well signalled. We've had the courageous conversations, we've considered the options, and we've heard your feedback.

This Long Term Plan 2021-2031 (LTP) is about working together for a better Southland. When we work together, all of Southland benefits.

In many ways, it's a no-frills LTP. It's principally about doing the basics that you told us need to be done, with a specific focus on roads, bridges, and community development. While there's remaining life in an asset other demands tend to take priority. But now some of our crucial roading assets, including bridges, are for a number of reasons reaching the end of their lives.

The priority now has to be working together with our communities to keep Southland moving forward, literally and figuratively. We acknowledge that this LTP marks a step-change in our commitment to delivering more projects for you, the people of Southland district.

We have already made some improvements to the way we work as an organisation, by establishing a specialist project delivery team and developing a new framework for project delivery that will enable us to carry out more work in the district over the next 10 years. Our commitment is reflected in the budgets and work programmes we are putting forward in this long term plan.

As a local government organisation we plan, we make assumptions and we budget within the legislative timelines, and we rely on our stakeholders to come to the party. This last piece of the puzzle is beyond our control.

Our ability to do the roading work we need to do is dependent on the level of funding we receive from our government funding partner, Waka Kotahi NZ Transport Agency. As we were about to finalise this document we received news from Waka Kotahi that there was a significant shortfall of 15% in the funding we had sought to carry out much of this work in the first three years of this 10 year plan.

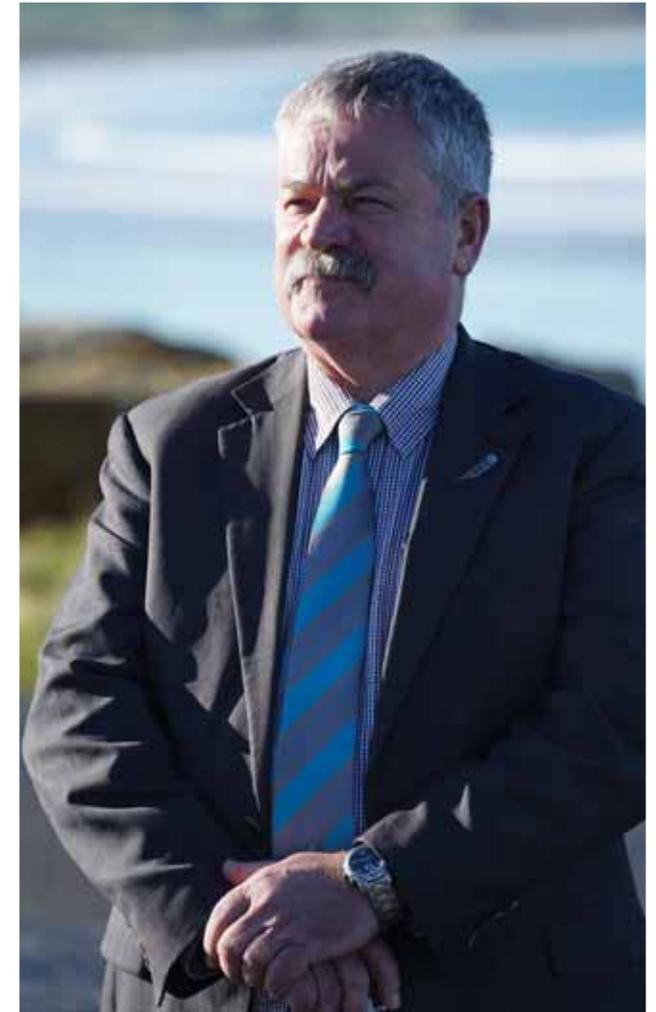
Consequently, we have had to revise our planning. For the first three years of this long term plan we will increase our investment in road rehabilitations and bridge replacements within the available funding constraints, and will look to increase this programme if more funding becomes available, from 2024 onwards.

Greater investment in road rehabilitations and bridge renewals remains critical to the future of our district, and we will be advocating to Waka Kotahi and the government to support us doing this work.

It's easy to take it for granted, but our transport network is what connects us. It enables us to move easily and safely through the district for social interaction, and to gain access to healthcare and other important amenities. It promotes the economic health of the region by providing a safe and efficient corridor for our primary producers to get their stock and commodities from the gate to market.

The decisions that form the backbone of this strategic plan have been made in an effort to ensure current levels of service on our roading network do not erode over time. They give us as a council a chance to focus on the things that underpin the Southland lifestyle.

We treasure our partnership with Murihiku tangata whenua and respect their mana whenua.



As an organisation we are focused on enhancing that relationship.

The community needs us to do the work we have planned. We hold firm in the belief that we're on the right track.

Mayor Gary Tong and chief executive Cameron McIntosh

Setting **the** scene

2020 changed the world and we have to consider the impacts of that in our planning for the future. However, there is an immediate challenge that needs to be dealt with now and, with your help, we're going to tackle it head on.

In our previous 10-year plan in 2018 we said that ***We are just getting started, Southland.*** Now, in 2021, it's time – time to invest in our roads and bridges, and to ensure our levels of service in providing that critical infrastructure remain at the standards of safety and performance that Southlanders expect and deserve.

For many years our sealed roads and post-war wooden bridges have held up under the weight of increased usage and more heavy vehicles. With available budgets, and with the intent of lessening rates increases over the years, we've done all we can to get the most life out of those assets.

Already nearly 70% of Council's capital investment is spent on roads, but this is mostly to maintain what we have now. It does not factor in the inevitable replacements, or the provision of any additional assets.

A large number of these assets are reaching the end of their useful lives in the coming 10 years. This infrastructure is extremely expensive to replace, and the market capacity to do the work is limited.

The increased investment allowed for in the Long Term Plan 2021-2031 is designed to enable us to maintain current levels of service and rebuild a sustainable number of kilometres of sealed roads each year, thereby reducing the cost of patching and repairing worn sections of pavement.

As a result of Waka Kotahi NZ Transport Agency's decision to grant us less than the amount of funding we had sought to carry out this work in the current three-year funding cycle, we have had to revise our work programme. We are able to increase our investment by around \$500,000 a year for the first three years, and will look to ramp up road rehabilitations from 2024 onwards if more funding becomes available.

Similarly, we have had to review our programme of replacing a large majority of the 161 bridges identified as reaching the end of their useful lives in the next 10 years. Priority bridges will remain the focus for replacement in the first three years of the 10 year plan, with the remaining bridges targeted for replacement from 2024 onwards.

Meanwhile, we will continue to work closely alongside our communities to make Southland a better place to live in and visit. We are committed to working together with our community boards and our people to support Southland district's communities, and continue to develop the small council, big community focus we have embraced.

All of this will happen in a lively political environment in which central government is driving reforms that are likely to impact Southland District Council on multiple levels. We will continue to advocate at a national level on behalf of the district to ensure our current levels of service do not erode over time.

What we do know is that major legislative change is happening, bringing with it growing demands to better look after our resources, to ensure our waterways, native bush and significant landscapes are protected, and to manage climate change impacts. Doing this work will come at an additional cost.

However, until those outcomes are known we will continue our business as usual, working together for a better Southland.

amiraga



LEADING THE WAY

Southland is a diverse place with more than 30 unique communities.

They look to Southland District Council to work with them efficiently and effectively.

Our concern is the needs of our people and places.

We work with you to find solutions to problems that are unique to us.

We innovate. We roll up our sleeves. We get stuck in.

Southland is our place. We're in it together.

We will stand up and fight. Anywhere. Any time.

We are Southland.

Leading



External issues

we need to factor in

Waka Kotahi NZ Transport Agency funding issue

As we were about to finalise this document, Waka Kotahi NZ Transport Agency announced its indicative funding levels for continuous programmes over the first three years of the Long Term Plan 2021-2031.

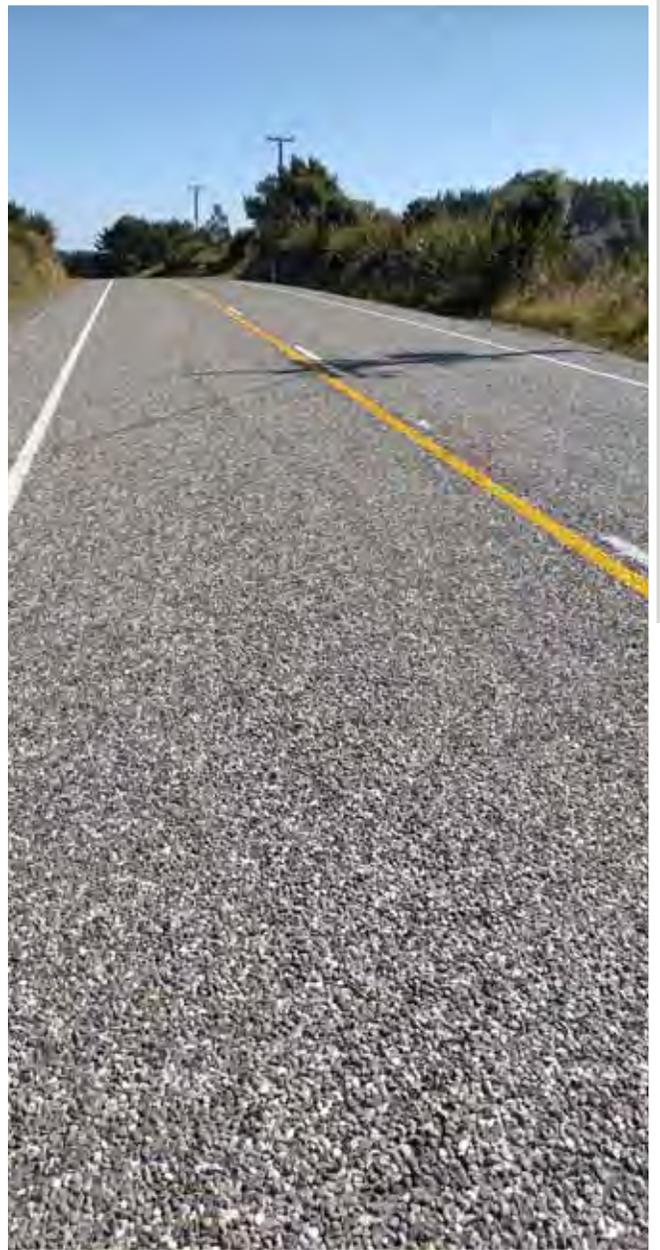
It outlined that the national funding pool had been over-subscribed and, as a result, Southland District Council had been allocated only 85% of the funding it sought to carry out its projected programme of road rehabilitations and bridge renewals in the first three years of this 10 year plan.

This has had a significant impact on our proposed roading work programme.

We are proposing to utilise the funding we have received in years one to three as best we can, but we will need to ramp up road rehabilitations and bridge renewals from 2024 onwards.

We believe this work is critical to the future of the district, and will begin lobbying the government and Waka Kotahi for a funding increase as soon as possible to avoid the likely impact on the levels of service we will be able to provide.

Once the outcome of these discussions is known we will come to talk to your communities about the way forward.



External issues

we need to factor in

Covid-19

The Covid-19 pandemic has created a lot of change and economic uncertainty nationwide in the past year.

In Southland district, Fiordland has been significantly impacted by the closure of New Zealand's borders as international tourists are its main source of income.

This affects more than just tourism businesses – it has brought financial hardship to the whole Fiordland community. Domestic visitors have had a cushioning effect on other destinations such as Stewart Island/Rakiura and the Catlins.

The Southland economy has weathered the storm relatively well because of its base of food production. This should continue as long as international exports continue and we're able to receive imported components such as pipes for our own capital works. Given that much of this plan is about investing in infrastructure to maintain our services over the long term, that work still needs to progress despite Covid-19.

However, the effects of Covid-19 are ongoing and we may need to prioritise works should economic conditions worsen and affect your capacity to pay rates. We have consulted over changes to our Remission and Postponement of Rates Policy to have greater flexibility to provide relief from rates during unexpected events.



Three waters reform

In July 2020 the government released its three waters reform proposal, a three-year programme to change the way drinking water, wastewater and stormwater are delivered to improve public health, environmental and economic outcomes.

The government is proposing a small number of larger regional service delivery entities provide these services rather than the 67 individual councils that currently do, and is expected to make decisions later in 2021.

At the same time, a multi-million-dollar stimulus funding package was announced to maintain and improve three waters infrastructure and support the introduction of the reform programme.

Funding has been given to councils that agreed to participate in the programme's first stage, including Southland District Council.

Our share is being used to carry out pipe replacement and improve water treatment facilities across the district, as well as condition assessments of sewerage and stormwater assets.

There is still a lot of uncertainty regarding the three waters reforms. We have to decide whether to opt in or out of the process later this year, with any change likely to occur from 2023/2024.

This long term plan has been prepared as if the services will continue to be provided by Council for the next ten years.



Climate change and unexpected events

We are anticipating that rising sea levels will continue to have a significant impact on Southland coastal settlements, with erosion causing loss of land and impacting roading infrastructure in areas such as Colac Bay, Orepuke, Fortrose and Stewart Island/Rakiura.

We expect more rainfall and flooding, which will require repairs to roads and bridges.

We also expect temperature increases, meaning more likelihood of drought conditions and potentially greater demand on drinking water.

The central-northern part of the Southland region is projected to experience the largest increases in drought and the occurrence of heatwaves across the region is expected to double in frequency by 2040.

At this stage we are factoring the effects of climate change into our infrastructure decision-making, as well as investing in a regional mapping project to better understand potential impacts so we can adapt our planning in high hazard areas. The next stage is to identify a priority programme for our infrastructure to address these issues.

External issues

we need to factor in

Local government review

In April 2021 the Minister of Local Government announced the establishment of a ministerial inquiry into the future for local government.

The overall purpose of the review is to “identify how our system of local democracy needs to evolve over the next 30 years, to improve the wellbeing of New Zealand communities and the environment, and actively embody the treaty partnership”. The review will look at the mechanisms and structure of local government, including its roles, functions, and partnerships; representation and governance; and funding and financing.

An interim report will be presented to the minister in September 2021, signalling the probable direction of the review and key next steps. A draft report and recommendations will be issued for public consultation in September 2022, and the final report will be released on 30 April 2023. While the review could recommend significant change to what local government is and does, there is no information available on the likely direction for the review at this time.

Council considers it unlikely that any recommendations could take effect before 1 July 2024 – particularly for changes to roles or functions. Any changes that are made will be incorporated in our Long Term Plan 2024-2034.

Unless specifically stated otherwise, Council has prepared the Long Term Plan 2021-2031 on the assumption its existing role and functions will continue for the life of the plan.





Resource Management Act 1991 reforms

In February 2021 the Minister for the Environment outlined a major reform of the Resource Management Act 1991 (RMA).

The reform outlines that the RMA will be repealed and replaced by three new acts: the Natural and Built Environments Act, Strategic Planning Act and Climate Change Adaptation Act. It is proposed that all of these new acts will be notified in the New Zealand Gazette, the government's official journal of record, by the end of 2022.

The environmental reforms will have a significant impact on the way in which we look after and work with our environment.

Additionally, the timeframe to draft and implement the new acts is aggressive, meaning that there are compressed timeframes for consultation and engagement.

The Randerson review of the RMA, which outlined suggestions for improvement, will be the key guide for informing the outcomes of the new legislation.

Key changes in the reforms include stronger national direction and one single combined plan per region.

There will be more focus on natural environmental outcomes.

The new regional spatial planning requirements propose to improve wellbeing for future generations, ensuring development and infrastructure occurs in the right place at the right time.

Responding to the effects of climate change is also being brought to the forefront under the proposed changes.

It is anticipated that the impacts of the reforms on Southland District Council and the wider region will be significant.

It is clear that the environmental standards will be lifted and we will need to have a greater focus on our natural environment in order to be compliant with legislation.

We need to bring together existing and new stakeholders to collectively achieve regional outcomes for our environment and communities.

Iwi will play a significant role in providing kaitiakitanga (guardianship) of the land to ensure that the changes create wellbeings for generations beyond our own.

WHAT IS AN LTP?

All councils prepare a long term plan (LTP) every three years to show what they plan to do and how it will be paid for over the next 10 years.

A long term plan makes us accountable to our communities. It identifies the outcomes we want for our community; how we will move from where we are now to where we want to be; and how we will deal with the challenges along the way.

As part of the process of putting together this plan we asked for feedback from the residents, ratepayers and other stakeholders in the district in a consultation document, titled 'Its time'.

It summarised the key issues that Council particularly wanted your feedback on before we finalised our LTP.

The LTP includes:

- an overview of the key challenges and issues Council faces over the next 10 years
- information about the range of activities that Council provides
- key projects planned
- information about the costs involved and how it will be funded and how your rates will be used.



Strategic Framework
(including community outcomes)
The sort of District that people want to live in

Annual Report
Reports back on whether the Council did what it said it would do in its LTP and Annual Plans.

Reviewed every three years

Long Term Plan
The Council's plans over the next 10 years, how these contribute to the strategic direction, the costs and how they will be paid for, how performance will be measured (+set rates Yr 1).

Annual Plan
The Council's work programme for the year and how it will be paid for. In an LTP year, the Annual Plan represents the first year of the LTP (+set rates Yr 2+3).

THE PLANNING CYCLE

Southland district

Working together for a better
Southland





One community offering endless opportunities...

About Southland district

Southland district had 30,864 residents recorded in the 2018 Census, out of a total wider Southland regional population of 99,100.

The median age of people in the district was 39.1 years, higher than the national median of 37.4 years. A total of 57.4% of the resident population of the district aged 15 or over was in fulltime employment, with 2.1% unemployed. The national figure in fulltime employment is 50.1%.

The median income in Southland district was \$36,300, compared with a median of \$31,800 for all of New Zealand.

There are 20,621 rating units in the District.

Ethnic diversity in Southland district continues to increase. The greatest change involved the increasing number of residents of Asian descent, who represented 3.9% of the district's population in 2013, rising to 6.2% in 2018. Migrants and seasonal workers made up approximately 6% of the Southland region's workforce.

A total of 11.1% of the Southland district population identified as Māori in the 2018 Census, up slightly from 10.0% in 2013.

1 Roothing
4,961 km of roads
(40% sealed, 60% unsealed)
largest unsealed road network in NZ
2nd largest overall network in country

2 Wastewater
19 schemes
8200 properties
245 km of reticulation

3 Water
21 schemes (10 urban, 11 rural stock water)
6,900 connections
499 km of drinking water reticulation
219 km of rural stock water reticulation

236 stock underpasses

266 million km (estimated distance travelled on the network each year)

852 bridges

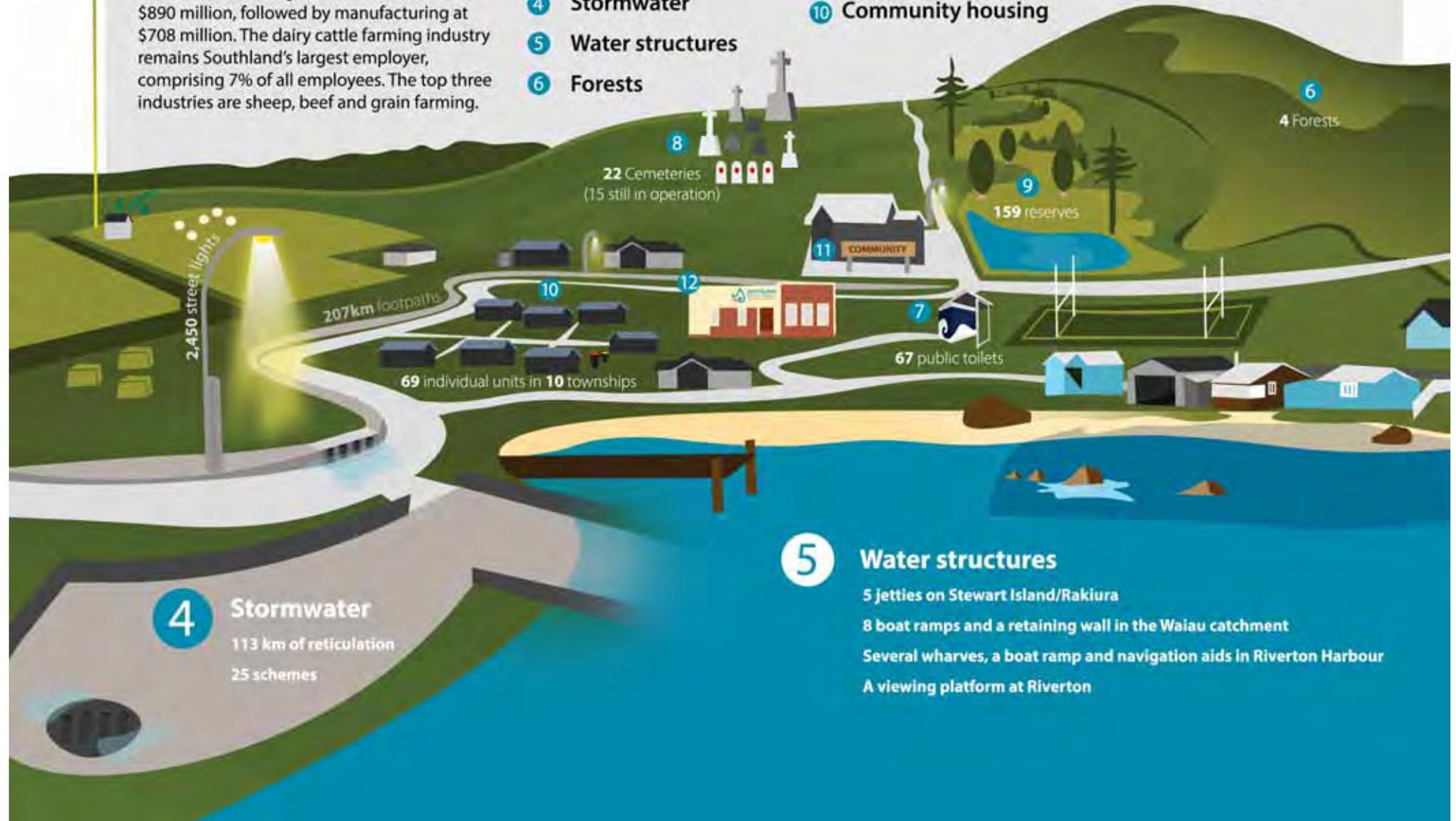
As a region, Southland contributes 2% of New Zealand's total gross domestic product (GDP), with an annual GDP \$5,826 million.

Agriculture remains the largest business sector in the Southland region in terms of GDP with \$890 million, followed by manufacturing at \$708 million. The dairy cattle farming industry remains Southland's largest employer, comprising 7% of all employees. The top three industries are sheep, beef and grain farming.

- 1 Roads and footpaths
- 2 Wastewater
- 3 Water
- 4 Stormwater
- 5 Water structures
- 6 Forests

- 7 Public toilets
- 8 Cemeteries
- 9 District reserves
- 10 Community housing

- 11 Community centres
 - 12 Council buildings
- 31 buildings (including Council offices, libraries, halls, sports pavilions and grandstands and a museum)



4 Stormwater
113 km of reticulation
25 schemes

5 Water structures
5 jetties on Stewart Island/Rakiura
8 boat ramps and a retaining wall in the Waiau catchment
Several wharves, a boat ramp and navigation aids in Riverton Harbour
A viewing platform at Riverton



About the Council

Council works towards its vision in its plans, strategies and policies and also through the activities outlined in its long term plan.

Council consists of a mayor and 12 councillors elected by Southland District residents/ratepayers every three years.

Council believes its democratic election ensures it is able to operate in the best interests of the district.

Council is responsible for:

- representing the interests of the district
- developing and approving Council policy
- determining the expenditure and funding requirements of Council through the planning process
- monitoring the performance of Council against its stated objectives and policies
- employing, overseeing and monitoring the chief executive's performance. Under the Local Government Act the local authority employs the chief executive, who in turn employs all other staff on its behalf



The purpose of Council is:

- to enable democratic local decision-making and action by and on behalf of communities
- to promote the social, economic, environmental, and cultural well-being of communities in the present and for the future.

To accomplish this, Council has overall responsibility and accountability in a variety of roles, including:

- planning the district's strategic direction alongside local communities as part of developing the long term plan
- facilitating solutions to local issues and needs
- advocacy on behalf of the local community with central government, other local authorities and agencies
- providing prudent stewardship and the efficient and effective use of resources within the district in a sustainable way
- risk management
- management of local infrastructure including network infrastructure (eg roads, wastewater disposal, water, stormwater) and community infrastructure (eg libraries, reserves and recreational facilities)
- administering various legal and regulatory requirements
- ensuring the integrity of management control systems
- informing and reporting to communities, ratepayers and residents.

Governance systems

Council committees

Committees have been established by Council to assist with conducting the business of Council; these are listed on page 25.

Community boards

Council has nine community boards that prepare local budgets, recommend local rates and make decisions on issues specifically delegated by Council. Council has a policy of decentralising responsibilities, where practical, to ensure local input into decision-making and the setting of priorities for issues of local concern.



Water supply subcommittees

Council has constituted three water supply subcommittees, which are each responsible for the overall governance of the respective water supply scheme and set priorities for the operations of the schemes in accordance with the policies of Council.



Youth Council

Southland District Youth Council is made up of secondary school-aged representatives from the six secondary schools, who live across the District and meet every three months.



Council committees

COUNCIL - MAYOR AND 12 COUNCILLORS

Community boards	Council committees	Joint committees
Ardlussa	Executive Committee	Combined Local Alcohol Policy Joint Committee
Fiordland	Chair: Mayor Tong	Combined Local Approved Products Joint Committee
Northern	Community and Strategy Committee	Great South Joint Committee
Oraka Aparima	Chair: Cr Keast	Southland Civil Defence Emergency Management Group
Oreti	District Licensing Committee	Southland Regional Heritage Committee
Stewart Island/Rakiura	Chair: Cr Duffy	Southland Regional Transport Committee
Tuatapere Te Waewae	Finance and Assurance Committee	WasteNet (WasteNet Management Advisory Group)
Waihopai Toetoe	Chair: Mr Bruce Robertson (external appointee/chair)	
Wallace Takitimu	Ohai Railway Fund	
	Chair: Sue Adams	
	Regulatory and Consents Committee	
	Chair: Cr Duffy	
	Services and Assets Committee	
	Chair: Cr Kremer	
Water supply subcommittees	Council-controlled organisations	Council subcommittees
Five Rivers	Great South	Riverton Harbour
Matuku	Milford Community Trust	Stewart Island/Rakiura Visitor Levy Subcommittee
Te Anau Basin	Southland Museum and Art Gallery Trust	

Council operations

Council has appointed a chief executive to be in charge of its operations and has delegated certain powers of management to that position.

The chief executive implements and manages Council's policies and objectives within the budgetary constraints established by Council.

The chief executive is responsible for:

- implementing the decisions of Council
- providing advice to Council and community boards
- ensuring that all responsibilities, duties and powers delegated to the chief executive or to any person employed by the chief executive, or imposed or conferred by any act, regulation or bylaw, are properly performed or exercised
- managing the activities of Council effectively and efficiently
- maintaining systems to enable effective planning and accurate reporting of the financial and service performance of Council
- providing leadership for Council staff
- employing staff (including negotiation of the terms of employment for the staff).





CAMERON McINTOSH Chief executive

The executive leadership team (comprising the chief executive, four group managers and the chief financial officer and the people and capability manager) reviews all general organisation issues, providing a link between Council and staff.

The management of Council is structured under six groups. Each group is led by a group manager or chief officer.

PEOPLE AND CAPABILITY

ENVIRONMENTAL SERVICES

CUSTOMER DELIVERY

COMMUNITY AND FUTURES

SERVICES AND ASSETS

FINANCE

Te Rohe Pōtae o Murihiku

partnership with
Mana Whenua and Māori



He Haurahi mō Ngā Uri Whakatupu (A pathway for the Generations coming through)



Strengthening iwi and Māori partnership in Council decision-making

Council recognises that we need to build capacity and capability in order to have effective and meaningful partnerships with iwi and Māori.

Valuing and nurturing these relationships enriches the whole community and builds the cultural wellbeing of Murihiku.

The recognition and provision for the relationship of Māori culture and traditions with ancestral lands, water, sites, wāhi tapu and other taonga, having particular regard to kaitiakitanga and the principles of Te Tiriti o Waitangi is the foundation of this relationship and partnership.





We are committed to:

- continuing to strengthen genuine partnerships/relationships with all four Rūnanga Papatipu o Murihiku; Te Rūnanga o Awarua, Te Rūnanga o Oraka/Aparima, Te Rūnanga o Hokonui and, Te Rūnaka o Waihōpai at governance, management and operational levels.
- creating opportunities to increase iwi/Māori representation across Council's governance structure solidifying Te Tiriti o Waitangi treaty partnership principles.
- support the implementation, integration, review and understanding of Te Tangi a Tauira – The Cry of the People Ngāi Tahu ki Murihiku Natural Resource and Environmental Iwi Management Plan 2008 and into Council plans and policies.
- actively embodying the outcomes of the Resource Management Act reform and local government review implementing a local government system that embraces the Treaty partnership.
- continued internal cultural competency of Tikanga Māori practices and principles by supporting the continuation of the Te Rohe Pōtae o Murihiku Tikanga Māori Group.
- reviewing the Charter of Understanding between Te Rūnanga o Awarua, Te Rūnanga o Oraka/Aparima, Te Rūnanga o Hokonui and, Te Rūnaka o Waihōpai, Clutha District Council, Environment Southland, Gore District Council, Invercargill City Council, Queenstown Lakes District Council and Te Rohe Potāe o Murihiku (Southland District Council) and continuing to strengthen the associated relationships.

Charter of understanding

While the Local Government Act sets out provisions relating to all Māori, it is recognised that within the Southland region Ngāi Tahu are the tangata whenua.

Ngāi Tahu have a special status in terms of Southland District Council's resource management activities, and are not just another interest group.

The evolution of the relationship between Southland District Council and tangata whenua has reached the point where that relationship is now recognised as a productive partnership.

Southland District Council is an active participant and signatory to a Charter of Understanding – He Huaraki mō Ngā Uri Whakatupu – in place between the four Southland councils and four Southland/Murihiku papatipu rūnanga. The charter sets out the basis and conduct of the councils and rūnanga in the context of the Local Government Act 2002 and Resource Management Act 1991.

The charter provides the basis for an ongoing relationship between relevant local authorities and tangata whenua of Southland/Murihiku to assist in developing the capacity of Māori to contribute to the decision-making processes. It further provides principles and opportunities, is a foundation for consultation on a wide range of local government issues including long-term and annual plans and assists councils through Te Ao Mārama Inc (the iwi liaison entity representing Southland rūnanga for resource management and local government issues), to consult with all Māori, those who hold mana whenua and matawaka (other tribal groups) living in Southland.

In addition to the Local Government Act obligations set out above under Maori relationships, the Resource Management Act 1991 gives territorial authorities specific obligations regarding kaitiakitanga, the principles of the Treaty of Waitangi and the relationship between Māori and their culture and their traditions with their ancestral lands, water, sites, wāhi tapu and other taonga.

To give effect to the obligations under the Local Government Act and the related obligations under the Resource Management Act, Southland District Council will continue to develop its relationships with all rūnanga in Southland through Te Ao Marama and with Te Rūnanga o Ngāi Tahu, the iwi authority. This is essential for achieving the sustainable management of the natural resources within the Southland region and living up to our brand "leading the way".

A close-up photograph of a small bird, likely a New Zealand fantail, perched on a mossy rock. The bird has greyish-brown upperparts and a bright yellow-green breast. It is facing left and has a small insect in its beak. The background is a soft-focus green forest.

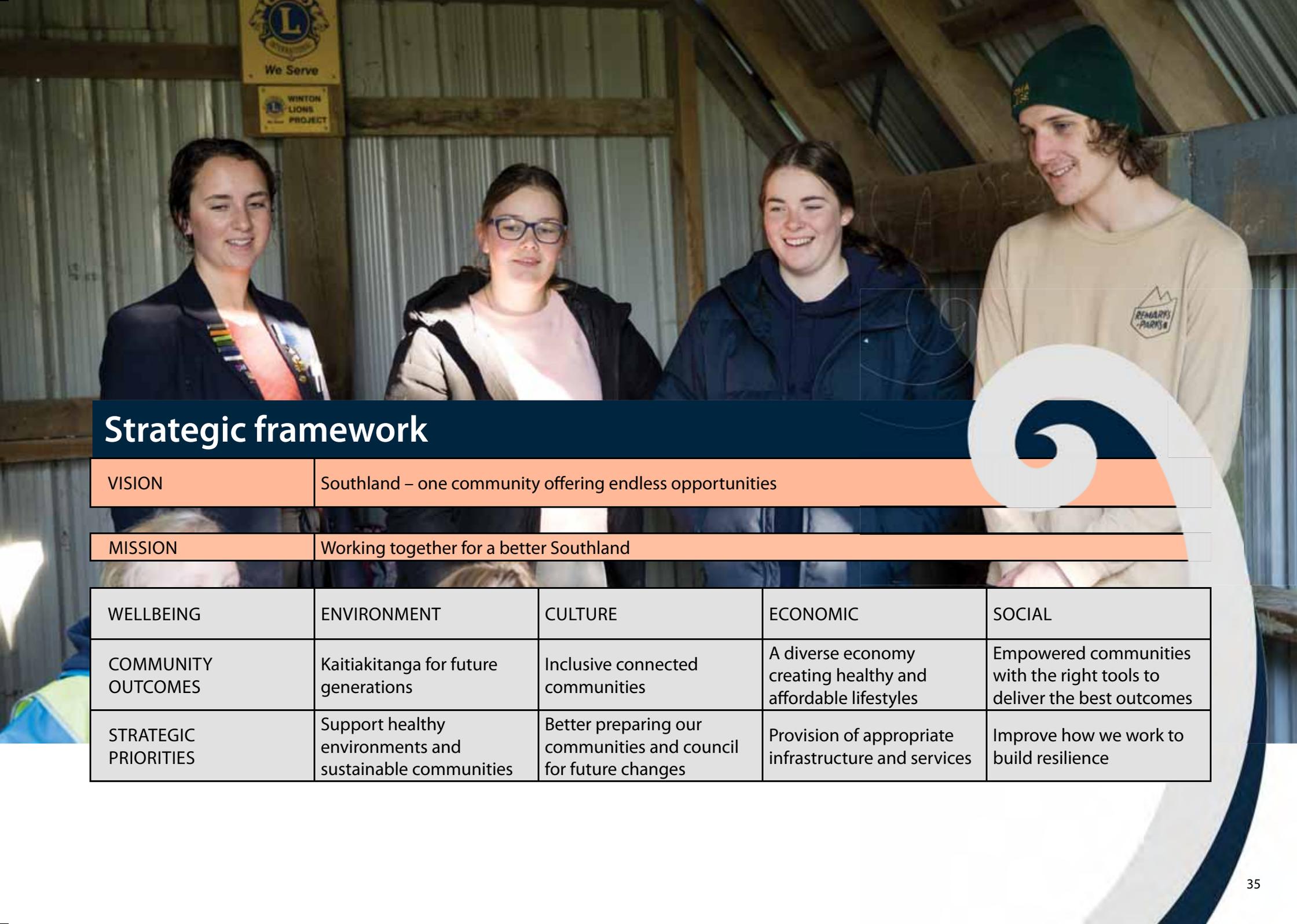
The recent changes to the Resource Management Act introduced a management document Mana Whakahono a Rohe which enables further decision making powers on iwi.

The state and nature of the Murihiku Charter relationship between local government and the four runanga means that the charter will satisfy the majority of the requirements of the new Mana Whakahono document. However, there is an opportunity to develop a more strategic overview through a wider local government/tangata whenua discussion hui which will also support the Mana Whakahono a Rohe document.

Southland district

Together we make Southland





Strategic framework

VISION	Southland – one community offering endless opportunities			
MISSION	Working together for a better Southland			
WELLBEING	ENVIRONMENT	CULTURE	ECONOMIC	SOCIAL
COMMUNITY OUTCOMES	Kaitiakitanga for future generations	Inclusive connected communities	A diverse economy creating healthy and affordable lifestyles	Empowered communities with the right tools to deliver the best outcomes
STRATEGIC PRIORITIES	Support healthy environments and sustainable communities	Better preparing our communities and council for future changes	Provision of appropriate infrastructure and services	Improve how we work to build resilience

Decisions on KEY ISSUES

Decisions on the Long Term Plan 2021-2031 came after a one-month submission period and two days of public hearings.

Thank you for your feedback

The consultation period ran from 12 March 2021 to 14 April 2021.

260
submissions

We received 260 submissions from property owners, organisations and members of the community.

In the following pages you will find details of decisions on the key issues, priorities and projects that Council proposes to carry out during the next 10 years.





Key issue

Our roads

Council's roading network is to enable goods and services to move throughout the district, supporting people's ability to connect, live, work, visit and travel safely throughout Southland.

Over the next 30 years, much of the sealed road network across Southland needs replacing and increased investment is necessary to rebuild a sustainable number of kilometres of road every year.

Through the consultation document, we asked your feedback on whether we should invest more in our roading network to maintain our existing sealed road network or to continue at existing levels of investment resulting in lower levels of service across the district.





Option 1 Invest more

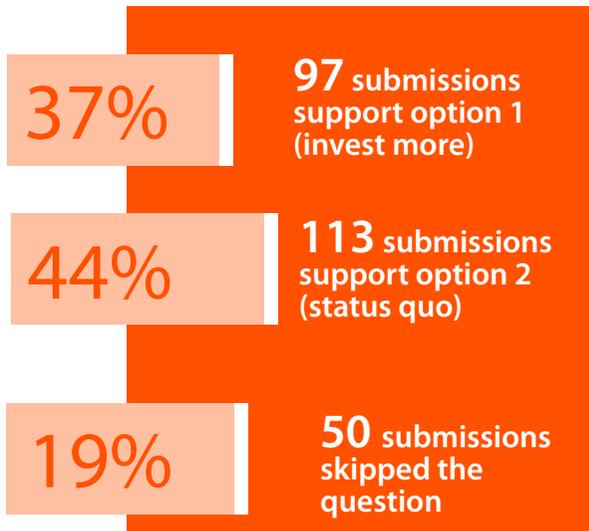
Invest an extra \$1 million in the first year in road rehabilitations (total \$4.2 million), then rising by an average of \$2.5 million each year to a total of \$18.9 million by 2031.



Option 2 Status quo

Continue to spend \$3.2 million per year on road rehabilitations.

What you told us...



Our decision *Having considered the feedback we decided to proceed with option 1 – invest more.*

Following Council's deliberations on the long term plan, Council has subsequently been informed by Waka Kotahi NZ Transport Agency that the full programme of works is unable to be funded in the first three years of the plan. As a result we have moved some the programmed works to begin in 2024, as the completion of this work is critical to managing the roading network in the long term. We will continue to advocate with Waka Kotahi and the government on this issue in the short term to support renewal of these assets over the next 10 years.

The feedback on this issue was almost even between option 1 and option 2. Those supporting increased spending wanted safe and good quality roads managed proactively, connected communities, effective roading network and appropriate levels of investment now.

Submitters supporting the status quo were generally concerned about affordability including Covid-19 impacts, money to be spent in other areas, the roads are already in a good condition, better effectiveness and efficiency from Council and looking at alternative modes of transport such as rail.

If Council elects not to invest in access roads in this LTP, it is unlikely to have the ability to rehabilitate and fund them at a later date, as an even higher level of investment would then be required.

If sealed roads deteriorate significantly, additional preparation work/investment is also required to bring them back up to an appropriate level of service. As a result, there would initially be a cost saving, with additional money required for maintenance in the short-medium term. In the medium to long term there would be a reduction in the level of service for access roads.

Roading is considered to be vital to our district given its rural nature. They provide a connection between our communities and support the movement of goods and services around the district providing significant economic benefit to the region.

Council will continue to ensure that our roads are constructed in an efficient manner and continue to advocate with Waka Kotahi NZ Transport Agency for ongoing support for our communities.

Key issue

Our bridges

Like Council's roading network, our bridges play a key role throughout the district, supporting people's ability to connect, live, work, visit and travel safely throughout Southland.

Over the next 10 years, Council has identified that 161 bridges require replacement as they reach the end of their lifespan. The primary risk of not replacing the bridges is to public safety due to continued deterioration over time and potentially resulting in a structural failure.

Through the consultation document, we asked your feedback on whether we should invest more in maintaining our bridges or to continue at existing levels of investment resulting in further permanent bridge closures across the district.





Increase annual spend on bridges by \$1 million per year to \$3.5 million per year.



Continue to spend \$2.5 million per year on bridges.

What you told us...

36%

94 submissions support option 1 (invest more)

43%

112 submissions support option 2 (status quo)

21%

54 submissions skipped the question

Our decision

Having considered the feedback we decided to proceed with **option 1** – invest more.

Following Council's deliberations on the long term plan, Council has subsequently been informed by Waka Kotahi NZ Transport Agency that the full programme of works is unable to be funded in the first three years of the plan. As a result we have moved some the programmed works to begin in 2024, as the completion of this work is critical to managing the roading network in the long term. We will continue to advocate with Waka Kotahi and the government on this issue in the short term to support renewal of these assets over the next 10 years.

As with roads, the feedback on our bridges was reasonably even between option 1 and option 2. Those supporting increased spending wanted bridges that were fit for purpose, no long term effects from deteriorating bridges and that bridges continue to provide critical links for our communities.

Submitters supporting the status quo were generally concerned about affordability including Covid-19 impacts and for money to be spent in other areas.

If Council chooses not to increase investment to bridges, the primary implication is a decrease in levels of service. More bridges would be closed for a longer period of time, due to the lack of funding for replacement in a timely manner. The 161 bridges that are due for replacement during the 10 year period represent a 'peak' of largely timber bridge structures.

As with roading, bridges are considered to be vital to our district given its rural nature. Southland district has a large roading network and our bridge structures are critical infrastructure that support the use of that network. Our bridges provide an important economic and social benefit to the district.

Key issue

Impact on rates

In our last LTP we said that we needed to gather better information about our services and assets to understand the scale of the challenges ahead.

Now we need to be up front about what we have learnt about the state of our roads, bridges, community facilities, the work we do for our communities, where we are now, what we are facing, and what needs to happen.

Trying to do more with less has got us to where we are now as the wave of work and costs keep increasing.

We have made some cuts to our corporate budgets to reduce costs, but the reality is that the level of investment needed to maintain and replace our current aging infrastructure will be impossible to fund without increasing rates substantially.

Funding long term from reserves is not a sustainable option – first, because we've used a lot of these funds already and, second, because it compounds the problem without providing a long-term solution.

Through the consultation document, we asked your feedback on one of three different rates options without significantly affecting levels of service to our communities.

VEHICLE
LIMITS
OF CLASS 1
km/h

BRIDGE



Key issue

Impact on rates options



Provides a sustainable level of funding for the work we need to do. We would maintain current levels of service, be able to complete maintenance and assessment of stormwater networks, and have \$2.45 million of reserves available for future use.

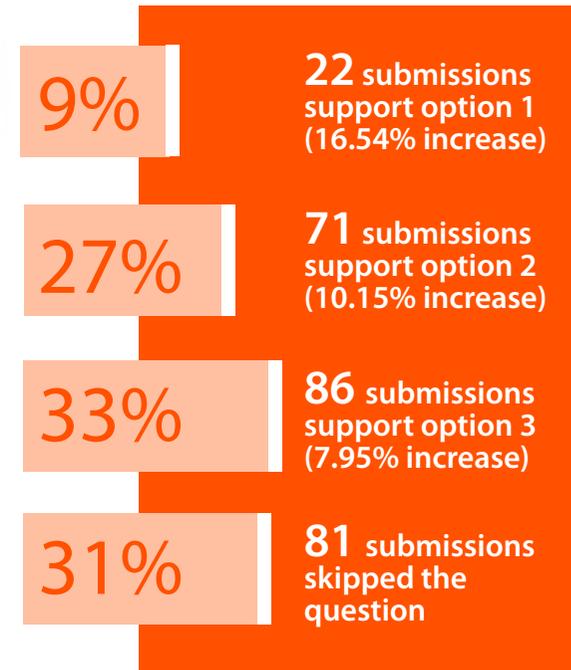


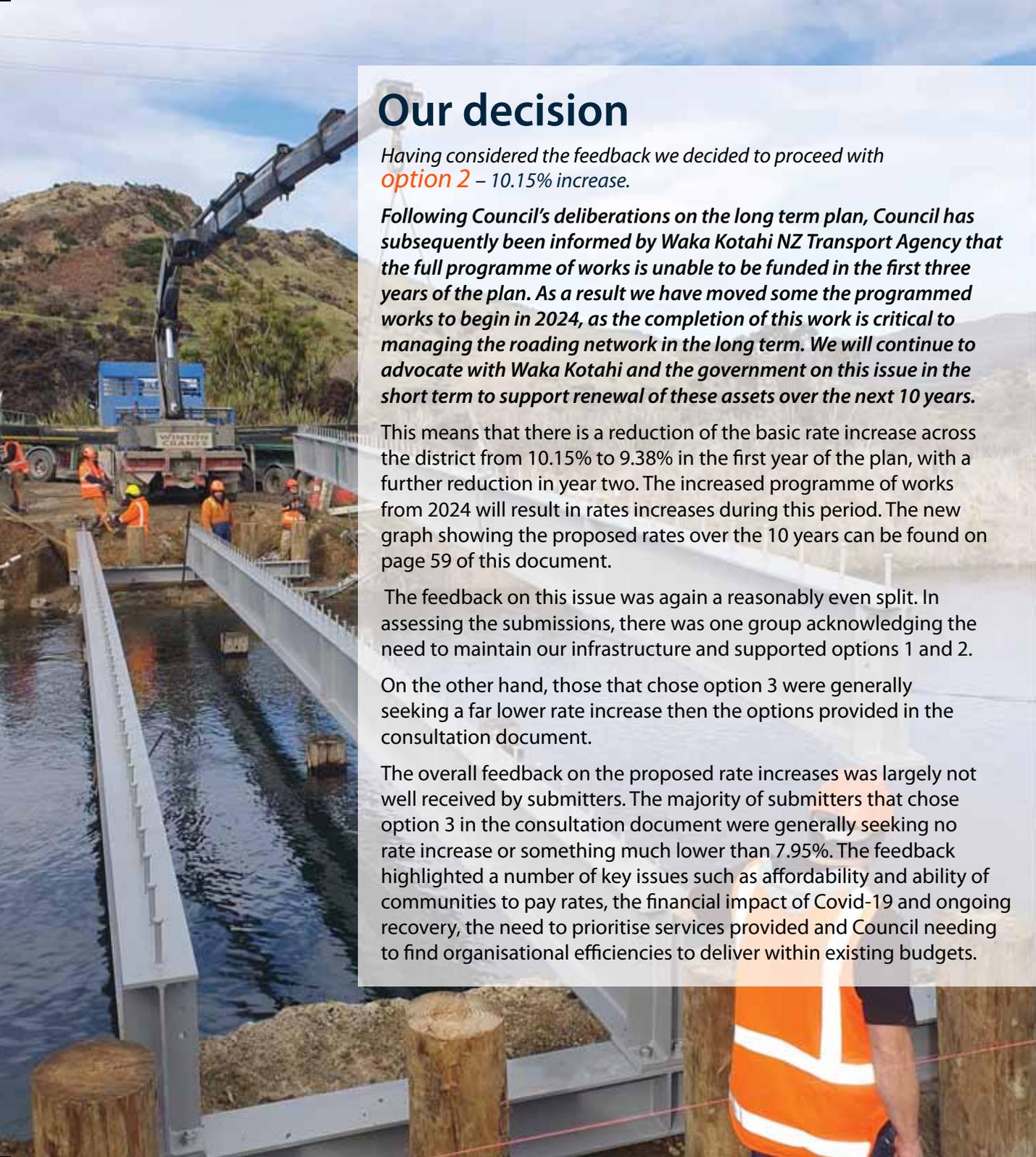
We would maintain current levels of service, but would delay an assessment of stormwater networks, and have \$2.45 million less available in reserves.



We would have \$1 million less for road maintenance, and less money for maintenance and assessment of stormwater networks. We may also have to delay any biodiversity work.

What you told us...





Our decision

Having considered the feedback we decided to proceed with **option 2** – 10.15% increase.

Following Council's deliberations on the long term plan, Council has subsequently been informed by Waka Kotahi NZ Transport Agency that the full programme of works is unable to be funded in the first three years of the plan. As a result we have moved some the programmed works to begin in 2024, as the completion of this work is critical to managing the roading network in the long term. We will continue to advocate with Waka Kotahi and the government on this issue in the short term to support renewal of these assets over the next 10 years.

This means that there is a reduction of the basic rate increase across the district from 10.15% to 9.38% in the first year of the plan, with a further reduction in year two. The increased programme of works from 2024 will result in rates increases during this period. The new graph showing the proposed rates over the 10 years can be found on page 59 of this document.

The feedback on this issue was again a reasonably even split. In assessing the submissions, there was one group acknowledging the need to maintain our infrastructure and supported options 1 and 2.

On the other hand, those that chose option 3 were generally seeking a far lower rate increase than the options provided in the consultation document.

The overall feedback on the proposed rate increases was largely not well received by submitters. The majority of submitters that chose option 3 in the consultation document were generally seeking no rate increase or something much lower than 7.95%. The feedback highlighted a number of key issues such as affordability and ability of communities to pay rates, the financial impact of Covid-19 and ongoing recovery, the need to prioritise services provided and Council needing to find organisational efficiencies to deliver within existing budgets.

Of the submitters that chose option 1 or 2, there was support for good quality infrastructure, the district to continue to move forward, maintain and improve services and for work to be completed in a timely and efficient manner. However, many of these submitters had similar concerns around affordability including Covid-19 impacts, efficiency, accountability and the prioritisation of works and services provided.

Council considered all this feedback and the reality is we have to invest in the maintenance and renewal of critical infrastructure across the district. The work required to be done and legislative compliance mean that to maintain existing levels of service, the rates need to increase.

One of the main issues raised throughout the consultation period was around affordability and that the average rates increase wasn't generally reflected across the district with some receiving rates increases closer to 20%. Council has responded to this by redistributing the use of its strategic asset reserve to smooth the rates impact and make it generally more equitable across the district. In addition, Council encourages members of communities to seek assistance from a rates rebate system or contact staff to explore options that may help to ease the impact of the rates increase.

Council notes a desire to be efficient and are continuing to look at ways to deliver more for our communities. We have seen significant growth and delivery of our capital works programme in recent years and this will continue to be streamlined further to deliver the level of work we are committing to in this Long Term Plan.

In terms of prioritisation, Council have taken this on board and will be seeking engagement with its communities to review the services it provides and where to prioritise in future years. These difficult decisions have been made with a view to the future, to preserve the high quality of infrastructure the people of Southland district have come to expect and demand.

DUST SUPPRESSION

Dust suppression received a number of submissions concerned about regulatory changes to dust suppression options. As a result, residents in the district have not been able to apply affordable and effective dust suppression measures, and have had increased issues with dust.

Submitters have requested that Council consider options such as Otta Seal to help mitigate the effect dust is having on residences near gravel roads.

Southland has the largest unsealed road network in the country and the scale of Council's unsealed network makes it more of a challenge to manage and offer the dust suppression services that have been deployed by other councils.

Our decision

This issue has been noted by Council during the development of this 10-year plan and additional funding has been included in the unsealed road budget for the first three years.

However, it is important to note that this will not provide an instant resolution to widespread dust suppression issues across the district.

Council is currently investigating how it can offer a service to help people affected by dust, but this needs careful consideration.

Council will consider affordability, maintenance requirements, prioritisation and how to implement the roll-out of dust suppression controls.

The dust suppression issue will remain part of the conversation as Council continues to advocate with Waka Kotahi NZ Transport Agency and the government on this issue in the short term to support the mitigation of dust effects over the next 10 years to maximise the funding contribution from Waka Kotahi.



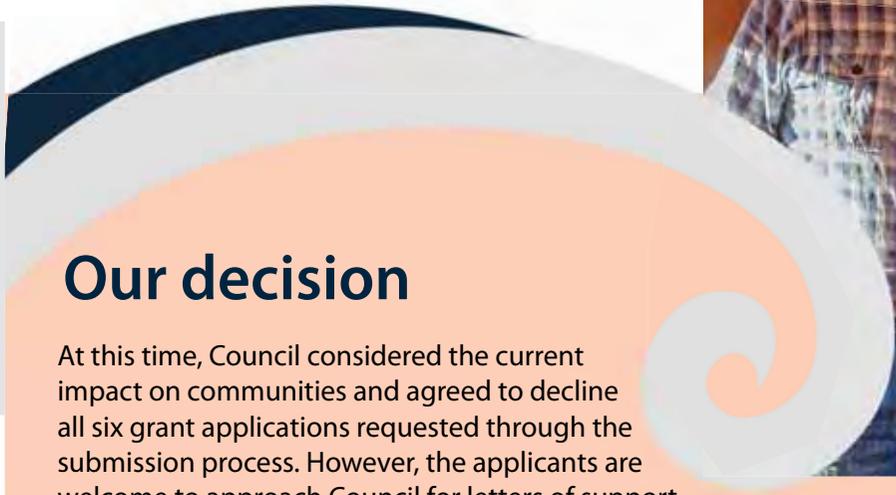


FUNDING REQUESTS

Council assists a number of groups by providing funding that is used for a range of projects and activities that promote community well-being. There are several ways groups and organisations can receive funding.

During the submission process, Council received six submissions that included requests for funding.

In addition, Council has been reviewing all their long-standing grants. This will involve transitioning those that are actually contracts for services (not grants) into contracts with a three-year review, and to refer the other recipients of long-standing grants to the District Initiatives Fund (with all former grantees then having to apply each year for a grant).



Our decision

At this time, Council considered the current impact on communities and agreed to decline all six grant applications requested through the submission process. However, the applicants are welcome to approach Council for letters of support when seeking funding through other avenues or could apply through the District Initiatives Fund with other grant applicants once finalised.

Council agreed to change the grants structure to ensure all grants have to go through the District Initiatives Fund and to create contracts for services for present grants that are for work being done on

behalf of or for Council. It was also agreed to change the District Heritage Fund to an annual payment.

This creates a level of consistency for all grants and gives fairness to the process, as it would allow Council to compare all grant applications together as part of the district fund process.



Infrastructure

Meeting future needs

We are trying to respond to multiple key challenges, including:

- historical under-investment in our infrastructure assets
- changing government priorities and legislation having a significant impact on the cost of service delivery
- climate change
- changing community needs and expectations

Increasing the level of our investment in infrastructure now is a critical focus for Council.

To address these issues we propose spending around \$40 million a year in the first three years of the strategy, a significant increase on our previous long term plan.



We maintain and build infrastructure to provide you with the things you need to live here. Supplying clean water, treating sewage, providing roads, footpaths and stormwater drains to prevent flooding are essential for the health, safety and wellbeing of our district.

However, as costs rise, the task of building, operating, and maintaining these infrastructure assets in an affordable and sustainable manner is becoming increasingly difficult.

A number of initiatives and programmes are identified in the strategy.

They include:

- smoothing the funding requirements to resolve the renewals funding shortfall for our roads and footpaths
- addressing gaps in our asset data, in particular our wastewater and stormwater assets
- renewing large parts of the Wyndham stormwater system
- replacing an estimated 106km of asbestos cement (AC) water mains pipes throughout the district
- upgrading multi-barrier protection against protozoa at our Riverton deep bore drinking water supply source and completing construction of a new water treatment plant for Eastern Bush/Otahu Flat
- carrying out an assessment of historic closed landfill sites that may be vulnerable to river or coastal erosion with a view to carrying out any necessary remedial works
- investing in playgrounds to meet national standards
- refurbishing our library buildings and community housing stock
- engaging with our communities as we develop a more strategic approach to managing our community facilities and open spaces
- carrying out significant distribution network renewals in our Stewart Island Electrical Supply Authority network
- replacing the Ulva Island jetty and Golden Bay wharf on Stewart Island/Rakiura.

A large number of assets will reach the end of their useful lives in the coming years, and we do not have the funding reserves to replace them all.

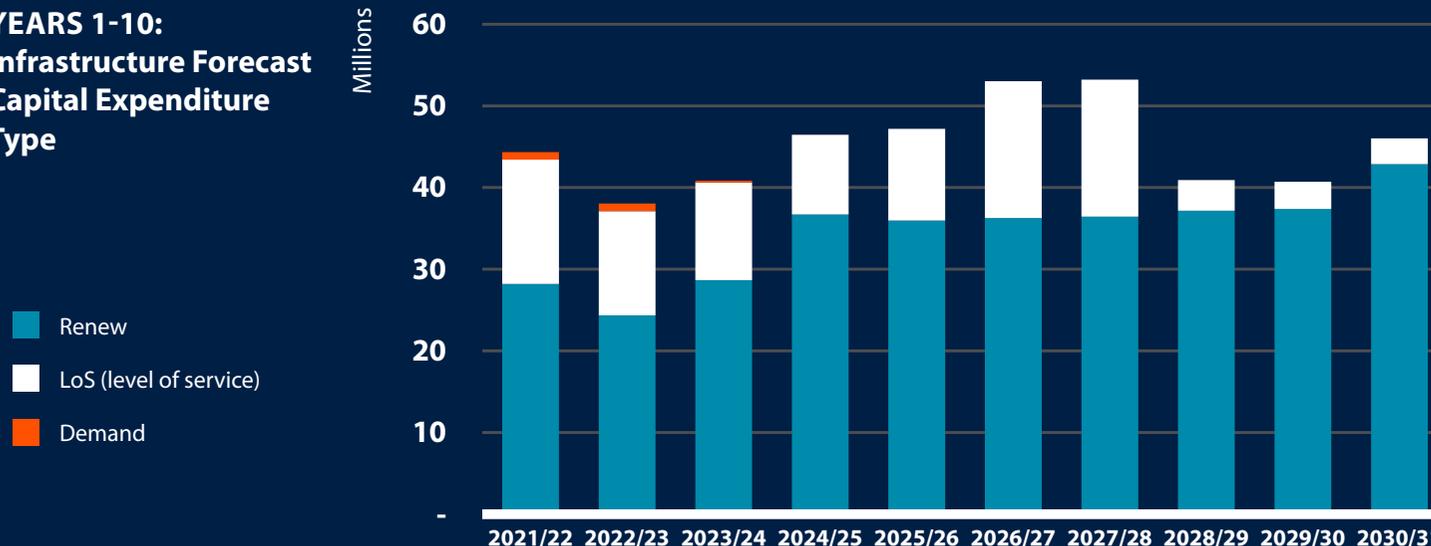
However, the funds we currently have available will not cover the cost of the aging infrastructure we know will need replacement in the next 10 years. We need to increase the level of our investment in infrastructure now. It is a critical focus for Council.

Our Infrastructure Strategy outlines how we plan to manage our core and community infrastructure over the next 30 years, and how we will address the key challenges identified above, as well as related issues of affordability, demographic changes, tourism, new technology and economic constraints.

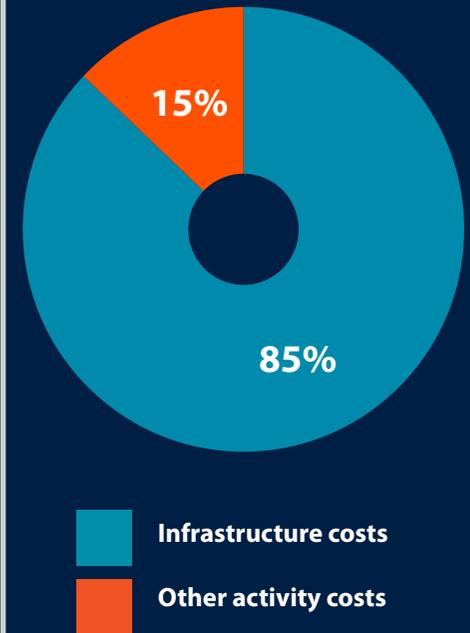
We are committed to working closely with our communities, iwi partners, and stakeholders to address the challenges.

You can read the Infrastructure Strategy later in this document.

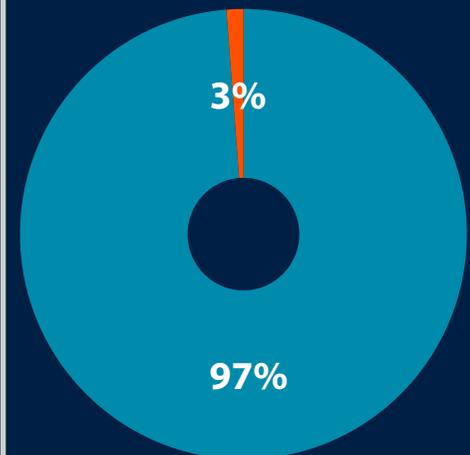
YEARS 1-10: Infrastructure Forecast Capital Expenditure Type



Split of Operating Expenditure 2021 - 2031



Split of Capital Expenditure 2021 - 2031



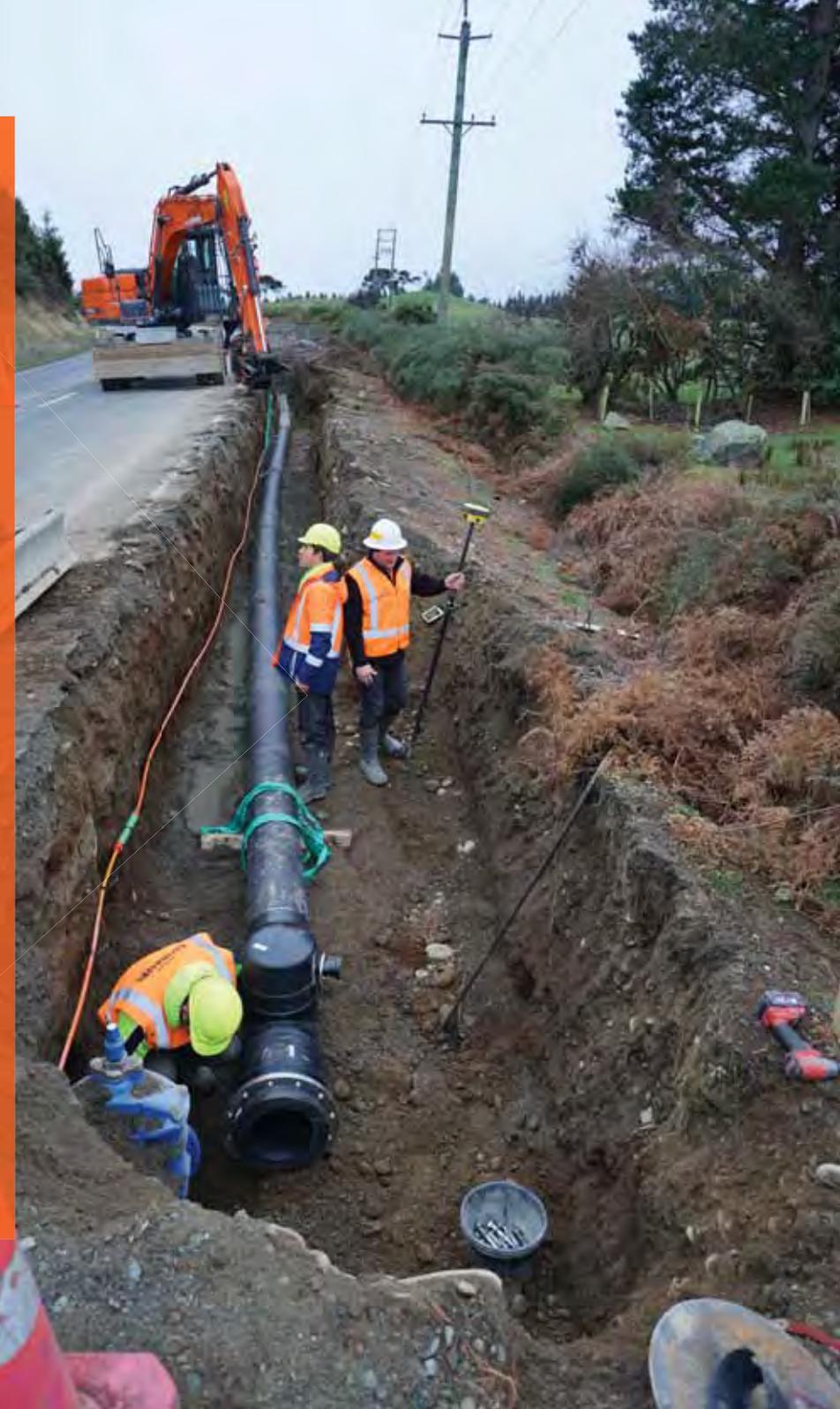
Financial Strategy Overview

Our Financial Strategy is a key part of showing how we intend to manage our finances prudently and whether we will have the financial capacity (income) to meet our financial needs (expenses) now and in the future.

It shows where we want to get to with our finances and the direction we plan to take, with limits to help us to stay on track. We have some challenges funding infrastructure and meeting increased compliance costs.

Our planning tells us that looking after the pipes, roads, and all of the important things you need for living needs a lot more investment. Over the next 10 years we need to spend \$451 million on our core infrastructure assets. This is expected to jump up to over \$642 million in the following 10 years, when a lot of our infrastructure is due to be replaced.

Currently we do not have enough funding to meet the increased costs. In the past we have prioritised keeping rates low and have used reserves to reduce rates and deferred some of our capital works. However, in this plan we recognise that this is not sustainable, especially given the scale of work we need to complete over the next 30 years.



This Financial Strategy starts to address the imbalance by increasing funding from both rates and debt as a way of ensuring ratepayers pay their fair share, and only their fair share, of the services and assets they use and benefit from. This will ensure intergenerational equity.

This means our rates increases will be higher in the first half of the long term plan. This will start to close our funding gap by partially reducing the amount of reserves and borrowing we need in the short term to offset rates.

However, we won't reach a more sustainable level of funding until the end of the long term plan period because we are concerned of the impact any further increases would have on the community – that is, we will still be using some reserves and debt rather than rates because we want to reduce the impact on the community initially.

It also means we won't be fully funding depreciation on our core infrastructure assets until 2028/2029, or funding depreciation on other community infrastructure such as playgrounds, footpaths and community buildings in the period.



Financial Strategy OVERVIEW



Overall the strategy proposes to:

- revise our rate increase limit to 8% per annum. In years 1, 2 and 4 we are projecting a rate increase higher than our limit primarily because:
 - we are transitioning away from using reserves (primarily related to our decision in 2020 to keep rates low because of Covid-19); and
 - we have a number of changes to our operating costs. They have gone up over the period primarily due to inflationary pressures, the cost of meeting regulatory requirements, improving maintenance, funding of depreciation and changes in our annual roading costs. Our operating costs will average \$106 million each year (compared with \$79 million in our Long Term Plan 2018-2028).
- raise the debt ceiling to help fund our increased capital costs from 100% to 175% of total revenue, with debt as a percentage of total revenue, peaking at 103% in 2027/2028. Debt contributes to intergenerational equity and funds the portion of capital cost not covered by depreciation (which is funded by rates each year). The 175% limit also allows us to maintain borrowing capacity for any unplanned events.
- look at options to increase other revenue and the returns on Council reserves to lessen the financial impact on ratepayers.

WHAT IS DEPRECIATION?

Depreciation is a term used to estimate the annual cost of using an asset.

We collect depreciation each year through rates. For example, if a pipe cost \$100 and was expected to last 100 years, then we would charge \$1 in your rates each year to reflect the annual use.

At the moment we are collecting rates related to the depreciation of our core infrastructure assets including roading, bridges, streetlights, water and wastewater.

If we have a year where we have surplus funds in our depreciation reserves we will also use these to reduce any debt associated with that asset group.

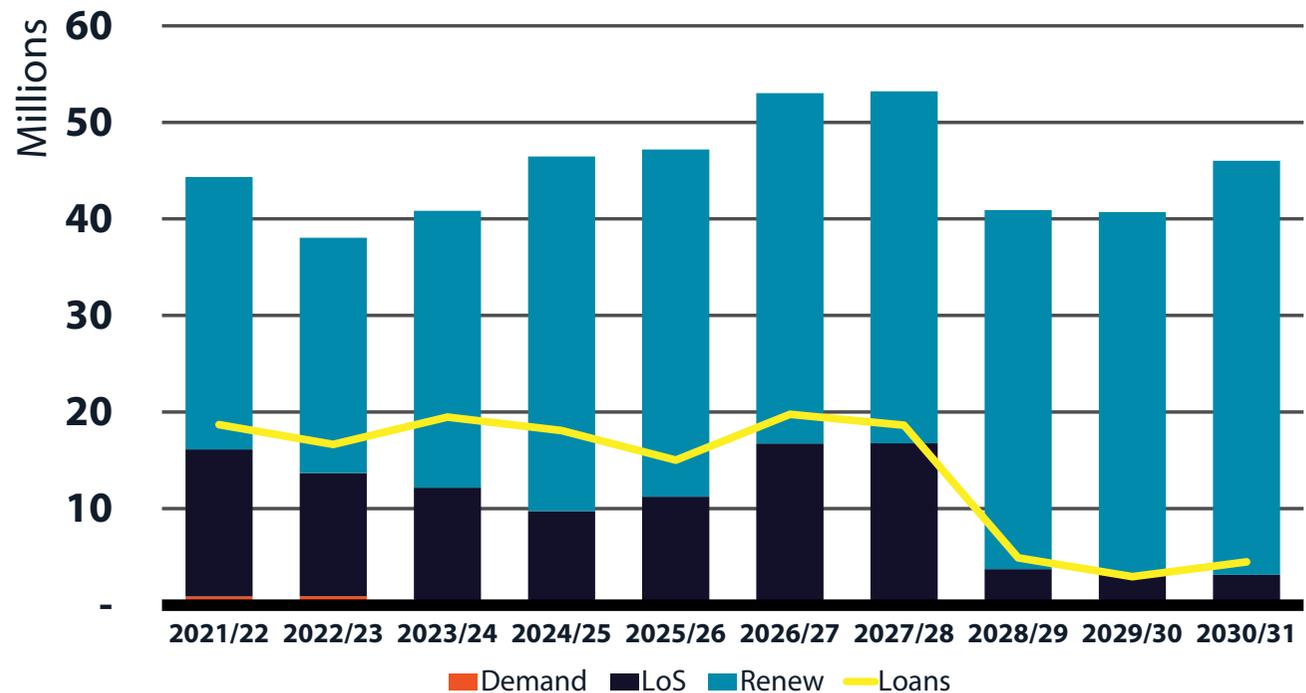
Our approach means:

- our everyday revenue will be enough to fund our everyday costs so we will be balancing our budget from year 4 on
- rates will be at a level to fund most of our depreciation, which can be used to fund infrastructure renewals so new debt can mainly be used to fund infrastructure improvements
- our borrowing will start to reduce from year 8 onwards
- we can focus on delivering and maintaining essential services and core infrastructure
- we will need to consider whether we can continue to maintain our levels of service for other community infrastructure within our financial limits.

In developing this strategy we have also considered the financial capacity of the community to fund the level of rates. In this context we have looked at whether rates exceed 5% of household income as an indicator of affordability. We estimate that household rates will increase from 4.2% to 5.9% of median household income over the 10-year period.

We will use these limits and guides when considering future proposals for funding and expenditure.

Infrastructure Expenditure and Loan funding



Financial impact

We are moving to a balanced budget situation in most of the projected 10 years of the plan.

In the first three years, Council's projected annual income will be less than operating expenditure.

The level of deficit returns to surplus in 2024/2025, largely due to Council increasing the amount of depreciation it is funding.

You can read more about the full Financial Strategy in Section 4: Strategies, policies and guidelines.

As part of our Financial Strategy we aim to meet our operating costs from our operating revenue and balance our budget.

Council is projecting the following results for the next 10 years:

Year	2021/2022	2022/2023	2023/2024	2024/2025	2025/2026	2026/2027	2027/2028	2028/2029	2029/2030	2030/2031
Surplus/(deficit)	(\$1.1M)	(\$4.8M)	(\$4.8M)	\$1.9M	\$6.0M	\$5.9M	\$7.4M	\$8.4M	\$10.0M	\$13.9M

Increasing net surpluses in the later years of the LTP are forecast as a result of roading annual capital expenditure increasing beyond annual depreciation.

Depreciation for roading is 100% funded from 2028/2029 onwards by a combination of rates (48%) and NZTA funding (52%). In addition, the increased capital expenditure is also being fully funded by the same sources.

This funding is accounted for as revenue, however the capital expenditure is included in the statement of financial position, resulting in an increased surplus for these years.

What's happening financially?

The intention is to maintain service levels that the community can reasonably afford without placing a financial burden on future generations.

In developing this strategy we have considered the major challenges facing Council, which are:

- providing costly infrastructure services to many small geographically dispersed communities with ageing, and in some cases static or declining, populations
- increasing costs due to changing compliance requirements and environmental standards

The strategy focuses on maintaining our sound financial position, carrying out appropriate renewals of core infrastructure and increasing our levels of service in some areas to meet higher regulatory standards being required for things like wastewater discharges. To fund this capital expenditure we have raised our net debt ceiling to 175% of revenue.

The key goal is to ensure ratepayers' money is spent wisely and to ensure that the costs associated with using services are shared fairly across the users of today and the future. This includes continuing the 2015 initiative to fully fund the annual use of core infrastructural assets over their lifetime, known as funding depreciation, from rates by 2028/29.

Council has developed a Financial Strategy that sets the overall direction for the management of its finances over the next 10 years.

Financially, the strategy builds on the direction of the 2018 strategy as we now have a better understanding of the potential changes from the government's three water reforms, higher environmental and regulatory requirements, and the increase in renewals required in our critical assets like roads, bridges and pipes.

The financial boundaries/limits that we have set are:

Rates increase limit
8% annually over
the period

Annual rates to
not exceed **70%** of
total revenue

External debt to not
exceed **175%** of
total revenue

Our activities by the numbers

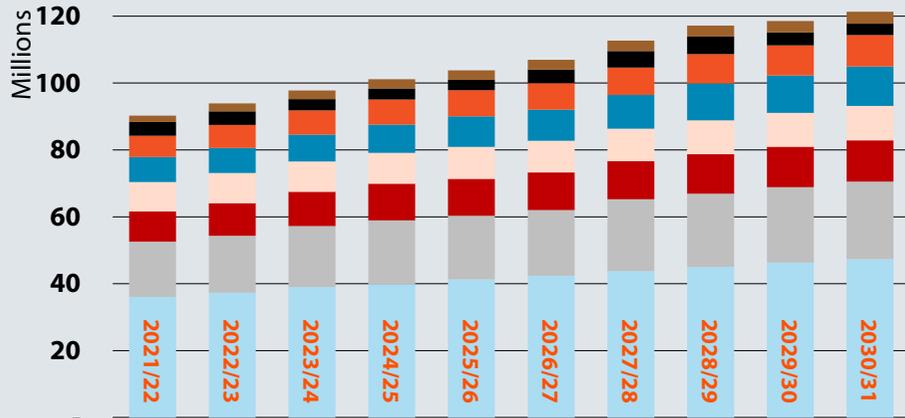


	OPERATIONAL SPEND 2021-2031		CAPITAL SPEND 2021-2031		RATES 2021-2031	How Costs are Funded	
	\$M	%	\$M	%	\$M	Rates	Other (incl. fees & charges)
Community Leadership	\$96.6	9.4%	\$0.9	0.2%	\$93.2	96%	4%
Community Resources	\$198.3	19.4%	\$41.6	9.2%	\$158.7	66%	34%
Environmental Services	\$110.5	10.8%	\$1.9	0.4%	\$62.2	55%	45%
Sewerage	\$93.8	9.2%	\$64.3	14.2%	\$79.8	50%	50%
Stormwater	\$28.9	2.7%	\$12.5	2.8%	\$22.9	55%	45%
Transport	\$415.8	40.7%	\$297.6	65.6%	\$234.8	33%	67%
Water Supply	\$79.0	7.7%	\$34.7	7.7%	\$70.9	62%	38%
TOTAL	\$1022.8		\$453.5		\$722.5		

Council also has various corporate services which have operating spend of \$40.6 million (total \$1063 million) and capital spend of \$4.7 million (total \$458 million). These corporate services are funded through internal charges which are spread over the seven activities.

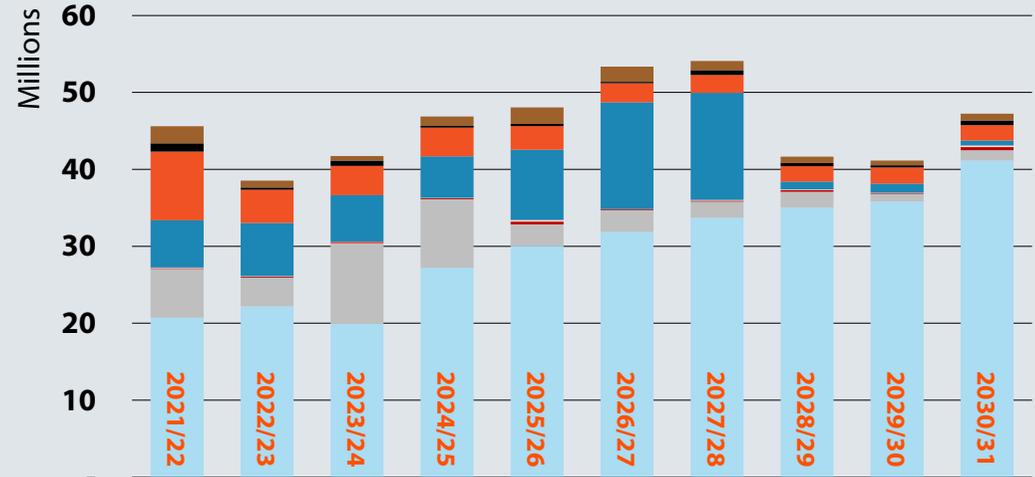
What's happening to costs?

Total Operating Expenditure 2021 - 2031 (\$1.1 billion)



■ Transport
 ■ Community Resources
 ■ Environmental Services
 ■ Community Leadership
 ■ Sewerage
 ■ Water Supply
 ■ Corporate Services
 ■ Stormwater

Total Capital Expenditure 2021 - 2031 (\$458 million)



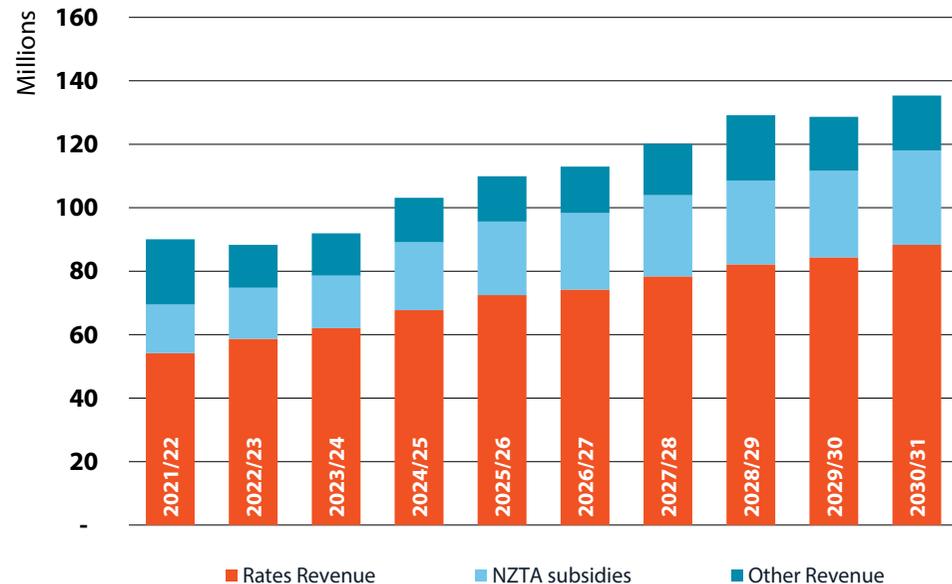
How do we pay for this?

The majority of money comes from rates (65%) as well as subsidies (20%), in particular funding from Waka Kotahi NZ Transport Agency for our roads. We also collect other revenue (15%), which includes fees and charges from users, forestry and other income.

Funding sources are less than the total expenditure (operating and capital) because of Council unfunded depreciation.

Council is also making some changes to some fees and charges and rates. More information about these changes is available in Section 3: Our finances.

Key Funding Sources 2021-31



■ Rates Revenue
 ■ NZTA subsidies
 ■ Other Revenue

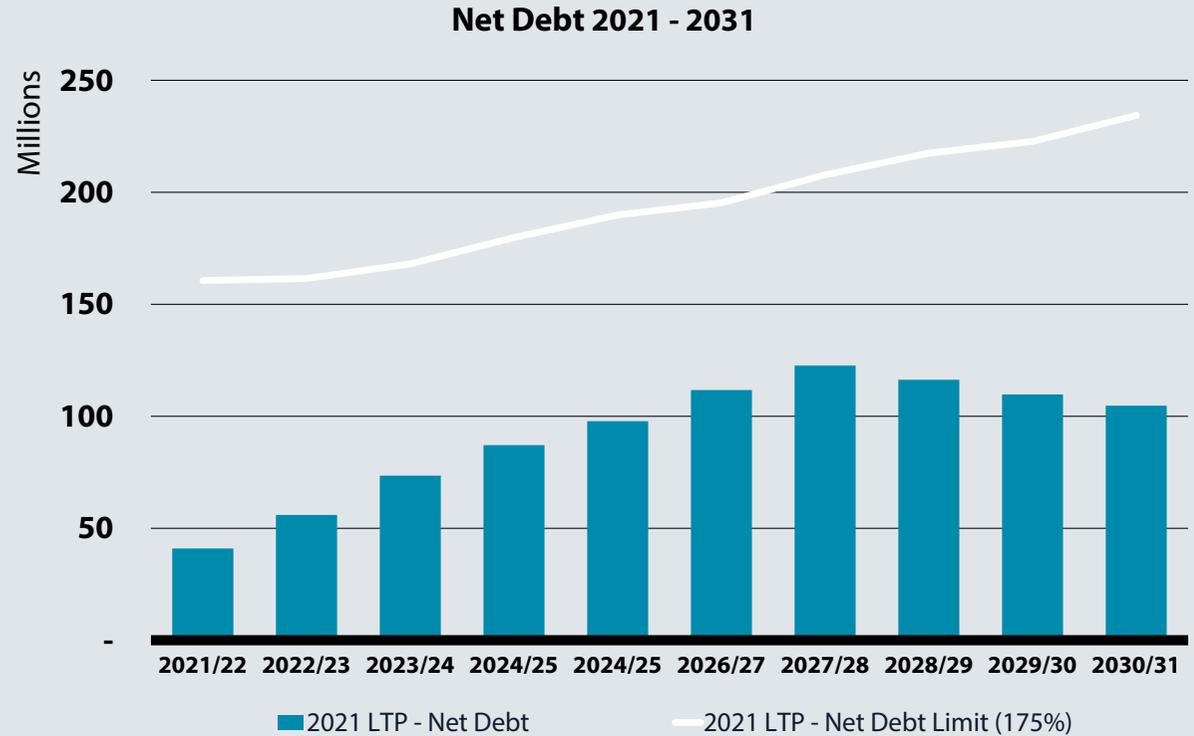
What about debt?

Over the plan period we will be increasing net debt to fund infrastructure projects.

Net debt will peak in 2027/2028 at \$123 million. Over the plan period we will maintain a debt contingency of between \$85 million and \$130 million to cover for any emergencies or natural disasters.

As part of the Financial Strategy, Council has increased the limit on net debt from 100% to 175% of total income (equivalent to \$155 million in 2022/2023 and up to \$237 million in 2030/2031). Funding of Council's loans will be in line with Council's policies.

Allowance for the repayment of loans is included in rates.



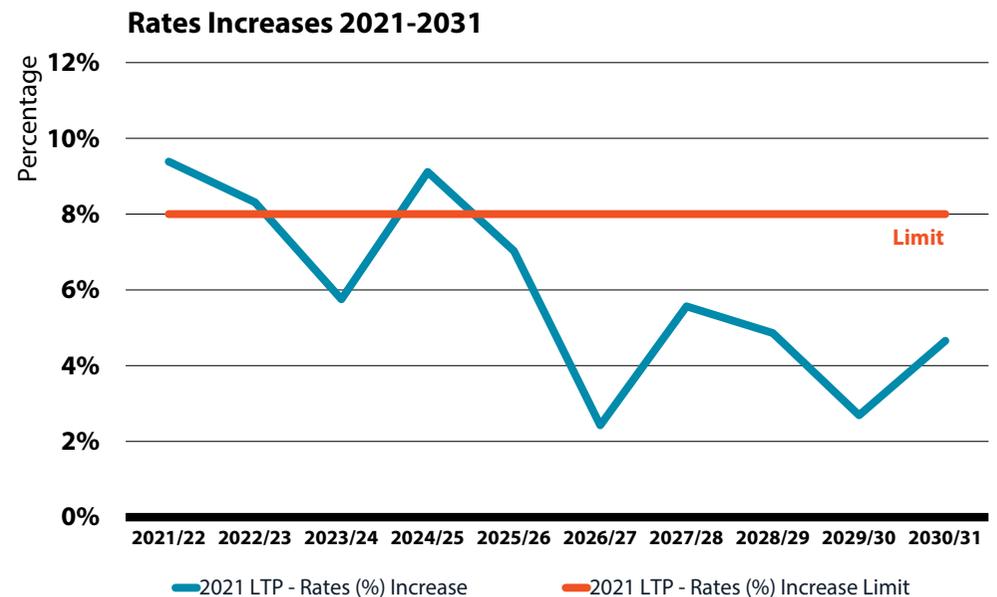
What does this mean for my rates?

Our aim is to keep rates as affordable as possible while recognising the pressures on costs that come with meeting regulatory and legislative requirements, and working to improve outcomes for our communities as well as looking after our infrastructure.

The actual change in the rates you pay depends on the type of property you own, its value, and what Council services you use (for example, whether you are connected to our wastewater system, stormwater system or whether your local community has a swimming pool or library etc).

Our average rate increase over the 10 years will be 5.98%. In our Financial Strategy we have committed to increase our rates by no more than 8% per annum. However, as previously explained, in years one, two and four we are projecting a rate increase higher than the limit.

If you have concerns about your ability to pay your rates we encourage you to talk to our finance team. We will work with you to find options that will best suit you.



Financial prudence BENCHMARKS

Purpose

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

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

As a result of the budgeting undertaken by Council for the long term plan, how Council is doing in relation to these benchmarks in each of the 10 years is outlined in the following graphs.



Rates (income) affordability benchmark

The Council meets the rates affordability benchmark if:

- planned rates increases equal or are less than each quantified limit on rates increases.

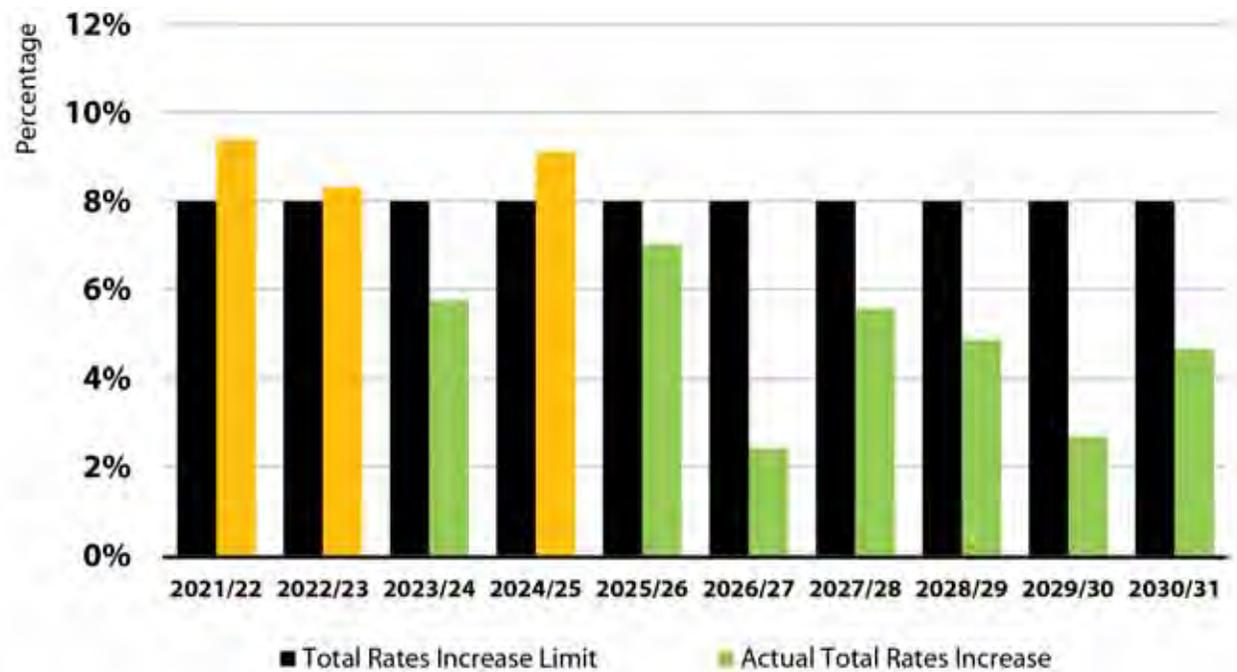
KEY

- Benchmark Met
- Benchmark Not Met
- Benchmark

Rates (increases) affordability

This graph compares Council's planned rates increases with a quantified limit on rates increases contained in the financial strategy included in the long term plan.

The limit being 'Limited to 8% annually over the period'. Council is within the cap it has set for seven of the 10 years.

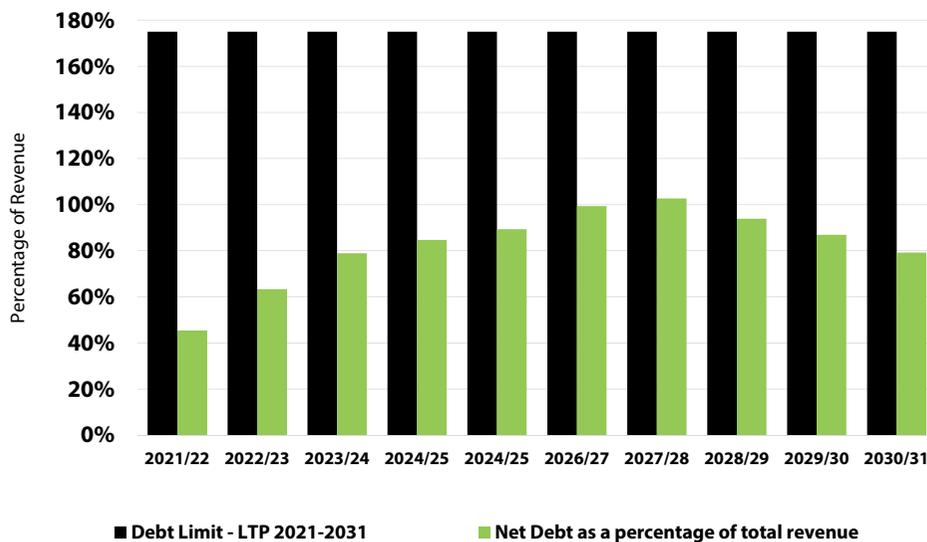


Financial prudence BENCHMARKS

Debt affordability benchmark (net debt)

Council meets the debt affordability benchmark if its planned borrowings are within each quantified limit on borrowing. This graph compares Council's planned net debt with a quantified limit on its borrowing contained in the Financial Strategy included in the long term plan. The limit being 'that net borrowing of external funds is limited to 175% of total revenue'.

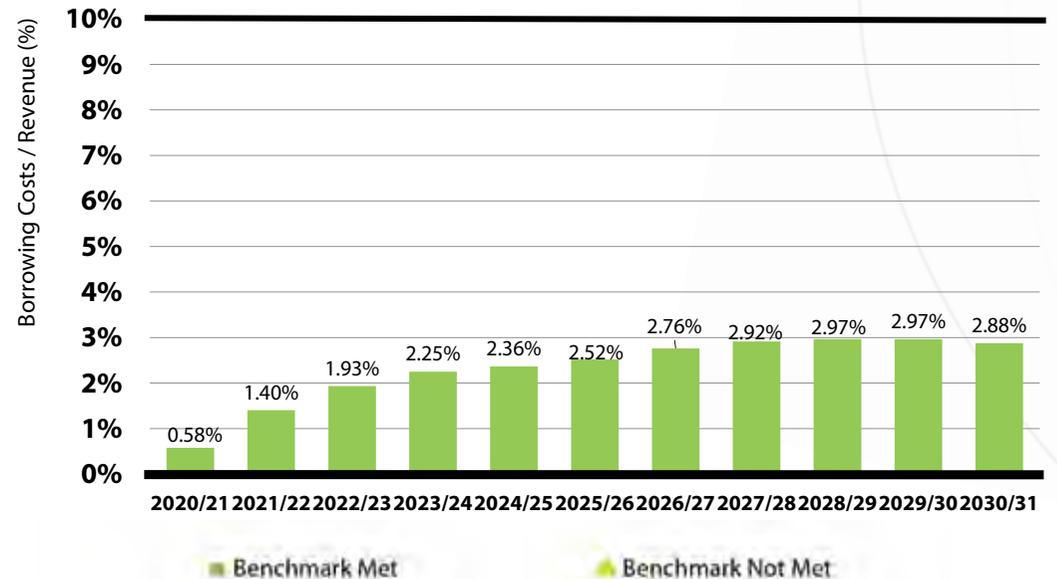
The planned net debt over the 10 years varies from 45% to 104%. Net debt peaks in 2027/2028 at \$124 million (104%). Planned debt incurred is principally due to funding various infrastructural renewals predominantly in water, wastewater, stormwater and community assets.



Debt servicing benchmark

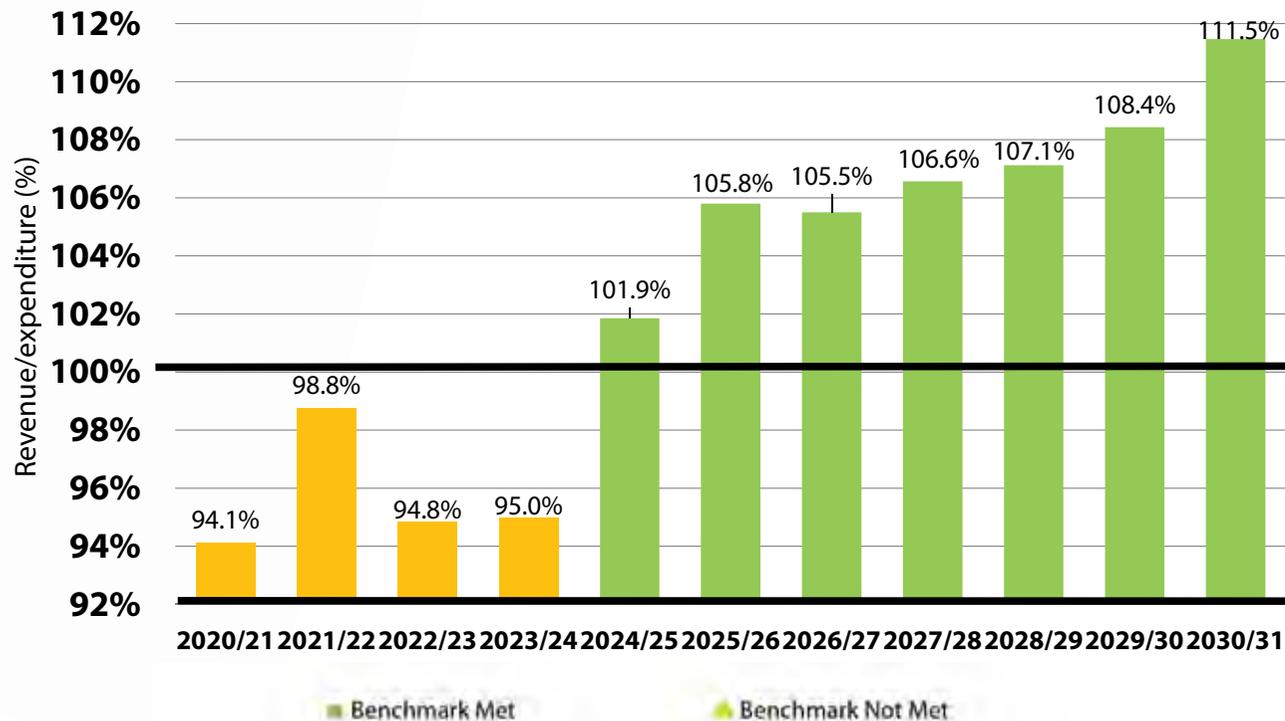
This graph displays Council's planned borrowing costs as a proportion of planned revenue (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments, and revaluations of property, plant or equipment).

Council meets the debt servicing benchmark if its borrowing costs equal or are less than 10% of its revenue.



Balanced budget benchmark

This graph displays Council's planned revenue (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments and revaluations of property, plant or equipment) as a proportion of planned operating expenses (excluding losses on derivative financial instruments and revaluations of property, plant or equipment).



Council meets this benchmark if its planned revenue equals or is greater than its planned operating expenses. Council meets the balanced budget in seven of the 10 years. This is where its planned revenue exceeds its planned operating expenditure.

Council does not meet the balanced budget benchmark as a result of the phasing in of depreciation funding. By 2025/2026, Council will be fully funding depreciation of the majority of key district assets and this is reflected in the graph above increasing beyond 100%.

Further commentary on the balanced budget can be found on page 195.



Essential services benchmark

Council recognises that it will never get its asset management system to a state where it will know exactly when an asset will be actually replaced. This is because there are so many variables that affect when an asset will be due for replacement, such as the level of maintenance undertaken, how much the asset is used, the type of material the asset is made from and the environmental conditions in which it exists. However, to make it as accurate as possible, Council regularly revalues its assets and currently uses industry norms to estimate the life of the asset as it continues to gather further asset data to improve the depreciation calculation.

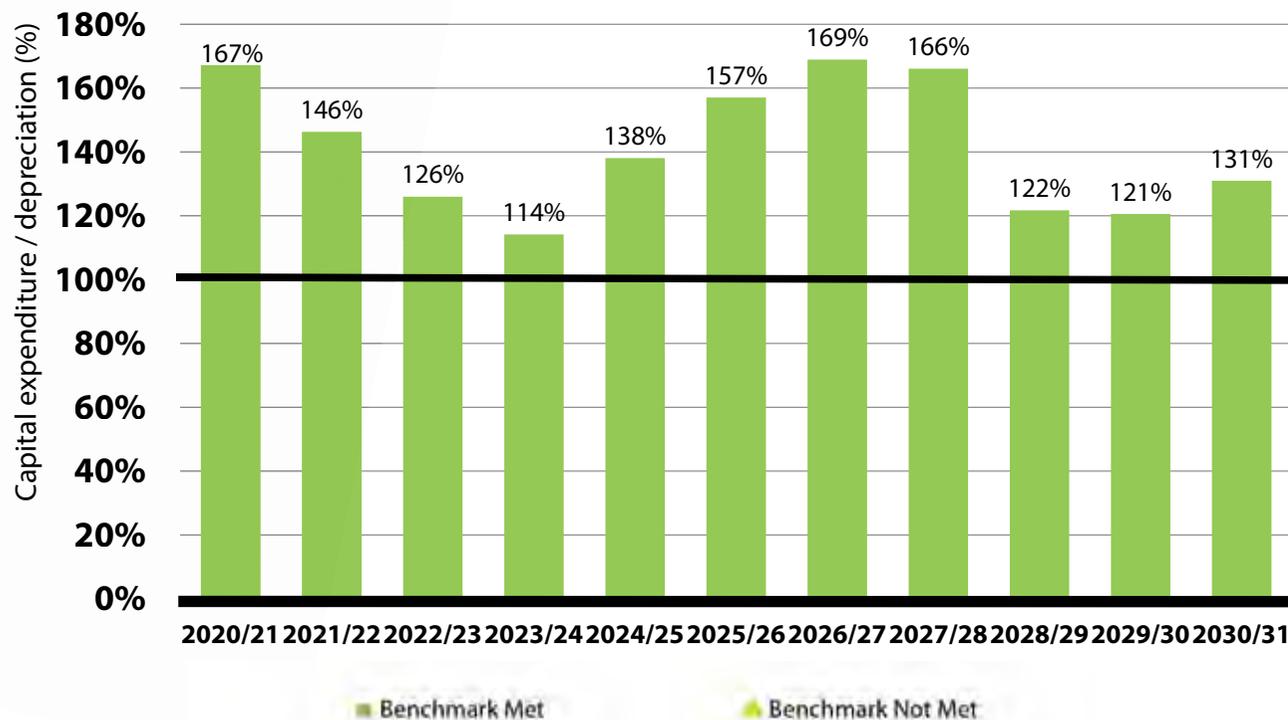
As such, the level of depreciation calculated below may be higher or lower than required. Council uses its asset management systems as a guide to decide when replacement needs to occur. Replacement occurs only when it is assessed as being necessary, such as when the asset is in poor condition, because of health and safety concerns, overall cost etc, and not before. Sometimes this is before or after the times indicated by its asset management system.

Generally, Council is replacing its water and wastewater assets when Council's asset management system is indicating they are due to be replaced. Council's asset management system indicates that only 2.4% of wastewater, 2.2% of stormwater and 11.2% of water assets are beyond their expected dates. These are intentional deferrals due to the condition of the asset being such that they do not require replacement at this stage. An assessment of Council's roading asset management system indicates varying percentages of assets beyond their replacement dates depending on the type of asset. Some roading assets are significantly exceeding their expected life, an example being that the average design life for primary and secondary rural collector roads is 30 years. Currently, some roads are at 70 years and the overall average life is 58 years.

Financial prudence BENCHMARKS

This graph displays Council’s planned capital expenditure on network services as a proportion of expected depreciation on the network services. Council meets this benchmark if its planned capital expenditure on network services equals or is greater than expected depreciation on network services. Council achieves the essential services benchmark in all years. Essential services is met where capital expenditure exceeds depreciation for the year.

In managing its network assets, Council’s aim is to ensure that the users of Council’s network services are paying their share of the annual usage of the asset. It is doing this by progressively introducing the funding of the annual usage (depreciation) of assets.



Introduced in 2015, Council is phasing in the funding of depreciation by an additional 10% every year, accumulating to 100% in 2024/2025 for roading, water and wastewater, Council buildings, information technology, wheelie bins and solid waste (all district-funded activities). This builds a fund for replacement. Having said that, to ensure that the users of today do not pay twice – once in funding depreciation and again in funding loan repayments – money collected from funding depreciation is used to fund any loan and interest repayments.

Taking into account considerations around affordability of rates, as part of the development of this long term plan, Council is proposing to reduce the annual depreciation funding increments for water and wastewater from 10% to 5% from 2021/2022. Accordingly, depreciation for water and wastewater will not be fully funded until 2028/2029.

To calculate the depreciation, Council divides the current value of the asset by the number of years the asset is expected to last.



INDEPENDENT AUDITOR'S REPORT

To the reader:

Independent auditor's report on Southland District Council's 2021-31 long-term plan

I am the Auditor-General's appointed auditor for Southland District Council (the Council).

The Local Government Act 2002 (the Act) requires the Council's long-term plan (LTP) to include the information in Part 1 of Schedule 10 of the Act. Section 94 of the Act requires an audit report on the Council's LTP. Section 259C of the Act requires a report on disclosures made under certain regulations. I have carried out this work using the staff and resources of Audit New Zealand.

We completed our report on 29 June 2021.

Opinion

In our opinion:

- the LTP provides a reasonable basis for:
 - long-term, integrated decision-making and co-ordination of the Council's resources; and
 - accountability of the Council to the community; and
- the information and assumptions underlying the forecast information in the LTP are reasonable; and
- the disclosures on pages 60 to 65 represent a complete list of the disclosures required by Part 2 of the Local Government (Financial Reporting and Prudence) Regulations 2014 (the Regulations) and accurately reflect the information drawn from the LTP.

This opinion does not provide assurance that the forecasts in the LTP will be achieved, because events do not always occur as expected and variations may be material. Nor does it guarantee the accuracy of the information in the LTP.

Emphasis of matters

Without modifying our opinion, we draw attention to the following disclosures.

Uncertainty over three waters reforms

Pages 11 and 134 outline the Government's intention to make three waters reform decisions during 2021. The effect that the reforms may have on three waters services provided is currently uncertain because no decisions have been made. The LTP was prepared as if these services will continue to be provided by the Council, but future decisions may result in significant changes, which would affect the information on which the LTP has been based.

Uncertainty over the delivery of the capital programme

Page 58 outlines that the Council is proposing to spend \$458 million on capital projects over the next 10 years. Although the Council is taking steps to deliver its planned capital programme, as outlined on page 428 to 430, there is uncertainty over the delivery of the programme due to a number of factors, including the significant constraints in the construction market. If the Council is unable to deliver on a planned project, it could affect intended levels of service.

Basis for opinion

We carried out our work in accordance with the International Standard on Assurance Engagements (New Zealand) 3000 (Revised) *Assurance Engagements Other Than Audits or Reviews of Historical Financial Information*. In meeting the requirements of this standard, we took into account particular elements of the Auditor-General's Auditing Standards and the International Standard on Assurance Engagements 3400 *The Examination of Prospective Financial Information* that were consistent with those requirements.

We assessed the evidence the Council has to support the information and disclosures in the LTP and the application of its policies and strategies to the forecast information in the LTP. To select appropriate procedures, we assessed the risk of material misstatement and the Council's systems and processes applying to the preparation of the LTP.

Our procedures included assessing whether:

- the Council's financial strategy, and the associated financial policies, support prudent financial management by the Council;
- the Council's infrastructure strategy identifies the significant infrastructure issues that the Council is likely to face during the next 30 years;
- the Council's forecasts to replace existing assets are consistent with its approach to replace its assets, and reasonably take into account the Council's knowledge of the assets' condition and performance;
- the information in the LTP is based on materially complete and reliable information;
- the Council's key LTPs and policies are reflected consistently and appropriately in the development of the forecast information;
- the assumptions set out in the LTP are based on the best information currently available to the Council and provide a reasonable and supportable basis for the preparation of the forecast information;
- the forecast financial information has been properly prepared on the basis of the underlying information and the assumptions adopted, and complies with generally accepted accounting practice in New Zealand;
- the rationale for the Council's activities is clearly presented and agreed levels of service are reflected throughout the LTP;
- the levels of service and performance measures are reasonable estimates and reflect the main aspects of the Council's intended service delivery and performance; and
- the relationship between the levels of service, performance measures, and forecast financial information has been adequately explained in the LTP.

Responsibilities of the Council and auditor

The Council is responsible for:

- meeting all legal requirements affecting its procedures, decisions, consultation, disclosures, and other actions relating to the preparation of the LTP;
- presenting forecast financial information in accordance with generally accepted accounting practice in New Zealand; and
- having systems and processes in place to enable the preparation of a LTP that is free from material misstatement.

We are responsible for expressing an independent opinion on the LTP and the disclosures required by the Regulations, as required by sections 94 and 259C of the Act. We do not express an opinion on the merits of the LTP's policy content.

Independence and quality control

We have complied with the Auditor-General's:

- independence and other ethical requirements, which incorporate the independence and ethical requirements of Professional and Ethical Standard 1 issued by the New Zealand Auditing and Assurance Standards Board; and
- quality control requirements, which incorporate the quality control requirements of Professional and Ethical Standard 3 (Amended) issued by the New Zealand Auditing and Assurance Standards Board.

Other than our work in carrying out all legally required external audits, we have no relationship with or interests in the Council or any of its subsidiaries.



Dereck Ollsson
Audit New Zealand
On behalf of the Auditor-General
Dunedin, New Zealand

Our activities



Council activities – new groups

Group												
Environmental Services (combines Environmental Health, Animal Services, Resource Management), (includes district planning and Building Solutions)		Community Leadership	Transport Provision of Roothing and Footpaths (including cycle trails, airport, water facilites and bridges)		Wastewater (Sewerage and the treatment and disposal of sewage)	Stormwater Drainage	Water Supply	Community Resources				
Activity												
Environmental Services	Emergency Management	Community Leadership (including Representation and Advocacy, Community and Futures and Community Assistance)	Roothing, footpaths, airport and cycle trails	Water facilities	Wastewater (Sewerage)	Stormwater	Water Supply	Community Facilities (including toilets, halls and libraries)	Community Services (including cemeteries, community housing, library services and heritage and culture)	Open Spaces (including parks, reserves and streetscapes)	Waste Services	Stewart Island Electrical Supply Authority

Council reviewed its activities for this LTP and changed the structure.

Community Leadership

Community leadership includes representation and advocacy, community futures and community assistance.

What we do

This activity group encompasses four key services, which are:

- **community-led development**
supporting collaborative partnerships with the community and key agencies/stakeholders
- **community planning**
planning with the community and key stakeholders effectively
- **community engagement**
connecting with the community effectively
- **community representation**
enabling democratic decision making by, and on behalf of, communities

Why we do it

This activity encourages collaboration and partnerships so communities can achieve more, but also strengthens community connections, understanding and self-reliance. There are two key pillars that support the community leadership and governance concept as it is being implemented within the district.

These are:

1. a community-led development pillar that has 'place' as its central focus, with Council being one of a number of agencies supporting the development of each place or local community
2. a representative leadership pillar that encompasses the more traditional role of elected representatives as the identified political leaders within their community.

Potential significant negative effects

Ineffective governance and leadership could result in decision-making that has significant negative effects on the wellbeing of local communities.

The community leadership activity is a critical factor in connecting our communities with Council, community boards and our activities to develop the social and cultural wellbeing of our communities across the district.

Outcome contribution



Social

Empowered communities with the right tools to deliver the best outcomes



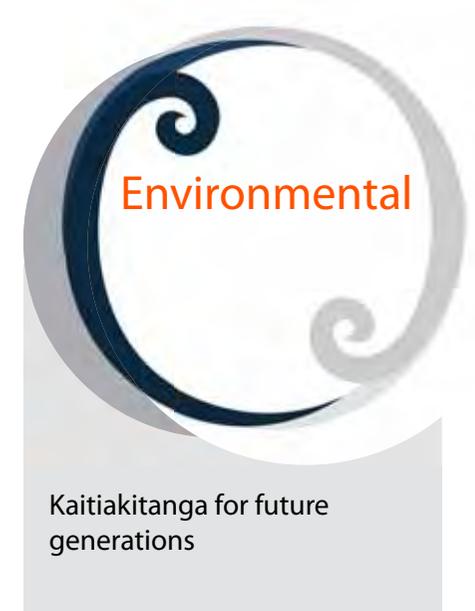
Cultural

Inclusive connected communities



Economic

Provision of appropriate infrastructure & services



Environmental

Kaitiakitanga for future generations

Community Leadership

Key statistics

9

community
boards

81

elected members
including mayor
and councillors

96

meetings per year





One community offering endless opportunities...

Representation and advocacy

Council encourages decision-making at a range of levels – centrally by Council and at local levels, through community boards and other subcommittees.

Council also seeks input from young people in the district through the Youth Council and supports other representative groups such as the Milford Community Trust, the South Catlins Charitable Trust, Predator Free Rakiura and the Northern Southland Community Resource Centre Charitable Trust.

Council plays a strong advocacy role in representing local interests by way of submissions, deputations and lobbying to regional and central government and other relevant agencies.

Council is proactive in ensuring there is appropriate representation on national working parties and organisations so that a southern and/or rural voice is heard.

Key aspects of the activity include three-yearly elections for the mayor, councillors and community boards and six-yearly representation reviews to determine the representation structure.





Community futures (community development, engagement and planning)

Council supports collaborative partnerships with local community organisations and local community development opportunities, and key national and regional agencies/stakeholders that support the district's communities and add value to residents' quality of life and visitor experiences.

At the regional level, Council invests in regional development initiatives through Great South encompassing economic development, attracting business and providing and promoting quality visitor experiences.

Community assistance (grants and donations)

Council assists a number of groups by providing funding that is used for a range of projects and activities that promote community wellbeing. Council reviewed and changed the grants process in 2018 to create community partnership funds for all the community boards into a District Initiative Fund that groups can apply to.

In 2021 at Council's deliberations meeting, the process was further streamlined so that any long-standing grant from previous LTPs that was actually a contract for service (not a grant) was changed to a contract with a three-year review.

A further change was that the District Heritage Fund, which is used to support Southland district's museums with operational funding, was changed to an annual operating payment to the museums rather than a grant.



Schedule of proposed community assistance funding...

	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30
Council contributions									
High values area	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000
Hollyford Conservation Trust	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Toimata Foundation	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Warm Homes Trust	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000
Safe Swim programme	23,000	23,000	23,000	23,000	23,000	23,000	23,000	23,000	23,000
Southland Safer Communities	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Southland Indoor Leisure Centre (Stadium maintenance)	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000
Iwi funding	180,000	185,220	189,851	194,597	199,656	204,648	209,969	215,638	221,460
Southland Regional Heritage Committee	635,595	649,386	663,480	677,927	692,734	707,912	724,092	741,330	759,034
Waituna Partnership	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000
Emergency Management Southland	419,187	443,777	440,411	451,503	462,928	446,426	458,546	471,031	483,889
Scholarships									
Bursaries	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000
Community Service Award	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200
Debating Competition	800	800	800	800	800	800	800	800	800
Outward Bound	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000



	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30
Allocation grants									
Creative Communities	26,370	26,370	26,370	26,370	26,370	26,370	26,370	26,370	26,370
Sport NZ	13,325	13,325	13,325	13,325	13,325	13,325	13,325	13,325	13,325
Ohai Railway Fund	55,000	55,000	55,000	55,000	55,000	55,000	55,000	55,000	55,000
Northern Southland Development Fund	9,825	9,825	9,825	9,825	9,825	9,825	9,825	9,825	9,825
District Heritage Fund	65,389	67,285	68,967	70,692	72,530	74,343	76,276	78,335	80,450
John Beange Reserve	5,000	5,000	5,000	4,258					
Stewart Island Visitor Levy	142,797	146,938	150,612	154,377	158,391	162,350	166,572	171,069	175,688
District Initiative Fund	62,679	64,497	66,109	67,762	69,524	71,262	73,115	75,089	77,116
Ardlussa Community Partnership Fund	6,338	6,522	6,685	6,852	7,030	7,206	7,393	7,59.	7,798
Fiordland Community Partnership Fund	31,542	32,457	33,268	34,100	34,986	35,861	36,793	37,787	38,807
Northern Community Partnership Fund	6,069	6,245	6,401	6,561	6,732	6,900	7,079	7,271	7,467
Oraka-Aparima Community Partnership Fund	12,136	12,488	12,800	13,120	13,461	13,798	14,157	14,539	14,931
Oreti Community Partnership Fund	33,672	34,648	35,515	36,403	37,349	38,283	39,278	40,339	41,428
Stewart Island Community Partnership Fund	4,387	4,514	4,627	4,743	4,866	4,988	5,117	5,256	5,397
Tuatapere Tewaewae Community Partnership Fund	20,002	20,582	21,097	21,624	22,186	22,741	23,332	23,962	24,609
Waihopai Toetoe Community Partnership Fund	22,213	22,857	23,429	24,014	24,639	25,255	25,911	26,611	27,329
Wallace Takitimu Partnership Fund	18,020	18,543	19,006	19,481	19,988	20,488	21,020	21,588	22,171

Planning for the future

Key projects for this activity group include

- strategy development
- further development of community board plans, implementing the actions and developing community plans
- developing an integrated strategic planning approach to ensure that community needs are met
- monitoring the changing demographics across the district that may result in an increased demand for grants, more assistance and support from Council staff
- provide communities with support when preparing for the impacts of climate change
- preparation for the next local elections in 2022, followed by the representation review in 2025
- advocacy – increased engagement with the electoral process (more diversity, increase candidate electoral interest).

Legislative changes

There are a number of key legislative changes that will affect local government, including the review of the Resource Management Act (RMA), the Climate Change Adaptation Act and the Strategic Planning Act.

The Local Government Minister has begun a review of how local government works. The review will focus on how our system of local democracy needs to evolve over the next 30 years.

The review panel will consider what local government does, how it does it, and how it pays for it. From there, it will explore what local government's future looks like, including:

- roles, functions and partnerships
- representation and governance
- funding and financing.

The review panel is expected to have an interim report back to the Minister of Local Government by September 2021, a draft report by September 2022 and a final report in April 2023.

PERFORMANCE MEASURES - Community Leadership

Community Leadership - Level of Service 1: Make decisions in an open, transparent manner and support collaborative partnerships with the community and key agencies/stakeholders in the district and region					
<i>How we measure performance</i>	CURRENT PERFORMANCE (2019/2020)	FUTURE PERFORMANCE TARGETS			
		Yr 1 (21/22)	Yr 2 (22/23)	Yr 3 (23/24)	Yr 4-10 (25-31)
KPI 1.1 Proportion of agenda items held in open meetings ¹	83%	85%	85%	85%	85%
KPI 1.2 Percentage of the Community Partnership Fund and District Initiatives Fund requested meets the budgeted amount	New measure	100%	100%	100%	100%
KPI 1.3 Percentage of community board meetings and workshops where the community is in attendance to address the Board	New measure	50%	50%	50%	50%

¹ This refers to the reports on the Council agenda and existing four standing committees and nine community boards

Community Leadership Funding Impact Statement

	2020/21 Annual Plan (\$000)	2021/22 Forecast (\$000)	2022/23 Forecast (\$000)	2023/24 Forecast (\$000)	2024/25 Forecast (\$000)	2025/26 Forecast (\$000)	2026/27 Forecast (\$000)	2027/28 Forecast (\$000)	2028/29 Forecast (\$000)	2029/30 Forecast (\$000)	2030/31 Forecast (\$000)
Sources of operating funding											
General rates, uniform annual general charges, rates penalties	5,539	7,754	7,766	7,946	8,097	8,237	8,324	8,461	8,692	8,938	8,988
Targeted rates	1,470	903	923	943	964	985	1,007	1,025	1,045	1,065	1,089
Subsidies and grants for operating purposes	1,924	115	115	115	115	115	115	115	115	115	115
Fees and charges	-	-	-	-	-	-	-	-	-	-	-
Internal charges and overheads recovered	1,922	551	561	571	584	598	607	621	636	652	666
Local authorities fuel tax, fines, infringement fees, & other receipts ¹	289	235	298	247	253	312	265	271	344	285	292
Total operating funding	11,143	9,558	9,663	9,823	10,013	10,246	10,317	10,494	10,832	11,054	11,149
Applications of operating funding											
Payments to staff and suppliers	5,807	3,825	4,130	4,024	4,112	4,429	4,264	4,405	4,755	4,661	4,756
Finance costs	-	5	2	1	-	-	-	-	-	-	-
Internal charges and overheads applied	3,185	2,526	2,496	2,594	2,688	2,694	2,747	2,768	2,858	2,944	2,930
Other operating funding applications	3,009	2,990	3,053	3,086	3,119	3,150	3,185	3,223	3,263	3,304	3,408
Total applications of operating funding	12,001	9,347	9,680	9,705	9,919	10,273	10,196	10,395	10,876	10,909	11,094
Surplus (deficit) of operating funding	(858)	212	(18)	117	94	(26)	122	99	(44)	144	55
Sources of capital funding											
Subsidies and grants for capital purposes	-	-	-	-	-	-	-	-	-	-	-
Development and financial contributions	--	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in debt	(249)	67	-	-	-	-	-	-	-	-	-
Gross proceeds from sale of assets	-	26	28	9	19	59	-	31	32	11	55
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-	-
Total sources of capital funding	(249)	93	28	9	19	59	-	31	32	11	55
Applications of capital funding											
Capital expenditure	-	-	-	-	--	-	-	-	-	-	-
to meet additional demand	-	-	-	-	-	-	-	-	-	-	-
to improve the level of service	-	-	-	-	-	-	-	-	-	-	-
to replace existing assets	-	79	82	37	48	205	-	92	96	43	188
Increase (decrease) in reserves	(107)	346	48	210	186	(53)	242	157	12	232	43
Increase (decrease) in investments	(1,000)	(120)	(120)	(120)	(120)	(120)	(120)	(120)	(120)	(120)	(120)
Total applications of capital funding	(1,107)	305	10	127	113	33	122	129	(12)	155	111
Surplus (deficit) of capital funding	858	(212)	18	(117)	(94)	26	(122)	(99)	44	(144)	(55)
Funding balance	-	-	-	-	-	-	-	-	-	-	-

1. Includes all other operating funding from sources not identified above.

Community Resources

What we do

The Community Resources group of activities includes:

- community facilities (including public toilets, community centres and halls, offices and libraries, amenity buildings and dump stations)
- community services (including cemeteries, community housing and library services)
- open spaces (including parks, reserves and streetscapes)
- waste services
- Stewart Island Electricity Supply Authority (SIESA).

Community facilities includes buildings and structures used by the community to participate in a range of activities and to access Council services.

Community services provides access for the community and visitors to our services and activities.

Open spaces manages 155 reserves throughout the district, varying in size, use, location and classification, as well as a number of beautification areas within townships.

Waste services manage rubbish and recycling options for households, business and industry, including ongoing waste minimisation and educational initiatives administered by WasteNet Southland, a joint committee across Southland councils.

SIESA generates and supplies electricity to consumers on Stewart Island/Rakiura. This activity also undertakes waste collection, ownership and operation of the Rakiura Resource Recovery Centre.



Why we do it

This group of activities provide funding or facilities that enable communities to participate in a range of recreational, educational, sporting, commercial and social/cultural activities.

This helps communities to become more socially connected and active and makes Southland a desirable place to live.

Stewart Island/Rakiura electricity supply is important economically to support the operation of local businesses and industries, which in turn contributes to sustaining the local community.

Outcome contribution



Social

Empowered communities with the right tools to deliver the best outcomes



Cultural

Inclusive connected communities



Economic

Provision of appropriate infrastructure & services



Environmental

Kaitiakitanga for future generations

Potential significant negative effects

Providing community service facilities may result in environmental impacts such as solid waste, energy use, spray drift or pests in parks and reserves. Council seeks to minimise these negative effects by ensuring operations are managed effectively; and that any waste is minimised and energy and water are conserved. Other possible negative effects from these activities could include traffic and noise affecting neighbours of community facilities and the cost of facility upgrades being beyond the ability of the community to pay.

The waste the district produces is in itself a negative effect on the environment. Council's waste services activity is aimed at dealing with these negative effects in ways that cause the least possible long-term harm. Negative effects from landfills can include leachate and production of gases. Council monitors these effects and manages closed landfills with the aim of reducing or mitigating these effects where possible. Council is taking steps to reduce the amount of waste disposed of at landfills in accordance with the Regional Waste Management and Minimisation Plan. Pests and rodents could potentially become a problem but there are pest control methods in place to manage this. The potential impacts of this activity are mitigated through efficient management and cleaning of transfer sites.

Community Resources

Key statistics

22 cemeteries

63 buildings

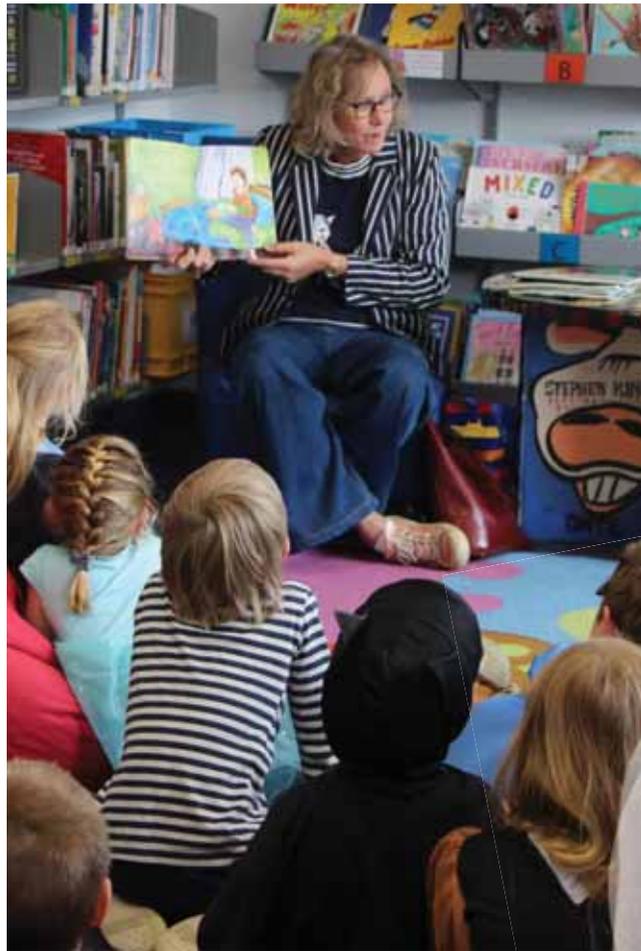
10 libraries

110k books

69 public toilets

155 reserves





One community offering endless opportunities...

Planning for the future

Community facilities

In our previous Long Term Plan 2018-2028, we identified a need to take a strategic approach to planning for our community facilities to help prioritise projects throughout the district.

To that end we have been working with our nine community boards to get a more complete picture of all the assets in each community board area, so that the community boards will be in a position to make informed choices about the future of those assets.

Also in the previous LTP, \$10.5 million was budgeted in years five and six (2022/2023 and 2023/2024) for a new Council office building. However, because one of the three conjoined buildings that currently form Council's head office in Forth Street, Invercargill, has since been found to be earthquake prone we were forced to close that area and relocate some staff to two leased office spaces in the central city.

These offices, in Don Street, have been leased for five years. Because of a raft of signalled legislative changes, which could have an impact on the future role of territorial authorities, including Southland District Council, no decision about a permanent office replacement will be made until more is known.

A key operational improvement is the integration of the Infor Property Management System (IPS), into our operational processes. This will allow online receipt and processing of public requests for service, and make management of our wide portfolio of community assets more efficient.





Open spaces

A major project during this long term plan is undertaking a review of reserve management plans, and introducing a play strategy that outlines our future plans for playgrounds and recreation areas.

An improvement will be integrating the Infor property management system (IPS) into our operational procedures, to enable online receipt and reporting on public requests for service.

A vast array of data has been gathered about our assets, including their location, age, and condition, ready to be put into the online IPS system. This crucial information will enable Council to make strategic decisions about the future of these assets.

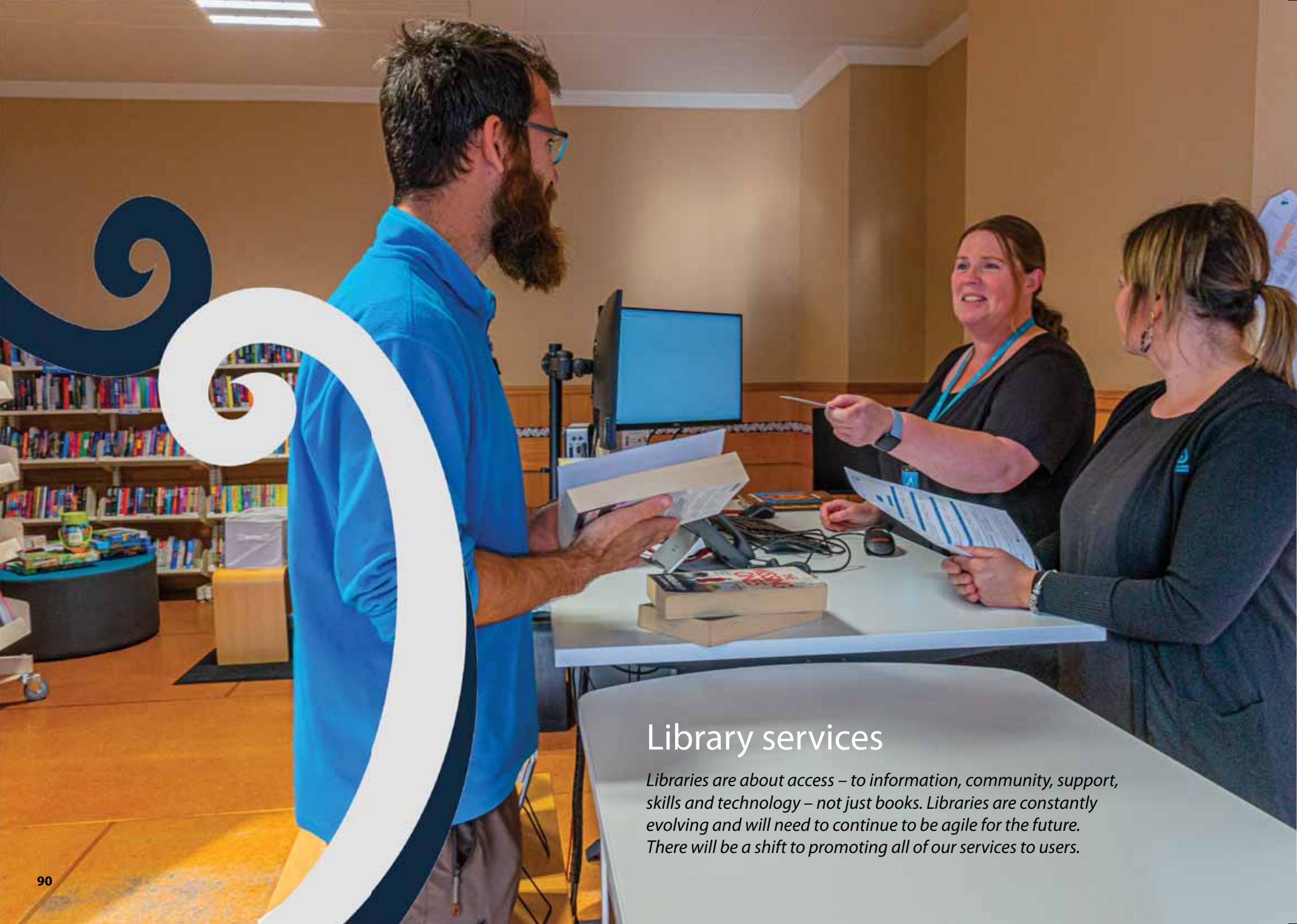


Cemeteries

We are implementing a new electronic cemetery management system, which will streamline the process of applying for and recording interments, and create better accessibility of information for both members of the public and staff.

During this long term plan a significant project is identifying and acquiring land to extend the Riverton Cemetery, as the number of available burial plots diminishes. This will be the first time we have sought to extend an existing Council-owned cemetery.

We will continue to erect memorial walls in our cemeteries. These concrete structures allow families to install plaques memorialising loved ones who may not be buried at that location, or who may have been lost and never recovered.



Library services

Libraries are about access – to information, community, support, skills and technology – not just books. Libraries are constantly evolving and will need to continue to be agile for the future. There will be a shift to promoting all of our services to users.

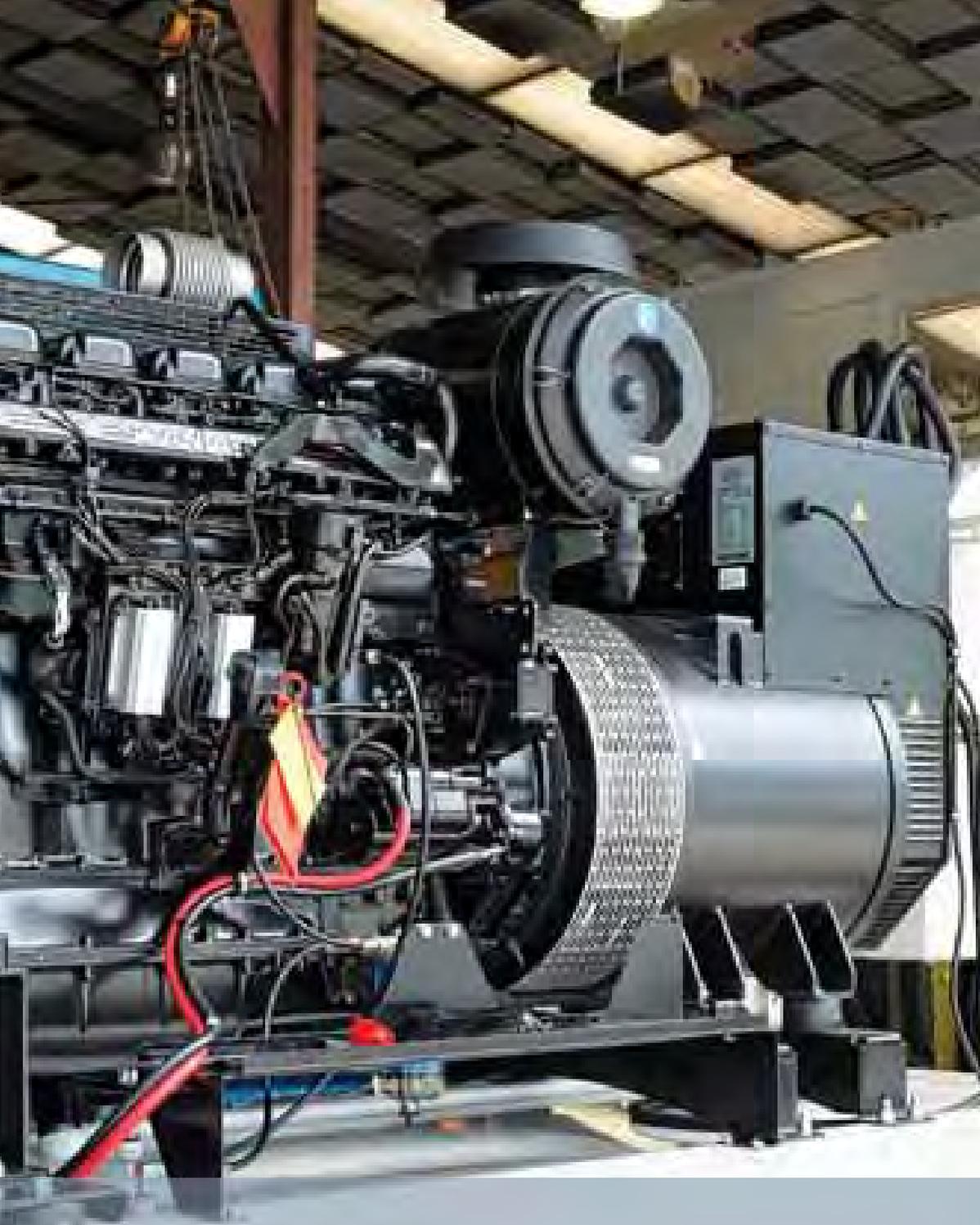


The Riverton library will be given a freshen-up as part of a planned programme of refurbishment across all libraries over time, to ensure consistent levels of service throughout the district.

The current mobile book bus service will be reviewed and new options investigated. Any perceived barriers to using the library will be investigated and some options will be considered to remove these to improve library use in the long term.

The Winton library will have a dedicated space for technology, laser etching, vinyl cutting and eventually 3D printing. The range of programmes offered will change to have something on offer for everybody.

RFID (radio frequency identification) is a modern library system, expected to be introduced at the end of this calendar year. It makes it much easier to find books, will improve self-service and can scan 20 books at once, which leads to a faster service.



Stewart Island Electrical Supply Authority

Our Stewart Island Electrical Supply Authority (SIESA) generates and supplies power to around 456 electricity customers on Stewart Island/Rakiura.

The electricity supply activity also includes the waste collection, ownership and operation of the Rakiura Resource Recovery Centre, which oversees the collection and disposal of waste on the island.

We are working to improve resilience and efficiency of the electricity supply network.

Major projects include renewals of motors and generators, poles, conductors and transformers, and additional undergrounding of critical network.



Waste services

Planned projects include undertaking a closed landfill vulnerability study; a weighbridge installation and greenwaste improvements in Winton; greenwaste improvements in Te Anau; and replacing a vehicle on Stewart Island/Rakiura.

PERFORMANCE MEASURES - Community Resources

How we measure performance	CURRENT PERFORMANCE	FUTURE PERFORMANCE TARGETS			
	(2019/2020)	Yr 1 (21/22)	Yr 2 (22/23)	Yr 3 (23/24)	Yr 4-10 (25-31)
Community Facilities Level of service 2: Council provides facilities and venues for community activities and events					
KPI 2.1 Community facilities requests for service are completed within specified timeframes	New measure	80%	80%	80%	80%
Community Services (Cemeteries) Level of Service 3: Facilities are fit for purpose, to enable healthy grieving and memorialisation for the community					
KPI 3.1 Cemetery interment costs are not funded by rates	\$0	\$0	\$0	\$0	\$0
KPI 3.2 To meet family expectations that the burial plots are prepared by the time required	New measure	100%	100%	100%	100%
Community Services (Community housing) Level of Service 4: Facilities are fit for purpose, in the appropriate locations and cater for future needs					
KPI 4.1 Community housing occupancy rate	94%	80%	80%	80%	80%
KPI 4.2 Percentage of people who meet priority criteria ¹	80%	80%	80%	80%	80%
Library Services Level of Service 5: Each facility will offer access to a space for tamariki, collaborative and quiet spaces for the community to use, customer support functions, community services (library services) basics, disability access, areas for council staff to work					
KPI 5.1 Number of council library facilities that meet all LoS criteria	New measure	1/7	2/7	3/7	4/7
Open Spaces Level of Service 6: The Council provides safe, well maintained open spaces for the community to enjoy sports and leisure activities					
KPI 6.1 Open spaces requests for services ² are completed within specified timeframes	New measure	80%	80%	80%	80%
SIESA Level of Service 7: Council provides a reliable, sustainable electricity supply to Stewart Island that meets current and future needs					
KPI: 7.1 Number of unplanned point of consumer supply interruptions to Stewart Island electricity supply	5	≤6	≤6	≤6	≤6
Waste Services Level of Service 8: Provide convenient and reliable rubbish and recycling services that minimise the amount of waste going to landfill					
KPI 8.1 The amount of waste diverted from landfill (tonnes) as a percentage of total waste ³	a) 35%	a) 40%	a) 40%	a) 40%	a) 40%
KPI 8.2 The maximum amount of waste per property disposed of to landfill (kilograms)	b) 588 kg per property	b) 650kg per property	b) 650kg per property	b) 650kg per property	b) 650kg per property

¹ Policy states that priority criteria includes persons are over 60 years old or persons that are considered to be in need of community housing

² Open spaces requests for related activities e.g. playgrounds, reserves etc

³ Total waste diverted by weight includes material from drop-off centres, (yellow) recycling wheelie bins, greenwaste sites and scrap metal. Weight calculations are estimated based on the number of collection containers processed multiplied by an average weight for different material types

Community Resources Funding Impact Statement

	2020/21 Annual Plan (\$000)	2021/22 Forecast (\$000)	2022/23 Forecast (\$000)	2023/24 Forecast (\$000)	2024/25 Forecast (\$000)	2025/26 Forecast (\$000)	2026/27 Forecast (\$000)	2027/28 Forecast (\$000)	2028/29 Forecast (\$000)	2029/30 Forecast (\$000)	2030/31 Forecast (\$000)
Sources of operating funding											
General rates, uniform annual general charges, rates penalties	3,076	6,856	7,380	7,795	8,220	8,315	8,304	8,724	9,225	9,455	9,592
Targeted rates	6,581	5,712	6,049	6,391	6,878	7,144	7,353	8,423	8,717	8,976	9,233
Subsidies and grants for operating purposes	655	304	93	93	94	94	94	94	94	94	94
Fees and charges	1,688	1,774	1,852	1,917	1,984	2,053	2,124	2,199	2,280	2,362	2,446
Internal charges and overheads recovered	2,910	2,682	2,825	2,966	3,332	3,193	3,164	3,206	3,266	3,316	3,318
Local authorities fuel tax, fines, infringement fees, & other receipts ¹	622	719	740	778	817	857	860	865	904	943	948
Total operating funding	15,531	18,046	18,940	19,941	21,323	21,655	21,900	23,511	24,485	25,148	25,631
Applications of operating funding											
Payments to staff and suppliers	11,334	13,240	12,743	13,262	13,787	13,129	13,683	15,073	14,815	15,343	15,954
Finance costs	-	169	267	308	486	626	631	633	628	616	582
Internal charges and overheads applied	3,672	4,604	4,831	5,001	5,283	5,219	5,119	5,383	6,123	6,314	6,421
Other operating funding applications	15	39	39	40	40	40	40	41	41	42	42
Total applications of operating funding	15,020	18,053	17,880	18,611	19,595	19,014	19,473	21,131	21,608	22,315	23,000
Surplus (deficit) of operating funding	511	(7)	1,059	1,330	1,728	2,641	2,427	2,380	2,878	2,833	2,632
Sources of capital funding											
Subsidies and grants for capital purposes	-	54	77	21	22	-	-	-	-	-	-
Development and financial contributions	24	10	-	35	-	-	-	-	-	-	-
Increase (decrease) in debt	2,178	5,781	3,168	10,134	8,586	2,158	2,068	1,818	1,582	577	769
Gross proceeds from sale of assets	10	83	86	97	90	112	95	97	111	102	128
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-	-
Total sources of capital funding	2,212	5,928	3,330	10,287	8,698	2,270	2,162	1,915	1,693	679	897
Applications of capital funding											
Capital expenditure											
to meet additional demand	79	10	-	232	-	-	-	-	-	-	-
to improve the level of service	620	1,515	1,355	1,511	958	524	1,894	1,017	755	25	25
to replace existing assets	2,144	4,810	2,361	8,788	7,934	2,239	969	1,065	1,293	997	1,318
Increase (decrease) in reserves	(109)	(289)	794	1,236	1,653	2,268	1,845	2,333	2,643	2,611	2,305
Increase (decrease) in investments	(11)	(120)	(120)	(149)	(120)	(120)	(120)	(120)	(120)	(120)	(120)
Total applications of capital funding	2,723	5,927	4,390	11,617	10,426	4,911	4,589	4,295	4,571	3,512	3,528
Surplus (deficit) of capital funding	(511)	7	(1,059)	(1,330)	(1,728)	(2,641)	(2,427)	(2,380)	(2,878)	(2,833)	(2,632)
Funding balance	-	-	-	-	-	-	-	-	-	-	-

1. Includes all other operating funding from sources not identified above.

Environmental Services

Environmental Services (includes emergency management)

What we do

Environmental Services is responsible for delivery of all of the Council's key regulatory statutory functions under the Resource Management Act 1991, the Building Act 2004, the Health Act 1956, the Dog Control Act 1996, the Sale and Supply of Alcohol Act 2012, the Freedom Camping Act 2011, the Food Act 2014 and other relevant legislation.

The group also currently has the lead relationship with Te Ao Marama, the agency authorised by Ngāi Tahu ki Murihiku, which provides iwi input into Council processes under the Resource Management Act 1991 and the Local Government Act 2002. The group also leads Council's relationship with Emergency Management Southland (EMS).

The four Environmental Services teams are:

- resource management
- environmental health
- animal control
- building solutions

The emergency management activity focuses on communities being prepared, responding to and recovering from emergencies when they happen.

Emergency Management Southland (a joint committee of the four Southland councils) co-ordinates Council's Civil Defence Emergency Management work across the 4Rs (Reduction, Readiness, Response and Recovery).

It involves creating community and agency response plans, developing communication networks, carrying out planning and education so people can better understand the risks, and training to increase the community's readiness to respond.

Southland District Council supports EMS by making staff available to participate in training exercises so that they are ready to contribute to the response during emergencies.

Why we do it

The Environmental Services activities focus on promoting and protecting public health, maintaining a safe environment and the overall amenity of the district. The Environmental Services group has an important kaitiakitanga (guardianship) role in ensuring that Council delivers its statutory regulatory obligations with respect to both the built and natural environment. The group is tasked with maintaining and enhancing the district's environment for future generations.

The group undertakes this role both to achieve the requirements under specific legislation and to meet the expectations of the community as expressed through community outcomes. The Emergency Management activity puts plans in place to ensure people are safe and connected in an emergency and helps build community resilience by preparing, responding, and recovering effectively from emergency events. Co-ordinated planning and increasing community awareness also reduce the potential for damage in emergencies, and a speedy response mitigates the effects of damage where possible.

Outcome contribution



Social

Empowered communities with the right tools to deliver the best outcomes



Cultural

Inclusive connected communities



Economic

Provision of appropriate infrastructure & services



Environmental

Kaitiakitanga for future generations

Potential significant negative effects

The building control and resource management activities exist to mitigate and manage risks from development, construction, weathertight home issues and earthquakes. Development and construction, if not well managed, can have negative effects on the environment and social wellbeing, as well as the safety of individuals. Development in the wrong areas or the wrong types of development can place strain on infrastructure and reduce people's ability to access services and enjoy the opportunities the district offers. Poor development and construction of individual buildings can reduce the attractiveness of the district and the 'sense of place' that people identify with, and can also have a direct impact on safety.

For the Emergency Management activity, a lack of co-ordination, adequate resourcing or communication could compromise an effective emergency response. Actions taken to respond to emergencies could also potentially affect the environment, although these are mitigated wherever possible.

Planning for the future

Empowered communities with the right tools to deliver the best outcomes and kaitiakitanga for future generations are the key community outcomes for this activity group.

There is a huge amount of change coming in the next three years in the regulatory space.

We need to adapt our systems and processes to accommodate the proposed central government legislative changes, and educate our communities on what this means for them.

We will be engaging on these changes on a regular basis with community boards and community partners.

One of our key focus areas is Council's commitment to the safety of our communities, and we acknowledge and support the work done by central government to ensure our buildings are safe and warm with the highest possible standards.

We will also continue to partner with other agencies and territorial authorities around Southland, including the southern clusters groups and the shared services forum, to create efficiencies, share ideas and advocate for communities.

Planned projects include:

- mobile technology for field work
- improving reporting and business intelligence tools
- the development of an enforcement and prosecution policy or guidelines
- the development and implementation of a quality assurance framework for food safety.



Legislative changes

A number of legislative changes will lead to increased long-term protection of the natural environment and environmental wellbeing. These changes will lead to an increased focus on compliance and new ways of doing things.

The Resource Management Act 1991 (RMA) will be repealed and replaced with new laws.

The three new acts are the:

- Natural and Built Environments Act (NBA) to provide for land use and environmental regulation (this would be the primary replacement for the RMA), scheduled for implementation at the end of 2022. The NBA still seeks to:
 - o promote positive outcomes for both the natural and built environments
 - o ensure that use, development and protection of resources only occur within prescribed environmental limits
 - o ensure adverse effects of activities on the environment are avoided, remedied or mitigated; and

- o provide a set of mandatory national policies and standards on specified aspects of the new system. These will include environmental natural limits, outcomes and targets.
- Strategic Planning Act (SPA) to integrate with other legislation relevant to development, and require long-term regional spatial strategies to plan for the wellbeing of future generations and ensure development and infrastructure occurs in the right time and at the right places. This is proposed to be implemented in 2023.

The Strategic Planning Act will integrate functions under the RMA, Local Government Act 2002, Land Transport Management Act 2003 and the Climate Change Response Act 2002 to enable clearer and more efficient decision-making and investment.

- Climate Change Adaptation Act (CAA) to address complex issues associated with managed retreat and funding and financing adaptation. It is proposed that this will be implemented in 2023. The CAA will respond to the effects of climate change and will be progressed by the Climate Change Minister.

It is intended that the new laws will improve the natural environment, enable more development within environmental limits, provide an effective role for Māori, and improve housing supply and affordability, and that planning processes will be timelier and user friendly.

There will also be national direction and a single combined plan for each region instead of a multitude of plans, and a focus on natural environmental outcomes and improved urban design.

Proposed national policy statements

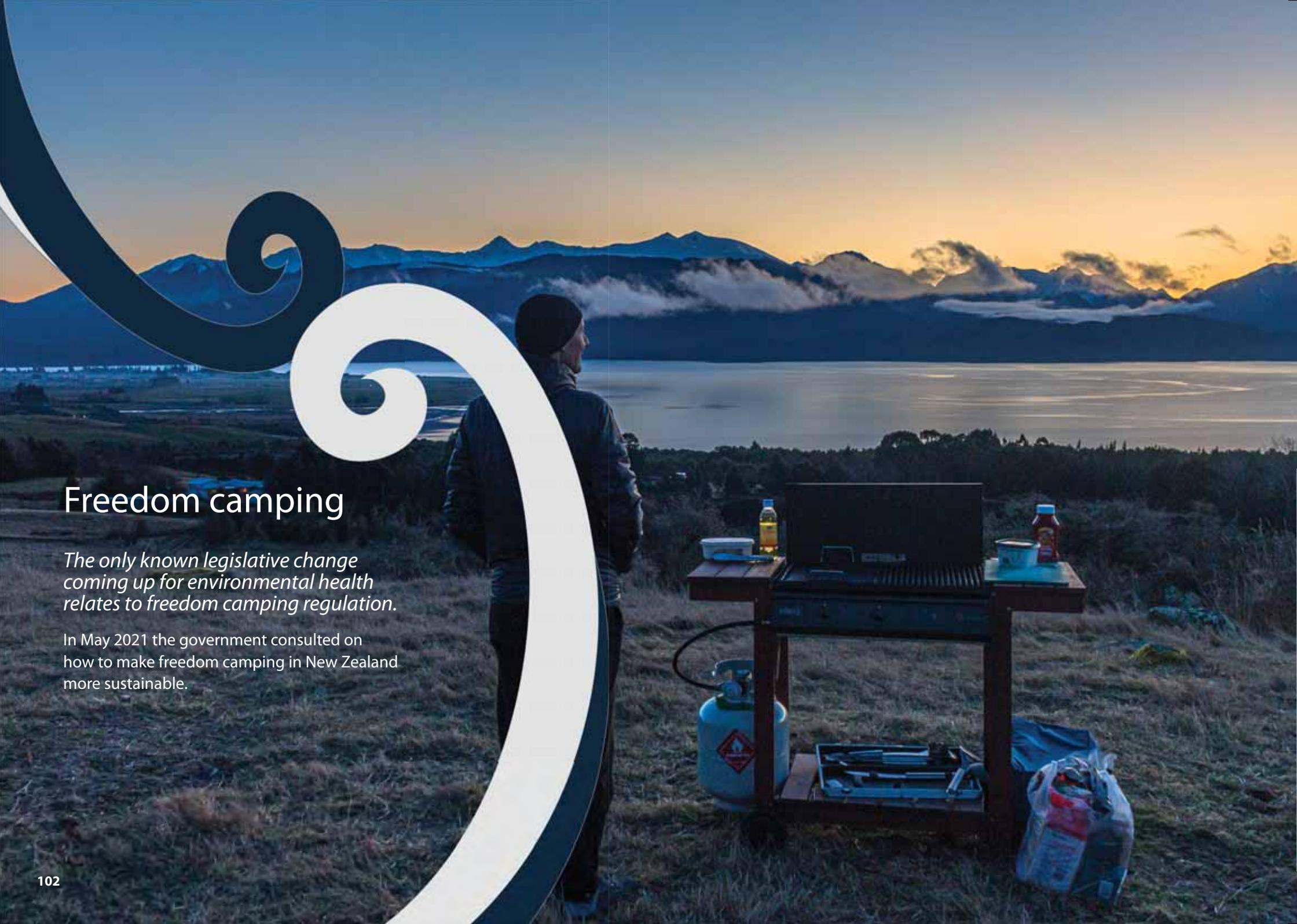
Issued under the RMA, national policy statements provide direction for matters of national significance relevant to sustainable management. There are currently two proposed statements.

1. *National Policy Statement on Indigenous Biodiversity*

- work is in progress, with it expected to come into effect in July 2021
- sets out the objectives and policies to identify, protect, manage and restore indigenous biodiversity
- require councils to take a more proactive role in protecting biodiversity.
- applies across both public and private land, including terrestrial ecosystems and wetlands. It has a high impact on the management of biodiversity on private land, including inspections and compliance.

2. *National Policy Statement on High Productive Land*

- work is in progress, with it expected to come into effect in mid-2021.
- to improve the way highly productive land is managed under the RMA and protect it from inappropriate subdivision, use and development.



Freedom camping

The only known legislative change coming up for environmental health relates to freedom camping regulation.

In May 2021 the government consulted on how to make freedom camping in New Zealand more sustainable.



Communities had raised concerns about the increasing number of freedom campers before the Covid-19 pandemic, their cumulative impact on the environment and the cost to local communities of hosting them.

The main concern has focused on the subset of freedom campers who stay in cars, or vans with sleeping platforms, that are not self-contained.

The consultation document presented four proposals for consideration:

1. Make it mandatory for freedom camping in a vehicle to be done in a certified self-contained vehicle.
2. Make it mandatory for freedom campers to stay in a vehicle that is certified self-contained, unless they are staying at a site with toilet facilities (excluding public conservation lands and regional parks).
3. Improve the regulatory tools for government land managers.
4. Strengthen the requirements for self-contained vehicles.

The Ministry of Business, Innovation and Employment (MBIE) will analyse all submissions received and report back to the Minister of Tourism on the feedback. Southland District Council made a submission.





Health and alcohol licensing

The updates to the key legislation that regulates these activities has been fully implemented (in particular the Food Act 2014 and Sale and Supply of Alcohol Act 2012).

Key workstreams for these activities include:

- smarter systems
- maximisation of remote technology (such as Zoom) where appropriate
- mapping processes
- the application of quality assurance principles.



Animal control

There will soon be more features for online options for dog-related services, for example, the ability for a dog owner to view all their dogs on one screen, and to make changes to each individual dog.

Three councils are trialling one tag for life in 2021/2022. Should this trial be successful, then the dog control team will present this as an option for Southland District Council in 2022/2023 or 2023/2024.

Electronic methods to improve Council's dog control monitoring will be adopted. Monitoring plays an important role in the prevention of dog attacks, for example identifying unregistered dogs, or dogs that are not adequately contained.



Earthquake-prone buildings

The system for identifying and managing earthquake-prone buildings changed on 1 July 2017. The new system prioritises identification and remediation of earthquake-prone buildings that either pose a high risk to life safety or are critical to recovery in an emergency.

Earthquake-prone buildings in a medium seismic risk area that are not deemed priority buildings have 25 years to carry out remedial works. Priority buildings must be identified and remediated in half the standard time, 12 and a half years, to reduce the risks to life safety more promptly.

To help determine which buildings may be priority buildings, our staff have identified thoroughfares in four areas that may have sufficient vehicular or pedestrian traffic to warrant prioritisation, if parts of unreinforced masonry buildings were to fall onto them in an earthquake.

After consultation it was agreed there were four priority areas: Otautau, Riverton, Wyndham and Winton. Owners of a heritage building may be able to apply for funding to obtain an engineering report on their building and advice on options.

Climate change

The data collection for the regional LiDAR mapping project is expected to be completed next year, followed by analysis and development of the report.

LiDAR (which stands for “Light Detection and Ranging”) is a remote sensing method that uses light in the form of a pulsed laser attached to an aircraft to measure ranges to the earth. This process produces a highly accurate electronic dataset, which can then be used to produce a very detailed three-dimensional elevation model of the earth’s surface.

The information that can be collected has proven to be extremely valuable for spatial, land use and infrastructure planning, and civil defence/emergency management in other regions.

New Zealand’s commitment to be carbon neutral by 2050 through the Climate Change Response (Zero Carbon) Amendment Act 2019 will mean a number of changes. The act provides a framework by which New Zealand can develop and implement clear and stable climate change policies that:

- contribute to the global effort under the Paris Agreement to limit the global average temperature increase to 1.5deg Celsius above pre-industrial levels
- allow New Zealand to prepare for, and adapt to, the effects of climate change.

The changes do four key things:

1. Set a new domestic greenhouse gas emissions reduction target for New Zealand to:
 - reduce net emissions of all greenhouse gases (except biogenic methane) to zero by 2050
 - reduce emissions of biogenic methane to 24-47% below 2017 levels by 2050, including to 10% below 2017 levels by 2030
2. establish a system of emissions budgets to act as stepping stones towards the long-term target
3. require the government to develop and implement policies for climate change adaptation and mitigation
4. establish a new, independent Climate Change Commission to provide expert advice and monitoring to help keep successive governments on track to meeting long-term goals.

They also mean that in the future:

- you need to create a carbon footprint of a house from design to demolition over at least a 50-year period
- all fossil fuels will be banned by 2050
- building materials must be energy efficient

there will be an increased focus on compliance.

In 2021 there will be a transition to the new provisions including having the first national climate change risk assessment published, provisional emissions budgets set and more use of the emissions trading scheme.



District Plan review

There will be a review of the Southland District Plan 2018 to meet legislative requirements and best practice including:

- significant natural areas and biodiversity projects
- natural hazards
- climate change
- landscapes
- combining RMA documents in Southland under proposed new acts.



Building Code consultation

Every year, MBIE consults on the Building Code and selected acceptable solution and verification method documents, providing an opportunity for the public and the building and construction sector to have their say on any of the proposed changes.

The proposed changes aim to make homes and buildings warmer, drier and healthier, with less impact on our environment, while also bringing New Zealand more in line with international standards. A higher-density eight (HD8) programme is looking at eight clauses in the Building Code over the next five years to see how these clauses can be improved to better support higher density housing.

MBIE consulted on these changes in May 2021. Among the key changes proposed are:

1. Energy efficiency - new climate zones to better reflect the specific weather different parts of New Zealand experience. Introduce an increased standard in insulation of new homes in different areas of the country e.g, most cold equals more insulation. Change from three zones to six new zones that better reflect the actual temperature in that area.
2. Climate zone – Increase level of insulation required, the rate of change and how far they should go
3. Heating, ventilation and air conditioning systems in commercial buildings
4. Natural light and weather tightness in apartment buildings/higher density housing.

Southland would fall into Zone 6, which means if all the changes were accepted it could cost an additional \$50,000 to build a new house.



Emergency management

The purpose of the activity is to keep people safe and its vision is for safer, strong communities understanding and managing their hazards. The key driver for the work in the next 10 years is to achieve this vision.

The activity will continue to focus on preparing for an effective response to any emergency in Southland and ensuring there are adequate resources and training, and good working relationships with service partners.

The three most significant hazards for Southland identified in the Group Plan are the earthquake (Alpine Fault), flooding and tsunami risk and it is likely that these will remain a priority work area for Emergency Management Southland (EMS) in the future.

The focus will continue on community engagement and enhancing individual and community readiness, enhancing relationships with iwi and re-engaging with these groups to develop plans for large scale responses such as the Alpine Fault rupture and developing specific urban communities of interest such as the Southland Institute of Technology, faith-based groups and engaging with businesses to assist with business continuity planning.

All regions in Southland now have Community Response Groups and Plans. We aim to renew our Community Response plans across Southland by 2024.

A significant body of work called AF8 (Alpine Fault magnitude 8) has been led by EMS with South Island-wide involvement around preparing for a magnitude 8 rupture on the Alpine Fault. The work has four workstreams, which include response, engagement, risk communication, and recovery. This AF8 work is crucial for community resilience and will continue during this LTP cycle.





A regional flood response plan was developed in 2019 and put into use during the February 2020 floods. Incorporating lessons learnt, building stronger response relationships across all stakeholders, iwi and communities and ensuring assets are improved and maintained, particularly considering climate change, will be a key piece of work during this long term plan.

There will also be further tsunami modelling updated with fresh LiDAR height data and evacuation planning.

PERFORMANCE MEASURES - Environmental Services

Environmental services – Level of Service 9: Enhance the health, safety and well-being of the community and environment, through the effective implementation of a range of legislation

How we measure performance	CURRENT PERFORMANCE	FUTURE PERFORMANCE TARGETS			
	(2019/2020)	Yr 1 (21/22)	Yr 2 (22/23)	Yr 3 (23/24)	Yr 4-10 (25-31)
KPI 9.1 Percentage of non-notified resource consents processed within statutory timeframes	New measure	100%	100%	100%	100%
KPI 9.2 Percentage of building consent applications processed within statutory timeframes	New measure	100%	100%	100%	100%
KPI 9.3 Percentage of code compliance certificate applications processed within statutory timeframes	New measure	100%	100%	100%	100%
KPI 9.4 Number of serious injuries to the public from dog attacks ¹	0	0	0	0	0
KPI 9.5 Percentage of non-working dogs subject to the responsible owner category	90%	85%	86%	87%	90%
KPI 9.6 Number of incidents ² of foodborne illness believed ³ to be caused by food sold at a Council-verified business	0	0	0	0	0
KPI 9.7 On site Building Warrant of Fitness audits completed in the community	New measure	20% of buildings audited	20% of buildings audited	20% of buildings audited	Continue 5 year cycle of audits. 20% of buildings annually
Emergency Management – Level of Service 10: Build community resilience to emergency events					
KPI 10.1 Number of Southland communities covered by Community Response Plans that have been reviewed with that community in the last 3 years	All communities are covered with a plan.	8 per year	8 per year	8 per year	maintain up-to-date community plans
KPI 10.2 Percentage of surveyed households that have an emergency plan (written or verbal)	67%	maintain above 60%	maintain above 60%	maintain above 60%	maintain above 60%

¹ This is not intended to capture injuries from dog bites within a home environment.

² "Incident" means illness arising from a common food source that has made one or more people ill, and includes an outbreak (more than two people ill).

³ "Believed" means that there is strong evidence suggesting the cause is the business concerned. The term 'suspected' would be used when there is weak evidence linking a food business to the incident.

Environmental Services Funding Impact Statement

	2020/21 Annual Plan (\$000)	2021/22 Forecast (\$000)	2022/23 Forecast (\$000)	2023/24 Forecast (\$000)	2024/25 Forecast (\$000)	2025/26 Forecast (\$000)	2026/27 Forecast (\$000)	2027/28 Forecast (\$000)	2028/29 Forecast (\$000)	2029/30 Forecast (\$000)	2030/31 Forecast (\$000)
Sources of operating funding											
General rates, uniform annual general charges, rates penalties	2,503	4,792	5,395	5,785	6,310	6,345	6,434	6,523	6,734	6,901	6,993
Targeted rates	-	-	-	-	-	-	-	-	-	-	-
Subsidies and grants for operating purposes	16	10	10	11	11	11	11	12	12	12	13
Fees and charges	2,915	3,678	3,850	4,006	4,170	4,341	4,520	4,645	4,775	4,909	5,046
Internal charges and overheads recovered	358	657	590	600	610	621	632	644	655	667	678
Local authorities fuel tax, fines, infringement fees, & other receipts ¹	46	198	203	209	214	219	225	231	237	243	250
Total operating funding	5,839	9,336	10,049	10,610	11,315	11,538	11,822	12,054	12,413	12,732	12,978
Applications of operating funding											
Payments to staff and suppliers	3,888	6,099	6,285	6,670	7,212	7,241	7,442	7,598	7,824	8,010	8,261
Finance costs	-	2	4	3	3	3	2	1	-	-	-
Internal charges and overheads applied	2,025	3,448	3,557	3,644	3,783	3,828	3,851	3,893	4,040	4,130	4,110
Other operating funding applications	337	419	445	441	452	463	447	459	472	485	498
Total applications of operating funding	6,250	9,968	10,290	10,758	11,450	11,535	11,742	11,952	12,336	12,625	12,868
Surplus (deficit) of operating funding	(411)	(632)	(241)	(148)	(135)	4	80	102	77	107	110
Sources of capital funding											
Subsidies and grants for capital purposes	-	-	-	-	-	-	-	-	-	-	-
Development and financial contributions	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in debt	(14)	105	-	39	40	-	-	-	-	-	-
Gross proceeds from sale of assets	21	-	29	29	20	91	32	32	56	23	103
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-	-
Total sources of capital funding	7	105	29	68	60	91	32	32	56	23	103
Applications of capital funding											
Capital expenditure											
to meet additional demand	-	-	-	-	-	-	-	-	-	-	-
to improve the level of service	-	109	4	43	44	4	4	4	4	4	4
to replace existing assets	73	-	114	117	80	363	126	129	222	91	413
Increase (decrease) in reserves	(478)	(516)	(210)	(120)	(79)	(152)	101	121	27	155	(84)
Increase (decrease) in investments	-	(120)	(120)	(120)	(120)	(120)	(120)	(120)	(120)	(120)	(120)
Total applications of capital funding	(405)	(527)	(212)	(80)	(75)	94	112	134	133	130	213
Surplus (deficit) of capital funding	411	632	241	148	135	(4)	(80)	(102)	(77)	(107)	(110)
Funding balance	-	-	-	-	-	-	-	-	-	-	-

1. Includes all other operating funding from sources not identified above.

Stormwater

What we do

Council aims to provide a stormwater system that is reliable, has adequate capacity and aims to protect people and property from flooding.

Key statistics

25

schemes

113

km of reticulation

Why we do it

Stormwater networks are provided to reduce the impact of flooding due to rainfall. The activity protects people's property, improves road safety and mitigates accessibility/safety issues which may otherwise be caused during flooding events.

The collection, treatment and disposal of stormwater also helps to protect public health and controls the level of pollutants in stormwater discharged to waterways.

Potential significant negative effects

Severe storm events which exceed stormwater system design standards may result in localised flooding or overflows that adversely impact property or result in pollutants entering waterways and groundwater.

Outcome contribution



Empowered communities with the right tools to deliver the best outcomes



Inclusive connected communities



Provision of appropriate infrastructure & services



Kaitiakitanga for future generations

Planning for the future

We are planning a gradual upgrade over the whole network.

Historically, Council has had limited knowledge of stormwater infrastructure throughout the district but it is believed that much of it is in poor condition. We are working to address this using data validation in communities throughout the district.

Stormwater system upgrades scheduled in this long term plan include:

- **Winton**, \$500,000 per annum over 10 years. As well as upgrading the stormwater pipe network in Winton, one objective of this major project is to eliminate 20% of stormwater infiltration into the wastewater system.
- **Wyndham**, \$3 million upgrade.
- **Lumsden** reticulation upgrade, \$450,000 over four years.
- **Riverton** (Towack Street upgrade), \$400,000 of government stimulus funding over two years.
- **Stewart Island/Rakiura**, \$400,000 over two years, for stormwater improvements in Oban.
- **Woodlands**, \$400,000 upgrade.



PERFORMANCE MEASURES - Stormwater

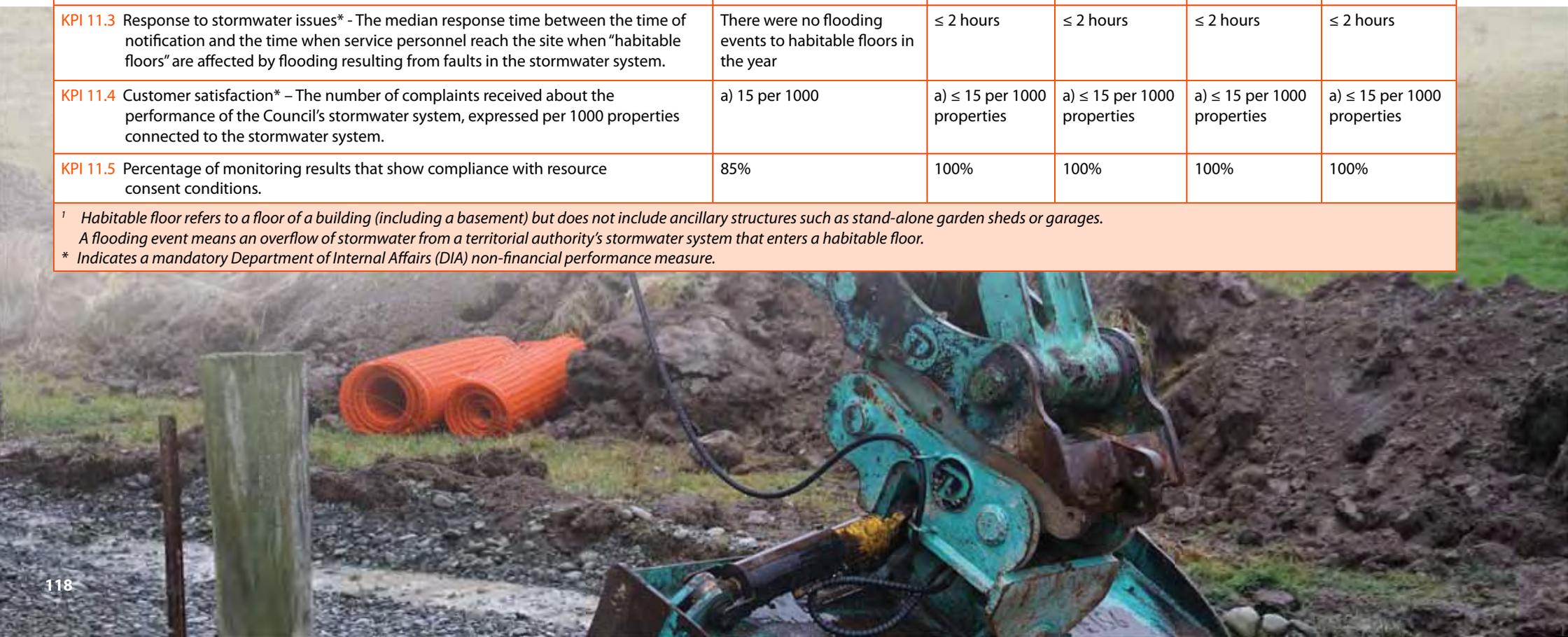
STORMWATER - Level of Service 11: Provide a reliable stormwater system that protects public health and the environment

<i>How we measure performance</i>	CURRENT PERFORMANCE	FUTURE PERFORMANCE TARGETS			
	(2019/2020)	Yr 1 (21/22)	Yr 2 (22/23)	Yr 3 (23/24)	Yr 4-10 (25-31)
<p>KPI 11.1 System adequacy* - Overflows resulting from the stormwater system that result in the flooding of a habitable floor¹</p> <p>a) The number of “flooding events” that occur within the district.</p> <p>b) For each flooding event, the number of habitable floors affected (expressed per 1000 properties connected to the council stormwater system).</p>	<p>a) 0</p> <p>b) 0</p>	<p>a) ≤ 5</p> <p>b) ≤ 1</p>			
<p>KPI 11.2 Discharge compliance* - Compliance with the resource consents for discharge from the stormwater system, measured by the number of:</p> <p>(a) abatement notices</p> <p>(b) infringement notices</p> <p>(c) enforcement orders</p> <p>(d) successful prosecutions, received in relation to those resource consents.</p>	<p>a) 0</p> <p>b) 0</p> <p>c) 0</p> <p>d) 0</p>	<p>a) 0</p> <p>b) 0</p> <p>c) 0</p> <p>d) 0</p>	<p>a) 0</p> <p>b) 0</p> <p>c) 0</p> <p>d) 0</p>	<p>a) 0</p> <p>b) 0</p> <p>c) 0</p> <p>d) 0</p>	<p>a) 0</p> <p>b) 0</p> <p>c) 0</p> <p>d) 0</p>
<p>KPI 11.3 Response to stormwater issues* - The median response time between the time of notification and the time when service personnel reach the site when “habitable floors” are affected by flooding resulting from faults in the stormwater system.</p>	There were no flooding events to habitable floors in the year	≤ 2 hours	≤ 2 hours	≤ 2 hours	≤ 2 hours
<p>KPI 11.4 Customer satisfaction* – The number of complaints received about the performance of the Council’s stormwater system, expressed per 1000 properties connected to the stormwater system.</p>	a) 15 per 1000	a) ≤ 15 per 1000 properties			
<p>KPI 11.5 Percentage of monitoring results that show compliance with resource consent conditions.</p>	85%	100%	100%	100%	100%

¹ Habitable floor refers to a floor of a building (including a basement) but does not include ancillary structures such as stand-alone garden sheds or garages.

A flooding event means an overflow of stormwater from a territorial authority’s stormwater system that enters a habitable floor.

* Indicates a mandatory Department of Internal Affairs (DIA) non-financial performance measure.



Stormwater Funding Impact Statement

	2020/21 Annual Plan (\$000)	2021/22 Forecast (\$000)	2022/23 Forecast (\$000)	2023/24 Forecast (\$000)	2024/25 Forecast (\$000)	2025/26 Forecast (\$000)	2026/27 Forecast (\$000)	2027/28 Forecast (\$000)	2028/29 Forecast (\$000)	2029/30 Forecast (\$000)	2030/31 Forecast (\$000)
Sources of operating funding											
General rates, uniform annual general charges, rates penalties	-	361	376	388	395	404	418	421	435	452	453
Targeted rates	485	758	1,486	1,668	1,824	1,907	1,974	2,114	2,284	2,363	2,452
Subsidies and grants for operating purposes	-	400	-	-	-	-	-	-	-	-	-
Fees and charges	-	-	-	-	-	-	-	-	-	-	-
Internal charges and overheads recovered	62	77	77	77	77	69	62	63	61	59	60
Local authorities fuel tax, fines, infringement fees, & other receipts ¹	-	-	-	-	-	-	-	-	-	-	-
Total operating funding	547	1,596	1,938	2,133	2,297	2,381	2,453	2,597	2,780	2,875	2,965
Applications of operating funding											
Payments to staff and suppliers	274	977	1,237	1,362	1,516	1,529	1,568	1,611	1,656	1,703	1,779
Finance costs	-	19	27	43	53	75	99	135	155	162	169
Internal charges and overheads applied	154	613	620	654	667	670	674	692	779	808	841
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
Total applications of operating funding	428	1,610	1,885	2,059	2,236	2,274	2,341	2,438	2,589	2,672	2,790
Surplus (deficit) of operating funding	119	(13)	53	74	60	106	113	160	191	202	175
Sources of capital funding											
Subsidies and grants for capital purposes	-	1,658	-	-	-	-	-	-	-	-	-
Development and financial contributions	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in debt	(33)	443	851	580	1,181	1,317	1,967	1,166	599	615	891
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-	-
Total sources of capital funding	(33)	2,102	851	580	1,181	1,317	1,967	1,166	599	615	891
Applications of capital funding											
Capital expenditure											
to meet additional demand	-	-	-	-	-	-	-	-	-	-	-
to improve the level of service	20	728	383	53	463	222	-	350	-	-	-
to replace existing assets	-	1,480	515	527	757	1,919	1,967	817	839	615	884
Increase (decrease) in reserves	65	(96)	31	98	46	(694)	137	184	(24)	226	206
Increase (decrease) in investments	-	(24)	(24)	(24)	(24)	(24)	(24)	(24)	(24)	(24)	(24)
Total applications of capital funding	85	2,088	905	654	1,241	1,423	2,080	1,326	790	818	1,066
Surplus (deficit) of capital funding	(119)	13	(53)	(74)	(60)	(106)	(113)	(160)	(191)	(202)	(175)
Funding balance	-	-	-	-	-	-	-	-	-	-	-

1. Includes all other operating funding from sources not identified above.

Transport

The Southland roading network is the second largest of any territorial authority in the country.

Key statistics



4,969km roading network

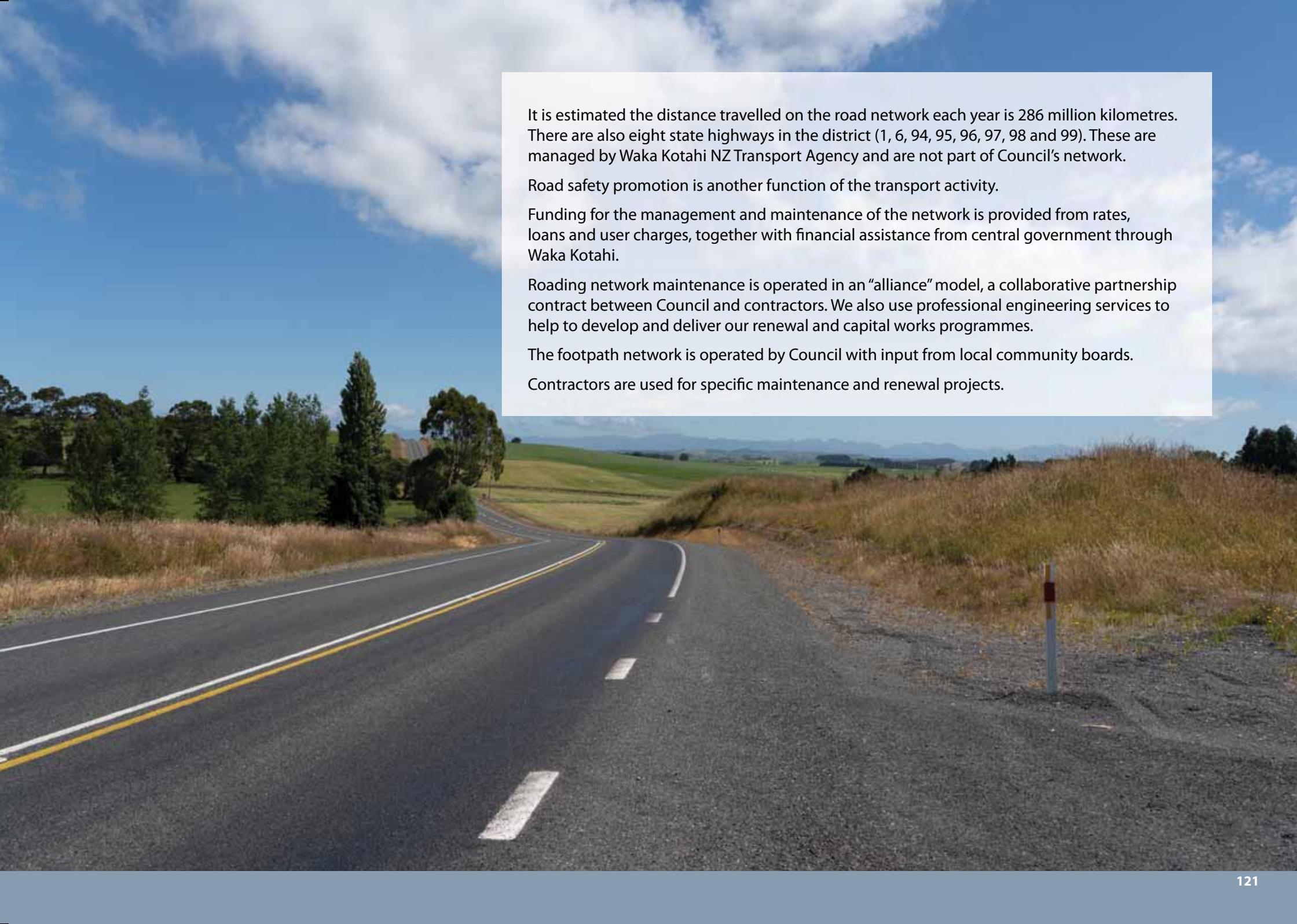
852 bridges

210km of footpaths

239 stock underpasses

2,739 streetlights





It is estimated the distance travelled on the road network each year is 286 million kilometres. There are also eight state highways in the district (1, 6, 94, 95, 96, 97, 98 and 99). These are managed by Waka Kotahi NZ Transport Agency and are not part of Council's network.

Road safety promotion is another function of the transport activity.

Funding for the management and maintenance of the network is provided from rates, loans and user charges, together with financial assistance from central government through Waka Kotahi.

Roading network maintenance is operated in an "alliance" model, a collaborative partnership contract between Council and contractors. We also use professional engineering services to help to develop and deliver our renewal and capital works programmes.

The footpath network is operated by Council with input from local community boards.

Contractors are used for specific maintenance and renewal projects.

Transport

The Transport group of activities manages transportation services and assets to enable safe transportation in the district (excluding State Highways).

What we do

Services range from maintenance including keeping roads free from debris and grading of gravel roads to major capital works such as bridge replacements and road renewals.

In addition to roads, streets, streetlights, bridges and culverts, Transport also manages the Around the Mountains Cycle Trail and Te Anau Airport Manapouri, along with water facilities including wharves, boat ramps and navigation aids.



Why we do it

Council's roads and footpaths provide its communities with a safe and integrated corridor for goods and services to move throughout the district. This activity supports people's ability to live, work and travel safely throughout Southland.

Water infrastructure such as boat ramps, jetties, wharves and navigation aids enable recreational and commercial access to waterways as well as the ability for residents and visitors to access services where the only available access is by water. The activity also supports the environment by having stopbanks and marine walls which protect the environment from flooding as well as safety by having aids that improve navigation.

Outcome contribution



Social

Empowered communities with the right tools to deliver the best outcomes



Cultural

Inclusive connected communities



Economic

Provision of appropriate infrastructure & services



Environmental

Kaitiakitanga for future generations

Potential significant negative effects

While the roading and footpaths activity plays an integral part in Southland district, there are inherently some significant negative effects on the community's wellbeing associated with it. Council has processes in place to reduce the likeliness of their occurrence. An example of a significant negative effect is fatalities.

The possibility of these occurring is reduced through maintenance, renewals and road safety strategies. Other negative effects that could arise from the roads are economic effects such as travel delays as a result of road construction or upgrade works. Negative environmental effects could also occur, such as excessive noise, dust, contamination of waterways by stormwater discharge from road surfaces and environmental degradation from road construction or upgrade works.

Planning for the future

Our primary focus in this 10-year plan is the maintenance of our network and renewing existing assets. No new major capital works are scheduled.

We are continuing to budget on receiving a 52% subsidy from Waka Kotahi NZ Transport Agency for our total roading programme.

This has increased from the 51% subsidy provided through the 2018-2021 three-year funding cycle. However, as Waka Kotahi's national funding pool was oversubscribed for the 2021-2024 cycle we received less than the amount we sought, and our projected works programme has been adjusted accordingly.

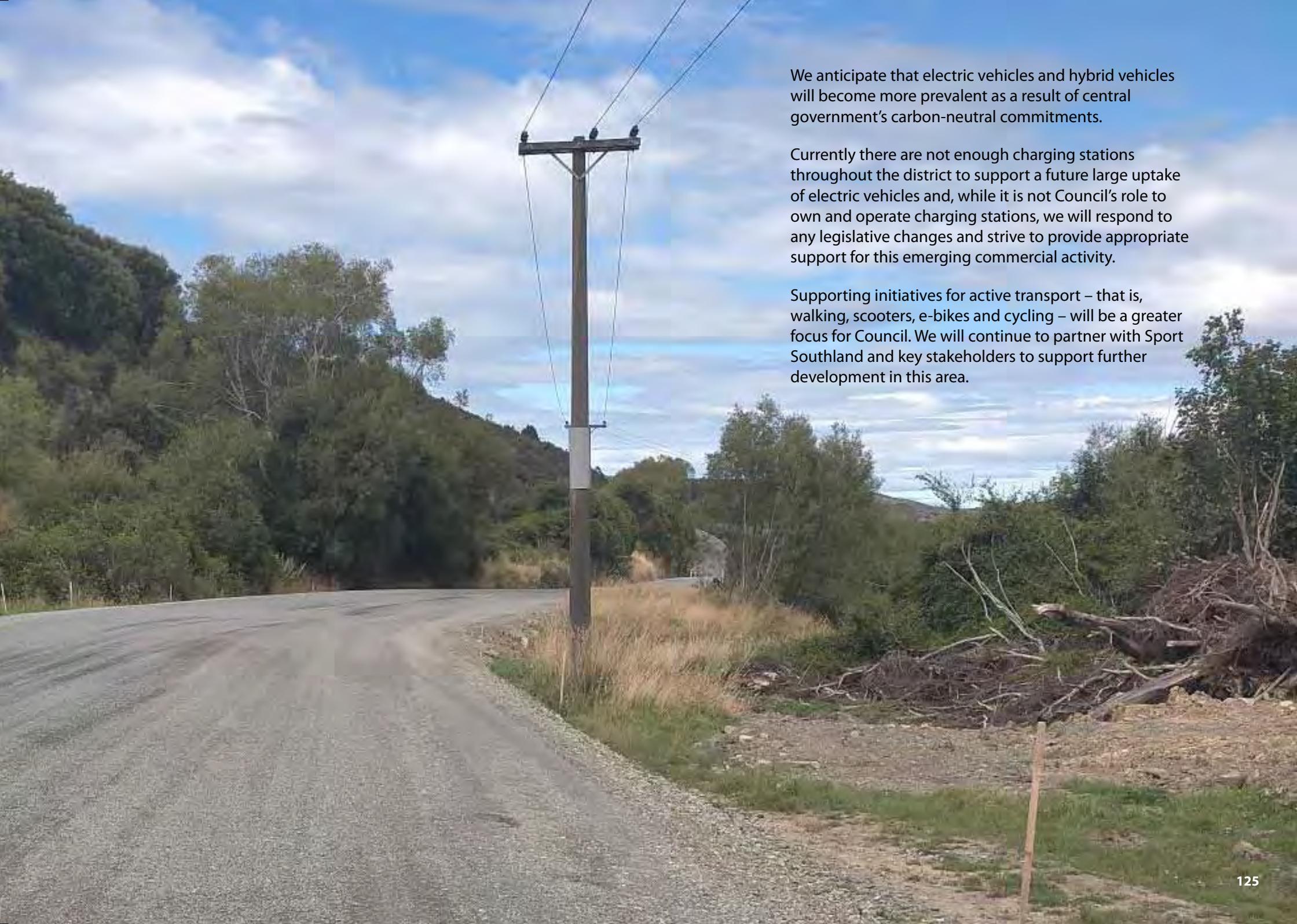
However, we are still planning on a continued increase in investment in road rehabilitations and bridge replacements over the next 10 years.

In the first two years of this long term plan we will carry out around 8km a year of sealed road rehabilitations. This involves rebuilding and resurfacing the road when its condition becomes poor or defective, to restore it to the required level of service. By 2023 this will rise to 10km and in the following years of the 10 year plan we will look to increase this further, subject to funding availability.

As well, we will increase our investment in replacement of ageing bridges to \$2.5 million a year over the first three years, up from around \$2 million a year previously. We will prioritise those bridges based on a range of factors, including traffic information, alternative access and detour length. From 2024, we will seek to increase investment, provided additional funding can be secured. It should be noted that even with an elevated level of investment some bridges may still have to close temporarily, depending on the priority of replacements within budgets available.

Affordability of dust suppression on gravel roads is a growing issue for residents. Changes to the Southland Water and Land Plan mean used waste oil is no longer a preferred option for application, and alternatives currently available are expensive for rural property owners.

Drainage will be a big strategic focus for Council in this long term plan, as we prepare for the effects of climate change and the likelihood of more extreme flooding events. We are carrying out condition and risk assessments of culverts over the next two to three years, with a view to replacement and, where necessary, upgrading to larger diameter culverts to cope with potential increased water flow.



We anticipate that electric vehicles and hybrid vehicles will become more prevalent as a result of central government's carbon-neutral commitments.

Currently there are not enough charging stations throughout the district to support a future large uptake of electric vehicles and, while it is not Council's role to own and operate charging stations, we will respond to any legislative changes and strive to provide appropriate support for this emerging commercial activity.

Supporting initiatives for active transport – that is, walking, scooters, e-bikes and cycling – will be a greater focus for Council. We will continue to partner with Sport Southland and key stakeholders to support further development in this area.



Around the Mountains Cycle Trail

The Around the Mountains Cycle Trail is one of 22 cycle trails throughout the country rated as Great Rides by Ngā Haerenga/New Zealand Cycle Trails.

The Great Rides showcase some of New Zealand's most amazing landscapes, and are an exciting and environmentally sustainable way to reach must-see sights and activities.

We are fostering the establishment of a community-led trust to operate the cycle trail commercially while Council retains ownership of the asset.

Maintenance of the trail is ongoing.

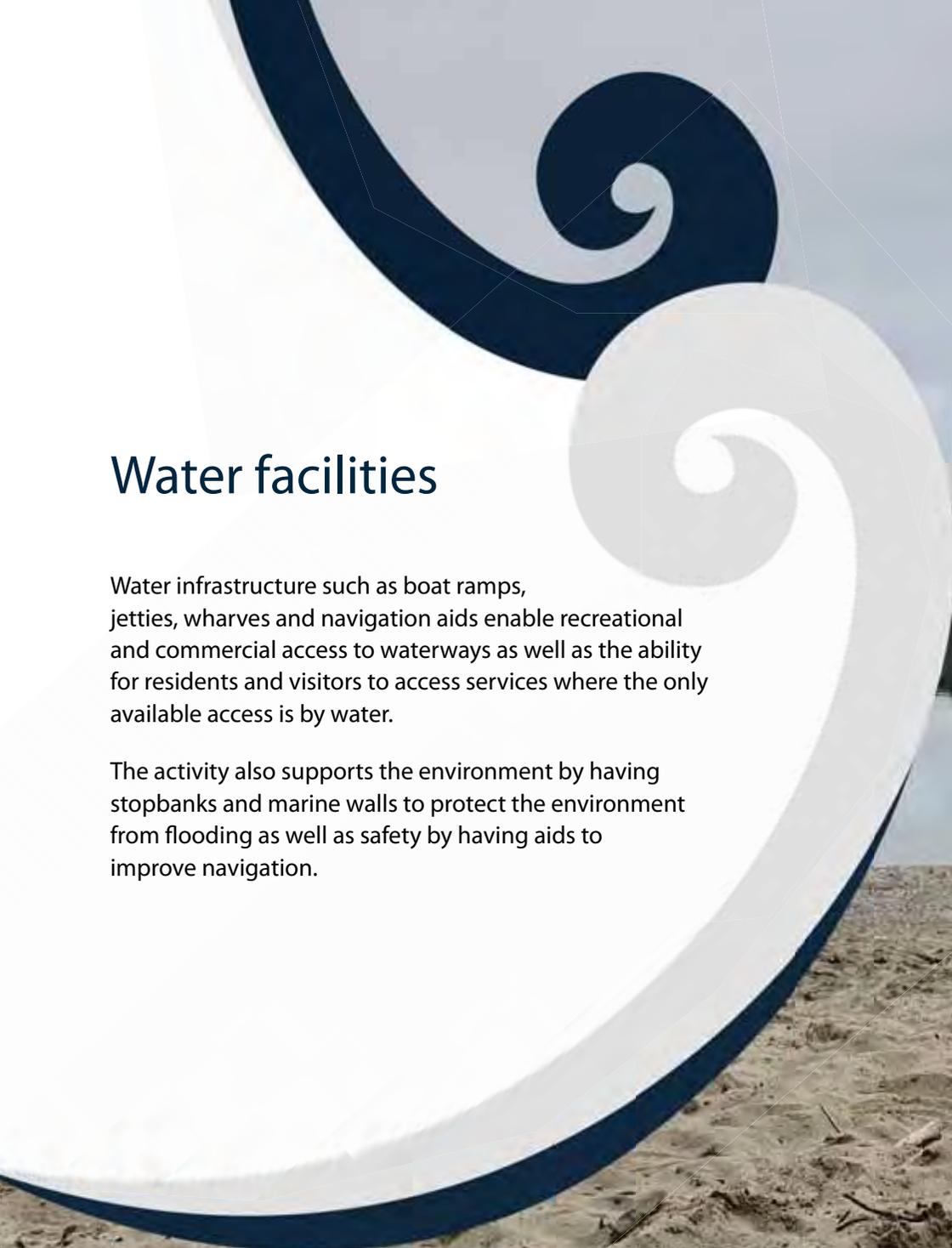


Te Anau Airport Manapouri

The Te Anau Airport Manapouri is a Council-owned strategic asset between Te Anau and Manapouri. We ensure the airport is run to legislative and Civil Aviation Authority rules. The airport is designed and managed to attract people and businesses to the area. It also provides air-based emergency access. We own, administer and manage the asset – the main airport facility, including the terminal building and runway.

A major project is renewal of the runway, which is scheduled in years one and two of this long term plan.

Discussions over future management of the airport are ongoing.

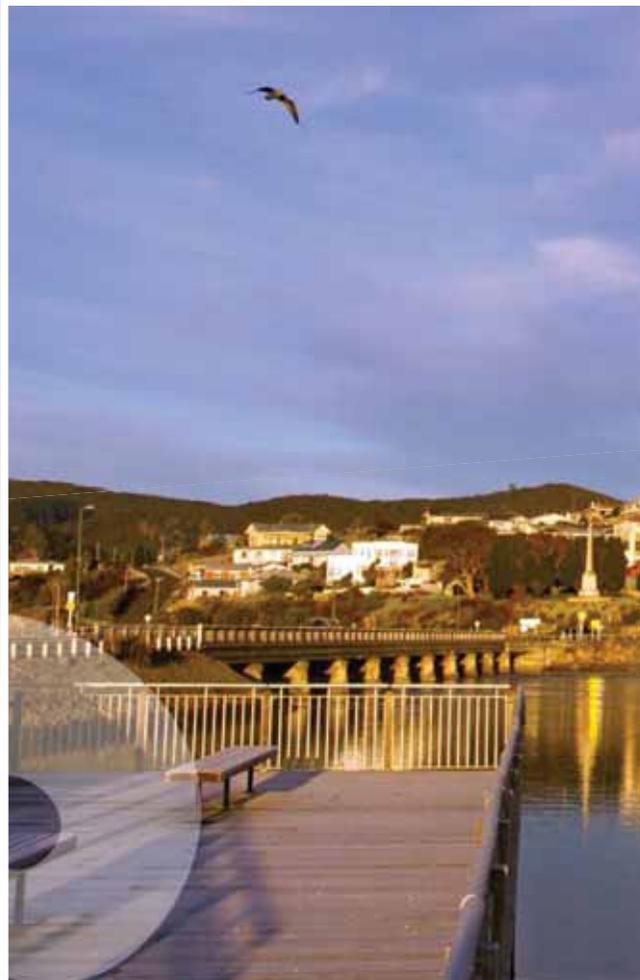


Water facilities

Water infrastructure such as boat ramps, jetties, wharves and navigation aids enable recreational and commercial access to waterways as well as the ability for residents and visitors to access services where the only available access is by water.

The activity also supports the environment by having stopbanks and marine walls to protect the environment from flooding as well as safety by having aids to improve navigation.





Two projects identified in our Long Term Plan 2018-2028 will be carried through to the 2021-2031 plan. These are the replacement of the Ulva Island and Golden Bay wharves on Stewart Island/Rakiura.

Another significant project is the replacement of the gabion basket retaining wall and maintenance of the boat ramp at Pearl Harbour, Manapouri.

Other priorities are maintenance of the wharves and viewing platform at Riverton harbour, as well as a number of boat ramps on the Waiau River, from Te Waewae Bay to Te Anau Downs.

PERFORMANCE MEASURES - Transport

Transport – Provision of roading and footpaths (including cycle trails, airport, water facilities and bridges) – Level of Service 12: Our transport network provides for safe, comfortable and efficient travel

How we measure performance	CURRENT PERFORMANCE	FUTURE PERFORMANCE TARGETS			
	(2019/2020)	Yr 1 (21/22)	Yr 2 (22/23)	Yr 3 (23/24)	Yr 4-10 (25-31)
KPI 12.1 Condition of the sealed road network* – The average quality of ride on sealed local road network measured by smooth travel exposure ¹ .	Not measured. Measured every second year	Smooth Travel Exposure ¹ of ≥ 97%			
KPI 12.2 Percentage of gravel road tests where road roughness ² meets acceptable standards	88%	≥85%	≥85%	≥85%	≥85%
KPI 12.3 Maintenance of a sealed local road network* - The percentage of sealed local road network that is resurfaced	6.92%	6.5%	6.5%	6.5%	6.5%
KPI 12.4 Response to service requests* – The percentage of customer service requests relating to roads and footpaths to which the Council responds within the required timeframes ³	83%	≥90%	≥90%	≥90%	≥90%
KPI 12.5 Road Safety* – The change from the previous financial year in the number of fatalities and serious injury crashes on the local road network, expressed as a number.	20	Reduction of 1 from prior year			
KPI 12.6 Footpath condition* ⁴ – The percentage of footpaths within a territorial authority district that fall within the level of service or service standard for the condition of footpaths that is set out in the territorial authority's relevant document (such as its annual plan, activity management plan, asset management plan, annual works program or long-term plan).	96.3%	≥70%	≥70%	≥70%	≥70%
KPI 12.7 Around the Mountains Cycle Trail has Great Ride status	New measure	Retain accreditation	Retain accreditation	Retain accreditation	Retain accreditation
KPI 12.8 CAA compliance requirements for Part 139 certification is maintained	New measure	Retain certification	Retain certification	Retain certification	Retain certification
Water facilities – Level of Service 13: Council provides safe and well-maintained water facilities to enable public enjoyment and access to the district's rivers, lakes and sea					
KPI 13.1 Water facilities requests for services are completed within specified timeframes	New measure	80%	80%	80%	80%

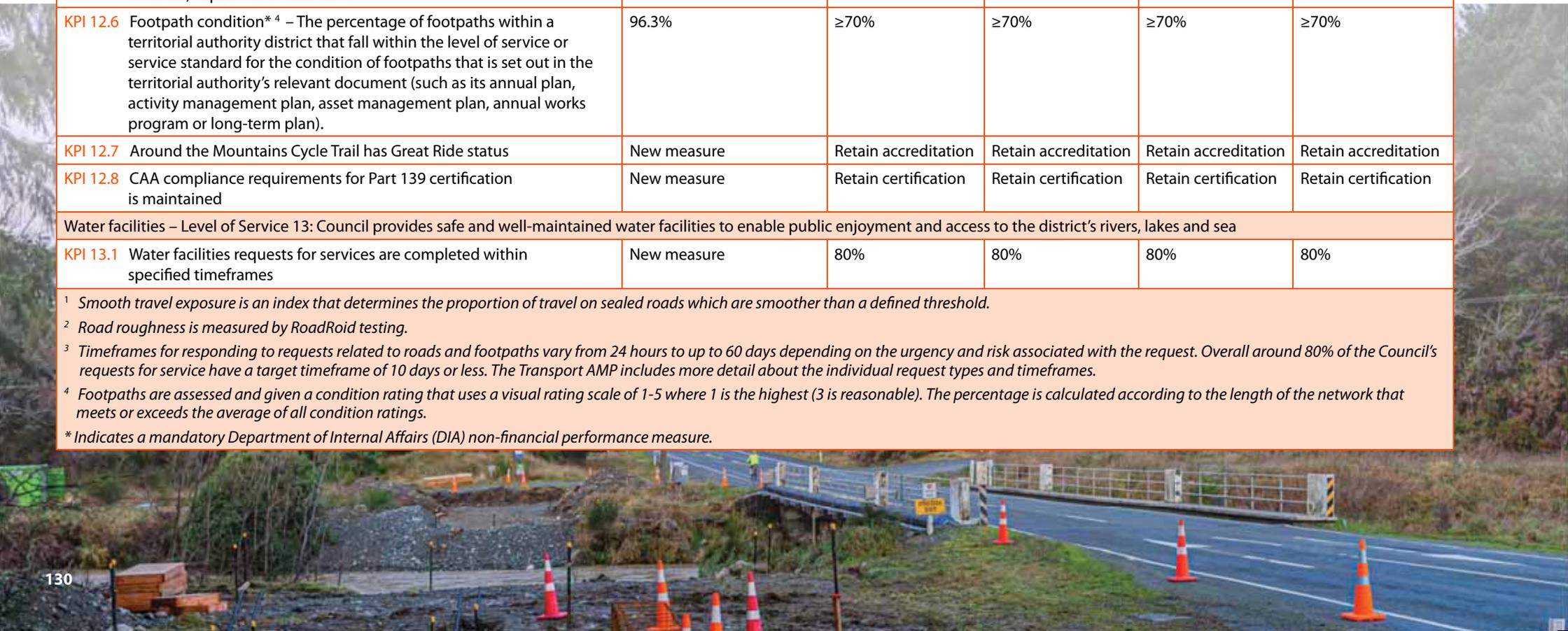
¹ Smooth travel exposure is an index that determines the proportion of travel on sealed roads which are smoother than a defined threshold.

² Road roughness is measured by RoadRoid testing.

³ Timeframes for responding to requests related to roads and footpaths vary from 24 hours to up to 60 days depending on the urgency and risk associated with the request. Overall around 80% of the Council's requests for service have a target timeframe of 10 days or less. The Transport AMP includes more detail about the individual request types and timeframes.

⁴ Footpaths are assessed and given a condition rating that uses a visual rating scale of 1-5 where 1 is the highest (3 is reasonable). The percentage is calculated according to the length of the network that meets or exceeds the average of all condition ratings.

* Indicates a mandatory Department of Internal Affairs (DIA) non-financial performance measure.



Transport Funding Impact Statement

	2020/21 Annual Plan (\$000)	2021/22 Forecast (\$000)	2022/23 Forecast (\$000)	2023/24 Forecast (\$000)	2024/25 Forecast (\$000)	2025/26 Forecast (\$000)	2026/27 Forecast (\$000)	2027/28 Forecast (\$000)	2028/29 Forecast (\$000)	2029/30 Forecast (\$000)	2030/31 Forecast (\$000)
Sources of operating funding											
General rates, uniform annual general charges, rates penalties	293	969	1,017	1,053	1,069	1,095	1,135	1,134	1,170	1,221	1,212
Targeted rates	13,411	15,810	15,779	16,649	19,978	23,054	24,112	25,466	26,310	27,138	29,477
Subsidies and grants for operating purposes	6,509	6,316	6,346	6,659	7,348	7,707	7,780	8,160	8,237	8,640	8,721
Fees and charges	68	40	42	44	74	79	78	80	82	84	86
Internal charges and overheads recovered	706	374	353	335	313	301	302	304	305	307	308
Local authorities fuel tax, fines, infringement fees, & other receipts ¹	1,043	1,115	1,132	1,147	1,173	1,195	1,216	1,239	1,264	1,289	1,314
Total operating funding	22,031	24,624	24,669	25,886	29,956	33,430	34,624	36,383	37,369	38,678	41,119
Applications of operating funding											
Payments to staff and suppliers	14,173	13,435	13,607	14,269	15,254	15,969	16,183	16,814	17,169	17,789	17,947
Finance costs	-	237	271	328	332	331	334	338	331	329	321
Internal charges and overheads applied	1,776	2,296	2,389	2,471	2,541	2,588	2,666	2,697	2,774	2,878	2,893
Other operating funding applications	337	202	206	209	240	245	249	254	259	264	269
Total applications of operating funding	16,287	16,170	16,474	17,277	18,367	19,133	19,432	20,103	20,533	21,260	21,429
Surplus (deficit) of operating funding	5,744	8,454	8,195	8,609	11,589	14,297	15,192	16,280	16,836	17,418	19,689
Sources of capital funding											
Subsidies and grants for capital purposes	9,311	9,556	9,747	9,896	14,050	15,330	16,238	17,314	18,061	18,499	20,926
Development and financial contributions	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in debt	1,222	2,258	3,354	906	665	890	1,067	581	839	585	1,217
Gross proceeds from sale of assets	-	-	47	10	10	30	-	53	11	11	34
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-	-
Total sources of capital funding	10,532	11,814	13,148	10,812	14,725	16,249	17,305	17,948	18,911	19,096	22,177
Applications of capital funding											
Capital expenditure											
to meet additional demand	-	-	-	-	-	-	-	-	-	-	-
to improve the level of service	2,179	2,527	3,073	2,408	2,530	2,639	2,741	2,735	2,859	2,849	2,988
to replace existing assets	15,870	18,185	19,122	17,488	24,687	27,438	29,105	30,975	32,170	32,952	38,155
Increase (decrease) in reserves	(1,773)	(409)	(831)	(469)	(911)	456	636	501	699	691	696
Increase (decrease) in investments	-	(35)	(21)	(7)	8	14	15	17	19	21	28
Total applications of capital funding	16,276	20,268	21,343	19,421	26,314	30,547	32,497	34,229	35,748	36,514	41,866
Surplus (deficit) of capital funding	(5,744)	(8,454)	(8,195)	(8,609)	(11,589)	(14,297)	(15,192)	(16,280)	(16,836)	(17,418)	(19,689)
Funding balance	-	-	-	-	-	-	-	-	-	-	-

1. Includes all other operating funding from sources not identified above.

Wastewater (sewerage)

We provide 19 wastewater schemes and associated infrastructure that collect, treat and dispose of wastewater from residential properties, businesses and public facilities in communities throughout the district.

What we do

This service also includes the collection, treatment and disposal of industrial liquid wastes (commonly known as trade wastes) from industrial and commercial premises across the district.

Key statistics

19 schemes

8200 properties

245km of reticulation

Why we do it

The activity allows for the convenient disposal of wastewater, which helps to protect public health from the spread of disease, protects residents' quality of life by keeping communities clean and reduces the effects of wastewater discharges into the environment.

It helps to facilitate economic growth by providing core infrastructure for industry and businesses.

Wastewater management contributes to Southland's communities being desirable places to live, work and play in.

Outcome contribution



Social

Empowered communities with the right tools to deliver the best outcomes



Cultural

Inclusive connected communities



Economic

Provision of appropriate infrastructure & services



Environmental

Kaitiakitanga for future generations

Potential significant negative effects

If not dealt with appropriately, wastewater can have significant negative effects on public health and the environment.

Council's work is aimed at dealing with these negative effects in ways that cause the least possible harm. Wastewater is treated to make it safe for disposal. With these major infrastructure assets, the negative effects from service failure are far more serious than the effects from service provision.

Council manages its assets to avoid service failures by carrying out a programme of regular monitoring and maintenance, and by prioritising critical work.

Planning for the future

Central government is proposing to establish a new national water regulator, Taumata Arowai, and create a number of multi-regional entities to manage the delivery of three waters services, removing this function from territorial authorities.

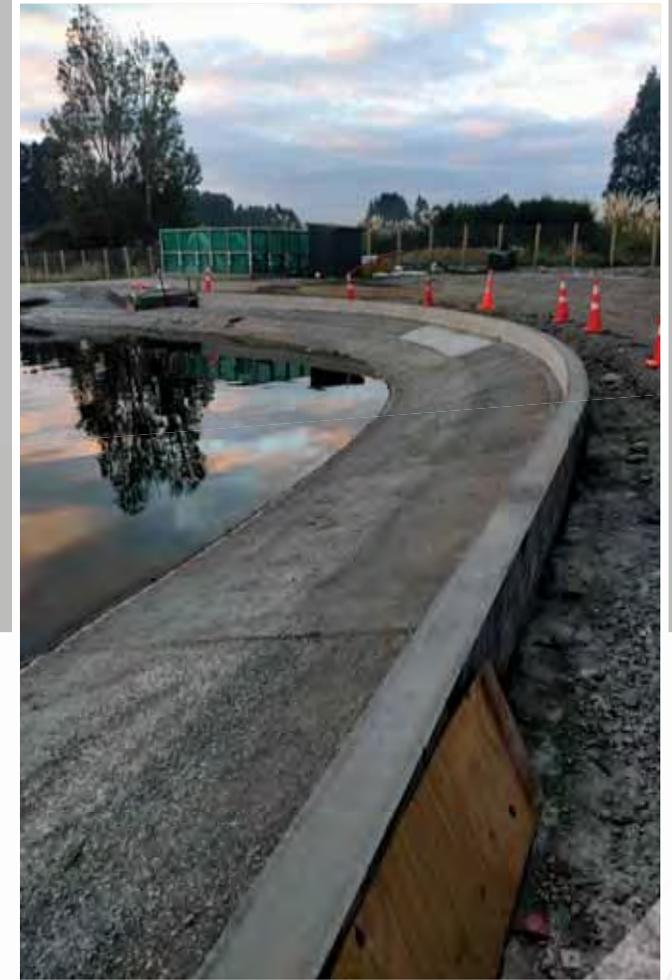
In 2020 Southland District Council signed a memorandum of understanding with the Crown, which committed the organisation to engaging in discussions with central government about the proposed reforms.

It also meant Council must provide a high level of information about its three waters delivery, such as the age and condition of assets, compliance and consenting information, resources, funding and levels of rates among other key data.

That commitment meant Southland District Council was granted \$13.53 million in stimulus funding, which has allowed it to embark on a significant programme of renewals and upgrades of water networks throughout the district.

Until the final outcomes of the government's three waters reforms are known, we remain committed to carrying out our programmed renewals, replacements and other capital works projects across our three water services: drinking water, stormwater and wastewater (sewerage).

- The Te Anau wastewater treatment plant upgrade and development of a new discharge system at the Kepler site is scheduled to be completed in 2021.
- A major multi-year project is the consenting and upgrade of the Winton wastewater scheme, totalling \$25 million. The existing resource consent expires in 2024. In 2021/2022, \$200,000 has been budgeted for design and consultation.
- A \$3 million upgrade of the Edendale/Wyndham waste treatment plant is planned.
- The Riversdale waste treatment plant will be upgraded (\$1.3 million in 2021/2022) and new disposal fields will be constructed (\$1.3 million in 2022/2023).
- \$1 million of government stimulus funding will be used to upgrade pipes at Caswell Road, Te Anau. We will replace undersized pipes with bigger pipes able to accommodate anticipated higher flow from expected increased future usage.
- Upgrading the disposal field of the Stewart Island/Rakiura wastewater system will cost \$300,000.
- Strengthening of the Tokanui wastewater pond embankments and associated beautification plantings are scheduled, costing \$100,000.



A significant change in the new Southland Water and Land Plan is the preference for treated wastewater to be discharged to land. This presents a challenge for Southland District Council to find suitable land when seeking new consents for our wastewater schemes. Much of Southland's geology is not conducive to discharge to land, because of a range of factors including its abundance of waterways, a high water table and saturated soils during winter.

PERFORMANCE MEASURES - Wastewater (sewerage)

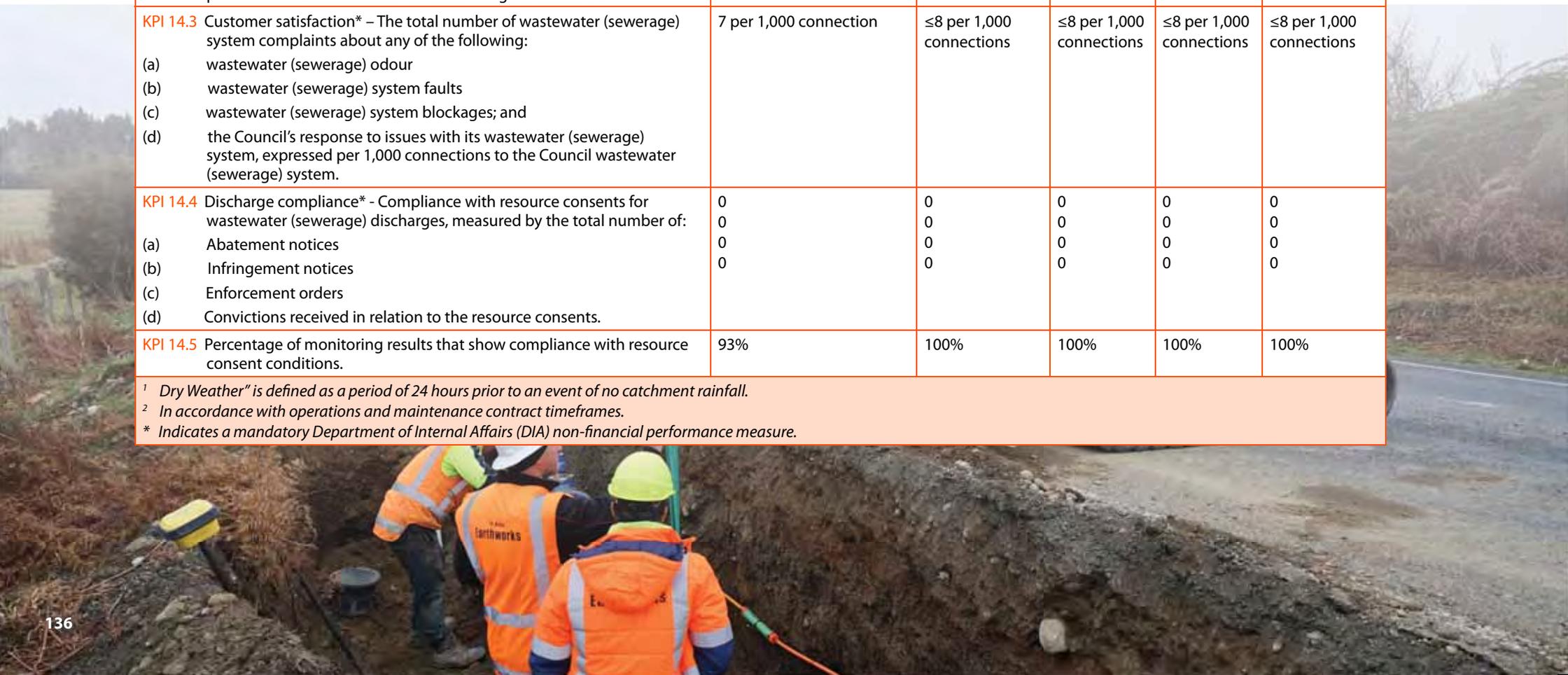
Wastewater (sewerage) – Level of service 14: Provide reliable wastewater (sewerage) collection and treatment services that protects public health and the environment

How we measure performance	CURRENT PERFORMANCE	FUTURE PERFORMANCE TARGETS			
	(2019/2020)	Yr 1 (21/22)	Yr 2 (22/23)	Yr 3 (23/24)	Yr 4-10 (25-31)
KPI 14.1 System and adequacy* – The number of dry weather ¹ wastewater (sewerage) overflows from the territorial authority's wastewater (sewerage) system, expressed per 1000 wastewater (sewerage) connections to that wastewater (sewerage) system.	<1	≤1	≤1	≤1	≤1
KPI 14.2 Response to wastewater (sewerage) system faults* – Where the Council attends to wastewater (sewerage) overflows resulting from a blockage or other fault in the Council's wastewater (sewerage) system, the following median response times ² measured: (a) Attendance time: from the time of notification to the time when service personnel reach the site; and (b) Resolution time: from the time of notification to this time that service personal confirm resolution ¹ of the blockage or other fault.	a) 18 minutes b) 2 hours 20 minutes	a) ≤1 hour b) ≤6 hours	a) ≤1 hour b) ≤6 hours	a) ≤1 hour b) ≤6 hours	a) ≤1 hour b) ≤6 hours
KPI 14.3 Customer satisfaction* – The total number of wastewater (sewerage) system complaints about any of the following: (a) wastewater (sewerage) odour (b) wastewater (sewerage) system faults (c) wastewater (sewerage) system blockages; and (d) the Council's response to issues with its wastewater (sewerage) system, expressed per 1,000 connections to the Council wastewater (sewerage) system.	7 per 1,000 connection	≤8 per 1,000 connections	≤8 per 1,000 connections	≤8 per 1,000 connections	≤8 per 1,000 connections
KPI 14.4 Discharge compliance* – Compliance with resource consents for wastewater (sewerage) discharges, measured by the total number of: (a) Abatement notices (b) Infringement notices (c) Enforcement orders (d) Convictions received in relation to the resource consents.	0 0 0 0	0 0 0 0	0 0 0 0	0 0 0 0	0 0 0 0
KPI 14.5 Percentage of monitoring results that show compliance with resource consent conditions.	93%	100%	100%	100%	100%

¹ Dry Weather" is defined as a period of 24 hours prior to an event of no catchment rainfall.

² In accordance with operations and maintenance contract timeframes.

* Indicates a mandatory Department of Internal Affairs (DIA) non-financial performance measure.



Wastewater (sewerage)

Funding Impact Statement

	2020/21 Annual Plan (\$000)	2021/22 Forecast (\$000)	2022/23 Forecast (\$000)	2023/24 Forecast (\$000)	2024/25 Forecast (\$000)	2025/26 Forecast (\$000)	2026/27 Forecast (\$000)	2027/28 Forecast (\$000)	2028/29 Forecast (\$000)	2029/30 Forecast (\$000)	2030/31 Forecast (\$000)
Sources of operating funding											
General rates, uniform annual general charges, rates penalties	-	646	673	697	710	727	753	758	783	816	816
Targeted rates	3,903	4,094	5,720	6,273	6,577	7,267	7,338	7,967	8,803	8,847	9,496
Subsidies and grants for operating purposes	-	800	-	-	-	-	-	-	-	-	-
Fees and charges	-	-	-	-	-	-	-	-	-	-	-
Internal charges and overheads recovered	139	187	191	194	198	201	205	209	213	217	221
Local authorities fuel tax, fines, infringement fees, & other receipts ¹	33	33	34	35	36	37	37	38	39	41	42
Total operating funding	4,075	5,760	6,618	7,199	7,520	8,232	8,334	8,972	9,839	9,920	10,574
Applications of operating funding											
Payments to staff and suppliers	1,952	3,311	2,732	2,941	3,020	3,465	3,191	3,290	3,540	3,504	4,029
Finance costs	-	306	349	447	522	583	713	934	1,149	1,113	1,076
Internal charges and overheads applied	840	1,604	1,620	1,742	1,789	1,797	1,815	1,894	2,188	2,291	2,439
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
Total applications of operating funding	2,791	5,221	4,702	5,131	5,332	5,844	5,720	6,118	6,877	6,908	7,544
Surplus (deficit) of operating funding	1,283	539	1,916	2,068	2,189	2,388	2,614	2,854	2,962	3,012	3,030
Sources of capital funding											
Subsidies and grants for capital purposes	2,000	1,450	-	-	-	-	-	-	-	-	-
Development and financial contributions	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in debt	10,174	2,712	5,481	4,534	3,875	7,472	12,155	12,234	-	-	-
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-	-
Total sources of capital funding	12,174	4,163	5,481	4,534	3,875	7,472	12,155	12,234	-	-	-
Applications of capital funding											
Capital expenditure											
to meet additional demand	4,340	905	937	-	-	-	-	-	-	-	-
to improve the level of service	8,157	5,235	5,222	5,841	4,543	7,728	11,959	12,536	-	315	-
to replace existing assets	94	-	759	176	874	1,405	1,934	1,387	1,017	876	657
Increase (decrease) in reserves	867	(1,390)	528	634	695	775	924	1,213	1,993	1,868	2,421
Increase (decrease) in investments	-	(48)	(48)	(48)	(48)	(48)	(48)	(48)	(48)	(48)	(48)
Total applications of capital funding	13,457	4,702	7,397	6,603	6,064	9,860	14,769	15,088	2,962	3,012	3,030
Surplus (deficit) of capital funding	(1,283)	(539)	(1,916)	(2,068)	(2,189)	(2,388)	(2,614)	(2,854)	(2,962)	(3,012)	(3,030)
Funding balance	-	-	-	-	-	-	-	-	-	-	-

1. Includes all other operating funding from sources not identified above.

Water Supply

Water is a valuable resource in Southland district, and we strive to provide a reliable and adequate supply.

What we do

Council provides 10 community drinking water supplies, two treated rural supplies and nine untreated rural water supplies for stock water only.

Key statistics

21	schemes (10 urban, 11 rural stock water)
6,900	connections
499 km	of drinking water reticulation
219km	of rural stock water reticulation

Why we do it

Supplying safe and clean drinking water is a fundamental requirement of life, supporting healthy communities and economic wellbeing.

Water is necessary to provide critical public services, and enables economic growth.

Industries, businesses, hospitals and schools all require water to function. It also contributes to community safety through the firefighting capability in most urban reticulated areas.

Potential significant negative effects

The treatment of drinking water and maintenance of pipes and pumps is crucial to ensuring that water supplies are managed appropriately and do not pose risks to public health through lack of treatment or supply failures, which could also have a negative impact on commercial/industrial users.

Managing water use in a sustainable way helps to minimise adverse impacts on the environment, discourages water wastage and ensures water is directed to the best purposes.

Outcome contribution



Social

Empowered communities with the right tools to deliver the best outcomes



Cultural

Inclusive connected communities



Economic

Provision of appropriate infrastructure & services



Environmental

Kaitiakitanga for future generations

Planning for the future

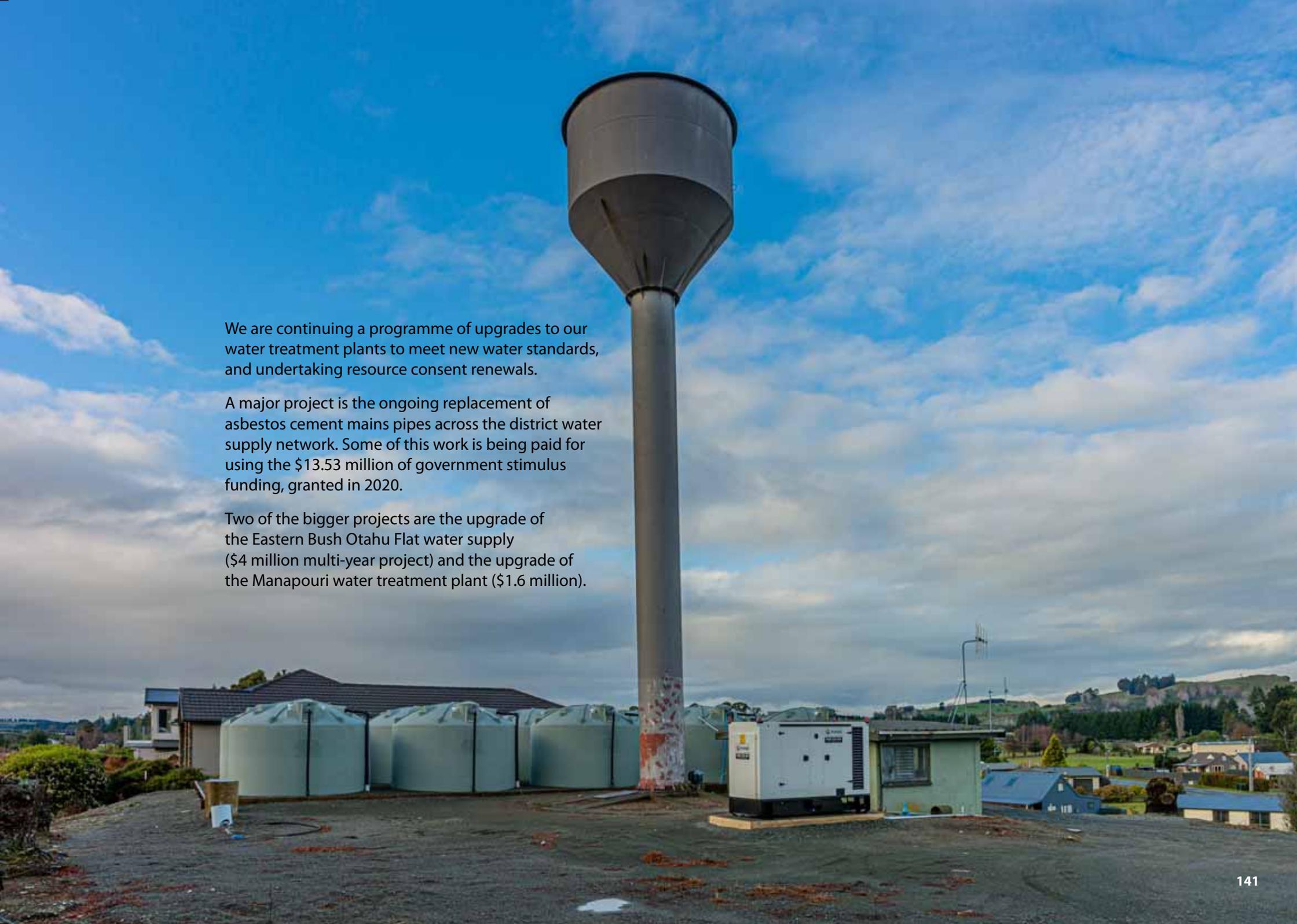
There are many competing uses for water, from domestic to commercial, industrial and agricultural use.

The importance of water for the environment and maintaining the life-giving capacity of water bodies is essential.

These competing demands place pressure on water resources in the district and there is a need to ensure that optimal use is made of critical water resources. Condition assessments and proactive maintenance result in a lower proportion of leakages. Implementing leak detection programmes can save a significant amount of money, through reduced demand lowering treatment costs, and restricting lost income.

We will continue with the implementation of strategic zoned metering across all community schemes to help manage demand and detect leaks to ensure that the most use is being made of the water currently being taken.





We are continuing a programme of upgrades to our water treatment plants to meet new water standards, and undertaking resource consent renewals.

A major project is the ongoing replacement of asbestos cement mains pipes across the district water supply network. Some of this work is being paid for using the \$13.53 million of government stimulus funding, granted in 2020.

Two of the bigger projects are the upgrade of the Eastern Bush Otahu Flat water supply (\$4 million multi-year project) and the upgrade of the Manapouri water treatment plant (\$1.6 million).

PERFORMANCE MEASURES - Water Supply

WATER SUPPLY- Level of Service 15: Our water supply network provides safe, reliable and adequate supply of water

How we measure performance	CURRENT PERFORMANCE	FUTURE PERFORMANCE TARGETS			
	(2019/2020)	Yr 1 (21/22)	Yr 2 (22/23)	Yr 3 (23/24)	Yr 4-10 (25-31)
<p>KPI 15.1 Fault response times* – Where Council attends a call-out in response to a fault or unplanned interruption to its networked reticulation system, the following median response times are measured:</p> <p>(a) attendance for urgent call-outs¹: from the time Council receives notification to the time that service personnel reach the site;</p> <p>(b) resolution of urgent call-outs¹: from the time that Council receives notification to the time that service personnel confirm resolution of the fault or interruption;</p> <p>(c) attendance for non-urgent call-outs¹: from the time that Council receives notification to the time that service personnel reach the site; and</p> <p>(d) resolution of non-urgent call-outs¹: from the time that Council receives notification to the time that service personnel confirm resolution of the fault or interruption.</p>	<p>a) 15 minutes</p> <p>b) 4 hours, 52 minutes</p> <p>c) 1 hour, 1 minute</p> <p>d) 20 hours, 20 minutes</p>	<p>a) ≤ 1 hour</p> <p>b) ≤ 6 hours</p> <p>c) ≤ 4 hours</p> <p>d) ≤ 24 hours</p>	<p>a) ≤ 1 hour</p> <p>b) ≤ 6 hours</p> <p>c) ≤ 4 hours</p> <p>d) ≤ 24 hours</p>	<p>a) ≤ 1 hour</p> <p>b) ≤ 6 hours</p> <p>c) ≤ 4 hours</p> <p>d) ≤ 24 hours</p>	<p>a) ≤ 1 hour</p> <p>b) ≤ 6 hours</p> <p>c) ≤ 4 hours</p> <p>d) ≤ 24 hours</p>
<p>KPI 15.2 Customer satisfaction* - The total number of complaints received by Council about any of the following:</p> <p>(a) drinking water clarity;</p> <p>(b) drinking water taste;</p> <p>(c) drinking water odour;</p> <p>(d) drinking water pressure or flow;</p> <p>(e) continuity of supply, and</p> <p>(f) the way Council responds to any of these issues expressed per 1000 connections to Council's networked reticulation system.</p>	16 per 1,000 connections	≤10 per 1,000 connections	≤10 per 1,000 connections	≤10 per 1,000 connections	≤10 per 1,000 connections
<p>KPI 15.3 Drinking water safety* – The extent to which the Council drinking water supplies complies with:</p> <p>(a) drinking water standards (bacteria compliance criteria) and</p> <p>(b) drinking water standards (protozoal compliance criteria).</p>	<p>a) 82%</p> <p>b) 82%</p>	<p>a) 100%</p> <p>b) 100%</p>			
<p>KPI 15.4 Maintenance of the reticulated network* – The percentage of water lost from the Council's networked reticulation system²</p>	19.30%	≤25%	≤25%	≤25%	≤25%
<p>KPI 15.5 Demand management* – The average consumption of drinking water per day, per resident within the territorial authority district.</p>	889 litres	≤ 850 litres per person per day			

¹ Attendance means from the time that the Council receives notification to the time that service personnel reach the site. Resolution means from the time that the Council receives notification to the time that service personnel confirm resolution of the fault or interruption. "Urgent" is considered complete loss of drinking-water to an urban drinking water supply. "Non-urgent" includes all other fault/interruptions to an urban drinking water supply.

² The water loss calculation is the weighted averaged percentage loss reduction per urban drinking water supply.

* Indicates a mandatory Department of Internal Affairs (DIA) non-financial performance measure.

Water Supply Funding Impact Statement

	2020/21 Annual Plan (\$000)	2021/22 Forecast (\$000)	2022/23 Forecast (\$000)	2023/24 Forecast (\$000)	2024/25 Forecast (\$000)	2025/26 Forecast (\$000)	2026/27 Forecast (\$000)	2027/28 Forecast (\$000)	2028/29 Forecast (\$000)	2029/30 Forecast (\$000)	2030/31 Forecast (\$000)
Sources of operating funding											
General rates, uniform annual general charges, rates penalties	-	638	665	689	702	718	744	749	774	807	807
Targeted rates	4,100	4,886	5,453	5,780	5,985	6,268	6,327	6,589	7,187	7,392	7,693
Subsidies and grants for operating purposes	-	90	-	-	-	-	-	-	-	-	-
Fees and charges	-	-	-	-	-	-	-	-	-	-	-
Internal charges and overheads recovered	47	113	115	116	118	119	121	122	124	126	127
Local authorities fuel tax, fines, infringement fees, & other receipts ¹	1	1	3	3	3	3	3	3	3	3	3
Total operating funding	4,148	5,728	6,235	6,588	6,808	7,109	7,195	7,463	8,087	8,328	8,630
Applications of operating funding											
Payments to staff and suppliers	2,685	2,684	2,922	2,985	3,063	3,225	3,240	3,329	3,433	3,542	3,655
Finance costs	-	236	344	403	449	492	519	535	546	549	552
Internal charges and overheads applied	804	1,697	1,682	1,811	1,850	1,831	1,801	1,877	2,274	2,365	2,525
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
Total applications of operating funding	3,489	4,618	4,948	5,200	5,363	5,547	5,560	5,741	6,253	6,456	6,732
Surplus (deficit) of operating funding	659	1,111	1,287	1,388	1,445	1,561	1,635	1,722	1,864	1,872	1,897
Sources of capital funding											
Subsidies and grants for capital purposes	-	2,318	-	-	-	-	-	-	-	-	-
Development and financial contributions	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in debt	4,442	5,867	3,580	3,044	2,907	2,227	1,719	1,551	1,165	1,247	1,147
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-	-
Total sources of capital funding	4,442	8,185	3,580	3,044	2,907	2,227	1,719	1,551	1,165	1,247	1,147
Applications of capital funding											
Capital expenditure											
to meet additional demand	-	-	-	-	-	-	-	-	-	-	-
to improve the level of service	3,428	5,217	2,722	2,133	1,253	122	153	130	134	139	143
to replace existing assets	1,647	3,721	1,609	1,683	2,465	2,960	2,304	2,198	1,850	1,946	1,849
Increase (decrease) in reserves	26	406	585	664	683	754	945	993	1,063	1,083	1,101
Increase (decrease) in investments	-	(48)	(48)	(48)	(48)	(48)	(48)	(48)	(48)	(48)	(48)
Total applications of capital funding	5,101	9,296	4,867	4,432	4,353	3,788	3,353	3,272	2,999	3,119	3,004
Surplus (deficit) of capital funding	(659)	(1,111)	(1,287)	(1,388)	(1,445)	(1,561)	(1,635)	(1,722)	(1,834)	(1,872)	(1,897)
Funding balance	-	-	-	-	-	-	-	-	-	-	-

1. Includes all other operating funding from sources not identified above.



Our finances





One community offering endless opportunities...

Financial statements

Prospective statement of comprehensive revenue and expense	2020/21 Annual Plan (\$000)	2021/22 Forecast (\$000)	2022/23 Forecast (\$000)	2023/24 Forecast (\$000)	2024/25 Forecast (\$000)	2025/26 Forecast (\$000)	2026/27 Forecast (\$000)	2027/28 Forecast (\$000)	2028/29 Forecast (\$000)	2029/30 Forecast (\$000)	2030/2031 Forecast (\$000)
Revenue											
Rates	49,531	54,179	58,682	62,056	67,710	72,467	74,224	78,354	82,160	84,371	88,298
Other revenue	8,317	9,214	10,003	10,037	10,412	9,917	11,004	13,000	15,304	12,461	12,429
Interest and dividends	73	2,020	1,916	1,930	2,027	2,180	2,375	2,650	3,027	3,445	3,832
NZTA	15,507	15,328	16,123	16,586	21,430	23,159	24,144	25,603	26,431	27,276	29,788
Grants and subsidies	5,306	8,669	640	586	589	481	481	481	481	481	482
Other gains/(losses)	(258)	647	965	700	947	1,720	727	36	(1,756)	620	530
Vested assets	-	-	-	-	-	-	-	-	-	-	-
Development and financial contributions	24	10	-	35	-	-	-	-	-	-	-
MOH subsidy for sewerage/water scheme	-	-	-	-	-	-	-	-	-	-	-
	78,499	90,067	88,330	91,930	103,114	109,923	112,954	120,124	125,648	128,654	135,359
Expenditure											
Employee benefit expenses	15,279	16,907	17,230	17,822	18,521	18,475	18,528	19,182	20,892	21,435	22,028
Depreciation and amortisation	23,815	27,210	28,769	29,820	31,269	32,677	33,928	35,390	36,659	37,433	38,244
Finance costs	422	1,265	1,709	2,068	2,438	2,769	3,117	3,502	3,730	3,816	3,892
Other Council expenditure	43,854	45,800	45,429	47,023	49,011	49,979	51,495	54,648	56,012	55,963	57,276
	83,370	91,182	93,137	96,733	101,238	103,900	107,068	112,722	117,293	118,648	121,440
Surplus/(deficit) before tax	(4,871)	(1,115)	(4,807)	(4,802)	1,876	6,023	5,886	7,402	8,354	10,007	13,919
Income tax benefit	-	-	-	-	-	-	-	-	-	-	-
Surplus/(deficit) after tax	(4,871)	(1,115)	(4,807)	(4,802)	1,876	6,023	5,886	7,402	8,354	10,007	13,919
Gain/(loss) on property, plant and equipment revaluations	31,324	53,208	49,081	47,679	48,047	50,107	51,750	54,815	57,283	59,410	60,459
Total comprehensive revenue and expense	26,453	52,093	44,274	42,876	49,923	56,130	57,636	62,218	65,637	69,416	74,378

Prospective statement of changes in equity	2020/21 Annual Plan (\$000)	2021/22 Forecast (\$000)	2022/23 Forecast (\$000)	2023/24 Forecast (\$000)	2024/25 Forecast (\$000)	2025/26 Forecast (\$000)	2026/27 Forecast (\$000)	2027/28 Forecast (\$000)	2028/29 Forecast (\$000)	2029/30 Forecast (\$000)	2030/2031 Forecast (\$000)
Balance at 1 July	1,613,181	1,629,495	1,681,588	1,725,862	1,768,738	1,818,662	1,874,792	1,932,427	1,994,645	2,060,282	2,129,699
Total comprehensive revenue and expense for the year	26,453	52,093	44,274	42,876	49,923	56,130	57,636	62,218	65,637	69,416	74,378
Balance at 30 June	1,639,634	1,681,588	1,725,862	1,768,738	1,818,662	1,874,792	1,932,427	1,994,645	2,060,282	2,129,699	2,204,076

Prospective statement of financial position	2020/21 Annual Plan (\$000)	2021/22 Forecast (\$000)	2022/23 Forecast (\$000)	2023/24 Forecast (\$000)	2024/25 Forecast (\$000)	2025/26 Forecast (\$000)	2026/27 Forecast (\$000)	2027/28 Forecast (\$000)	2028/29 Forecast (\$000)	2029/30 Forecast (\$000)	2030/2031 Forecast (\$000)
Equity											
Retained earnings	717,183	720,986	715,049	708,193	707,196	709,327	709,769	710,282	709,054	710,167	715,253
Asset revaluation reserves	883,988	922,181	971,262	1,018,941	1,066,988	1,117,095	1,168,845	1,223,660	1,280,943	1,340,353	1,400,812
Fair value reserves	2,666	3,577	3,577	3,577	3,577	3,577	3,577	3,577	3,577	3,577	3,577
Other reserves	35,797	34,844	35,974	38,028	40,901	44,793	50,237	57,127	66,708	75,602	84,435
	1,639,634	1,681,588	1,725,862	1,768,738	1,818,662	1,874,792	1,932,427	1,994,645	2,060,282	2,129,699	2,204,076
Current assets											
Cash and cash equivalents	(2,742)	221	392	232	286	279	238	473	341	392	347
Trade and other receivables	9,840	10,378	10,363	10,822	11,673	12,257	12,725	13,646	14,480	14,493	15,330
Inventories	111	105	94	82	70	59	47	35	23	12	-
Work in progress	-	-	-	-	-	-	-	-	-	-	-
Other financial assets	314	448	448	448	448	448	448	448	448	448	448
	7,522	11,152	11,297	11,583	12,477	13,043	13,458	14,602	15,293	15,345	16,125
Non-current assets											
Property, plant and equipment	1,649,670	1,704,339	1,763,763	1,823,434	1,887,078	1,952,563	2,023,729	2,097,230	2,159,511	2,222,627	2,292,085
Intangible assets	3,449	3,900	3,321	3,237	3,233	3,233	3,233	3,233	3,233	3,233	3,233
Forestry assets	10,009	13,320	14,050	14,520	15,290	16,660	17,230	16,990	14,950	15,380	15,490
Investments in associates	-	945	945	945	945	945	945	945	945	945	945
Other Financial assets	-	37,533	38,878	41,183	44,270	48,324	54,000	61,089	70,641	79,477	88,266
	1,663,128	1,760,037	1,820,957	1,883,318	1,950,815	2,021,725	2,099,136	2,179,486	2,249,279	2,321,662	2,400,019
Total assets	1,670,651	1,771,189	1,832,253	1,894,902	1,963,293	2,034,768	2,112,594	2,194,089	2,264,571	2,337,007	2,416,144
Current liabilities											
Trade and other payables	7,064	7,957	8,227	8,548	8,855	8,995	9,224	9,828	10,170	10,153	10,375
Contract retentions and deposits	325	719	551	472	470	651	831	790	174	176	160
Employee benefit liabilities	1,652	2,122	2,162	2,239	2,327	2,321	2,327	2,409	2,622	2,690	2,764
Development and financial contributions	2,115	1,730	1,732	1,699	1,701	1,701	1,701	1,701	1,701	1,701	1,701
Provision for decommissioning	13	10	7	4	-	-	-	-	-	-	-
Borrowings	380	6,000	6,000	6,000	6,500	6,750	6,750	7,250	8,000	8,000	8,500
	11,549	18,537	18,679	18,962	19,853	20,418	20,833	21,978	22,668	22,720	23,500
Non-current liabilities											
Employee benefit liabilities	18	-	-	-	-	-	-	-	-	-	-
Provision for decommissioning	-	-	-	-	-	-	-	-	-	-	-
Borrowings	19,449	71,064	87,713	107,202	124,778	139,558	159,334	177,466	181,621	184,588	188,568
	19,467	71,064	87,713	107,202	124,778	139,558	159,334	177,466	181,621	184,588	188,568
Total liabilities	31,016	89,602	106,392	126,164	144,631	159,976	180,167	199,444	204,289	207,309	212,068
Net assets	1,639,634	1,681,588	1,725,862	1,768,738	1,818,662	1,874,792	1,932,427	1,994,645	2,060,282	2,129,699	2,204,076

Prospective statement of cashflows	2020/21 Annual Plan (\$000)	2021/22 Forecast (\$000)	2022/23 Forecast (\$000)	2023/24 Forecast (\$000)	2024/25 Forecast (\$000)	2025/26 Forecast (\$000)	2026/27 Forecast (\$000)	2027/28 Forecast (\$000)	2028/29 Forecast (\$000)	2029/30 Forecast (\$000)	2030/2031 Forecast (\$000)
Cashflows from operating activities											
Receipts from rates revenue	49,531	54,179	58,682	62,056	67,710	72,467	74,224	78,354	82,160	84,371	88,298
Receipts from NZTA funding	15,507	15,328	16,123	16,586	21,430	23,159	24,144	25,603	26,431	27,276	29,788
Interest and dividends	73	2,020	1,916	1,930	2,027	2,180	2,375	2,650	3,027	3,445	3,832
Receipts from other revenue	13,499	14,629	10,504	10,100	10,160	10,007	11,208	12,531	14,348	12,943	12,069
Payment to suppliers and employees	(59,010)	(63,290)	(62,352)	(64,450)	(67,141)	(68,320)	(69,787)	(73,144)	(76,349)	(77,348)	(79,008)
Interest paid	(422)	(1,265)	(1,709)	(2,068)	(2,438)	(2,769)	(3,117)	(3,502)	(3,730)	(3,816)	(3,892)
Net cash inflow (outflow) from operating activities	19,177	21,601	23,164	24,155	31,749	36,724	39,046	42,491	45,887	46,870	51,087
Cashflows from investing activities											
Receipts from sale of property, plant and equipment	63	127	235	230	177	350	157	276	284	190	420
Receipts from sale of Investments	-	-	-	-	-	-	-	-	-	-	-
Purchase of property, plant and equipment	(38,799)	(44,478)	(38,521)	(41,728)	(46,861)	(48,056)	(53,344)	(54,076)	(41,656)	(41,140)	(47,243)
Acquisition of investments	-	1,582	(1,344)	(2,305)	(3,087)	(4,054)	(5,676)	(7,089)	(9,552)	(8,836)	(8,789)
Purchase of intangible assets	(907)	(1,123)	(11)	-	-	-	-	-	-	-	-
Net cash inflow (outflow) from investing activities	(39,643)	(43,892)	(39,641)	(43,804)	(49,771)	(51,760)	(58,863)	(60,889)	(50,924)	(49,786)	(55,612)
Cashflows from financing activities											
Proceeds from borrowings	20,000	18,447	16,648	19,489	17,577	14,780	19,775	18,133	4,155	2,967	3,979
Repayment of borrowings	(171)	6,000	-	-	500	250	-	500	750	-	500
Payments of finance leases	-	-	-	-	-	-	-	-	-	-	-
Net cash inflow (outflow) from financing activities	19,829	24,447	16,648	19,489	18,077	15,030	19,775	18,633	4,905	2,967	4,479
Net increase/(decrease) in cash and cash equivalents	(637)	2,156	171	(160)	54	(7)	(41)	235	(132)	51	(45)
Cash and cash equivalents at the beginning of the year	(2,105)	(1,935)	221	392	232	286	279	238	473	341	393
Cash and cash equivalents at the end of the year	(2,742)	221	392	232	286	279	238	473	341	393	348

Reconciliation between the operating Surplus (from the statement of comprehensive revenue and expense) and net cashflow from operating activities (statement of cashflows)	2020/21 Annual Plan (\$000)	2021/22 Forecast (\$000)	2022/23 Forecast (\$000)	2023/24 Forecast (\$000)	2024/25 Forecast (\$000)	2025/26 Forecast (\$000)	2026/27 Forecast (\$000)	2027/28 Forecast (\$000)	2028/29 Forecast (\$000)	2029/30 Forecast (\$000)	2030/2031 Forecast (\$000)
Operating surplus	(4,871)	(1,115)	(4,807)	(4,802)	1,876	6,023	5,886	7,402	8,354	10,007	13,919
Add/(less) non-cash items											
Depreciation and amortisation	23,815	27,210	28,769	29,820	31,269	32,677	33,928	35,390	36,659	37,433	38,244
Vested assets	-	-	-	-	-	-	-	-	-	-	-
Forestry revaluation	321	(520)	(730)	(470)	(770)	(1,370)	(570)	240	2,040	(430)	(110)
Emission trading units received	-	-	-	-	-	-	-	-	-	-	-
Add/(less) items classified as investing or financing activities											
(Gains)/losses on disposal of property, plant and equipment	(63)	(127)	(235)	(230)	(177)	(350)	(157)	(276)	(284)	(190)	(420)
Add/(less) movements in working capital items											
Trade and other receivables	(43)	(3,652)	15	(459)	(851)	(584)	(468)	(922)	(833)	(13)	(837)
Inventories and work in progress	9	12	12	12	12	12	12	12	12	12	12
Trade and other payables	8	(206)	141	283	391	315	415	645	(60)	53	279
Net cash inflow/(outflow) from operating activities	19,177	21,601	23,164	24,155	31,749	36,724	39,046	42,491	45,887	46,870	51,087

Reconciliation of surplus (deficit) of operating funding to net surplus/ (deficit) before tax	2020/21 Annual Plan (\$000)	2021/22 Forecast (\$000)	2022/23 Forecast (\$000)	2023/24 Forecast (\$000)	2024/25 Forecast (\$000)	2025/26 Forecast (\$000)	2026/27 Forecast (\$000)	2027/28 Forecast (\$000)	2028/29 Forecast (\$000)	2029/30 Forecast (\$000)	2030/2031 Forecast (\$000)
Surplus/(deficit) of operating funding from funding impact statement	7,865	10,398	13,168	14,363	18,123	21,651	22,849	25,442	28,708	28,320	30,706
Depreciation	(23,815)	(27,210)	(28,769)	(29,820)	(31,269)	(32,677)	(33,928)	(35,390)	(36,659)	(37,433)	(38,244)
Subsidies and grants for capital purposes	11,311	15,036	9,825	9,917	14,072	15,330	16,238	17,314	18,061	18,499	20,926
Development and financial contributions	24	10	-	35	-	-	-	-	-	-	-
Gain on sale	63	127	235	230	177	350	157	276	284	190	420
Vested assets	-	-	-	-	-	-	-	-	-	-	-
Forestry revaluation	(321)	520	730	470	770	1,370	570	(240)	(2,040)	430	110
Emission trading units	-	-	-	-	-	-	-	-	-	-	-
Accruals	-	-	-	-	-	-	-	-	-	-	-
Landfill contingency	3	3	3	3	4	-	-	-	-	-	-
Net surplus (deficit) before tax in statement of comprehensive revenue and expense	(4,871)	(1,115)	(4,807)	(4,802)	1,876	6,023	5,886	7,402	8,354	10,007	13,919

Depreciation by activity	2020/21 Annual Plan (\$000)	2021/22 Forecast (\$000)	2022/23 Forecast (\$000)	2023/24 Forecast (\$000)	2024/25 Forecast (\$000)	2025/26 Forecast (\$000)	2026/27 Forecast (\$000)	2027/28 Forecast (\$000)	2028/29 Forecast (\$000)	2029/30 Forecast (\$000)	2030/2031 Forecast (\$000)
Community leadership	52	54	54	53	52	55	54	56	57	58	61
Community resources	1,188	1,502	1,936	2,384	2,810	3,130	3,279	3,432	3,519	3,526	3,430
Corporate services	842	1,033	827	302	349	354	238	302	378	387	266
Environmental services	49	119	120	126	132	137	138	139	143	145	152
Sewerage	2,390	2,707	2,902	3,072	3,225	3,424	3,735	4,125	4,352	4,411	4,443
Stormwater	477	510	555	574	597	642	695	740	770	795	818
Transport	17,113	19,413	20,326	21,150	21,838	22,555	23,326	24,060	24,833	25,435	26,336
Water supply	1,704	1,872	2,049	2,158	2,266	2,380	2,463	2,537	2,607	2,676	2,738
	23,815	27,210	28,769	29,820	31,269	32,677	33,928	35,390	36,659	37,433	38,244

Funding impact statement for 2021 - 2031 for all activities	2020/21 Annual Plan (\$000)	2021/22 Forecast (\$000)	2022/23 Forecast (\$000)	2023/24 Forecast (\$000)	2024/25 Forecast (\$000)	2025/26 Forecast (\$000)	2026/27 Forecast (\$000)	2027/28 Forecast (\$000)	2028/29 Forecast (\$000)	2029/30 Forecast (\$000)	2030/2031 Forecast (\$000)
Sources of operating funding											
General rates, uniform annual general charges, rates penalties	19,559	22,017	23,271	24,351	25,504	25,841	26,112	26,769	27,813	28,590	28,860
Targeted rates	29,972	32,162	35,410	37,705	42,206	46,626	48,112	51,584	54,347	55,781	59,439
Subsidies and grants for operating purposes	9,103	8,590	6,564	6,878	7,568	7,927	8,000	8,381	8,458	8,861	8,943
Fees and charges	4,733	5,633	5,890	6,116	6,380	6,629	6,882	7,089	7,305	7,529	7,755
Interest and dividends from Investments	73	2,020	1,916	1,930	2,027	2,180	2,375	2,650	3,027	3,445	3,832
Local authorities fuel tax, fines, infringement fees, and other receipts ¹	4,117	4,096	4,636	4,451	4,568	3,831	4,672	6,469	8,565	5,507	5,256
Total operating funding	67,556	74,518	77,688	81,431	88,252	93,034	96,153	102,942	109,516	109,712	114,085
Applications of operating funding											
Payments to staff and suppliers	55,355	58,740	58,632	60,797	63,409	64,300	65,761	69,403	72,271	72,747	74,461
Finance costs	422	1,265	1,709	2,068	2,438	2,769	3,117	3,502	3,730	3,816	3,892
Other operating funding applications	3,914	4,115	4,179	4,203	4,283	4,314	4,426	4,595	4,807	4,828	5,025
Total applications of operating funding	59,692	64,120	64,520	67,068	70,129	71,383	73,304	77,500	80,808	81,392	83,378
Surplus (deficit) of operating funding	7,865	10,398	13,168	14,363	18,123	21,651	22,849	25,442	28,708	28,320	30,706
Sources of capital funding											
Subsidies and grants for capital purposes	11,311	15,036	9,825	9,917	14,072	15,330	16,238	17,314	18,061	18,499	20,926
Development and financial contributions	24	10	-	35	-	-	-	-	-	-	-
Increase (decrease) in debt	19,829	24,447	16,648	19,489	18,077	15,030	19,775	18,633	4,905	2,967	4,479
Gross proceeds from sale of assets	63	127	235	230	177	350	157	276	284	190	420
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Total sources of capital funding	31,227	39,620	26,708	29,671	32,325	30,709	36,170	36,223	23,250	21,657	25,826
Applications of capital funding											
Capital expenditure											
To meet additional demand	4,419	915	937	232	-	-	-	-	-	-	-
To improve the level of service	14,468	15,418	12,846	12,078	9,883	11,333	16,847	16,872	3,854	3,436	3,457
To replace existing assets	20,819	29,267	24,750	29,418	36,978	36,723	36,497	37,205	37,802	37,704	43,786
Increase (decrease) in reserves	(2,534)	(1,873)	1,130	2,083	2,873	3,892	5,444	6,890	9,582	8,893	8,833
Increase (decrease) in investments	1,920	6,291	215	222	713	412	232	700	720	(57)	456
Total applications of capital funding	39,091	50,019	39,877	44,033	50,448	52,360	59,019	61,665	51,958	49,977	56,532
Surplus (deficit) of capital funding	(7,865)	(10,398)	(13,168)	(14,363)	(18,123)	(21,651)	(22,849)	(25,442)	(28,708)	(28,320)	(30,706)
Funding balance	-	-	-	-	-	-	-	-	-	-	-

¹ Includes all other operating funding from sources not identified above

Funding impact statement

(rates section)

Council's revenue from the uniform annual general charge and certain targeted rates set on a uniform basis is 23.41%. The maximum allowed under Section 21 of the Local Government (Rating) Act 2002 is 30%.

The following rating information is based on the financial data, contained within the consultation document. This is still subject to change with the final rating information being set with final rating information being set as part of the adoption of the long term plan in June 2021.

The following information sets out the rates mechanisms that Council will use, including information about how the different rates will be set and assessed for 2021/2022.

Council intends to use/apply the same source of funding and how the funds are applied across the term of the plan. However should it subsequently decide to make a significant change, it would undertake the relevant consultation at the time.

All figures in the funding impact statement (rates section) include GST.

Key rating definitions

The following definitions relate to the terms used in the tables below.

Separately used or inhabited part (SUIP) – includes any portion inhabited or used by the owner/a person other than the owner, and who has the right to use or inhabit that portion by virtue of a tenancy, lease, licence or other agreement. For the purposes of this definition, vacant land which is not used or inhabited is not a SUIP.

The following are additional examples of rating units with more than one separately used or inhabited part:

- single dwelling with flat attached
- two or more houses, flats or apartments on one Certificate of Title (rating unit)
- business premise with flat above
- commercial building leased to multiple tenants
- farm property with more than one dwelling
- Council property with more than one lessee
- Council will assess the following rates on a separately used or inhabited part of a rating unit (SUIP) basis:
 - regional heritage targeted rate
 - swimming pool targeted rates
 - community facilities targeted rates
 - some sewerage and water supply targeted rates.

Unit of service - the relevant unit of service deemed by Council to be appropriate given the type of service, nature and location of the rating unit etc, (including trough, connection, meter, loan, half, bin). This can include part charges for eligible assessments within a water or wastewater scheme area with the ability to connect to the scheme to accommodate the potential future burden of the rating unit on the scheme.

Uniform targeted rate (UTR) - a rate that is set as a fixed-dollar amount irrespective of the value of the rating unit.

Uniform annual general charge (UAGC) - a rate that is set as a fixed charge applied to each rateable rating unit.

Utility asset – includes such uses as hydroelectric power stations, network such as electricity, phone, postal, water and sewerage.

General rates

Background

Local authorities can set general rates either as a uniform or differential rate on property value (land, capital or annual value) and/or a Uniform Annual General Charge (UAGC) as a fixed amount per rating unit or SUIP. The UAGC is calculated by reference to those activities where Council considers there is an equal public benefit to the whole community. It funds all of the representation, development and promotions, library services, public health service and regional initiative activities, community facilities (public toilets), community services (cemeteries) and a proportion of open spaces (township refuse collection) and of the corporate overhead activities (including communications, strategy and policy, people and capabilities).

Activities funded

All activities that are not funded by fees and charges, targeted rates, borrowings or any other income are funded out of the general rates. Please refer to the Revenue and Financing Policy for further details on the activities funded out of the general rates including the UAGC.

Land liable for the rate

All rateable land within the Southland District is liable for the general rates.

How the rate is assessed

The uniform annual general charge is assessed on all rating units in the District on the following basis:

- a fixed amount per rating unit of \$692.60 (UAGC). The charge will generate \$11,280,290 in rates revenue in 2021/2022.

A general rate is assessed on all rating units in the District on the following basis:

- a rate in the dollar on capital value of \$0.00064801. The general rate is not set on a differential basis.

The rate will generate \$13,787,415 in rates revenue in 2021/2022.

Targeted rates

Targeted rates may be used to fund specific Council activities. Targeted rates are appropriate for services or activities where a specific group of ratepayers benefit from that service or where the revenue collected is targeted towards funding a specific type of expenditure. Lump sums will not be invited in relation to any of the targeted rates.

Community facilities targeted rates

Background

Southland District has a wide range of small community facilities across the District. These facilities (community centres and halls) are maintained by Council through the community facilities activity. Maintenance and upkeep of these facilities is provided by the collection of rates for this activity.

Activities funded

Each of the community facilities targeted rates funds the upkeep of the relevant community centres and halls. This includes general operating costs such as electricity and insurance as well as maintenance such as painting, replacement roof, carpet etc.

Land liable for the rate

All rateable land within the area of service for each specific hall, community centre or recreational facility is liable for the community facilities targeted rate.

Maps of these areas can be viewed at www.southlanddc.govt.nz/my-southland/maps

How the rates are assessed

The rates are assessed as a fixed amount per SUIP of a rating unit.

A table of the rates

Community centre rates	Uniform targeted rate per SUIP of a rating unit 2021/2022 (incl GST)	Revenue from community centre rates 2021/2022 (incl GST)	Map of land liable for rate
Aparima hall	\$44.99	\$2,969	Map 43
Athol memorial hall	\$101.64	\$16,059	Map 174
Balfour hall	\$40.00	\$11,560	Map 45
Blackmount hall	\$25.88	\$1,449	Map 46
Browns hall	\$42.33	\$8,043	Map 171
Brydone hall	\$68.56	\$4,491	Map 48
Clifden hall	\$94.03	\$8,369	Map 49
Colac Bay hall	\$114.87	\$18,379	Map 50
Dacre hall	\$43.00	\$3,999	Map 51
Dipton hall	\$104.94	\$21,513	Map 52
Eastern Bush hall	\$78.89	\$2,367	Map 54
Edendale-Wyndham hall	\$27.10	\$20,000	Map 170
Fiordland event centre	\$37.62	\$82,632	Map 94
Five Rivers hall	\$120.64	\$10,013	Map 56
Fortrose Domain	\$165.53	\$11,256	Map 57
Glenham hall	\$34.30	\$2,710	Map 59
Gorge Road hall	\$49.14	\$13,120	Map 60
Heddon Bush hall	\$69.00	\$4,209	Map 61
Hedgehope-Glencoe hall	\$75.77	\$7,425	Map 62
Limehills hall	\$101.37	\$19,666	Map 65
Lochiel hall	\$36.07	\$5,374	Map 66
Lumsden hall	\$54.67	\$20,775	Map 68
Mabel Bush hall	\$50.15	\$3,862	Map 69
Manapouri hall	\$49.34	\$15,739	Map 71
Mandeville hall	\$45.00	\$1,980	Map 72
Mimihau hall	\$63.25	\$3,226	Map 75
Mokoreta-Redan hall	\$90.23	\$6,045	Map 76
Mossburn hall	\$67.15	\$17,795	Map 78
Myross Bush hall	\$29.50	\$2,272	Map 79
Nightcaps hall	\$87.46	\$17,230	Map 80
Ohai hall	\$83.57	\$17,466	Map 81
Orawia hall	\$93.17	\$10,528	Map 82

Community centre rates	Uniform targeted rate per SUIP of a rating unit 2021/2022 (incl GST)	Revenue from community centre rates 2021/2022 (incl GST)	Map of land liable for rate
Orepuki hall	\$72.66	\$10,390	Map 83
Oreti Plains hall	\$83.87	\$10,148	Map 84
Otahuti hall	\$40.94	\$2,129	Map 85
Otapiri-Lora Gorge hall	\$82.17	\$6,574	Map 86
Riversdale hall	\$58.21	\$23,109	Map 89
Ryal Bush hall	\$68.34	\$8,679	Map 90
Seaward Downs hall	\$33.20	\$3,984	Map 91
Stewart Island/Rakiura hall	\$75.21	\$29,670	Map 93
Thornbury hall	\$107.60	\$11,298	Map 95
Tokanui-Quarry Hills hall	\$106.37	\$14,573	Map 173
Tuatapere hall	\$48.09	\$18,851	Map 97
Tussock Creek hall	\$136.58	\$12,019	Map 98
Tuturau hall	\$47.37	\$1,800	Map 99
Waianiwa hall	\$65.00	\$9,555	Map 175
Waikaia Recreation hall	\$55.60	\$17,014	Map 101
Waikawa community centre	\$112.02	\$15,347	Map 102
Waimahaka hall	\$67.66	\$6,901	Map 103
Waimatuku hall	\$36.58	\$1,975	Map 104
Wairio community centre	\$46.03	\$3,867	Map 105
Wallacetown hall	\$55.00	\$19,360	Map 106
Winton hall	\$32.51	\$49,675	Map 107
Wreys Bush hall	\$86.81	\$2,691	Map 109
Wrights Bush hall	\$31.18	\$1,871	Map 110

Roading targeted rates

Background

Council administers and maintains the District's roading and bridging network (some 5,000km of network), excluding state highways and national park roads (maintained by the NZTA and DOC, respectively). Council also provides footpaths, streetlights, carparks and noxious plant control.

Activities funded

The costs associated with operating and maintenance of Council's roading network. This includes the reseal programme, road pavement rehabilitation programme, minor improvements and bridge maintenance, strengthening and replacement.

Land liable for the rates

All rateable land within the Southland district is liable for the rate.

How the rates are assessed

- a fixed amount of \$92.00 per rating unit. The rate will generate \$1,497,013 in rates revenue in 2021/2022; and
- a differential rate in the dollar of capital value across all properties as per the table of rates. The rate will generate \$16,412,726 in rates revenue in 2021/2022.

Rate differential definitions

The rate in the dollar of capital value is set on a differential basis for different land uses. The differential category is consistent with the land use designated to each rating unit. The definition for each rates differential category is listed in the table below:

Differential category	Definition
Commercial	All land that is principally used for commercial purposes. It includes accommodation services, entertainment, rest homes, retail and office-type use, parking buildings, service stations and tourist-type attractions.
Dairy	All land suitable for all types of supply and stud.
Forestry	All land that is used for forestry, including land either in production or currently available for planting and protected forest areas. It does not include forest nurseries.
Farming non-dairy	All land that is used exclusively, or almost exclusively, for horticultural, forestry nurseries, pastoral and specialist purposes other than dairy farming. It includes land suitable for uses such as cropping, orchards, market gardening or glasshouses, grazing or fattening of livestock, land used for aquaculture, deer farming, horse studs, poultry and pigs.
Industrial	All land that is used exclusively, or almost exclusively, for industrial uses including associated retailing, food processing or storage, light and large-scale manufacturing, tank farms and other noxious or dangerous industrial uses, excluding utility assets.
Lifestyle	Land that is used for lifestyle purposes will generally be located in a rural area but the predominant use is for a residence, and if vacant there is the right to build a dwelling. The principal use of the land may be non-economic in the traditional farming sense.
Mining	All land used for mining and other mineral extraction sites.
Other	Other uses not covered by any alternative category including utility assets.
Residential	All land that is used exclusively, or almost exclusively, for residential purposes including investment flats and not already included elsewhere. It does not include lifestyle properties.

A table of the rates

Roading rates	Uniform targeted rate per rating unit 2021/2022 (incl GST)	Rate in the dollar on capital value 2021/2022 (incl GST)	Revenue from roading rates 2021/2022 (incl GST)
UTR	\$92.00		\$1,497,013
Commercial		\$0.00137754	\$487,777
Dairy		\$0.00102365	\$6,064,349
Farming non-dairy		\$0.00062781	\$5,904,996
Forestry		\$0.00655124	\$917,203
Industrial		\$0.00136814	\$490,051
Lifestyle		\$0.00055586	\$748,088
Mining		\$0.02111479	\$298,817
Other		\$0.00016676	\$160,872
Residential		\$0.00055586	\$1,340,575

Further information on how the differentials for each category are established refer to Council's activity needs funding analysis.

Regional heritage targeted rate

Background

The regional heritage targeted rate is used to fund heritage activities within the Southland region.

Activities funded

The costs associated with operating a Regional Heritage Fund, which is administered by the Southland Regional Heritage Committee and is part of Council's grant and donations activity, to promote the development of heritage of value to the region as a whole.

Land liable for the rate

All rateable land within the Southland district is liable for the rate.

How the rate is assessed

The targeted rate is assessed as a fixed amount per SUIP of a rating unit of \$45.50.

The rate will generate \$733,619 in rates revenue in 2021/2022.

Community board targeted rates

Background

Council has delegated responsibility for the management of a number of local activities, such as the maintenance of parks and reserves to community boards. The cost of providing these activities is funded via local targeted rates.

Activities funded

These targeted rates fund the costs associated with the operation and maintenance of footpaths, streetlights, streetscapes, parks and reserves and water facilities in each community board area.

Land liable for the rate

All rateable land within each specific community board.

Maps of these areas can be viewed at www.southlanddc.govt.nz/my-southland/maps/

How the rates are assessed

The targeted community board rates - are set after considering the recommendation of the relevant community board. For each community board the rate will be set on a differentiated basis, based on location of the rating unit.

- rating units in the urban area will pay a fixed full charge
- rating units in the semi-urban area will pay a half charge (50% of the full charge payable by those rating units in the urban area)
- rating units in the rural area will pay a quarter charge (25% of the full charge payable by those rating units in the urban area)

Rates differential definitions

The rates are set on a differential basis depending on the location of the rating unit. The differential categories reflect Council's assessment of the ability of groups of ratepayers to access the activities funded by each local community board rate and the relative benefit received by those groups and therefore the share of costs each group should bear based on the principles outlined in the revenue and financing policy.

The definition for each rate differential category based on the use of land is listed in table below.

Differential category	Definition
Urban	All rating units in the defined community board urban rating area as shown in the rating boundary maps. Urban areas have generally been defined as township areas within the community board area where all or a majority of the local services are provided at scale and with large populations. Some consideration has also been given to the District Plan Urban Zone in defining these areas.
Semi-urban	All rating units in the defined community board semi-urban rating area as shown in the rating boundary maps. Semi-urban areas have generally been defined as township areas within the community board area where most of the local services are provided at a smaller scale and with smaller populations. Some consideration has also been given to the District Plan Rural Settlement Areas in defining these areas.
Rural	All other rating units in the defined community board rating area located outside of the 'urban' and 'semi-urban' areas as detailed above.

A table of the rates

Local rates	Differential factor for targeted rate per rating unit	Targeted rate per rating unit 2021/2022 (incl GST)	Revenue from local rates 2021/2022 (incl GST)	Map of land liable for rate
Ardlussa Community Board rural rate	0.25	\$50.68	\$27,545	Map 177
Ardlussa Community Board urban rate	1.00	\$202.71	\$98,162	Map 203, 186, 211
Fiordland Community Board rural rate	0.25	\$59.47	\$27,208	Map 178
Fiordland Community Board semi-urban rate	0.50	\$118.95	\$14,631	Map 220
Fiordland Community Board urban rate	1.00	\$237.89	\$559,993	Map 196, 206
Northern Community Board rural rate	0.25	\$85.92	\$41,220	Map 179
Northern Community Board semi-urban rate	0.50	\$171.84	\$14,435	Map 185, 192
Northern Community Board urban rate	1.00	\$343.67	\$142,623	Map 195, 198
Oraka Community Board rural rate	0.25	\$49.24	\$23,611	Map 180
Oraka Community Board semi-urban rate	0.50	\$98.49	\$18,467	Map 188, 207
Oraka Community Board urban rate	1.00	\$196.98	\$246,816	Map 204
Oreti Community Board rural rate	0.25	\$48.07	\$95,389	Map 181
Oreti Community Board semi-urban rate	0.50	\$96.14	\$11,104	Map 187, 189, 194
Oreti Community Board urban rate	1.00	\$192.29	\$298,674	Map 213, 214
Stewart Island/Rakiura Community Board urban rate	1.00	\$231.19	\$115,826	Map 10
Tuatapere Te Waewae Community Board rural rate	0.25	\$83.93	\$49,225	Map 182
Tuatapere Te Waewae Community Board semi-urban rate	0.50	\$167.86	\$15,947	Map 197, 201
Tuatapere Te Waewae Community Board urban rate	1.00	\$335.72	\$96,855	Map 209
Waihopai Toetoe Community Board rural rate	0.25	\$54.50	\$110,553	Map 183
Waihopai Toetoe Community Board semi-urban rate	0.50	\$109.00	\$9,946	Map 193, 215
Waihopai Toetoe Community Board urban rate	1.00	\$217.99	\$133,737	Map 191, 208, 216
Wallace Takitimu Community Board rural rate	0.25	\$74.42	\$47,052	Map 184
Wallace Takitimu Community Board semi-urban rate	0.50	\$148.85	\$2,233	Map 212
Wallace Takitimu Community Board urban rate	1.00	\$297.69	\$241,650	Map 199, 200, 202

Stormwater targeted rates

Background

Stormwater networks are provided to reduce the impact of flooding due to rainfall. The activity protects people's property, improves road safety and mitigates against accessibility/safety issues which may otherwise be caused during flooding events.

Activities funded

The expenses in maintaining stormwater networks, reticulation repairs and upgrades and including costs associated with their monitoring and consenting.

Land liable for the rate

All rateable land within the designated stormwater full charge and quarter charge boundaries.

Maps of these areas can be viewed at www.southlanddc.govt.nz/my-southland/maps/

How the rates are assessed

The rate is set on a differential basis based on the location of the rating unit, set as a fixed amount per rating unit.

Rating units in areas that have been defined will pay a fixed full charge.

Rating units outside of these areas will pay a fixed quarter charge (25% of the full charge).

Rates differential definitions

The rates are set on a differential basis depending on the location of the rating unit. The differential categories reflect Council's assessment of the relative benefit received by those groups from the stormwater activity and therefore the share of costs each group should bear based on the principles outlined in the Revenue and Financing Policy. The definition for each rates differential category is listed in table below.

Differential category	Definition
Full charge	All rating units in the defined stormwater rating area as shown in the rating boundary maps. These areas have generally been defined in line with the urban and semi-urban township areas used for community board targeted rate where stormwater infrastructure and/or services are provided, operated and maintained by Council.
Quarter charge	All other rating units located outside of the stormwater areas as detailed above.

A table of the rates

Stormwater rates	Targeted rate per rating unit 2021/2022 (incl GST)	Revenue from stormwater rates 2021/2022 (incl GST)	Map of land liable for rate
Stormwater - full charge	\$81.31	\$719,919	Map 10, 186-216
Stormwater - quarter charge	\$20.33	\$156,887	Map 217

SIESA targeted rates

Background

The SIESA activity involves generation and transmission of electrical power to Stewart Island consumers. Electricity is produced by diesel generators which are located at a central power house. Electricity is supplied on a 24-hour basis with a level of fault response commensurate with mainland service.

Activities funded

This includes management and operations of the entire supply network as well as maintenance, renewals and capital improvement to the transmission network and generating plant to ensure a consistent level of service and allow for future growth.

Land liable for the rate

All rateable land within the SIESA targeted rate area of service. A map of this area can be viewed at www.southlanddc.govt.nz/my-southland/maps/

How the rates are assessed

The rate is set on a differential basis. Council has defined its differential categories using the below:

- rating units (other than vacant non-contiguous ones) within the scheme rating boundary are charged a fixed amount per rating unit being the SIESA – full charge rate (regardless of whether they are connected or not).
- vacant non-contiguous rating units within the designated SIESA rating boundary are charged a fixed amount per rating unit, being the SIESA – half charge rate.

A table of the rates

SIESA rates	Targeted rate per rating unit 2021/2022 (incl GST)	Revenue from SIESA rates 2021/2022 (incl GST)	Map of land liable for rate
SIESA - full charge	\$200.00	\$76,600	Map 219
SIESA - half charge	\$100.00	\$11,100	Map 219

Swimming pool targeted rates

Background

These rates are used to fund community swimming pools which are managed by a local swimming pool committee. These pools are all owned by local community groups, with two on Council land.

Activities funded

This rate is used to fund the costs of operating and maintaining community swimming pools. Depending on the location of the pool, the rates come under two activities: (i) Council facilities and (ii) parks and reserves.

Land liable for the rate

All rateable land within each swimming pool targeted rate area of service is liable for the relevant rate.

Maps of these areas can be viewed at www.southlanddc.govt.nz/my-southland/maps/

How the rates are assessed

The swimming pool targeted rate for each area of service is set as a fixed amount per SUIP of a rating unit.

A table of the rates

Pool rates	Uniform targeted rate per SUIP of a rating unit 2021/2022 (incl GST)	Revenue from pool rates 2021/2022 (incl GST)	Map of land liable for rate
Fiordland	\$15.53	\$37,365	Map 38
Otautau	\$21.00	\$13,597	Map 35
Riverton/Aparima	\$21.20	\$36,793	Map 36
Takitimu	\$23.11	\$14,207	Map 37
Tuatapere Ward	\$7.51	\$5,828	Map 39
Waihopai Toetoe Ward	\$11.50	\$31,547	Map 218
Winton	\$17.25	\$26,099	Map 40

Te Anau Airport Manapouri targeted rate

Background

The Te Anau Airport Manapouri facility is designed and managed to attract and facilitate access by air to the Te Anau community, its businesses and the natural environment. The activity also contributes to safe places as the airport provides for air-based emergency access which can act as an alternative to road transport in an emergency.

Activities funded

The targeted rate is used to fund the initial capital costs of developing and now operating the Te Anau Airport Manapouri facility.

Land liable for the rate

All rateable land within the Te Anau Airport Manapouri targeted rate area of service. A map of this area can be viewed at www.southlanddc.govt.nz/my-southland/maps/ (Map 11).

How the rate is assessed

The targeted rate is assessed as a fixed amount per rating unit of \$67.69.

The rate will generate \$196,267 in rates revenue in 2021/2022.

Stewart Island waste management targeted rates

Background

Stewart Island/Rakiura is serviced by a weekly kerbside refuse bag, recycling and food scrap collection. The service is provided to all rating units on Stewart Island/Rakiura other than vacant land rating units. One unit of service for this rate is 52 bags (one per week).

Activities funded

The targeted rate is used to fund the collection and disposal of refuse and recycling on Stewart Island.

Land liable for the rate

All land within the Stewart Island waste management targeted rate area of service is liable for the rate.

A map of this area can be viewed at www.southlanddc.govt.nz/my-southland/maps/ - (Map 93).

How the rate is assessed

The targeted rate is assessed as a fixed amount per unit of service of \$298.61.

The rate will generate \$115,562 in rates revenue in 2021/2022.

Rubbish bin collection targeted rate and recycling bin collection targeted rates

Background

Council operates a solid waste and recycling bin collection service for serviced properties across the district. Through this activity it collects recycling and solid waste for disposal.

The service is compulsory to all rating units containing a residential dwelling within the designated urban bin boundaries (copies of the boundary maps can be obtained from Council), all other rating units can optionally have this service. Any rating unit that is able to transport their bins to the designated rural bin route for collection can also have this service. To find out more about our services or when your bin would be collected visit www.wastenet.org.nz.

Activities funded

These targeted rates are used to ensure that those properties that receive the benefits of the solid waste and recycling wheelie bin collection services pay for the cost of providing these services. A separate waste management targeted rate is used to fund the remaining solid waste activity in parts of the district other than Stewart Island/Rakiura. The Stewart Island waste management targeted rate is used to fund the cost of managing solid waste on Stewart Island.

Land liable for the rate

All land within the district which receives a rubbish bin or recycling bin collection service is liable for the targeted rates. A map of this area can be viewed at [www.southlanddc.govt.nz/my-southland/maps/\(Map 176\)](http://www.southlanddc.govt.nz/my-southland/maps/(Map%20176)).

How the rates are assessed

- each rubbish bin and recycling bin is classified as a unit. All rating units receiving this service are required to have a minimum of one rubbish bin and one recycle bin
- all rating units receiving the service have the option to receive further bins of each type over and above the minimum service. The rate assessed on each rating unit will reflect the number of units of service (for example, a rating unit with two bins of each type will be assessed twice as much as a rating unit with one bin of each type)
- the targeted rubbish bin collection rate is assessed as a fixed amount per unit of service of \$173.32
- the rubbish bin collection rate will generate \$1,805,648 in rates revenue in 2021/2022
- the targeted recycling bin collection rate is assessed as a fixed amount per unit of service of \$173.32
- the recycling bin collection rate will generate \$1,782,596 in rates revenue in 2021/2022.

Water supply targeted rates

Background

Council operates 12 drinking water supply networks (10 urban and two rural residential) throughout the district. The urban supplies are required to meet drinking water standards while the rural supplies provide non-potable water for rural use.

Activities funded

The expenses in maintaining each of the water supply networks. In particular, the costs associated in treating and reticulating the water needed in each community.

Land liable for the rate

The targeted rate applies to all properties that are connected or those capable of connecting within the designated boundary to a Council-owned water supply network.

Maps of the scheme areas covered by each water supply can be viewed at www.southlanddc.govt.nz/my-southland/maps/.

How the rates are assessed

The water supply targeted rates are assessed as outlined below.

Te Anau rural water scheme targeted rates

- all rating units pay an annual fixed charge per restricted connection
- rating units are required to pay a fixed amount for each unit made available to the rating unit. One unit is calculated as 1,814.4 litres per day
- a bulk 7.7 units category exists for larger supplies which provides 7.7 units of restricted supply water at 7.7 times a single unit cost
- minimum allocation is one full unit. Half units are only applicable on rating units receiving above one full unit. These rates apply to all properties within the Te Anau rural water rating boundary (refer to Map 160).

Matuku rural water scheme targeted rate

All rating units within the Matuku rural water rating boundary (refer Map 144) are required to pay a fixed annual amount for each unit made available to the rating unit. One unit is calculated as 1,814.4 litres per day.

Metered property water supply targeted rate (excludes properties within the Matuku and Te Anau rural water rating boundaries)

The metering of a property is considered and/or applicable when

- a property is estimated to consistently exceed the expected annual usage
- where observation metering indicated high water use in relation to the expected annual usage
- where non-drinking use of water is evident, eg, truck wash-down, water for animal consumption is expected to exceed the expected annual usage quantity.

Properties that are rated for a metered water supply will be charged a fixed annual charge per water meter and a rate for actual water consumption per cubic metre, invoiced quarterly.

Non-metered property water supply targeted rate (excludes properties within the Matuku and Te Anau rural water rating boundaries)

- these rates apply to all properties that are not provided with a metered water supply
- one unit is one standard domestic connection. All rating units without meters that are connected to a water supply scheme or are within the scheme rating boundary are charged a fixed amount for each unit of service
- rating units with water troughs with direct feed from Council's water mains pay a fixed annual amount per trough (note that backflow prevention and annual testing of backflow preventer is required in these cases)

- vacant non-contiguous rating units within the scheme rating boundary are charged a “half charge” per rating unit for the provision of the service due to the ability to connect to the scheme.

A table of the rates

Water and metered water rates	\$ per m ³ 2021/2022 (incl GST)	Targeted rate per rating unit of service/rating unit 2021/2022 (incl GST)	Revenue from water supply rates 2021/2022 (incl GST)	Map of land liable for rate
District water rate - full charge		\$576.87	\$4,525,545	
District water rate - half charge		\$288.43	\$188,922	
District water rate - trough charge		\$115.37	\$2,077	
			\$4,716,543	Maps 138 - 162
District water - meter charge		\$196.00	\$41,552	
Metered charge for water consumed	\$1.10			
Matuku rural water		\$406.11	\$44,672	Map 144
Te Anau rural water - annual charge		\$771.47	\$158,151	Map 160
Te Anau rural water - full charge		\$514.31	\$140,921	Map 160
Te Anau rural water - half charge		\$257.16	\$2,572	Map 160
Te Anau rural water - 7.7 charge		\$3,960.19	\$293,054	Map 160
			\$594,698	

Properties capable of connection are defined as being within 30 metres of a public water supply network to which it is capable of being effectively connected.

Wastewater targeted rates

Background

The wastewater activity involves collecting, treating and disposing of sewage from residential properties, business properties and public sanitary facilities.

The wastewater system also deals with non-domestic liquid wastes (often known as trade wastes). Eighteen towns within the district are reticulated with Council-owned and maintained infrastructure.

Activities funded

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

Land liable for the rate

The targeted rate applies to all properties within the designated boundary of one of Council-owned wastewater schemes. Maps of the areas of service for each Council scheme can be viewed at www.southlanddc.govt.nz/my-southland/maps/.

How the rates are assessed

The rate is set on a differential basis. Council has primarily defined its differential categories using the use to which a rating unit is put (as a residence, vacant land or all other property). The liability factors used are per SUIP of a rating unit, per rating unit and the number of pans/urinals within the rating unit.

How the rate is calculated

Residential dwelling	Where the rating unit is either connected or able to be connected ¹ and not connected, a fixed amount per SUIP, being the District wastewater rate – full charge This includes residential, lifestyle, dairy, farming properties within the designated boundaries.
Vacant land	Where the rating unit is not contiguous and within the designated wastewater boundary, a fixed amount per rating unit, being the District wastewater rate – half charge
All other properties	Where the rating unit is either connected or able to be connected ¹ and not connected, a fixed amount per pan/urinal, being the District wastewater rate – full charge This includes industrial, mining, forestry, commercial and other properties within the designated boundaries.

1 - Able to be connected means that you are within the scheme boundary or within a distance of 30m from a property boundary to the pipe in the street or a distance of 60m from the house/dwelling to the pipe in the street.

A table of the rates

Wastewater rates	Targeted rate per rating unit/SUIP/Pan 2021/2022 (incl GST)	Revenue from rates 2021/2022 (incl GST)	Map of land liable for rate
District wastewater rate - full charge	\$457.61	\$4,419,712	
District wastewater rate - half charge	\$228.81	\$181,675	
		\$4,601,387	Maps 112-135

Woodlands septic tank cleaning charge targeted rate

Background

Property owners within the Woodlands area are able to have their septic tank cleaned by Council on a three yearly cycle. This service was put in place due to the problems that were experienced in the past with the operation of septic tanks within this community.

Activities funded

The targeted rate is used to fund the costs of cleaning septic tanks within the area of service for the Woodlands septic tank cleaning charge.

Land liable for the rate

All land within the Woodlands septic tank cleaning charge area of service is liable for the rate.

A map of this area can be viewed at www.southlanddc.govt.nz/my-southland/maps/ - (Map 163)

How the rate is assessed

The targeted rate is assessed as an amount of \$60.17 per SUIP of a rating unit.

The rate will generate \$3,851 in rates revenue in 2021/2022.

Te Anau Manapouri Wastewater targeted rate

Background

Property owners within the Te Anau Manapouri wastewater area are to contribute to a portion of the overall construction of the Te Anau wastewater discharge method in the Te Anau Wastewater Treatment and Disposal project.

Activities funded

The targeted rate is used to fund a portion of the loan for the costs of disposal from the Te Anau wastewater scheme.

Land liable for the rate

All land within the Te Anau Manapouri wastewater area of service is liable for the rate.

A map of this area can be viewed at www.southlanddc.govt.nz/my-southland/maps/ - (Map 120 & 129)

How the rate is assessed

This will not be rated until the rating year commencing 1 July 2022.

Water supply loan targeted rates

Background

A water supply loan targeted rate is used to fund the capital contributions towards development of the water supply schemes for the Edendale and Wyndham communities. Council has previously offered ratepayers the option of paying the contribution as a lump sum or over a number of years.

Activities funded

The capital costs of developing the relevant water supply scheme.

Land liable for the rate

The properties liable for each targeted rate are within the area of service for each scheme and have previously indicated the period over which they wish to pay the initial capital cost. Units were determined at the establishment of each individual scheme.

Maps of the areas of service for each Council scheme can be viewed at www.southlanddc.govt.nz/my-southland/maps/

How the rates are assessed

The rates are assessed against each rating unit based on the option that the ratepayer has previously chosen to either pay a one-off capital contribution for a new scheme or pay it over a selected period.

A table of the rates

Water loan rates	Targeted rate per unit of service 2021/2022 (incl GST)	Revenue from water loan rates 2021/2022 (incl GST)	Map of Land liable for rate
Edendale water loan - 15 years	\$216.68	\$650	Map 161
Edendale water loan - 25 years	\$126.93	\$13,074	Map 161
Wyndham water loan - 15 years	\$187.46	\$1,875	Map 162
Wyndham water loan - 25 years	\$120.55	\$14,707	Map 162

Sewerage loan targeted rates

Background

Sewerage loan targeted rates are used to fund the capital contributions towards development of the wastewater schemes for the Edendale, Wyndham, Oban, Tuatapere, Wallacetown and Gorge Road sewerage schemes. Council has previously offered ratepayers the option of paying the contribution as a lump sum or over a number of years.

Activities funded

These contribute to the capital costs of developing the relevant wastewater scheme.

Land liable for the rate

The properties liable for each targeted rate are within the area of service for each scheme and have previously indicated the period over which they wish to pay the initial capital cost. Units were determined at the establishment of each individual scheme.

Maps of the areas of service for each Council scheme can be viewed at www.southlanddc.govt.nz/my-southland/maps/.

How the rates are assessed

The rates are assessed against each rating unit based on the option that the ratepayer has previously chosen to pay a one-off capital contribution for a new scheme or to pay it over a selected period.

A table of the rates

Sewerage loan rates	Targeted rate per unit of service 2021/2022 (incl GST)	Revenue from sewerage loan rates 2021/2022 (incl GST)	Map of land liable for rate
Edendale sewerage rate - 15 years (incl. connection cost)	\$835.43	\$6,683	Map 115
Edendale sewerage rate - 25 years (incl. connection cost)	\$534.96	\$38,517	Map 115
Edendale sewerage rate - 25 years (excl. connection cost)	\$442.74	\$43,831	Map 115
Tuatapere sewerage loan charge - 15 Years	\$387.71	\$7,366	Map 132
Tuatapere sewerage loan charge - 25 Years	\$310.45	\$32,132	Map 132
Wallacetown sewerage loan charge - 15 Years	\$453.64	\$14,970	Map 133
Wallacetown sewerage loan charge - 25 Years	\$288.15	\$20,747	Map 133
Wyndham sewerage loan charge - 15 Years (incl. connection cost)	\$749.75	\$8,247	Map 135
Wyndham sewerage loan charge - 25 Years (incl. connection cost)	\$482.11	\$51,586	Map 135
Wyndham sewerage loan charge - 15 Years (excl. connection cost)	\$609.20	\$1,218	Map 135
Wyndham sewerage loan charge - 25 Years (excl. connection cost)	\$391.74	\$8,618	Map 135

Rating base information

Schedule 10 clause 15A of the Local Government Act 2002 requires Council to disclose its projected number of rating units within the district over the period of the long term plan. Council is projecting the following rating units at the preceding of the financial years:

	2020/2021 Annual Plan	2021/2022 Forecast	2022/2023 Forecast	2023/2024 Forecast	2024/2025 Forecast	2025/2026 Forecast	2026/2027 Forecast	2027/2028 Forecast	2028/2029 Forecast	2029/2030 Forecast	2031/2032 Forecast
Rating units	20,621	20,718	20,816	20,915	21,014	21,113	21,213	21,313	21,414	21,515	21,617

Sample properties

The following table calculates the impact of Council's rating policy on properties in 2021/2022:

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

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

For the reasons above the information should be treated as indicative.

Indicative rates are inclusive of GST.

District rates are those rates charged to all properties in the district irrespective of their location or the services supplied. This includes roading, regional heritage, stormwater and the general rates.

Local rates are those rates charged to properties that are dependent on the rating unit's location in respect of rating boundaries. This includes hall rates, pool rates, community board rates.

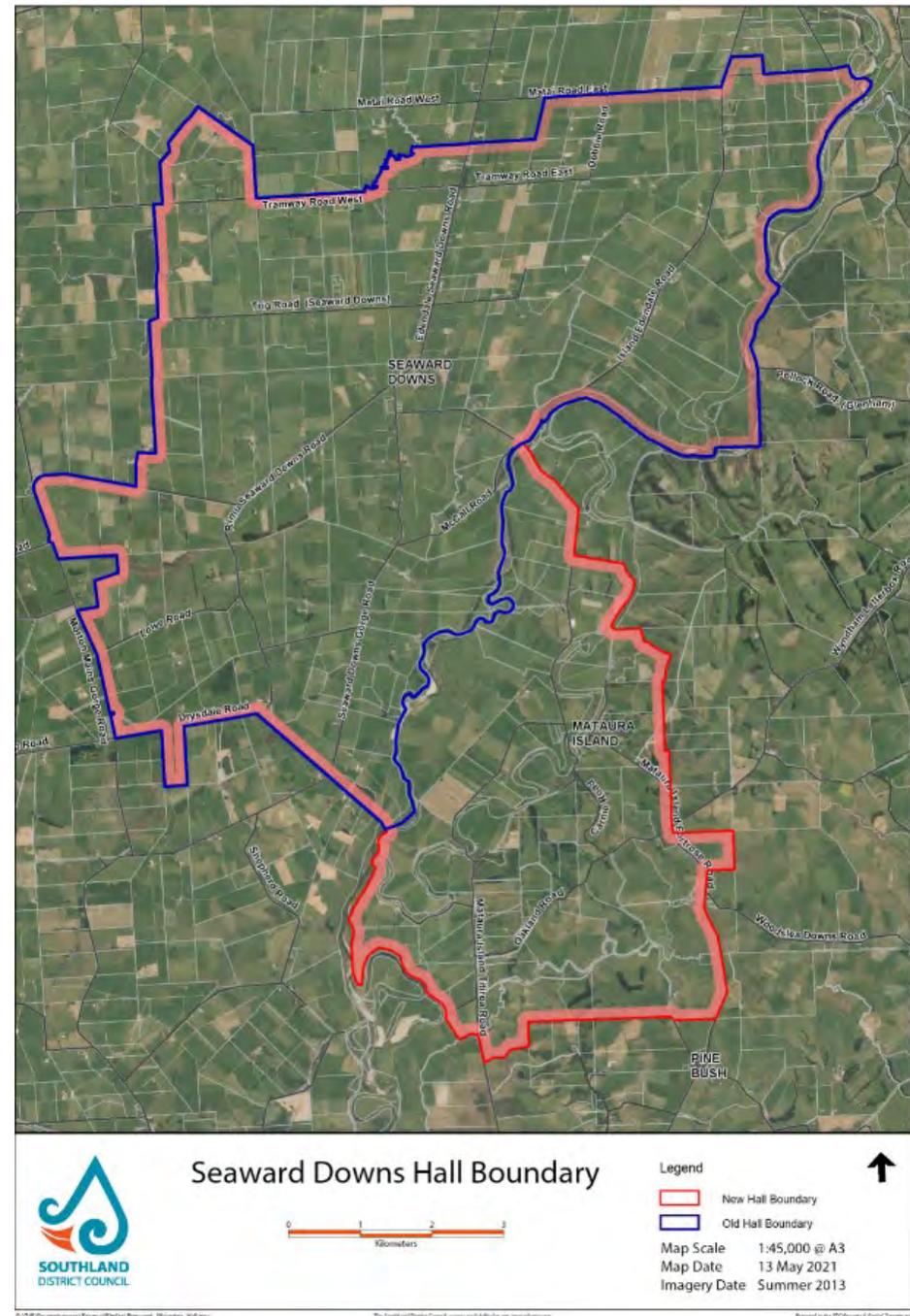
Service rates are those rates charged to properties based on the services that they do or can receive. This includes water supply, sewerage and wheelie bin rates.

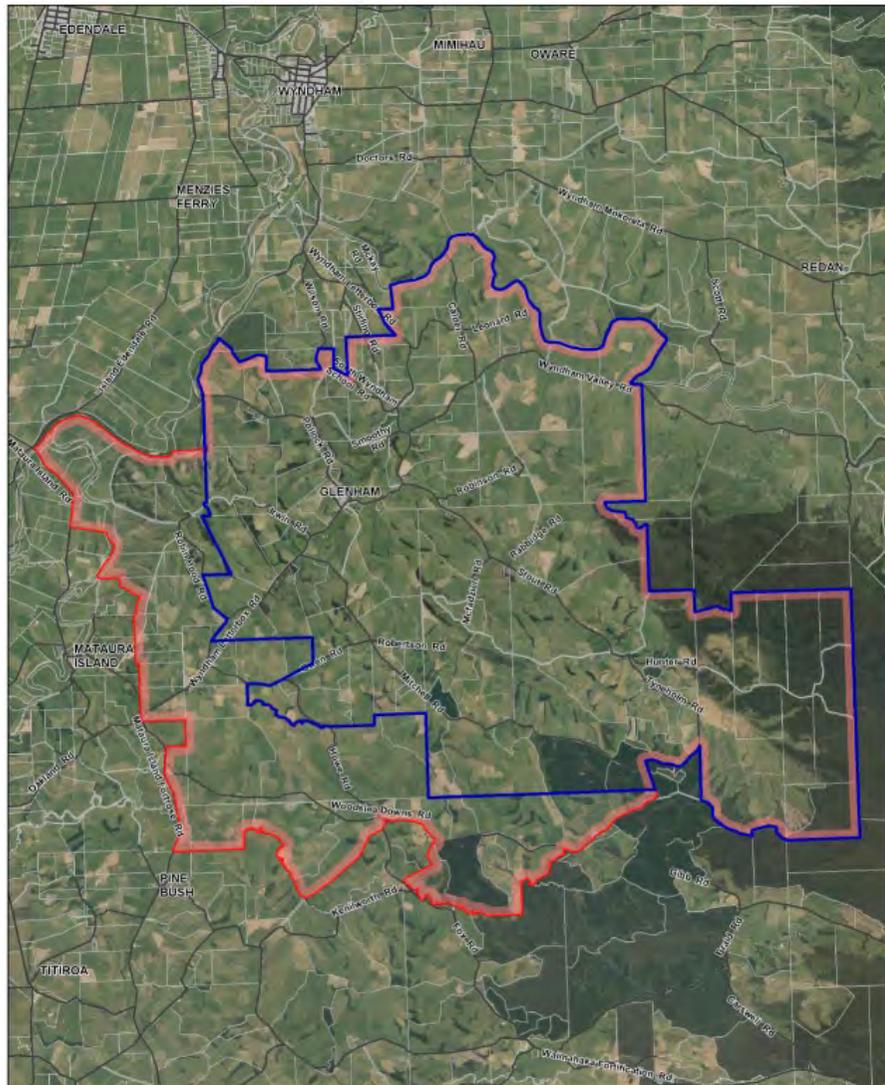
Sector	Land value	Capital value	Total rates				District rates				Local rates				Service rates			
			2020/ 2021	2021/ 2022	\$ Change	% Change	2020/ 2021	2021/ 2022	\$ Change	% Change	2020/ 2021	2021/ 2022	\$ Change	% Change	2020/ 2021	2021/ 2022	\$ Change	% Change
Residential (Winton)	\$81,000	\$305,000	\$2,654	\$2,902	\$247	9%	\$1,094	\$1,279	\$184	17%	\$292	\$242	(\$50)	(17%)	\$1,268	\$1,381	\$113	9%
Residential (Manapouri)	\$430,000	\$850,000	\$3,401	\$3,671	\$270	8%	\$1,677	\$1,935	\$257	15%	\$455	\$355	(\$100)	(22%)	\$1,268	\$1,381	\$113	9%
Residential (Balfour)	\$33,000	\$170,000	\$1,584	\$1,705	\$121	8%	\$950	\$1,116	\$166	18%	\$289	\$243	(\$46)	(16%)	\$346	\$347	\$1	0%
Residential (Ohai)	\$15,000	\$126,000	\$2,564	\$2,849	\$285	11%	\$903	\$1,063	\$161	18%	\$393	\$404	\$11	3%	\$1,268	\$1,381	\$113	9%
Residential (Te Anau)	\$138,000	\$510,000	\$2,995	\$3,265	\$271	9%	\$1,314	\$1,525	\$212	16%	\$413	\$359	(\$54)	(13%)	\$1,268	\$1,381	\$113	9%
Residential (Otautau)	\$20,000	\$230,000	\$2,646	\$2,888	\$242	9%	\$1,014	\$1,188	\$174	17%	\$364	\$319	(\$46)	(13%)	\$1,268	\$1,381	\$113	9%
Lifestyle (Athol)	\$290,000	\$465,000	\$1,698	\$1,944	\$247	15%	\$1,265	\$1,410	\$145	11%	\$87	\$188	\$101	117%	\$346	\$347	\$1	0%
Lifestyle (Manapouri)	\$225,000	\$560,000	\$2,648	\$2,625	(\$24)	(1%)	\$1,367	\$1,525	\$158	12%	\$451	\$177	(\$275)	(61%)	\$830	\$924	\$93	11%
Lifestyle (Wyndham)	\$160,000	\$650,000	\$2,024	\$2,073	\$49	2%	\$1,463	\$1,633	\$170	12%	\$215	\$93	(\$122)	(57%)	\$346	\$347	\$1	0%
Lifestyle (Riverton/Aparima)	\$740,000	\$1,430,000	\$1,979	\$2,135	\$156	8%	\$1,574	\$1,767	\$193	12%	\$59	\$21	(\$38)	(64%)	\$346	\$347	\$1	0%
Farming (non-dairy)	\$4,660,000	\$5,360,000	\$7,051	\$7,842	\$791	11%	\$6,889	\$7,689	\$799	12%	\$162	\$153	(\$9)	(5%)	\$0	\$0	\$0	0%
Farming (non-dairy)	\$6,350,000	\$7,520,000	\$9,763	\$10,610	\$848	9%	\$9,445	\$10,536	\$1,091	12%	\$318	\$74	(\$243)	(77%)	\$0	\$0	\$0	0%
Farming (non-dairy)	\$5,400,000	\$5,950,000	\$7,740	\$8,595	\$854	11%	\$7,563	\$8,442	\$878	12%	\$177	\$153	(\$24)	(13%)	\$0	\$0	\$0	0%
Farming (non-dairy)	\$1,470,000	\$1,600,000	\$2,625	\$2,895	\$271	10%	\$2,551	\$2,846	\$295	12%	\$74	\$49	(\$24)	(33%)	\$0	\$0	\$0	0%
Mining	\$2,590,000	\$3,930,000	\$85,846	\$86,476	\$630	1%	\$85,770	\$86,378	\$608	1%	\$76	\$98	\$22	29%	\$0	\$0	\$0	0%
Industrial	\$175,000	\$400,000	\$2,740	\$2,994	\$254	9%	\$1,524	\$1,718	\$194	13%	\$294	\$242	(\$52)	(18%)	\$922	\$1,034	\$112	12%
Industrial	\$200,000	\$560,000	\$4,280	\$4,832	\$552	13%	\$1,827	\$2,040	\$214	12%	\$217	\$257	\$40	19%	\$2,237	\$2,535	\$298	13%
Commercial	\$155,000	\$730,000	\$3,637	\$4,028	\$391	11%	\$2,154	\$2,390	\$236	11%	\$215	\$257	\$42	20%	\$1,268	\$1,381	\$113	9%
Commercial	\$900,000	\$5,550,000	\$12,029	\$12,273	\$243	2%	\$11,311	\$12,092	\$782	7%	\$719	\$180	(\$538)	(75%)	\$0	\$0	\$0	0%
Dairy	\$10,400,000	\$12,700,000	\$20,909	\$22,572	\$1,663	8%	\$20,430	\$22,217	\$1,787	9%	\$478	\$355	(\$124)	(26%)	\$0	\$0	\$0	0%
Dairy	\$9,400,000	\$11,110,000	\$18,671	\$19,808	\$1,137	6%	\$17,941	\$19,514	\$1,572	9%	\$730	\$295	(\$435)	(60%)	\$0	\$0	\$0	0%
Dairy	\$13,000,000	\$16,700,000	\$27,468	\$29,317	\$1,849	7%	\$26,670	\$28,995	\$2,325	9%	\$798	\$323	(\$475)	(60%)	\$0	\$0	\$0	0%
Dairy	\$18,900,000	\$23,000,000	\$40,689	\$42,996	\$2,307	6%	\$36,446	\$39,617	\$3,171	9%	\$1,131	\$259	(\$872)	(77%)	\$3,111	\$3,120	\$9	0%
Forestry	\$540,000	\$580,000	\$4,130	\$4,176	\$45	1%	\$4,119	\$4,176	\$56	1%	\$11	\$0	(\$11)	(100%)	\$0	\$0	\$0	0%
Other	\$66,000	\$74,000	\$783	\$951	\$168	21%	\$782	\$865	\$83	11%	\$1	\$86	\$85	6276%	\$0	\$0	\$0	0%

New rating boundaries

Council has made a number of changes to rating boundaries.

- Seaward Downs hall rating boundary is expanding by adding in the historic Mataura Island hall rating boundary. The blue line shows the old Seaward Downs rating boundary. The red line shows the new rating boundary
- Glenham hall rating boundary is expanding by adding in the historic Mataura Island hall rating boundary. The blue line shows the old Glenham hall rating boundary. The red line shows the new rating boundary
- Waianiwa hall rating boundary is expanding by adding in the historic Taramoa hall rating area. The blue line shows the old Waianiwa hall rating boundary. The red line shows the new rating boundary
- Waihopai Toetoe Pool boundary has been established to help fund pools in the area
- SIESA rating boundary has been established to help fund the activity
- Te Anau Manapouri Wastewater boundary has been established and will commence 1 July 2022
- Stormwater boundaries have been established to help fund the activity
- New community board boundaries have been established to realign rates to the current board areas.





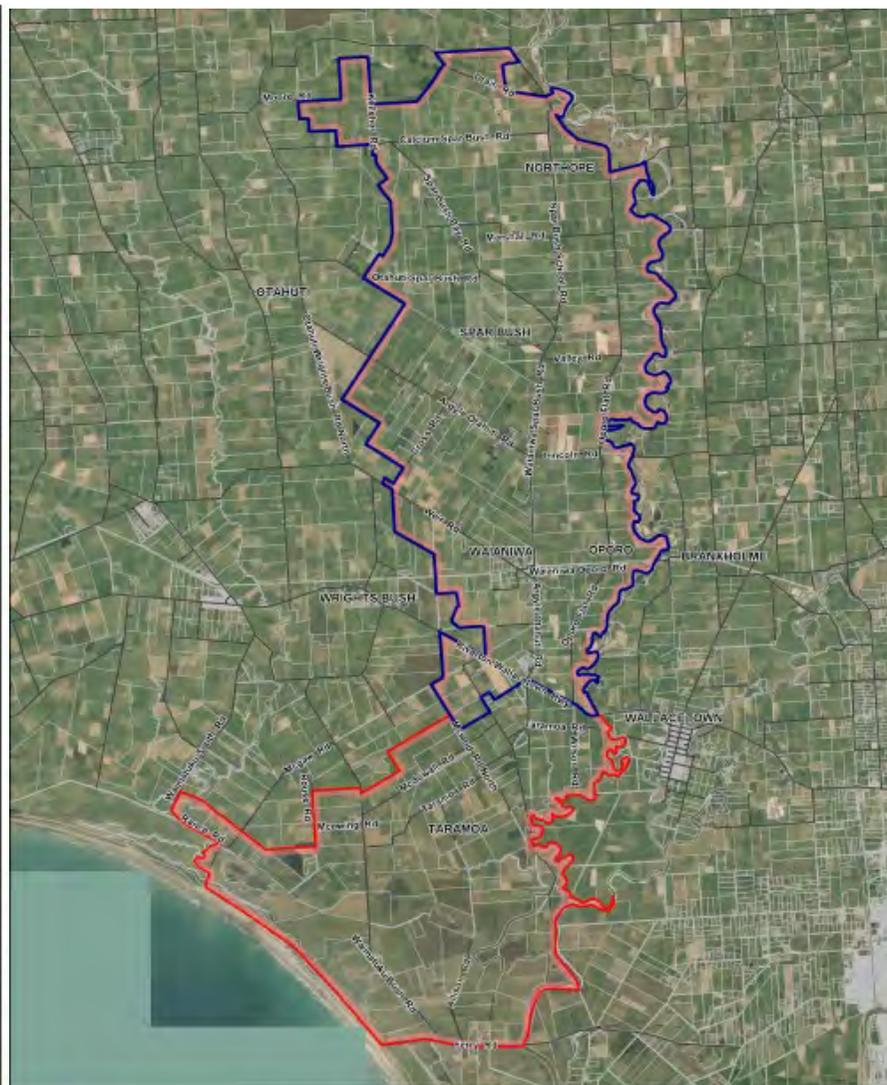
Glenham Hall Boundary



Legend

- Old Hall Boundary
- New Hall Boundary

Map Scale 1:60,000 @ A3
 Map Date 14 April 2021
 Imagery Date Summer 2013



Waianiwa Hall Boundary



Legend

- New Hall Boundary
- Old Hall Boundary

Map Scale 1:70,000 @ A3
 Map Date 14 April 2021
 Imagery Date Summer 2013





Waihopai Toetoe Pool Boundary



Legend
 Waihopai Toetoe Pool Boundary

Map Scale: 1:250,000 @ A3
 Map Date: 14 May 2021
 Imagery Date: Summer 2013

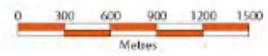


Rate Types represented by the mapped boundary:

22706 SIESA Rate



MAP 219



Map Scale: 1:30,000 @ A4
 Map Date: 19 January 2021



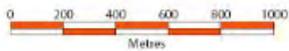


Rate Types represented by the mapped boundary (—):

- 30001 District Sewerage Rate-Full Charge
- 30031 District Sewerage Rate-Half Charge
- 30014 Te Anau Manapouri Wastewater Rate

MANAPOURI

SOUTHLAND
DISTRICT COUNCIL



MAP 120

Map Scale 1:17,500 @ A4
Map Date 19 January 2021

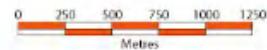


Rate Types represented by the mapped boundary (—):

- 30001 District Sewerage Rate-Full Charge
- 30031 District Sewerage Rate-Half Charge
- 30014 Te Anau Manapouri Wastewater Rate

TE ANAU

SOUTHLAND
DISTRICT COUNCIL



MAP 129

Map Scale 1:25,000 @ A4
Map Date 19 January 2021

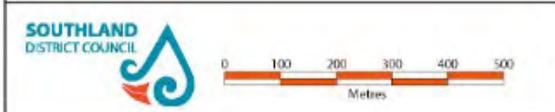




Rate Types represented by the mapped boundary (■):

22309	Northern Community Board Rate - Semi Urban
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ATHOL



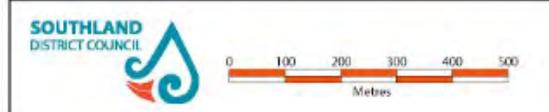
MAP 185
 Map Scale 1:8,500 @ A4
 Map Date 08 January 2021



Rate Types represented by the mapped boundary (■):

22507	Ardlussa Community Board Rate - Urban
40041	Stormwater Full Charge

BALFOUR



MAP 186
 Map Scale 1:8,500 @ A4
 Map Date 05 February 2021



Rate Types represented by the mapped boundary (→):

- 23909 Oreti Community Board Rate - Semi Urban
- 40041 Stormwater Full Charge

BROWNS



MAP 187

Map Scale 1:5,000 @ A4
Map Date 05 February 2021



Rate Types represented by the mapped boundary (→):

- 22609 Oraka Aparima Community Board Rate - Semi Urban
- 40041 Stormwater Full Charge

COLAC BAY / ORAKA



MAP 188

Map Scale 1:15,000 @ A4
Map Date 05 February 2021





Rate Types represented by the mapped boundary (■):

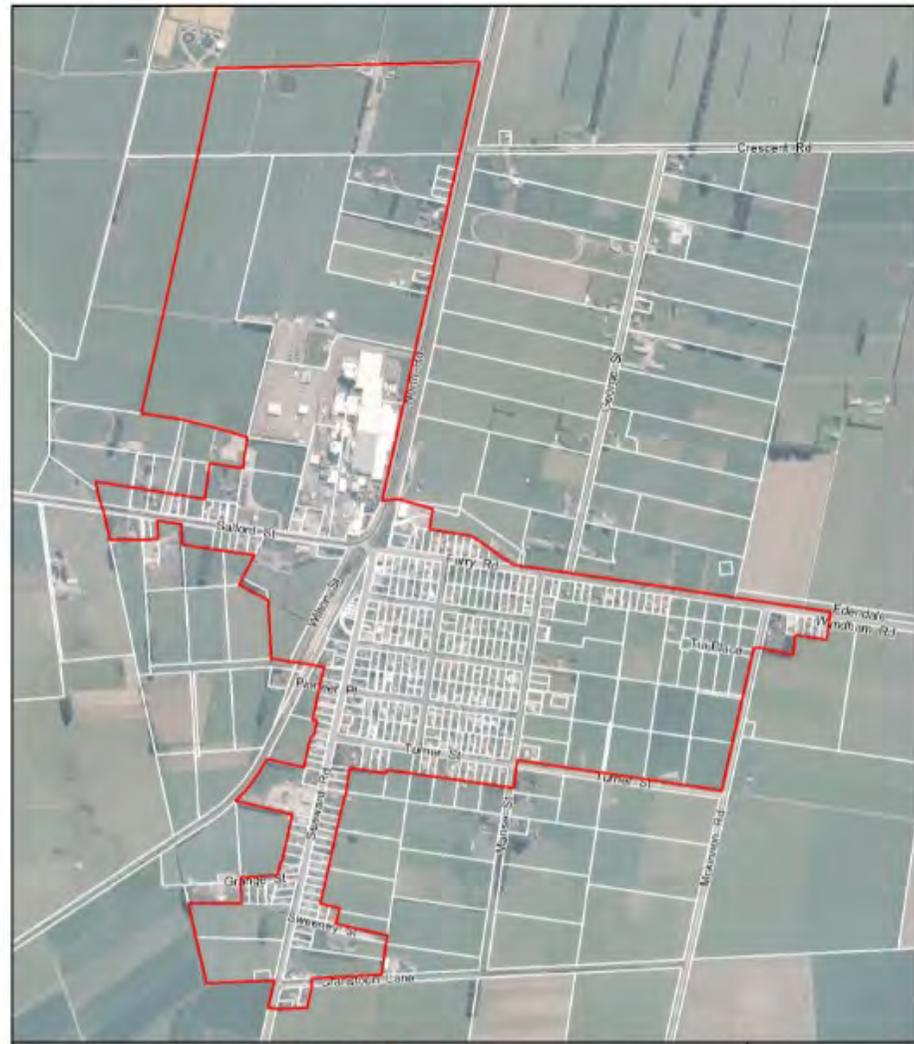
- 23909 Oreti Community Board Rate - Semi Urban
- 40041 Stormwater Full Charge

DIPTON

SOUTHLAND DISTRICT COUNCIL

MAP 189

Map Scale 1:7,500 @ A4
Map Date 05 February 2021



Rate Types represented by the mapped boundary (■):

- 22107 Waihopal Toetoe Community Board Rate - Urban
- 40041 Stormwater Full Charge

EDENDALE

SOUTHLAND DISTRICT COUNCIL

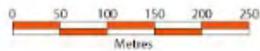
MAP 191

Map Scale 1:12,000 @ A4
Map Date 05 February 2021



Rate Types represented by the mapped boundary (■):
 22309 Northern Community Board Rate - Semi Urban

GARSTON



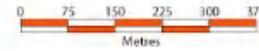
MAP 192

Map Scale 1:5,000 @ A4
 Map Date 08 January 2021



Rate Types represented by the mapped boundary (■):
 22109 Waihopai Toetoe Community Board Rate - Semi Urban

GORGE ROAD



MAP 193

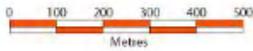
Map Scale 1:7,500 @ A4
 Map Date 08 January 2021





Rate Types represented by the mapped boundary (⇒):
 22307 Northern Community Board Rate - Urban

MOSSBURN



MAP 198

Map Scale 1:10,000 @ A4
 Map Date 08 January 2021



Rate Types represented by the mapped boundary (⇒):
 23007 Wallace Takitimu Community Board Rate - Urban
 40041 Stormwater Full Charge

NIGHTCAPS



MAP 199

Map Scale 1:12,000 @ A4
 Map Date 05 February 2021





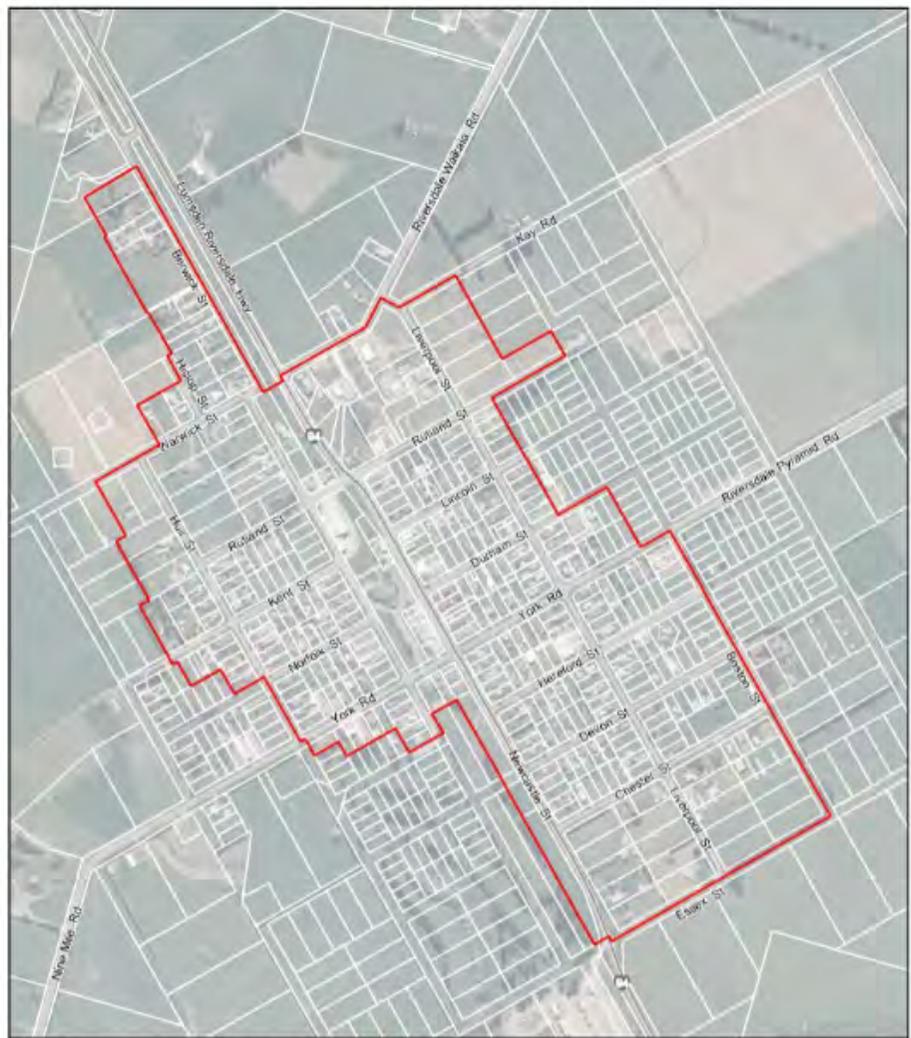
Rate Types represented by the mapped boundary (■):

23007	Wallace Takitimu Community Board Rate - Urban
40041	Stormwater Full Charge

OTAUTAU

0 200 400 600 800 1000
Metres

MAP 202
Map Scale 1:17,500 @ A4
Map Date 05 February 2021



Rate Types represented by the mapped boundary (■):

22507	Ardlussa Community Board Rate - Urban
40041	Stormwater Full Charge

RIVERSDALE

0 100 200 300 400 500
Metres

MAP 203
Map Scale 1:8,500 @ A4
Map Date 05 February 2021



Rate Types represented by the mapped boundary (==):

22607	Oraka Aparima Community Board Rate - Urban
40041	Stormwater Full Charge

RIVERTON / APARIMA

SOUTHLAND DISTRICT COUNCIL

MAP 204

Map Scale 1:25,000 @ A4
Map Date 05 February 2021



Rate Types represented by the mapped boundary (==):

40041	Stormwater Full Charge
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TE ANAU

SOUTHLAND DISTRICT COUNCIL

MAP 205

Map Scale 1:25,000 @ A4
Map Date 05 February 2021



Rate Types represented by the mapped boundary (→):

22807 Fiordland Community Board Rate - Urban

TE ANAU



MAP 206

Map Scale 1:25,000 @ A4
Map Date 08 January 2021



Rate Types represented by the mapped boundary (→):

22609 Oraka Aparima Community Board Rate - Semi Urban
40041 Stormwater Full Charge

THORNBURY



MAP 207

Map Scale 1:8,500 @ A4
Map Date 05 February 2021

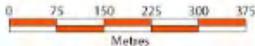




Rate Types represented by the mapped boundary (■):

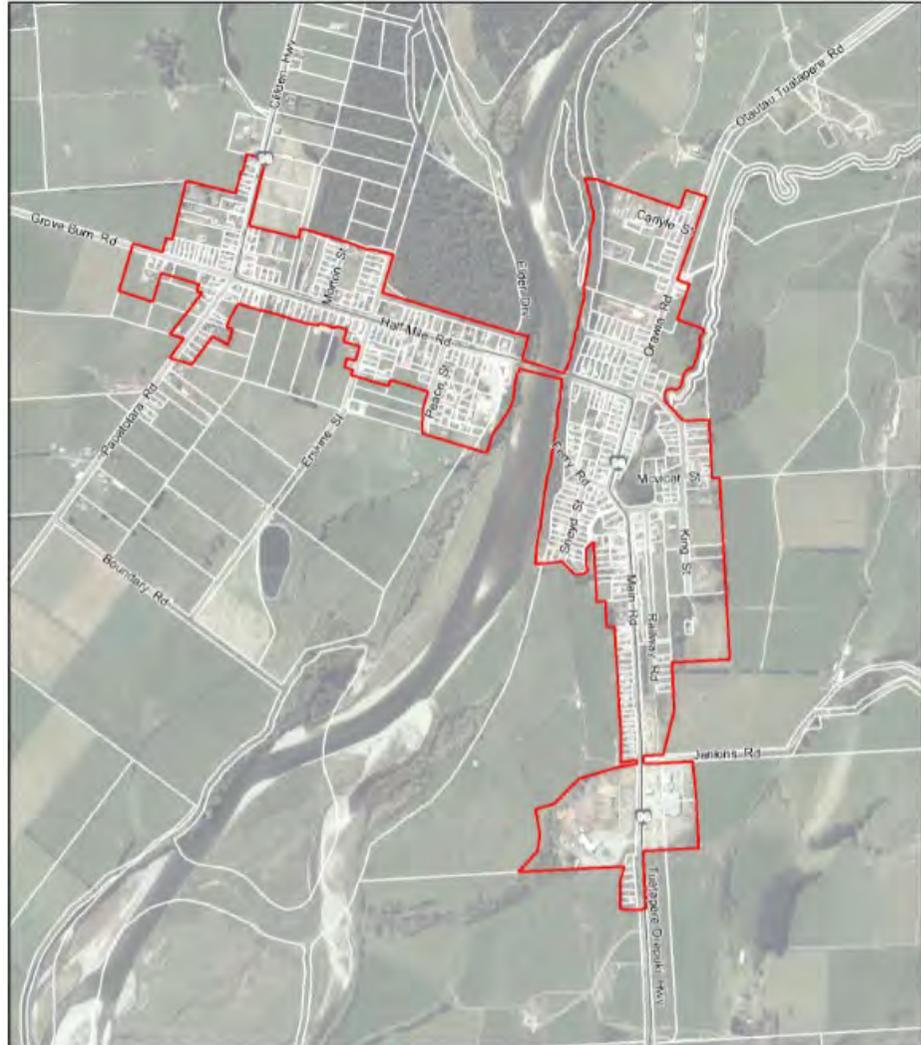
- 22107 Waihopai Toetoe Community Board Rate - Urban
- 40041 Stormwater Full Charge

TOKANUI



MAP 208

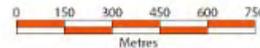
Map Scale 1:7,500 @ A4
Map Date 05 February 2021



Rate Types represented by the mapped boundary (■):

- 22907 Tuatapere Te Waewae Community Board Rate - Urban
- 40041 Stormwater Full Charge

TUATAPERE



MAP 209

Map Scale 1:15,000 @ A4
Map Date 18 June 2021

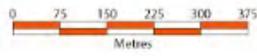




Rate Types represented by the mapped boundary (==):

23009	Wallace Takitimu Community Board Rate - Semi Urban	WAIRIO
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SOUTHLAND DISTRICT COUNCIL



MAP 212

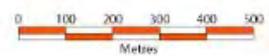
Map Scale 1:7,500 @ A4
Map Date 08 January 2021



Rate Types represented by the mapped boundary (==):

23907	Oreti Community Board Rate - Urban	WALLACETOWN
40041	Stormwater Full Charge	

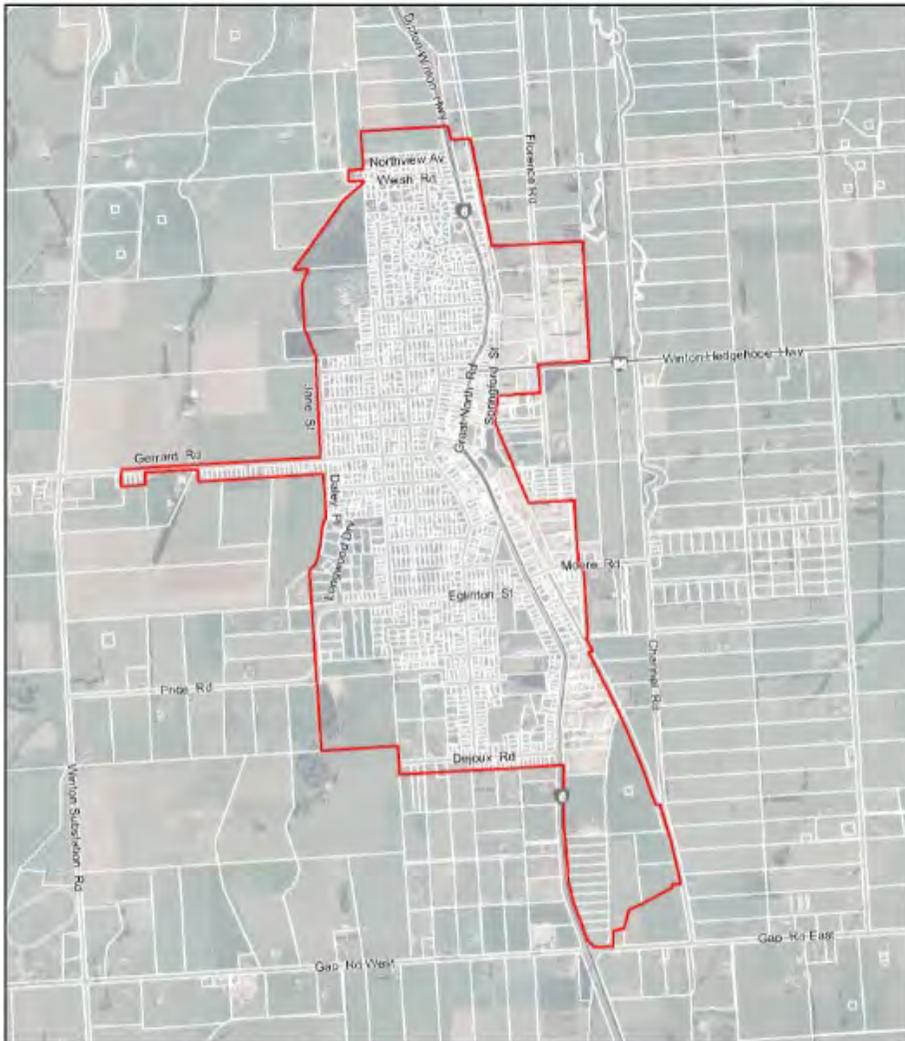
SOUTHLAND DISTRICT COUNCIL



MAP 213

Map Scale 1:10,000 @ A4
Map Date 05 February 2021

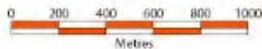




Rate Types represented by the mapped boundary (==):

- 23907 Oreti Community Board Rate - Urban
- 40041 Stormwater Full Charge

WINTON



MAP 214

Map Scale 1:20,000 @ A4
Map Date 05 February 2021



Rate Types represented by the mapped boundary (==):

- 22109 Waihopai Toetoe Community Board Rate - Semi Urban
- 40041 Stormwater Full Charge

WOODLANDS



MAP 215

Map Scale 1:8,500 @ A4
Map Date 05 February 2021

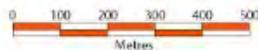




Rate Types represented by the mapped boundary (≡):

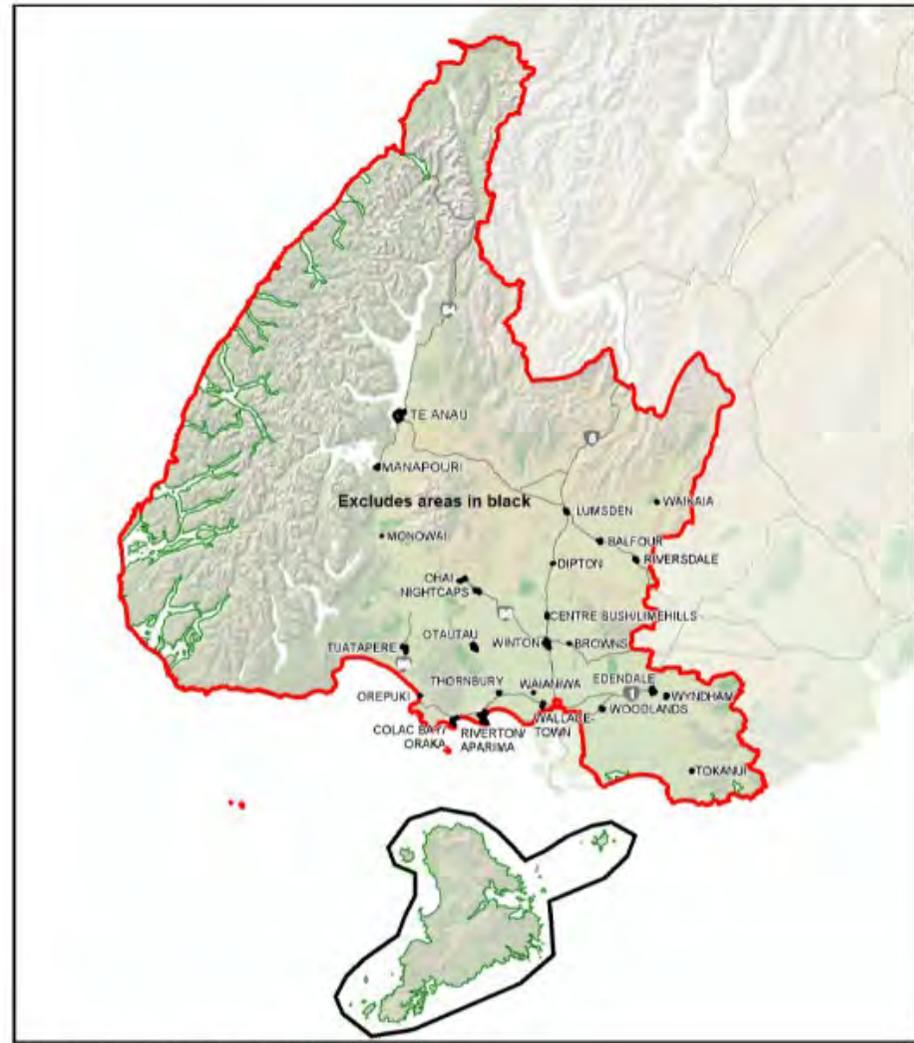
- 22107 Waihopai Toetoe Community Board Rate - Urban
- 40041 Stormwater Full Charge

WYNDHAM



MAP 216

Map Scale 1:10,000 @ A4
Map Date 05 February 2021



Rate Types represented by the mapped boundary (≡):

- 40051 Stormwater Quarter Charge

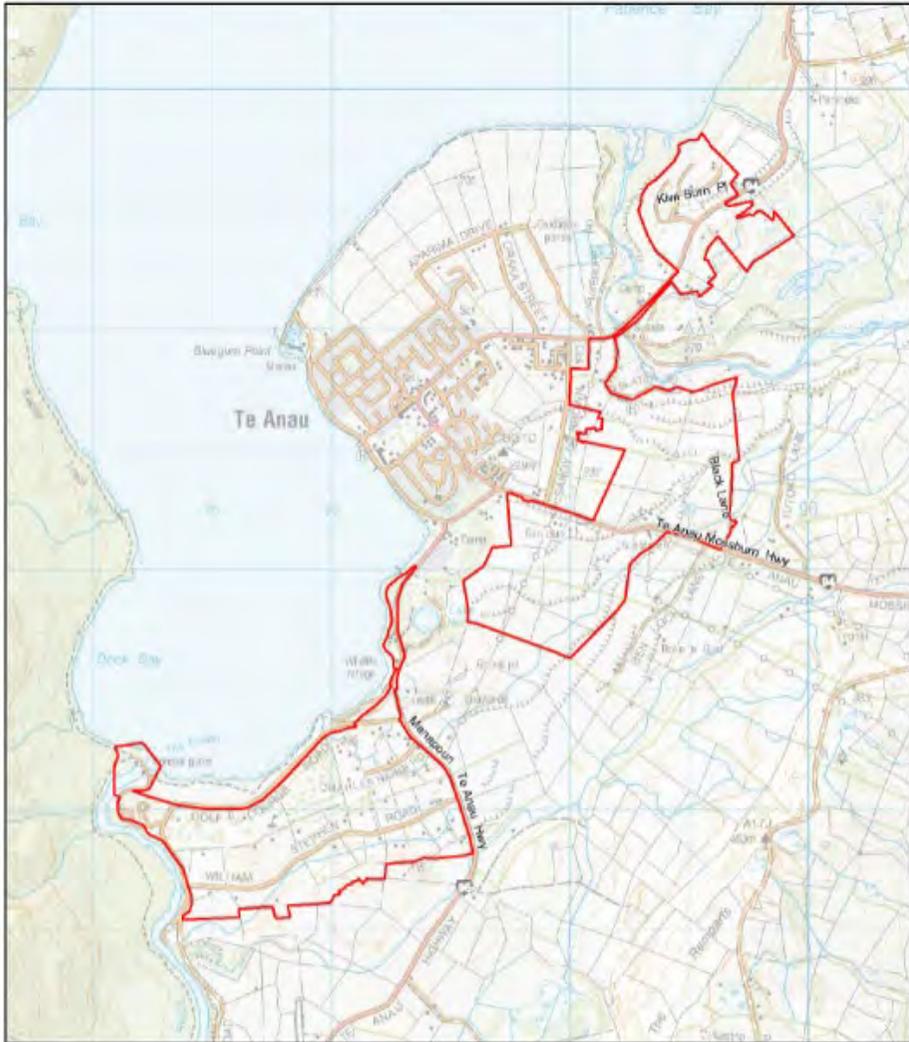
Note - Full charge areas (in black) are shown on more detailed township maps



MAP 217

Map Scale 1:1,650,000 @ A4
Map Date 05 February 2021





Rate Types represented by the mapped boundary (→):
 22809 Fiordland Community Board Rate - Semi Urban

TE ANAU



MAP 220

Map Scale 1:40,000 @ A4
 Map Date 08 January 2021



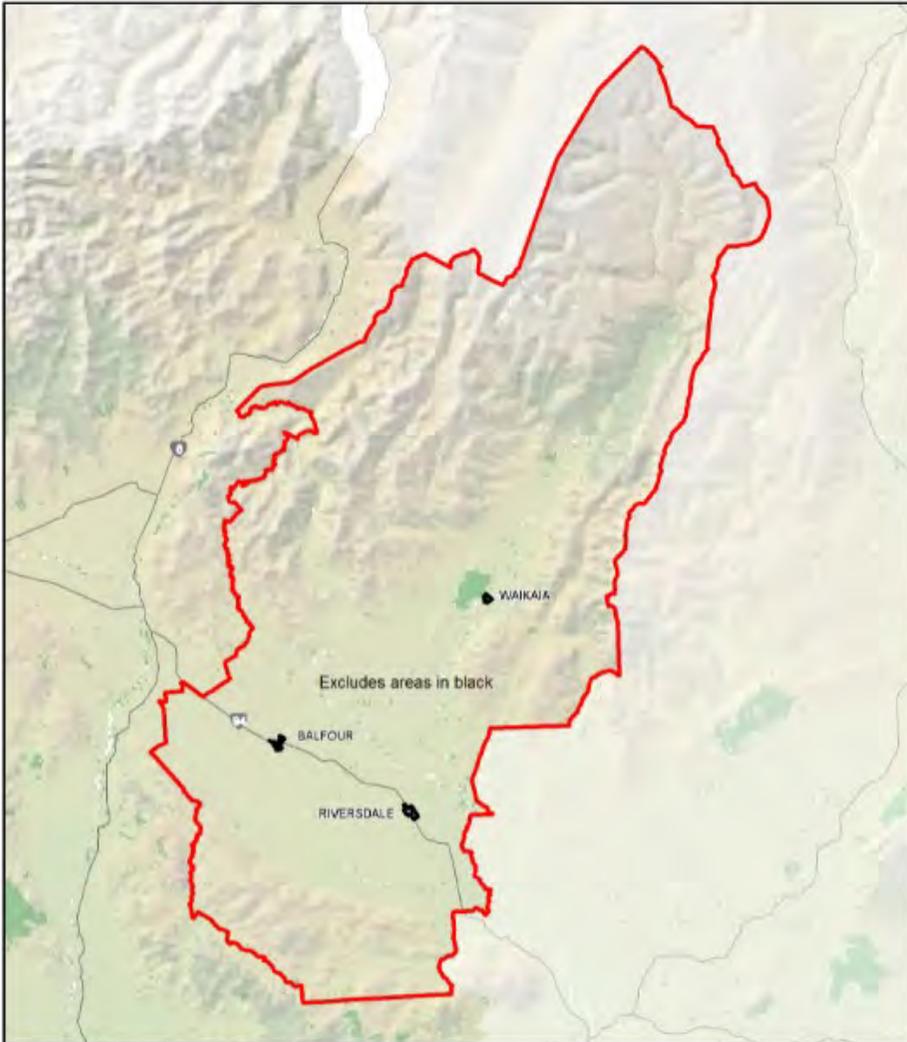
Rate Types represented by the mapped boundary (→):
 22701 Stewart Island/Rakiura Community Board Rate
 40041 Stormwater Full Charge



MAP 010

Map Scale 1:550,000 @ A4
 Map Date 05 February 2021



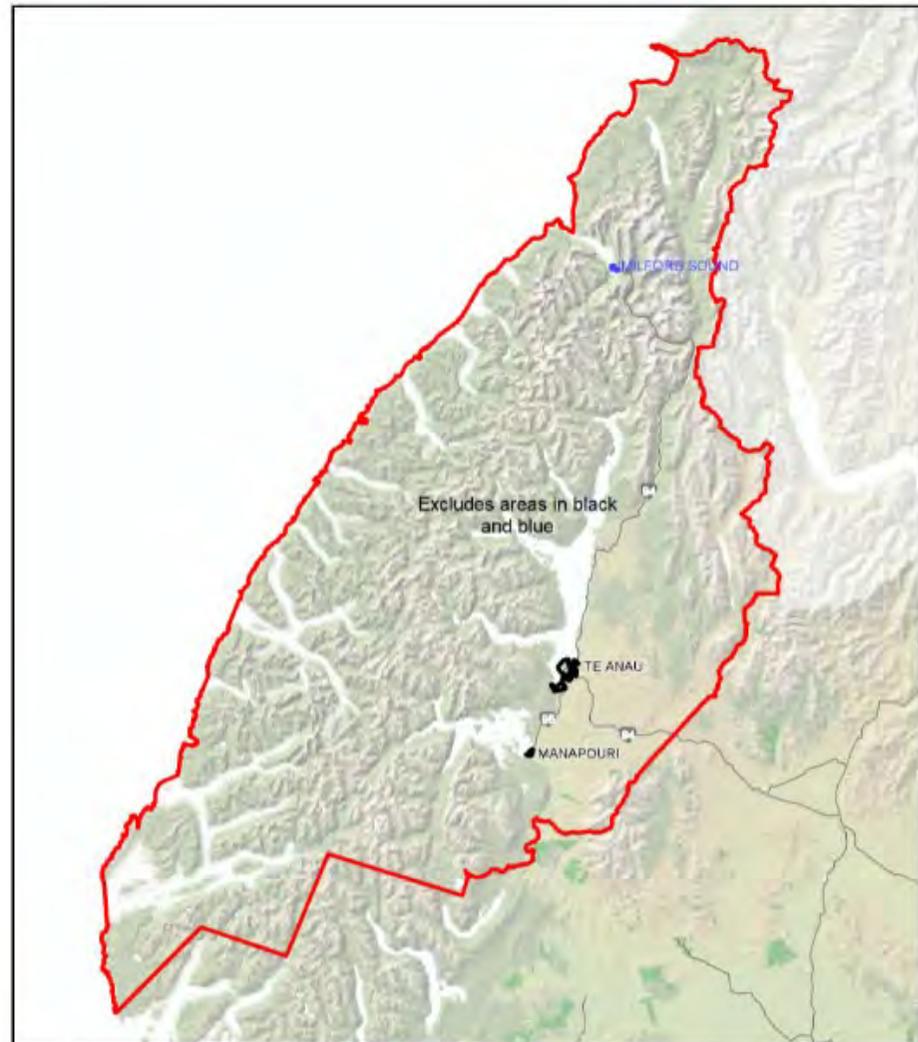


Rate Types represented by the mapped boundary (=):
 22508 Ardlussa Community Board Rate - Rural
 Note - Urban areas (in black) are shown on more detailed township maps

SOUTHLAND DISTRICT COUNCIL

MAP 177

Map Scale 1:450,000 @ A4
 Map Date 08 January 2021

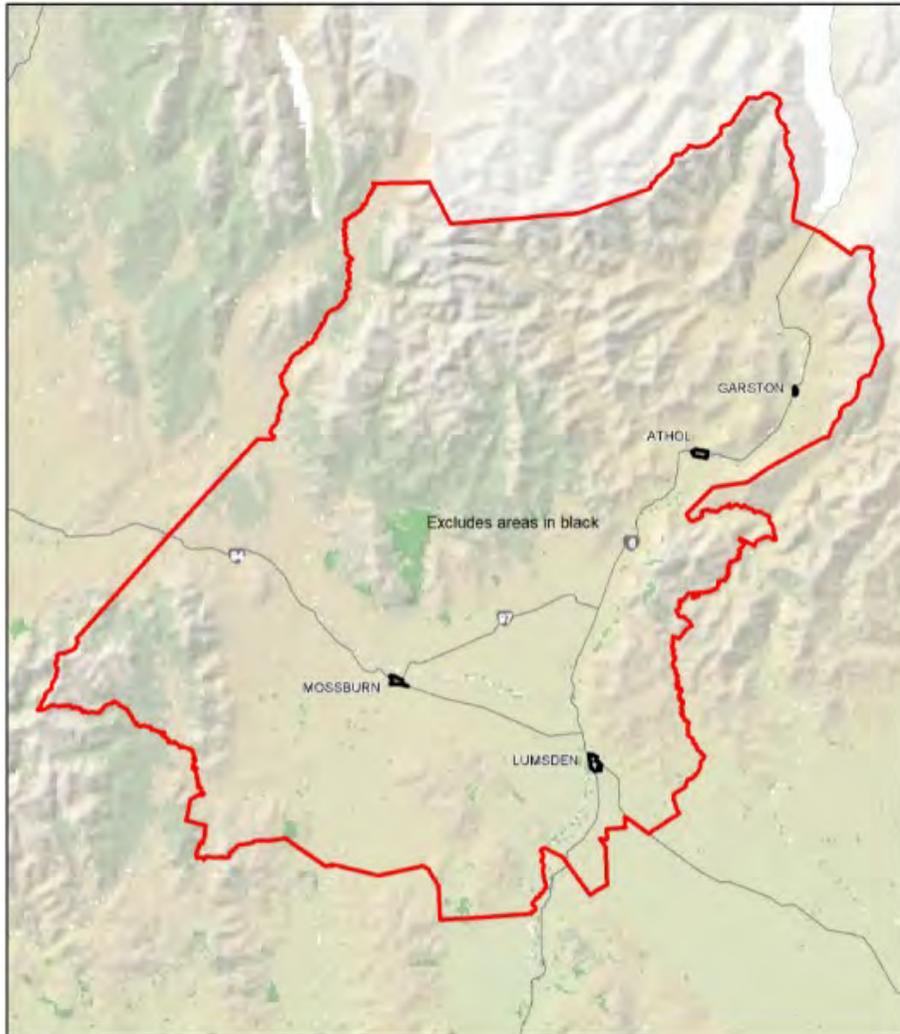


Rate Types represented by the mapped boundary (=):
 22808 Fiordland Community Board Rate - Rural
 Note - Urban areas (in black) are shown on more detailed township maps. Excludes Milford township area (in blue).

SOUTHLAND DISTRICT COUNCIL

MAP 178

Map Scale 1:1,000,000 @ A4
 Map Date 08 January 2021



Rate Types represented by the mapped boundary (≡):

22308 Northern Community Board Rate - Rural

Note - Urban and Semi-Urban areas (in black) are shown on more detailed township maps



Rate Types represented by the mapped boundary (≡):

22608 Oraka Aparima Community Board Rate - Rural

Note - Urban and Semi-Urban areas (in black) are shown on more detailed township maps



MAP 179

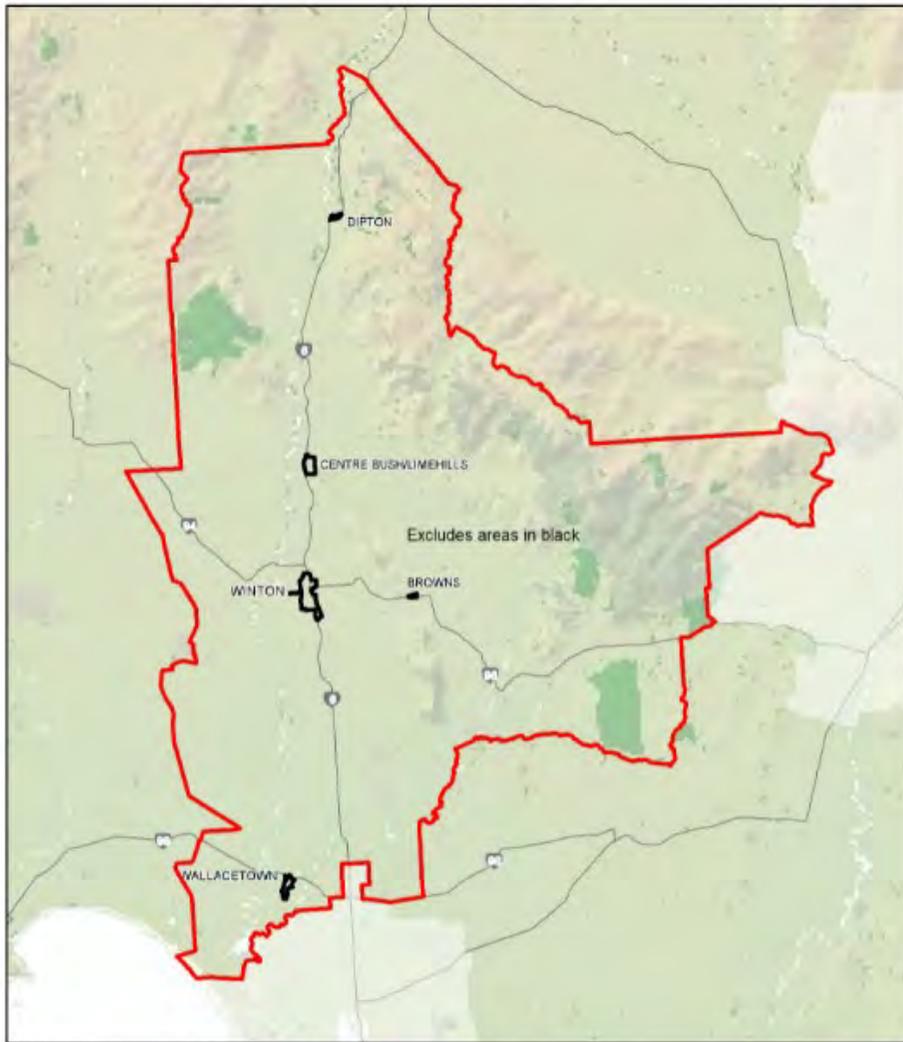
Map Scale 1:400,000 @ A4
Map Date 08 January 2021



MAP 180

Map Scale 1:225,000 @ A4
Map Date 08 January 2021



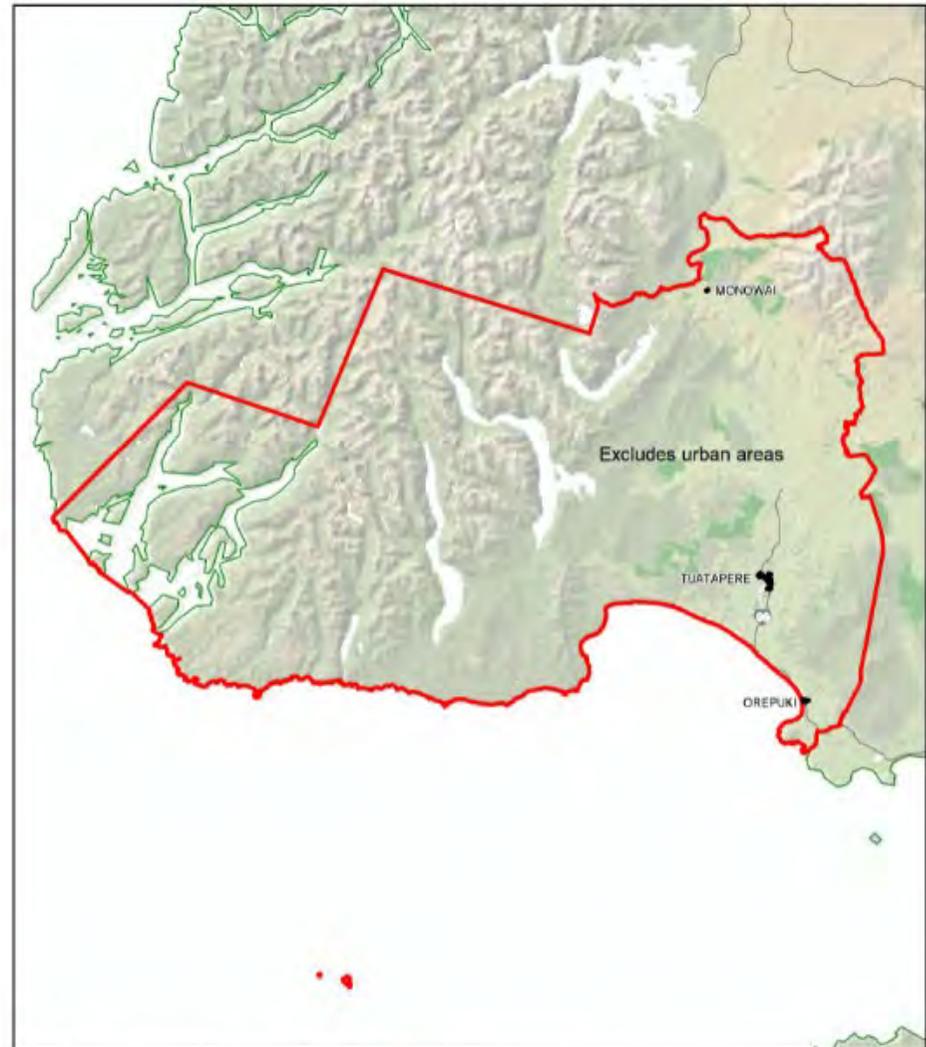


Rate Types represented by the mapped boundary (≡):
 23908 Oreti Community Board Rate - Rural
 Note - Urban and Semi-Urban areas (in black) are shown on more detailed township maps

SOUTHLAND DISTRICT COUNCIL

MAP 181

Map Scale 1:350,000 @ A4
 Map Date 08 January 2021



Rate Types represented by the mapped boundary (≡):
 22908 Tuatapere Te Waewae Community Board Rate - Rural
 Note - Urban and Semi-Urban areas (in black) are shown on more detailed township maps

SOUTHLAND DISTRICT COUNCIL

MAP 182

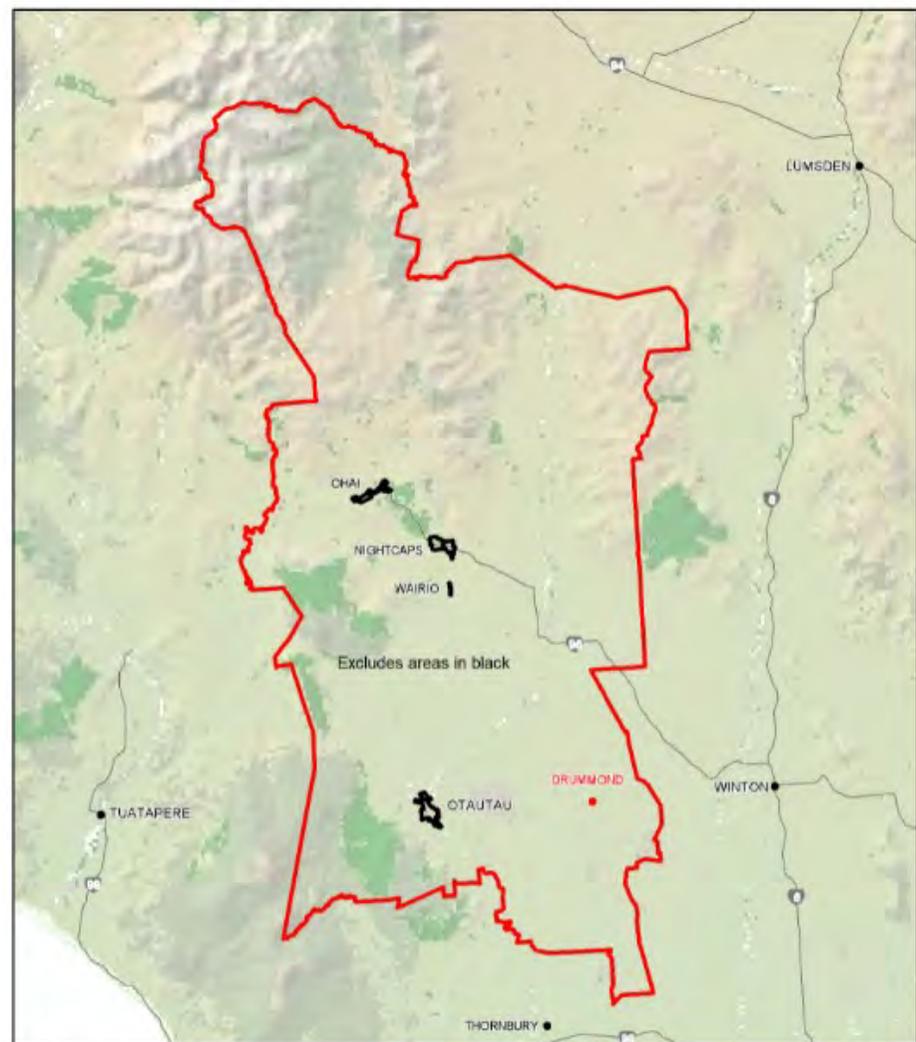
Map Scale 1:650,000 @ A4
 Map Date 08 January 2021



Rate Types represented by the mapped boundary (==):

22108 Waihopai Toetoe Community Board Rate - Rural

Note - Urban and Semi-Urban areas (in black) are shown on more detailed township maps



Rate Types represented by the mapped boundary (==):

23008 Wallace Takitimu Community Board Rate - Rural

Note - Urban and Semi-Urban areas (in black) are shown on more detailed township maps



MAP 183

Map Scale 1:400,000 @ A4
Map Date 08 January 2021



MAP 184

Map Scale 1:350,000 @ A4
Map Date 08 January 2021



Balancing the budget statement

Section 100 of the Local Government Act 2002 requires Council to ensure that for every year of the long term plan, its projected operating revenues are set at a level that is sufficient to meet its projected operating expenditure. Council may set projected operating revenues at a different level from that required, if Council resolves that it is financially prudent to do so.

Council is projecting the following operating results (GST exclusive) for the next 10 years:

Year	2021/ 22	2022/ 23	2023/ 24	2024/ 25	2025/ 26	2026/ 27	2027/ 28	2028/ 29	2029/ 30	2030/ 31
Surplus/(de ficit) (\$000s)	(1,115)	(4,807)	(4,802)	1,876	6,023	5,886	7,402	8,354	10,007	13,919

Council is not operating a balanced budget in three of the 10 years.

There are three areas contributing to Council not having a balanced budget. These are:

- phasing in the funding of depreciation on key district assets
- Council's decision not to fund depreciation on some buildings and all local assets
- Council's partial use of depreciation reserves to fund interest and principle repayments on loans borrowed to fund capital renewals, principally for water and wastewater projects.

Phasing in the funding of depreciation on key district assets

In 2015 Council agreed to start to fund depreciation to ensure that those using our assets such as roads, water and wastewater systems are contributing towards their renewal. It is important to Council that each generation contributes fairly to the cost of the assets it uses. Before 2015, Council's asset management policies meant that it was investing more in replacement and new assets than what residents were consuming in a year. In 2015, Council changed the way it prioritises its roading expenditure (80/20 policy) and recognised that no additional water or waste schemes will be implemented with central government funding. As such Council agreed to start to fund depreciation.

In deciding to fund depreciation, Council recognised that rates would increase significantly if it were to fully fund depreciation in year one. As such it decided to phase it in over 10 years starting in 2015/2016, increasing each year by 10% until it was fully funding the annual cost in 2024/2025 for roading, water and wastewater Council buildings, information technology, wheelie bins and solid waste (all district-funded activities).

Taking into account considerations around affordability of rates, as part of the development of the Long Term Plan 2021-2031, Council is reducing the annual depreciation funding increments for water and wastewater from 10% to 5% from 2021/2022. Accordingly, depreciation for water and wastewater will not be fully funded until 2028/2029.

Council's decision not to fund depreciation on some buildings and all local assets

Given Council's approach not to automatically replace local halls or community housing when they reach the end of their useful lives, Council also decided it was not appropriate to collect depreciation

funds for their replacement. Instead, Council has signalled that any funding decisions on replacements for these types of assets would be made at the time.

Giving consideration to rates affordability, Council is continuing not to fund the depreciation on local infrastructure assets such as footpaths, stormwater and playground equipment at this time. Council will continue to review this policy as part of its future long term plan decision-making process.

Council's partial use of depreciation reserves to fund interest repayments

Council believes that all generations should contribute a fair and equitable share of the costs of using Council's assets.

To ensure that Council does not collect for asset replacement twice, Council uses the funding collected for depreciation in any year to

contribute to any capital renewal projects planned and to fund the principal and interest repayments on loans taken out to fund the balance of renewal projects in the year. Interest is only being funded from depreciation reserves for water and wastewater activities, all other asset types are only funding principle repayments.

Because the interest expense is included in the operational expenditure, but the revenue source is from reserves, this contributes to the unbalanced budget position.

Overall

As such, in considering intergenerational equity, Council's policies and ongoing consideration of affordability for its communities, it is considered financially prudent that Council operates financial deficits in the three years indicated.

Fees and charges

Fees and charges pass the costs of services onto those who benefit from Council services and facilities. This means those who benefit from these services pay for them.

Council is increasing fees in some areas to meet the increased costs of some services and reflect required cost recovery. Most changes are minor.

The table opposite shows the new changes to Council's fees and charges for the 2021/2022 financial year.

In addition, Council is making changes to a number of other fees. The changes are shown in the table opposite.

- In building control the standard hourly fees have not changed. However, the fees included are a reflection of the number of hours required to provide the service. Historically the time required to complete the necessary work has required the customer to be invoiced for additional hours incurred
- Council has also reviewed fees charged across multiple departments and aligned them to ensure fees are consistent across Council (ie copying, certificate of title search etc).

These changes take effect from 1 July 2021. The full list of fees and charges is detailed on page 198.

All fees and charges in this section are GST inclusive unless stated otherwise.

What's changed?

Activity	Description of new fee	Amount (GST Incl)	Reason for change
Building control	Building consent applications – by value of work	Varies	These fees introduced to create a new structure
	Application for minor variations	\$150.00	This fee is introduced to reflect administration costs
	Code of compliance application	\$120.00	This fee is introduced to reflect administration costs.
	Accreditation levy	\$1.00 per \$1,000	This fee is introduced to reflect the cost
	PIM – commercial / industrial – application	\$485.00	This fee is introduced to reflect administration costs.
	Certificate of public use – second six months	\$700.00	This fee is to cover the cost
	Certificate of public use – third and subsequent six months	\$2,000	This fee is to cover the cost
	Certificate of acceptance – all other works	Building consent fee x 2	This fee is to cover the cost
	Exemption to building consent application – acceptance of paperwork	\$150.00	This fee is to cover the cost
	Earthquake prone building – Engineers report review and decision	Actual cost + 10%	This fee is to cover the cost
	Swimming pool re-inspection	\$150.00	This fee is to cover administration costs
	Notice to fix	\$225.00	This fee is introduced to cover the administration costs
Monthly data report	\$30.00	Per month charge to cover administration costs	
Environmental health	Interpreter services	Actual cost	New fee introduced to cover the cost of service
Animal control	Contractor callout	Actual cost	New fee to differentiate between the costs of Armourguard attending the callouts and Council employees.
	Fees for moving stock on District roads	\$90.00	An hourly rate was introduced to recover costs from stock owners that repeatedly have stock escaping onto district roads. Does not apply to state highways.
	Contractor callout fees	Actual cost	New fee introduced to introduced to recover costs from stock owners that repeatedly have stock escaping onto district roads. Does not apply to state highways.
Library charges	Replacement of lost/damaged items	Actual cost	Fee introduced to cover the actual cost of the item.
Resource Management Act	Ecologist	\$200.00	Hourly rate introduced to cover the cost of the service.
	Bond administration fee – lodging a bond for incomplete work	\$250.00	Fee was introduced to cover the cost of administration time

The table below shows the fees and charges for 2021/2022 compared to 2020/2021. Additional information can be found in Council's Schedule of Fees and Charges. All fees are GST inclusive unless stated otherwise.

Schedule of Fees and Charges – 2021/2022

	Explanations/ comments	2020/2021 (GST Inc)	2021/2022 (GST Inc)
Airport - Te Anau-Manapouri			
Landing fees			
Weight category (1)			
< or = 2,000		\$17.00	\$17.00
2,001 – 4,000		\$34.00	\$34.00
4,001 – 5,700		\$57.00	\$57.00
5,701 – 10,000		\$115.00	\$115.00
10,001 – 20,001		\$230.00	\$230.00
>20,000		\$322.00	\$322.00
Helicopters		\$17.00	\$17.00
Honesty box landing fees			
< or = 2,000	No GST	\$17.00	17.00
2,001 – 4,000	No GST	\$34.00	\$34.00
4,001 – 5,700	No GST	\$57.00	\$57.00
Helicopters	No GST	\$17.00	\$17.00
Overnight fee			
< or = 2,000		No charge	No charge
2,001 – 4,000		No charge	No charge
4,001 – 5,700		No charge	No charge
5,701 – 10,000		\$57.00	\$57.00
10,001 – 20,000		\$115.00	\$115.00
>20,000		\$172.00	\$172.00
Helicopters		No charge	No charge
Ground handling fees			
The ground handling fees include runway inspection, marshalling, toilet servicing as required and security			
With baggage		\$322.00	\$322.00
Without baggage		\$241.00	\$241.00
With baggage	Two persons assist	\$339.00	\$339.00
Additional person		\$80.00	\$80.00
Ground power unit assistance	Minimum on hour	\$172.00	\$172.00

	Explanations/ comments	2020/2021 (GST Inc)	2021/2022 (GST Inc)
After hours call out fee	Per hour	\$80.00	\$80.00
Security charge	Per hour	\$80.00	\$80.00
Refueling fees			
Standard refueling		\$57.00	\$57.00
Additional person		\$80.00	\$80.00
Function centre fees			
Residential/ local ratepayer	Full day	\$300.00	\$300.00
Residential / local ratepayer	Half day	\$200.00	\$200.00
Non-ratepayer		\$500.00	\$500.00
Corporate hire	Full day	\$600.00	\$600.00
Corporate hire	Half day	\$400.00	\$400.00
Cancellation fee		\$50.00	\$50.00
Wet weather ceremony hire		\$100.00	\$100.00
Bond	Refundable / No GST	\$500.00	\$500.00
Optional contract clean		\$250.00	\$250.00
Sale and supply of alcohol and gambling			
Gambling venues			
Application for class 4 gambling venue certificate		\$816.50	\$816.50
Application to grant a dispensation under the Alcohol Control Bylaw		\$207.00	\$207.00
The mechanism for alcohol licensing fees is set by the Sale and Supply of Alcohol (fees) Regulations 2013. Council may vary these fees through a bylaw. The fee amounts below align with Council's Alcohol Fee-Licensing Bylaw.			
Application for premises			
Cost/risk rating category – very low		\$368.00	\$368.00
Cost/risk rating category – low		\$609.50	\$609.50

	Explanations/ comments	2020/2021 (GST Inc)	2021/2022 (GST Inc)
Cost/risk rating category – medium		\$816.50	\$816.50
Cost/risk rating category – high		\$1,023.50	\$1,023.50
Cost/risk rating category – very high		\$1,207.50	\$1,207.50
Annual fee for premises			
Cost/risk rating category – very low		\$112.70	\$112.70
Cost/risk rating category – low		\$273.70	\$273.70
Cost/risk rating category – medium		\$442.75	\$442.75
Cost/risk rating category – high		\$742.50	\$742.50
Cost/risk rating category – very high		\$1006.25	\$1006.25
Special licence			
Class 1		\$575.00	\$575.00
Class 2		\$207.00	\$207.00
Class 3		\$63.25	\$63.25
Other fees payable			
Managers certificates (application and renewals)		\$316.25	\$316.25
Temporary authorities		\$296.70	\$296.70
Temporary licence		\$296.70	\$296.70
Permanent club charters		\$632.50	\$632.50
Extra from register		\$57.50	\$57.50
Alfresco dining			
Administration application fee	New / variation	\$322.00	\$322.00
Change of ownership fee		\$80.00	\$80.00

	Explanations/ comments	2020/2021 (GST Inc)	2021/2022 (GST Inc)
Occupation fee calculated in the area used per square metre	Per year	\$20.00	\$20.00
Renewal fee		\$130.00	\$130.00
The per square metre charge is an annual fee applied to the application area as at 30 June each year.			
For new applications subsequent to this date, the square metre charge will be applied on a pro-rata basis to 30 June.			
Penalty for late payment		\$55.00	\$55.00
Applicable to all registration renewals after the date of expiry of the license.			
Animal control			
Dog registration	Non-working	\$100.00	\$110.00
Discounts			
(a) The dog is spayed or neutered		-\$10.00	-\$10.00
(b) The dog is in a fenced or controlled property		-\$20.00	-\$20.00
(c) Responsible owner and microchipped dog	According to Council's criteria	-\$30.00	-\$30.00
Registration fee inclusive of (a), (b) and (c)		\$40.00	\$50.00
Working dog registration		\$36.00	\$40.00
Late registrations	All dogs	50%	50%
Registration fee for a dog that is required to be registered with SDC, that has been impounded by SDC and released to an SDC authorized rehoming provider (initial registration only)		Free	Free
A dog received by an SDC authorised rehoming provider for the purpose of rehoming, that is either from the Southland District or to be rehomed in the Southland District (initial registration only)		Free	Free
Dog control fees			
Dog hearing lodgement fee		\$100.00	\$100.00
Multiple dog license application fee		\$50.00	\$50.00
Sale of collars		\$9.00	\$9.00

	Explanations/ comments	2020/2021 (GST Inc)	2021/2022 (GST Inc)
Withdrawal of infringement fee	Per infringement	\$30.00	\$30.00
Microchipping			
Microchipping of a dog registered by SDC		Free	Free
Commercial breeders – first four puppies microchipped in the registration year are free	Fee per dog go the fifth and subsequent dog	\$30.00	\$30.00
Dog impounding fee			
Impounding of dogs		\$150.00	\$150.00
Sustenance of impound dog per day of part thereof		\$20.00	\$20.00
Euthanasia		\$40.00	\$40.00
Stock wandering fee			
Fees for impounding of stock on district roads and highways			
Per head charge			
Horses, donkeys, asses, mules, cattle or deer		\$60.00	\$60.00
Sheep, goats, pigs and other stock		\$30.00	\$30.00
All stock less than three months of age		\$10.00	\$10.00
Hourly rate for Council animal control officer		\$75.00	\$90.00
Contractor callout fee			Actual Cost
Sustenance		Actual Cost	Actual Cost
Hire of transportation or trailers		Actual Cost	Actual Cost
Fees for moving stock on district roads			
Hourly rate for Council Animal Control Officer	Does not apply to state highways		\$90.00
Contractor callout fee			Actual Cost
Building consents			
Note			
All fees stipulated in the below table are a 'minimum cost' which has been set as an indicative average cost. Additional work. Typically related to more complex applications which may include processing, inspections or external professional			

	Explanations/ comments	2020/2021 (GST Inc)	2021/2022 (GST Inc)
advice required for any application will be charged in addition to these minimum fees 'at cost'.			
Any work performed by council which is not stipulated in the below table will be charged 'at cost'. This will be applied as hourly rate, quantity of inspections or external work 'as invoiced' to Council.			
Indicative building consent fees do not include DBH/BRANZ levies for building work equal to or more than \$20,000.00 in project value.			
Council preference is for the invoicing of work at the time of issuing. Where a customer has a history of poor payment, Council reserves the right to require payment at the time of lodging.			
Costs associated with review of a PS1 will be invoiced as an additional charge. Complex projects may require calculations and/or a PS2 in support of a PS1. A PS2 design review statement will be required for projects exceeding \$1 million. Fees and charges outstanding at submission of Form 6 "application of code compliance certificate" will prevent issuing the code of compliance certificate.			
Processing time charge-out rate	BC administration (per hour)	\$120.00	\$150.00
Processing time charge-out rate	BC officers	\$185.00	\$230.00
Inspection charge-out rates – allow a site arrival fee plus time on-site for inspection/compiling field notes and any necessary follow up		\$295.00	\$365.00
Minimum building consent fees			
Building consent applications – by value of work			
Freestanding fireplace			\$440.00
Inbuilt fireplace			\$630.00
\$0 - \$2,500			\$630.00
\$2,501 - \$5,000			\$1,010.00
\$5,001 - \$10,000			\$1,300.00
\$10,001 - \$20,000			\$1,885.00
\$20,001 - \$50,000			\$2,575.00
\$50,001 - \$100,000			\$3,225.00
\$100,001 - \$250,000			\$3,925.00
\$250,001 - \$500,000			\$5,085.00
\$500,001 - \$900,000			\$6,975.00

	Explanations/ comments	2020/2021 (GST Inc)	2021/2022 (GST Inc)
\$900,001 +			\$9,085.00
Note: The estimate value of your building work must be calculated as the value of the completed build (excluding land value). This includes labour and materials and cannot be less than \$2,000 per m ² for a residential build. The estimate of your project's value must include: materials, including salvaged materials, design work, building and plumbing and other contractor charges such as labour at normal contractor charge out rates. This method of calculation is also required where an 'owner builder' is completing the work.			
Note: All commercial building applications are lodged using the above minimum fee which will have actual and reasonable costs charged in addition to the lodgment amount.			
Building work			
Freestanding solid-liquid gas fired heating unit	Includes 1 inspection	\$387.00	
Inbuilt solid-liquid -gas fired heating unit	Includes 2 inspection	\$635.00	
Plumbing – drainage, swimming – spa pool, fencing, demolition, other minor works (please note a PS4 will be required for bridge / underpass work)	Includes 1 inspection	\$630.00	
Effluent disposal system – stand alone	Includes 1 inspection	\$630.00	
Farm building, deck, conservatory, garage	Includes 2 inspections	\$930.00	
Dairy shed	Includes 3 inspections	\$1,180.00	
Altered dwelling	Includes 3 inspections	\$1,180.00	
Relocated dwelling	Includes 3 inspections	\$1,405.00	
Addition to dwelling	Includes 4 inspections	\$1,975.00	
New dwelling (<300m ² floor area)	Includes 9 inspections	\$3,500.00	
New dwelling (>300m ² floor area)	Includes 9 inspections	\$4,190.00	
Commercial accommodation,	(Simple new commercial / simple	\$3,120.00	

	Explanations/ comments	2020/2021 (GST Inc)	2021/2022 (GST Inc)
commercial crowd, commercial working	alteration eg low risk to public such as un-manned refueling station or mechanical workshop)		
Commercial accommodation, commercial crowd, commercial working	Complex buildings / alterations	\$4,190.00	
Other fees and charges applied to a building consent (where relevant)			
MBIE levy (formerly DBH levy)	\$1.75 per \$1,000.00 (for project values more than \$20,444.00)	\$1.75 / \$1k	\$1.75 / \$1k
BRANZ levy	\$1.00 per \$1,000.00 (for project values equal to or more than \$20,000.00)	\$1.00 / \$1k	\$1.00 / \$1k
Accreditation levy	\$1.00 per \$1000.00 (for project values equal to or more than \$20,000.00)		\$1.00 / 1k
Site service assessment		\$185.00	\$225.00
Compliance schedule / statement	Per hour	\$275.00	\$335.00
Application for minor variation			\$150.00
Amendment to building consent		\$400.00	\$495.00
Code of compliance certificate application			\$120.00
Connect drain to kerb and channel	See fees under roading		

	Explanations/ comments	2020/2021 (GST Inc)	2021/2022 (GST Inc)
Connect piped utilities including water, stormwater and wastewater	See fees under roading		
Alteration to existing rural water service connection	See fees under roading		
Other applications received by Council			
Service required	Fee/charges compromises		
PIM	Project information memorandum (PIM application only)	\$205.00	\$255.00
PIM – commercial/industrial	Project information memorandum (PIM application only)		\$485.00
LIM	Land information memorandum (includes single title search)	\$368.00	\$380.00
Tent / marquee	(>100m ²)	\$385.00	\$475.00
Amusement device permit		\$11.55	\$11.55
Certificate of public use	First six months	\$905.00	\$350.00
Certificate of public use	Second six months		\$700.00
Certificate of public use	Third and subsequent six months		\$2000.00
Certificate of acceptance – urgent work	Applies to emergency works only	\$905.00	\$1,115.00
Certificate of acceptance – all other work	Applies to illegal building work outside of		Building consent fee x2

	Explanations/ comments	2020/2021 (GST Inc)	2021/2022 (GST Inc)
	emergency situations		
Exemption to building consent application	Schedule 1 – acceptance of paperwork		\$150.00
Exemption to building consent application	Schedule 1 (2)	\$342.00	\$420.00
Other fees for activities / services performed by Council			
Service required	Fee / charges compromise		
BWOF on-site inspections		\$350.00	\$430.00
Annual BWOF certificate	1-hour admin	\$111.00	\$135.00
Relocatable building report		\$385.00	\$475.00
Earthquake prone building	Engineer report review and decision		Cost + 10%
Compliance schedule	Amendments	\$185.00	\$230.00
Swimming pool inspection		\$165.00	\$200.00
Swimming pool re-inspection			\$150.00
Alternative solution or waiver	Assessment of other than minor alternatives (paid on lodgment)	\$940.00	\$1,155.00
Sale of alcohol reviews		\$60.00	\$70.00
Notice to fix			\$225.00
Monthly data report	Per monthly report		\$30.00
Administration and service provider charges			
Document filing or search	\$0.33 / hr processing	\$37.50	\$45.00
Search fee of certificate of title and appellation details	Each	\$30.00	\$35.00
Copying charge – A4	Per sheet	\$0.20	\$0.20
Copying charge – A3	Per sheet	\$0.50	\$0.50
Copying charge – A2 / A1	Per sheet	\$5.00	\$5.00

	Explanations/ comments	2020/2021 (GST Inc)	2021/2022 (GST Inc)
Consent hardcopy – scan	Per consent	\$70.00	\$70.00
Property file retrieval	Per file for non-owner	\$10.00	\$10.00
Service providers charge			
Service provided			
Contractors		At cost + disbursements	At cost + disbursements
Consultants		At cost + disbursements	At cost + disbursements
Legal / other advice		At cost + disbursements	At cost + disbursements
Couriers fee		Actual cost + 15%	Actual cost + 15%
Public service vehicle charge	Per km	\$1.00	\$1.00
Community housing rents			
Edendale (56 Seaward Road)	Single per week	\$103.50	\$105.00
	Double per week	\$103.50	
Edendale (Pioneer Place)	Single per week	\$90.50	\$105.00
	Double per week	\$100.50	
Lumsden (Tauna Place)	Single per week	\$90.50	\$105.00
	Double per week	\$100.50	
Nightcaps	Single per week	\$87.50	\$105.00
	Double per week	\$97.50	
Ohai	Single per week	\$87.50	\$105.00
	Double per week	\$97.50	
Otautau	Single per week	\$90.50	\$105.00
	Double per week	\$100.50	
Riversdale	Single per week	\$90.50	\$105.00
	Double per week	\$100.50	

	Explanations/ comments	2020/2021 (GST Inc)	2021/2022 (GST Inc)
Riverton (111 Havelock Street)	Single per week	\$103.50	\$105.00
	Double per week	\$103.50	
Riverton (127 Havelock Street)	Single per week	\$90.50	\$105.00
	Double per week	\$100.50	
Tuatapere	Single per week	\$87.50	\$105.00
	Double per week	\$97.50	
Winton	Single per week	\$90.50	\$105.00
	Double per week	\$100.50	
Wyndham	Single per week	\$90.50	\$105.00
	Double per week	\$100.50	
Non-priority tenant rents			
Rents for non-priority tenants shall be no less than \$5.00 per week more than what is charged for priority tenants (as per above), in accordance with section 4(c) the Community Housing Policy.			
Contributions – reserves and roading			
Reserves and roading contributions may be required through the resource consent process. If contributions are required then they will be taken in accordance with the methodology prescribe in the “financial contributions” section of the Proposed District Plan 2012			
Early payment of specified rates – liability schedule			
This schedule below outlines the liability outstanding for each of the following separate rates. Please refer to the Early Payment of Rates Policy for further detail.			
Edendale sewerage loan	15 years (incl connection cost)	\$2,427.00	\$1,655.00
Edendale sewerage loan	25 years (incl connection cost)	\$6,111.00	\$5,760.00
Edendale sewerage loan	25 years (excl connection cost)	\$5,057.00	\$4,767.00
Edendale water loan	15 years	\$629.00	\$429.00
Edendale water loan	25 years	\$1,450.00	\$1,367.00

	Explanations/ comments	2020/2021 (GST Inc)	2021/2022 (GST Inc)
Tuatapere sewerage loan	15 years	\$758.00	\$388.00
Tuatapere sewerage loan	25 years	\$3,305.00	\$3,094.00
Wallacetown sewerage loan	15 years	\$448.00	
Wallacetown sewerage loan	25 years	\$2,839.00	\$2,636.00
Wyndham sewerage loan	15 years (incl connection cost)	\$2,875.00	\$2,205.00
Wyndham sewerage loan	25 years (incl connection cost)	\$5,874.00	\$5,569.00
Wyndham sewerage loan	15 years (excl connection cost)	\$2,336.00	\$1,792.00
Wyndham sewerage loan	25 years (excl connection cost)	\$4,773.00	\$4,535.00
Wyndham water loan	15 years	\$719.00	\$551.00
Wyndham water loan	25 years	\$1,469.00	\$1,392.00
Contributions – reserves and roading			
Reserves and roading contributions may be required through the resource consent process. If contributions are required then they will be taken in accordance with the methodology prescribed in the “financial contributions” section of the Proposed District Plan 2012.			
Environmental health			
Food businesses operating under the Food Act 2014			
With food control plans or national programs			
Application fees			
Establishment and registration of a new single or multi-site template food control plan or national program		\$402.00	\$402.00
	For each additional site (for multi-site business)	\$80.00	\$136.00
Renewal of registration of a single or multi-site		\$130.00	\$130.00

	Explanations/ comments	2020/2021 (GST Inc)	2021/2022 (GST Inc)
template food control plan or national program per site			
Verification fees			
Base fee	For verifier time preparing for the verification	\$240.00	\$240.00
Hourly rate for the verification	Verifier time on-site for the verification and verification report preparation time	\$160.00	\$160.00
Hourly rate for corrective actions	Relating to all activities including correspondence, preparation, travel, on-site and reports	\$160.00	\$160.00
Cancellation of verification	Not including within 24 hours of making the appointment	\$160.00	\$160.00
Interpreter services			Actual cost
Compliance under the Food Act 2014			
Hourly rate for Food Safety Officer	Relating to all activities including correspondence, preparation, travel, on-site, and reports	\$160.00	\$160.00
Registered premises under the Health (Registration of Premises) Regulations 1966			
Annual fees			
Camping grounds		\$372.00	\$372.00
Offensive trades		\$372.00	\$372.00
Hairdressers		\$291.00	\$291.00
Sale yards		\$210.00	\$210.00
Funeral directors		\$210.00	\$210.00

	Explanations/ comments	2020/2021 (GST Inc)	2021/2022 (GST Inc)
Penalty for late payments	applicable to all registration renewals after 1 January	\$55.00	\$55.00
Hourly rate for re-inspections	Inspector time for travel, on-site inspection, and report	\$160.00	\$160.00
Transfer of ownership		\$130.00	\$130.00
Licence under the Trading in Public Places Bylaw:			
Annual fee for trading at sites or any mobile trader		\$130.00	\$130.00
Application to consider a location that is not pre-approved, community board approval sought.		\$322.00	\$322.00
Other services			
E-coli water sampling fee			
Each sampling visit of a camping ground that has a private water supply, for one sample		\$52.00	\$52.00
Nuisances			
Hourly rate to investigate, visit, research, or attend to correspondence/administration; a situation where it has been established that a property is causing a nuisance and the owner has failed to abate the nuisance		\$160.00	\$160.00
The Keeping of Animals, Poultry and Bees Bylaw			
Application for dispensation / permit		\$322.00	\$322.00
General hourly rate			
Hourly rate for all other activities undertaken by environmental health staff		\$160.00	\$160.00

	Explanations/ comments	2020/2021 (GST Inc)	2021/2022 (GST Inc)
All hourly rates in relation to environmental health are calculated in 15-minute blocks or part thereof.			
Halls and community centres			
Athol hall			
Hall hire	24 hours	\$200.00	\$200.00
Hall hire	Half day	\$40.00	\$40.00
Hall hire	Full day – during the day	\$80.00	\$80.00
School and special interest groups		50% discount	50% discount
Cleaning	If required (per hour)	\$50.00	\$50.00
Browns hall			
Rugby club		\$650.00	
Athletic society		\$100.00	\$100.00
Private function		\$100.00	\$100.00
Community function		\$50.00	\$50.00
Bond	No GST	\$250.00	\$250.00
Clifden hall			
Hall	Per hour	\$11.50	\$11.50
Tables	Each	\$5.00	\$5.00
Cups	Per dozen	\$20.00	\$20.00
Bond	No GST	\$220.00	\$220.00
Bond – ratepayer	No GST	\$100.00	\$100.00
Bond – after midnight	No GST	\$160.00	\$160.00
Colac Bay hall			
Funerals		\$100.00	\$100.00
Cabaret, social, weddings		\$120.00	\$120.00
Bowls	Night	\$40.00	\$40.00
Bowls	Afternoon and night	\$50.00	\$50.00
Main hall	Per hour	\$10.00	\$10.00
Chairs	Each	\$5.00	\$5.00
Tables	Each	\$10.00	\$10.00
Bond	No GST	\$200.00	\$200.00
Dipton hall			
Hall		\$35-\$80.00	\$35-\$80.00

	Explanations/ comments	2020/2021 (GST Inc)	2021/2022 (GST Inc)
Hall night rates		\$250-\$350.00	\$250-\$350.00
Play group/RSA		\$35-\$50.00	\$35-\$50.00
Edendale-Wyndham hall			
All day	8 hours	\$80.00	\$80.00
Day and night hire		\$150-\$240.00	\$150-\$240.00
Committee room	Hourly	\$30.00	\$30.00
Supper room		\$30.00	\$30.00
Kitchen and supper room		\$40.00	\$40.00
Kitchen and committee room		\$40.00	\$40.00
Bond (may be imposed at discretion of the custodian)	No GST	\$1,000.00	\$1,000.00
If excessive staining of the floor and commercial cleaning is required the cost of such will be charged to the hirer.			
Five Rivers hall			
Hall		\$50.00	\$50.00
Chairs	Per day	\$20.00	\$20.00
Bond	No GST	\$200.00	\$200.00
Fortrose hall			
All day hire	8 hours	\$35.00	\$35.00
All day and night hire		\$80.00	\$80.00
Hokonui hall			
All day hire	8 hours	\$50.00	\$50.00
All day and night hire		\$100.00	\$100.00
Meeting room	Per hour	\$10.00	\$10.00
Limehills hall			
All day hire	8am -5pm	\$50.00	\$50.00
All day and night hire		\$80.00	\$80.00
Rugby club		\$650.00	\$650.00
Bond	No GST	\$250.00	\$250.00
Lumsden hall			
All day hire	8 hours	\$100.00	\$100.00
All day and night hire		\$150.00	\$150.00
Sports team	Per hour	\$17.25	\$17.25
Lounge/supper room		\$50.00	\$50.00
Cleaning (if required)	Per hour	\$50.00	\$50.00

	Explanations/ comments	2020/2021 (GST Inc)	2021/2022 (GST Inc)
Lumsden sports ground pavilion			
All day hire	8 hours	\$100.00	\$100.00
All day and night hire		\$150.00	\$150.00
School and Special interest groups		50% discount rate	50% discount rate
Cleaning (if required)	Per hour	\$50.00	\$50.00
Manapouri hall			
Hall		\$100.00	\$100.00
Meeting room/library	Per half day	\$15.00	\$15.00
Library	Per year	\$200.00	\$200.00
Community groups		\$45.00	\$45.00
Bond	No GST	\$200.00	\$200.00
Mokoreta hall			
Hire	Hourly	\$12.00	\$12.00
Cleaning	Per hour	\$25.00	\$25.00
Heater	Per hour	\$8.00	\$8.00
Nightcaps hall			
Funerals		\$100.00	\$100.00
Cabaret, socials, weddings		\$125.00	\$125.00
Rifle club	Full season	\$200.00	\$200.00
Netball and rugby club	Per hour	\$15.00	\$15.00
Meeting room	Per hour	\$15.00	\$15.00
Hire of kitchen, supper room and meeting room for function	Flat fee	\$80.00	\$80.00
Funerals for RSA members and spouses		No charges	No charges
Bond	No GST	\$125.00	\$125.00
Ohai hall			
Wedding dance/cabarets		\$115.00	\$115.00
Wedding reception only/banquets		\$100.00	\$100.00
Group hire	Per hour	\$15.00	\$15.00
Non-profit organisation hire	Per hour	\$10.00	\$10.00
Bond	No GST	\$250.00	\$250.00
Orawia hall			

	Explanations/ comments	2020/2021 (GST Inc)	2021/2022 (GST Inc)
Private function		\$10.00	\$10.00
Community function		\$40.00	\$40.00
Oreti Plains hall			
All day hire	8 hours	\$125.00	\$125.00
Hire	Hourly	\$16.00	\$16.00
Weekend hall hire		\$250.00	\$250.00
Weekly hall hire		\$875.00	\$875.00
Chairs	Each	\$50.00	\$0.50
Tables	Each	\$50.00	\$5.00
Bond	No GST	\$500.00	\$500.00
Orepuki hall			
Half day or night	3 hours and under	\$65.00	\$65.00
All day hire	Over 3 hours	\$115.00	\$115.00
All day and night hire		\$290.00	\$290.00
Sport lounge	Per night		
Sports clubs		\$6.00	\$6.00
Lounge Private function	Resident	\$40.00	\$40.00
Lounge Private function	Non-resident	\$70.00	\$70.00
Chairs	Each (additional fee for damage)	\$0.60	\$0.60
Tables	Each	\$4.00	\$4.00
Bond	No GST	\$250.00	\$250.00
Otapiri-Lora Gorge hall			
Hall	Non-residents	\$200.00	\$200.00
Hall	Residents	\$150.00	\$150.00
Meetings morning/afternoon/evening	Non-residents	\$35.00	\$35.00
Meetings morning/afternoon/evening	Residents	\$25.00	\$25.00
Weddings	Non-residents	\$250.00	\$250.00
Weddings	Residents	\$200.00	\$200.00
Rifle club	Full season	\$10.00	\$10.00
Dance committee		\$60.00	\$60.00

	Explanations/ comments	2020/2021 (GST Inc)	2021/2022 (GST Inc)
Chairs	Each	\$1.00	\$1.00
Tables	Each	Donation	Donation
Cutlery and crockery		\$25.00	\$25.00
Ryal Bush hall			
All day hire		\$50.00	\$50.00
Hourly		\$20.00	\$20.00
Bond	No GST	\$200.00	\$200.00
Stewart Island Trail Pavilion			
Hire		\$50.00	\$50.00
Thornbury hall			
Funerals		\$110.00	\$110.00
Cabaret, socials		\$132.00	\$132.00
Weddings		\$165.00	\$165.00
Main hall	Per hour	\$11.00	\$11.00
Meeting room	Per hour	\$11.00	\$11.00
Sports bodies	Per hour	\$11.00	\$11.00
Chairs	Each	\$1.25	\$1.25
Tables	Each	\$2.50	\$2.50
Cups	Per dozen	\$2.00	\$2.00
Tea pots	Each	\$2.00	\$2.00
Bond	No GST	\$250.00	\$250.00
Tokanui hall			
Weddings, cabarets, birthday parties and night hire		\$100.00	\$100.00
All day hire	8 hours	\$70.00	\$70.00
Half day hire		\$30.00	\$30.00
Sports club	Regular	\$15.00	\$15.00
Sports club	Occasional	\$20.00	\$20.00
Supper room		\$20.00	\$20.00
Supper room and Kitchen		\$30.00	\$30.00
Funerals	No charge		
Chairs	Each	\$1.00	\$1.00
Trestles	Each	\$10.00	\$10.00
Pie warmer	Each	\$10.00	\$10.00

	Explanations/ comments	2020/2021 (GST Inc)	2021/2022 (GST Inc)
Cups	Per drawer (Approx. 45 cups)	\$10.00	\$10.00
Tuatapere hall			
Weddings		\$115.00	\$115.00
Sports team		\$11.50	\$11.50
Half day hire		\$57.50	\$57.50
Full day hire		\$115.00	\$115.00
Waianiwa hall			
All day hire	8 hours	\$150.00	\$150.00
Weekend hall hire		\$300.00	\$300.00
Bond	No GST	\$500.00	\$500.00
Waikawa hall			
Hall		\$200.00	\$200.00
Hall	No more than 4 hours	\$50.00	\$50.00
Meetings		\$25.00	\$25.00
Funerals and elections		\$150.00	\$150.00
Daily hall hire	8 hours	\$120.00	\$120.00
Social functions	5pm to 1pm	\$120.00	\$120.00
All day and night hire		\$200.00	\$200.00
Supper room	Part day	\$60.00	\$60.00
Supper room	All day	\$80.00	\$80.00
Meetings		\$25.00	\$25.00
Chairs	Day	\$20.00	\$20.00
Tables	Day	\$5.00	\$5.00
Bond (Refundable)	No GST	\$50.00	\$50.00
Cleaning	If required	\$100.00	\$100.00
Heaters	\$1 coin per 20 minutes	\$1.00	\$1.00
Winton memorial hall			
Weddings/birthdays/other social functions	Full day (bond required)	\$400.00	\$400.00
Hall not available for hire for birthday functions for 25-year olds and under			
Other functions	Full day (bond required)	\$200.00	\$200.00

	Explanations/ comments	2020/2021 (GST Inc)	2021/2022 (GST Inc)
School / education related events	Full day (bond required)	\$50.00	\$50.00
Bowls and dancing (eg ballet, scottish dancing)	Half day (bond required)	\$25.00	\$25.00
Bowls and dancing (eg ballet, scottish dancing)	Full day (bond required)	\$50.00	\$50.00
Funeral / church services / meetings	Full day (bond required)	\$75.00	\$75.00
Commercial user (eg private sales)	Half day (bond required)	\$200.00	\$200.00
Commercial user (eg private sales)	Full day (bond required)	\$400.00	\$400.00
Bond - regular users (12- month duration for bond, reviewed and renewed every 12 months)	No GST	\$200.00	\$200.00
Bond - casual /one-off users	No GST	\$400.00	\$400.00
Winton RSA hall			
Anzac lounge	Half day (bond required)	\$30.00	\$30.00
Anzac lounge	Full day (bond required)	\$60.00	\$60.00
Weddings	Full day (bond required)	\$150.00	\$150.00
Other functions (ANZAC lounge not to be hired for birthday functions for 25- year old's or under)	Bond required	\$80.00	\$80.00
Kip McGrath (own Lock-up room)	Regular/consist ent (per month charge)	\$300.00	\$0.00
Regular users (eg dancing, yoga, church services)	Half day (bond required)	\$15.00	\$15.00
Regular users (eg dancing, yoga, church services)	Full day (bond required)	\$30.00	\$30.00
Commercial user (eg private sales)	Half day (bond required)	\$50.00	\$50.00
Commercial user (eg private sales)	Full day (bond required)	\$100.00	\$100.00

	Explanations/ comments	2020/2021 (GST Inc)	2021/2022 (GST Inc)
Bond - regular users (12-month duration for bond, reviewed and renewed every 12 months)	No GST	\$100.00	\$100.00
Bond - casual / one-off users	No GST	\$200.00	\$200.00
Council property – room hire			
Otautau – chambers	Per hour		\$17.25
Otautau – interview room	Per hour		\$12.50
Te Anau – meeting room	Half day		\$10.00
Information management			
Production of maps (excluding requests for property maps from ratepayers for their individual properties)*	**	\$75.00	\$75.00
* This fee applies to external customers where there is a commercial gain to be made by the requestor and/or there is a request for 'value added' work. Value added work is where the customer has requested additional information to be shown on a standard property map. Examples include the defining of fence lines and calculation of paddock sizes.			
** The fee is standard per property requested, regardless of the size of the printed map or the size of the property			
Interment fees for Southland District Council cemeteries			
Standard interment five years old and over			
Calcium (Isla Bank)		\$1,940.00	\$2,000.00
Centre Hill		\$1,940.00	\$2,000.00
Dipton		\$1,940.00	\$2,000.00
Edendale		\$1,940.00	\$2,000.00
Halfmoon Bay		\$1,940.00	\$2,000.00
Lumsden		\$1,940.00	\$2,000.00
Lynwood		\$1,940.00	\$2,000.00
Otautau		\$1,940.00	\$2,000.00
Otautau RSA (less \$300)		\$1,640.00	\$1,700.00
Riverton		\$1,940.00	\$2,000.00
Riverton RSA (less \$200)		\$1,740.00	\$1,800.00
Nightcaps (Wairio)		\$1,940.00	\$2,000.00
Wallacetown		\$1,940.00	\$2,000.00

	Explanations/ comments	2020/2021 (GST Inc)	2021/2022 (GST Inc)
Winton		\$1,940.00	\$2,000.00
Woodlands		\$1,940.00	\$2,000.00
Wreys Bush		\$1,940.00	\$2,000.00
Wyndham		\$1,940.00	\$2,000.00
Other cemetery fees			
Interment one year old and up to five years old		\$970.00	\$1,000.00
Interment stillborn and up to one year old		\$485.00	\$500.00
Purchase of exclusive right to burial - standard or ashes plot		\$138.00	\$150.00
Cremated ashes into existing ashes or standard plot - Council to prepare:			
Grass surface		\$575.00	\$631.00
Hard surface, ie concrete (fee plus actual contractor costs)		\$138.00	\$150.00
Cremated ashes into existing ashes or standard plot - family or funeral director to prepare and finish site		\$138.00	\$150.00
Stewart Island Cemetery Memorial Wall - placement of plaque	Over 250mm x 150mm	\$138.00	\$150.00
Probes		\$200.00	\$250.00
Out of standard hours burial		\$350.00	\$350.00
Library charges			
Loan from another library within the District	Per item	\$0.50	\$0.50
Inter-loans (New Zealand-wide)	Per item	\$5.00	\$5.00
Subject information	Per search	\$3.00	\$3.00
DVDs	For seven nights	\$2.00	\$2.00
Processing fee - lost/damaged item		\$7.50	\$7.50
Replacement card		\$2.00	\$2.00

	Explanations/ comments	2020/2021 (GST Inc)	2021/2022 (GST Inc)
Printing /photocopying A4	Per side	\$0.20	\$0.25
Colour printing /photocopying A4	Per side	\$0.50	\$0.60
Printing / Photocopying A3	Per side	\$1.00	\$1.00
Colour printing / Photocopying A3	Per side	\$3.00	\$3.00
Fines (adult) (maximum \$6.00 per item)	Per day	\$0.20	\$0.20
Fines (under 16) (maximum \$1.50 per item)	Per day	\$0.10	\$0.10
Replacement of lost/damaged item	Per item		At cost
Reserves	Per item	\$0.50	\$0.50
Local Government Official Information and Meeting Requests			
Official information request			
First four hours		No charge	No charge
Additional time	Per half hour	\$38.00	\$38.00
Photocopying charges			
First 50 pages		Free	Free
Additional pages	Per page	\$0.20	\$0.20
Other charges that includes:			
Producing a document by computer or other like equipment			
Reproducing a photograph, film, video, or audio recording			
Arranging for the requestor to hear or view an audio or visual recording			
Providing a copy of any maps, plans, etc.			
Note: These rates are as outlined in the Ministry of Justice guidelines and this policy will be amended to reflect any changes in the Ministry guidelines.			
The requestor will be notified of the estimated cost of their request before Council starts to work on the request. The requestor then has the option of proceeding, withdrawing, or refining their request			
Miscellaneous charges			
Postponement fee	Per property	\$200.00	\$200.00
One-off charge upon approval of postponement of rates and annual interest			

	Explanations/ comments	2020/2021 (GST Inc)	2021/2022 (GST Inc)
charged on balance of postponed rates	Per property	4.65%	4.65%
Credit card fees			Actual cost
Lions Park public toilets, Te Anau			
Toilet fee	Adults and children over 10 years	\$1.00	\$1.00
Toilet fee	Children under 10 years	No charge	No charge
Shower (with no add ons)	Per 8 minutes	\$5.00	\$5.00
Shampoo/ conditioner/ soap packs		\$5.00	\$5.00
Towel and bath mat		\$6.00	\$6.00
Refuse and transfer station			
Car loads	Refuse	\$18.00	\$18.00
	Recycling and reuse	No charge	No charge
Ute type loads and small trailers	Refuse	\$34.00	\$34.00
	Recycling and reuse	\$16.00	\$16.00
Tandem trailers and high side trailers	Refuse	\$66.00	\$66.00
	Recycling and reuse	\$32.00	\$32.00
Truck (Stewart Island only)			\$32.00
Trucks per 1,000 kg gross weight		\$74.00	\$74.00
Trucks per tonne confirmed by weight docket		\$146.00	\$146.00
Trucks per tonne (Stewart Island only)			\$72.00
Unstripped car body surcharge		\$122.00	\$122.00
Stripped car body		\$42.00	\$42.00
Scrap cars (Stewart Island only)			\$40.00
Car tyres	Each	\$8.00	\$8.00

	Explanations/ comments	2020/2021 (GST Inc)	2021/2022 (GST Inc)
4WD tyres	Each	\$14.00	\$14.00
Recycling and reuse only available at Stewart Island			
TV / computer monitor			\$8.00
Car batteries			\$4.00
Whiteware			\$12.00
Gas bottles			\$10.00
Other items available to purchase only at Stewart Island			
Black bags	Commercial each		\$4.00
Paint / oil	Per 20 litres		\$10.00
Rubbish bags	SDC pack of 52		\$208.00
Recycling bin			\$20.00
Food bucket			\$15.00
Resource Management Act			
Staff charge out rates for any input into Resource Management Act and Local Government Act matters			
Resource management staff	Per hour	\$160.00	\$160.00
Ecologist	Per hour		\$200.00
Roading contract manager	Per hour	\$120.00	\$120.00
Environmental health officer	Per hour	\$160.00	\$160.00
Water and waste services staff	Per hour	\$120.00	\$120.00
Building control staff	Per hour	\$185.00	\$185.00
Search fee of certificate of title and appellation details	Each	\$40.00	\$40.00
Resource consents: S.95A - 95F Resource Management Act for controlled activity, discretionary activity, and non-complying activity			
Determination that an application is incomplete under s88(3)		\$200.00	\$200.00
(a) For applications that can be dealt with under delegated authority (ie, non-notified)	Actual cost plus disbursement. Initial non-refundable lodgment and processing Fee	\$800.00	\$1,000.00

	Explanations/ comments	2020/2021 (GST Inc)	2021/2022 (GST Inc)
(b) For applications requiring limited notification (limited notified)	Actual cost plus disbursements. Initial non-refundable lodgment and processing fee	\$3,000.00	\$3,000.00
(c) For applications requiring notice (Notified)	Actual cost plus disbursements which includes advertising costs and preliminary costs in notification process	\$5,000.00	\$5,000.00
For processes which will involve hearings of two or more days, a further hearing lodgment and processing fee of \$9,300.00 (15 hours at \$620.00 per hour GST inclusive) will be required to be paid prior to the matter proceeding to a formal hearing. This hearing lodgment and processing fee will be subtracted from the overall cost of the hearing for the purposes of calculating any outstanding processing costs at the end of the process.			
Change or cancellation of consent conditions (S.127 Resource Management Act)	Actual cost plus disbursements, initial non-refundable lodgment and processing fee	\$800.00	\$800.00
Hearings charge - decision-maker(s) and administrative staff time	There is a one-hour minimum charge then a pro-rata cost in 15-minute segments of \$155.00 plus disbursements	\$620.00	\$620.00
Plan change request	Actual cost plus disbursements which includes advertising costs and preliminary costs in notification	\$10,000.00	\$10,000.00

	Explanations/ comments	2020/2021 (GST Inc)	2021/2022 (GST Inc)
	process, initial non-refundable lodgement and processing fee		
Monitoring charges			
Compliance officer	Actual cost plus disbursements (per hour)	\$160.00	\$160.00
Resource consent breaches - Where it has been established that a breach of a resource consent has occurred, the time taken for the compliance officer to investigate, visit, research, or attend to correspondence/administration, shall be charged at the actual cost			
Requirements and heritage orders (per application)	Actual cost plus disbursements, initial non-refundable lodgement and processing fee	\$720.00	\$720.00
Information from files/plans	Actual cost based on staff time plus disbursements (per hour)	\$160.00	\$160.00
Subdivision approvals fee:		Actual cost plus disbursements, initial non-refundable lodgement and processing fee	
(a) Section 223 certification only		\$200.00	\$250.00
(b) Section 224(c) certification only		\$200.00	\$250.00
(c) Sections 223 and 224(c) certification fee		\$400.00	\$500.00
Bond administration fee (Lodging a bond for incomplete work)			\$250.00
Solicitors fee (for multi party dealing in land online).		Actual cost plus disbursements	Actual cost plus disbursements
Certification of plans (S.226 Resource Management Act)	Actual cost plus disbursements, initial lodgement and	\$500.00	\$500.00

	Explanations/ comments	2020/2021 (GST Inc)	2021/2022 (GST Inc)
	processing fee (per plan)		
Certificates of compliance (S.139 Resource Management Act)	Actual cost plus disbursements, initial non-refundable lodgment and processing fee	\$600.00	\$600.00
Existing use right certificate (S.139A Resource Management Act)	Actual cost plus disbursements, initial non-refundable lodgement and processing fee	\$600.00	\$600.00
Permitted boundary activities (S. 87BB Resource Management Act)	Actual cost plus disbursements, initial non-refundable lodgement and processing fee	\$300.00	\$300.00
Waivers for a marginal or temporary breach	Fixed fee	\$200.00	\$200.00
Outline plan approval (S.176A Resource Management Act)	Actual cost plus disbursements, initial non-refundable lodgement and processing fee	\$800.00	\$800.00
Waiver of an outline plan	Actual cost plus disbursements, initial non-refundable lodgement and processing fee	\$360.00	\$360.00
Extension of time (S.125 Resource Management Act)	Actual cost plus disbursements, initial non-refundable lodgement and processing fee	\$600.00	\$800.00
Transfer of consent (S.134 Resource Management Act)	Actual cost plus disbursements, initial non-	\$360.00	\$500.00

	Explanations/ comments	2020/2021 (GST Inc)	2021/2022 (GST Inc)
	refundable lodgement and processing fee		
Removal of designation (S.182 Resource Management Act)	Actual cost plus disbursements, initial non-refundable lodgement and processing fee	\$500.00	\$500.00
Alteration of designation (S.183 Resource Management Act)	Actual cost plus disbursements, initial non-refundable lodgement and processing fee	\$800.00	\$800.00
Processing of an objection (S.357 and 357A Resource Management Act)	Actual cost plus disbursements, initial non-refundable lodgement and processing fee	\$500.00	\$500.00
Legal consultant (where Council refers matters to its resource management legal consultant for legal advice, and/or attendance by the legal consultant at hearings)		Actual cost plus disbursements	Actual cost plus disbursements
External resource management professionals (eg consultant or hearings commissioner)		Actual cost plus disbursements	Actual cost plus disbursements
Overseas investment certificates	Actual cost plus disbursements, initial lodgement and processing fee	\$500.00	\$500.00
Other legislation relating to subdivision activity			
Right of way approval (S.348 Local Government Act 1974)	Actual cost plus disbursements, initial lodgement and processing fee	\$500.00	\$500.00

	Explanations/ comments	2020/2021 (GST Inc)	2021/2022 (GST Inc)
Cancellation of building line restriction (S.327A Local Government Act 1974)	Actual cost plus disbursements, initial lodgement and processing fee	\$500.00	\$500.00
Cancellation or variation of easements or interests on titles (S.221, 241, 348)	Actual cost plus disbursements, initial lodgement and processing fee	\$400.00	\$500.00
Building Act certificates (S.72 and 75)	Actual cost plus disbursements, initial lodgement and processing fee	\$400.00	\$500.00
Fees set by the Resource Management Act (Infringement Offences) Regulations 1999			
Contravention of S.9 Resource Management Act	Restrictions on use of land	\$750.00	\$750.00
Contravention of an Abatement Notice	other than a notice under S.322(1)(c)	\$750.00	\$750.00
Contravention of S.22 Resource Management Act	Failure to provide certain information to an enforcement officer	\$300.00	\$300.00
Contravention of excessive noise direction under S.327 Resource Management Act		\$500.00	\$500.00
Other matters			
Processing application for exemption under the Subdivision Land Use and Development Bylaw 2012	Actual cost plus disbursements, initial non-refundable lodgement and processing fee	\$500.00	\$500.00
All other activities undertaken by resource management staff	Actual cost per hour	\$160.00	\$140.00
Resource management administration fee	Per RMA based application	\$180.00	\$180.00

	Explanations/ comments	2020/2021 (GST Inc)	2021/2022 (GST Inc)
Where pre-application meetings are sought for projects or there are multiple meetings for other consents extending beyond 15 minutes then Council can charge the officers' time to the potential applicant	Per hour	\$160.00	\$160.00
Note			
Disbursements recoverable are 100% of actual costs. This may include vehicle and travel costs, legal review, public notification, typing, photocopying, postage, photography and any other incidental expenses attributable to the matter for which a charge is being levied			
The charge out rate for vehicles	Per kilometre	\$1.00	\$1.00
Note			
Where an initial "lodgement and processing fee" is required this must be paid at the beginning by the applicant in order for the application to be considered complete and start the processing time clock under the Resource Management Act. However, if there is additional time required to process the application then the actual cost will be charged resulting in a further invoice.			
Riverton harbour licensing fees			
Wharf fee	Per metre	\$15.60	\$26.05
Transfer fee		\$157.43	\$162.00
Road reserve and services fees			
Stock management			
Stock crossing at grade - no annual charge + \$10.00 replacement tag fee + \$50.00 extra site visit	Bond (no GST)	\$1,500.00	\$1,500.00
	Fee	\$180.00	\$180.00
Stock races	Bond (no GST)	\$250.00	\$250.00
	Fee	\$180.00	\$180.00
Stock droving	Bond (no GST)	No charge	No charge
	Fee	\$65.00	\$65.00
Drainage			
Lower a road culvert	Bond (no GST)	\$250.00	\$500.00
	Fee	\$180.00	\$180.00

	Explanations/ comments	2020/2021 (GST Inc)	2021/2022 (GST Inc)
Drainage on roadsides	Bond (no GST)	\$250.00	\$500.00
	Fee	\$180.00	\$180.00
Stormwater connection to kerb and channel	Bond (no GST)	\$250.00	\$500.00
	Fee	\$65.00	\$65.00
Crossings/vehicular accessways			
Urban – unsealed	Bond (no GST)	\$250.00	\$1000.00
	Fee	\$65.00	\$130.00
Urban – sealed	Bond (no GST)	\$500.00	\$2,000.00
	Fee	\$65.00	\$130.00
Commercial urban/rural (includes dairy tanker access)	Bond (no GST)	\$1,500.00	\$5,000.00
	Fee	\$180.00	\$180.00
Rural – private	Bond (no GST)	\$500.00	\$2,000.00
	Fee	\$180.00	\$180.00
Carriageway			
Public/private utilities and services on roadsides (treat as a road opening)	Bond (no GST)	No charge	No charge
	Fee	\$180.00	\$180.00
Stock underpasses (+ deed of grant at \$100.00)	Bond (no GST)	\$1,500.00	\$5,000.00
	Fee	\$180.00	\$180.00
Requests to physically form roads	Bond (no GST)	No charge	No charge
	Fee (\$120.00/hr plus disbursements and/or \$267.50/hr for special Council meeting and \$534/hr thereafter for special Council meeting, plus disbursements)	\$460.00	\$460.00
Stopping of roads	Bond (no GST)	No charge	No charge

	Explanations/ comments	2020/2021 (GST Inc)	2021/2022 (GST Inc)
	Fee (\$120.00/hr plus disbursements and/or \$267.50/hr for special Council meeting and \$534/hr thereafter for special Council meeting, plus disbursements)	\$460.00	\$460.00
Temporary closure of roads for public events (treat as a road opening)	Bond (no GST)	No charge	No charge
	Fee plus disbursements (news paper fees)	\$65.00	\$65.00
Temporary closure of roads for roading purposes (treat as a road opening)	Bond (no GST)	No charge	No charge
	Fee plus disbursements (newspaper fees)	\$65.00	\$65.00
Road margin			
Dust suppression	Bond (no GST)	No charge	No charge
	Fee	\$65.00	\$65.00
Signs on roads	Bond (no GST)	No charge	No charge
	Fee (resource consent)	\$65.00	\$65.00
Road margin planting	Bond (no GST)	No charge	No charge
	Fee	\$65.00	\$65.00
Cultivation of road margin	Bond (no GST)	No charge	No charge
	Fee	\$65.00	\$65.00
Storage on the road margin (type 3 roads only)	Bond (no GST)	No charge	No charge
	Fee	\$65.00	\$65.00
Whitebait huts	Bond (no GST)	No charge	No charge

	Explanations/ comments	2020/2021 (GST Inc)	2021/2022 (GST Inc)
	Fee	\$65.00	\$65.00
Permanent fencing in the road margin	Bond (no GST)	No charge	No charge
	Fee	\$180.00	\$180.00
RAPID numbering	Bond (no GST)	No charge	No charge
	Fee	\$173.78	\$173.78
Water, Wastewater and Stormwater			
Connect to piped utilities (Urban or rural water supply, stormwater and wastewater)	Bond (no GST)	No charge	No charge
	Fee	\$311.78	\$311.78
Alteration to existing rural water service connection (change in unit allocation only)	Bond (no GST)	No charge	No charge
	Fee	\$230.00	\$230.00
Fee structures based on the following averaged costs:			
• \$50.00 = ¼ hr @ \$120.00 + ¼ hr @ \$80.00 (excl) (engineer + administration)			
• \$150.00 = 1 hr @ \$120.00 + ¼ hr @ \$80.00 (excl) (engineer + administration)			
Bonds are established to reflect the costs Council might be exposed to if needed to complete works when another party defaults. However, the bonds reflect the likely minimum cost to undertake simple tasks rather than location specific, and to keep such compliance costs to a minimum.			
Permits shall have a two-year period before expiring			
Bonds shall be released on satisfactory completion of the permitted activity			
SIESA - electricity charges			
General tariffs and charges for SIESA are to be reviewed each December following an analysis of electricity use on the Island			
Meter reading			
Invoicing is undertaken on a monthly basis			
All payments are to be made to:			
Stewart Island Electrical Supply Authority, PO Box 903, Invercargill, or			
Council office in Ayr Street, Stewart Island			
Residential connections			
Standard rate per unit		\$0.6024	\$0.61
Night rate per unit		\$0.5239	\$0.55
Fixed monthly charge		\$89.48	\$95.00

	Explanations/ comments	2020/2021 (GST Inc)	2021/2022 (GST Inc)
New connections			
New consumer connection fee		\$293.83	\$293.83
Capital development charge		\$1,762.95	\$1,762.95
All new connections (or load extensions that increase the base load by 2 kW or more) require an application for supply form to evaluate potential load and voltage problems			
A new consumer connection fee must be paid before the power can be turned on. This fee covers the installation of one meter in the consumer provided meter box, the connection at the boundary, and administrative costs.			
A capital development charge is payable for all new power connections. The charge will be payable by the owner/applicant at the time an application for a new power connection is made (a small number of properties have paid this fee at the time of subdivision and will not be required to pay the capital development charge at the time of connection).			
Note			
All costs of connection within the consumer boundary are the responsibility of the consumer			
The cost of extensions or upgrades to the network as a result of an application for supply will be the responsibility of the applicant. This work must be approved by SIESA before commencing and can only be done by a SIESA approved contractor.			
Existing connections			
Water heating/night rate meter installation		\$293.83	\$293.83
Disconnection fee (no monthly charge after)		\$94.02	\$94.02
Reconnection fee (new consumer/applicant)		\$141.04	\$141.04
Connection bond (new consumer, if applicable)	No GST	\$150.00	\$150.00
Water heating and night rate (suitable for space heaters - small freezers), and special domestic outlet sockets. Time controlled for a maximum of eight hours between the hours of 10.30 pm and 7.30 am. Domestic outlets are to be labelled "night rate".			
Vacating consumers must advise the Southland District Council office, Ayr Street			

	Explanations/ comments	2020/2021 (GST Inc)	2021/2022 (GST Inc)
Stewart Island (telephone 03 219 1049) or (0800 732 732) to arrange a final meter reading and to advise of the consumer name change. Four working days' notice is required.			
All installations disconnected for six months or more requires a re-inspection by an electrical inspector before re-living. The consumer is responsible for all costs associated with the re-inspection plus the reconnection fee.			
A refundable connection bond will be required for connections where the consumer/applicant is not the property owner, refer to the SIESA terms and conditions - bonds for details. The bond must be paid prior to connection. If the power is already connected it will be disconnected if the bond remains unpaid after one month of power consumption.			
Commercial connections			
Standard unit rate		\$0.6024	\$0.61
Night rate per unit		\$0.5239	\$0.55
Fixed monthly charge		\$89.48	\$95.00
New connections			
New consumer connection fee		\$293.83	\$293.83
Capital development charge		\$1762.95	\$1762.95
The new consumer connection fee shown is a minimum amount chargeable. Actual cost may vary depending on the size and complexity of the connection process. Installation costs may be by negotiation (confirmed in writing by the authority).			
A new consumer connection fee must be paid before the power can be turned on			
This minimum fee covers the installation of one meter in the consumer provided meter box, the connection at the boundary, and administrative costs			
A capital development charge is payable for all new power connections. The charge will be payable by the owner/applicant at the time an application for a new power connection is made.			
Note			
All costs of connection within the consumer boundary are the responsibility of the consumer			
The cost of extensions or upgrades to the network as a result of an application for supply will be the responsibility of the applicant. This work must be approved by SIESA before commencing and can only be done by a SIESA approved contractor.			
Existing connections			
Disconnection fee	No monthly charge	\$470.12	\$470.12

	Explanations/ comments	2020/2021 (GST Inc)	2021/2022 (GST Inc)
Reconnection fee	New consumer/appl icant	\$470.12	\$470.12
Connection bond	New consumer, if applicable	\$150.00	\$150.00
All installations disconnected for six months or more require a re-inspection by an electrical inspector before re-livening. The consumer is responsible for all costs associated with the re-inspection plus the reconnection fee.			
Temporary supply			
Monthly fee	Payable in advance	\$244.46	\$244.46
Standard unit rate (as per residential rate)	Per unit	\$0.6024	\$0.61
The applicant/consumer is responsible for all costs related to the temporary supply plus the fees as stated above			
A temporary supply is valid for 90 days only. An extension of time requires an electrical inspector's			
Re-inspection organised by and actual costs payable by the applicant/consumer.			
Electrical Inspector's re-inspection, organised by and actual costs payable by the applicant/consumer			
Distributed generation			
Subject to its terms and conditions set out in Schedule 1 of the SIESA Domestic Contract, SIESA will buy the electricity generated by residents at the rate of \$0.20c per kilowatt per hour, inclusive of GST		\$0.20	\$0.20
Please note that residents may be liable for income tax and GST in respect of the sale			
The accounting for and the payment of those taxes are resident's responsibility			
Other chargeable fees			
Not metered and special connections		\$564.14	\$564.14
Late payment fee (+10% if applicable)			
Meter testing		\$99.90	\$99.90
Temporary supply and caravan inspection		\$99.90	\$99.90

	Explanations/ comments	2020/2021 (GST Inc)	2021/2022 (GST Inc)
Dis/re-connection due to non-payment of account		\$99.90	\$99.90
The fee for a not metered or special connection is an annual fee (1 July - 30 June) payable in advance.			
Payments are due on the 20th of each month. A late payment fee will be charged if payment is not received before the 20th of the month after the due date (ie one full month after the original due date).			
Note			
Tariffs for water heating, night rate and commercial connections will apply only to economic installations			
Metered connections cannot be shared across property boundaries			
Individual dwelling on the same property must each have its own meter			
Stewart Island jetties			
Wharf and jetty user annual fee		\$1,500.00	\$1,500.00
Boat park fee		\$287.50	\$500.00
Stewart Island/Rakiura Visitor Levy			
Inbound levy fee from passengers of approved operators		\$2.50	\$2.50
Outbound levy fee from passengers of approved operators		\$2.50	\$2.50
Levy fee for freedom travellers		\$5.00	\$5.00
Replacement fee for lost, stolen, or damaged Stewart Island/Rakiura Visitor Levy photo identification cards		\$5.00	\$5.00
Trade waste charges			
Discharge charges for trade waste premises (non-domestic) will be assessed as follows:			
1. For all properties that have occupiers who are not required to have a conditional trade waste consent the charge will be based on the accessed number of Units of Demand (UoD) for the property multiplied by the uniform annual charge (UAC) for the local sewerage rate. The UoD will be assessed in accordance with Council's Development Contribution Policy contained within the 10 Year Plan.			
2. For all properties that have occupiers who are required to have a conditional trade waste consent the charge will be based on the accessed number of Equivalent Units			

	Explanations/ comments	2020/2021 (GST Inc)	2021/2022 (GST Inc)
of Demand (EUoD) for the property multiplied by the uniform annual charge (UAC) for the local sewerage rate. The EUoD will be assessed based on a specific assessment of loadings from the consent holder. The EUoD assessment will be made by summation weighting of the specific loading characteristics as follows:			
• volume (V) 40%, biological oxygen demand (BOD) 30% suspended solids (SS) 30%.			
when compared to a 1x UoD characteristic of V = 920 litres/day, BOD = 260 grams/day, SS = 320 grams/day.			
For any consent holders who exceed the consent limits, a multiplier of two will be applied to the reassessed EUoD (following the non-compliance) for the remaining consent period.			
This is in addition to any other remedies for consequential cost recovery.			
Council may from time to time undertake review assessments of UoD for individual properties. Where the assessed UoD differs from the current local rate then the number of units applied to the property will be modified and the property owner will be notified of this in writing.			
Demand capital charges (for capacity)			
Demand capital costs required for the provision of demand capacity could be charged for in accordance with Council's Development Contribution Policy contained within the 10 Year Plan where the proposed loadings can be accommodated within the planned capacity of the sewerage system. However, where any application for conditional trade waste consent has the potential to impose a significant additional demand on the sewerage system, beyond its planned capacity, then specific demand capital charges will be a condition of the consent.			
Administrative charges			
Trade waste application fee	base fee with application	\$236.80	\$236.80
Extra time over two hours will be charged at:	Per hour plus disbursements	\$118.39	\$118.39
Inspection fee - actual cost	Per hour plus disbursements	\$118.39	\$118.39
Compliance monitoring - actual cost	Per hour plus analysis plus disbursements (including re-inspection)	\$118.39	\$118.39
Annual administration fee for waste consent holder - actual cost	Per hour plus disbursements	\$118.39	\$118.39

	Explanations/ comments	2020/2021 (GST Inc)	2021/2022 (GST Inc)
Tankered waste charge	Per tanker load	\$80.00	\$80.00
Except for the application base fee (required at time of application) all other administrative charges are due for payment by 20th of the month following invoice			
Water tanker charges			
Fees and charges applicable to the extraordinary supply of water from fire hydrants or tanker filling points on Council reticulated supplies:			
Application fee for tankered water permit		\$280.41	\$280.41
Includes initial inspection of one tanker and backflow prevention			
Annual administration fee for existing permit holder		\$236.27	\$236.27
Includes annual inspection of one tanker and backflow prevention			
Tanker and backflow prevention inspection fee		\$116.84	\$116.84
For repeat inspections, when required			
Additional tanker inspections	Each	\$15.57	\$15.57
For inspection of additional tankers, carried out at the same time and location as initial, annual or repeat inspection			
Supervision by Council contractor while drawing water		\$58.42	\$58.42
When required by Council, fee per hour, minimum one-hour charge			
Standard charge for supply of water per cubic metre (1,000 L)		\$1.76	\$1.76
Wheelie bin			
After the initial interim invoice for wheelie bins, the annual charge from 1 July to 30 June will be included with your rates		\$14.40	\$14.44
New/additional wheelie bin administration fee		\$20.00	\$20.00
New/additional recycling bin collection fee	Per month charge from 1st of the month following request bin to	\$14.40	\$14.44

	Explanations/ comments	2020/2021 (GST Inc)	2021/2022 (GST Inc)
	30 June of the following year		
New/additional rubbish bin collection fee	per month charge from 1st of the month following request bin to 30 June of the following year	\$14.40	\$14.44

Schedule of financial reserves

Restricted reserves

Reserves	Community	Business unit	Activity to which it relates	Purpose	Expected opening balance 1/7/2021 (\$000)	Deposits in (\$000)	Withdraws out (\$000)	Expected closing balance 30/6/2031 (\$000)
District Reserves								
	Holding	SDC Officer's Association	District support	Held on behalf of SDC Officer's Association	1	-	-	1
	Environment and community	Dog and animal control	Animal control	Residual funds from dog and animal control activity	(196)	-	(337)	141
	John Beange	John Beange	Community assistance	Funding available in Wyndham area	19	2	19	2
	Southland Joint Mayoral Fund	Southland Joint Mayoral Fund	Community assistance	Residual funds from Southland flood relief	225	131	-	356
	Allocation committee	Contribution and levies	Community assistance	Raised through the District Plan be used to remedy, mitigate or offset adverse effects arising from, and in consequence of, or in association with any development	116	62	-	178
	Allocation committee	Creative NZ	Community assistance	Support local communities to create diverse opportunities for accessing and participating in arts activities with their specific geographical area, as well as defined communities of interest.	15	8	-	23
	Allocation committee	Community Development Fund	Community assistance	Development of community facilities, recreational opportunities and events	5	3	-	8
	Allocation committee	Sport NZ	Community assistance	To subsidise travel costs for people 5-19 years of age participating in regular sporting competition.	5	3	-	7
	Allocation committee	Meridian contribution	Community assistance	Support Northern Southland community initiatives by way of grants.	322	158	107	373
	Allocation committee	Ohai Railway Board	Community assistance	Support Ohai community initiatives by way of grants.	1,893	317	-	2,211

	Allocation committee	Ohai/Nightcaps Doctors	Community assistance	Medical Services within Ohai and Nightcaps, including local ambulance.	-	-	-	-
	Allocation committee	District Heritage Grant	Community assistance	Support the heritage in the district area.	22	12	-	34
	Allocation committee	Fonterra reserve contribution	Community assistance	Support to the Te Tipua community initiatives by way of grants.	541	258	78	721
	Allocation committee	Stewart Island/Rakiura Visitor Levy	Community assistance	Stewart Island/Rakiura Visitor Levy Funds	(2)	53	-	50
	Specific	ECNZ - projects	District support	Funds available for future projects in accordance with ECNZ requirements	22	12	-	33
	Specific	LGFA repayments	District support	Funds available for LGFA repayments	-	51,938	-	51,938
Total restricted District reserves					2,990	52,957	(133)	56,080
	Wallacetown	Cemetery bequest	Cemetery	Wallacetown cemetery	73	12	39	46
Total restricted local reserves Wallacetown					73	12	39	46
	Winton	Birthing centre	Community facilities	Winton Birthing Centre	-	-	-	-
	Winton	Medical centre equipment	Community facilities	Winton Medical Centre	-	-	-	-
Total restricted local reserves Winton					-	-	-	-
Total restricted local reserves					73	12	39	46
Total restricted reserves					3,063	52,969	(95)	56,126

Council created – general

Reserves	Community	Business unit	Activity to which it relates	Purpose	Expected opening balance 1/7/2021 (\$000)	Deposits in (\$000)	Withdraws out (\$000)	Expected closing balance 30/6/2031 (\$000)
District Reserves								
	Council	Global	District support	General reserve	1,029	125	-	1,154
	Council	District operations	District support	General reserve	697	7,256	7,468	485
	Council	Strategic assets reserve	District support	Offset rates	8,508	-	4,300	4,208
Total Council created general District reserves					10,234	7,381	11,768	5,847
Total Council created general reserves					10,234	7,381	11,768	5,847

Council created - special

Reserves	Community	Business unit	Activity to which it relates	Purpose	Expected opening balance 1/7/2021	Deposits in (\$000)	Withdraws out (\$000)	Expected closing balance 30/6/2031 (\$000)
District Reserves								
	Asset and services	Community housing	Community services	Operational reserve for community housing	239	2,894	3,067	65
	Asset and services	Community task force	Community services	Operational reserve for community task force	(84)	43	-	(41)
	Asset and services	Forestry Council reserve	District leadership	Residual funds from forestry activities	6,888	-	1,535	5,353
	Asset and services	Forestry reserve	District leadership	Residual funds from forestry activities	962	8,013	7,664	1,311
	Asset and services	Gravel reserves	Roads and footpaths	Ensure Council has sufficient funds available for reinstatement of Council's pits	585	-	420	165
	Asset and services	Public toilet capital pro reserve	Various	Fund public toilet capital works	-	-	-	-
	Asset and services	Property development	Community services	Balancing fund for sales and operational building expenditure	133	(19)	303	(189)
	Asset and services	Proposed wastewater	Wastewater	Operational account for proposed sewerage	-	-	-	-
	Asset and services	Proposed water	Water supply	Operational account for proposed water	553	-	-	553
	Asset and services	Roading	Roads and footpaths	Rates smoothing reserve	55	-	-	55
	Asset and services	Road safety community	Roads and footpaths	Funding accrued from programmes not completed by year end	-	-	-	-
	Asset and services	Waste management	Solid waste management	General waste reserve	188	-	167	21
	Asset and services	Waste minimisation	Solid waste management	Waste minimisation reserve	1	881	880	2
	Asset and services	Water schemes	Water supply	Development for water schemes	-	-	-	-
	Asset and services	District wastewater	Wastewater	Development for sewerage schemes	5	-	-	5
	Asset and services	District stormwater	Stormwater	Stormwater investigations	61	-	61	-
	Asset and services	District water	Water supply	Development for water supply	-	-	-	-

	Asset and services	Wastewater contribution	Wastewater	Development for building waste water	-	-	-	-
	Asset and services	District reserves	Parks and reserves	Operational reserve for District reserves	(66)	-	15	(81)
Total Council created - special reserves assets and services					9,521	11,812	14,112	7,220
	Chief executive	SDC/DOC joint project	District support	Residual funds from past joint projects for future projects	61	-	-	61
	Chief executive	Around the mountains	Roads and footpaths	Around the Mountains Cycle Trail	16	-	-	16
Total Council created - special reserves chief executive					77	-	-	77
	Policy and community	Waimumu Field Day	District leadership	Fund Council's field day every two years	18	-	18	-
	Policy and community	Community outcomes	Strategy and communication	Contribute Southland Regional Development Strategy	44	-	-	44
	Policy and community	Elections	Representation and advocacy	Fund Council's election costs every three years	118	120	-	238
	Policy and community	War memorial grant	Community assistance	Funding received for memorial archway	2	1	-	3
Total Council created - Special Reserves Policy and community					183	120	18	285
	Depreciation	Depreciation motor vehicle	Various	Fund motor vehicle fleet Replacements	896	5,457	5,499	854
	Depreciation	Depreciation buildings	Various	Fund building Replacements	75	5,095	3,846	1,324
	Depreciation	Depreciation IT	Various	Fund IT replacements	500	1,754	1,995	259
	Depreciation	Depreciation Matuku	Water supply	Fund Matuku water scheme replacements	7	92	38	61
	Depreciation	Depreciation public conveniences	Various	Fund public conveniences replacements	-	4,906	4,906	-
	Depreciation	Depreciation Te Anau rural water	Water supply	Fund Te Anau rural water scheme replacements	(7)	1,752	935	811
	Depreciation	Depreciation water	Water	Fund water replacements	31	18,874	18,906	-
	Depreciation	Depreciation waste management	Waste management	Fund waste management replacements	44	713	187	570
	Depreciation	Depreciation wheelie bin	Waste management	Fund wheelie bin replacements	135	956	802	289
	Depreciation	Depreciation sewerage	Sewerage	Fund sewerage replacements	879	32,253	31,456	1,676
	Depreciation	Depreciation roading	Roads and footpaths	Fund roading replacements	229	96,894	96,794	329
	Depreciation	Depreciation cycle trail	Cycle trail	Fund cycle trail replacements	-	1,260	1,260	-
Total Council created - special reserves depreciation					2,788	170,006	166,622	6,171
	Development and Financial	Parks contribution	Community services	Contribution to capital activity - parks and reserves	134	-	29	105

	Development and financial	Roading contribution	Roads and footpaths	Contribution to capital activity - roading and transport	320	-	-	320
	Development and financial	Sewerage contribution	Wastewater	Contribution to capital activity - wastewater	341	-	-	341
	Development and financial	Water contribution	Water supply	Contribution to capital activity - water	112	-	-	112
Total Council created - special reserves development and financial					907	-	29	877
	Environmental services	Corporate uniforms	District leadership	Staff uniform subsidies	-	-	-	-
	Environmental services	Alcohol licensing-operating	Regulatory services	To fund the alcohol licensing services	(135)	-	76	(211)
	Environmental services	Health licensing	Regulatory services	To fund the health licensing services	30	-	(69)	99
Total Council created - special reserves environmental services					(105)	-	7	(112)
	Holding	Milford flood protect	Community services	Residual funds from Milford flood protection	46	-	-	46
	Holding	International relations	Community assistance	Residual funds from International relationship activities	58	-	-	58
	Holding	Shared services	District support	Shared services balance	5	-	-	5
Total Council created - special reserves holding					109	-	-	109
	Specific	Biodiversity Initiative	Community assistance	Funds set aside for future biodiversity initiatives	21	-	-	21
	Specific	Disaster recovery	Community assistance	Funds set aside in case of disaster in accordance with insurance requirements	1,443	-	-	1,443
	Specific	Predator Free Rakiura	District leadership	Contribution to Predator Free Rakiura programme	12	-	-	12
	Specific	Rates civil defence/rural fire	Emergency management	Fund emergency management	11	-	-	11
	Specific	Tuatapere (Clifden Bridge)	Community services	Residual funds from Tuatapere project in 2000, to be used for community projects at Council's discretion	19	-	-	19
	Specific	North Makarewa rec reserve	Parks and reserves	North Makarewa rec reserve	1	9	-	10
Total Council created - special reserves specific					1,507	9	-	1,516
Total Council created - special District reserves					14,986	181,947	180,789	16,144

Reserves	Community	Business unit	Activity to which it relates	Purpose	Expected opening balance 1/7/2021 (\$000)	Deposits in (\$000)	Withdraws out (\$000)	Expected closing balance 30/6/2031 (\$000)
Local reserves								
	Athol	General	Various	Athol general purpose	-	1	10	(9)
	Athol	Community centres	Community services	Athol Hall	8	-	8	-
Council created - special reserves Athol					8	2	18	(9)
	Balfour	General	Various	Balfour general purpose	105	17	38	84
Council created - special reserves Balfour					105	17	38	84
	Browns	General	Various	Browns general purpose	47	7	25	29
Council created - special reserves Browns					47	7	25	29
	Clifden	Recreation reserve	Community services	Clifden Reserves Committee	42	66	-	108
Council created - special reserves Clifden					42	66	-	108
	Colac Bay	Community centres	Community services	Colac Bay hall	1	-	1	-
	Colac Bay	General	Various	Colac Bay general purpose	44	1	47	(2)
Council created - special reserves Colac Bay					45	1	48	(2)
	Dipton	Cemetery	Community services	Dipton cemetery	14	3	10	7
	Dipton	General	Various	Dipton general purpose	37	-	37	-
	Dipton	Stormwater	Stormwater	Dipton stormwater	13	3	-	16
Council created - special reserves Dipton					64	6	47	23
	Drummond	General	Various	Drummond general purpose	11	2	-	14
	Drummond	Recreation reserve	Community services	Drummond Reserves Committee	17	14	-	31
Council created - special reserves Drummond					28	17	-	45
	Edendale	Cemetery	Community services	Edendale cemetery	7	1	9	(1)
	Edendale-Wyndham	Footpaths	Roads and footpaths	Footpaths	14	-	14	-
	Edendale-Wyndham	General	Various	General purpose	37	1	37	1
	Edendale-Wyndham	Stormwater	Stormwater	Stormwater	441	46	441	46
	Edendale-Wyndham	Community centre	Community services	Edendale Wyndham hall	109	14	82	40

Reserves	Community	Business unit	Activity to which it relates	Purpose	Expected opening balance 1/7/2021 (\$000)	Deposits in (\$000)	Withdraws out (\$000)	Expected closing balance 30/6/2031 (\$000)
Council created - special reserves Edendale -Wyndham					607	62	583	86
	Fortrose	Community centre	Community services	Fortrose hall	3	-	3	-
Council created – special reserves Fortrose					3	-	3	-
	Garston	Special projects	Various	Garston general purpose	32	1	33	-
Council created - special reserves Garston					32	1	33	-
	Gorge Road	Gorge Road general	Various	Gorge Road general purpose	33	6	18	21
Council created - special reserves Gorge Road					33	6	18	21
	Limehills	General	Various	Limehills general purpose	11	2	-	13
	Limehills	Stormwater	Stormwater	Limehills stormwater	39	5	39	5
Council created - special reserves Limehills					50	7	39	18
	Longbush	Community centre	Community services	Longbush hall	-	-	-	1
Council created - special reserves Longbush					-	-	-	1
	Lumsden	Footpaths	Roading and footpaths	Lumsden footpaths	9	(9)	-	-
	Lumsden	General	Various	Lumsden general purpose	72	3	75	0
	Lumsden	Stormwater	Stormwater	Lumsden stormwater	68	3	48	23
	Lumsden	Community centre	Community services	Lumsden community centre	5	-	5	-
	Lumsden	Cemetery	Community services	Lumsden cemetery	1	-	1	-
Council created - special reserves Lumsden					155	(2)	130	24
	Manapouri	Fraser’s Beach	Community services	Fraser’s Beach reserve	40	10	-	50
	Manapouri	General	Various	Manapouri general purpose	58	1	73	(14)
	Manapouri	Community centre	Community services	Manapouri community centre	20	(20)	-	1
	Manapouri	Swimming pool area	Community services	Manapouri pool	3	1	-	3
Council created - special reserves Manapouri					121	(8)	73	40
	Mararoa/ Waimea Ward	Mararoa/Waimea Ward	Various	Mararoa/Waimea Ward	50	14	-	64
Council created - special reserves Mararoa/Waimea Ward					50	14	-	64

Reserves	Community	Business unit	Activity to which it relates	Purpose	Expected opening balance 1/7/2021 (\$000)	Deposits in (\$000)	Withdraws out (\$000)	Expected closing balance 30/6/2031 (\$000)
	Mataura Island	Community centre	Community services	Mataura Island community centre	5	1	-	6
Council created - special reserves Mataura Island					5	1	-	6
	Matuku	Rural WS general	Water supply	Matuku Water	1	-	1	1
Council created - special reserves Matuku					1	-	1	1
	Menzies Ferry	Community centre	Community services	Menzies Ferry community centre	8	2	-	9
Council created - special reserves Menzies Ferry					8	2	-	9
	Mokoreta/Redan	Community centre	Community services	Mokoreta/Redan community centre	18	3	18	3
Council created - special reserves Mokoreta/Redan					18	3	18	3
	Mossburn	General	Various	Mossburn general purpose	82	19	94	6
Council created - special reserves Mossburn					82	19	94	6
	Nightcaps	McGregor Park	Community services	Nightcaps McGregor Park	66	(28)	52	(14)
	Nightcaps	Community centre	Community services	Nightcaps community centre	13	2	13	2
	Nightcaps	General	Various	Nightcaps general purpose	9	-	9	-
	Nightcaps	Stormwater	Stormwater	Nightcaps stormwater	10	1	10	1
Council created - special reserves Nightcaps					98	(25)	85	(12)
	Ohai	General	Various	Ohai general purpose	88	5	88	5
	Ohai	Stormwater	Stormwater	Ohai stormwater	161	17	161	17
Council created - special reserves Ohai					249	22	249	22
	Orawia	Community centre	Community centres	Orawia community centre	-	-	1	(2)
	Orawia	Community centre	Community centres	Orawia Hall Group	24	5	-	29
Council created - special reserves Orawia					23	5	1	28
	Orepuki	General	Various	Orepuki general purpose	18	1	20	(1)
	Orepuki	Community centre	Community services	Orepuki community centre	19	(13)	-	6
Council created - special reserves Orepuki					37	(13)	20	5
	Oreti	Community centre	Community services	Oreti community centre	16	1	16	1
Council created - special reserves Oreti					16	1	16	1

Reserves	Community	Business unit	Activity to which it relates	Purpose	Expected opening balance 1/7/2021 (\$000)	Deposits in (\$000)	Withdraws out (\$000)	Expected closing balance 30/6/2031 (\$000)
	Otapiri/Lora	Community Centre	Community Services	Otapiri/Lora community centre	56	5	56	5
Council created - special reserves Otapiri/Lora					56	5	56	5
	Otautau	Baths	Community Services	Otautau pool	5	1	-	6
	Otautau	Brightwood develop	Community Services	Otautau financial contribution	17	4	-	20
	Otautau	Forestry	Community Services	Holt Park forestry	166	33	30	170
	Otautau	General	Various	Otautau general purpose	35	4	36	3
	Otautau	Stormwater	Stormwater	Otautau stormwater	251	43	251	43
	Otautau	Community centre	Community Services	Otautau community centre	29	6	-	36
Council created - special reserves Otautau					503	91	317	277
	Riversdale	General	Various	Riversdale general purpose	23	2	29	(4)
Council created - special reserves Riversdale					23	2	29	(4)
	Riverton/Aparima	Cemetery maintenance	Community Services	Riverton cemeteries	69	4	69	4
	Riverton/Aparima	Doc profits lib sale	Community Services	Riverton projects	70	15	-	85
	Riverton/Aparima	General	Various	Riverton general purpose	126	10	209	(73)
	Riverton/Aparima	Riverton Harbour general	Community Services	Riverton Harbour	3	(50)	-	(47)
	Riverton/Aparima	Parks & res develop	Community Services	Riverton parks and reserves	30	(30)	-	-
	Riverton/Aparima	Property sales	Community Services	Riverton general purpose	153	33	-	186
	Riverton/Aparima	War memorial	Community Services	Riverton war memorial	14	1	13	2
	Riverton/Aparima	Stormwater	Stormwater	Riverton stormwater	191	37	51	177
	Riverton/Aparima	Taramea Bay/Rocks development	Community Services	Taramea Bay foreshore	11	-	11	-
	Riverton/Aparima	Taramea Howells Point	Community Services	Taramea Howells Point	32	3	-	35

Reserves	Community	Business unit	Activity to which it relates	Purpose	Expected opening balance 1/7/2021 (\$000)	Deposits in (\$000)	Withdraws out (\$000)	Expected closing balance 30/6/2031 (\$000)
	Riverton /Aparima	Property	Community services	Riverton general purpose	-	-	-	-
Council created - special reserves Riverton/Aparima					698	24	352	369
	Ryal Bush	Community centre	Community centres	Ryal Bush community centre	3	-	3	-
Council created - special reserves Ryal Bush					3	-	3	-
	SIESA	Operations	SIESA	SIESA operations	145	3,798	2,505	1,438
Council created - special reserves SIESA					145	3,798	2,505	1,438
	Stewart Island	General	Various	Stewart Island general purpose	125	20	118	27
	Stewart Island	Waste management	Community services	Stewart Island general purpose	35	8	-	43
	Stewart Island	Jetties	Community services	Stewart Island jetties	50	-	80	(30)
	Stewart Island	Jetties	Community services	Wharf Replacement Ulva Island	214	-	198	15
Council created - special reserves Stewart Island/Rakiura					424	28	396	55
	Te Anau	Te Anau carpark res	Community services	Te Anau general purpose	26	6	-	32
	Te Anau	General	Various	Te Anau general purpose	666	29	672	23
	Te Anau	Luxmore	Community services	Luxmore subdivision	953	245	228	969
	Te Anau	Te Anau Airport Manapouri	Community services	Te Anau Airport Manapouri	179	15	201	(7)
	Te Anau	Stormwater	Stormwater	Te Anau general purpose	536	92	222	406
Council created - special reserves Te Anau					2,360	387	1,322	1,424
	Thornbury	Community centre	Community services	Thornbury community centre	1	-	-	1
	Thornbury	General	Various	Thornbury general purpose	4	-	7	(3)
Council created - special reserves Thornbury					5	1	7	(1)
	Tokanui	Community centre	Community services	Tokanui community centre	3	-	-	3
	Tokanui	General	Various	Tokanui general purpose	47	5	51	1
Council created - special reserves Tokanui					50	5	51	4
	Tuatapere	Water meridian contract	Various	Tuatapere general purpose	7	2	-	9

Reserves	Community	Business unit	Activity to which it relates	Purpose	Expected opening balance 1/7/2021 (\$000)	Deposits in (\$000)	Withdraws out (\$000)	Expected closing balance 30/6/2031 (\$000)
	Tuatapere	Community centre	Community services	Tuatapere community centre	27	-	27	-
	Tuatapere	General	Various	Tuatapere general purpose	197	21	211	7
	Tuatapere	Property	Community services	Tuatapere general purpose	3	1	-	4
	Tuatapere	Waiau River collection	Water supply	Tuatapere Waiau River	1	-	-	1
	Tuatapere	Forestry	Community services	Elder Park forestry	24	5	-	29
	Ward	Pool	Community services	Tuatapere Ward pool rate	37	7	-	44
Council created - special reserves Tuatapere					296	36	239	94
	Waianiwa	Community centre	Community services	Waianiwa community centres	23	-	-	23
Council created - special reserves Waianiwa					23	-	-	23
	Waiau/Aparima Ward	General	Various	Waiau/Aparima Ward general purpose	202	47	30	219
	Waiau/Aparima Ward	Cosy Nook	Community services	Cosy Nook general purpose	29	40	-	69
	Waiau/Aparima Ward	Hirstfield reserve	Community services	Hirstfield reserve general purpose	27	28	-	54
	Waiau/Aparima Ward	Arboretum reserve	Community services	Arboretum reserve	13	3	-	16
	Waiau/Aparima Ward	Wairio cemetery	Community services	Wairio cemetery	52	11	14	49
	Waiau/Aparima Ward	Wairio town general	Various	Wairio general purpose	4	-	4	-
	Waiau/Aparima Ward	Wairio reserve	Community services	Wairio reserve	4	2	-	5
	Waiau/Aparima Ward	Takitimu reserve	Community services	Takitimu pool	15	3	-	18
	Waiau/Aparima Ward	Calcium cemetery	Community services	Calcium cemetery	3	4	5	1
Council created - special reserves Waiau/Aparima					348	138	53	432
	Waihopai/Toetoes Ward	Waihopai/Toetoes Ward	Various	Waihopai/Toetoes Ward	58	8	20	46
Council created - special reserves Waihopai/Toetoes Ward					58	8	20	46

Reserves	Community	Business unit	Activity to which it relates	Purpose	Expected opening balance 1/7/2021 (\$000)	Deposits in (\$000)	Withdraws out (\$000)	Expected closing balance 30/6/2031 (\$000)
	Waikaia	Dickson Park	Community services	Waikaia general purpose	17	1	17	1
	Waikaia	General	Various	Waikaia general purpose	74	5	74	5
	Waikaia	Museum donations	Various	Waikaia museum funding	9	24	-	33
	Waikaia	Refuse removal	Solid waste	Waikaia general purpose	10	2	-	12
	Waikaia	Stormwater	Stormwater	Waikaia stormwater	120	26	3	142
Council created - special reserves Waikaia					230	58	94	194
	Waitane Glencoe	Recreation reserve	Community services	Waitane Glencoe Reserves Committee	2	-	-	3
Council created - special reserves Waitane Glencoe					2	-	-	3
	Wallacetown	General	Various	Wallacetown general purpose	136	11	143	4
	Wallacetown	Stormwater	Stormwater	Wallacetown general purpose	42	9	-	51
Council created - special reserves Wallacetown					178	20	143	55
	Winton	Community centre	Community services	Winton Community centres	15	1	22	(6)
	Winton	General	Various	Winton general purpose	157	6	162	-
	Winton	Medical centre	Community services	Winton Medical Centre	137	200	252	86
	Winton	Property sales	Community services	Winton general purpose	131	99	63	167
	Winton	Res capital development	Community services	Winton general purpose	106	23	-	130
	Winton	Stormwater	Stormwater	Winton stormwater	82	1	82	1
Council created - special reserves Winton					629	330	581	378
	Winton/Wallacetown Ward	Winton/Wallacetown Ward	Various	Winton/Wallacetown Ward	407	68	110	366
Council created - special reserves Winton/Wallacetown Ward					407	68	110	366
	Woodlands	General	Various	Woodlands general purpose	61	4	61	4
	Woodlands	Septic tank rates	Wastewater	Woodlands septic tank cleaning	7	1	2	7
Council created - special reserves Woodlands					68	5	63	10
	Ardulussa	Community	Various	Ardulussa Community Board	-	-	-	-
	Fiordland	Community	Various	Fiordland Community Board	-	812	265	546
	Northern	Community	Various	Northern Community Board	-	-	-	-
	Oraka Aparima	Community	Various	Oraka Aparima Community Board	-	-	-	-
	Oreti	Community	Various	Oreti Community Board	-	-	-	-

Reserves	Community	Business unit	Activity to which it relates	Purpose	Expected opening balance 1/7/2021 (\$000)	Deposits in (\$000)	Withdraws out (\$000)	Expected closing balance 30/6/2031 (\$000)
	Tuatapere – Te Waewae	Community	Various	Tuatapere Te Waewae Community Board	-	-	-	-
	Waihopai/ Toetoe	Community	Various	Waihopai/ Toetoe Community Board	-	-	-	-
	Wallace Takitimu	Community	Various	Wallace Takitimu Community Board	-	-	-	-
Council created - special reserves community					-	812	265	546
Total Council created - special local reserves					8,434	6,029	8,145	6,318
Total Council created – general reserves					10,234	7,381	11,768	5,847
Total Council created - special reserves					23,420	187,975	188,933	22,462
Total Council restricted reserves					3,063	52,969	(95)	56,126
Total reserve funds					36,717	248,325	200,606	84,435



Strategies,
policies and
guidelines



Infrastructure Strategy

Executive summary

Introduction

The Infrastructure Strategy sets out Council’s strategic direction for providing and managing its infrastructure assets over the next 30 years. It outlines a 30- year view of strategic issues, expenditure requirements and significant decisions that will need to be made. Projects identified in the first 10 years of the strategy are funded as part of Council’s 10-year Long Term Plan 2021-2031 (long term plan). The infrastructure assets and services covered by this strategy include the following:

ASSET/SERVICE	REPLACEMENT VALUE
Core infrastructure	
Roads and footpaths	\$1,802M
Water supply	\$97.9M
Wastewater	\$133.1M
Stormwater	\$38.8M
Community infrastructure	
Waste services	Not valued
Community services	\$10.03M*
Open spaces	\$5.0M*
Community facilities	\$109.7M*
Stewart Island Electrical Supply Authority (SIESA)	\$2.8M*

ASSET/SERVICE	REPLACEMENT VALUE
Water facilities	Not valued
Total:	\$2,199M
*These values are based on the most recent insurance valuation. All other values are replacement values from the 2020 asset valuation	

Significant infrastructure issues

The task of building, operating and maintaining these infrastructure assets in an **affordable** and **sustainable** manner is becoming increasingly difficult in view of the following significant infrastructure issues:

- infrastructure deficits
- changing government priorities and legislation
- climate change
- resilience.

The strategic context that Council is operating within includes those posed by demographic changes, tourism, new technologies, economic activity and constraints, and infrastructure resilience. Council is committed to working closely with its iwi partners, as well as communities and stakeholders, to address the challenges outlined in this infrastructure strategy.

Infrastructure deficits

There are a significant number of assets that have already passed their end of useful life, and as such constitute an infrastructure deficit. There is a bow wave of assets nearing the end of their useful lives in the coming years. Council has been working towards integrating depreciation funding

into the financial strategy over recent years. This funding has been phased in slowly, and while Council has to date avoided the need to access external debt, the required funding reserves are not available to fund the required works. The risk of prolonged under-investment is that in time these assets reach their use-by date, are no longer fit for purpose and, in some cases, pose a threat to public safety. This is the position that we are in now. This is considered one of the key issues Council faces over the 30 years of this infrastructure strategy.

Resolving this challenge means that that a critical focus for Council is to ensure the required step change in investment is undertaken. The average age of roads is increasing and the remaining lifespan of a number of wooden bridges in the District is low, to the extent that significant renewals are required within the long term plan period.

Infrastructure deficits are also evident in relation to the delivery of three waters services (water supply, wastewater and stormwater). One known issue is the failure of certain types of asbestos cement water main pipes (some ahead of theoretical asset life). Council has developed a range of options to replace the pipes ahead of time and will consider these through the long term plan. It is estimated that there is 106km of pipe remaining across all water supply networks, with an estimated cost to replace of between \$30 million and \$40 million.

The community facility and open spaces activities includes buildings, structures and recreational assets that are used by the community to participate in a range of activities and access Council services. This includes halls, Council offices, libraries, public toilets and playgrounds. The general condition of assets associated with these activities is poor, as a result of ongoing underinvestment. Due to socio-demographic change and the evolving needs of communities, many of these facilities are no longer fit for purpose. We propose to engage with communities over the next three years and to undertake a programme of work to modernise and improve the facilities that best serve their surrounding communities, while maintaining a consistent level of service across the district.

Appropriate infrastructure strikes a balance between community expectations, the levels of service (LoS) that Council provides, and the

cost to do so. It does not mean a straight replacement of existing assets. Addressing the challenge of our infrastructure deficits involves examining how infrastructure is used, changing demographics, competing priorities, community needs as well as meeting new legislative requirements. In some cases, Council will need to engage with specific communities to ascertain the acceptable balance between maintain existing LoS and the cost of doing so. Further, increased investment in existing facilities is anticipated in order to ensure continuity of service delivery over the long term. It is anticipated that this will require rationalisation and consolidation of existing assets in a bid to improve LoS in particular identified areas.

Changing government priorities and legislation

In recent years, people have begun to expect a higher standard of service. During the course of this long term plan, the way three waters services are regulated is proposed to change through the establishment of Taumata Arowai, which will become Aotearoa's regulatory agency. Alongside these regulatory changes, central government is also proposing changes to the way these services are delivered nationally, with a view to establish a more centralised model. While it is a key challenge that Council respond and adapt to any subsequent and potentially substantial changes in the legislative environment, our communities will continue to need three waters services. Council will take a proactive response to changes to water regulation and service delivery. This strategy presents the likely requirements of providing water services under present delivery arrangements and the current/expected future regulatory settings.

Climate change

The effects of climate change are likely to impact sea levels, ground water levels, rainfall and temperatures within the district, among other things. Council is factoring the effects of climate change into all of its infrastructure decision making. Council has contributed funding towards the regional LiDAR (Light Detection and Ranging) regional mapping project, which will model and help understand the impacts of climate change in the Southland region. Information provided through LiDAR

can better inform infrastructure decisions and could potentially save many millions of dollars in infrastructure spend in locations with high hazard exposure. Further work to determine the impacts of climate change on Council's activities and services is anticipated in the early years of the long term plan.

Climate change challenges are identified and discussed in this strategy as they apply to several aspects of Council's infrastructure. Challenges are considered at a high level and in more detail within each activity where they will have an impact.

Resilience

Council has to consider managing and mitigating the risks to, and the resilience of, its infrastructure assets from natural disasters. Council acknowledges that resilience is not only about physical assets, it is about the people. It includes but is not limited to:

- connecting people and communities (neighbour to neighbour, educate, access to household resilience items, etc)
- supporting community organisations
- the built environment and asset systems which are robust.

Council's forecasting assumptions have identified that the next severe earthquake on the Alpine Fault is likely to occur within the lifetime of most of us or our children. Council is assuming that no significant earthquakes, flooding, tsunami and other hazards outside of expected risk assessments will occur within the 10 years covered by the long term plan. Additionally, under almost every climate change scenario, storms and therefore flooding will become more frequent and intense and communities will feel the effects more regularly and intensively.

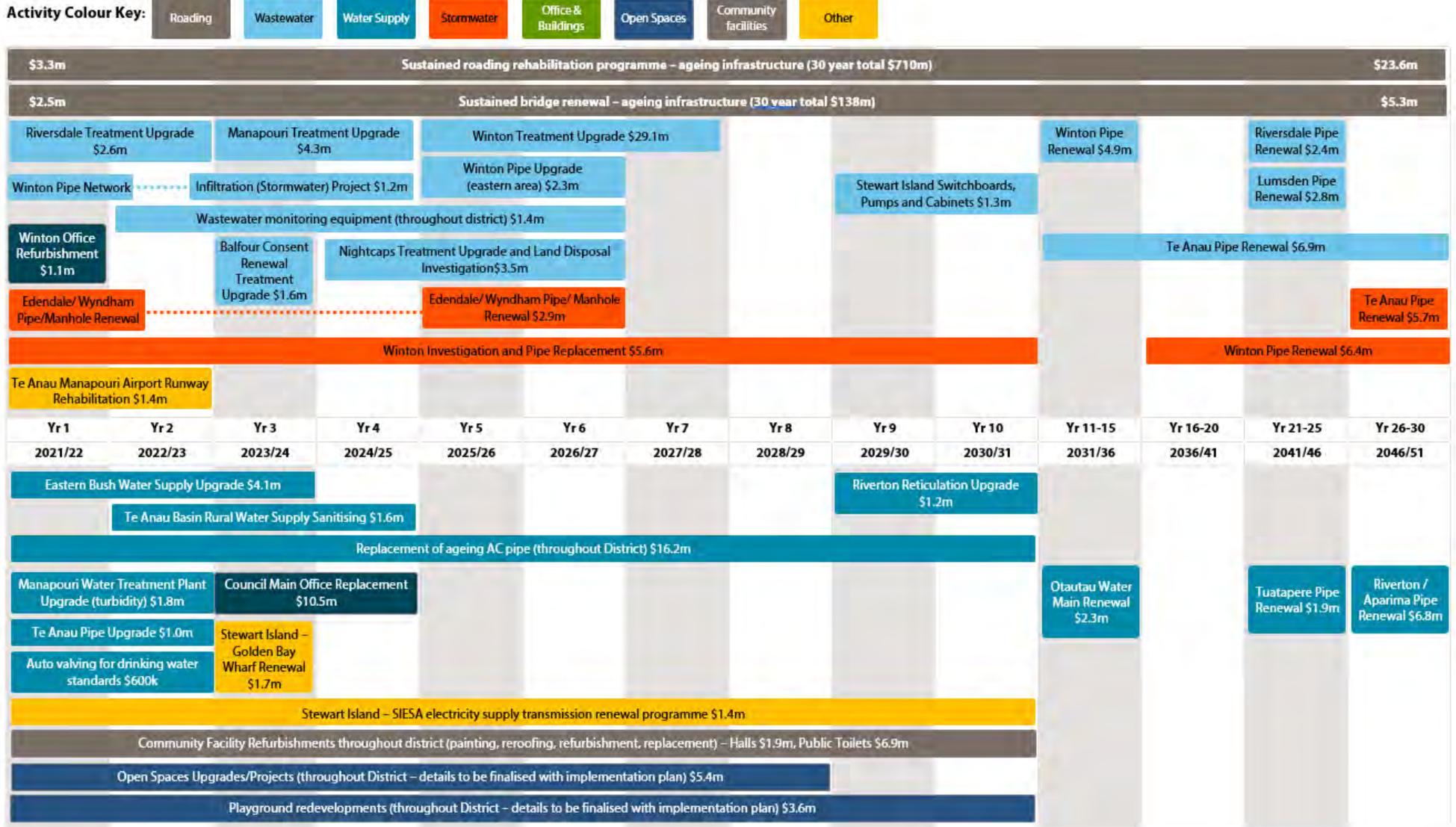
It is assumed that these events can be managed within current budgets. Borrowing 'headroom' to fund Council's share of a rebuild in relation to a 'maximum probable loss' scenario is provided for within Council's Financial Strategy.

Timeline for major capital projects

The key decisions Council are likely to make during the next 30 years have been identified in Figure 1 below. The figure outlines a timeline of Council's major projects, and shows the most likely scenario.

Figure 1: Significant infrastructure decisions graphic across 30 years of strategy

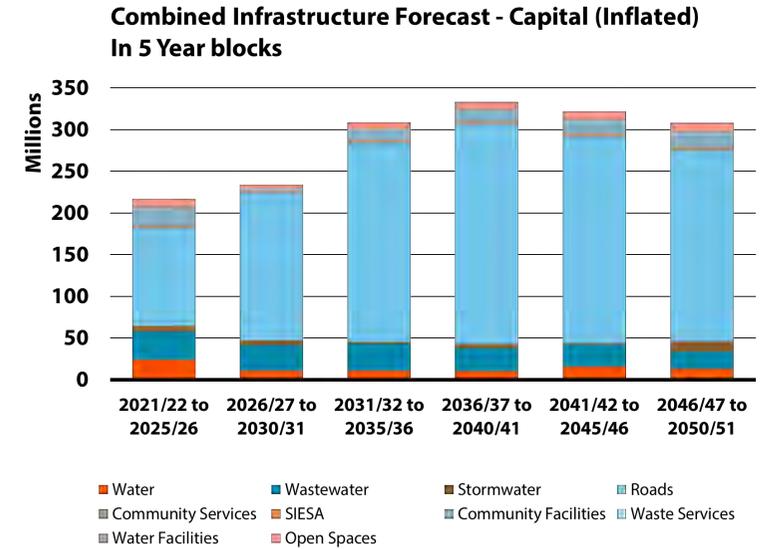
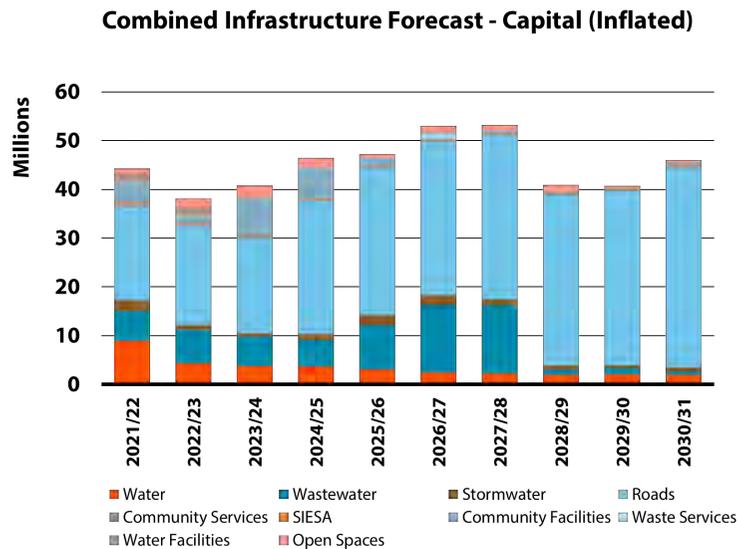
30 Year Infrastructure Strategy Project Map



30-year capital expenditure forecast

Figure 2 shows that over the next 30 years, Council expects spending of approximately \$45 million per year for the first three years. Later years have a relatively consistent level of capital expenditure. This is on average between \$40 million and \$50 million per annum. It is important to note that these figures represent a significant increase on the previous LTP and associated infrastructure strategy. Council have recognised there has been a period of underinvestment. Further, the increasing regulatory and legislative pressures are anticipated to result in significant additional expense.

Figure 2: Forecast capital expenditure – all infrastructure



Funding our infrastructure

Council has developed its financial strategy as part of the development of this long term plan. This reflects the directions contained in the LTP and infrastructure strategy and models the financial effects on Council and the district. It is evident that Council’s finances have the capacity to access the debt funding required to undertake the proposed works. The extent to which this mechanism is able to be used over the long-term is covered in Council’s latest Financial Strategy.

The Financial Strategy is aimed at responding to the needs of the community in an affordable way, while funding long term projects, so that future generations who benefit from community infrastructure, pay their share. Balancing community expectation and LoS with costs, as well as the requirements of national standards, are cost drivers putting a constant pressure on increases in rates. In addition, an ageing population means there is an increasing proportion of ratepayers who are on fixed incomes, placing greater pressure on the affordability of annual rates increases.

Council has previously indicated an affordability threshold of 5% for rates a percentage of median household income. In 2019/2020, median rates (for Southland district and Environment Southland combined) made up 3.95% of median household income at an aggregate level. This threshold is forecast to be exceeded in year four of the long term plan period.

Conclusion

Council's infrastructure strategy has been developed based on the best information available to it and Council has used assumptions based on what it reasonably considers could occur over the next 30 years. This strategy shows that a step change in investment in our infrastructure is required. The actual outcomes will likely vary to those contained within this infrastructure strategy as better information comes to hand. Council will continue to monitor and review the information available to it and will refine and update its infrastructure strategy every three years to reflect any significant changes.

Introduction

This is Southland District Council's third Infrastructure Strategy, which supersedes the infrastructure strategy adopted in 2018. It is part of the strategic planning framework, which includes activity management plans the Long Term Plan 2021-2031 and the Financial Strategy.

Purpose

The purpose of the infrastructure strategy is to identify the significant issues relating to Council's core infrastructure over the next thirty years. The strategy shows the principal options for managing these issues and the implications of the options. It is intended to bring infrastructure management issues, and their consequences, to the attention of Council and the community. The 30-year timeframe places a focus on the

significant issues faced by the district and the consequences of long-term investment and decision-making.

This strategy should be read alongside Council's Financial Strategy, which provides context and guidelines against which to consider Council's proposed expenditure. Funding sources are not the focus of the infrastructure strategy. The detail about how Council intends to fund its activities can be found in the Revenue and Financing Policy.

Background

'Murihiku' is the Māori name used to describe the Southland region. The name means the tail end (of the land). Southland district is divided into five electoral wards represented by a mayor, 12 ward councillors and nine community boards. The district covers 11% of New Zealand's land mass and its roading network is the second largest of any territorial authority in the country (5,000 km). In 2018 there were 30,864 people living in the district, which amounts to 0.66% of New Zealand's population. Our population is expected to grow to 36,700 by 2043.

In its role as local authority, Southland District Council will comply with all relevant New Zealand legislation. Council's vision and community outcomes are strategic statements that guide its decision-making in implementing the long term plan and Infrastructure Strategy. The community outcomes are recorded in the long term plan document.

Document structure

The Infrastructure Strategy sections and corresponding Local Government Act 2002 (LGA) sections are tabled below:

Table 1: Strategy layout

STRATEGY SECTION		LGA, S.101B
Executive summary/ Introduction	Identifies the purpose of the infrastructure strategy and provides a summary of the document.	
Strategic context	Positions the infrastructure strategy in the strategic planning framework and describes the environment we are working in, and relevant forecasting assumptions.	
Infrastructure	Describes the district's infrastructure, its condition and performance while recording the significant assumptions, risks and mitigation.	2
Significant infrastructure issues	Describes significant issues and identifies the response options for the significant issues and documents the benefits, cost, when and funding source.	2
How we manage our infrastructure	Describes our approach to activity management, including Council's Asset Management Policy, how we plan for asset renewals, respond to growth, LoS and delivering our capital works programme.	3
Most likely scenarios	Discuss Council's response to the issues and significant decisions about capital expenditure to be made during the term of this strategy.	4(a, b)
Financial summary	Identifies the costs associated with the most likely scenario.	4(a)

Strategic context

Strategic direction

This Infrastructure Strategy aims to give effect to Council's strategic direction.

MISSION	WORKING TOGETHER FOR A BETTER SOUTHLAND
Vision	Southland – one community offering endless opportunities
Community outcomes	<ul style="list-style-type: none"> • environment - kaitiakitanga for future generations • culture - inclusive, connected communities • economic - a diverse economy creating healthy and affordable lifestyles • social - empowered communities with the right tools to deliver the best outcomes
Strategic priorities	<ul style="list-style-type: none"> • improve how we work to build resilience • better preparing our communities and council for future changes • provision of appropriate infrastructure and services • support healthy environments and sustainable communities

Council's priorities

The main theme of this Infrastructure Strategy is to demonstrate Council is a responsible custodian of key infrastructure. At a high level, Council's priorities are:

- working closely with its iwi partners, as well as communities and stakeholders on district-wide 30 year strategy development
- maintaining existing LoS at a minimum

- compliance with legislative requirements
- addressing Council’s infrastructure deficit
- planning for and being able to respond to natural events and climate change
- providing long-term affordable services.

The infrastructure strategy will help in delivering this by focusing on:

- continuous improvement of data and information
- meeting regulatory requirements
- adapting to changing communities and finding alternative solutions
- developing better understanding of the reliability of prediction models for asset lives.

Strategic environment

The strategic context that Council is operating within includes those posed by demographic changes, tourism, new technologies and economic activity and constraints. In 2020, Council launched a work programme to identify a vision for the district and to develop appropriate community and Council strategies. It is intended the strategy work will also enable Council to identify appropriate community outcomes. The strategies and vision will extend well beyond the course of this LTP, to 2050. The strategy work, Council’s LTP, and the subsequent commitment and alignment required for Council’s infrastructure and services, will all be interconnected. Council’s response to both the significant issues outlined in the infrastructure strategy, will be guided by the vision and strategies that are developed.

Demographic changes

The estimated resident population of the district in 2017 was 30,300 and is projected to grow to 36,700 by 2043 (source: BERL (Business and Economic Research Limited) detailed Southland population projections).

The population of the Southland region is ageing at a high rate in line with global and national trends, although the ratio of youth to elderly will vary across different communities. An ageing population also has implications for service provision, rates affordability and asset management.

In the wake of the Covid-19 pandemic, it is predicted that:

- provincial areas such as rural Southland, where the economy is mainly based on sheep, dairy and beef, are likely to retain their populations
- there may be migration out of areas highly depending on international tourism such as Te Anau and neighbouring Queenstown
- there will probably be significantly fewer migrant workers present, but numbers are likely to increase again over time.

More information is needed to inform decisions such as the potential to decrease or remove any community infrastructure or services.

Tourism

Domestic and global measures to stop the spread of Covid-19 essentially stopped tourism revenue during 2020, and the recession to follow is projected to reduce spending in the sector. The total annual tourism spend in New Zealand in 2019 was \$41 billion. 40% was spent by overseas visitors, and the remainder was domestic. Tourist spending for the district as a whole was largely domestic prior to Covid-19. However, Fiordland’s tourism spend was 35% domestic and 65% international (\$238m) in the year to August 2019, meaning that it has been and will be disproportionately affected by the tourism downturn compared with the rest of the district.

Tourism is a significant earner for Southland. The challenge for the district is to support and plan for appropriate infrastructure for tourism in light of the uncertainties to this industry caused Covid-19. Council, through its relationship with our regional development agency Great South, will be responding to the impacts of Covid-19 on the tourism industry by focusing on:

- administering Covid-19 funding that businesses can access to connect with expert advice and support
- building operator capability
- administering the Regional Events Fund (an event fund for tourism-related events in Southland)
- Southland's unique offerings
- helping to deliver what visitors want to see
- growing Southland's visitor economy sustainably
- collaboration opportunities
- operating with two regional tourism organisations from 1 April 2021
- reviewing the Southland Murihiku Destination Strategy.

New technologies

Mainstream discussion around new technologies and changes brought about by responses to Covid-19 suggest that there will be a considerable shift in the coming years in what work is done, how it is done (working from home/remotely etc), and then how this flows on to affect economic and social paradigms. Consideration of the following issues should be taken into account in future development planning and discussions. There is an increasing amount of discussion around:

- a shift toward intellectual service economies resulting in workers offering services to multiple employers as opposed to the traditional model of working for one organisation
- historical large central office spaces will potentially be replaced by small satellite office spaces based on a time-share and/or 'work-from-home' type arrangements
- in the retail and public services sector, a shift towards an on-line model.

As a result, the traditional concept of the central business district (CBD) is coming under pressure and future investment in infrastructure will need to consider the changing needs and impacts.

New technologies and systems could have a significant impact on waste services, diversion activities, assets and funding models. A wide range of new technologies can be considered and deployed within the community services area. This includes but is not limited to booking systems, telemetry, CCTV, electronic counters (usage) and remote messaging.

Economic activity and constraints

The economic prosperity of Southland as a whole is vitally important to the well-being of our communities.

Half of the businesses operating in Southland district are in the primary sector. 98% of these primary sector businesses operate in the industries of agriculture or forestry (BERL (2018) Southland district – Shaping positive community futures, Compendium report.). BERL estimates that 18.3% of total employment (measured in fulltime equivalents) in the district is in dairy farming. Some communities in the district are almost entirely dependent economically on dairy farming, and this makes them vulnerable to a significant decline in global dairy prices or a major livestock disease outbreak. Tourism is another key player in the Southland economy which

is facing an uncertain long-term outlook due to Covid-19, discussed above.

Council, through Great South, will be responding to the impacts of Covid-19 on the economy by leveraging economic, business and tourism opportunities. Great South is identifying opportunities for regional economic diversification, which is pivotal to ensuring the development of a diverse, strong and enduring economy that profiles Southland as a preferred place to live, work and invest. Council will also complete a number of three waters stimulus funding projects in the district, and has proposed to achieve public value (which includes supporting local suppliers where appropriate) in its procurement practices.

Council's workforce includes a large component (40%) of baby boomers

who are likely to retire within the next 10 years. This may result in a loss of staff resource and knowledge to deliver projects. The failure to retain and transfer institutional knowledge may result in a steady increase of staff turnover and further loss of knowledge, translating into higher costs and lower efficiencies.

Strategic alignment

Assumptions

In developing this strategy, we have made a number of assumptions. Those that apply across Council are outlined in more detail in the significant forecasting assumptions in the long term plan document. Assumptions of specific relevance to this strategy include:

Asset data	This is an issue of particular relevance to the infrastructure strategy. Council has a number of asset data gaps and quality deficiencies across its suite of infrastructure activities covered in this strategy. Council will work over the first three years of the long term plan and beyond to improve and resolve these data issues. It is assumed that data confidence is moderate as an average across all of its assets and activities for the purposes of this infrastructure strategy.
Demographics	As at June 2020 the total population of Southland district was estimated to be 32,500. Our forecasts suggest that the population will gradually increase over the next 10 years to reach around 35,000 by 2031 and approximately 38,400 by 2051.
Climate change	<p>Council has made the assumption that climate changes will occur over the course of this LTP. It is assumed that:</p> <ul style="list-style-type: none"> • changes and associated impacts such as risk based insurance will influence investment in built development (ie coastal and flood plain development) and types of farming • climate change will have a significant impact on the coastal settlements within Southland. It is known that areas of Colac Bay, Orepuki, Fortrose and Stewart Island/Rakiura are subject to coastal processes that are causing erosion resulting in loss of land and council roading infrastructure • floods are expected to become larger across the region • the central-northern part of the Southland region is projected to experience the largest increases in drought

	<ul style="list-style-type: none"> warmer temperatures, particularly with milder winters, could increase the spread of pests and weeds the occurrence of heatwaves will double by 2040.
Significant, unplanned adverse events	Council has assumed that no significant earthquakes, flooding or tsunami will occur outside of expected risk assessments. The level of uncertainty of this assumption is assessed as high. Council needs to be prepared by maintaining insurance cover for emergency events and by ensuring there are reserves available to sustain any upgrade or urgent replacements that maybe required.
Environmental standards, resource consents and land use	The level of uncertainty has been assessed as very high that Council may be required to undertake significant capital works in relation to drinking, stormwater and wastewater. Further it is evident that there is likely to be significant reform in the way that three waters is both regulated and delivered.
General economic growth trends	It is Council's assumption that in the long term economic growth will continue to be consistent with trends.
Useful lives of significant assets	Council operates on the assumption that that the useful life of significant assets will be the same as set out in the accounting policies of Council. There is a moderate risk that some assets may wear out and fail sooner, or later than estimated.
Cost estimates and price level changes	Council has made the assumption that the rate of inflation will remain consistent with what is provided for in the financial strategy.
Capital expenditure delivery	The long term plan assumes that the timing and cost of capital projects and associated operating costs are as determined through the Council's activity management planning process.

Financial Strategy

Council has also developed a Financial Strategy which sets the financial parameters within which Council needs to operate (such as debt levels and rates increases). The infrastructure and financial strategies need to be aligned to ensure both are deliverable. Depending on the financial goals of Council, the Infrastructure Strategy may need to consider options to balance the service delivery needs and programme of works against what is achievable financially.

The 10-year programme of work outlined in the Infrastructure Strategy is currently in alignment with the Council's Financial Strategy.

Linkage with activity management plans

The Infrastructure Strategy informs and is informed by Activity Management Plans (AMPs). Firstly, it informs the development of the AMPs by identifying and discussing the key strategic issues facing Council. These are the issues that are generic across many activities. The implication of each issue may be different for each activity though and those differences are described in the individual AMPs.

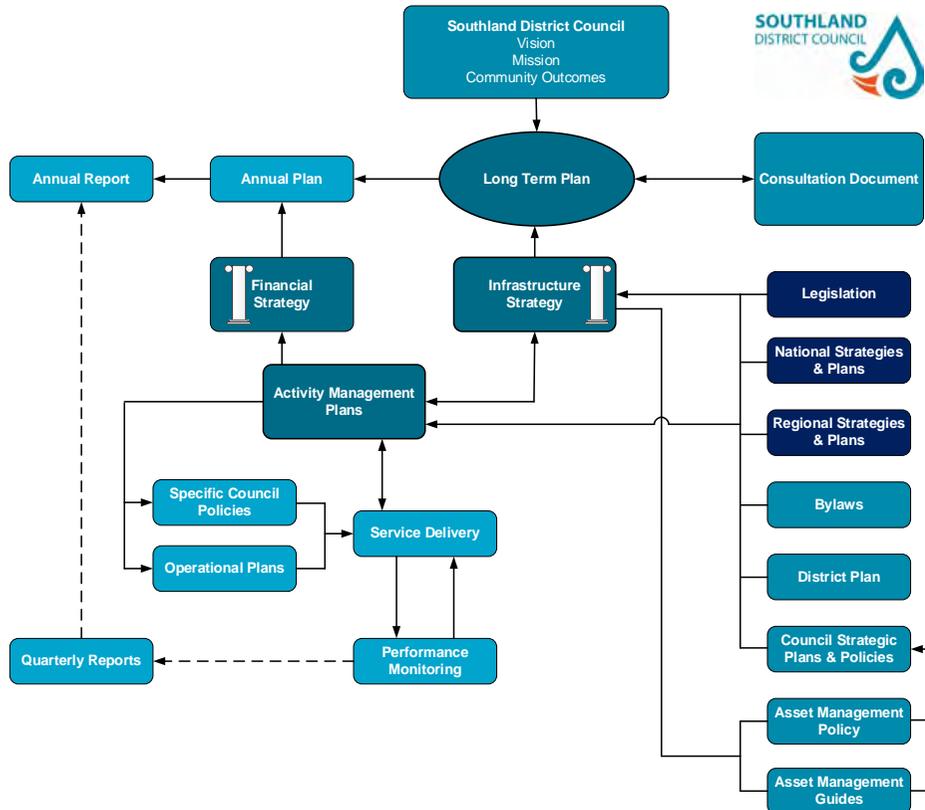
Linkages with other documents

The Infrastructure Strategy and Financial Strategy underpin the LTP. Planning for the activities included in the infrastructure strategy is covered within the relevant activity management plan, as well as being informed by

other strategies, policies, plans and legislation as shown in the Figure 3 below.

The diagram illustrates the number and complexity of sources that contribute to the infrastructure decision making environment.

Figure 3: Infrastructure strategy- linkages with other documents



The Infrastructure Strategy and Financial Strategy form the pillars that support the long term plan and consultation document.

Council's Significance and Engagement Policy identifies the degree of significance attached to particular issues, proposals, assets, decisions and activities. The Significance and Engagement Policy provides the criteria to determine significance and the approach to appropriate engagement.

Critical assets that are significant to our community at a high level are summarised in the following table by activity. Should level of service tradeoffs be required due to affordability issues in future, Council will prioritise expenditure on the assets listed below.

Table 2: Critical assets by activity

ACTIVITY	CRITICAL ASSET CLASSES
Roads and footpaths	Council has approximately 850 bridges within the roading network. These structures are critical to ensuring the operation of the wider transportation network.
Water supply	<ul style="list-style-type: none"> • rising mains from intake to reservoir and / or to the treatment plant • well and chlorine pumps • chlorinator, UV disinfection, aerator, sand filters, cartridge filters • pump stations • treatment plants
Waste water	<ul style="list-style-type: none"> • rising mains • process blower • pump stations • treatment plants.
Stormwater	No critical assets have been identified historically, but we know this needs to be reviewed. It is likely this may include culverts and large diameter pipelines.
Waste services	The transfer station in Invercargill, the Kings Bend landfill and the material recycling facility are all critical assets to the District in terms of managing waste product. However, it is noted that none of these assets are owned directly by Council.

ACTIVITY	CRITICAL ASSET CLASSES
SIESA	Although not critical to the wider district, the Stewart Island electricity network is critical infrastructure to this community.

Infrastructure

Our infrastructure is made up of core infrastructure and community infrastructure as described below:

CORE INFRASTRUCTURE:	COMMUNITY INFRASTRUCTURE
<ul style="list-style-type: none"> roads and footpaths water supply wastewater stormwater 	<ul style="list-style-type: none"> waste services community services open spaces community facilities SIESA water facilities

Infrastructure overview

Southland District Council's infrastructure assets are tabled with 2020 replacement values below:

Table 3: Southland District infrastructure assets

ASSET	DESCRIPTION	DETAIL	REPLACEMENT VALUE	% OF TOTAL
Core infrastructure. Assets required to be included in the infrastructure strategy by the LGA.				
Roads and footpaths	Roads (arterial, collectors, local; curbs and gutters), bridges, footpaths	4,961km of roads (40% sealed, 60% unsealed) 852 bridges cycle trail airport runway	\$1,802M	82.0%
Water	Water extraction, treatment and distribution	21 schemes (10 urban, 11 rural stock water) 6,900 connections 499 km of drinking water reticulation 219 km of rural stock water reticulation	\$97.9M	4.5%
Wastewater	Wastewater collection, treatment and discharge	19 schemes 8200 properties	\$133.1M	6.1%

ASSET	DESCRIPTION	DETAIL	REPLACEMENT VALUE	% OF TOTAL
		245 km of reticulation		
Stormwater	Stormwater collection and discharge	25 schemes 113 km of reticulation	\$38.8M	1.8%
Community infrastructure. Assets/activities that provide a complete reflection of the Council's asset-based activities. Council also considers these to be a valuable contribution towards the strategic planning for these activities to be extended to a 30 year timeframe				
Waste services	Collection and disposal of solid waste, management of closed landfills	20 sites (transfer stations, recycling depots, greenwaste)	Not valued	
Community facilities	Provision of accessible facilities for communities, clubs, organisations and individuals to enjoy for sporting, social, cultural, educational and recreational pursuits. Including buildings from which Council's activities are delivered	70 public toilets 7 dump stations 32 community halls 1 airport (terminal building; airport land) 34 buildings including offices and libraries	\$109.7M*	4.9%
Community services	Provision of: <ul style="list-style-type: none"> good quality affordable housing to a group with specific needs cemeteries to protect public health library services 	69 community housing units 15 operational cemeteries 7 closed cemeteries local + mobile library services	\$10.03M*	0.5%
Open spaces	Provision of a blend of urban and rural reserves and open spaces.	151 local reserves 5 District reserves 40 playgrounds 1 pool	\$5.0M*	0.2%
Stewart Island Electrical Supply Authority (SIESA)	Generation, distribution and retailing of electricity on Stewart Island	Generation powerhouse Distribution network	\$2.8M*	0.1%
Water facilities	Provision of access to rivers, lakes and sea for both commercial and recreational opportunities.	9 wharfs/jetties 10 boat ramps 2 retaining walls	Not valued	

ASSET	DESCRIPTION	DETAIL	REPLACEMENT VALUE	% OF TOTAL
		1 navigation aid, swimming pontoon, viewing platform		
TOTAL			\$2,199M	100%
*These values are based on the most recent insurance valuation. All other values are replacement values from the 2020 Asset Valuation				

The following is a summary of Council's infrastructure assets for each activity group considered in the infrastructure strategy.

Roads and footpaths

The Southland roading network is the second largest of any territorial authority in the country. The network consists of a total of 4,961 km of roads, 852 bridges, 207km of footpaths, 238 stock underpasses and 2,686 streetlights. There are also eight state highways in the District (1, 6, 94, 95, 96, 97, 98 and 99). These are managed by the Waka Kotahi NZ Transport Agency (Waka Kotahi) and are not part of Council's network.

Roads and footpaths deliver both assets (such as roads, signs, bridges and lighting) and non-asset functions (such as road safety promotion). Overall management of the facilities is provided by Council, with operational work carried out by contractors. Funding for the management and maintenance of the roading and footpaths network is provided from rates, loans and user charges, together with financial assistance received from central government through Waka Kotahi.

Council also operates the Around the Mountains Cycle Trail that runs from Kingston around to Walter Peak Station on the shores of Lake Wakatipu. The majority of other off-road walkways and cycleways are managed under Council's open spaces activity.

A key regulatory instrument that has the potential to impact this activity is the Government Policy Statement (GPS) on Land Transport. The

strategic priorities for the 2021 GPS are safety, better travel options, improving freight connections and climate change.

Water supply

Council provides 10 community potable water supplies, two treated rural supplies and nine untreated rural water supplies for stock water only. The Council-owned and provided facilities are:

- community supplies: Edendale/Wyndham, Manapouri, Mossburn, Ohai/Nightcaps/ Wairio, Orawia, Otautau, Riverton, Te Anau, Tuatapere and Winton
- treated rural: Eastern Bush/Otahu Flat and Lumsden/Balfour
- rural (stock): Duncraigen, Five Rivers, Homestead, Kakapo, Matuku, Mount York, Princhester, Ramparts, Takitimu

Currently our community drinking water supplies provide multi barrier protection as recommended by the Havelock North water inquiry. However, Council has identified further upgrades required to ensure continued and improved compliance with protozoa status (further detailed in the LoS section below) and to provide further protection following removal of 'Secure Status', in particular for the Riverton deep bore supply source.

Wastewater

19 towns in the district are reticulated with Council owned and maintained wastewater infrastructure. The Council-owned facilities are in the following locations:

- Balfour, Browns, Edendale/Wyndham, Gorge Road, Lumsden, Manapouri, Monowai, Nightcaps, Ohai, Riversdale, Riverton, Stewart Island, Te Anau, Tokanui, Tuatapere, Otautau, Wallacetown and Winton

A further treatment plant recently installed at Curio Bay currently services a Council reserve and is considered under the appropriate Open Spaces Activity Management Plan.

Stormwater

There are 26 towns in the district that have varying levels of reticulation from Council-owned and maintained infrastructure. Council-owned stormwater networks are in the following locations:

- Balfour, Browns, Colac Bay, Dipton, Edendale, Limehills, Lumsden, Manapouri, Monowai, Mossburn, Nightcaps/Wairio, Ohai, Otautau, Riversdale, Riverton, Stewart Island, Te Anau, Thornbury, Tokanui, Tuatapere, Waianiwa, Waikaia, Wallacetown, Winton, Woodlands and Wyndham.

Infrastructure in Wyndham is the oldest in the district and based on the standard estimated useful life it is due for replacement towards the second five-year window of the Infrastructure Strategy. Maximising the economic life of these assets and determining the optimal time for replacement are important challenges.

Three waters changing legislative environment

Legislation and regulatory instruments that have or are undergoing change that impact the three waters activities include:

Taumata Arowai—the Water Services Regulator Act 2020 and Water Services Bill.

The act establishes Taumata Arowai, the water services regulator, as a crown agent and provides for its objectives, functions, operating principles. When the complementary bill, the Water Services Bill, is enacted, Taumata Arowai will become Aotearoa's dedicated regulator of three waters: drinking water, wastewater and stormwater. The bill will give effect to decisions to implement system-wide reforms to the regulation of drinking and source water and targeted reforms to improve the regulation and performance of wastewater and stormwater networks and will include consideration of future service delivery arrangements.

National Policy Statement for Freshwater Management and related national statements.

These statutory instruments set national policies and bottom line standards for freshwater management and provides regional councils with the authority and responsibility to develop policies, objectives and rules around how freshwater is managed across the country.

Proposed Water and Land Plan for Southland. This plan builds on the provisions of the current active plan but also indicates a strong preference for wastewater discharges to be land based rather than to water. The objectives and policies are very explicit on this point with a specific rule identifying water based discharges as a non-complying activity.

Climate Change Response (Zero Carbon) Amendment Act 2019.

This act provides a framework by which New Zealand can develop and implement clear and stable climate change policies to meet international obligations and allow preparation and adaptation to the effects of climate change.

Waste services

Council provides the following waste services:

- kerbside collection of recyclables and residual waste to all townships and those along collection routes in rural areas (optional)

- operation and maintenance of seven waste transfer stations
- operation and maintenance of eleven recycling only drop-off centres
- operation and maintenance of two greenwaste only sites
- promotion of waste minimisation activities and other education initiatives.

Council is part of WasteNet Southland, a shared services arrangement between Southland District Council (SDC), Gore District Council (GDC) and Invercargill City Council (ICC). WasteNet Southland manages the collection and disposal contracts, and promotes and advocates waste minimisation initiatives. At the time of writing this strategy, Council is actively looking for an alternative recyclables processing arrangement. WasteNet Southland has overall responsibility for setting the strategic direction of the three councils in matters relating to waste management.

Council also retains ownership of a number of historic closed landfill sites that may be vulnerable to either riverine or coastal erosion. There will likely be a need to consider a range of interventions at such sites including embankment strengthening through to removal of the most vulnerable sites. An assessment and investigation process has been funded through the earlier years of the long term plan with a view to determine any remedial works and associated costs following this process. These costs and the extent of the work will become clearer through the Long Term Plan 2024-2034.

A regulatory instrument that has the potential to impact this activity during the course of this long term plan is the Proposed Water and Land Plan for Southland. The plan contains rules around the management of closed landfill which could impact on this activity by requiring certain closed landfills to have a resource consent. There is budget allowance in the LTP to apply for a global consent covering any discharges that may

require consenting. This is anticipated to be determined through the investigation works mentioned above.

Community services

Council owns and manages 22 cemeteries in the district, with seven closed and 15 still in use for burials. Council also maintains records associated with lone graves. There are 12 cemeteries managed by cemetery trusts in Southland.

Council provides 69 individual housing units for rent in 10 townships in the district. The units offer good-quality, affordable housing to groups with specific needs – mainly elderly residents. The community housing portfolio requires a programme of refurbishment to lift the general condition.

Library services includes 10 local community libraries spread across the region, a mobile library service, and access to a range of library and information resources via the internet. A number of libraries also run community-based learning programmes in partnership with community organisations and double as area offices providing Council services. The Winton library operates as the district library and from here managerial, technical, administrative and daily operational support is provided. Southland libraries co-operate regionally and nationally to enable access to other library collections, interloan services and various online databases. Free broadband and computer use are provided via the Aotearoa People's Network Kaharoa.

Community facilities

Community facilities includes buildings and structure which are used by the community to participate in a range of activities and access Council services. This activity includes 32 community centres and 31 Council offices, libraries or amenity buildings. Council also provides 69 public toilets and seven dump stations throughout the district. These are in both

rural and urban areas and the type of facilities provided range from multipurpose facilities with showers, to Norski toilets in remote areas. Services associated with public toilets (eg cleaning, maintenance) are managed by Council and carried out by contractors.

This activity has been redefined since the Long Term Plan 2018-2028 and it is now a combination of the existing community facilities activity as well as the public toilets activity.

Open spaces

Council manages around 1,250 hectares of open space including 155 reserves throughout the district and several beautification areas within towns. These vary in size and use, and include parks, gardens, sports and recreation facilities, playgrounds and picnic areas. Some of the key parks and reserves in the district include Curio Bay Reserve, Mores Reserve at Riverton and Ivon Wilson Park at Te Anau. There are a combination of local and district-funded reserves. Services associated with these open spaces (eg, mowing, gardening) are managed by Council and carried out by contractors.

While the district is fortunate to have a healthy number of open spaces and recreational assets, there is significant investment in playgrounds required to align with national standards.

Stewart Island Electrical Supply Authority (SIESA)

This activity involves the generation and supply of electricity to consumers on Stewart Island/Rakiura by the Stewart Island Electrical Supply Authority (SIESA). This is a critical service for this remote island community. Stewart Island/Rakiura has 456 permanent electricity consumers (as at end 2017) connected to a network powered by up to five diesel generators at a central power station at Hicks Road.

Water facilities

Council manages a variety of assets that come under the banner of water facilities. These assets provide access to rivers, lakes and the sea for both commercial and recreational users. They range from jetties/wharves, boat ramps, navigation aids, a swimming pontoon and retaining walls.

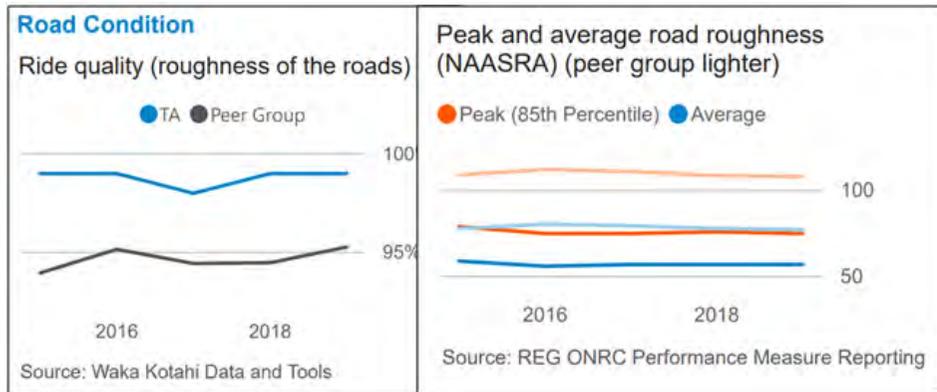
The major water structures are located at Stewart Island/Rakiura and Riverton. Some assets have been inherited by default in the past and do not necessarily add value to Council's asset portfolio or meet community needs. Council's intention is to maintain the assets at a base level that meets the needs of the community, ensure that they are safe to use and meet relevant resource consent standards and other regulatory requirements.

Asset condition and performance

Roads and footpaths

The condition of the roading network is generally good. Our ride quality in terms of smooth travel exposure scores well above our peer group as shown in the following graph (above being better condition). The peak and average roughness of our road network is better (lower) than our peer group as shown in the graph on the right. Network audits and condition rating and modelling using information gathered from sources such as high-speed data. This is used to look at aspects such as smooth travel exposure and road roughness which can then be compared nationally.

Figure 4: Southland District roads ride quality and roughness compared to peer group



However, it is evident that our investment in this activity has not been keeping pace with projected design lives and subsequent expected renewals.

Bridges are a sub-activity within the network that is not performing particularly well. Approximately 10% of bridges are currently posted with speed and/or weight restrictions, or are closed. There are approximately 161 bridges that require replacement in the next ten years. However, opportunities for rationalisation, where reasonable detours exist, are being explored with Council.

The Around the Mountains Cycle Trail is currently managed internally and is maintained in good condition in line with Great Ride classification requirements.

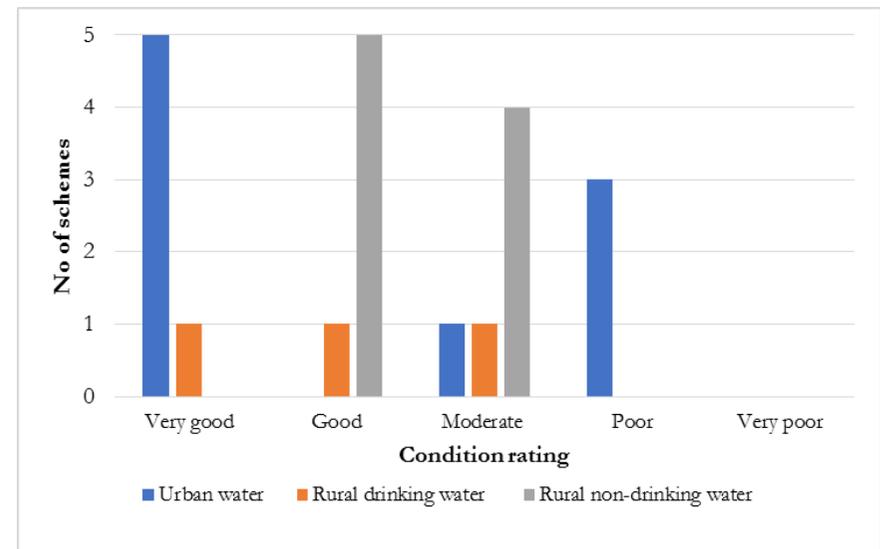
Overall, the network performs well and meets accepted standards. Given the reliance on primary industries in Southland, it is evident that heavy vehicles will continue to put pressure on the road network. This will present areas of accelerated deterioration in some areas.

The confidence in the asset data is considered to be highly reliable to reliable, with some uncertainty around drainage, retaining walls and streetlights.

Water supply

The condition of water supply assets is shown in by scheme types. The condition rating is based on joint inspection by Council staff and service provider Downer. All assets within IPS have regular scheduled maintenance programmed at recommended frequencies. This applies to above ground assets and below ground assets such as valves and hydrants on water supplies and manholes and pump stations on wastewater schemes. Frequency of maintenance inspections and assessment varies depending on task and asset type. Below ground piped networks do not receive scheduled maintenance but are assessed if there are known issues or if they are approaching end of life. This shows most schemes have been assessed at very good to moderate. Otautau, Riverton and Te Anau have been assessed as poor where the networks have been identified for further targeted renewals.

Figure 5: Water supply asset condition by scheme type



Significant portions of the pipe networks in the district are approaching the end of their useful life within the thirty year span of this strategy. Projected renewals are mainly based on end of useful life in consideration

of further condition assessments. Maximising the economic life of the assets and determining the optimal time for replacement are important challenges.

Asset performance of Council's water supply network is assessed in terms of water leakage and water quality as follows:

Water leakage - Water loss can happen for a range of reasons, including leaks and breaks in the network and this results in Council treating more water than is needed. Council assesses its water losses through targeted surveys. Council intends to move to using Infrastructure Leakage Index as a water loss performance indicator which is consistent with industry best practice. Actual leakage is measured via surveys and water balance studies. There has been increased leak detection and repairs in 2019/2020 as well as a continuation of renewals in Te Anau and Otautau which has contributed to reduced water loss.

Water quality - Council has a suite of plans and processes to provide assurance that it is providing safe drinking water. These include water safety plans, operating procedures, and operations and maintenance manuals for the treatment plants. Council's water quality is measured monthly against the mandatory performance measures and reported in the Annual Report. Nine plants out of eleven achieved compliance for Drinking Water Standards for bacterial and protozoa compliance in 2019/2020. A new plant is being built for Eastern Bush/Otahu Flat which will address any water quality non-compliance issues.

In relation to protozoal compliance, Council achieved 91% in 2020. Measuring protozoal compliance required significant data capture of a number of parameters including pH, turbidity and UV transmission. Loss of even a small amount of such data can result in a non-compliance for the complete year. Council are currently budgeting to improve, and in some instances install, back up data capture and storage hardware to further reduce this risk. In addition, proposed changes to reporting requirements may drive need to review how this data is managed.

Council's current approach is to meter and charge larger commercial properties (eg hotels, factories) and charge volumetrically. Previously we have installed a number of meters at strategic locations across our water networks, primarily to help identify areas of high consumption where more detailed leakage detection programmes could then be undertaken. Universal metering is an accepted tool for management of demand and it is anticipated that it will continue to be promoted through ongoing reform programmes. In anticipation of this happening, we have made allowances in the upcoming LTP to install Acuflo manifolds on all connections across out networks that will allow meters to be readily fitted if and when the decision is made to universally meter all supplies.

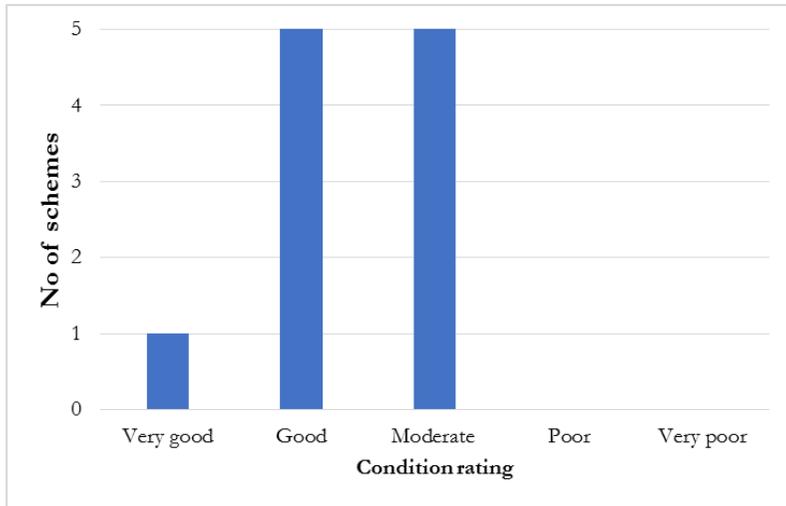
One known issue is the failure of certain types of asbestos cement water mains in Winton (some ahead of theoretical asset life). Council has developed a range of options for their replacement ahead of time and will consider these through the long term plan. It is estimated that there is 106km of AC pipe remaining across all water supply networks with an estimated cost to replace of between \$30 million and \$40 million. Riverton, Otautau and parts of Te Anau are other networks that may be affected by this issue.

Information on age and asset performance is used to help develop the overall capital works delivery programme. Where assets are known to be in poor condition or showing poor performance, these are programmed for renewal. Information relating to age, condition and performance of water supply assets is well understood with relatively accurate information in Infor Public Sector (IPS). The confidence in the asset data held in the IPS database is considered to be reliable.

Wastewater

The condition of wastewater assets is shown in by scheme types. This shows that all 18 wastewater schemes have been assessed at very good to moderate.

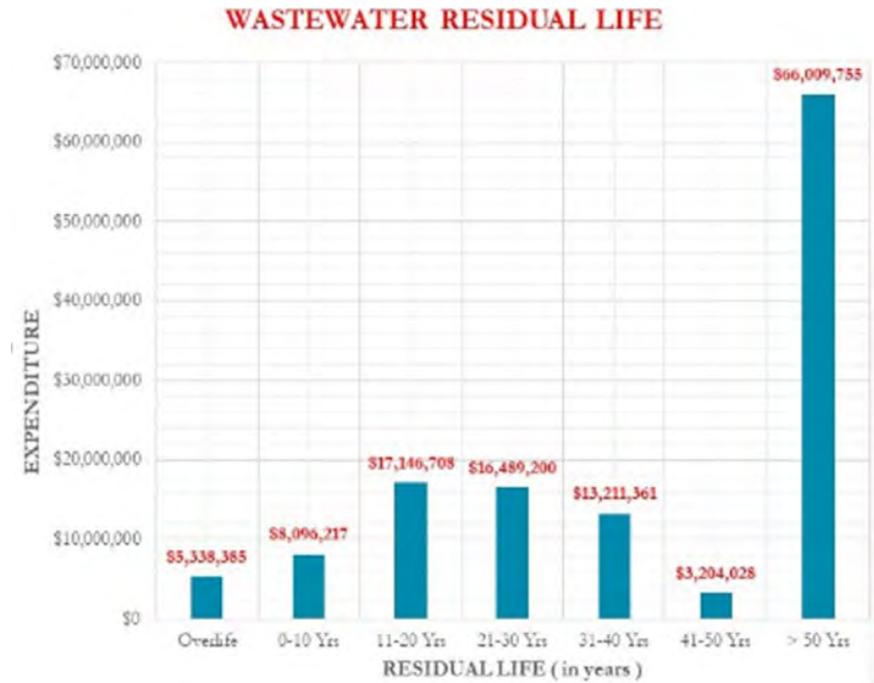
Figure 6: Wastewater asset condition by scheme type (source: Condition surveys, Downer)



Condition monitoring of pipes is undertaken on sewer pipes and rising mains between two and five years prior to upcoming renewals to help target expenditure. All above ground mechanical and electrical assets are serviced in accordance with the manufacturer’s specifications with joint inspections undertaken to agree condition of above ground assets and to prioritise future capital work.

Remaining life of all wastewater infrastructure across the district is presented in the following figure. This indicates that a significant percentage of wastewater infrastructure still has greater than 50 years remaining life which is reflective of the relatively recent construction of a number of wastewater schemes. It is proposed to continue with detailed condition assessment on infrastructure close to reaching identified end of life so as to allow future prioritised renewals, consistent with good industry practice.

Figure 7: Residual life for wastewater assets



Asset performance of Council’s wastewater network is assessed in terms of overflows and inflow and infiltration as follows:

Dry weather overflows. A dry weather overflow is an uncontrolled wastewater discharge that is not associated with a rain event. All pump stations are connected to a monitoring system so we can monitor and report failures. This helps us to effectively mitigate dry weather overflows from entering the environment and for reporting to Environment Southland. Dry weather overflows are reported as a mandatory performance measure and provided to Environment Southland. Blockage incidences occur from time to time but our asset performance for dry weather overflow events meet the industry accepted benchmarks and

Department of Internal Affairs mandatory performance measure for 2019/2020.

Inflow and infiltration. We know operationally that some of our catchments are leaky. This is the term used to describe groundwater and stormwater entering into dedicated wastewater system resulting in the system becoming overloaded and overflows occurring. An ongoing programme of investigation will continue through the long term plan in a bid to inform both renewals programmes and operational contract repairs.

Information on age and asset performance is used to help develop the overall capital works delivery programme. Where assets are known to be in poor condition or showing poor performance, these are programmed for renewal. To date there has been less maintenance issues across wastewater networks than the water supply networks. This is largely due to the age of the networks relative to both water and stormwater networks.

Information relating to age, condition and performance of water supply assets is well understood with relatively accurate information in IPS. The confidence in the asset data held in the IPS database is considered to be reliable.

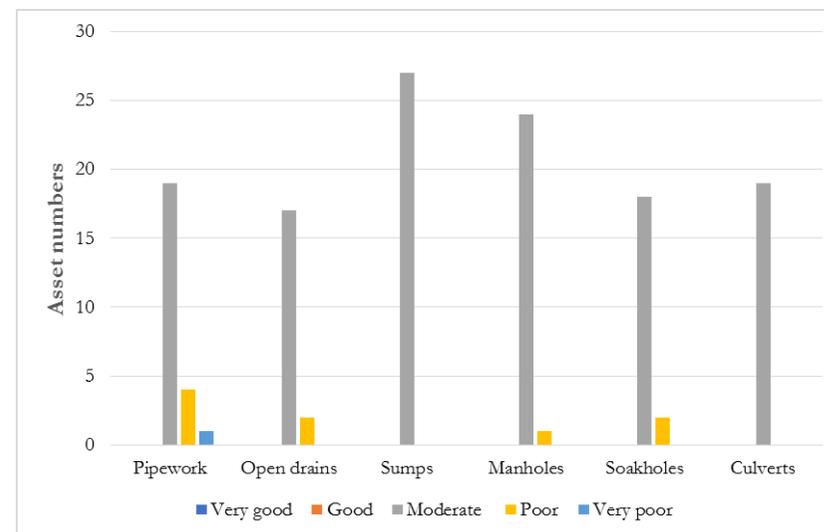
Stormwater

There is limited information available on the current condition of our stormwater assets. The asset condition has been assessed mainly from operational knowledge and based on data recorded in Council's asset management system.

The current condition of stormwater assets is shown in

Figure 8. This shows most townships have stormwater assets assessed as moderate. Dipton, Manapouri, Riverton and Te Anau have pipework assessed as poor.

Figure 8: Stormwater asset condition by township (source: Council's INFOR (IPS) database)



Projected renewals are mainly based on end of useful life in consideration of further condition assessments. In order to improve confidence in asset conditions, operating budgets will be increased to cover the development of more detailed condition assessments across all of Councils stormwater networks, with a focus on the critical assets.

Remaining life of all stormwater infrastructure across the district is presented in Figure 9. This indicates that a step change in capital investment is required to replace these ageing assets and maintain the current LoS. This is particularly relevant in townships including Winton and Wyndham where the oldest infrastructure dates back to the 1930s, and should therefore be considered as aged and therefore ready for replacement.

Figure 9: Residual life for stormwater assets



Asset performance of Council’s stormwater network is assessed in terms of capacity constraints (flood protection) and stormwater quality. Further work is required to evaluate specific context in relation to capacity constraints, secondary flow path assessments are also necessary as part of this work. Secondary flow path protection is identified as an issue to address through the upcoming work on the District Plan, funded as part of the long term plan.

The confidence in the asset data held in the IPS database is uncertain. However, the impact of this uncertainty on reactive maintenance is minimal, as Council has been operating within budgeted amounts set for reactive maintenance. Council recognises that this is a risk, until the uncertainty is addressed in the IPS. This means that decisions around asset data (quantity, material, age, location, condition) are mainly based on assumptions. This may cause difficulty in developing accurate renewals programmes.

Waste services

The principal assets for this activity are approximately 20,000 wheelie bins, eleven recycling containers and seven transfer stations (two with waste compactors). These assets are inspected annually and generally known to be in good condition with budgets in place to undertake routine maintenance and minor improvements. Incremental wheelie bin replacements are assumed and incorporated into budgets. In relation to closed landfills retained in Council ownership, to date a programme of sampling and monitoring has not been established. However, in the first three years of the long term plan there is funding set aside for investigation, programme development and potential remedial works identification.

Community services

There is increased investment required in order to improve the general condition of the libraries resource across the district. It is also evident that the way in which communities interface with library services is also changing.

Our libraries are currently undergoing an upgrade to the RFID system and a number of fitout and refurbishment upgrades have been identified for the buildings in which the library services are provided within the period of the long term plan.

Although Council’s portfolio of community housing is maintained to Healthy Home standards, the age of the housing stock is such that increased investment is required in the coming years. This expenditure has been integrated into the long term plan.

Community facilities

The general condition of the community halls across the district is poor. There is an extensive programme of maintenance and refurbishment required over the course of the thirty year infrastructure strategy.

However, it is recognised that in the first instance, further work is required to understand seismic capacity, utilisation, community needs and to ascertain whether the assets are fit for purpose. This work is scheduled for the early years of the long term plan.

The condition of public toilets across the district is generally acceptable and in some instances good. Following a period of underinvestment, Council has recently reviewed all assets in detail including updated detailed structural assessments. Renewals have been prioritised based on condition and criticality with a view to achieve 100 percent compliance with NZS 4241. There has been increased investment over recent years and this investment is programmed to continue over the long term plan and beyond.

Open spaces

Generally, Council's open space assets are in an acceptable condition. However, as above, investment is required to ensure service levels are appropriate and fit for purpose to meet communities' needs. Council has started a programme of asset data capture so that it is in a position to use an asset management application to manage the activity and make sure that the appropriate level of funding is available. This has started with a playground and green asset assessment, and will continue so that all assets will have condition, age and utilisation data captured in Council's activity management application, Infor property services management system (IPS).

The asset data and condition capture process prioritised investment requirements based on compliance with national standards, condition and minimum LoS, identified a number playgrounds in particular that required relatively urgent attention. This next phase through the long term plan will entail a more considered and strategic approach to portfolio management in a bid to ensure that assets are fit for purpose and in the right location to meet community needs.

SIESA

The condition of the SIESA network is fair. There are significant distribution network renewals necessary within the thirty year timeframe of this strategy. In recent years, the renewals programme has not kept pace with the depreciation of SIESA assets. As a result, the average age across generation and distribution assets has been increasing.

Although there is an ongoing programme of routine maintenance, the impact of deferred renewals on the average age and condition of generation and distribution assets should be acknowledged. An increased focus on renewals and the development of further resilience and up to date technology is planned from the first year of the long term plan.

In terms of performance, the network continues to operate well with minimal outages and KPI performance well within specified limits. Limits are set by Council based on commensurate performance expectations from mainland electricity networks. Ensuring the LoS received by the Island's residents is important. This is reflective of the maintenance and operations service provision capability.

Water facilities

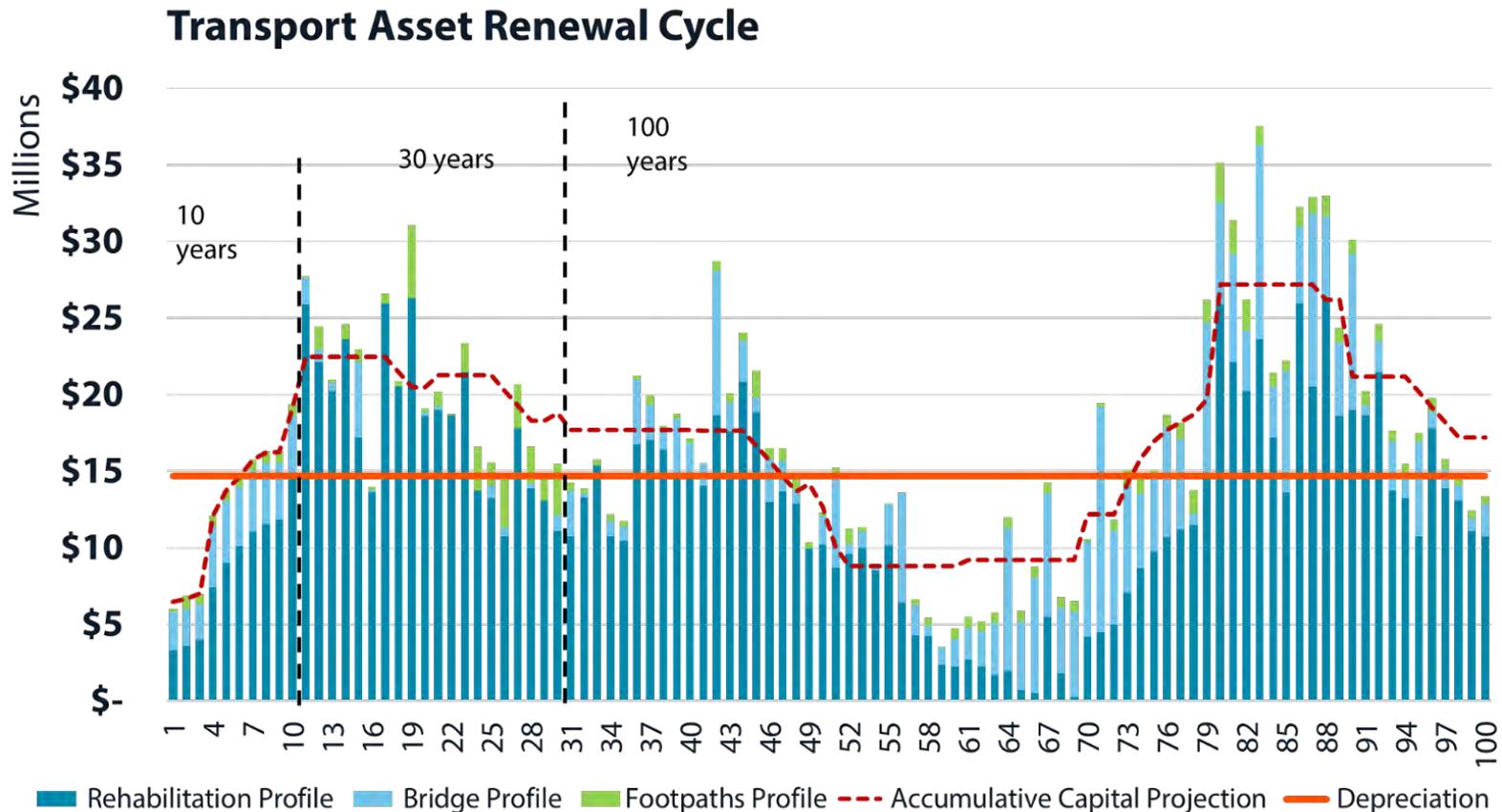
The average condition of Council's water facilities is fair. There are some performance concerns regarding the extent to which the main assets within this portfolio meet community needs. Significant investment is programmed in the long term plan to address these issues. This relates to Ulva Island Jetty and Golden Bay Wharf, the two largest assets within this activity.

Strategic issues and priorities

Roads and footpaths

It is estimated that both the bridge network and road rehabilitations are currently underfunded by a significant amount. Based on 2018 valuation figures, it is projected that the programme of bridge replacements requires investment of approximately \$35M over the next 10 years. The Long

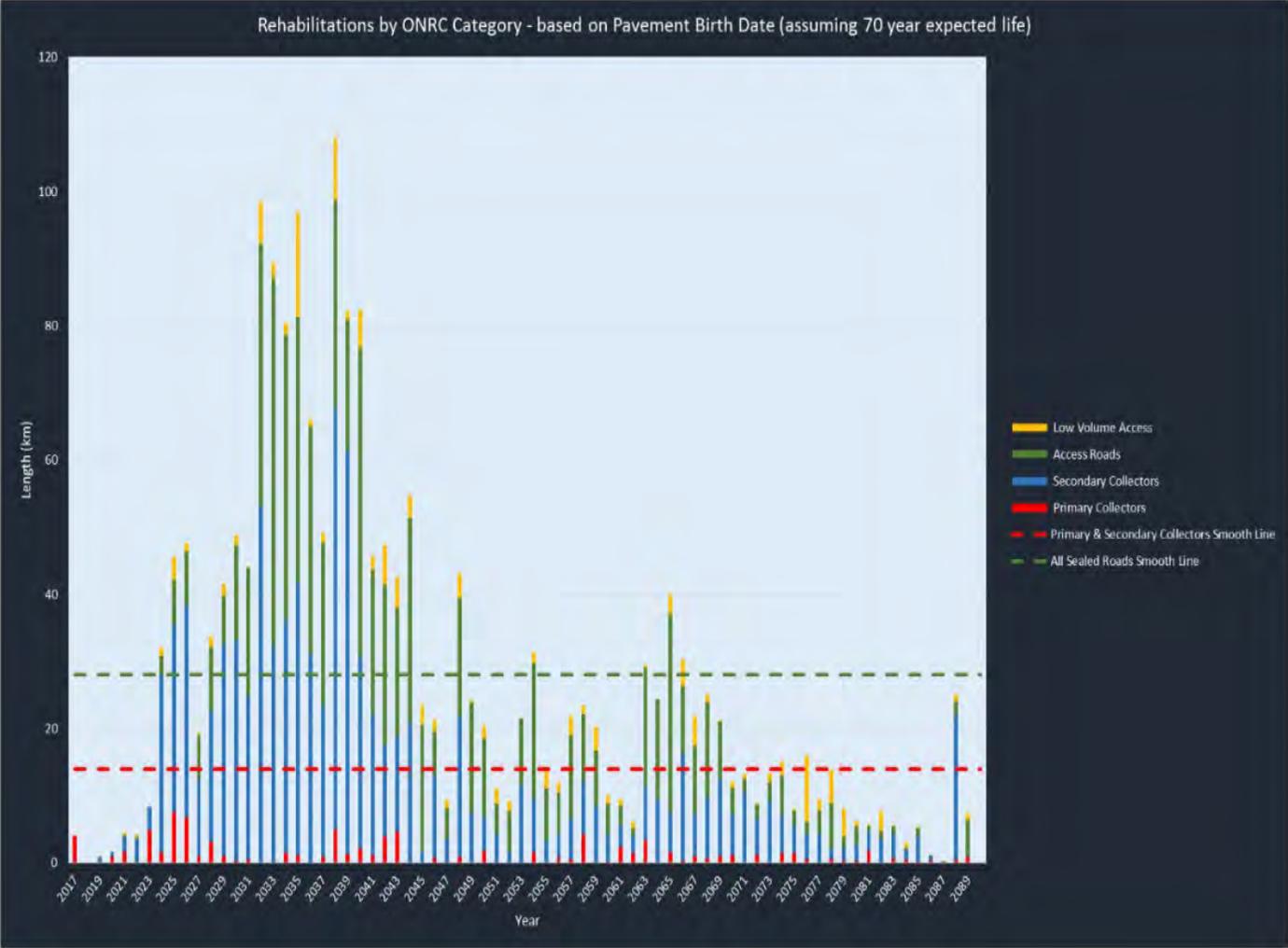
Term Plan 2018-2028 has a funding commitment of approximately \$14 million. The following graph provides an indication of the renewals profile. It is important to note that the Long Term Plan 2021-2031 seeks to smooth the funding requirement to resolve the renewals funding shortfall. The Roads and Footpaths Activity Management Plan provides context as to the strategy for prioritising the programme of replacements to ensure efficiency of ongoing network operations.



In relation to the programme of rehabilitations, the 2018-2028 LTP established an approach of focussing on the 20% of roads that carry approximately 80% of the traffic volumes (primary and secondary collectors). In the next 109 years through the current LTP, Council is continuing to focus on the higher volume roads and are planning to

rebuild all of the programmed primary and secondary collector roads – 168km in total. This represents a significant increase from current annual pavement rehabilitation funding of approximately \$3.5 million in 2020/2021, to \$18.9 million in 2030/2031. The following graph illustrates the renewals profile for Council’s sealed pavement network.

Figure 10: Renewals profile for sealed pavement network



The scale of the network is an issue, in conjunction with the revenue currently generated to maintain the network. In the long-term, it is considered that there is a sustainability issue for the network. Options to close this gap include rationalisation, a reduction in LoS, or an increase in revenue generation.

It is anticipated that climate change will introduce a number of issues over time. These issues will predominantly be associated with increased rainfall intensity. This is likely to cause capacity issues for culverts and other drainage assets, extensive surface flooding, erosion and increased reactive maintenance costs.

Three waters

Strategic issues and priorities for three waters activities include:

Ageing infrastructure and the risks associated with delaying replacements at end of life. Council has included a more extensive renewals programme through the LTP 2031 and beyond. An example is the planned accelerated replacement of all asbestos pipework within water supply networks utilising three waters stimulus funding from central government

Over the medium to long term, Council will need to be more proactive in considering the implications of climate change on both communities and infrastructure. For three waters activities, this is likely to be related to issues of resilience during more prolonged drought, or intense rainfall periods

- ongoing compliance with increasing requirements of regional and national regulations and legislation. In particular this relates to Environment Southland's proposed People, Water and Land Plan, the Water Services Bill and Taumata Arowai. These new frameworks will pose challenges for our water supply, wastewater and storm water networks. Opex and capex budgets have been increased over the long term plan period and beyond in order to respond to this

- funding and affordability of three waters service delivery is anticipated to continue to increase over the coming years, given the implications of the issues outlined above. The extent of this challenge will largely be determined by the upcoming changes to the regulatory and service delivery frameworks
- improving asset data knowledge is a high priority in ensuring effective and efficient three waters delivery and management. The focus is on critical assets. This is a challenge and a priority for all of Council's three waters networks.
- understanding the implications of the proposed service delivery and regulatory reforms in relation to not only three waters, but also all other Council services. At this stage there are a number of unknowns as the details of the reforms are yet to be finalised and communicated to local government.

Waste services

The most important issues affecting this service over the upcoming ten year period are:

- gaining an understanding of the global recyclables market and how best New Zealand as a whole should adapt to best deal with any changes. This will likely require more reliance on on-shore processing and sale of recyclables as well as legislating certain products out of the marketplace, for example lower grade plastics
- the need to identify a long-term solution for recycling. This is likely to require a change to the service and a need to consider a more regional collaborative approach potential across a number of regions
- the need to secure future long term contracts for rubbish and recycling services, noting the likely move to more standardised collections both in terms of recycling to be collected as well as how these should be presented

- management of contamination of collected product to maximise returns and avoid sending to landfill
- the need to achieve targets for waste minimisation and diversion of material from landfill to minimise the impact of any increase in the landfill levy
- the potential need for glass to be separated from other recyclables should wider regional collaboration become viable, or government mandated
- the need to investigate, monitor and identify any required remedial works for retired landfills in Council ownership.

Community services

There have been recent amendments to the responsibilities for landlords. It is important that Council keeps pace with these responsibilities in relation to its community housing stock and services.

Acquisition of trained staff in library services is limited in the district. Further, as socio-demographics and economics change in the district, it is important to recognise the impact this will have on Council to meet the needs of its residents in association with community housing and library services.

There are pending changes to the way in which cemeteries and interments are regulated. This will have an impact on Council's service provision in this space.

As technology changes and the way in which communities interface with library related resources and services, it is important that the Council remains reactive and agile to these changes.

Community facilities

There are a number of strategic issues and priorities associated with the community facilities activity. Some of the most pertinent issues and priorities include:

- ongoing underinvestment in Council buildings (community halls/centres, libraries, offices, toilets etc)
- seismic capacity assessments and resolution of subsequent issues. These assessments have already been undertaken for public toilets and Council offices. The next priority is libraries, community halls and other Council-owned buildings (eg sports clubs)
- strategic network assessment and prioritisation process
- as socio-demographics and economics change, the changing needs of the community and the way in which they interface with assets within this activity needs to be better understood in order to ensure that the assets and subsequent LoS are appropriate.

Open spaces

A key priority that has been identified by Council is the need to take a more strategic approach to the way that open spaces (including parks and reserves) are managed and developed. In 2019, Council staff had new minimum LoS prepared for all activities within the open spaces portfolio. These will be implemented as contracts are renewed and facilities are replaced.

In 2017 Council commissioned a report to assist with setting priorities around the work needed to improve Council's open spaces, in line with the objectives of the 2014 Open Spaces Strategy, and as a result of increased use putting pressure on existing facilities in some areas. The report identified that considerable investment in the design and improvement of facilities is required, to make Southland's public spaces

attractive and to meet the expectations and needs of the increasing number of users. Compliance with relevant national standards for playgrounds in particular is a priority for the open spaces activity.

Council have been gathering asset data and developing investment criteria to make sure that the funding that has been identified in the long term plan is used to satisfy the recommendations in the open spaces strategy.

SIESA

The activity is currently funded through electricity consumer fees and charges. The necessary addition of a third island-based operator in recent years due to increasing health and safety legislative standards has resulted in an operational budget deficit which is currently being funded via reserves.

A rates funding stream is proposed to be added through the long term plan period in order to ensure any budget deficits are resolved and reserves are not depleted other than for renewals.

As indicated above, renewals in recent years have been minimal and relatively discretionary as funding/need dictates. It is proposed to change this approach and invest more consistently in line with depreciation rates to ensure asset and network condition and service resilience.

Water facilities

The water facilities on Stewart Island/Rakiura have struggled to get sufficient funding to undertake basic maintenance. The capital projects that have been identified rely on funding from grants or loans which means that they may or may not go ahead. There is a heavy reliance of the Stewart Island Visitor Levy to fund work associated with water facilities on Stewart Island/Rakiura. The affordability to fund maintenance and renewals on these structures for the island community has been identified as an issue.

In recent years there has been no specific budget identified for the water structures outside Stewart Island/Raikiura and the Riverton harbour. This has been addressed in the long term plan.

In addition to a lack of funding, a key limitation in recent years was the lack of formal condition assessment information on which to base future maintenance and renewal requirements. As part of the development of the water facilities activity management plan, assessment of these assets has been undertaken. The condition of the majority of jetties assets (79%) are rated as good or very good condition, with a minority assessed as poor. Recommended work is outlined in the activity management plan, particularly in relation to the Ulva Island and Golden Bay jetties. A maintenance plan for boat ramps is also part of the management of this activity over the course of the long term plan.

Key risks

Roads and footpaths

Lack of accurate data and underinvestment in infrastructure are the top two identified risks for Southland District Council as a whole. These risks are relevant to the roads and footpaths activity. However, accurate data is less of a risk than underinvestment. A move towards improving the level of meta-data filtered through operations and maintenance contracts is a focus. Another focus is improving the quality of the handover documentation and data through the capital works programme.

It is proposed to increase the level of investment in rehabilitations and the bridge network in particular, in order to better manage the risk of underinvestment.

Other risks to the roads and footpaths activity include security of funding levels from Waka Kotahi as a major funding partner, climate change impacts, and industry resources both internally for Council and externally amongst contracting and professional services.

Three waters

The dominant risk for this activity is the capacity of Council to respond appropriately to regulatory and service delivery reforms. The key issues and risks for three waters align closely with a number of key strategic risks identified at a corporate level for all of Council's activities. The most relevant ones include:

- inaccurate data leading to bad decisions/asset failure
- underinvestment in infrastructure
- infrastructure not fit for purpose to withstand climate change
- natural or biosecurity event impacts the wellbeing of the district
- health and safety controls fail to protect staff and contractor safety
- difficulty retaining or recruiting staff affects service levels
- over-commitment leads to inability to deliver agreed work programme.

The activity management plans for three waters activities outline options for managing these risks along with an assessment of the implications.

Waste services

New Zealand places a heavy reliance on sending collected recyclables off shore for further processing. This leaves the country very vulnerable to changes in the global market place, as initiatives such as China Sword have demonstrated. Changes to the levy on waste to landfill have been proposed with the view of increasing our resilience in this space and moving away from relying on overseas markets. However, it is noted and generally accepted that the establishment of such facilities is still a number of years away and that short term solutions will still be required. These include limiting products capable of being processed as well as sending product to landfill if it is no longer suitable for recycling. This need to

establish on-shore facilities will ultimately drive the need for a more regional collaborative approach to how we manage waste into the future.

The risk posed by retired landfills within close proximity to water catchments is another key risk for waste services. Particularly given anticipated changing weather patterns and increasing rainfall intensity. As is noted elsewhere in this strategy funding to undertake investigation and monitoring needed to determine any subsequent remedial work has been included in the first three years of the long term plan.

Community services

There are a number of critical risks relating to Council's provision of the community services activity as follows:

- service obsolescence (keeping pace with changes)
- under-investment in supporting facilities
- limited asset data on condition and performance upon which to make sound decisions
- inability to recruit trained staff
- affordability of maintaining existing LoS
- failing to understand the changes needs of communities.

Community facilities

The following are a list of the critical risks in relation to the community facilities activity:

- ongoing deterioration of community facility assets
- further community disengagement with the activity and assets
- lack of affordability in maintaining existing LoS

- community discord in relation to proposed rationalisation and prioritisation.

Further to the above, it is important to note that the top two identified corporate risks for the organisation are the lack of accurate data to inform decision-making and the underinvestment in infrastructure. These risks are relevant to this activity.

Open spaces

There are a number of critical risks relating to Council's provision of the open spaces activity as follows:

- service obsolescence (keeping pace with changes)
- under-investment in supporting facilities
- inability to recruit trained staff
- affordability of maintaining existing LoS
- failing to understand the changes needs of communities.

SIESA

The number of consumers has remained fairly constant year on year.

Given that current per kilowatt hour pricing is approximately three times the cost of electricity on the mainland, there is a concern that increases to the consumer price will risk loss of consumers and by implication a subsequent increase in price to remaining consumers.

The variability of the diesel costs is a risk. A number of assessments have been undertaken in recent years to determine whether renewable energy is feasible at current costs. To date it is not considered viable.

Resource capability and scarcity is also an issue for this activity. An expression of interest exercise and recent enquiries concluded that there is limited resource available in the market, outside of the incumbent, for the

management and operation of the network. Whilst limiting the ability for competitive market pricing, this also has the potential to cause issues in coming years if the incumbent contractor opts to exit the contract or loses existing staff expertise. Given this, a recent focus has been around shoring up the services provision contract and adopting a more collaborative approach.

Water facilities

The major risks associated with Council's water facilities activity include:

- public health and safety risk associated with the condition of some water facilities
- the degree to which the facilities meet the needs of the community
- the capacity of local communities to meet the funding needs for the facilities, given the local and variable nature of the funding mechanisms.

Each of the risks identified above are addressed through the long term plan through the proposed programme of investment, the planned asset data improvement and the proposed change to funding mechanisms, with district contribution introduced.

Levels of service (LoS)/ anticipated growth and demand

Roads and footpaths

The focus for this activity is maintaining existing LoS. However, we anticipate that a significant step change in investment will still be required to maintain existing LoS. In the future, the LoS that network users are currently accustomed to will likely need to be reduced in coming years manage the level of investment required. It will be necessary to ensure that clear communication and consultation options are provided through

the long-term planning processes over coming years in order to strike the right balance and agree on trade-offs with the community between cost and levels of service provision. This will likely result in a conflict between community expectations and levels of service.

Table 4: Current roads and footpaths LoS and performance

LEVEL OF SERVICE	PERFORMANCE MEASURE	CURRENT PERFORMANCE
Roads are fit for purpose and provide for comfortable and efficient travel	Average quality of ride on sealed local roads	Pass
	Percentage of sealed local road network resurfaced	Pass
	Percentage of customer service requests responded to within required timeframes	Fail
	Percentage of gravel road tests where road roughness meets acceptable standards	Pass
A safe roading network	Annual change in the number of fatalities and serious injury crashes	Fail
Footpaths are safe, well designed, and well maintained	Percentage of footpaths in reasonable or better condition	Pass

Figure 11: Roading service performance



Water supply

Our communities expect a safe and reliable supply and that this is delivered in an efficient and effective manner with minimal environmental harm. The focus for the water supply activity is maintaining existing LoS. These are to meet the mandatory performance measure as defined by the Department of Internal Affairs (this also applies to wastewater and stormwater). There are differing service level requirements for drinking water in comparison to rural stock water systems. However, as with roading, we anticipate that a significant step change in investment will still be required to maintain existing LoS across three waters activities.

The KPIs demonstrate how well we are meeting LoS. The majority of the KPIs established for the water supply activity are mandatory performance measures determined by the Department of Internal Affairs. It is evident that these are likely to change in the coming years following the regulatory reforms and the establishment of the new water regulator, Taumata Arowai. Council is meeting its LoS for drinking water safety and attendance and resolution of faults. Council is performing just below the LoS set for customer satisfaction and the percentage of water lost from networked reticulated system. In addition, residents are consuming 924 litres of water per day, compared to the KPI of less than 850 litres per day. Council is increasing its investment in leak protection and renewals,

to improve water loss. Water consumption is predicted to decrease as a result. Further information on how the performance is measured is presented through the activity management plan for the water supply activity.

Wastewater

The focus for the wastewater activity is maintaining existing LoS. However, we anticipate that a significant step change in investment will be required to maintain existing LoS across all Three Waters activities, given the proposed changes to both regulatory and legislative compliance obligations. As an example, Environment Southland's People, Water and Land Plan proposes an amendment in activity status for the discharge of wastewater to water, from discretionary to non-compliant. As a result of this, the cost to re-consent our wastewater treatment infrastructure has significantly increased. The Te Anau wastewater treatment system is a good example of this where the budgeted cost has effectively doubled through project development, consenting and delivery. Further, more often than not, the re-consenting process is required ahead of assets reaching the end of their useful lives.

The KPIs demonstrate how well we are meeting LoS. The majority of the KPIs established for the wastewater activity are mandatory measures determined by the regulator. It is evident that these are likely to change in the coming years following the regulatory reforms and the establishment of the new regulator, Taumata Arowai. Council is meeting all of its LoS for the wastewater network. This includes KPIs for system adequacy, response time to wastewater issues, management of environmental impacts and customer satisfaction. Further information on how the performance is measured is presented through the activity management plan for the wastewater activity.

Stormwater

The focus for stormwater is maintaining existing LoS. However, we anticipate that a significant step change in investment will still be required to maintain existing LoS, keep pace with renewal requirements and meet proposed regulatory and legislative changes. Council has recently obtained four global consents covering 17 of our 22 stormwater networks. These consents and the subsequent conditions have significantly increased the monitoring and compliance obligations across these networks. It is anticipated that a number new mandatory measures are also likely to be introduced in the coming years, following the regulatory reforms and the establishment of Taumata Arowai. Further exacerbating the issue for stormwater, is the likely impact of climate change on the ability of existing networks to cope with increasing rainfall intensity. Climate change is likely to drive the need to reassess capacity limitations and subsequent pipe sizes as opposed to replacing like for like. While the service provision remains the same for the community, the implications for network investment has the potential to be significant. It is important to note that due to data deficiencies in association with our stormwater activity, this picture will become clearer in the first three years of the long term plan with the increased investment in condition assessments and monitoring.

The stormwater activity management plan identifies the LoS that provide the basis for management strategies and works programmes for this activity. Council is meeting all of its LoS for the stormwater network. This includes KPIs for system adequacy, response time to stormwater issues, management of environmental impacts and customer satisfaction.

Waste services

Ultimately, the community expects that waste management and recycling is a core service provided by local government. There will be a need to revisit current LoS, as it is evident that changes to this activity are likely over the coming years, due to regulatory mandates and incentives / disincentives established by central government.

Further, if there is an opportunity to look at regional collaboration in relation to recycling services, there will be a need to clean up contamination levels in our recyclables stream, in particular the removal of glass.

Service level commitments relating to diversion of recyclables from waste streams are not currently being met. Our commitment is 40%. However, in recent years we have averaged only 29%. With a shrinking global recycling market there is concern that this will be further exacerbated in the short term at least.

The Solid Waste Activity Management Plan provides more detail on these anticipated changes and how the current LoS are measured and performance against targets.

Community services

This activity provides funding or facilities that enable communities and visitors to participate in a range of educational, commercial, social and cultural activities. This ultimately assists in encouraging communities to be more socially connected and active, and contributes to Southland being a desirable place to live, work and play.

Committed services levels are currently being met in relation to community services. However, as socio-demographics and economics change, Council's LoS in this space need to be revisited in order to keep pace with community needs and expectations. Further work is required in order to better understand both community needs and expectations in association with this activity, as well as acknowledging a step change in investment required based on ageing infrastructure and substandard LoS in some instances.

Community facilities

This activity enables communities to be more socially connected and active in assisting in making Southland a desirable place to be. These

facilities provide a local hub where both residents and visitors can congregate to access services or engage in social activities. There are benefits to communities and the environment by reducing the likelihood of uncontained human waste impacting on the district, through the provision of toilet facilities.

Although LoS are largely being met in relation to community facilities, there will be a need to revisit current LoS, due to changing demographics and the way communities and visitors interact with these assets. Further, acknowledging a step change in investment, based on ageing infrastructure and substandard LoS in some instances is anticipated. It is likely that this will require rationalisation and consolidation of existing assets in a bid to improve LoS in particular identified areas. Council is committed to working with its communities to better understand needs and desired outcomes.

The community facilities activity management plan provides more detail on how the LoS are measured and performance against targets.

Open spaces

Open space/parkland facilities are an important part of the community network of spaces and places which both residents and visitors enjoy. LoS are largely being met. However, the outcome of the 2019 representation review change has brought a different perspective to how community boards need to look at the locally funded assets they have within their areas. There has been a shift from a localised focus to a holistic approach when planning the governance of the assets. A holistic approach requires looking at societal changes, including population, access (roading and vehicles), use, operational cost and community views. It is necessary to look at appropriate LoS that will allow the open spaces activity to provide consistency throughout each community board's area of responsibility, as well as to acknowledging a step change in investment required based on ageing infrastructure and substandard LoS in some instances.

Council has identified in its strategic assumptions that due to the aging demographic and the increased demand on existing contractors, it may be difficult to deliver some existing services using traditional service providers. An alternative to this is to use Council’s internal resource to cover more isolated areas that are not attractive to the larger contractors.

SIESA

The current LoS is comparable with mainland power networks and relies on a staff of three operators. Due to the relatively few number of connections over which to distribute the cost of providing this service, Stewart Island/Rakiura consumers pay approximately three times more than mainland consumers.

Particularly in the context of the current operational contract renegotiation, there is an opportunity to scrutinise what an appropriate LoS is to the community, and balance this with the cost of providing that service. There also needs to be consideration to this question in the context of developing KPIs under a renewed contract.

Water facilities

Water infrastructure in the form of boat ramps, jetties, wharves and navigation aids enable recreational and commercial access to waterways, as well as the ability for residents and visitors to access services where the only available access is by water. The Stewart Island/Rakiura community have identified that water facilities are an extension to their roading network.

Although technically LoS are currently being met in relation to water facilities, with the intended improvement in asset data it is anticipated that LoS across the portfolio will need to be revisited in the lead up to the Long Term Plan 2024-2034 to ensure community needs are being met. Acknowledging a step change in investment required is also indicated, based on ageing infrastructure and substandard LoS in some instances.

Evidence base for core infrastructure

Council acknowledges there are limitations with its data that affect decision-making. A commitment to improving data collection and analysis is indicated below.

Table 5: Data improvements

ACTIVITY	ASSET SYSTEMS	DATA GAPS	DATA ANALYSIS	VALUE THIS DATA PROVIDES
Roading	RAMM GIS	Asset inventory and condition information for culverts Basic information is missing for culverts whereas extensive information exists for most other roading assets	Maintenance requirements and condition assessment informing- remaining life of assets	Proactive maintenance can be programmed Long term renewal requirements can be mapped out The value of these assets is a small percentage of the total roading assets but they serve an important function. Better data will allow better preventative maintenance and renewal programmes to be developed

ACTIVITY	ASSET SYSTEMS	DATA GAPS	DATA ANALYSIS	VALUE THIS DATA PROVIDES
		Asset inventory and condition information for sealed pavements Extensive inventory and condition information exists now but ongoing data collection is essential	Condition information and renewal strategies	Development of more refined prediction models that aligns with the 80/20 principle and so gives a more accurate financial profile for 30 years. This will give a higher level of confidence to future long term plans
Water supply	IPS GIS	Underground assets condition information	Remaining life of assets	Allows for more accurate assessment of renewal profiles and the likely costs. This will help create a more accurate model for calculating depreciation. This will give a higher level of confidence to future long term plans
Wastewater	IPS GIS	Existing condition information is limited		
Stormwater	IPS GIS	Underground assets condition information Existing condition information is only available for a small percentage of assets	Remaining life of assets and condition assessment	
Waste services	Excel GIS Pathway External shared services data system	Asset inventory and condition information for local disposal site and Material Recycling Facility (externally owned but critical infrastructure)	Condition information and renewal strategies	Allows for accurate assessment and development of investment profiles
Community facilities Community services SIESA Open spaces	Excel GIS Pathway	Asset inventory and condition assessment for: <ul style="list-style-type: none"> • cemeteries • Council offices and buildings • community facilities • community housing 	Assets assessment and identification Condition information assessment Remaining life of assets	Proactive maintenance can be programmed. Long term renewal requirements can be mapped out along with a works programme that will give a higher level of confidence to future long term plans

ACTIVITY	ASSET SYSTEMS	DATA GAPS	DATA ANALYSIS	VALUE THIS DATA PROVIDES
Water facilities		<ul style="list-style-type: none"> • parks and reserves including playground equipment, furniture and green assets • public conveniences • water structures 		

Condition and performance are currently assessed through review of data in the IPS database relating to planned and reactive maintenance activities. It is intended that that IPS database integrate community facilities data by June 2021. Council also relies on local operator knowledge and experience. Age and condition data within the IPS database will be regularly updated based on best available knowledge at the time. This will result in alterations being made to asset lives within individual systems.

Depending on the criticality of the asset, when an asset is nearing its expected useful life the asset is assessed and its remaining useful life determined. A run to failure strategy is applied to low criticality assets as the consequence of failure is not major and the costs of ongoing condition monitoring may outweigh the costs of failure. A risk and condition-based strategy is applied where there are significant implications due to failure, such as a major health and safety risk, significant reliability of supply consequence or significant expense in repair.

The approach to data collection and management will be discussed in the respective activity management plans and budgets included where appropriate.

Significant infrastructure issues

The task of building, operating and maintaining our infrastructure assets in an **affordable** and **sustainable** manner is becoming increasingly

difficult in view of the significant infrastructure issues we are facing. Managing affordability and sustainability is extremely complex in the context of:



- the intense infrastructure challenges Council is facing
- our communities being geographically dispersed
- our low ratepayer base.

Council endeavours to always act in the best interest of the community, and as a result sustainability and affordability is at the forefront of any plan, design and operational tasks that Council undertakes in relation to the provision of assets and services.

There is a close relationship between costs, LoS and levels of satisfaction and this will require careful balancing. In some cases, effort may need to be put into lowering expectations rather than raising service levels. In any event, Council will continue to pay close attention to managing any debt that it may take on in the next decade along with the level of rates and fees and charges, and the relationship of all of this to cost of living changes.

Council’s response to the affordability challenge will focus on critical assets and activities. Should LoS tradeoffs be required due to affordability issues in future, Council will prioritise expenditure on the critical assets

discussed in the strategic context section earlier in the strategy (roads and footpaths, three waters activities). Council will use targeted rates in order that customers who benefit pay for a service. The Financial Strategy will continue to reflect the balancing of ratepayer affordability against community needs and aspirations. Council will consider alternative revenue streams and increase existing revenue streams where possible, while keeping rates as affordable and sustainable as possible through prudent financial management that complements asset management.

The significant infrastructure issues for Council are infrastructure deficits, changing government priorities and legislation, climate change and resilience. These are discussed in detail below, as well as Council’s response to them.

Infrastructure deficits

Our infrastructure has been built over multiple decades. There are a significant number of assets (including critical assets) across our suite of infrastructure that have already passed the end of their useful life, which constitute an infrastructure deficit. As infrastructure ages, reactive maintenance needs increase. A key challenge for the district is the balance between reactive maintenance, programmed maintenance, and the inevitable rehabilitation or replacement of assets that have both physically and economically run past the point of repair.

Infrastructure deficits are not isolated to ageing infrastructure, but also to infrastructure that is no longer fit for purpose. Assessing whether infrastructure is appropriate takes into account location, utilisation, changing demographics, competing priorities, and changes in the way our communities interact with infrastructure.

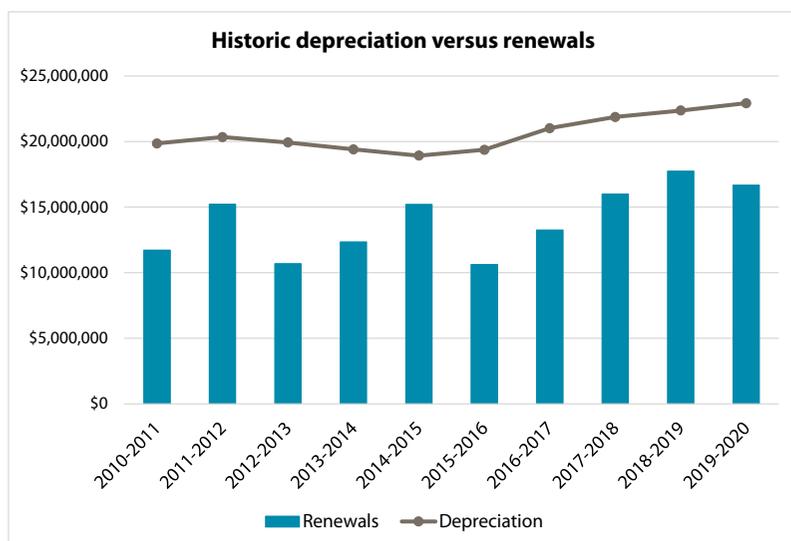
ASSET	ISSUE	CONSEQUENCE	STRATEGY
Roads	The average age of roads is increasing.	This increase will continue as more value is extracted from roads beyond their original intended value-exchange, especially low use roads that are pushed further out before renewal is justified.	It is critical to ensure that roading assets are not pushed beyond the efficiency threshold, which would mean maintaining the asset is more expensive than renewing it.
Bridges	The remaining lifespan of a number of wooden bridges in the district is reducing to the extent that renewal or significant structural upgrading is needed soon.	Over 10% of Council’s bridging stock is posted (have weight and speed restrictions). A risk still remains from road users ignoring the restriction signs and driving overweight vehicles over the bridge which could cause catastrophic failure.	The strategy for managing the risk posed by sub-standard bridges is to impose weight and or speed restrictions so they are not subjected to unsustainable loads.
Reticulation assets	The age of reticulation assets is a risk because there is a deficiency of accurate inventory information.	The lack of inventory also means a lack of condition information. There is the potential for failures given the ageing condition of this asset.	Together these two factors make up the most critical asset management components for predicting remaining life and therefore planning renewals.

ASSET	ISSUE	CONSEQUENCE	STRATEGY
			An increased investment in reticulation assets across the three waters network as well as increased investment in condition assessment, particularly for stormwater.
Three waters	Recent years have seen a number of reticulation failures requiring unplanned works and expenditure. Meeting current and proposed regulatory requirements.	The performance of asbestos pipes in particular is a concern, and a significant extent of this pipe type remains across our three waters networks. In many instances this type of pipe has not performed as well as was expected. Consequently, in some locations the expected lives are not being achieved and unplanned renewals are likely.	The water supply and wastewater assets are generally newer than the stormwater assets and the inventory and condition information is more accurate and complete for these assets. Increased investment for these assets.
Community facilities	Many of the Council buildings, libraries, halls, community housing and playground equipment are at or nearing the end of their lifespans.	In view of the updated detailed structural assessment legislation, it is evident that seismic performance has the potential to be an issue across the portfolio of buildings.	Increase in prioritised DSA assessments of Council buildings. Allocation of appropriate maintenance budgets for these assets.

Southland district covers a significant geographical area and is not particularly populous. As such, there is a large portfolio of assets and infrastructure for residents to maintain across a significant number of small communities.

It is evident there has been a period of underinvestment in recent times. In terms of financial capacity to respond to the challenges in the table above, Council has only in recent years been working towards fully funding depreciation, and thereby ensuring the capacity to invest in line with asset and activity renewals requirements. Depreciation is not fully-funded in the road and footpaths and three waters activities, and is not funded at all in relation to other infrastructure. Renewals have not kept pace with the committed works programmes, nor have they been programmed at a volume and value that is commensurate with acceptable

industry depreciation indicators in some areas. As such, it is evident that Council has effectively been consuming assets at an unsustainable level.



There is the potential for funding capacity issues to emerge in years 2031-2051 of this strategy. This is particularly the case if increased investment is required due to assets failing to reach the end of their useful lives as a result of incorrect forecasting, increased regulatory compliance requirements or the impacts of climate change.

Council's Financial Strategy assumes that affordability of rates will be maintained such that median household rates sit below 5% of median household income. In 2019/2020, median rates (for Southland district and Environment Southland combined) made up 3.95% of median household income at an aggregate level. This is forecast to climb to approximately 6% by the end of the current long term plan period in 2031.

Council has further work to do to better understand the longer term implications of its infrastructure funding requirements. Most notably, amendments to funding mechanisms, rationalisation of assets and LoS amendments might be required in order to ensure Council infrastructure is affordable over the long term.

Response to infrastructure deficits

Addressing the challenge of infrastructure deficits involves assessing the utilisation of Council's infrastructure, changing demographics, competing priorities and community needs. A balance will need to be achieved between LoS and cost, which are in competition with each other. In some cases, Council will need to engage with specific communities to ascertain the acceptable balance between providing a higher level of service and the cost of doing so.

Council will:

- closely monitor maintenance costs to show trends in failing assets as a guide to optimum renewal times
- apply a run to failure strategy to non-critical assets, as the consequence of failure is not major and the costs of ongoing condition monitoring outweigh the costs of failure
- improve condition monitoring
- study in more detail the performance of roads, including increased inspections of critical components, to be more certain about the useful lives of these assets and so manage the risk of unplanned failure or rapidly increasing maintenance costs. This will also lead to better alignment between asset management plans and depreciation models
- develop more reliable renewal programmes and improve the alignment between activity management plans and depreciation models
- drive its asset management interventions by data about the factors that determine the cost of service to our customers, including information about:

- performance, condition and works, to understand the cost of service delivery and trends
- forecast maintenance and renewal need and cost
- trends in the effectiveness and efficiency of maintenance and renewal programmes.

Furthermore, there are a number of elements identified above in conjunction with Council’s infrastructure deficits that also have an impact on the resilience of the infrastructure. For example, the maturity of the asset management system, including the accuracy and robustness of asset data, the condition and criticality of the assets, and the capacity and capability of the organisation and local market to deliver on commitments made. Each of these elements has been identified as areas of focus requiring improvement. Staff have been working towards incremental improvements in relation to each of these elements.

Asset management system

The organisation has commenced an asset management maturity assessment with a view to develop a prioritised asset management improvement roadmap for the short-medium term (3-5 years). Meta-data standards have been reviewed and updated, and asset registers established for community facilities and open spaces and additional modules purchased to migrate excel-based registers into our asset management system.

Delivery capacity

There has been significant focus on increasing both internal and external delivery capacity in recent years in a bid to ensure Council and the local market is well placed to respond to the increased expenditure anticipated over the next 30 years. A number of these areas include:

- changes to procurement policy with a view to increase efficiency and build capacity within the local market through work continuity confidence, larger packages for delivery and a variety of fit for purpose procurement procedures

- standardisation of contract documentation, payment terms, infrastructure design standards and asset handover documentation
- project workflow and gateway development
- programme management software system established
- establishment of an internal project management office with dedicated delivery staff
- a more robust reporting framework.

Changing government priorities and legislation

There are a number of areas that have been the subject of increasing regulatory and legislative pressures. These pressures are anticipated to grow in coming years. The resulting compliance thresholds have, and are likely to continue to, significantly impact the cost of service delivery in relation to these activities.

Water

Regulatory reform that is occurring in this space centres on the Water Services Regulator Act 2020, which establishes Taumata Arowai. Taumata Arowai will become Aotearoa's dedicated regulator of the three waters: drinking water, wastewater and stormwater. When implemented, this legislation will give effect to decisions to carry out system wide reforms to the regulation of drinking and source water, and targeted reforms to improve the regulation and performance of wastewater and stormwater networks. It will include consideration of future service delivery arrangements.

In addition to regulatory changes, reforms to the way three waters services are delivered are also proposed. A more centralised model of delivery is likely to occur during the course of this long term plan.

Whilst it is a key challenge that Council adapt to these substantial proposed changes, our communities will continue to need three waters services. This strategy presents the likely requirements of providing water services under present delivery arrangements and current/expected future regulatory settings.

The National Policy Statement (NPS) for freshwater requires that Council have an accurate inventory of existing infrastructure in order to assess where investment is necessary to ensure compliance. This NPS also affects the District Plan and will require strategic thinking across the organisation as changes will impact different activity groups (water, building, communications, etc.).



have an accurate inventory of existing infrastructure in order to assess where investment is necessary to ensure compliance. This NPS also affects the District Plan and will require strategic thinking across the organisation as changes will impact different activity groups (water, building, communications, etc.).

These government and industry directives signal that additional capital expenditures will need to be made to the management, operation, maintenance, monitoring and reporting of three waters assets and services. The focus of Council’s response to these changes is to be pro-active. Council is working with central government and cross regionally to be pre-emptive and better understand the proposed changes and the impacts they may have on Council services. This is with a view to ensuring robust service delivery for our communities. Additionally, Council commits to working closely with our iwi partners as an integral part of the decision making process.

Land transport

The Government Policy Statement on Land Transport 2021 will take effect from 12 July 2021. The strategic priorities are:

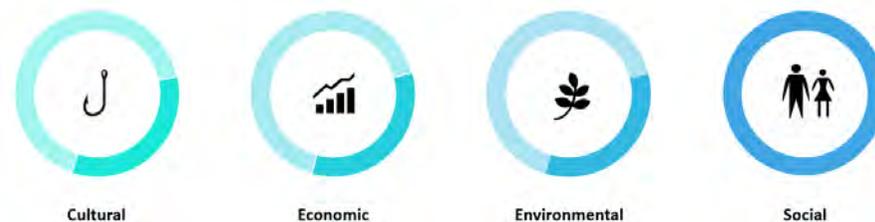
- safety
- better travel options

- improving freight connections
- climate change.

The Road to Zero Strategy 2020-2030 supports a significant and sustained improvement in road safety outcomes. Council is working with the Ministry of Transport Te Manatū Waka to implement the improvements to road safety in this strategy.

The four well-beings

The Local Government (Community Well-being) Amendment Act 2019 moved away from the previous efficient, effective and appropriate service delivery focus by restoring the four community well-beings (cultural, economic, environmental and social). Council welcomes this move as it acknowledges its broader role in looking after communities, rather than simply providing core services. The four well-beings are being integrated into Council’s procurement activities, in line with the Office of the Auditor General (OAG), the Government Procurement Rules, and the requirements of the LGA. Council will consider, in addition to quality and whole-of-life costs, other outcomes that can be generated from procurement activities. These outcomes can be social, environmental, cultural or economic, and include costs and benefits to the District.



Council’s initial assessment of each significant infrastructure project’s contribution to the four well-beings are included in discussion of the most likely scenarios in this strategy. This assessment is subjective, and Council

will further develop these contributions to the four well-beings in alignment with national guidance.

Resource Management Act 1991 (RMA)

Central government has signalled major reforms to the RMA in the proposals from the 2020 New Directions for Resource Management in New Zealand (Randerson report). Though these changes will have a significant impact on Council’s involvement in the resource management system, substantial lead time will be needed to make the transition to any new arrangements. It is appropriate that for the purposes of the long term plan, Council plans on the basis of the status quo.

Summary

The aggregate impact of the changes described above have the potential to significantly change the form and function of local government responsibilities in relation to what has traditionally been considered local government core infrastructure activities. Further, these changes will further exacerbate the funding capacity for these, and subsequently, all other Council activities potentially requiring a review of priorities and service levels.

Planning for climate change

The effects of climate change are likely to impact sea levels, ground water levels, rainfall and temperatures within the District, among other things. Council’s long term infrastructure planning must promote resilience to the effects of climate change to ensure it meets the future needs of communities. Council has already brought the effects of climate change to the fore in its decision-making around infrastructure. It has contributed funding towards the LiDAR (light detection and ranging) regional mapping project, in conjunction with Environment Southland, Invercargill City Council and Gore District Council. The information produced is valuable for spatial, land use and infrastructure planning, and civil defence/emergency management. Information provided through LiDAR can better inform infrastructure decisions and could potentially save many millions of dollars in infrastructure spend in locations with high hazard exposure.

In addition to the key assumptions for the Southland region relating to climate change, the following impacts and proposed actions that specific to Council infrastructure have been identified:

ACTIVITY	IMPACT OF CLIMATE CHANGE	PROPOSED ACTIONS
Roading	One of the main considerations is the potential for greater damage to bridges and roads in close proximity to rivers due to flood events caused by extreme rainfall, snowfall or snowmelt runoff. The issue of management and maintenance of all coastal roads under climate change needs to be considered due to the projected increase in sea level combined with spring tides. Another consideration for roading is frost occurrence, which is projected to decrease significantly by the end of the century. However, higher temperatures may cause issues with road construction and heat damage (eg to bitumen).	Following completion of the LiDAR mapping project, surface flooding and secondary flow path modelling will be undertaken to better understand resilience investment requirements and implications for the District Plan.
Water supply	Demand for potable water is likely to increase as temperatures rise, together with a likely increase in urban development across the region. Climate change impact on hydrological	Given our assumptions associated with increased rainfall intensity and periods

ACTIVITY	IMPACT OF CLIMATE CHANGE	PROPOSED ACTIONS
	processes associated with increased temperature, current land practices and freshwater ecological demand are likely to increase competition for access to freshwater systems and current water supply capacities (quantity and quality).	of drought, it will be necessary to monitor water supply sources to ensure sufficient supply capacity remains over time.
Stormwater and wastewater	Stormwater and wastewater systems are particularly vulnerable to climate change as the discharge points of these systems are often at the lowest elevation of populated areas. As a result, small changes in rainfall extremes (intensity or duration), can overwhelm the current design capacity of these systems. In low-lying areas where groundwater is linked to the sea, sea-level rise will affect the performance of stormwater systems and wastewater systems where infiltration occurs. Droughts will also affect the performance and maintenance of wastewater systems, through reduction of the hydraulic loading with attendant increases in concentration of bio-chemical oxygen demands.	Council will consider rainfall forecasting to ensure pipe capacity is adequate for stormwater and wastewater activities.
Waste	<p>In urban areas, climate change could impact the handling of waste sludge with increased maximum temperatures combined with increase in green-waste volume (due to increase in favourable growing conditions).</p> <p>Further, the resultant increasing rainfall intensity has the potential to cause issues for closed landfills within close proximity to waterways and overland flowpaths.</p>	As discussed elsewhere in this strategy, Council is committed to investigation and monitoring in association with closed landfills, with a view to implement required remedial action or resource consents as necessary.

Council will also:

- participate in the development of a regional climate model so as to base future decisions on a model commonly used across the region
- require engineers to be aware of changing weather patterns and to make every effort to acquire the latest available rainfall data when calculating hydraulic capacities for relevant infrastructure design.

Resilience

Council customers have a high expectation of continuing functionality and service delivery. Resilience is based on a design philosophy which acknowledges that failure will occur. Resilience requires early detection and recovery, but not necessarily through re-establishing the failed system.

Recent high profile natural disasters have raised public awareness in this regard, but there is still a significant need to increase actual preparedness, both in general terms (eg household plans and emergency supplies) and for specific circumstances (eg tsunami preparedness in coastal

communities). However, resilience is not only applicable to natural hazards, but also needs consideration at an operational level where an asset failure is not necessarily a service failure.

Council has to consider managing and mitigating the risks to, and the resilience of, its infrastructure assets from natural disasters. Council acknowledges that resilience is not only about physical assets, it is about the people. It includes but is not limited to:

- connecting people and communities (neighbour to neighbour, education, access to household resilience items, etc)
- supporting community organisations
- the built environment and asset systems which are robust.

Council's forecasting assumptions have identified that the next severe earthquake on the Alpine Fault is likely to occur within the lifetime of most of us or our children. Council is assuming that no significant earthquakes, flooding, tsunami and other hazards outside of expected risk assessments will occur within the 10 years covered by the long term plan. Under almost every climate change scenario, storms and therefore flooding will become more frequent and intense and communities will feel the effects more regularly and intensively. It is assumed that these events can be managed within current budgets. Borrowing 'headroom' to fund Council's share of a rebuild in relation to a 'maximum probable loss' scenario is provided for within the financial strategy.

Council is a member of the Local Authority Protection Programme Disaster Fund (LAPP), a cash accumulation mutual pool. Civic Financial Services is the fund's administration manager. The LAPP Fund was established in 1993, to help its New Zealand local authority members pay their share of infrastructure replacement costs for water, sewage and other uninsurable essential services damaged by natural disaster.

The fund is designed to cover local authority owned infrastructural assets which are considered generally uninsurable. These include:

- water reticulation, treatment and storage
- sewage reticulation and treatment
- storm water drainage
- dams and canals
- flood protection schemes including stop banks
- floodgates, seawalls and harbour risks such as buoys, beacons and uninsurable foreshore lighthouses.

Roads and bridges are not covered by the fund as local authorities have access to Transfund subsidies. This fund is designed as catastrophe protection only, covering serious disruptive loss or damage caused by sudden events or situations which may or may not involve the declaration of a Civil Defence Emergency.

Perils include but are not necessarily limited to earthquake, storms, floods, cyclones, tornados, volcanic eruption, tsunami and other disasters of a catastrophic nature such as a major gas explosion.

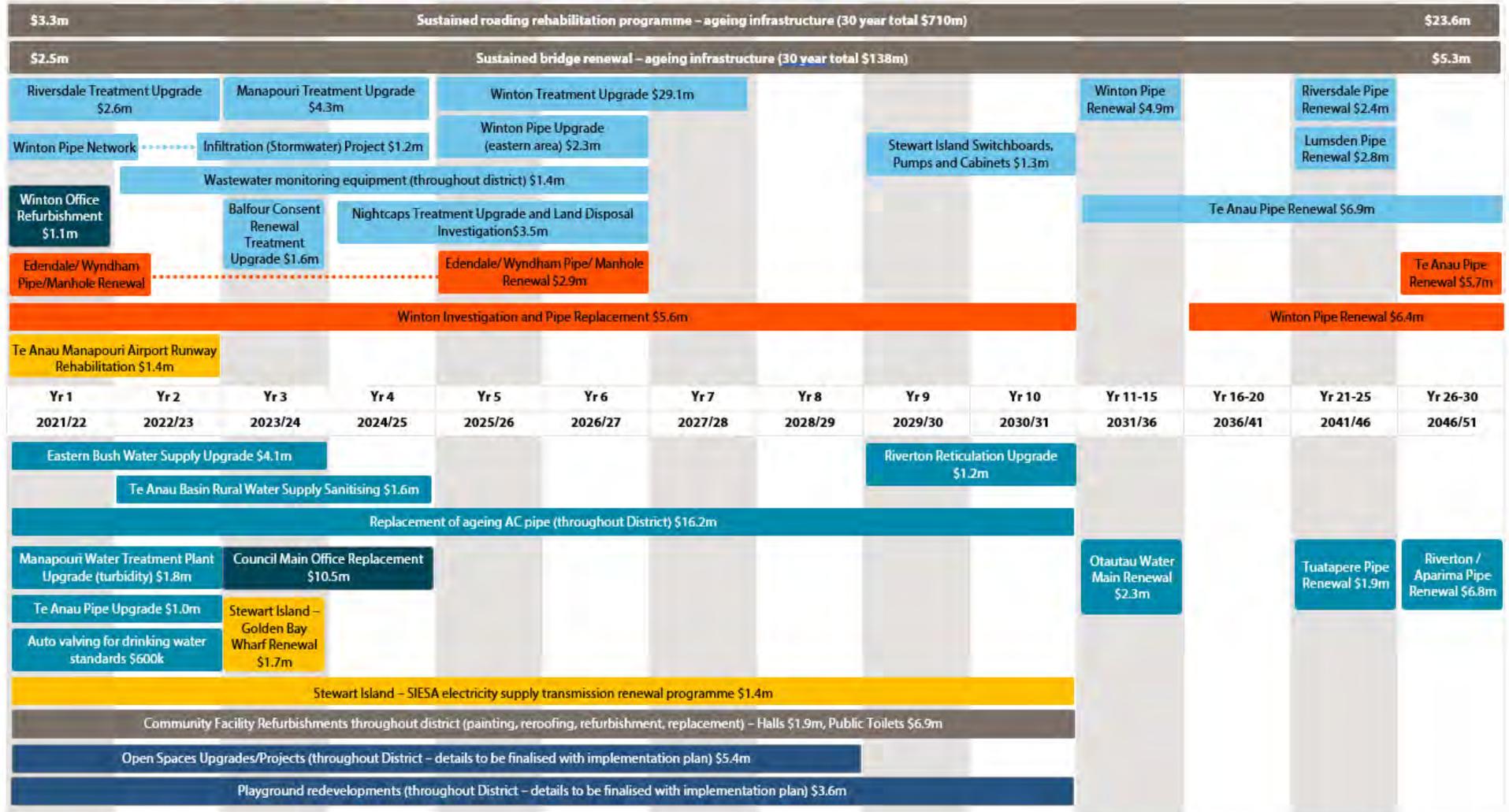
Significant decisions required

Taking a long term view to the management of infrastructural assets, Council needs to make key decisions in a timely manner. In addressing community desires and priorities the following key decisions have been identified.

Figure 12: Significant decisions required - 30 Year infrastructure strategy project map

30 Year Infrastructure Strategy Project Map

Activity Colour Key:



How we manage our infrastructure

Our approach to activity management

Asset Management Policy

In providing services to residents and visitors through the use of infrastructural assets, Council has an Asset Management Policy. The current policy's purpose is "to provide a desired level of service (as defined by the community of Southland district) through the management of assets in the most cost effective and sustainable manner for present and future customers. Asset and activity management planning provides direction for future management of assets and activities and a robust basis for long term financial forecasts."

Council's Asset Management Policy provides direction as to the appropriate focus and level of asset management practice expected within the district.

Each activity management plan will show the gap between the existing level of asset management planning and the desired level of asset management planning. The activity management plans will contain improvement projects that when achieved will close the gap towards the desired level.

Renewals

Renewals planning involves the culmination of a number of data sets including the assessment of asset age, condition, and criticality, coupled with a rationalisation against available budgets. Asset lives are generally determined using a combination of best practice design life information, from sources such as the International Infrastructure Management Manual (IIMM) and ISO 55000, and condition data gathered from asset assessment processes. The data informing renewals planning is more mature in association with our core infrastructure (roads and footpaths

and Three Waters), than it is in relation to community infrastructure. This is covered elsewhere in this strategy and in activity management plans.

Prior to undertaking renewals, an assessment of service level requirements and demand requirements is also considered.

Demand

Changes in demand in Southland have traditionally not been significant. However, there are cases of both demand increases and decreases in recent years. Some of the factors that have the potential to impact demand and subsequent capacity implications include: population numbers and demographic changes sourced from census data, tourism visitor numbers, and changes to industry make up ie business diversification or increases. Council works closely with Great South, our Regional Economic Development Agency, along with other providers in the space such as BERL, to ensure our data remains current. Further, there are monitoring mechanisms employed across our networks, such as traffic counters and flow meters tracking volumetric data that similarly record demand trajectories.

Levels of service (LoS)

Levels of service are established in conjunction with our communities through consultation processes either in isolation or as part of the long term plan process. Council LoS performances are measured and reported quarterly through the corporate performance framework. Each LoS has at least one (and more often than not, additional) key performance indicators (KPIs) that enable Council to measure and track performance against specified LoS.

A number of service levels and subsequent KPIs in relation to core infrastructure are mandatory. Council adhere in these instances to local government industry requirements. However, in association with our core infrastructure, Council also seek to establish additional

management levels of service to ensure useful metrics are available in determining whether community needs and expectations are being met in conjunction with commitments made.

Delivering capital programmes

The delivery of the capital works programme has been the subject of focus over recent years, particularly in light of the step-change in investment levels that Council is endeavouring to undertake. The programme has seen marked volume improvement in recent years, however further work is still required in order to ensure committed work is delivered.

Council have established and resourced an internal project management office (PMO) to build both delivery capacity and capability. In conjunction with the establishment of the PMO, Council have implemented CAMMS programme management software to track programme and project performance, provide appropriate reporting and manage project phasing. Contract management and procurement activities have been overhauled with a policy update and production of a procurement manual to better assist with efficiency in this space.

With regard to specialist areas, Council has been working closely with the market to ensure the capability is available and capacity is able to be developed through surety of works continuity. Our design and build bridge programme and three waters reticulation panel are good examples of this.

Lastly, concerted effort has been focused on ensuring existing delivery mechanisms are being used efficiently including existing operational contracts, in particular in relation to Council’s water and wastewater contract, and the roading alliance contracts.

Most likely scenarios

Principle options for managing issues

Section 101B(2) of the LGA states that the purpose of the infrastructure strategy is to:

- (a) identify significant infrastructure issues for the local authority over the period covered by the strategy; and
- (b) identify the principal options for managing those issues and the implications of those options.

In developing this 30-year strategy, Council identified the anticipated significant infrastructure issues over the next 30 years and considered each significant action and the benefits of the action. The significant infrastructure issues faced by Council with the benefits and costs are tabled below. The preferred option for each issue are shaded, and have been provided for in the budgeted financial modelling. The time period in each table indicates the dates when the works are proposed to occur. Adoption of this strategy through the long term plan is part of the decision-making process for these projects.

Each project includes an assessment of the project contribution to the four well-beings. The project contribution assessments consist of low, moderate and high.

Low	
Moderate	
High	

Roads and footpaths

The following graph highlights the proposed overall expenditure for the roads and footpaths activity:

Figure 13: Roads and footpaths total expenditure

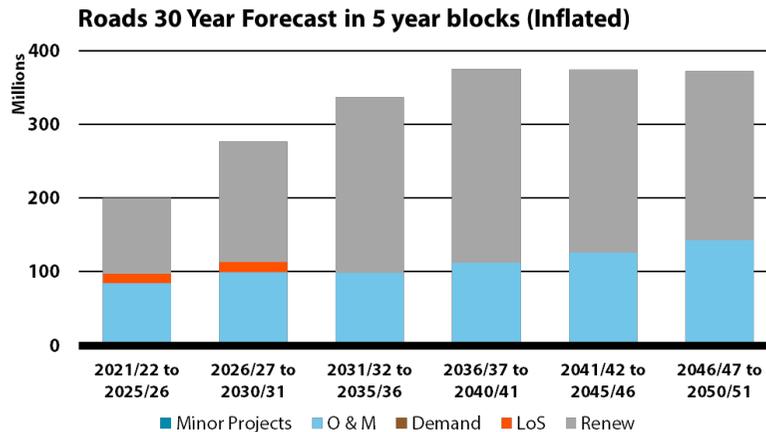
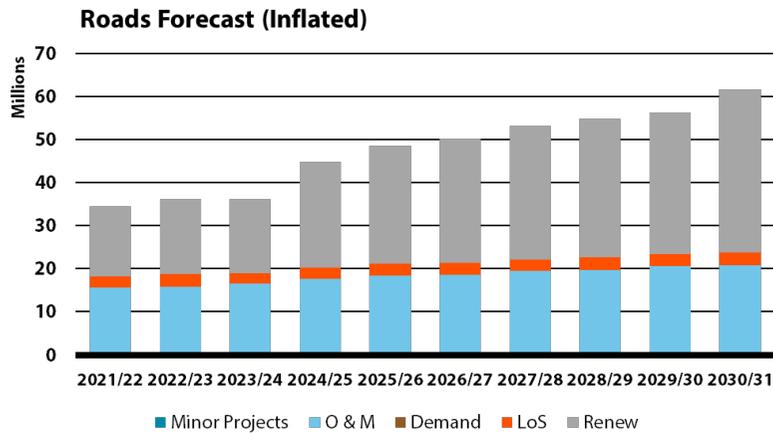
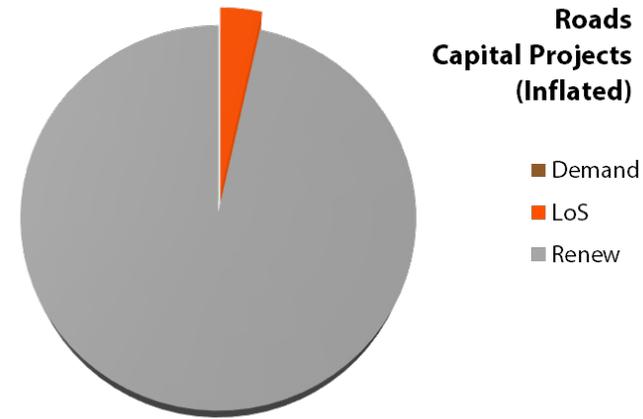


Figure 14: Drivers for roads and footpaths capital projects



Significant infrastructure issues are tabled below. The highlighted option is the preferred approach for addressing the identified issue.

BRIDGE NETWORK DEFICITS

There are over 161 bridges that require replacement over the next 10 years at an approximate cost of \$35M (2018 valuation). There is an increased risk to road users if the bridges are kept open but with reduced postings (weight restrictions). Unless appropriate funding is allocated to resolve this issue, a number of bridges will require closure resulting in a drop in level of service for road users.

Option 1 - status quo	If bridge renewal investments remain the same, the LoS will reduce and will increase the risk of bridge failure.
Option 2 – increased investment	Increase the annual bridge renewal investment of \$2.5M in 2021/2022 up to \$4.8M in 2030/2031 and bridge maintenance investment to \$0.5M. This option ensures that the existing level of service is able to be retained. This option assumes that will continue to receive a 52%

BRIDGE NETWORK DEFICITS		
	subsidy from Waka Kotahi NZ Transport Agency for our total roading programme.	
Time period	2021 onwards	
Cost	\$2.5M capex in 2021 to \$4.8M in 2030/31 \$0.5M - \$0.6M/annually opex from 2021	\$ 40.0M (inflated) over 10 years
<p align="center">Project Contribution to the Four Well Beings</p> <div style="display: flex; justify-content: space-around; align-items: flex-start;"> <div style="text-align: center;">  <p>Cultural The transport system ensures communities are connected and desirable</p> </div> <div style="text-align: center;">  <p>Economic Providing 24/7 access for businesses and consumers for the efficient movement of people and goods</p> </div> <div style="text-align: center;">  <p>Environmental Council endeavours to avoid, where practicable, adverse effects on the environment and mitigate others.</p> </div> <div style="text-align: center;">  <p>Social Progressive and proactive improvement of safety features of roads and footpaths</p> </div> </div>		

SEALED ROAD MANAGEMENT
Ageing pavements along with increasing numbers of seal layers will prove to be a challenge to maintain existing LoS. Much of Council's pavement is expected to reach the end of its useful life at roughly the same time due to being constructed between the mid-1950's and 1970's. Some pavement is going to require rehabilitation early due to the number of seal layers leading to seal layer instability (6+ layers). Seven seal layers pavements are expected to reach a 65-year life (30km/p/a ≈ \$12M p/a). \Six seal layers – 58-year life (≈ 30km/p/a ≈ \$14M p/a).

SEALED ROAD MANAGEMENT		
Option 1 - status quo	If sealed road management investments remain the same, the LoS will reduce and will increase the risk of failure. Some roads may have to revert to gravel if no additional investment is carried out.	
Option 2 – increased investment	Steadily increase the annual sealed road rehabilitation investment over the first 10 years of the strategy from \$3.3M in 2021/2022, to \$19.3M by 2030/2031 at which point this number is proposed to be smoothed to an extent for the remaining period of the strategy. The risk of not responding proactively to the known underinvestment is moderate (short term) to high (longer term) for the transport activity. This risk will continue to increase over the next LTP period unless there is a significant increase in investment now, or a lower LoS is agreed. This option assumes that will continue to receive a 52% subsidy from Waka Kotahi NZ Transport Agency for our total roading programme.	
Time period	2021 onwards	
Cost	Steady increases from \$3.3M in 2021/22 to \$18.9M/annum by 2031 \$3M to \$4M per annum opex	\$ 138M (inflated over LTP 2021-2031)

SEALED ROAD MANAGEMENT

Project Contribution to the Four Well Beings



Cultural
The transport system ensures communities are connected and desirable



Economic
Providing 24/7 access for businesses and consumers for the efficient movement of people and goods



Environmental
Council endeavours to avoid, where practicable, adverse effects on the environment and mitigate others.



Social
Progressive and proactive improvement of safety features of roads and footpaths

TE ANAU MANAPOURI AIRPORT – BALANCING STRATEGIC IMPORTANCE WITH AFFORDABILITY

The majority of airport operational expenditure is funded from rates that are levied at the community level rather than district level. This is supplemented with fees from airport operations. The airport currently complies with Part 139 of the NZ Civil Aviation rules. Removal of this certification would result in scheduled aircraft over 3500kg being unable to use this airport. Without change, the burden on local ratepayers may outweigh the strategic benefit to the local community. Furthermore, maintenance demands will place increasing pressure on operational budget unless pavement interventions are implemented on the airport runway.

Main options	Implication of options
Option 1 – status quo	The operational and capital works budgets remains largely unchanged. This option risks inadequate funding for maintaining the facility to a minimum standard and likely results in Part 139 certification non-compliance.
Option 2 – moderate increase to capex budgets	Further investment to maintain the existing LoS including the runway and retention of the Part 139 certification.

TE ANAU MANAPOURI AIRPORT – BALANCING STRATEGIC IMPORTANCE WITH AFFORDABILITY

Option 3 – further focus investigation

Invest in better understanding the following:

- the strategic benefits of the airport for the Te Anau basin and wider District
- ongoing asset management investment requirements for the facility
- maintenance of the Part 139 certification

This option is expected to result in a better informed decision-making environment as to the next steps associated with this facility.

Time period	2021-2023	
Cost	The proposed option involves approximately \$1.4M of capex investment over the next 3 years.	\$1.4M (inflated)

Project Contribution to the Four Well Beings



Cultural
The transport system ensures communities are connected and desirable



Economic
Providing 24/7 access for businesses and consumers for the efficient movement of people and goods



Environmental
Council endeavours to avoid, where practicable, adverse effects on the environment and mitigate others.



Social
Progressive and proactive improvement of safety features of roads and footpaths

Water supply

The following graph highlights the proposed overall expenditure for the water supply activity:

Figure 15: Water supply total expenditure

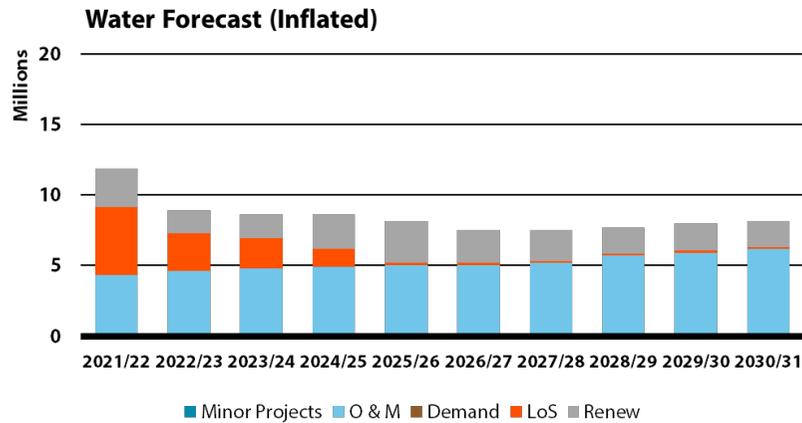
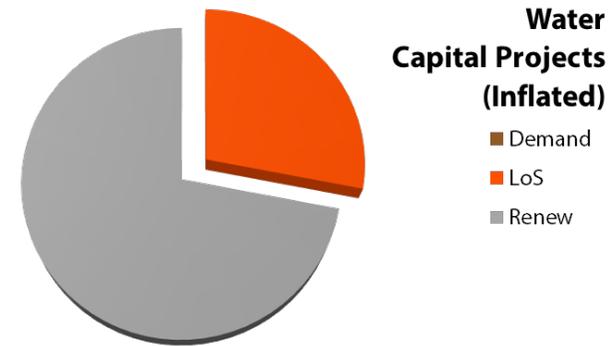


Figure 16: Drivers for water supply capital projects



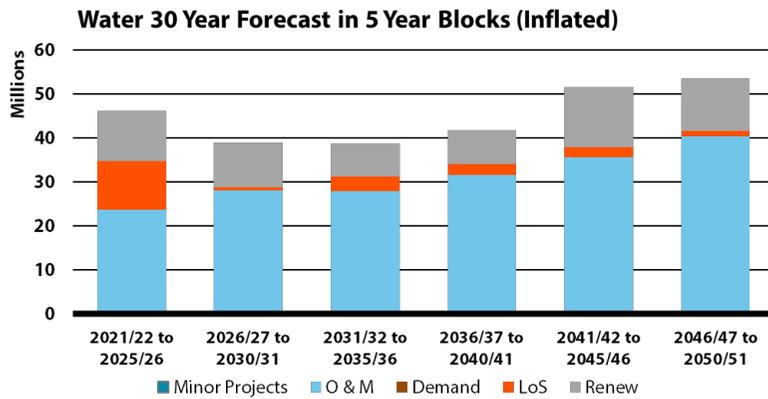
Factors driving an increase in operational expenditure include:

- new operations and maintenance contract will be in place mid 2022
- increased condition assessment programme
- increase in depreciation funding
- change to the way that corporate costs related to the three waters and waste services have been allocated compared to prior years.

Factors driving increases in capital expenditure include:

- improvement to rural water supplies
- improved protozoal compliance and resilience
- accelerated renewals programme
- increased resilience in relation to data capture.

Significant infrastructure issues are tabled below. The highlighted option is the preferred approach for addressing the identified issue.

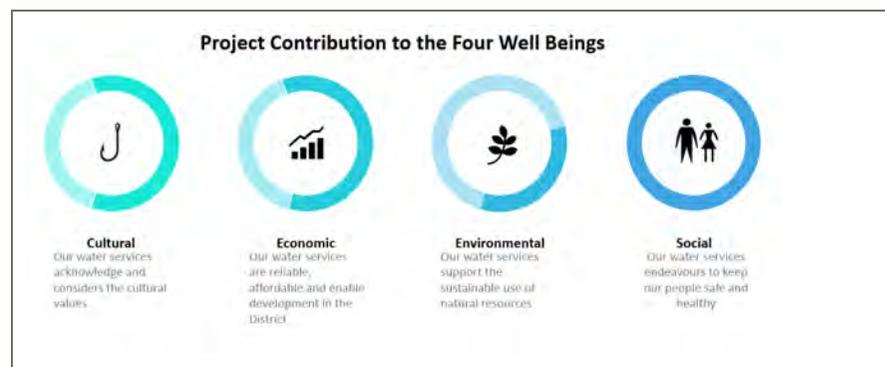


CHANGING DEMOGRAPHICS AND TOURISM IMPACTING DEMAND

It is assumed that changing demographics, population growth and increased tourism will increase the demand requirements for the water supply networks in some parts of the district. An example of this to date is the Te Anau water supply scheme.

The Te Anau water supply is operating at full capacity at peak times of the year. A reduced LoS is likely during high demand period if this issue is not addressed.

Main Options	Implication of options
Option 1 - status quo	In an effort to maintain existing agreed LoS the assets will be 'sweated' beyond end of life. This will result in increased supply interruptions and maintenance. If assets are not maintained there will be a significant reduction in LoS.
Option 2 – Optimum service delivery to match demand	Maintain existing supply and reticulation capacity noting this is anticipated to meet future demand. This will ensure continuity of existing service level commitments.
Option 3 – Increased investment	Extension of the treatment and reticulated network to rural parts of the district. This is an increase in existing service levels and will significantly increase both the capital and maintenance commitments for the activity.
Time period	2021 onwards
Cost	This will change proportionally, depending on where the project occurs and the detailed analysis to determine capacity requirements.



ENVIRONMENTAL STANDARDS, RESOURCE CONSENTS AND LAND USE

Changes to the regulatory and delivery environment for three waters activities brought about by the national three waters review currently underway is likely to result in significant additional costs to both operational and capital works.

These changes have the potential to affect the scope of supplies under Council mandate, the treatment and supply requirements, and increased complexity in terms of compliance.

Though the extent and timing associated with these changes is not yet clear, it is assumed that these changes will start to have an immediate impact to the way in which Council is required to manage these networks.

Main options	Implication of options
Option 1 - status quo	Manage response to changing regulatory environment within current investment levels. Involves significant risk of failure to meet LoS due to increased public health and environmental standards, as well as climate change stress on the system. There is concern that this approach would result in ongoing compliance issues with the national regulator ultimately jeopardising Council's mandate to provide these services.

Option 2 – increased investment	Increase resource and investment over 10 years to continue to deliver the agreed LoS while meeting new regulatory requirements. Additional resource and investment will determine adequacy of LoS provision. Affordability and availability of additional resource may continue to pose an issue for Council as markets seek to bolster their resources in this area.
Time period	2021 onwards
Cost	Significant impact, but extent is unknown at the time of writing this strategy

Project Contribution to the Four Well Beings



RETICULATION RENEWALS

A significant amount of water supply reticulation across the District is nearing the end of its useful life. In some areas, pipework has been subject to earlier than anticipated failures. Further, it is evident that there are reasonably significant water losses in some areas of the District.

Main options	Implication of options
Option 1 - status quo	Continue to work through the current renewal programme assuming design lives are able to be achieved. There is a risk that this approach will result in increased supply interruptions and maintenance costs. Knowing what we know regarding design vs actual lives and water loss

RETICULATION RENEWALS

	data from our networks, this option is effectively accepting a reduction in LoS over the long term.
Option 2 – Optimum service delivery to maintain LoS	Minor acceleration of remaining asbestos cement pipes renewal over the first 20 years of the strategy, ramping up initially from an estimated \$1M capex per year to an estimated \$3M in later years. As reticulation continues to fail at an accelerated rate, an increase in maintenance cost is also anticipated.

Option 3 – Accelerated renewal programme to reduce likelihood of failures	This option involves the inverse of option 2 whereby a more aggressive renewals programme is undertaken in the first 10 years with a reduction over the second 10-year period. This option would reduce the risk of failures and potentially reduce the reticulation maintenance cost over the entire 20-year period.
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Time period	2021 to 2041	
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Cost	\$1.4M/annum on average over a 20 year period	\$ 29M (inflated)
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Project Contribution to the Four Well Beings



Wastewater

The following graph highlights the proposed overall expenditure for the wastewater activity:

Figure 17: Wastewater total expenditure

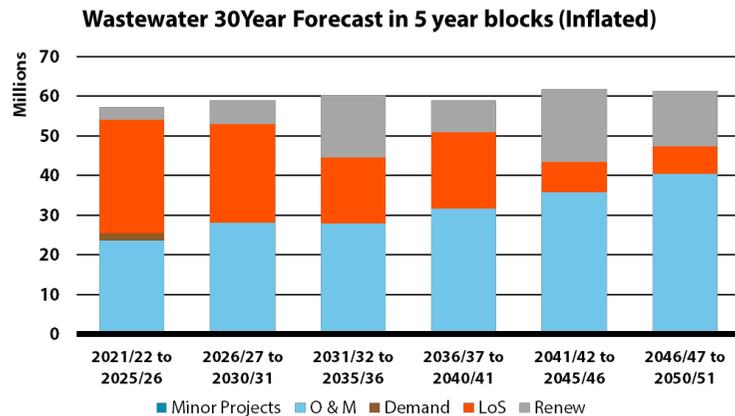
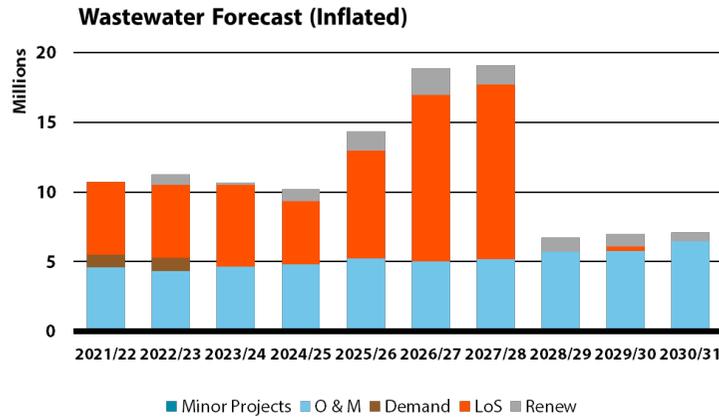
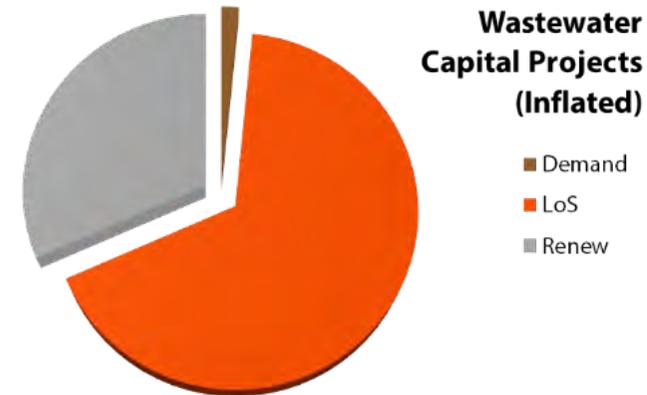


Figure 18: Drivers for wastewater capital projects



Factors driving an increase in operational expenditure include:

- a new operations and maintenance contract will be in place mid 2022
- increased condition assessment programme
- increase in depreciation funding
- change to the way that corporate costs related to the three waters and waste services have been allocated compared with prior years.

Factors driving increases in capital expenditure include:

- significant upgrades of wastewater treatment given regulatory changes
- accelerated renewals programme.

Significant infrastructure issues are tabled below. The highlighted option is the preferred approach for addressing the identified issue.

WASTEWATER ENVIRONMENTAL STANDARDS, RESOURCE CONSENTS AND LAND USE

There is increased focus from central government and local regulatory authorities on the sensible, sustainable management of water. It is assumed that there will be changes to both the regulatory and delivery mechanisms for three waters over the coming years. As an example, the proposed Land and Water Plan for Southland proposes that discharge of wastewater to water is no longer an acceptable practice. Most of Council's wastewater treatment plants discharge to water and will require new consents over the next 15 years. This will necessitate alternative treatment and discharge technologies at wastewater treatment plants.

Main options	Implication of options
Option 1 - status quo	Manage response within current investment levels. This will result in continued non-compliance of environmental standards.
Option 2 – increased investment	Increased budgets to meet anticipated investment in line with revised regulatory framework.
Time period	2021 onwards.
Cost	Significant impact, but full cost extent is unknown at the time of writing this strategy. Current approach is to increase budgets for upcoming treatment plant consents and renewals at end of consenting period through the 2021-2031 LTP.

WASTEWATER ENVIRONMENTAL STANDARDS, RESOURCE CONSENTS AND LAND USE

Project Contribution to the Four Well Beings



Stormwater

The following graph highlights the proposed overall expenditure for the stormwater activity:

Figure 19: Stormwater total expenditure

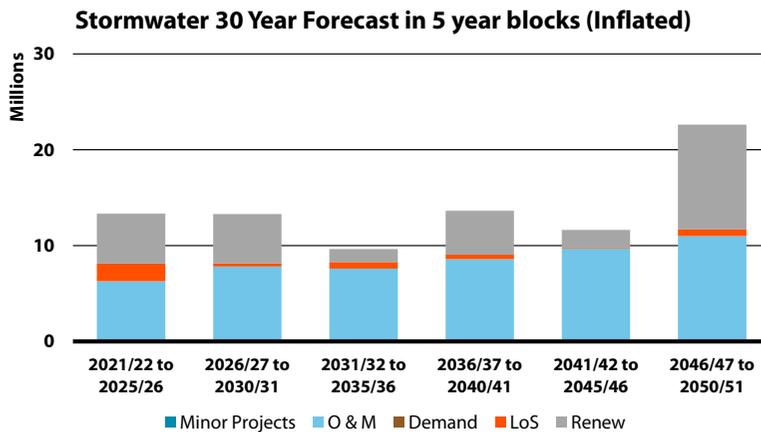
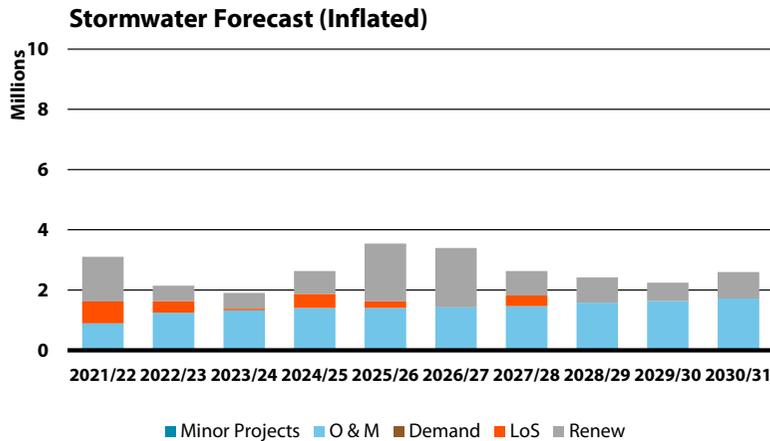
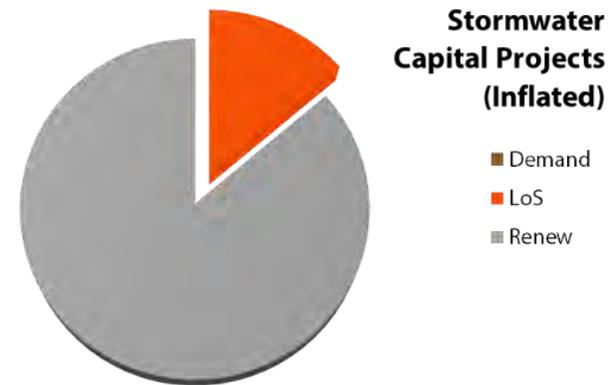


Figure 20: Drivers for stormwater capital projects



Factors driving an increase in operational expenditure include:

- new operations and maintenance arrangements increased budgets
- increased condition assessment programme
- increased costs for compliance and audits of consented sites
- change to the way that corporate costs related to the three waters and waste services have been allocated compared with prior years.

Factors driving increases in capital expenditure include:

- improvements to discharges not meeting consent compliance conditions
- overdue renewals programme.

STORMWATER REGULATORY FRAMEWORK

There is increased focus from central government on the sensible, sustainable management of water with a National Environment Standard (NES) associated with discharges from wastewater and stormwater networks currently being developed. Further to this, 17 towns across the district now have stormwater consents that involve the introduction of extensive sampling and monitoring requirements. Council will need to undertake further investigation to understand the impact on budgets moving forward. However, the assumption is that in order for councils to remain compliant with the tightening regulatory environment, it will be necessary to increase investment in this area.

Main options	Implication of options	
Option 1 - status quo	Manage response within current investment levels. This will result in continued non-compliance of environmental standards.	
Option 2 – staged increase in investment to address identified issues	Increasing condition survey and sampling programmes to determine remaining life of assets, capital investment requirements in future years and subsequent prioritisation. Non-compliances are still expected over the short-medium term.	
Option 3 – Aggressive increase in investment to address identified issues	Aggressive increase in condition survey and sampling programmes to determine remaining life of assets, capital investment requirements and subsequent prioritisation. Aggressive increase in capital investment to address identified / expected shortfalls. Minimal non-compliances expected moving forward.	
Time period	2025 -onwards	
Cost	\$0.6M-2.3M /annum	\$ 20.8M (inflated) capex

STORMWATER REGULATORY FRAMEWORK



STORMWATER / WASTEWATER RETICULATION RENEWALS

Reticulation across the district is ageing and in some instances is past useful life. In addition, we are seeing an increase in flooding events across the District and rainfall intensity increases.

Main options	Implication of options
Option 1 - status quo	Continue to work through current renewal programme. In an effort to maintain existing agreed LoS the assets will be ‘sweated’ beyond end of life. This will result in an increased supply interruptions and maintenance. If assets are not maintained there will be a significant reduction in LoS Manage response within current investment levels. This will result in continued non-compliance of environmental standards
Option 2 increased investment	Increased condition survey assessment of underground infrastructure to determine remaining life of assets and develop prioritised programmes of work. Increased capital investment on both the stormwater and wastewater networks and

STORMWATER / WASTEWATER RETICULATION RENEWALS		
	treatment systems to keep pace with end of life renewals.	
Time period	2021 to 2041	
Cost	\$0.6M-2.3M /annum capex \$0.4M - \$1M/annum opex	\$ 20.8M (inflated)
<p>Project Contribution to the Four Well Beings</p> <div style="display: flex; justify-content: space-around;"> <div style="text-align: center;">  <p>Cultural Our water services acknowledge and considers the cultural values</p> </div> <div style="text-align: center;">  <p>Economic Our water services are reliable, affordable and enable development in the District</p> </div> <div style="text-align: center;">  <p>Environmental Our water services support the sustainable use of natural resources</p> </div> <div style="text-align: center;">  <p>Social Our water services endeavours to keep our people safe and healthy</p> </div> </div>		

Waste services

The following graph highlights the proposed overall expenditure for the waste services activity.

Figure 21: Waste services total expenditure

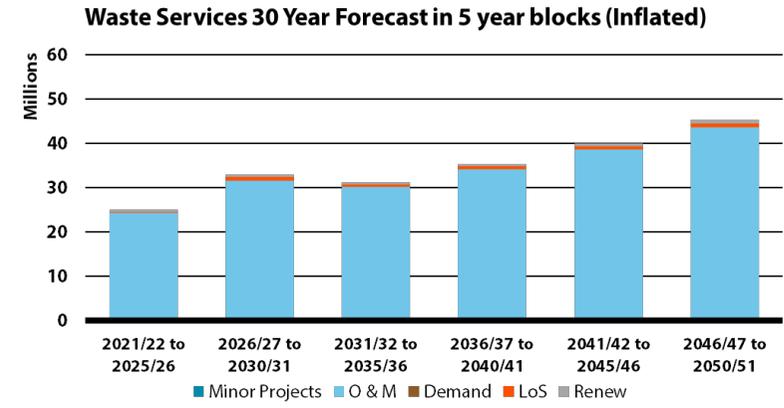
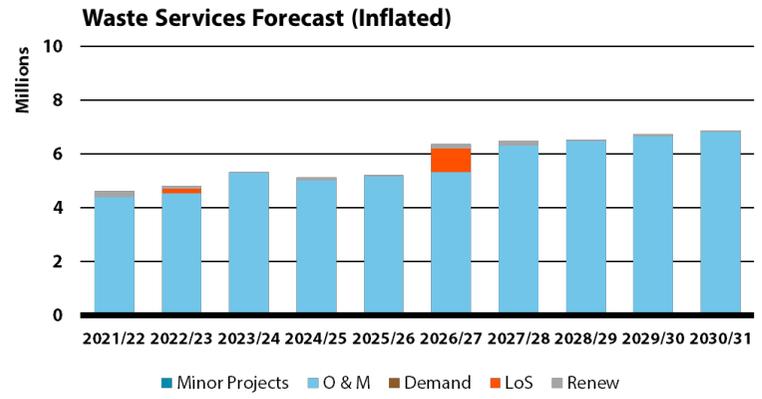
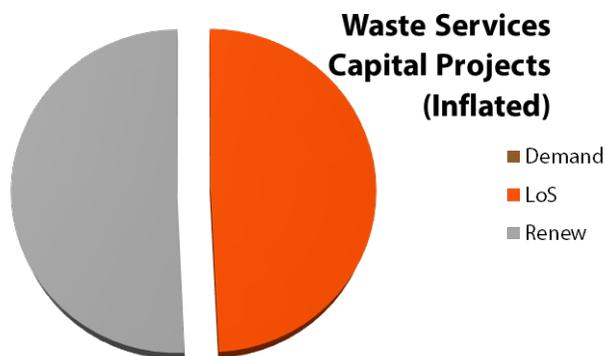


Figure 22: Drivers for waste services capital projects



Key factors impacting on operational expenditure over the period of the plan are listed as follows:

- inclusion of funding for management of closed landfill sites identified as vulnerable to erosion and washout
- new collection contract will likely result in an increase in contract price
- changes to services provided including provision of separate glass collection
- stepped increase in national waste levy for landfills from \$10 per tonne to \$60 per tonne
- increased external consultancy costs to manage resource consenting activities across closed landfills
- change to the way that corporate costs related to the three waters and waste services have been allocated compared to prior years.

Key factors impacting on capital expenditure over the period of the plan are listed as follows:

- requirement to purchase additional bins for separate glass collection

- incremental purchase of new bins for future rubbish and recycling collection
- improved LoS at community disposal sites.

Significant infrastructure issues are tabled below. The highlighted option is the preferred approach for addressing the identified issue.

CLOSED LANDFILLS	
Climate change is anticipated to progressively impact low lying coastal areas, affecting ecology and settlements. Further, increased intensity and frequency of significant rainfall events is expected. Given that there are a number of retired landfills within close proximity of waterways this introduces and elevates a risk associated with these landfills and their vulnerability to erosion and exposure. The Ministry for the Environment has commissioned a national survey to understand the scale of the issue across the country.	
Main options	Implication of options
Option 1 - status quo	Manage response within current investment levels. Participate in Ministry for the Environment work and wait for outcome and guidance.
Option 2 – Increased investment	Increase investment and consider options for dealing with landfills in flood-prone areas and subject to coastal erosion. This will require significant investment to deal with at risk landfill sites. This could involve a range of options including reinforcement through to removal of at risk material.
Time period	2023 onwards
Cost	\$0.5M in 23/24 for the investigation. Remedial costs if any are not known at time of writing this strategy.



VOLATILITY OF GLOBAL RECYCLING MARKETS

From 2016/2017 onwards there has been some significant changes to the global recycling markets that are now starting to impact on the services we deliver. Many countries are now refusing to accept lower grade plastics and fibre with these now potentially being sent to landfill. In addition, there are moves to remove glass from the recyclables stream and have a separate glass only collection service. It is assumed that Council will continue to provide this service.

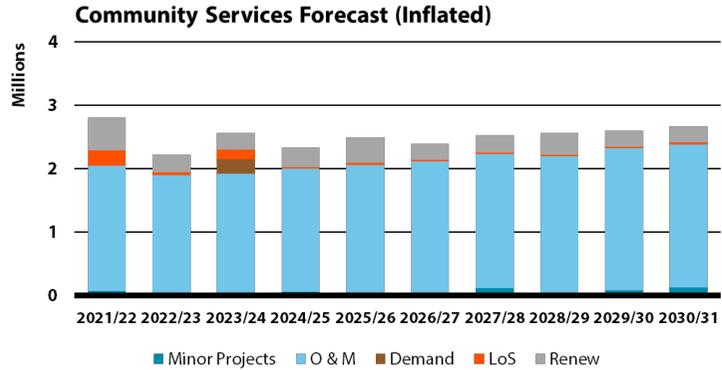
Main options	Implication of options
Option 1 - status quo	We are currently reviewing options to continue providing a recyclables service however it is recognised that long term landfilling of recyclable material is not an option and will not meet our obligations under the Waste Minimisation Act 2008.
Option 2 – Increased investment	Future provision of service is likely to incur costs both for the provision of a glass only collection service but also for a Council share in the development of a new material recovery facility (MRF) processing facility and associated infrastructure.
Time period	2021 onwards



Community services

The following graph highlights the proposed overall expenditure for the community services activity.

Figure 23: Community services total expenditure



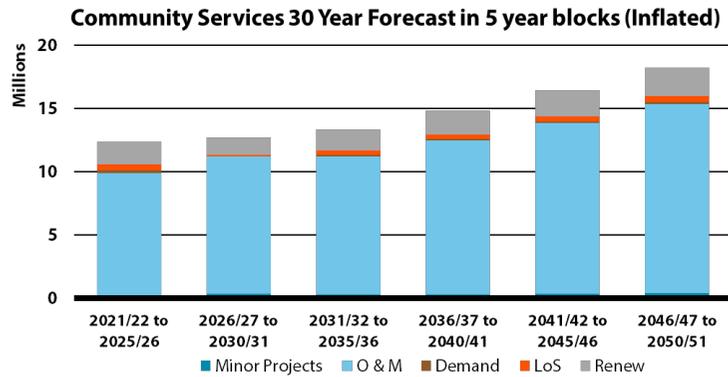
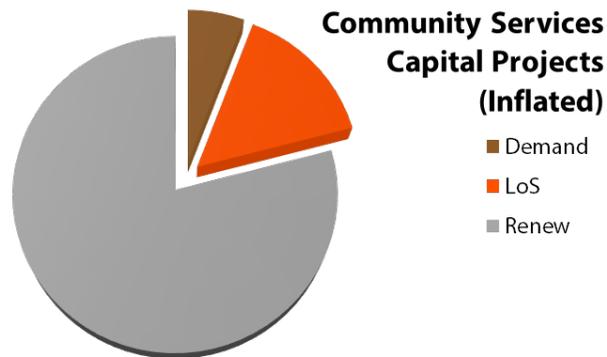


Figure 24: Drivers for community services capital projects



Significant infrastructure issues are tabled below. The highlighted option is the preferred approach for addressing the identified issue.

COMMUNITY HOUSING

Community housing units are suffering from a lack of investment in refurbishments. Further, this activity has morphed over time to incorporate elements of pensioner housing, social housing and community housing. With changing demographics and an aging population it is necessary to revisit community needs and subsequently the future for the community housing activity.

COMMUNITY HOUSING

Main options	Implication of options
Option 1 - status quo	Manage community housing at current investment levels. Existing units may not be able to meet increased demand. Reduced LoS are likely.
Option 2 – complete a business case	Complete a business case to determine the future commitment or otherwise to community housing including the financial implications of retaining this activity and investing in a programme of renewals and refurbishments.
Time period	2021 onwards
Cost	Investment requirements for this activity are to be determined through the development of the business case. \$50k has been allowed in 2021 to complete the business case.

Project Contribution to the Four Well Beings



Community facilities and open spaces

These activities enable communities to be more socially connected and active, and makes Southland a desirable place to live. These activities encourage social connectivity.

The following graph highlights the proposed overall expenditure for the community facilities activity.

Figure 25: Community facilities total expenditure

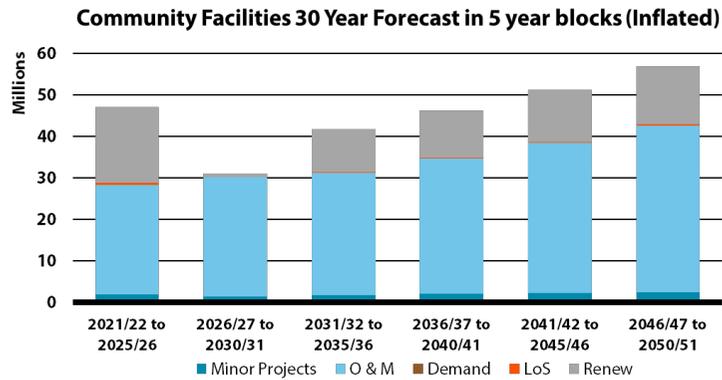
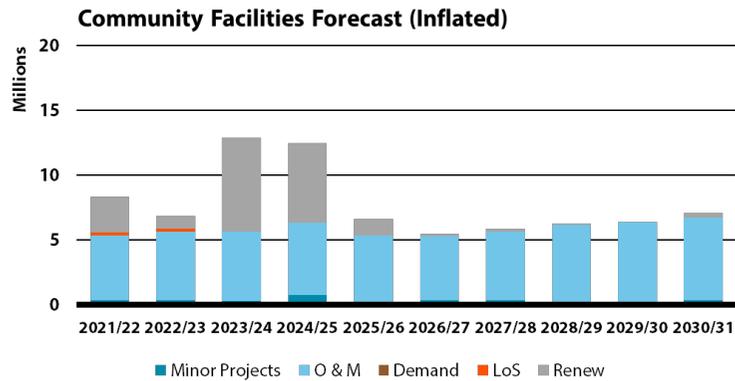
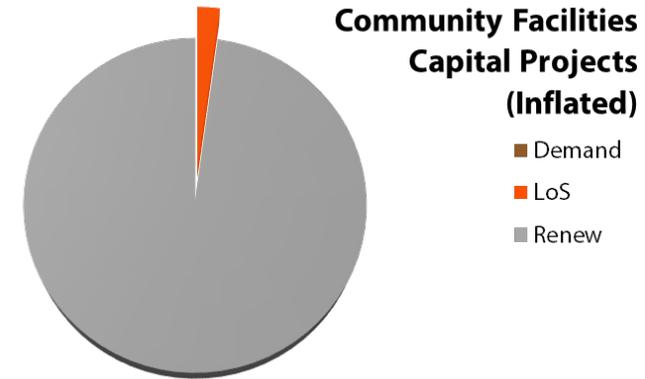
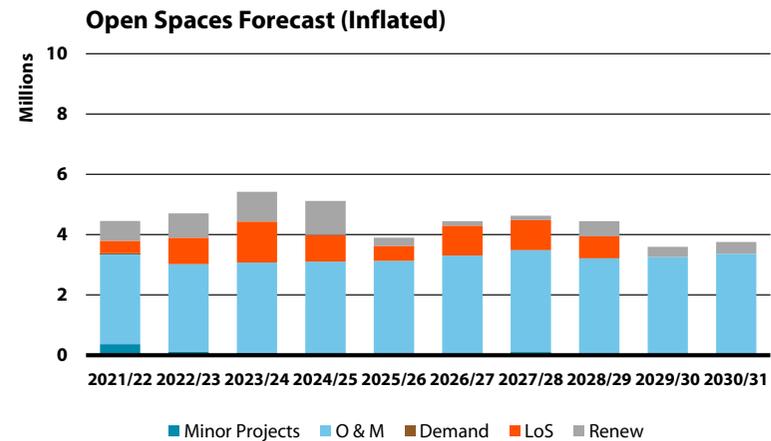


Figure 26: Drivers for community facilities capital projects



The following graph highlights the proposed overall expenditure for the open spaces activity.

Figure 27: Open spaces total expenditure



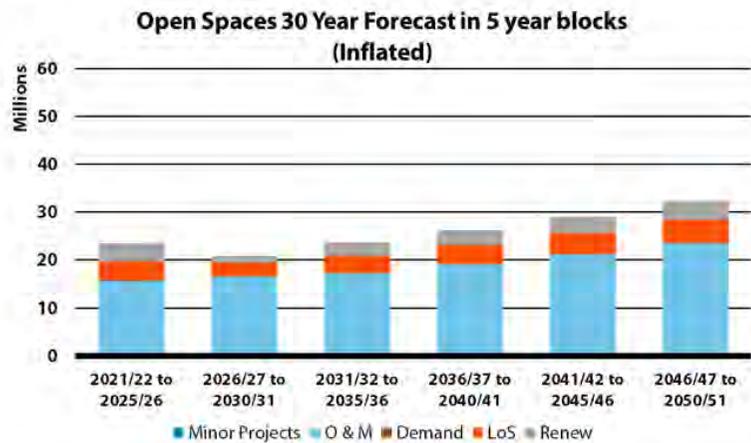
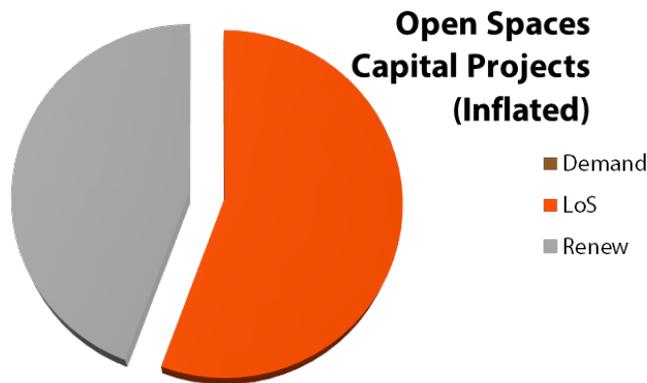


Figure 28: Drivers for open spaces capital projects



Significant infrastructure issues are tabled below. The highlighted option is the preferred approach for addressing the identified issue.

ASSET UTILISATION AND ACTIVITY LEVELS OF SERVICE

There are a significant number of community facilities and open spaces assets throughout the district. Some of these assets are not

ASSET UTILISATION AND ACTIVITY LEVELS OF SERVICE

being well utilised and it is evident that there are inconsistent LoS. With the passage of time, the needs of communities have changed and the way in which communities interact with services and assets has also changed.

Disestablishing, or changing a community asset or level of service is not something to be done lightly.

Main options	Implication of options
Option 1 - status quo	Manage response with current investment levels. Changing demographics dictate that the way in which communities interact with services and assets. The implications of this option is that Council would not be taking the time to understand these changes trends and needs.
Option 2 – investigate	Investigate whether the facilities are fit for purpose, appropriately distributed and sustainable. This investigation would support any potential rationalisation process. Council will continue to maintain facilities to current standards during investigation
Time period	2021-25 investigate 2023-28 consult 2025–50 construct
Cost	This investment profile will be determined through the investigation and subsequent consultation process and is as yet unknown. ~\$5M has been set aside in years 2021-2028 of the Long Term Plan 2021-2031 to assist with this process.

ASSET UTILISATION AND ACTIVITY LEVELS OF SERVICE

Project Contribution to the Four Well Beings



Cultural
Provide facilities to connect, socialise, learn skills and participate in cultural events.



Economic
Facilities are fit for purpose, affordable and contribute to development in the district.



Environmental
Support the sustainable use of natural resources.



Social
Provide facilities to participate in social, recreational, educational, health programmes.

PROPERTY PORTFOLIO SEISMIC CAPACITY

Council owns and manages a significant portfolio of buildings, many of which are aging and nearing end of useful life without significant investment. In 2017, the way in which buildings are assessed for seismic performance was changed. Council's portfolio of building assets are located in areas considered either medium or low risk for seismic activity. As such, the subsequent Detailed Structural Assessment (DSA) need to be undertaken within the next 10 to 15 years respectively.

A recent DSA was completed on the Invercargill office facilities. This assessment identified significant deficiencies in the older part of the facility prompting Council to vacate these premises. There is concern that similar issues may become evident elsewhere within the portfolio.

Main options	Implication of options
Option 1 - status quo	Manage Council building portfolio at current investment levels. Existing public facilities may not be able to meet current recommended standards for seismic capacity ratings. Reduced LoS and closures are likely.
Option 2 – Dispose and lease	This option involves the transfer of maintenance and renewals costs to operational costs associated with leasing. A limiting factor in relation to this option is the availability of suitable building stock.

PROPERTY PORTFOLIO SEISMIC CAPACITY

Option 3 – increased investment	This option would see an increase in prioritised DSA assessments undertaken across the portfolio of Council buildings. Subsequent investment would likely be required.
Time period	2021 onwards
Cost	The cost of this exercise is not yet known. However, it is anticipated to be developed and communicated through the 2024 LTP.

Project Contribution to the Four Well Beings



Cultural
Provide facilities to connect, socialise, learn skills and participate in cultural events.



Economic
Facilities are fit for purpose, affordable and contribute to development in the district.



Environmental
Support the sustainable use of natural resources.

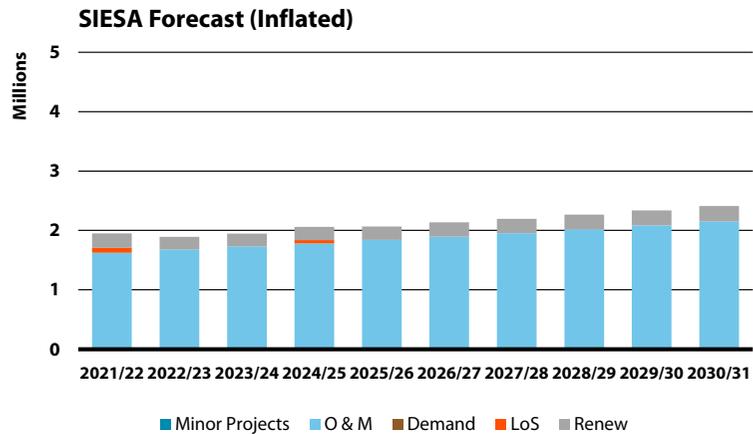


Social
Provide facilities to participate in social, recreational, educational, health programmes.

SIESA

The following graph highlights the proposed overall expenditure for SIESA.

Figure 29: SIESA total expenditure



SIESA 30 Year Forecast in 5 year blocks (Inflated)

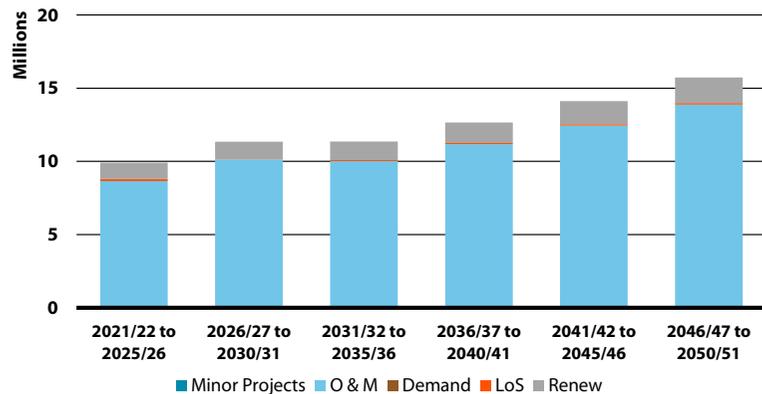
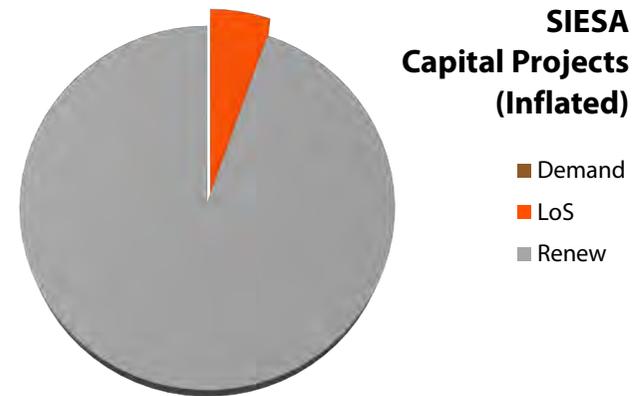


Figure 30: Drivers for SIESA capital projects



Significant infrastructure issues are tabled below. The highlighted option is the preferred approach for addressing the identified issue.

FUNDING CONSTRAINTS

In general, the age of SIESA infrastructure assets are approaching the end of their useful life. The depreciation funding on assets is insufficient to keep pace with the renewals programme. Further there is a funding deficit of operational costs due to a significant increase when the contract was recently re-established.

Main options	Implication of options
Option 1 - Status quo	Manage response to asset useful lives within current investment levels. Rely on high level assumptions around age for renewals planning. Increased reliance on reactive maintenance or unbudgeted expenditure to deal with assets that fail before their estimated life. Renewals are deferred where possible. Asset depreciation is significantly underfunded. Reserves are depleted.

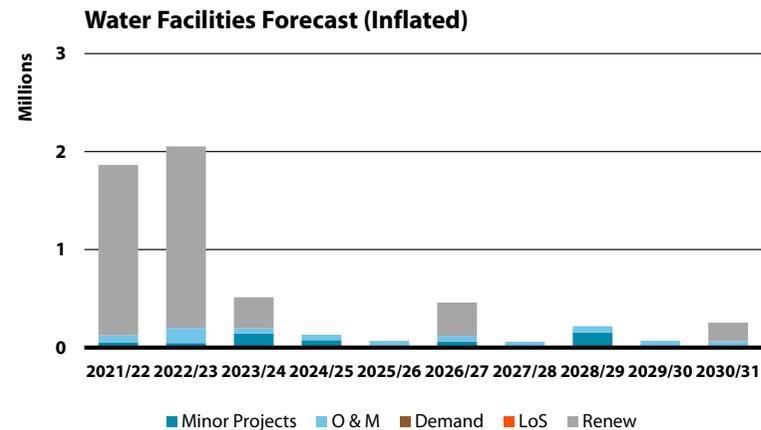
FUNDING CONSTRAINTS				
Option 2 – Investment	Deliver an economically sound renewal program that optimally balances investment with operational expenditure including maintenance. Depreciation of transmission and conventional generation is appropriately funded. A targeted rate is proposed to increase revenue and assist with maintenance, operations and capital investment requirements.			
Option 3 – Thriving	The renewal programme contemplates alternative generation such as wind generation at the end of its useful life, as well as the existing network and conventional generation. The depreciation of alternative generation is fully funded. This may result in an unacceptable funding burden on consumers or ratepayers.			
Time period	2021 onwards			
Cost	<table border="1"> <tr> <td>\$0.2M - \$0.3M/annum Capex</td> <td rowspan="2">\$16.5M (inflated total for 2021 LTP period)</td> </tr> <tr> <td>\$1.2M - \$1.6M /annum Opex</td> </tr> </table>	\$0.2M - \$0.3M/annum Capex	\$16.5M (inflated total for 2021 LTP period)	\$1.2M - \$1.6M /annum Opex
\$0.2M - \$0.3M/annum Capex	\$16.5M (inflated total for 2021 LTP period)			
\$1.2M - \$1.6M /annum Opex				
<p>Project Contribution to the Four Well Beings</p> <div style="display: flex; justify-content: space-around;"> <div style="text-align: center;">  <p>Cultural Our electrical services acknowledge and considers the cultural values</p> </div> <div style="text-align: center;">  <p>Economic Our electrical services are reliable, affordable and enable development in the District</p> </div> <div style="text-align: center;">  <p>Environmental Our electrical services support the sustainable use of natural resources</p> </div> <div style="text-align: center;">  <p>Social Our electrical services endeavours to keep our people safe and healthy</p> </div> </div>				

Water facilities

Water structure infrastructure like boat ramps, jetties, wharves and navigation aids enable recreational and commercial access to waterways as well as to access to services that are only available by water. This activity also supports the environment by having stop banks and marine walls which protect the environment from flooding as well as safety by having aids which improve navigation.

The following graph highlights the proposed overall expenditure for water facilities.

Figure 31: Water facilities total expenditure



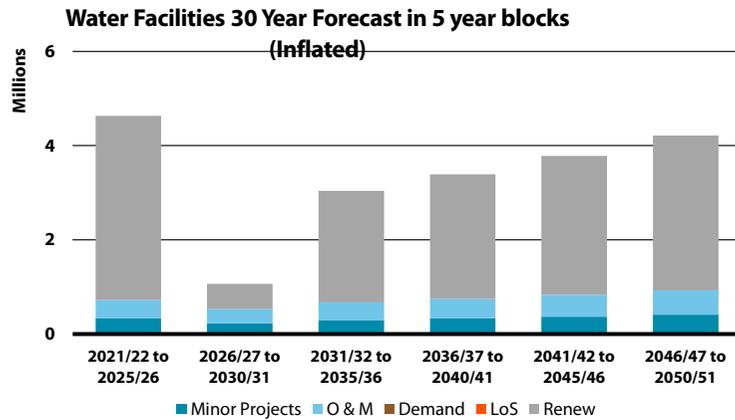
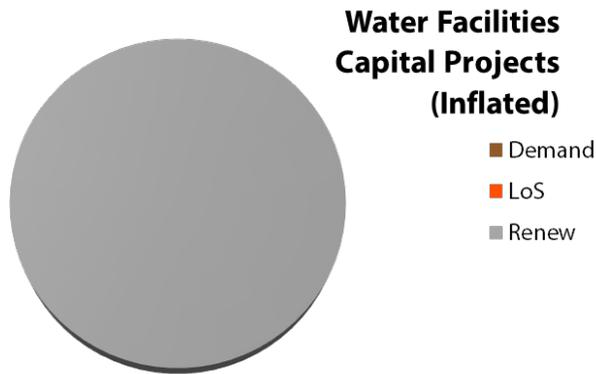


Figure 32: Drivers for water facilities capital projects)



Significant infrastructure issues are tabled below. The highlighted option is the preferred approach for addressing the identified issue.

WATER STRUCTURES FUNDING
There are a number of water structures across the district that are nearing the end of their expected lives and no longer sustainable.

WATER STRUCTURES FUNDING	
With increasing pressure from visitors and insufficient funding sources, the condition of these assets risk further deterioration without appropriate investment.	
Main options	Implication of options
Option 1 - status quo	Manage response with current investment levels. The growing population will impact the boat ramps in Riverton. Existing jetties on Stewart Island may not be able to meet increased demand. There is a risk that Council won't meet the identified level of service if current practices are maintained. Potential rationalization discussion to continue with the local community board as renewals fall due. A district rate contribution mechanism has been provided for through the Revenue and Financing Policy with the amount to be determined by Council once final costs are known.
Option 2 – rationalise	Rationalise the assets. A negative impact on the local community's recreation and tourism industries is anticipated with this option, but this would be mitigated by an increase in affordability of rates
Option 3 – divest	Divest all assets in the activity. A negative impact on the local community's recreation and tourism industries is anticipated with this option, but this would be mitigated by an increase in affordability of rates
Option 4 – increase rates	Increase the funding and resources to meet the level of service using local rates
Time period	2021- 2031

WATER STRUCTURES FUNDING		
Cost	\$3.4M capex (2021 LTP period) \$0.1M/annum opex average	\$ 4.4M (inflated)
<p align="center">Project Contribution to the Four Well Beings</p> <div style="display: flex; justify-content: space-around; align-items: flex-start;"> <div style="text-align: center;">  <p>Cultural Our water facilities acknowledge and considers the cultural values</p> </div> <div style="text-align: center;">  <p>Economic Our water facilities are reliable, affordable and enable development in the District</p> </div> <div style="text-align: center;">  <p>Environmental Our water facilities support the sustainable use of natural resources</p> </div> <div style="text-align: center;">  <p>Social Our water facilities endeavours to keep our people safe and healthy</p> </div> </div>		

ACROSS ALL ACTIVITIES: ASSET MANAGEMENT MATURITY	
<p>There are a number of areas requiring improvement in relation to Council’s asset management approach. These improvements are required in order to ensure LoS commitments are able to be maintained across the various activity and asset portfolios.</p>	
Main options	Implication of options
Option 1 - status quo	Option one involves a continuation of current asset management system deficiencies that have the potential to further hamper informed decision-making and robust investment prioritisation. Increased infrastructure deficits

ACROSS ALL ACTIVITIES: ASSET MANAGEMENT MATURITY		
	and standard service levels would be expected.	
Option 2 – Increased focus	<p>This approach requires a more proactive focus on Council’s asset management function. A review of the Asset Management Policy, the development of a Strategic Asset Management Plan and a resourced prioritised Asset Management Improvement Roadmap is critical. Asset data and system development relating to criticality, condition, utilisation and established meta-data standards would also be considered a priority.</p> <p>It is anticipated that this approach would result in a more efficient, better informed suite of services and activities that ultimately produce more resilient and fit for purpose service levels.</p>	
Time period	2021-2024	
Cost	~\$257k	\$257k (inflated)
<p align="center">Project Contribution to the Four Well Beings</p> <div style="display: flex; justify-content: space-around; align-items: flex-start;"> <div style="text-align: center;">  <p>Cultural Our water facilities acknowledge and considers the cultural values</p> </div> <div style="text-align: center;">  <p>Economic Our water facilities are reliable, affordable and enable development in the District</p> </div> <div style="text-align: center;">  <p>Environmental Our water facilities support the sustainable use of natural resources</p> </div> <div style="text-align: center;">  <p>Social Our water facilities endeavours to keep our people safe and healthy</p> </div> </div>		

Summary of significant infrastructure issues

ACTIVITY	ISSUE #	DESCRIPTION	CAPEX INFLATED	OPEX INFLATED	YEAR
Roads and footpaths	1	Ageing bridges	\$2.5M- \$4.8M/annum	\$0.5M - \$0.6M/annum	2021 onwards
	2	Sealed road management	\$3.3M - \$19.3M/annum	\$3M - \$4M/annum	2021 onwards
	3	Airport	Significant impact, but extent is unknown at the time of writing this strategy		
Water	1	Demographics and tourism	This will change proportionally, depending on where the project occurs and the detailed analysis to determine capacity requirements.		
	2	Environmental standards, resource consents and land use	Significant impact, but extent is unknown at the time of writing this strategy		
	3	Reticulation renewals	\$1.4M/annum on average		2021 onwards
Stormwater and wastewater	1	Stormwater environmental standards, resource consents and land use	\$0.6 - \$2.3M/annum	\$0.4M- \$1M/annum	2021 onwards
	2	Reticulation renewals	\$0.6 - \$2.3M/annum	\$0.4M-\$1M/annum	2021 onwards
	3	Wastewater environmental standards, resource consents and land use	Significant impact, but full cost extent is unknown at the time of writing this strategy. Current approach is to increase budgets for upcoming treatment plant consents and renewals at end of consenting period through the 2021-2031 LTP.		
Solid waste	1	Retired landfills		\$0.5M	2023/24 year
	2	Volatility of global recycling markets	This has the potential to have a significant impact, but extent is unknown at the time of writing this strategy		
Community facilities and open spaces	1	Utilisation and level of service	This investment profile will be determined through the investigation and subsequent consultation process and is as yet unknown. ~\$5M has been set aside in years 2021-2028 of the 2021 LTP to assist with this process.		
	2	Seismic capacity	The cost of this exercise is not yet known. However, it is anticipated to be developed and communicated through the 2024 LTP.		

ACTIVITY	ISSUE #	DESCRIPTION	CAPEX INFLATED	OPEX INFLATED	YEAR
Community services	1	Community housing		\$0.05M	2021
SIESA	1	Funding levels	\$0.2M - \$0.3M/annum	\$1.2M - \$1.6M/annum	2021 onwards
Water facilities	1	Water structures funding	\$3.4M	\$0.1M/annum average	2021-31
Asset management	1	Asset management maturity improvement		\$0.26M	2021-2024

Financial estimates

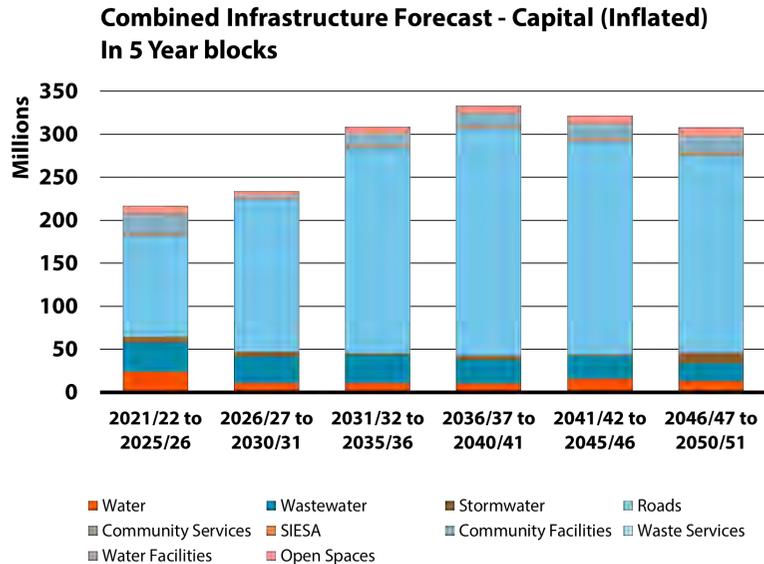
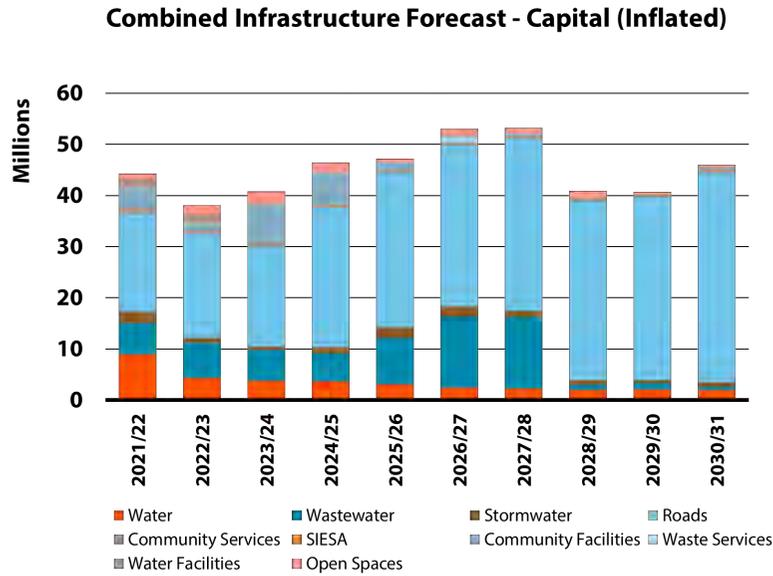
Council has developed a Financial Strategy in conjunction with the development of its Long Term Plan 2021-2031. The purpose of the Financial Strategy is to identify and model the financial effects of the LTP and IS on Council and the district.

As is indicated in this infrastructure strategy, Council has a significant programme of projected capital and operating expenditure. Council uses a number of different funding sources and mechanisms for different types of expenditure. Some examples of these funding tools include; rates (general and targeted), user fees and charges, grants, reserves, debt, financial and development contributions. The step change in

investment required to fund the roading activity will be funded by rates. Any changes to LoS for three waters activities requiring increased funding will be due to changes to regulatory requirements. This will be funded by external debt, through the transition of internal debt to external debt.

The projected capital expenditure associated with the infrastructure covered in this strategy is represented graphically below:

Figure 33: Projected capital expenditure- infrastructure assets



The projected operational and maintenance expenditure associated with the infrastructure covered in this strategy is represented graphically below

Figure 34: Projected operational and maintenance expenditure –infrastructure assets

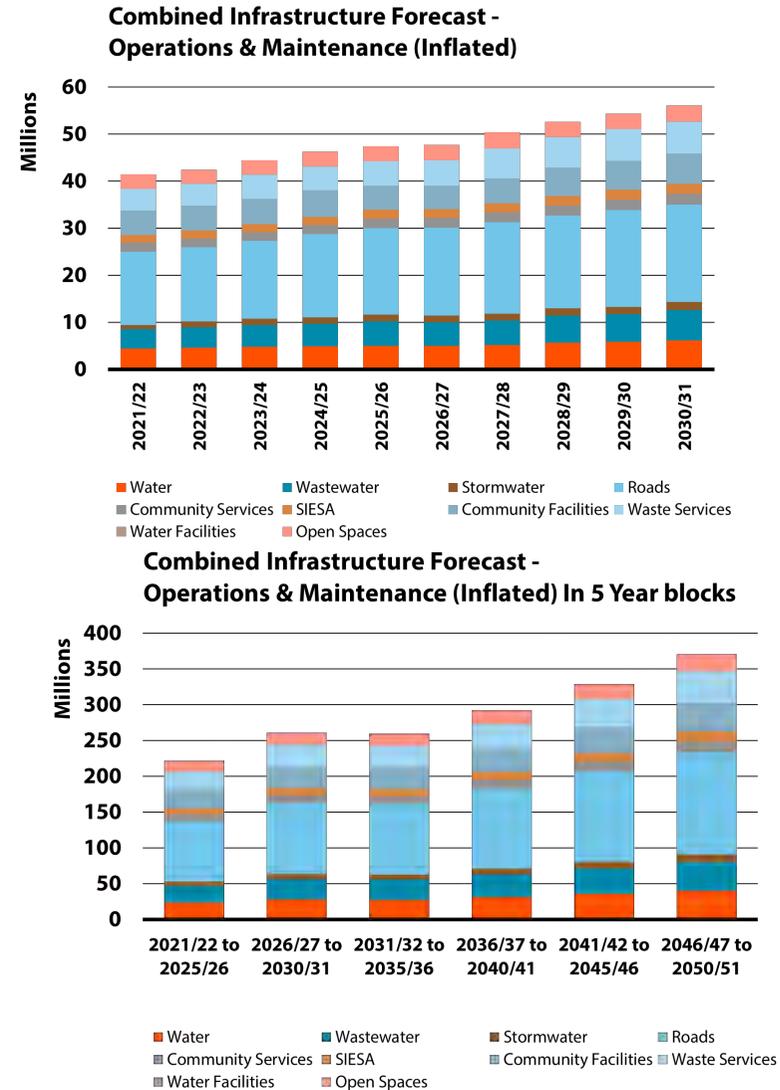
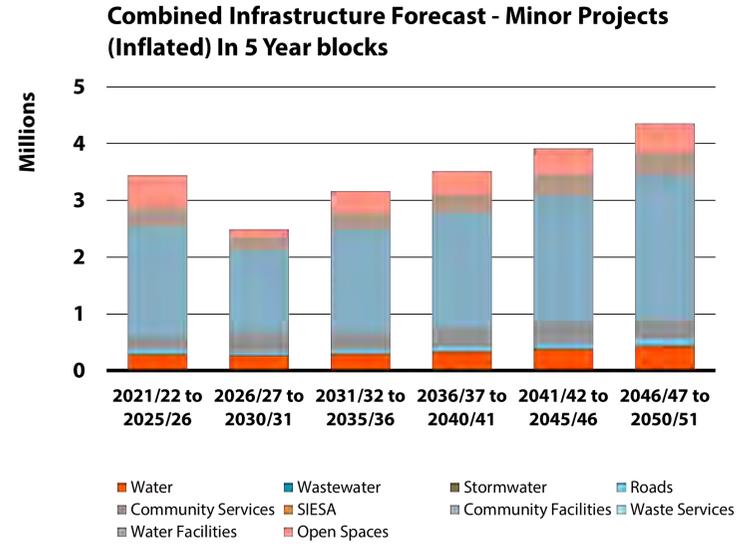
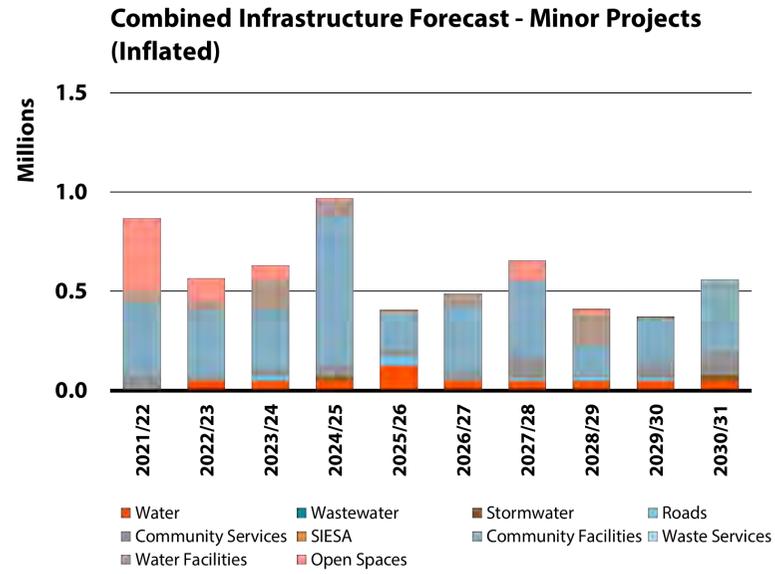


Figure 35: minor projects –infrastructure assets



Financial Strategy

What is a financial strategy?

Our Financial Strategy supports Council’s strategic direction and shows how we intend to manage our finances prudently and whether we will have the financial capacity (income) to meet our financial needs (expenses) now and in the future. It outlines our approach to financial management over the next 10 years and the impact on rates, debt, levels of service and investments and sets limits on rates and debt that we will use when considering future proposals for funding and expenditure.

The financial landscape

Council’s 2018 Financial Strategy was one of transition. We were in a relatively good financial position. Our population was projected to increase slightly (and age) but with spare capacity in our networks, we were not expecting to have to build a lot of new infrastructure. The majority of our business was planned to continue as usual and we were continuing to phase in rate funding depreciation on our key infrastructure assets. The inquiry into the Havelock North gastro outbreak resulted in tighter controls around water supplies and a review of how supplies should be managed in the future. We’d started to look at the risks to our infrastructure from climate change and sea level rise/extreme weather. We knew that we needed to invest more in infrastructure to meet increasing regulatory requirements and maintain service levels however we were conscious of the impact that increasing rates could have in some areas. Our initial look at rates affordability indicated that our rates for residences in two towns were above 5% of household income. We signalled that more work needed to be done to quantify these issues and map a pathway forward.

Snapshot 2018 – 2028:

- \$54 million average rates (68% of revenue)
- 3.2% rate increase in Y1
3.0% average rate increase
- Net debt Y1-10: \$38 - \$73 million*
Peak debt: \$75 million
- 40% rate funding depreciation in 2018/2019
- Reserves Y1-10: \$37 - \$38 million
- Opex: \$79 million average
- Capex: \$26 million average

* 2018 LTP net debt figures have been restated to include external and internal debt

Targets at a glance

Net Debt Limit- 175% of revenue

Rates increase limit - Limited to 8% annually over the period

Balanced budget (everyday costs can be funded from everyday revenue)

Rates as % median household income below 5%

Focus on providing a level of funding to maintain service levels that the community can reasonably afford and without placing a financial burden on future generations

Ability to maintain services within strategy limits

Overall we will continue to fund and deliver the full range of services currently being offered, maintaining levels of service over the 10 year period.

In some areas there will be increased levels of service, particularly with planned investments to meet higher regulatory standards being required for things like wastewater discharges.

We have signalled in our Infrastructure Strategy that decisions about whether to increase expenditure or amend levels of service for community infrastructure (such as halls and open spaces) will be required during the period and we intend to engage with communities on this over the next three years.

Where we are at now and where are we heading to?

This Financial Strategy builds on the direction of the 2018 strategy and starts to fill in some of the blanks. We now have a better understanding of the potential changes coming from the government's three water reforms and we have incorporated higher environmental and regulatory requirements into our plan. Additionally, our own environmental monitoring role is changing and we are having to increase our capacity to fulfil requirements. We are still predicting a gradual population increase that is ageing with very little change in land use.

Some other things have changed. Our work on understanding the impacts of climate change is also progressing with a regional mapping project underway to provide better information to assist with our infrastructure planning and design.

So far Southland has been relatively cushioned from the economic impacts of Covid-19 with its primary production base. However, tourism centres like Te Anau are starting to feel the pinch with borders closed and visitor numbers to the region down. The pandemic has created a lot of uncertainty for businesses in the area which could have flow-on impacts for our rate revenue collection as some parts of the community may have greater difficulty paying rates.

Our second look at rates affordability incorporated regional council rates into our analysis. This showed that in 2019/2020 median rates across Southland district made up 3.95% of median household income.

Snapshot 2021-2031:

- \$72 million average rates (65% of revenue)
- 9.38% rate increase in Y1
5.98% average rate increase
- Net debt Y1-10: \$41 - \$107 million
Peak debt: \$123 million
- 60-70% rate funding depreciation in 2021/22
- Reserves Y1-10: \$35 - \$84 million
- Opex: \$106 million average
- Capex: \$46 million average

What issues are we facing?

We need to invest in infrastructure to meet the higher standards imposed by legislation and regulatory bodies, particularly for our wastewater treatment and rural water supplies. We are also planning to lift our programme of renewals for our other critical assets like roads, bridges and pipes. Over the next 10 years we need to spend \$451 million on our core infrastructure and our projections show that this is expected to jump up to over \$642 million in the following 10 years as more infrastructure is due to be replaced.

Covid-19 and the flow-on economic impact on the district from border closures is also creating uncertainty. We are seeing the impact of our decision in 2020 to keep rates lower by funding costs from reserves because of Covid-19. We are now having to raise rates in the early part of our plan as we transition away from using reserves. We are also conscious of how our increasing costs may impact rates for parts of the community that are affected more deeply.

Council is still developing a full picture of the impact that climate change might have on our services and how that might affect our future costs and what funding we might need. In this plan the effects of climate change as we know it now are being factored into our current infrastructure design and decision making.

Funding our considerable infrastructure from our small population base across a number of towns is challenging. We operate 21 water supplies, 19 wastewater schemes, 25 stormwater schemes, 20 waste sites, 5,000 kilometres of roads, 850 bridges as well as over 400 community facilities all for a population of 32,500. We do not have the same economies of scale as other cities and districts who have a larger population and fewer assets to look after. Research that we completed in 2020 indicates that the level of rates for households in our district are nearing 5% of median household income (which Council uses as an indicator of affordability). Based on our Long Term Plan we are now projecting rates will make up 4.2% of median household income in year one of the plan and remain below 5% for three years before rising to just below 6% in year 10. This indicates that maintaining our levels of service and meeting higher standards while keeping rates affordable is becoming increasingly difficult.

What are we working towards?

In order to tackle the issues and maintain levels of service, over the course of the next 10 years

...we will be working towards:

- rate funding asset renewals rather than loan funding (by fully funding depreciation on the most of our infrastructure in 10 years)
- removing the use of reserves or loan funding to offset rate increases
- maintaining a balanced budget (where our everyday revenue meets our everyday costs)
- maintaining our capacity to borrow so we can fund unexpected costs in the future or respond to natural disasters
- balancing rates, debt and reserves so that each generation only pays once for their share of the costs of long life infrastructure (intergenerational equity)
- maximising our other revenue where possible without taking on excessive risk
- securing the level of funding from Waka Kotahi NZ Transport Agency (NZTA) needed to maintain road/bridge levels of service

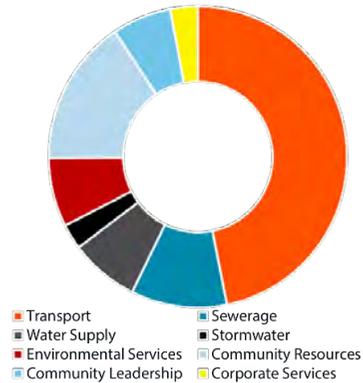
...to do this we need to:

- increase our rates in the early part of the plan and change the limit on rates increases to 8% annually
- raise our net debt ceiling to help fund our increased capital costs and maintain borrowing capacity for any unplanned events to 175% of total revenue
- ensure we are fully funding our roading operating and capital expenditure from rates
- delay fully funding depreciation on our water and wastewater assets until 2028/2029 and then consider funding depreciation on other community infrastructure
- ensure our fees and charges reflect the cost of providing the services
- build flexibility into our rate remissions and postponement policy to enable us to provide relief for significant future unexpected events
- engage with our community around what affordability is and the level of service that can be provided within this context
- advocate to central government about level of NZTA investment needed to sustainably fund roads/bridges

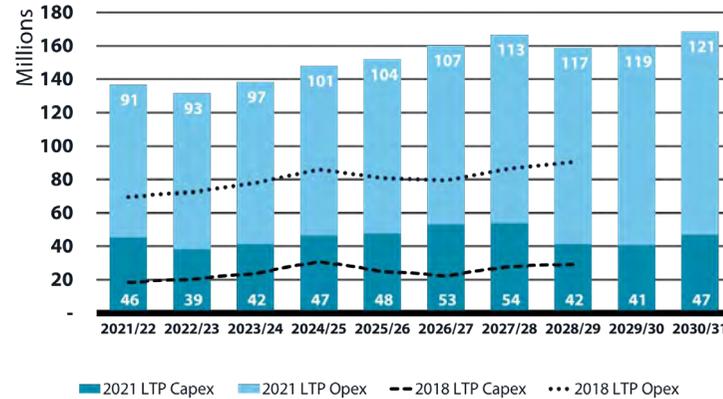
Our financial situation and approach

The tables and graphs below summarise the key financial data from our Long Term Plan 2031 to show the context for our strategy.

Total Expenditure By Activity 2021-31



Total Projected Expenditure



Summary Profit and Loss	21/22 \$m	22/23 \$m	23/24 \$m	24/25 \$m	25/26 \$m	26/27 \$m	27/28 \$m	28/29 \$m	29/30 \$m	30/31 \$m
Rates revenue	54	59	62	68	72	74	78	82	84	88
Other revenue	36	29	30	36	38	39	42	43	44	47
Less										
Operating costs (excl depcn)	64	64	67	70	71	73	77	81	81	83
Depreciation (funded)	20	22	24	27	28	29	31	33	33	34
Depreciation (non-funded)	7	7	6	5	5	5	4	4	4	4
Surplus/(Deficit)	(1)	(5)	(5)	2	6	6	7	8	10	14

Summary Balance Sheet	21/22 \$m	22/23 \$m	23/24 \$m	24/25 \$m	25/26 \$m	26/27 \$m	27/28 \$m	28/29 \$m	29/30 \$m	30/31 \$m
Reserves	36	35	36	38	41	45	50	57	67	76
Cash & Investments	38	39	41	45	49	54	62	71	80	89
External loans	77	94	113	131	146	166	185	190	193	197
Capital Expenditure (capex)										
- to replace existing assets	29	25	30	37	37	36	37	38	38	44
- to improve the level of service	16	13	12	10	11	17	17	4	3	3
- to meet additional demand	1	1	-	-	-	-	-	-	-	-
Total capex (fixed asset additions)	46	39	42	47	48	53	54	42	41	47

Our operating expenditure

Our strategy is to annually meet our operating expenditure from rates and other day to day revenue like fees and charges to balance our budget

Operating costs are the ongoing expenses that we incur for our normal day-to-day running.

Our operating costs over the period have gone up primarily due to inflationary pressures, the cost of meeting regulatory requirements, improving maintenance, funding of depreciation and changes in our annual roading costs. Our operating costs will average \$106 million each year (compared to \$79 million in our 2018 Long Term Plan).

These increases in cost mean that we will need to collect more rates over the next 10 years and increase our other revenue including fees.

Our capital expenditure

Our strategy is to fund our capital expenditure from a mix of reserves (including rate funded depreciation reserves), loans and rates. We do this because it spreads the costs across the life of the asset so that those who use or benefit from the asset pay for their use

Capital expenditure is the cost of replacing or building new assets. We categorise our capital expenditure into three groups:

- renewals – which is the cost to replace assets
- levels of service – which is the cost related to improving the level of service or building a new asset (*levels of service may also include an element of renewal where existing assets are also being replaced as part of the project*)
- demand – which is the cost to provide additional capacity to accommodate growth or demand

We have five key methods for funding our capital costs – rates, other reserves (including rate funded depreciation reserves), loans, grants/subsidies and financial/development contributions.

Funding depreciation is one of the methods that is commonly used. Depreciation is a term used to estimate the annual cost of using an asset. We collect depreciation each year through rates. For example, if a pipe cost \$100 and was expected to last 100 years, then we would charge you \$1 in your rates each year to reflect the annual use.

At the moment we are collecting rates related to the depreciation of our core infrastructural assets including roading, bridges, streetlights, water and wastewater. If we have a year where we have surplus funds in our depreciation reserves we will also use these to reduce any debt associated with that asset group.

Loans are the other method commonly used to fund capital expenditure.

Paying for renewals

Our overall approach is to pay for the renewal of assets firstly from any specific reserves collected for that asset (including depreciation reserves). If we don't have enough in our reserves we will use a loan. In the case of roading, we fund all of our capital expenditure (including renewals and level of service improvements) from rates because a consistent a level of capital expenditure is needed every year.

Paying for levels of service

We fund level of service related capital expenditure from loans.

Paying for demand

We fund demand related capital expenditure from financial/development contributions (where we have these) or loans.

What's happening with our capital costs?

Our capital costs are increasing over the 10 year period and average \$46 million each year (up from \$26 million in 2018 Long Term Plan).

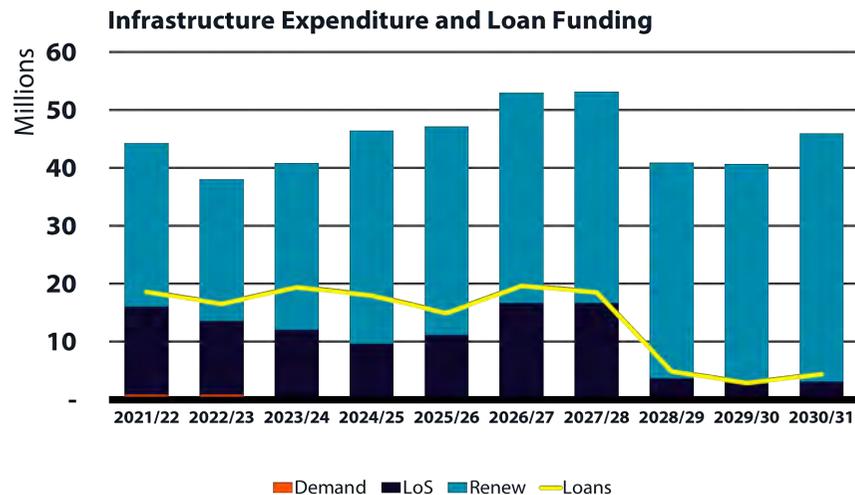
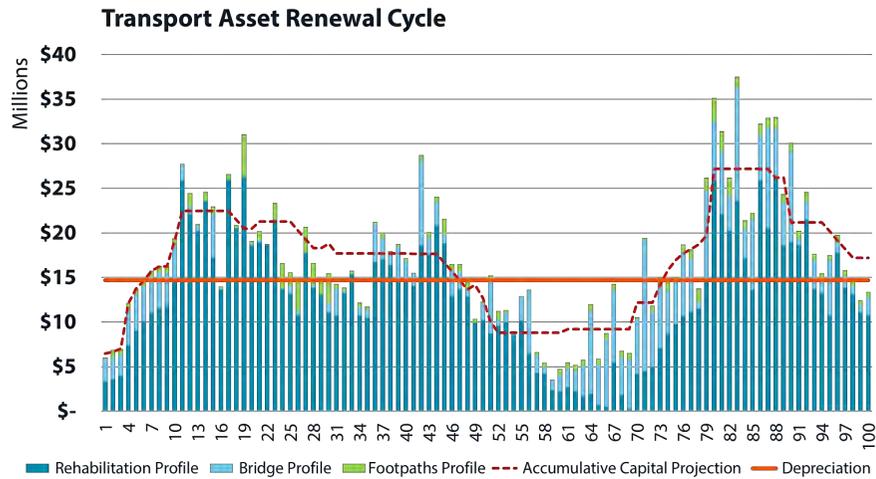
Council's Infrastructure Strategy identifies that significant additional investment in renewals and capital improvement are required in our infrastructure within the next 30 years to ensure that we continue to provide service to the community and to meet increased regulatory standards for things like wastewater discharges and drinking water.

Our asset renewal cycles suggest that we cannot afford to defer this work because in the next 30 years around 30% of the value of our three water assets and 32% of the value of our transport assets are expected to need replacing. Deferring work would also be likely to result in higher costs overall.

Snapshot of depreciation

	Y1	Y10
<i>What we fund in the plan</i>		
Funded	\$20m	\$34m
Unfunded	\$7m	\$4m
<i>What we have in reserves</i>		
Reserves	\$3m	\$6m

More information about how we fund the operating and capital expenditure for each of our activities can be found in our Revenue and Financing Policy 2021.



CORE INFRASTRUCTURE FOCUS

Transport *(focus on renewals)*

Funding a greater number of wooden bridge replacements and gradually increasing the quantity of sealed roads we rebuild.

\$298 million over 10 years

Water supply *(focus on renewals and meeting regulatory requirements)*

Increasing funding to replace pipes in some of our older areas to reduce leakage and pipe failures and upgrading plants and equipment to meet drinking water standards.

\$35 million over 10 years

Wastewater *(focus on meeting regulatory requirements)*

Funding to renew consents for wastewater treatment discharges and upgrading treatment as a result.

\$64 million over 10 years

Stormwater *(focus on maintenance and renewals)*

Funding for condition assessments to improve information about assets and gradually increasing funding to replace ageing reticulation and addressing overflow and infiltration issues

\$13 million over 10 years

More information about our assets and what is needed over the next 30 years is detailed in Council's 2021-2031 Infrastructure Strategy and supporting activity management plans.

The infrastructure expenditure and loan funding graph (right) provides an indication of what we are using loans for. Where the yellow loan line sits within the blue renewals bar is where Council is loan and reserve funding renewals. The graph shows that between 2022/23 and 2027/28 a portion of our renewal capital expenditure is being funded by loans. This is because we are still phasing in rate funded depreciation on our core infrastructure assets and we will not be collecting enough depreciation to cover our renewal costs.

By 2028/29 Council is aiming to fund 100% of depreciation on critical¹ infrastructure assets (five years later than originally planned). If we chose to fully fund these renewals in 2021/22, then the proposed rates would need to increase by \$2.4 million which would equate to additional 4.9% over and above the current rate increase. In developing this strategy we considered funding depreciation on other assets including stormwater and other community facilities like playgrounds and buildings. If we chose to fully fund these renewals, then the proposed rates would need to increase \$3.0 million which equates to an additional 6.2% increase in rates in 2021/22. However, given the existing priority around critical infrastructure, combined with uncertainty about whether some community assets will be replaced in the future and pressure on rates, we think it is best if we look at this for our Long Term Plan 2024.

Our debt

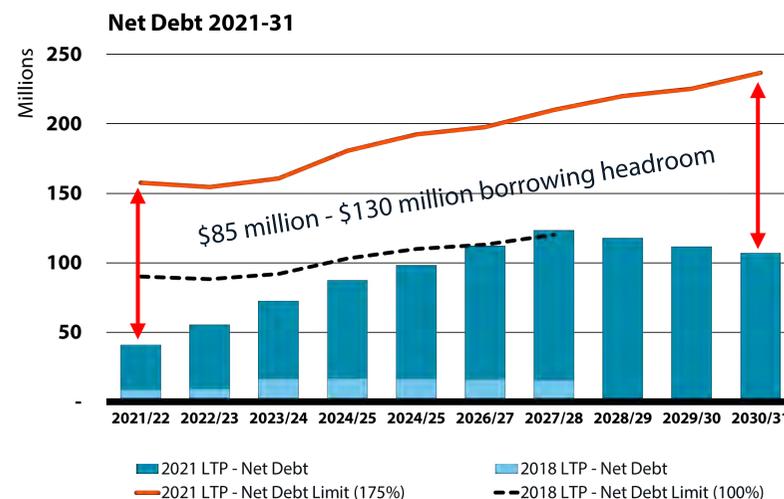
Our strategy is to use debt to fund the cost of improving assets to increase levels of service or fund asset replacements where rates are insufficient. We also use debt to fund unexpected capital costs or to respond to natural disasters. From time to time Council may also use debt for operational expenditure that has a benefit over multiple years

New debt limit:
 Net debt \leq 175% of
 total income
 (\$155-\$237 million)

Traditionally Council has had very low levels of debt and has been in a position to internally borrow from its own reserves to fund capital expenditure. We are anticipating that net debt will increase over the period from \$41 million, reaching \$107 million in 2030/31 (~79% of total revenue). Debt servicing costs will average \$2.8 million each year and reach \$3.9 million by year 10.

The graph shows the net debt profile and Council's previous net debt limit based on 100% of total income. We are proposing to increase our net debt limit to 175% of total income. Net debt will peak at 103% of total revenue in 2027/28 (\$123 million).

We are deliberately setting our net debt limit higher than needed to ensure we have sufficient headroom to access funding for unexpected events like natural disasters or unplanned capital costs.



¹ Critical infrastructure relates to roads, bridges, water and sewerage and also includes solid waste, computers and vehicles

Preserving the capacity to borrow in exceptional circumstances is part of our strategy to be financially prudent and have the ability to respond to emergencies or natural disasters.

In setting the limit we have considered the effect of debt repayments at this limit on the overall rates. As an example, \$10 million borrowed at an interest rate of 2% for 30 years equates to a 1% increase in rates.

We are conscious of the impact that the repayment of debt has on the community, particularly with median household rates projected to be above 5% of median household income during the plan period.

Overall we consider our approach to debt to be prudent, particularly given our current net debt levels, our approach to phasing in depreciation and the need for investment in core infrastructure.

However, we are also conscious about years 10-30 as our asset renewal cycles show a greater proportion of our assets will need to be replaced in this period. We will continue to work on our asset renewal profiles to refine our forecasts further and develop a more accurate picture of our long-term capital funding needs.

We look to manage debt prudently within the constraints of our financial management policies (including our policies on Investment and Liability and Revenue and Financing).

Security

The security for borrowing will be by way of a charge over rates in line with Council's Investment and Liability Policy.

Rates

Our strategy is to set rates at a level sufficient to meet our annual operating expenditure

**New rates limit:
Yr 1-10: 8% per annum**

Rates are our primary income source and we use rates to fund the balance of our operational expenditure after allowing for other revenue.

To date our strategy has been to limit rate increases to the local government inflation measure (the LGCI or local government cost index) plus 2%. In 2018 that meant a forecast rate limit of between 4.0% and 4.7% per year with rates increases averaging 3%. However, we cannot continue to maintain our services by holding rates to 3% in the long term. It is not a realistic option unless we either lower our level of service or load more costs onto future generations.

This means we are revising our rate increase limit to 8% per annum. In years 1, 2 and 4 we are projecting a rate increase higher than our limit primarily because:

- we are transitioning away from using reserves (primarily related to our decision in 2020 to keep rates low because of Covid-19); and
- we have a number of changes to our operating costs (refer to Our operating expenditure on page 311).

Rates increases for the remaining years will be below the revised cap (between 2.4% and 7.0%). We know that average rate increases of 8% is not ideal. However, this approach results from considering what is financially prudent now and in the longer term, particularly to deliver on our Infrastructure

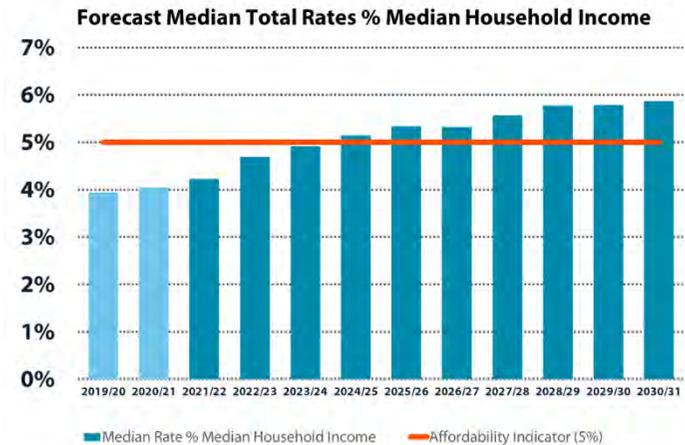
Strategy aims to maintain existing service levels, comply with legislative requirements, address the infrastructure deficit and allow room for responding to unexpected events.

In 2020 Council released a report into rates affordability which identified that at an overall level, median rates (for Southland district and Environment Southland combined) made up 3.95% of median household income in 2019/2020. This report identified that at a district level rates were affordable (being less than 5% of median household income), but noted affordability issues at the household level, particularly in low income urban areas and where there is a high proportion of fixed service rates for water, sewerage and rubbish/recycling.

Over the next three years we are projecting median rates to remain below 5% of median household income increasing to just below 6% by year 10.

Checking to see that we have the balance right will be part of our focus over the next three years along with ensuring that we get the most value out of every dollar spent.

In the meantime residents on low incomes will continue to be encouraged to access the government's rates rebate scheme to help offset the increase and our rates remission and postponement policies will continue to provide some options for assistance where needed.



Information about how we share rates out across the district can be found in our Long Term Plan or Annual Plan Funding Impact Statement and Revenue and Financing Policy.

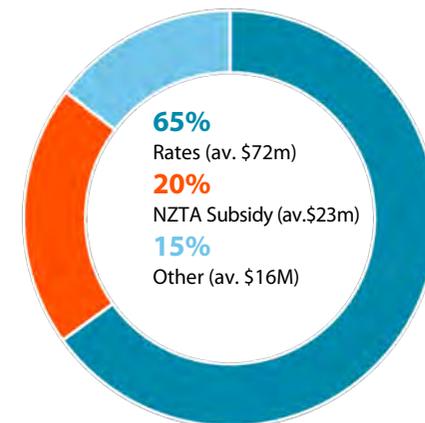
Other revenue

Council also collects other revenue including from fees and charges, grants/subsidies and financial contributions. The chart opposite shows the mix of revenue sources averaged across the ten years.

The largest proportion of non-rate funding is from Waka Kotahi NZ Transport Agency who fund around 52% of our transport infrastructure costs. Any variations in the level of their subsidy has the potential to have a significant impact on our proposed roading programme.

We also collect fees and charges from users, forestry revenue and other income. We review our fees annually to keep up with changes in the cost of delivering our services and to ensure that we recover the proportion of the costs that individual users benefit from.

Forecast Mix of Revenue Sources 2021-2031



Reserves

Council has two types of reserves. We have reserves that are held for a specific purpose which are restricted in use and general reserves which can be used as needed. Reserves are used as the first source of funding for project related costs. Council's total reserves are projected to increase to \$84 million in year 10 (up from \$35 million).

Investments

We continue to hold and manage a number of investments for strategic reasons where there is some community, social, physical or economic benefit accruing. Council's Investment and Liability Policy outlines our approach to financial investments and equity securities which is summarised below.

Financial investments

We hold cash investments as part of our day-to-day working capital management and these are usually held in short term deposits or bonds. Returns are market related to the type of investment made. Other reasons for holding these are to provide cash in the event of a natural disaster and invest reserve funds.

Council has forestry assets which are held as a long term commercial investment with returns reflecting market conditions. Surplus funds are used to offset rates.

Council holds property to both support the economic, physical and social development of the district and achieve an acceptable rate of return depending on the purpose held (from none to market rents).

Council will occasionally provide a loan or advance to a community organisation to provide the provision of community services or recreational opportunities that Council would normally be involved in. Council sets the terms and conditions including security requirements as they are granted.

Equity securities

Council holds such assets only for strategic purposes. Council has shares in a specialist local government insurance company and a local company to assist in the development and operations at Milford Sound. Council does not expect a return on these investments.

Should Council borrow from the Local Government Funding Agency (LGFA), Council would be required to invest in financial bonds at 1.6% of the borrowing. Council will receive interest and full repayment of these "borrower's notes" upon repayment of the loan to which they relate. Interest is calculated to cover the cost of funds.

Insurance

Our strategy is to ensure that Council has sufficient insurance coverage to replace assets that are damaged resulting in significant financial loss.

Currently we insure all of our above and below ground water, wastewater, stormwater assets as well as community facilities. Roads and bridges are not insured given that government support is generally provided for significant events.

Policy on Development and Financial Contributions

Introduction

Purpose

To provide predictability and certainty about how and when Council proposed to use development contributions and financial contributions, what they fund and why.

Council may recover a fair, equitable, and proportionate share of the total cost of capital expenditure necessary to service growth over the long term through development contributions from those persons undertaking development. Council may recover financial contributions to deal with the adverse environmental effects of new development in the district.

Statutory context

Council is required by s.102(2)(d) of the Local Government Act 2002 (the act), to have a policy on development contributions or financial contributions.

Council has chosen to use both development contributions and financial contributions to recover the total cost of capital expenditure necessary to service new development and to deal with its effects.

Financial contribution provisions for recovering the growth-related costs of roading and reserves are detailed in 2.14 of the District Plan.

This policy on Development and Financial Contributions (the policy) deals with development contributions for water supply, wastewater and community infrastructure.

Council, in addition to determining matters of content in this policy, has determined:

- a) that the decision to adopt the policy is not a significant decision;
- b) that it believes it has met the decision-making and consultation requirements of the act to the extent required.

Growth and development

The population of Southland district grew by 1176 persons (4.1%) in the six years between 2006 and 2013. The total number of dwellings increased by 873 (7.9%) and the number of rating units increased in the same period. Projections by BERL estimate there will be approximately 6,400 more people in the District by 2043. Te Anau and Winton will see the largest growth in total population between 2013 and 2043, with each township growing by between 400 and 500 people. At the other end, Monowai, Nightcaps, Riversdale, Tokanui, and Otautau are projected to either maintain their 2013 population through to 2043 or see a small decline.

In making this policy, Council has considered the matters under s.101(3) of the act. This section of the act states that the funding needs to meet expenditure requirements must be met from sources that the local authority determines to be appropriate, following a consideration of the overall impact of any allocation of liability for revenue needs on the

current and future social, economic, environmental, and cultural well-being of the community.

Remission of policy and background

This policy is currently in remission and development contributions will not be required under it. The financial contributions provisions in the Southland District Plan are not in remission and continue to apply to development in the district.

As Council wants to encourage development and economic growth in the District, Council proposes to fund the total cost of capital expenditure for water supply and wastewater necessary to service development from sources other than development contributions. Development contributions will not be required under this policy until resolved otherwise by Council in which case the provisions of the policy will apply in full. Council has full discretion as to the timing of a review.

Council will continue to require financial contributions for roading and reserves under 2.14 of the Southland District Plan. Council is concerned that in the event of any substantial development, the resulting costs for roads and reserves to serve the development could affect the level of rates unless funded by financial contributions. The ability to require financial contributions will not limit the ability of Council to impose resource consent conditions requiring an applicant to carry out roading and reserves works to offset the adverse effects of a development.

Council may review its position on remissions at any time but shall do so no more than three years from the date on which this policy becomes operative.

Policy details

Council has considered all matters it is required to consider under the act when making a policy on development contributions or financial contributions. Council has also considered requirements in s.106, 201 and 201A of the act relating to the content of such a policy. Policy resulting from these considerations is set out in this section. The way in which the policy will be applied in practice is set out in Section 3.

Appropriate sources of funding

Council incurs capital works expenditure in order to:

- a) provide additional capacity in assets to cater for new development;
- b) improve the level of service to existing households and businesses;
- c) meet environmental and other legislative requirements; and
- d) renew assets to extend their service life.

Section 101(3)(a) of the act states that the funding needs to meet these expenditure requirements must be met from sources that Council determines to be appropriate, following a consideration, in relation to each activity, of a number of matters. Council's consideration of these matters as it relates to the funding of capital expenditure is outlined in the Revenue and Financing Policy. The analysis contained in the Revenue and Financing Policy is also applicable to this policy.

Council has had regard to and made the following determinations under each activity in relation to the matters set out under s.101(3)(a)(i) to (v) of the act:

- a) that development contributions are an appropriate source of funding for providing additional capacity in water supply,

wastewater and community infrastructure assets because when development occurs it takes up capacity in these assets and requires Council to provide additional capacity in existing assets or new assets or to serve the development;

- b) that financial contributions are an appropriate source of funding for roading and reserves assets because Council only seeks contributions towards these assets to mitigate adverse effects in the vicinity of developments and not to fund these assets in the wider network;
- c) community infrastructure contributions will only be required on residential developments although Council may still require financial contributions for reserves on non-residential developments as a condition of resource consent under the Resource Management Act 1991 (the RMA).

In keeping with the principles in ss.197AB(e) and (f) of the act, Council is required to make information available and provide certain schedules.

Section 201A of the act requires a development contribution policy to include a schedule of assets for which development contributions will be used, and specifies the contents of that schedule. This requirement is met by Schedule 1 of this policy.

Section 106 of the act requires Council to:

- a) summarise and explain the total cost of capital expenditure that Council expects to incur to meet the increased demand for community facilities resulting from growth; and
- b) state the proportion of that total cost of capital expenditure that will be funded by—
 - i. development contributions;
 - ii. financial contributions; and
 - iii. other sources of funding.

These requirements are met in Schedule 2 of this policy.

Section 201 of the act requires inclusion in a development contribution policy of a schedule of development contributions. This requirement is met by Schedule 3 of this policy.

Financial contributions

The RMA authorises local authorities to impose financial contributions to address effects associated with subdivision, land use or development. Council may require a financial contribution, as a condition of consent, in accordance with any relevant rule in the Southland District Plan.

Provisions regarding financial contributions towards roading and reserves infrastructure are detailed in Section 2.14 of the District Plan and should be referred to when reading this policy. The financial contribution rules in Section 2.14 the Southland District Plan are operative.

Section 106(2)(f) of the act states that if financial contributions will be required, this policy must summarise the provisions that relate to financial contributions. This summary is set out in Appendix 4.

Limitations on contributions

While Council is able to seek both development contributions for infrastructure under the Local Government Act 2002 and financial contributions under the RMA, s.200 of the Local Government Act 2002 prevents Council from requiring a development contribution where it has imposed a contribution requirement on the same development under the RMA or where developers or other parties fund the same infrastructure for the same purpose.

Although under the Southland District Plan, Council may impose a financial contribution as a condition of resource consent, it shall ensure

that no condition of resource consent is imposed that would require work to be done or funded that is identified in the Long Term Plan and funded in whole or in part by development contributions.

Nothing in this policy, including the amounts of development contribution payable in Schedule 3, will diminish from any other legal requirement to make a payment for community facilities other than a development contribution, including connection fees or any other fee required to be paid pursuant to any other policy or bylaw or by agreement with Council.

Limitations on costs eligible for inclusion in development contributions

In calculating development contributions under this policy, the contributions shall not include the value of any project or work or part of any project or work required for:

- a) rehabilitating or renewing an existing asset; or
- b) operating and maintaining an existing asset.

In accordance with s.200(1) of the act, no development contribution calculated under this policy shall include the value of any funding obtained from third parties, external agencies or other funding sources in the form of grants, subsidies or works. This limitation shall not include the value of works provided by a developer on behalf of Council and used as a credit against contributions normally payable, which Council may seek to recover from other developers in contributions.

Council may require development contributions where it has incurred capital expenditure via a third party and has provided a credit against development contributions payable by any person where that person

has incurred capital expenditure on behalf of Council, which provides additional capacity to serve further development.

The value of any subsidy or grant toward the value of any project or work shall be deducted prior to the allocation for funding of the balance portion of project cost between development contributions and other sources of Council funding.

Vested assets and local works

The value of assets vested or expenditure made by a developer, pursuant to a requirement under the RMA, shall not be used to off-set development contributions payable on a development unless all or a portion of such assets or expenditure can be shown to avoid or reduce the need for Council to incur costs providing an asset that is included in its capital works programme, for which development contributions are sought.

The value of assets vested or expenditure made voluntarily by a developer to enhance a development shall not be used to offset development contributions payable on development.

Past surplus capacity provided

In accordance with s.199(2) of the act, development contributions may be required to fund capital expenditure already incurred by Council in anticipation of development, prior to the adoption of this policy.

Where Council has in recent years incurred expenditure to undertake works or acquire land in anticipation of development, it may seek to recover this expenditure from development contributions yet to be made. Council may include the value of past surplus capacity in its calculation of development contributions.

Cumulative and network effects

In accordance with s.199(3) of the act, development contributions may be required under this policy, where a development, in combination with other developments, has a cumulative effect including the cumulative effect of developments on network infrastructure.

Geographic grouping (catchments)

In keeping with the principle in s.197AB(g) of the act, Council considers that development contributions should be required from new developments on a geographic basis using separate catchments those being determined:

- a) in a manner that balances practical and administrative efficiency with considerations of fairness and equity; and
- b) avoids, wherever practical, grouping across the entire District.

A catchment is an area of Southland District within which growth and development is occurring, which is likely, either solely or cumulatively, to give rise to the need for, or benefit from, particular Council activities.

This policy avoids the use of district-wide catchments for the recovery of development contributions.

This policy uses five separate ward-based catchments for community infrastructure assets because it is considered impractical to divide the areas of benefit of these types of asset into smaller geographic areas.

This policy uses separate local scheme-by-scheme catchments for water supply and wastewater activities. Development contributions will be payable only where the service is available and in the case of water supply and wastewater, only to those new households, businesses or other developments connecting to the networks concerned. It is considered reasonably practical to administer the policy using local

scheme-by-scheme catchments. The catchments used in this policy are summarised in Appendix 2.

Principles of cost allocation

In keeping with the principle in s.197AB(a) of the act, an asset should not be considered for cost allocation for recovery through a development contribution unless it is a new or additional asset or an asset of increased capacity required to be provided by Council to deal with the effects of developments.

In keeping with the principle in s.197AB(c) of the act, the cost of any project identified in the Long Term Plan will, after deductions for subsidies and other sources of funding, be allocated between:

- a) the costs if any for improving levels of service to existing households and businesses by bringing assets up to the service standard and/or by providing additional service life, to be expressed as the ILOS cost; and
- b) the costs if any for providing additional capacity to service the development of new households and businesses, to be expressed as the AC cost.

Council will allocate project costs between ILOS costs and AC costs, in the manner described in Section 4.0 - Methodology.

The methodology used to allocate costs is a need/benefits matrix approach.

Capacity life of assets

In keeping with the principle in s.197AB(b) of the act, Council has considered the period over which the benefits of capital expenditure for new development are expected to occur. It considers that capital

expenditure on infrastructure during the long term plan period should be recovered over the full take-up period of each asset, from all development that created the need for that expenditure or will benefit from capacity it provides, including development occurring after the long term plan period.

Council has determined that:

- a) new development occurring in the long term plan period will contribute only to that proportion of additional asset capacity that it is expected to consume;
- b) future development occurring after the long term plan period will contribute toward the remaining surplus capacity in assets at the end of that period.

In calculating the development contributions payable by new development for each activity type, Council will:

- a) include the value of any past surplus capacity in assets provided after 1 July 2005 that is expected to be consumed by new development, where this can be identified and where it can be shown to have been provided in anticipation of growth;
- b) include the value of capacity in assets to be provided in the long term plan period, that is expected to be consumed by new development; and
- c) exclude the value of remaining surplus capacity in assets at the end of the long term plan period, which is likely to be consumed by future development.

Recovery of the whole of a project's cost from only those households and businesses establishing in the long term plan period may place an unfair burden on them. Households and businesses developing after the period will arrive to a fully paid up asset with spare capacity for their developments.

This policy uses a development contributions calculation period extending from 1 July 2005 (to include past surplus capacity) to 30 June 2051 in order to ensure more equitable attribution under Schedule 13 of the act. This future outlook in excess of 30 years is to take account of major infrastructure projects that may retain spare capacity for up to 30 years, particularly as a result of prolonged periods of slow growth as have been experienced in the district.

Significant assumptions

Section 201(1)(b) of the act requires this policy to set out the significant assumptions underlying the calculation of the schedule of development contributions, including an estimate of the potential effects, if there is a significant level of uncertainty as to the scope and nature of the effects.

The significant assumptions underlying the calculation of the schedule of development contributions are that:

- a) the rate, level and location of growth will occur as forecast in the rating growth projections accompanying the long term plan
- b) capital expenditure will be in accordance with the capital works programme in the long term plan and future capital expenditure is based on the best available knowledge at the time of preparation. These are to take into account known or likely construction costs and assumed inflation rates
- c) no significant changes to service standards are expected to occur in the long term plan period other than those planned for in the activity management plans
- d) the level of any third party funding for projects will continue at predicted levels for the period of the long term plan
- e) there will be no significant variations to predicted rates of interest and inflation to those set out in the long term plan

- f) each residential dwelling comprises the average number of residents from the 2013 Census. The demand on Council assets placed by a standard dwelling (Unit of Demand) is assumed to be 2.5 persons per dwelling and this is applied district-wide.

An assessment of effects, if there is a significant level of uncertainty as to the scope and nature of the effects, is set out in Appendix 3 of this policy.

Financial policy

All project costs used in the development contributions section of the policy should be based on current estimates of infrastructure construction prices at the time of planning in the dollars of the year of planning, with inflation of all capital costs over the period using local government cost adjusters supplied by a commercial research and analysis agency, such as BERL.

All capital expenditure and development contributions contained in this policy are exclusive of GST (except where shown to be inclusive).

No cost of capital, including interest, is included in growth cost calculations for the purposes of this policy.

Policy on existing lots or development

When granting a consent or authorising a connection for development, and calculating the units of demand from that development, Council will deduct the units of demand generated by existing lots or development already legally established at the date of granting consent, other than as required in the three paragraphs below.

The paragraph above shall apply to any lot or development that:

- a) was already legally established at the date on which this policy became operative, on 1 July 2021; or
- b) has been legally established since the date on which this policy became operative and for which a development contribution has been paid; or
- c) is not yet legally established but for which a development contribution has been paid (and not refunded).

Legally established development includes buildings and structures which can be shown to have been in existence on but have been demolished up to three years prior to this policy becoming operative on 1 July 2021.

Section 2.13 shall not apply to any lot or development for which a contribution has been required and has not yet been paid.

Council may require a development contribution to be paid for any existing legally established lot or development, in a water supply or wastewater area, with no connection to the service, which is to be connected for the first time or seeks connection to either a water supply network or a wastewater network, as the case may be, where no development contribution or other such payment for these services can be shown to have been previously paid.

Council may require a development contribution to be paid for any existing legally established lot that has previously been prevented from being developed by any open space covenant or by any other restriction registered against the title of the lot and that covenant or restriction has been removed.

In considering legally established developments already on a development site, Council will use the current or most recent use of the site and not its zoning to determine the existing units of demand that will be deducted when calculating the development contribution.

Use of development contributions

In keeping with the principle in s.197AB(d) of the act, development contributions will be used:

- a) for or towards the purpose of the activity or the group of activities for which the contributions were required; and
- b) for the benefit of Southland district or the part of the district that is identified in this policy in which the development contributions were required.

Development contributions will be used for the capital expenditure for which they were required in accordance with s.204(1) of the act and will not be used for the maintenance of reserves, network infrastructure or community infrastructure.

Network infrastructure

Under s.197 of the act, the term development excludes the pipes and lines of any network utility operator. Council will not seek development contributions for the installation or expansion of network infrastructure, including the pipes, lines, roads, water supply, wastewater and stormwater networks by network utility operators.

The paragraph above does not apply to development by network utility operators carried out in order to run their normal business such as offices, industrial buildings, warehouses and storage areas, which may be liable for the payment of development contributions.

Policy on remission or postponements of development contributions

In accordance with s.201(1)(c) of the act, Section 3.5 of this policy includes provisions that will enable Council to consider remissions and postponements of development contributions.

Policy on refunds

Council will refund development contributions in accordance with the requirements of ss.209 and 210 of the act.

Development agreements

Council may enter into development agreements with developers for the provision, supply, or exchange of infrastructure, land, or money to provide network infrastructure, community infrastructure, or reserves to the district or a part of the district. The provisions of ss.207A to 207F shall apply to such agreements.

Practical application

Requirement for development contributions

Upon granting:

- a) a resource consent under the RMA;
- b) a building consent under the Building Act 2004;
- c) an authorisation for a service connection;

Council will determine whether the activity to which the consent or authorisation relates is a “development” under the act, which:

- a) has the effect of requiring new or additional assets or assets of increased capacity (including assets which may already have been provided by Council in anticipation of development); and
- b) as a consequence requires (or has required) Council to incur capital expenditure to provide appropriately for those assets; and
- c) that capital expenditure is not otherwise funded or provided for.

Upon determining that the activity is a “development”, Council may require a development contribution to be made towards the activity associated with that development, according to the geographic catchment in which the development is located, for:

- a) water supply;
- b) wastewater; and
- c) community infrastructure.

Council shall calculate the development contribution payable at the time of granting the consent or authorisation and issue an assessment of development contributions payable.

A development contribution may be paid at any time from the date of assessment up to the date when the contribution is required to be paid as a result of Council issuing an invoice.

In accordance with s.198(2A) of the act, a development contribution must be consistent with the content of the policy that was in force at the time that the application for a resource consent, building consent, or service connection was submitted.

Council will invoice a development contribution at the following times:

- a) in the case of a resource consent for subdivision, at the time of application for a certificate under s.224(c) of the RMA, with payment required prior to the issue of the certificate;
- b) in the case of a resource consent for land use, at the time of notification of commencement or commencement of the consent, whichever is the earlier, with payment required prior to commencement of the consented activity;
- c) in the case of a building consent, at the time of granting the building consent with payment no later than 90 days from the date of granting consent or prior to the issue of a code compliance certificate, whichever is the earlier;
- d) in the case of a service connection, at the time of approval of the service connection with payment prior to connection.

In accordance with s.208 of the act, if contributions are not paid at the times required this section, the Council may:

- a) withhold a certificate under s.224(c) of the RMA in the case of a subdivision;
- b) prevent the activity commencing in the case of a land use consent;
- c) withhold a code compliance certificate or certificate of acceptance in the case of a building consent;
- d) withhold a service connection to the development.

If, after exercising its powers under s.208 of the act, any development contribution remains unpaid, Council may under s.252 of the act regard the amount payable as a debt and take debt recovery action to recover that development contribution.

In the case of a resource consent for land use only, where a building consent is required to give effect to the resource consent, the applicant may apply for a postponement of payment under Section 3.5 of this

policy. If this is granted, Council will only require payment at the time it issues a building consent.

If a grantee of a consent is in possession of two development contribution invoices for different consents relating to the same lot, both invoices will continue to have effect until payment is made of one of those invoices. When the first invoice is paid, the second invoice will be withdrawn and a reassessment of development contributions payable for the subdivision or development, as the case may be, relating to the second invoice, will be made under section 3.2. If any development contribution is payable on re-assessment, a new invoice will be issued.

No consented activity or building work shall commence prior to the payment of the development contribution and where such activity or work has commenced prior to such payment, Council shall require this to cease until payment has been made.

Amount of total development contribution

The total amount of development contribution payable when issuing any consent or authorisation for subdivision or development, shall be the sum of the development contribution payable for each activity, calculated as:

$$[(a) \times [\Sigma(n) - \Sigma(x)]] + \text{GST}$$

Where:

(a) = the applicable development contribution per unit of demand determined from Schedule 3 and the activity-funding area for each type of community facility in which the subdivision or development lies.

Σ = the sum of the terms inside the brackets.

(n) = for each lot at the completion of the consent or authorisation application, the total lot units of demand OR the total activity units of demand, determined by Table 1, whichever is the greater.

(x) = for each lot in existence (or for which a s.224 certificate under the RMA has been issued) prior to the date of the consent or authorisation application, the total lot units of demand OR the total activity units of demand for the existing development, determined by Table 1, whichever is the greater.

Examples of the method for calculating units of demand from different types of development are set out in Appendix 6.

The development contribution per unit of demand in Schedule 3, may be increased for any Producer Price Index adjustment in accordance with s.106(2B) of the act.

Determination of units of demand

In accordance with Schedule 13 of the act, the additional capacity (AC cost) component of capital expenditure associated with new development in any catchment will be allocated equally between the numbers of new units of demand expected to occur in that catchment during the development contributions calculation period.

Council has determined that units of demand generated by different land use types shall be those reflected in Table 1.

Demand for services may be necessitated by the creation of new lots (lot units of demand) that are required to be serviced in advance of their occupation. Demand for services may also be generated by the use and development of lots (activity units of demand), including the intensification or expansion of activity on those lots.

TABLE 1 - UNITS OF DEMAND GENERATED BY SUBDIVISION AND DEVELOPMENT

Lot unit of demand	Units of demand
one residential or rural lot	1.0
one mixed-use residential/commercial lot	1.0
one commercial, industrial or other non-residential lot with an area of less than 1,000 m ²	Lot area divided by 1,000 per square metre
one commercial, industrial or other non-residential lot with an area of 1,000 m ² or more	1.0
for the purposes of calculating community infrastructure development contributions only, one commercial, industrial or other non-residential lot	0
for the purposes of calculating water supply and wastewater development contributions ONLY, any existing <i>legally established lot</i> not connected to either the water supply network or the wastewater network as the case may be	0
for the purposes of calculating water supply and wastewater development contributions ONLY, any proposed <i>lot</i> not to be connected to either the water supply network or the wastewater network as the case may be	0
one <i>serviced camping site</i>	Special application
one <i>lot</i> : <ul style="list-style-type: none"> • wholly covenanted in perpetuity as provided for by s.22 of the Queen Elizabeth the Second National Trust Act 1977 • the title of which prevents any form of development on the <i>lot</i>. 	0
one <i>dwelling unit</i> or <i>accommodation unit</i> (excluding a serviced camping site) of two or more <i>bedrooms</i> per unit	1.0
one commercial unit including the commercial part of any activity but excluding any part that comprises accommodation units	the <i>net lettable area</i> on the <i>lot</i> multiplied by the applicable <i>unit of demand</i> factors in this table
one industrial unit or any other non-residential development	special application
for the purposes of calculating community infrastructure development contributions only, one commercial, industrial or other non-residential development	0
any <i>dwelling unit</i> , or <i>accommodation unit</i> (excluding a serviced camping site) of one or fewer <i>bedrooms</i> per unit	0.5
any room in an <i>accommodation unit</i> or any room in a retirement village or school, normally accommodating more than three persons	the number of persons able to be accommodated in the room divided by 6

TABLE 1 - UNITS OF DEMAND GENERATED BY SUBDIVISION AND DEVELOPMENT	
any <i>retirement unit</i> for purposes of calculating the water supply and wastewater contributions only	0.5 otherwise 0
any <i>aged care room</i> for purposes of calculating the water supply and wastewater contributions only	0.2 otherwise 0
other activity (activity not specified elsewhere in this table)	special application
for the purposes of calculating water supply and wastewater development contributions ONLY, any existing <i>legally established</i> development not connected to either the water supply network or the wastewater network as the case may be	0
for the purposes of calculating water supply and wastewater development contributions ONLY, any proposed development not to be connected to either the water supply network or the wastewater network as the case may be	0
network infrastructure, including pipes, lines and installations, roads, water supply, wastewater and stormwater collection and management systems	0
farm buildings associated with normal farming operations including sheds, barns, garages and buildings for indoor poultry livestock and crop production	0
Crown developments	0
Unit of demand factors commercial development	Calculated in Appendix 5
water supply – commercial development	1 per 769 m ² <i>net lettable area</i>
wastewater - commercial development	1 per 322 m ² <i>net lettable area</i>

The different units of demand generated by a unit of commercial activity, as compared with a unit of residential activity, arise mainly from the different scale and nature of activity when compared to demand from a standard dwelling unit.

To ensure fair and equitable assessment this policy:

- a) uses lot size in the case of subdivision for commercial purposes;
- b) uses net lettable area in the case of commercial development as a proxy for assessing the different units of demand on services, likely to be generated respectively by residential and commercial

activity and incorporates multipliers (unit of demand factors) to quantify those differences;

- c) requires a special application to assess development contributions on industrial activity.

The assumptions used in this policy to derive the unit of demand factors for commercial development in Table 1 are described in Appendix 5 of this policy.

Information requirements

The applicant for any consent or authorisation shall provide all information necessary for Council to calculate the amount of a development contribution, including the net lettable area of the development if required for purposes of an assessment under Table 1.

The applicant shall be responsible for providing proof of the legal establishment of existing units of demand for purposes of an assessment under Table 1.

Existing units of demand may include legally established buildings and structures that have been demolished up to three years prior to this policy becoming operative on 1 July 2021.

Remissions and postponements of development contributions

In addition to rights to reconsideration provided for by s.199A and 199B of the act, Council will consider applications for remission or postponement of development contributions.

Council will consider applications for and may grant a remission of any development contribution where the applicant has provided and/or funded the same infrastructure that a development contribution has been required for but that remission shall be limited to the value of infrastructure provided or funded. In cases where the value of infrastructure provided or funded exceeds the development contribution payable, Council shall meet the excess costs by separate agreement with the applicant.

Council will consider applications for and may grant a postponement of the payment of a development contribution in the case of resource consent for land use only, where a building consent is required to give effect to that resource consent. At the discretion of Council, the

payment of a development contribution on the resource consent may be postponed until a building consent is granted.

Council will consider applications for a postponement of the payment of a development contribution in the case of a subdivision consent. If it grants a postponement it may do so on whatever terms Council thinks fit, including that it may:

- a) issue a certificate under s.224(c) of the RMA, prior to the payment of a development contribution; and
- b) register the development contribution under subpart 5 of the Land Transfer Act 2017, as a charge on the title of the land in respect of which the development contribution was required.

An applicant may formally request Council to review the development contribution required and remit or postpone the development contribution payment.

Any such request shall be made in writing no later than 15 working days after the date on which Council issues an invoice under section 3.1, setting out the reasons for the request.

Prior to accepting any such request for review, Council shall require the applicant to provide specific details of the manner in which its proposals qualify for a remission or postponement.

In undertaking the review, Council or a committee of Council or an officer so delegated:

- a) shall, as soon as reasonably practicable, consider the request
- b) may determine whether to hold a hearing for the purposes of the review and if it does, give at least five working days' notice to the applicant of the date, time and place of the hearing
- c) may at its discretion uphold, remit in whole or in part or postpone (as the case may be) the original development

contribution required and shall advise the applicant in writing of its decision within ten working days of making that decision

- d) may charge such fee as determined in its annual schedule of fees, to consider the request.

Reconsideration process

As required by s.202A of the act, this policy must set out the process for requesting reconsideration of a requirement for a development contribution under s.199A of the act. The process for reconsideration must set out:

- a) how the request can be lodged with Council; and
- b) the steps in the process that Council will apply when reconsidering the requirement to make a development contribution.

An applicant who is required to make a development contribution may request a reconsideration of that requirement if they believe that:

- a) the development contribution was incorrectly calculated or assessed under this policy; or
- b) Council incorrectly applied this policy; or
- c) the information used to assess the applicant's development against this policy, or the way Council has recorded or used it when requiring the development contribution, was incomplete or contained errors.

Any request for reconsideration shall be made in writing, no later than 15 working days after the date on which Council issues an invoice under Section 3.1 of this policy.

Prior to accepting any request for review, Council shall require the applicant to state the reasons for reconsideration and provide sufficient

information to enable Council to reconsider the development contribution.

Council or a committee of Council (or an officer so delegated) will limit its considerations to matters set out in s.199A of the act.

In accordance with s.199B(1) of the act, Council must, within 15 working days after the date on which it receives all required relevant information relating to a request, give written notice of the outcome of its reconsideration to the applicant who made the request.

In accordance with s.199B(2) of the act, an applicant who requested reconsideration may object to the outcome of the reconsideration.

Special applications

Where developments are marked for special application or not adequately represented in Table 1 or there are specific circumstances related to the applications, these may be considered on a case-by-case basis. Units of demand calculated are based on potential demand not actual demand at any one time. Accordingly specific circumstances do not include those where the users do not utilise the full potential demand (eg a hotel with a 50% occupancy rate will still be assessed at a 100% of the unit of demand relating to hotels; a house with one occupant will be assessed at the unit of demand for a household).

Crown developments

The Crown is exempt from the provisions of this policy by virtue of s.8 of the act. If an applicant considers that it is the Crown for the purposes of avoiding liability to pay a development contribution, Council may require the applicant to provide written advice to Council outlining the basis on which the applicant considers that it is the Crown.

Statement on GST

Any development or financial contribution referred to in this policy or in the accompanying development contributions model and any development contribution required in the form of money, pursuant to this policy, is exclusive of Goods and Services Tax.

Methodology

The calculation of the separate portions of the cost of any combined project (AC/ILOS project) between that for improving levels of service to existing households and businesses (ILOS costs), and that for providing additional capacity to accommodate new development of households and businesses (AC costs) under this policy, is carried out using the following procedure.

Step 1: Listing projects

Every project in the capital works programme of the Long Term Plan for the activities for which the Council intends to require development contributions is listed in the Project Allocation Schedule of the Development Contributions Model.

Every surplus capacity project is listed in the Surplus Capacity Schedule.

Where possible, distinct stages of a project or distinct parts of a project are listed in the schedules as separate components and separate calculations carried out for each.

For each project in the schedules, the following base information is provided:

- a) the total project cost
- b) the catchment which the project will serve

- c) the level of any subsidy, third party funding or other source of funding if any which is deducted from the total project cost to give the net project cost
- d) the year in which the project or component is to be carried out in the Long Term Plan, or in the case of each surplus capacity project (SC project), the year it was completed
- e) the year in which the project capacity is expected to be fully consumed.

Step 2: Initial screening

Each project in the Project Allocation Schedule is categorised “Yes” or “No” in answer to the question – “Is this capital expenditure required at least partly to provide appropriately for new or additional assets or assets of increased capacity in order to address the effects of development?” By answering:

- a) “No” - the project is treated as a pure renewal or level of service project and the cost of the project is removed from the development contribution calculation
- b) “Yes” - the project is treated as either a combined project (AC/ILOS project) or an additional capacity for growth project (AC project) and is subject to further analysis.

Each project in the Surplus Capacity Schedule is categorised “Yes” or “No” in answer to the question – “Was capital expenditure on this project incurred, at least partly, in anticipation of development?” By answering:

- a) “No” - the project is treated as a pure renewal or level of service project and the cost of the project is removed from the development contribution calculation;

- b) “Yes” - the project is treated as either a combined project (AC/ILOS project) or an additional capacity for growth project (AC project) and is subject to further analysis.

Step 3: Cost allocation of combined projects or additional capacity for growth projects

Using the information provided on combined projects (AC/ILOS projects) and additional capacity for growth projects (AC projects) in the project schedules, a needs/benefits matrix analysis is carried out by which it is required to state for each project:

- a) the degree, on a scale of 0 to 10 to which growth created the need for the project to be undertaken. (0 = not at all, 10 = totally)
- b) the degree on a scale of 0 to 10 to which the growth community will benefit from the project being undertaken. (0 = not at all, 10 = totally).

Calculation of Growth Component % - Need/Benefit Matrix											
NEED											
To what degree does Growth create the need for the project 0 = not at all, 10 = totally											
Factor	0	1	2	3	4	5	6	7	8	9	10
0	0	5	10	15	20	25	30	35	40	45	50
1	5	10	15	20	25	30	35	40	45	50	55
2	10	15	20	25	30	35	40	45	50	55	60
3	15	20	25	30	35	40	45	50	55	60	65
4	20	25	30	35	40	45	50	55	60	65	70
5	25	30	35	40	45	50	55	60	65	70	75
6	30	35	40	45	50	55	60	65	70	75	80
7	35	40	45	50	55	60	65	70	75	80	85
8	40	45	50	55	60	65	70	75	80	85	90
9	45	50	55	60	65	70	75	80	85	90	95
10	50	55	60	65	70	75	80	85	90	95	100

The value is chosen in each case from the need/benefits matrix in the model which produces an estimated percentage of cost attributable to growth.

The matrix generates 121 different need/benefit combinations. The percentage derived is applied to the net project cost to determine the AC cost. The remainder of the net project cost is the ILOS cost.

A unit price is calculated for each project by dividing the project cost by the total units of demand that will consume its capacity comprising:

- a) existing units of demand at 2021; plus
- b) additional units of demand expected to consume capacity in the asset by the end of its asset life.

Step 4: Capacity life - cost allocation between new and future units of demand

Using information provided on the year in which capacity take up of a project is expected to start and the year in which the project capacity is expected to be fully consumed, the AC cost of the project is divided between new units of demand (N) arriving in the activity-funding area in the Long Term Plan period and future units of demand (F) arriving after the end of the Long Term Plan period, as follows:

- a) the AC cost to F is the AC cost determined in section 4.3 above multiplied by the years of capacity take up after the long term plan period divided by total years of capacity take-up;
- b) the AC cost to N is the AC cost less the AC cost to F.

Only the AC cost to N is used in the calculation of development contributions.

In addition to predicting the capacity take up of an asset, by comparing the start and end years of capacity life against rating unit projections, the development contributions model is able to accept a finite capacity figure from the activity manager which, regardless of years of take-up, can be used to share the cost of an asset equitably among the known number of units of demand that will eventually consume its capacity.

Step 5: Growth assumptions - sharing 10-year costs among projected growth

In order to calculate the amount of new development to which the growth related portion of capital expenditure (AC costs) for infrastructure will be attributed, area-by-area projections of new and future units of demand for services in the period 2021 to 2051 are required.

Council maintains a detailed rating database that provides the numbers of rating units for all parts of the district.

The numbers of rating units provide a close correlation with numbers of lots in the district and a measure of separate units of activity on any lot where this is the case. They are considered to provide a reasonably sound measure of the units of demand for infrastructure and services.

The growth projection worksheet of the development contributions model, projections schedule, contains as the base year, the number of rating units (units of demand) for each activity type existing at the time of the 2020/2021 rates year. Rating data is available for the whole Southland District, and each of the water supply, wastewater and community infrastructure catchments.

Long term plan assumptions have been used to determine the expected annual increase in the numbers of rating units and hence units of demand to 2031, in each of these catchment areas.

The projections schedule also provides long-term estimates for future rating units (units of demand) after the long term plan period to 2051, in order to ensure that any portion of remaining surplus capacity at the end of the period may be attributed to future development.

Geographic catchments will apply to each activity type. Projections schedule provides rating units at 2021 and projected rating units for each activity-funding area to 2051.

Step 6: Allocation of costs to units of demand - schedule of development contributions

The development contribution for each activity and each catchment to be charged per unit of demand is derived by dividing the costs of growth in the Long Term Plan period (AC Cost to N), derived in Step 3

and Step 4 by the number of additional rating units expected in the period, derived in Step 5.

A full schedule of development contributions (Schedule 3) must be prepared as part of the policy to enable the development contributions to be calculated by infrastructure type and catchment on each development application.

Interest and inflation

The development contributions model does not include interest on growth related capital expenditure in the calculation of the development contribution amounts.

Council does not intend to recover past interest that has been funded from rates from development contributions and has not included it in the development contribution calculation.

The development contributions model uses the inflated capital costs in the long term plan to calculate development contributions.

Schedules

Schedule 1 – Schedule of assets for which development contributions will be used (s.201A of the act)

ACTIVITY GROUP	DCP CATCHMENT	PROJECT NAME	TYPE	PROJECT COST	PROPORTION RECOVERED THROUGH DEVELOPMENT CONTRIBUTIONS	PROPORTION RECOVERED THROUGH OTHER SOURCES
WASTEWATER	Te Anau CB	Te Anau/Manapouri Treatment and Disposal	LTP Project	\$27,019,939.00	1.27%	98.73%
COMMUNITY SERVICES	Riverton/Aparima CB	Cemetery - Riverton	LTP Project	\$231,707.00	15.11%	84.89%
TOTAL				\$27,251,646.00		

* Council has deemed that the Te Anau/Manapouri treatment and disposal project has a demand component. The demand component of this project has been calculated at 36.80%. However, Council is has put development contributions into remission across the District in order to encourage economic growth. Whilst development contributions are in remission, the demand share of the project will be funded by rates and previously collected contributions. Council would periodically review its decision to remit development contributions to ensure that it remains appropriate in consideration of the economic and population grow

Schedule 2 - Capital expenditure identified to meet increased demand resulting from growth* and sources of funding by activity

ACTIVITY	2021-31 LTP					SURPLUS CAPACITY					
	Total cap project costs	Dev contrib (New)	Dev contrib (Future)	Rates	Subsidies/ grants/ contrib recov	Total value of surplus capacity projects	Dev contrib (New)	Dev contrib (Future)	Dev contrib (already used)	Rates	Subsidies/ grants/ contrib recov
WASTEWATER	\$27,019,939	\$ -	\$ -	\$21,677,334	\$7,342,605	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
CEMETERIES	\$231,707	\$ -	\$ -	\$ 196,707	\$35,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL	\$27,251,646	\$ -	\$ -	\$19,874,841	\$7,377,605	\$ -	\$ -	\$ -		\$ -	\$ -

* Although there are a number of projects with demand components scheduled, Council is proposing to place the collection of development contributions into remission. Under this proposal, funding for the Te Anau / Manapouri Treatment and Disposal project (wastewater) will be sourced from contributions already recovered and rates. The demand component of this project (currently calculated at \$5,311,375), would

typically be funded by development contributions. If Council deems it appropriate to reinstate development contributions in the future, they will be used as a source of funding for this project and reduce the rates requirement.

Schedule 3 - Schedule of development contributions

AREA	WASTEWATER	WATER SUPPLY	COMMUNITY INFRASTRUCTURE	RESERVES	ROADING	TOTAL
TE ANAU COMMUNITY BOARD	\$-*	\$-	\$-	\$-	\$-	\$-
NOTE 1: THESE CONTRIBUTION AMOUNTS DO NOT INCLUDE GST						

Council will invoice a development contribution at the following times:

- in the case of a resource consent for subdivision, at the time of application for a certificate under s.224(c) of the RMA, with payment required prior to the issue of the certificate;
- in the case of a resource consent for land use, at the time of notification of commencement or commencement of the consent, whichever is the earlier, with payment required prior to commencement of the consented activity;
- in the case of a building consent, at the time of granting the building consent with payment no later than 90 days from the date of granting consent or prior to the issue of a code compliance certificate, whichever is the earlier;
- in the case of a service connection, at the time of approval of the service connection with payment prior to connection.

* Council has put development contributions into remission across the District in order to encourage economic growth. As such, the Te Anau / Manapouri treatment and disposal project will be funded through rates and contributions which have already been recovered. Council will periodically review its decision to remit development contributions to ensure that it remains appropriate in consideration of the economic and population growth.

If development contributions were not placed in remission, the amount of contributions for the Te Anau / Manapouri Treatment and Disposal project would be \$5,735.22 per unit of demand (GST exclusive) from 1 July 2021.

Roles and responsibilities

ROLE	ROLES AND RESPONSIBILITIES
COUNCIL	decision on whether to review and reinstate the policy when in remission
ALL COUNCIL STAFF	ensure that the policy is given full effect

Review and revision record

This policy may be reviewed at any time but no longer than three years from the date of its adoption.

Section 106(6) of the act requires that a policy on development or financial contributions must be reviewed at least once every three years using a consultation process that gives effect to s.82 of the act.

DATE	VERSION	REVISION DESCRIPTION
R/20/7/30795	Policy on Development and Financial Contributions	LTP 2021-31
R/17/10/24438	Development and Financial Contributions Policy	Long Term Plan 2018-28
R/14/11/17513	Development and Financial Contributions Policy	Long Term Plan 2015-25
R/14/6/8794	Development and Financial Contributions Policy	Annual Plan 2014-15
R/13/2/1981	Development and Financial Contributions Policy	June 2013
R/09/9/13493	Development Contributions and Reserve Contributions under Local Government Act 2002 Policy	LTP 2009-2019

Implementation

This policy will come into effect on 1 July 2021.

Appendix 1 - Definitions and abbreviations

DEFINITIONS	
TERM	MEANING
ACCOMMODATION UNIT	has the definition given to it in s.197(2) of the act 2002, “ <i>means units, apartments, rooms in 1 or more buildings, or cabins or sites in camping grounds and holiday parks, for the purpose of providing overnight, temporary, or rental accommodation.</i> ”
AC COST	means the cost for providing additional capacity to service the development of new households and businesses
ACTIVITY	means a good or service provided by Council under s.5 of the act, and for which development contributions are normally collected
ACTIVITY UNIT OF DEMAND	means the demand for a community facility generated by development activity other than subdivision
ADDITIONAL CAPACITY PROJECT OR AC PROJECT	means a capital project in the Long Term Plan intended only to provide additional capacity to service new and future households and businesses
AGED CARE ROOM	means any residential unit in a “rest home” or “hospital care institution” as defined in s.58(4) of the Health and Disability Service (Safety) Act 2001
ALLOTMENT OR LOT	has the meaning given to the term “allotment” in s.218(2) of the RMA: <ul style="list-style-type: none"> (a) any parcel of land under the Land Transfer Act 1952 that is a continuous area and whose boundaries are shown separately on a survey plan, whether or not: <ul style="list-style-type: none"> (i) the subdivision shown on the survey plan has been allowed, or subdivision approval has been granted, under another act; or (ii) a subdivision consent for the subdivision shown on the survey plan has been granted under this act; or (b) any parcel of land or building or part of a building that is shown or identified separately— <ul style="list-style-type: none"> (i) on a survey plan; or (ii) on a licence within the meaning of Part 7A of the Land Transfer Act 1952; or (c) any unit on a unit plan; or (d) any parcel of land not subject to the Land Transfer Act 1952.
BEDROOM	means a room used for sleeping, normally accommodating no more than three persons

DEFINITIONS	
CATCHMENT	is an area of the district identified in this policy within which growth and development is occurring, which is likely, either solely or cumulatively, to give rise to the need for, or benefit from, particular Council activities.
COMBINED PROJECT OR AC/ILOS PROJECT	means a project in the long term plan intended to deal with shortfalls in levels of service to existing households and businesses by bringing assets up to the <i>service standard</i> and/or by providing additional service life, and to provide capacity for further growth
COMMERCIAL	means non-residential development using land or buildings for the provision of goods and services in the course of a trade or business and includes retail development
COMMUNITY FACILITIES	means parks and reserves, network infrastructure, or community infrastructure for which development contributions may be required
COMMUNITY INFRASTRUCTURE	has the definition given to it in s.197(2) of the act
DEVELOPMENT	has the definition given to it in s.197(1) of the act
DEVELOPMENT CONTRIBUTIONS CALCULATION PERIOD	means the period between 1 July 2021 and a date 30 years after the date of adoption of this policy.
DISTRICT PLAN	The operative Southland District Plan including any proposed plan or variation.
DWELLING UNIT	any building or group of buildings or any part of those buildings, used or intended to be used solely or principally for residential purposes and occupied or intended to be occupied by not more than one household – and includes a minor household unit, a utility building or any unit of commercial accommodation
HOUSEHOLD UNIT	a building or part of a building capable of being used as an independent residence and includes dwelling apartments, semi-detached or detached houses, units, town houses, granny flats (or similar), and caravans (where used as a place of residence or occupied for a period of time exceeding six months in a calendar year)
ILOS COST	the cost of improving levels of service to existing households and businesses by bringing assets up to the <i>service standard</i> and/or by providing additional service life

DEFINITIONS	
IMPROVED LEVEL OF SERVICE PROJECT OR ILOS PROJECT	a capital project in the long term plan intended only to deal with shortfalls in levels of service to existing households and businesses by bringing assets up to the <i>service standard</i> and/or by providing additional service life
INDUSTRIAL	<p>a non-residential development using land or buildings where people use material and physical effort in the course of a trade or business to:</p> <ul style="list-style-type: none"> • extract or convert natural resources • produce goods or energy from natural or converted resources • repair goods, but <p>does not include mineral extraction or farm buildings associated with normal farming operations including sheds, barns, garages and buildings for indoor poultry livestock and crops production</p>
LEGALLY ESTABLISHED	in relation to any <i>lot</i> or development, any <i>lot</i> for which a title has been issued, or any dwelling, commercial or industrial unit for which a code compliance certificate has been issued. <i>Legally established</i> development includes buildings and structures that can be shown to have been in existence when this policy became operative on 1 July 2021, but have since been demolished
LOT UNIT OF DEMAND	the demand for a community facility generated by the creation of lots through subdivision
NET LETTABLE AREA	the area for which a tenant could be charged for occupancy under a lease. Generally, it is the floor space contained within a tenancy at each floor level measured from the internal finished surfaces of permanent external walls and permanent internal walls but excluding features such as balconies and verandas, common use areas, areas less than 1.5 m in height, service areas, and public spaces and thoroughfares
NON-RESIDENTIAL LOT OR DEVELOPMENT	<p>any lot or development that is not for residential purposes. This includes:</p> <ul style="list-style-type: none"> • all buildings that are considered a fundamental place of work such as dairy milking sheds, shearing sheds, and indoor farming facilities such as chickens or pigs • all buildings for the provision of sport, recreation or entertainment • all buildings for the provision of social and cultural pursuits
PAST SURPLUS CAPACITY	capacity in assets provided as a result of capital expenditure made in anticipation of development since 1 July 2005.
REMAINING SURPLUS CAPACITY	the estimated remaining capacity in capital assets at the end of the long term plan period, available to service future development occurring after the long term plan period

DEFINITIONS	
RESIDENTIAL DEVELOPMENT	any use of land and/or buildings by people for the purpose of living accommodation. It includes accessory buildings and leisure activities associated with needs generated principally from living on the site
RETIREMENT UNIT	any residential unit other than an aged care room, in a “ <i>retirement village</i> ” as defined in s.6 of the Retirement Villages Act 2003.
SERVICED SITE	any site dedicated for the location of a vehicle or tent for the accommodation of persons, which is provided with utility services such as water supply, wastewater disposal, solid waste disposal, electricity or gas, either directly to the site or in the immediate vicinity
SURPLUS CAPACITY PROJECT OR SC PROJECT	a past capital expenditure project carried out since 1 July 2005 in anticipation of new development and providing surplus capacity for further development.
UTILITY BUILDING	is a structure containing facilities (such as toilet, shower, laundry, hot water cylinder, laundry tub) that make the site habitable prior to or during the erection of a dwelling
UNIT OF DEMAND	is a unit of measurement by which the relative demand for an activity, generated by different types of development (existing or proposed), can be assessed. A <i>unit of demand</i> may be expressed as a <i>lot unit of demand</i> or an <i>activity unit of demand</i>

Appendix 2 - Development contribution catchments

COMMUNITY FACILITY	CATCHMENT	DEVELOPMENT TO WHICH DEVELOPMENT CONTRIBUTION APPLIES
WATER SUPPLY	10 community potable water supplies: <ul style="list-style-type: none"> • Edendale/Wyndham • Manapouri • Mossburn • Ohai/Nightcaps/Wairio • Orawia • Otautau • Riverton • Te Anau • Tuatapere • Winton 2 treated rural water supply areas: <ul style="list-style-type: none"> • Eastern Bush/Otahu Flat • Lumsden/Balfour 	Development in any separate water supply scheme
WASTEWATER	18 wastewater scheme areas: <ul style="list-style-type: none"> • Balfour • Browns • Edendale/Wyndham • Gorge Road • Lumsden • Manapouri • Monowai • Nightcaps • Ohai • Riversdale • Riverton • Stewart Island • Te Anau • Tokanui • Tuatapere 	Development in any separate wastewater scheme

COMMUNITY FACILITY	CATCHMENT	DEVELOPMENT TO WHICH DEVELOPMENT CONTRIBUTION APPLIES
	<ul style="list-style-type: none"> • Otautau • Wallacetown • Winton 	
COMMUNITY INFRASTRUCTURE	Waihopai Toetoe Ward, Winton Wallacetown Ward, Mararoa Waimea Ward, Waiiau Aparima Ward, Stewart Island Rakiura Ward	Development in each separate ward

Appendix 3 - Assessment of significant assumptions

ASSUMPTION	LEVEL OF UNCERTAINTY	POTENTIAL EFFECTS
The rate, level and location of growth will occur as forecast in the rating growth projections accompanying the long term plan	High	Lower than forecast growth will result in a significant under-recovery of development contributions revenue
Capital expenditure will be in accordance with the capital works programme in the long term plan and future capital expenditure is based on the best available knowledge at the time of preparation. These are to take into account known or likely construction costs and assumed inflation rates	Moderate	In current circumstances significant changes to the capital programme are unlikely
No significant changes to service standards are expected to occur in the long term plan period other than those planned for in the Activity Management Plans	Low	No significant effects anticipated
The level of third party funding (such as NZ Transport Agency subsidies) will continue at predicted levels for period of the long term plan	Low	No significant effects anticipated
There will be no significant variations to predicted rates of interest and inflation to those set out in the long term plan	Low/moderate	No significant effects anticipated

ASSUMPTION	LEVEL OF UNCERTAINTY	POTENTIAL EFFECTS
Each residential dwelling comprises the average number of residents from the 2013 census. The demand on Council assets placed by a standard dwelling (Unit of Demand) is assumed to be 2.5 persons per dwelling and this is applied District-wide	Moderate	The average dwelling occupancy will remain steady over time but there may be local areas where residential occupancy goes above the district average and places increased demands on infrastructure from that anticipated

Appendix 4 - Summary of financial contribution provisions in District Plan

Section 106(2)(f) of the act states that if Council is to require financial contributions then this policy must summarise the provisions that relate to financial contributions in the District Plan.

Section 2.14 of the Southland District Plan requires the following contributions:

Roading - A contribution may be required for the development, maintenance and upgrading of roading infrastructure that serves the subdivision. The amount of contribution is 100% of the cost of the required work reduced with regard to:

- a) the current status and standard of roading leading to and fronting the site;
- b) the benefit of works to existing users and the wider public;
- c) the standard and classification of the road and expenditure required to meet this standard;
- d) the use or likely future use of the road by other parties;
- e) contributions made by central government and other agencies towards the development of the road; and
- f) previous financial contributions from developers who will benefit from the work.

Reserves - A contribution shall be required in the following situations:

- a) a contribution of 2% of the value of additional allotments created by subdivision, up to a maximum value of 2% of the value of 1,000m² per lot, where existing reserves in the locality cannot deal with additional demand; or
- b) a contribution of 1% of the value (given as money or land) of additional allotments created by subdivision for minor improvements to existing reserves in the locality up to a maximum value of 1% of the value of 100m² per lot;
- c) a contribution of the value of 20m² for each additional residential unit created in a development;

- d) a contribution of the value of 4m² of land for each additional 100m² of net non-residential building floor area created in a development in the urban zone, commercial precinct or industrial zone.

Appendix 5 - Calculating units of demand for commercial development

Industrial and other non-residential development (other than commercial development) will be subject to special application under section 3.7 of this policy. In calculating the units of demand generated by commercial development for water supply and wastewater, as compared to that of an average dwelling unit, Council accepts that demand may vary between different types of commercial activity. However changes to the type of business over time may not constitute “development” under the act or even trigger a resource consent, building consent or new connection requiring a development contribution. This policy therefore treats all types of commercial activity as generating the same average unit of demand for a given net lettable area.

Water - comparison of residential and commercial demand

The residential daily demand for water comprises that for domestic purposes and non-domestic uses (eg gardening, car washing, firefighting, leakages etc). The following figures are used in the assessment:

- a) the average daily residential demand for domestic purposes is 230 litres/person/day
b) the average daily residential demand for non-domestic purposes is 1,200 litres/dwelling.

In determining the units of demand for one dwelling unit, it is noted that not all potential demand will occur at the same time and therefore an average peak of four persons per household is used to assess peak usage per dwelling at 2,120 litres/day (4 x 230 litres/day + 1200 litres).

Water consumption sampling² of various commercial premises, offers data for premises which may be typical of many Southland main street businesses in the range 0 - 5,000 m² net lettable area (NLA). These would also generally be premises naturally rather than mechanically cooled with air conditioning systems using higher quantities of water.

Sampling found consumption in the range 875 - 1,200m³ (average 1,037 m³) per annum per 1,000 m³ NLA. This converts as follows:

***Commercial premises consuming an average 2,840 litres per day per 1,000 m² NLA; thus
If 2,120 litres per day is one unit of demand for residential; then
2,840 litres per day (1,000 m² NLA) is 1.3 units of demand; then
769 m² NLA is 1 unit of demand.***

Wastewater - comparison of residential and commercial demand

² Water Performance Benchmarks for New Zealand: an approach to understanding water consumption in commercial office buildings, Bint, Isaacs and Vale, School of Architecture, Victoria University Wellington

Average daily residential wastewater flows are assumed to equate to the domestic purposes water use of 230 litres/person/day, with water for non-domestic purposes not finding its way to the sewer. Average peak usage per property at four persons per dwelling is therefore 920 litres/day (4 x 230 litres/day).

It is assumed that all water consumption on commercial premises (2,840 litres per day per 1,000 m² NLA in main street situations will find its way to the sewer. To calculate the units of demand for wastewater:

*Commercial premises generate an average 2,840 litres wastewater per day per 1,000 m² NLA; thus
 If 920 litres per day is one unit of demand for residential; then
 2,840 litres per day (1,000 m² NLA) is 3.1 units of demand; then
 322 m² NLA is one unit of demand.*

Appendix 6 - Calculation of development contribution amount on a development

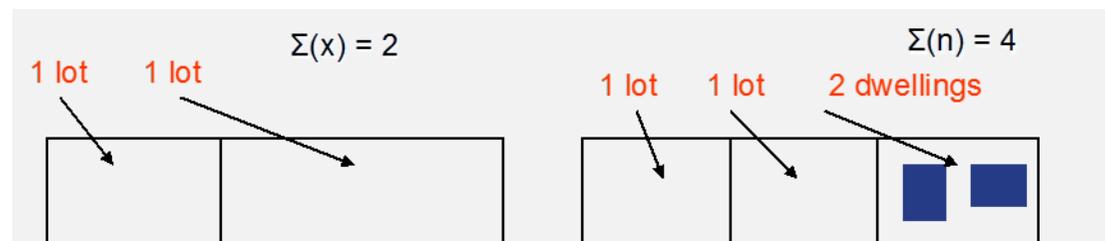
The formula in **Section 3.2.1** of this policy calculates the demand on infrastructure from any development site after the proposed development has taken place (n) and subtracts the existing demand already generated by the site before the development occurs (x). In this way, it identifies only additional demand placed on infrastructure as a result of the development. This additional demand is multiplied by the development contribution amount for each type of infrastructure to calculate the total development contribution payable.

Using Table 1 of this policy, the units of demand before and after development are calculated, as the greater of the number of lot units of demand making up the development site OR activity units of demand (building development) on the development site at the time.

The calculation is [(a) X [Σ(n) – Σ(x)]] + GST where:

- (a) is the development contribution for the catchment eg wastewater \$1,316 per unit;
- (x) is, for each lot existing before development, the lot units of demand OR activity units of demand whichever is the greater;
- (n) is, for each lot after the development, the lot units of demand OR activity units of demand whichever is the greater.

Residential development example using Table 1:



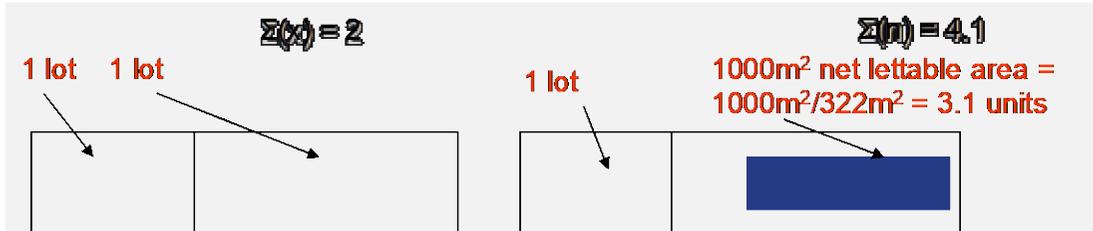
BEFORE DEVELOPMENT

AFTER DEVELOPMENT

Additional units of demand $\Sigma(n) - \Sigma(x) = 4(n) - 2(x) = 2$ Units

Development contribution for wastewater is 2 units X \$1,316 = \$2,632 + GST

Commercial development example using Table 1:



BEFORE DEVELOPMENT

AFTER DEVELOPMENT

Additional units of demand $\Sigma(n) - \Sigma(x) = 4.1(n) - 2(x) = 2.1$ Units

Development contribution for wastewater is 2.1 units X \$1,316 = \$2,764 + GST

Significance and Engagement Policy

Southland District Council (Council) has developed the Significance and Engagement Policy (the policy) to determine the significance of issues within the District, and how to align our engagement with the public based on the degree of significance of the issue. The policy aligns with provisions the Local Government Act 2002 (the act).

Purpose

The purpose of this policy is:

- to enable the local authority and its communities to identify the degree of significance attached to particular issues, proposals, decisions or matters; and
- to provide clarity about how and when communities can expect to be engaged in decisions about different issues, proposals, decisions or matters; and
- to inform Council, from the beginning of a decision-making process about
 - the extent of any public engagement that is expected before a particular decision is made; and
 - the form or type of engagement required.

This policy will also guide staff on:

- the extent that options are identified and assessed; and
- the degree benefits and costs are quantified; and
- the extent and detail of information considered; and

- the extent and nature of any written record kept on legal compliance; and
- on the extent Council must consider the views and preferences of people likely to be affected by, or to have an interest in a matter;

as these decisions should be undertaken in proportion to significance of the matter.

General approach

Council will follow a three-step process to inform decision-making:

Step 1 - determine significance - Council will use particular factors to decide if a matter is of higher or lower significance. This part of the policy also gives guidance on what to do if a matter is of high significance.

Step 2 - identify community views - Council will determine what it knows about community views and identify if there is a need for more information.

Step 3 - deciding on an approach to community engagement - the level of significance and what Council wants to know about community views will guide Council on an appropriate level of engagement, and how and when to engage. This part of the policy provides clarity on how and when communities can expect to be engaged in different issues. It also identifies how Council will respond to community preferences about engagement.

Step 1 - Determining the level of significance

Significance is about measuring the degree of importance of an issue, proposal, decision, or matter. Council has to determine how people, services, facilities and infrastructure in the district will be affected. Significance is a continuum ranging from matters that have a low impact/risk and therefore low significance, right up to matters that have very high levels of impact/risk and significance.

During the development stages of an issue, proposal, decision or matter, significance should be considered as it will guide both the extent options should be developed, and the degree to which advantages and disadvantages are assessed. Significance should also be considered when determining the appropriate extent and type of community engagement.

How to assess significance

Each issue, proposal or decision will be considered on a case by case basis to determine whether the decision is significant. Council will take into account the following factors when determining the level of significance. These factors are of equal weighting. The greater the cumulative impact of the matter as assessed by these factors, the more significant the issue, proposal, decision or matter will be:

- the likely impact/consequences of the issue, decision or proposal on the current and future social, economic, environmental or cultural wellbeing of the district or region
- the effect on people who are likely to be particularly affected by or interested in the issue, decision or proposal
- the financial and non-financial costs and implications of the issue, decision or proposal on Council's capability and capacity
- the scale of any proposed change to levels of service
- the ownership or function of a strategic asset.

Council may also take into account knowledge it has previously gained about the community and its views on an issue to assess whether the matter has a high level of significance.

When determining the significance of a matter that could have a high level of significance Council staff will discuss the importance of the matter with our iwi partners.

Committees of Council and elected bodies can also be used to help assess the significance of a matter.

Strategic assets

In respect to “strategic assets”, a key consideration is whether an asset is essential to the continued delivery of an “outcome” that Council considers important for the well-being of the community. Decisions to transfer ownership or control of a strategic asset to or from Council cannot be made unless they are first included in the long term plan.

For the purpose of s.76AA(3) of the act, Council considers the following assets, or a network of assets, to be strategic assets:

- roading, bridge network as a whole
- Around the Mountains Cycle Trail as a whole
- water treatment plants and reticulation networks as a whole
- township wastewater treatment plants and reticulation networks as a whole
- township stormwater reticulation networks as a whole
- portfolio of district reserves (parks/reserves) as a whole
- Stewart Island Electricity Supply Authority as a whole
- Te Anau Airport Manapouri as a whole
- community housing as a whole.

What to do if a matter is significant

If a matter is considered to be significant, reports will include a statement indicating why this conclusion was reached. The statement will include an explanation of which factors indicate the decision is significant, the potential implications of the decision, the range of community views that might exist, and whether there is a need for a further degree of community engagement before a final decision is made.

Where the proposal or decision is considered to be significant, the report will also include a statement addressing the appropriate observance of ss.77, 78, 79, 80, 81, 82 and 82A of the act as applicable, together with the corresponding degree of community engagement considered.

Step 2 - Identify community views

Step 2 involves Council identifying what it already knows about the community views on a matter, and identifying if there is a need to get more information about community views. Community views are the views and preferences of people likely to be affected by, or to have an interest in, the matter. Determining how Council will identify community views may lead to community engagement. The process of how Council will decide if it needs to seek more information to understand the views in the community is outlined in Appendix 1. In general, Council will take steps to identify community views in the circumstances described below.

When Council will identify community views

When it is required by legislation

Council will consider community views when it has a legislative requirement to do so (as set out by the Local Government Act 2002,

Resource Management Act 1991, Reserves Act 1977, Building Act 2004 and Land Transport Management Act 2003. Examples of when Council will identify community views include the adoption and amendment(s) to both the long term plan and a bylaw, transfer of ownership of a significant strategic asset, and changes to financial policies. Council may identify community views more broadly than what is legally required.

When it relates to a significant matter

Subject to consideration of factors in the section 'how to assess significance' above, Council will identify community views whenever a 'significant decision' needs to be made. A significant decision is one which has been identified as such under this policy.

Note: a 'significant' decision will not automatically trigger consultation or application of the Special Consultative Procedure (SCP). An outline of what Council must do when it is required to use or adopt the special consultative procedure is outlined in Appendix 2. Further information on the SCP is in ss.86, 87, and 93A of the act.

For some matters that are not considered significant

In general, where a matter is not considered significant under this policy, Council is unlikely to seek additional information on community views. However, in some situations where Council staff deem community involvement or notification is appropriate, informal feedback or notification processes may be followed.

When Council may not seek additional information on community views

Information is always necessary for the decision making process. However, there are times when it is not necessary, appropriate or possible to seek additional information on community views. If this is the case, Council will make this determination in accordance with the

criteria below and notwithstanding any legislative requirements. Council will not identify community views when:

- the matter is not of a nature or significance that requires consultation (s.82(4)(c) LGA)
- Council already has a sound understanding of the views and preferences of the persons likely to be affected by or interested in the matter (s.82(4)(b) LGA)
- there is a need for confidentiality or commercial sensitivity (s.82(4)(d) LGA)
- the costs of consultation outweigh the benefits of it (s.82(4)(e) LGA)
- engagement will not be beneficial as it will not influence the decision (for example if there is only one or very limited viable options available, there may be no benefit in engaging with the community)
- the matter has already been addressed by Council's policies or plans, which have previously been consulted on
- an immediate or quick response or decision is needed or it is not reasonably practicable to engage
- works are required unexpectedly or following further investigations on projects, already approved by Council
- business as usual - the works required are related to the operation and maintenance of a Council asset and responsible management requires the works to take place
- when Council has consulted on the unchanged issue in the last 24 months.

Where the above listed circumstances apply and community feedback is not sought, Council is still required to give consideration to the views

and preferences of persons likely to be affected by, or to have an interest in, the matter (s. 78(1) LGA). The act requires that this consideration be in proportion to the significance of the matters affected by the decision (s.79(1)).

Step 3 – Deciding on an approach to community engagement

Once Council has determined the significance of a matter and has determined it needs more information on the range of views held, Council will consider how and when it should engage with the community. Depending on the matter being considered and the stakeholders involved, the preferred method(s) or combination of engagement tools will be identified and applied to meet the goals of the specific engagement.

Council will respond to community preferences about engagement, including the form of consultation that may be desirable, by informing and seeking guidance from councillors. Council will also use engagement methods that have proven over time to be effective at informing the public and generating responses.

There is a variety of ways in which Council engages with the community. In this policy, the types of engagement described relate specifically to Council, community boards and delegated decision-making. The types of engagement described are given as a guide, and Council is not limited to or by the stated methods of engagement.

The significance of the issue, proposal or decision will influence the extent Council explores and evaluates options and obtains the views of affected and interested parties.

Council will apply the principles of s.82 of the act when determining engagement. Council will select the engagement method that it considers most appropriate in the circumstance.

Factors to consider

Council's strong community focus

The Southland community is at the heart of Council's purpose, vision and mission; therefore, engagement will reflect the need for community input into Council decision-making.

Council is also keen to build on existing relationships and networks with individuals and communities, and look to extend the range of parties involved in the community engagement as appropriate. Council will work to ensure the community is sufficiently informed to understand the issue(s) or proposal, options and impacts and has time to respond, so they are able to participate in engagement processes with confidence.

Legislative considerations

When Council makes decisions, often legislation will prescribe the consultation and decision-making procedures required. This includes the procedures to be used for public notification, considering submissions and making decisions. Section 82(5) of the Act says that where specific consultation is required under the LGA, or any other enactment, and if inconsistent with any s.82 principle – the other provisions will prevail (to the extent of the inconsistency). Those other acts include, among others, the Reserves Act 1977, the Biosecurity Act 1993, Land Transport Act 1998, Building Act 2004 and the Resource Management Act 1991.

There are a number of decisions that can only be made if they are explicitly provided for in Council's LTP as set out by the LGA 2002 Amendment Act 2014. These are:

- to alter significantly the intended level of service provision for any significant activity undertaken by or on behalf of Council, including a decision to commence or cease any such activity

- to transfer the ownership or control of a strategic asset to or from Council.

In addition, Council is required at times to use the Special Consultative Procedure (SCP), as set out in s.83 of the act. The SCP is a prescribed process for consultation set out in the act. In brief, the SCP requires Council to issue and widely distribute a proposal, which is open for consultation for at least a month, and the community can provide its views. The SCP may also be used for any other decision Council wishes to consult on, and generally this will be when a matter is of high significance. The requirement or use of the SCP does not preclude the need to engage with affected communities. The use of the SCP is predominantly a reflection of the significance of an issue, which in turn identifies the need for appropriate community engagement. Schedule 2 outlines when an SCP is required, and what is required under s.83 of the act.

Remaining flexible

It is important that Council does not use a 'one size fits all' approach, and that engagement tools are appropriate to the location, significance of the issue, and community affected. Differing levels and forms of engagement may be required during the varying phases of consideration and decision-making on an issue or proposal, and for different community groups or stakeholders. Council will review the appropriateness and effectiveness of the engagement strategy and methods as the process proceeds. There may be occasions in which Council chooses to carry out engagement at a level higher than that indicated by the significance of the decision as part of its commitment to promote participatory democracy.

Council will also be open to new and developing methods of engagement through the use of technology and innovation.

The role of elected members

This policy recognises the role of elected representatives, both councillors and community board members, as valued and recognised conduits to the communities they represent. Council, when engaging with affected or interested communities, will recognise the relationship elected members have with the location, specific communities and individuals affected by consultation or engagement initiatives.

Participation of elected representatives is an essential step to consider, in light of broader community good, when initiating any project requiring engagement.

Partnership with iwi/Māori

A strategic focus for Council is maintaining and enhancing our partnership with Māori. Council has a strong partnership with Te Ao Mārama Incorporated on environmental and Resource Management Act 1991 matters. Council will openly engage with iwi and Māori on other Council business.

The level of engagement

Using the International Association of Public Participation engagement spectrum as a basis³, the method(s) of engagement adopted by Council before it makes a decision may depend on whether or not:

- the matter is of low or no significance (eg technical and/or minor amendments to a bylaw or Council policy) and there may be a very small group of people affected by or with an interest in the decision. Council is unlikely to engage on these matters
- the matter is significant only to a relatively small group of people or is of low impact to many. They should be informed about the problem, alternatives, opportunities and/or solutions and/or

consulted so that any concerns, alternatives and aspirations they have are understood and considered

- the matter is significant not only to a small group of people particularly affected but also to a wider community that may have an interest in the decision to be made. They may be informed, consulted and/or involved to seek public input and feedback on analysis, alternatives and/or decisions
- for more significant matters Council may elect to collaborate, or partner, with a community in any aspect of a decision including the development of alternatives and the identification of preferred solutions. This is more likely to occur where there is a distinct group of affected or particularly interested people.

Depending on the level of significance and the nature of the issue, proposal or decision being made, by using a range of engagement methods communities may be **empowered** to participate in the decision-making process.

How and when we will engage

Once the appropriate level of engagement has been assessed, Council will then consider the range of engagement methods that are appropriate. This process supports community participation through the engagement spectrum approach.

Council will select the method it considers appropriate in the circumstance, taking into account a range of factors, such as who is affected or who is likely to have a view. Council will remain flexible in its approach to engagement, to ensure that the most appropriate methods are used.

³ International Association of Public Participation [IAP2 Spectrum of Public Participation (<https://iap2.org.au/wp->

[content/uploads/2019/07/IAP2_Public_Participation_Spectrum.pdf](#). Date accessed: 14 August 2020).

The table below outlines Council’s engagement spectrum. The table gives guidance on how and when communities can expect to be engaged in particular matters, relative to their significance. The table also gives examples of what significance has been placed on particular matters in the past, and what types of community engagement has been used for those matters. The table is also a valuable tool for Council staff to

inform on the extent of public engagement that might be expected on a matter before a decision is made, and the form or type of engagement that may be required and appropriate.

	LOW LEVEL OF SIGNIFICANCE			HIGH LEVEL OF SIGNIFICANCE	
	Inform	Consult	Involve	Collaborate	Empower
What it involves	to provide the public with balanced and objective information to assist them in understanding the problem, alternatives, opportunities and/or solutions	to obtain public feedback on analysis, alternatives and/or decisions	to work directly with the public throughout the process to ensure that public concerns and aspirations are consistently understood and considered	to partner with the public in each aspect of the decision including the development of alternatives and the identification of the preferred solution.	to place final decision making in the hands of the public
Types of matters we might use this type of engagement for	minor change to how Council manages groups of activities upgrade of a reserve area	LTP and Annual Plan where there are significant changes from the content of the LTP for that financial year policies such as the Easter Sunday Shop Trading Policy and the Unmanned Aerial Vehicle Policy	development of options for a policy change that is deemed significant (eg moving from land to capital value for rating purposes)	development options for a new large capital project which has a community focus and has a large number of options (eg Te Anau wastewater project)	community halls
Examples of engagement tools	Council newsletter, weekly/daily newspapers, community newsletters, email, social media posts, flyers, website, radio	submissions, hearings, feedback processes, surveys, open days	local meetings, social media, targeting existing organisations within the community (eg. service clubs)	talking with communities, key partnerships with existing community organisations, hall committees	community boards
When the community can expect	Council will generally advise the community when a decision is made	Council will advise the community when a draft decision is made and generally provides the community with up to four	Council will generally provide the community with a greater lead-in time	Council will generally involve the community at the start to scope the issue, again after information has been	Council will generally involve the community at

	LOW LEVEL OF SIGNIFICANCE			HIGH LEVEL OF SIGNIFICANCE	
to be involved		weeks to participate and respond	to allow them time to be involved in the process	collected and again when options are being considered	the start to scope the issue

Table 1: Southland District Council's engagement spectrum approach

Roles and responsibilities

ROLE	RESPONSIBILITIES
Council	<ul style="list-style-type: none"> determine degree of significance of an issue determine whether or not to engage link level of significance to appropriate levels of engagement use determined level of significance to decide how much time, money and effort Council will invest in exploring and evaluating options and obtaining the views of affected and interested parties.
Communications manager, ELT	ensure that engagement with the community meets the degree of significance determined by Council
All Council staff	ensure that the policy is given full effect

Associated documents

Local Government Act 2002 and the Southland District Council Engagement Strategy

Review and revision record

The policy will be reviewed within three years of adoption, or sooner as required. Any amendments shall be made with the approval of Council.

Date	Version	Revision description
28 January 1999	N/A	Consultation Policy
27 November 2003	R/03/7/6677	Consultation Policy
26 June 2003	R/09/9/13601	Significance Policy
28 June 2006	R/12/1/808	Significance Policy
29 October 2014	R/14/8/11821	Significance and Engagement Policy

2017	R/16/11/19694	Significance and Engagement Policy
10 March 2021	R/20/8/46866	Significance and Engagement Policy

Implementation

This policy will become effective immediately upon adoption by Council.

Appendix 2: Special Consultative Procedure (SCP)

The Local Government Act 2002 requires Council to use the SCP for:

- adoption of or amendment to the LTP (including significant amendments to the Revenue and Financing Policy)
- revocation, adoption or amendment to a bylaw
- transfer of ownership of a significant strategic asset.

It is important to note that formal consultation by the SCP is a structured process outlined in legislation and supported by caselaw. This type of consultation applies in some decision making processes. In other engagement processes, however, there are no explicit statutory or legal rules constraining or defining community engagement processes. The act has given local authorities the ability to determine this as appropriate for their communities.

At the time of writing this policy there are a number of other acts that require use of the Special Consultative Procedure, including but not limited to:

- Sale and Supply of Alcohol Act 2012
- Local Government Act 1974
- Building Act 2004
- Local Government (Rating) Act 2002
- Psychoactive Substances Act 2013,
- Dog Control Act 1996
- Waste Minimisation Act 2008
- Freedom Camping Act 2011
- Land Transport Management Act 2003
- Biosecurity Act 1993
- Fire and Emergency New Zealand Act 2017
- Maritime Transport Act 1994.

Section 83 of the act states the requirements of the SCP. This section is included below.

83 Special Consultative Procedure

- 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 and adopt -
 - (i) a statement of proposal; and
 - (ii) if the local authority considers on reasonable grounds that it is necessary to enable public understanding of the

- proposal, a summary of the information contained in the statement of proposal (which summary must comply with section 83AA of the act; and
- (b) ensure that the following is publicly available:
 - (i) the statement of proposal; and
 - (ii) a description of how the local authority will provide persons interested in the proposal with an opportunity to present their views to the local authority in accordance with section 82(1)(d) of the act; and
 - (iii) a statement of the period within which views on the proposal may be provided to the local authority (the period being not less than 1 month from the date the statement is issued); and
 - (c) make the summary of the information contained in the statement of proposal prepared in accordance with paragraph (a)(ii) of the act (or the statement of proposal, if a summary is not prepared) as widely available as reasonably practicable as a basis for consultation; and
 - (d) provide an opportunity for persons to present their views to the local authority in a manner that enables spoken English, Māori, and/or New Zealand sign language interaction between the person and the local authority, or any representatives to whom an appropriate delegation has been made in accordance with Schedule 7 of the act; and
 - (e) ensure that any person who wishes to present his or her views to the local authority or its representatives as described in paragraph (d)
 - (i) is given a reasonable opportunity to do so; and
 - (ii) is informed about how and when he or she may take up that opportunity.
2. For the purpose of, but without limiting, subsection (1)(d), a local authority may allow any person to present his or her views to the local authority by way of audio link or audio visual link.

Remission and Postponement of Rates Policy

Purpose

The objectives of the policy are:

- to provide financial assistance and support to ratepayers where it is fair and reasonable to do so
- to address rating anomalies
- to provide Council with the ability to act reasonably in administering its rating powers and policies
- to support broader Council outcomes and specific objectives as detailed in this policy.

Southland District Council sets rates under s.23 of the Local Government (Rating) Act 2002. Rates are used by Council to fund costs once all other funding sources are taken into account.

Section 102 of the Local Government Act 2002 provides that a council may have a rates remission and postponement policy (the policy). This policy provides full details of each remission and postponement as well as the objectives and criteria for each.

This policy has been developed in accordance with s.85 and s.87 of the Local Government (Rating) Act 2002 (LGRA), and ss.102(2), s.109 and s.110 of the Local Government Act 2002 (LGA).

In addition to the provisions in this policy, the LGRA also identifies land that is non-rateable land under s.8 and schedule 1 (refer to Appendix A).

Definitions and abbreviations

TERM	MEANING
Service rates	includes rates for water and wastewater rates and associated loan charges as well as for rubbish and recycling bins.
Sports associations	includes societies, clubs or association of persons (whether incorporated or not) for games or sports, except galloping races, harness races, or greyhound races.
Significant extraordinary circumstances	as defined by Council resolution. Significant extraordinary circumstances may be natural or economic in nature (e.g. including, but not limited to, flood, earthquake, pandemic).
Financial hardship	where a person, after seeking recourse from government benefits or applicable relief packages, is unlikely to have sufficient funds after the payment of rates to reasonably meet the cost of goods, services and financial obligations (such as normal living expenses, health care, care of dependents) that are considered essential to the functioning of that entity according to New Zealand standards;

TERM	MEANING
	in the case of a ratepayer who is not a natural person, it is the inability, after seeking recourse from government benefits or applicable relief packages, to reasonably meet the cost of goods, services and financial obligations that are considered essential to the functioning of that entity according to New Zealand standards.
Separately Used or Inhabited Part (SUIP)	As defined in Council’s most recent Annual or Long Term Plan funding impact statement. As at February 2021, SUIP includes <i>any portion of a rating unit inhabited or used by the owner/ a person other than the owner, and who has the right to use or inhabit that portion by virtue of a tenancy, lease, licence or other agreement. For the purposes of this definition, vacant land which is not used or inhabited is not a SUIP.</i>

Policy details

Remissions

Remission of rate penalties

Objective

To enable Council to act fairly and reasonably in its consideration of rates which have not been received by Council by the penalty date. Council recognises that applying penalties may exacerbate financial hardship and that in some instances there may be a fair and reasonable explanation for delays in payment.

Conditions and criteria

This policy provides for a discretionary right to remit penalties on rates in circumstances which Council considers it fair and reasonable to do so. Remission will only be granted once in a rating year. Payment must be made within the agreed timeframe of the due date, otherwise penalties may be re-applied. Penalty remission (in full or part) will be considered for:

- a. **late payment** provided that none of the previous four instalments were received late.
- b. **significant family disruption** where payment has been late in the case of death, illness or accident of a family member.
- c. **payment misallocation** where late payment has resulted from payments being allocated to the incorrect account due to ratepayer error (such as internet banking/account errors).
- d. **payment arrangement for arrears** where the ratepayer has entered into an arrangement with Council to collect arrears and where these arrangements are fully met.
- e. **temporary penalty hold** where the ratepayer or their authorised representative has contacted Council prior to a penalty date to advise that they will not have funds available to pay until after the due date and payment is subsequently made.
- f. **direct debit authority** to pay rates is commenced in time for the next instalment.
- g. **non-receipt of mail** where a ratepayer claims an invoice was not received and an agreement is made to receive future rates notices by email.

- h. where Council has identified that either **extreme financial hardship, exceptional circumstances** or **significant extraordinary circumstances** have occurred that warrants further leniency in relation to the enforcement of penalties that would otherwise have been payable. The criteria to be applied for significant extraordinary circumstances will be set out in a Council resolution that will be linked to the specific circumstances that have been identified by Council.

SUPPORTING DOCUMENTATION REQUIRED FOR APPLICATION

Information required will depend on the circumstances and will be advised by Council staff.

Remission of small balances

Objective

To remit small balances which are uneconomical to collect.

Conditions and criteria

Council may write off the balance and penalties as it considers appropriate.

Remission of rates for community, sporting and other non-profit organisations

Objective

To assist community service, sporting and other non-profit organisations in recognition of the ‘public good’ contribution they make to the social and cultural wellbeing of the district where granting a rate remission will:

- assist in the organisation’s survival
- make the organisation’s services and/or membership more accessible to the general public.

Conditions and criteria

The conditions and criteria for the two types of rating unit categories are detailed below.

Community facilities owned by persons, general clubs, societies or associations

Rating unit(s) owned by a ratepayer and used for the purpose of a public hall, library, museum, art gallery, community service, healthcare or other similar institution which provide a benefit to the community as a whole may apply for a full remission of rates (with the exception of service rates) on that rating unit as follows:

- community facilities do not operate for private pecuniary profit
- community facilities do not receive any operational funding from government agencies or have any contracts for fee for service with government agencies. Community facilities which are rated for by Council are not considered to receive government funding under this policy
- community facilities operate on a voluntary basis and have no full-time or part-time paid employees or contractors operating in this capacity.

Small community and sports associations with club liquor licences

Rating unit(s) owned by small community or sports associations that hold a liquor licence which provide a benefit to the community may apply for partial remission of rates (with the exception of services rates) as follows:

- community and sports associations with a membership of up to 75 full time member equivalents shall be entitled to a 25% remission

- community and sports associations with a membership of not less than 75 and no greater than 100 full time member equivalents shall be entitled to a 12.5% remission
- this policy applies to land owned by Council or owned and occupied by a charitable organisation, which is used exclusively or principally for sporting, recreation, or community purposes other than galloping races, harness races and greyhound races
- this policy does not apply to organisations operated for private pecuniary profit
- the sporting club or organisation must hold the liquor licence as an incidental activity to the primary purpose of occupancy.

In all cases, land that is used for the private pecuniary profit of any members of the society or association shall not be eligible for a rates remission.

SUPPORTING DOCUMENTATION REQUIRED FOR APPLICATION	
<ul style="list-style-type: none"> • statement of objectives • constitution or trust deed (where applicable) • details of membership or clients (where applicable) • financial accounts 	<ul style="list-style-type: none"> • information on activities and programmes • information on funding sources • other information as may be requested

Remission of rates for school wastewater charges

Objective

To provide relief and assistance to educational establishments that are subject to multiple pan charges for wastewater services as defined in the

since repealed Rating Powers (Special Provision for Certain Rates for Educational Establishments) Amendment Act 2001.

Conditions and criteria

This part of the policy will apply only to educational establishments as defined in the repealed Rating Powers (Special Provision for Certain Rates for Educational Establishments) Amendment Act 2001. The Policy does not apply to any school house, or any part of a school used for residential purposes.

The calculated number of pans of any educational establishment in any one year subject to the relevant wastewater targeted rate will be the lesser of:

- the **actual** number of toilet pans in the establishment; or
- the **notional** number of toilet pans in the establishment. The notional number is calculated as one pan per 20 pupils/staff. A part thereof a notional pan will attract no charge.

Once the number of pans has been established as per the above methodology, the charging regime to apply to these educational establishments will be the same as for commercial ratepayers with multiple pans. That is a fixed amount per Separately Used or Inhabited Part (SUIP) of the education establishment will apply for the first two pans, with the third or more pans attracting a charge for each pan at 50% of the corresponding fixed amount.

SUPPORTING DOCUMENTATION REQUIRED FOR APPLICATION
Details of the number of pans or notional number of pans in the establishment.

Remission of roading rates on other utilities with no primary address

Objective

To provide relief for rating units classified as ‘Other Utilities’ from roading rates because their capital values may not correlate with the demands they place on the roading network. These rating units include infrastructure assets such as District water, wastewater and stormwater supply as well as utility and railway networks. Because of their nature, these rating units do not have a primary address or have high capital values or no recorded land value.

Further, these rating units supply services and infrastructure which benefit the community and district as a whole.

Council has taken the view that applying additional charges to these rating units is likely to result in costs being passed on to consumers.

Conditions and criteria

To be considered for remission of the roading rate, rating units must:

- be classified by Council’s valuation provider as ‘Other Utilities’; and
- have no primary address.

SUPPORTING DOCUMENTATION REQUIRED FOR APPLICATION

Confirmation from the rating information database that the property is classified “other utilities”.

Remission of rubbish or recycling bin collection rates for cancellation/reduction of service

Objective

Where a ratepayer has been charged a rate for additional bin services and decides to cancel or reduce this service, they may be eligible for a remission for the part of the year where the service is cancelled or reduced.

Conditions and criteria

To be eligible for this form of remission a ratepayer must inform Council of the cancellation or reduction in bin service. Council’s contractor must confirm that the bin has been returned or is no longer available for the ratepayer to use before the remission will be applied.

Any remission will apply from the first day of the month after Council’s contractor has provided confirmation and apply until 30 June the following year. Remissions will be automatically offset against the ratepayers account.

SUPPORTING DOCUMENTATION REQUIRED FOR APPLICATION

Information required will depend on the circumstances and will be advised by Council staff.

Remission of rates in exceptional circumstances

Objective

To provide rates or penalty remission in other instances where Council considers relief by way of rates remission is justified in the circumstances.

Conditions and criteria

The criteria for consideration for remission of rates (in full or part) in exceptional circumstances include, **but are not limited to** instances where:

- there are special circumstances in relation to the rating unit, or the incidence of the rates (or a particular rate) assessed for the rating unit, which mean that the unit rates are disproportionate to those assessed for comparable rating units
- the rating unit has been completely destroyed by fire (with any remission to be applied from the first of the month following the fire).

Each circumstance will be considered by Council on a case by case basis.

SUPPORTING DOCUMENTATION REQUIRED FOR APPLICATION

Information showing evidence of the exceptional circumstances (such as insurance records, photographs).

Remission of rates for extreme financial hardship

Objective

To assist ratepayers experiencing extreme financial hardship which affects their ability to pay rates.

Conditions and criteria

Each application for remission due to extreme financial hardship will be considered on its own merits. Applications for the remission of rates (in full or part) may be made by a ratepayer, or their authorised representative, where the following can be demonstrated to Council's satisfaction:

- that the rating unit to which the application relates is the primary private residence owned and occupied by the ratepayer. Companies, trusts and other similar ownership structures of these properties do not qualify for this remission
- the property is used solely for residential purposes
- the ratepayer does not own (or have an interest in) any other rating units, including investment properties (whether in the district or elsewhere)
- the ratepayer has no assets except a low value property upon which rates are owed
- the ratepayer has taken all steps necessary to claim any central government benefits or allowances the ratepayer is entitled to receive to assist with the payment of rates (including the government rates rebate scheme)

- the ratepayer does not have the financial capacity to pay their rates or the rates would create extreme financial hardship for the ratepayer.

Council may also consider whether postponement of rates is a more suitable option.

SUPPORTING DOCUMENTATION REQUIRED FOR APPLICATION

Information showing the ratepayer's financial records and commitments along with a statutory declaration from the ratepayer of their financial position (total household income and total financial position). Council may also seek independent verification from a budget advisor or other agency working with the ratepayer in considering the ratepayers position.

Remission of rates for significant extraordinary circumstances identified by Council

Objective

To assist ratepayers in response to **significant extraordinary circumstances** impacting the District's ratepayers where considered appropriate to do so.

Conditions and criteria

For this policy to apply, Council must first have identified that there have been significant extraordinary circumstances affecting the ratepayers of Southland, that Council wishes to respond to. Once significant extraordinary circumstances have been identified by Council, the criteria and application process (including an application form, if applicable), will be made available.

For a rating unit to receive a remission under this policy it needs to be an **"affected rating unit"** based on an assessment performed by officers, following guidance provided through a resolution of Council.

Council resolution will include:

- a. confirmation that the resolution applies under the rates remission policy; and
- b. identification of the significant extraordinary circumstances triggering the policy; and
- c. how the significant extraordinary circumstances are expected to impact the community (e.g. financial hardship); and
- d. the type and/or location of rating units affected by the special extraordinary circumstances for which the remission will apply to; and
- e. whether individual applications are required or a broad based remission will be applied to all affected rating units or large groups of affected rating units; and
- f. what rates instalment/s the remission will apply to; and
- g. whether the remission amount is either a fixed amount, percentage, and/or maximum amount to be remitted for each qualifying rating unit
- h. the timeframe for remission in relation to the significant extraordinary circumstances

Remissions approved under this policy do not set a precedent and will be applied for each specific event and only to properties directly affected by the event.

Explanatory note

The specific response and criteria will be set out by Council resolution linking the response to specific significant extraordinary circumstances.

The criteria may apply a remission broadly to all rating units or to specific groups or to rating units that meet specific criteria such as proven financial hardship, a percentage of income lost or some other criteria as determined by Council and incorporated in a Council resolution.

Council will indicate a budget to cover the value of remissions to be granted under this policy in any specific financial year.

The types of remission that may be applied under this policy include:

- the remission of a fixed amount per rating unit either across the board or targeted to specific groups such as:
 - a fixed amount per residential rating unit
 - a fixed amount per commercial rating unit

Council may require applicants to meet specific criteria and provide evidence of such with the application.

Council will consider who is able to make applications (e.g. owner/ratepayer/authorised agents or, in the case of a company, the directors or where the ratepayer is not the owner of the rating unit, whether the owner must also provide written approval of the application).

SUPPORTING DOCUMENTATION REQUIRED FOR APPLICATION

Information required will depend on the criteria set out by Council resolution linking the response to specific **significant extraordinary circumstances**. This could include demonstrating that the ratepayer has taken all necessary steps to claim any central government benefits or allowances they are entitled to receive that would assist them to meet their financial commitments.

Grants in lieu of remissions of rates

Objective

Where the application for remission does not meet other criteria listed above for remissions, but there is a community benefit gained from providing a remission, Council or the respective community board or committee of Council, may pay the rates on behalf of the ratepayer.

Conditions and criteria

Where such an application is made to Council or the respective community board or committee of Council, the appropriate body of elected representatives may resolve to pay the rates on behalf of the applicant or pay a grant to the applicant for the amount of the rates.

Such applications will be considered on a case by case basis. Applicants must demonstrate that rates cannot fairly and reasonably be expected to be funded from other sources and that providing a grant to fund rates will result in public benefit.

Any payments made as grants in lieu of remissions of rates shall be recorded as an expense against Council or the respective community board or committee of Council.

SUPPORTING DOCUMENTATION REQUIRED FOR APPLICATION

Information explaining the reasons a grant is required and any supporting documentation appropriate (such as financial accounts, funding sources, commitments, objectives, details of the public benefit which would be gained from providing a grant in lieu of remitting rates).

Postponement

Postponement of rates for extreme financial hardship

Objective

To assist ratepayers experiencing extreme financial hardship which temporarily affects their ability to pay rates.

Conditions and criteria

Each application for postponement due to extreme financial hardship will be considered on its own merits. Applications for postponement of

rates (in full or part) may be made by a ratepayer, or their authorised representative, where the following can be demonstrated to Council's satisfaction:

- that the rating unit to which the application relates is the primary private residence owned and occupied by the ratepayer. Companies, trusts and other similar ownership structures of these properties do not qualify for this postponement
- the property is used solely for residential purposes
- the ratepayer has not less than 25% equity in the property
- the ratepayer does not own (or have an interest in) any other rating units, including investment properties (whether in the district or elsewhere) or have a significant interest in a business or shares
- the ratepayer has no assets except a low value property upon which rates are owed
- the ratepayer has taken all steps necessary to claim any central government benefits or allowances the ratepayer is entitled to receive to assist with the payment of rates (including the government rates rebate scheme)

the ratepayer does not have the financial capacity to pay their rates instalment or the instalment would Council may charge an annual postponement fee on postponed rates⁴ to cover, but not exceed, Council's administrative and financial costs (including interest).

Postponement fees must be treated as part of the rates on a rating unit and will be set annually as part of the rates resolution.

All postponed rates shall be registered as a charge on the land under the subpart 5 of the Land Transfer Act 2017. No dealing with the land may

⁴ for the period between the due date and the date they are paid

be registered by the ratepayer while the charge is registered, except with the consent of Council.

Rates may be postponed until the earliest of the following:

- the death of the ratepayer; or
- the ratepayer ceases to own the rating unit; or
- a date specified by Council; or
- the postponed rates equate to 80% of the available equity in the property;
- a date when the ratepayer ceases to use the property as his/her permanent place of residence; or to use the property solely for residential purposes.

Rates postponement agreements shall not exceed six years, but the ratepayer may apply for a continuation of the postponement at the termination of the agreement.

When an application for postponement is approved, the following provisions will apply:

- postponement will first apply in the year a completed application is received.
- the amount of rates postponed will not incur additional charges
- instead of Council requiring payment of the full annual rates bill in the year in which it falls due, the ratepayer will be required to pay to Council an appropriate minimum amount determined by staff in line with Council's Delegations Manual.
- any rates postponed shall be registered as a charge on the land.

Not less than once annually every ratepayer whose rates have been postponed under this policy, will be provided with a statement showing

the total annual rates currently due. This will be itemised to show year by year the total amount of the postponed rates and postponement fees.

Following the end of the financial year, a schedule of rates postponed will also be provided to Council (annually), listing all the properties for which rates postponements have been granted and which remain outstanding.

When rates are no longer eligible to be postponed on the property, all postponed rates will be payable immediately.

The postponed rates (and/or any additional charges) or any part thereof may be paid at any time. The applicant may elect to postpone the payment of a lesser sum than that which they would otherwise be entitled to have postponed under this policy.

SUPPORTING DOCUMENTATION REQUIRED FOR APPLICATION

Information showing the ratepayer's financial records and commitments along with a statutory declaration from the ratepayer of their financial position (total household income and total financial position) and detailing the value of the ratepayer's property insurance and the value of encumbrances against the property including mortgages and loans. Council may also seek independent verification from a budget advisor or other agency working with the ratepayer in considering the ratepayers position.

The applicants will also be encouraged to seek independent advice.

Postponement for significant extraordinary circumstances

Objective

To provide a rates postponement to ratepayers experiencing financial hardship directly resulting from Significant Extraordinary Circumstances that temporarily affects their ability to pay rates.

Conditions and Criteria

For this policy to apply, Council must first have identified that there have been significant extraordinary circumstances affecting the ratepayers of Southland, that Council wishes to respond to. Once significant extraordinary circumstances have been identified by Council, the criteria and application process (including an application form, if applicable), will be made available.

For rates to be postponed, a ratepayer needs to be associated to an “affected rating unit” based on an assessment performed by officers, following guidance provided through a resolution of Council.

Council resolution will include:

- a. confirmation that the resolution applies under the Rates Postponement Policy; and
- b. identification of the significant extraordinary circumstances triggering the policy; and
- c. how the significant extraordinary circumstances are expected to impact the community (e.g. financial hardship); and
- d. the type and/or location of rating units affected by the special extraordinary circumstances; and
- e. the timeframe for postponement in relation to the significant extraordinary circumstances.

Postponements approved under this policy do not set a precedent and will be applied for each specific event and only to properties directly affected by the event.

Council may charge a fee on postponed rates for the period between the due date and the date they are paid. This fee is designed to cover Council’s administrative and financial costs. The fees will be set as part of Council resolution identifying significant extraordinary circumstances.

Postponed rates will remain postponed until the earlier of:

- the ratepayer/s ceases to be the owner or occupier of the rating unit; or
- a date specified by Council in a Council resolution identifying significant extraordinary circumstances.

Explanatory note

The ratepayer must demonstrate, to Council’s satisfaction that paying the rates would result in financial hardship.

Council may require applicants to meet specific criteria and provide evidence of such with the application.

Council will consider applications where the same ratepayer is liable for rates for multiple rating units. In such instances, Council will look at the collective impact to the ratepayer.

The ratepayer must be the current ratepayer/owner for the rating unit at the time significant extraordinary circumstances are identified by Council. Only the person/s entered as the ratepayer (in the case of a close company every director must sign the application form), or their authorised agent, may make an application for rates postponement for significant extraordinary circumstances that resulted in financial hardship.

Where Council decides to postpone rates, the ratepayer must make acceptable arrangements for payment of rates, for example by setting up a system for regular payments. Such arrangements will be based on the circumstances of each case.

SUPPORTING DOCUMENTATION REQUIRED FOR APPLICATION

Information required will depend on the criteria set out by Council resolution linking the response to specific significant extraordinary circumstances. This could include demonstrating that the ratepayer has taken all necessary steps to claim any central government benefits or allowances they are entitled to receive that would assist them to meet their financial commitments.

Making an application

Applications for rates remission or postponement will generally be provided in writing, unless otherwise stated.

Applications for remissions or grants in lieu of rates must be made prior to the commencement of the rating year (ideally on or before 31 March prior to the commencement of the rating year unless otherwise stated).

Applications received during a rating year will be applicable from the commencement of the following rating year. Applications will not be backdated. Applications for postponement of rates due to financial hardship can be made at any time.

In subsequent years, Council will need to confirm eligibility and recipients will need to inform Council of any change in circumstances that impacts their eligibility for remission.

Remission or postponement ceases where a property is sold or ownership transferred, or where there is a change in operations or landuse (for specific remissions/postponements).

Eligibility will generally be reviewed every three years as part of the review of the policy unless stated otherwise.

All decisions made under this policy by Council, Council staff and committees of Council are final. Specific delegations to staff roles are found in Council's Delegations Manual.

Each provision above outlines the documentation that should be provided in support of any application, noting that Council may also request additional information.

Roles and responsibilities

Council's Delegations Manual (R/19/11/25582) details the specific responsibilities of Council and staff to make decisions in relation to rate remissions and postponement.

Council staff have delegated authority to make decisions on specific remissions/postponements excluding:

- **significant extraordinary circumstances** - which can only be made by Council
- **grants in lieu of rate remissions** - which can only be made by Council or the appropriate committee of **Council or community board**.

Staff from Council's water and waste teams are responsible for providing information regarding remissions for rating units that have the capacity to be connected to water and wastewater systems, but do not have a physical connection and when remissions for waste and recycling bins are required.

Associated documents

- Remission and Postponement of Rates on Māori Freehold Land Policy
- Local Government (Rating) Act 2002
- Local Government Act 2002

Appendix A – Extract of Local Government Rating Act Schedule 1 Part 1 and 2 (as at February 2021)

Reprinted as at
1 December 2020

Local Government (Rating) Act 2002

Schedule 1

Schedule 1 Categories of non-rateable land

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Part 1 Land fully non-rateable

- 1 Land forming part of—
 - (a) a National Park under the National Parks Act 1980;
 - (b) a reserve under the Reserves Act 1977;
 - (c) a conservation area under the Conservation Act 1987;
 - (d) a wildlife management reserve, wildlife refuge, or wildlife sanctuary under the Wildlife Act 1953.
- 2 Land vested in the Crown and forming part of—
 - (a) a flood ponding area;
 - (b) *[Repealed]*
 - (c) *[Repealed]*
 - (d) the bed of any navigable lake or navigable river.

Schedule 1 Part 1 clause 2(b): repealed, on 1 April 2011, by section 128 of the Marine and Coastal Area (Takutai Moana) Act 2011 (2011 No 3).

Schedule 1 Part 1 clause 2(c): repealed, on 1 April 2011, by section 128 of the Marine and Coastal Area (Takutai Moana) Act 2011 (2011 No 3).
- 3 Land that is—
 - (a) owned by a society or association of persons (whether incorporated or not); and
 - (b) used for conservation or preservation purposes; and
 - (c) not used for private pecuniary profit; and
 - (d) able to be accessed by the general public.
- 4 Land used by a local authority—
 - (a) for a public garden, reserve, or children's playground;
 - (b) for games and sports (except galloping races, harness races, or greyhound races);
 - (c) for a public hall, library, athenaeum, museum, art gallery, or other similar institution;
 - (d) for public baths, swimming baths, bathhouses, or sanitary conveniences;
 - (e) for soil conservation and rivers control purposes, being land for which no revenue is received.

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Reprinted as at
1 December 2020

Schedule 1

Local Government (Rating) Act 2002

- 5 Land owned or used by, and for the purposes of,—
 - (a) Heritage New Zealand Pouhere Taonga;
 - (b) the Queen Elizabeth the Second National Trust;
 - (c) the Museum of New Zealand Te Papa Tongarewa Board;
 - (d) the charitable trust known as Children's Health Camps—The New Zealand Foundation for Child and Family Health and Development;
 - (e) the Royal New Zealand Foundation of the Blind, except as an endowment.

Schedule 1 Part 1 clause 5(a): replaced, on 20 May 2014, by section 107 of the Heritage New Zealand Pouhere Taonga Act 2014 (2014 No 26).

Schedule 1 Part 1 clause 5(c): amended, on 30 April 2003, by section 28(1) of the Royal New Zealand Foundation of the Blind Act 2002 (2002 No 3 (P)).
- 6 Land owned or used by, and for the purposes of, any of the following as defined in section 10(1) of the Education and Training Act 2020:
 - (a) a State school;
 - (b) a State integrated school;
 - (c) a specialist school;
 - (d) a special institution;
 - (e) an early childhood education and care centre, except an early childhood education and care centre that operates for profit;
 - (f) a private school, except a registered school that operates for profit;
 - (g) an institution.

Schedule 1 Part 1 clause 6: replaced, on 1 August 2020, by section 668 of the Education and Training Act 2020 (2020 No 38).
- 7 Land owned or used by, and for the purposes of, an institution for the instruction and training of students in theology and associated subjects, being land that does not exceed 1.5 hectares for any one institution.
- 8 Land owned or used by a district health board and used to provide health or related services (including living accommodation for hospital purposes and child welfare homes).
- 9 Land used solely or principally—
 - (a) as a place of religious worship;
 - (b) for a Sunday or Sabbath school or other form of religious education and not used for private pecuniary profit.
- 10 Land that does not exceed 2 hectares and that is used as—

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- (a) a cemetery, crematorium, or burial ground, within the meaning of section 2(1) of the Burial and Cremation Act 1964 (except a burial ground or crematorium that is owned and conducted for private pecuniary profit);
 - (b) a Māori burial ground.
- 11 Māori customary land.
- 12 Land that is set apart under section 338 of Te Ture Whenua Maori Act 1993 or any corresponding former provision of that Act and—
- (a) that is used for the purposes of a marae or meeting place and that does not exceed 2 hectares; or
 - (b) that is a Māori reservation under section 340 of that Act.
- 13 Māori freehold land that does not exceed 2 hectares and on which a Māori meeting house is erected.
- 14 Māori freehold land that is, for the time being, non-rateable by virtue of an Order in Council made under section 116 of this Act, to the extent specified in the order.
- 15 Machinery, whether fixed to the soil or not, but excluding, in the case of a hydro-electric power station, everything other than the turbines, generator, and associated equipment through which the electricity produced by the generator passes.
- 16 Land that is specifically exempt from rates under the provisions of any other enactment, to the extent specified in the enactment.
- 17 Land vested in the Crown or a local authority that is formed and used for a road, limited access road, access way, or service lane.
- 18 Land vested in and occupied by the Crown, or by any airport authority, that is—
- (a) within the operational area of an aerodrome; and
 - (b) used solely or principally—
 - (i) for the landing, departure, or movement of aircraft; or
 - (ii) for the loading of goods and passengers on to or from aircraft.
- 19 Land occupied by the New Zealand Railways Corporation, or by a railway operator, that is—
- (a) part of the permanent way of the railway, being land on which is sited any railway line together with contiguous areas of land that are occupied incidentally and not otherwise used; or

- (b) used, solely or principally, for the loading or unloading of goods or passengers on to or from trains situated on the railway line.
- 20 Land used as a wharf.
- 21 Land used or occupied by, or for the purposes of, an institution that is carried on for the free maintenance or relief of persons in need, being land that does not exceed 1.5 hectares for any one institution.
- 22 Land on which any vice-regal residence or Parliament building is situated.
- 23 The common marine and coastal area, including any customary marine title area, within the meaning of the Marine and Coastal Area (Takutai Moana) Act 2011.
- Schedule 1 Part 1 clause 23: added, on 1 April 2011, by section 128 of the Marine and Coastal Area (Takutai Moana) Act 2011 (2011 No 3).
- 24 The bed of Te Whaanga Lagoon in the Chatham Islands.
- Schedule 1 Part 1 clause 24: added, on 1 April 2011, by section 128 of the Marine and Coastal Area (Takutai Moana) Act 2011 (2011 No 3).
- 25 Structures that are—
- (a) fixed to, or under, or over any part of the common marine and coastal area; and
 - (b) owned, or deemed to be owned, by the Crown under section 18 or 19 of the Marine and Coastal Area (Takutai Moana) Act 2011; or
 - (c) owned by the Crown, Te Urewera Board, or the trustees of Tūhoe Te Uru Taumatua under the Te Urewera Act 2014, but subject to note 2.
- Schedule 1 Part 1 clause 25: added, on 1 April 2011, by section 128 of the Marine and Coastal Area (Takutai Moana) Act 2011 (2011 No 3).
- Schedule 1 Part 1 clause 25(b): amended, on 28 July 2014, by section 138 of the Te Urewera Act 2014 (2014 No 51).
- Schedule 1 Part 1 clause 25(c): inserted, on 28 July 2014, by section 138 of the Te Urewera Act 2014 (2014 No 51).

Notes:

- 1 For the purposes of this Part, unless the context otherwise requires,—
- aerodrome** has the same meaning as in section 2 of the Civil Aviation Act 1990
- airport authority** has the same meaning as in section 2 of the Airport Authorities Act 1966
- persons in need** means persons in New Zealand who need care, support, or assistance because they are orphaned, aged, infirm, disabled, sick, or needy
- railway line** has the same meaning as in section 4(1) of the Railways Act 2005

railway operator has the same meaning as in section 2(1) of the New Zealand Railways Corporation Restructuring Act 1990

wharf—

- (a) means any quay, pier, jetty, or other land or premises in, on, or from which passengers or goods are taken on board or landed from vessels; but
 - (b) does not include land that is used primarily or exclusively for private recreational or personal transport purposes.
- 2 For the purposes of clauses 1 and 2, **land** does not include land that is used primarily or exclusively for private or commercial purposes under a lease, licence, or other agreement.
 - 3 For the purposes of clauses 3, 9, and 10, land must not be treated as being used for private pecuniary profit solely because charges are made for the admission to, or use of, that land if the net proceeds of the charges are applied,—
 - (a) in the case of a local authority, as part of the local authority's revenues;
 - (b) solely for the purposes of the society, organisation, association, or administering body of a reserve that makes those charges, and no part of the charges is distributed as profit to any individual.
 - 4 For the purposes of clause 6, land must be treated as being used for the purposes of a school, institution, or centre described in that clause if—
 - (a) it is used solely or predominantly as residential accommodation for any principal, teacher, or caretaker; and
 - (b) it is let at a discounted or subsidised rent.
 - 5 For the purposes of clauses 18 to 20, **land** does not include land that is used—
 - (a) for administrative purposes; or
 - (b) for the purposes of parking, the storage of freight or machinery, maintenance, cleaning, freight consolidation, passenger waiting areas, and the buying and selling of tickets.
 - 6 For the purposes of clause 21, an institution must be treated as being carried on for the free maintenance and relief of the persons to whom that clause applies if—
 - (a) those persons are admitted to the institution regardless of their ability to pay for the maintenance or relief; and
 - (b) no charge is made to those persons or any other persons if payment of the charge would cause those persons to suffer hardship.

Schedule 1 Part 1 note 1 **railway line**: substituted, on 20 July 2005, by section 103(3) of the Railways Act 2005 (2005 No 37).

Part 2

Land 50% non-rateable

- 1 Land owned or used by a society incorporated under the Agricultural and Pastoral Societies Act 1908 as a showground or place of meeting.
- 2 Land owned or used by a society or association of persons (whether incorporated or not) for games or sports, except galloping races, harness races, or greyhound races.
- 3 Land owned or used by a society or association of persons (whether incorporated or not) for the purpose of any branch of the arts.

Notes:

For the purposes of this Part, unless the context otherwise requires,—

land does not include land used for the private pecuniary profit of any members of the society or association

land, in clause 2, excludes land in respect of which a club licence under the Sale and Supply of Alcohol Act 2012 is for the time being in force.

Schedule 1 Part 2 Notes **land**: amended, on 18 December 2013, by section 417(1) of the Sale and Supply of Alcohol Act 2012 (2012 No 120).

Compare: 1988 No 97 Schedule 1, Schedule 2

Revenue and Financing Policy 2021-2031

Introduction

Council's Revenue and Financing Policy sets out the ways Council intends to pay for each activity that Council provides and why.

Council is required to have this policy by Section 102 of the Local Government Act 2002 to provide predictability and certainty to residents and ratepayers about the sources and levels of funding for Council's activities.

When read in conjunction with the Funding Impact Statement in Council's long term and annual plans, this policy links the funding decisions with the rates that each ratepayer is required to pay.

Policy Details

Legislative considerations

The purpose of the Revenue and Financing Policy is to describe how Council funds its operating and capital expenses from the funding sources available to it and why it chooses the various mechanisms. Section 103 of the Local Government Act 2002 (LGA) details the funding sources that Council can use to fund its activities including rates, fees, subsidies, borrowing and other revenue.

In addition to identifying the sources of funding, the policy must outline why the Council has decided to fund its activities in this way. These funding decisions follow a two-step funding process outlined in the LGA that involves consideration of a set of funding principles to determine appropriate funding sources for activities (Section 101(3)(a)) and then considering the impact that the resulting allocation of revenue liability has on current and future community wellbeing (Section 101(3)b).

Firstly, for each activity, the Council must consider the following matters:

- the community outcomes to which the activity primarily contributes
- the distribution of benefits between the community as a whole, any identifiable part of the community, and individuals (the 'beneficiary -pays' principle).

- the period in or over which those benefits are expected to occur (the ‘inter-generational equity’ principle). For example, the benefits of some activities will occur over the entire life of the asset. This will benefit not only existing generations but future generations who should also contribute towards paying for the cost.
- the extent to which the actions or inaction of particular individuals or a group contribute to the need to undertake the activity (the ‘exacerbator-pays’ principle which suggests that exacerbators should meet at least part of the cost of an activity).
- the costs and benefits, including consequences for transparency and accountability, of funding the activity distinctly from other activities. This particularly relates to transparency and accountability, but may also relate to factors like the financial scale of the activity (e.g. a small activity may not warrant separate funding due to the cost of establishing systems to support cost recovery).

Secondly, following consideration of these elements, the Council must consider the overall impact of any allocation of liability for revenue needs on the community, and to consider if any changes are needed. This involves weighing up the impact of the policy on the community. Such considerations might include:

- affordability - the ability to pay by low income households or small communities;
- barriers to accessing services;
- legal constraints (such as the ability of Council to only receive 30% of Council revenue from rates set on a uniform basis);
- fair treatment of the different sectors - balancing the ability to pay and the benefits actually received;
- alignment with the Council’s objectives and financial strategy which sets limits on rates increases and debt levels.

The Council may, as a final measure, modify the overall mix of funding in response to these considerations. Council’s consideration of these matters is noted under each individual activity in the detailed activity analysis from page 384.

Our funding approach

Southland District communities are diverse and there are many different users of council services.

Wherever practical Council aims to maintain a relationship between the benefits received by groups of residents and ratepayers and the contributions they make for those services, especially where communities within the district have differing levels of service (the ‘beneficiary-pays’ principle).

Where the benefits are shared more equally and everyone is expected to make a contribution, or where it is impractical to exclude users or identify groups that principally benefit, it is deemed to be **“public”** and more likely to be collectively funded (e.g. through General rate).

Where individuals/groups receive the direct benefit of the activity exclusively, and the costs of the activity can easily be attributed to that individual/group or, their use of the service excludes others, or the nature of the benefit differs across the community, it is deemed to be **“private”** and more likely to be funded on a user pays basis (e.g. through fees and charges, targeted rates). In principle, Council seeks to recover the maximum amount possible from the direct users of a service (the ‘user-pays’ principle) or from those that create the need for a service (the ‘exacerbator-pays’ principle). However, Council must also ensure that the level of fees or charges (and targeted rates) are not at a point where the cost becomes prohibitive and could potentially impact the community’s use of the service, create detrimental effects or work against the achievement of community outcomes. As such their use needs to be balanced with other funding sources.

Council also seeks to ensure that people pay for services at the time they consume them, (the ‘inter-generational equity’ principle). Costs of service include capital costs, direct operational costs, depreciation, interest and loan repayments. The tools Council uses to achieve inter-generational equity include borrowing and depreciation funding.

In reality, most council services sit somewhere on the continuum between providing public and private benefits and most activities have characteristics of both private and public goods. As part of developing this policy, Council has endeavoured to use the public/private benefit to summarise its consideration of the LGA funding principles, initially in relation to each activity around assessing the nature of the benefits and who benefits (the whole community, identifiable parts of the community or individuals) over what period (section 101(3)(a)) and then again after considering the overall impact on the community (section 101(3)(b)).

It must be noted that Council’s funding approach is a complex assessment of determining where the benefits of council services apply, what the best methods for funding those services are and how this can be equitably applied across district communities. Council must also consider affordability, both from a ratepayer perspective, and for individuals and groups using council provided services. Council has considered all of these elements and considers the overall funding approach detailed in this policy to be fair and equitable.

The outcome of these considerations is outlined in the activity funding analysis table in section 0 and has been used to inform the Council’s thinking on what are the most appropriate sources of funding for operating and capital expenditure for each activity.

The indicative funding proportions that have been specified are not intended as an exact realisable proportion, they are intended to be a guideline. It is recognised that within each activity there may be justification for variation from those proportions on a case-by-case basis and in considering the impact that the allocation of liability for revenue has on the whole community.

The approach taken in this policy is to give the reader a high level of understanding of the key funding methods. As such the “key” funding sources are detailed in the indicative funding section of the activity funding analysis on page 384. At times minor costs may be funded from a source not indicated.

Funding mechanisms

Types of Expenditure

Broadly speaking, Council has two types of expenses: operating expenditure and capital expenditure.

Operating expenditure is used to fund the ongoing day-to-day activities and services of the Council. Operating revenue is set at such a level for the Council to meet its projected operating expenditure, as well as comply with applicable legislation and generally accepted accounting practice.

Capital expenditure is money spent in acquiring or upgrading a business asset such as equipment or buildings. The Council has three categories of capital expenditure spread across its activities:

- **renewals** - defined as capital expenditure that increases the life of an existing asset with no increase in service level.
- **increased level of service (ILOS)** - defined as capital expenditure that increases the service level delivered by the asset.
- **additional demand (AD)** - defined as capital expenditure that is required to provide additional capacity necessary to accommodate growth or demand.

The Council's funding of capital expenditure must comply with applicable legislation and generally accepted accounting practice, and is derived from a mix of revenue sources. The method of funding generally depends on the asset expenditure – whether it is a renewal of an existing asset or an upgrade of an existing asset or a completely new asset.

The major sources of funding operating (opex) and capital expenditure (capex) is summarised in Table 1.

Table 6: Description of the funding mechanisms and their general application

FUNDING SOURCE	DEFINITION	RATIONALE FOR APPLICATION	APPLICATION			
			Opex	Capex		
				Demand (AD)	Levels of service (LOS)	Renewal
General rate (including UAGC)	The General rate is assessed across all rateable properties in the district. The General rate is set on a rate in the dollar charged on capital value and a Uniform Annual General Charge (UAGC), which is a flat amount levied on each rating unit. The General rate is not set on a differential basis.	<p>The General rate is used to fund those services where there is a benefit to the district as a whole. It is typically used when there is a high public benefit in the services provided, when Council considers the community as a whole should meet the costs of the service, and when Council is unable to achieve its user-charge targets and must fund expenditure.</p> <p>Capital value (compared to land value) is seen as the best mechanism because it is easier to calculate given market sales information, is well understood, reflects the total investment in the property and is considered a better proxy for ability to pay and use of services/ infrastructure than other tools.</p> <p>The size of the UAGC is set each year by Council and is used as a levelling tool in the collection of the General rates. If the Uniform Annual General Charge (UAGC) were set at zero the effect would be to increase the amount of rates assessed on capital value which would increase the share levied on properties with higher capital values and decrease the share levied on lower capital values. In setting the level of the UAGC, Council balances the impact of high fixed charges (including the UAGC and other fixed charges) on those with low incomes and property values against the impact of a low UAGC on the relative share of rates levied on high value properties, such as large rural properties.</p>	✓		✓*	✓*
Targeted rates	Targeted rates are set for a specific activity or group of activities and can be charged in a number of different ways as defined in the Local Government (Rating) Act 2002	Targeted rates are used when the Council considers that transparency is important, or where the location or method of rating makes the use of a targeted rate more appropriate and more equitable or a better match to the benefits of the activity.	✓	✓	✓*	✓*

FUNDING SOURCE	DEFINITION	RATIONALE FOR APPLICATION	APPLICATION			
			Opex	Capex		
				Demand (AD)	Levels of service (ILOS)	Renewal
	to collect funds over specific areas of benefit.	The Rates Funding Impact Statement in the Long Term Plan or Annual Plan outlines the Council's rating policies including details about how the rate is set and on which properties it will apply to.				
Grants and subsidies	Funding received from other agencies, usually for a specific purpose.	Council will use grants or subsidies from central government or other organisations where available, usually for a specific purpose. This approach minimises the cost to the community of undertaking projects and activities. Generally these are used for capital expenditure, but may also be used for operating expenditure in certain circumstances.	✓	✓	✓	✓
Fees and charges	Fees charged to individuals or groups who are directly using Council services.	Council uses a range of fees and charges to recover a proportion of the costs of providing Council facilities and services. Generally, the greater the degree of identifiable private benefit, the more likely it is that the service costs can be recovered through fees /charges. Council also considers issues like the affordability of user charges, particularly where the Council believes that setting a charge too high will reduce the use of a service and therefore diminish its value to the community and impose a greater cost on ratepayers.	✓		✓*	✓*
Investment income	Income received from any investments (eg forestry)	This income is generally used to reduce the amount of rate required or may be added to reserves to future fund projects.	✓	✓	✓	✓
Lump sum contributions	Lump sum contributions are where ratepayers agree to pay a capital (or lump sum) payment towards meeting the cost of providing a particular asset in their community (eg upgrading of a water supply) rather than paying for these capital costs via an annual targeted rate.	These contributions will be used to fund the repayment of debt for specific capital activity from time to time.	✓	✓*	✓*	✓*

FUNDING SOURCE	DEFINITION	RATIONALE FOR APPLICATION	APPLICATION			
			Opex	Capex		
				Demand (AD)	Levels of service (ILOS)	Renewal
Proceeds from asset sales	Proceeds from asset sales are the monies received from selling physical assets, such as plant and equipment.	Proceeds from asset sales will be used for the repayment of debt or the acquisition of new assets.		✓	✓	✓
Depreciation reserves	Depreciation reserves are set to allow for the replacement of Council's capital assets when they reach the end of their useful life.	These reserves are used to fund both the renewal and increased level of service categories of capital expenditure, along with any debt repayment relating to prior year capital expenditure. Council will use depreciation from current and prior years that has not already been applied to fund asset replacements. Council's current approach is to phase in funding depreciation of roading, streetlights, water, wastewater, solid waste, computers and vehicle assets. Once this is completed Council will consider funding depreciation for other assets.	✓		✓	✓
Financial and development contributions	Financial contributions are a capital charge for works undertaken to mitigate the environmental effects of subdivision, land use and development. Development contributions are a capital charge on development to recover share of the capital costs that development imposes on network/community infrastructure.	Financial or development contributions are used to ensure that a fair proportion of the cost of infrastructure needed to serve growth or capital works needed to mitigate environmental effects is funded by those who cause the need (i.e. developments leading to growth). Council's Policy on Development Contributions and Financial Contributions sets out the conditions in which contributions are required and the method used to calculate them. Development Contributions are currently in remission under this policy, due to Council's desire to encourage growth in the district.		✓		
Borrowing - internal	Council currently operates an internal treasury function. This means that Council uses cash surpluses from some activities to lend to other activities that	Council will fund short term deficits with internal borrowing where this is considered to be prudent. Interest on reserves is calculated on the average balance of each reserve during the year. Interest is allocated at a prescribed interest rate (as discussed in the Long Term Plan assumptions). Both positive and negative reserves get interest	✓	✓	✓	✓

FUNDING SOURCE	DEFINITION	RATIONALE FOR APPLICATION	APPLICATION			
			Opex	Capex		
				Demand (AD)	Levels of service (ILOS)	Renewal
	need to borrow. This reduces the overall cost of borrowing. Council charges interest on the funds lent to the borrowing activities, and receives interest on the funds borrowed from the lending activities.	charged or applied. For the majority of reserves held by local communities, this interest is added to the reserve, which has no impact on the rate requirement as these reserves are usually positive and are set aside for future projects. For the majority of district reserves, interest will reduce the rates required or increase the rates required if the reserve has a negative balance.				
Borrowing – external	Borrowing is not a source of revenue itself. Rather it is a 'bridging' mechanism to assist with the financing required for the construction of long term assets. Debt arising from borrowing still needs to be repaid from other sources of revenue (eg rates).	Borrowing to fund capital expenditure spreads the repayment of that borrowing over several years and helps to ensure fairness or intergenerational equity so that current ratepayers pay for the services they use now, and future ratepayers pay their share too. Generally the Council will not borrow to fund operating costs, however Council may enter into short-term borrowing arrangements to manage cashflows. More detail about Council's borrowing is set out in its Investment and Liability Policy.	✓	✓	✓	✓
Council reserves	Reserves are made up of funds that are either received or set aside for a specific activity or savings specific to each activity that may be available to fund expenditure subject to Council approval. This can be used for both private good and public good.	Where past surpluses are available these may be used to fund capital expenditure and in some instances operating expenditure at Council's discretion. Reserves will be applied to expenditure in line with the purpose for which the funds were collected or in line with any conditions that were in place when the funds were received. These are typically classified as local reserves (where reserves are for the benefit of specific communities), or district reserves (where reserves are held for the benefit of the wider district).	✓	✓	✓	✓

* Application depends on how the activity to which capital expenditure relates is funded.

Table 7 below outlines the general considerations for funding against the legislative requirements of the Local Government Act (2002) section 101(3)(a).

Table 7: Legislative assessment of funding considerations

LGA S101(3)(A)	OPERATING FUNDING CONSIDERATION	CAPITAL FUNDING CONSIDERATIONS
Community Outcome	Council needs to take into account whether the proposed funding source will promote or work against the achievement of community outcomes.	
Distribution of benefits	Determining distribution of benefit is subjective and is for Council to determine. Council will consider how the benefit of an activity applies to households, businesses and the community as a whole. Generally, individual benefit leads to fees and charges, location based benefits lead to targeted rates, and community wide benefits leads to General rates or targeted rates applied across the district.	As per operating expenditure unless Council resolves otherwise. Council may also choose to target those people or organisations who primarily benefit through lump sum options or targeted rates.
Period of benefit	For most operating expenditure the benefit is received in the year the expense is incurred. For most activities Council will cash fund depreciation (an operating expense) from revenue sources and this, along with other surplus cashflow, will be used to fund capital expenditure for asset renewal or debt repayments. Some operational expenditure (provisions) may have a benefit over multiple years and so Council may choose to fund the activity over that period.	For most capital projects the benefit is received over the life of the asset. Council will have regard to the equitable distribution of costs to each generation for the building and renewal of the asset. Funding depreciation and borrowing (with associated interest costs) are the primary ways to spread the cost of asset over its life.
Who creates the need	Some things Council must do because the actions or inactions of individuals or groups creates the need to undertake the activity. Council may choose to target these people or organisations through fines, charges or targeted rate.	
Separate funding	Council must consider the practicalities of separate funding along with transparency and accountability. In some cases, while it may be desirable to charge individuals, there may be no practical way of doing so. When considering what rates will be charged, the costs and benefits of separate rating mechanisms for separate activities should be weighed up. Council does not wish to make a complex rating system that is expensive to maintain and confusing to interpret, as this will not contribute to improved transparency and accountability.	

Summary of funding sources

Table 8 shows the indicative percentages from each funding source used to fund operating costs following consideration of the relevant funding principles (summarising the activity funding analysis from page 384).

The table includes information related to the LTP activity groups as well as the sub-activities which make these up. Non-direct corporate overhead costs (for corporate functions like information management, people and capability, finance and customer service) are allocated at the activity group* level only (grey shading). These costs are largely funded by the General rate.

For operational expenditure, funding portions for each activity are expressed as ranges - **low** (<33%); **medium** (33-66%); **high** (>66%).

Capital expenditure funding contributions are also identified in the detailed activity analysis. The proportion of capital costs funded from each source will vary depending on the nature of each capital project.

Table 8: Summary of operating expenditure funding sources by activity group*and sub-activity

ACTIVITY GROUP ACTIVITY	SUB-ACTIVITY	GENERAL RATE	TARGETED RATES	FEES AND CHARGES	OTHER SOURCES (INCLUDING GRANTS AND SUBSIDIES)
Community resources*		Medium	Medium	Low	Low
Community facilities	<i>Halls</i>		High	Low	Low
	<i>Toilets</i>	High		Low	
	<i>Council/community buildings</i>	Medium	Low		Medium
Community services	<i>Cemeteries</i>	High		Low	Low
	<i>Community housing</i>	Low			High
	<i>Library Services</i>	High		Low	Low
Open spaces		Medium	High		Low
Waste services		Low	Medium	Low	Low
Electricity supply (SIESA)			Low	High	Low
Stormwater drainage*		Low	High		Low
Transport*		Low	High	Low	Low
Roads, footpaths, airport and cycle trails	<i>Roads, footpaths and cycle trails</i>	Low	High	Low	Low
	<i>Airport</i>	Low	High	Low	Low
Water Facilities		Low	Low	High	Low
Sewerage*		Low	High	Low	Low
Water supply*		Low	High	Low	Low
Community leadership*		High	Low		Low
Representation and advocacy		High			Low
Community and Futures		High	Low		Low

Community assistance		Medium	Medium		Low
Environment Services*		Medium		Medium	Low
Environment Services	<i>Resource management</i>	High		Low	Low
	<i>Animal services</i>	Low		High	Low
	<i>Environmental health</i>	Medium		Medium	Low
	<i>Building solutions</i>	Low		High	Low
Emergency management		High			
Key:					
<33%	33% to <66%	≥66%			
Low	Medium	High			

Generally the process for funding operating costs of these activities is as follows:

- where it is practical to recover the designated portion of the net operating cost of an activity from a private user or exacerbator, fees and charges are set at levels designed to achieve this, provided there are no legislative constraints
- operating grants or subsidies for a particular activity are used to reduce the gross cost
- other income sources that may be appropriate such as interest, reserves and borrowing (largely for financially significant one-off projects that extend the life of an asset eg painting)
- where a fee or charge is not practical, targeted rates may be set in line with Council’s rating policies
- any net income from investments may then be applied and any residual requirement will be funded through the General rate. For the purposes of this policy, any reference to the General rate as a funding source is considered to include the Uniform Annual General Charge (UAGC).

More detailed rating policies (including the details of targeted rates and how they are applied, the level of the UAGC, and the details of any differentials) will be outlined in the Funding Impact Statement in the Long Term Plan or Annual Plan, as appropriate.

Detailed activity funding analysis (sub-activity level)

The detailed sub-activity funding analysis below excludes the non-direct corporate overhead costs.

Community outcomes	Distribution of benefits			Whose act creates need	Benefit period	Costs and benefits of separate funding	Assessment				Indicative funding Source based on Funding Impact Statement categories (funding range) - Catchment(s) for rate
	Whole community	Identifiable parts of the community	Individuals				Initial		Adjusted		
							Public	Private	Public	Private	
GROUP: COMMUNITY RESOURCES											
Activity: Community Facilities											
Halls											
<ul style="list-style-type: none"> ▶ Inclusive connected communities ▶ A diverse economy creating healthy and affordable lifestyles <p>The activity provides spaces for people to come together, which strengthens social connections within communities. The activity also provides common spaces where people can carry out recreational and physical activity.</p>	<p>Low</p> <p>The whole community benefits from the option they have to use halls which are available for public use. Facilities are spread widely across the district and have a range of community uses. The Council also supports some privately owned halls.</p>	<p>Medium</p> <p>Parts of the community that have a hall nearby have easier access and may experience a greater benefit than those who have to travel a longer distance to use a facility, particularly where other options are unavailable.</p>	<p>Medium</p> <p>Groups and individuals that use halls for community and recreational use experience a direct benefit.</p>	<p>Groups and individuals who wish to use facilities for events and activities in their community or to provide a focal point for communities .</p> <p>People wanting to use a hall pay a hire charge. In some cases, vandalism and accidental damage may cause additional costs. Where possible, costs will be recovered.</p>	<p>Current and future years</p> <p>Halls have long useful lives and will benefit both current and future generations. Council does not currently fund the depreciation on halls, with decisions on how to fund replacements or renewals to be made once individual halls reach the end of their useful life. Council may look to divest ownership where this is not critical to</p>	<p>While halls are a relatively small part of Council's overall expenditure, Council is aware that each community generally has a stronger connection to the halls in their local area compared to those in other parts of the district. For this reason Council has chosen to amalgamate the overall funding of this activity under the community resources activity whilst retaining separate</p>	50%	50%	80%-100%	0%-20%	<p><i>Operational</i></p> <p>Targeted rates (High) - Area of service</p> <p>Fees and charges (Low)</p> <p>Other sources (Low)</p> <p><i>Capital</i></p> <p>Targeted rates</p> <p>Fees and charges</p> <p>Grants and subsidies</p> <p>Borrowing</p> <p>Proceeds from asset sales</p> <p>Other sources including reserves</p>

					the provision of the activity, or the community feedback/us age indicates the hall is no longer needed.	targeted rates for individual halls. This provides clarity over the funding needs of individual halls and reflects the variations in the types of halls and levels of service provided across the district.	Capital costs will primarily be funded by borrowing to match funding to the expected life of the asset for intergenerational equity and to smooth rates input. Grants may also be available from time to time, but are difficult to predict.	
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Toilets											
<p>▶ Kaitiakitanga for future generations</p> <p>▶ Empowered communities with the right tools to deliver the best outcomes</p> <p>The activity provides clean, safe and sanitary toilet facilities for visitors and residents along key travel routes and in high public use areas such as commercial areas, parks, beaches, playgrounds and freedom camping areas.</p> <p>The activity also ensures that human waste is appropriately dealt</p>	<p>High</p> <p>The whole community benefits because all people from within and outside of the district have the ability to use public toilets. There are also wider public health and environmental benefits through providing facilities for sanitary purposes.</p> <p>Facilities are spread widely across the district.</p>	<p>Medium</p> <p>Parts of the community that have a high number of visitor with toilet facilities nearby may experience a greater benefit. Shops located near to public toilets may also benefit indirectly.</p>	<p>High</p> <p>Visitors and residents that use toilet facilities experience a direct benefit.</p>	<p>Visitors and residents. While there are benefits to individuals who use the facilities, charging them for use may act as a disincentive and result in negative outcomes. In some cases, vandalism may cause additional costs. Where possible, costs will be recovered if perpetrators are caught.</p>	<p>Current and future years</p> <p>Public toilets have long useful lives and will benefit both current and future generations.</p>	<p>Toilets make up a small part of Council's overall expenditure. Given this and that toilets are generally maintained to a consistent standard across the district, there is no benefit perceived from separate funding. For this reason Council has chosen to amalgamate the overall funding of this activity under the community resources activity with</p>	<p>50%</p>	<p>50%</p>	<p>80%-100%</p>	<p>0-20%</p>	<p><i>Operational</i></p> <p>General rate (High) - District Fees and Charges (Low)</p> <p><i>Capital</i></p> <p>General rate Fees and Charges Grants and Subsidies Borrowing Other sources including reserves</p>
<p>Rationale</p> <p>While users of the service can easily be identified and a strong user pays approach could be implemented, it is considered that this would deter people from using public toilets and have negative public health and environmental consequences. Toilets could also benefit nearby shop owners as when people stop to use toilets they quite often take a break and visit cafes etc. The benefit is not easily measurable and could be seen as negligible. Given this and the general public benefit overall, the majority of costs should be funded from rates. Operational costs are predominantly funded through the General rate, reflecting the public good component of this activity with a small portion</p>											

with to minimise any environmental or public health impacts.						the rating mechanism to be funded by a district-wide rate to reduce collection costs.	funded by fees charged at a small number of facilities. Capital costs will primarily be funded by reserves or borrowing (to match funding to the expected life of the asset for intergenerational equity and to smooth rates input). Grants may also be available from time to time but are difficult to predict.	
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Community outcomes	Distribution of benefits			Whose act creates need	Benefit Period	Costs and Benefits of Separate Funding	Assessment of Benefit				Indicative Funding Source based on Funding Impact Statement categories (funding range) - Catchment(s) for rate
	Whole community	Identifiable parts of the community	Individuals				Initial		Adjusted		
							Public	Private	Public	Private	

Council/community buildings											
<ul style="list-style-type: none"> ▶ Kaitiakitanga for future generations ▶ Inclusive connected communities ▶ Empowered communities with the right tools to deliver the best outcomes <p>The activity involves the maintenance and management of other Council properties which support the provision of Council services (like libraries) and other community delivered services (like maternity</p>	<p>Medium</p> <p>The whole community benefits from land and buildings that support the delivery of Council services or that are available for public use.</p>	<p>Medium</p> <p>Parts of the community that have land and buildings that supports the delivery of community services in that location, benefit directly.</p>	<p>Low</p> <p>Property lessees are the direct beneficiaries of the activity and generally the space can only be occupied by one lessee at a time.</p>	<p>Groups and individuals who wish to use buildings or access the services delivered in them or retain them for their economic heritage/memorial value.</p>	<p>Current and future years</p> <p>Community buildings and structures have long useful lives and will benefit both current and future generations.</p>	<p>Given that the majority of these buildings support the delivery of other services there is no benefit perceived from separate funding other than rents. For this reason, Council has chosen to amalgamate the overall funding of this activity under the community resources activity with the rating mechanism to be funded by a</p>	<p>50%</p> <p>50%</p> <p>80%-100%</p> <p>0-20%</p>	<p>Rationale</p> <p>Most of these buildings and structures are used to support the delivery of other Council services and as such are funded from rates. The remainder, where there is exclusive use of community buildings, are funded via community organisation or individual leases. Some leases are at subsidised rates to 'not for profit' organisations, considering the positive impacts of these organisations on the community. Operational costs are funded through the General rate as well as rental/lease income. Capital expenditure will primarily be funded by reserves or borrowing to match funding to the expected life of the asset for</p>	<p><i>Operational</i></p> <p>General rate (Medium) - District</p> <p>Targeted rate (Low) - Areas of Service</p> <p>Other sources (Medium)</p> <p><i>Capital</i></p> <p>General and targeted rates</p> <p>Borrowing</p> <p>Proceeds from Asset Sales</p> <p>Other sources including reserves</p>		

services or communication services). Some of the buildings and structures have a tourism/economic or heritage/memorial value.						district-wide rate or relevant local targeted rate.	intergenerational equity and to smooth rates input.	
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Activity: Community Services

Cemeteries

<ul style="list-style-type: none"> ▶ Kaitiakitanga for future generations ▶ Inclusive connected communities ▶ Empowered communities with the right tools to deliver the best outcomes <p>The activity provides a memorial space where family and friends can remember others as well as a record of a community's history and heritage. The activity also ensures internments are managed in a way to minimise any environmental or public health impacts.</p>	<p>Low-Medium</p> <p>The whole community benefits from the provision of an interment system that remembers and respects those who have passed away and maintains public health and environmental standards through safe disposal of human remains. Records of interment are linked to the history of the community and are of public benefit.</p>	<p>Low-Medium</p> <p>Parts of the community that have a council owned and operated cemetery nearby may experience a greater benefit from being able to have family members buried nearby.</p>	<p>Medium-High</p> <p>Families and friends of the deceased (from within and outside of the district) are the direct beneficiaries of the service with individual gravesites provided for remembrance and burial as well as cemetery records which are available to those researching family history.</p>	<p>People wanting to be buried in the district pay interment fees. In some cases, vandalism and failure to maintain headstones may cause additional costs. Where possible, costs will be recovered.</p>	<p>Current and future years</p> <p>Cemeteries have long useful lives and will benefit both current and future generations. The cemeteries do have limited capacity and extensions are required when existing capacity is exhausted.</p>	<p>Cemeteries make up a small part of Council's overall expenditure. Given this and that cemeteries are generally maintained to a consistent standard across the district, there is no benefit perceived from separate funding. For this reason Council has chosen to amalgamate the overall funding of this activity under the community resources activity with the rating mechanism to be funded by a district-wide rate to reduce</p>	60%	40%	80%-100%	0%-20%	<p><i>Operational</i></p> <p>General rate (High) - District Fees and Charges (Low)</p> <p>Other sources (Low)</p> <p><i>Capital</i></p> <p>General and targeted rates</p> <p>Grants and Subsidies</p> <p>Borrowing</p> <p>Proceeds from Asset Sales</p> <p>Other sources including reserves</p>
							<p>Rationale</p> <p>While the main beneficiaries of the activity are those who use the service for interments, there are also a number of costs related maintaining cemetery grounds and interment records. Council believes that the costs of interments should be borne by the users through fees. The costs of providing and maintaining cemetery grounds and interment records have wider public benefit and should be funded from the General rate, particularly given that there is limited ability to charge for future maintenance costs through interment fees. Operational costs are funded through a mix of fees and rates, reflecting the private and public good components of this activity. Capital costs will primarily be funded by borrowing to match funding to the expected life of the asset for intergenerational equity and to smooth rates input. Some communities may also choose to provide grant funding for specific</p>				

	Facilities are spread widely across the district.					collection costs.	discretionary projects for cemeteries in their area.	
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Community outcomes	Distribution of benefits			Whose act creates need	Benefit Period	Costs and Benefits of Separate Funding	Assessment of Benefit				Indicative Funding Source based on Funding Impact Statement categories (funding range) - Catchment(s) for rate
	Whole community	Identifiable parts of the community	Individuals				Initial		Adjusted		
							Public	Private	Public	Private	

Community Housing											
<ul style="list-style-type: none"> ▶ Inclusive connected communities ▶ A diverse economy creating healthy and affordable lifestyles ▶ Empowered communities with the right tools to deliver the best outcomes <p>This activity provides good quality affordable housing to people in need enabling them, where possible, to remain socially connected</p>	<p>Low</p> <p>The whole community benefits as the provision of low cost housing provides comfort to the wider community that vulnerable groups are being assisted supporting the current and future social and economic wellbeing of the district.</p>	<p>Low</p> <p>Vulnerable groups in the community can access affordable housing to remain living in their local community where this is provided. Parts of the community that have council owned and operated housing nearby may experience a greater benefit from</p>	<p>High</p> <p>Occupants of the housing units and their friends and family.</p>	<p>People who have a need for assistance with accommodation with either limited financial means or living in communities with limited housing availability.</p>	<p>Current and future years</p> <p>Housing units have long useful lives and will benefit both current and future generations but require ongoing repairs and maintenance . Council does not currently fund the depreciation on community housing, with</p>	<p>Community housing makes up a small part of Council's overall expenditure and is largely funded from rent. Given this, there is no benefit perceived from separate funding. For this reason, Council has chosen to amalgamate the overall funding of this activity under the community</p>	10%	90%	0%-20%	80%-100%	<p><i>Operational</i></p> <p>General rate (Low) - District Other sources (High)</p> <p><i>Capital</i></p> <p>General rate Borrowing Proceeds from Asset Sales Other sources including reserves</p>

and living in their local community.		having friends and family living nearby. Facilities are available at key locations in the district.			decisions on how to fund replacements or renewals to be made once units reach the end of their useful life.	resources activity with the rating mechanism to be funded by a district-wide rate.	Capital expenditure will be funded by reserves or by borrowing to match funding to the expected life of the asset for intergenerational equity and to smooth funding input. Repayment of any borrowings will be via user fees (rents). Grants may be available from time to time but are difficult to predict. Asset sales may also be used.	
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Library Services

<ul style="list-style-type: none"> ▶ Kaitiakitanga for future generations ▶ Inclusive connected communities ▶ Empowered communities with the right tools to deliver the best outcomes <p>The activity provides access to printed and digital resources for education and recreation which promotes literacy and supports people to be more socially connected through the exchange of thoughts and ideas. They also provide access to resources to help with family or local history research and act as a community hub.</p>	<p>Medium</p> <p>The activity benefits the whole community by building the knowledge and skills of residents, providing for their general enjoyment and social interaction. These resources are available and accessible to all. Facilities (including the bookbus) are available throughout the district and online.</p>	<p>Medium</p> <p>Parts of the community that have a library nearby have easier access and may experience a greater benefit than those who have to travel a longer distance to use a facility.</p>	<p>High</p> <p>Individuals who use the resources provided receive a direct benefit.</p>	<p>Library members and other users who access books, computers and other library resources. In addition, visitors who use library computers, resources and staff knowledge. In some instances Council incurs costs where people do not return items on time. In these instances Council will charge penalties (i.e.</p>	<p>Current and future years</p> <p>The library resources have relatively short useful lives and are renewed and replenished on a rolling basis. The benefits to individuals accessing information and learning are ongoing.</p>	<p>There is limited benefit from perceived from separate funding. For this reason, Council has chosen to amalgamate the overall funding of this activity under the community resources activity with the rating mechanism to be funded by a district-wide rate to reduce collection costs.</p>	50%	50%	80%-100%	0%-20%	<p><i>Operational</i></p> <p>General rate (High) - District Fees and Charges (Low) Other sources (Low)</p> <p><i>Capital</i></p> <p>General rate Grants and Subsidies Borrowing Other sources including reserves</p>
							<p>Rationale</p> <p>While users of the service can easily be identified and a strong user pays approach could be implemented, the fees required might deter people from using libraries. Instead, Council charges for the use of some services (such as photocopying and DVDs).</p> <p>It is recognised there are wider community benefits from the availability of libraries and the resources they provide in terms of social/cultural outcomes which, on balance, merits funding the majority of costs from rates to ensure resources are available to all regardless of whether they use it. Operational costs of this activity are funded mainly through the General rate to reflect the public good component of this activity. Fees and charges are also used but not to a level in keeping with the private good component of the activity. Capital expenditure primarily for book replacement is funded annually from the General rate.</p>				

				overdue fines).				
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Community outcomes	Distribution of benefits			Whose act creates need	Benefit Period	Costs and Benefits of Separate Funding	Assessment of Benefit				Indicative Funding Source based on Funding Impact Statement categories (funding range) - Catchment(s) for rate
	Whole community	Identifiable parts of the community	Individuals				Initial		Adjusted		
							Public	Private	Public	Private	

Activity: Open Spaces												
Parks, reserves, playgrounds and streetscapes												
<ul style="list-style-type: none"> ▶ Inclusive connected communities ▶ Kaitiakitanga for future generations ▶ Empowered communities with the right tools to deliver the best outcomes ▶ A diverse economy creating healthy and affordable lifestyles <p>The activity provides open spaces where people can relax, connect and participate in sport and recreation, contributing to community health and wellbeing. Green spaces, landscapes and streetscapes are restful and</p>	<p>High</p> <p>The whole community benefits through the provision of open spaces. Individuals and groups can pursue active and passive leisure pursuits and learn about the natural environment . This can enhance community pride, contribute to community health and wellbeing, and generate positive perceptions of the district.</p>	<p>High</p> <p>Parts of the community that have open spaces in their local area have easy access and may experience a greater benefit than those who have to travel a longer distance to use a facility. Open spaces and streetscapes also contribute to each community's sense of place. There may also be some benefit to business by</p>	<p>Yes</p> <p>Individuals and groups receive private benefit through their use of parks and sportsfields for recreational pursuits, events and organised sport. Some facilities are leased to sporting, recreational, cultural and community groups, who may have exclusive rights to use them.</p>	<p>The community in general creates the need, with some specific groups creating a need for particular facilities (sportsfields, playgrounds). Visitors who appreciate the aesthetic aspects and utilise the spaces and facilities also create a need. Those who dispose of rubbish to litter bins and vandals also create a need.</p>	<p>Current and future years</p> <p>Parks, reserves, playgrounds and streetscapes have long useful lives and will benefit both current and future generations. These also require ongoing repairs and maintenance annually.</p>	<p>While open spaces are available across the district, there are differences in the scale and level of service provided in different areas. For this reason, Council will use a mix of rating mechanisms. Costs associated with local facilities provided in local areas will be funded from local targeted rates. Costs associated with facilities provided outside of these local areas or that have significance for the district will be</p>	<p>80%</p>	<p>20%</p>	<p>80%-100%</p>	<p>0%-20%</p>	<p>Rationale</p> <p>Generally, access to open spaces is unrestricted and charging individuals for their enjoyment of open spaces is not practical or desirable. In addition, while fees (through leases and rental agreements) may apply where individuals or groups enjoy exclusive access or have additional requirements over and above standard maintenance, these are set at a level to ensure people are not deterred from using facilities. Charging those who use litter bins or vandalize open spaces is not practical and as such these costs will be funded through rates. While the whole community benefits from this activity, those in communities with open spaces should pay more via a targeted rate because of the direct benefits received. This acknowledges the private benefit to these communities and the properties within these areas that receive the benefit and reflects a user pays approach.</p>	<p><i>Operational</i></p> <p>General rate (Medium) - District</p> <p>Targeted rates (High) - Area of Service</p> <p>Other sources (Low)</p> <p><i>Capital</i></p> <p>General and targeted rates</p> <p>Grants and Subsidies</p> <p>Borrowing</p> <p>Proceeds from Asset Sales</p> <p>Development and/or Financial Contributions</p> <p>Other sources including reserves</p>

enhance/maintain the visual appeal of areas and increase appreciation of natural areas.	Facilities are available throughout the district.	having open spaces that attract and provide for visitors.		New development may also create a need for additional open spaces.		amalgamated into the General rate. Where spaces are leased to clubs and community groups, Council will charge fees. As this activity makes up a relatively small amount of overall expenditure, Council has chosen to amalgamate the overall funding of this activity under the community resources activity.	The wider public benefits also mean that a proportion of the costs should be paid by all properties in the district. Operational costs of this activity are funded mainly through targeted rates and the General rate to reflect the public good component of this activity. Capital expenditure will be funded by reserves or by borrowing to match funding to the expected life of the asset for intergenerational equity and to smooth funding input. Grants may be available from time to time but are difficult to predict. Financial and development contributions from developers may also be used to fund capital expenditure to mitigate the effect of developments or providing additional capacity.	
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Community outcomes	Distribution of benefits			Whose act creates need	Benefit Period	Costs and Benefits of Separate Funding	Assessment of Benefit				Indicative Funding Source based on Funding Impact Statement categories (funding range) - Catchment(s) for rate
	Whole community	Identifiable parts of the community	Individuals				Initial		Adjusted		
							Public	Private	Public	Private	

Activity: Waste Services											
Refuse, Recycling, Transfer Stations, Greenwaste, Wheelie Bins											
<p>► Kaitiakitanga for future generations</p> <p>This activity provides a range of solid waste management facilities including</p>	<p>Medium</p> <p>The whole community benefits from facilities that enable the community to dispose of</p>	<p>Medium</p> <p>Parts of the community that have solid waste facilities or kerbside collection</p>	<p>High</p> <p>Individual users (households / businesses / visitors) of the various Council-</p>	<p>The community in general creates the need by producing waste. In some cases, inappropriate</p>	<p>Current and future years</p> <p>There are intergenerational benefits to the community of facilities</p>	<p>While Council has chosen to amalgamate the overall funding of this activity under the community resources activity, given</p>	30%	70%	0%-20%	80%-100%	<p><i>Operational</i></p> <p>General rate (Low) - District</p> <p>Targeted rates (Medium) - Area of Service</p> <p>Fees and Charges (Low)</p> <p>Other sources (Low)</p>
							<p>Rationale</p> <p>The private good components are largely paid for through targeted rates on households, businesses and communities where recycling and wheelie bin collection services</p>				

<p>transfer stations, recycling/greenwaste sites and wheelie bin collections that enable people to dispose of their waste appropriately. The activity also supports waste reduction, reuse and recycling facilities and initiatives that help to maintain the health of the community and the natural environment.</p>	<p>waste appropriately. This helps to protect public health, maintains the attractiveness of areas and reduces environmental contamination from incorrect waste disposal. Education and recycling programmes benefit the environment and society in general. Facilities are available throughout the district.</p>	<p>services in their local area have easy access and may experience a greater benefit than those who have to travel a longer distance to use a facility (particularly rural properties).</p>	<p>provided services, particularly kerbside bin collections, transfer stations and recycling / greenwaste sites.</p>	<p>the disposal of hazardous waste and illegal dumping causes additional costs to the community. Costs will be recovered if it is possible and economically viable to do so.</p>	<p>that have long useful lives. The activity also protects the environment from the adverse impacts of waste which can have a longer term benefit.</p>	<p>the high degree of private benefit for some parts of the activity, Council has chosen to set targeted rates and separate fees for parts of the activity (wheelie bin collections, transfer stations) to ensure users are contributing towards the true cost of collection and disposal. The remaining costs are funded by a district-wide rate to reduce collection costs.</p>	<p>are provided as well as fees and charges for users of the transfer stations. This approach ensures direct beneficiaries are contributing towards costs and also encourages users to minimise the amount of waste they produce. While a stronger user pays approach could be implemented, it is considered that this would result in a level of fees and charges that would deter users from disposing of their waste safely and appropriately. The General rate is used to fund the public benefit aspects of this activity associated with managing waste appropriately and safely including costs associated with the landfill, community recycling centres and waste minimisation. Operational costs are primarily funded through a mix of targeted rates (wheelie bin collections and Stewart Island/Rakiura Waste Management rate), General rate and fees and charges. Council also receives income from waste disposal levies which can be used to fund waste reduction initiatives. Capital expenditure will be funded by reserves or by borrowing to match funding to the expected life of the asset for intergenerational equity and to smooth funding input. Grants may be available from time to time but are difficult to predict and asset sales may be used to fund specific costs.</p>	<p><i>Capital</i> General and targeted rates Fees and Charges Grants and Subsidies Borrowing Proceeds from Asset Sales Other sources including reserves</p>
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Community outcomes	Distribution of benefits			Whose act creates need	Benefit Period	Costs and Benefits of Separate Funding	Assessment of Benefit				Indicative Funding Source based on Funding Impact Statement categories (funding range) - Catchment(s) for rate
	Whole community	Identifiable parts of the community	Individuals				Initial		Adjusted		
							Public	Private	Public	Private	

Activity: Electricity Supply											
Stewart island Electricity Supply (SIESA)											
<ul style="list-style-type: none"> ▶ Kaitiakitanga for future generations ▶ A diverse economy creating healthy and affordable lifestyles ▶ Empowered communities with the right tools to deliver the best outcomes <p>This activity generates and supplies a convenient and reliable source of electricity, which is essential for business, industry and residential needs on Stewart Island/Rakiura. The activity also operates waste collection services for the island.</p>	<p>Low</p> <p>The whole community benefits because the electricity supply supports the island. As a key tourism destination, there is also a flow-on economic benefit to the rest of the district when visitors also choose to travel to other areas of the district. A coordinated supply also reduces the impact on the unique natural environment, which is located within a conservation estate.</p>	<p>Medium/High</p> <p>SIESA provides electricity services for the Stewart Island/Rakiura a community and supports the community's economic and social wellbeing by providing an essential service to local residents, businesses and visitors. The single generation source of electricity and waste management practice also reduces the impact on the local environment and protects amenity</p>	<p>High</p> <p>Individual property owners and businesses that are connected or able to connect to the supply receive a private benefit.</p>	<p>Residents, businesses and visitors create the need.</p>	<p>Current and future years</p> <p>The electricity lines have long useful lives and will benefit current and future generations. The current diesel generators have shorter lives.</p>	<p>While Council has chosen to amalgamate the overall funding of this activity under the community resources activity, given the high degree of private benefit, Council has chosen to set fees and charges for consumers to reflect a user pays approach to ensure consumers are aware of the costs associated with their use. A portion of the costs is also collected through a local targeted rate to reflect the public benefit in having a supply available for</p>	<p>0%</p>	<p>100%</p>	<p>0%-30%</p>	<p>70%-100%</p>	<p><i>Operational</i></p> <p>Targeted rates (Low) - Area of Service</p> <p>Fees and Charges (High)</p> <p>Other sources (Low)</p> <p><i>Capital</i></p> <p>Targeted rates</p> <p>Fees and Charges</p> <p>Grants and Subsidies</p> <p>Borrowing</p> <p>Proceeds from Asset Sales</p> <p>Development and/or Financial Contributions</p> <p>Other sources including reserves</p>

		values for residents.				properties to connect to.	Repayment of any borrowings will be via the local targeted rate and fees and charges. Grants may be available from time to time for specific projects but are difficult to predict	
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Community outcomes	Distribution of benefits			Whose act creates need	Benefit Period	Costs and Benefits of Separate Funding	Assessment of Benefit				Indicative Funding Source based on Funding Impact Statement categories (funding range) - Catchment(s) for rate
	Whole community	Identifiable parts of the community	Individuals				Initial		Adjusted		
							Public	Private	Public	Private	

GROUP: STORMWATER DRAINAGE

Activity: Stormwater

Stormwater Drainage

<ul style="list-style-type: none"> ▶ Kaitiakitanga for future generations ▶ A diverse economy creating healthy and affordable lifestyles ▶ Empowered communities with the right tools to deliver the best outcomes <p>This activity provides a safeguard for public health/safety and also helps to maintain access to properties during periods of wet weather. The activity also protects the</p>	<p>Medium</p> <p>The whole community benefits because of the decrease in the risk from flooding, the protection of community infrastructure, the treatment of stormwater to protect the environment, and the maintaining safe transport links and accessibility during</p>	<p>High</p> <p>Parts of the community where a stormwater network is provided (typically urban areas) are likely to experience a greater benefit because these people, their land and their property are better protected from flooding. Property owners downstream</p>	<p>High</p> <p>Individual property owners connected to a scheme benefit from the safe and efficient management of stormwater away from their properties.</p>	<p>Urban development reduces the amount of permeable land area available for stormwater removal, which exacerbates the need for this activity. Changing weather patterns and increased rainfall also exacerbate the need for stormwater.</p>	<p>Current and future years</p> <p>Stormwater infrastructure has a long useful life and will benefit both current and future generations. Council does not currently fund the depreciation on stormwater, with decisions on how to fund replacements or renewals to be made once individual assets reach</p>	<p>Because this activity provides predominantly community benefits to specific locations, it is appropriate to fund the activity separately, as this allows Council to specifically charge those in the serviced areas. Given the increasing importance and increasing financial significance of this activity, ratepayers should be able</p>	<p>20%</p> <p>80%</p> <p>0%-20%</p> <p>80%-100%</p>	<p>Rationale</p> <p>While the whole community benefits from this activity, those in communities serviced for stormwater should pay more because of the direct benefits received. This acknowledges the private benefit to these communities and the properties within these areas and reflects a user pays approach.</p> <p>The public benefit aspects of the activity also mean that a proportion of the costs should be paid by all properties in the district.</p> <p>Although each stormwater scheme has different costs to maintain and operate, schemes across the district have been amalgamated for funding purposes, rather than each scheme paying for its own costs. This means that all</p>	<p><i>Operational</i></p> <p>General rate (Low) - District Targeted rates (High) - Area of Service Other sources (Low)</p> <p><i>Capital</i></p> <p>Targeted rates Grants and Subsidies Borrowing Other sources including reserves</p>
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environment by controlling pollutants and sediments in stormwater discharges to waterways or coastal areas.	rainfall events.	and people who visit these areas or use services in these areas also benefit, but to a lesser extent.			the end of their useful life.	to clearly identify the costs associated with the activity.	properties in communities serviced by stormwater, pay the same regardless of the costs related to each individual scheme. In general, this benefits smaller schemes that have a higher per ratepayer cost. Operational costs of this activity are funded through a district wide targeted rate with funding coming from two amalgamated funding streams. These are either communities serviced by stormwater across the district or properties that are outside of these serviced areas. Rural roading stormwater systems are funded through the roading activity. User fees may apply to recover costs of new connections to the stormwater system. Capital expenditure will be funded by reserves or by borrowing to match funding to the expected life of the asset for intergenerational equity and to smooth funding input. Grants may be available from time to time but are difficult to predict.	
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Community outcomes	Distribution of benefits			Whose act creates need	Benefit Period	Costs and Benefits of Separate Funding	Assessment of Benefit				Indicative Funding Source based on Funding Impact Statement categories (funding range) - Catchment(s) for rate
	Whole community	Identifiable parts of the community	Individuals				Initial		Adjusted		
							Public	Private	Public	Private	

GROUP: TRANSPORT											
Activity: Roads, Footpaths, Airports and Cycle Trails											
Roads, Footpaths (including Around the Mountains Cycle Trail)											
▶ A diverse economy	Medium	High	High	The community	Current and future years	The scale of the activity means	30%	70%	0%-30%	70%-100%	<i>Operational</i>

<p>creating healthy and affordable lifestyles</p> <ul style="list-style-type: none"> ▶ Inclusive connected communities ▶ Empowered communities with the right tools to deliver the best outcomes <p>This activity provides and maintains transport networks (such as roads, footpaths and bridges), and traffic control mechanisms (such as signage, lighting and road markings). This activity provides for the safe and efficient movement of goods, services and people throughout the district which helps the community to remain connected and have active lifestyles and supports the local economy. The activity also provides for the Around the Mountain Cycle trail, which provides accessibility,</p>	<p>The whole community benefits from accessibility of the district and ease of transportation, connections to other transport networks, as well as property location/identification.</p>	<p>Rural landowners, industries and businesses benefit from being able to efficiently transport goods, services, customers and employees to and from their properties as well as visitors and tourists. Pedestrians in communities where footpaths and streetlights are provided (typically urban areas) have easy access and may experience a greater benefit than those who live in areas without footpaths/streetlights</p>	<p>Individuals, groups and businesses using the roading and footpath network to carry out their day-to-day business and activities. Utility networks that use the road corridor for their services.</p>	<p>in general creates the need and an extensive network is needed to service urban and rural areas. Heavy vehicles transporting freight have a significant impact and are a significant cost driver with these vehicles causing most of the structural pavement damage requiring maintenance and renewal. Weather, climate and heavy vehicles can shorten the lives of portions of the network. In some cases, additional costs may be caused to Council through vandalism</p>	<p>Road, footpath and cycle trail infrastructure has a long useful life and will benefit both current and future generations. unexpectedly. Council does not currently fund the depreciation on footpaths with decisions on how to fund replacements or renewals to be made once individual assets reach the end of their useful life.</p>	<p>that it is appropriate to fund the activity separately. Given the importance and financial scale of the activity a district-wide level targeted rate has been set for roading to aid accountability and transparency. Footpaths and streetlights make up a small amount of expenditure in this activity. While footpaths are available across the district, there are differences in the scale and level of service provided in different areas. As such costs associated with footpaths and streetlights provided in local areas will be funded from local targeted rates with funding overall amalgamated</p>	<p>Rationale Roads/Bridges: While the whole community benefits, some sectors benefit more or create additional costs for the activity. To reflect the differences in benefit and support a user pays approach, Council has chosen to use a targeted rate for roading that uses a sectorial approach to recognise the impact that different land uses sectors and the heavy vehicle movements that they create, can have on the network. The rate establishes a base contribution for access to the network (to reflect public benefit) and also allocates a higher share of the costs to the sectors that cause more damage to the network by allocating an amount per tonne (to reflect the exacerbator pays). A summary of the model used is included in Appendix A on page 410. A small amount of fees and charges may also be charged for activities that benefit individual properties. A portion of the private benefit is also collected via fuel taxes and road user charges by the government and allocated by a grant through NZ Transport Agency. Footpaths/Streetlights: Communities that have footpaths and streetlights should pay more because of the direct benefit received. This acknowledges the private benefit to these communities and the properties within these areas, and reflects a user pays approach through a local targeted rate. The wider public benefit means that is also appropriate for other properties in</p>	<p>General rate (Low) - District Targeted rates (High) - District/Area of Service Fees and Charges (Low) Other sources (Low)</p> <p><i>Capital</i> General and targeted rates Grants and Subsidies Borrowing Development and/or Financial Contributions Other sources including reserves</p>
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tourism and recreational opportunities.				and accidents.		in to roading activity.	the district to contribute towards these costs, albeit at a lower level. Operational costs of these activities are partially funded by subsidies from the New Zealand Transport Agency, which provides funding toward the operating and capital costs of this activity with the remainder of the costs funded through a district-wide targeted rate and local targeted rates. Cycle trail costs are funded district-wide through the General rate. Capital expenditure will also be funded by subsidies from the New Zealand Transport Agency, reserves or by borrowing to match funding to the expected life of the asset for intergenerational equity and to smooth funding input. Grants may be available from time to time for specific projects but are difficult to predict. Financial and development contributions are used for funding the additional capacity of projects and to mitigate the effect of developments.	
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Community outcomes	Distribution of benefits			Whose act creates need	Benefit Period	Costs and Benefits of Separate Funding	Assessment of Benefit				Indicative Funding Source based on Funding Impact Statement categories (funding range) - Catchment(s) for rate
	Whole community	Identifiable parts of the community	Individuals				Initial		Adjusted		
							Public	Private	Public	Private	

Airports											
<ul style="list-style-type: none"> ▶ A diverse economy creating healthy and affordable lifestyles ▶ Inclusive connected communities 	Low The whole community benefits from having an alternative transportatio	Medium/High The airport provides aerodrome services for the local Fiordland	Medium/High Recreational pilots and commercial users who use the airport for	Aircraft operators, businesses and the rural sector use the airport for their operations	Current and future years The airport buildings and runway have long useful lives and will	The airport is a relatively small part of Council's overall expenditure and Council has chosen to	10%	90%	0%-15%	85%-100%	<i>Operational</i> General rate (Low) - District Targeted rates (High) - Area of Service Fees and Charges (Low) Other sources (Low)
Rationale							The private good component reflects benefits received by individual users, clubs and commercial users as well as local residents and businesses. The public				

<p>▶ Empowered communities with the right tools to deliver the best outcomes</p> <p>The Te Anau Manapouri airport provides aerodrome services (landing, take off and ground handling facilities) for scheduled airline services as well as locally based commercial, aero medical, agricultural, training and recreational aviation. The facility also provides a function center.</p>	<p>n option that connects Fiordland with the rest of New Zealand and the world, and provides convenient access for visitors and businesses with flow-on economic benefits to the district when visitors also choose to travel to other areas.</p>	<p>community and supports the local economy by providing a transportation service to local tourism operators, aviation businesses and residents. The activity also provides an alternative transportation option in the event of an emergency.</p>	<p>their business, and individuals who hire the facilities for events, receive a private benefit from the activity.</p>	<p>and individuals who use the airport for recreation. To an extent, the presence of the Fiordland community also generates a need to provide flight connections to the area.</p>	<p>benefit current and future generations.</p>	<p>amalgamate the overall funding of this activity under the transport activity. As the activity predominantly provides benefits to the Fiordland area, it is appropriate to fund the activity through a separate local targeted rate to properties within this area. This provides transparency to the community about the costs associated with the activity.</p>	<p>good component recognises that there is also a small benefit to the district and the Fiordland area generally. Operational costs are funded through a mix of fees and charges (e.g. landing fees and hire fees) to reflect the private benefit along with the local targeted rate which reflects both the higher level of private benefit for those living in the Fiordland Community Board area and aspects of the public benefit associated with this. The wider public benefit component of the activity for the whole community is reflected in the General rate funding. Capital expenditure will primarily be funded by borrowing to match funding to the expected life of the asset for intergenerational equity and to smooth rates input. Repayment of any borrowings will be via the local targeted rate and fees and charges. Grants may be available from time to time for specific projects but are difficult to predict.</p>	<p><i>Capital</i> General and targeted rates Fees and Charges Grants and Subsidies Borrowing Other sources including reserves</p>
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Water facilities											
<p>▶ Kaitiakitanga for future generations</p> <p>▶ A diverse economy creating healthy and affordable lifestyles</p> <p>▶ Inclusive connected communities</p> <p>▶ Empowered communities with the right</p>	<p>Medium</p> <p>The whole community benefits because the infrastructure is part of the larger transportation network that allows for the movement of people</p>	<p>Medium</p> <p>The parts of the community that have water facilities and boats have easier access and may receive a more direct benefit - with flow-on</p>	<p>Medium/High</p> <p>Recreational and commercial users who use water facilities receive a private benefit from the activity. Commercial use includes</p>	<p>Commercial and recreational marine users create the need for the activity. In some cases, additional costs may be caused by damage from vessels. Council may</p>	<p>Current and future years</p> <p>Infrastructure associated with water facilities has a long useful life and will benefit current and future generations.</p>	<p>As water facilities are a relatively small part of Council's overall expenditure, Council has chosen to amalgamate the overall funding of this activity under the transport</p>	<p>30%</p>	<p>70%</p>	<p>0%-30%</p>	<p>70%-100%</p>	<p><i>Operational</i> General rate (Low) - District Targeted rates (Low) - Area of Service Fees and Charges (High) Other sources (Low)</p> <p><i>Capital</i> General and targeted rates Fees and Charges Grants and Subsidies Borrowing</p>

<p>tools to deliver the best outcomes</p> <p>Water infrastructure like boat ramps, jetties, wharves and navigation aids enable recreational and commercial access to waterways as well as the ability for residents and visitors to access critical services/goods where the only practical access is available by water. Water facilities provide residents and visitors with easier access to special parts of the district, which enables appreciation of unique natural environments.</p>	<p>and goods throughout the district. The infrastructure also facilitates recreational activities and access to unique natural environments with flow-on economic and tourism benefits. Control structures (i.e. navigation aids, stop banks and marine walls) also support the environment (by protecting from flooding) and help ensure public safety (by having aids that improve navigation).</p>	<p>recreational on economic benefits to the local area where facilities are provided. The activity also provides alternative transportation options to remote areas in the event of an emergency.</p>	<p>vessel mooring and transporting goods/services/visitors. Facilities are also used by the fishing/aquaculture industry for employees to access work locations. Recreational use includes boating, fishing, and access for hunting and tramping.</p>	<p>be able to recover damage-related costs where liability is able to be determined.</p>		<p>activity. As the activity predominantly provides benefits to specific communities, and as there are differences in the scale and level of service provided in different areas, it is considered appropriate to fund the activity as part of local rates targeted to properties within these areas.</p>	<p>considered that this would deter users and increase costs of recovery. Any funding shortfall will be funded by local targeted rates to reflect the public benefit component of having water facilities available. Some costs associated with the facilities that have national/district significance and provide critical transport infrastructure for the community, may also be funded from the General rate, particularly for Stewart Island/Rakiura jetties where the infrastructure places a large and unaffordable burden onto the local community. The Council recognises this approach is inconsistent with the funding for the rest of this activity, but considers it necessary to ease the rating burden on this community. Operational costs are funded through a mix of fees and charges, local targeted rates and the General rate. Capital expenditure will primarily be funded by borrowing to match funding to the expected life of the asset for intergenerational equity and to smooth rates input. Repayment of any borrowings will be via the rates and fees and charges. Grants may be available from time to time for specific projects but are difficult to predict.</p>	<p>Other sources including reserves</p>
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Community outcomes	Distribution of benefits			Whose act creates need	Benefit Period	Costs and Benefits of Separate Funding	Assessment of Benefit				Indicative Funding Source based on Funding Impact Statement categories (funding range) - Catchment(s) for rate
	Whole community	Identifiable parts of the community	Individuals				Initial		Adjusted		
							Public	Private	Public	Private	

GROUP: SEWERAGE AND THE TREATMENT AND DISPOSAL OF SEWAGE

Activity: Sewerage

Sewerage

<p>▶ Kaitiakitanga for future generations</p> <p>▶ A diverse economy creating healthy and affordable lifestyles</p> <p>The activity provides a sewage disposal service to consumers who are able to connect to a scheme within the district, which helps to protect the environment, public health and facilitate economic development.</p>	<p>Low</p> <p>The whole community benefits from the appropriate management of sewage and wastewater as this helps to protect public health and prevent environmental pollution. It also supports commercial and industrial businesses, which has flow-on benefits to the wider economy.</p>	<p>Medium</p> <p>People, properties and businesses in the serviced areas benefit because the collection and treatment of sewage reduces the possibility of health problems in high density communities where on-site systems are not effective. The activity also ensures the disposal of sewage does not negatively impact the amenity value of an area or effect nearby waterways. It also enables commercial and industrial businesses in</p>	<p>High</p> <p>Individual consumers who want to and are able to connect to a Council scheme can be identified as the beneficiaries as they can dispose of their wastewater safely and conveniently . Tankered waste businesses, whilst not connected, are able to discharge their effluent at treatment plants and therefore also benefit.</p>	<p>Premises with multiple pans and commercial and industrial enterprise create trade wastes which can impact/increase the load on treatment facilities. Growth in certain areas of the district can also contribute to the need, and require expansion of infrastructure.</p>	<p>Current and future years</p> <p>Sewerage infrastructure has a long useful life and will benefit both current and future generations.</p>	<p>There are benefits in funding the activity separately as this allows Council to specifically charge those in serviced areas. These properties can be readily identified and charged. Given the importance and financial scale of the activity, a targeted rate has been used to clearly identify the costs associated with the wastewater activity. Trade waste discharges cause additional costs and will be charged for via trade waste rates and fees and charges.</p>	<p>30%</p>	<p>70 %</p>	<p>0%-30%</p>	<p>70%-100%</p>	<p><i>Operational</i></p> <p>General rate (Low) - District</p> <p>Targeted rates (High) - Area of Service (scheme)</p> <p>Fees and Charges (Low)</p> <p>Other sources (Low)</p> <p><i>Capital</i></p> <p>Targeted rates</p> <p>Grants and Subsidies</p> <p>Borrowing</p> <p>Proceeds from Asset Sales</p> <p>Development and/or Financial Contributions</p> <p>Other sources including reserves</p>
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		these areas to dispose of their trade waste.					which have a higher per ratepayer cost. Capital expenditure will be funded by reserves or by borrowing to match funding to the expected life of the asset for intergenerational equity purposes and to smooth funding input. Grants may be available from time to time but are difficult to predict. Development contributions may be used for funding the additional capacity of capital projects.	
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Community outcomes	Distribution of benefits			Whose act creates need	Benefit Period	Costs and Benefits of Separate Funding	Assessment of Benefit				Indicative Funding Source based on Funding Impact Statement categories (funding range) - Catchment(s) for rate
	Whole community	Identifiable parts of the community	Individuals				Initial		Adjusted		
							Public	Private	Public	Private	

GROUP: WATER SUPPLY

Activity: Water Supply

Water supply

<ul style="list-style-type: none"> ▶ Kaitiakitanga for future generations ▶ A diverse economy creating healthy and affordable lifestyles ▶ Empowered communities with the right tools to deliver the best outcomes <p>The activity provides a safe and</p>	<p>Low</p> <p>The whole community benefits from the provision of potable water, which provides public health and sanitation benefits. It also enables commercial and industrial businesses to have access to clean</p>	<p>Medium</p> <p>People, properties and businesses in the serviced areas benefit from the availability of a safe and reliable water supply and the provision of firefighting capacity.</p>	<p>High</p> <p>Individual consumers connected to a Council serviced water supply get a direct benefit by having access to potable drinking water for domestic, business, industrial and</p>	<p>People who are connected to the water schemes primarily create the need. Commercial and industrial enterprise and other high users can place extra</p>	<p>Current and future years</p> <p>Water supply infrastructure has a long useful life and will benefit both current and future generations.</p>	<p>There are benefits in funding the activity separately as this allows Council to specifically charge those in serviced areas. These properties can be readily identified and charged. Given the importance and financial</p>	30%	70%	0%-30%	70%-100%	<p><i>Operational</i></p> <p>General rate (Low) - District Targeted rates (High) - Area of Service (scheme) Fees and Charges (Low) Other sources (Low)</p> <p><i>Capital</i></p> <p>Targeted rates Grants and Subsidies Borrowing Proceeds from Asset Sales Development and/or Financial Contributions Other sources including reserves</p>
							<p>The private good component reflects the private benefit received by individual households and businesses. A user pays philosophy applies given that the users of this activity can be easily identified and it is administratively efficient to apply targeted rates. Operational costs are funded through targeted rates to those properties connected or able to be connected to a scheme and through fees and charges (water tanker charges). Council also charges metered water targeted</p>				

<p>reliable water supply for people to drink and clean with. This, and the firefighting capability of the water supply helps to protect public health and property and supports a healthy environment. The activity also supports a productive economy by providing commercial, industrial and in some instances farms (via stock water supplies) with access to clean water for their activities.</p>	<p>water for their activities which has flow-on benefits to the wider economy.</p>		<p>stockwater uses.</p>	<p>burden on the supply. Growth in certain areas of the district can also contribute to the need and require expansion of infrastructure.</p>		<p>scale of the activity, a targeted rate has been used to clearly identify the costs associated with the supply of water. Supply of water in excess of residential volumes, causes additional costs and will be charged for via metered water rates or fees and charges.</p>	<p>rates to commercial or industrial properties with high water use. Water supply schemes across the district are amalgamated for funding purposes, rather than each scheme paying for its own costs. This means that everyone receiving a similar service (of having access to a scheme), pays the same regardless of the costs related to each individual scheme. In general, this benefits the smaller schemes that have a higher per ratepayer cost. Capital expenditure will be funded by reserves or by borrowing to match funding to the expected life of the asset for intergenerational equity and to smooth funding input. Grants may be available from time to time but are difficult to predict. Development contributions may be used for funding the additional capacity of capital projects.</p>	
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Community outcomes	Distribution of benefits			Whose act creates need	Benefit Period	Costs and Benefits of Separate Funding	Assessment of Benefit				Indicative Funding Source based on Funding Impact Statement categories (funding range) - Catchment(s) for rate
	Whole community	Identifiable parts of the community	Individuals				Initial		Adjusted		
							Public	Private	Public	Private	

GROUP: COMMUNITY LEADERSHIP

Activity: Community Leadership

Representation and Advocacy

<ul style="list-style-type: none"> Empowered communities with the right tools to deliver the best outcomes Inclusive connected communities <p>This activity provides for the ability to elect local representatives and supports elected members to be effective, responsible and accountable decision-makers and advocates for their community. This contributes to the open, transparent and accountable democratic process of local government.</p>	<p>High</p> <p>The whole community benefits as council and community boards are the vehicles for making decisions affecting the whole district. Enabling decision-making at a range of levels helps to ensure as far as practical that those benefitting from services have an opportunity to have an input into decisions.</p>	<p>Medium</p> <p>Community boards and other local committees represent particular areas or interests within the district.</p>	<p>Low</p> <p>Individuals who interact directly with Council and engage in decision-making processes get a direct benefit.</p>	<p>Living in a democratic society contributes to the need for this activity.</p>	<p>Current year</p> <p>The benefits of this expenditure on this activity are generally experienced in the current year. Advocacy on specific issues may, however have longer-term impacts for the community.</p>	<p>Given the high degree of public benefit there is limited benefit perceived from separate funding. For this reason, Council has chosen to amalgamate the overall funding of this activity under the community leadership activity with the rating mechanism to be amalgamated with other activities to reduce collection costs.</p>	<p>95%</p>	<p>5%</p>	<p>100%</p>	<p>0%</p>	<p><i>Operational</i></p> <p>General rate (High) - District</p> <p>Other sources (Low)</p> <p><i>Capital</i></p> <p>General rate</p> <p>Borrowing</p> <p>Other sources including reserves</p>
<p>Rationale</p> <p>Given the high degree of public benefit and considering that council and community boards cover the whole district, the majority of the activity will be funded from the General rate. It would not be appropriate to charge for the private benefit as the activity plays a key part in a democracy.</p> <p>Operational costs are funded predominantly through the General rate reflecting the public good component of this activity.</p>											

Community and Futures

	High	Low-Medium	Medium	All businesses,		Given the high degree of	70%	30%	80%-100%	0%-20%	<i>Operational</i>
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<ul style="list-style-type: none"> ▶ Kaitiakitanga for future generations ▶ A diverse economy creating healthy and affordable lifestyles ▶ Inclusive connected communities ▶ Empowered communities with the right tools to deliver the best outcomes <p>This activity supports building the capacity and capability for communities to have greater resilience to change and helps people to understand the issues surrounding Council activities. It also provides opportunities to participate meaningfully in shaping the district. The activity supports benefits from improved economic activity, choice, employment opportunities and incomes.</p>	<p>The whole community benefits from having strong communities and encouraging collaboration and partnerships. Benefits from regional economic development and district promotions accrue largely to the community. This is due to the ongoing economic benefits created from business support, promotion, visitor spending, creation of employment and investment in the potential of the district.</p>	<p>The activity does benefit particular communities or groups in some instances (e.g. youth, clubs, volunteer groups, retailers, tourist operators, accommodation providers). However it is often impractical and undesirable to target funding from these groups.</p>	<p>Some benefits may accrue to businesses or individuals using these services or involved in particular initiatives (e.g. community organisations or tourism operators) or people who gain employment .</p>	<p>individuals, agencies, visitors and community groups in the district create the need.</p>	<p>Current year and future years</p> <p>The benefits of this expenditure on this activity are generally experienced in the current year. The outcomes of community led development, planning and engagement and regional economic development may, however have longer term benefits.</p>	<p>public benefit there is limited merit perceived from separate funding. For this reason, Council has chosen to amalgamate the overall funding of this activity under the community leadership activity, with the rating mechanism to be amalgamated with other activities to reduce collection costs.</p>	<p>Rationale</p> <p>The whole community benefits from the social, cultural and economic returns from this activity. Given the high degree of public benefit and considering that activities cover the whole district (and in some instances the region), the majority of the activity will be funded from the General rate.</p> <p>Charging fees for private benefit would be inconsistent with the overall aim of the activity and may prevent the community from making use of these services. Operational costs are funded predominantly through the General rate, reflecting the public good component of this activity.</p>	<p>General rate (High) - District Targeted rates (Low) - Area of Service Other sources (Low)</p> <p><i>Capital</i> General rate and targeted rates Other sources including reserves</p>
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Community outcomes	Distribution of benefits			Whose act creates need	Benefit Period	Costs and Benefits of Separate Funding	Assessment of Benefit				Indicative Funding Source based on Funding Impact Statement categories (funding range) - Catchment(s) for rate
	Whole community	Identifiable parts of the community	Individuals				Initial		Adjusted		
							Public	Private	Public	Private	
Community Assistance											
<ul style="list-style-type: none"> ▶ Kaitiakitanga for future generations ▶ Empowered communities with the right tools to deliver the best outcomes ▶ Inclusive connected communities ▶ A diverse economy creating healthy and affordable lifestyles <p>This activity provides funding support to various individuals and organisations to undertake a range of social, cultural and economic initiatives throughout the district, which benefit the wellbeing of the community.</p>	<p>Medium</p> <p>The whole community benefits from funding provided to organisations that deliver services and activities to meet the social, cultural and economic needs of the community. Support is provided to organisations throughout the district.</p>	<p>Medium</p> <p>Groups and organisations can receive benefit, through the receipt of funding to support their activities.</p>	<p>Medium</p> <p>Individuals receive benefit, through the receipt of funding to support their activities. Individuals who use any of the facilities/services offered by organisations that receive funding from Council, also will benefit.</p>	<p>Individual community groups that are seeking assistance create the need. The community also create the need by requiring various services.</p>	<p>Current year</p> <p>The benefits of this expenditure on this activity are generally experienced in the current year. The outcomes of funding (in terms of the impact on people and communities) may have longer term benefits, particularly where community facilities are built.</p>	<p>Given the high degree of public benefit there is limited merit perceived from separate funding. For this reason, Council has chosen to amalgamate the overall funding of this activity under the community leadership activity, with the rating mechanism to be amalgamated with other activities to reduce collection costs.</p>	50%	50%	80%-100%	0%-20%	<p><i>Operational</i></p> <p>General rate (Medium) - District / Area of Service</p> <p>Targeted rates (Medium) - District / Area of Service</p> <p>Other sources (Low)</p> <p><i>Capital</i></p> <p>General and targeted rates</p> <p>Other sources including reserves</p>

GROUP: ENVIRONMENTAL SERVICES

Activity: Environmental Services

Resource Management

<ul style="list-style-type: none"> ▶ Kaitiakitanga for future generations ▶ Empowered communities with the right tools to deliver the best outcomes ▶ Inclusive connected communities ▶ A diverse economy creating healthy and affordable lifestyles <p>The activity controls the development of the district and provides for the sustainable management and enhancement of the environment for current and future generations.</p>	<p>High</p> <p>The whole community benefits from the sustainable management of the district's natural and physical resources and the appropriate development of land and buildings. Individuals also benefit from general planning advice relating to potential resource consents or resource management, as well as from resource consent monitoring and enforcement activities.</p>	<p>Low</p> <p>The parts of the community where development occurs are protected from the adverse effects that development could create e.g. loss of privacy, inundation, local road congestion.</p>	<p>Medium</p> <p>Benefits accrue to individuals who use these services (i.e resource consent applicants) who are provided with legal certainty to undertake an activity. There is also often a direct economic benefit received by the applicant (e.g. developers).</p>	<p>Individuals seeking concerns. There are also costs incurred in responding to those who do not comply with the rules or consent conditions. Some of the costs related to inspections and enforcement can be recovered. Considerable time can also be spent dealing with individual appeals and objections e.g. where a property owner disputes that a resource consent is required.</p>	<p>Current year and future years</p> <p>The benefits of this expenditure on this activity are generally experienced in the current year. However there are intergenerational benefits to the community through protection from adverse environmental impacts.</p>	<p>While Council has chosen to amalgamate the overall funding of this activity under the environmental services activity, given the high degree of private benefit, Council uses fees to ensure users are contributing towards the cost of the service (with the rating mechanism to be amalgamated with other activities to reduce collection costs).</p>	<p>60%</p>	<p>40 %</p>	<p>70%-100%</p>	<p>0-30%</p>	<p><i>Operational</i></p> <p>General rate (High) - District Fees and Charges (Low) Other sources (Low)</p> <p><i>Capital</i></p> <p>General rate Fees and Charges Grants and Subsidies Borrowing Proceeds from Asset Sales Other sources including reserves</p>
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Rationale

The public good component of this activity recognises that the enabling and managing growth and environmental effects in the district is of wider benefit to the community. No particular group or individual benefits more than others from the provision of information, monitoring and enforcement activities so these cost should be allocated as part of the General rate.

The private good component represents the benefit to property owners and developers applying for subdivision and land-use consents.

Operational costs are funded through a mix of fees and charges to reflect the private benefit and General rate input to reflect the public component of the activity.

Community outcomes	Distribution of benefits			Whose act creates need	Benefit Period	Costs and Benefits of Separate Funding	Assessment of Benefit				Indicative Funding Source based on Funding Impact Statement categories (funding range) - Catchment(s) for rate	
	Whole community	Identifiable parts of the community	Individuals				Initial		Adjusted			
							Public	Private	Public	Private		
Animal Services												
<p>▶ Empowered communities with the right tools to deliver the best outcomes</p> <p>This activity protects human safety and health through the registration, and through the enforcement of legislation, bylaws and policies.</p>	<p>Low</p> <p>The whole community benefits from the general advice and education provided about animals, and through animal management practices ensuring public safety.</p>	<p>Low</p> <p>Urban parts of the community with housing in close proximity may receive a greater benefit because of the higher probability of animal control complaints related to barking and wandering dogs.</p>	<p>High</p> <p>Benefits from the activity accrue mainly to animal owners, from the provision of a service.</p>	<p>Animal owners who do not manage their animals appropriately create additional costs associated with investigating complaints, impounding of stock and prosecution of offenders. The general public, who have an expectation and desired standard for animal care and control, also create a need.</p>	<p>Current year</p> <p>The activity is primarily an operating activity, where the benefits are generally experienced in the current year.</p>	<p>While Council has chosen to amalgamate the overall funding of this activity under the environmental services activity, given the high degree of private benefit, Council uses fees to ensure users are contributing towards the cost of the service with the rating mechanism to be amalgamated with other activities, to reduce collection costs.</p>	<p>10%</p>	<p>90%</p>	<p>0%-30%</p>	<p>70%-100%</p>	<p>Rationale</p> <p>A significant portion of the costs should be borne by animal owners as the majority of the activity relates to their actions or inactions. No particular group or individual benefits more than others so the residual cost should be allocated to the whole district as part of the General rate which reflects the public good associated with providing this activity.</p> <p>Operational costs are funded mainly through fees and charges to reflect private benefit, with some General rate input to reflect the public component of the activity.</p>	<p><i>Operational</i></p> <p>General rate (Low) - District Fees and Charges (High) Other sources (Low)</p> <p><i>Capital</i></p> <p>General rate Fees and Charges Grants and Subsidies Borrowing Proceeds from Asset Sales Other sources including reserves</p>
Environmental Health												
<p>▶ Empowered communities with the right tools to deliver the</p>	<p>Medium</p> <p>The whole community benefits from the activity, as it ensures that</p>	<p>Low</p> <p>Parts of the community may benefit more than others from</p>	<p>Medium</p> <p>Individuals, businesses and organisations benefit</p>	<p>Consumers of food, alcohol and other personal health</p>	<p>Current year</p> <p>The activity is primarily an operating activity where the</p>	<p>While Council has chosen to amalgamate the overall funding of this activity under</p>	<p>40%</p>	<p>60%</p>	<p>0%-50%</p>	<p>50%-100%</p>	<p>Rationale</p> <p>A significant portion of the costs should be borne by licensed businesses given the benefit they</p>	<p><i>Operational</i></p> <p>General rate (Medium) - District Fees and Charges (Medium) Other sources (Low)</p>

<p>best outcomes</p> <ul style="list-style-type: none"> A diverse economy creating healthy and affordable lifestyles <p>This activity provides confidence to the public and visitors that activities that may affect public health and safety (e.g. food premises, hairdressers, licensed premises) are safe and comply with the law. It also ensures nuisances that could have a negative impact on community wellbeing, are dealt with.</p>	<p>facilities that have the potential to impact public health/wellbeing meet relevant standards and are safe, healthy and hygienic for the public to use. The activity also ensures nuisances will be responded to.</p>	<p>bylaws which regulate issues in specific areas.</p>	<p>directly from the assurance that premises are of an acceptable and healthy standard to the consumer and meet other legislative requirements (e.g. liquor licensing). Individuals also benefit from the investigation and resolution of nuisances.</p>	<p>services create the need for this activity. Suppliers who do not comply with the rules or who create nuisances, also create the need for the activity.</p>	<p>benefits are generally experienced in the current year.</p>	<p>the environmental services activity, given the high degree of private benefit, Council uses fees to ensure users are contributing towards the cost of the service with the rating mechanism to be amalgamated with other activities to reduce collection costs.</p>	<p>receive from being able to operate their business. Direct inspections of premises are user fees, but some fees are set by government legislation and therefore full cost recovery is not always possible.</p> <p>For health and liquor licensing there is a moderate level of public good in the general health monitoring and advisory service provided to the community. The public at large also benefit from the activity through the general health monitoring and through Council responding to nuisances, when it is often difficult to identify offenders or impractical to recover costs.</p> <p>As such, residual cost should be allocated to the whole district as part of the General rate.</p> <p>Operational costs are funded mainly through fees and charges to reflect the private benefit, with some General rate input to reflect the public component of the activity.</p>	<p><i>Capital</i></p> <p>General rate</p> <p>Fees and Charges</p> <p>Grants and Subsidies</p> <p>Borrowing</p> <p>Proceeds from Asset Sales</p> <p>Other sources including reserves</p>
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Community outcomes	Distribution of benefits			Whose act creates need	Benefit Period	Costs and Benefits of Separate Funding	Assessment of Benefit				Indicative Funding Source based on Funding Impact Statement categories (funding range) - Catchment(s) for rate
	Whole community	Identifiable parts of the community	Individuals				Initial		Adjusted		
							Public	Private	Public	Private	

Building Solutions											
<ul style="list-style-type: none"> Kaitiakitanga for future generations A diverse economy creating healthy and 	<p>Medium</p> <p>The whole community and visitors to the district benefit through the</p>	<p>Low</p> <p>Parts of the community which are growing may have a greater</p>	<p>High</p> <p>Individuals (i.e. people who apply for consents and build or alter buildings)</p>	<p>People undertaking building work create the need. There are also costs</p>	<p>Current year</p> <p>The activity is primarily an operating activity where the</p>	<p>While council has chosen to amalgamate the overall funding of this activity under the</p>	<p>20%</p>	<p>90%</p>	<p>0%-30%</p>	<p>70%-100%</p>	<p><i>Operational</i></p> <p>General rate (Low) - District</p> <p>Fees and Charges (High)</p> <p>Other sources (Low)</p> <p><i>Capital</i></p>
Rationale							<p>The major benefit is to the user of the services and hence fees and charges for building consenting are the main funding source given</p>				

<p>affordable lifestyles</p> <ul style="list-style-type: none"> Empowered communities with the right tools to deliver the best outcomes <p>This activity ensures that buildings and structures are safe and sanitary, reducing risks to people and other property.</p>	<p>enforcement of regulations that ensure safe, sanitary and accessible buildings. The activity also provides general public benefit through projects, such as identifying insanitary and earthquake prone buildings and providing advice to the public.</p>	<p>demand for the services of the building activity. There is some benefit to the construction industry and its customers.</p>	<p>receive a direct benefit from ensuring that their building meets requirements .</p>	<p>incurred in responding to illegal building work or unsafe and insanitary buildings. Some of the costs related to inspections and enforcement can be recovered.</p>	<p>benefits are generally experienced in the current year. However the input into the quality of buildings being constructed are likely to have longer term benefits.</p>	<p>environmental services activity, given the high degree of private benefit, Council uses fees to ensure users are contributing towards the cost of the service with the rating mechanism to be amalgamated with other activities to reduce collection costs.</p>	<p>that users of this activity can be easily identified and it is administratively efficient to charge fees.</p> <p>The General rate is used to reflect the public good associated with providing this activity, recognising that everybody benefits from a safe building stock in the district. Council also recognises that it is important for the economic wellbeing of the district not to deter development and growth through high consent costs.</p> <p>Operational costs are funded mainly through fees and charges to reflect private benefit, with some General rate input to reflect the public component of the activity.</p>	<p>General rate Fees and Charges Borrowing Proceeds from Asset Sales Other sources including reserves</p>
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Activity: Emergency Management

Emergency Management

<ul style="list-style-type: none"> A diverse economy creating healthy and affordable lifestyles Empowered communities with the right tools to deliver the best outcomes 	<p>High</p> <p>The whole community benefits from having measures in place to prepare the community for disasters and to be able to respond and recover from them.</p>	<p>Medium</p> <p>Certain parts of the community may be involved in emergency events and receive support during and after the event.</p>	<p>Low</p> <p>There is private benefit to those who are assisted directly in the event of an emergency .</p>	<p>People in the district and particularly those living in high risk areas. The need for the activity is largely driven by natural disasters or weather events and the</p>	<p>Current year</p> <p>The activity is primarily an operating activity where the benefits are generally experienced in the current year. The outcomes of building resilience in communities</p>	<p>Given the high degree of public benefit there is limited benefit perceived from separate funding. For this reason, Council has chosen to amalgamate the overall funding of this activity under the</p>	90%	10%	100%	0%	<p><i>Operational</i> General rate (High) - District</p> <p><i>Capital</i> N/A</p>
							<p>Rationale</p> <p>Although particular groups or areas may receive more benefit from this activity than others in particular emergency situations, the activity protects everyone in the district.</p> <p>It is not practical nor advisable to charge direct beneficiaries for any private benefit.</p> <p>Operating costs will be funded by the General rate to reflect the public good component of the</p>				

<p>► Inclusive connected communities</p> <p>This activity builds the capacity of the community to effectively prepare, respond to and recover quickly from emergency events.</p>				<p>community expectation that relevant authorities will provide assistance during these events.</p>	<p>however may have longer term benefits.</p>	<p>environmental services activity, with the rating mechanism to be amalgamated with other activities to reduce collection costs</p>	<p>activity. Central Government assistance through grants and subsidies may be available when a Civil Defence emergency is declared, however this cannot be anticipated in advance.</p> <p>The activity does not have a high capital expenditure, however borrowing may be used to smooth rates input should capital expenditure be required. Minor capital expenditure and repayment of debt will be funded via the General rate.</p>	
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Appendix A

Overview of the Rooding Rate Model

Provided for explanatory purposes and does not form part of the policy

The steps below outline how Council allocates rooding rates.

1. The total rooding rate required is identified through the Long Term Plan or Annual Plan process.
2. Rooding rates are first allocated for heavy vehicle usage (excludes Residential, Lifestyle and Other sectors)
 - \$1.10 is be allocated to each sector per tonne of freight moved (to attribute rooding rates to each sector, based on the damage it is causing to the roads)
 - tonnage information is provided by an independent third party
 - a multiplier is applied to the tonnage amount for some sectors (to try and more fairly attribute rooding rates to each sector, based on the damage it is causing to the roads (this takes into tonnage not otherwise captured, concentrated road usage at the outer reaches of the rooding network and the equivalent standard axles used))
 - the multipliers are 1.2 for Forestry and 1.15 for both Dairy and Non-Dairy farming
 - Minimum tonnage amounts are set for the Industrial, Mining and Commercial sectors (230,000 tonnes) (also to try and fairly attribute rooding rates to each sector, based on the damage it is causing to the roads)
3. A uniform annual charge is then be allocated to all rating units
 - the uniform annual charge is set at a fixed value of \$80 + GST (as all ratepayers benefit from having access to the rooding network)

4. The remaining roading rates were then be allocated to all rating units
- the remaining roading rates are allocated based on a consistent rate in the dollar for all sectors
 - the rate in the dollar is obtained using the total capital value of all applicable rating units
 - a differential factor of 0.3 is applied to the 'Other' industry sector for the General rate in the dollar component of the model

The table below illustrates the resulting allocation of sector rates for 2020/2021. Please note that the information in this table reflects the required rates and model inputs at a certain point in time and will change in relation to future annual and long term plan rates funding impact statements.

HOW THE MODEL ALLOCATES SECTOR RATES (2020/2021)		
SECTOR (LANDUSE)	TOTAL \$M (EXCLUDING GST)	%
Dairy	\$4,559	35.5%
Forestry	\$792	6.2%
Farming (non-dairy)	\$4,128	32.1%
Industrial	\$404	3.1%
Commercial	\$413	3.2%
Residential	\$1,493	11.6%
Lifestyle	\$674	5.2%
Other	\$125	1.0%
Mining	\$259	2.0%
Total	\$12,849	100%

Roles and responsibilities

PARTY/PARTIES	ROLES AND RESPONSIBILITIES
Chief financial officer	Ensure compliance with the Revenue and Financing Policy.

Associated documents

- Local Government Act (2002).
- Local Government (Rating) Act (2002).
- Development and Financial Contributions Policy (R/20/7/30795).

Revision record

DATE (The Revenue and Financing Policy will be reviewed three yearly as part of the Long Term Plan process)	VERSION	REVISION DESCRIPTION
28 January 2021	Final	Revenue and Financing Policy adopted by Council
21 October 2020	Version 1	Draft Revenue and Financing Policy for Council to approve for public consultation

Significant Forecasting Assumptions

Key Strategic Assumptions

'WHAT' STRATEGIC ISSUE	'SO WHAT' ASSUMPTION FOR THE LTP	LEVEL OF UNCERTAINTY	RISK IF THE ASSUMPTION IS INCORRECT	'NOW WHAT' APPLICATION IN THE LTP STRATEGIES AND POLICIES
<p>Demographics:</p> <ul style="list-style-type: none"> population - population growth affects the demand for Council's services and infrastructure, as well as the ability to cover the cost of services and infrastructure. ageing - a significantly ageing population has implications for the viability and wellbeing of communities within the district. immigration - The district's population is growing at a slower rate than New Zealand population as a whole is growing, which is partly due to the Southland district having a lower rate of international immigration. 	<p>The estimated resident population of the district in 2017 was 30,300.</p> <p>This is projected to grow to 36,700 by 2043 (source: BERL Detailed Southland population projections).</p> <p>Te Anau and Winton will see the largest growth in total population between 2013 and 2043, with each township growing by between 400 and 500 people.</p> <p>Monowai, Nightcaps, Riversdale, Tokanui, and Otautau are projected to either maintain their 2013 population through to 2043 or see a small decline.</p> <p>The population projections show that between 2013 and 2043 all townships will see an increase in people aged over 65. In addition, a number of townships will see a decline in those aged under 15 and people aged 15 to 64 years of age.</p> <p>There is projected to be a significant tightening of the labour market between 2018 and 2033, to a point where demand for labour exceeds the entire population aged from 15 to 64 years old (BERL Stage 3</p>	<p>Very low</p>	<p>Low</p> <p>The population growth rate may be significantly different than that assumed.</p> <p>Proportion of the population over 65 of age may vary from the prediction.</p> <p>Economic growth in the District may be held back due to labour shortages.</p>	

'WHAT' STRATEGIC ISSUE	'SO WHAT' ASSUMPTION FOR THE LTP	LEVEL OF UNCERTAINTY	RISK IF THE ASSUMPTION IS INCORRECT	'NOW WHAT' APPLICATION IN THE LTP STRATEGIES AND POLICIES
	report). The rate of volunteering is also expected to decrease.			
<p>Tourism</p> <p>Provision of appropriate visitor infrastructure and increase range of tourism related opportunities.</p>	<p>There will increased impacts on services such as libraries and public toilets which can be met within the scope of the planned infrastructure upgrades within this LTP.</p> <p>Alternatively, environmental quality and the visitor experience in parts of the district declines due to lack of appropriate infrastructure. While Milford Sound is one of NZ's most important attractions, currently the local economy does not harness the full potential from the flow of visitors to this location.</p> <p>Visitor numbers to Milford Sound have almost doubled in the past 5 years from 556,000 in 2014 to 932,000 in 2018. The assumption is that these numbers will continue to increase.</p> <p>The increase in visitors to Stewart Island/Rakiura will put corresponding pressure on jetties and infrastructure on the Island.</p> <p>The ongoing impact of Covid-19 on tourism has created significant uncertainty in the sector and the wider business sector as whole. The biggest impact will be as a result of the border closure effectively ceasing international tourism overnight. Given the</p>	High	<p>Medium</p> <p>There may be a need to accelerate infrastructure upgrades.</p>	Continuing support for regional development initiatives.

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	global impact of Covid-19 this may be in place for some time to come.			
<p>Climate change</p> <p>Planning may not adequately account for climate change impacts.</p>	<p>Sea level rise progressively impacts low lying coastal areas affecting ecology and settlements. Water availability in some areas becomes scarce, extreme weather events are larger and more frequent, communities become more resilient to climate change.</p> <p>Transition to a low carbon future</p> <p>Changes and associated impacts such as risk based insurance will influence investment in built development (ie. coastal and flood plain development) and types of farming.</p> <p>Climate change will have a significant impact on the coastal settlements within Southland District. It is known that areas of Colac Bay, Orepuki, Fortrose and Stewart Island/Rakiura are subject to coastal processes that are causing erosion resulting in loss of land and council roading infrastructure.</p> <p>Sea level rise is expected to be between 0.2-0.3 m above present levels by 2040 and increasing to 0.4-0.9 m by 2090.</p> <p>The projected Southland temperature changes increase with time and emission scenario. Future annual average warming spans a wide range: 0.5-1°C by 2040, and 0.7-3°C by 2090.</p>	Moderate	<p>Medium</p> <p>A 2018 NIWA report projects increases for all of Southland in sea level, temperature, overall precipitation and the frequency of dry days.</p> <p>There is an increasing likelihood of sea surge, coastal inundation, drought and large severe weather events.</p>	<p>LIDAR flights are currently being undertaken and is expected to be completed within 12 months depending on weather. Once the data outlined above has been captured, LIDAR modelling will be undertaken to enable the flood modelling to be run.</p> <p>There is proposed funding outlined in the LTP for a specific role within the Policy Planning team to lead the next stage of our climate change analysis.</p>

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	<p>Floods are expected to become larger across the District.</p> <p>The central-northern part of the Southland Region is projected to experience the largest increases in drought.</p> <p>The occurrence of heat waves will double by 2040.</p>			
<p>Significant, unplanned adverse events</p> <p>Significant earthquakes, flooding, tsunami and other hazards outside of expected risk assessments.</p> <p>Assume that none of these events will occur but we need to be prepared.</p>	<p>Borrowing 'headroom' to fund Council's share of a rebuild in relation to a 'maximum probable loss' scenario is provided for within Council's Financial Strategy.</p> <p>There will be community disruption and displacement as well as localised infrastructure and facilities damage.</p> <p>The next severe earthquake on the Alpine Fault is likely to occur within the lifetime of most of us or our children. We are assuming that it will not occur within the ten years covered by this LTP.</p> <p>Under almost every climate change scenario, storms and therefore flooding will become more frequent and intense and communities will feel the effects more regularly and intensively. It is assumed that these events can be managed within current budgets.</p>	Low	<p>High</p> <p>Work to date has shown that a major alpine fault movement would have significant consequences for Southland communities and district infrastructure. Other than planning around the initial response phase no other planning has been undertaken to assess the potential impact on council infrastructure</p>	<p>All of these natural disasters highlight the importance of robust emergency management systems and Business Continuity Planning (BCP). These include:</p> <ul style="list-style-type: none"> -Alpine Fault Magnitude 8; a South Island wide project to save lives by planning and preparing a coordinated response across the South Island after a severe earthquake on the Alpine Fault. -Environment Southland's flood warning system and Group Tsunami Plan Emergency Management Southland

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				Any new development should be undertaken with a view to mitigating exposure to natural disasters.
<p>Environmental standards, resource consents and land use</p> <p>Council may be required to undertake significant capital works in relation to drinking, stormwater and wastewater.</p>	<p>Changing delivery models and increasing standards impacts Council's regulatory, monitoring and infrastructure requirements. This poses uncertainty to service delivery in this area.</p> <p>There will be a change to the regulatory standards for drinking water and a new regulatory agency has been formed Allowance has been made for meeting the expected new standards. It is assumed that Council will continue to be responsible for the delivery of its existing range of water, wastewater and stormwater services.</p> <p>The Proposed Water and Land Plan for Southland and the Freshwater National Policy Statement will have a continuing impact on the regulatory environment for agricultural land use. This may alter the way that investment decisions are made and therefore the land use changes that will occur.</p> <p>Land use changes as a result of climate change (e.g. flood plain zone changes).</p> <p>The amendment to the Climate Change Response (Zero Carbon) Bill may alter the</p>	Low	<p>Low</p> <p>Highly likely to be large scale changes to national requirements and how drinking, storm and waste water are managed.</p>	<p>New and revised consenting requirements set by Land and Water Plan are reflected in the proposed works programme. Council will continue to work closely with ES and other relevant agencies that may be formed in the future.</p> <p>Asset management plans are updated.</p>

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	delivery of Council activities. This may impact land use and transport across the District.			
<p>General economic growth trends</p> <p>Long term economic growth may not continue to be consistent with trends.</p> <p>Potential for significant downturn in global dairy prices as well as other primary sector goods.</p> <p>Changes to the primary sector occurring at a faster rate than businesses in the District (automation, niche products, synthetic alternatives to meat and milk products, etc).</p>	<p>The economy maintains current prospects.</p> <p>The median personal income in the Southland District is growing at a faster rate than the median income across NZ.</p> <p>There is an enduring trend that local businesses in the District hire smaller numbers of people (compared the rest of New Zealand).</p> <p>Home ownership rates in the District are falling.</p> <p>Half of the businesses operating in Southland District are in the primary sector.</p> <p>98% of these primary sector businesses operate in the industries of agriculture or forestry (BERL – Compendium Report 2018). BERL estimate that 18.3% of total employment (measured in Full-time Equivalents) in the District is in dairy farming.</p>	Moderate	<p>Low</p> <p>If there is a persistent downturn in economic prospects may mean the District is not able to sustain continued growth in income. Ratepayers are unable or unwilling to support maintaining Council levels of service. Dependency on primary sector and dairy farming in particular makes some communities vulnerable to a decline in global dairy prices or a major livestock disease outbreak.</p> <p>It is unlikely that there will be major changes in current land use patterns and economic activity across the district as a whole which will lead to significant change in</p>	

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			demand for current Council services.	
<p>Legislative changes</p> <p>New/amended legislation or government policy comes into force that has a significant impact on Council to respond or impact on cost to administer by Council; or results in a change to the services delivered by Council.</p>	<p>It is assumed there will be no major legislative changes or change in government policy that will significantly impact Council aside from the legislative changes identified under the Environmental Standards, Resource Consents and Land Use assumption. Given the recent three waters reform announcements, this plan assumes the delivery of the three waters activities will remain with Council at the same level of service as currently provided.</p>	Moderate	<p>Medium</p> <p>Legislative or government policy changes are expected to have a medium effect on Council's finances and/or levels of service.</p>	
<p>Technology</p> <p>Changes in technology will impact the delivery of our key activities.</p>	<p>It is assumed there will be increased access to fibre connectivity will mean more use of online digital services.</p> <p>There may be less demand for face-to-face customer service as technology provide alternative methods for answering questions and resolving issues.</p> <p>It is assumed automated technology and artificial intelligence alters the way that council delivers its service.</p> <p>Chorus will have rolled out full internet connectivity throughout the district by the end of 2021.</p>	Low	<p>Low</p> <p>There is a low consequence due to council being able to react to changes prior to them negatively impacting levels of service or customer expectations.</p>	
<p>Resource constraints</p> <p>Ability to find procure contractors and resources will be diminished due to other</p>	<p>It is assumed that due to increased work across the district (e.g. Invercargill city centre development, Dunedin Hospital build, etc)</p>	Moderate	<p>Medium</p> <p>Resource constraints may disrupt delivery of the Long Term Plan</p>	

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<p>work underway across the district.</p> <p>40% of the Southland District Council workforce are born between 1943 and 1966 and are likely to retire in the next 10 years. This may result in the loss of staff resource and knowledge to deliver projects.</p>	<p>there will be a shortage of workers and resources across the lower South Island.</p> <p>The retirement of the ageing workforce of Southland District Council will impact the delivery of the LTP work programme.</p>		<p>work programme and meeting the established levels of service.</p>	
<p>Three waters reforms</p> <p>In July 2020 the government released its three waters reform, a three-year programme to change the way drinking water, wastewater and stormwater are delivered to improve public health, environmental and economic outcomes.</p>	<p>An overarching regulator, Taumata Arowai, will oversee the sector, and is proposing a small number of larger regional entities providing these services rather than the 67 individual councils that currently do.</p> <p>At the same time, a multi-million-dollar stimulus funding package was announced to maintain and improve three waters infrastructure and support the introduction of the reform programme. Funding has been given to councils that agreed to participate in the programme's first stage, including Southland District Council. Our share is being used to carry out pipe replacement and improve treatment across the District as well as carry out condition assessments of sewerage and stormwater assets.</p> <p>There is still a lot of information to come about what the reforms mean for Southland before we have to decide whether to opt in or out of the process later this year.</p>	<p>High</p>	<p>Low</p> <p>By assuming that Council will continue to manage the assets over the life of this plan, any changes for how these services are provided in the medium to long term are minimised by this assumption.</p>	<p>The community will need three waters services whether the council delivers them or not. These activities are reflected in the financial, strategy and the infrastructure strategy and other information that is included in the CD and supporting information.</p> <p>The purpose of this is to present the community with as a complete and accurate a set of information on the medium-term and long-term for those activities.</p>

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	It is assumed that the council will deliver these services over the life of the LTP.			
<p>Covid-19</p> <p>The Covid-19 pandemic has created a lot of change and economic uncertainty nationwide in the past year. In Southland District, Fiordland has been impacted most by the closure of New Zealand's borders as international tourists are its main source of income. This affects more than just tourism businesses – it has brought financial hardship to the whole community. Domestic visitors have had a cushioning effect on other destinations such as Stewart Island/Rakiura and the Catlins.</p>	<p>The Southland economy has weathered the storm relatively well because of its base of food production.</p> <p>It is assumed that this should continue as long as international exports continue and we're able to receive imported components like pipes for our own capital works. Given that much of this plan is about investing in infrastructure to maintain our services over the long term, that work still needs to progress despite Covid-19.</p>	High	<p>Moderate</p> <p>Council may need to prioritise works should economic conditions worsen and affect the capacity of our communities to pay rates.</p>	<p>Council is consulting over changes to its rates remission and postponement policy to have greater flexibility to provide relief from rates during unexpected events.</p>

Key Financial Assumptions

FINANCIAL ISSUE/RISK	ASSUMPTION FOR THE LTP	LEVEL OF UNCERTAINTY	RISK IF THE ASSUMPTION IS INCORRECT
<p>Price level changes</p> <p>Inflation may vary significantly than that allowed for in the Long Term Plan.</p>	<p>Inflation is included using projections prepared by Business and Economic Research Limited (BERL), which are based on October 2020 published values, as summarised in Appendix 1.</p>	<p>Low</p>	<p>Medium</p> <p>Inflation is affected by external economic factors and therefore actual inflation increases will vary from those used in developing this plan.</p> <p>The result of any variation (up or down) will result in a higher or lower rates requirement, and may therefore also impact on the levels of service, particularly in relation to roading, water, wastewater and stormwater.</p>
<p>Cost estimates</p> <p>Cost of operating and maintenance contracts as well as major capital works costs may vary significantly from costs estimated in this plan</p>	<p>When contracts are renewed there are no significant variations allowed for and any annual cost adjustment is in line with the relevant BERL inflation percentage, except for the specific matters listed below:</p> <p>Water – based on inflation, except for a potential increase in the renewal of the operations and maintenance contract.</p> <p>Wastewater – based on inflation, except for a potential increase in the renewal of the operations and maintenance contract as well as additional allowance for any new/upgraded schemes (Te Anau and Winton).</p> <p>Waste management - based on inflation, except for a potential increase in waste disposal costs to recover waste disposal</p>	<p>Low</p>	<p>Medium</p> <p>Greater than anticipated cost increases, especially in construction, capital works and contracting rates, increase the overall cost of the capital and maintenance programs, in turn having an impact on debt servicing costs and rates.</p>

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	<p>levy increases, as well as a potential increase for the waste disposal contract.</p> <p>Community facilities – mowing and other contract increases are based on approved contracts. Where new contracts are not currently in place at September 2020, the prices received through the direct negotiation process have been used which include a level of increase in addition to inflation.</p>		
<p>Useful lives of significant assets</p> <p>The useful life of assets determines when an asset is expected to be renewed and the calculation of depreciation. This will impact on the timing of replacements and the amount of rates collected for funding depreciations.</p>	<p>That the useful life of significant assets will be the same as set out in the accounting policies of Council.</p>	<p>High</p>	<p>Medium</p> <p>The timing of renewal projects is inaccurate and will need to be completed earlier/later as required. This will change the timing of funding requirement as shown in Council’s revenue and financing policy (including rates).</p> <p>The amount of depreciation being inaccurate will impact on either over/under collecting rates in the relevant years due to the funding of depreciation.</p> <p>The financial impact of a 1% change in depreciation would result in a change in depreciation of \$272,126 in 2021/2022 to \$382,440 in 2030/2031.</p>
<p>Vested assets</p> <p>Vested assets are assets that are gifted/donated to Council and as a result associated operating costs and future asset replacement costs become the responsibility of Council.</p>	<p>No significant vested assets are forecast across the 10 years of this plan.</p>	<p>Moderate</p>	<p>Medium</p> <p>The level of vested assets fluctuates from year to year and is unpredictable. Historical levels have not been material. The recognition of vested assets is non-cash in nature and therefore have no effect on rates. However receipt of any</p>

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			vested assets will increase depreciation and operating costs in future years and therefore may also result in additional rates.
<p>Infrastructural asset revaluation Asset revaluation may be higher or lower than estimated.</p>	<p>In the LTP, Council has revalued its significant infrastructural assets on a yearly basis in line with the relevant BERL inflation rate taking into account planned additions.</p>	<p>Very high</p>	<p>High If price level changes are greater or lesser, depreciation and the funding of depreciation, could be under or overstated.high (virtually certain to be wrong). The financial impact of a 1% change in the water depreciation would result in a change in depreciation of \$18,719 in 2021/2022 to \$27,380 in 2030/2031. The financial impact of a 1% change in the wastewater depreciation would result in a change in depreciation of \$27,065 in 2021/2022 to \$44,431 in 2030/2031. The financial impact of a 1% change in the roading depreciation would result in a change in depreciation of \$194,134 in 2021/2022 to \$263,356 in 2030/2031.</p>
<p>Forestry assets Fluctuations in the forestry asset revaluation and returns.</p>	<p>Council has forecast the revaluation of forestry assets and operating results on a yearly basis taking into account planned harvesting and replanting.</p>	<p>Moderate</p>	<p>Medium The recognition of forestry assets is non-cash in nature and therefore has no effect on rates. However fluctuations in operating results may impact rates.</p>
<p>Emission Trading Scheme Fluctuation in the value of Council's investment in emission trading units.</p>	<p>Council will retain its investment in the Emission Trading Scheme (105,632 units) at a value of \$32.10 per unit across the 10 years of the plan.</p>	<p>Moderate</p>	<p>Low Emission trading unit holdings and value increases/decreases over the life of the plan.</p>

FINANCIAL ISSUE/RISK	ASSUMPTION FOR THE LTP	LEVEL OF UNCERTAINTY	RISK IF THE ASSUMPTION IS INCORRECT
			This movement is a non-cash impact and therefore no impact on rates.
<p>Investments in other entities</p> <p>Fluctuation in the value of Council’s investment in other entities, joint ventures and associates. This includes Milford Sound Tourism Ltd, Civic Assurance, WasteNet, Southland Regional Development Agency, Emergency Management Southland and Southland Regional Heritage Committee.</p>	<p>Council will retain its investment in these entities and associates at the current level and will assume an annual dividend across the 10 years of the plan where there is a history of dividends.</p> <p>No income from associates is forecast.</p>	Moderate	<p>Low</p> <p>Investment value increases/decreases over the life of the plan. This movement is a non-cash impact and therefore no impact on rates. If dividends received differ from forecast this may either impact rates.</p>
<p>Funding of future replacement of significant assets</p> <p>Due to the large amount of ageing infrastructure, funding renewals through reserves or loans is inconsistent with good practice. In the 2015-2025 LTP Council commenced a phasing in depreciation funding to build up funds for replacement of assets whilst maintaining affordable rates increases.</p>	<p>We have assumed that Council will continue to incrementally increase funding depreciation of the following assets classes: roading, water, wastewater, council buildings, information technology, wheelie bins, public toilets and solid waste.</p> <p>Funding depreciation of these activities (except water and wastewater) will be phased over the next 10 years as follows:</p> <p>2021/2022 70%</p> <p>2022/2023 80%</p> <p>2023/2024 90%</p> <p>2024/2025 onwards 100%</p> <p>Funding depreciation of water and wastewater activities will be phased over the next 10 years as follows:</p> <p>2021/2022 65%</p>	Low	<p>Medium</p> <p>The level of depreciation being funded is inaccurate and will result in either over/under collecting rates in the relevant years. Additionally any shortfalls will need to be funded by other sources (such as rates, reserves or loans) which may also result in additional rates.</p>

FINANCIAL ISSUE/RISK	ASSUMPTION FOR THE LTP	LEVEL OF UNCERTAINTY	RISK IF THE ASSUMPTION IS INCORRECT
	2022/2023 70% 2023/2024 75% 2024/2025 80% 2025/2026 85% 2026/2027 90% 2027/2028 95% 2028/2029 onwards 100% Motor vehicles and SIESA assets are funded 100% for the 10 years of the plan.		
<p>Subsidies for roading</p> <p>Waka Kotahi NZ Transport Agency (Waka Kotahi) has announced its indicative investment levels for years 1 - 3 of the Long Term Plan. The funding levels indicated are less than those requested by SDC.</p> <p>Sufficient funds may not be available to pay for the planned increase in capital projects and operational/maintenance costs in years 4 - 10 of the Long Term Plan.</p>	<p>Through this LTP we have identified a programme of work necessary to maintain the assets and levels of service for our roading network.</p> <p>Waka Kotahi has very recently outlined the proposed/indicative funding levels for the first three years allocated to SDC. The level proposed by Waka Kotahi is at 85% of the funding level requested.</p> <p>It is assumed Waka Kotahi will be able to meet the requested funding needs of proposed works from Years 4 to 10 of the LTP.</p> <p>It is assumed that the level of financial assistance received from Waka Kotahi will be 52% for the period of the LTP.</p> <p>It was assumed Waka Kotahi funding will be awarded for three-year periods</p>	Very High	<p>High</p> <p>There is also additional risk that over the uncertainty of a component of funding from Waka Kotahi being available due to an over-subscription nationally.</p> <p>The planned work programmes will need to be revisited and levels of service would need to be reviewed depending on the ongoing funding available.</p> <p>The uncertainty of funding could impact on the ongoing availability of contractors and capacity to deliver the necessary work programmes.</p> <p>If funding by Waka Kotahi is not to increase as proposed in years 4-10 this may result in the programme of works needing to be amended by approximately \$25 million over those remaining seven years .</p>

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	<p>and that the following seven years will be funded in a similar manner.</p> <p>Funding assistance for large capital transport works would be achieved on a case by case basis with Waka Kotahi.</p>		<p>It is premature to anticipate the level of funding that might be available in years 4 through 10. The impact of any funding change by Waka Kotahi will be assessed as part of the next LTP process.</p>
<p>Sources of funds That sources of funds are not achievable.</p>	<p>Sources of funds (being user fees/charges, grants, subsidies and borrowings) for both operating and capital expenditure are obtained in accordance with the Revenue and Financing Policy.</p>	<p>Low</p>	<p>Medium If revenue sources are not achievable, the levels of service may be reduced or an alternate funding source required to maintain those levels. This may include setting additional rates.</p>
<p>Return on investment/reserves Return on investments may vary from the amount included in the ten year plan.</p>	<p>Return on financial investments has been calculated at 5.5% per annum, for funds invested externally for the life of the plan. This is on the basis of a balanced managed fund with approximately 50/50 investment in income and growth assets.</p> <p>Fund administration costs associated with these investments are calculated at 1.10% per annum and are deducted from the fund capital.</p> <p>The first \$750,000 of return on investments is used to offset rates requirements.</p> <p>Interest on reserves is allocated as follows: Restricted reserves 4.4% per annum</p>	<p>Moderate</p>	<p>Medium A decrease in investment interest rates may require Council to collect more rates to cover the shortfall of interest used to offset rates.</p>

FINANCIAL ISSUE/RISK	ASSUMPTION FOR THE LTP	LEVEL OF UNCERTAINTY	RISK IF THE ASSUMPTION IS INCORRECT
	Local reserves 2.0% per annum Strategic asset reserve 2.0%		
<p>Interest rates on borrowing</p> <p>The interest rates paid on borrowing will vary over the 10 year period.</p>	Interest on new and existing internal and external borrowings is allowed for at 2.0% per annum over the term of the borrowing.	Moderate	<p>Medium</p> <p>An increase in interest rates may require Council to collect more rates to cover the additional interest payments.</p>
<p>Local Government Funding Agency (LGFA) Guarantee</p> <p>Each of the shareholders of the LGFA is a party to a Deed of Guarantee, whereby the parties to the deed guarantee the obligations of the LGFA and the guarantee obligations of the other participating local authorities to the LGFA, in the event of default.</p>	Council believe that the risk of the guarantee being called on and any financial loss arising from the guarantee is low and therefore nothing has been included in the forecasts for the term of the plan.	Low	<p>Low</p> <p>In the event of a default, Council will be required to pay a proportion of the amount owing. The proportion to be paid by each respective guarantor is set in relation to each guarantors' relative rates income.</p>
<p>External borrowing</p> <p>All external borrowing will be sourced from LGFA.</p>	<p>The borrowings are interest only. Repayments collected from rates will be held in a restricted reserve until the end of the loan term.</p> <p>The term of all borrowings are planned to exceed the term of the LTP.</p>	Low	<p>Medium</p> <p>In the event that Council are unable to borrow from LGFA, Council may be required to borrow from other external lenders with the risk of higher interest rates and different repayment terms.</p>
<p>Capital expenditure delivery</p> <p>Programmes and projects are assumed to be delivered on time.</p>	The Long Term Plan assumes that the timing and cost of capital projects and associated operating costs are as determined through the Council's activity management planning process.	High	<p>Medium</p> <p>There is a risk that capital projects may not be delivered as planned. This could be due to a variety of factors as outlined below:</p> <ol style="list-style-type: none"> 1. Further Covid-19 lockdowns 2. Capacity of local market to deliver due to <ol style="list-style-type: none"> a. Lack for resources

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			<ul style="list-style-type: none"> b. Lack of skilled resources for specialist works c. Demand on other local projects in Southland d. Local and International supply chain constraints <p>3. High demand on contractors resulting in higher project costs and need to rescope causing delays to spending</p> <p>4. High demand on consultancy services</p> <p>5. Demand on councils to complete resource and building consents affecting project delivery.</p> <p>Delays/deferrals on the level of capital works completed on time will impact future depreciation (which is, in most instances, funded by rates). Funding of capital works is typically by reserves and loans, therefore will impact future interest and principle repayments, which are funded by rates.</p> <p>There may also be an increase in maintenance costs as a result of any delay of delivering capital works, which will also have an impact on rates.</p> <p>A 1% change in the capital programme ranges from \$452,000 in 2021/2022 to \$458,000 in 2030/2031.</p> <p>If \$1 million of capital works is delayed, there would be a \$50,000 saving per annum in future loan repayments (assuming 30 year</p>

FINANCIAL ISSUE/RISK	ASSUMPTION FOR THE LTP	LEVEL OF UNCERTAINTY	RISK IF THE ASSUMPTION IS INCORRECT
			term), and accordingly rates, however this saving may potentially be consumed with additional maintenance costs from extending the asset past its useful life.

Accounting Policies

Reporting entity

Southland District Council (referred to as “SDC” or “Council”) is a territorial local authority established under the Local Government Act 2002 (LGA) and is domiciled and operated in New Zealand. The relevant legislation governing Council’s operations includes the LGA and the Local Government (Rating) Act 2002. The primary objective of Council is to provide goods or services for the community or social benefit rather than making a financial profit. Accordingly, SDC has designated itself as a public benefit entity (PBE) for financial reporting purposes.

Council provides local infrastructure, local public services and performs regulatory functions for the community. Council does not operate to make a financial return.

The prospective financial statements were authorised for issue by Council on 29 June 2021.

Basis of preparation

The prospective financial statements have been prepared on the going concern basis, and the accounting policies have been applied consistently to all periods presented in these prospective financial statements.

The prospective financial statements have been prepared in accordance with the requirements of the Local Government Act 2002 and the Local Government (Financial Reporting and Prudence) Regulations 2014 (LGFRP): Part 6, Section 98 and Part 3 of Schedule 10, which includes the requirement to comply with New Zealand Generally Accepted Accounting Practice (NZ GAAP).

These prospective financial statements have been prepared in accordance with Tier 1 PBE accounting standards and comply with PBE standards.

Prospective financial information

Council has complied with PBE FRS 42 in the preparation of these prospective financial statements. In accordance with PBE FRS 42, the following information is provided:

Description of the nature of the entity’s current operation and its principal activities

Council is a territorial local authority, as defined in the Local Government Act 2020. Council’s principal activities are outlined within the long term plan.

Purpose for which the prospective financial statements are prepared

It is a requirement of the Local Government Act 2002 to present prospective financial statements that span 10 years and include them within the long term plan. This provides an opportunity for ratepayers and residents to review the projected financial results and position of Council. Prospective financial statements are revised annually to reflect updated assumptions and costs.

Bases for assumptions, risks and uncertainties

The prospective financial information has been prepared on the basis of best estimate assumptions as the future events which Council expects to take place. Council has considered factors that may lead to a material difference between information in the prospective financial statements and actual results. These factors, and the assumptions made in relation to

the sources of uncertainty and potential effect, are outlined within the long term plan.

Responsibility for the prospective financial statements

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.

Cautionary note

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

Measurement base

The prospective financial statements have been prepared on a historical cost basis, modified by the revaluation of heritage assets, certain infrastructural assets, and biological assets.

Functional and presentation currency

The prospective financial statements are presented in New Zealand dollars (the functional currency of SDC) and all values are rounded to the nearest thousand dollars (\$000). As a result of rounding there may be slight discrepancies in subtotals.

Basis of consolidation

Council prospective financial statements represent the results of Council's seven significant activity groups (detailed on pages 66-143), including the Stewart Island Electrical Supply Authority (SIESA), as well as Council's share of its joint ventures and associates (including Venture Southland, WasteNet, Southland Regional Heritage committee, Emergency Management Southland, and Great South). SIESA is a business unit of

Council, which generates and reticulates electricity to most of Stewart Island residents and industry.

The prospective financial information reflects the operations of Council. It does not include the consolidated results of Council controlled organisations (being Milford Community Trust).

Change in accounting policies

All accounting policies, except the following, have been applied consistently to all periods presented in these prospective financial statements.

SDC is applying, for the first time, the following standard which is effective for annual periods beginning on 1 July 2022, as described below:

PBE IPSAS 41 Financial instruments

PBE IPSAS 41 *Financial instruments* supersedes parts of PBE IPSAS 29 *Financial instruments: Recognition and Measurement* and PBE IFRS 9 *Financial Instruments*. The standard sets out the recognition and measurement requirements for the various classes of financial instruments (refer to accounting policy (j) below for further information). The adoption of the standard does not have a material impact on the forecast financial statements.

Specific accounting policies

a) Revenue

Revenue is measured at fair value.

The specific accounting policies for significant revenue items are:

The following policies for rates have been applied:

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

Revenue from the rendering of services is recognised by reference to the stage of completion of the transaction at balance date, based on the actual service provided as a percentage of the total services to be provided.

Revenue from electricity charges is recognised on an accrual basis based on usage. Unbilled usage as a result of unread meters at year end is accrued on an average usage basis.

Interest is recognised using the effective interest method.

Subsidies from Waka Kotahi NZ Transport Agency and grants from other government agencies are recognised as revenue upon entitlement, which is when conditions pertaining to eligible expenditure have been fulfilled.

Other grants and bequests are recognised when they become receivable unless there is an obligation in substance to return the funds if conditions of the grant are not met. If there is such an

obligation, the grants are initially recorded as grants received in advance and recognised as revenue when conditions of the grant are satisfied.

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

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

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

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

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

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

Development and financial contributions are recognised at the later of the point when Council is ready to provide the service for which the contribution was levied, or the event that will give rise to a requirement for a development or financial contribution under the legislation. Otherwise, development and financial contributions are

recognised as liabilities until such time as Council provides, or is able to provide, the service.

Dividends are recognised when the right to receive payment has been established.

b) Borrowing costs

Borrowing costs are recognised as an expense in the period in which they are incurred.

c) Grant expenditure

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

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

d) Foreign currency transactions

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions.

e) Leases

Operating leases

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

Lease payments under an operating lease are recognised as an expense on a straight-line basis over the lease term. Lease incentives are recognised in the surplus or deficit as a reduction of rental expense over the lease term.

f) Equity

Equity is the community's interest in SDC as measured by total assets less total liabilities. Equity is disaggregated and classified into a number of reserves to enable clearer identification of the specified uses that Council makes of its accumulated surpluses.

The components of equity are:

- accumulated funds
- Council-created reserves (general reserve, separate account balances and rates appropriation balance)
- special reserves (managed by allocation committees)
- asset revaluation reserves
- fair value through other comprehensive revenue and expense reserve.

Reserves represent a particular use to which various parts of equity have been assigned. Reserves may be legally restricted or created by Council.

Council created reserves may be altered without reference to any third party or the courts. Transfers to and from these reserves are at the discretion of Council.

Special reserves are subject to specific conditions accepted as binding by Council, which may not be revised by Council without reference to the courts or third party. Transfers from these reserves may be made only for specified purposes or when certain conditions are met.

g) Cash and cash equivalents

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

Bank overdrafts are shown within borrowings in current liabilities in the Statement of Financial Position.

h) Receivables

Short-term receivables are recorded at the amount due, less an allowance for expected credit losses (ECL).

The Council apply the simplified ECL model of recognising lifetime ECL for receivables.

In measuring ECLs, receivables have been grouped into rates receivables, and other receivables, and assessed on a collective basis as they possess shared credit risk characteristics. They have then been grouped based on the days past due. A provision matrix is then established based on historical credit loss experience, adjusted for forward looking factors specific to the debtors and the economic environment.

Rates are “written-off”:

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

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

i) Inventories

Inventories (such as spare parts and other items) held for distribution or consumption in the provision of services that are not supplied on a commercial basis are measured at the lower of cost or current replacement cost.

The write down from cost to current replacement cost is recognised in the Prospective Statement of Comprehensive Revenue and Expense.

j) Other financial assets

Other financial assets (other than shares in subsidiaries) are initially recognised at fair value. They are then classified as, and subsequently measured under, the following categories:

- amortised cost;
- fair value through other comprehensive revenue and expense (FVTOCRE); or
- fair value through surplus and deficit (FVTSD).

Transaction costs are included in the carrying value of the financial asset at initial recognition, unless it has been designated at FVTSD, in which case it is recognised in surplus or deficit. The classification of a financial asset depends on its cash flow characteristics and the Council’s management model for managing them.

A financial asset is classified and subsequently measured at amortised cost if it gives rise to cash flows that are ‘solely payments of principal and interest (SPPI)’ on the principal outstanding, and is held within a management model whose objective is to collect the contractual cash flows of the asset.

A financial asset is classified and subsequently measured at FVTOCRE if it gives rise to cash flows that are SPPI and held within a management model whose objective is achieved by both collecting contractual cash flows and selling financial assets.

Financial assets that do not meet the criteria to be measured at amortised cost or FVTOCRE are subsequently measured at FVTSD. However, the Council may elect at initial recognition to designate an

equity investment not held for trading as subsequently measured at FVTOCRE.

Initial recognition of concessionary loans

Loans made at nil or below-market interest rates are initially recognised at the present value of their expected future cash flows, discounted at the current market rate of return for a similar financial instrument. For loans to community organisations, the difference between the loan amount and present value of the expected future cash flows of the loan is recognised in surplus or deficit as a grant expense.

Subsequent measurement of financial assets at amortised cost

Financial assets classified at amortised cost are subsequently measured at amortised cost using the effective interest method, less any expected credit losses. Where applicable, interest accrued is added to the investment balance. Instruments in this category include term deposits, community loans, and loans to subsidiaries and associates.

Subsequent measurement of financial assets at FVTOCRE

Financial assets in this category that are debt instruments are subsequently measured at fair value with fair value gains and losses recognised in other comprehensive revenue and expense, except expected credit losses (ECL) and foreign exchange gains and losses are recognised in surplus or deficit. When sold, the cumulative gain or loss previously recognised in other comprehensive revenue and expense is reclassified to surplus and deficit. The Council do not hold any debt instruments in this category.

Financial assets in this category that are equity instruments designated as FVTOCRE are subsequently measured at fair value with fair value gains and losses recognised in other comprehensive revenue and expense. There is no assessment for impairment when fair value falls below the cost of the investment. When sold, the cumulative gain or

loss previously recognised in other comprehensive revenue and expense is transferred to accumulated funds within equity. The Council designate into this category all equity investments that are not included in its investment fund portfolio, and if they are intended to be held for the medium to long-term.

Council's investments in this category include: Civic Assurance (formerly the New Zealand Local Government Insurance Corporation Limited) and Milford Sound Tourism Limited.

Subsequent measurement of financial assets at FVTSD

Financial assets in this category are subsequently measured at fair value with fair value gains and losses recognised in surplus or deficit.

Interest revenue and dividends recognised from these financial assets are separately presented within revenue.

Instruments in this category include the Council's investment fund portfolio (comprising of listed shares, bonds, and units in investment funds) and LGFA borrower notes.

Expected credit loss allowance (ECL)

The Council recognise an allowance for ECLs for all debt instruments not classified as FVTSD. ECLs are the probability-weighted estimate of credit losses, measured at the present value of cash shortfalls, which is the difference between the cash flows due to Council in accordance with the contract and the cash flows it expects to receive. ECLs are discounted at the effective interest rate of the financial asset.

ECLs are recognised in two stages. ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12-month ECL). However, if there has been a significant increase in credit risk since initial recognition, the loss allowance is based on losses possible for the remaining life of the financial asset (Lifetime ECL).

When determining whether the credit risk of a financial asset has increased significantly since initial recognition, the Council considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the Council's historical experience and informed credit assessment and including forward-looking information.

The Council considers a financial asset to be in default when the financial asset is more than 180 days past due. The Council may determine a default occurs prior to this if internal or external information indicates the entity is unlikely to pay its credit obligations in full.

k) Goods and services tax (GST)

The prospective financial statements have been prepared exclusive of GST with the exception of receivables and payables, which are stated inclusive of GST. When GST is not recoverable as an input tax then it is recognised as part of the related asset or expense.

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

The net GST paid to, or received from the IRD, including the GST relating to investing and financing activities, is classified as an operating cashflow in the prospective statement of cashflows.

Commitments and contingencies are disclosed exclusive of GST.

l) Property, plant and equipment

Property, plant and equipment consist of:

Infrastructure assets

Infrastructure assets are the fixed utility systems owned by SDC. Each asset class includes all items that are required for the network to function. For example, sewer reticulation includes reticulation piping and sewer pump stations.

Operational assets

These include land, buildings, improvements, library books, plant and equipment and motor vehicles.

Restricted assets

Restricted assets are parks and reserves owned by the Council, which cannot be disposed of because of legal or other restrictions and provide a benefit or service to the community.

Recognition

Property, plant and equipment is shown at cost for all asset categories other than infrastructure and heritage assets, which are at valuation; less accumulated depreciation and impairment losses.

Additions

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

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

Disposals

Gains and losses on disposals are determined by comparing the disposal proceeds with the carrying amount of the asset. Gains and

losses on disposals are reported net in the forecast surplus or deficit. When revalued assets are sold, the amounts included in asset revaluation reserves in respect of those assets are transferred to retained earnings.

Subsequent costs

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

The costs of day-to-day servicing of property, plant and equipment are recognised in the surplus or deficit as they are incurred.

Depreciation

Depreciation is provided on a straight-line (SL) or on a diminishing value (DV) basis. The useful lives and associated depreciation rates of major classes of assets have been estimated as follows:

ESTIMATED ECONOMIC LIFE		DEPRECIATION	
ASSET CATEGORY	(YEARS)	PERCENT	METHOD
<i>Operational assets</i>			
Improvements	4-25	4.00% - 21.00%	SL or DV
Buildings	10-100	1.00% - 10.00%	SL or DV
Light vehicles	4- 8	12.00% - 21.60%	SL or DV
Heavy vehicles	4-8	12.00% - 21.60%	DV
Other plant	2-25	4.00% - 60.00%	SL or DV
Furniture and fittings	3-13	8.00% - 30.00%	SL
Asset category	(years)	Percent	Method
Office equipment	7-8	13.50% - 14.00%	SL
Computer equipment	2-7	13.50% - 40.00%	SL
Other equipment	3-14	7.00% - 30.00%	SL or DV
Library books	10	10.00%	SL

ESTIMATED ECONOMIC LIFE		DEPRECIATION	
ASSET CATEGORY	(YEARS)	PERCENT	METHOD
<i>Infrastructural Assets</i>			
Electrical generation plant	1-100	1.00% - 100.00%	SL or DV
Sealed roads	5-80	1.25% - 20.00%	SL
Unsealed roads	4-5	20.00% - 25.00%	SL
Bridges	70-120	0.83% - 1.43%	SL
Footpaths	30-60	1.67% - 3.33%	SL
Streetlighting	20-40	2.50% - 5.00%	SL
Cycle trail	10-99	1.01% - 10.00%	SL
Sewerage schemes	5-100	1.00% - 20.00%	SL
Stormwater schemes	80-100	1.00% - 1.25%	SL
Water supply schemes	5-100	1.00% - 20.00%	SL
Marine assets	5-50	2.00% - 20.00%	SL
Transfer stations	10	10.00%	SL
Landfill sites	10-40	2.50% - 10.00%	SL

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

Revaluations

Roads, bridges, footpaths, cycle trails, streetlights, water treatment systems, sewerage treatment systems and stormwater systems are revalued on an annual basis. Council-owned heritage assets include artworks, war memorials, viaducts and railway memorabilia. Artworks are revalued every three - five years.

All other asset classes are carried at depreciated historical cost. The carrying values of revalued items are reviewed each balance date to ensure that those values are not materially different to fair value. The valuation basis for the different asset categories are described in more detail below.

Land and buildings

The deemed cost of land and buildings were established by registered valuers from Quotable Value in accordance with the requirements of

the Institute of Chartered Accountants of New Zealand Standards, as at 30 June 1993. Purchases made since 30 June 1993 are recorded at cost.

Endowment lands are vested in Council for specific purposes for the benefit of various communities. These vestings have been made under various pieces of legislation which restrict both the use of any revenue and any possible dispositions.

Other infrastructural assets

All other infrastructural assets (electrical generation plant and marine assets) are valued at their deemed cost, based on a revaluation of assets undertaken by appropriately qualified personnel from Royds Garden Limited in 1993.

Plant and vehicles (including electrical generation plant) items are shown at historical cost less provision for depreciation.

Library books

Books have been valued by SDC staff on a depreciated replacement cost basis, using New Zealand Library Association guidelines, as at 30 June 1993 representing deemed cost. Additions to library book stocks since 30 June 1993 are recorded at cost.

Heritage assets

The only assets to be included under this category are art works owned by the Council, which have been recorded at fair value in accordance with NZ IAS 16.

Other assets, which would normally be classified under heritage assets, for example war memorials, have been included under “other assets”.

Due to the nature of the item, art works are revalued on a three to five-yearly cycle and not depreciated.

Other assets

Other assets are shown at historic cost or depreciated replacement cost, less a provision for depreciation. Additions and deletions to other assets since 30 June 1993 are recorded at cost.

Accounting for revaluations

SDC accounts for revaluations of property, plant and equipment on a class of asset basis.

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

Where this results in a debit balance in the asset revaluation reserve, this balance is not recognised in other comprehensive revenue and expense but is recognised in the surplus or deficit.

Any subsequent increase on revaluation that off-sets a previous decrease in value recognised in the surplus or deficit will be recognised first in the surplus or deficit up to the amount previously expensed, and then recognised in other comprehensive revenue and expense.

m) Work in progress

Assets under construction are not depreciated. Work in progress is recognised at cost less impairment. The total cost of a project is transferred to the relevant asset class on its completion and then depreciated.

n) Intangible assets

Software acquisition and development

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

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

Staff training costs are recognised in the surplus or deficit when incurred.

Costs associated with maintaining computer software are recognised as an expense when incurred.

Amortisation

The carrying value of an intangible asset with a finite life is amortised on a straight-line basis over its useful life. Amortisation begins when the asset is available for use and ceases at the date that the asset is derecognised. The amortisation charge for each period is recognised in the surplus or deficit.

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

ESTIMATED ECONOMIC LIFE		DEPRECIATION	
ASSET CATEGORY	(YEARS)	PERCENT	METHOD
Computer software	2-10	10.00% - 50.00%	SL

Emissions Trading Scheme

Council has approximately 1,384 hectares of pre-1990 forest land. This land is subject to the provisions of the New Zealand Emissions

Trading Scheme (“ETS”). The implication of this for the financial accounts is twofold:

Should the land be deforested (ie the land is changed from forestry to some other purpose), a deforestation penalty will arise.

Given the deforestation restriction, compensation units are being provided from the government.

The deforestation contingency is not recognised as a liability on the statement of financial position as there is no current intention of changing the land use subject to the ETS.

However, the estimated liability that would arise should deforestation occur has been estimated in the notes to the accounts.

Compensation units received are recognised based on the market value at balance date (30 June). They are recognised as income in the prospective financial statements. They are not amortised, but are tested for impairment annually.

Emissions Trading Units are revalued annually at 30 June.

The difference between initial value or the previous revaluation, and disposal or revaluation value of the units, is recognised in other comprehensive revenue and expense.

o) Forestry assets

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

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

The costs to maintain the forestry assets are recognised in the forecast surplus or deficit when incurred.

p) Impairment of property, plant and equipment and intangible assets

Intangible assets subsequently measured at cost that have an indefinite useful life, or are not yet available for use, are not subject to amortization and are tested annually for impairment.

Property, plant and equipment and intangible assets subsequently measured at cost that have a finite useful life are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

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

The total impairment loss is recognised in the surplus or deficit.

The reversal of an impairment loss is recognised in the surplus or deficit.

- value in use for non-cash generating assets

Non-cash generating assets are those assets that are not held with the primary objective of generating a commercial return.

For non-cash generating assets, value in use is determined using an approach based on either a depreciated replacement cost approach, or a service unit approach. The most appropriate approach used to

measure the value in use depends on the nature and impairment and availability of information.

- value in use for cash generating assets

Cash generating assets are those assets that are held with the primary objective of generating a commercial return.

The value in use for cash generating assets and cash generating units is the present value of expected future cashflows.

q) Employee benefits

Short term benefits

Employee benefits that SDC expects to be settled within 12 months of balance date are measured at nominal values based on accrued entitlements at current rates of pay.

These include salaries and wages accrued up to balance date, annual leave earned to, but not yet taken at balance date, retiring and long service leave entitlements expected to be settled within 12 months.

Long term benefits

- long service leave and retirement leave

Entitlements that are payable beyond 12 months, such as long service leave and retiring leave, have been calculated by Council staff. The calculations are based on:

- likely future entitlements accruing to staff, based on years of service, years to entitlement, the likelihood that staff will reach the point of entitlement and contractual entitlements information; and
 - the present value of the estimated future cashflows.
- superannuation schemes

Defined contribution schemes - Obligations for contributions to defined contribution superannuation schemes are recognised as an expense in the surplus or deficit when incurred.

- presentation of employee entitlements

Annual leave and vested long service leave are classified as a current liability. Non-vested long service leave and retirement gratuities expected to be settled within 12 months of balance date are classified as a current liability. All other employee entitlements are classified as a non-current liability.

r) Payables and deferred revenue

Short term payables are recorded at the amount payable.

s) Provisions

SDC recognises a provision for future expenditure of uncertain amount or timing when there is a present obligation (either legal or constructive) as a result of a past event, it is probable that expenditures will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

Provisions are not recognised for future operating losses.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the obligation.

The increase in the provision due to the passage of time is recognised as an interest expense and is included in 'finance costs'.

Financial guarantee contracts

A financial guarantee contract is a contract that requires SDC to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due.

Financial guarantee contracts are initially recognised at fair value. If a financial guarantee contract was issued in a stand-alone arm's length transaction to an unrelated party, its fair value at inception is equal to the consideration received. When no consideration is received a provision is recognised based on the probability Council will be required to reimburse a holder for a loss incurred discounted to present value. The portion of the guarantee that remains unrecognised, prior to discounting to fair value, is disclosed as a contingent liability. If the fair value of a guarantee cannot be reliably determined, a liability is recognised at the amount of the loss allowance determined in accordance with the ECL model described in policy (j)

Financial guarantees are subsequently measured at the higher of:

- The amount determined in accordance with the ECL model as described in policy (j); and
- The amount initially recognised less, where appropriate, cumulative amortisation as revenue.

Landfill post-closure costs

SDC, as an operator, has a legal obligation under its resource consent to provide ongoing maintenance and monitoring services at their landfill sites after closure. A provision for post-closure costs is recognised as a liability when the obligation for post-closure arises.

The provision is measured based on the present value of future cashflows expected to be incurred, taking into account future events including new legal requirements and known improvements in technology. The provision includes all costs associated with landfill post closure.

Amounts provided for landfill post-closure are capitalised to the landfill asset where they give rise to future economic benefits to be obtained. Components of the capitalised landfill asset are depreciated over their useful lives.

The discount rate used is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to Council.

t) Internal borrowings

Internal borrowings are eliminated on consolidation of activities in the Council's prospective financial statements.

u) External borrowings and other financial liabilities

Borrowings on normal commercial terms are initially recognised at the amount borrowed plus transaction costs. Interest due on the borrowings is subsequently accrued and added to the borrowing's balance.

Borrowings are classified as current liabilities unless the Council has an unconditional right to defer settlement of the liability for at least 12 months after balance date.

v) Investments in associates and joint ventures

An associate is an entity over which SDC has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of another entity but is not control or joint control over those policies.

A joint venture is a joint arrangement whereby the parties have joint control of the arrangement have rights to the net assets of the arrangement. Joint control is the agreed sharing of control of an arrangement by way of a binding arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

SDC's investment in its associates and joint ventures is accounted for using the equity method of accounting in the consolidated prospective financial statements.

Under the equity method, an investment in an associate or joint venture is initially recognised at cost. The carrying amount of the investment is adjusted to recognise post-acquisition changes in Council's share of net assets of the associates or joint ventures since the acquisition date. Goodwill relating to the associate or joint venture is included in the carrying amount of the investment and is not tested for impairment separately.

SDC's share of an associate's or joint venture's surplus or deficit is recognised in the statement of financial performance. Any change in the associate or joint venture's other comprehensive revenue and expense is presented as part of Council's other comprehensive revenue and expense. The cumulative movements are adjusted against the carrying amount of the investment. In addition, when there has been a change recognised directly in the net assets/equity of the associate or joint venture, Council recognises its share of any changes, when applicable, in the statement of changes in net assets/equity. Unrealised gains and losses resulting from transactions between Council and the associate or joint venture are eliminated to the extent of Council's interest in the associate or joint venture.

The aggregate of the SDC's share of surplus or deficit of associates or joint ventures is shown on the face of the statement of financial performance. This is the surplus attributable to equity holders of the associate or joint venture and therefore is surplus after tax and non-controlling interests in the controlled entities of the associates and joint ventures.

The prospective financial statements of the associate or joint venture are prepared for the same reporting period as Council. When necessary, adjustments are made to bring the accounting policies in line with those of Council. After application of the equity method,

Council determines whether it is necessary to recognise an impairment loss on Council's investment in its associate or joint venture.

Council determines at each reporting date whether there is any objective evidence that the investment in the associate or joint venture is impaired. If this is the case Council calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognises the amount in the "share of surplus of an associate and joint venture" in the statement of financial performance.

Goodwill included in the carrying amount of the investment in associate is not tested for impairment separately; rather the entire carrying amount of the investment is tested as a single asset. When Council's share of losses in an associate or joint venture equals or exceeds its interest in the associate or joint venture, including any unsecured long-term receivables and loans, Council does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate or joint venture.

Upon loss of significant influence over the associate or joint control over the joint venture, Council measures and recognises any remaining investment at its fair value, and accounts for the remaining investments in accordance with PBE IPSAS 29. Any difference between the carrying amount of the associate or joint venture upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognised in surplus or deficit.

w) Critical accounting estimates and assumptions

In preparing these prospective financial statements SDC has made estimates and assumptions concerning the future. These estimates and assumptions may differ from the subsequent actual results. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations or future events that are believed to be reasonable under the

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

Infrastructural assets

There are a number of assumptions and estimates used when performing depreciated replacement cost (DRC) valuations over infrastructural assets. These include:

The physical deterioration and condition of an asset. For example, Council could be carrying an asset at an amount that does not reflect its actual condition. This is particularly so for those assets which are not visible, for example stormwater, wastewater and water supply pipes that are underground.

- estimating any obsolescence or surplus capacity of an asset;
- estimating the replacement cost of the asset. The replace cost is derived from recent construction contracts; and
- estimating any obsolescence or surplus capacity of an asset.
- estimates are made when determining the remaining useful lives over which the asset will be depreciated. These estimates can be impacted by the local conditions, for example weather patterns and traffic growth. If useful lives do not reflect the actual consumption of the benefits of the asset, then SDC could be over or under estimating the annual depreciation charge recognised as an expense in the statement of comprehensive revenue and expense.

To minimise this risk SDC's infrastructural asset useful lives have been determined with reference to the NZ Infrastructural Asset Valuation and Depreciation Guidelines published by the National Asset Management Steering Group, and have been adjusted for local conditions based on past experience.

Asset inspections, deterioration and condition modelling are also carried out regularly as part of SDC's asset management planning activities, which gives Council further assurance over its useful life estimates.

Experienced independent valuers perform Council's infrastructural asset revaluations.

x) Critical judgements in applying SDC's accounting policies

Management has exercised the following critical judgements in applying SDC's accounting policies to the prospective financial statements:

Classification of property

SDC owns a number of properties that are maintained primarily to provide housing to pensioners. The receipt of rental income from these properties is incidental to holding these properties. These properties are held for service delivery objectives as part of SDC's

social housing policy and are accounted for as property, plant and equipment rather than as investment property.

y) Statement of cashflows

Operating activities include cash and cash equivalents (as defined in (g) above) received from all SDC's income sources and record the cash payments made for the supply of goods and services. Investing activities are those activities relating to the acquisition and disposal of non-current assets.

Financing activities comprise the change in equity and debt capital structure of SDC.

z) Rounding

Some rounding variances may occur in the prospective financial statements due to the use of decimal places in the underlying financial data.

10 year funding plan guidelines for the Stewart Island/Rakiura Visitor Levy

(pursuant to the Stewart Island/Rakiura Visitor Levy Policy)

Background

The Stewart Island/Rakiura Visitor Levy Policy states at 10.3: “The subcommittee (the Stewart Island/Rakiura Visitor Allocation Levy Subcommittee) will work with staff to develop a 10 year funding plan as part of each three year Long Term Plan cycle. This plan would then be approved by Council through the Long Term Plan. The plan could be used to provide forecasting around future revenue streams and also to enable the subcommittee to have a view on what proportions it might want to allocate towards multi-year commitments.”

Funding plan principles

The 10 year funding plan outlines how the subcommittee intend to allocate levy funds, given the information available at the time of drafting. It is recognised that funding decisions may need to deviate from the plan, if unforeseen applications are made and if there are changes to levy revenue received.

ALLOCATION CATEGORY	FUNDING ALLOCATIONS
Council/community owned infrastructure	60-70% (% of the funds available annually that will be allocated to Council/community owned infrastructure)
Operational costs	20-25% (% of the funds available annually that will be allocated to operational costs)
Community projects	5-10% (% of the funds available annually that will be allocated to operational costs)

Multi-year

ALLOCATION CATEGORIES	THE NUMBER OF YEARS THE SUBCOMMITTEE CAN COMMIT TO GIVING FUNDS TO AN APPLICANT, IN FUTURE ALLOCATION ROUNDS
Council/community owned infrastructure	Up to 10 years (the current allocation round, and the next nine allocation rounds)
Operational costs	Up to three years (the current allocation round, and the next two allocation rounds)
Community projects	One year (just the current allocation round)

(see the Stewart Island/Rakiura Visitor Levy Policy for explanation of each allocation category)

Review

It is proposed that the 10 year funding plan be reviewed annually during the LTP 2021-31 period in order to ensure that it is updated to reflect any changes to both revenue streams as well as allocations.

Other
information



Council-controlled organisations

Milford Community Trust

Southland District Council, Environment Southland and the Department of Conservation jointly established the trust in 2007 to provide leadership and governance for the Milford community.

Structure

The trust board is made up of seven members from stakeholder groups.

Milford Community Trust Representatives		
Designation	Name	Term Expires
Independent chair	Ebel Kremer	December 2021
Mararoa/Waimea ward councillor	Ebel Kremer	October 2022
Milford Community Association elected representative	Brad Johnston	30 June 2023
Milford community appointee	Roscoe Gaudin	30 June 2023
Milford community appointee	Steve Norris	30 June 2024
Milford community appointee	Tim Holland	30 June 2024
Milford community appointee	Tony Woodham	30 June 2024

Nature and scope of activities

The trust's vision is: "The long-term sustainability of Milford Sound Piopiotahi, with a community focus". It allows the Milford community to determine its priorities and provides an avenue for local consultation and engagement, as well as public meetings. Milford covers the developed area of land and adjacent coastal marine area at the end of State Highway 94 at the head of Milford Sound. The Milford community covers residents of Milford, the holders of concessions from the Crown operating at Milford and iwi.

The activities of the trust contribute towards the achievement of the two community outcomes of kaitiakitanga for future generations and empowered communities with the right tools to deliver the best services. The trust has adopted a statement of intent that outlines the strategic goals, specific focus areas and activities proposed for 2021-2024. The trust reports to Southland District Council.

The primary goals of the Trust are to:

- Provide leadership and governance for the Milford community in Milford Sound Piopiotahi.
- Advocate for the general benefit of the Milford community.

Vision: Long-term sustainability of Milford Sound Piopiotahi, with a community focus		
Provide leadership and governance for the Milford community in Milford Sound Piopiotahi	Advocate for the general benefit of the Milford community	Co-ordinate and communicate with all parties having interests in Milford Sound Piopiotahi.
Advocating for better planning to address specific issues: highway safety, control of illegal camping, toilet facilities, community facilities, coordinated emergency response, and recognition of the area's World Heritage status.	Advocate on behalf of the Milford community to central government, Environment Southland, Department of Conservation, Southland District Council, Iwi and other authorities.	<p>Communicate the roles of the Trust and other authorities more clearly to the Milford community.</p> <p>Affirm the trust role as a voice for the Milford community.</p> <p>Maintain closer relationships with Milford infrastructure providers.</p> <p>Provide clear information to concessionaires regarding intentions and implementation of Trust policies.</p> <p>Consult with the community and concessionaires to develop a strategic project plan for the Trust to deliver for the benefit of the community.</p>

Planned activities and services

Planning

- Determine the future direction of the trust.

Communication

- Maintain relationships with the community and Milford infrastructure providers.
- Provide clear information to concessionaires regarding intentions and implementation of trust policies.
- Consult with the community and concessionaires to develop a strategic project plan for the trust to deliver for the benefit of the community.

Advocacy

- Advocate, as required, on behalf of the Milford community to central government, Environment Southland, Department of Conservation, Southland District Council, iwi and other authorities.
- Advocating for better planning to address specific issues: highway safety, control of illegal camping, toilet facilities, community facilities, coordinated emergency response, and recognition of the area's World Heritage status.

2021/2022	2022/2023	2023/2024
<p>Advocate with, and assist, other organisations for strategic improvements in community planning and development in Milford Sound.</p> <p>Determine the future direction of the Trust.</p> <p>Facilitate the construction of the Milford recreation centre once project is approved by Department of Conservation.</p>	<p>Advocate with, and assist, other organisations for strategic improvements in community planning in Milford Sound.</p> <p>Maintain oversight of the management of the Milford Recreation Centre.</p>	<p>Advocate with, and assist, other organisations for strategic improvements in community planning in Milford Sound.</p> <p>Maintain oversight of the management of the Milford Recreation Centre.</p>

Significant policies and objectives

- Financial Delegations Policy
- Suspected Fraud Policy
- Sensitive Expenditure Policy

Where appropriate, further policy guidance is obtained from relevant councils and other statutory authorities and reviewed and updated as necessary.

Council itself does not have any significant policies in relation to the ownership and control of the organisation except for the trust deed which sets out the way the business of the trust is to be conducted.

Performance requirements

Key performance measures

Level of service	Key performance indicator	Actual 2019/2020	Target 2021 to 2024	Confirmation source
Maintain a structure that facilitates local decision making.	Number of Milford Community Trust meetings held annually.	4	2	Agenda/minute records on file.
Keep the Milford community informed about Trust plans and outcomes.	Hold public forums in Milford each year.	0	1	Agenda/minute records on file which note meeting location

Other reporting requirements

There is also a half yearly report by the end of February each year and an annual report by the end of September.

Financial summary

Further details about the trust's activities and budgets can be found in its Statement of Intent 2021-2024.

Budgeted Operational and Project Costs (excl GST)			
	2021/2022	2022/2023	2023/2024
Income			
<i>Concessionaires income</i>	75,292	150,853	150,586
Operational Costs:			
Management/administration ¹	34,091	34,421	34,703
Operations and maintenance	-	-	30,000
<i>Projects and Grants:</i>			
	-	-	-
Total Expenses	34,091	34,421	64,703
Other significant projects: Recreation Centre	-	50,000	500,000

¹ Management/Administration costs include Chairperson's fees, Trustees' fees, mileage allowances, insurance, accommodation costs and general meeting costs.

Sources of funding

Southland District Council - Council will provide administration and technical advice to support the trust and contribute to the costs of the independent chairperson. This administrative portion of the operations will be funded by Council the same as in any other community in the District with community boards and community development area subcommittees.

Milford community - The operational and project costs are those which the Milford Community Trust considers will provide benefit for all concessionaires at Milford and should be recovered from the Milford concessionaires through the implied concession activity fee, apportioned as per the Department of Conservation apportionment of cost schedule. The costs indicated above in the supporting forecasted accounts are funded from the annual implied concession activity fee and monies held.

The value of the annual concession to be charged will continue to be reviewed each year.

For 2021/2022, the total amount being sought from concessionaires is \$75,292 excluding GST. Any surplus funds will be held by the trust in its bank account for future project funding.

Southland Museum and Art Gallery Trust (SMAG)

The Southland Museum and Art Gallery Trust's mission is to preserve and tell the story of Southland to help Southland celebrate our people, land and culture. The activities of the trust contribute towards the achievement of the community outcomes of inclusive connected communities, Kaitiakitanga for future generations and empowered communities with the right tools to deliver the best outcomes.

Structure

The trust board has eight members and three ex officio members who represent the contributing authorities. The board also has the authority to appoint additional members whose skills and experiences benefit the trust and its functions.

Organisation	Invercargill City Council	Gore District Council	Southland District Council	Tangata Whenua	Trustee Appointments	Friends of the Museum	Ex Officio
Representatives	Vacant Cr D J Ludlow Cr R R Amundsen	Cr Bret Highsted	Mayor G Tong Cr C Menzies	E Cook	G Neave R Eagles	C Henderson	Manager W Marriott (ICC officer) Secretary Vacant (ICC officers covering) Treasurer J Botting (ICC officer)

Nature and scope of activities

The Southland Museum and Art Gallery Trust owns the Museum and Art Gallery building and collections. The trust board has a management contract with the Invercargill City Council to carry out the principle activities of the Board. The trust receives annual grants from the Southland Regional Heritage Committee and Invercargill City Council. The board approve the budget for expenditure in the management contract each year. The trust has adopted a statement of intent that outlines the activities proposed for 2021/2022.

The strategic objectives of the trust are to:

- deliver a vibrant successful collaboration with the Invercargill Public Art Gallery in a temporary exhibition space that is bustling with people, activities and culture
- increase the sense of ownership by Southlanders, and the attractiveness, meaningfulness, relevance, and value of the museum and its programmes for them and visitors to Southland
- contribute to the role of attracting visitors to Invercargill as part of the Southland visitor experience
- continue to strengthen our relationships with mana whenua

- have an aligned board and simple governance structure that is the best interest of the Southland Region
- work with our community using our museum as a connector
- collaborative organisational structure, shared authority and strong community engagement
- provide support for regional museums in our province.

The principle objectives are categorised into four areas:

1. The collections - caring for, developing, and researching collections
2. The community - be the facilitator , connector, activator, conductor and co-creator working with community
3. The experience interactive and social connections - a whole brain learning sparking memories of lifetime connections with the past and the future, connecting with the mauri of our taonga, celebrating our land, people and culture.
4. The development - planning, consulting and establishing a future direction.

Significant policies and objectives

Council itself does not have any significant policies in relation to the ownership and control of the organisation except for the trust deed which sets out the way the business of the trust is to be conducted.

Performance requirements

The information below outlines the outputs which are planned to be delivered and the strategies that will be used to achieve these.

Strategies to achieve outputs	2021/2022 target
3.1 The collections: Caring for, developing, and researching collections	
<i>The collection is developed to enable the Museum to document, illustrate and explore Southland's unique natural and cultural heritage</i>	
Collection management policies are reviewed as required.	One review annually

New acquisitions are considered according to the collection management policy. (Minimal acquisitions desired while museum building is closed).	100% of objects are considered
New acquisitions are entered into Vernon Collection Management System (CMS) to the level of stripped stage 1.	1000 records
Existing CMS records are updated to stage 1 (full documentation). Stage 1 is designed to make the updated records searchable, identify key hazards, and ensure that the items ready for relocation.	Stage One: 2,400 records
Collections items to have digital images made.	0 items (Photography will only be undertaken as required for the purposes of condition reporting, online presence, and the temporary gallery space.)
<i>The collection is prepared for removal from the building by 2021/22 (4 years)</i>	
Pack items for storage and transportation.	2000 items across Stage 2a and 2b.
Stage 2a of the current Collection Relocation Plan involves packing and physically readying objects for relocation.	
Stage 2b of the current Collection Relocation Plan involves implementing a temporary transporting/packing solution for objects to be safely transported offsite.	
<i>Collections are maintained in optimal conditions for their long term preservation</i>	
Storage space is kept at temperature of 19oC±1oC, percentage of time in range.	Minimise variance
Storage space is kept at humidity of 50%±5%, percentage of time in range.	Minimise variance
Storage space is monitored for infestation by pests and moulds.	Minimum pests, moulds and pollutants found
A procedure to minimise deterioration by light is followed.	Yes
A procedure to avoid loss or damage to objects in the collection or on loan is followed.	Yes
3.2 The community: Be the facilitator , connector, activator, conductor and co-creator working with community	
<i>Maintain strong relationships with iwi over issues relating to the collections, exhibitions and tuatara management</i>	
Iwi Liaison Komiti (representing the four Southland runanga; Waihopai, Oraka-Aparima, Hokonui, Awarua) meets regularly.	Four meetings
<i>Promote a museum presence</i>	

<i>Provide outreach to other museums and related organisations in the region and community.</i>	
Deliver short term exhibitions within the museum presence.	No target
3.3 Interactive and social connections. A whole brain learning sparking memories of lifetime connections with the past and the future, connecting with the mauri of our taonga, celebrating our land, people and culture.	
<i>Establish a temporary museum presence within the city.</i>	
Deliver short term exhibitions within the museum presence.	Four exhibition
<i>Development and delivery of inspiring education programmes to school children for the Ministry of Education contract for LEOTC (Learning Experiences Outside the Classroom)</i>	
3.4 The Development Planning, consulting and establishing a future direction.	
Awaiting decision on SMAGTB future governance structure	

Great South

Great South was established as Southland’s regional development agency in March 2019 and began full operations in July 2019. Its vision is “Even better lives through sustainable development”.

Structure

Committed to driving economic, social and cultural growth, Great South has a clear mandate to leverage opportunities for Southland in the areas of economic and business development, tourism and events. This involves incorporating Southland’s regional tourism organisation, central government’s Regional Business Partner (RBP) Network, delivering a range of events, regional initiatives, and government-funded contracts that pave the way for regional development.

Through the essential support provided to Southland sectors and industries, Great South provides a unified voice for the region, establishes a strong platform for regional success and takes strides towards its clear vision of better lives through sustainable development.

Great South is a council-controlled organisation, jointly owned by Invercargill City Council, Southland District Council, Gore District Council, Environment Southland, Invercargill Licensing Trust, Maitai Licensing Trust, Southland Chamber of Commerce, Southern Institute of Technology and its member Community Trust South.

Sources of funding

Contributions received from Southland District Council, Invercargill City Council, Gore District Council and Environment Southland are the primary sources of funding to the agency.

Nature and scope of activities

Great South governance

The board of up to seven independent directors is responsible for the strategic direction of Great South and the initiatives it is involved with. The board oversees the business undertaken by Great South in accordance with the Local Government Act 1993, Companies Act 2002, the Company’s Constitution and this Statement of Intent. The chief executive is responsible for the day to day operations of Great South, including the management of staff and reporting to directors on the performance against set priorities.

Significant policies and objectives

Council itself does not have any significant policies in relation to the ownership and control of the organisation except for the trust deed which sets out the way the business of the trust is to be conducted.

Our goals

These goals have been set to provide a pathway to achieving Great South's vision and to ultimately contribute to the overall success of the Southland region. By investing in these four goals, 'even better lives through sustainable development' will be achieved.

1. Grow the population
2. Diversify the economy
3. Grow innovative businesses
4. Build a skilled workforce

Short term strategic goals

Great South set these short-term goals in response to the evolving situation presented by Covid-19. Great South will continue to review them as the situation changes, ensuring Southland is best placed to encourage the resilience of its economy, people and place.

1. Retain jobs and a skilled workforce
2. Lead and facilitate the economic rebuild
3. Champion significant sustainability projects
4. Identify opportunities to build resilience and diversify within businesses

Performance Measures

Key strategic goal	Performance measure	Target 2021/2022
Regional economic development		
<ul style="list-style-type: none">• Diversify the economy• Grow the population• Grow innovative businesses• Build a skilled workforce	<ul style="list-style-type: none">• Identify, advocate for and support new opportunities that encourage economic development, sector extension, resilience and support new investment in the region	<ul style="list-style-type: none">• Advocate for increased Central Government funding and support for Southland projects• Increased revenue for ground station services

	<ul style="list-style-type: none"> • Provide data and insights on the region's performance to inform decision making • Advocate for improved connectivity, infrastructure and services across the region 	<ul style="list-style-type: none"> • Provide support for development of aquaculture, oat beverages, tourism and health & wellness food industries • New large-scale investment identified • Support the Southland Housing Forum to increase housing stock across the region • Advocate for greater digital connectivity • Make five submissions on Government policy and legislation
Regional business development		
<ul style="list-style-type: none"> • Diversify the economy • Grow the population • Grow innovative businesses • Build a skilled workforce 	<ul style="list-style-type: none"> • Support businesses at all stages by providing the resources and training needed to position them to achieve growth, particularly in key tourism centres - Fiordland and Invercargill CBD. • Identify initiatives and provide resources that support the region's transition to a low-emission future and mitigate the impact of climate change • Coordinate initiatives that support the retention of talent in Southland 	<ul style="list-style-type: none"> • 275 business engagements (not unique) Host seven workshops on relevant topics Connect 10 businesses with Callaghan R&D funding Connect 12 businesses with Business Mentors NZ Issue 130 co-funded vouchers for capability management training • Provide businesses with resources to achieve their emission reduction goals • Host 20 events / workplace tours (Southland Youth Futures) that highlight training and employment opportunities available • Increase the number of students engaged with Southland Youth Futures • Increase the number of Employer excellence partners involved with Southland Youth Futures
Regional Tourism development		
<ul style="list-style-type: none"> • Diversify the economy • Grow the population • Grow innovative businesses • Build a skilled workforce 	<ul style="list-style-type: none"> • Lead tourism sector coordination and act as local, regional and national liaison, for building capability and market readiness • Embrace a holistic approach to planning for and sustainably growing the visitor economy • Promote and inspire travel to Southland both domestically and internationally • Manage regional tourism organisation services and work with local tourism operators, media and industry representatives to position Southland as a preferred place to visit 	<ul style="list-style-type: none"> • Provide trade ready advice and support for 20 operators • Attend five national tourism industry forums • 40 operators attend capability building workshops • Provide tourism business toolkit • Coordinate and develop business case for inter-regional touring routes • Drive implementation of six priority projects within the Southland Murihiku Destination Strategy • Support implementation of five projects identified in the Southland Murihiku Destination Strategy • 90 media results featuring the region (advertising and editorial) • Attend three trade or industry events to 'sell' Southland as a destination

		<ul style="list-style-type: none"> • Deliver and develop four destination promotion campaigns • Develop new 'Southland NZ' website • Increase digital exposure for the region via website traffic and social media channels • Host 15 media familiarisations • Increase tourism expenditure, within context of post COVID-19 recovery
Regional Events		
<ul style="list-style-type: none"> • Diversify the economy • Grow the population • Grow innovative businesses • Build a skilled workforce 	<ul style="list-style-type: none"> • Support development of Southland's event sector and sustainability of events • Profile Southland's range of events to give people further motivation to stay in Southland • Deliver and support events that enhance regional wellbeing and encourage vibrancy and diversity across the region • Profile Southland as a preferred conference destination 	<ul style="list-style-type: none"> • Provide event organisers with the information and resources they need, including the Great South Event Toolkit • Establish an 'event organisers network' and a 'funders network' • Develop a plan to promote a 'regional events calendar' • Integrate events into domestic marketing activity • Deliver the ILT Kidzone Festival • Support delivery of Burt Munro Challenge • Support 20 events unique enough to encourage overnight stay in the region • Develop a 'business events strategy'

Water and sanitary services assessments/waste management plan variations

Waste Management Plan

WasteNet Southland which comprises the three territorial authorities – Invercargill City Council, Gore District Council and Southland District Council – in collaboration with Environment Southland and other key stakeholders, has in place a Regional Waste Management and Minimisation Plan in accordance with the Waste Minimisation Act 2008. The Waste Management and Minimisation Plan covers solid, liquid and gaseous waste as well as efficient resource use (to minimise wastage). The current plan took effect on 1 July 2012. An updated plan has been drafted and is in the process of being finalised. There are no significant variations between the Waste Management Plan 2012, the updated draft plan to be ratified in the coming months and our long term plan.

Water and sanitary services assessment

Assessments are required by the Local Government Act 2002 for territorial authorities to demonstrate that water and sanitary services within the district are being undertaken to adequate standards to meet current and future community needs. The assessments cover water, sewerage, stormwater drainage and sanitary services (public conveniences, cemeteries and crematoria) and include areas not currently serviced by Council infrastructure.

The Local Government Act 2002 does not provide a fixed timeframe for the assessments to be revised; it requires the assessment to be updated ‘from time to time’. The assessments were first compiled and adopted by Council in 2005. Issues identified in the assessments had options developed and the resulting projects were incorporated into each of the 10 year plans following. Many of these projects have since been completed. Remaining projects have been included in this Long Term Plan. A gap analysis was completed against the assessments in 2014 which indicated that while there are some minor differences, there are no significant variations between the original assessments and our long term plan.

Our ongoing collaboration within local government (shared services)

Building on several years of successful initiatives across a wide spectrum of services and core business activities, Southland’s councils and their neighbouring Otago local authorities look to continue the collaborative efforts achieved to date. Areas the councils are currently working together on include:

- climate change
- biodiversity
- responding to the reform of the Resource Management Act 1991
- responding to the Three Waters Reform Programme
- LiDAR⁵

The economies of scale and the cost-effectiveness of working jointly or collaboratively and avoiding duplication, provide the rationale for the sharing of ideas and effort.

The above are in addition to existing formal shared services arrangements that have been operating for a number of years set out in the table below:

	Maori Involvement	Emergency Management	Regional Heritage	Transport Planning	Regional Strategy	Computer Services
Gore District Council	✓	✓	✓		✓	
Southland District Council	✓	✓	✓		✓	✓
Invercargill City Council	✓	✓	✓		✓	✓
Environment Southland	✓	✓	✓	✓	✓	✓
Otago Regional Council	✓			✓		
Queenstown Lakes District Council	✓					

The councils continuously look at opportunities for effectiveness and efficiency gains throughout the range of activities and outcomes that they are expected to deliver to their communities and businesses.

Southland District Council through this long term plan commits to continuing its involvement in investigating and joining collaborative processes and shared projects with its neighbouring councils, where there are advantages and efficiencies in doing so for Council and the community.

⁵ LiDAR stands for Light Detection and Ranging and is a remote sensing method that uses light in the form of a pulsed laser to measure ranges (variable distances) to the Earth.

Full capital project list

Activity group activity Subactivity and area	Project code	Project name	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	Grand total
Community resources													
Community facilities													
Halls													
Athol	P-10550	Roofing	-	-	52,839	-	-	-	-	-	-	-	52,839
Athol	P-10551	Painting	-	-	-	23,784	-	-	-	-	-	-	23,784
Browns	P-10554	Roofing	-	-	-	-	-	-	52,851	-	-	-	52,851
Browns	P-10555	Painting	-	-	-	-	-	-	-	-	30,728	-	30,728
Clifden	P-10943	Exterior and roof painting	-	-	-	-	-	-	-	31,255	-	-	31,255
Colac Bay	P-10556	Painting	-	30,870	-	-	-	-	-	-	-	-	30,870
Colac Bay	P-10557	Painting	-	-	-	-	-	-	-	-	36,874	-	36,874
Dipton	P-10558	Painting	50,000	-	-	-	-	-	-	-	-	-	50,000
Dipton	P-10559	Roofing	-	-	-	-	-	-	-	84,515	-	-	84,515
Dipton	P-10560	Painting	-	-	-	-	-	-	-	-	-	63,055	63,055
Dipton	P-10930	Internal refurbishment toilets	-	41,160	-	-	-	-	-	-	-	-	41,160
Dipton	P-10931	Internal refurbishment heating	-	-	52,736	-	-	-	-	-	-	-	52,736
Dipton	P-10932	Internal refurbishment flooring	-	-	-	64,866	-	-	-	-	-	-	64,866
Edendale-Wyndham	P-10591	Painting	-	-	-	-	-	-	52,441	-	-	-	52,441
Edendale-Wyndham	P-10870	Kitchen upgrade	30,000	-	-	-	-	-	-	-	-	-	30,000
Five Rivers	P-10561	Roofing	-	61,800	-	-	-	-	-	-	-	-	61,800
Five Rivers	P-10562	Painting	-	-	-	-	-	34,075	-	-	-	-	34,075
Fortrose Domain	P-10563	Roofing	-	-	-	-	-	-	117,447	-	-	-	117,447
Fortrose Domain	P-10763	Fortrose Foreshore Reserve playground equipment	-	-	-	-	-	-	58,254	-	-	-	58,254
Garston	P-10734	Garston Old Post Office roofing	-	-	-	-	-	34,274	-	-	-	-	34,274
Garston	P-10735	Garston Old Post Office painting	-	-	-	-	-	11,358	-	-	-	-	11,358
Limehills	P-10564	Painting	-	-	52,736	-	-	-	-	-	-	-	52,736
Limehills	P-10565	Painting	-	-	-	-	-	-	-	-	-	63,055	63,055
Lumsden	P-10566	Roofing	-	-	73,975	-	-	-	-	-	-	-	73,975
Lumsden	P-10567	Painting	-	-	-	-	-	-	-	-	-	-	63,055
Manapouri	P-10568	Roofing	-	103,000	-	-	-	-	-	-	-	-	103,000
Manapouri	P-10569	Painting	-	-	-	-	-	79,508	-	-	-	-	79,508
Mokoreta/Redan	CC0024	Exterior repaint (not roof)	-	-	-	-	-	-	-	-	32,095	-	32,095
Nightcaps	P-10570	Painting	-	-	-	-	-	45,433	-	-	-	-	45,433
Ohai	P-10571	Roofing	-	-	-	-	111,353	-	-	-	-	-	111,353
Orawia	P-10572	Painting	-	-	-	-	-	28,396	-	-	-	-	28,396
Orepuki	P-10573	External cladding and repaint	106,746	-	-	-	-	-	-	-	-	-	106,746
Oreti	P-10574	Flooring	-	-	-	43,244	-	-	-	-	-	-	43,244
Otapiri/Lora Gorge	P-10575	Roofing	-	-	-	-	94,650	-	-	-	-	-	94,650
Otapiri/Lora Gorge	P-10576	Painting	-	-	-	-	-	-	34,961	-	-	-	34,961
Ryal Bush	P-10577	Ryal Bush Hall - Painting	-	-	-	27,027	-	-	-	-	-	-	27,027
Thornbury	P-10578	Roofing	-	-	-	75,898	-	-	-	-	-	-	75,898
Thornbury	P-10579	Painting	-	-	-	-	-	-	-	41,889	-	-	41,889
Tokenui	P-10580	Painting	37,361	-	-	-	-	-	-	-	-	-	37,361
Tokenui	P-10581	Roofing	-	-	-	-	-	114,248	-	-	-	-	114,248
Tokenui	P-10582	Painting	-	-	-	-	-	-	-	47,873	-	-	47,873

Tuatapere	P-10583	Flooring	40,000	-	-	-	-	-	-	-	-	-	40,000
Tussock Creek	P-10584	Painting	-	-	-	-	-	-	34,961	-	-	-	34,961
Winton	P-10587	Demolition	-	102,900	-	-	-	-	-	-	-	-	102,900
Winton	P-10590	Painting	-	-	-	-	44,325	-	-	-	-	-	44,325
Winton	P-10742	Internal refurbishment	-	-	-	108,109	-	-	-	-	-	-	108,109
Winton	P-10947	Winton Memorial Hall - install electric blinds	-	20,600	-	-	-	-	-	-	-	-	20,600
Toilets													
Toilets	P-10390	Riverton Princess Street toilet project	393,482	-	-	-	-	-	-	-	-	-	393,482
Toilets	P-10615	Balfour toilet	200,000	-	-	-	-	-	-	-	-	-	200,000
Toilets	P-10616	Colac Bay Surfies Toilet - refurbishment	-	-	-	-	-	-	-	-	-	37,833	37,833
Toilets	P-10617	Cosy Nook toilet - replacement	-	-	-	108,426	-	-	-	-	-	-	108,426
Toilets	P-10619	Dunsdale toilet - renewal	-	206,000	-	-	-	-	-	-	-	-	206,000
Toilets	P-10621	Edendale Kamahi Reserve toilet - refurbishment	-	-	52,736	-	-	-	-	-	-	-	52,736
Toilets	P-10622	Edendale recreation reserve toilet - renewal	200,000	-	-	-	-	-	-	-	-	-	200,000
Toilets	P-10623	Edendale Seaward Road toilet - refurbishment	50,000	-	-	-	-	-	-	-	-	-	50,000
Toilets	P-10624	Fortrose toilet - renewal	-	-	211,356	-	-	-	-	-	-	-	211,356
Toilets	P-10625	Garston toilet - renewal	-	-	211,356	-	-	-	-	-	-	-	211,356
Toilets	P-10626	Gorge Road Hall toilet - refurbishment	-	-	-	-	-	56,791	-	-	-	-	56,791
Toilets	P-10627	Lumsden toilet - refurbishment	-	-	-	-	33,244	-	-	-	-	-	33,244
Toilets	P-10628	Manapouri Frasers Beach north toilet - refurbishment	-	-	52,736	-	-	-	-	-	-	-	52,736
Toilets	P-10629	Manapouri flying fox toilet - renewal	-	-	-	-	222,706	-	-	-	-	-	222,706
Toilets	P-10630	Manapouri Pearl Harbour toilet - renewal	200,000	-	-	-	-	-	-	-	-	-	200,000
Toilets	P-10633	Mossburn toilet - renewal	-	515,000	-	-	-	-	-	-	-	-	515,000
Toilets	P-10634	Nightcaps toilet - refurbishment	-	-	52,736	-	-	-	-	-	-	-	52,736
Toilets	P-10635	Oban Braggs Bay Motorau Moana toilet - refurbishment	-	30,870	-	-	-	-	-	-	-	-	30,870
Toilets	P-10637	Oban Golden Bay toilet - refurbishment	-	-	-	-	-	34,961	-	-	-	-	34,961
Toilets	P-10638	Oban Horseshoe Bay toilet - refurbishment	-	-	-	-	-	34,961	-	-	-	-	34,961
Toilets	P-10639	Oban Braggs Bay Motorau Moana Toilet - renewal	-	-	-	-	-	-	-	-	55,183	-	255,183
Toilets	P-10640	Ohai toilet - refurbishment	-	30,870	-	-	-	-	-	-	-	-	30,870
Toilets	P-10641	Otautau Main Street toilet - refurbishment	50,000	-	-	-	-	-	-	-	-	-	50,000
Toilets	P-10644	Riverton Mores reserve toilet - refurbishment	-	-	-	-	-	-	-	-	-	-	51,450
Toilets	P-10645	Riverton T wharf toilet - refurbishment	-	-	-	-	-	45,433	-	-	-	-	45,433
Toilets	P-10646	Riverton Howells Point toilet - renewal	-	-	211,356	-	-	-	-	-	-	-	211,356
Toilets	P-10647	Riverton Pilot Reserve Toilet - refurbishment	-	-	-	-	-	-	23,936	-	-	-	23,936
Toilets	P-10648	Riverton Princess Street toilet - refurbishment	-	-	-	81,082	-	-	-	-	-	-	81,082
Toilets	P-10649	Te Anau Ivon Wilson Park toilet - refurbishment	-	-	-	-	-	-	-	-	-	-	334,059
Toilets	P-10650	Te Anau Lions Park toilet - refurbishment	-	-	528,390	-	-	-	-	-	-	-	528,390
Toilets	P-10651	Te Waewae Lagoon Toilet - refurbishment	-	17,687	-	-	-	-	-	-	-	-	17,687
Toilets	P-10652	Thornbury Playground toilet - renewal	-	-	-	54,213	-	-	-	-	-	-	54,213
Toilets	P-10653	Thornbury Playground accessible toilet - refurbishment	-	-	-	-	-	-	-	-	-	-	55,677
Toilets	P-10654	Tokanui toilet - water source	40,000	-	-	-	-	-	-	-	-	-	40,000
Toilets	P-10655	Tokanui toilet - renewal	-	-	-	216,851	-	-	-	-	-	-	216,851
Toilets	P-10656	Tuatapere Main Street toilet - refurbishment	-	-	-	54,055	-	-	-	-	-	-	54,055
Toilets	P-10657	Tuatapere Half Mile Road Play Ground toilet - new	-	206,000	-	-	-	-	-	-	-	-	206,000
Toilets	P-10658	Waikawa toilet - refurbishment	100,000	-	-	-	-	-	-	-	-	-	100,000

Toilets	P-10659	Winton Main Street toilet - refurbishment	-	-	-	-	-	-	-	-	-	94,582	94,582
Toilets	P-10660	Winton John Street toilet - new	250,000	-	-	-	-	-	-	-	-	-	250,000
Toilets	P-10661	Athol Toilet- Renewal	-	-	211,356	-	-	-	-	-	-	-	211,356
Toilets	P-10662	Colac Bay Boat Ramp Toilet - renewal	75,000	-	-	-	-	-	-	-	-	-	75,000
Toilets	P-10706	Riverton Leader Street toilet - renewal	-	-	211,356	-	-	-	-	-	-	-	211,356
Toilets	P-10744	Te Anau Boat Harbour toilet - renewal	300,000	-	-	-	-	-	-	-	-	-	300,000
Toilets	P-10841	Monkey Island - shelter area development (Stage 1)	100,000	-	-	-	-	-	-	-	-	-	100,000
Toilets	P-10842	Monkey Island - shelter area development (Stage 2)	-	51,500	-	-	-	-	-	-	-	-	51,500
Toilets	P-10898	Wallacetown - investigation project	-	-	10,547	-	-	-	-	-	-	-	10,547
Toilets	P-10899	Wallacetown - new toilet	-	-	-	-	334,059	-	-	-	-	-	334,059
Offices and buildings													
Council offices and depots	P-10710	Invercargill Building - replacement	-	-	5,250,000	5,250,000	-	-	-	-	-	-	10,500,000
Council offices and depots	P-10711	Lumsden office - lighting	12,000	-	-	-	-	-	-	-	-	-	12,000
Council offices and depots	P-10712	Lumsden office - roofing	-	-	-	-	50,109	-	-	-	-	-	50,109
Council offices and depots	P-10713	Lumsden office - painting	-	-	-	-	-	-	46,614	-	-	-	46,614
Council offices and depots	P-10714	Riverton office - internal refurbishment	100,000	-	-	-	-	-	-	-	-	-	100,000
Council offices and depots	P-10715	Riverton office - painting	-	-	31,642	-	-	-	-	-	-	-	31,642
Council offices and depots	P-10716	Riverton office - painting	-	-	-	-	-	-	-	-	37,833	-	37,833
Council offices and depots	P-10717	Winton office - painting	-	-	-	27,027	-	-	-	-	-	-	27,027
Council offices and depots	P-10719	Otautau office - roofing	-	-	211,356	-	-	-	-	-	-	-	211,356
Council offices and depots	P-10720	Otautau office - painting	-	-	-	-	55,406	-	-	-	-	-	55,406
Council offices and depots	P-10721	Otautau office - internal refurbishment	-	-	-	-	-	-	87,402	-	-	-	87,402
Council offices and depots	P-10783	Te Anau library - Upgrade to building	534,278	-	-	-	-	-	-	-	-	-	534,278
Council offices and depots	P-10723	Tuatapere library - painting	-	-	-	21,622	-	-	-	-	-	-	21,622
Council offices and depots	P-10745	Winton office - refurbishment	1,100,000	-	-	-	-	-	-	-	-	-	1,100,000
Council offices and depots	P-10889	Otautau office -internal refurbishment	-	-	-	270,273	-	-	-	-	-	-	270,273
Council offices and depots	P-10954	Invercargill office - refurbishment	250,000	-	-	-	-	-	-	-	-	-	250,000
Other property													
Lumsden	P-10731	Railway Station (Information centre) - roofing	-	-	52,839	-	-	-	-	-	-	-	52,839
Lumsden	P-10732	Railway Station (Information centre) - painting	-	-	-	-	55,460	-	-	-	-	-	55,460
Otautau	P-10727	Plunket rooms painting	-	-	-	27,027	-	-	-	-	-	-	27,027
Otautau	P-10728	Plunket rooms internal refurbishment	-	-	-	-	-	34,075	-	-	-	-	34,075
Te Anau	P-10937	Te Anau - Development of the town centre, lakefront and boat harbour.	-	20,600	-	-	-	-	-	-	-	-	20,600
Winton	P-10738	Painting	-	51,450	-	-	-	-	-	-	-	-	51,450

Winton	P-10739	Painting	-	-	-	-	-	-	-	-	61,457	-	61,457
Winton	P-10740	Exterior Recladding	-	77,175	-	-	-	-	-	-	-	-	77,175
Winton	P-10741	Painting	-	-	-	-	-	-	-	-	61,457	-	61,457
SIESA													
SIESA	P-10424	Replacement waste collection vehicle in Stewart Island	-	-	-	54,055	-	-	-	-	-	-	54,055
SIESA	P-10593	Wind power pre-development	80,000	-	-	-	-	-	-	-	-	-	80,000
SIESA	P-10632	Transmission renewal programme	120,000	123,480	126,567	129,731	133,104	136,432	139,979	143,758	47,640	151,479	1,352,170
SIESA	P-10636	Generation renewal programme	86,000	88,494	90,706	92,974	95,391	97,776	100,318	103,027	105,809	108,560	969,055
Waste Services													
Waste management	P-10281	Repairing and singage at all recycle centres	60,415	-	-	-	-	-	-	-	-	-	60,415
Waste management	P-10493	Solid waste integration into IPS - IT	-	10,300	-	-	-	-	-	-	-	-	10,300
Waste management	P-10425	Te Anau transfer station weighbridge installation	-	154,500	-	-	-	-	-	-	-	-	154,500
Waste management	P-10426	Improvements to greenwaste area Te Anau transfer station	80,000	-	-	-	-	-	-	-	-	-	80,000
Waste management	P-10427	Winton Transfer station greenwaste improvements	80,000	-	-	-	-	-	-	-	-	-	80,000
Waste management	P-11000	Wyndale Shed refurbishment and pad strengthening	-	16,955	-	-	-	-	-	-	-	-	16,955
Waste management	P-11002	Winton pad Strengthening and shed refurbishment	-	-	-	17,813	-	-	-	-	-	-	17,813
Waste management	P-11003	Te Anau pad strengthening and shed refurbishment	-	-	-	17,813	-	-	-	-	-	-	17,813
Waste management	P-11004	Riverton concrete pad stengthening and shed refurbishment	-	-	-	7,813	-	-	-	-	-	-	17,813
Waste management	P-11001	Otautau concrete pad strengthening and shed refurbishment	-	16,955	-	-	-	-	-	-	-	-	16,955
Waste management	P-10999	Lumsden concrete pad strengthening and shed painting	-	16,955	-	-	-	-	-	-	-	-	16,955
Community Services													
Cemeteries													
Asset Management	P-10960	Cemetery Software project	200,000	-	-	-	-	-	-	-	-	-	200,000
Dipton	P-10963-A	New Memorial Wall	10,000	-	-	-	-	-	-	-	-	-	10,000
Edendale-Wyndham	P-10964-A	Edendale new memorial wall	-	10,300	-	-	-	-	-	-	-	-	10,300
Edendale-Wyndham	CE00025	Edendale new beam	-	-	-	-	7,440	-	-	-	-	-	7,440
Edendale-Wyndham	P-10964-B	Wyndham new memorial wall	-	10,300	-	-	-	-	-	-	-	-	10,300
Lumsden	846	New beams	-	-	-	-	-	-	10,833	-	-	-	10,833
Lumsden	P-10963-B	New Memorial Wall	10,000	-	-	-	-	-	-	-	-	-	10,000
Mossburn	CE0002	New berms	-	-	-	-	10,301	-	-	-	-	-	10,301
Mossburn	P-10963-C	New Memorial Wall	10,000	-	-	-	-	-	-	-	-	-	10,000
Otautau	P-10963-D	New Memorial Wall	10,000	-	-	-	-	-	-	-	-	-	10,000
Otautau	CE0009	New beams	-	-	-	-	9,847	-	-	-	-	-	9,847
Riverton/Aparima	P-10964-C	New Memorial Wall	-	10,300	-	-	-	-	-	-	-	-	10,300
Riverton/Aparima	P-11005	New berms	-	-	6,952	-	-	-	-	-	-	-	6,952
Riverton/Aparima	P-10989	Land purchase to increase cemetery size	-	-	231,707	-	-	-	-	-	-	-	231,707
Stewart Island/Rakiura	P-10860	Stewart Island - Halfmoon Bay cemetery	15,000	-	-	-	-	-	-	-	-	-	15,000
Te Anau	P-10963-E	New Memorial Wall	10,000	-	-	-	-	-	-	-	-	-	10,000
Waiau/Aparima	P-10963-F	New Memorial Wall Wairio Cemetery	10,000	-	-	-	-	-	-	-	-	-	10,000
Waiau/Aparima	P-10963-G	New Memorial Wall Calcium Cemetery	10,000	-	-	-	-	-	-	-	-	-	10,000

Wallacetown	P-10964D	New Memorial Wall	-	10,300	-	-	-	-	-	-	-	-	10,300
Wallacetown	P-10979	New beams	7,311	-	-	-	-	-	-	-	-	-	7,311
Wallacetown	CE0016	New beams	-	-	-	7,904	-	-	-	-	-	-	7,904
Wallacetown	CE0017	New beams	-	-	-	-	-	-	-	8,995	-	-	8,995
Wallacetown	P-10980	New Ashes Beams	2,089	-	-	-	-	-	-	-	-	-	2,089
Wallacetown	CE0019	New Ashes Beams	-	-	-	-	-	2,375	-	-	-	-	2,375
Wallacetown	P-10895	Cemetery Works	50,000	-	-	-	-	-	-	-	-	-	50,000
Winton	P-10964E	New Memorial Wall	-	10,300	-	-	-	-	-	-	-	-	10,300
Winton	P-11006	New beams	-	-	6,952	-	-	-	-	-	-	-	6,952
Winton	P-10981	New Ashes Beams	4,178	-	-	-	-	4,750	-	-	-	-	8,928
Woodlands	P-10964F	New Memorial Wall	-	10,300	-	-	-	-	-	-	-	-	10,300
Community Housing													
Community Housing	P-10526	Edendale Community Housing	-	-	-	-	-	-	-	108,662	-	-	108,662
Community Housing	P-10527	Edendale Community Housing - Painting	-	-	-	-	-	-	-	-	-	81,971	81,971
Community Housing	P-10528	Lumsden Community Housing - Painting	-	23,667	-	-	-	-	-	-	-	-	23,667
Community Housing	P-10529	Lumsden Community Housing - Painting	-	-	-	-	-	-	-	-	28,270	-	28,270
Community Housing	P-10530	Nightcaps Community Housing	-	-	47,555	-	-	-	-	-	-	-	47,555
Community Housing	P-10531	Nightcaps Community Housing - Painting	-	-	-	-	29,919	-	-	-	-	-	29,919
Community Housing	P-10532	Ohai Community Housing - Roofing	45,000	-	-	-	-	-	-	-	-	-	45,000
Community Housing	P-10533	Ohai Community Housing - Painting	-	-	28,478	-	-	-	-	-	-	-	28,478
Community Housing	P-10534	Ohai Community Housing - Painting	-	-	-	-	-	-	-	-	-	34,049	34,049
Community Housing	P-10536	Otautau Community Housing - Roofing	-	-	-	-	-	35,234	-	-	-	-	35,234
Community Housing	P-10537	Otautau Community Housing - Painting	-	-	-	-	-	-	-	-	49,165	-	49,165
Community Housing	P-10538	Riversdale Community Housing - Roofing	-	-	-	-	-	18,280	-	-	-	-	18,280
Community Housing	P-10539	Riversdale Community Housing - Painting	-	-	-	-	-	-	-	14,362	-	-	14,362
Community Housing	P-10541	Riverton Community Housing - Painting	-	-	-	-	-	-	69,921	-	-	-	69,921
Community Housing	P-10542	Riverton Community Housing - Roofing	-	-	-	-	94,650	-	-	-	-	-	94,650
Community Housing	P-10543	Tuatapere Community Housing - Painting	-	-	-	54,055	-	-	-	-	-	-	54,055
Community Housing	P-10545	Winton Community Housing - Roofing	-	-	-	-	77,947	-	-	-	-	-	77,947
Community Housing	P-10546	Winton Community Housing - Painting	-	-	-	-	-	-	34,961	-	-	-	34,961
Community Housing	P-10547	Wyndham Community Housing - Roofing	-	-	-	86,741	-	-	-	-	-	-	86,741
Community Housing	P-10548	Wyndham Community Hosuing - Painting	-	-	-	-	-	39,754	-	-	-	-	39,754
Community Housing	P-10959	Community housing business case	50,000	-	-	-	-	-	-	-	-	-	50,000

Community Housing	P-10966	Tuatapere Community Housing - Roofing	-	72,100	-	-	-	-	-	-	-	-	-	72,100
Open Spaces														
Parks & Reserves														
Ardlussa	P-10872	Investigation into the development of a mountain bike track	20,000	-	-	-	-	-	-	-	-	-	-	20,000
Ardlussa	P-10988	Investigate recreational opportunities in Ardlussa	30,000	-	-	-	-	-	-	-	-	-	-	30,000
Athol	P-10750	Playground equipment	-	-	-	-	-	-	-	42,258	-	-	-	42,258
Balfour	P-10751	Playground equipment	2,600	-	-	-	-	-	-	-	-	-	-	2,600
Balfour	P-10752	Playground equipment	-	-	-	58,116	-	-	-	-	-	-	-	58,116
Balfour	P-10753	Playground equipment	-	-	-	-	-	-	-	44,672	-	-	-	44,672
Colac Bay	P-10754	Foreshore playground equipment	-	-	-	71,832	-	-	-	-	-	-	-	71,832
Colac Bay	P-10755	Manuka Street playground equipment	-	5,150	-	-	-	-	-	-	-	-	-	5,150
Colac Bay	P-10756	Manuka Street playground equipment	-	-	-	-	-	85,686	-	-	-	-	-	85,686
Dipton	P-10758	Playground equipment	68,100	-	-	-	-	-	-	-	-	-	-	68,100
Dipton	P-10759	Playground equipment	-	-	-	-	4,454	-	-	-	-	-	-	4,454
Dipton	P-10760	Playground equipment	-	-	-	-	-	-	-	-	4,969	-	-	4,969
District reserves	P-10972	Open spaces strategy capital development	250,000	494,877	987,892	498,295	494,303	990,444	993,641	731,000	-	-	-	5,440,452
District reserves	P-10618	Curio Bay Camping ground toilet - refurbishment	15,000	-	-	-	-	-	-	-	-	-	-	15,000
District reserves	P-10747	Mores scenic track maintenance	20,000	-	-	-	-	-	-	-	-	-	-	20,000
District reserves	P-10748	Mores scenic track maintenance	-	-	-	-	-	22,739	-	-	-	-	-	22,739
District reserves	P-10875	Mores scenic reserve track	15,000	-	-	-	-	-	-	-	-	-	-	15,000
Edendale-Wyndham	P-10761	Edendale Rec Reserve Playground equipment	-	-	-	-	-	-	-	53,848	-	-	-	53,848
Edendale-Wyndham	P-10762	Edendale Village Green playground equipment	-	-	-	-	-	-	-	59,885	-	-	-	59,885
Edendale-Wyndham	P-10862	Edendale - Wyndham Multi-Use Track	10,000	-	-	-	-	-	-	-	-	-	-	10,000
Edendale-Wyndham	P-10863	Edendale - Wyndham Multi-Use Track	-	412,000	-	-	-	-	-	-	-	-	-	412,000
Edendale-Wyndham	P-10864	Edendale - Wyndham Multi-Use Track	-	-	634,068	-	-	-	-	-	-	-	-	634,068
Edendale-Wyndham	P-10865	Edendale - Wyndham Multi-Use Track	-	-	-	433,703	-	-	-	-	-	-	-	433,703
Edendale-Wyndham	P-10866	Edendale - drinking fountain	10,000	-	-	-	-	-	-	-	-	-	-	10,000
Edendale-Wyndham	P-10869	Edendale\Wyndham - Tree Removal Ferry Road and Malta Street	-	30,870	-	-	-	-	-	-	-	-	-	30,870
Edendale-Wyndham	P-10927	Edendale\Wyndham - Drinking Fountain	-	-	42,230	-	-	-	-	-	-	-	-	42,230
Edendale-Wyndham	P-10928	Edendale - Walking Track Upgrade	15,000	-	-	-	-	-	-	-	-	-	-	15,000
Edendale-Wyndham	P-10929	Edendale - War Memorial Upgrade	-	-	-	21,622	-	-	-	-	-	-	-	21,622
Garston	P-10764	Village green playground equipment	-	6,994	-	-	-	-	-	-	-	-	-	6,994
Garston	P-10765	Village green playground equipment	-	-	-	-	-	-	-	-	58,168	-	-	58,168
Lumsden	P-10766	Recreation reserve playground equipment	-	102,911	-	-	-	-	-	-	-	-	-	102,911
Lumsden	P-10767	Recreation reserve playground equipment	-	-	-	-	-	-	-	-	53,628	-	-	53,628
Manapouri	P-10768	Recreation reserve playground equipment	-	68,547	-	-	-	-	-	-	-	-	-	68,547
Manapouri	P-10769	Recreation reserve playground equipment	-	-	-	-	-	-	42,723	-	-	-	-	42,723
Mossburn	P-10773	War Memorial Park playground equipment	-	-	-	79,964	-	-	-	-	-	-	-	79,964
Mossburn	P-10774	War Memorial Park playground equipment	-	-	-	-	-	-	-	34,712	-	-	-	34,712
Nightcaps	P-10775	Dr Wood Memorial Reserve playground equipment	31,225	-	-	-	-	-	-	-	-	-	-	31,225
Nightcaps	P-10776	Dr Wood Memorial Reserve playground equipment	-	-	37,979	-	-	-	-	-	-	-	-	37,979
Nightcaps	P-10778	McGregor Park playground equipment	-	5,900	-	-	-	-	-	31,089	-	-	-	36,989
Ohai	P-10779	Playground equipment	-	-	94,370	-	-	-	-	-	-	-	-	94,370
Ohai	P-10780	Playground equipment	-	-	-	-	-	-	42,281	-	-	-	-	42,281
Ohai	P-10781	Playground equipment	-	-	-	-	-	-	-	-	-	13,078	-	13,078
Orepuki	P-10784	Playground equipment	-	26,643	-	-	-	-	-	-	-	-	-	26,643

Orepuki	P-10785	Playground equipment	-	-	-	26,062	-	-	-	-	-	-	26,062
Oreti	P-10955	Oreti Community Board Area - Investigation Project	50,000	-	-	-	-	-	-	-	-	-	50,000
Oreti Community Board Area	P-10956	Investigation Project	-	-	84,542	-	-	-	-	-	-	-	84,542
Otautau	P-10314	Netball Court resurfacing	28,119	-	-	-	-	-	-	-	-	-	28,119
Otautau	P-10725	Holt Park Changing Shed - Roofing	-	-	36,987	-	-	-	-	-	-	-	36,987
Otautau	P-10726	Holt Park Changing Shed - Painting	-	-	15,821	-	-	-	-	-	-	-	15,821
Otautau	P-10786	Centennial Park playground equipment	-	-	-	-	25,611	-	-	-	-	-	25,611
Otautau	P-10787	Centennial Park playground equipment	-	-	-	-	-	-	-	-	101,626	-	101,626
Otautau	P-10788	Holt Park Toilet - Painting	-	10,985	-	-	-	-	-	-	-	-	10,985
Otautau	P-10851	Holt Park Extension investigation project	-	10,290	-	-	-	-	-	-	-	-	10,290
Otautau	P-10852	Netball Pavillion - painting	-	25,725	-	-	-	-	-	-	-	-	25,725
Riversdale	P-10789	Riversdale playground equipment	10,000	-	-	-	-	-	-	-	-	-	10,000
Riversdale	P-10790	Riversdale playground equipment	-	-	-	-	20,097	-	-	-	-	-	20,097
Riversdale	P-10791	Riversdale playground equipment	-	-	-	-	-	-	-	-	-	121,212	121,212
Riverton/Aparima	P-10793	Koi Koi Park playground equipment	-	-	-	16,264	-	-	-	-	-	-	16,264
Riverton/Aparima	P-10794	Palmerston Street playground equipment	-	-	-	-	77,223	-	-	-	-	-	77,223
Riverton/Aparima	P-10795	Palmerston Street playground equipment	-	-	-	-	-	-	-	-	6,212	-	6,212
Riverton/Aparima	P-10796	Pilot Station playground equipment	200,000	-	-	-	-	-	-	-	-	-	200,000
Riverton/Aparima	P-10797	Taramea Bay playground equipment	14,076	-	-	-	-	-	-	-	-	-	14,076
Riverton/Aparima	P-10798	Taramea Bay playground equipment	-	82,400	-	-	-	-	-	-	-	-	82,400
Riverton/Aparima	P-10799	Taramea Bay playground equipment	-	-	63,407	-	-	-	-	-	-	-	63,407
Riverton/Aparima	P-10800	Taramea Bay playground equipment	-	-	-	74,896	-	-	-	-	-	-	74,896
Riverton/Aparima	P-10801	Taramea Bay playground equipment	-	-	-	-	55,677	-	-	-	-	-	55,677
Riverton/Aparima	P-10802	Taramea Bay playground equipment	-	-	-	-	-	-	-	-	-	107,432	107,432
Riverton/Aparima	P-10803	Riverton war memorial - refurbishment	-	-	-	12,946	-	-	-	-	-	-	12,946
Riverton/Aparima	P-10874	Taramea Bay development	40,000	-	-	-	-	-	-	-	-	-	40,000
Riverton/Aparima	P-10876	Bath Road Railway Esplanade	30,000	-	-	-	-	-	-	-	-	-	30,000
Riverton/Aparima	P-10938	Investigation Project Green Space	40,000	-	-	-	-	-	-	-	-	-	40,000
Stewart Island/Rakiura	P-10806	Stewart Island Foreshore playground equipment	-	-	-	-	-	-	58,724	-	-	-	58,724
Stewart Island/Rakiura	P-10807	Motorau Moana Gardens - roofing	-	-	-	13,659	-	-	-	-	-	-	13,659
Te Anau	P-10113	Walkway in Water Park area	10,445	-	-	-	-	-	-	-	-	-	10,445
Te Anau	P-10730	Te Anau Sports Pavillion - painting	-	-	-	-	-	-	93,319	-	-	-	93,319
Te Anau	P-10808	Te Anau Boat Harbour playground equipment	10,000	-	-	-	-	-	-	-	-	-	10,000
Te Anau	P-10809	Te Anau Boat Harbour playground equipment	-	-	-	-	-	51,697	-	-	-	-	51,697
Te Anau	P-10810	Te Anau Boat Harbour playground equipment	-	-	-	-	-	-	-	-	-	33,506	33,506
Te Anau	P-10811	Te Anau Henry Street playground equipment	-	-	-	57,628	-	-	-	-	-	-	57,628
Te Anau	P-10812	Te Anau Henry Street playground equipment	-	-	-	-	-	-	3,817	-	-	-	3,817
Te Anau	P-10813	Te Anau Lions Park playground equipment	-	43,775	-	-	-	-	-	-	-	-	43,775
Te Anau	P-10814	Te Anau Lions Park playground equipment	-	-	-	-	50,387	-	-	-	-	-	50,387
Te Anau	P-10883	Te Anau - investigation project	150,000	-	-	-	-	-	-	-	-	-	150,000
Thornbury	P-10816	Playground - Equipment Renewal	-	-	-	8,674	-	-	-	-	-	-	8,674
Thornbury	P-10817	Playground - Equipment Renewal	-	-	-	-	-	-	-	89,994	-	-	89,994
Thornbury	P-10941	War Memorial Upgrade	-	-	26,368	-	-	-	-	-	-	-	26,368
Tokenui	P-10819	Rata Park Playground - Equipment Renewal	-	-	48,348	-	-	-	-	-	-	-	48,348
Tokenui	P-10820	Tokenui Rata Park Playground - Equipment Renewal	-	-	-	-	-	-	-	54,814	-	-	54,814

Tuatapere	P-10821	Tuatapere Jack and Mattie Bennett Memorial Park playground equipment	11,914	-	-	-	-	-	-	-	-	-	11,914
Tuatapere	P-10822	Tuatapere Jack and Mattie Bennett Memorial Park playground equipment	-	-	-	-	21,770	-	-	-	-	-	21,770
Tuatapere	P-10823	Tuatapere Jack and Mattie Bennett Memorial Park playground equipment	-	-	-	-	-	-	-	-	95,290	-	95,290
Tuatapere	P-10824	Tuatapere Lions playground equipment	-	-	-	1,626	-	-	-	-	-	-	1,626
Tuatapere	P-10825	Tuatapere Lions playground equipment	-	-	-	-	-	9,357	-	-	-	-	9,357
Tuatapere	P-10849	Tuatapere - investigation project Main Street	10,000	-	-	-	-	-	-	-	-	-	10,000
Tuatapere	P-10850	Tuatapere - investigation project Railway Station	10,000	-	-	-	-	-	-	-	-	-	10,000
Waiau/Aparima	P-10642	Otautau Arboretum toilet - refurbishment	15,000	-	-	16,264	-	-	-	-	-	-	31,264
Waiau/Aparima	P-10643	Otautau Arboretum toilet - renewal	-	-	-	-	-	-	-	-	99,390	-	99,390
Waiau/Aparima	P-10368	Upgrade playground at Monowai	30,000	-	-	-	-	-	-	-	-	-	30,000
Waiau/Aparima	P-10770	Monowai Village Reserve playground equipment	17,250	-	-	-	-	-	-	-	-	-	17,250
Waiau/Aparima	P-10771	Monowai Village Reserve playground equipment	-	-	-	-	17,736	-	-	-	-	-	17,736
Waiau/Aparima	P-10772	Monowai Village Reserve playground equipment	-	-	-	-	-	-	-	-	-	24,370	24,370
Waiau/Aparima	P-10944	Clifden Bridge toilet - interpretation panels	10,000	-	-	-	-	-	-	-	-	-	10,000
Waihopa Toetoe	P-10867	Waikawa - Investigation Project	10,000	-	-	-	-	-	-	-	-	-	10,000
Waihopa Toetoe	P-10868	Curio Bay - Reserve Management Plan	50,000	-	-	-	-	-	-	-	-	-	50,000
Waihopa Toetoe	P-10871	Fortrose - Coastal Protection	-	-	-	91,355	-	-	-	-	-	-	91,355
Waihopa Toetoe	P-10942	Fortrose - Investigation Project	20,000	-	-	-	-	-	-	-	-	-	20,000
Waikaia	P-10826	Dixon Park playground equipment	11,000	-	-	-	-	-	-	-	-	-	11,000
Waikaia	P-10827	Dixon Park playground equipment	-	-	-	-	-	-	-	-	12,424	-	12,424
Waikaia	P-10828	Dixon Park playground equipment	-	-	-	-	-	-	-	-	-	92,759	92,759
Wallacetown	P-10829	Gwen Baker Reserve playground equipment	-	-	-	17,348	-	-	-	-	-	-	17,348
Wallacetown	P-10830	Gwen Baker Reserve playground equipment	-	-	-	-	-	-	-	93,353	-	-	93,353
Wallacetown	P-10896	Wallacetown - investigation project	-	-	10,547	-	-	-	-	-	-	-	10,547
Wallacetown	P-10897	Install Skate/Bike/Pump track	-	-	-	162,638	-	-	-	-	-	-	162,638
Winton	P-10586	Centennial park new fence and gate	20,000	-	-	-	-	-	-	-	-	-	20,000
Winton	P-10588	Centennial park grandstand	-	20,580	-	-	-	-	-	-	-	-	20,580
Winton	P-10737	Rugby grounds grandstand - painting	-	-	-	-	-	-	-	23,960	-	-	23,960
Winton	P-10888	Centennial Park tree and hedge removal	10,000	-	-	-	-	-	-	-	-	-	10,000
Winton	P-10890	Ivy Russell Reserve shed extension	-	51,500	-	-	-	-	-	-	-	-	51,500
Winton	P-10891	Moore's reserve toilets	20,000	-	-	-	-	-	-	-	-	-	20,000
Winton	P-10892	McKenzie Street playground	8,000	-	-	-	-	-	-	-	-	-	8,000
Winton	P-10893	Anzac Oval	-	-	52,839	-	-	-	-	-	-	-	52,839
Winton	P-10894	Walking Track Extension	-	-	-	108,426	-	-	-	-	-	-	108,426
Streetscapes													
Athol	P-10861	Interpretation Panels	-	4,116	-	-	-	-	-	-	-	-	4,116
Colac Bay	P-10877	Beach access steps	10,000	-	-	-	-	-	-	-	-	-	10,000
Colac Bay	P-10939	Changing room at Surfies Toilet (The Trees)	-	30,900	-	-	-	-	-	-	-	-	30,900
Colac Bay	P-10940	Replace boat ramp shelter	20,000	-	-	-	-	-	-	-	-	-	20,000
Garston	P-10950	Memorial seat and signage	7,100	-	-	-	-	-	-	-	-	-	7,100
Garston	P-10951	BBQ at Village Green	-	20,600	-	-	-	-	-	-	-	-	20,600
Garston	P-10952	Village Projects	-	-	5,284	-	-	-	-	-	-	-	5,284
Manapouri	P-10884	View Street car park development	200,000	-	-	-	-	-	-	-	-	-	200,000
Stewart Island/Rakiura	P-10316	New walking track Horseshoe Bay Road part 2	53,740	-	-	-	-	-	-	-	-	-	53,740
Stewart Island/Rakiura	P-10317	New walking track Horseshoe Bay Road part 3	-	56,642	-	-	-	-	-	-	-	-	56,642

Stewart Island/Rakiura	P-10856	Stewart Island - Investigation Project Baker Park tracks	10,000	-	-	-	-	-	-	-	-	-	10,000
Stewart Island/Rakiura	P-10857	Stewart Island - Investigation Project Baker Park tracks	-	20,600	-	-	-	-	-	-	-	-	20,600
Stewart Island/Rakiura	P-10858	Stewart Island - Investigation Project Baker Park tracks	-	-	21,136	-	-	-	-	-	-	-	21,136
Stewart Island/Rakiura	P-10859	Investigation Project Baker Park tracks	-	-	-	21,685	-	-	-	-	-	-	21,685
Te Anau	P-10933	Development of the town centre, lakefront and boat harbour.	-	257,500	-	-	-	-	-	-	-	-	257,500
Te Anau	P-10934	Development of the town centre, lakefront and boat harbour.	-	-	264,195	-	-	-	-	-	-	-	264,195
Te Anau	P-10935	Development of the town centre, lakefront and boat harbour.	-	-	-	271,064	-	-	-	-	-	-	271,064
Wallacetown	P-10837	Investigation Project	-	-	-	-	-	-	6,226	-	-	-	6,226
Wallacetown	P-10839	Investigation Project	-	20,580	-	-	-	-	-	-	-	-	20,580
Winton	P-10885	Tree removal section 1	20,000	-	-	-	-	-	-	-	-	-	20,000
Winton	P-10886	Tree removal section 2	-	20,580	-	-	-	-	-	-	-	-	20,580
Winton	P-10887	Tree removal section 3	-	-	21,095	-	-	-	-	-	-	-	21,095
Transport													
Roading, Bridges Footpaths, Cycle Trails, Airport, Water Facilities													
Footpaths													
Winton	P-10982	Footpath reclamation & lichen spray	10,984	-	11,585	-	12,183	-	12,813	-	13,514	-	61,079
Airport													
Te Anau Airports	P-10993	Airport Heat Pump Replacement	-	-	11,038	-	-	-	-	-	-	-	11,038
Te Anau Airports	P-10994	Re-carpeting	-	16,137	-	-	-	-	-	-	-	-	16,137
Te Anau Airports	P-10995	GPs Upgrade	-	10,748	-	-	-	-	-	-	-	-	10,748
Te Anau Airports	P-10996	Moss killing and reoiling of building	-	-	16,524	-	-	-	-	20,021	-	-	36,545
Te Anau Airports	P-10997	Painting of internal walls in terminal	-	-	-	-	34,757	-	-	-	-	-	34,757
Te Anau Airports	P-10998	Upgrade to security system	-	-	8,830	-	-	-	-	-	-	-	8,830
Te Anau Airports	P-10665	Runway Line Marking Programme	-	-	5,274	-	5,546	5,685	-	-	6,152	-	22,656
Te Anau Airports	P-10663	Runway Surface Rehabilitation 21/22	798,000	-	-	-	-	-	-	-	-	-	798,000
Te Anau Airports	P-10664	Runway Surface Rehabilitation 22/23	-	560,805	-	-	-	-	-	-	-	-	560,805
Cycle Trails													
Cycle Trails	P-10678	Continuous improvement programme	20,000	20,620	21,239	21,855	22,488	23,140	23,812	24,502	25,213	25,944	228,812
Cycle Trails	P-10687	Surface metal replacement	-	-	-	-	224,883	-	-	-	-	259,438	484,321
Water Facility													
Harbour													
Riverton Harbour	P-10689	Riverton Harbour - refurbishment	-	29,841	-	-	-	-	-	-	-	-	29,841
Riverton Harbour	P-10690	Riverton Harbour - refurbishment	-	-	44,298	-	-	-	-	-	-	-	44,298
Riverton Harbour	P-10691	Riverton Harbour - refurbishment	-	-	-	64,866	-	-	-	-	-	-	64,866
Riverton Harbour	P-10692	Riverton Harbour - refurbishment	-	-	-	10,811	-	-	-	-	-	-	10,811
Riverton Harbour	P-10693	Riverton Harbour - refurbishment	-	-	-	-	-	5,685	-	-	-	-	5,685
Riverton Harbour	P-10695	Riverton Harbour - refurbishment	-	-	-	-	-	-	-	155,738	-	-	155,738
Riverton Harbour	P-10696	Riverton Harbour - refurbishment	-	-	-	-	-	-	-	-	7,382	-	7,382
Riverton Harbour	P-10961	Riverton Harbour - rock wall renewal	-	-	-	-	11,092	-	-	-	-	-	11,092
Stewart Island Jetties													
Stewart Island Jetties	P-10670	Golden Bay wharf - renewal investigation	600,000	-	-	-	-	-	-	-	-	-	600,000
Stewart Island Jetties	P-10671	Golden Bay wharf - renewal	-	1,749,300	-	-	-	-	-	-	-	-	1,749,300
Stewart Island Jetties	P-10672	Stewart Island wharves - refurbishment	-	2,058	-	-	-	-	-	-	-	-	2,058

Stewart Island Jetties	P-10673	Stewart Island wharves - refurbishment	-	14,406	-	-	-	-	-	-	-	-	-	14,406
Stewart Island Jetties	P-10674	Stewart Island wharves - refurbishment	-	-	98,089	-	-	-	-	-	-	-	-	98,089
Stewart Island Jetties	P-10675	Stewart Island wharves - refurbishment	-	-	-	-	-	55,710	-	-	-	-	-	55,710
Stewart Island Jetties	P-10686	Millars Beach wharf - renewal	-	-	-	-	-	-	-	-	-	126,232	-	126,232
Stewart Island Jetties	P-10854	Ulva Island wharf causeway - renewal	598,473	-	-	-	-	341,079	-	-	-	-	-	939,552
Stewart Island Jetties	P-10855	Investigation project main wharf infill	-	102,900	-	-	-	-	-	-	-	-	-	102,900
Other Property														
Manapouri	P-10669	Gabion basket - replacement	400,000	-	-	-	-	-	-	-	-	-	-	400,000
Manapouri	P-10881	Renew Pearl harbour boat ramp	-	-	317,034	-	-	-	-	-	-	-	-	317,034
Manapouri	P-10882	Renew Pearl harbour Boat ramp investigation	50,000	-	-	-	-	-	-	-	-	-	-	50,000
Te Anau	P-10667	Refurbishment Queens Reach	-	41,200	-	-	-	-	-	-	-	-	-	41,200
Te Anau	P-10668	Te Anau Pontoon - Replacement	-	-	-	-	-	-	-	-	-	63,796	-	63,796
Te Anau	P-10878	Refurbishment Steamers Beach	80,000	-	-	-	-	-	-	-	-	-	-	80,000
Te Anau	P-10879	Refurbishment Boat Harbour	60,000	-	-	-	-	-	-	-	-	-	-	60,000
Te Anau	P-10880	Refurbishment Boat Harbour	-	61,800	-	-	-	-	-	-	-	-	-	61,800
Tuatapere	P-10666	Tuatapere Boat ramp - refurbishment	5,000	-	-	-	-	-	-	-	-	-	-	5,000
Sewerage														
Asset Management	P-10451	Oxidation pond sludge surveys	80,000	-	-	-	-	-	-	-	-	-	-	80,000
Asset Management	P-10985	Design/QA/Project Management	150,415	-	-	-	-	-	-	-	-	-	-	150,415
Asset Management	P-10446	SCADA replacement	-	414,433	-	459,243	-	511,883	-	-	-	-	-	1,385,558
Balfour	P-10453	Consent Renewal Preparation	-	207,000	-	-	-	-	-	-	-	-	-	207,000
Balfour	P-10453	Consent Renewal Treatment upgrade	-	-	1,592,865	-	-	-	-	-	-	-	-	1,592,865
District wide	P-10447	Inflow project to comply with consent limits	150,000	-	-	-	-	-	-	-	-	-	-	150,000
District wide	P-10448	End of life wastewater pumps and electrics	-	-	176,277	-	186,287	-	200,012	-	-	-	-	562,575
District wide	P-10449	Chainlink fencing to remaining oxidation ponds	-	-	-	181,037	186,287	191,503	-	-	-	-	-	558,826
District wide	P-10450	Safety egress ladders for oxidation ponds	30,000	-	-	-	-	-	-	-	-	-	-	30,000
District wide	P-10452	Completion of oxidation pond desludging - Nightcaps and Lumsden	-	414,000	-	-	-	-	-	-	-	-	-	414,000
Edendale-Wyndham	P-10454	Consent renewal preparation Edendale/Wyndham plant	200,000	1,552,500	1,592,865	-	-	-	-	-	-	-	-	3,345,365
Gorge Road	P-10455	Consent Renewal Preparation	-	-	-	-	44,888	-	-	-	-	-	-	44,888
Gorge Road	P-10456	Wastewater pumps	-	-	-	-	-	-	238,109	430,442	-	-	-	668,551
Lumsden	P-10457	Consent Renewal Preparation	-	-	-	-	-	-	238,109	-	-	-	-	238,109
Manapouri	P-10266	Consent Renewal Preparation	134,000	-	-	-	-	-	-	-	-	-	-	134,000
Manapouri	P-10459	Wastewater treatment upgrade	-	-	2,123,820	2,181,163	-	-	-	-	-	-	-	4,304,983
Monowai	P-10460	Consent Renewal Preparation	20,000	-	-	-	-	-	-	-	-	-	-	20,000
Monowai	P-10461	Consent renewal investment	-	-	-	-	-	-	178,582	-	-	-	-	178,582
Nightcaps	P-10462	Treatment upgrade and land disposal investigation	-	-	-	1,635,872	1,683,313	230,726	-	-	-	-	-	3,549,911
Nightcaps	P-10463	Switchboard and Pumps	-	-	-	-	96,904	-	-	-	-	-	-	96,904
Ohai	P-10464	Wastewater treatment plant consent renewal	120,000	-	-	-	-	-	-	-	-	-	-	120,000
Otautau	P-10465	Switchboard renewals	-	-	-	-	-	-	343,988	355,340	-	-	-	699,328
Otautau	P-10466	Consent Renewal Preparation	-	-	-	-	-	-	178,582	-	-	-	-	178,582
Riversdale	P-10467	Wetwell and pumpstation renewal	-	285,006	-	-	-	-	-	-	-	-	-	285,006
Riversdale	P-10468	Waterwater treatment plant upgrade	1,300,000	1,345,500	-	-	-	-	-	-	-	-	-	2,645,500

Riverton	P-10469	Townside treatment renewal for infiltration basins and pump replacement	-	-	-	185,399	-	-	-	-	-	185,399
Stewart Island	P-10024	Disposal field upgrade	300,000	-	-	-	-	-	-	-	-	300,000
Stewart Island	P-10472	Switchboards, Cabinets and pumps	-	-	-	-	-	-	-	636,957	656,703	1,293,661
Stewart Island	P-10473	Balance of pumps to stage 1 sewer pumpstations	-	59,555	-	-	-	-	-	-	-	59,555
Stewart Island	P-10474	Consent Renewal Preparation	-	207,000	-	-	-	-	-	-	-	207,000
Te Anau	P-10155A	Wastewater upgrade Te Anau	1,445,031	1,495,607	-	-	-	-	-	-	-	2,940,638
Te Anau	P-10155D	Wastewater upgrade Te Anau - demand portion	904,969	936,643	-	-	-	-	-	-	-	1,841,612
Te Anau	P-10475	Switchboard and pump replacements	-	-	-	-	-	-	231,310	239,174	-	470,484
Te Anau	P-10478	Caswell Road sewer upgrade	1,000,000	-	-	-	-	-	-	-	-	1,000,000
Te Anau	P-10479	Removal of sludge off site	-	-	-	-	201,998	-	-	-	-	201,998
Te Anau	P-10480	Oxidation pond improvements	-	-	-	-	-	-	-	315,369	-	315,369
Te Anau	P-10984	Remove and dispose of sludge off-site	188,744	-	-	-	-	-	-	-	-	188,744
Tuatapere	P-10481	Consent Renewal Preparation	20,000	-	-	-	-	-	214,298	-	-	234,298
Wallacetown	P-10482	Replacement wastewater pumps	-	-	-	65,435	-	-	-	-	-	65,435
Wallacetown	P-10483	Wastewater consent contribution to Alliance	-	-	-	-	-	-	149,117	-	-	149,117
Winton	P-10126	Consent renewal preparation	200,000	-	-	-	-	-	-	-	-	200,000
Winton	P-10484	Winton sewerage - Eastern reticulation upgrade design	-	-	-	163,587	-	-	-	-	-	163,587
Winton	P-10484	Winton sewerage - Eastern reticulation upgrade projects	-	-	-	-	1,122,208	1,153,630	-	-	-	2,275,839
Winton	P-10485	Switchboard and Aerators at Winton WWTP	-	-	-	-	-	268,376	276,964	-	-	545,340
Winton	P-10486	Winton WWTP upgrade	-	-	-	-	5,611,042	1,536,303	1,905,464	-	-	29,052,809
Winton	P-10487	Stormwater infiltration project - Winton wastewater network	85,899	-	530,955	545,291	-	-	-	-	-	1,162,145
Stormwater												
Asset Management	P-10985	Design/QA/Project Management	88,402	-	-	-	-	-	-	-	-	88,402
Edendale-Wyndham	P-10431	Edendale/Wyndham stormwater main/manhole renewal and subsoils	630,000	-	-	-	1,142,478	1,171,040	-	-	-	2,943,517
Limehills	P-10432	Mechanical cleaning of open drains	-	-	-	26,641	-	-	-	-	31,107	57,749
Lumsden	P-10990	Investigation for SE stormwater catchment upgrade in Lumsden	-	20,580	-	-	-	-	-	-	-	20,580
Lumsden	P-10278	SE stormwater catchment upgrade in Lumsden	-	-	-	462,829	-	-	-	-	-	462,829
Mossburn	P-10434	Change of soakholes to comply with discharge consent - Mossburn	-	51,450	52,736	-	-	-	-	-	-	104,186
Nightcaps	P-10435	Investigations and renewals	-	-	-	216,219	-	227,386	-	-	-	443,605
Ohai	P-10436	Investigations and renewals	-	-	-	-	221,840	-	233,298	-	-	455,139
Orepuki	P-10437	Upgrade stormwater mains to address outfall erosion	240,000	-	-	-	-	-	-	-	-	240,000
Otautau	P-10438	Investigations and stormwater renewals	-	-	-	-	-	-	239,597	-	252,464	492,062
Riversdale	P-10439	Renew soakholes to comply with discharge consent	-	28,092	-	-	-	-	-	-	-	28,092
Riversdale	P-10991	Reticulation Upgrade	25,000	-	-	-	-	-	-	-	-	25,000
Riverton/Aparima	P-10441	Taramea Bay - outfall improvement investigation	25,000	25,725	-	-	-	-	-	-	-	50,725
Riverton/Aparima	P-10958	Towack Street upgrade	200,000	-	-	-	-	-	-	-	-	200,000
Stewart Island/Rakiura	P-10442	Stormwater improvements for Oban	150,000	257,250	-	-	-	-	-	-	-	407,250
Te Anau	P-10443	Stormwater discharge improvements to surface water Te Anau Lakefront	-	-	-	-	221,840	-	-	-	-	221,840

Winton	P-10445	Investigation and replacement of storm main - Winton	500,000	514,500	527,363	540,547	554,601	568,466	583,246	598,994	615,166	631,161	5,634,042
Winton	STO9999	Longwood Rd to Price Road	-	-	-	-	-	-	349,948	-	-	-	349,948
Woodlands	P-11012	Stormwater Upgrade	350,000	-	-	-	-	-	-	-	-	-	350,000
Water Supply													
Drinking Water													
Asset Management	P-10433	ION integration - 3 waters - IT	20,000	-	-	-	-	-	-	-	-	-	20,000
Asset Management	P-10476	Mobility Field Inspection integration - IT	-	51,750	53,096	-	-	-	-	-	-	-	104,846
Asset Management	P-10477	IPS metering module and anomaly reporting - IT	-	10,350	-	-	-	-	-	-	-	-	10,350
Asset Management	P-10488	Telemetry SCADA integration with IPS - IT	10,000	-	-	-	-	-	-	-	-	-	10,000
Asset Management	P-10521	Asset master data configuration - IT	15,000	-	-	-	-	-	-	-	-	-	15,000
Asset Management	P-10522	Asset master data correction and validation - IT	5,000	5,175	-	-	-	-	-	-	-	-	10,175
Asset Management	P-10523	Advanced asset management - IT	-	31,050	-	-	-	-	-	-	-	-	31,050
Asset Management	P-10524	Data improvements - IT	50,000	-	-	-	-	-	-	-	-	-	50,000
Asset Management	P-10985	Design/QA/Project Management	152,559	-	-	-	-	-	-	-	-	-	152,559
Asset Management	P-10992	Pipe sample testing all schemes	-	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	450,000
District wide	P-10489	Dosing and monitoring instrumentation district wide	100,000	-	106,191	-	112,221	-	119,055	-	127,165	-	564,631
District wide	P-10494	End of life water storage replacement	-	-	-	327,174	-	-	-	-	-	-	327,174
District wide	P-10495	End of life water pumps and electrical	-	-	-	54,529	56,110	-	-	-	-	-	110,640
District wide	P-10516	Auto valving to meet DWS compliance	200,000	362,250	-	-	-	-	-	-	-	-	562,250
District wide	P-10517	Replacement of AC pipe - end of life - District Wide	1,965,000	890,100	1,497,293	1,537,720	1,582,314	1,626,619	1,678,670	1,734,067	1,793,025	1,848,609	16,153,416
District wide	P-10520	District wide acuflo manifolds and check valves	109,000	112,815	115,748	118,873	122,321	125,746	129,770	134,052	138,610	142,907	1,249,841
District wide	P-10490	SCADA to all water schemes	71,433	-	79,618	-	88,570	-	99,203	-	-	-	338,825
Eastern Bush	P-10007	Water Supply Upgrade	2,000,000	1,035,000	1,061,910	-	-	-	-	-	-	-	4,096,910
Edendale-Wyndham	P-10497	Blower replacement	-	-	-	-	-	-	188,643	-	-	-	188,643
Edendale-Wyndham	P-10498	Consent Renewal Preparation	-	51,750	-	-	-	-	-	-	-	-	51,750
Lumsden/Balfour	P-10265	District Metering areas	50,750	52,526	-	-	-	-	-	-	-	-	103,276
Lumsden/Balfour	P-10499	UV and Turbidity monitoring	-	-	-	-	-	-	112,067	115,766	-	-	227,833
Lumsden/Balfour	P-10500	Consent Renewal Preparation	-	-	53,096	-	-	-	-	-	-	-	53,096
Manapouri	P-10263	Water treatment plant upgrade	1,600,000	207,000	-	-	-	-	-	-	-	-	1,807,000
Mossburn	P-10502	Reservoir and chlorine monitoring	-	-	-	272,645	-	-	-	-	-	-	272,645
Mossburn	P-10503	Consent Renewal Preparation	-	-	53,096	-	-	-	-	-	-	-	53,096
Ohai/Nightcaps	P-10504	Sinclair Ave watermain renewal - Nightcaps	-	113,850	-	-	-	-	-	-	-	-	113,850
Ohai/Nightcaps	P-10505	Switchboard and monitoring - Ohai	-	-	-	-	-	57,682	-	-	-	-	57,682
Ohai/Nightcaps	P-10506	Consent renewal preparation - Ohai water	150,000	-	-	-	-	-	-	-	-	-	150,000
Ohai/Nightcaps	P-10507	Tank replacement - Ohai	-	-	-	218,116	-	-	-	-	-	-	218,116
Otautau	P-10508	Consent Renewal Preparation	-	51,750	-	-	-	-	-	-	-	-	51,750
Riverton	P-10268	Additional UV disinfection	200,000	-	-	-	-	-	-	-	-	-	200,000
Riverton	P-10270	District Metering areas	-	-	-	87,247	-	-	-	-	-	-	87,247
Riverton	P-10492	Replacement and upgrade of sand filter	-	-	-	-	336,663	-	-	-	-	-	336,663
Riverton	P-10509	Reticulation Upgrade	-	-	-	-	602,467	619,336	-	-	-	-	1,221,802
Riverton	P-10510	Emergency water discharge consent	50,000	-	-	-	-	-	-	-	-	-	50,000
Riverton	P-10512	Alum sludge removal	50,000	-	-	-	-	-	-	-	-	-	50,000
Riverton	WAT525	Replacement of membranes	-	-	-	-	77,000	-	-	-	-	-	77,000
Te Anau	P-10271	Sandy Brown Road booster station upgrade	-	-	159,287	65,35	-	-	-	-	-	-	224,721
Te Anau	P-10471	Upgrade of contact tanks	-	-	-	436,233	-	-	-	-	-	-	436,233
Te Anau	P-10491	Consent renewal preparation	-	77,625	-	-	-	-	-	-	-	-	77,625
Te Anau	P-10496	Reticulation renewals ahead of time	534,133	552,828	-	-	-	-	-	-	-	-	1,086,961

Te Anau	P-10743	Lateral replacement ahead of time and switchboards/monitoring	1,000,000	-	-	-	-	-	-	-	-	-	1,000,000
Winton	P-10337	Water tower engineers report	-	-	-	-	-	-	-	-	25,433	-	25,433
Winton	P-10518	Turbidity and pH monitoring/correction	300,000	207,000	-	-	-	26,793	-	-	-	-	533,793
Rural water													
Five Rivers rural water supply	P-10428	Five Rivers rural water supply sanitising investigations	25,000	-	-	-	-	-	-	-	-	-	25,000
Matuku	P-10423	Matuku rural water supply sanitising investigations	80,000	-	-	-	-	-	-	-	-	-	80,000
Te Anau rural water supply	P-10422	Te Anau Basin Rural Water sanitising investigations	150,000	-	-	-	-	-	-	-	-	-	150,000
Te Anau rural water supply	P-10422	Te Anau Basin Rural Water sanitising physical works	-	517,500	530,955	545,291	-	-	-	-	-	-	1,593,746
Te Anau rural water supply	P-10501	Consent Renewal preparation - Mt York water	-	-	53,096	-	-	-	-	-	-	-	53,096
Te Anau rural water supply	P-10511	Intake screen - Duncraigen RWS	50,000	-	-	-	-	-	-	-	-	-	50,000
Te Anau rural water supply	P-10513	Trunk main renewal - Princhester RWS	-	-	-	54,529	-	-	-	-	-	-	54,529
Te Anau rural water supply	P-10514	Switchboards and Pump - Takitimu RWS	-	-	-	-	181,669	-	-	-	-	-	181,669
Te Anau rural water supply	P-10515	Consent renewal preparation - Takitimu RWS	-	-	53,096	-	-	-	-	-	-	-	53,096
Corporate services													
Asset management	P-10430	Coastal plan resource consent preparation	-	-	-	-	-	-	-	-	-	189,348	189,348
Corporate services	P-10039	Core system replacement	923,210	-	-	-	-	-	-	-	-	-	923,210
Grand Total			27,833,431	18,839,776	21,515,345	19,525,057	17,410,876	20,739,666	19,690,580	5,948,690	4,987,356	5,660,718	162,151,494

Glossary

Activity: Goods or services provided by or on behalf of Council.

Activity management plan (AMP): A long-term planning document for managing Council's assets and activities to ensure capacity to provide a service is maintained and that costs over the life of the asset are kept to a minimum (eg water services).

Advocate: Council acts as an advocate when it represents the views of community groups, organisations and residents to a range of organisations such as regional council and central government.

Annual Plan: Produced in the intervening years between Long Term Plans. Explains variations from the activities or budgets in the current Long Term Plan and confirms arrangements for raising revenue for the financial year. It also includes the forecast financial statements and other relevant information for the year.

Annual Report: Reports on the performance of Council against the objectives, policies, activities, performance measures, indicative costs and sources of funds outlined in the Annual Plan and the Long Term Plan.

Asset: A resource owned by Council such as roads, drains, parks and buildings.

Asset acquisition: Capital expenditure on assets. Usually because of extra demand or to improve the level of service provided.

Assumptions: A statement that is used as the basis for making particular predictions that may or may not occur.

Capital costs: These include transactions that have an effect on the longer term (ie greater than 12 months) financial position of Council. Items include the repayment of loan principal, transfer of funds to reserve accounts and the purchase or construction of assets.

Capital expenditure: Money spent to build or buy a new asset or to improve the standard of an existing asset.

Capital financing: This includes transactions that have an effect on the longer term financial position of Council. Items include the raising of loan funds and transfers from reserve accounts.

Capital value: The estimated value of land and improvements (that it may realise at sale) assessed for rating purposes.

Carry forward projects: A project identified as a carry forward is a project that was scheduled to be completed in a previous financial year but was not completed within that year so has been carried forward to the current year to complete.

Catchment: The area of land that collects rain which then flows into a waterway.

Community board (CB): People elected to represent a specific community. CBs are elected every three years by postal vote.

Contract standards: The standards defined in specific contracts for service delivery by contractors.

Council controlled organisations (CCOs): Organisations in which one or more local authorities control 50% or more of the voting rights or appoint 50% or more of the directors.

Current assets: Assets which can be readily converted to cash, or will be used up during the year. These include cash, stock, debtors and operational investments.

Current liabilities: Creditors and other liabilities due for payment within the financial year. Public debt to be refinanced within the financial year is excluded.

Delineation: Visual road markings such as marker posts and reflective cat's eyes.

Depreciation: Depreciation is an accounting concept to recognise the consumption or loss of economic benefits embodied in items of property, plant and equipment. Depreciation spreads the cost of items such as property, plant and equipment over their useful lives as an operating expense.

Design life: The period of time for which an asset is expected to perform its intended function.

Development contributions (dev con): A contribution from developers to cover the cost of servicing growth.

Differential (rating): A technique used to 'differentiate' or change the relative rates between different categories of rateable land in order to adjust the rating burden on one or more groups of ratepayers.

Distribution of benefits: The degree or scope to which a Council activity generates benefits of individuals, parts of the community or the District as a whole.

District funded project: Where projects are accumulated and funded as a group rather than individually. They may have been funded by a combination of rates, loans or reserves.

District Plan: A plan under the Resource Management Act 1991 that manages, through objectives, policies and rules, the adverse impact of land uses on the environment of the District. The Southland District Plan became operative on 27 June 2001.

Drinking-water standards: Standards about drinking-water quality/treatment.

Economic life: The period of time during which an asset will have economic value and be usable.

Emissions trading scheme: An administrative approach used to control pollution by providing economic incentives for achieving reductions in the emissions of pollutants. Creates permits for units of greenhouse pollution that can be traded.

Equity: A financial term, also known as net worth. The total value of assets less total liabilities.

Estimated remaining life: The estimated remaining life is an estimation of when buildings or assets would no longer be suitable to use. In the case of buildings, the remaining life of a building is when it is considered no longer suitable for the intended use, even though the building itself may still be structurally sound.

Facilitator: When Council works collaboratively or in partnership with others to organise, encourage or assist in projects or programmes which help to achieve the outcomes for the District, it acts as a facilitator.

Fixed assets: These consist of land and buildings and infrastructural assets including sewer and water systems and the transport network. Sometimes referred to as capital assets.

Funder: Council's funding role includes funding of core business and providing financial assistance to a range of organisations for various projects and programmes through grants.

Funding impact statement: A document that includes information that discloses revenue and financing mechanisms and indicates the level or amount of funds to be produced by each mechanism.

Impairment: Where the book value of an asset exceeds its recoverable amount - can be caused by such things as a decline in market value.

Improved value: The estimated value of improvements (that it may realise at sale) assessed for rating purposes. Does not include the value of any land.

Infrastructural assets: Infrastructural assets are utility service networks, ie water, wastewater, stormwater and roading. They also include associated assets such as pump stations, the treatment plant, streetlighting and bridges.

Investment Policy: A document that states Council's policies in respect to investments.

Iwi: People or tribe.

Key performance indicators (KPIs): The measures by which Council's performance is assessed. Council uses these measures when reporting on how it has performed in its various activities.

Land value: The estimated value of land (that it may realise at sale) assessed for rating purposes. Does not include the value of any improvements.

Levels of service (LoS): The defined quality/standard of service for a particular activity or service area against which performance may be measured.

Liability Management Policy: A document that states Council's policies concerning the management of both borrowing and other liabilities.

Lifelines: Lifelines are the essential infrastructure and services that support the life of our community - utility services such as water, wastewater and stormwater, electricity, gas, telecommunications and transportation networks including road, rail, airports and ports.

Local authority: A regional, district or city council.

Local Government Act 2002 (LGA 2002): The Local Government Act 2002 received royal assent on 24 December 2002. It is the primary legislation that governs Council's operations and actions.

Long Term Plan (LTP) or 10 Year Plan: The Long Term Plan sets out Council's response to community outcomes and how Council will manage its finances and the communities' resources. The requirement for the LTP was introduced by the LGA 2002. The first LTP was adopted on June 2004 as required by the LGA 2002 (initially called Long Term Council Community Plan LTCCP).

Monitor: Council has a monitoring role under the LGA to monitor and report three yearly on the progress made towards achieving community outcomes.

Non-cash expenditure: Expenditure that is identified for accounting purposes, but for which no cash (such as rates) are collected to pay for it, eg depreciation. Council pays for capital expenditure projects each year instead of accumulating depreciation funding for replacements in the future.

NZTA: Waka Kotahi NZ Transport Agency.

Operating expenditure: Money spent to deliver a service, maintain an asset, or any other expenditure, which does not buy, or build on, a new asset.

Operating revenue: Money earned through the activities in return for a service provided, or by way of a grant or subsidy to ensure particular services or goods are provided. For example, NZTA subsidies, rental income, permits and fees.

Operating surplus/(deficit): The expressions “operating surplus” and “operating deficit” are accounting terms meaning the excess of income over expenditure and excess expenditure over income respectively. Income and expenditure in this context exclude “capital” items such as the receipt or repayment of loans, the cost of capital works and transfers to and from reserves. An operating surplus/deficit is inclusive of non-cash items such as income and expenditure owing but not paid and depreciation.

Optimisation strategies: Looking at ways to get the most out of assets.

Pavement: Paved surface, usually either a footpath or description of seal on a roadway.

Period of benefits: Time over which the benefit of engaging in a Council activity will occur. If required by statute, the activity's period of benefit may be ongoing as opposed to finite.

Potable: Suitable for drinking.

Regulatory role: Council has a regulatory role as it operates under and enforces a range of legislation.

Rehabilitation: Rebuilding of a road and restoring it to the original slope and natural drainage patterns.

Renewal: Restore to a new condition.

Resealing: Putting a new layer of seal on a road. Involves spraying bitumen over existing sealed sections and then applying a surfacing layer to help maintain resistance to water and cracking.

Reserves (financial): Monies held for specific purposes on either for Council or on behalf of local communities.

Residual waste: Remaining waste material once activities to reduce, re-use, recycle, recover and treat have been undertaken.

Resources: These are the assets, staff and funds needed to contribute to the activities of Council including goods, services and policy advice.

Reticulated: Piped networks.

Revenue and Financing Policy: A comprehensive policy stating how each activity of Council is to be funded - from rates, user charges, subsidies, other income or a combination of these. It also includes details of the various rating mechanisms used by Council.

RMA: Resource Management Act 1991.

Rural water supply (RWS): This is an untreated supply which is provided primarily for stock-water.

Scheme capital recovery: Payment towards capital project/expenditure (generally related to a water or wastewater scheme).

Service provider: Council provides services as required by law, eg wastewater, or by community mandate, eg parks.

Shared services forum: This is a collaborative arm of the four councils within Southland (Southland District Council, Gore District Council, Invercargill City Council and Environment Southland). The forum is made up of representatives of each council who meet regularly to discuss common issues and opportunities for inter-council collaboration.

Significance: The degree of importance attached by Council to an issue, proposal, decision or other matter in terms of its likely impact on the well-being of the District.

Significance and Engagement Policy: Sets out how Council determines how significant a project or decisions are and therefore the level of consultation and analysis required.

Significant Decision: A Council decision that has a high degree of importance in terms of economic, social, environmental, or cultural well-being.

Special Consultative Procedure: A process required by the Local Government Act 2002. This sets out a series of steps that a local authority must take when consulting on certain types of decisions.

Statutory/legislative requirements: Requirements identified and defined in law.

Sustainable development: Endeavouring to balance the social, cultural, economic and environmental objectives for both future and current generations in Council's planning processes, decision-making and operations.

Territorial authority: A city council or district council.

Vested assets: Vested assets are the assets which are given to Council by developers at the completion of their development, such as roads, water and wastewater