

CENTRAL OTAGO DISTRICT COUNCIL

10

YEAR PLAN

2018 - 2028

Time to put our plan into action

We received 478 submissions in our 2018-28 10-Year Plan consultation. Thank you to all those who “took 10 for 10” and got involved to share your views.

Below is an overview of public feedback on the four main issues presented in our consultation document.

Clyde Wastewater

Of the 346 people who commented on this issue, 78% supported Council's preferred option of staging the Clyde wastewater project. The majority of respondents also supported Council's preferred option of a connection fee of \$10,000 with an annual cost of \$56 being contributed from all Clyde properties within the three staged areas and all properties across the district that receive wastewater services. The strong feeling through comments was a positive response in favour of getting the project done and confirming the importance of this project. On the basis of this strong support Council has given the green light for this project to proceed as per its preferred option put out in the consultation document.

Lake Dunstan Water Supply

There were 348 submitters who provided feedback on the Lake Dunstan Water Supply project, and of those 87% supported Council's preferred option to bring forward full treatment. Council will now construct the pipeline and the treatment works (cartridge filtration and UV treatment) in one stage. The scheme will now comply with the New Zealand Drinking Water Standards in 2020.

Clyde Heritage Precinct

Council's preferred option for the Clyde Heritage Precinct was to develop Clyde's “heart” by upgrading Lodge Lane to a shared public space, providing a connection to the river, and making changes to parking and reducing speed on Sunderland Street. This option attracted 65% support in written submissions. Option 1 also received strong support from those who came to speak to Council, who stressed the importance of retaining the authentic character and charm of the village in the design. Council agreed to proceed with Option 1 from its consultation document noting that the community would be kept informed as detailed designs were developed in the year ahead.

Kerbside Wheelie Bin Collection

The proposed change to the kerbside wheelie bin collection involved replacing every second glass collection with a mixed recyclables collection. There was general support for this proposal with 74% of submitters supporting this option. Council resolved to adopt its proposed new collection regime. Fortnightly rubbish collections (red bin)

will continue but from July 2018 there will be two-weekly collection for mixed recyclables (yellow bin) for three collections in a row and an eight weekly collection of glass recyclables (blue bin).

A further 10 issues were raised in the consultation document to inform and promote discussion with the community on matters either in motion or on the horizon.

Affordable Housing Needs Assessment

Council agreed to make a grant of \$50,000 to the Affordable Housing Trust in Year 1 to fund a Housing Needs Assessment.

Central Stories

About 100 people passed comment on the Central Stories feasibility study. These comments will be passed on to the contractor undertaking the study to be captured in that process.

Kerbside Collection for Rural Residents

Council agreed to offer a voluntary (opt in) kerbside collection service (three bins) to rural properties who are on the existing current commercial rural wheelie bin routes.

Greenwaste

Council's proposal to reduce charges for greenwaste disposal at transfer stations proved to be a popular idea and so this has been actioned in the fees and charges schedule for the 2018/19 year.

Cromwell Town Centre and Cromwell Memorial Hall

Updates on developments on both the town centre and hall projects attracted more than 100 comments each. These will be forwarded on to be captured in the Cromwell Eye to the Future Masterplan programme.

Omakau Community Facility

The 45 comments on a potential new multi-use community facility for Omakau will be forwarded on to the authors undertaking the current feasibility study.

Omakau Water Supply

Fifty-four respondents chose to comment on this issue with most supportive of the steps Council was taking to ensure the improvements to the town's water supply were done right.

Cover Image: Bill Nagle, Haehaeta Natural Heritage Trust.

Development Contributions Policy

Fifty-three submitters commented on this policy, which Council had highlighted key changes to. Most submitters were in support or neutral.

Council's Elderly Persons' Housing Units

Council included its new eligibility criteria for its units as an 'FYI' item, which did attract a few comments on the wider issue of elderly persons' housing.

Other Feedback

A variety of other issues were raised through the consultation. Topics that came through strongly in other feedback were: calls for the existing dog exercise area in Clyde to be upgraded to a maintained Dog Park; a call for Council to place more importance and do more work on protecting our biodiversity; calls for measures to address increased traffic volumes on a number of local roads; and concerns around growth, the environment and zoning issues that will be fed onto the District Plan Review process.

Grants and other funding

Council and community boards agreed to a small number of funding requests brought before them during this consultation process. Grants may be subject to terms and conditions.

These were:

Council

- A grant to Maniototo Curling International of \$10,000 per annum for three years provided that international events continue.
- A grant to Central Otago Heritage Trust of \$40,000 per annum for three years with an annual review to look at performance against the 2018 Strategy and Plan.

This money is to be used to fund a part-time Heritage Coordinator.

- A grant to Life Education Trust of \$2,500 per annum for three years to assist it in its community youth health and mental wellbeing education service.

Cromwell Community Board

- A grant to the Bannockburn Community Centre Management Committee of \$5,000 per annum for three years.
- The Board agreed to take on the mowing of the Cromwell Bike Park at an estimated cost of \$5,000 per annum.

Vincent Community Board

- A grant of \$1,000 per annum (ongoing) to the Ophir Pool.
- The Board agreed to provide \$50,000 capital funding to assist the Alexandra BMX Club complete a track upgrade at its Molyneux Park community facility in Year 1.
- \$25,000 for tree removal and maintenance work at St Bathans Cemetery in Year 1.
- A grant of \$2,552 (ongoing) to Central Otago Netball to help with its toilet upgrade and continued maintenance.
- An increase of \$1,250 for Galloway Hall.

Our final 10-Year Plan has an average rates increase of 4.4% for 2018/19.

Our plan provides a basis for ensuring the Council remains accountable to the community. This will primarily be achieved through reporting back on progress against the plan via our Annual Report 2018/19, which will be adopted in October 2019.

Other Changes

Due to increased work demands from district and organisational growth, a further six full-time equivalent positions have been created across Council.

10 10-YEAR PLAN

The 10-Year Plan sets out our strategic direction and work programme for the 10 years ahead. It outlines the services we will provide, the projects we will undertake, the cost of doing this work, how it will be paid for and how we will measure the quality and our effectiveness. The issues we face and the context within which we work are continuously evolving. For this reason, an 10-Year Plan is produced every three years.

AR ANNUAL REPORT

At the end of each financial year we produce an Annual Report. This sets out how we performed for the year compared to what we said we would do. It lets you know what we delivered and analyses whether we met our budgets and performance targets.

AP ANNUAL PLAN

In each of the two years between 10-Year Plans we produce an Annual Plan. The Annual Plan takes a fresh look at the budgets and work programme that we planned for the year, according to the 10-Year Plan, and considers whether adjustments are needed.

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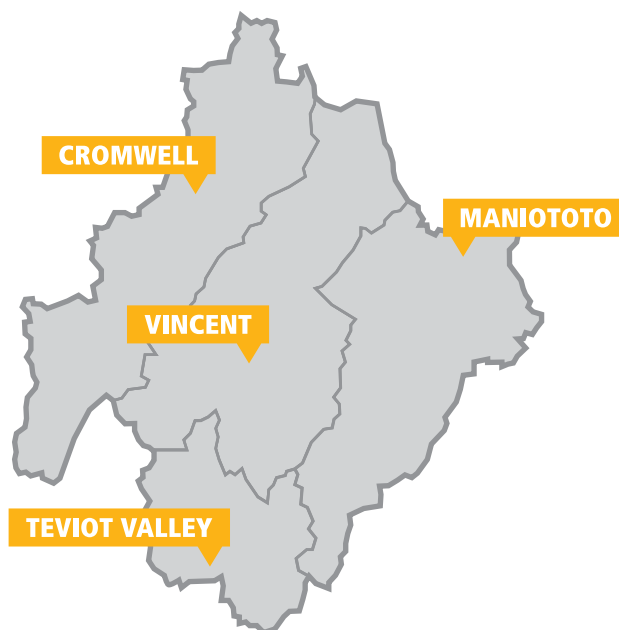


Planning Our Future
TOGETHER

Our Space, Our Place

The Central Otago district covers an area of 9968.5km² and encompasses the electoral wards Alexandra and Earnsclough-Manuherikia (Vincent), Cromwell, Maniototo and Teviot Valley. The main towns include Alexandra, Clyde, Cromwell, Roxburgh, Ranfurly and Naseby. Our population at the 2013 Census was 17,895. Infometrics estimated our 2017 usual resident population at 20,300. We have one of the lowest population densities in New Zealand.

The Central Otago district has a unique and diverse economy. While rural or primary industries still provide the backbone, Central Otago has become an attractive place to live and visit. This means that industries such as viticulture and tourism are playing an increasing part in local development, while service industries such as construction and business services have grown considerably.



Community Planning

The aspirations of our Central Otago community are central to our planning.

Central Otago District Council helps facilitate community planning. We currently have 14 community plans and each of these community plans help articulate what it is our communities want and need to ensure this district remains a great place in which to live, work and play.

Consultation with Maori

Council also continues to foster closer relations and improved communication channels with local iwi to contribute to Council's decision-making. Council is a signatory to the Te Ropu Taiao Otago governance charter. This charter formalises an agreement between Otago Runanga and Otago local authorities to work together at both a collective and individual council level.

Our Community Outcomes

THRIVING ECONOMY

A thriving economy that is attractive to both businesses and residents alike.

Economic Development

Promote Central Otago as a place to live. Help businesses get through the legislative requirements when developing business opportunities.

Tourism

A tourism industry that is well managed, which focuses on our natural environment and heritage with marketing plans that reflect this.

Ease of Doing Business

Have easy access to information, friendly business services with streamlined consent processes.

SUSTAINABLE ENVIRONMENT

An environment that provides a good quality of life. A community with a healthy balance between its natural and built environment.

Water

Ensure there is an appropriate allocation of water for irrigation while ensuring sustainable waterways. Provide certainty in the quality and availability of residential water supplies, as well as education on water conservation.

Waste Minimisation

Reduce the waste we generate and increase recycling.

Managing Development Impacts on Landscape & Natural Ecosystems

Understand and protect the inherent values of our landscape and natural ecosystems while having well defined areas for growth.

SAFE & HEALTHY COMMUNITY

A vibrant community with a range of services and facilities. A community that values and celebrates its rich heritage.

Maintain Services in Local Communities

Retain key services and facilities which are appropriate to the local community while retaining volunteer networks.

Safe Community

Retain our safe community.

Transport & Communication

Have a well-connected community through a safe roading system and communications network.

Recreation

Respect landowners' rights, while enjoying access to our lakes and recreational areas. Encourage walking and cycling for the community's health and wellbeing.

Arts & Culture

Provide places and spaces for arts and cultural expressions.

Heritage

Have clear guidelines for accessing, managing and preserving heritage within Central Otago while also identifying tourism opportunities.

Community outcomes are a high level set of goals that we aim to achieve. These outcomes seek to improve the social, economic, environmental and cultural well-being of our district, now and for the future.

Community outcomes are important to us at Council. They are used to guide and inform the planning process and set out priorities. They also help us focus on a vision for the district.

These are the community outcomes Council has a key role in.

They will be achieved by working in partnership with the whole community, including individuals, businesses, government agencies and community organisations.



Our region's values are what Councillors will draw on to guide good decision-making.

Regional Identity

Our regional identity expresses the things that are special about this district that ring true for those in every corner of the community. It reinforces those values that are special to Central Otago as a place to live, work and play, now and for the future.

The regional identity is much more than a logo. It is about embracing those values – an image that will last and endure in the hearts and minds of both residents and visitors alike.



**CENTRAL
OTAGO**

We have inherited a magnificent natural and historic wealth. **A WORLD OF DIFFERENCE.** We must celebrate and protect it.

The upper part of the symbol represents a solitary cloud whisked upward against a vast blue sky.

The lower form represents both the landscape and the native falcon, the karearea. In symbolic language, this bird is associated with noble-natured people, strength, bravery, ingenuity and high spirits.

Our Region's Values

1. **MAKING A DIFFERENCE:** We will inspire and lead others with our special point of difference.
2. **RESPECTING OTHERS:** We will respect our culture and personal differences.
3. **EMBRACING DIVERSITY:** We will recognise differences and embrace diversity.
4. **ADDING VALUE:** We will always ask ourselves if there is a better way – one that achieves a premium status.
5. **HAVING INTEGRITY:** We will seek to be open and honest.
6. **LEARNING FROM THE PAST:** We will learn from past experiences with future generations in mind.
7. **MAKING A SUSTAINABLE DIFFERENCE:** We will make decisions in business with the community in mind and in harmony with the natural environment.
8. **PROTECTING OUR RICH HERITAGE:** We will protect and celebrate our rich heritage in landscapes, architecture, flora and fauna and different cultural origins.
9. **MEETING OBLIGATIONS:** We will meet legal obligations at both a local and national level.





TAKING 10 FOR 10

Responding to Growth

Every three years, councils undertake the mammoth task of reviewing their 10-year plan. A lot can change in three years and, certainly in Central Otago, the past three years have seen a great deal of growth caused by the rest of the world discovering our piece of paradise.

Central Otago has been a place of evolution since the very first people came here. Our communities have grown, diminished, and then grown again in new places across the district. Growth is a double-edged sword of course. A lot of people want their part of Central Otago to stay how it was 10 minutes after they moved here, but that is difficult because there is a line-up of people also wanting to come. Our general feeling is that the current challenges and opportunities of growth provide Central Otago with a unique chance to create a great place for current and future generations to live. That's why we came to you, our community, through Council's 10-Year Plan, with ideas on how to respond to the most recent wave of that growth.

This 10-Year Plan is a plan for all of the Central Otago community and, as such, we wanted as many people as possible to join in a conversation about where we are going over the next 10 years. Elected members and staff kitted up in vibrant yellow and took on the challenge to ramp up our public engagement. We encouraged the community to "take 10 for 10", asking people to take 10 minutes out of their lives to think about what they wanted for their community for the next decade and get involved. We were delighted to have both great turnouts at public drop-in sessions and to receive a record number of submissions on the 10-Year Plan. Thanks for ensuring you had your say!

Investing in our Future

We predict, with the help of some clever strategists, that in 30 years' time our district's peak population will be 25% more than we have in 2018. In addition, our visitor growth is also projected to increase as the New Zealand tourism sector grows and more people want to experience the Central Otago difference.

Growth, legislative change and the need to work smarter to continue to provide cost-effective services underpin our future work programmes. Improving the safety and resilience of all networks and schemes, while meeting the additional demands of growth and affordability will be an ongoing challenge.

Infrastructure is a core part of what Central Otago District Council provides its communities – it makes up the majority of Council's spending and the community owns, through the Council, almost three quarters of a billion dollars' worth of assets. As well as having a 10-Year Plan, the Council's Infrastructure Strategy requires it to look even further out and identify the investment that is required to meet the needs of our communities for the next 30 years. You'll find the full Infrastructure Strategy on page 53 of this Plan.

Three significant infrastructure issues the Central Otago community needs to tackle in the next 10 years are treatment of urban water supplies, treatment of urban wastewater discharges, and increased pedestrian, cycle, and traffic demand within town centres.

Related to these issues were the three big consultation issues put out for public comment – a reticulated wastewater system for Clyde, the Lake Dunstan Water Supply water treatment plant timing, and Clyde Heritage Precinct upgrades. Public feedback through engagement during the consultation and in the submissions we received saw the majority of people support Council's preferred options for these three projects.

As a result, we will be implementing a reticulated wastewater system for Clyde in three stages with the first stage to be undertaken in the first three years of the plan. This is a massive undertaking, but most agree this has to happen as our third largest town can't remain reliant on septic tanks for environmental and economic reasons.

We have also brought forward the timing of full treatment on the Lake Dunstan Water Supply rather than a staged process as previously planned. This will bring the water for both Alexandra and Clyde in line with the New Zealand Drinking Water Standards, which Council believe is crucial and will end the problem of lime in Alexandra water.

Clyde Heritage Precinct upgrades aimed at creating a shared public space in the heart of Clyde, addressing parking and speed issues and connecting the precinct area to the river will get underway in Year 1 after Council adopted option one from the consultation document, the smallest of the three proposed upgrades. Further design and construction will occur in Year 2 to continue the project. Over the life of this plan there will also be roading projects to enliven streetscapes in Roxburgh and Ophir, as well as intersection, pedestrian and cycling improvements for Cromwell.

One of the biggest challenges a council faces is balancing its community’s ability to pay with the need to maintain infrastructure, deliver services and cater for growth. Our Financial Strategy on page 100 sets out how we plan to manage Council’s asset base and operational expenditure in a cost-effective way, and fund this in a manner that is sustainable for Council and our residents and ratepayers.

Our commitment

In preparing this 10-Year Plan councillors, community board members, staff and the community have all worked together to present a plan we believe will cater for expected growth and begin to future proof our district.

We are committed to delivering the activities and services detailed on the following pages. We look forward now to working with our community to put this plan into action.



Tim Cadogan
Central Otago Mayor



Sanchia Jacobs
Chief Executive Officer

Our Activities

This section provides a detailed overview of the activities we will undertake over the next 10 years. The groups of activities incorporate the core services we deliver. We give consideration to how these services contribute to community well-being in our decision-making process.

Governance and Corporate Services provides the internal processes and support required for the organisation to carry out its activities.

Within each group of activities you will find a description of each activity, our key challenges, what we have planned, what you can expect from us, and a breakdown of the costs involved.





Water

What we do

Central Otago's vision for water services is "to deliver safe and wholesome water supplies which support a healthy community and environment".

Council provides water to properties within nine water schemes, servicing approximately 15,000 residents and 4000 visitors on an average day.

Each scheme operates under the same basic process. Water is drawn from a lake, river or bore before being treated. Treated water is then pumped to elevated storage reservoirs for distribution. The reservoirs ensure sufficient quantities are available for consumption and firefighting while the elevation produces the required pressure.

This activity contributes to the following community outcomes:

**THRIVING
ECONOMY**

**SUSTAINABLE
ENVIRONMENT**

**SAFE & HEALTHY
COMMUNITY**

Challenges we face

Improving the safety of all schemes, while meeting the additional demands of growth remains a challenge.

Most communities in Central Otago face upgrades to their water treatment process in order to comply with the New Zealand Drinking Water Standards and to address underlying water quality issues. All Council-operated schemes are chlorinated, however the Havelock North water contamination event highlights the need to prioritise drinking water treatment upgrades.

What we have planned

Our programme for water projects responds to both community demand as well as New Zealand Drinking Water Standards. The Lake Dunstan Water Supply project is progressing well with construction to commence in year 1 (2018/19). This will address the Alexandra community’s concerns regarding limescale and improve treatment standards for both Alexandra and Clyde.

Other treatment upgrades are planned to improve treatment standards for Cromwell, Ranfurly and Patearoa from 2021. Work in Cromwell will also address capacity issues due to population growth and increasing visitors.

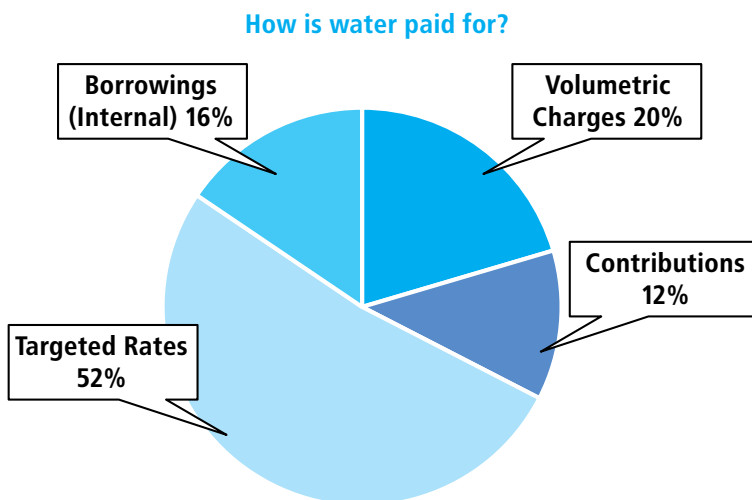
Other projects, such as reservoir construction, changes to pipe configuration, valves and backflow prevention will improve resilience. In some cases upgrade projects also respond to projected growth.

Significant negative effects

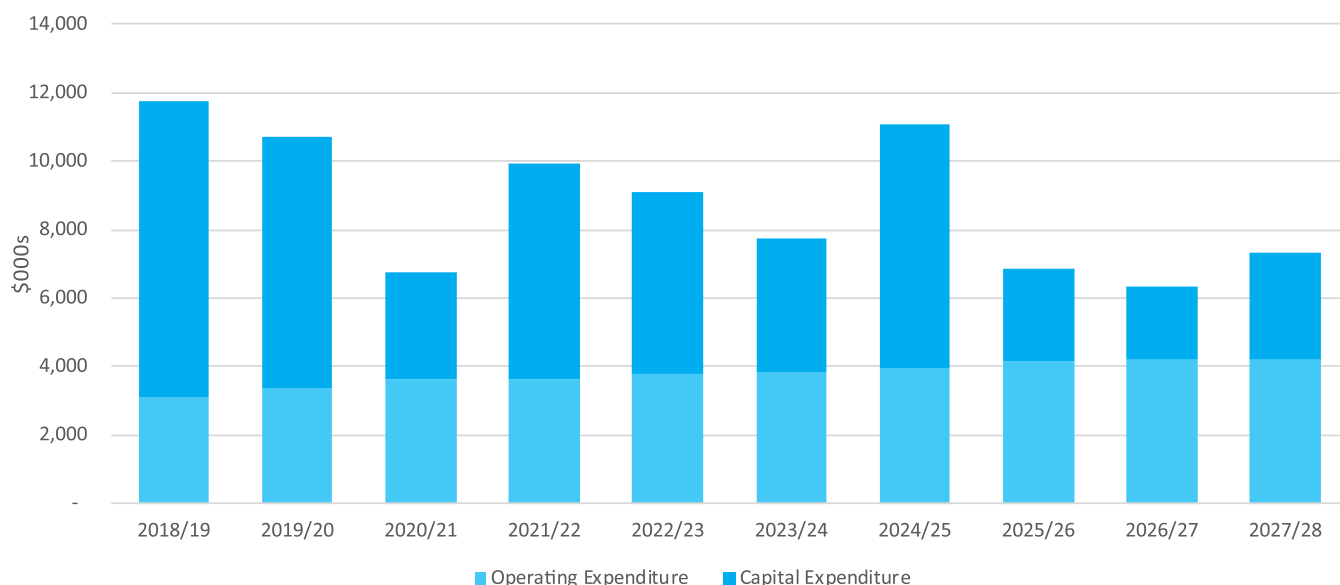
Water is taken from the environment for consumption in our urban areas. We have a duty to ensure that this water is used responsibly. A contamination event in a water supply would have significant health and economic consequences. Boil water events create health risks, have economic consequences on residents and businesses, and cause inconvenience.

How we pay for Water

10% of rates is spent on water



How much does water cost?



What you can expect from us

Community Outcome	Our Objective Level of Service	DIA Measure*	How we Measure Success
A Thriving Economy	Provide a fully accessible and reliable water network	✓	The percentage of real water loss from the network reticulation system (leaks, metering inaccuracies).
			Percentage of budgeted capital works completed annually.
			Time with water per customer per annum (planned and unplanned).
			Average time to process a request to connect to the Council's water supply.
A Sustainable Environment	Provide an efficient water network	✓	Fault response time to urgent call-outs Attendance: Resolution:
		✓	Fault response time to non-urgent call-outs Attendance: Resolution:
		✓	The average consumption of water per day per resident.
		✓	Total number of customer complaints for: <ul style="list-style-type: none"> • Water clarity • Water taste • Water odour • Water pressure and flow • Continuity of water supply • Responses to water service requests
		✓	Compliance with the NZ Drinking Water Standards Part 4: Bacterial
A Safe & Healthy Community	Provide a safe and healthy water network	✓	Compliance with the NZ Drinking Water Standards Part 5: Protozoal

*Department of Internal Affairs mandatory non-financial performance measure

2016/17 Result	Our Aim Years 1-3	Our Aim Years 4-10
29%	Target current annual real losses from the networked reticulation system \leq 20% of water produced	Target current annual real losses from the networked reticulation system \leq 20% of water produced
47%	To complete more than 90% of budgeted capital works	To complete more than 90% of budgeted capital works
99.9%	To maintain supply to customers for \geq 99% of the time	To maintain supply to customers for \geq 99% of the time
New measure	\leq 5 days	\leq 5 days
1 hour 37 minutes 7 hours and 12 minutes minutes	Target median time to get to site \leq 1 hour Target median time to resolve \leq 4 hours	Target median time to get to site \leq 1 hour Target median time to resolve \leq 4 hours
1 hour 37 minutes 7 hours and 12 minutes minutes	Target median time to get to site \leq 8 hours Target median time to resolve \leq 24 hours	Target median time to get to site \leq 8 hours Target median time to resolve \leq 24 hours
585L/person/day	To maintain water demand at $<$ 600 L/person/day	To maintain water demand at $<$ 600 L/person/day
3.74 per 1000 connections	\leq 13 per 1000 connections	\leq 13 per 1000 connections
Part 4: Bacterial Compliance Alexandra=Yes Clyde= Yes Cromwell= Yes Naseby= No Omakau/Ophir= No Patearoa= No Pisa Village= Yes Ranfurly= No Roxburgh= No	Part 4: Bacterial Compliance All treatment plants to comply All distribution zones to comply	Part 4: Bacterial Compliance All treatment plants to comply All distribution zones to comply
Part 5: Protozoal Compliance Alexandra=No Clyde= No Cromwell= No Naseby= No Omakau/Ophir= No Patearoa= No Pisa Village= No Ranfurly= No Roxburgh= No	Part 5: Protozoal compliance All schemes to comply - yes Omakau to comply 2019 Naseby to comply 2019 Alexandra/Clyde (Lake Dunstan Water Supply) to comply 2020 Patearoa to comply 2021 Ranfurly to comply 2021 Cromwell/Pisa to comply 2023	Part 5: Protozoal compliance - Yes Roxburgh, Omakau, Naseby, Lake Dunstan, Ranfurly and Patearoa water supplies to comply Cromwell/Pisa supply to comply from 2023



Wastewater

What we do

Central Otago’s vision for wastewater services is “to deliver safe and compliant wastewater networks which support a healthy community and environment”.

Council’s wastewater service enables the collection, conveyance, treatment and disposal of wastewater within seven schemes across the district. These provide service to approximately 13,500 residents and approximately 4000 visitors.

Each scheme pumps, reticulates and treats the wastewater generated by households businesses and industrial processes. Wastewater is then treated and discharged into a nearby water body or onto land.

Townships and rural areas without reticulated schemes generally use septic tanks that are privately owned and maintained.

This activity contributes to the following community outcomes:

**THRIVING
ECONOMY**

**SUSTAINABLE
ENVIRONMENT**

**SAFE & HEALTHY
COMMUNITY**

Challenges we face

Reducing the environmental impacts of all schemes, while meeting the additional demands of growth and affordability, remains a challenge.

The National Policy Statement for Freshwater Management provides direction on how local authorities should carry out their responsibilities for managing fresh water. This requires regional councils to improve water quality and meet targets. There are new requirements for regional councils to follow when managing the level of nutrients – such as nitrogen and phosphorus – which can get into waterways. This includes discharges from septic tanks.

Our environment is what makes Central Otago such a desirable place to live and visit.

What we have planned

The projects planned respond to higher discharge standards and increasing population growth and visitor numbers.

Upgrading of the Cromwell wastewater treatment site is underway to improve the quality of discharge to Lake Dunstan by 2019.

A significant project will provide a wastewater system for Clyde, with implementation staged over the next 25 years. Clyde is currently Central Otago’s third largest town and has no wastewater collection or treatment system. This project will help address cumulative effects on the Clutha River, which is part of a vulnerable catchment. It will also address odour issues, discharge compliance and groundwater quality.

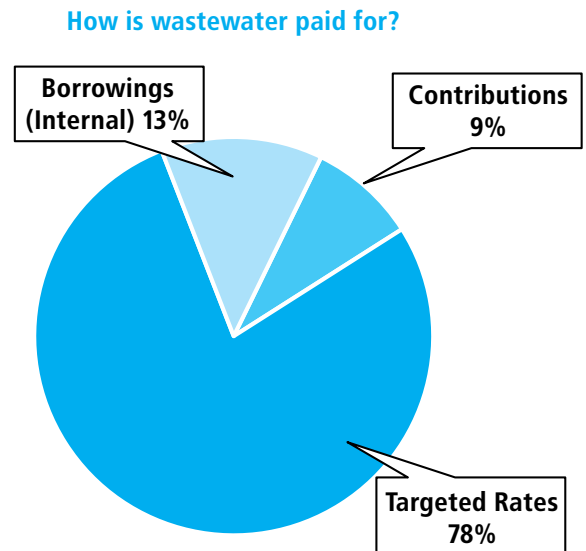
Improvements to treatment plants in our smaller towns are also programmed to meet future consent requirements.

Significant negative effects

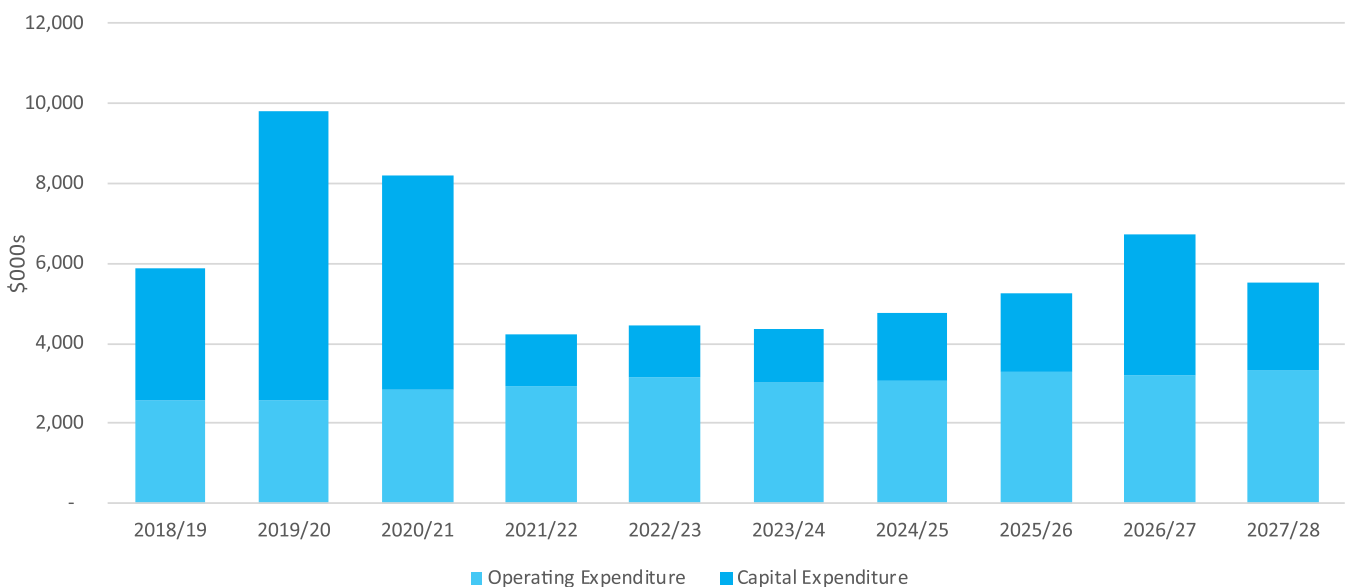
Wastewater discharges can have a negative effect on the environment and public health if they are not treated to an appropriate standard. Wastewater overflows due to blockages, pump failure or power outages also have a negative effect.

How we pay for Wastewater

15% of rates is spent on wastewater



How much does wastewater cost?



What you can expect from us

Community Outcome	Our Objective Level of Service	DIA Measure*	How we Measure Success	2016/17 Result	Our Aim Years 1-3	Our Aim Years 4-10
A Thriving Economy	Provide an efficient, accessible and reliable wastewater network	✔	Total number of customer complaints for: <ul style="list-style-type: none"> • Odour • Faults • Blockages • Responses to wastewater service requests 	10.5 per 1000 connections	Total number of customer complaints ≤ 10 per 1000	Total number of customer complaints ≤ 10 per 1000
			Percentage of budgeted capital works completed annually.	31%	To complete more than 90% of budgeted capital	To complete more than 90% of budgeted capital
			Average time to process a request to connect to the Council's wastewater network.	New measure	≤ 5 days	≤ 5 days
A Sustainable Environment	Provide a safe and compliant wastewater network	✔	Compliance with discharge consents.	Abatement Notices – Nil Infringement Notices – Nil Enforcement Orders – Nil Convictions - Nil	Abatement Notices – Nil Infringement Notices – Nil Enforcement Orders – Nil Convictions - Nil	Abatement Notices – Nil Infringement Notices – Nil Enforcement Orders – Nil Convictions - Nil
			Fault response times Attendance: Resolution:	100 minutes 1344 minutes	Target median time to get to site ≤ 1 hour Target median time to resolve the problem ≤ 4 hours	Target median time to get to site ≤ 1 hour Target median time to resolve the problem ≤ 4 hours
A Safe & Healthy Community	Provide a safe and compliant wastewater network	✔	Number of dry weather sewerage overflows from sewerage scheme.	2.7 per 1000 connections	Number of dry weather sewerage overflows ≤ 1 per 1000 connections	Number of dry weather sewerage overflows ≤ 1 per 1000 connections

* Department of Internal Affairs mandatory non-financial performance measure



Stormwater

What we do

Central Otago's vision for stormwater services is "to deliver safe and compliant stormwater networks which support a healthy community and environment".

The stormwater activity enables the collection, conveyance, and disposal of stormwater within the following towns across the district: Cromwell, Alexandra, Roxburgh, Omakau and Ranfurly.

These towns have reticulated stormwater systems to manage drainage and prevent flooding. Stormwater in these towns is conveyed directly to waterways using piped infrastructure, natural water courses and open channels.

The remaining towns have mudtanks connected to soakpits, or open channels, with culverts across roads. This infrastructure is maintained as part of the roading activities.

Flood risks from rivers and large catchments, like the Clutha and Taieri rivers, are managed by the Otago Regional Council.

This activity contributes to the following community outcomes:

**SUSTAINABLE
ENVIRONMENT**

**SAFE & HEALTHY
COMMUNITY**

Challenges we face

The National Policy Statement for Freshwater Management provides direction on how local authorities should carry out their responsibilities for managing fresh water. Regional councils are responsible for water quality, and have already introduced more stringent discharge controls for rural areas to control contaminants and sediment coming off rural properties into waterways from runoff, leaching and drains.

The Otago Regional Council is now looking at urban water discharges. This will cover all contaminant sources in urban areas, which will include stormwater discharges.

Climate change is also predicted to impact on the requirements for stormwater infrastructure. While overall rainfall is not projected to change much in the Central Otago district, the distribution and intensity of rainfall is likely to alter, with a greater likelihood of more extreme rainfall events. Stormwater infrastructure will need to be built to cope with these events.

What we have planned

Central Otago has low rainfall, and minimal stormwater discharges to waterways. We have assumed that there will be minimal additional requirements on stormwater discharges within the Central Otago area from increased regional controls on urban water discharges.

In the next three years Council will collect a detailed inventory of discharge locations and undertake flow monitoring to identify where further work may be required to improve environmental outcomes.

Council expects to be able to accommodate improvements required for environmental reasons, or upgrades for climate change within our renewals programme in the 30-year plan.

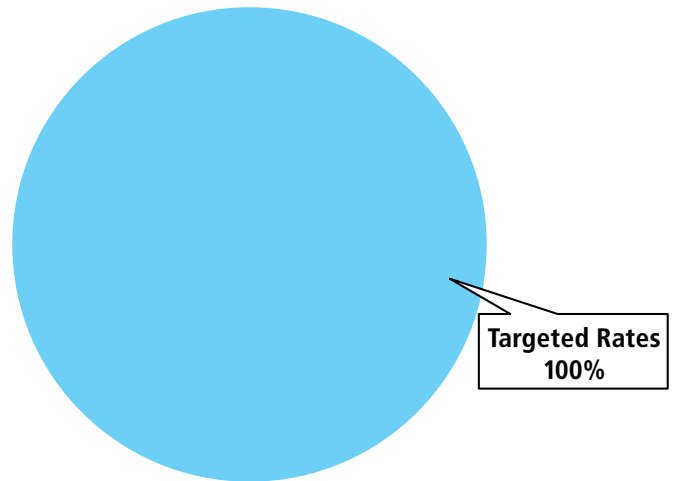
Significant negative effects

Flooding of property or homes can result when stormwater infrastructure does not have sufficient capacity for rainfall events. Stormwater discharges can have negative effects on the waterways.

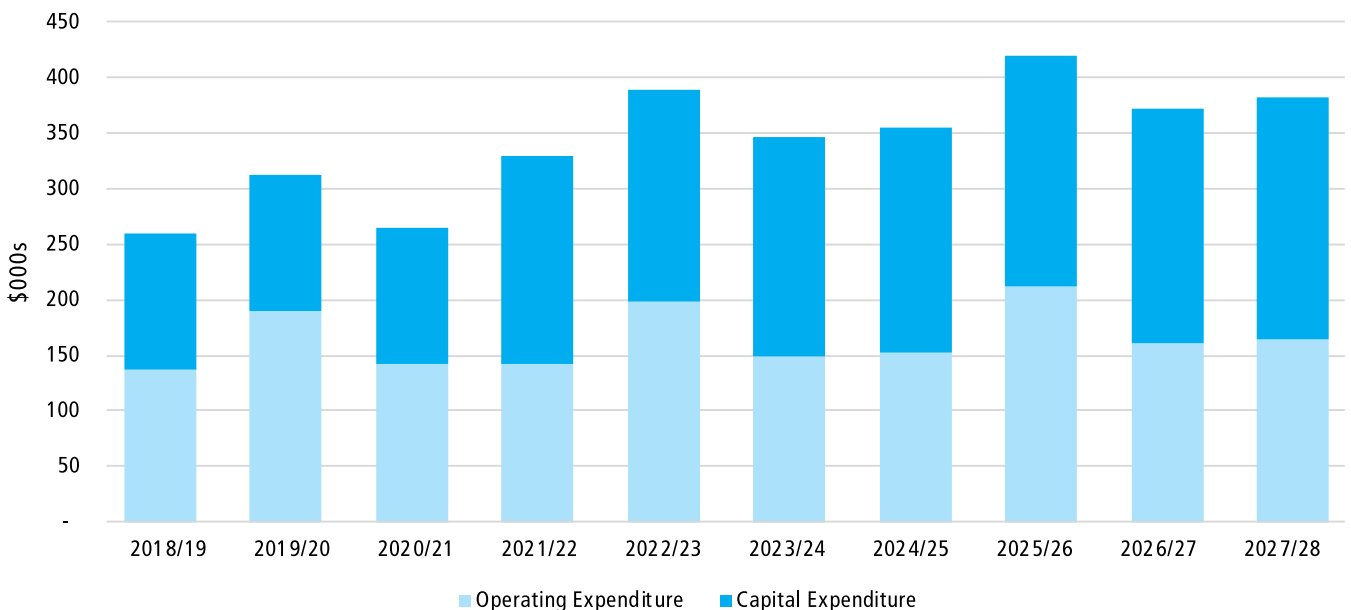
How we pay for Stormwater

2% of rates is spent on stormwater

How is stormwater paid for?



How much does stormwater cost?



What you can expect from us

Community Outcome	Our Objective Level of Service	DIA Measure *	How we Measure Success	2016/17 Result	Our Aim Years 1-3	Our Aim Years 4-10
A Thriving Economy	Provide an efficient, fully accessible and reliable stormwater network		Percentage of budgeted capital works completed annually.	67%	To complete more than 90% of budgeted capital works	To complete more than 90% of budgeted capital works
			Average time to process a request to connect to the Council's stormwater network.	New measure	≤ 5 days	≤ 5 days
A Sustainable Environment	Provide an efficient, fully accessible and reliable stormwater network	✓	Compliance with discharge consents.	Abatement Notices – Nil Infringement Notices – Nil Enforcement Orders – Nil Convictions - Nil	Abatement Notices – Nil Infringement Notices – Nil Enforcement Orders – Nil Convictions - Nil	Abatement Notices – Nil Infringement Notices – Nil Enforcement Orders – Nil Convictions - Nil
		✓	Number of flooding events that occurred.	Nil	Nil	Nil
A Safe & Healthy Community	Provide a safe and compliant stormwater network	✓	Number habitable floors affected in flooding events.	Nil	Target number of habitable floors affected ≤ 1 per 1000 properties per flood event	Target number of habitable floors affected ≤ 1 per 1000 properties per flood event
		✓	Response time to attend flood events.	No flood events	Target median time to get to site ≤ 1 hour	Target median time to get to site ≤ 1 hour
		✓	Number of complaints received about stormwater performance.	1 per 1000 connections	Total number of customer complaints ≤ 2 per 1000 properties	Total number of customer complaints ≤ 2 per 1000 properties

* Department of Internal Affairs mandatory non-financial performance measure



Roading

What we do

Central Otago’s vision for roads and footpaths is “to ensure an efficient, fully accessible, safe network”.

Our roading activity enables the movement of goods, people and services across our district. We have 1913km of roads within the district. We have 514km of sealed roads, and 1399km of unsealed roads. We have 177 bridges, 167km of footpaths and close to 12,000 hectares of road reserve.

This activity contributes to the following community outcomes:

**THRIVING
ECONOMY**

**SUSTAINABLE
ENVIRONMENT**

**SAFE & HEALTHY
COMMUNITY**

Challenges we face

The costs of our unsealed road network are increasing due to traffic demand and reduced material availability. We have a backlog of renewals work on unsealed roads, particularly on the lowest volume roads, which service land and back country areas. We have reduced access to suitable gravel supplies and higher royalty costs. This is increasing costs to provide a fit for purpose unsealed road network.

An aging bridge network will require us to consider options on how we provide an affordable level of service that meets future demands. The number and weight of trucks on our bridges are also increasing as a result of regulatory changes and improvements in land productivity.

Population, visitor and economic growth are placing pressure on our urban centres. The upward trends in tourism, traffic, business activity, job growth and property prices in the region are all combining to put traffic pressure on our commercial precincts. This pressure is building through the recognition of problems around access, traffic management, parking and the need for improved use of public spaces.

The size of our sealed road network is increasing, and some of our urban pavements will need replacing.

What we have planned

We have increased our renewals investment for unsealed roads to enable us to meet increased costs to deliver the same level of service. This does not address the backlog.

We will begin replacement of structural components on some bridges from 2019. This programme is based on an assumption that not all bridges will be replaced and further discussion will be held with the community regarding this.

We will complete detailed structural inspections and impact assessments within the next three-year period, to inform community discussion regarding the shape of our network in the future.

We have improvements planned in commercial centres and historical precincts within the next 10 years.

We have approximately 850m of new urban streets being vested in Council each year. Our resurfacing programme has been increased to accommodate resurfacing of streets that are not currently on our network.

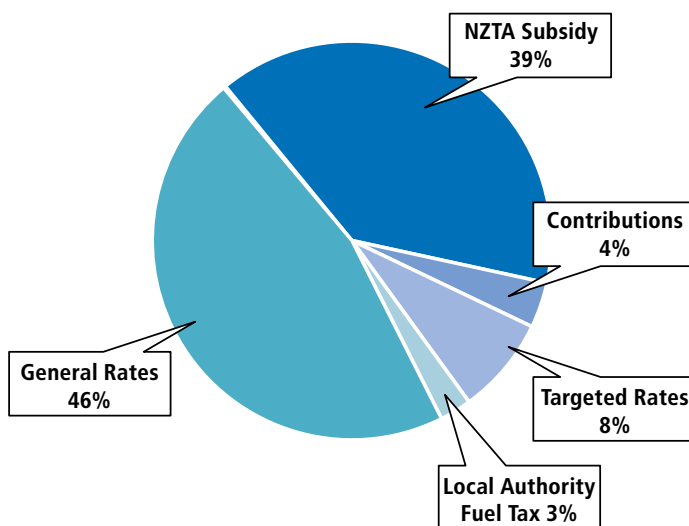
Significant negative effects

Activity on the roading network generates noise and can impact on air quality. This includes dust from unsealed roads. Street lighting can have a detrimental effect on properties and the night sky. Crashes on the network can result in injury or death.

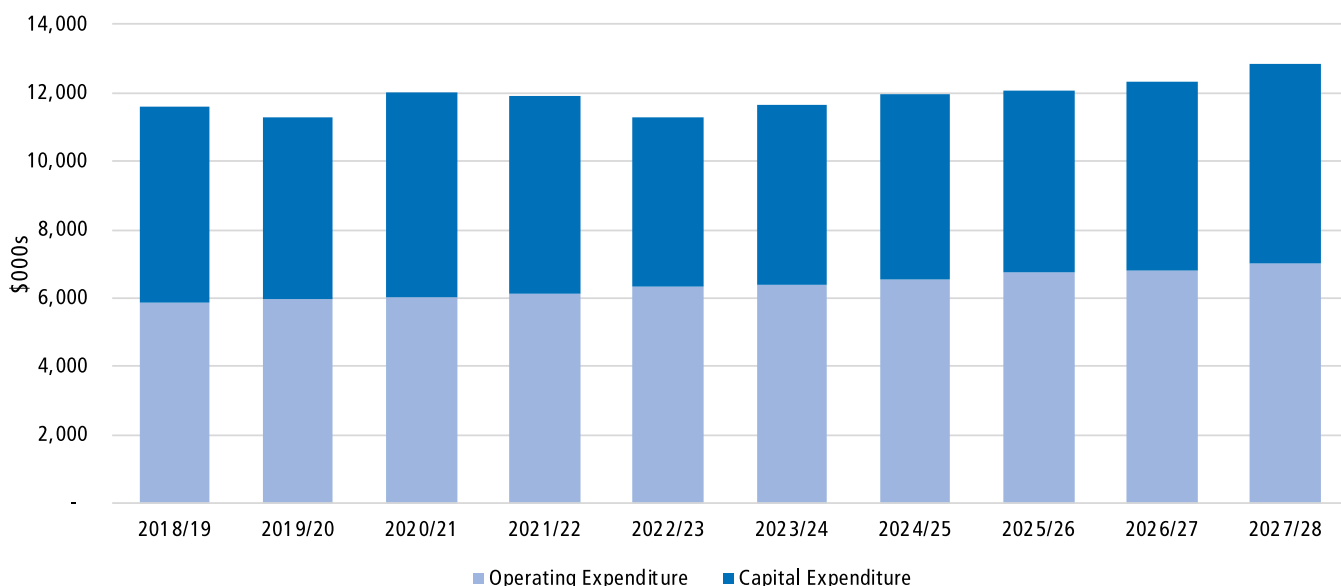
How we pay for Roothing

20% of rates is spent on roading

How is roading paid for?



How much does roading cost?



What you can expect from us



Community Outcome	Our Objective Level of Service	DIA Measure*	How we Measure Success	2016/17 Result	Our Aim Years 1-3	Our Aim Years 4-10
A Thriving Economy	Provide a fully accessible roading network		Percentage of budgeted capital works completed annually	100% of the projects were completed with 97% of the budget spent	100% of the budgeted works completed and 100% of the budget spent	100% of the budgeted works completed and 100% of the budget spent
			Average length of time to issue a consent for access to a road	2.1 days	≤ 2 days	≤ 2 days
			The average quality of ride on the sealed road network, measured by smooth travel exposure	Smooth Travel Exposure = 98.6%	Smooth Travel Exposure ≥ 90%	Smooth Travel Exposure ≥ 90%
		✓	Number of journeys impacted by unplanned events • and where there is no viable alternative	2735 2119 new measure (Not audited)	< 16,423	< 16,423
A Sustainable Environment	Provide an efficient roading network		% of network not accessible to heavy vehicles due to bridge capacity • Class 1 heavy vehicles • 50Max heavy vehicles	3% of network not accessible to Class 1 11.1% of network not accessible to 50Max	<3% of network not accessible to Class 1 11.1% of network not accessible to 50Max	<3% of network not accessible to Class 1 11.1% of network not accessible to 50Max
		✓	Percentage of sealed local road network that is resurfaced	4.6% of the sealed road network length was resurfaced	> 3.9% of sealed road length resurfaced per annum	> 3.9% of sealed road length resurfaced per annum
		✓	Number of service requests	520 service request calls recorded in RAMM	< 600	< 600
		✓	Number of service requests from customers responded to within 10 days	93% of calls responded to within 10 days	≥ 90%	≥ 90%
A Safe & Healthy Community	Provide a safe roading network	✓	Change from previous year in number of fatalities and serious injury crashes on local roading network	Number of fatal and serious injuries=8. Decrease of 2 from previous year	Stable or decreasing trend	Stable or decreasing trend
	Provide a fully accessible roading network	✓	The % of footpaths that fall within the Council's level of service standard for the condition of footpaths	81%	> 70%	> 70%
			Customer satisfaction with condition of unsealed roads	78%	>70%	>70%

* Department of Internal Affairs mandatory non-financial performance measure



Environmental Services

What we do

Central Otago's vision for waste is "towards zero waste and a sustainable Central Otago".

Through our waste activities we collect and dispose of your rubbish and recycled material and provide access to transfer stations, green waste sites and recycling drop-off facilities. We also provide education initiatives in the community to increase sustainability and minimise waste.

Council has also developed a sustainability vision: "A great place to live, work and play, now and into the future".

Our goals:

- Being customer friendly, having enabling policies and enabling infrastructure.
- Support improvement and diversification of skills, industries and experiences.
- Providing Council services while managing the associated environmental impacts.
- Enabling development while managing the associated environmental effects.
- Affordable and equitable provision of services to promote wellbeing.
- Managing change while protecting and enhancing our culture, heritage and landscape.

This activity contributes to the following community outcomes:

**SUSTAINABLE
ENVIRONMENT**

Challenges we face

As the population grows, the demand for waste services (collection, landfill and diversion) increases. Further behaviour change will be required to reduce the quantities of material going to landfill. This will require Council to ensure services support the community to reduce, reuse, and recycle.

Other challenges are:

- Managing change while protecting and enhancing our culture, heritage and landscape.
- Providing Council services while managing the associated environmental impacts.

What we have planned

2018 will be the first year of the new initiatives from the 2018 Waste Management and Minimisation Plan. The most significant change is to the recycling collection frequencies. We plan to continue with the fortnightly rubbish collection (red bin) and change to a two-weekly collection for mixed recyclables (yellow bin) for three collections in a row and eight-weekly collection of glass recyclables (blue bin).

We will also undertake a number of other initiatives:

- Provide additional kerbside collection to an extended area for rural residents and customers on and adjacent to arterial routes.
- Divert greenwaste from wheelie bin collection to transfer station. Council is reducing charges to encourage correct disposal of greenwaste at transfer stations.

These initiatives are a new approach to encourage people to divert mixed recycling and greenwaste from the refuse stream (red bin).

We will complete a full profile of Council’s carbon footprint and find ways to reduce Council’s environmental impacts.

Significant negative effects

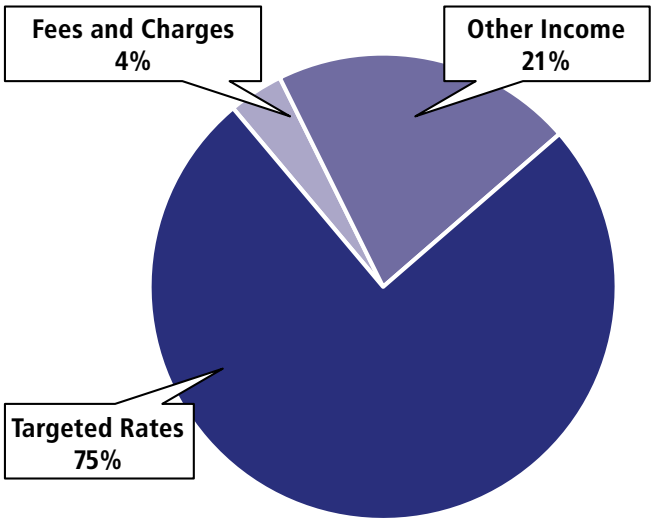
The effectiveness of our waste service impacts on the environment. If our service does not meet demand then waste can be inappropriately disposed of. This causes environmental and health impacts.

The consumption of resources to deliver services can have a negative environmental effect. Some forms of heating used by Council impact on air quality.

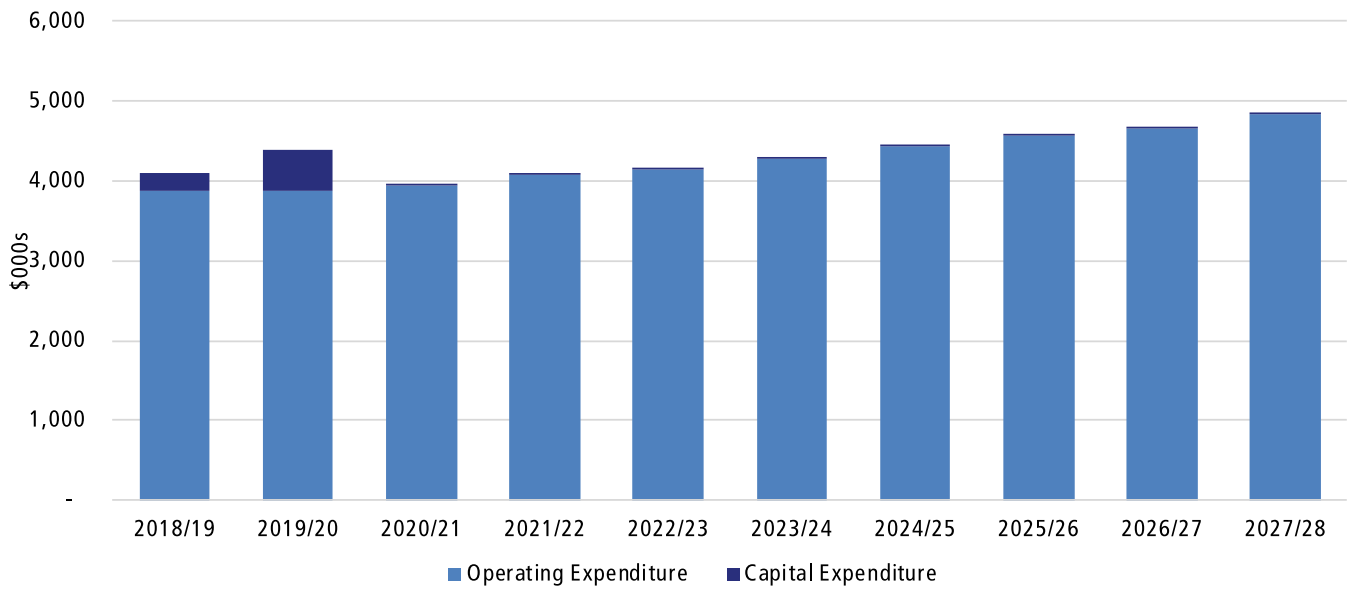
How we pay for Environmental Services

11% of rates is spent on environmental services

How is environmental services paid for?



How much does environmental services cost?



What you can expect from us

Community Outcome	Our Objective Level of Service	How we Measure Success	2016/17 Result	Our Aim Years 1-3	Our Aim Years 4-10
A Sustainable Environment	Improving the Efficiency of Resource Use	Total quantity to landfill (tonnes p.a.)	7909 tonnes	Incremental year-on-year reduction	Incremental year-on-year reduction
		Total amount generated per rateable property	804kg	Incremental year-on-year reduction (measured as rubbish + recycling)	Incremental year-on-year reduction (measured as rubbish + recycling)
		Total amount recycled (tonnes p.a.)	2951 tonnes	Incremental year-on-year increase	Incremental year-on-year increase
		Resident satisfaction with waste services	New measure	Incremental increase	Incremental increase





Planning, Regulatory and Community Development

What we do

Our planners prepare and implement the District Plan under the Resource Management Act. The District Plan is applied through processing of resource consents. We provide advice to our customers seeking to subdivide or develop their land. We also monitor conditions of resource consents and District Plan provisions to ensure any effects on the environment are managed appropriately.

The District Plan is in early stages of review. The community has been consulted and a resulting Discussion Document was prepared and advertised for submission. Feedback to the document has identified a number of work streams required to inform the plan development. A consultative draft will be prepared and advertised for submission in 2018/19.

Our Building Control team helps people build in a safe and compliant manner through a streamlined and cost-effective process. We carry out building inspections, issue building consents and respond to building-related enquiries. We issue Land Information Memoranda for customers who are intending to purchase property, and monitor Building Warrants of Fitness for commercial buildings in accordance with the Building Act.

The environmental health activity provides confidence to the community and visitors to our region that our food premises, hairdressers, camping grounds and funeral directors are safe and clean. We license and inspect registered premises to manage the public health risks of food and water contamination. We undertake water testing of public and private water supplies. We provide a 24/7 noise complaint service in response to unreasonable domestic noise.

We maintain the social well-being of the district by monitoring and controlling the sale of alcohol and the number of gaming machines in the district. Our role, through the District Licensing Committee, involves processing and issuing licences for hotels, restaurants, liquor stores and for special events. We also issue manager's certificates.

We aim to ensure a healthy and safe environment, free from dangerous and aggressive dogs and to minimise nuisance. We register all dogs in the district, and issue infringement notices to those owners who fail to register their dogs. We provide education to dog owners and assist them in meeting their obligations under the Dog Control Act.

We have a responsibility to plan and provide for civil defence emergency management within the district. We work collaboratively with Emergency Management Otago who employ the Regional Manager/Group Controller and Emergency Management Officers for each of the districts. At a local level a number of staff are first line civil defence responders, and undergo training in roles ranging from welfare and logistics coordination through to local controllers.

Community development is about enabling local communities to determine the future direction of their place and the projects that they are passionate about. The aim of community development is to actively involve people in building their own sustainable and resilient communities that reflect the values and vision of those who live in and/or identify with them.

This activity contributes to the following community outcomes:

THRIVING ECONOMY

SUSTAINABLE ENVIRONMENT

SAFE & HEALTHY COMMUNITY

Challenges we face

In all areas of our activity we aim to provide people with a streamlined, cost-effective process – whether they are applying for a building or resource consent, a LIM, an alcohol or premises licence, or simply registering their dog.

Changes in legislation and standards, and reviews of policies and plans are a regular thing for the regulatory arm of Council. We are currently undertaking a review of the District Plan, responding to changes to the provisions of the Resource Management Act, ongoing changes to the Building Act, changes to the Fencing of Swimming Pools Act, and changes to the Sale and Supply of Alcohol Act 2012 and Food Act 2014 that are currently being phased in. Our challenge is to keep a watchful eye on what is happening in the sector, keep pace with changes, and inform, educate and guide our customers.

Significant increases in the number of resource consents and building consents received have put pressure on resources, which we aim to manage through increasing our capacity to process through engagement of additional staff as required, upskilling and streamlining of processes.

Our decision-making should align with the values of our communities. It is therefore important that we understand what our values are. This is particularly important in this time of growth and development within our district.

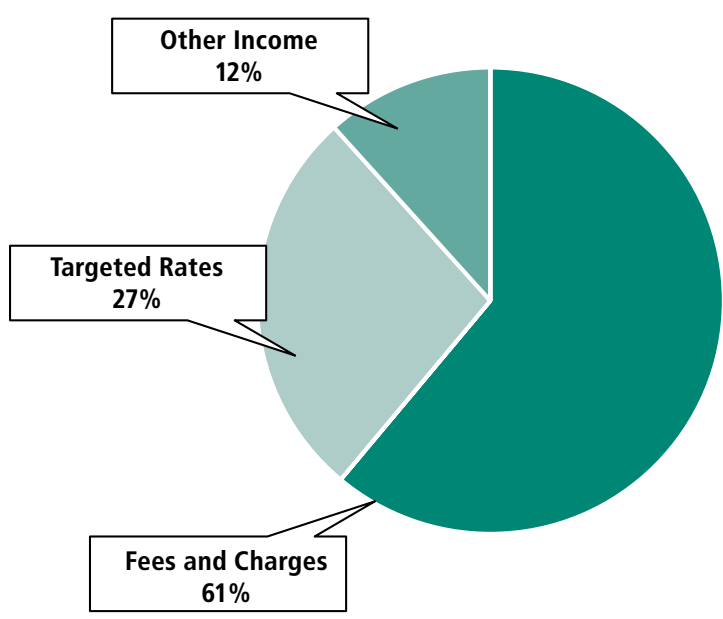
Significant negative effects

There are no significant negative effects relating to this activity.

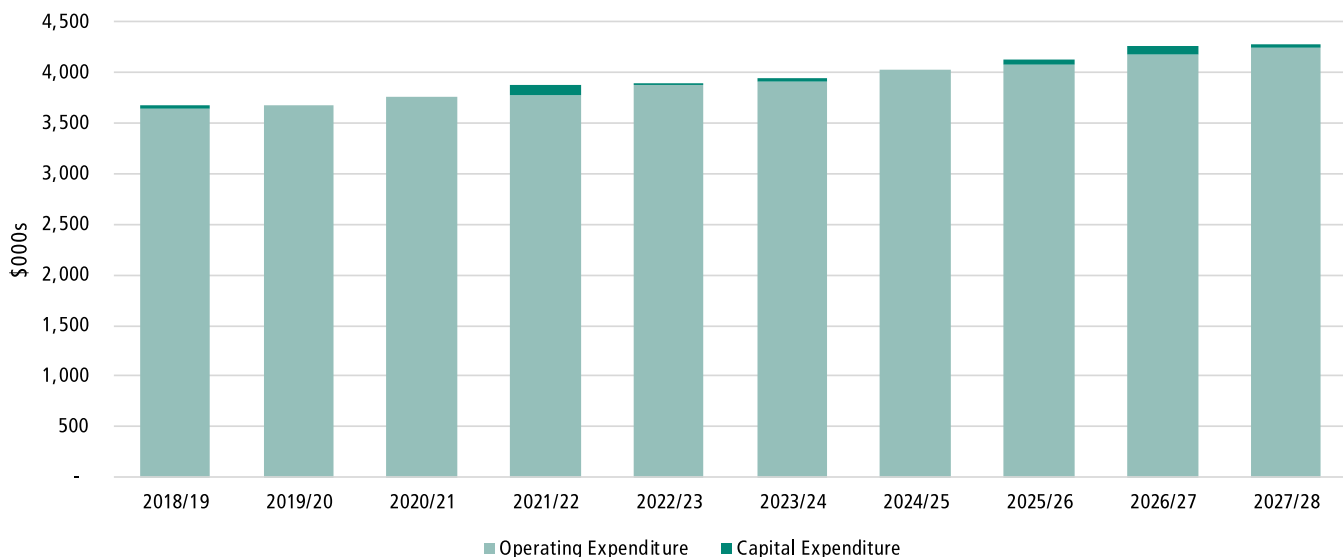
How we pay for Planning, Regulatory and Community Development

3% of rates is spent on planning, regulatory and community development

How are planning, regulatory and community development paid for?



How much does planning, regulatory and community development cost?





What you can expect from us

Community Outcome		Our Objective Level of Service	How we Measure Success		2016/17 Result	Our Aim Years 1-3	Our Aim Years 4-10
A Thriving Economy and A Sustainable Environment	To enable people to develop their land in an appropriate way through a streamlined and cost-effective consent process	Customer satisfaction with the resource consent process in customer survey	55%	Customer satisfaction with the resource consent process in customer survey	Maintain customer satisfaction ≥ 75%	Maintain customer satisfaction ≥ 75%	
		Resource consents processed within statutory timeframes	95%	Resource consents processed within statutory timeframes	Resource consents processed within statutory timeframe ≥ 99%	Resource consents processed within statutory timeframe ≥ 99%	
A Thriving Economy and A Safe & Healthy Community	To help people develop appropriately, and assist in the provision of health and well-being in the community by ensuring that food service premises are hygienic	Customer satisfaction with the building consent process in customer survey	87%	Customer satisfaction with the building consent process in customer survey	Maintain customer satisfaction ≥ 85%	Maintain customer satisfaction ≥ 85%	
		Building consents processed within statutory timeframes	99%	Building consents processed within statutory timeframes	Building consents processed within statutory timeframe 100%	Building consents processed within statutory timeframe 100%	
A Safe & Healthy Community	To provide a safe and healthy environment in which people may live and travel without fear of dangerous dogs	Annual licensing and inspections programme, including audit of food control plans is completed in accordance with legal and internal standards	100%	Annual licensing and inspections programme, including audit of food control plans is completed in accordance with legal and internal standards	100% of annual licensing programme completed within reporting period	100% of annual licensing programme completed within reporting period	
		Customer satisfaction with dog control	76%	Customer satisfaction with dog control	Maintain customer satisfaction ≥ 75%	Maintain customer satisfaction ≥ 75%	
A Safe & Healthy Community	Community satisfaction with Council performance	Residents' survey – satisfaction with Emergency Management (Civil Defence)	92%	Residents' survey – satisfaction with Emergency Management (Civil Defence)	>90%	>90%	



Pools, Parks and Cemeteries

What we do

Our swimming pools contribute to the health and well-being of our community and add to the attractiveness of the area. They provide a place for people to learn to swim, particularly for our young people, which we recognise as being vitally important when so much of our district is surrounded by water. We manage the Cromwell Swim Centre and Molyneux Aquatic Centre directly, along with a community swimming pool in Ranfurly. Millers Flat swimming pool is operated by a community trust and the Teviot Valley Community Board financially supports the school to facilitate swimming at the Roxburgh Pool.

Access to parks, reserves, rivers and recreational facilities is important for our overall well-being. Maintaining a variety of high quality open spaces for the enjoyment of our community is what makes our district an attractive place to live, work and play.

Council's parks team looks after 13 sport grounds and domains, more than 100 hectares of reserve land, eight cycling and walking tracks, 15 playgrounds, three skateboard facilities, a bike park and three swimming dams/lakes.

The provision of cemeteries assists with peace of mind for people, knowing their loved ones will rest in peaceful, well-kept environments. Council is responsible for nine cemeteries in our district, and cemetery trusts manage the other cemeteries.

This activity contributes to the following community outcomes:



Challenges we face

Pools

The costs of providing swimming pools is high. Heating costs are particularly challenging, so we have agreed to proceed with an initiative to share heating between Molyneux Aquatic Centre in Alexandra and the neighbouring ice rink facility in order to bring cost reductions. This will begin in mid-2018 for the first season and its effectiveness will be monitored.

Swimming pools are funded by both general rates and user charges. Council endeavours to get this balance right to ensure they are affordable for all users but that a fair share is paid for by those who use the facility.

Parks and Reserves

We aim to provide recreational facilities that work for the users, whether they are using these spaces for sport or leisure. Our challenge is to work with our community to see what its vision is for our key recreational spaces and reflect this in our reserve management plans and work programmes.

Cemeteries

We will continue to work on the actions in our Cemeteries Strategy and create development plans for some of our cemeteries including the Alexandra, Clyde and Ranfurly cemeteries.

What we have planned

Our maintenance budgets have been slightly increased in Vincent and Cromwell wards to account for new subdivisions coming onto the Council maintenance schedule and a higher level of maintenance associated with Molyneux Park.

Capital projects in the programme follow up on actions flagged in our reserve management plans where we have, in consultation with the community, identified areas for appropriate development and enhancement of our spaces.

Significant projects in the next 10 years include:

- Installing new playground equipment at Lowburn Hall in the 2018/19 year.
- Installing rubber matting for reduced fall risk at various playgrounds throughout the district across the 10-year period.
- Installing outdoor fitness equipment at Cromwell in 2020/21 and in Alexandra 2021/22.
- Irrigation upgrades and extensions at Cromwell including Jolly's Road Reserve, Rockburn West Avenue, Waenga Drive greenway, and the reserve in front of The Gate.
- Levelling of playing fields at Alpha Street Reserve in 2024/25.
- Extending the skate park at the Cromwell Big Fruit Reserve to cover the half basketball area.
- Extending the carpark at the netball courts in Molyneux Park in 2020/21.
- Further development of the Alexandra Cemetery area.
- Further development and tree work at the Blacks Cemetery.
- Further developments of the Naseby Recreation Reserve Playground.
- New automatic entry doors for Molyneux Aquatic Centre.
- Review of heat pump systems at both Molyneux Aquatic Centre and Cromwell Swim Centre.
- Replacing of lights at both swimming pools with LED lights to achieve further energy savings.
- Replacing the Myrtha liner of the Molyneux Aquatic Centre lane pool in 2025/26.
- Commissioning of the new IceInLine heat transfer system to transfer heat to the Molyneux Aquatic Centre in the winter. The intention is that energy savings will fund the loan repayments for the grant.
- Further planning of recreation areas with reserve management plans being completed for Cromwell.

Significant negative effects

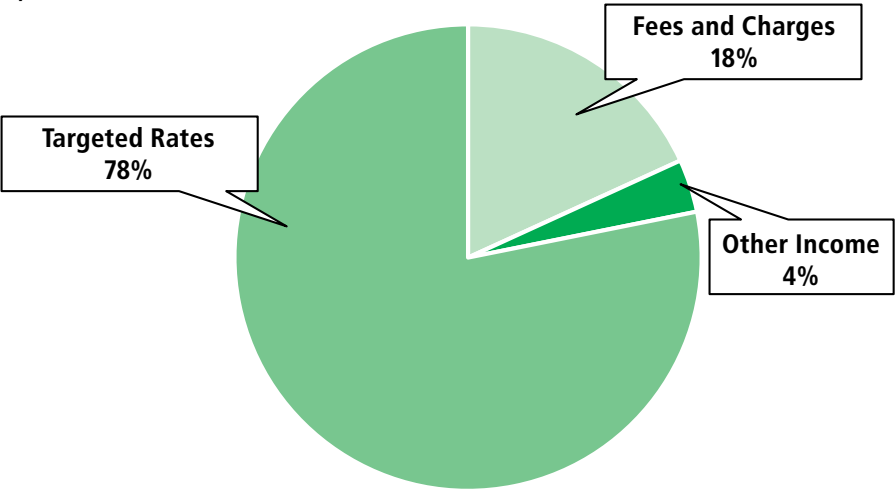
One key risk to note over this 10-year period is in the 2018/19 year the parks maintenance contract will be retendered and this may have an impact on levels of service or maintenance costs.

How we pay for Pools, Parks and Cemeteries

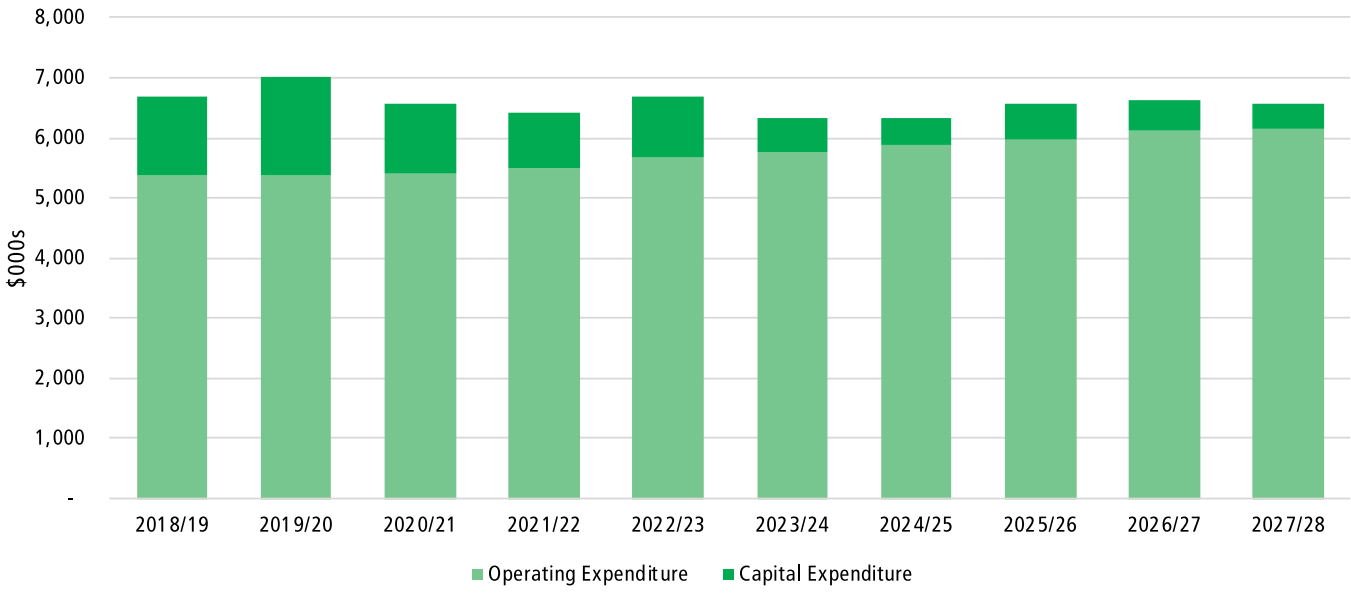
16%

of rates is spent on pools, parks and cemeteries

How are pools, parks and cemeteries paid for?



How much does pools, parks and cemeteries cost?



What you can expect from us



Community Outcome		Our Objective Level of Service	How we Measure Success	2016/17 Result	Our Aim Years 1-3	Our Aim Years 4-10
A Thriving Economy and A Sustainable Environment	Areas are maintained and operated so that they look good and meet the needs of users	Percentage of residents satisfied with parks and reserves in customer survey	92%	Maintain satisfaction with parks and reserves at above 93%	Maintain satisfaction with parks and reserves at above 93%	
		Percentage of residents satisfied with sportsfields in customer survey	97%	Maintain satisfaction with sportsfields at above 93%	Maintain satisfaction with sportsfields at above 93%	
A Safe & Healthy Community	Parks and playgrounds are maintained to a level that is safe for users	Percentage of residents satisfied with cemeteries in customer survey	92%	Maintain satisfaction with cemeteries at above 90%	Maintain satisfaction with cemeteries at above 90%	
		Percentage of residents satisfied with playgrounds in customer survey	89%	Maintain satisfaction with playgrounds at above 90%	Maintain satisfaction with playgrounds at above 90%	
A Thriving Economy and A Safe & Healthy Community	To provide aquatic facilities that meet the needs of the majority of the community	Percentage of users satisfied with pools through customer survey results	88%	Maintain user satisfaction at > 90%	Maintain user satisfaction at > 90%	
		Aquatic facilities are managed to NZ Water Safety Council "Pool Safe" Standards	Pass for both Molyneux Aquatic Centre and Cromwell Swim Centre	To Pass	To Pass	





Property and Community Facilities

What we do

Our community facilities and buildings provide local community hubs for social, sporting and cultural interaction.

We provide community housing, predominantly for the elderly. Council owns 98 flats located in Alexandra, Clyde, Cromwell, Ranfurly and Roxburgh.

We provide public toilets in towns across the district and at recreation facilities and parks.

We provide a main operational office and customer service centre in Alexandra, Service Centres in Cromwell, Ranfurly and Roxburgh.

We manage the assets at the airports at Alexandra, Cromwell and Roxburgh. The users are generally recreational private pilots and some commercial users. There is also an increasing interest in private hangers with residential annex. In Alexandra 22 hangar and hangar and residential leases have been issued and building is well underway. Opportunities for further development is being investigated.

We own and lease a variety of commercial and farm properties, and develop land for sale. The income from commercial property is used to fund other Council costs.

We hold a number of land parcels, currently being used as forestry blocks. These forests also provide an amenity value for the community for walking and biking. Some have potential for other land use in the future as recognised by their zonings in the District Plan.

This activity contributes to the following community outcomes:

**THRIVING
ECONOMY**

**SUSTAINABLE
ENVIRONMENT**

**SAFE & HEALTHY
COMMUNITY**

Challenges we face

Community Facilities

Many of our 18 community halls require extra maintenance as they age or face increasing demand for upgrading to higher standards, including earthquake-prone building standards.

Many of these halls were established with government and returned services support. Where communities wish to redevelop facilities, community funding opportunities and alternative ownership options will be identified. This could include transfer of a hall to an incorporated society and ground leases. This is often a more cost-effective way for Council to facilitate the provision of a hall as it creates options with regard to how depreciation costs can be handled.

Investigations have revealed there are some structural issues in the stage areas in some facilities. This has come about over time by the installation of stage lighting equipment and other suspended equipment associated with stage performances. In some cases equipment has connected inappropriately to part of the roof/ceiling structure. Engineering advice has been obtained to identify remedial works. In the interim some equipment has been removed from some facilities.

Elderly Persons' Housing (EPH)

Our population is aging, as is our community housing stock. Council charges market rents for its units, which are often at the lower rent level of the market due to the modest nature of the units.

Our tenants do advise winter heating costs can be a significant portion of their income. Council has insulated all units and has provided funding in this plan for double glazing.

Forestry

Given our distance from markets and impacts of the Emissions Trading Scheme we are challenged to obtain a return on our investment. In many cases it is more

economic to retain existing forests until there is demand for other land uses. The Council owns a block of land with trees adjacent to Dunstan Road and the south boundary of the Alexandra Golf Course. This 10-Year Plan includes felling of those trees and development of that land for residential purposes as per its zoning. Henderson Drive is intended to be the main access into the area. That development should provide significant income for Council.

Airports

Alexandra Airport requires capital upgrades such as resealing the air strip. Increased income from the airport will assist funding this work. A related challenge is infrastructural constraints. Adequate water supply and power need to be considered if there is to be ongoing development of the airport. The intention is to replace the bore supply with connection to the new Dunstan water reticulation supply to be provided for Alexandra. This will enable further development at the airport.

Where there is a capital cost for infrastructure for development to create leasable sites, the lease income will assist to fund the infrastructure including reseal of the runway.

Commercial Property

Our Earthquake-Prone Building Policy has implications for all building owners with older buildings, and this includes Council's buildings. We must prioritise the need to strengthen earthquake prone-buildings against risk. Council is only planning to strengthen those buildings that get regular use by reasonable numbers of people or where it is a requirement for a tenant at issue of a lease or renewal. We will be maintaining a watching brief on our legal obligations in this space and considering the matter of risk further for the Council's facilities.

The 10-Year Plan also includes income from land development and property sales.

What we have planned

The 10-year period includes operational funding for community facilities, elderly persons' housing, public toilets, Council offices, airports and other property. All of these costs are associated with operating and maintaining the land and buildings.

It also includes physical and capital works. The majority of that is normal cyclical renewal of components and internal fit-out identified through the three-yearly building condition assessments.

The major works within the next 10 years include:

Cromwell Town Centre: Funds to continue with the redevelopment of The Mall. This is spread over three years. The first area is the Mall Centre, access arms and library frontage during the winter of 2019. Then in 2020 the car park area on the east side of the Central Lakes Trust Building.

The Alexandra Airport runway is scheduled for reseal in 2019. Funds are included for additional taxiways and water and power services as part of hangar development. The income from hangar site leases will fund the loans for the taxiway development.

Council aims to refurbish 8 to 10 of its 98 elderly persons' units per annum. Funds have also been included to double glaze windows and glass entrance doors. This will reduce heating costs for tenants and create a healthier environment in the winter.

Funds have been included in 2018/19 for the Molyneux Stadium to convert the old squash courts to a useable space.

Funds have been included in 2018/19 for the Roxburgh Service Centre/Library/iSITE to install a fire alarm system and emergency lighting.

Funds have been included in 2021/22 to replace one or both of the toilets associated with the Molyneux sports oval.

Funds have been included in 2021/22 to redevelop the Cromwell Service Centre. The growth in Cromwell has resulted in increased need for Council services such as planning services and building control in particular.

Funds have been included in 2019/20 to replace one of the Alexandra office's coal boilers used for heating. The boiler will have reached the point that it is likely to start to fail. The Council intends to investigate all options to provide heating to the building.

Funds have been included in 2019/20 to replace the Clyde public toilets that are located beside the Masonic Lodge.

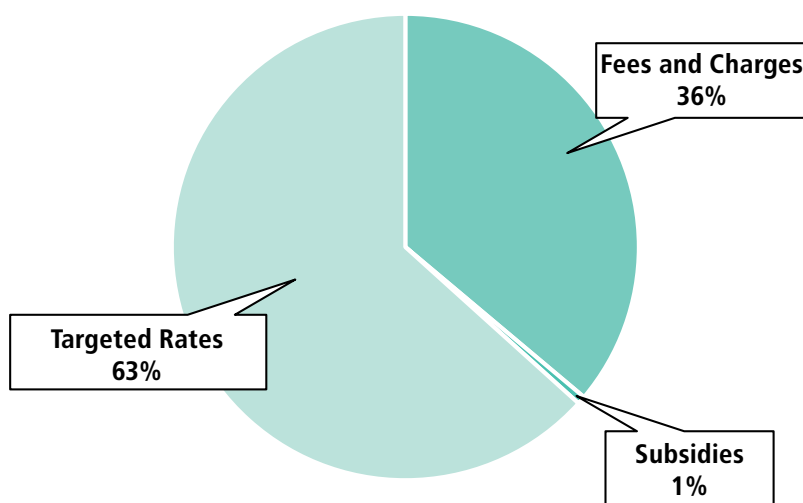
Significant negative effects

There are no significant negative effects relating to this activity.

How we pay for Property and Community Facilities

7% of rates is spent on property and community facilities

How is property and community facilities paid for?



How much does property and community facilities cost?





What you can expect from us

Community Outcome		Our Objective Level of Service	How we Measure Success	2016/17 Result	Our Aim Years 1-3	Our Aim Years 4-10
A Thriving Economy and A Safe & Healthy Community	Community buildings are accessible and affordable to communities based on existing provision	Percentage of residents satisfied with commercial buildings	76%	> 90% satisfied	> 90% satisfied	
	A charging policy is in place that demonstrates fees that reflect the level of benefit provided	A charging policy is in place that demonstrates fees that reflect the level of benefit provided	Achieved	Fees and charges charging policy in place	Fees and charges charging policy in place	
A Thriving Economy	Commercial buildings are maintained and upgraded where necessary, the prime driver being to maintain the ability to maximise the economic return and the integrity of the asset	Number of complaints received from tenants / leaseholders	0	< 2	< 2	
	Each building will be assessed at a frequency required to meet all Building Act and Code of Compliance requirements	Compliance with building WOF requirements	Full compliance	Full compliance	Full compliance	
	Housing suitable and affordable for elderly is provided in the main townships until such time as the need can be met by other agencies	Number of units available in the district	98 units	98 units	98 units	
	Free public toilets are available for the local community and visitors throughout the district at locations set out in the Public Toilet Strategy	Number of free public toilets	27 available	29	29	
	Airports will meet Airways Corporation's four-yearly inspection criteria	Four-yearly inspection and certification by Civil Airways Corporation	Full compliance	Full compliance	Full compliance	



Service Centres and Libraries

What we do

Council provides front-line customer services team in its main Alexandra office and its three service centres in Cromwell, Roxburgh and Ranfurly. We are committed to putting our customers first. Our aim is to provide our community with the best customer experience that includes fast, efficient, accurate and friendly results.

CODC provides a joint library service with Queenstown Lakes District Council. In our district we run libraries in Alexandra, Clyde, Cromwell and Roxburgh, and we have a partnership with schools in Millers Flat, Omakau and Maniototo. We aim to provide our community with the highest quality library service to meet the informational, educational, recreational and cultural needs of the community.

This activity contributes to the following community outcomes:

**THRIVING
ECONOMY**

**SUSTAINABLE
ENVIRONMENT**

**SAFE & HEALTHY
COMMUNITY**

Challenges we face

Our customers' needs are the most important focus for us. It is crucial that we understand and meet their expectations. Staying in touch with our community so we have a better understanding of their expectations is a priority. We aim to provide an efficient and consistent level of service. We want our Council office spaces to be friendly and welcoming where your customer experience is dealt with in a positive and professional manner.

One of the most important challenges we face in libraries today is the evolving society in which we live. Being able to keep our libraries current and digitally connected is a forever moving target. Upskilling and educating our team is one of our biggest priorities to enable us to deliver top quality customer service and in-house experience.

Libraries are a safe place that is open to the whole community. Keeping this image within our district allows people to enjoy the pleasures the libraries have to offer. The physical space of our libraries deserves some attention going forward. We need to be looking at creative ways to use our spaces so that we focus our efforts on an environment that cultivates collaboration and can accommodate other activities.

What we have planned

There are some key areas we will focus on to help us continue to respond to community need:

- Further development of systems and software to allow for future improvements in dealing with customer enquires.
- Complete refurbishment of the Alexandra office which will include a new reception area.
- Increasing access to and awareness of our libraries digital platforms.
- Improving services in our community, an example of this being house bound visits.
- Focus on our physical space to accommodate other activities.
- Events planning throughout the year and being bold enough to try new ideas.
- New website for our combined CODC and QLDC library services.
- Growing the collections, both physical and digital, to respond to the evolving demands of our library users.

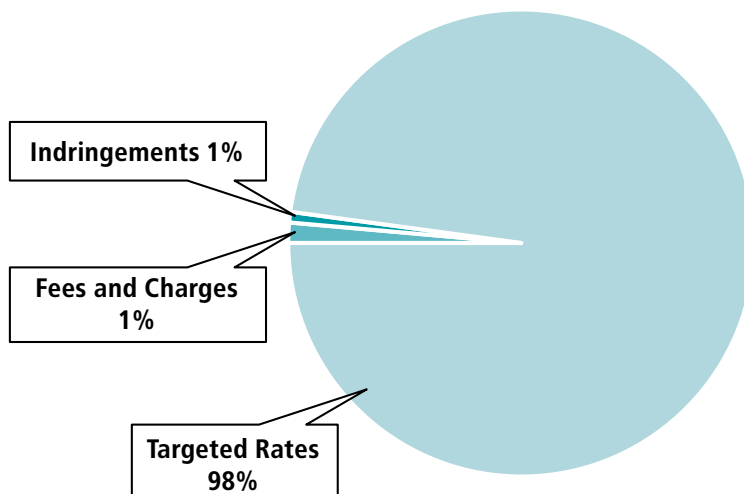
Significant negative effects

The aging library buildings are a concern because it restricts our ability to create a modern community hub. Another repercussion from no modernisation is the negative impact this can have when we are trying to extend our customer base within the wider community.

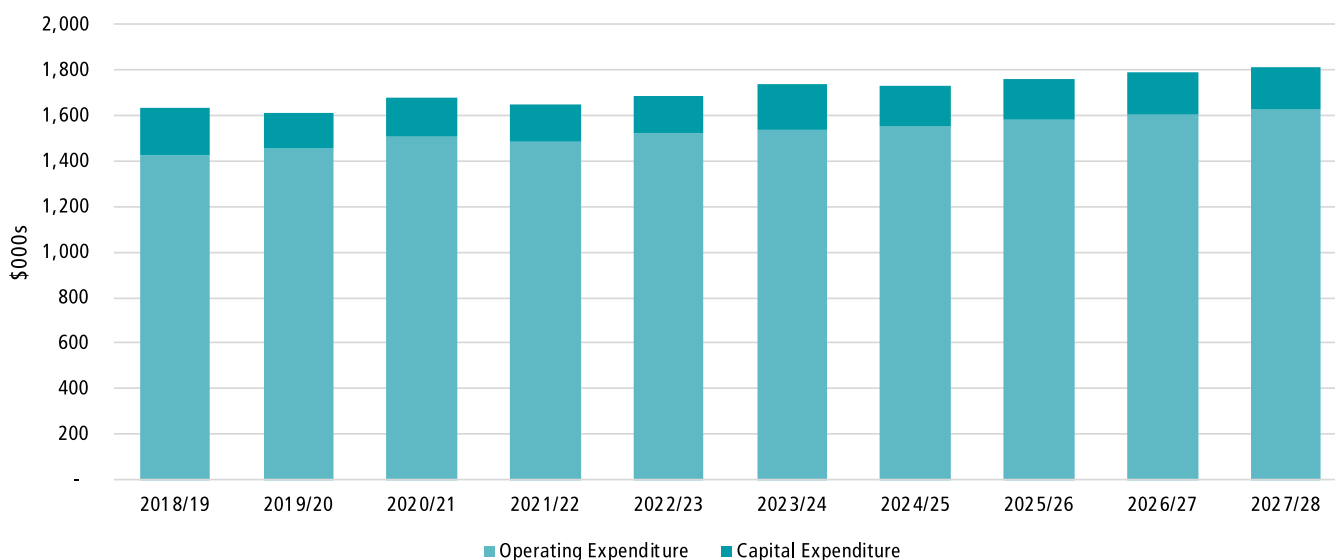
How we pay for Service Centres and Libraries

4% of rates is spent on service centres and libraries

How are service centres and libraires paid for?



How much does service centres cost?





What you can expect from us

Community Outcome	Our Objective Level of Service	How we Measure Success	2016/17 Result	Our Aim Years 1-3	Our Aim Years 4-10
A Thriving Economy and A Safe & Healthy Community	To provide a quality library service through friendly, helpful and knowledgeable staff that enables residents and visitors to have valued library experiences.	Percentage of library users satisfied with the quality of library services	96%	> 90%	> 90%
A Sustainable Environment	Satisfaction with contact regarding service requests	Customer survey – the service was fast and efficient Customer survey – the service was friendly and courteous Customer survey – issues dealt with effectively Customer survey – the service was fast and efficient	73% 92% 68% 87%	> 80% > 90% > 75% > 90%	> 80% > 90% > 75% > 90%
A Thriving Economy	Satisfaction with the initial contact with Council	Customer survey – the service was friendly and courteous Customer survey – issues dealt with effectively	96% 79%	> 90% > 80%	> 90% > 80%





Regional Identity, Tourism and Economic Development

What we do

Tourism Central Otago coordinates and facilitates the marketing of the Central Otago region as a visitor destination both within New Zealand and internationally to increase the spread and spend of visitors in the region and contribute to the strength of the regional economy.

Central Otago Visitor Centres (i-SITES) contribute to the authenticity and quality of the experience that visitors have in Central Otago by providing local advice and booking services for things to do and see in the region.

Community grants provide funding to groups wishing to host cultural, creative, sporting and community based events, or undertake activities that will enhance the experiences of locals and visitors alike, or support community organisations and initiatives.

Council manages the regional identity on behalf of the community. The Central Otago Regional Identity helps define the unique characteristics and values of our region. It's a definition of who we are, what we value and what we want to protect. It also provides a platform to tell the unique stories of Central Otago – www.aworldofdifference.co.nz. The intention is that these special qualities are embraced and celebrated by all sectors of the community.

The vision that drives the Council's economic development effort is to foster a thriving and sustainable district economy that creates a positive and productive environment for our people to lead healthy, happy and successful lives. The Council role in essence is that of an enabler, directly in terms of the various activities Council actually controls, in areas where it can influence through facilitation, coordination, provision of support services, grants and seed funding, and where it is able to apply interest via advocacy, lobbying and education.

This activity contributes to the following community outcomes:

**THRIVING
ECONOMY**

**SUSTAINABLE
ENVIRONMENT**

**SAFE & HEALTHY
COMMUNITY**

Challenges we face

Tourism Central Otago and Visitor Centres

Managing the growth that the New Zealand tourism industry is experiencing in a way that benefits the communities of Central Otago and opens up new job and business opportunities without placing an undue burden on the district's ratepayers.

Promotions and Grants

Ensuring community groups understand all financial and accountability obligations when receiving a community grant.

Regional Identity

As our community grows and develops the key challenge is to critically think about how we can make this a better place for those that succeed us without diminishing the special nature of Central Otago. Our regional identity

provides the start point where our unique characteristics and the values that the community holds dear can be used to inform the planning process and decisions that Council makes on their behalf to provide for current and future generations.

Economic Development

The economic development challenge for Central Otago is to balance the strong growth the district has experienced over recent years while ensuring the social and environmental values so important to our community are maintained. Issues that will focus effort in coming years include improving connectivity and infrastructure; developing affordable, accessible and attractive places; helping Central Otago become a smart, progressive and collaborative district; supporting diversity of age, skills and activities; and promoting a business-friendly community.

What we have planned

We plan to implement a tourism strategy in Year 1 (2018/19) with agreed priority projects and actions that creates a sustainable industry delivering value to all stakeholder groups. We will continue to build the value of the Central Otago brand.

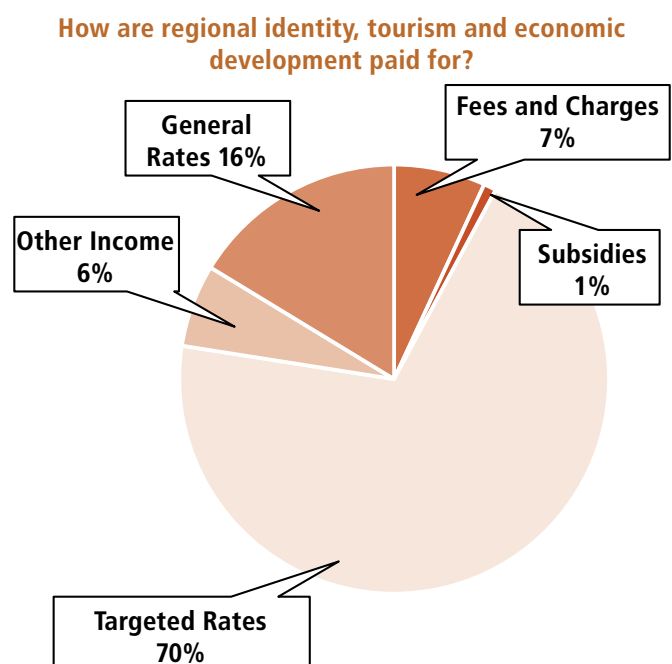
Once the Central Otago Touring Route between Queenstown and Dunedin is completed in Year 1 our focus will move to its promotion in collaboration with regional partners.

Significant negative effects

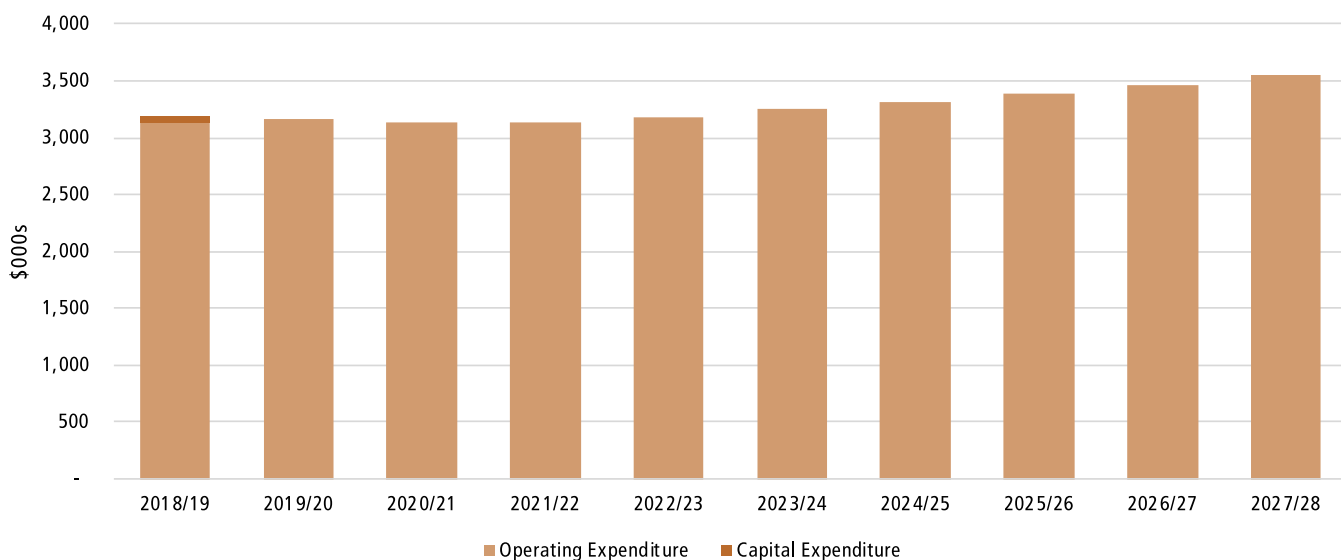
There are no significant negative effects relating to this activity.

How we pay for Regional Identity, Tourism and Economic Development

10% of rates is spent on regional identity, tourism and economic development

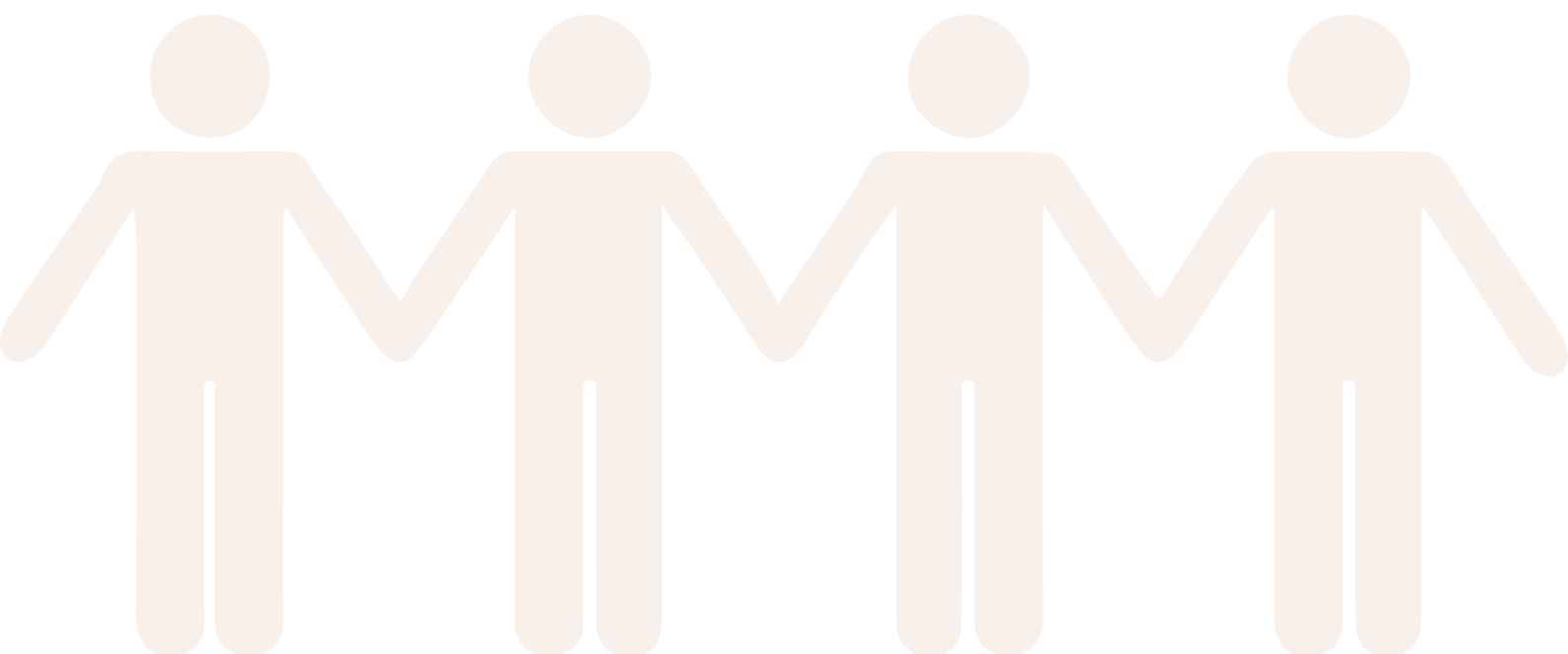


How much does regional identity, tourism and economic development cost?



What you can expect from us

Community Outcome	Our Objective Level of Service	How we Measure Success	2016/17 Result	Our Aim Years 1-3	Our Aim Years 4-10
A Thriving Economy	Manage the brand applications and process in a timely manner	End to end time in delivery of approving new brand users	3.9 days	Within 15 working days	Within 15 working days





Governance and Corporate Services

What we do

The governance activity is at the forefront of everything we do. While the Council provides many different services, it is the governance activity that supports elected members to be effective and responsible decision-makers. Within this activity we facilitate and support Council and community boards, ensure agendas are published and available to the public, and run local body elections every three years.

The corporate services activities provide support across the organisation that allows Council to function efficiently and effectively. It includes our accounting, financial planning and reporting, rating, policy, information systems, communications and administration activities.

This activity contributes to the following community outcomes:

**THRIVING
ECONOMY**

**SUSTAINABLE
ENVIRONMENT**

**SAFE & HEALTHY
COMMUNITY**

Challenges we face

We want to be the best organisation we can be. This drive to be the best and deliver cost-effective and efficient services to our community includes investing in technology to assist us in this changing environment we live and work in.

A challenge for our elected members is to weigh up affordability with suitable investment in our district to ensure progress continues and this remains a great place to live, work and play – a tricky balancing act. Increasingly our focus is widening to look at the big picture and the knock-on effects of decisions. Part of having that big picture view is ensuring the views of, and impacts on, our community are understood and fed into the process.

Our customers' needs are varied and continually evolving. To meet these needs we must provide an efficient and consistent level of service, and invest in technology to aid us with this goal. This includes such things as telephony system upgrades and online services capability, to looking for opportunities to make our Council office spaces more efficient, inviting and engaging.

We are looking at new and better ways to engage our community in the decision-making process and encourage an interest in Council happenings, such as our residents' newsletter The FlipSide, our weekly Community Noticeboard, Councillor connection sessions, Mayoral Coffee and Chat Sessions, video, social media and partnering with The Central App. It is about offering a variety of ways to get involved to suit a diverse audience.

What we have planned

A Representation Review will be held in 2018 to look at future governance arrangements for the district. During the period of this 10-Year Plan we will hold local government elections in 2019/20, 2022/23 and 2025/26.

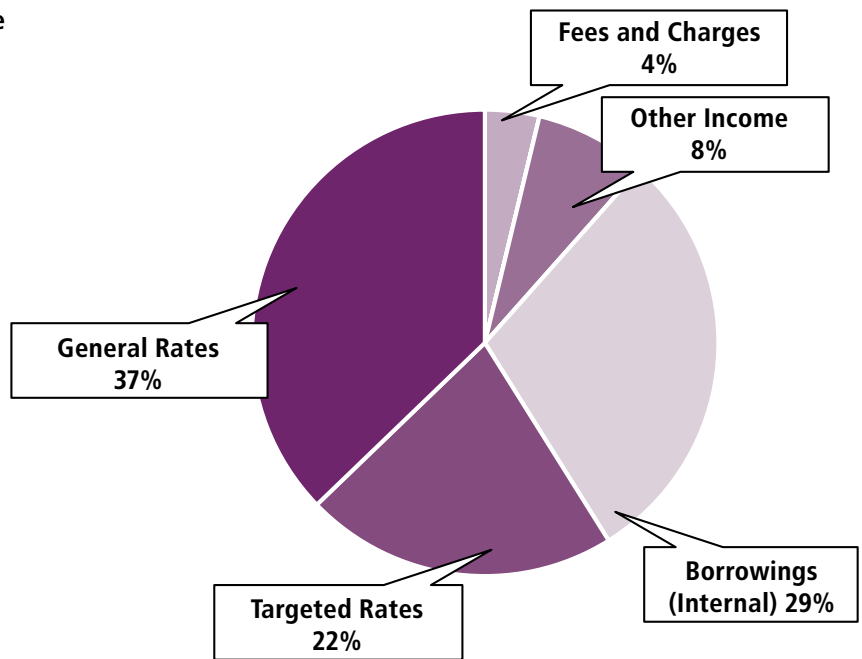
Significant negative effects

There are no significant effects relating to this activity.

How we pay for Governance and Corporate Services

2% of rates is spent on governance and corporate services

How are governance and corporate services paid for?



How much does governance and corporate cost?



What you can expect from us

Community Outcome		Our Objective Level of Service	How we Measure Success	2016/17 Result	Our Aim Years 1-3	Our Aim Years 4-10
A Thriving Economy	A Sustainable Environment	Satisfaction with the leadership, representation and decision-making by elected members	Satisfaction with the performance of elected members of local community boards	66%	> 85%	> 85%
A Safe & Healthy Community						
A Safe & Healthy Community	Satisfaction with the overall effectiveness of Council communications	Satisfaction satisfied with the performance of elected members	76%	> 85%	> 85%	> 85%
A Safe & Healthy Community	Satisfaction with the overall effectiveness of Council communications	Customer survey – overall effectiveness of communications	81%	> 80%	> 85%	> 85%





STRATEGIES

Infrastructure Strategy

Executive Summary

Infrastructure supports much of our daily lives – it is essential to health, safety, and for the transport of both people and freight. It enables businesses and communities to flourish. Failure to manage infrastructure appropriately and invest in it would inhibit the economic performance, health, prosperity and sustainability of the district.

Infrastructure is a core part of what Central Otago District Council provides its communities – it makes up the majority of the Council's spending, and Council has almost three quarters of a billion dollars worth of assets.

This strategy outlines how Council will manage its assets for water, wastewater, stormwater and roading. It identifies the investment that is required to meet the needs of our communities for the next 30 years.

Council's vision for Infrastructure Services recognises that the infrastructure we build today will provide service well beyond the 30 year window of this strategy. Our vision is: "We will deliver safe and reliable infrastructure services that support our local economy and communities, in a manner that is affordable, sustainable and equitable for current and future generations".

In 30 years' time our district will be different. There will be more people and a higher proportion of our population will be retired. Technology will influence demand, the way we manage our infrastructure and how we respond to this demand. We will make greater use of green technologies and renewable energy to deliver our services. Our climate is also expected to change.

Projections indicate that on peak days in 2048 we will have 25% more people in the district than we do in 2018. This growth will be concentrated in the Cromwell area, where there will be 35% more people on peak days. The peak population in the Vincent ward will have increased by 20%. The resident population in areas around Clyde and Alexandra will have increased by 35%.

The resident population will be older, with 39% of the population 65 years of age or older. The proportion of our population aged between 15 and 64 years of age is projected to decline from over 60% in 2018 to under 50% of our population in 2048. This may have a flow-on effect to the make-up of the district's work force.

Our water, wastewater and transport systems will need to be expanded to meet the demands of an increase in population and urban area.

Our climate is predicted to be warmer, with less frost days and hotter summers. Overall rainfall will not change, but it will fall in less frequent, higher intensity events. Our bridges and stormwater infrastructure will need to be built to cope with these events.

There is a higher likelihood of extreme snow events occurring during the winter. The amount of water stored in the snowcaps however will reduce. This, combined with less frequent rain, will affect how we manage water supply and demand in the future.

As our infrastructure is upgraded it will be built to be more resilient to natural hazards, such as storms and earthquakes. Technology will have changed the way we communicate what is happening on our networks. It will enable us to manage more of our infrastructure remotely, and warn us of upcoming issues and servicing needs. The vehicles we use for transportation will have a greater level of automation, safety features, and use renewable energy.

Discharges from urban wastewater and stormwater networks will be treated to higher levels to ensure there are no cumulative environmental effects. Our infrastructure will be operated more sustainably with increased use of green technologies that use less energy.

This 30-year Infrastructure Strategy outlines the steps that Central Otago District Council is taking to meet the challenges on its infrastructure for the future.

Introduction

This is Central Otago District Council's second infrastructure strategy and has been prepared to meet the requirements of section 101B of the Local Government Act 2002.

The purpose of the infrastructure strategy is prescribed by the Local Government Act. It must identify the significant infrastructure issues for the Central Otago district for the next 30 years, identify the principal options for managing those issues and the implications of those options.

In setting out how Council intends to manage its infrastructure assets, it must take into account the need to:

- renew or replace existing assets
- respond to growth or decline in the demand for services
- allow for planned increases or decreases in levels of service
- maintain or improve public health and environmental outcomes or mitigate adverse effects on them
- provide for the resilience of infrastructure assets by identifying and managing risks relating to natural hazards and by making appropriate financial provision for those risks.

The infrastructure strategy provides the strategic framework for the more detailed activity management plans. It is reviewed every three years, and is a guiding document for the 10-Year Plan.

The issues discussed reflect the current legislative environment and the communities' priorities. The financial forecasts are estimates and the reliability of the forecasts decreases beyond 10 years and towards the 30 year planning horizon.

Scope

The strategy covers the 30 year period of 2018 to 2047 and includes the following groups of Council activities:

- water supply
- sewerage and the treatment and disposal of sewage (wastewater)
- stormwater drainage
- roads and footpaths

Central Otago District Council does not manage any flood protection and control works. The Otago Regional Council manages these activities within the Central Otago area.

There are a number of private water supplies within Central Otago that are not managed by Council. These water supplies are not included within the scope of this plan.

Overview of the District

Central Otago is New Zealand's most inland region, located in the southern half of the South Island. It's breathtakingly different from the rest of New Zealand, with vast undulating landscapes, rugged snow-capped mountains, clear blue rivers and lake, deep gorges and tussock-clad hills.

Central Otago covers an area of 9969km² and has one of the lowest population densities per square kilometre in New Zealand. This, together with the landscape, gives Central Otago its particular character.

The community consists of a variety of small towns that offer a wide range of services. It is a popular holiday destination and the population swells over the summer months.

	2018 Usual Resident Population	2018 Peak Population
Total District	20,460	35,741
Alexandra	5,200	8,648
Cromwell	5,070	8,644
Clyde	1,140	2,432
Roxburgh	540	1,135
Ranfurly	680	1,487
Omakau and Ophir	340	854
Naseby	120	1,000
Patearoa	80 (based on water connections)	240

Table 3.0.1 Central Otago Population 2018

Central Otago District Council

The Central Otago District Council was formed in 1989, and amalgamated the Vincent County Council, Cromwell Borough Council, Alexandra Borough Council, Maniototo County Council and part of the Tuapeka County Council.

The Council’s primary office is located in Alexandra, with service centres located in Ranfurly, Roxburgh and Cromwell. Council employs 130 full time equivalents and has an operating revenue of \$43 million.

The Council is lead by the Mayor, with 10 elected councillors. There are four community boards: Vincent, Cromwell, Teviot Valley and Maniototo.

Core infrastructure is funded and managed at a district wide level. Governance decisions are delegated to the Roothing Committee and the Three Waters Committee.

Council also has an Audit and Risk Committee that consists of the Mayor, three Councillors and an independent representative as chair. The objective of the Audit and Risk Committee is to provide governance and oversight to ensure systems and practices are of a standard to provide assurance that there is sufficient risk identification and mitigation in place. The Audit and Risk Committee provides feedback to Council on a broad range of matters, including strategic management and operational performance.



The Infrastructure Assets

The 2016 replacement value for the infrastructure assets covered in this strategy is \$764 million.

This is made up of nine water schemes, seven sewage schemes, and five reticulated stormwater schemes. There is 1,913 km of maintained roads, 167km of formed footpaths, and 177 bridges.

Asset	Description	Replacement Value	% of total
Water	Water extraction, treatment and distribution	\$99 M	12%
Wastewater	Wastewater collection, treatment and discharge	\$81 M	11%
Stormwater	Stormwater collection and discharge	\$37 M	5%
Roads and footpaths	Roads, bridges, footpaths and carparks	\$547 M	72%
TOTAL		\$764 M	100%

Table 3.2.1 2016 replacement value for the infrastructure assets

Strategic Context

There are a number of number of national policies and plans, and legislation that set the scene for Council’s 30-year Infrastructure Strategy. This infrastructure strategy documents Council’s response to the direction provided by the National Policy Statement for Freshwater Management, the National Infrastructure Plan and the Local Government Act.

National Policy Statement for Freshwater Management

The National Policy Statement for Freshwater Management provides direction on how local authorities should carry out their responsibilities under the Resource Management Act 1991 for managing fresh water.

This policy was amended on 7 August 2017 and requires regional councils to improve water quality and meet targets. There are new requirements for regional councils to follow when managing the level of nutrients – such as nitrogen and phosphorus – which can get into waterways. This requires the consideration of cumulative effects.

National Infrastructure Plan

The government's objective is that by 2045 New Zealand's infrastructure should be resilient and coordinated. It will also contribute to a strong economy and high living standards. This will be achieved through better use of existing assets and better allocation of new investment, as set out in the New Zealand Infrastructure Plan 2015.

The National Infrastructure Plan 2015 is the third national infrastructure plan released by Government. This identifies the following challenges:

- We have a number of aging infrastructure networks that will need renewing
- Some of our regions will grow and others will shrink
- Our population is also aging
- At the same time, our lifestyles are changing
- Technology is driving change everywhere
- We also face economic challenges
- On top of these challenges, our climate is changing, and our natural resources are under pressure
- These challenges need to be met at a time when central and local government face financial constraints.

The National Infrastructure Plan identifies that in light of the challenges, we need to make a step-change in our approach to infrastructure planning and management. Simply building things to address our problems is no longer sustainable.

There are three main elements to the response outlined in the National Infrastructure Plan:

- a better understanding of the levels of service we want to deliver
- more mature asset management practices
- more effective decision-making that considers non-asset solutions

Delivery of Services

Section 17A of the Local Government Act requires Local Authorities to review the cost-effectiveness of current arrangements for meeting the needs of communities for good quality local infrastructure, local public services, and performance of regulatory functions.

Central Otago will continue to work with other Otago councils on investigating opportunities for shared services. Council currently shares services for landfill and transfer stations with the Queenstown Lakes District Council. We also work collaboratively with Queenstown Lakes District Council in both the water services and roading areas on procurement, contract form, and improving asset management.

Sustainability

The Ministry for the Environment identifies that to make New Zealand the most liveable place in the world, we need our environment to prosper.

We are incredibly lucky to have a wealth of natural resources at our doorstep – good access to water, productive land and a rich biodiversity. Over a thousand years, our culture, society and our economy have been built on the back of our environment and, for many, it's why they want to live, work and visit here.

We need to care for and invest in our natural resources, understanding the consequences of our decisions, and making wise choices that will benefit future generations.

A Sustainability Strategy has been developed and adopted by Central Otago District Council in 2018. The strategy builds on the Community Outcomes, and incorporates the United Nations Sustainability Goals. The strategy refines Council's focus on sustainability to issues it directly controls in the first instance. This acknowledges that improvements can be made. By getting our own house in order first, we can better lead the community in wider sustainability discussions.



CENTRAL OTAGO DISTRICT COUNCIL SUSTAINABILITY STRATEGY (2018 – 2021)

A great place to live, work and play, now and into the future			
	Thriving Economy	Sustainable Development	Safe and Healthy Community
OUR VISION	Economic development	Managing effects on the environment	Celebrating our culture, heritage and landscape
PILLARS OF SUSTAINABILITY <i>As per industry standards - economic, environmental, social</i>	Ease of doing business	Providing Council services while managing the environmental impacts	Access to facilities and services
WORK STREAMS <i>How we group our efforts</i>	Engaging with business to help our economy prosper and provide quality employment opportunities.	Enabling development while managing the associated environmental effects	Affordable and equitable provision of services to promote wellbeing
OUR GOALS <i>What success looks like</i>	<ul style="list-style-type: none"> Investigate and deliver policy and capability improvements. Investigate and deliver on high-value opportunities through the Economic Development Strategy. 	<ul style="list-style-type: none"> Complete a full profile of Council's footprint Set targets and improvements steps in each impact area 	<ul style="list-style-type: none"> Review service access and deliver on high value opportunities Align and leverage community grants to ensure value through integration
STRATEGIC ACTIONS <i>A programme of activities at under these.</i>	<ul style="list-style-type: none"> Investigate and deliver on high-value opportunities through the Economic Development Strategy. 	<ul style="list-style-type: none"> Complete a full profile of Council's footprint Set targets and improvements steps in each impact area 	<ul style="list-style-type: none"> Update and deliver the Heritage Strategy Investigate design and development guidelines to support heritage preservation
HOW WE MEASURE PROGRESS	<ul style="list-style-type: none"> Direct survey (users of the service) Resident satisfaction survey Investment in Tourism and return (ROI) Use levels for World of Difference branding CODC brand use level Website hits for Central Otago sites 	<ul style="list-style-type: none"> Energy consumption (\$, kWh) Landfill (KG/person) Water consumption (l/person) BC breaches Declaration on climate change (gas emission effects) 	<ul style="list-style-type: none"> Pool use Affordable (target rates) Proportion of population connected to council water services and a water scheme that meets DWS Road fatalities Use of active modes for transport
UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS THAT WE ALIGN WITH			

Council's Infrastructure Strategy

At a high level Council has community outcomes.

These are:

- **Thriving Economy** - A thriving economy that is attractive to both businesses and residents alike.
- **Sustainable Environment** - This would be an environment that provides a good quality of life. The community would also have a healthy balance between its natural and built environment.
- **A Safe and Healthy Community** - This would be a vibrant community with a range of services and facilities. This would also be a community that valued and celebrated its rich heritage.

The use of community outcomes on their own does not provide sufficient clarity regarding the strategic direction Council intends to take to deliver services to the community. To address this, Council has defined a vision, overarching principles, and a common level of service framework for the provision of Infrastructure Services.

Infrastructure Vision

The vision for Infrastructure Services is:

We will deliver safe and reliable infrastructure services that support our local economy and communities, in a manner that is affordable, sustainable and equitable for current and future generations.

Overarching Principles

The vision is supported by five overarching principles. These underpin all decisions relating to delivery of infrastructure services.

The overarching principles are:

- infrastructure services will be delivered as part of an integrated district network and should offer an increasingly consistent, fit for purpose level of service for users
- value for money and whole of life cost will be considered to deliver affordable levels of service
- infrastructure services will be delivered in a manner that balances the current and future impact on the environment, and makes use of sustainable practices
- we will look for new ways and innovative practices to enable us to cost effectively deliver our services
- our levels of service will meet legislative requirements

Asset Management Policy

The Asset Management Policy was last reviewed by Council in February 2014. The next review will be undertaken in 2018.

Through effective asset management practices, Council aims to:

- ensure that service delivery and costs are appropriate to meet the needs of the community
- minimise lifecycle costs whilst maintaining the required service levels at acceptable risk
- provide transparent and effective asset decision making

Council expects asset management plans and practices to meet an intermediate level of maturity for roads and footpaths, water, and wastewater and core for stormwater.

Infrastructure Strategic Objectives

Infrastructure services will be delivered as part of an integrated district network and should offer an increasingly consistent, fit for purpose level of service for users.

While our roading activities have been delivered as a district funded activity for the past 20 years, our water services and footpaths were ward funded until 2015. This has resulted in varying levels of service across the district for water, wastewater, and footpaths. In some cases, options that provide best whole of life cost, or required outcomes, have not been implemented due to the initial capital cost and affordability to ratepayers in smaller communities.

In 2015 Council made the decision to fund core infrastructure activities across all properties in the district which receive these services, regardless of location. This means properties that receive Council supplied water, wastewater, or stormwater service pay the same rates for these activities. All properties pay for roads and footpaths.

The National One Network Road Classification framework and levels of service have been applied across the roading network. A similar district wide level of service framework has been implemented for the water, wastewater and stormwater networks.

Value for money and whole of life cost will be considered to deliver affordable levels of service.

Value for money and whole of life cost have been considered in delivery of roading infrastructure since 2009. The adoption of district funding is resulting in a change to our lifecycle management processes across the water and wastewater networks. This means capital work is now targeted to the areas of need, rather than to the areas who can afford it.

Deterioration models which incorporate optimised decision making have been used in investment forecasting for sealed roads since 2015. These will be extended to forecasting of footpath, water and wastewater pipe renewals and investment need in 2021.

Advanced asset management tools require complete and accurate asset data to produce robust outputs. The RAMM software and NZTA performance measuring processes have been in place for roading since 1996. These have been built on since 2009 to provide a high level of asset and cost understanding to guide decision making in the roading area.

In the past three years Council has been investing in a new asset management system (Assetic) for water services, as well as closed circuit television (CCTV) inspections of the wastewater pipes, and laboratory sampling of water pipes. All water schemes and the Alexandra and Cromwell wastewater schemes have been hydraulically modelled. The service provider for hydraulic modelling has been changed to meet increasing demands from growth. Over the next three years further investment will be made to refine understanding of the demands on, and capacity of, the existing water and wastewater networks.

Condition rating processes for water services assets will be aligned with those undertaken in the roading area.

Infrastructure services will be delivered in a manner that balances the current and future impact on the environment, and makes use of sustainable practices.

Council adopted a Sustainability Strategy in 2018. The strategy focusses Council on activities it controls in the first instance. By getting our own house in order we will be better able to lead the community in wider discussions in sustainability. The strategy recognises that Council influences sustainability both in the manner in which services are provided to the community and through the regulatory processes it applies.

An Environmental Engineering Team has been established in 2017 to provide focus and resources to improving sustainable practices in the delivery of infrastructure. This includes an increased emphasis on engineering and design practises used in subdivision development, energy use, use of green technologies and project design.

We will look for new ways and innovative practices to enable us to cost effectively deliver our services.

Council implemented systems thinking in the roading area in 2009. This resulted in streamlining work practices and improved customer and cost-efficiency outcomes. The roading contract is a shared risk, collaborative model that includes most of the physical work undertaken on the network. This model has delivered value for money, innovative and efficient practices, and is flexible to respond to growth and demand changes. The systems thinking model encourages the use of evidence and data to support decision-making.

While systems thinking was undertaken in the water services area, this was not sustained due to contractor and staff changes. The existing water services contracts are traditional models, which provide limited scope for change. Contract delivery options for water services will be reviewed in 2019, and changes to responsibilities, processes and contract models considered.

Council has also adopted Treasury's Better Business Case Model for consideration of key infrastructure projects. This provides:

- a compelling and clear justification for the proposed investment
- an explicit and systematic basis for decision making which is documented and presented in a common format
- transparency and accountability for the use of limited funding to achieve best value
- a communication tool for engaging stakeholders and providing assurance that the proposed programme optimises value for money compared to other organisational priorities
- a plan for achieving the expected benefits and for managing costs and risks.

Council is applying the Better Business Case process to a number of current infrastructure projects.

Otago councils are undertaking a joint review to identify collaboration opportunities for delivery of services. This follows the requirements of Section 17A of the Local Government Act.

Our levels of service will meet legislative requirements.

Our 2015 Infrastructure Strategy identified six water supplies that required treatment upgrades to meet the New Zealand Water Standards for treatment of protozoa. All Council provided water supplies are chlorinated and meet the requirements for bacteria treatment. Projects to address protozoa treatment were programmed to commence in 2026 with construction of treatment for the Cromwell water supply. Treatment for Lake Dunstan (Clyde and Alexandra) was programmed for 2027, Ranfurly and Patearoa for 2029, Naseby in 2030, and Omakau in 2031.

Council was provided with a presentation from an environmental scientist in 2017 that provided information on the background of the New Zealand Drinking Water Standards, and implications and risks regarding treatment of public water supplies. As a result of the Havelock North contamination event, and more detailed information regarding the risks of not treating for protozoa and virus risk, Council is revisiting the proposed timing for upgrades to fully comply with the current New Zealand Drinking Water Standards.

Levels of Service

Council has set a common level of service framework for core infrastructure activities. Levels of service are defined under five key customer outcomes.

These are:

- reliability
- safety
- accessibility
- resilience
- aesthetics and comfort (amenity)

In some cases improvements to levels of service require additional financial investment to achieve improved outcomes.

In many cases customer experiences can be enhanced by improved planning and communication. These are relatively low cost opportunities for improvements and are outlined below.

Reliability

This relates to the consistency of service that users can expect under normal operating conditions, and managing the impact of planned interruptions.

Council will:

- provide increasingly consistent levels of service
- advise customers of interruptions to service and when service will be restored.

There is currently no issues regarding reliability for the Council operated roading, wastewater or stormwater networks.

A level of service issue exists for reliability of the Omakau Water Supply. This is placed on boil water notices on a regular basis due to rain affecting turbidity of the Manuherikia River. A project got underway in 2017 to address this and it is expected to be resolved in 2018.

High water pressure is an issue for residents in Roxburgh and Bannockburn. Low pressure is an issue for residents in Omakau and Ophir. Pressure improvement projects are included in the 30-year Infrastructure Strategy for Omakau, Ophir, Bannockburn and Roxburgh.

Resilience

This objective relates to Council's preparedness for emergency or weather events, and the availability and restoration of service following an event. Resilience also includes provisions for alternative supply or service and public information.

Council will:

- ensure we are prepared for response to incidents and emergency events
- keep customers informed during events
- restore services as soon as circumstances allow
- provide alternatives when feasible
- carry out mitigation to avoid disruption for critical services where appropriate

Council staff participate in regular civil defence training and exercises, and Council is an active member on the Otago Lifelines group. This group consists of essential service providers including water, wastewater, electricity, telecommunications, fuel, fire and health services.

Council will develop a network resilience plan for core infrastructure in 2018 that identifies areas of vulnerability and criticality to natural events. This will include a monitoring regime and a list of preventative actions required to address any shortcomings.

The plan will cover moderate and significant events. It will also include sites that are prone to frequent closures from events. This will identify any work required to improve the robustness of vulnerable assets and assess the cost of doing this work. Any work identified will be put forward for consideration of funding through the 2021 Long Term Plan process. Council has documented response plans for snow events and water contamination events. Other events rely on the local knowledge of staff and contractors. This has served Council well during past events, but a more formal response plan is required to mitigate loss of institutional knowledge.

An emergency response plan will be developed in 2018 for core infrastructure, that:

- reflects the breadth, scale, likelihood and consequence of an event
- reflects lifeline considerations
- identifies alternative provision for providing service
- details plans for prioritisation of restoration work and access, depending on asset criticality
- identifies typical resource availability within the district
- includes plans for essential services and for people to be prepared until access is restored.

Council sets aside \$50,000 per annum in an emergency response fund for roading, and \$70,000 per annum for below ground water and wastewater assets. This accumulates to provide funding for reinstatement following emergency or extreme weather events.

Council has insurance for above ground water and wastewater assets. Below ground assets are not insured. Council assumes that all below ground infrastructure would not be damaged in a single event. For this reason we have a recovery fund, with the added ability to loan fund reinstatement following an emergency event.

Safety

This requires managing the safety of the public and workers on our networks by adopting a risk-based approach. This includes reducing the likelihood of incidents occurring, and the consequences if they do.

Council will:

- maintain and operate our infrastructure in a safe condition
- provide guidance on safe use and warn of hazards
- adopt the appropriate level of risk for our services

This includes the health and safety of Council staff, and contractors, as well as public health and the safety of users of our services and assets.

Safety on Central Otago local roads is comparatively good, with the number of serious and fatal injury crashes on CODC local roads remaining at a low level despite increasing traffic on the network. Crashes involving motorcycles and single vehicle loss of control crashes on open, rural roads remain Central Otago's key road safety issues.

For drinking water supplies, this includes compliance with the New Zealand Drinking Water Standards.

Reviews of current Water Safety Plans for each scheme commenced in 2018.

The health and safety of Council staff and contractors has been identified as a high risk in the activity risk registers. Any contractor or consultant working for Council, or on Council managed land is required to be Sitewise accredited, with a minimum score of 75%.

Accessibility

Accessibility relates to the ability and ease of accessing our networks.

For roads this includes land accessibility, and access to roads for services and public events. It also involves ensuring that our road surfaces are adequate to enable the required level of access by different types of vehicles in most weather conditions.

Council has a road sub-classification called tracks. Tracks are intended to provide dry weather access between October and March. Changes to land use on these roads is resulting in higher demand for access for a longer period, and with heavier vehicles.

Council has level of service failings for accessibility on approximately 5% of the unsealed road network (excluding tracks) for about two weeks every year. This is due to a backlog of gravelling, and in some cases the clay content of the gravel used.

The water, wastewater and stormwater networks have been designed to supply properties within the designated supply areas. Council has hydraulic models for the existing water and wastewater networks. The implications of future growth have been modelled for the Clyde and Alexandra water networks, and work is underway on understanding the wastewater capacity for growth in both towns.

Further work is required to understand if there are capacity limitations on the Cromwell water supply.

Hydraulic modelling will also be undertaken throughout the District Plan review to ensure supply implications are understood for zone changes.

Aesthetics and Comfort

The roading network meets national standards and customer expectations for aesthetics and comfort. This does require the maintenance grading programme to be carefully managed to ensure a fit for purpose unsealed network is provided. The 2017 Residents' Survey specifically demonstrated customer dissatisfaction with water quality and lime scale. Most of the respondents of the survey want to see progress on improved water quality and supply, particularly Alexandra.

This relates to the look, taste, smell and feel of our services, and the impacts they have on the environment.

Clyde township does not have a wastewater network. High population and visitor numbers over the summer is placing pressure on private systems on commercial properties in the historic precinct. This generates odour issues.

Specific projects in the 30-year plan to address customer concerns are:

- Lake Dunstan Water Supply, which will extend the Clyde water supply to Alexandra and address lime scale concerns
- improved treatment of water at Omakau, Naseby, Ranfurly and Patearoa to improve water aesthetics
- wastewater reticulation for Clyde township.

Drivers of Demand and Change

The Central Otago Economy

The Business and Economic Research Ltd (BERL) March 2016 report stated the Central Otago growth in employment and gross domestic product (GDP) to March 2015 was "phenomenal". During this time GDP increased 8.4%, GDP per capita increased by 6.4%, and employment grew 7.7%.

Over the last 10 years the district averaged annual GDP growth of 2.1%.

The Central Otago economy is anchored in the primary sector, with construction, tourism, hydroelectricity and professional services other significant contributors. Traditional sheep and beef industries are strong; we have a growing dairy industry and thriving horticultural sector. Stone fruit, viticulture and apples are key horticultural growth areas.

Construction is the second largest sector and is currently driven by high demand for housing and industrial premises in both Central Otago and the neighbouring Queenstown Lakes area.

Manufacturing is dominated by the wine industry, which is predominantly located within the Cromwell and Vincent areas.

The professional, scientific and technical sector is developing. Improved communication infrastructure and air services from Queenstown and Dunedin are enabling providers to service national and international clients while opting for the Central Otago lifestyle. Almost a quarter of Central Otago workers are self-employed, which is significantly higher than the national average.

The value of tourism in Central Otago has grown 24% in a four-year period from \$145 million in 2012 to \$181 million in 2016. This is lower than the national average (+37%) and neighbouring regions such as Queenstown (+70%), Wanaka (+63%), and Dunedin (+28%).

International visitors are expected to continue to increase significantly on the back of national marketing initiatives to get more tourists into the regions. Central Otago is implementing a new Tourism Strategy to leverage off national initiatives, and encourage international visitors from Queenstown to spend time in Central Otago. The Central Otago Touring Route is one local initiative to support this.

Population Growth

Central Otago has experienced a decade of exceptional population growth. Between the 2001 and 2013 censuses the resident population grew by 25.4% from 14,750 to 18,500.

Council's growth model uses the Statistics New Zealand population projections as the basis for forecasting growth in the district. Information on visitor numbers is also used from Qrious. This is a company that utilises anonymous mobile location data to identify visitors to the district, where they spend their time and where they come from.

Three growth scenarios have been modelled. The medium growth scenario has been used for Council's long term planning as this:

- provides realistic projections that are conservatively optimistic. It is considered a better reflection of historical trends and the current economic climate
- is close to historical trends of a steadily growing population but also reflects that recent high growth may not be sustainable over the long term
- is informed by Statistics New Zealand's medium population series. That is considered to be the most appropriate to assess future population changes.

The high growth scenario is considered to be too aspirational, and may lead to overstating the growth in the long term. Similarly, the low growth scenario is more of a worst-case scenario. While this provides a useful perspective, it is not considered appropriate for long term planning purposes.

Under the medium growth scenario, population growth is forecast to continue for the next 30 years. Central Otago's growth is influenced largely by increasing demand in the Queenstown area, and the relative affordability of property in Central Otago relative to Queenstown. In addition to the growth from Queenstown, there is a strong local economy with many people moving to the district for work and business opportunities.

The influence of demand from the Queenstown Lakes area is reflected in terms of the geographic spread of population growth in Central Otago. The fastest rate of growth has been experienced in the Cromwell ward, where the population has increased between the 2001 and 2013 censuses by 73%. The Vincent Ward, which includes Alexandra, Clyde, Omakau and Ophir, grew 15%.

The Cromwell area is projected to continue to experience the highest population growth, followed by the Vincent area. The population is forecast to remain static in the Maniototo area, and decline very slightly in the Teviot area. The dwelling and rating unit growth is still positive in Maniototo and Teviot.

	2018 Usual Resident Population	2018 Peak Population	2048 Usual Resident Population	2048 Peak Population
Vincent	9,534	15,823	10,707	19,128
Cromwell	7,488	12,221	9,866	16,516
Maniototo	1,798	4,649	1,818	5,616
Teviot Valley	1,640	3,048	1,500	3,388

Table 8.3.1 Central Otago projected population growth 2018 - 2048

Demographic Context

The district has a significantly higher proportion of older residents compared to the rest of New Zealand. Projected change in the district's population indicate the proportion of people aged 65+ will increase from the present 21% to over 30% by 2028 to become the dominant demographic.

An older population will affect both the demands on our infrastructure and the availability of rates funding in the long-term. An older demographic requires higher levels of service for footpaths and infrastructure that supports accessibility for people with restricted mobility.

We have implemented an innovative method for measuring the level of service on our footpaths. This uses a phone based application that is mounted on a mobility scooter. This records a roughness of the footpath over 5m intervals. This

information is mapped and is used to prioritise work programmes. This ensures that the work programmes are targeted to actual customer experience on the network.

The importance of meeting the New Zealand Drinking Water Standards will increase as our population ages. An older population is more vulnerable to drinking water contamination.

The reduction in the number of people aged between 15 and 64 years of age in our community is likely to result in shortages of staff for the workforce. Innovative, streamlined work processes, targeted work programmes, and increasing use of technology will continue to be implemented to help limit the impact of a reduced workforce and labour shortages.

Subdivision Growth

Central Otago District Council has experienced consistent subdivision growth over the last 15 years. The district is currently experiencing another unprecedented urban growth peak.

There is currently no remaining urban-zoned land available for development in Clyde, and very little in Cromwell and Alexandra. The lack of available land in Cromwell, Clyde and Alexandra is impacting on property prices. This is resulting in increased demand in Omakau and Roxburgh where property prices are more affordable.

This has resulted in a number of private plan changes being implemented. The outcome of this is that forecasting of growth areas and the subsequent infrastructure impacts is difficult.

The District Plan is currently under review, and this will include provision of sufficient zoned land to meet the expected demand for the next 20 years. This work is still at an early stage, and has not been able to be used for infrastructure modelling for the 2018 Activity Management Plans.

Council has not historically made financial provisions in forward plans for anticipated increases in asset base as a result of subdivisions. This has largely been accommodated within the existing operational budgets, with depreciation being recalculated annually. The duration and extent of subdivision growth and tightening of renewal budgets means that this is no longer viable.

Some analysis has now been undertaken of historical growth in dwelling units and the impacts this has had on vesting of new roads in Council. Analysis of historic dwelling increases and the associated subdivision growth indicates an average of 850m of new urban street will be vested in Council every year to meet the current growth projections for dwellings. Further analysis is required to understand the asset implications of subdivision growth on the water services assets. This will be included in the financial forecasts in the 2021 plan.

Affordability

Central Otago's relatively small and disperse population can put pressure on the affordability of providing and improving our infrastructure. At the same time Council must also meet the challenge of accommodating growth and funding essential improvements for the safety and wellbeing of our community.

The average annual earnings in Central Otago in 2016 was \$46,810, which is 18% less than the New Zealand average of \$57,780. Our ratepayers' ability to absorb rate rises will be affected as an increasing proportion of our residents become over 65 years of age and potentially on fixed incomes.

Ensuring our levels of service are fit for purpose, and considering new ways and innovative practices to deliver cost effective services, is a key part of our Infrastructure Strategy.

We are applying for and accessing government funding where possible to help fund the effects of tourism growth and improved environmental outcomes.

Capital improvement projects in our 30 year programme have been spread across a longer timeframe to spread the cost impacts of this work, and keep our programme affordable. Council will use loan funding to spread the cost of large capital projects over a longer period.

New Technologies

Central Otago District Council has embraced technology and it is widely used for quick notification of events such as road conditions and disruptions to service. This technology is also widely used for managing the water, wastewater and roading networks.

Electric vehicle charge stations are being installed across the network. These are often located on Council land, but are funded by commercial providers.

The introduction of autonomous (driverless) vehicles will have a significant impact on the way travel is undertaken in the future. For the purposes of this strategy we have assumed that vehicle ownership will continue in rural areas. We expect autonomous vehicles to result in substantial reductions in road crashes and associated deaths and injuries in the longer term. While we recognise that change is coming, no specific provisions have been made in our plans for the introduction of autonomous vehicles. Council will monitor the impacts of this technology on larger metropolitan areas to guide future planning.

The development of technology which provides improved data for decision making is rapidly advancing. This technology is being incorporated into Council's operational activities where appropriate. It is being used to mitigate risk, and to provide data for hydraulic and asset deterioration modelling. It is also used to provide early notification of issues with plant and weather conditions.

Climate Change

Central Otago District Council has commissioned a report of climate change impacts on the Central Otago district. This was prepared by Bodeker Scientific, and is titled "The Past, Present, and Future Climate of Central Otago: Implications for the District." This includes the scenario under the worst case or highest warming scenario, as well as the implications this may have for the district. The worst case scenario is based on no behaviour change occurring to lessen the impacts of climate change.

It provides a common base for long term planning across Council activity areas. The Central Otago district is predicted to warm by several degrees by the end of the century. Total precipitation is not projected to change much in the district, however; the distribution and intensity of rainfall is likely to alter, with a greater likelihood of more extreme rainfall events.

The total snow volume that builds up and melts in the main ranges is projected to reduce significantly by the end of the century, as a direct result of warming temperatures. Under the worst case scenario the district could expect following by the end of the century:

- on average, about 30 fewer frost days per annum— a reduction of almost half
- around 35-55 more hot days per annum (maximum temperature above 25°C)—about double the current number
- an increase in average maximum temperature of 3.5 - 4.5°C
- an increase in drought risk arising from higher temperatures and altered precipitation patterns
- snow storage will reduce considerably and in the worst case there would be very little snow storage remaining by the end of the century. Where snow remains, snow-melt will occur earlier leading to a significant reduction in the volume of water from snow storage available through the spring melt season
- precipitation that would have been stored in the snowpack will instead fall as rain and contribute more immediately to river flows and lake levels.

The potential impacts of these climate changes for infrastructure include:

- higher intensity extreme rainfall events may lead to increased likelihood of landslides and flooding, asset damage, asset failure or reduced asset capacity
- events during winter may result in very high snowfall—with implications for road availability and management
- increased heat stress from heatwaves will affect the workforce during summer
- increased temperatures, combined with drought conditions, heighten the risk associated with wildfire. This will increase the importance of vegetation management and impact on when work can be undertaken due to the risk of causing a fire
- higher summer temperatures may affect construction and cause heat damage to bitumen
- a reduction in the number of winter frost days is likely to see a reduced hazard from ice on our roads and freeze thaw issues on unsealed roads.
- flood events caused by extreme rainfall, snowfall or snowmelt runoff may increase the potential for greater damage to bridges and road approaches.

Council's response to climate change for its infrastructure services is:

- to incorporate consideration of climate change into design of future renewals and network improvements. This includes considering change in demand, and resilience due to climate change implication.
- to ensure that water improvement projects include the ability to increase capacity in the future. This could be through the future provision of additional bores, booster pumps and additional reservoir capacity
- upgrading of water treatment to withstand high turbidity caused by flood events
- that bridges and stormwater systems are designed to accommodate extreme weather events, or provide for secondary flow paths
- preparation of stormwater catchment plans for urban areas

- complete stormwater infiltration testing of the wastewater network
- preparation of resilience plans for infrastructure, and documenting emergency response procedures and plans
- continuing with existing management procedures for maintenance activities during high fire risk periods, and health and safety requirements for staff working outside during high temperatures
- review of Central Otago subdivision standards for stormwater management.

Infrastructure Resilience

Natural events in New Zealand in the past decade have focussed our attention on the importance of planning for natural events. This includes managing and mitigating the impacts of climate change. This predicts more frequent intense rainfall and snow events in Central Otago in the future.

Central Otago has a history of flooding, snow and landslides affecting roads. Water services assets have been affected in the past by flooding.

Landslides are largely limited to rural areas and do not affect urban infrastructure. Landslides in rural areas are confined to low volume roads and do not affect critical infrastructure.

A factor 8 earthquake on the Alpine Fault has also been identified as a significant risk to Central Otago District Council and adjoining areas.

Council's response to addressing resilience is covered under Levels of Service, page 61.

Data Confidence and Quality

Data Confidence

The following tables indicate the level of confidence held in Council's data for roading and water services assets, where the confidence grades have the following meanings:

A. Highly Reliable – Data based on sound records, procedure, investigations and analysis, which is properly documented and recognised as the best method of assessment. Dataset is complete and estimated to be accurate to $\pm 2\%$.

B. Reliable – Data based on sound records, procedures, investigations and analysis, which is properly documented but has minor shortcomings; for example the data is old, some documentation is missing and reliance is placed on unconfirmed reports or some extrapolation. Dataset is complete and estimated to be accurate to $\pm 10\%$.

C. Uncertain – Data based on sound records, procedures, investigations and analysis that is incomplete or unsupported, or extrapolated from a limited sample for which grade A or B data is available. Dataset is substantially complete, but up to 50% of data is extrapolated and estimated to be accurate to $\pm 25\%$.

D. Very Uncertain – Data based on unconfirmed verbal reports and/or cursory inspection and analysis. Dataset may not be complete, and most data is extrapolated or estimated. Dataset accuracy of $\pm 40\%$.

E. Unknown – No data, or very limited information, held.

The Data Confidence grading system used is as documented in the International Infrastructure Management Manual (Section 2.4.6).

The effect of data confidence on individual asset groups on the financial forecasts is defined as follows:

Nil – no effect

Minimal – data quality has approximately $\pm 5\%$ impact on budgets for this item

Minor – data quality has $\pm 15\%$ impact on budget impact on budgets for this item

Moderate – data quality has $\pm 25\%$ impact on budget impact on budgets for this item

Asset Group	Asset Register	Replacement Costs	Asset Lifecycle	Condition Grade	Data Confidence Effect on Forecast
Land	B	C	A	N/A	Nil
Sealed Road Surfaces	A	A	A	A	Nil
Sealed Pavement Structures	B	B	B	B	Minimal
Unsealed Roads	A	B	B	B	Minimal
Drainage Assets	B	B	C	C	Minor
Footpaths	B	A	B	B	Minor
Signs & Railings (and Markings)	B	A	B	B	Minimal
Bridges and Structures	B	C	C	B	Moderate
Street Lights	A	A	B	A	Nil

Table 9.1.1 Data Confidence – Roading Assets

Asset Group	Asset Register	Replacement Costs	Asset Lifecycle	Condition Grade	Data Confidence Effect on Forecast
Water Supply					
Plant (Treatment) Assets	B	C	C	C	Moderate
Non-Pipe Assets	B	B	C	B	Minor
Pipe Assets	B	A	C	D	Moderate
Wastewater					
Plant (Treatment) Assets	B	C	C	C	Moderate
Non-Pipe Assets	B	B	C	B	Minor
Pipe Assets	B	A	B	B	Minimal
Stormwater					
Non-Pipe Assets	C	B	C	B	Minimal
Pipe Assets	B	A	B	B	Minimal

Table 9.1.2 Data Confidence– Water Services Assets

Data Improvement Plan

Council acknowledges there are limitations with the asset and remaining life data that affect decision-making. A commitment to improving data collection and analysis is shown Table 9.2.1 Data Improvements.

Activity	Action Required
All core assets	Update condition assessments for all assets that have not been reviewed in the past three years. Implement three yearly condition assessment programmes for samples of all asset groups.
All core assets	Annually review asset life assumptions based on condition, construction date, existing age, and historical replacements.
All core assets	Populate asset data for fields where age or material is unknown.
All core assets	Align asset lives and descriptions for similar assets across the Water Services and Roading networks
All core assets	Continue using non-destructive and destructive materials testing programmes to inform advanced deterioration modelling.
Water Services	Install flow meters within the network to understand capacity.
All core assets	Implement advanced deterioration modelling for the water and wastewater reticulation networks, footpaths and bridges.
Water and Wastewater	Update hydraulic model for Cromwell Water to include new developments, residential zoned land and growth forecasts.
All core assets	Review asset inventories for completeness during site inspections.
All core assets	Continue to collect and record demand data.

Table 9.2.1 Data Improvements

Key Infrastructure Issues

Legislation, growth and the need to work smarter to continue to provide cost-effective services underpin our programme. Three infrastructure issues have been identified as significant, based on the following criteria:

- Significant changes in levels of service
- Significant changes to funding which will affect affordability
- Public interest

The three issues that meet this criteria are:

- Treatment of urban water supplies
- Treatment of urban wastewater discharges
- Increased pedestrian, cycle and traffic demand within commercial precincts

Treatment of Urban Water Supplies

Water treatment upgrades are required to meet national drinking water standards on Clyde, Alexandra, Cromwell, Ranfurly and Patearoa water supplies.

The 2015 Infrastructure Strategy provided the following proposed timeline and cost estimates for water treatment upgrades to meet the standard:

Scheme	Implementation Year	Estimated Cost (\$M)
Lake Dunstan - Alexandra and Clyde (Stage One)	2017	8.6
Naseby (Stage One)	2017	0.84
Omakau (Stage One)	2017	0.38
Cromwell	2026	8.2
Lake Dunstan (Alexandra and Clyde) (Stage Two)	2027	4.5
Ranfurlly	2029	2.4
Patearoa	2029	1.4
Naseby (Stage Two)	2030	0.18
Omakau (Stage Two)	2031	0.47
Total		26.97

Table 10.1.1 Proposed timeline and cost estimates for water treatment upgrades

The Health (Drinking Water) Amendment Act 2007 provides a legislative framework to protect communities by promoting adequate supplies of safe and wholesome drinking water from all drinking water supplies. This Act is supported by the New Zealand Drinking Water Standards, which define the minimum standards for drinking water in New Zealand.

Council is proposing to accelerate water treatment upgrades to provide compliance with the New Zealand Drinking Water Standards. The following table provides the new proposed timeline and revised cost estimates.

Scheme	Implementation Year	Estimated Cost (\$M)
Lake Dunstan (Alexandra and Clyde)	2017	8.6
(Stage One and Stage Two)	2020	14.4
Ranfurlly	2021	0.6
Patearoa	2021	0.3
Cromwell	2023	5.3
Total		20.6

Table 10.1.2 Proposed timeline and revised cost estimates

The proposed timing for upgrading of treatment for the Cromwell supply is dependent on a review, and improvements for capacity requirements to meet growth. The treatment upgrade has been programmed at the earliest achievable date to follow the capacity improvement work.

Council made the decision to include the stage two treatment of the Omakau and Naseby with the stage one work undertaken in 2017/18. This was done to provide a more cost-efficient outcome, rather than have separate projects and establishment for relatively low value work.

Why is it a problem?

All Central Otago District Council water supplies are chlorinated to mitigate the risk of bacterial contamination such as E. coli. Treatment for virus and protozoa contamination occurs for the Roxburgh supply only. The Omakau and Naseby supplies are programmed for upgrading in 2018 to also provide protection against protozoa and virus.

The Alexandra and Clyde (Lake Dunstan), Cromwell, Ranfurlly and Patearoa supplies do not have protozoa and virus protection, and do not meet the requirements of the New Zealand Drinking Water Standards.

A water contamination event in Central Otago would have a significant impact on public health, and reputation. It would damage the perception of Central Otago as a great place to live or visit. Public health, the economy and public confidence would take time to recover.

A Government Inquiry has been undertaken to determine the cause of the August 2016 water supply contamination in Havelock North.

The Inquiry has also considered the potential for similar situations to occur in other New Zealand water supplies. It has identified lessons for local and central government agencies with relevant responsibilities, and the efficiency of the regulatory regime.

New Zealanders expect that water reticulated to their homes and businesses for drinking purposes will be safe to consume and use. The Havelock North water contamination incident risks damaging public confidence in local drinking water supplies. It may also result in reduced public tolerance of risk taking in public water supply management.

The Central Otago water supplies are sourced from unsecure sources. This includes lake or river water, which is filtered through gravels to a bore, or water takes from open water sources. These water sources have minimal barriers to contamination. Many are exposed to stock, other animals, run off from dairy, pastoral and horticultural land, and recreational users.

Upgrading the treatment processes on four water supplies to include protection for protozoa and virus contamination is required. This would provide confidence in the continual supply of safe and wholesome water supplies, which supports healthy communities.

Meeting legislative requirements for levels of service is an overarching principle of Council's Infrastructure Strategy.

Options to address these problems

Alexandra and Clyde

Council has been investigating water supply upgrade options for Alexandra to address customer dissatisfaction with the taste, odour and hardness of the current supply for a number of years.

A number of different options were considered that included providing treatment to the existing water source in Alexandra, a new Alexandra source, or sourcing water from the same location as the Clyde water supply.

In 2015 a preferred option was confirmed to:

- extend the borefield at the Clyde water supply source
- build a single treatment facility at Clyde to service both the Clyde and Alexandra water supplies
- construct a pipeline between the Clyde treatment site and the Alexandra Northern Reservoir
- treat by chlorination for bacterial contamination only in this stage of the project. Treatment for protozoa and virus contamination would be undertaken in 2027.

The estimate for Stage One of the Lake Dunstan water supply project in the 2015 Long Term Plan was \$8.6 million. This estimate has been revised following initial design to \$11.6 million.

The initial cost allocation for treatment suggested that \$4.5 million of expenditure could be delayed by 10 years by staging the filtration and UV processes from initial chlorine treatment.

The revised 2017 estimate for the filtration and UV treatment is \$2.8 million.

The options are:

1. Construct the treatment works in one stage with the pipeline, with implementation in 2020.
2. Construct treatment works in two stages, with chlorination only in Stage One and cartridge filtration and UV treatment in 2027-2029.

There will be loss of economy of scale if two establishments are required. The treatment building will need to be extended for Stage Two, and major plant installed in Stage One will need to be moved during Stage Two.

Option 1 is the preferred option, with the treatment works constructed at the same time as the pipeline, removing the need for a two staged treatment process.

Cromwell

Further work is required to investigate the options for capacity improvements to meet growth demands and water treatment for the Cromwell water supply. This will include consideration of multiple treatment sites and reservoirs, a single treatment site with multiple reservoirs, retaining and expanding the existing bore field, a new water source or a supplementary water source.

Funding in the 10-Year plan has been based on developing the existing bore field, retaining the existing reservoir configuration which is supplemented with an additional reservoir at Pisa, and a single treatment facility.

More detailed investigations will be undertaken on this project, with consultation in the 2021 Long Term Plan on the options for water source, reservoir and treatment configurations.

The options for timing are:

1. Construct treatment works with capacity improvements, with implementation in 2023.
2. Construct the treatment works in 2026.

The preferred option is that the treatment works be constructed in conjunction with the capacity improvements.

Ranfurly and Patearoa

The 2015 Long Term Plan and Infrastructure Strategy provided for upgrading of water treatment for Ranfurly and Patearoa, to be undertaken in 2029.

The options are to:

1. Upgrade treatment of these two supplies to New Zealand Drinking Water Standards in 2021.
2. Continue to delay implementation of fully compliant treatment until 2029.

The preferred option is that the treatment works be constructed in 2021.

Implications of the options

The advantages of accelerating the drinking water treatment upgrades are:

- that safe and wholesome water supplies will be provided to towns in Central Otago, which supports a healthy community.
- schemes will comply with the New Zealand Drinking Water Standards and Council will be meeting its legal obligations.
- drinking water on urban supplies will be consistently safe for consumption.
- additional drinking water supplies will not need to be processed or purchased by residents and businesses.
- Central Otago's reputation as a desirable place to live and visit will be secured and enhanced.

The disadvantages of accelerating the drinking water treatment upgrades is that \$9 million of expenditure will be brought forward between four to eight years earlier.

Assumptions of uncertainty

The estimates for the water treatment upgrade projects for all supplies except the Lake Dunstan (Clyde/Alexandra) schemes are based on rough order estimates of similar sized schemes. Outline designs are still to be prepared for the Cromwell, Ranfurly or Patearoa treatment upgrades. These estimates will be updated as design and tendering progresses.

There may be legislative changes to the requirements for public water supplies as a result of the Havelock North Inquiry. This could include penalties for non-compliance.

Treatment of Urban Wastewater Discharges

Increasing environmental expectations and regulation mean we need to improve the quality of our urban water discharges, particularly in regards to wastewater in Clyde.

Why is it a problem?

Clyde

All residential and commercial properties in Clyde are currently served by privately owned septic tanks and disposal fields. While residential septic tanks are permitted now, commercial septic systems may require a resource consent. Currently there are four consents for discharge of wastewater to land in Clyde. There is considerable anecdotal evidence of strong sewage odours from the business area, particularly during peak summer tourist periods.

The National Policy for Freshwater Management 2014 requires overall water quality is maintained or improved, including for the health of people and communities. Regional councils are responsible for water quality, and have already introduced more stringent discharge controls for rural areas to control contaminants and sediment coming off rural properties into waterways from runoff, leaching and drains (non-point sources).

The Otago Regional Council is now looking at urban water discharges. This will cover all contaminant sources in urban areas, which will include septic tanks. The cumulative effects of discharges from septic tanks can be as damaging as discharges from agricultural activities. A recent study indicates that unless an advanced wastewater treatment system is used, a residential section with a size of 0.3 ha or less may not comply with a limit of 30 kgN/ha/yr, and neither may an area where the density exceeds 370 septic tanks per square kilometre. Currently Clyde has 760 septic tanks per square kilometre and few, if any, sections greater than 3000m².

Further subdivision growth in and around Clyde is not currently possible due to the lack of wastewater infrastructure. The region is experiencing high demand for additional housing and there is suitable land available in the area. Installation of a public wastewater collection system removes the wastewater impediment to further subdivision in Clyde.

Clyde is the third largest town in Central Otago, and it is inevitable that a reticulated wastewater system will be required within the 30-year period of this plan.

Alexandra and Cromwell

Further upgrading of treatment at the Cromwell and Alexandra wastewater sites will also be required by 2033. These upgrades will be required to ensure that the impacts of additional loading due to population growth on these networks do not negatively impact on the quality of discharges. This is also a resource consent requirement.

Improvements to pump station storage, main separation, and emergency power generation is proposed in 2026. The estimated cost of this work is \$1.5 million, and will improve capacity for growth, and resilience for power outages and emergency events.

Omakau, Naseby, Ranfurly and Roxburgh

Treated wastewater at Naseby, Ranfurly and Roxburgh is discharged to land. Minor upgrades to these sites is proposed between 2036 and 2039 to improve discharge quality and meet increasing environmental expectations.

Treated wastewater at Omakau is discharged to the Manuherikia River. Improvements are being undertaken at this site in 2018 to improve discharge quality. Further improvements are proposed to the treatment method between 2033 and 2036 to meet increasing environmental expectations.

Options to address these problems

Clyde

A long list of options has been considered for Clyde Wastewater against four investment objectives, and five critical success factors.

Options regarding geographical coverage, level of service, level of treatment, discharge and location of treatment have been considered.

The preferred option is to construct a reticulated wastewater system for Clyde. Wastewater would be piped from Clyde to Alexandra, and treated at the existing Alexandra Wastewater treatment plant.

The proposal is to implement the project in three stages. The first stage would include the commercial and heritage precinct, and all properties between Sunderland Street and the Clutha River. It would include Dunstan Hospital and the Clyde camping ground. This would address all existing individually consented commercial properties, and the older septic tanks.

The second stage would encompass the area not in stage 1, between Sunderland Street, Hazlett Street and Orchard Street. This area was largely developed prior to 1997 when changes to the requirements of septic tanks were introduced. This stage would also include upgrades to the Alexandra Treatment Plant to accommodate the additional flow, and improve discharge quality.

The third stage would encompass the remaining residential area between Hazlett Street, Orchard Drive and State Highway 8.

A shortlist of options has been identified, and are outlined on Table 10.2.2. Figure 10.2.1 shows a plan of the proposed staging of the reticulation.

Clyde Wastewater Scheme	Implementation Year	2018 Estimated Cost (\$M)	Estimated Inflated Cost (\$M)
Stage 1	2020	\$11.7	\$11.7
Stage 2	2029-2033	\$12.3	\$15.9
Stage 3	2038-2040	\$4.3	\$6.4
Total		\$28.3	\$34

Table 10.2.1 Options for staging of Clyde Wastewater Scheme

Alexandra and Cromwell

If the Clyde wastewater project does not go ahead, or is treated at a separate facility, then the Alexandra wastewater treatment plant will still require upgrading to improve discharge quality and meet capacity demands from Alexandra by 2033.

Options for Alexandra wastewater treatment are:

- incorporate treatment for Clyde and Alexandra at the one site. The estimated cost to upgrade the Alexandra site to incorporate Clyde, meet discharge standards and reduce future operating costs is \$9.7 million.
- undertake a separate upgrade to meet discharge standards and reduce future operating costs. The estimated cost for this is \$3.8 million.

The above options both include a solar drying facility for sludge management to improve operational cost-efficiency and provide more sustainable outcomes.

The estimated cost for a solar drying facility on the Alexandra treatment site is \$1.2 million. The alternative is to continue to transport sludge to landfill. The whole of life cost over a 15 year period for the solar drying facility is marginally more cost effective, and would reduce the volume disposed to landfill by 70%.

The options to further improve nutrient removal at the Cromwell Wastewater site are:

- additional biological treatment within the ponds
- additional tertiary treatment

Further investigation will be required, but the estimated cost for upgrading to meet the increased loading and discharge quality in 2033 is \$4 million.

Omakau, Naseby, Ranfurly and Roxburgh

Options for upgrading the treatment at these sites are still to be developed. Provision of \$3 million has been made between 2033 and 2038.

Implications of the options

The advantages of undertaking the wastewater treatment upgrades are:

- the quality of urban wastewater discharges will be improved. This will improve the quality of waterways in Otago.
- Central Otago's reputation for clean lakes and rivers that support community health and wellbeing, and provide recreational opportunities will be maintained.
- the implications of greater loadings on the treatment plants from population growth will be mitigated.
- Council will be meeting its legal obligations under the Resource Management Act.

The disadvantage of the options is the cost that it will impose on the community.

Treated wastewater from Cromwell and Alexandra is discharged to Lake Dunstan and the Clutha River. While discharge to land is a preferred method, this would pose a risk to groundwater. Disposal to ground is not economically viable for either of these locations.

Assumptions or Uncertainty

An initial study and options analysis has been undertaken for the collection and treatment of wastewater at Clyde. The estimated costs are based on an accuracy of $\pm 30\%$. These will be refined during the design process.

External funding may be available from the Ministry for the Environment from the Freshwater Improvement Fund. The fund is for projects costing \$400,000 or more that will improve the quality of water in our water bodies. It is focused on

water bodies in vulnerable catchments that are showing signs of stress but have not yet reached a 'tipping point'. The Clutha River has been classified as a vulnerable catchment.

This fund covers a maximum of 50% of the total project cost and the project will be funded for a maximum period of up to five years after which the project objectives will have been achieved.

If an application for funding from the National Freshwater Fund for implementation of a wastewater system for Clyde was successful, then this may require the project to be completed in a single stage to achieve the benefits within the five-year period.

The Otago Regional Council is currently working through Plan Change 6B that will control contaminants and sediment coming off urban areas into waterways from runoff, drains and septic tanks. The requirements and timing of compliance with Plan Change 6B are unknown at this stage.

There may be further legislative changes to the requirements for discharges to waterways, and government funding, as a result of political change.

Technology regarding wastewater treatment is progressing rapidly. The risk of using new innovative methods is likely to reduce, and the options available are likely to increase by the time Council proceeds with the next stage of treatment upgrades from 2030.

The timing of upgrades is largely influenced by the ability of the existing plant to cope with increased loadings from population growth. If projected population growth differs to that forecast then this will impact on the timing of the plant upgrades.

It has been assumed that the performance of the existing treatment processes will meet current expectations.

	Do Minimum	Preferred Option	More Ambitious
Coverage	Existing Clyde commercial area, land between Sunderland Street and the Clutha River, and potential new growth in Muttontown area	Existing commercial and residential zoned land with provision for future growth in Muttontown area	Existing commercial and residential zoned land with provision for future growth in Muttontown area
Level of Service	Council manages sucker trucks to empty existing septic tanks	Gravity reticulation with some pump stations, eliminating septic tanks	Vacuum sewer
Treatment	As for preferred option	Tertiary treatment including nutrient removal and disinfection	As for preferred option
Location	Transported to Cromwell treatment plants	Piped to the existing Alexandra treatment plant	New location
Discharge	Discharge of treated water to Lake Dunstan at Cromwell	A new consent for discharge of treated water to the Clutha River at Alexandra	Store and use for irrigation on nearby land
Timing		Staged reticulation and treatment capacity	Reticulation and increased treatment capacity all at one

Table 10.2.2 Shortlist of Options for Addressing Wastewater Discharges in Clyde

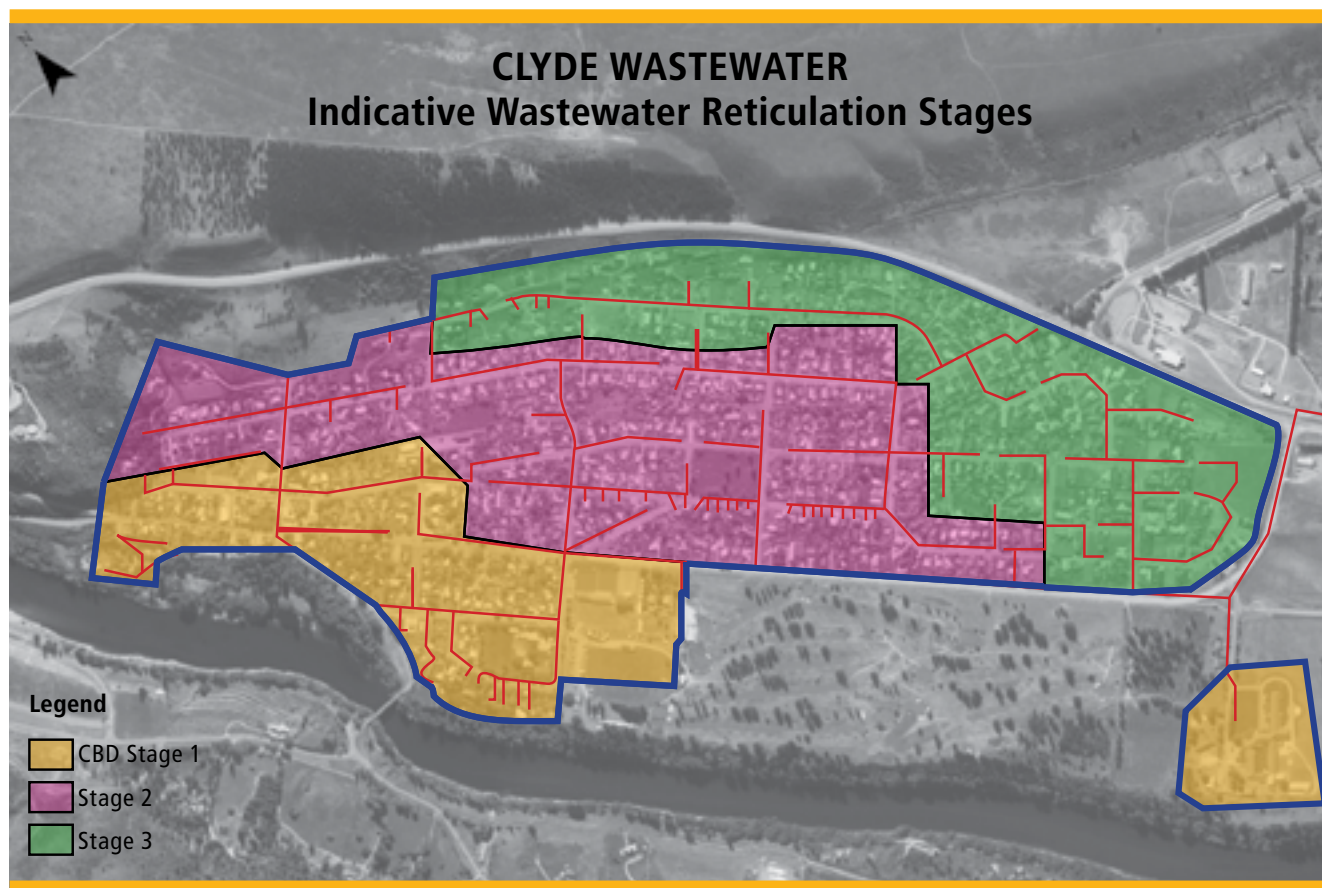


Figure 10.2.1 Plan of the proposed staging of the reticulation

Increased Pedestrian, Cycle And Traffic Demand Within Town Centres

Growth and the effects of peak days is leading to changes in demand for parking, and use of public spaces, potentially eroding the experience for visitors and locals in our historic and commercial precincts. The way key streets and lanes are used by people, cyclists and vehicles, and the lack of clarity of the function and purpose of these streets is confusing and potentially unsafe.

Traffic, parking, cyclist and pedestrian volumes within a confined area have increased significantly in both Clyde and Cromwell. This is also becoming noticeable in other historic towns such as Ophir.

A project is proposed to address these issues in the Clyde Heritage Precinct between 2018-2020. Minor upgrades are proposed in Ophir and Roxburgh in 2020. Intersection, pedestrian and cycling improvements are proposed in Cromwell in 2021, and cycling improvements in Bannockburn in 2022.

The growth in population, business, tourism, property development, and jobs is having an impact on the historic and commercial precinct. Traffic, parking, cyclist and pedestrian volumes within a confined area have increased significantly.

Why is it a problem?

The 2010 Clyde Community Plan feedback, and a community survey undertaken by Council in 2015 identified issues, challenges, and objectives and opportunities. Two facilitated workshops were held in 2017 with key stakeholders to build on this work, and understand the key issues and the case for change.

This work has identified what people value in the town and what needs to be prioritised as the growth occurs. Common themes from all of these interactions were:

- Retention of character while supporting managed development (development that is sympathetic to the natural environment)
- Retention of the positive visitor and local experience
- Support of tourism and business growth opportunities
- Better management of vehicle traffic through Sunderland Street (speed and noise)
- Development of public spaces and local recreation opportunities

- Better coordination of the town centre, including signage and parking allocation
- Better exposure of and connection to the Clutha River
- Cyclist and pedestrian management, including safety and coordination of rail trail cycling activities

These issues have been grouped into the following:

- Growth and the effects of peak days is leading to changes in demand for parking, and use of public spaces, potentially eroding the experience for visitors and locals.
- The way key streets and lanes are used by people, cyclists and vehicles, and the lack of clarity of the function and purpose of these streets is confusing and potentially unsafe.
- The change that is occurring is being managed in an organic and ad-hoc fashion, meaning we are not planning for the future and potentially missing opportunities.

Options to address these problems

Clyde

A long list of seven options has been considered for the Clyde Heritage Precinct against three investment objectives and a number strategic requirements and risks.

Seven options were considered by the Stakeholder Working Group. Options 1 to 3 were discounted as they would not achieve the project objectives. Option 7 was discounted as being too ambitious and expensive to address the current problems.

Clyde Heritage Precinct	Implementation Year	Estimated Cost (\$M)
Option 1 - Do minimum	leave as is	\$0
Option 2	Addressing parking by improving access to car parking beside river, and reducing speed on Sunderland Street	Not priced
Option 3	Including Option 2, and create Clyde's Heart, by upgrading Lodge Lane into a public space	Not priced
Option 4 This is Option 1 in the 2018 10-Year Plan Consultation Document	Addressing parking by improving access to car parking beside river, and reducing speed on Sunderland Street, create Clyde's Heart, by upgrading Lodge Lane into a public space, and connect the Commercial Precinct to the river, creating a park and making the river an attraction	\$0.83
Option 5 This is Option 2 in the 2018 10-Year Plan Consultation Document	Including Option 4, and extending upgrades along Holloway and Fache Streets	\$0.97
Option 6 This is Option 3 in the 2018 10-Year Plan Consultation Document	Oncluding Option 4 and 5, and extending upgrades along Sunderland Street	\$1.23
Option 7	Including options 4 to 6, and activate more commercial space with development onto Miners Lane by upgrading of existing road behind the existing Sunderland Street businesses.	Not priced

Table 10.3.1 Options for the Clyde Heritage Precinct

Option 4 was identified as the preferred option, with Options 5 and 6 to be included for further consideration.

Implications of the options

The advantages of undertaking the proposed upgrades are:

- Improved access will be provided to meet the growing needs of the township, with improved use of streets and trails.
- Clyde will maintain its charm and authenticity where visitors and locals freely mix.
- Increased economic development and prosperity can occur without major negative impacts on heritage and character values.

The disadvantage of the options are:

- Car parking on Sunderland Street and Lodge Lane will be relocated by one block.
- Cost imposed on the community.
- Option 7 would result in significant work to extend the access road (Miners Lane) behind the existing Sunderland Street businesses to enable vehicle access from both ends.

Assumption or uncertainty

An initial study and options analysis has been undertaken for the project. The estimated costs are based on an accuracy of ± 30%. These will be refined during the design process and are largely dependent on the materials used.

The funding included in the Infrastructure Strategy relate to the road improvements components of the project. Design and cost estimates for features such as the Clyde River Park, walking trails, picnic areas, and public toilets are still to be undertaken, and will be included in Council’s 10-Year Plan.

External funding may be available for components of the project from the Tourism Infrastructure Fund. This provides up to \$25 million per year for the development of tourism-related infrastructure such as carparks, freedom camping facilities, sewerage and water works and transport projects. This fund is intended to support local communities facing pressure from tourism growth and in need of assistance – areas with high visitor numbers but small ratepayer bases, for example.

The New Zealand Transport Agency is expected to provide a 51% subsidy for the proposed improvements within the road corridor. Council will also investigate opportunities for funding from Government’s Regional Development Fund, and Mid-sized Tourism Grants Fund for this project.

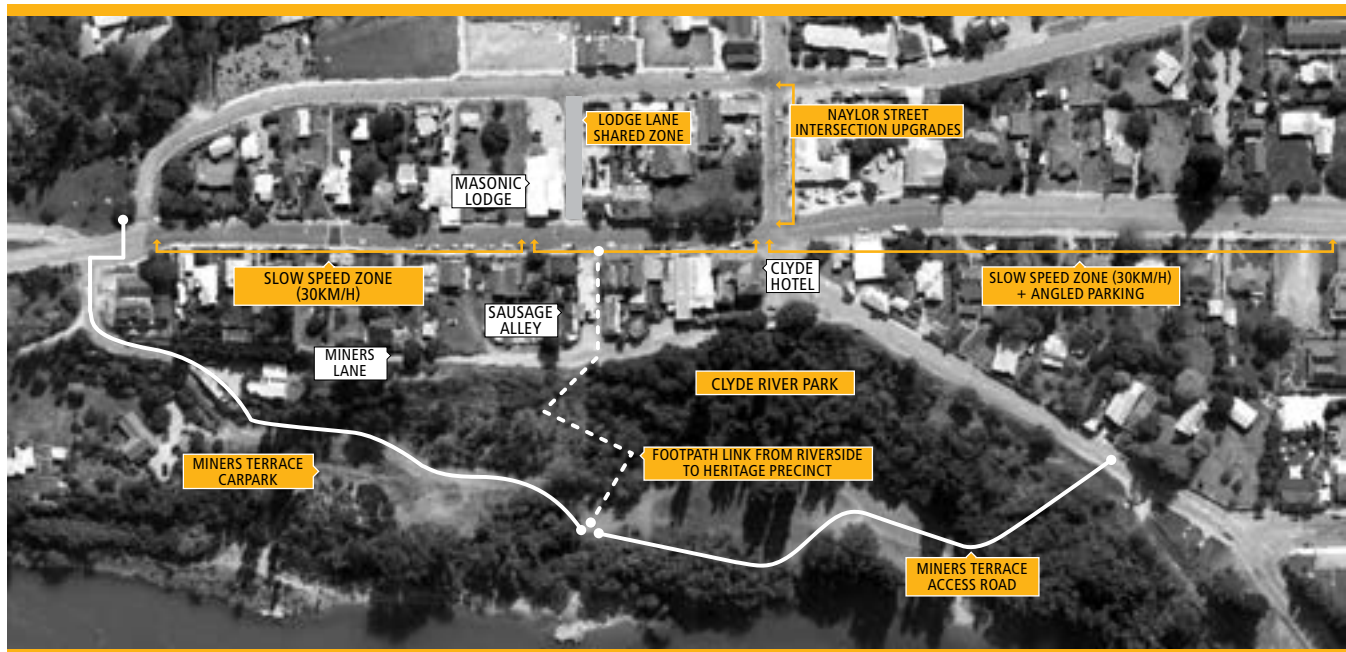


Figure 10.3.1 Clyde Precinct Concept Plan – Option 4

Other Challenges

In addition to the key issues, and specific activity issues that require capital investment to address them, the following issues require changes to our management practices. These changes will enable us to deliver our service commitments and provide cost effective solutions.

1. Population, visitor, and economic growth is placing pressure on urban centres.
 - We need to improve our understanding of the capacity of our existing water and wastewater networks to plan for the long term impacts of growth on our ability to deliver the required service.
 - The three largest townships of Cromwell, Alexandra, and Clyde have little remaining residential zoned land available for subdivision. The District Plan is currently being reviewed, but the current demand for land is exceeding supply and resulting in private plan changes. These areas have not been included in previous urban infrastructure planning and require specific modelling to understand the impacts on capacity of the networks.

2. We need to improve condition data and understanding of asset lives for our water services and bridge infrastructure. This will enable us to improve accuracy in forecasting of renewal needs.
3. We need to document our plans for natural disasters to ensure we can respond effectively and efficiently. This includes planning for a magnitude 8 earthquake on the Alpine Fault, and climate change implications.

Activity Summaries

Water

Central Otago's vision for water services is "to deliver safe and wholesome water supplies which support a healthy community and environment".

Council provides potable water to properties within nine water schemes. Population growth is forecast to continue on the Alexandra, Clyde and Cromwell schemes. Visitor growth is projected to increase across all schemes.

There are a number of private water supplies within Central Otago that are not managed by Council. These water supplies are not included within the scope of this plan.

Improving the safety and resilience of all schemes, while meeting the additional demands of growth and affordability remains a challenge.

Improving water treatment to meet the New Zealand Drinking Water Standards to deliver safe and wholesome water supplies is a key issue. All Council schemes are chlorinated.

The Roxburgh scheme has a filtration system and ultra violet light treatment. This system provides treatment that meets the New Zealand Drinking Water Standards. The Naseby and Omakau schemes are also being upgraded in 2018 to meet the New Zealand Drinking Water Standards. The remaining six schemes need further treatment processes added to fully comply.

We have been investing in hydraulic modelling of our networks to improve understanding of growth impacts. More advanced measurement devices will be installed in the next three years to enable improved understanding of demand on sections of individual networks. This work will feed into updated models and refine designs for future capacity upgrades.

Sampling has been undertaken on all pipelines that have been identified as priorities for replacement. This indicated that while some pipes required replacement, a number had sufficient remaining life to be deferred.

Council has reduced its renewal programmes for water assets for the next three years based on the sampling that has been undertaken. This will enable further visual and laboratory condition rating, analysis of asset life, and advanced deterioration modelling to be undertaken prior to reviewing programme requirements in 2021. The expectation is that this will result in a step change to future renewal programming and build on the work already undertaken.

Demand Drivers for Capital Works for Water

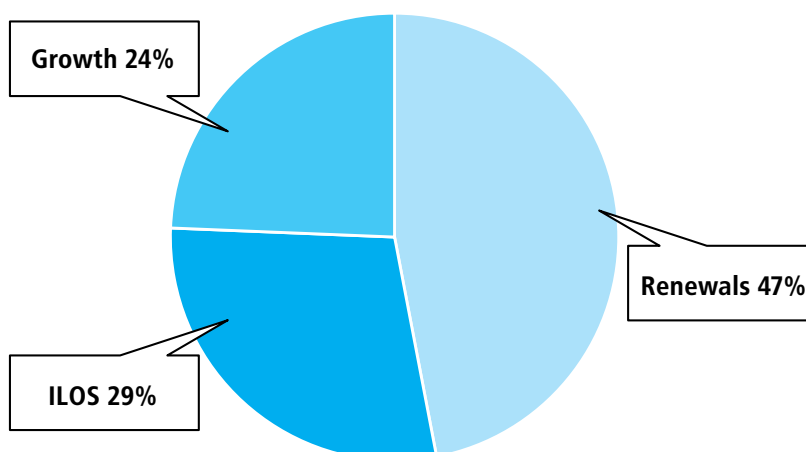


Figure 12.11 Drivers of Demand for 30 Year Water Capital Programme

Figure 12.1.2 Projected Capital Expenditure – Water shows depreciation is significantly less than the overall capital programme for water. However, when level of service and growth related capital costs are excluded, depreciation is approximately 34% higher than the programmed renewals expenditure over the next 30 years.

Water treatment assets have a data confidence rating of uncertain. This is estimated to have a moderate ($\pm 25\%$) impact on budgets. Further work is planned to update condition assessments, and review asset life assumptions based on condition, construction date, existing age, and historical replacements in the next three years.

Council is undertaking significant investment on new water infrastructure within the first five years of this plan. These new assets will add to depreciation costs, but will not require replacement within the next 30 years.

Council’s water pipes are relatively young with an average life of 30 years. Depreciation should therefore be accumulating on these assets until such time as they need replacing.

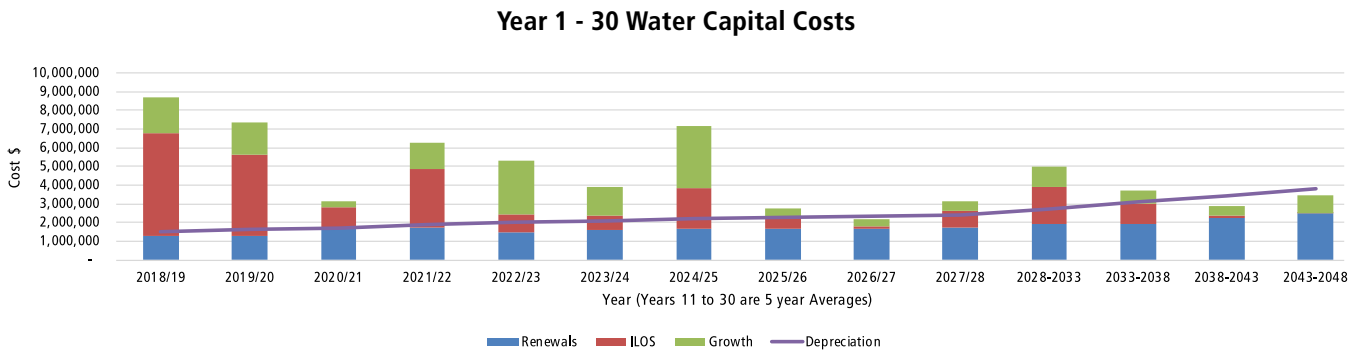


Figure 12.1.2 Projected Capital Expenditure – Water

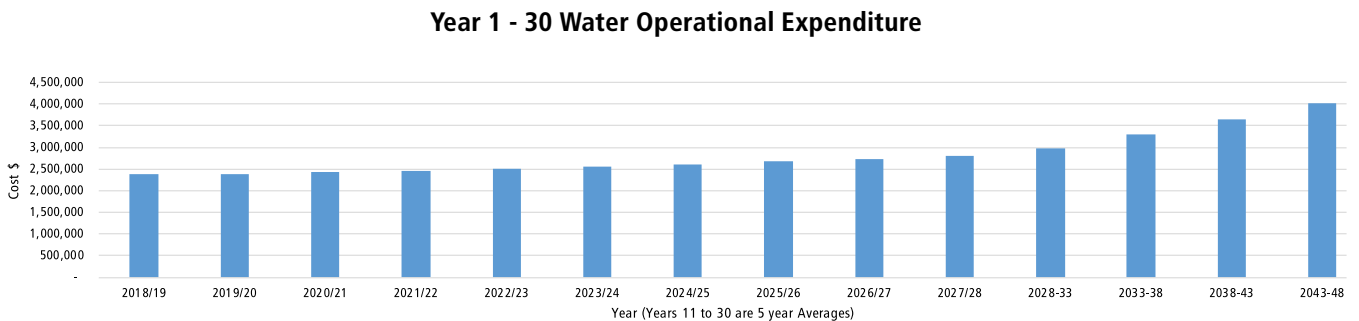


Figure 12.1.3 Projected Operational Expenditure – Water

Project	Problem	Preferred Option	Principal Alternatives	Capital Expenditure Split	2018 Cost (\$ Million)	Year	Escalated Cost (\$ Million)
Lake Dunstan Water Supply Treatment Cromwell Treatment Ranfurly Treatment Patearoa Treatment	Existing Treatment does not comply with the NZ Drinking Water Standards	Accelerate treatment projects so that all schemes are compliant with the New Zealand Drinking Water Standards within 5 years	Leave projects as programmed in the 2015 Long Term Plan with all schemes compliant with the New Zealand Drinking Water Standards within 11 years	74% Level of Service 26% Growth	\$2.8	2019-2020	\$2.8
				74% Level of Service 26% Growth	\$5.5	2020-2023	\$5.64
				44% Level of Service 45% Renewal 11% Growth	\$0.6	2020/21	\$0.6
				47% Level of Service 48% Renewal 5% Growth	\$0.3	2020/21	\$0.3
Lake Dunstan Water Supply Bores & Pipeworks	Lime in Alexandra does not meet customer expectations	Find an alternative water source near Alexandra	Combine the Alexandra and Clyde Networks into one scheme	74% Level of Service 26% Growth	\$10	2018-2020	\$10
Backflow Prevention	Risk of contaminated water flowing back into the network due to pressure variances	Installation of backflow prevention devices to reduce risk of water contaminations	Accept a higher level of risk of drinking water contamination	89% Level of Service 11% Growth	\$0.96 (\$0.14/annum for 3 yrs, then \$0.06/annum)	2018-2029	\$1.03
	Shutdowns due to failure result in widespread loss of supply, unable to close parts of the network if there is a contamination risk	Install valves to enable areas of the network to be isolated	Maintain a higher risk level and supply outages during repairs.	44% Level of Service 45% Renewal 11% Growth	\$0.46 (0.030/annum)	2018-2030	\$0.56
Omakau Water Pressure	Low water pressure does not meet level of service expectations for Omakau and Ophir	Install a booster pump	Relocate the reservoir	41% Level of Service 41% Renewal 18% Growth	\$0.54	2021/22	\$0.55
Generators for Bore fields	Bores stop operating due to power outages	Install permanently located emergency generators for Lake Dunstan, Cromwell and Roxburgh bore fields	Increase reservoir capacity to accommodate power outage periods	82% Level of Service 18% Growth	\$0.475	2025/26	\$0.54

Project	Problem	Preferred Option	Principal Alternatives	Capital Expenditure Split	2018 Cost (\$ Million)	Year	Escalated Cost (\$ Million)
Cromwell Capacity	Impacts of growth on the Cromwell Water Network are not fully understood	Upgrade the hydraulic model to include future growth and prepare an optimised plan for provision of water for the future. This will enable capacity improvements to be co-ordinated with renewal programmes.	Undertake adhoc improvements as development occurs. Miss opportunities for cost-effective improvements to be co-ordinated with planned renewals and development work	100% Growth	\$0.2	2019/20	\$0.2
	Insufficient capacity from existing bores to meet future demand	Construct more bores at existing bore field	Find another source, or location for bore field	100% Growth	\$0.32	2021/22	\$0.33
	Water from the bores is pumped through the network to the reservoir, this causes pressure fluctuations, and increases risk	Construct a dedicated rising main to the existing reservoir that will improve operational efficiency, improve capacity of flow to the reservoir, and improves resilience.	Continue to pipe water to the reservoir through the existing network and accept pressure and reservoir fluctuation issues	100% Growth	\$2.40	2021-2023	\$2.52
	Separate schemes for part of Pisa and Cromwell. Pisa scheme has insufficient capacity to meet growth, and does not meet NZ Drinking water standards	Connect the Pisa scheme to the Cromwell network by constructing a new reservoir at Pisa. Disestablish the Pisa treatment facility.	Maintain two separate schemes, and increase capacity and level of treatment on the Pisa scheme	74% Level of Service 26% Growth	\$2.5	2023-2025	\$2.75
Insufficient capacity in existing pipeline Bannockburn to meet firefighting requirements and growth demand	Construct larger pipeline to Bannockburn	Construct an additional pipeline	100% Growth	\$1.0	2023/24	\$1.08	

Project	Problem	Preferred Option	Principal Alternatives	Capital Expenditure Split	2018 Cost (\$ Million)	Year	Escalated Cost (\$ Million)
Alexandra Capacity	A new reservoir will be required to provide sufficient capacity for growth	Construct an additional reservoir on the Northern Reservoir Site on Gilligans Gully	Construct a larger pipeline and treatment plant capacity from the source at Clyde, and install booster pumps	10% Level of Service 90% Growth	\$2.6	2023-2025	\$2.86
	Pipe and pump capacity is insufficient to meet growth and level of service requirements for pressure	Upgrade supply main to Letts Gully with pump station at Gilligans Gully to provide sufficient capacity for growth	Construct a new network from the reservoir to service Gilligans Gully and Letts Gully areas.	91% Level of Service 9% Growth	\$0.75	2027/28	\$0.9
	Existing LDWS bored will not have sufficient capacity to meet expected growth in 2030	Construct two further bores within the existing bore field in 2030 when demand requires these	Construct the two bores as part of Stage 1, earlier than required.	100% Growth	\$0.32	2030/31	\$0.40
Ophir Trunk Main Relocation	New pipeline between Clyde and Alexandra will have insufficient capacity to meet expected growth in 2045	Install a booster pump	Install a larger pipe, or a second pipe	100% Growth	\$0.4	2045/46	\$0.68
	A new reservoir will be required to provide capacity for growth in the Bridge Hill Area	Construct an additional reservoir at a higher elevation to the existing Bridge Hill site to service properties above the reservoir	Construct an additional reservoir on the existing Bridge Hill site and pump to houses above the reservoir	10% Level of Service 90% Growth	\$0.9	2044/45	\$1.49
Automated Reservoir Valves – Alexandra, Cromwell and Roxburgh	The existing pipe is located in the bed of the Manuherikia river, which is prone to excessive scouring at this location	Relocate the pipe onto the Omakau Bridge when the bridge is replaced	Leave the pipe in the river bed and continue to undertake remedial works following floods	35% Level of Service 35% Renewal 30% Growth	\$0.3	2030	\$0.38
	Currently unable to undertake automated shutdown of supply from the reservoir into the network as there are only manual valves	Install new automated valves which are connected to Scada system. This would enable automated shutdown if a significant break occurs in the network	Continue with manual shutdown and accept risk of loss of water during a network break, or large earthquake	89% Level of Service 11% Growth	\$0.19	2023/24	\$0.25

Project	Problem	Preferred Option	Principal Alternatives	Capital Expenditure Split	2018 Cost (\$ Million)	Year	Escalated Cost (\$ Million)
Roxburgh Water Pressure	High water pressure does not meet level of service expectations	Construct a smaller reservoir to the south of Roxburgh at a lower elevation	Use a pump system to isolate the high pressure area from the properties in the south	46% Level of Service 47% Renewal 7% Growth	\$0.94	2040/41	\$1.44
Network Upgrades with Developments	Opportunities occur to upgrade the capacity of pipes installed during developments to service the wider community	Provision to enable cost effective upgrades to be undertaken when they are presented due to development	Miss opportunities to include cost effective capacity improvements when development work is occurring and programme these separately through future long term plans	44% Level of Service 45% Renewal 11% Growth	\$0.9 (0.075/annum)	2018 - 2030	\$0.99
Network Upgrades due to Growth	Long Term forecasts do not include provision to address the implications of growth on capacity of the network	Provision to recognise future capacity improvements which will be required as growth occurs	Under-forecast long term implications of growth on capacity of supplies	100% Growth	\$7.5 (approx. \$0.3 /annum)	2024 - 2048	\$10.57
Reticulated water Supply to the Dunstan Flats Area	Bores on some rural residential properties in the Dunstan Flats area run dry during summer months. This may get worse as irrigation practises change, and climate change occurs	Reticulated supply fed from a reservoir off the new Lake Dunstan Water Supply pipeline	Reticulated supply fed off the Clyde or Alexandra networks	78% Level of Service 22% Growth	\$15	2028-2036	\$19.1

Table 12.1.1

Wastewater

Central Otago’s vision for wastewater services is “to deliver safe and compliant wastewater networks which support a healthy community and environment”.

The wastewater services activities enable the collection, conveyance, treatment and disposal of wastewater within seven schemes across the district.

Population growth is forecast to continue on the Alexandra, Clyde and Cromwell schemes. Visitor growth is projected to increase across all schemes.

Reducing the environmental impacts of all schemes, while meeting the additional demands of growth and affordability remains a challenge.

We have been investing in hydraulic modelling of our wastewater networks to improve understanding of growth impacts. Resilience work is programmed on the Cromwell and Alexandra networks within the next 10 years to improve pump station capacity, provide emergency generation, and reduce the risk of wastewater overflows occurring as these networks operate closer to full capacity.

Flow meters will be installed on pumps in Alexandra within the next three years to improve our understanding of stormwater infiltration. Smoke testing has been undertaken on the Ranfurly network, and will continue on the Alexandra and Cromwell networks to identify direct stormwater connections into the wastewater network. This work enables us to reduce the demand on the reticulation, pump and treatment networks. This will help to lessen the impacts of growth.

Closed Circuit Television (CCTV) inspections have now been undertaken on 41% of the wastewater reticulation. This was targeted at the pipes which were assumed to be nearing the end of their life either due to age, material, or service issues. Overall, the pipes that have been assessed are better than was expected with over half (54%) achieving a ‘pass’ grade using the adopted criteria. This indicates that while some pipes require replacement, most had sufficient remaining life for renewals to be deferred.

Council has reduced its renewal programmes for wastewater assets for the next three years based on the information from the CCTV condition rating. This will enable further visual rating, analysis of asset life, and advanced deterioration modelling to be undertaken. The expectation is that this will result in a step change to future renewal programming and build on the work already undertaken.

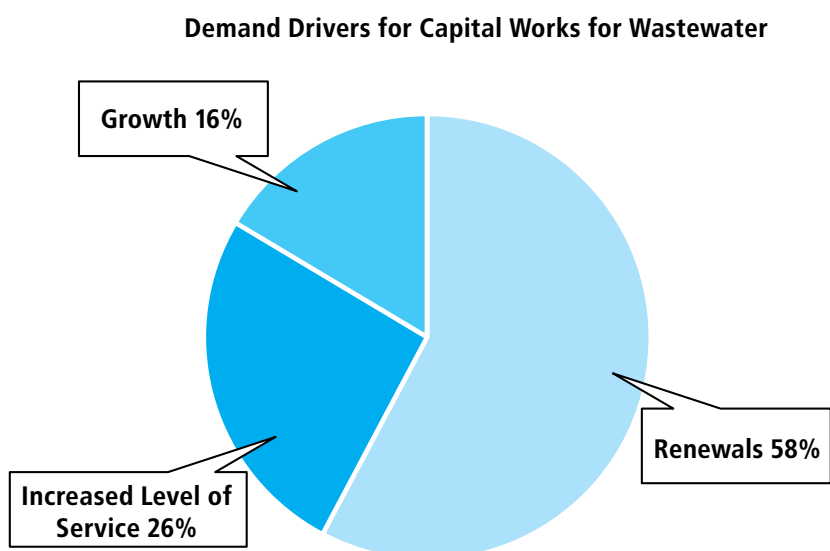


Figure 12.2.1 – Drivers of Demand for 30 Year Wastewater Capital Programme

Figure 12.2.2 Projected Capital Expenditure – Wastewater shows that depreciation is significantly less than the overall capital programme for wastewater. However, when level of service and growth related capital costs are excluded, depreciation is approximately 48% higher than the programmed renewals expenditure over the next 30 years.

Wastewater treatment assets have a data confidence rating of uncertain. This is estimated to have a moderate ($\pm 25\%$) impact on budgets. Further work is planned to update condition assessments, and review asset life assumptions based on condition, construction date, existing age, and historical replacements in the next three years.

Council is undertaking significant investment on new wastewater infrastructure at the Cromwell wastewater treatment plant, and on reticulation for Clyde at the beginning of this plan. These new assets will add to depreciation costs, but will not require replacement within the next 30 years.

Council’s wastewater pipes are relatively young with an average life of 30 years. Depreciation should therefore be accumulating on these assets until such time as they need replacing.

Year 1 - 30 Wastewater Capital Costs

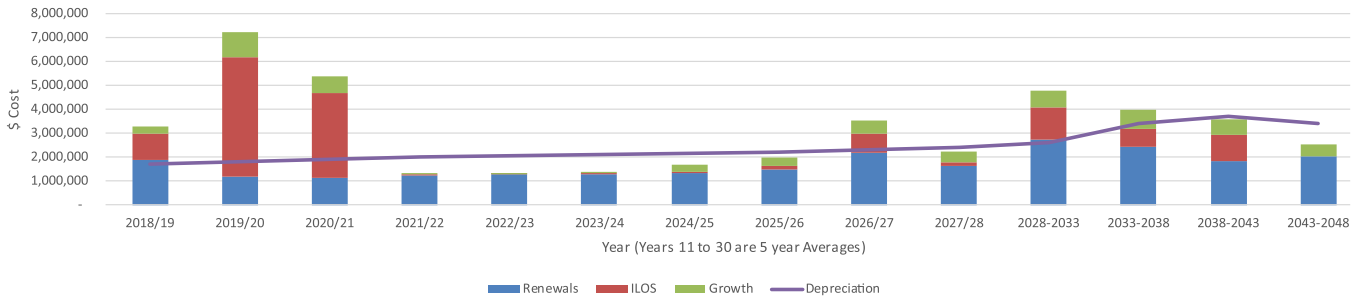


Figure 12.2.2 Projected Capital Expenditure – Wastewater

Years 1 - 30 Wastewater Operational Costs

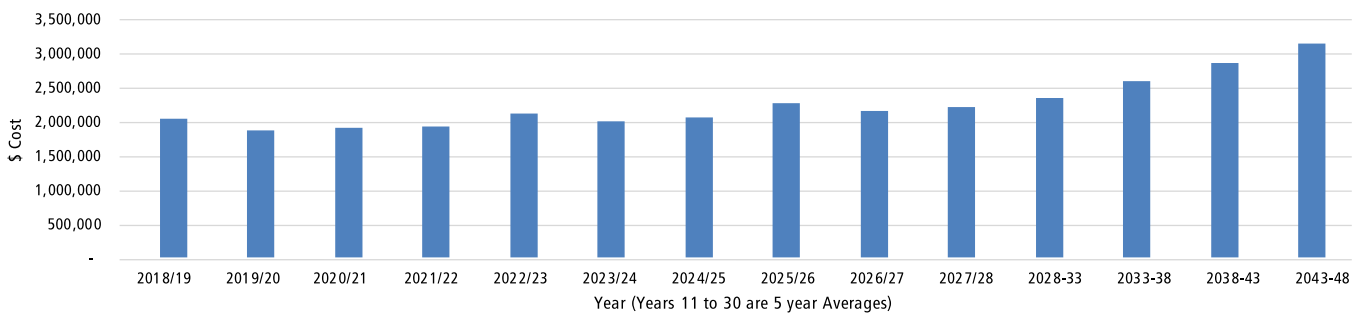


Figure 12.2.3 Projected Operational Expenditure – Wastewater

Project	Problem	Preferred Option	Principal Alternatives	Capital Expenditure Split	2018 Cost (\$ Million)	Year	Escalated Cost (\$ Million)
Cromwell Treatment Stage 1	Treatment modifications are required to improve environmental outcomes and meet discharge requirements on existing resource consents.	Improvements to inlet screen, pond aeration, membrane filtration system, and new outfall location	Improvements to inlet screen, dissolved air filtration system with UV disinfection, and new outfall location	35% Level of Service 36% Renewal 29% Growth	\$0.7	2018-2020	\$0.7
Omakau Treatment Stage 1		Improvements to inlet screen, and pond aeration	Install a tertiary treatment system	39% Level of Service 49% Renewal 21% Growth	\$0.2	2018-2019	\$0.2
Clyde Wastewater Stage 1- Commercial area and oldest part of town	The density of septic tanks in Clyde may not meet more stringent discharge controls for urban areas. There is anecdotal evidence that on site systems in the commercial area are struggling during peak times resulting in odour issues. Clyde is unable to grow further unless a wastewater system is implemented.	Construct a reticulated wastewater system for Clyde. Pipe wastewater from Clyde to Alexandra, and treat at the existing Alexandra Wastewater treatment plant. Implement reticulation in three stages.	Construct a reticulated wastewater system for Clyde. Construct a separate treatment facility for Clyde at Muttontown. Implement reticulation in a single stage.	83% Level of Service 17% Growth	\$11.7	2018-2021	\$11.7
Clyde Wastewater Stage 2 – pre 1997 development					\$12.3	2029-2033	\$15.9
Clyde Wastewater Stage 3 – later development					\$4.3	2038-2040	\$6.4
Alexandra Flow Meters on pump stations	Stormwater infiltration into the Alexandra wastewater network is not well understood. This could result in unnecessary capacity being provided to meet demand during rain events.	Install flow devices on pump stations to monitor difference in flow during rain events.	Provide additional capacity within the network and treatment plant to accommodate stormwater infiltration	44% Level of Service 44% Renewal 12% Growth	\$0.1	2020/21	\$0.1
Earnsclough Road pump station	Pump station is located in middle of road causing operational issues for maintenance of pumpstation and retaining road access.	Relocate pump station.	Close road while maintenance is undertaken	44% Level of Service 45% Renewal 11% Growth	\$0.3	2027/28	\$0.36

Project	Problem	Preferred Option	Principal Alternatives	Capital Expenditure Split	2018 Cost (\$ Million)	Year	Escalated Cost (\$ Million)
Tarbert Street and Dunorling Street Pumpstation Capacity and Resilience	One pump station pumps all of Alexandra wastewater to the treatment plant, and provides limited capacity for emergency storage. No redundancy or resilience in the existing system.	Split the network into two zones, and construct a separate pipe from Tarbert Street pump station direct to the treatment plant. Provide permanent emergency generators for both pump stations.	Accept a high level of risk of overflows during unplanned power outages or pipeline failure.	45% Level of Service 46% Renewal 9% Growth	\$1.35	2025-2027	\$1.56
	Limited pumping and storage capacity to accommodate inflow during high flow, resulting in overflows.	Increase pump station storage capacity and provide permanent emergency generator.	Install larger pump and main pipe.	41% Level of Service 41% Renewal 18% Growth	\$0.34	2026/27	\$0.39
Alpha Street Pumpstation Capacity and Resilience	Additional treatment upgrade will be required to ensure the impacts of additional loading due to population growth does not negatively impact on the quality of discharges. This is also a resource consent requirement.	Additional biological treatment within the ponds.	Additional tertiary treatment	36% Level of Service 37% Renewal 27% Growth	\$4.0	2032-2034	\$5.35
	Public expectations regarding the impact of discharges is increasing.	Provision to enable cost effective upgrades to be undertaken when they are presented due to development	Miss opportunities to include cost effective capacity improvements when development work is occurring and programme these separately through future long term plans	40% Level of Service 41% Renewal 19% Growth	\$1.2	2033-2036	\$1.61
Naseby, Ranfurly, Lake Roxburgh and Roxburgh Wastewater Treatment	Opportunities occur to upgrade the capacity of pipes and pumps installed during developments to service the wider community.	Provision to recognise future capacity improvements which will be required as growth occurs	Under-forecast long term implications of growth on capacity of supplies	46% Level of Service 46% Renewal 8% Growth	\$2.55	2034-2035	\$3.06
Network Upgrades with Developments	Long Term forecasts do not include provision to address the implications of growth on capacity of the network.	Provision to recognise future capacity improvements which will be required as growth occurs	Under-forecast long term implications of growth on capacity of supplies	83% Level of Service 7% Growth	\$0.36 (0.03/ annum)	2018 - 2030	\$0.40
Network Upgrades due to Growth				100% Growth	\$7.2 (0.3/ annum)	2024 - 2048	\$10.20

Table 12.2.1

Stormwater

Central Otago's vision for stormwater services is "To deliver safe and compliant stormwater networks which support a healthy community and environment".

The stormwater services activity enable the collection, conveyance and disposal of stormwater within the following towns across the district:

- Cromwell
- Alexandra
- Roxburgh
- Omakau
- Ranfurly

These towns have reticulated stormwater systems to manage drainage and prevent flooding. The remaining towns have mudtanks connected to soakpits, open channels and culverts across roads. This infrastructure is maintained as part of the roading activities.

CCTV has been undertaken on approximately 15% of the reticulated network. This has identified that the pipe network is largely in good condition and requires limited renewal work. Renewal expenditure in the next 10 years will be focussed on addressing discharge infrastructure.

The National Policy for Freshwater Management 2014 requires overall water quality to be maintained or improved. Regional councils are responsible for water quality, and have already introduced more stringent discharge controls for rural areas to control contaminants and sediment coming off rural properties into waterways from runoff, leaching and drains.

The Otago Regional Council is now looking at urban water discharges. This will cover all contaminant sources in urban areas, which will include stormwater discharges.

Central Otago has low rainfall and minimal stormwater discharges to waterways. We have assumed that there will be minimal additional requirements on stormwater discharges within the Central Otago area from increased regional controls on urban water discharges.

In the next three years Council will collect a detailed inventory of discharge locations and undertake flow monitoring to identify where further work may be required to improve environmental outcomes.

Council expects to be able to accommodate improvements required for environmental reasons, or upgrades for climate change within our renewals programme in the 30-year plan.

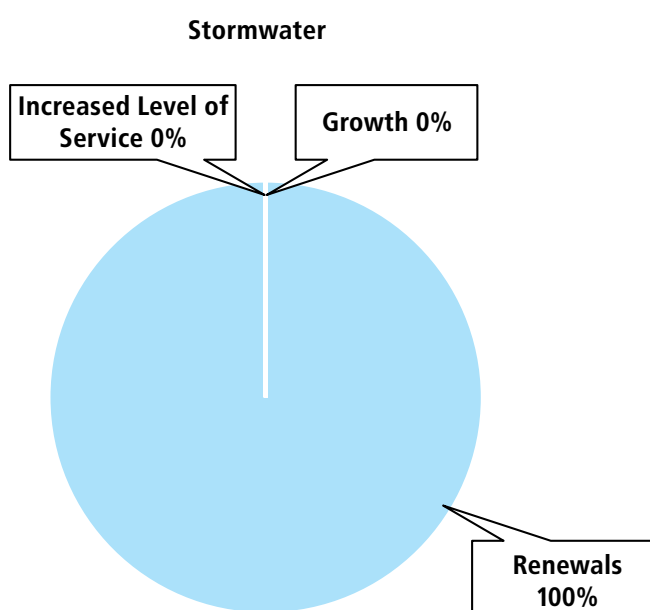


Figure 12.3.1 Drivers of Demand for 30 Year Roads and Footpaths Capital Programme

Figure 12.3.2 Projected Capital Expenditure – Stormwater shows depreciation is approximately 220% higher than the programmed renewals expenditure over the next 30 years.

The stormwater infrastructure, which is managed under the water services activities, largely consists of reticulation pipes. These are relatively young and have an average life of less than 30 years. As a result very little expenditure is expected on renewals over the next 30 years.

Most point assets (mudtanks, soakpits, etc) that have shorter lives are maintained as roading assets.

While the difference is large when expressed as a percentage, the amounts involved are relatively small. The average annual depreciation over the next 30 years is \$623,000 and the average annual renewals expenditure is \$201,000.

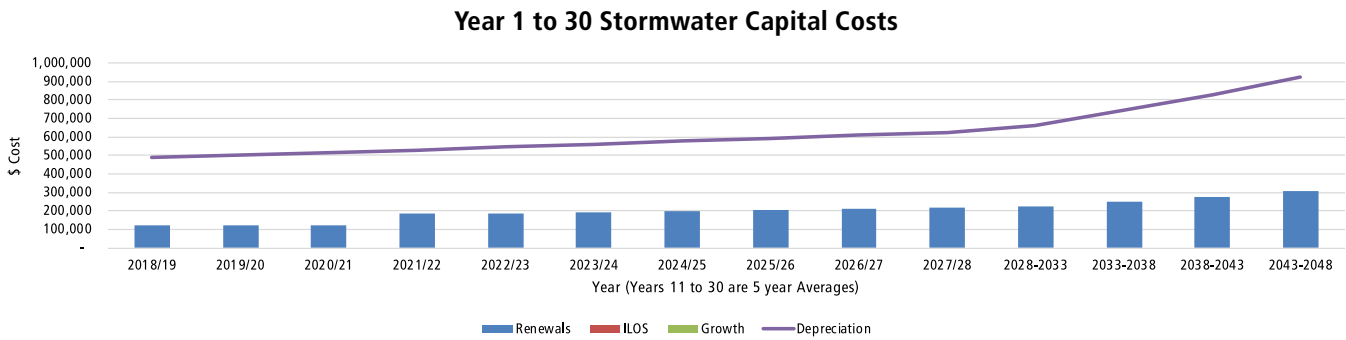


Figure 12.3.2 Projected Capital Expenditure – Stormwater

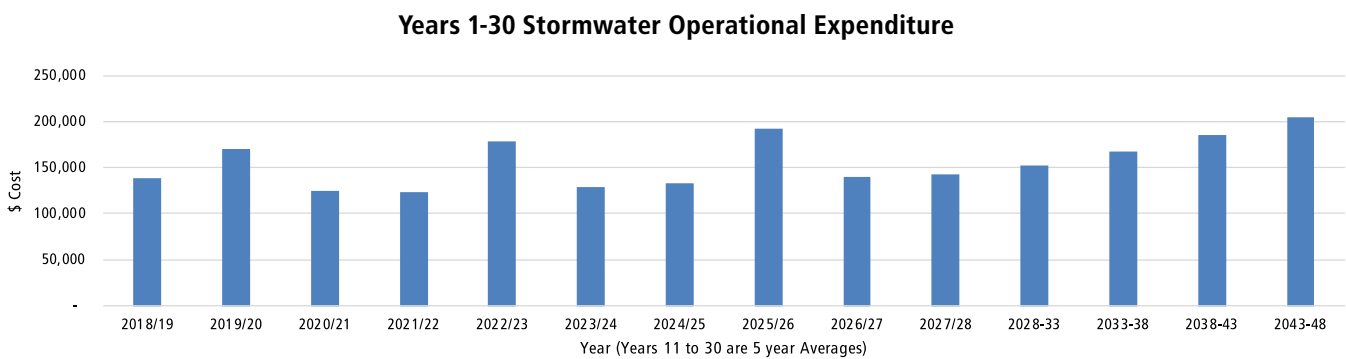


Figure 12.3.3 Projected Operational Expenditure – Stormwater

Roads and Footpaths

Central Otago’s vision for roads and footpaths is “to ensure an efficient, fully accessible, safe network”.

The costs of our unsealed road network are increasing due to traffic demand and reduced material availability.

Unsealed roads make up 73% of our roads and account for approximately 31% of our proposed transportation investment. We have a backlog of renewals work on unsealed roads, particularly on the lowest volume roads, which service land and back country areas.

Improved productivity on rural land is generating more heavy vehicles on the gravel road network and on bridges. Higher land use returns for agriculture and horticulture activities has resulted in reduced access to suitable gravel supplies, and higher royalty costs. This is increasing costs to provide a fit for purpose unsealed road network.

We have increased our renewals investment for unsealed roads by 13% to enable us to meet increased costs to deliver the same level of service. This does not address the backlog.

An aging bridge network will require us to consider options on how we provide an affordable level of service that meets future demands.

We have 177 bridges on our network with 37 expected to reach the end of their economic life within the next 30 years, and a further 30 requiring significant renewals work. A large number of these are on low volume roads where alternative routes exist. The economic viability of replacement options needs to be considered.

The number and weight of trucks on our bridges are also increasing, as a result of regulatory changes and improvements in land productivity.

We will begin replacement of structural components on some bridges from Year 1. This programme is based on an assumption that not all bridges will be replaced and further discussion will be held with the community regarding this.

We will complete detailed structural inspections and impact assessments within the next three year period, to inform community discussion regarding the shape of our network in the future.

The size of our sealed road network is increasing, and some of our urban pavements will need replacing.

Council has agreed to a more managed risk approach to the sealed road renewals programme. This is supported by an optimised decision-making framework that makes extensive use of modelling, then validated in the field. Our programme of resurfacing has been increased in response to the 2017 modelling work.

We have approximately 850m of new urban streets being vested in Council each year. Our resurfacing programme has been increased by 4% per annum to accommodate resurfacing of streets that are not currently on our network.

A very small proportion of the pavements of our urban streets are beginning to fail. It is no longer cost-effective to undertake routine maintenance and resurfacing of these sections of road. From Year 2 of our plan we will commence reconstruction of 300m of urban streets each year. This has been identified as being the optimal length of annual reconstruction from deterioration modelling.

Demand Drivers for Capital Works for Roads and Footpaths

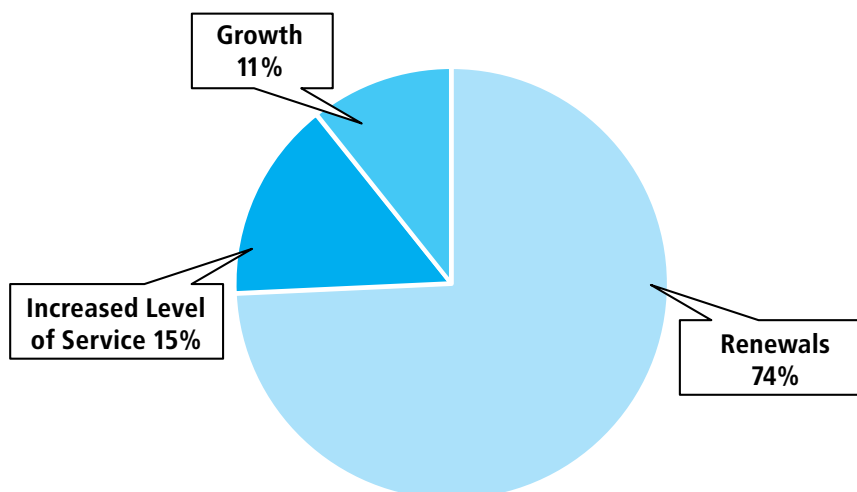


Figure 12.4.1 Drivers of Demand for 30 Year Roads and Footpaths Capital Programme

Depreciation is comparable to the overall capital programme for roading. When level of service and growth related capital costs are excluded, depreciation is approximately 37% higher than the programmed renewals expenditure over the next 30 years.

It is expected that this will be due to depreciation being accrued on bridges and sealed pavements. Both of these assets have long lives, and Council has modest renewal programme for both of these assets. This is due to the good condition of the sealed pavements, and uncertainty on the need for bridge renewals.

As discussed above, Council will be reviewing the bridge network within the next three years to determine what bridges should be retained. This may result to changes in the bridge depreciation funding and renewal programme from 2021.

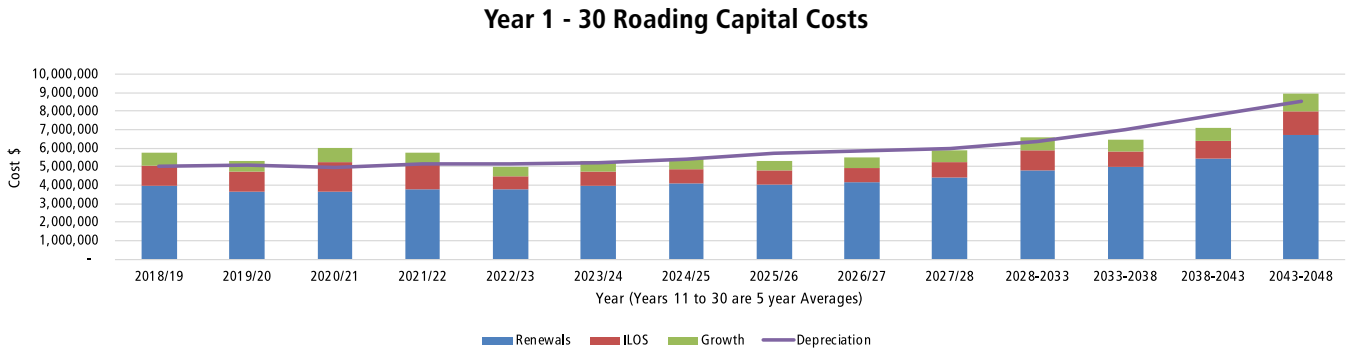


Figure 12.4.2 Projected Capital Expenditure – Roads and Footpaths

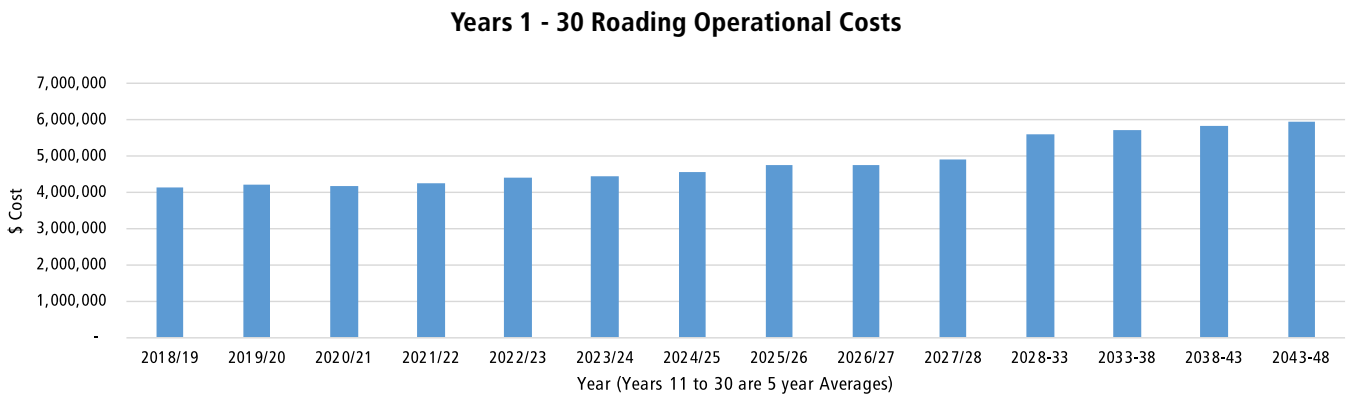


Figure 12.4.3 Projected Operational Expenditure – Roads and Footpaths

Project	Problem	Preferred Option	Principal Alternatives	Capital Expenditure Split	2018 Cost (\$ Million)	Year	Escalated Cost (\$ Million)
Jedburgh Street Bridge	Settlement of the eastern abutment and wingwalls is compromising the strength of the bridge	Tie back the abutment and wingwalls into the rock using steel rods, and repair of abutment	Reconstruction of the abutment, or weight restrictions on bridge	20% Level of Service 60% Renewal 20% Growth	\$0.75	2018/19	\$0.75
Omakau Bridge Replacement	Settlement is occurring in the piers. The single lane bridge is not wide enough to take farm vehicles. The existing structure is nearing the end of its economic life.	Construction of a new concrete bridge	Jacking of existing piers, and widening of existing deck	28% Level of Service 65% Renewal 7% Growth	\$1.81	2029-2031	\$2.24
Little Valley Road Bridge Replacement	Timber decked railway bridge on concrete abutments is nearing the end of its economic life. Substandard seismic performance.		Replacement of structural components, and seismic strengthening	20% Level of Service 60% Renewal 20% Growth	\$3.07	2043-2045	\$4.92
Clyde Heritage Precinct – Road upgrades	Growth is resulting in increased demand for parking, and use of public spaces, eroding the experience for visitors and locals, and creating safety issues.	Addressing parking by improving access to car parking beside river, reducing speed on Sunderland Street, upgrading Lodge Lane into a shared space, and connect the commercial precinct to the river, creating a park and making the river an attraction	Addressing parking by improving access to car parking beside river, reducing speed on Sunderland Street.	81% Level of Service 19% Growth	\$0.80	2018/19	\$0.80
Pedestrian and cycle path on side of Bannockburn Bridge	NZ Cycle Trail from Queenstown to Cromwell will cross this bridge, increasing pedestrian and cycle traffic significantly.	Construct a clip on pathway onto side of bridge	Separate bridge is constructed for cyclists and pedestrians, or they share the existing road across the bridge with traffic	81% Level of Service 19% Growth	\$0.82	2021/22	\$0.84

Project	Problem	Preferred Option	Principal Alternatives	Capital Expenditure Split	2018 Cost (\$ Million)	Year	Escalated Cost (\$ Million)
State Highway 8B Pedestrian Underpass	No safe crossing point across State Highway 8B between Cromwell and lakefront and residential properties.	Construct an underpass	Reduce speed limit, install pedestrian crossing traffic lights	81% Level of Service 19% Growth	\$0.65	2020/21	\$0.65
Replacement of small bridges	Minor bridges coming to the end of their economic life	Replace with washover culverts where possible and where alternative route exists, or concrete box culverts	Replace like with like	20% Level of Service 60% Renewal 20% Growth	\$8.40 (approx. 0.3/ annum)	2019-2048	\$11.47
Cromwell Town Centre Intersection Upgrades	Growth in population and visitors is placing pressure on key intersections. Safety issues due to intersection alignment are exacerbated by increased traffic	Construct roundabouts or separated turning lanes	Install traffic lights	81% Level of Service 19% Growth	\$0.9	2019-2021	\$0.9
Alexandra intersection upgrades				81% Level of Service 19% Growth	\$0.3	2028/29	\$0.36
Construction of Alexandra northern access road	Access to residential and industrial development will result in a new road being built to provide access from SH8. There will be a gap between the developers projects across Council reserve land which will be funded by Council	Construct approximately 300m of new road	Don't construct road and limit industrial traffic to Boundary Road. Upgrade Boundary Road/SH8 intersection.	81% Level of Service 19% Growth	\$0.32	2029/30	\$0.40

Project	Problem	Preferred Option	Principal Alternatives	Capital Expenditure Split	2018 Cost (\$ Million)	Year	Escalated Cost (\$ Million)
Seal extension Sandflat Road	Growth in traffic volumes resulting in excessive maintenance costs and safety issues due to dust.	Seal extension	More frequent maintenance and renewal, use of dust suppression products	81% Level of Service	\$0.36	2021/22	\$0.37
				19% Growth			
Seal extension Maori Point Road (Part)				81% Level of Service	\$0.9	2028-2031	\$1.12
				19% Growth			
Ophir Traffic Calming – Swindon Street	Excessive speeds of vehicles travelling through Ophir	Road narrowing by constructing traffic islands to introduce side friction	Construct new kerbs on seal edge, with change in surface material	81% Level of Service	\$0.10	2019/20	\$0.10
				19% Growth			
Roxburgh Streetscape Upgrades	Public desire to see further traffic-calming and street beautification within Roxburgh township centre (arterial route).	Construction of traffic islands and kerb build outs.	Leave as is	81% Level of Service	\$0.10	2019/20	\$0.10
				19% Growth			
New Footpaths	Growth, aging demographic and increased traffic exacerbates safety issues where there are gaps in the existing footpath network	Construction of new footpaths and cycle ways	Vulnerable users share the road with vehicles, or walk on road verges.	81% Level of Service	\$2.3 (0.08/annum)	2018-2048	\$3.02
				19% Growth			

Table 12.4.1

Summary of Significant Infrastructure Projects








































Year	1 2018/19	2 2019/20	3 2020/21	4 2021/22	5 2022/23	6 2023/24	
 Water	 \$12.8M Lake Dunstan Water Supply pipeline to Alexandra and Water Treatment		 \$0.6M Omakau Pressure Upgrade				
			 \$0.9M Investigation and Design for Cromwell Water Upgrades	 \$8.8M Cromwell Water Treatment and Capacity Upgrades			
			 \$0.9M Ranfurly and Patearoa Water Treatment Upgrades				
 Wastewater	 \$0.7M Completion of Stage 1 Cromwell Wastewater Upgrade						
	 \$11.7M Clyde Wastewater Stage 1						
	 \$0.2M Omakau Wastewater Treatment Upgrade Stage 1						
 Roading	 \$0.8M Upgrade Roxburgh Bridge to take increased loads		 \$0.7M Pedestrian and cycle underpass across State Highway - Cromwell		 \$0.8M Pedestrian and cycle path on Bannockburn Bridge		
	 \$0.8M Clyde Heritage Precinct Streetscape Improvements		 \$0.2M Roxburgh and Ophir Streetscape Improvements	 \$0.9M Cromwell Town Centre Intersection Upgrades			
					 \$0.4M Sandflat Road Seal Extension		


Figure 12.5.1 - Significant Infrastructure Projects

7 2024/25	8 2025/26	9 2026/27	10 2027/28	11-15 2028-33	16-20 2033-38	21-25 2038-43	26-30 2043-48
 \$5.6M New Reservoirs Alexandra and Pisa	 \$0.5M Generators for Bores		 \$0.9M Pressure Upgrades Alexandra	 \$12.3M Reticulation to Dunstan Flats Area Stage 1	 \$6.7M Reticulation to Dunstan Flats Area Stage 2		 \$1.5M Additional Reservoir Bridge Hill
	 \$0.1M Additional Naseby Reservoir			 \$0.4M Additional Bores for Lake Dunstan Water Supply	 \$0.2M Patearoa Pressure Upgrade	 \$1.4M Roxburgh Pressure Upgrade	 \$0.6M Booster Pump for Lake Dunstan Water Supply

 \$2.3M Alexandra and Cromwell Pumpstation Upgrades	 \$5.3M Stage 2 Cromwell Wastewater Treatment	 \$3.1M Naseby, Ranfurly, and Lake Roxburgh Wastewater Treatment Upgrades
	 \$15.9M Clyde Wastewater Stage 2	 \$6.4M Clyde Wastewater Stage 3
		 \$1.6M Omakau Wastewater Treatment Upgrade Stage 2

	 \$2.2M Replace Omakau Bridge	 \$4.9M Replace Little Valley Road/Manuherikia River Bridge
	 \$0.8M Alexandra intersection upgrades and contribution to Northern Access Road	
	 \$1.1M Maori Point Road Part Seal Extension	

 **\$3M** New Footpaths - \$80,000/annum

 **\$11.5M** Small Bridge Replacements - \$300,000/annum

Combined Infrastructure Financial Estimates

The projected expenditure with significant infrastructure assets are

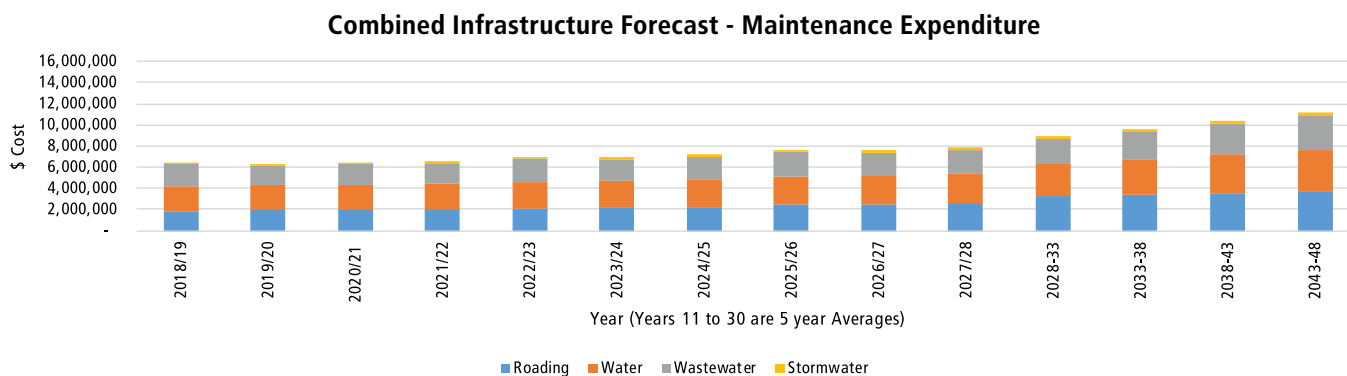


Figure 13.0.1 Projected Maintenance Expenditure – Infrastructure Assets

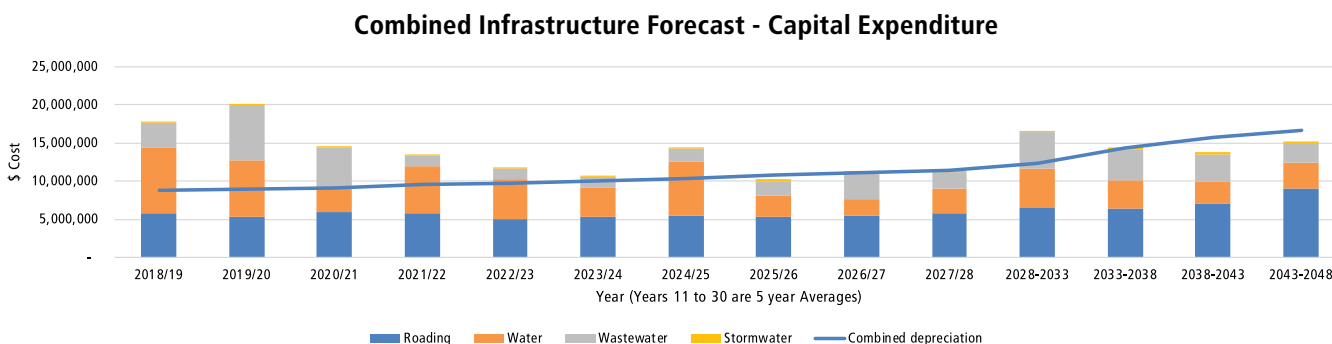


Figure 13.0.2 Projected Capital Expenditure – Infrastructure Assets

Financial Impacts of the Infrastructure Strategy

The planned maintenance and capital programme have been accommodated in the financials in the 10-Year Plan. Significant projects that increase levels of service have been loan funded.

Assumptions and Risk

Section 4 of both the Water Services and Roading Activity Management Plans outline the assumptions, negative effects and risks for the individual activities. These include specific activity risk registers that follow Council's Corporate Risk Management Policy.

The following tables identify the assumptions that have been made in developing the 30-Year Infrastructure Strategy and associated work programme, and the risks associated with these assumptions.

Assumption	Risk	Consequence	Likelihood	Mitigation
The medium growth scenario is appropriate for Council's long term planning	Growth occurs at a different rate to the medium growth projections	Capacity improvements will need to occur sooner, or be delayed	Moderate	Growth projections are reviewed every three years, and project timing is reconsidered based on updated data
There will be more stringent requirements for Urban Water Quality discharges under Otago Regional Plan changes	The requirements, and timing of compliance with Plan Change 6B are not yet known	The standard of discharge assumed may not be required if over estimated or further costs if standard of discharge assumed is under estimated	Unlikely	Otago Regional Council and District Council staff are working collaboratively through the development of the plan change
The implementation period for compliance with Otago Regional Plan Change 6B will acknowledge the communities ability to fund the required upgrades	The implementation period to comply with new requirements may be shorter than allowed for in project planning in this Infrastructure Strategy	Costly upgrades will need to be undertaken earlier	Moderate	Otago Regional Council and District Council staff are working collaboratively through the development of the plan change. Ability to make submissions to plan change 6B
There will be no legislative changes regarding the level of treatment required to comply with the NZ Drinking Water Standards	It is expected that there will be legislative change as a result of the Havelock North Inquiry. It is unknown if this will focus on process, compliance, or treatment level.	Financial penalties if prosecuted for not meeting the required standards	Moderate	Council has proposed to accelerate the timing of these projects to improve treatment of water schemes
The options to solve the problems will be the same in the future as they are today	Technology advances may provide more cost effective options for addressing the problems in the future	Council may over-estimate the cost of addressing some of the problems	Likely	Constant review of emerging technologies. Three yearly reviews of the Asset Management Plans, Long Term Plan, and Infrastructure Strategy
The existing infrastructure will perform as expected and expected useful lives will be achieved on significant assets	Mechanical, electrical, biological, and complex process equipment could fail earlier than expected. Climatic conditions could impact on the effectiveness of biological processes. Sedimentation could affect bores at water sources	Additional renewal work could be required	Moderate	Performance monitoring of assets along with condition assessments to determine the timing of replacement of end of life assets
Inadequate human resources to deliver Council services	Council is unable to attract or retain a sufficient number of people with the capabilities to deliver agreed services	Lowering levels of service and delays in capital projects	Moderate	Workload management, positive workplace culture and leadership Use consultants where appropriate to assist with peak workloads Streamline work processes to make better use of staff time

Assumption	Risk	Consequence	Likelihood	Mitigation
The contracting industry does not have the resources to respond to the projected bow wave of Central and Local Government investment in infrastructure	Contractors, consultants and materials are not available	Higher tendered costs due to reduced competitiveness in the market	Likely	Bundle work into larger packages for longer durations which will be attractive to contractors Consider using advanced contract models which do not allocate maximum risk to the contractor
Projects will be delivered on time in accordance with the funding timeline	Inadequate lead times are provided on projects to undertake investigations and consent work prior to programmed construction dates	Public dissatisfaction and reputational risk due to late delivery on consulted projects	Likely	Provide adequate lead in times during project and financial planning to enable preliminary investigation, consent, and design work to be undertaken in preceding years to construction
The Clyde wastewater project does not receive funding from the Ministry for the Environment Freshwater Improvement Fund	Ministry for the Environment fund part or all of the Clyde wastewater project	The cost allocations across ratepayers and Clyde property owners would be reviewed and consulted on	Moderate	Council has assured no funding as a worst case scenario
There will be no significant earthquakes which cause widespread damage to Council infrastructure	A significant earthquake could have a catastrophic impact on Council core infrastructure	Service could be lost on parts of the networks	Unlikely	Network resilience and emergency response plans will be developed in 2018/19 to improve our ability to respond to an event
There will be moderate natural disasters that interrupt day to day business and cause damage to Council infrastructure	That events are more severe or more often than anticipated	Loss of business continuity, significant damage to underground assets that are self-insured and increased insurance premiums	Unlikely	Business continuity planning Council sets aside \$120,000 per annum for disaster recovery to cover moderate events and damage to underground assets. Council also has the ability to raise debt for costs above the fund balance, which currently sit at around \$2 million
Population growth will occur in the expected locations	Demand for property, and increasing land value in Cromwell, Clyde and Alexandra may result in lower cost alternatives such as Omakau and Roxburgh experiencing higher than anticipated demand	Greater demand will be placed on infrastructure in Roxburgh and Omakau	Moderate	Infrastructure Staff monitor resource consent applications to get early warning of issues such as this Models will be updated more frequently if development occurs in different places than anticipated
External interest income rates are assumed to be 3.5% over the life of the plan	Interest rates move affecting interest income.	Greater cost through a either lower interest income	Moderate	Duration of investments are set to minimise interest rate exposure Council invests in accordance with the Investment Policy

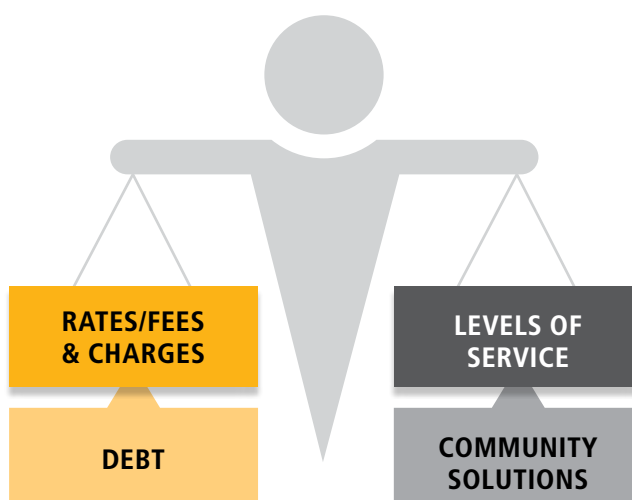
Assumption	Risk	Consequence	Likelihood	Mitigation
Internal interest rates are assumed to be 4.5% over the life of the plan	Interest rates move affecting interest income and the cost of borrowing	Greater cost through a either lower interest income or higher borrowing costs	Moderate	Duration of loans and investments are set to minimise interest rate exposure Council invests and borrows in accordance with the Investment Policy and Liability Management Policy
Economic growth will continue, and a recession will not occur	Austerity measures are required to reduce public spending	Reductions in levels of service, deferral of improvement and growth related work	Moderate	Annual plan revisions Three yearly reviews of the Asset Management Plans, 10-Year Plan, Financial Strategy and Infrastructure Strategy
That inflation will occur at the rates forecast in the 2017 Berl report.	Inflation costs may be much higher, particularly in the next three years	Insufficient budgets to deliver proposed programmes, or levels of service	Unlikely	Work programme will be reprioritised to minimise impacts on levels of service Three yearly reviews of the 10-Year Plan, Financial Strategy and Infrastructure Strategy
Net operational savings will be achieved equivalent to year 2 and 3's inflation rate	Savings are not achieved	Higher rates or reduced levels of service	Moderate	Depreciation and staff cost are excluded for this assumption Management committed to the process
Net expenditure in 2017/18 is the same as planned through the annual plan for the same year	Net expenditure does not equal the annual plan	Cash reserves and or fixed assets are not equal to the opening position for the 10-Year Plan	Moderate	Significant unspent expenditure is carried forward to year one of the plan with little effect on the 10-Year Plan. Other variance to operating budgets are moved to reserves
The Roading programme presented in Council's 10-Year Plan will be funded by NZTA	NZTA may not fund the full programme as presented	Reduced levels of service for roading activities	Unlikely	NZTA has been involved during the development of the programme. Where increased expenditure is proposed this is supported by evidence and a robust business case which meets NZTA requirements.
Council will continue to deliver the core services included in this strategy	Legislation may be changed to place responsibility for some core services with regional or national authorities	The responsibility and cost of delivering these services will be transferred to a different organisation	Unlikely	Three yearly reviews of the Asset Management Plans, 10-Year Plan, Financial Strategy and Infrastructure Strategy
Levels of Service will not significantly change, with the exceptions of quality of wastewater discharges, and quality of drinking water treatment	Public expectations may change drastically, along with demand for improved levels of service	Reduced public satisfaction	Unlikely	Three yearly reviews of the Asset Management Plans, 10-Year Plan, Financial Strategy and Infrastructure Strategy

Table 14.1.1

Financial Strategy 2018

Investing in our future

One of the biggest challenges a council faces is balancing its community's ability to pay, with the need to maintain infrastructure and deliver services. At Central Otago District Council we aim to keep rates and charges affordable for current and future generations. At the same time we need to focus on building our community resilience and promoting opportunities for growth that ensure our community is sustainable into the future. Environmental and national standards are impacting Council's infrastructure projects and heavy investment is required to improve the quality of our services and to meet the higher standards. To ensure that we continue with a balanced approach, we keep the two guiding principles of affordability and sustainability at the forefront of how we develop our financial strategy.



Going into this 10-Year Plan the Central Otago District Council is in a good financial position. CODC holds cash reserves of \$25 million (February 2018) and has no external debt. To ensure reserves are used for their intended purpose, this plan does not use its reserves to pay for operating or capital expenditure, although some interest from reserves is used to offset rates. Council's assets are well managed with a clear replacement and growth programme planned over the next 30 years, as outlined in the Infrastructure Strategy.

A key challenge for the Council over the next 10 years is the investment we will need to make in infrastructure. This expenditure will need to accommodate both renewals and growth, and also the increases in environmental and health standards, while meeting community expectations on levels of service.

The desired outcome of this strategy is that Central Otago District Council's asset base and operational expenditure are managed in a cost-effective way, and continue to be funded in a manner that is sustainable for the Council and our communities.

FUNDING OUR EXPENDITURE

Assets Replacement

Investment in our current asset base will continue with replacement of assets funded through depreciation reserves. Council rates for the majority of its depreciation, which is held in reserve to be spent on replacement assets. All renewals are funded by depreciation reserves. For renewal of assets where depreciation has not been fully funded, it is expected that the unfunded portion of the renewal will be funded by a third party.

With long life assets the renewal programme will fluctuate from year to year. If the reserve is underspent, the reserve will earn interest. At times these reserves may be overspent, in which case any interest cost will be rated for (except for development contribution reserves). Council may also choose to loan or rate-fund replacement assets if there is insufficient depreciation reserves.

Growth Assets

When replacing or putting in new assets Council will consider whether to build the asset to cater for future growth. This may mean, for example, putting in a larger pipe than is needed for today's use to accommodate additional users in the future. Council will fund the additional capacity through developers' contribution reserves. As part of a subdivision process developers will contribute to the future growth of infrastructure networks. This money is put in a reserve and used for the growth portion of capital projects.

The Development Contribution Reserve

Typically building additional capacity for growth in a network precedes the actual growth demand. The growth portion of the capital programme is funded through development contribution reserves. In most instances these reserves for growth typically run as deficits attracting interest that are in turn funded by developers' contributions.

Asset Increased Levels of Service

The 10-Year Plan will respond to increasing environmental and national standards.

While this plan concentrates on asset replacement and growth there are a number of key projects that will increase the level of service provided by Council. These projects are in addition to increased treatment of Omakau water supply that is planned for 2017/18.

- The Clyde Wastewater project will see the township move from septic tanks to a new Council service of reticulated wastewater.
- The plan also includes a higher level of water treatment to Alexandra's water supply with significant investment to the Lake Dunstan water scheme. These projects are in response to increasing environmental and health standards.
- Increased water treatment is planned for Clyde, Ranfurly and Patearoa.
- A new reservoir and rising main to connect Pisa to a single water supply at Cromwell, will provide a higher level of water treatment for Pisa residents.
- An ongoing programme to increase road safety.

Increased level of service for significant capital works is to be primarily funded by loan. To ensure that today's ratepayers do not pay for the building and using of the asset, loan repayment will be rate-funded less the depreciation collected on the asset. These loans will be for 20 years and funded either internally or externally dependent on the availability of cash reserves. Taking a loan in this instance means that future users of the asset help to pay for it over the asset's lifespan and current ratepayers are not burdened with the full cost.

Operational Costs

Funding of operational costs come from a number of sources such as rates, user fees, grants and subsidies. The plan has no significant changes in operational funded levels of service but is impacted by interest rates, population growth and inflation. Where possible and practicable operating spending is funded through user fees or targeted rates.

GROWTH AND LAND USE

Growth in the district

The district is experiencing strong growth particularly around Cromwell and Alexandra. Council's planning and building control staff are processing unprecedented numbers of applications for resource and building consents and also receiving plan change requests and enquiries for rezoning of land.

In Alexandra, Council has released reserve land back to the Crown to enable development, and the Vincent Community Board will be undertaking a subdivision development of its freehold land. To assist in meeting demand in Cromwell, the Cromwell Community Board is freeing up land for residential and industrial development. The Board is also embarking on a Master Plan project for the wider Cromwell area, to address growth. The plan will include infrastructure planning, transport planning and cover community facility requirements to cater for growth, and produce a spatial framework that addresses zoning and urban development.

Council is in the process of reviewing its District Plan. This is a critical piece of work that helps us to set the standards for how our district responds to growth in a proactive and sustainable way. The plan review will look at all matters required under the Resource Management Act, with a particular emphasis on ensuring sufficient land is zoned for residential, commercial and industrial purposes for the next 10 to 20 years. The budget makes an allowance of \$106,000 each year. Underspends in years that have fewer costs associated with the district plan are put into reserve to pay for years where costs that exceed the \$106,000 allowance.

An assessment of the district's growth was undertaken by consultants in May 2017, which produced a report CODC Growth Projections to 2048. The report included four scenarios:

- Low Growth
- Medium Growth
- High Growth
- Modified Growth

For this 10-Year Plan Council has used the medium growth projection, which is 0.8%pa for the 10 years of the plan.

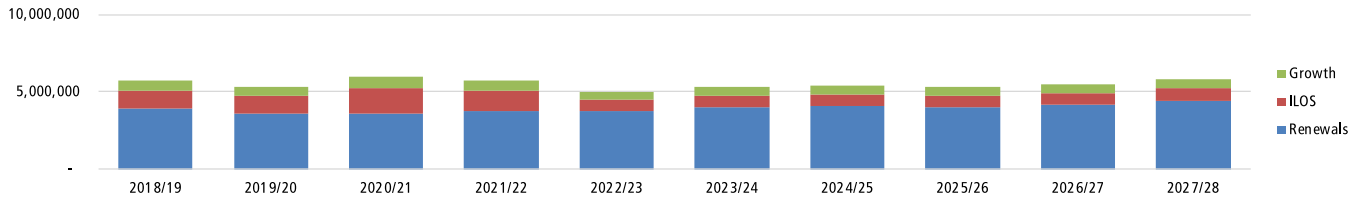
CAPITAL EXPENDITURE

Capital project

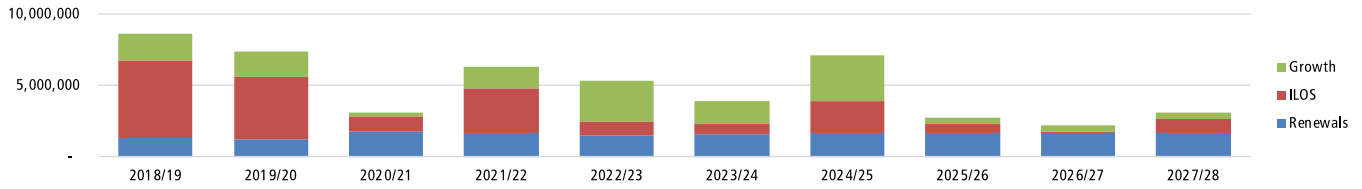
The following graphs show the split between growth, changes to levels of service, and renewal or replacement of existing assets. Level of service represents the amount of capital expenditure that is planned as an increase to current levels of service.

The amounts spent on renewals are required to maintain the current levels of service. Renewals are funded by rates through depreciation charges. Expenditure for growth will provide existing levels of service to new ratepayers and is funded by development contributions.

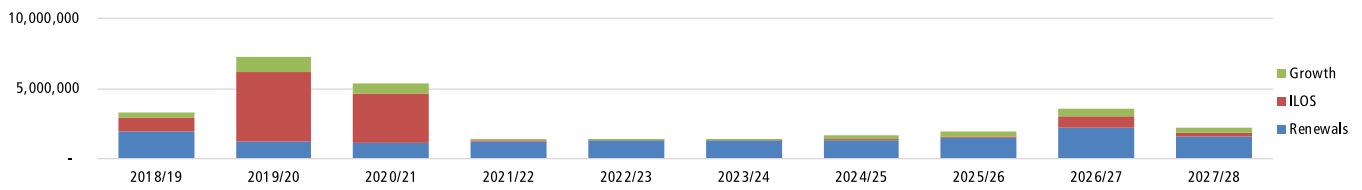
Roading



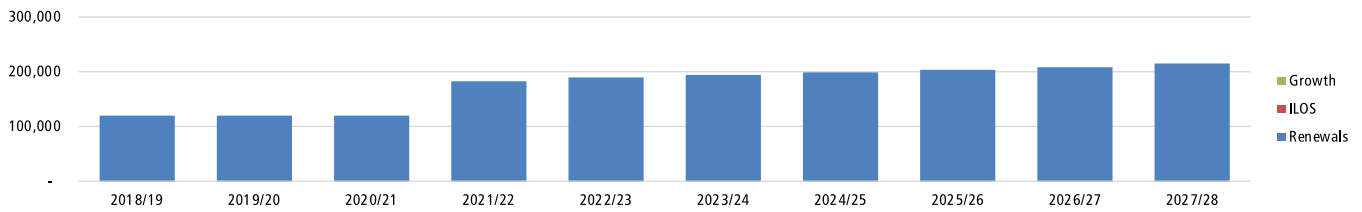
Water



Wastewater



Stormwater



OTHER FACTORS

Disaster recovery

Council continues to build its initial response fund for any natural disaster to provide for our underground assets that are not covered by insurance and any unsubsidised costs in relation to natural disasters.

Due to the size and spread of our communities we consider it unlikely a disaster would affect the entire district at any one time, so our modelling of our exposure has taken this into account to determine our share of the funds required. Currently the disaster recovery reserve stands at \$2 million and is projected to reach \$4.7 million by Year 10. If an event caused damage that exceeded the balance of the reserve, Council has the borrowing capacity to raise debt for the balance.

Insurance

Council will insure all Council-owned assets with the exception of our underground assets. After the Christchurch earthquake, underground infrastructure became increasingly difficult and expensive to insure. Council adopts the policy of self-funding underground infrastructure. Currently Council sets aside \$120,000 each year into a disaster recovery fund. This fund covers any non-funded or uninsured expenses incurred in relation to natural disasters. In the event of a catastrophic event, Council would loan fund any expenses not covered by the disaster recovery fund.

Debt Security

Council's Liability Management Policy currently allows Local Authority Bonds to be secured by either a general charge over rates or a specific asset of council. This 10-year plan projects sufficient cash reserves to remove the need for external borrowing.

Bridges

There are 175 bridges on the district's roading network. Thirty-five bridges are expected to reach the end of their economic life within the next 30 years, with a further 30 requiring significant renewals work. A significant number of these bridges are located on low volume roads, and the economic viability of like for like replacement of these bridges will need to be reviewed. Further investigation and analysis work is planned for the next three years before any actual investment will occur.

Council has not previously rate-funded depreciation for bridge renewals, so there is no money set aside for the programme of renewals that will emerge over the next three years. The current projections take into account our current assessment of the increased work required, so ratepayers are being asked to fund the increased depreciation costs that result as well as the interest cost for the use of the money. We have started to fund depreciation and maintenance to ensure we are in a position to continually renew those assets as required.

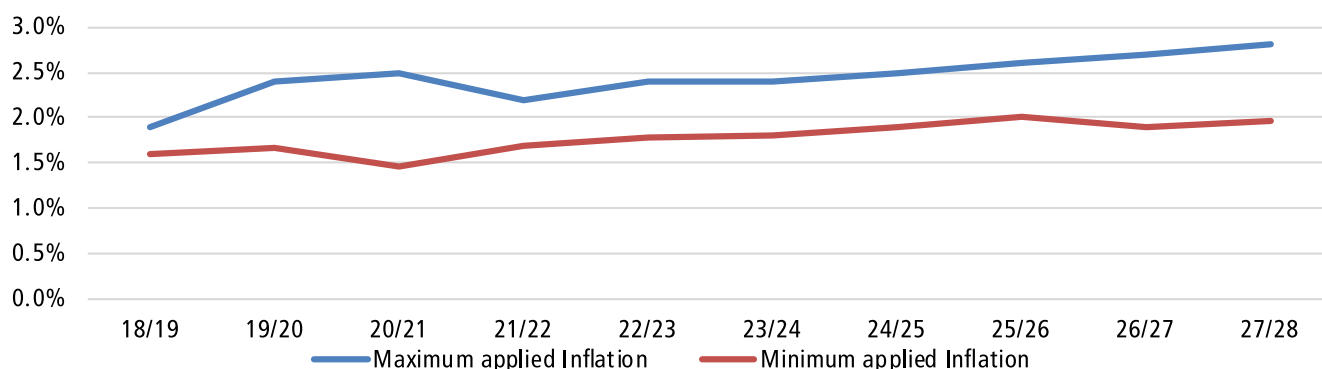
Once a clear work programme is established for the maintenance and renewals of our bridge network we can then better consider the funding options available to us. Because bridges are long life assets, external loan funding may be appropriate. Council has the capacity to borrow further in terms of its limit to total assets, however we first need to assess whether we want to go down that path or rate-fund the replacements by taking longer to build the self-insurance fund.

Inflation

Inflation reflects erosion in the buying power of money. Each dollar buys less and less goods and services over time. Expenditure forecasts for each activity are input in the dollars of the relevant year for the first three years. This means where planned cost movements or inflation adjustments are expected, the cost movements have been taken into account. Applying blanket inflation rates over these first three years would then overinflate these costs. If some costs rise due to unplanned inflation the additional cost will be covered by net operation savings. If net operational savings were not achievable this would add 0.45% rates. The additional rates would not lead to a breach to the Rates (income) affordability or Rates (increase) affordability benchmarks.

An inflation factor of zero has been applied to costs for the first three years to reflect that the base figures include known movements in costs for those years. The exceptions to this are depreciation, asset values and staff costs, which are inflated from Year 1.

Applied Inflation Factor



During the course of the plan inflation factors of between 1.5% and 2.8% have been applied. The difference is reflective of both variations in inflation expectations year on year along with various rates being applied to different costs, for example, water supply inflation factors compared to expected inflation on road construction.

Development Contribution Reserve

In 2007-2008, when development contributions were in their infancy, the estimation of the growth portion of some roading assets was too high. This has left this reserve in a deficit that with interest charges will not recover to a sustainable point. This plan will remedy this situation by using general reserves and roading depreciation reserves to bring the account back to a sustainable level. The effect of this will be a reduction in interest earned on the general reserve, with minimal effect on rates over the life of the plan.

IMPACT TO DELIVER PROPOSED LEVELS OF SERVICE

Just as the cost of running your household increases every year with inflation, so too does the cost of providing our services. This is because costs like energy, property, labour and construction continue to increase. This in turn affects how much it costs us to deliver services to you. We have used inflation assumptions, provided by BERL, that are particular to councils and our assumptions that underpin this Financial Strategy are outlined in the financial section.

In planning for the long term the only certainty is uncertainty. However, creating a plan that accounts for every eventuality would be impossible. So we base our forecasting on a set of assumptions we assess the risks associated with each assumption to determine how to mitigate the consequences and ensure a robust plan that delivers on our promised levels of service.

A positive challenge is that our district is still a desirable place to live for many people. So although we have a responsibility to provide infrastructure in anticipation of growth, we have the ability to more accurately plan for provision of services in areas where growth is projected to occur.

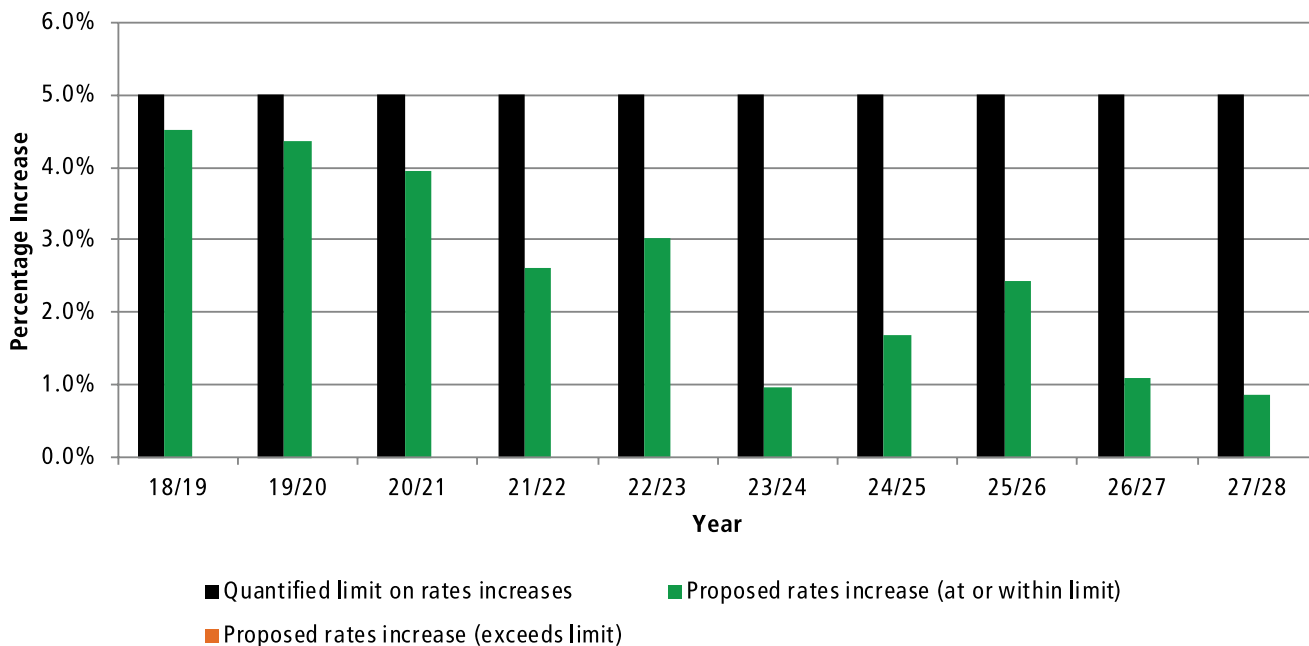
The review of Council’s District Plan in 2018 will also create a significant opportunity to set the speed of development and growth, and more accurately forecast the demand on levels of service.

We have entered into a number of partnerships that help us deliver our services in a more efficient way. We have some strong relationships with neighboring councils that we are using to the benefit of our communities. One example is our shared library service with Queenstown Lakes District Council. Strong links with local organisations and community groups in the district mean our parks team can work with the likes of Rotary and Lions to deliver improvement projects in local reserves spaces, where local solutions allow the ratepayer’s dollar to go further. We have also shed some operational responsibilities and associated expenses in the past year with the formation of Fire and Emergency New Zealand (FENZ) encompassing the rural fire authority and Otago Regional Council centralising the emergency management functions (CDEM) for the Otago region.

To maintain an element of affordability Council has worked towards maintaining a limit on rates increases of 5% per annum for existing ratepayers. This rate cap is an average for the whole district, which means that on an individual basis the 5% cap does not apply. Due to the need to bring some large infrastructure projects forward and to incorporate projects that raise quality standards to meet predicted legislation changes, it is anticipated that Council will be close to this limit in 2019/20 and 20/21.

With consideration given to all of the above, the proposed rates increases in this 10-Year Plan are after an assumed 0.8% annual growth in rateable properties. These rates increases will go beyond the 10 years given the level of investment still to occur.

Rates (increases) Affordability



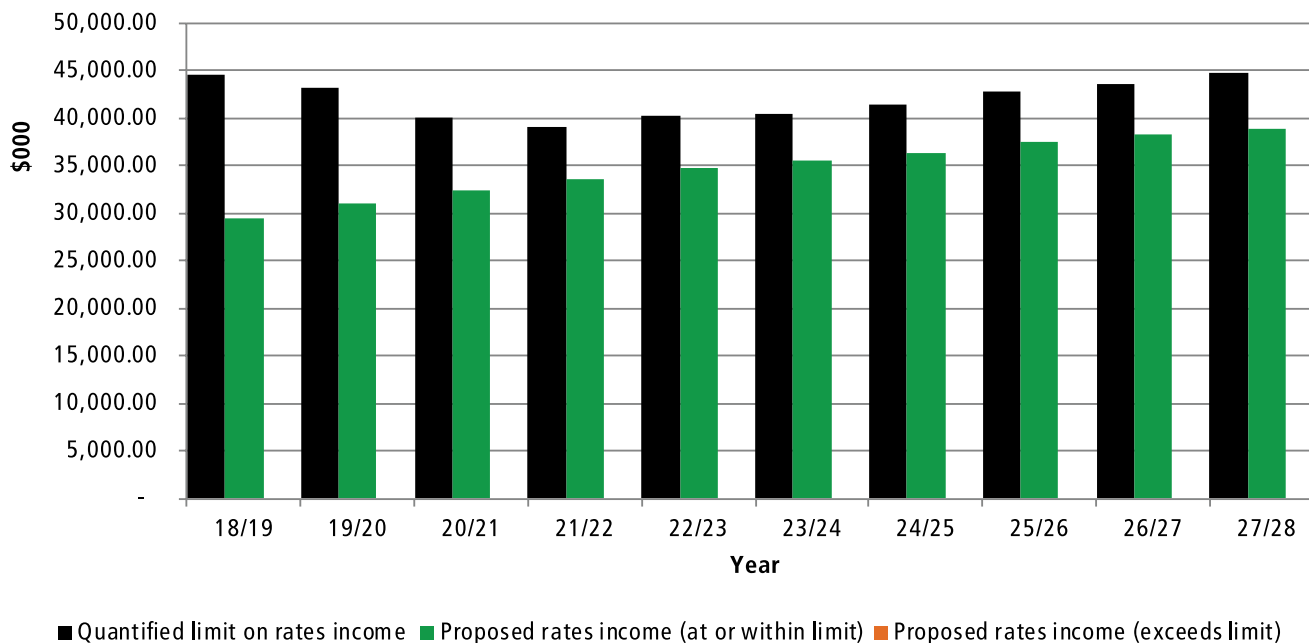
Council also sets a rate limit based on total expenditure. This limit has been set at 80% of total revenue and is a measure used across all local authorities. For the 10 years of this plan rates income does not breach this limit.

It is important to remember this is an average across the district and that rate increases will vary from property to property, with some individual properties seeing increases above this limit, depending on a range of factors such as property valuations and targeted rates assessed on a ward basis.

Rates are the main source of income for councils. Currently Central Otago District Council draws about 70% of our revenue from rates and propose to limit the rates collected each year to a maximum of 80% of total Council revenue.

Council’s strategy is to ensure that both current and future ratepayers pay their fair share of the cost of providing services. This intergenerational equity is achieved through loan funding the increased level of service of long-term assets and drawing rates to pay for the loan over an extended period of time. The loan will be funded by internal or external borrowing depending on availability of funds. This ensures that both current and future users pay for the service.

Rates (income) Affordability

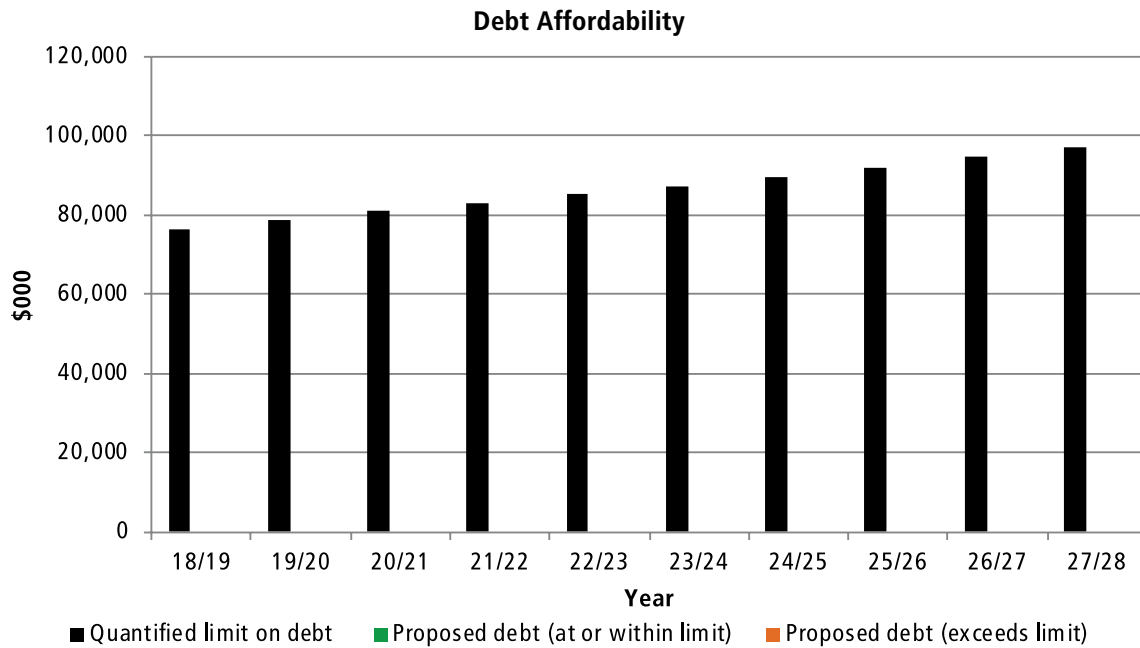


Rates (income) affordability compares the relationship between total revenue and total rates collected. The limit for total rates is set at 80% of total income. This benchmark has been met in each of the 10 years of the plan.

Anticipated Annual Growth 0.80%											
Year	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
Rating Units	13,622	13,735	13,845	13,956	14,068	14,181	14,294	14,408	14,523	14,639	14,756

Debt affordability

The council meets the debt affordability benchmark if its planned borrowing is within each quantified limit on borrowing. The following graph compares the Council’s planned debt with a quantified limit on borrowing contained in the financial strategy included in this long-term plan. The quantified limit is 10% of the total value of assets.



Debt Servicing

A borrowing limit of 10% of total assets has been set to assist in prudently managing borrowing. As the plan has sufficient cash reserves to internally fund any projects that need to be loan funded, debt in this 10-Year Plan will not exceed the 10% of total assets benchmark.

The following graph displays the council’s planned borrowing costs as a proportion of planned revenue (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments, and revaluations of property, plant, or equipment). Council does not plan to borrow externally within the next ten years.

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

Debt servicing benchmark



Investment

We recognise that as a responsible public authority, any investments that we hold should be of a relatively low risk. We further recognise that lower risk generally means lower returns. Council aims to maximise investment income within a prudent level of investment risks. Currently we have money invested with banks in New Zealand and we aim to achieve market rates for these investments. We may also consider other investments in accordance with the Investment Policy. Our quantified target for returns on financial investments is to achieve a return equivalent to market rates. We will ensure that all funds are placed in suitable deposit accounts and excess funds will be put on deposit.

Cash Reserves and Debt

Council currently has high cash reserves. While much of these reserves relate to money set aside for asset replacement there is a significant amount that has come from Cromwell land sales. In the next 10 years sale of land is forecast to be \$15 million, which will add to the estimated cash position. The plan reflects the lack of certainty around reinvestment of the land proceeds into assets other than cash. This has resulted in an ending cash position in the plan of \$48 million. Any loan raised for capital expenditure will utilise these cash reserves by way of internal borrowing where possible.

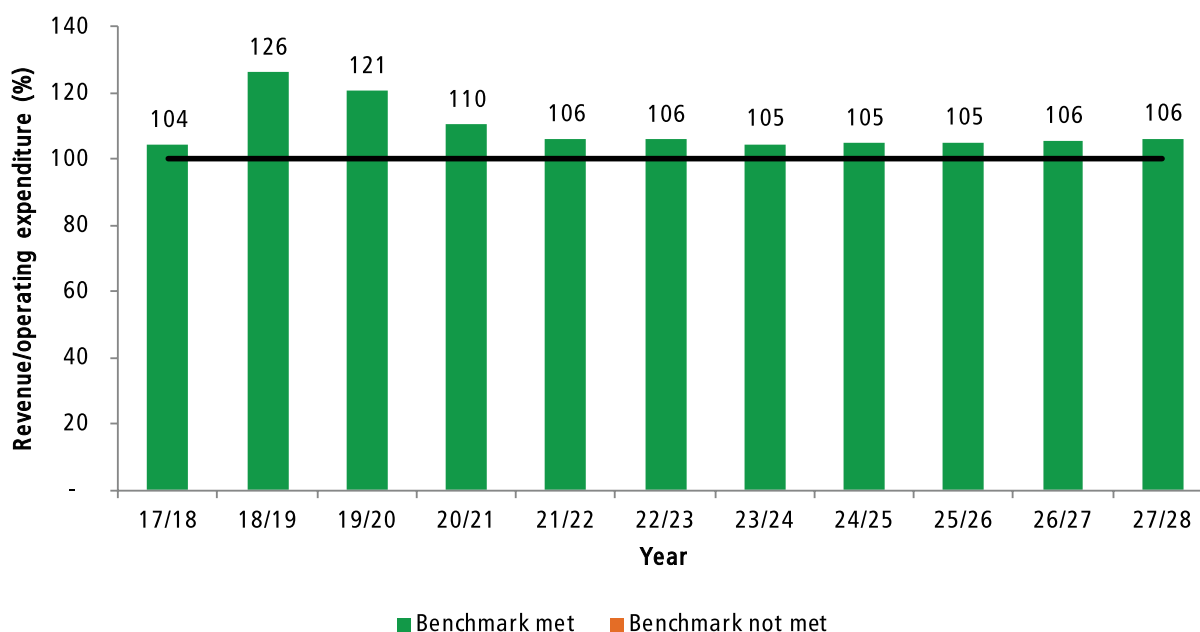
Significant non-growth expenditure that is not depreciation funded or subsidised will be loan funded. Loans will be set up with repayments (less depreciation) being rated for. The source of these loans are forecast to come out of cash reserves.

	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
Forecast Cash Balance <i>\$ Millions</i>	9.2	8.4	10.4	12.6	16.8	22.5	24.8	32.3	39.1	46.5

Balanced Budget

Council is required to operate a balanced budget whereby operating revenues are set at a level sufficient to meet that year's operating expenses. A balanced budget is achieved when total revenue (less revaluations, developers' contributions and vested assets) is greater than operating expenditure. This plan achieves a balanced budget for each of the 10 years of the plan.

Balanced budget benchmark



Surpluses can result when:

- Rates are raised to repay loans. The rates income appears in the prospective statement of comprehensive revenue but the repayment is a prospective statement of financial position item.
- Income for capital purposes such as development contributions and capital donations appear in the prospective statement of comprehensive revenue, however the corresponding capital expenditure is a prospective statement of financial position item.
- NZTA grants for roading are included in the prospective statement of comprehensive revenue. These are largely used to fund renewal expenditure, which is a prospective statement of financial position item.
- Rates have been raised to build the self-insurance fund for underground assets. The rates income appears in the prospective statement of comprehensive revenue, but the reserve fund is a prospective statement of financial position item.
- Rates have been raised to repay the deficits in the roading development contribution fund, which are included in the prospective statement of comprehensive revenue. However the development contribution fund is a prospective statement of financial position item.

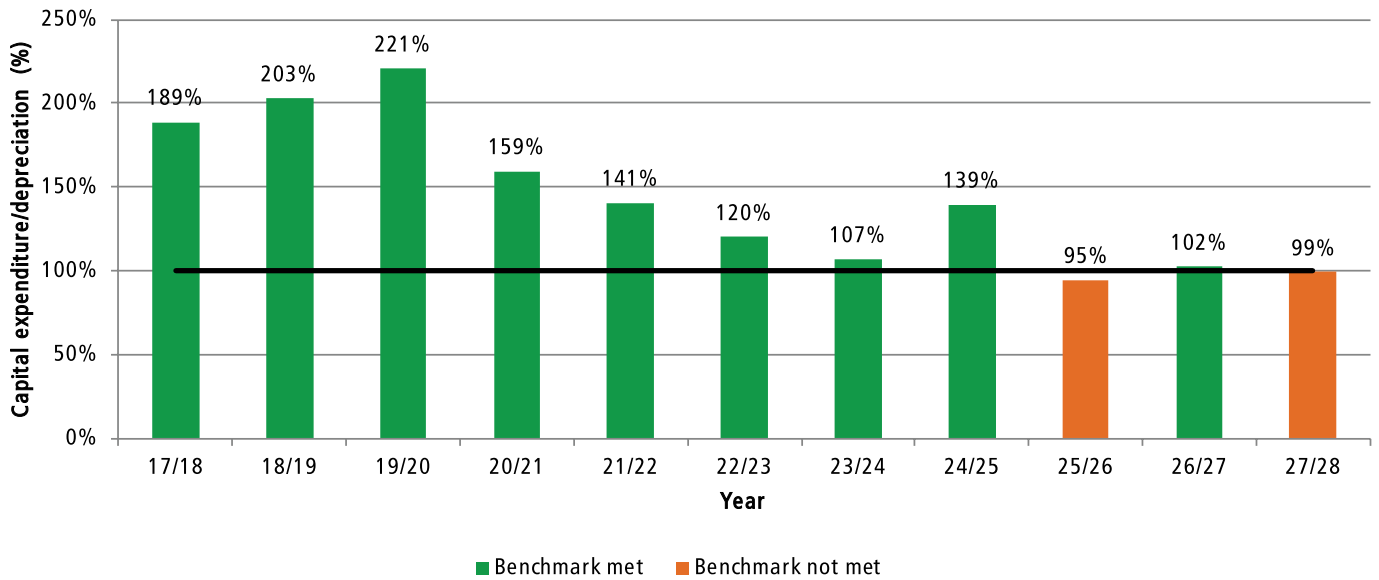
Deficits can result when:

- Council’s Revenue and Financing Policy indicates that in certain circumstances we will not fully fund depreciation from rates income, for example, Council does not fully fund depreciation on roading assets. Most roading capital expenditure attracts a government subsidy; therefore there is no need to fully fund depreciation for the portion that is subsidised.
- There are circumstances whereby fully rate funding depreciation may result in some ratepayers bearing a funding burden that is not entirely fair and equitable. This is where funds for capital project replacement are provided from sources outside Council – for example, where a community has raised funds for a hall. Council would not rate-fund the depreciation on the hall, as any replacement of that facility would be the responsibility of that community.

Essential Services Benchmark

The following graph displays the council’s planned capital expenditure on network services as a proportion of expected depreciation on network services. The council meets the essential services benchmark if its planned capital expenditure on network services equals or is greater than expected depreciation on network services.

Essential services benchmark



Council's approach will involve maintaining a focus on affordability and the long-term consequences of decision-making. We need to balance affordability with suitable investment in our district to ensure progress continues and this remains a great place to live, work and play.

Financial Prudence Benchmarks

Disclosure Statement

What is the purpose of this statement?

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

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



FINANCIALS

Prospective Funding Impact Statement		2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
Whole of Council		Annual Plan	LTP	LTP	LTP	LTP	LTP	LTP	LTP	LTP	LTP	LTP
		\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
OPERATING												
General rates, uniform annual general charges and rates penalties		5,744	5,745	5,845	5,790	5,937	6,020	6,103	6,303	6,560	6,609	6,813
Targeted rates		22,255	23,689	25,119	26,655	27,619	28,829	29,363	30,052	30,980	31,641	32,078
Subsidies and grants for operating purposes		2,106	1,935	1,976	1,948	1,981	2,063	2,070	2,118	2,209	2,213	2,269
Fees and charges		4,573	4,926	5,001	5,068	5,153	5,274	5,391	5,519	5,651	5,785	5,931
Interest and dividends from investments		496	351	328	401	475	619	817	897	1,153	1,383	1,638
Local authorities fuel tax, fines, infringement fees, and other receipts		1,902	2,118	2,113	2,118	2,166	2,227	2,281	2,340	2,401	2,463	2,530
Total operating funding		37,076	38,764	40,382	41,980	43,331	45,032	46,025	47,229	48,954	50,094	51,259
Applications of operating funding												
Payments to staff and suppliers		26,906	29,336	29,047	29,082	29,633	30,655	31,146	31,959	32,893	33,523	34,080
Finance costs		31	35	35	35	36	37	38	39	40	40	42
Other operating funding applications		1,247	1,718	1,542	1,553	1,517	1,558	1,599	1,640	1,680	1,724	1,768
Total applications of operating funding		28,184	31,088	30,625	30,670	31,186	32,250	32,782	33,638	34,614	35,287	35,890
Surplus (deficit) of operating funding		8,892	7,676	9,757	11,310	12,145	12,782	13,243	13,591	14,340	14,807	15,369

Prospective Funding Impact Statement Whole of Council	2017/18 Annual Plan \$000	2018/19 LTP \$000	2019/20 LTP \$000	2020/21 LTP \$000	2021/22 LTP \$000	2022/23 LTP \$000	2023/24 LTP \$000	2024/25 LTP \$000	2025/26 LTP \$000	2026/27 LTP \$000	2027/28 LTP \$000
CAPITAL											
Sources of capital funding											
Subsidies and grants for capital expenditure	4,643	2,794	2,478	2,786	2,672	2,245	2,399	2,478	2,411	2,493	2,653
Development and financial contributions	1,833	1,797	2,167	2,191	2,027	2,042	2,107	2,177	2,249	1,959	1,938
Increase (decrease) in debt	-	-	-	-	-	-	-	-	-	-	-
Gross proceeds from sale of assets	1,235	13,947	11,177	2,297	969	909	-	-	-	-	-
Lump sum contributions	-	-	-	717	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-	-
Total sources of capital funding	7,711	18,538	15,822	7,991	5,668	5,196	4,506	4,655	4,660	4,452	4,591
Applications of capital funding											
Capital expenditure											
- to meet additional demand	2,356	3,264	3,394	1,751	2,111	3,353	2,108	4,185	1,378	1,483	1,487
- to improve the level of service	6,843	8,285	11,495	7,011	5,022	2,011	1,625	3,119	1,606	1,795	2,070
- to replace existing assets	14,287	10,436	11,601	8,693	8,711	8,583	8,442	8,832	8,682	9,442	9,136
Increase(decrease) in reserves	(6,812)	4,229	(911)	1,846	1,969	4,031	5,574	2,110	7,334	6,539	7,267
Increase (decrease) in investments	(71)	-	-	-	-	-	-	-	-	-	-
Total applications of capital funding	16,603	26,214	25,579	19,301	17,813	17,978	17,749	18,246	19,000	19,259	19,960
Surplus (deficit) of capital funding	(8,892)	(7,676)	(9,757)	(11,310)	(12,145)	(12,782)	(13,243)	(13,591)	(14,340)	(14,807)	(15,369)
Funding balance	-	-	-	-	-	-	-	-	-	-	-
Depreciation (not included in above FIS)	11,823	11,748	12,323	12,618	13,023	13,261	13,478	13,806	14,290	14,553	14,872
PUBLIC EQUITY											
Surplus (deficit) of operating funding from funding impact statement	8,892	7,676	9,757	11,310	12,145	12,782	13,243	13,591	14,340	14,807	15,369
Depreciation	(11,823)	(11,748)	(12,323)	(12,618)	(13,023)	(13,261)	(13,478)	(13,806)	(14,290)	(14,553)	(14,872)
Subsidies and grants for capital purposes	4,643	2,794	2,478	3,503	2,672	2,245	2,399	2,478	2,411	2,493	2,653
Development and financial contributions	1,833	1,797	2,167	2,191	2,027	2,042	2,107	2,177	2,249	1,959	1,938
Gain (loss) on sales of assets	-	12,486	8,924	2,291	875	896	-	-	-	-	-
Net surplus (deficit) before tax in statement of financial performance	3,545	13,005	11,003	6,677	4,697	4,704	4,271	4,440	4,710	4,706	5,088

Prospective Statement of	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
Comprehensive Revenue And Expense	Annual Plan	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
REVENUE	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Revenue from non-exchange transactions	27,939	29,361	30,890	32,370	33,478	34,770	35,387	36,273	37,455	38,164	38,803
Rates	60	75	75	75	77	78	80	82	84	86	89
Penalties, Remissions and discounts	6,652	4,729	4,454	4,734	4,653	4,309	4,469	4,595	4,621	4,706	4,922
Subsidies and Grants	2,117	2,172	2,172	2,217	2,220	2,272	2,324	2,381	2,439	2,500	2,565
Regulatory fees	3,540	3,997	4,068	4,812	4,207	4,314	4,413	4,520	4,630	4,745	4,866
User fees and other income	1,833	1,797	2,167	2,190	2,028	2,043	2,107	2,177	2,250	1,959	1,938
Development and financial contributions	-	-	-	-	-	-	-	-	-	-	-
Vested assets	-	-	-	-	-	-	-	-	-	-	-
Valuation gains	-	-	-	-	-	-	-	-	-	-	-
Revenue from exchange transactions	495	504	504	504	515	526	538	551	564	578	592
Direct charges revenue – full cost recovery	420	370	370	370	378	389	398	407	417	427	438
Rental revenue	496	351	328	401	475	619	817	897	1,153	1,383	1,638
Interest	-	-	-	-	-	-	-	-	-	-	-
Dividends	-	12,486	8,924	2,291	875	896	-	-	-	-	-
Profit on sale of assets	-	-	-	-	-	-	-	-	-	-	-
Gains on revaluation of investment properties	-	-	-	-	-	-	-	-	-	-	-
TOTAL REVENUE	43,552	55,842	53,952	49,965	48,906	50,216	50,533	51,883	53,613	54,547	55,851
EXPENDITURE											
Employee benefit expenses	9,035	10,455	10,619	10,765	10,960	11,154	11,370	11,585	11,821	12,057	12,313
Depreciation and amortisation	11,823	11,745	12,323	12,618	13,021	13,259	13,479	13,806	14,289	14,553	14,873
Finance costs	31	35	35	35	36	37	38	39	40	41	42
Valuation losses	-	-	-	-	-	-	-	-	-	-	-
Loss on disposal of assets	-	-	-	-	-	-	-	-	-	-	-
Other expenses	19,118	20,603	19,972	19,870	20,193	21,062	21,376	22,013	22,753	23,191	23,536
Total Expenditure	40,007	42,838	42,949	43,287	44,209	45,513	46,262	47,443	48,903	49,841	50,763
Surplus/(Deficit) before tax	3,545	13,005	11,003	6,677	4,697	4,704	4,271	4,440	4,710	4,706	5,088
Income tax expense	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after tax	3,545	13,005	11,003	6,677	4,697	4,704	4,271	4,440	4,710	4,706	5,088

Prospective Statement of Comprehensive Revenue And Expense	2017/18 Annual Plan \$000	2018/19 Year 1 \$000	2019/20 Year 2 \$000	2020/21 Year 3 \$000	2021/22 Year 4 \$000	2022/23 Year 5 \$000	2023/24 Year 6 \$000	2024/25 Year 7 \$000	2025/26 Year 8 \$000	2026/27 Year 9 \$000	2027/28 Year 10 \$000
Gain on asset revaluations											
Gains (loss) on revaluation of wastewater assets	1,003	722	1,447	1,353	1,427	1,450	1,530	1,616	1,644	1,732	1,826
Gains (loss) on revaluation of water assets	1,482	970	1,884	1,772	1,884	1,927	2,051	2,182	2,236	2,376	2,525
Gains (loss) on revaluation of stormwater assets	493	0	1	1	1	0	0	0	0	0	0
Gains (loss) on revaluation of roading assets	8,870	5,692	9,931	10,160	10,877	11,629	11,906	12,701	13,537	14,413	15,342
Gains (loss) on revaluation of property and parks assets	1,693	683	1,357	1,353	1,360	1,434	1,438	1,505	1,574	1,582	1,657
Gains (loss) on revaluations of land assets	-	4	8	8	8	9	9	9	10	10	11
Gains (loss) on revaluation of building assets	-	118	235	235	239	250	249	261	272	274	286
Total gain on asset revaluations	13,541	8,190	14,862	14,882	15,795	16,698	17,183	18,274	19,272	20,387	21,648
Gain on available for sale financial assets	-	-	-	-	-	-	-	-	-	-	-
Gains (loss) on revaluation of investment bonds	-	-	-	-	-	-	-	-	-	-	-
Gains (loss) on revaluation of share equities	-	-	-	-	-	-	-	-	-	-	-
Total gain on available for sale financial assets	-	-	-	-	-	-	-	-	-	-	-
Total other comprehensive income	13,541	8,190	14,862	14,882	15,795	16,698	17,183	18,274	19,272	20,387	21,648
Total comprehensive income	17,086	21,195	25,864	21,559	20,492	21,402	21,454	22,714	23,983	25,093	26,736

Prospective Statement of Changes in Equity	2017/18 Annual Plan \$000	2018/19 Year 1 \$000	2019/20 Year 2 \$000	2020/21 Year 3 \$000	2021/22 Year 4 \$000	2022/23 Year 5 \$000	2023/24 Year 6 \$000	2024/25 Year 7 \$000	2025/26 Year 8 \$000	2026/27 Year 9 \$000	2027/28 Year 10 \$000
Public Equity											
Public equity balance at 1 July	690,648	734,783	755,978	781,842	803,401	823,893	845,295	866,748	889,462	913,444	938,537
Accumulated funds											
Balance at 1 July	356,036	359,575	372,580	383,582	390,260	394,956	399,660	403,931	408,370	413,081	417,787
Surplus/(Deficit)	3,545	13,005	11,003	6,677	4,697	4,704	4,271	4,440	4,710	4,706	5,088
Adjustment for assets not owned by council	(3)	-	-	-	-	-	-	-	-	-	-
Transfer to restricted reserves	(3)	-	-	-	-	-	-	-	-	-	-
Transfer from revaluation reserve as intended for sale	-	-	-	-	-	-	-	-	-	-	-
Transfer from property revaluation reserve on disposal	-	-	-	-	-	-	-	-	-	-	-
BALANCE AT 30 JUNE	359,575	372,580	383,582	390,260	394,956	399,660	403,931	408,370	413,081	417,787	422,875
OTHER RESERVES											
Property revaluation reserve											
Balance 1 July	361,589	375,130	383,320	398,182	413,063	428,858	445,556	462,739	481,013	500,285	520,673
Revaluation gains/(loss)	13,541	8,190	14,862	14,882	15,795	16,698	17,183	18,274	19,272	20,387	21,648
Adjustments for assets not owned by council	-	-	-	-	-	-	-	-	-	-	-
Transfer from property revaluation reserve as intended for sale	-	-	-	-	-	-	-	-	-	-	-
Transfer to accumulated funds on disposal on property	-	-	-	-	-	-	-	-	-	-	-
Balance at 30 June	375,130	383,320	398,182	413,063	428,858	445,556	462,739	481,013	500,285	520,673	542,321
Fair value through other comprehensive revenue reserve											
Balance at 1 July	-	-	-	-	-	-	-	-	-	-	-
Revaluation gains/(loss)	-	-	-	-	-	-	-	-	-	-	-
Reclassification to surplus or deficit on disposal	-	-	-	-	-	-	-	-	-	-	-
Balance at 30 June	-	-	-	-	-	-	-	-	-	-	-

Prospective Statement of Changes in Equity	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
	Annual Plan \$'000	Year 1 \$'000	Year 2 \$'000	Year 3 \$'000	Year 4 \$'000	Year 5 \$'000	Year 6 \$'000	Year 7 \$'000	Year 8 \$'000	Year 9 \$'000	Year 10 \$'000
Balance at 1 July	78	78	78	78	78	78	78	78	78	78	78
Transfer from accumulated funds	-	-	-	-	-	-	-	-	-	-	-
Balance at 30 June	78	78	78	78	78	78	78	78	78	78	78
Total other reserves	375,208	383,398	398,260	413,141	428,936	445,634	462,817	481,091	500,363	520,751	542,399
Public Equity 30 June	734,783	755,978	781,842	803,401	823,893	845,295	866,748	889,462	913,444	938,537	965,273

Prospective Statement of Financial Position											
	2017/18 Annual Plan \$000	2018/19 Year 1 \$000	2019/20 Year 2 \$000	2020/21 Year 3 \$000	2021/22 Year 4 \$000	2022/23 Year 5 \$000	2023/24 Year 6 \$000	2024/25 Year 7 \$000	2025/26 Year 8 \$000	2026/27 Year 9 \$000	2027/28 Year 10 \$000
EQUITY											
Accumulated funds	359,578	372,580	383,582	390,260	394,956	399,660	403,931	408,370	413,081	417,787	422,875
Property revaluation reserve	375,130	383,320	398,182	413,063	428,858	445,556	462,739	481,013	500,285	520,673	542,321
Fair value through other comprehensive income revenue reserve	-	-	-	-	-	-	-	-	-	-	-
Restricted reserves	75	78	78	78	78	78	78	78	78	78	78
Total equity	734,783	755,978	781,842	803,401	823,893	845,295	866,748	889,462	913,444	938,537	965,273
REPRESENTED BY:											
Current assets											
Cash and cash equivalents	4,748	9,165	8,418	10,430	12,564	16,767	22,520	24,812	32,331	39,059	46,521
Other financial assets	6,702	6,702	6,702	6,702	6,702	6,702	6,702	6,702	6,702	6,702	6,702
Receivables	2,919	2,919	2,919	2,919	2,919	2,919	2,919	2,919	2,919	2,919	2,919
Non Current assets held for sale	-	2,038	-	-	-	-	-	-	-	-	-
Inventories	532	532	532	532	532	532	532	532	532	532	532
Total current assets	14,901	21,356	18,571	20,583	22,717	26,920	32,673	34,965	42,484	49,212	56,674
Less current liabilities											
Agency and deposits	309	309	309	309	309	309	309	309	309	309	309
Payables and deferred revenue	5,528	5,528	5,528	5,528	5,528	5,528	5,528	5,528	5,528	5,528	5,528
Employee entitlements	1,008	1,008	1,008	1,008	1,008	1,008	1,008	1,008	1,008	1,008	1,008
Borrowings and other financial liabilities	-	-	-	-	-	-	-	-	-	-	-
Total current liabilities	6,845	6,845	6,845	6,845	6,845	6,845	6,845	6,845	6,845	6,845	6,845
Working capital	8,056	14,511	11,726	13,738	15,872	20,075	25,828	28,120	35,639	42,367	49,829

Prospective Statement of Financial Position	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
	Annual Plan \$000	Year 1 \$000	Year 2 \$000	Year 3 \$000	Year 4 \$000	Year 5 \$000	Year 6 \$000	Year 7 \$000	Year 8 \$000	Year 9 \$000	Year 10 \$000
Non-current assets											
Available for sale financial assets	156	156	156	156	156	156	156	156	156	156	156
Loans and receivables	850	845	840	835	830	825	819	814	808	802	797
Intangible assets	616	616	616	616	616	616	616	616	616	616	616
Forestry assets	723	723	723	723	723	723	723	723	723	723	723
Investment property	1,265	1,265	1,265	1,265	1,265	1,265	1,265	1,265	1,265	1,265	1,265
Property, Plant and Equipment	723,145	737,890	766,544	786,096	804,459	821,663	837,369	857,796	874,265	892,636	911,916
Total non-current assets	726,755	741,495	770,144	789,691	808,049	825,248	840,948	861,370	877,833	896,198	915,472
Less non-current liabilities											
Provisions	28	28	28	28	28	28	28	28	28	28	28
Borrowings and other financial liabilities	-	-	-	-	-	-	-	-	-	-	-
Total non-current liabilities	28	28	28	28	28	28	28	28	28	28	28
Net assets (assets minus liabilities)	734,783	755,978	781,842	803,401	823,893	845,295	866,748	889,462	913,444	938,537	965,273

Prospective Statement of Cash Flows	2017/18 Annual Plan \$000	2018/19 Year 1 \$000	2019/20 Year 2 \$000	2020/21 Year 3 \$000	2021/22 Year 4 \$000	2022/23 Year 5 \$000	2023/24 Year 6 \$000	2024/25 Year 7 \$000	2025/26 Year 8 \$000	2026/27 Year 9 \$000	2027/28 Year 10 \$000
CASHFLOWS FROM OPERATING ACTIVITIES											
Receipts from rates, fees and other revenue	42,750	43,005	44,700	47,272	47,555	48,702	49,716	50,986	52,460	53,164	54,213
Interest received	496	351	328	401	475	619	817	897	1,153	1,383	1,638
Dividends received	-	-	-	-	-	-	-	-	-	-	-
Net GST (paid) /received	-	-	-	-	-	-	-	-	-	-	-
Payments to suppliers and employees	(28,319)	(30,928)	(30,461)	(30,505)	(31,020)	(32,081)	(32,607)	(33,456)	(34,429)	(35,098)	(35,696)
Interest paid	-	-	-	-	-	-	-	-	-	-	-
Net cash flow from operating activities	14,927	12,429	14,567	17,169	17,011	17,239	17,926	18,427	19,184	19,449	20,156
CASHFLOWS FROM INVESTING ACTIVITIES											
Receipts from sale of property, plant and equipment	1,235	13,946	11,177	2,297	969	909	-	-	-	-	-
Receipts from sale of investments	9,998	-	-	-	-	-	-	-	-	-	-
Receipts from the repayment of loans and receivables	72	-	-	-	-	-	-	-	-	-	-
Purchase of property, plant and equipment	(23,486)	(21,959)	(26,491)	(17,454)	(15,846)	(13,945)	(12,173)	(16,135)	(11,665)	(12,721)	(12,693)
Purchase of investment property	-	-	-	-	-	-	-	-	-	-	-
Purchase of intangibles	-	-	-	-	-	-	-	-	-	-	-
Purchase of forestry	-	-	-	-	-	-	-	-	-	-	-
Purchase of investments	-	-	-	-	-	-	-	-	-	-	-
Investment in loans and receivables	-	-	-	-	-	-	-	-	-	-	-
Net cash flow from investing activities	(12,181)	(8,012)	(15,314)	(15,157)	(14,877)	(13,036)	(12,173)	(16,135)	(11,665)	(12,721)	(12,693)
CASHFLOWS FROM FINANCING ACTIVITIES											
Proceeds from borrowings	-	-	-	-	-	-	-	-	-	-	-
Repayment of borrowings	-	-	-	-	-	-	-	-	-	-	-
Net cash flow from financing activities	-	-	-	-	-	-	-	-	-	-	-
Net increase/(decrease) in cash held	2,746	4,417	(747)	2,012	2,134	4,203	5,753	2,292	7,519	6,728	7,462
Cash at the beginning of the year	2,002	4,748	9,165	8,418	10,430	12,564	16,767	22,520	24,812	32,331	39,059
Closing cash held 30 June	4,748	9,165	8,418	10,430	12,564	16,767	22,520	24,812	32,331	39,059	46,521

CAPITAL EXPENDITURE	2018/19 Year 1 000's	2019/20 Year 2 000's	2020/21 Year 3 000's	Years 4-10 000's
Water				
Alexandra - Network Extensions and Upgrades	30	30	30	1,704
Alexandra - Northern Reservoir	-	-	-	2,854
Backflow Prevention	140	140	140	466
Cromwell - Capacity Upgrades	-	200	-	3,921
Cromwell - Network Extensions and Upgrades	45	45	45	1,152
Cromwell - Pisa Reservoir and Rising Main	-	-	-	2,750
Cromwell - Treatment Plant Upgrade	-	-	700	4,929
Districtwide - Building Renewals	10	10	10	77
Districtwide - Electrical & Instrumentation Renewals	95	95	95	1,244
Districtwide - Reticulation Renewals	960	960	960	8,090
Districtwide - Treatment Plant Renewals	100	100	100	1,045
Dunstan Flats Reticulation	-	-	-	-
Lake Dunstan Water Supply	7,160	5,668	-	-
Naseby - Additional Reservoir	-	-	-	113
Omakau - Network Extensions and Upgrades	-	-	-	-
Omakau Pressure Improvements	-	-	-	553
Other	-	-	-	-
Patearoa - Treatment Plant Upgrade	-	-	300	-
Ranfurlly - Source Protection	50	-	-	-
Ranfurlly - Treatment Plant Upgrade	-	-	600	-
Reservoir Renewals	50	50	50	614
Treatment Plant Generators	-	-	-	537
Valve Upgrades	30	60	60	480
Vehicle Replacement	-	-	45	115
Total Water	8,670	7,358	3,135	30,644

Wastewater				
Alexandra - Dunorling Street Pumpstation Storage	-	-	-	1,560
Alexandra - Earnscleugh Road Pumpstation Upgrade	-	-	-	360
Alexandra - Network Extensions and Upgrades	10	10	10	537
Alexandra - Pumpstation Upgrades	-	-	100	-
Alexandra - Treatment Plant Upgrades	1,600	-	-	-
Clyde - New Wastewater Scheme	100	5,850	4,150	-
Cromwell - Alpha Street Pumpstation Storage	-	-	-	395
Cromwell - Network Extensions and Upgrades	20	20	20	1,073
Cromwell - Treatment Plant Upgrade	430	280	-	-
Districtwide - Building Renewals	-	-	-	77
Districtwide - Electrical & Instrumentation Renewals	40	40	210	387
Districtwide - Reticulation Renewals	810	960	810	7,588
Districtwide - Treatment Plant Renewals	85	85	85	1,355
Omakau - Treatment Plant Upgrade	200	-	-	-
Other	-	-	-	-
Total Wastewater	3,295	7,245	5,385	13,332

CAPITAL EXPENDITURE	2018/19 Year 1 000's	2019/20 Year 2 000's	2020/21 Year 3 000's	Years 4-10 000's
Stormwater				
District Network Renewals	120	120	120	1,394
Total Stormwater	120	120	120	1,394
Roading				
Pavement Reconstruction	-	240	240	1,855
Renewal Local Roads - District Unsubsidised	450	450	450	3,476
Renewal Local Roads - Sealed Resurfacing	1,307	1,307	1,307	10,095
Renewal Local Roads - Unsealed Metalling	2,926	2,176	2,176	16,927
Roading Improvements	885	986	1,645	4,421
Vehicle replacement	32	-	-	100
Other	168	168	168	1,298
Total Roothing	5,768	5,327	5,986	38,172
Environmental Services				
Cromwell Transfer Station Upgrade	200	500	-	-
Other	7	7	8	65
Total Environmental Services	207	507	8	65
Property and Community Halls Facilities				
Airports	340	486	-	-
Alexandra Memorial Theatre	263	3	-	9
Anderson Park	1	-	-	9
Clyde Community Centre	39	58	-	-
Commercial and Other Property	256	47	2	37
Council Offices	292	266	262	52
Cromwell Museum	16	7	-	29
Cromwell Town Centre	130	1,300	500	529
Elderly Persons Housing	335	493	394	890
Forestry	14	14	14	107
Molyneux Park	96	-	3	14
Other Community Buildings	123	108	48	123
Other Property	40	30	30	127
Public Toilets	33	400	-	443
Total Property and Community Halls	1,978	3,212	1,253	2,369

CAPITAL EXPENDITURE	2018/19 Year 1 000's	2019/20 Year 2 000's	2020/21 Year 3 000's	Years 4-10 000's
Pools Parks and Cemeteries				
Alexandra Cemetery	50	30	65	153
Anderson Park	99	19	94	290
Bannockburn Recreation Reserve Committee	253	-	-	-
Clutha Management	4	-	-	-
Clyde Recreation Reserve	45	44	5	58
Cromwell Cemetery	-	-	14	48
Cromwell Reserves	221	561	196	1,313
Cromwell Swim Centre	108	379	65	300
Molyneux Aquatic Centre	169	73	370	612
Molyneux Park	20	193	214	171
Omakau Recreation Reserve Committee	6	40	13	166
Omakau, Clyde, Ranfurly Cemetery	29	-	28	118
Other	88	55	22	199
Other Parks and Reserves	41	81	25	280
Other reserves Alexandra	84	66	7	75
Other reserves Maniototo	54	92	16	437
Pioneer Park	11	3	3	208
Ranfurly pool, Millers Flat Pool, Roxburgh	29	-	12	11
Total Pools Parks and Cemeteries	1,311	1,636	1,149	4,439
Governance and Corporate Services				
Information Services	240	734	202	2,170
Council Offices	70	50	50	386
Vehicle Replacement	50	148	-	634
Total Governance and Corporate Services	360	932	252	3,190
Planning, Regulatory and Community Development				
Vehicle Replacement	25	-	-	289
Total Planning, Regulatory and Community Development	25	-	-	289
Regional Identity, Tourism and Economic Development				
Ranfurly i-SITE refurbishment	56	-	-	-
Total Regional Identity, Tourism and Economic Development	56	-	-	-
Service Centres and Libraries				
Alexandra, Cromwell, Maniototo, Roxburgh Library	22	3	8	22
Library Policy	158	158	158	1,213
Vehicle Replacement	28	-	-	30
Total Service Centres and Libraries	208	161	166	1,265
TOTAL CAPITAL EXPENDITURE	21,998	26,498	17,454	95,159

Prospective Statement of Reserve Movements

	Opening Balance 2018/19 \$000	Transfers In 2018/19-2027/28 \$000	Transfers Out 2018/19-2027/28 \$000	Closing Balance 2027/28 \$000
SPECIFIC RESERVES				
These reserves are designated from a statute or legal document are to maintain and provide for improvements to deparately identifiable areas.				
Governance and Corporate Services	2,471	1,344	(90)	3,725
Self Insurance fund	2,031	2,631	-	4,661
Property and Community Halls	871	397	(326)	942
Pools Parks and Cemeteries	21	5	(49)	(23)
Planning, Regulatory and Community Development	1,373	759	-	2,132
TOTAL SPECIFIC RESERVES	6,767	5,135	(465)	11,437

DEVELOPMENT CONTRIBUTION RESERVES

To provide for growth in identifiable infrastructure assets.

Roading	(4,213)	10,267	(7,961)	(1,907)
Water	(2,285)	9,915	(11,898)	(4,269)
Wastewater	78	6,561	(3,804)	2,836
TOTAL DEVELOPMENT CONTRUBUTIONS RESERVES	(6,419)	26,743	(23,664)	(3,340)

GENERAL RESERVES

These reserves are invested to provide a financial return to ratepayers.

Governance and Corporate Services	17,506	42,728	(15,361)	44,874
TOTAL GENERAL RESERVES	17,506	42,728	(15,361)	44,874

PROPERTY RESERVES

To provide for the purchase of properties.

Property and Community Halls	3,198	954	(3,847)	305
TOTAL PROPERTY RESERVES	3,198	954	(3,847)	305

Prospective Statement of Reserve Movements

	Opening Balance 2018/19 \$000	Transfers In 2018/19-2027/28 \$000	Transfers Out 2018/19-2027/28 \$000	Closing Balance 2027/28 \$000
LOSS OF SERVICE POTENTIAL AND DEVELOPMENT				
To set aside funds for the replacement or provision of assets in identifiable infrastructure areas.				
Water	(3,817)	717	(15,786)	(18,887)
Wastewater	(5,190)	5,425	(9,096)	(8,861)
Stormwater	2,062	5,902	-	7,964
Roading	(460)	7,038	(1,561)	5,017
Environmental Services	(21)	781	(521)	239
Pools Parks and Cemeteries	327	3,758	(1,294)	2,791
Property and Community Halls	(1,674)	4,536	(3,590)	(728)
Service Centres and Libraries	(256)	62	(73)	(267)
Regional Identity, Tourism and Economic Development	19	199	(34)	183
Planning, Regulatory and Community Development	17	338	(100)	255
Governance and Corporate Services	(602)	1,135	(722)	(190)
TOTAL PROPERTY RESERVES	(9,595)	29,890	(32,777)	(12,482)

AMENITIES

To provide funding for ongoing operations and assets in amenity areas				
Property and Community Halls	(630)	330	(483)	(783)
Pools Parks and Cemeteries	1,012	1,161	(884)	1,289
Environmental Services	(112)	212	-	100
Planning, Regulatory and Community Development	418	1,113	(25)	1,507
TOTAL AMENITIES	688	2,816	(1,392)	2,113

GOVERNANCE

To provide funding for the elected member activity, specifically the democratic process.				
Governance and Corporate Services	84	47	-	131
TOTAL PROPERTY RESERVES	84	47	-	131

DISTRICT DEVELOPMENT

To provide funding for ongoing operations and assets in this activity.				
Regional Identity, Tourism and Economic Development	211	221	-	432
TOTAL PROPERTY RESERVES	211	221	-	432
TOTAL RESERVES	12,440	108,534	(77,506)	43,469

Prospective Funding Impact Statement											
Water	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
	Annual Plan \$000	LTP \$000	LTP \$000	LTP \$000	LTP \$000	LTP \$000	LTP \$000	LTP \$000	LTP \$000	LTP \$000	LTP \$000
OPERATING											
General rates, uniform annual general charges and rates penalties	-	-	-	-	-	-	-	-	-	-	-
Targeted rates*	4,630	4,391	4,993	5,554	5,801	6,253	6,488	6,698	7,025	7,166	7,323
Subsidies and grants for operating purposes	22	18	18	18	18	19	19	20	20	21	21
Fees and charges	-	4	4	4	4	4	4	5	5	5	5
Internal charges and overheads recovered	173	98	98	159	101	96	98	110	121	135	150
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-	-	-	-	-	-	-	-	-
Total operating funding	4,825	4,511	5,113	5,735	5,924	6,372	6,609	6,833	7,171	7,327	7,499
Applications of operating funding											
Payments to staff and suppliers	2,028	2,286	2,292	2,358	2,350	2,404	2,460	2,520	2,583	2,649	2,719
Finance costs	-	-	-	-	-	-	-	-	-	-	-
Internal charges and overheads applied	943	764	1,035	1,217	1,251	1,338	1,335	1,377	1,514	1,482	1,460
Other operating funding applications	35	38	38	38	39	40	41	42	43	44	45
Total applications of operating funding	3,006	3,088	3,365	3,613	3,640	3,782	3,836	3,939	4,140	4,175	4,224
Surplus (deficit) of operating funding	1,819	1,423	1,748	2,122	2,284	2,590	2,773	2,894	3,031	3,152	3,275
CAPITAL											
Sources of capital funding											
Subsidies and grants for capital expenditure	-	-	-	-	-	-	-	-	-	-	-
Development and financial contributions	321	731	1,091	1,104	1,013	1,046	1,080	1,116	1,154	996	1,029
Increase (decrease) in debt	-	4,814	4,004	225	2,481	427	(234)	1,294	(582)	(608)	(635)
Gross proceeds from sale of assets	-	-	-	-	10	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-	-
Total sources of capital funding	321	5,545	5,095	1,329	3,504	1,473	846	2,410	572	388	394
Applications of capital funding											
Capital expenditure											
- to meet additional demand	209	1,907	1,718	307	1,434	2,845	1,548	3,273	474	378	470
- to improve the level of service	1,207	5,487	4,380	1,108	3,123	961	741	2,206	619	117	937
- to replace existing assets	2,756	1,276	1,260	1,719	1,714	1,494	1,599	1,664	1,650	1,690	1,706
Increase(decrease) in reserves	(2,032)	(1,702)	(515)	317	(483)	(1,237)	(269)	(1,839)	860	1,355	556
Increase (decrease) in investments	-	-	-	-	-	-	-	-	-	-	-
Total applications of capital funding	2,140	6,968	6,843	3,451	5,788	4,063	3,619	5,304	3,603	3,540	3,669
Surplus (deficit) of capital funding	(1,819)	(1,423)	(1,748)	(2,122)	(2,284)	(2,590)	(2,773)	(2,894)	(3,031)	(3,152)	(3,275)
Funding balance	-	-	-	-	-	-	-	-	-	-	-
Depreciation (not included in above FIS)	1,500	1,526	1,633	1,732	1,868	1,996	2,095	2,181	2,276	2,352	2,430
* Volumetric Charges (included in Targeted Rates)	1,580	1,630	1,630	1,630	1,666	1,705	1,744	1,786	1,830	1,876	1,925

Prospective Funding Impact Statement	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
Wastewater	Annual Plan	LTP	LTP	LTP	LTP	LTP	LTP	LTP	LTP	LTP	LTP
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
OPERATING											
General rates, uniform annual general charges and rates penalties	-	-	-	-	-	-	-	-	-	-	-
Targeted rates	3,947	4,194	4,342	5,002	5,377	5,614	5,540	5,640	5,916	5,920	6,146
Subsidies and grants for operating purposes	-	-	-	-	-	-	-	-	-	-	-
Fees and charges	-	42	42	42	42	43	44	45	47	48	49
Internal charges and overheads recovered	51	40	79	124	180	236	297	362	432	506	570
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-	-	-	-	-	-	-	-	-
Total operating funding	3,998	4,276	4,463	5,168	5,599	5,893	5,881	6,047	6,395	6,474	6,765
Applications of operating funding											
Payments to staff and suppliers	1,430	1,457	1,463	1,479	1,511	1,702	1,581	1,618	1,826	1,699	1,743
Finance costs	-	-	-	-	-	-	-	-	-	-	-
Internal charges and overheads applied	773	603	755	1,010	1,087	1,085	1,083	1,087	1,090	1,130	1,174
Other operating funding applications	70	504	334	334	341	349	357	366	375	384	394
Total applications of operating funding	2,273	2,564	2,552	2,823	2,939	3,136	3,021	3,071	3,291	3,213	3,311
Surplus (deficit) of operating funding	1,725	1,712	1,911	2,345	2,660	2,757	2,860	2,976	3,104	3,261	3,454
CAPITAL											
Sources of capital funding											
Subsidies and grants for capital expenditure	-	-	-	-	-	-	-	-	-	-	-
Development and financial contributions	618	628	638	648	567	588	610	633	657	514	533
Increase (decrease) in debt	-	1,411	4,811	2,608	(333)	(349)	(365)	(381)	(297)	180	(459)
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	717	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-	-
Total sources of capital funding	618	2,039	5,449	3,973	234	239	245	252	360	694	74
Applications of capital funding											
Capital expenditure											
- to meet additional demand	1,606	333	1,081	723	5	5	6	336	365	545	406
- to improve the level of service	3,226	1,056	4,978	3,513	25	26	27	27	130	791	188
- to replace existing assets	3,370	1,906	1,186	1,149	1,244	1,275	1,306	1,340	1,479	2,189	1,615
Increase (decrease) in reserves	(5,859)	456	115	933	1,620	1,690	1,766	1,525	1,490	430	1,319
Increase (decrease) in investments	-	-	-	-	-	-	-	-	-	-	-
Total applications of capital funding	2,343	3,751	7,360	6,318	2,894	2,996	3,105	3,228	3,464	3,955	3,528
Surplus (deficit) of capital funding	(1,725)	(1,712)	(1,911)	(2,345)	(2,660)	(2,757)	(2,860)	(2,976)	(3,104)	(3,261)	(3,454)
Funding balance	-	-	-	-	-	-	-	-	-	-	-
Depreciation (not included in above FIS)	1,529	1,703	1,813	1,915	1,985	2,037	2,092	2,155	2,226	2,320	2,418

Prospective Funding Impact Statement		2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
Stormwater		Annual Plan	LTP	LTP	LTP	LTP	LTP	LTP	LTP	LTP	LTP	LTP
		\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
OPERATING												
General rates, uniform annual general charges and rates penalties												
Targeted rates	495	630	695	661	674	744	710	730	806	771	790	
Subsidies and grants for operating purposes	-	-	-	-	-	-	-	-	-	-	-	-
Fees and charges	-	-	-	-	-	-	-	-	-	-	-	-
Internal charges and overheads recovered	80	101	123	146	169	193	217	244	272	302	334	
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-	-	-	-	-	-	-	-	-	-
Total operating funding	575	731	818	807	843	937	927	974	1,078	1,073	1,124	
Applications of operating funding												
Payments to staff and suppliers	141	104	155	105	107	162	112	115	174	121	124	
Finance costs	-	-	-	-	-	-	-	-	-	-	-	-
Internal charges and overheads applied	62	23	24	27	24	24	25	25	25	26	27	
Other operating funding applications	12	12	12	12	12	12	13	13	13	14	14	
Total applications of operating funding	215	139	191	144	143	198	150	153	212	161	165	
Surplus (deficit) of operating funding	360	592	627	663	700	739	777	821	866	912	959	
CAPITAL												
Sources of capital funding												
Subsidies and grants for capital expenditure	-	-	-	-	-	-	-	-	-	-	-	-
Development and financial contributions	-	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in debt	-	-	-	-	-	-	-	-	-	-	-	-
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-	-	-
Total sources of capital funding	-	-	-	-	-	-	-	-	-	-	-	-
Applications of capital funding												
Capital expenditure	-	-	-	-	-	-	-	-	-	-	-	-
- to meet additional demand	45	-	-	-	-	-	-	-	-	-	-	-
- to improve the level of service	82	120	120	120	184	189	194	199	204	209	215	
- to replace existing assets	233	472	507	543	516	550	583	622	662	703	744	
Increase(decrease) in reserves	-	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in investments	-	-	-	-	-	-	-	-	-	-	-	-
Total applications of capital funding	360	592	627	663	700	739	777	821	866	912	959	
Surplus (deficit) of capital funding	(360)	(592)	(627)	(663)	(700)	(739)	(777)	(821)	(866)	(912)	(959)	
Funding balance	-	-	-	-	-	-	-	-	-	-	-	-
Depreciation (not included in above FIS)	481	491	505	517	531	545	560	576	593	610	625	

Prospective Funding Impact Statement	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
Roading	Annual Plan	LTP	LTP	LTP	LTP	LTP	LTP	LTP	LTP	LTP	LTP
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
OPERATING											
General rates, uniform annual general charges and rates penalties	4,358	5,009	5,082	5,056	5,187	5,265	5,286	5,435	5,647	5,708	5,853
Targeted rates	1,181	776	805	834	862	892	922	958	993	1,031	1,071
Subsidies and grants for operating purposes	1,902	1,888	1,929	1,901	1,933	2,014	2,020	2,066	2,157	2,159	2,214
Fees and charges	10	21	21	21	22	22	23	23	24	24	25
Internal charges and overheads recovered	38	622	623	650	666	699	733	779	827	881	941
Local authorities fuel tax, fines, infringement fees, and other receipts	182	278	278	278	284	291	297	305	312	320	328
Total operating funding	7,671	8,594	8,738	8,740	8,954	9,183	9,281	9,566	9,960	10,123	10,432
Applications of operating funding											
Payments to staff and suppliers	3,730	3,824	3,906	3,850	3,934	4,101	4,121	4,223	4,419	4,437	4,556
Finance costs	-	-	-	-	-	-	-	-	-	-	-
Internal charges and overheads applied	1,623	2,020	2,067	2,167	2,182	2,218	2,244	2,304	2,333	2,379	2,441
Other operating funding applications	24	5	5	5	5	6	6	6	6	6	6
Total applications of operating funding	5,377	5,849	5,978	6,022	6,121	6,325	6,371	6,533	6,758	6,822	7,003
Surplus (deficit) of operating funding	2,294	2,745	2,760	2,718	2,833	2,858	2,910	3,033	3,202	3,301	3,429
CAPITAL											
Sources of capital funding											
Subsidies and grants for capital expenditure	1,866	2,658	2,405	2,785	2,671	2,244	2,398	2,477	2,410	2,492	2,652
Development and financial contributions	516	437	437	437	446	407	416	427	437	448	375
Increase (decrease) in debt	-	-	-	-	-	-	-	-	-	-	-
Gross proceeds from sale of assets	-	9	18	-	11	13	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-	-
Total sources of capital funding	2,382	3,104	2,860	3,222	3,128	2,664	2,814	2,904	2,847	2,940	3,027
Applications of capital funding											
Capital expenditure											
- to meet additional demand	329	683	595	721	672	503	554	576	539	560	611
- to improve the level of service	553	1,143	1,099	1,633	1,329	699	755	781	750	777	834
- to replace existing assets	3,372	3,942	3,633	3,633	3,775	3,779	3,991	4,079	4,030	4,158	4,413
Increase(decrease) in reserves	422	81	293	(47)	185	541	424	501	730	746	598
Increase (decrease) in investments	-	-	-	-	-	-	-	-	-	-	-
Total applications of capital funding	4,676	5,849	5,620	5,940	5,961	5,522	5,724	5,937	6,049	6,241	6,456
Surplus (deficit) of capital funding	(2,294)	(2,745)	(2,760)	(2,718)	(2,833)	(2,858)	(2,910)	(3,033)	(3,202)	(3,301)	(3,429)
Funding balance	-	-	-	-	-	-	-	-	-	-	-
Depreciation (not included in above FIS)	5,423	5,075	5,124	5,006	5,206	5,216	5,278	5,468	5,741	5,868	6,031

Prospective Funding Impact Statement		2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
Environmental Services		Annual Plan	LTP	LTP	LTP	LTP	LTP	LTP	LTP	LTP	LTP	LTP
		\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
OPERATING												
General rates, uniform annual general charges and rates penalties												
Targeted rates	-	2,477	2,943	3,005	3,114	3,173	3,283	3,411	3,509	3,587	3,720	
Subsidies and grants for operating purposes	-	85	-	-	-	-	-	-	-	-	-	-
Fees and charges	-	70	155	155	158	162	166	170	174	178	183	
Internal charges and overheads recovered	-	33	18	19	20	22	23	25	27	30	35	
Local authorities fuel tax, fines, infringement fees, and other receipts	-	951	850	850	869	889	910	932	955	978	1,004	
Total operating funding		3,616	3,966	4,029	4,161	4,246	4,382	4,538	4,665	4,773	4,942	
Applications of operating funding												
Payments to staff and suppliers	-	3,171	3,368	3,384	3,515	3,593	3,724	3,872	3,994	4,092	4,246	
Finance costs	-	-	-	-	-	-	-	-	-	-	-	-
Internal charges and overheads applied	-	416	528	548	546	547	549	560	559	567	582	
Other operating funding applications	-	10	9	9	9	9	9	10	10	10	10	
Total applications of operating funding		3,597	3,880	3,941	4,070	4,149	4,282	4,442	4,563	4,669	4,838	
Surplus (deficit) of operating funding		19	80	88	91	97	100	96	102	104	104	
CAPITAL												
Sources of capital funding												
Subsidies and grants for capital expenditure	-	-	-	-	-	-	-	-	-	-	-	-
Development and financial contributions	-	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in debt	-	-	-	-	-	-	-	-	-	-	-	-
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-	-	-
Total sources of capital funding		-	-	-	-	-	-	-	-	-	-	-
Applications of capital funding												
Capital expenditure	-	48	-	-	-	-	-	-	-	-	-	-
- to meet additional demand	-	53	-	-	-	-	-	-	-	-	-	-
- to improve the level of service	-	2	507	8	8	8	9	9	10	10	11	
- to replace existing assets	-	(84)	(421)	80	83	89	91	87	92	94	93	
Increase (decrease) in reserves	-	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in investments	-	-	-	-	-	-	-	-	-	-	-	-
Total applications of capital funding		19	80	88	91	97	100	96	102	104	104	
Surplus (deficit) of capital funding		(19)	(86)	(88)	(91)	(97)	(100)	(96)	(102)	(104)	(104)	
Funding balance		-	-	-	-	-	-	-	-	-	-	-
Depreciation (not included in above FIS)		91	88	106	114	111	107	99	99	97	91	

Prospective Funding Impact Statement Pools Parks and Cemeteries	2017/18 Annual Plan \$000	2018/19 LTP \$000	2019/20 LTP \$000	2020/21 LTP \$000	2021/22 LTP \$000	2022/23 LTP \$000	2023/24 LTP \$000	2024/25 LTP \$000	2025/26 LTP \$000	2026/27 LTP \$000	2027/28 LTP \$000
OPERATING											
General rates, uniform annual general charges and rates penalties	-	-	-	-	-	-	-	-	-	-	-
Targeted rates	3,864	4,420	4,502	4,595	4,715	4,879	4,969	5,039	5,093	5,243	5,205
Subsidies and grants for operating purposes	-	-	-	-	-	-	-	-	-	-	-
Fees and charges	924	1,058	1,058	1,058	1,081	1,107	1,132	1,160	1,188	1,218	1,250
Internal charges and overheads recovered	68	449	431	432	425	446	469	517	528	548	582
Local authorities fuel tax, fines, infringement fees, and other receipts	159	214	214	214	219	224	229	234	240	246	253
Total operating funding	5,015	6,141	6,205	6,299	6,440	6,656	6,799	6,950	7,049	7,255	7,290
Applications of operating funding											
Payments to staff and suppliers	3,165	3,923	3,905	3,893	3,987	4,125	4,200	4,270	4,341	4,490	4,503
Finance costs	1	1	1	1	1	1	1	1	1	1	1
Internal charges and overheads applied	810	1,369	1,390	1,430	1,427	1,457	1,485	1,531	1,525	1,536	1,563
Other operating funding applications	106	84	84	94	86	88	90	92	94	97	99
Total applications of operating funding	4,082	5,377	5,380	5,418	5,501	5,671	5,776	5,894	5,961	6,124	6,166
Surplus (deficit) of operating funding	933	764	825	881	939	985	1,023	1,056	1,088	1,131	1,124
CAPITAL											
Sources of capital funding											
Subsidies and grants for capital expenditure	-	-	-	-	-	-	-	-	-	-	-
Development and financial contributions	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in debt	-	-	-	-	-	-	-	-	-	-	-
Gross proceeds from sale of assets	128	1,435	1,435	2,291	875	896	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-	-
Total sources of capital funding	128	1,435	1,435	2,291	875	896	-	-	-	-	-
Applications of capital funding											
Capital expenditure	-	-	-	-	-	-	-	-	-	-	-
- to meet additional demand	187	78	8	3	5	3	3	3	3	3	3
- to improve the level of service	1,713	1,227	1,623	1,142	902	1,004	555	443	600	499	408
- to replace existing assets	(839)	894	629	2,027	907	874	465	610	485	629	713
Increase(decrease) in reserves	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in investments	-	-	-	-	-	-	-	-	-	-	-
Total applications of capital funding	1,061	2,199	2,260	3,172	1,814	1,881	1,023	1,056	1,088	1,131	1,124
Surplus (deficit) of capital funding	(933)	(764)	(825)	(881)	(939)	(985)	(1,023)	(1,056)	(1,088)	(1,131)	(1,124)
Funding balance	-	-	-	-	-	-	-	-	-	-	-
Depreciation (not included in above FIS)	908	1,026	1,094	1,161	1,205	1,255	1,286	1,307	1,320	1,315	1,284

Prospective Funding Impact Statement											
Property and Community Halls Facilities											
	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
	Annual Plan	LTP	LTP	LTP	LTP	LTP	LTP	LTP	LTP	LTP	LTP
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
OPERATING											
General rates, uniform annual general charges and rates penalties	705	(77)	(102)	(120)	(89)	(109)	(88)	(54)	(84)	(90)	(101)
Targeted rates	1,652	1,889	2,226	2,269	2,348	2,410	2,577	2,576	2,597	2,726	2,577
Subsidies and grants for operating purposes	-	-	-	-	-	-	-	-	-	-	-
Fees and charges	1,057	1,210	1,270	1,298	1,343	1,374	1,401	1,431	1,462	1,493	1,527
Internal charges and overheads recovered	173	1,143	1,187	1,260	1,117	1,242	1,201	1,151	1,213	1,253	1,178
Local authorities fuel tax, fines, infringement fees, and other receipts	72	97	90	92	91	102	104	107	110	112	115
Total operating funding	3,659	4,262	4,671	4,799	4,810	5,019	5,195	5,211	5,298	5,494	5,296
Applications of operating funding											
Payments to staff and suppliers	2,466	3,057	2,684	2,629	2,595	2,732	2,889	2,942	2,962	3,136	2,953
Finance costs	-	-	-	-	-	-	-	-	-	-	-
Internal charges and overheads applied	643	1,087	1,190	1,290	1,268	1,335	1,362	1,342	1,394	1,417	1,396
Other operating funding applications	335	266	266	266	272	279	285	292	299	307	315
Total applications of operating funding	3,444	4,410	4,140	4,185	4,135	4,346	4,536	4,576	4,655	4,860	4,664
Surplus (deficit) of operating funding	215	(148)	531	614	675	673	659	635	643	634	632
CAPITAL											
Sources of capital funding											
Subsidies and grants for capital expenditure	2,777	136	73	1	1	1	1	1	1	1	1
Development and financial contributions	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in debt	-	-	-	-	-	-	-	-	-	-	-
Gross proceeds from sale of assets	1,107	12,450	9,527	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-	-
Total sources of capital funding	3,884	12,586	9,600	1	1	1	1	1	1	1	1
Applications of capital funding											
Capital expenditure	152	341	-	-	-	-	-	-	-	-	-
- to meet additional demand	1,186	495	1,030	754	540	322	99	102	104	107	108
- to improve the level of service	1,586	1,136	2,180	506	255	298	113	94	86	64	82
- to replace existing assets	1,175	10,466	6,921	(645)	(119)	54	448	440	454	464	443
Increase(decrease) in reserves	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in investments	-	-	-	-	-	-	-	-	-	-	-
Total applications of capital funding	4,099	12,438	10,131	615	676	674	660	636	644	635	633
Surplus (deficit) of capital funding	(215)	148	(531)	(614)	(675)	(673)	(659)	(635)	(643)	(634)	(632)
Funding balance	-	-	-	-	-	-	-	-	-	-	-
Depreciation (not included in above FIS)	1,018	1,150	1,246	1,318	1,346	1,327	1,279	1,237	1,235	1,203	1,176

Prospective Funding Impact Statement		2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
Regional Identity, Tourism and Economic Development		Annual Plan	LTP	LTP	LTP	LTP	LTP	LTP	LTP	LTP	LTP	LTP
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
OPERATING												
General rates, uniform annual general charges and rates penalties		1,016	531	558	532	509	497	529	514	555	534	575
Targeted rates		1,844	2,147	2,148	2,198	2,201	2,250	2,272	2,335	2,357	2,435	2,454
Subsidies and grants for operating purposes		95	29	29	29	30	30	31	32	32	33	34
Fees and charges		196	199	214	208	217	223	228	233	239	245	251
Internal charges and overheads recovered		15	19	20	22	24	25	27	29	30	32	34
Local authorities fuel tax, fines, infringement fees, and other receipts		131	178	180	183	190	197	205	213	221	230	238
Total operating funding		3,297	3,103	3,149	3,172	3,171	3,222	3,292	3,356	3,434	3,509	3,586
Applications of operating funding												
Payments to staff and suppliers		2,021	1,919	1,930	1,877	1,929	1,956	2,005	2,042	2,098	2,147	2,198
Finance costs		12	12	12	12	13	13	13	14	14	14	15
Internal charges and overheads applied		592	541	562	583	569	578	581	592	598	607	615
Other operating funding applications		633	661	661	661	622	637	652	667	684	701	719
Total applications of operating funding		3,258	3,133	3,165	3,133	3,133	3,184	3,251	3,315	3,394	3,469	3,547
Surplus (deficit) of operating funding		39	(30)	(16)	39	38	38	41	41	40	40	39
CAPITAL												
Sources of capital funding												
Subsidies and grants for capital expenditure		-	-	-	-	-	-	-	-	-	-	-
Development and financial contributions		-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in debt		-	-	-	-	-	-	-	-	-	-	-
Gross proceeds from sale of assets		-	-	-	-	-	-	-	-	-	-	-
Lump sum contributions		-	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding		-	-	-	-	-	-	-	-	-	-	-
Total sources of capital funding		-	-	-	-	-	-	-	-	-	-	-
Applications of capital funding												
Capital expenditure		-	-	-	-	-	-	-	-	-	-	-
- to meet additional demand		4	-	-	-	-	-	-	-	-	-	-
- to improve the level of service		38	56	-	-	-	-	-	-	-	-	-
- to replace existing assets		(4)	(86)	(16)	39	38	38	41	41	40	40	39
Increase(decrease) in reserves		-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in investments		39	(30)	(16)	39	38	38	41	41	40	40	39
Total applications of capital funding		(39)	30	16	(39)	(38)	(38)	(41)	(41)	(40)	(40)	(39)
Funding balance		49	22	23	20	19	19	18	17	15	14	12
Depreciation (not included in above FIS)												

Prospective Funding Impact Statement Service Centres and Libraries	2017/18 Annual Plan \$000	2018/19 LTP \$000	2019/20 LTP \$000	2020/21 LTP \$000	2021/22 LTP \$000	2022/23 LTP \$000	2023/24 LTP \$000	2024/25 LTP \$000	2025/26 LTP \$000	2026/27 LTP \$000	2027/28 LTP \$000
OPERATING											
General rates, uniform annual general charges and rates penalties	-	-	-	-	-	-	-	-	-	-	-
Targeted rates	1,078	1,233	1,254	1,290	1,288	1,305	1,331	1,356	1,389	1,411	1,452
Subsidies and grants for operating purposes	-	-	-	-	-	-	-	-	-	-	-
Fees and charges	16	18	18	18	18	19	19	20	20	20	21
Internal charges and overheads recovered	48	320	332	349	327	346	335	334	334	337	327
Local authorities fuel tax, fines, infringement fees, and other receipts	7	9	9	9	10	10	10	10	11	11	11
Total operating funding	1,149	1,580	1,613	1,666	1,643	1,680	1,695	1,720	1,754	1,779	1,811
Applications of operating funding											
Payments to staff and suppliers	775	961	968	996	1,004	1,020	1,048	1,067	1,092	1,109	1,140
Finance costs	-	-	-	-	-	-	-	-	-	-	-
Internal charges and overheads applied	277	468	486	513	479	499	486	486	488	494	485
Other operating funding applications	1	1	1	1	1	1	1	1	1	1	1
Total applications of operating funding	1,053	1,430	1,455	1,510	1,484	1,520	1,535	1,554	1,581	1,604	1,626
Surplus (deficit) of operating funding	96	150	158	156	159	160	160	166	173	175	185
CAPITAL											
Sources of capital funding											
Subsidies and grants for capital expenditure	-	-	-	-	-	-	-	-	-	-	-
Development and financial contributions	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in debt	-	-	-	-	-	-	-	-	-	-	-
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-	-
Total sources of capital funding	-	-	-	-	-	-	-	-	-	-	-
Applications of capital funding											
Capital expenditure											
- to meet additional demand	-	-	-	-	-	-	-	-	-	-	-
- to improve the level of service	-	-	-	-	-	-	-	-	-	-	-
- to replace existing assets	290	208	161	166	164	170	202	176	180	185	190
Increase(decrease) in reserves	(194)	(58)	(3)	(10)	(5)	(10)	(42)	(10)	(7)	(10)	(5)
Increase (decrease) in investments	-	-	-	-	-	-	-	-	-	-	-
Total applications of capital funding	96	150	158	156	159	160	160	166	173	175	185
Surplus (deficit) of capital funding	(96)	(150)	(158)	(156)	(159)	(160)	(160)	(166)	(173)	(175)	(185)
Funding balance	-	-	-	-	-	-	-	-	-	-	-
Depreciation (not included in above FIS)	145	164	171	171	171	172	173	179	185	188	199

Prospective Funding Impact Statement Planning, Regulatory and Community Development	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
	Annual Plan \$000	LTP \$000	LTP \$000	LTP \$000	LTP \$000	LTP \$000	LTP \$000	LTP \$000	LTP \$000	LTP \$000	LTP \$000
OPERATING											
General rates, uniform annual general charges and rates penalties	6	-	-	-	-	-	-	-	-	-	-
Targeted rates	893	850	1,014	1,040	1,038	1,083	1,058	1,083	1,065	1,109	1,094
Subsidies and grants for operating purposes	-	-	-	-	-	-	-	-	-	-	-
Fees and charges	2,139	2,183	2,183	2,228	2,231	2,283	2,336	2,393	2,452	2,513	2,578
Internal charges and overheads recovered	70	159	166	175	183	192	202	213	226	237	249
Local authorities fuel tax, fines, infringement fees, and other receipts	335	418	418	418	427	437	447	458	469	481	494
Total operating funding	3,443	3,610	3,781	3,861	3,879	3,995	4,043	4,147	4,212	4,340	4,415
Applications of operating funding											
Payments to staff and suppliers	2,487	2,825	2,828	2,884	2,915	2,999	3,034	3,125	3,165	3,263	3,308
Finance costs	-	-	-	-	-	-	-	-	-	-	-
Internal charges and overheads applied	563	824	847	877	858	874	878	895	906	921	933
Other operating funding applications	4	2	2	2	2	2	2	3	3	3	3
Total applications of operating funding	3,054	3,651	3,677	3,763	3,775	3,875	3,914	4,023	4,074	4,187	4,244
Surplus (deficit) of operating funding	389	(41)	104	98	104	120	129	124	138	153	171
CAPITAL											
Sources of capital funding											
Subsidies and grants for capital expenditure	-	-	-	-	-	-	-	-	-	-	-
Development and financial contributions	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in debt	-	-	-	-	-	-	-	-	-	-	-
Gross proceeds from sale of assets	-	28	97	-	28	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-	-
Total sources of capital funding	-	28	97	-	28	-	-	-	-	-	-
Applications of capital funding											
Capital expenditure	-	-	-	-	-	-	-	-	-	-	-
- to meet additional demand	-	-	-	-	-	-	-	-	-	-	-
- to improve the level of service	70	25	-	-	111	29	27	-	51	74	33
- to replace existing assets	319	(38)	201	98	21	91	102	124	87	79	138
Increase(decrease) in reserves	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in investments	-	-	-	-	-	-	-	-	-	-	-
Total applications of capital funding	389	(13)	201	98	132	120	129	124	138	153	171
Surplus (deficit) of capital funding	(389)	41	(104)	(98)	(104)	(120)	(129)	(124)	(138)	(153)	(171)
Funding balance	-	-	-	-	-	-	-	-	-	-	-
Depreciation (not included in above FIS)	59	55	55	41	41	51	51	38	41	48	56

Prospective Funding Impact Statement		2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
Governance and Corporate Services		Annual Plan	LTP	LTP	LTP	LTP	LTP	LTP	LTP	LTP	LTP	LTP
		\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
OPERATING												
General rates, uniform annual general charges and rates penalties	(341)	282	307	322	330	367	376	408	442	457	486	
Targeted rates	194	213	197	207	201	226	213	226	230	242	246	
Subsidies and grants for operating purposes	-	-	-	-	-	-	-	-	-	-	-	-
Fees and charges	163	36	36	36	37	37	38	39	40	41	42	
Internal charges and overheads recovered	5,949	7,563	8,622	9,552	9,859	10,046	10,165	10,384	10,630	10,852	11,176	
Local authorities fuel tax, fines, infringement fees, and other receipts	561	74	74	74	76	77	79	81	83	85	87	
Total operating funding	6,526	8,168	9,236	10,191	10,503	10,753	10,871	11,138	11,425	11,677	12,037	
Applications of operating funding												
Payments to staff and suppliers	5,490	5,612	5,573	5,627	5,786	5,861	5,972	6,165	6,239	6,380	6,590	
Finance costs	18	22	22	22	22	23	24	24	25	25	26	
Internal charges and overheads applied	-	2,437	2,924	3,335	3,489	3,704	3,862	4,075	4,336	4,690	5,038	
Other operating funding applications	17	20	20	20	20	21	21	22	22	23	24	
Total applications of operating funding	5,525	8,091	8,539	9,004	9,317	9,609	9,879	10,286	10,622	11,118	11,678	
Surplus (deficit) of operating funding	1,001	77	697	1,187	1,186	1,144	992	852	803	559	359	
CAPITAL												
Sources of capital funding												
Subsidies and grants for capital expenditure	-	-	-	-	-	-	-	-	-	-	-	-
Development and financial contributions	378	1	1	2	1	1	1	1	1	1	1	
Increase (decrease) in debt	-	(6,225)	(8,815)	(2,833)	(2,148)	(78)	599	(913)	879	428	1,094	
Gross proceeds from sale of assets	-	25	100	6	45	-	-	-	-	-	-	
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-	
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-	-	
Total sources of capital funding	378	(6,199)	(8,714)	(2,825)	(2,102)	(77)	600	(912)	880	429	1,095	
Applications of capital funding												
Capital expenditure												
- to meet additional demand	12	-	-	-	-	-	-	-	-	-	-	-
- to improve the level of service	383	26	-	-	-	-	-	-	-	-	-	-
- to replace existing assets	1,007	333	931	250	354	337	446	828	392	364	463	
Increase(decrease) in reserves	49	(6,481)	(8,948)	(1,888)	(1,270)	730	1,146	(888)	1,291	624	991	
Increase (decrease) in investments	(72)	-	-	-	-	-	-	-	-	-	-	-
Total applications of capital funding	1,379	(6,122)	(8,017)	(1,638)	(916)	1,067	1,592	(60)	1,683	988	1,454	
Surplus (deficit) of capital funding	(1,001)	(77)	(697)	(1,187)	(1,186)	(1,144)	(992)	(852)	(803)	(559)	(359)	
Funding balance	-	-	-	-	-	-	-	-	-	-	-	-
Depreciation (not included in above FIS)	432	448	553	623	540	532	539	549	559	538	550	

Accounting Policies

1. Reporting Entity

The Central Otago District Council (the Council) is a territorial local authority governed by the Local Government Act 2002 and is domiciled within New Zealand.

The primary objective of the Council is to provide goods or services for the community or social benefit rather than making a financial return. Accordingly, the Central Otago District Council has designated itself as a tier 1 public benefit entity (PBE) for the purposes of the PBE International Public Sector Authority Standards (IPSAS).

The prospective financial statements comprise the activities of the Council. The Council does not have a significant interest in any other entities.

The prospective financial statements of the Council are for the ten years ended 30 June 2019 to 30 June 2028. The prospective financial statements were authorised for issue by the Council on 27 June 2018. Council does not have the power to amend the prospective financial statements after issue. 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.

2. Purpose

The financial information contained within this Long Term Plan Annual Plan is prospective financial information in terms of PBE FRS 42 'Prospective Financial Statements', the purpose for which is to enable ratepayers, residents and all other interested parties to obtain information about the expected future financial performance, position and cashflow of CODC.

3. Basis of Financial Statement Preparation

The prospective financial statements of the Council have been prepared in accordance with the requirements of the Local Government Act 2002 and in accordance with New Zealand generally accepted accounting practice (NZ GAAP). The prospective financial statements and have been prepared in accordance with Tier 1 PBE accounting standards. These prospective financial statements comply with FRS 42 and use opening balances from the period ending 30 June 2017, estimates have been restated accordingly if required.

Some rounding variances may occur in the prospective financial statements due to the use of decimal places in the underlying financial data.

The following accounting policies have been applied consistently to all periods presented in these prospective financial statements.

The prospective financial statements are prepared on a historical cost basis, as modified by the revaluation of:

- Available for sale financial assets
- Forestry assets
- Certain classes of property, plant and equipment
- Investment property

The prospective financial statements are presented in New Zealand dollars and all values are rounded to the nearest thousand dollars (\$000).

No actual results have been included in the prospective financial statements. The actual results achieved for any particular financial year is also likely to vary from the information presented and may vary materially depending on the circumstances that arise during the period.

4. Joint Ventures

A joint venture is a contractual arrangement whereby two or more parties undertake an economic activity that is subject to joint control. For jointly controlled operations Council recognises in its prospective financial statements the assets it controls, the liabilities and expenses it incurs, and the share of revenue that it earns from the joint venture. Council currently has jointly controlled operations with Queenstown Lakes District Council in respect to forestry.

5. Revenue

Revenue is measured at a fair value of consideration received or receivable. Revenue has been classified as prescribed in PBE IPSAS 1 which requires revenue to be categorised as arising from either non-exchange transactions or exchange transactions.

Revenue from non-exchange transactions:

Includes revenue from subsidised services and goods whereby the council has received cash or assets that do not give approximately equal value to the other party in the exchange.

i. Rates

Rates are set annually by resolution of Council and relate to a financial year. All ratepayers are invoiced within the financial year to which the rates have been set. Rates revenue is recognised upon rates strike.

ii. Goods Sold and Services Rendered

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership have been transferred to the buyer.

iii. Government Grants

Government grants are received from the New Zealand Transport Agency, which subsidises part of the costs of maintaining the local roading infrastructure. The subsidies are recognised as revenue upon entitlement, as conditions pertaining to eligible expenditure have been fulfilled.

iv. Water Billing Revenue

Water billing revenue is recognised on an accrual basis. Unbilled usage, as a result of unread meters at year end, is accrued on an average usage basis.

v. Vested Assets

Where a physical asset is acquired for nil or nominal consideration the fair value of the asset received is recognised as revenue. Vested assets are recognised at the point when Council has issued the certificate prescribed under the Resource Management Act 1991 S224(c), relating to the respective subdivisions.

vi. Development Contributions

Development and financial contributions revenue is recognised at the point where Council has issued an invoice in respect of the development demand notice.

Revenue from exchange transactions:

Includes revenue where the council has received cash or assets and directly gives approximately equal value to the other party in the exchange.

vii. Direct Charges at Fair Value

Revenue from direct charges sold at a fair value are recognised when the significant risk and rewards of ownership have been transferred to the buyer. Direct charges include revenue from dog registration, dog control and recreational reserves.

viii. Rental Revenue

Rental revenue from investment property is recognised on a straight-line basis over the term of the lease. Lease incentives granted are recognised as an integral part of the total rental revenue.

ix. Interest Revenue

Interest revenue is recognised as it accrues, using the effective interest method.

6. Operating Leases

An operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of an asset. Payments made under operating leases are recognised as an expense on a straight-line basis over the term of the lease.

7. 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 Council's decision due to no substantive conditions attached.

8. Income Tax

Income tax expense is the aggregate of current period movements in relation to both current and deferred tax. Current tax is the amount of income tax payable based on the taxable surplus for the current year, plus any adjustments to income tax payable in respect of prior years. Current tax is calculated using tax rates (and tax laws) that have been enacted or substantively enacted at balance date.

Deferred tax is the amount of income tax payable or recoverable in future periods in respect of temporary differences and unused tax losses. Temporary differences are differences between the carrying amount of assets and liabilities in the prospective financial statements and the corresponding tax bases used in the computation of taxable surplus.

Deferred tax is measured at the tax rates that are expected to apply when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at balance date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which Council expects to recover or settle the carrying amount of its assets and liabilities.

Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that taxable surpluses will be available against which the deductible temporary differences or tax losses can be utilised.

Deferred tax is not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition of an asset and liability in a transaction that is not a business combination and, at the time of the transaction, affects neither accounting surplus nor taxable surplus.

Current and deferred tax is recognised against the surplus or deficit for the period, except to the extent that it relates to a business combination or to transactions recognised in other comprehensive revenue and expense or directly in equity.

9. Equity

Equity is the community's interest in Council and is measured as the difference between total assets and total liabilities. Public equity is disaggregated and classified into the following components:

- accumulated funds
- restricted reserves
- property revaluation reserve
- fair value through other comprehensive revenue and expense reserve

Restricted and Council created reserves are a component of equity representing a particular use to which various parts of equity have been assigned. Reserves may be legally restricted or created by Council.

Restricted reserves are those subject to specific conditions accepted as binding by Council and which may not be revised by Council without reference to the Courts or a third party. Transfers from these reserves may be made for certain specified purposes or when certain specified conditions are met.

Also included in restricted reserves are reserves created by Council decision. Council may alter them without reference to any third party or the Courts. Transfers to and from these reserves are at Council's discretion.

Property revaluation reserves relate to the revaluation of property, plant and equipment to fair value.

Fair value through other comprehensive revenue and expense reserves comprises the cumulative net change in the fair value of financial assets through other comprehensive revenue and expense.

10. Cash and Cash Equivalents

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

11. Debtors and Other Receivables

Debtors and other receivables are stated at their cost less any provision for impairment (see Impairment Policy 19).

12. Inventories

Inventories represent land purchased or held being developed for resale and are stated at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

13. Financial Assets

Council classifies its financial assets as available-for-sale financial assets, and loans and receivables.

Available-for-Sale Financial Assets

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories.

Other financial instruments held by Council are classified as being available-for-sale and are stated at fair value, with any resultant gain or loss recognised in other comprehensive revenue and expenditure, except for impairment losses which are recognised on the surplus or deficit.

Financial instruments classified as available for sale investments are recognised / derecognised by Council on the date it commits to purchase / sell the investments. Available-for-sale financial assets are derecognised when they mature. On derecognition, the cumulative gain or loss previously recognised in other comprehensive revenue and expense is recognised on the surplus or deficit.

Loans and Receivables

Loans and receivables are non-derivative financial assets. They are measured at initial recognition at fair value, and subsequently carried at amortised cost using the effective interest method, subject to a test for impairment. Gains or losses when the asset is impaired or derecognised are recognised in the surplus or deficit.

Loans to community organisations made by Council at nil or below-market interest rates are initially recognised at the present value of their expected future cash flows, discounted at the current market rate of return for a similar asset/ investment. They are subsequently measured at amortised cost using the effective interest method. The difference between the face value and present value of expected future cash flows of the loan is recognised in the surplus or deficit.

14. Property, Plant and Equipment

The following infrastructural assets are shown at fair value, based on annual valuations by external independent valuers:

- Water
- Wastewater
- Stormwater
- Transportation

All of the above are revalued on an optimized depreciation replacement cost basis.

Revaluations of land and buildings are completed every 3 years and parks and reserves are completed every 5 years by external independent valuers.

Revaluations will be undertaken by independent valuers, suitably qualified in the category and location of the assets. The valuation process shall include verification of asset registers, application of rates representing current replacement cost or market value (if any), asset optimisation and adjustments for asset condition and performance.

Valuations are performed with sufficient regularity to ensure revalued assets are carried at a value that is not materially different from fair value.

Where Council has elected to account for revaluations of property, plant and equipment on a class of asset basis, increases or decreases in the carrying amounts arising on revaluation of a class of assets are credited or debited to other comprehensive revenue and expenditure and are accumulated to an asset revaluation reserve in equity for that class of asset. However, the net revaluation result is recognised in the surplus or deficit to the extent it reverses a net revaluation decrease of the same class of assets previously recognised in the surplus or deficit.

Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

All other property, plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to Council and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the surplus or deficit during the financial period in which they are incurred.

Land is not depreciated. Depreciation on other assets is calculated using the straight line method to allocate their cost or revalued amounts, net of their residual values, over their estimated useful lives.

Assets to be depreciated include:

OPERATIONAL ASSETS		INFRASTRUCTURE ASSETS	
Buildings		Bridges	30-125 yrs
- structures	5-100 yrs	Footpaths and cycle ways	30-100 yrs
- external fabric	5-100 yrs	Kerb and channel	70-100 yrs
- services	5-80 yrs	Roads – sealed	8-17 yrs
- internal fit out	5-80 yrs	Roads – unsealed	10-25 yrs
Equipment, furniture and fittings	3-10 yrs	Roads – land and formation	not depreciated
Motor vehicles and plant	4- 12 yrs	Sewerage plant and equipment	15-35 yrs
Library books	10 yrs	Sewerage reticulation networks	60-80 yrs
Parks and reserves	2-50 yrs	Stormwater networks	70 yrs
		Water plant and equipment	10-35 yrs
		Water reticulation networks	60-100 yrs

An asset's carrying amount is written down to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

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

Assets under construction are not depreciated. The total cost of the project is transferred to the relevant asset when it is available for use, and then depreciated.

15. Non-current Assets (or Disposal Groups) Held for Sale

Non-current assets (or disposal groups) are classified as held for sale and stated at the lower of their carrying amount and fair value less costs to sell if their carrying amount will be recovered principally through a sale transaction rather than through continuing use.

An impairment loss is recognised for any initial or subsequent write down of the asset (or disposal group) to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset (or disposal group) is recognised at the date of de-recognition.

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

Non-current assets classified as held for sale and the assets of a disposal group classified as held for sale are presented separately from the other assets in the statement of financial position. Further, the liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the statement of financial position. Those assets and liabilities shall not be offset and presented as a single amount.

16. Intangible Assets

i. Computer Software

Acquired computer software licenses are capitalised on the basis of costs incurred to acquire and bring to use the specific software. These costs are amortised over their estimated useful lives of 3-10 years using the straight line method. Costs associated with developing or maintaining computer software programmes are recognised as an expense as incurred.

ii. Other Intangible Assets

Other intangible assets that are acquired by Council are stated at cost less accumulated amortisation (see below) and impairment losses (see Impairment Policy 19).

Easements are not amortised.

iii. Subsequent Expenditure

Subsequent expenditure on capitalised intangible assets is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates, and it meets the definition of, and recognition criteria for, an intangible asset. All other expenditure is expensed as incurred.

iv. Amortisation

An intangible asset with a finite useful life is amortised over the period of that life. The asset is reviewed annually for indicators of impairment, and tested for impairment if these indicators exist. The asset is carried at cost less accumulated amortisation and accumulated impairment losses.

An intangible asset with an indefinite useful life is not amortised, but is tested for impairment annually, and is carried at cost less accumulated impairment losses.

17. Forestry Assets

Forestry assets are predominantly standing trees which are managed on a sustainable yield basis. These are shown in the statement of financial position at fair value less estimated point of sale costs at harvest. The costs to establish and maintain the forest assets are included in the surplus or deficit together with the change in fair value for each accounting period.

The valuation of forests is based on discounted cash flow models where the fair value is calculated using cash flows from continued operations; that is, based on sustainable forest management plans taking into account growth potential. The yearly harvest from forecast tree growth is multiplied by expected wood prices and the costs associated with forest management, harvesting and distribution are then deducted to derive annual cash flows.

The fair value of the forest assets is measured as the present value of cash flows from one growth cycle based on the productive forest land, taking into consideration environmental, operational and market restrictions. Forest assets are valued separately from the underlying freehold land.

The forestry assets are revalued annually by Laurie Forestry Limited as at 30 June.

Gains or losses arising on initial recognition of forestry assets at fair value less estimated costs to sell, and from a change in fair value less estimated costs to sell are recognised in the surplus or deficit.

18. Emissions Trading Scheme

New Zealand Units (NZUs) allocated as a result of the company's participation in the Emissions Trading Scheme (ETS) will be treated as intangible assets, and recorded at fair value upon recognition.

Liabilities for surrender of the NZUs (or cash) are accrued at the time the forests are harvested, or removed in any other way, in accordance with the terms of the ETS legislation.

19. Investment Property

Investment properties are properties which are held either to earn rental revenue or for capital appreciation or both. Investment properties generate cash flow largely independent of other assets held by the entity. Investment properties are stated at fair value. An external, independent valuer, having an appropriate recognised professional qualification and recent experience in the location and category of property being valued, values the portfolio annually. The fair values are based on market values, being the estimated amount for which a property could be exchanged on the date of valuation between a willing buyer and a willing seller in an arm's length transaction.

Any gain or loss arising from a change in fair value is recognised in the surplus or deficit.

Rental revenue from investment property is accounted for as described in the Revenue Policy (4), above.

20. Impairment of Financial Assets

Financial assets are assessed for evidence of impairment at each balance date. Impairment losses are recognised in the surplus or deficit.

Loans and receivables, and held-to-maturity investments

Impairment is established when there is evidence that the Council will not be able to collect amounts due according to the original terms of the receivable. Significant financial difficulties of the debtor, probability that the debtor will enter into bankruptcy, receivership, or liquidation and default in payments are indicators that the asset is impaired. The amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted using the original effective interest rate. For debtors and other receivables, the carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in the surplus or deficit. When the receivable is uncollectible, it is written-off against the allowance account. Overdue receivables that have been renegotiated are reclassified as current (that is, not past due). Impairment in term deposits, local authority stock, government bonds, and community loans, are recognised directly against the instrument's carrying amount.

Financial assets at fair value through other comprehensive revenue and expense

For equity investments, a significant or prolonged decline in the fair value of the investment below its cost is considered objective evidence of impairment.

For debt investments, significant financial difficulties of the debtor, probability that the debtor will enter into bankruptcy, and default in payments are objective indicators that the asset is impaired.

If impairment evidence exists for investments at fair value through other comprehensive revenue and expense, the cumulative loss (measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in the surplus or deficit) recognised in other comprehensive revenue and expense is reclassified from equity to the surplus or deficit.

Equity instrument impairment losses recognised in the surplus or deficit are not reversed through the surplus or deficit. If in a subsequent period the fair value of a debt instrument increases and the increase can be objectively related to an event occurring after the impairment loss was recognised, the impairment loss is reversed in the surplus or deficit.

21. Impairment of Non-Financial Assets

The carrying amounts of Council's assets, other than inventories (see Inventories Policy 11), forestry assets (see Forestry Assets Policy 16), and Investment Property (see Investment Property Policy 18) are reviewed at each balance date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated.

Non-financial assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that have a finite useful life are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

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

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

If an asset's carrying amount exceeds its recoverable amount the asset is impaired and the carrying amount is written down to the recoverable amount. For revalued assets the impairment loss is recognised against the revaluation reserve for that class of asset. Where that results in a debit balance in the revaluation reserve, the balance is recognised in the surplus or deficit.

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

The reversal of an impairment loss on a revalued asset is credited to the revaluation reserve. However, to the extent that an impairment loss for that class of asset was previously recognised in the surplus or deficit, a reversal of the impairment

loss is also recognised in the surplus or deficit.

For assets not carried at a revalued amount (other than goodwill) the reversal of an impairment loss is recognised in the surplus or deficit.

22. Third Party Transfer Payment Agencies

Council collects and distributes monies for other organisations. Where collections are processed through Council's books, any monies held are shown as accounts payable in the statement of financial position. Amounts collected on behalf of third parties are not recognised as revenue, but commissions earned from acting as agent are recognised in revenue.

23. Creditors and Other Payables

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

24. Employee Entitlements

Provision is made in respect of Council's liability for the following short and long-term employee entitlements.

i. Short-term Entitlements

Employee benefits that Council expects to be settled within 12 months of balance date are measured at nominal values based on accrued entitlements at current rates of pay.

These include salaries and wages accrued up to balance date, annual leave earned to date, but not yet taken, at balance date, retiring and long service leave entitlements expected to be settled within 12 months.

Liabilities for annual leave are accrued at the full amount owing at the pay period ending immediately prior to the statement of financial position date.

ii. Long-term Entitlements

Where (for historical reasons) a retirement gratuity entitlement exists, where material, liability is assessed on an actual entitlement basis using current rates of pay taking into account years of service. All remaining staff with this provision in their contracts have completed the qualifying conditions.

Where (for historical reasons) a long service leave entitlement exists in an individual's employment agreement, the value of the entitlement will be recognised on an actual basis for staff who have completed the service entitlement, but not yet taken the leave, and on a discounted basis for the staff members who have not yet completed the qualifying service.

iii. Superannuation Schemes

Defined contribution schemes – Obligations for contributions to defined contribution superannuation schemes are recognised as an expense in the surplus or deficit as incurred.

25. Provisions

A provision is recognised in the statement of financial position when Council has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits, the amount of which can be reliably estimated, will be required to settle the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

26. Landfill Post Closure Costs

Council has a number of closed landfills. The resource consents for these include a legal obligation to provide ongoing maintenance and monitoring services throughout the life of the consent. The provision is measured on the present value of future cash flows expected, taking into account future events, including new legal requirements and known improvements in technology. The provision includes all costs associated with landfill post closure.

The discount rate used is a rate that reflects the current market assessments of the time value of money and the risks specific to Council.

The estimated future costs of meeting this obligation have been accrued and charged. The calculations assume no change in the legislative requirements for post-closure treatment.

27. Goods and Services Tax

The prospective financial statements are prepared exclusive of GST with the exception of debtors and other receivables and creditors and other payables that are shown inclusive of GST. Where GST is not recoverable as an input tax it is recognised as part of the related asset or expense.

28. Cost Allocations

The costs of all internal service activities are allocated or charged directly to external service type activities. External service activities refer to activities which provide a service direct to the public. Internal service activities provide support for the external service activities.

Where the user of a service can be identified, the cost recovery is made by way of a direct charge. Where this has not been possible, the costs are allocated by way of general overhead, on the basis of expenditure incurred within the activity.

29. Critical Accounting Estimates and Assumptions

Significant assumptions and risks (critical judgements) relating to the Long Term Plan (LTP) are identified at various points within the LTP document. Estimates and underlying assumptions are regularly reviewed. Any change to estimates is recognised in the period if the change affects only that period, or into future periods if it also affects future periods.

To the reader:

**Independent auditor's report on Central Otago District Council's
2018-28 Long-Term Plan**

I am the Auditor-General's appointed auditor for Central Otago District Council (the Council). Section 94 of the Local Government Act 2002 (the Act) requires an audit report on the Council's Long-Term Plan (the plan). Section 259C of the Act requires a report on disclosures made under certain regulations. We have carried out this work using the staff and resources of Audit New Zealand. We completed our report on 27 June 2018.

Opinion

In my opinion:

- the plan provides a reasonable basis for:
 - long-term, integrated decision-making and co-ordination of the Council's resources; and
 - accountability of the Council to the community;
- the information and assumptions underlying the forecast information in the plan are reasonable; and
- the disclosures on pages 104 to 108 represent a complete list of the disclosures required by Part 2 of the Local Government (Financial Reporting and Prudence) Regulations 2014 (the Regulations) and accurately reflect the information drawn from the plan.

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

Basis of opinion

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

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

Our procedures included assessing whether:

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

We did not evaluate the security and controls over the electronic publication of the plan.

Responsibilities of the Council and auditor

The Council is responsible for:

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

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

Independence

In carrying out our work, we complied with the Auditor-General's:

- independence and other ethical requirements, which incorporate the independence and ethical requirements of Professional and Ethical Standard 1 (Revised); and
- quality control requirements, which incorporate the quality control requirements of Professional and Ethical Standard 3 (Amended).

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



Scott Tobin
Audit New Zealand
On behalf of the Auditor-General, Dunedin, New Zealand

Fees and Charges

While Council has aimed to provide a comprehensive and accurate schedule of charges, if any errors or omissions are identified, charges will be calculated by reference to the appropriate underlying authority/resolution. Council reserves the right to vary and introduce fees and charges at its discretion.

All fees and charges referred to are inclusive of goods and services tax (GST) at 15%.

	Includes GST 2017/18	Includes GST 2018/19	
Water, Wastewater, Stormwater			
<i>Where a service connection for water and/or wastewater, or a wheelie bin is provided to a rating unit in the course of a rating year, the rating unit will be charged a proportion of the full year cost of the service as scheduled in the rating section of the 10 Year Plan, based on the number of complete months remaining in the financial year.</i>	DESIGNATED WASTEWATER TREATMENT PLANT		
	Disposal of septage tank load less than 3,000 litres	120.00	130.00
	Every additional 1,000 litres discharges (or part thereof)	36.00	40.00
	Designated Septage Station - disposal cost/litre		0.04
	TRADE WASTE		
	Application fee	190.00	240.00
	Application to transfer trade waste discharge consent	75.00	80.00
	Annual fee	125.00	160.00
	Inspection of confidential consents (at cost after first \$115)	At cost	N/A
	WATER, WASTEWATER, STORMWATER – NEW CONNECTION		
Application for connection / disconnection (per lateral provided / per service)			
Approved contractors (per connection)	30.00	80.00	
Non-approved contractors (per connection)	125.00	160.00	
Non-approved contractors (per connection)		At Cost	
BULK WATER FROM FIRE HYDRANTS			
Bulk water application fee		No charge	
Tanker / Standpipe annual inspection		80.00	
First load (in series)	70.00	N/A	
Subsequent loads (in series)	15.00	N/A	
Per m ³		1.80	
BULK WATER SUPPLY			
Network connected bulk water rate (per m ³)	0.86	1.80	
REMOVAL OF WATER RESTRICTOR			
Temporary restrictor removal fee		At cost	
WATER METER ACCURACY TESTS			
House visit and assessment	55.00	N/A	
Meter removal and calibration	525.00	N/A	
Meter validated as accurate		80.00	
Meter validated as inaccurate		No charge	
Final meter read	25.00	40.00	

	Includes GST 2017/18	Includes GST 2018/19
OTHER		
Unauthorised and other activities		At cost
Roading		
LICENCE TO OCCUPY		
Single owner	160.00	180.00
Multiple owner	At cost	At cost
TRAFFIC MANAGEMENT PLAN APPROVAL		
Commercial organisations and events	80.00	90.00
Non-profit community events	No charge	No charge
TEMPORARY ROAD CLOSURE		
Commercial organisations and events	280.00	280.00
Non-profit community events	No charge	No charge
ROAD OPENING NOTICE		
Approved service provider	No charge	N/A
Other service	No charge	N/A
CORRIDOR ACCESS REQUEST (as defined in the National Code of Practice for Utility Operators' Access to Transport Corridors)		
Minor Works		No Charge
Major Works (trenches exceeding 20m in length)		80.00
Project Works		At Cost
ROAD STOPPING		
Time and disbursements plus legal and survey costs	At cost	At cost
Miscellaneous fees (other consents, certificates, authorities, services or inspections not specifically provided for to be charged at the cost of time and disbursement)	At cost	At cost
RAPID NUMBER		
New	50.00	70.00
Replacement	20.00	50.00
DUST SUPPRESSION		
Residential house with 100m of road to Council programme timetable	No charge	No charge
Residential house with 100m of road outside programme works	At cost	At cost
Commercial and other applications to Council programmed timetable	At cost	At cost
OTHER		
Commercial fingerboard signs	At cost	At cost
Unauthorised activities	At cost	At cost

Includes GST
2017/18Includes GST
2018/19

Waste & Property

A \$25 booking fee is applicable for non payment on landing.

AIRPORT LANDING FEES (PER LANDING)

Private aircraft	10.00	10.00
Commercial light aircraft/twin engine	20.00	20.00
Passenger planes < 18 passenger capacity	30.00	30.00
Passenger planes >18 passenger capacity	60.00	60.00
Emergency services (Police, Rural Fire, Air Ambulance)	No charge	No charge
New Zealand Armed Forces	No charge	No charge

Where weighing facilities are available

TRANSFER STATION CHARGES

Council reserves the right to charge by weight, where no weighing facilities are available

Standard size refuse bag (60 litres)	3.00	5.00
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Council reserves the right to charge by volume as assessed by the operator. All fees are user pays (ie waste producer pays) and include a waste minimisation charge to help fund recycling and other waste education initiatives.

Transfer Station with Weigh Facility

General waste charge by weight per tonne	262.00	270.00
Tyres by weight by tonne	400.00	270.00

Transfer Station without Weigh Facility

Fees also include charges associated with the Emissions Trading Scheme.

General waste charge by volume per cubic metre (assessed by operator)	53.00	60.00
Car tyres	5.00	5.00
Truck tyres	20.00	20.00
Tractor/Loader tyres	53.00	50.00
Car body (all tanks pierced and drained)	5.00	20.00
Whiteware and separated metal	No charge	No charge
TVs and computer monitors	40.00	40.00
All other electronics per item	15.00	15.00
Car load (small load, minimum fee) load <100 kg or <0.6 m ³	19.00	N/A
Van, Ute, Wagon, Trailer Load		
Load <200 kg or <1.0 m ³	37.00	N/A
Load >200 kg or >1.0 m ³ charge by volume per cubic metre	53.00	N/A
General waste charge by volume per cubic metre	53.00	N/A
Tyres by volume per cubic metre	53.00	N/A

GREENWASTE DEPOSITED IN GREENWASTE AREA

Car Load	No charge	No charge
Trailer or Ute Load	10.00	5.00
Truck-load charge by volume per cubic metre	20.00	5.00

CLEANFILL DEPOSITED IN CLEANFILL AREA

Trailer or ute load		5.00
Truck-load charge by volume per cubic metre		10.00

Cleanfill load <0.5 m ³	No charge	N/A
Cleanfill load <1.0 m ³	10.00	N/A
Cleanfill load per 1.0 m ³	20.00	N/A

	Includes GST 2017/18	Includes GST 2018/19
Prepaid CODC approved 60 litre refuse bag (for Tarras and Patearoa use only)	3.50	5.00
WHEELIE BIN CHARGES		
Replacement of bin due to damage (not wear and tear)		50.00
Initial change of bin size		No charge
All subsequent changes to bin size		50.00
Additional mixed recycling bin (per annum)	20.51	44.51
Additional glass recycling bin (per annum)	20.51	44.51
Additional rubbish (red) bin (per annum)	205.08	211.95

Development & Financial Contributions

CAPITAL CONTRIBUTIONS – NEW CONNECTIONS (SEE DISTRICT PLAN ALSO)

Patearoa Water	1,260.00	N/A
Lowburn-Pisa Moorings Sewer	4,635.00	N/A
Bannockburn Sewer (treatment)	1,150.00	N/A
Bannockburn Sewer extension	3,450.00	N/A

FINANCIAL CONTRIBUTIONS - RESERVES

Urban	2,082.00	2,080.00
Rural	1,041.00	1,040.00

DEVELOPMENT CONTRIBUTIONS - NEW CONNECTIONS

WATER SUPPLY

Alexandra	6,239.00	N/A
Clyde	4,195.00	N/A
Lake Dunstan Water Supply		7,240.00
Cromwell - Urban	1,291.00	N/A
Outer Cromwell	5,142.00	N/A
Cromwell		5,400.00
Omakau/Ophir	5,142.00	6,860.00
Patearoa		1,740.00
Ranfurly	2,134.00	2,030.00
Naseby	2,960.00	2,900.00
Roxburgh	1,947.00	1,330.00

WASTEWATER

Alexandra	2,676.00	N/A
Alexandra/Clyde		6,660.00
Cromwell Urban	5,684.00	N/A
Outer Cromwell	See Financial Contributions	N/A
Cromwell		4,580.00

	Includes GST 2017/18	Includes GST 2018/19
Omakau/Ophir	1,762.00	1,280.00
Ranfurlly	631.00	280.00
Naseby	1,153.00	170.00
Roxburgh	1,199.00	475.00
ROADING		
Residential	1,814.00	2,040.00
Business	5,279.00	5,930.00

Community Services

LIBRARIES

Inter-loan books from outside district (plus and externally imposed charges per book)	Up to \$15	Up to \$15
Replacement cards		5.00
OVERDUE BOOKS		
Adults (per day)	Up to 30c per day	0.20
DVDs (per week)	3.00	3.00
Lost / Damaged books	Replacement Cost and \$10 processing fee	Replacement Cost and \$10 processing fee

INTERNET CHARGES

Half Hour		2.00
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PHOTOCOPYING

A4 per sheet up to 20 sheets (black and white)	0.20	0.20
A4 per sheet up to 20 sheets (colour)	1.30	1.30
A4 per sheet more than 20 sheets (black and white)	0.10	0.10
A4 per sheet more than 20 sheets (colour)	0.60	0.60
A3 per sheet up to 20 sheets (black and white)	0.40	0.40
A3 per sheet up to 20 sheets (colour)	2.00	2.00
A3 per sheet more than 20 sheets (black and white)	0.20	0.20
A3 per sheet more than 20 sheets (colour)	1.00	1.00
A4 double sided (black and white)	0.40	0.40
A4 double sided (colour)	2.00	2.00
A3 double sided (black and white)	0.80	0.80
A3 double sided (colour)	4.00	4.00
Own paper per sheet (black and white)	0.10	0.10
Own paper per sheet (colour)	0.60	0.60
Own paper double sided per sheet (black and white)	0.20	0.20
Own paper double sided per sheet (colour)	1.00	1.00

	Includes GST 2017/18	Includes GST 2018/19
CEMETERIES		
ALEXANDRA CEMETERY		
<i>Plot Fees</i>		
Standard plot fees	794.00	841.00
Ashes plot	397.00	422.00
Memorial wall (plinth which allows for 32 plaques)	100.00	100.00
<i>Burial Fees</i>		
Standard re-opening and burial	978.00	900.00
Burial of ashes	414.00	400.00
Burial of infants (up to 2 years / re-opening)	467.00	300.00
Extraordinary costs	At cost	At cost
CLYDE CEMETERY		
<i>Plot Fees</i>		
Standard plot fees	630.00	668.00
Ashes plot	312.00	331.00
<i>Burial Fees</i>		
Standard re-opening and burial	824.00	900.00
Burial of ashes	308.00	400.00
Burial of infants (up to 2 years / re-opening)	308.00	300.00
Memorial Structural burials		884.00
Memorial structure burials stillborns & infants (up to 2 years old)		350.00
Extraordinary costs	At cost	At cost
OMAKAU CEMETERY		
<i>Plot Fees</i>		
Burial of ashes	244.00	259.00
	122.00	124.00
CROMWELL CEMETERY		
<i>Plot Fees</i>		
Standard plot fees	610.00	647.00
Ashes plot	308.00	326.00
Memorial wall (allows for 88 plaques double-sided)		120.00
Memorial structures plot	670.00	710.00
<i>Burial Fees</i>		
Standard re-opening and burial	876.00	900.00
Burial of ashes	387.00	400.00
Burial of infants (up to 2 years / re-opening)	387.00	300.00
Memorial structure burials	876.00	929.00
Memorial structures burials stillborns & infants (up to 2 years old)	350.00	371.00
Extraordinary costs	At cost	At cost
NEVIS CEMETERY		
<i>Burial Plot</i>		
		200.00

	Includes GST 2017/18	Includes GST 2018/19
Ash Plot		100.00
Burial costs		At cost
NASEBY CEMETERY		
Plot Fees		
Standard plot fees	283.00	300.00
Ashes plot	147.00	156.00
RANFURLY CEMETERY		
Plot Fees		
Standard plot fees	283.00	300.00
Ashes plot	147.00	156.00
CROMWELL SPORTS PAVILIONS		
Alpha Street Pavilion		
Soccer Club per annum	540.00	573.00
Casual day hire	55.00	58.00
Anderson Park Pavilion		
Club per season	541.00	574.00
Casual day hire	108.00	114.00
PARKS		
MOLYNEUX PARK		
Stadium		
Sports groups (per hour)	34.00	35.00
Vincent sports groups (per hour)	22.00	25.00
Gas heating token (20 mins)	7.00	7.00
Electric heating token (15 mins)	0.50	0.50
Sports groups whole day	296.00	305.00
Sports groups half day	198.00	205.00
Vincent sport groups whole day	166.00	170.00
Vincent sport groups half day	120.00	125.00
Kitchen whole day (includes foyer toilets)	54.00	55.00
Kitchen half day (includes foyer toilets)	27.00	30.00
Changing rooms (per room)	15.00	15.00
Sports Grounds		
Cricket rates are variable depending on level of pitch preparation; seasonal rates available on application and by negotiation	First class cricket wicket (OCCA / Otago and NZ Cricket). Per ground per day	250.00
	Casual (per ground per day)	116.00 123.00
	Cricket wickets (per day)	135.00
	Cricket wickets (per half day)	70.00
	Changing rooms (per day)	15.00
	Athletics (per day)	130.00
	Athletics (per half day)	70.00
	Litter collection (per litter bin per day)	30.00

	Includes GST 2017/18	Includes GST 2018/19
Club Seasonal Rates <i>(Including club training, regular season fixtures)</i>		
Rugby		1500.00
Football		3200.00
Softball		700.00
Athletics		700.00
Cricket (excludes first class cricket)		1600.00
Other Parks and Reserves Alexandra and Clyde – including Pioneer Park – per day		
Commercial activity or event including circus, gypsy fair, Blossom Festival	313.00	320.00
Non-Commercial Community Groups	37.00	37.00
Commercial market days	42.90	42.90
Commercial – car displays, advertising	143.00	145.00
Basic space hire – no preparation / services required		No charge
Non Commercial – community group activity incl rubbish and area preparation eg school fairs		38.00
Amusement devises (activity or device)	74.00	75.00
Council power box (power already connected per hour)	5.00	5.00
Electricity boxes (if available) (power and connection)	At cost	At cost
ANDERSON PARK (junior sport free)		
Sports Club Rentals (per player per season)		
Anderson Park grounds	48.00	51.00
Netball / tennis courts	19.00	20.00
Casual Users (per day)		
Non-sporting activities (per ground plus electricity)	71.00	75.00
Touch (per field)	45.00	45.00
Rugby (per field)	65.00	69.00
ALPHA STREET RESERVE (per day)		
Commercial activity or event including circus and gypsy fair	312.00	331.00
Sports Club Rentals (per player per season)(junior sports free)		
Alpha Street grounds	48.00	51.00
Casual Users (per day)(junior sports free)		
Non-sporting activities (per field plus electricity)	65.00	69.00
Touch Tournaments (per field)	45.00	45.00
Coin operated BBQ	1.00	1.00
Alpha Street ground lights - per hour	10.00	11.00
Other Parks and Reserves – Cromwell per day		
Basic space hire – space only no preparation required		At no cost
Non-commercial - community group activity incl rubbish and area preparation eg: school fairs		38.00
Commercial – Market days		45.00
Commercial – Car displays / advertising		145.00

A \$400 bond is required for circuses and fairs, amusement device operators

	Includes GST 2017/18	Includes GST 2018/19
MANIOTOTO PARK		
Sports clubs (per annum)	855.00	907.00
Sports ground (per day)	110.00	117.00
Sports ground (half day)	55.00	59.00
Outdoor netball / tennis courts	No charge	No charge
Basic space hire – no preparation required		No charge
Community activity (general use incl rubbish and ground preparation)	30.00	38.00
Commercial activity	120.00	122.00
Athletics (per day)	130.00	132.00
Athletics (per half day)	70.00	71.00
Other Parks and Reserves – Maniototo per day		
Basic space hire – space only no preparation required		At no cost
Non-commercial - community group activity incl rubbish and area preparation eg: school fairs		38.00
Junior Cricket - Naseby		At no cost
Commercial – Market days		45.00
Commercial – Car displays / advertising		145.00
Rugby Clubrooms		
Rugby clubrooms (day rate – not exceeding 8 hours)		86.00
MANIOTOTO STADIUM		
<i>A \$200 bond is required for social functions in the Stadium.</i> Stadium sports session (not exceeding 2 hours)	16.00	20.00
Stadium sports session (not exceeding 4 hours)	35.00	35.00
Stadium only (day rate – not exceeding 24 hours)	109.00	115.00
Stadium/kitchen/bar (day rate) weddings, cabarets	166.00	170.00
Stadium frost cloth canopy	300.00	300.00
Local schools sports day/events (subject to conditions)	No charge	No charge
Rugby Clubrooms		
Rugby clubrooms (day rate – not exceeding 8 hours)	83.00	85.00
Rugby clubrooms (half day rate – not exceeding 4 hours)	42.00	45.00
Rugby clubroom/kitchen/bar (day rate not exceeding 24 hours)	140.00	145.00
Rugby clubroom/kitchen/bar (half day rate not exceeding 4 hours)	68.00	70.00
Local schools sports day/events (subject to conditions)	No charge	No charge
Kitchen		
Kitchen whole day (not exceeding 24 hours)	52.00	55.00
Kitchen half day (not exceeding 4 hours)	26.00	27.00
Hire of Trestles away from the Stadium		
Hire of trestles away from the stadium (per trestle)	3.00	3.00
Hire of chairs away from the stadium (per chair)	1.00	1.00
Charges Per Annum		
Maniototo Squash Club	1,508.00	1550.00
A&P Association (per show)	801.00	825.00

	Includes GST 2017/18	Includes GST 2018/19
TEVIOT VALLEY		
King George Park - Community activity	40.00	45.00
King George Park - Commercial activity	80.00	80.00
Basic space hire – no preparation required		No charge
<i>Trees across the district</i>		
Tree removal – not health and safety or for tree health		At cost
Tree planting		At cost
SWIMMING POOLS		
MOLYNEUX AQUATIC CENTRE		
<i>Single Admission</i>		
Adult	6.00	6.50
Child	3.00	3.30
Preschooler (with maximum of 2 per 1 paying parent/caregiver)	No charge	No charge
Gold Card and tertiary student 17%	5.00	5.50
Community Services Card holder 17%	5.00	5.50
Shower	4.00	4.40
Family - 2 adults and 2 children	15.00	16.40
Family - 1 Adult and 4 children	15.00	16.40
Replacement swim card if lost	1.00	1.00
<i>Membership Card and Yearly Pass</i>		
Adult 11 swims	60.00	60.00
Adult 23 swims	120.00	120.00
Adult 3 month pass	200.00	200.00
Adult 6 month pass	360.00	360.00
Adult yearly pass	600.00	600.00
Child 11 swims	30.00	30.00
Child 23 swims	60.00	60.00
Child 3 month pass	100.00	100.00
Child 6 month pass	180.00	180.00
Child yearly pass	300.00	300.00
<i>Gold Card, Community Services Card and Tertiary Students</i>		
11 swims	50.00	50.00
23 swims	100.00	100.00
3 month pass	166.00	166.00
6 month pass	300.00	300.00
Yearly pass	498.00	498.00

	Includes GST 2017/18	Includes GST 2018/19
<i>Aquarobics and Aqua Fit</i>		
Adult entry and class	10.50	10.50
Adult 11 class membership concession (includes pool entry)	105.00	105.00
Gold Card, Community Services Card, tertiary student entry and class	9.50	9.50
Gold Card, Community Services Card, tertiary student 11 class membership concession (includes pool entry)	95.00	95.00
Aqua Fit Class only excluding pool entry	4.50	4.50
<i>School Hire</i>		
District primary schools per lane/block per hour - minium charge 1 hour then ½ hour blocks (includes pool entry)	8.00	9.00
District high schools per lane/block per hour - minium charge 1 hour then ½ hour blocks (includes pool entry)	8.00	9.00
Non-district schools - normal pool entry plus non-commercial lane hire per lane/block per hour. Minium charge 1 hour then 1/2 hour blocks	12.00	13.00
<i>Central Otago Swimming Clubs / Non-Commercial (as per definition)</i>		
Tues, Thurs non-competitive club nights per lane, no entry (does not include development or squad coaching sessions)	8.00	9.00
Lane hire per lane per hour includes pool entry minium 1 hour then ½ hour blocks (including development or squad coaching sessions)	8.00	9.00
Swim meets / competition nights full 25 metre pool hire includes pool entry minium 1 hour then ½ hour blocks (or by agreement with Chief Executive Officer)	127.00	135.00
<i>Commercial Operators</i>		
Lane hire per lane per hour includes pool entry min 1 hour then ½ hour blocks (or by agreement with Chief Executive Officer)	26.00	27.00
Additional Charges		
Additional staff after hours	23.00	25.00
<i>Meeting Room Charges (where available)</i>		
Non-commercial per hour minium 1 hour then ½ hour blocks	11.00	11.00
Commercial use per hour minium 1 hour then ½ hour blocks	23.00	24.00
Commercial use per day	103.00	109.00
Clean up after meeting - optional	31.00	33.00
Kitchen surcharge per day	33.00	35.00
Kitchen surcharge per hour	10.00	11.00
Tea/coffee/cutlery per person provided in meeting room	2.00	2.00
CROMWELL SWIM CENTRE		
<i>Single Admission</i>		
Adult	6.00	6.50
Child	3.00	3.30
Preschooler (with maximum of 2 per 1 paying parent/caregiver)	No charge	No charge
Gold Card and tertiary student 17%	5.00	5.50
Community Services Card holder 17%	5.00	5.50

	Includes GST 2017/18	Includes GST 2018/19
Shower	4.00	4.40
Family - 2 adults and 2 children	15.00	16.40
Family - 1 Adult and 4 children	15.00	16.40
Replacement swim card if lost	1.00	1.00
<i>Membership Card and Yearly Pass</i>		
Adult 11 swims	60.00	60.00
Adult 23 swims	120.00	120.00
3 month pass	200.00	200.00
6 month pass	360.00	360.00
Adult yearly pass	600.00	600.00
Child 11 swims	30.00	30.00
Child 23 swims	60.00	60.00
3 month pass	100.00	100.00
6 month pass	180.00	180.00
Child yearly pass	300.00	300.00
<i>Gold Card, Community Services Card and Tertiary Students</i>		
11 swims	50.00	50.00
23 swims	100.00	100.00
3 month pass	166.00	166.00
6 month pass	300.00	300.00
Yearly pass	498.00	498.00
<i>Aquarobics and Aqua Fit</i>		
Adult entry and class	10.50	10.50
Adult 11 class membership concession (includes pool entry)	105.00	105.00
Gold Card, Community Services Card, tertiary student entry and class	9.50	9.50
Gold Card, Community Services Card, tertiary student 11 class membership concession (includes pool entry)	95.00	95.00
Aqua Fit class only excluding pool entry	4.50	4.50
<i>School Hire (off peak hours only)</i>		
District primary schools per lane/block per hour - minium charge 1 hour then ½ hour blocks (includes pool entry)	8.00	9.00
District high schools per lane/block per hour - minium charge 1 hour then ½ hour blocks (includes pool entry)	8.00	9.00
Non-district schools - normal pool entry plus non-commercial lane hire per lane/block per hour. Minium charge 1 hour then 1/2 hour blocks	12.00	13.00
<i>Central Otago Swimming Clubs / Non-Commercial (as per definition)</i>		
Tues, Thurs non-competitive club nights per lane, no entry (does not include development or squad coaching sessions)	8.00	9.00
Lane hire per lane per hour includes pool entry minium 1 hour then ½ hour blocks (including development or squad coaching sessions)	8.00	9.00
Swim meets / competition nights full 25 metre pool hire includes pool entry minium 1 hour then ½ hour blocks (or by agreement with Chief Executive Officer)	127.00	135.00

	Includes GST 2017/18	Includes GST 2018/19
Commercial Operators		
Lane hire per lane per hour includes pool entry minimum 1 hour then ½ hour blocks (or by agreement with Chief Executive Officer)	26.00	27.00
Additional Charges		
Additional staff after hours - per hour per staff member	23.00	25.00
Meeting Room Charges (where available)		
Non-commercial per hour minimum 1 hour then ½ hour blocks	11.00	11.00
Commercial use per hour minimum 1 hour then ½ hour blocks	23.00	24.00
Commercial use per day	103.00	109.00
Clean up after meeting - optional	31.00	33.00
Kitchen surcharge per day	33.00	35.00
Kitchen surcharge per hour	10.00	11.00
Tea/coffee/cutlery per person provided in meeting room	2.00	2.00
SWIMMING LESSONS - CENTRAL SWIM SCHOOL (includes pool entry)		
10 x toddler/preschool lesson - Starfish, Turtles, Seals, Dolphin, Goldfish, Clownfish, Pufferfish and Rainbowfish	97.00	106.00
10 x school age lessons - Seahorse, Otter, Snapper, Crocodile, Barracuda, Piranha, Stingray, Marlin.	105.00	111.00
10 x 45 minute stroke development - Sharks Squad	112.00	118.00
Weekday private lesson		
15 minutes	18.00	19.00
20 minutes	24.00	26.00
30 minutes	37.00	39.00
5 day block holiday classes	49.00	55.00
RANFURLY SWIM CENTRE		
Admission		
Adult	4.60	4.50
Child	2.10	2.00
11 x child swims (swim card)	21.00	20.00
11 x adult swims (swim card)	46.00	45.00
Season pass (single)	95.00	95.00
Season pass (family) plus \$10 per child	118.00	118.00
Maniototo Area School	783.00	522.00
St John's School	141.00	154.00
Aquaclub (season charge)	377.00	412.00
Other groups (season charge)	377.00	412.00
Professional coaching per hour	20.00	24.00

Community Services

COMMUNITY FACILITIES

BIG FRUIT EVENT SIGNS (Includes install/removal costs)

6 Signs available (maximum 2 signs per event booking)		
Commercial event per event, per sign frame	350.00	350.00
Non-commercial event per event, per sign frame	50.00	50.00

	Includes GST 2017/18	Includes GST 2018/19
EVENT BANNERS		
Banner install/removal and fixings	50.00	50.00
ALEXANDRA COMMUNITY CENTRE		
<i>A \$200 bond is required for social functions; a whole day is more than 6 hours, half day is less than 6 hours. Bookings for the Jordon Lounge are made with the Senior Citizens on (03) 448 7007.</i>		
Hall and Bar		
Commercial whole day	265.00	275.00
Commercial half day	166.00	170.00
Commercial hourly rate	32.00	35.00
Non-commercial whole day	156.00	160.00
Non-commercial half day	98.00	100.00
Non-commercial hourly rate	20.00	20.00
Hall, Kitchen and Bar		
Commercial whole day	291.00	300.00
Commercial half day	194.00	200.00
Non-commercial whole day	177.00	180.00
Non-commercial half day	119.00	125.00
Hall, Reading Room, Kitchen and Bar		
Commercial whole day	333.00	345.00
Commercial half day	218.00	225.00
Non-commercial whole day	218.00	225.00
Non-commercial half day	130.00	135.00
Whole Complex		
Commercial whole day	442.00	455.00
Commercial half day	291.00	300.00
Non-commercial whole day	270.00	280.00
Non-commercial half day	166.00	170.00
Hire of Trestles and Chairs (away from hall)		
Trestles (each)	5.00	5.00
Chairs (each)	2.00	2.00
Alexandra Memorial Theatre		
Commercial / non-local or by agreement with CEO		
Evening performance	650.00	670.00
Matinee performance (afternoon)	489.00	505.00
Rehearsal (includes heating)	218.00	225.00
Hourly rate (includes heating)	100.00	105.00
Hourly rate (no heating)	50.00	50.00
Amateur local non-profit making incorporated societies and educational institutes		
Evening performance	229.00	235.00
Matinee performance (afternoon)	172.00	180.00

	Includes GST 2017/18	Includes GST 2018/19
Rehearsal (no heating)	59.00	60.00
Rehearsal (with heating)	120.00	125.00
Hourly rate (includes heating)	60.00	60.00
Hourly rate (no heating)	30.00	30.00

A \$200 bond is required for social functions; a whole day is more than 6 hours, half day is less than 6 hours.

CROMWELL MEMORIAL HALL

Whole Complex (auditorium, supper room, west wing, kitchen)

Commercial whole day	470.00	470.00
Commercial half day	315.00	315.00
Non-commercial whole day	190.00	190.00
Non-commercial half day	140.00	140.00
Sporting events - tournaments whole day	145.00	145.00
Sporting events - club nights/ half day tournaments	115.00	115.00
Sporting events - schools	115.00	115.00
Hourly rate (only available on application to the Cromwell Community Board)	25.00	25.00
After 1:00am charge per hour	25.00	25.00

Auditorium (not including kitchen)

Commercial whole day	300.00	300.00
Commercial half day	185.00	185.00
Non-commercial whole day	160.00	160.00
Non-commercial half day	105.00	105.00
Sporting events - tournaments whole day	115.00	115.00
Sporting events - club nights/ half day tournaments	85.00	85.00
Sporting events - schools	85.00	85.00
Hourly rate (only available on application to the Cromwell Community Board)	20.00	20.00
After 1:00am charge per hour	20.00	20.00

Supper Room or West Wing (not including kitchen)

Commercial whole-day	155.00	155.00
Commercial half day	115.00	115.00
Non-commercial whole day	90.00	90.00
Non-commercial half day	75.00	75.00
Hourly rate (only available on application to the Cromwell Community Board)	15.00	15.00

Supper Room and Kitchen

Commercial whole day	180.00	180.00
Commercial half day	125.00	125.00
Non-commercial whole day	115.00	115.00
Non-commercial half day	90.00	90.00
Hourly rate (only available on application to the Cromwell Community Board)	25.00	25.00

	Includes GST 2017/18	Includes GST 2018/19
Kitchen per hour	25.00	25.00
Stage per hour	25.00	25.00
<i>Hire of Trestles and Chairs (away from hall)</i>		
Trestles (each)	5.00	5.00
Chairs (each)	5.00	5.00
Refundable deposit for 1 - 20 chairs	85.00	85.00
Refundable deposit for more than 20 chairs	115.00	115.00
Crockery breakages (at hall)	At cost	At cost
NASEBY HALL		
Whole day hire (not exceeding 24 hours)	78.00	105.00
Half day hire (not exceeding 4 hours)	36.00	40.00
Hourly rate if less than half day	16.00	20.00
WAIPIATA HALL		
24 hour period	104.00	105.00
Hourly rate	5.00	8.00
Waipiata Darts Club per annum	395.00	405.00
WALLACE MEMORIAL HALL		
Whole day hire (not exceeding 24 hours)	31.00	35.00
Half day hire (not exceeding 4 hours)	16.00	20.00
RANFURLY HALL		
<i>A \$200 bond is required for social functions.</i> Meetings	52.00	55.00
Meetings in supper room (hourly rate)	16.00	20.00
Furniture auctions	52.00	55.00
Local concerts	83.00	90.00
Visiting artists and concerts	114.00	120.00
Weddings and cabarets etc	172.00	180.00
Local schools: sports day/events (subject to conditions)	No charge	No charge
PATEAROA HALL		
Whole day hire and funerals	104.00	105.00
Half day hire	31.00	35.00
Meeting room (locals)	16.00	20.00
Meeting room (non-locals)	26.00	30.00
Discretionary bond	260.00	260.00
<i>Hire of Tables and Chairs (away from hall)</i>		
Tables	10.00	10.00
Padded chairs	2.00	2.00
Plastic chairs	1.00	1.00

		Includes GST 2017/18	Includes GST 2018/19
<i>This hall is now under Council management. Fees last set by community hall committee in 2007. Fees in line with other provincial halls but with a discount as hall is in poor condition</i>	OMAKAU HALL		
	Whole day hire (not exceeding 24 hours)		60.00
	Half day hire (not exceeding 6 hrs)		25.00
	Hourly Rate		7.00
	Hire of Trestles and Chairs (away from hall)		
	Trestles (each per day)		5.00
	Chairs (each, per day)		1.00
<i>A \$200 bond is required for social functions.</i>	ROXBURGH ENTERTAINMENT CENTRE		
	Theatre		
	Evenings	302.00	310.00
	Conferences	302.00	310.00
	Matinees, meetings and rehearsals	146.00	150.00
	Hourly rate for non-profits groups only	18.00	20.00
	Dance Hall		
	Commercial whole day (social functions, weddings, funerals)	302.00	310.00
	Commercial half day (social functions, weddings, funerals)	146.00	150.00
	Hourly rate for non-profit groups only	18.00	20.00
<i>Track lighting is additional to all other fees.</i>	Track lighting (per day) room (per day)	54.00	55.00
	Track lighting - supper	28.00	30.00
	Track lighting - dance hall (per day)	28.00	30.00
	Kitchen		
	Commercial hire whole day (social functions, weddings, funerals)	146.00	150.00
	Commercial half day (social functions, weddings, funerals)	104.00	105.00
	Hourly rate for non-profit groups only	18.00	20.00
	Whole complex (non-discountable)	640.00	570.00
	ROXBURGH MEMORIAL HALL		
	Whole Hall		
	Commercial hire	187.00	
	Whole day hire (not exceeding 24 hours)		105.00
	Half day hire (not exceeding 6 hours)		40.00
	Hourly rate for commercial hire	59.00	
	Hourly rate		20.00
	Hourly rate for non-profits groups only	18.00	
	COUNCIL OFFICE HIRE		
	WILLIAM FRASER BUILDING		
	Council Chambers whole day	115.00	115.00
	Council Chambers half day	55.00	55.00
	Tea making facilities (per person per tea break)	2.00	2.00

	Includes GST 2017/18	Includes GST 2018/19	
CROMWELL SERVICE CENTRE			
Council Chambers whole day	115.00	115.00	
Council chambers half day	55.00	55.00	
Tea making facilities (per person per tea break)	2.00	2.00	
RANFURLY SERVICE CENTRE			
Council Chambers whole day	55.00	55.00	
Council Chambers half day	35.00	35.00	
Meeting room whole day	35.00	35.00	
Meeting room half day	25.00	25.00	
ROXBURGH SERVICE CENTRE			
Council Chambers whole day	55.00	55.00	
Council Chambers half day	35.00	35.00	
District Development			
TOURISM CENTRAL OTAGO CENTRAL OTAGO VISITOR GUIDE			
Quarter page	432.00	432.00	
Half page	862.00	862.00	
Full page	1480.00	1480.00	
Quarter page - repeat no charge	407.00	407.00	
Half page - repeat no charge	812.00	812.00	
Full page - repeat no charge	1405.00	1405.00	
CENTRAL OTAGO ONLINE			
Basic website listing - 1 image	No charge	No charge	
Booking commission on operator bookings via website booking engine	10-20%	10-20%	
Central Otago related products / operators registration fee (outside region operators as approved by TCO)	345.00	345.00	
There may be one-off projects carried out during the year where operators who participate contribute to the costs on a case by case basis	As required	As required	
VISITOR INFORMATION CENTRES			
<i>Located at Alexandra, Cromwell, Ranfurly and Roxburgh</i>	Booking commission (on operator bookings)	10-20%	10-20%
	Cancellation fee (payable by customer)	10-20%	10-20%
	Event tickets	Up to 20%	Up to 20%
	Booking fee	6.00	6.00
Photocopying and faxes (refer to Governance and Corporate Services)			
DISPLAY			
Wall / poster (6 months) A1	310.00	310.00	
Wall / poster (full year) A1	520.00	520.00	
Wall / poster (6 months) A2	208.00	208.00	

	Includes GST 2017/18	Includes GST 2018/19
Wall / poster (full year) A2	364.00	364.00
Local operators (per brochure per centre per annum)	112.00	115.00
Outside region operators (per brochure per centre per annum)	112.00	115.00
Commercial series publications per centre	562.00	562.00
Commercial series publications all four centres	1,405.00	1405.00
Commercial series publications (per centre per annum)	172.00	172.00
PLASMA TV OPERATOR ADVERTISING		
Per month	42.00	42.00
Per 6 months (summer/winter)	187.00	187.00
Per year	338.00	338.00
One-off projects carried out during the year where operators who participate contribute to the costs on a case by case basis	As required	As required

Planning & Environment

Estimated value of work, includes Project Check Fee. The cost of any peer review of professional documents is at the applicant's cost. All Building Control Fees are based on the average time taken to complete administration, processing and inspections based on the value of the building consent or other building work. Work in excess of this time may be charged for information, certification or inspection, or recording of safe and sanitary certificates not specifically provided for to be charged at time and disbursements (\$77 minimum).

BUILDING CONTROL CHARGES

RESIDENTIAL ALTERATIONS AND NEW

Up to and including \$5,000	280.00	280.00
Over \$5,000 and not exceeding \$10,000	570.00	570.00
Over \$10,000 and not exceeding \$20,000	1,040.00	1,040.00
Over \$20,000 and not exceeding \$40,000	1,540.00	1,540.00
Over \$40,000 and not exceeding \$80,000	1,725.00	1,725.00
Over \$80,000 and not exceeding \$200,000	2,450.00	2,450.00
Over \$200,000 and not exceeding \$350,000	3,000.00	3,000.00
Over \$350,000 and not exceeding \$500,000	3,175.00	3,175.00
Over \$500,000 and not exceeding \$750,000	3,490.00	3,490.00
Over \$750,000 and not exceeding \$1,000,000	3,775.00	3,775.00
Exceeding \$1 million (min deposit plus additional time if necessary)	3,855.00+	3,855.00+
Rural farm shed with engineers producer statement (no amenities – 4 inspections or less)	800.00	800.00

COMMERCIAL ALTERATIONS AND NEW

Up to \$10,000	710.00	710.00
\$10,000 - \$20,000	1,320.00	1,320.00
\$20,000 - \$40,000	1,790.00	1,790.00
\$40,000 - \$80,000	1,940.00	1,940.00
\$80,000 - \$200,000	2,590.00	2,590.00
\$200,000 - \$350,000	3,115.00	3,115.00
\$350,000 - \$500,000	3,295.00	3,295.00
\$500,000 - \$750,000	3,600.00	3,600.00
\$750,000+	3,885.00	3,885.00
BRANZ Levy – (exempt from GST) (projects under \$20,000 are exempt)	\$1 for every \$1,000 or part thereof	\$1 for every \$1,000 or part thereof
MBIE Levy – (projects under \$20,000 are exempt)	\$2.01 for every \$1,000	\$2.01 for every \$1,000

	Includes GST 2017/18	Includes GST 2018/19
OTHER BUILDING CONSENT CHARGES		
Multi proof building consents actual cost of work to be recovered (value of work less processing apportionment)	As required	As required
Amendments to Building Consents actual cost of work to be recovered at time and disbursements	77.00	77.00
Erection of marquee	240.00	240.00
Heating / Fire appliances – free standing	210.00	210.00
Heating Fire appliances – inbuilt and secondhand	365.00	365.00
Wind machines (horticulture)	450.00	450.00
OTHER BUILDING CHARGES		
<i>Certificate of Acceptance</i>		
Minor work up to \$5,000	835.00	835.00
Residential \$5,000 to \$20,000	1,185.00	1,185.00
Residential \$20,000+	2,030.00	2,030.00
Commercial - \$550 deposit plus hourly rate plus travel	580.00+	580.00+
Relocation report within the district	170.00	170.00
New compliance schedules	77.00	77.00
Amended compliance schedules	77.00	77.00
WOF monitoring features	77.00	77.00
Certificate for Public Use	380.00	380.00
Notice to Fix	175.00	175.00
Fire Service assessment of building consents (plus costs)	77.00	77.00
Demolition – non commercial	235.00	235.00
Demolition – commercial	460.00	460.00
Inspection of unsatisfactory work (per visit or inspection not already provided for)	77.00	77.00
Swimming pool exemption (referred to Council)		298.00
Swimming Pool inspection barriers and compliance (each inspection)		100.00
Swimming Pool registration		50.00
Water test fee (fee plus actual test cost)	60.00	120.00
Assessment of building consent exemption application (deposit)	77.00	77.00
Title search	12.00	12.00
PROJECT INFORMATION MEMORANDUM - RESIDENTIAL		
Up to and including \$5,000	31.00	31.00
Over \$5,000 and not exceeding \$10,000	77.00	77.00
Over \$10,000 and not exceeding \$20,000	133.00	133.00
Over \$20,000 and not exceeding \$40,000	209.00	209.00
Over \$40,000 and not exceeding \$80,000	270.00	270.00
Over \$80,000 and not exceeding \$200,000	301.00	301.00
Over \$200,000 and not exceeding \$350,000	347.00	347.00

	Includes GST 2017/18	Includes GST 2018/19
Over \$350,000 and not exceeding \$500,000	398.00	398.00
Exceeding \$500,000 (min deposit plus additional time if necessary)	449.00+	449.00+
Minor appliances (heaters – inbuilt, second-hand)	32.00	32.00
PROJECT INFORMATION MEMORANDUM - COMMERCIAL		
Alteration / new building up to \$10,000	209.00	209.00
Alteration / new building up to \$10,000 - \$20,000	388.00	388.00
Alteration / new building up to \$20,000 - \$1,000.000	459.00	459.00
Alteration / new building over \$1,000.000	530.00	530.00
TIME AND DISBURSEMENTS		
Hourly rates for processing all applications	100.00	100.00
Mileage (per km)	1.00	1.00
ENVIRONMENTAL HEALTH		
ANNUAL INSPECTION		
Food hygiene premises	250.00	250.00
Camping grounds	250.00	250.00
Hairdresser shops	100.00	120.00
Offensive trades	100.00	120.00
Funeral directors	100.00	120.00
Follow up inspection fee (hourly rate)	125.00	120.00
Change of ownership	90.00	120.00
ANNUAL REGISTRATION		
Food hygiene premises	100.00	120.00
Camping grounds	100.00	120.00
Hairdresser shops	100.00	120.00
Offensive trades	100.00	120.00
Funeral directors	100.00	120.00
Miscellaneous Bylaw and general licence fees	150.00	120.00
Late payment fee	150%	150%
FOOD CONTROL PLANS/NATIONAL PROGRAMMES		
Initial registration	200.00	240.00
Annual registration	100.00	120.00
Audit Fee	250.00	
Food control plan (single site)		300.00
Food control plan (Multi site)		450.00
National Programme 1		250.00
National Programme 2		275.00
National Programme 3		300.00
Subsequent audits (hourly rate)	120.00	120.00
Site rental fee		At cost

	Includes GST 2017/18	Includes GST 2018/19
BYLAW AND POLICY		
<i>Trading in Public Place General Bylaw</i>		
Application fee		
Fee per week	50.00	N/A
Fee per annum	300.00	300.00
TAB and gambling venues application fee (deposit)	150.00	150.00
Additional sandwich board	80.00	80.00
ALCOHOL LICENSING		
<i>Local Authority Compliance Certificate</i>		
Building	65.00	70.00
Planning	65.00	70.00
Public notification fee	100.00	120.00
<i>In accordance with the Sale and Supply of Alcohol (Fees) Regulations 2013, the fees for On, Off and Club Licenses are reduced to one level lower than the fee category assessed under the Regulations.</i>		
ANIMAL CONTROL		
<i>Dog Registration Fees</i>		
Non-working dogs	55.00	55.00
Working dogs	12.00	12.00
Late penalty fee (percentage of base fee)	1.50	1.50
<i>Dog Impounding Charges</i>		
First impounding (for each 12 months)	100.00	100.00
Second impounding (for each 12 months)	130.00	130.00
Third and subsequent impounding (for each 12 months)	165.00	165.00
Sustenance	22.00	22.00
Destruction of dog	58.00	58.00
Notification	21.00	21.00
Microchipping	32.00	32.00
<i>Licence to Keep Four or More Dogs</i>		
Application	51.00	51.00
Inspection fee	87.00	87.00
NOISE CONTROL		
<i>Return of Seized Equipment</i>		
Administration charge	50.00	60.00
<i>Contractor charge (add to administration charge)</i>		
Alexandra/Clyde	60.00	60.00
Cromwell	70.00	70.00
Ranfurlly	100.00	100.00
Roxburgh	80.00	80.00

		Includes GST 2017/18	Includes GST 2018/19
<i>All applications for resources and subdivision consent and changes to the District Plan will be charged on a time charge, plus disbursements basis although a minimum payment is required as set out below. Applications will not be processed unless accompanied by the appropriate application or deposit fee. In accordance with Section 36 of the Resource Management Functions where a charge is payable, the Council will not perform the action to which the charge relates until the charge has been paid in full. This applies to all fees and charges in relation to the Resource Management functions. Applications which are incomplete or require the applicant to undergo remedial works will incur further costs on a time and disbursement basis.</i>	PLANNING		
	SUBDIVISION CHARGES		
	Land Subdivision Consent		
	Consent application deposit (notified to formal hearing)	2,000.00	2,000.00
	Consent application deposit (non-notified to formal hearing)	1,500.00	1,500.00
	Consent application deposit (under delegated authority)	800.00	800.00
	Minor boundary adjustment	350.00	350.00
	Plan Certification - 223	140.00	140.00
	Plan Certification - 224(c)	140.00	140.00
	Minor amendment to cross lease/unit title plan (deposit)	510.00	510.00
	Other Charges		
	Completion certificates	75.00	75.00
	Compliance certificates (deposit)	540.00	540.00
	Certified copy of Council resolution	75.00	75.00
	Registered bond	At cost	At cost
	Release from registered bond	At cost	At cost
	Right of way consents (348 Certificate)	100.00	100.00
	Certificate of approval of survey plans (s.226(1)(e)(ii))	140.00	140.00
	Change or cancellation of amalgamation condition (deposit)	100.00	100.00
	Cancellation of easement (Section 243)	100.00	100.00
	LAND USE CONSENT		
	Consent application deposit (notified to formal hearing)	2,000.00	2,000.00
	Consent application deposit (non-notified to formal hearing)	1,500.00	1,500.00
	Consent application deposit (under delegated authority)	500.00	500.00
	Non-compliance with bulk and location requirements (delegated authority)	140.00	140.00
	Minor breach of standards (e.g. colour palette) (deposit)	250.00	250.00
	Application for Extension of Time for a Resource Consent (deposit)	140.00	140.00
Minor Change or Cancellation of Consent Condition (delegated) (deposit)	260.00	260.00	
Complex Change or Cancellation of Consent Condition (delegated) (deposit)	520.00	520.00	
Change or Cancellation of Consent Condition to Formal Hearing (deposit)	785.00	785.00	
Monitoring Consent Holders (per hour + mileage)	90.00	90.00	
Hearing of Objection to Resource Consent (deposit)	785.00	785.00	
Application for Heritage Orders and Designations (deposit)			
Minor, no research (plus public notification)	1,000.00	1,000.00	
Moderate, standard research requirements (plus public notification)	5,000.00	5,000.00	
Major, affects large area of district (plus public notification)	10,000.00	10,500.00	

	Includes GST 2017/18	Includes GST 2018/19	
<i>Because such procedures are lengthy and involved, it is appropriate that provision be made for ongoing fee charging, for the processing, report preparation, briefing of Chairperson, attendance of planning consultant and staff at hearing or in preparation of application to the Chief Executive Officer in the event of an application under delegated authority and for the preparation and drafting of the decision and release to all parties. DBH and BRANZ levies apply to work over \$20,000.</i>	APPLICATION FOR DISTRICT PLAN CHANGE (DEPOSIT)		
	Minor effect - not requiring research (plus public notification and disbursements and all costs associated with conducting a hearing, including Councillors' fees. Applicant to provide all documentation to Council's satisfaction).	1,000.00	1,000.00
	Moderate effect - requiring limited research (plus public notification and disbursements and all costs associated with conducting a hearing, including Councillors fees. Applicant to provide all documentation to Council's satisfaction).	5,000.00	5,000.00
	Major effect - affects significant part of District Plan/major land use effects (plus public notification and disbursements and all costs associated with conducting a hearing, including Councillors' fees. Applicant to provide all documentation to Council's satisfaction).	10,000.00	10,000.00
	Information Charges		
	Resource Management Act information	At cost	At cost
	At cost All other information requested in writing (time charge + disbursements basis min)	75.00	75.00
	NES record search	100.00	100.00
	LAND INFORMATION MEMORANDUM (LIM)		
	Residential Search		
Provided in 10 working days	165.00	165.00	
Provided in 5 working days	205.00	205.00	
Commercial Search			
Provided in 10 working days	225.00	225.00	
Provided in 5 working days	300.00	300.00	
Other charges (engineering, technical consultancy and valuation fees) – to be in addition to all fees where additional information may be required or a report commissioned, or where attendance at a meeting is requested and for administration, inspection and/or supervision.	At cost	At cost	

Governance & Corporate Services

PHOTOCOPYING

A4 per sheet up to 20 sheets (black and white)	0.20	0.20
A4 per sheet up to 20 sheets (colour)	1.30	1.30
A4 per sheet more than 20 sheets (black and white)	0.10	0.10
A4 per sheet more than 20 sheets (colour)	0.60	0.60
A3 per sheet up to 20 sheets (black and white)	0.40	0.40
A3 per sheet up to 20 sheets (colour)	2.00	2.00
A3 per sheet more than 20 sheets (black and white)	0.20	0.20
A3 per sheet more than 20 sheets (colour)	1.00	1.00
A4 double sided (black and white)	0.40	0.40
A4 double sided (colour)	2.00	2.00
A3 double sided (black and white)	0.80	0.80
A3 double sided (colour)	4.00	4.00
A2, A1 & A0 per sheet (black & white)	15.00	15.00
A2, A1 & A0 per sheet (colour)	18.00	18.00

	Includes GST 2017/18	Includes GST 2018/19
Own paper per sheet (black and white)	0.10	0.10
Own paper per sheet (colour)	0.60	0.60
Own paper double sided per sheet (black and white)	0.20	0.20
Own paper double sided per sheet (colour)	1.00	1.00
Providing of regular meeting agenda (per agenda)	36.00	36.00
SCANNING		
A4 per sheet up to 20 sheets	0.25	0.25
A4 per sheet more than 20 sheets	0.20	0.20
A3 per sheet up to 20 sheets	0.50	0.50
A3 per sheet more than 20 sheets	0.45	0.45
A2, A1 & A0	1.00	1.00
FAX CHARGES		
All locations up to 3 pages (per fax)	3.00	
Additional pages per page	0.50	
WORD PROCESSING		
Per hour	46.00	
RATING SERVICES		
Water rates final read	25.00	25.00
Water rates final self-read	No charge	No charge
Printed copy of complete Rating Information Database	460.00	460.00
MAPS/AERIAL PHOTOGRAPHY		
Printing as per the above photocopying charges		
Custom maps (per hour cost)	102.00	102.00
Electronic copies of aerials	POA	POA
PROJECTOR		
Projector hire (per day)	51.00	51.00
RECORDS, ARCHIVES AND OFFICIAL INFORMATION REQUEST RESEARCH		
Records, archives and official information request time spent by staff searching for relevant material, abstracting and collating, involved is in excess of one hour should be charged out as follows, after the first hour. This is at the discretion of Council and will be discussed at time of engagement.		
First hour	No charge	No charge
Initial charge for the first chargeable half hour or part thereof	38.00	38.00
For additional half hour or part thereof	38.00	38.00

Water, Wastewater and Waste Management Part Charges in Lieu of Rates

The Local Government (Rating) Act 2002 requires that properties be rated based on their status as at 1st July each year. Certain rates are based on level of service provided. These are Water Supply rates, Wastewater rates and Waste Management rates. To enable these services to be provided part way through the rating year Council will invoice the ratepayer upon provision of the laterals for Water Supply and Wastewater and upon commencement of service in the case of Waste Management collections. The following charges will be invoiced for each complete month of the rating year remaining.

WATER SUPPLY – PER MONTH

If already rated as serviceable	15.07	13.48
If not rated as serviceable before	30.15	26.96

WASTEWATER – PER MONTH

If already rated as serviceable	23.01	24.08
If not rated as serviceable before	46.01	48.16

WASTEMANAGEMENT – PER MONTH

Additional household rubbish bin	17.09	17.66
Additional mixed recycling bin	1.71	3.71
Additional glass recycling bin	1.71	3.71



POLICIES

Revenue and Financing Policy

Purpose

This policy sets out the District Council's policies in respect of funding operating and capital expenditure. This policy has been reviewed in line with the Council's Long Term Plan to ensure it is aligned with the LTP and has considered the principles of our Financial Strategy.

Council has reviewed each individual activity with a view to determining an equitable funding policy. In doing so Council considered the nature of the service and the benefits and beneficiaries for each service. Items taken into account during that deliberation were:

- Community outcomes to which an activity contributes
- The distribution of benefits between the community as a whole, identifiable parts of the community and individuals
- The period during which the benefits are expected to occur
- The extent to which actions, or inactions, of individuals or groups contribute to the need to undertake the activity
- Costs and benefits of funding the activity distinctly from other activities

The revenue and financing policy is not just an aggregation of policies for the individual activities Council carries out, but is also a means for Council to consider the overall impact of any allocation of liability for revenue needs on the current and future social, economic, environmental and cultural well-being of the community.

Council's overall approach is that, where practicable, areas that directly benefit fund the service/activity or bundle of services in that area. It implements this philosophy through the use of distinct ward rating areas.

Financial Management

The Local Government Act 2002 places specific responsibility on Council to manage its revenue, expenses, assets, liabilities, investments and general financial dealings prudently and in a manner that promotes the current and future interests of the Central Otago District community. In doing so, Council is required to make adequate and effective provision for the expenditure needs of the Council.

Funding of Operating Expenditure

Council is required to have a balanced budget. It must set each year's projected operating revenues at a level sufficient to meet that year's projected operating expenses. Council may only vary this when it is financially prudent to do so.

Council must also give consideration to the equitable allocation of responsibility for funding the provision and maintenance of assets and facilities throughout their useful life.

Operational expenditure is the cost of providing the level of service in a given year and includes depreciation on assets. Depreciation is defined as the measure of consumption of the economic benefits of an asset arising from its use overtime. Those who benefit from the use of an asset should contribute towards its cost/consumption.

Because of the size of Council's depreciation expenses within a balanced budget, rate funding of depreciation provides resources to pay for the renewal of the asset at the end of its useful life or for related debt repayment.

There are circumstances whereby fully rate funding depreciation may result in some ratepayers bearing a funding burden that is not entirely fair and equitable. This is where funds for capital project replacement are provided from sources outside Council, for example where a community has raised funds for a hall. Council would not rate fund the depreciation on the hall, as any replacement of that facility would be the responsibility of that community.

Council reviews the effects on ratepayers of fully rate funding increased depreciation from the revaluation of assets. Council considers each revaluation and may in fact chose to not fully rate fund an increase or to introduce the increase in funding required over time.

Overview of Funding Mechanisms used by Council

Council will make use of a mix of revenue sources to meet operating expenses.

The extent to which the provision of a service by the Council is a public or private good will largely determine the extent to which rates, fees and charges become the funding source. The income from fees and charges and subsidies may vary based on economic circumstances. The mechanisms are outlined below:

General Rate

General rates are used to fund activities where it is not possible to clearly identify customers or users. The general rate is also used to fund activities where, for reasons of fairness and equity, consideration of the wider community good indicates that this is the most appropriate way to fund an activity.

Differentials detailed in the Schedule of Rates are applied to this rate. Differentials are applied to hydro-electric dams to ensure that their overall rate changes are kept in line with the overall change in total rates for Council. This differential recognizes the disproportionately large capital value of hydro-electric dams in relation to their actual benefit from or burden on Council activity.

Targeted Rates

Targeted rates are rates that are aimed a specific activity, group of activities, group of ratepayers or combination of the three. Differentials may be set on these rates to reflect a different extent of benefit to each group of ratepayers of the targeted activity. Targeted rates may also be set as an alternative to lump sum contributions for capital projects.

Lump sum contributions

Lump sum contributions are used to fund capital projects and will be charged to rate payers at the time of connection.

Fees and Charges

These are direct charges to individuals or organisations who use certain activities such as pools and building consents. These are published each year in Council's Schedule of Fees and Charges.

Other Sources of Funding

Other sources of funding received by Council include dividends, interest, proceeds from asset sales and income from external agencies. These are used to support an activity for example, government assistance such as the New Zealand Transport Agency for the roading activity.

The table on following pages outlines the funding mechanisms used for the individual activities. These mechanisms fall under three headings: General rates, Targeted Rates, and fees and subsidies.

Funding of Capital Expenditure

Council categorises capital expenditure into three main areas being:

- Renewal of existing assets at the end of their useful lives
- Growth related assets
- Expenditure on assets that are an improvement or addition to the asset including expenditure on assets driven by statutory requirement. This expenditure is seen as an increase in the level of service provided and intergenerational by nature.

Council's use of funding mechanisms to fund capital expenditure is as follows:

Council will first apply any relevant subsidies, for example relevant NZ Transport Agency subsidies, and Development Contributions for any growth related assets.

Special Funds are also used for funding new capital and/or renewals. These funds are contributed from a number of sources, for example, historical funds, proceeds from the sale of assets and proceeds from the sale of endowment land.








It is the intention the Council will get to the point where asset renewals are being met from operating rates revenue through depreciation, except for assets where the Council's policy is not to fund depreciation. To ensure the Council achieves value for money, there will be times where we group works in one year, but equalize the rate take over a period of years.









Borrowing will be applied to new capital works subject to the preceding statement on the use of rates. The Council views debt as a smoothing mechanism and a means of achieving equity between time periods. However the Council does not have an unlimited capacity to borrow and the community does not have unlimited capacity to service those loans into the future. Therefore, the Council adopts a prudent approach to debt and its capital programme to ensure that the burden of











debt and the interest cost does not place an impossible burden on the community. In doing so the Council is conscious of its use of internal funds as a source of borrowing.





Proceeds from asset sales may be used to fund capital works or repay debt. This method is favoured due to its transparency and the neutral effect it has on rating. Land available for sale in Cromwell is projected to be sold and the monies used to fund the Cromwell Town Centre Upgrade within this plan.




ACTIVITY GROUP AND COMMUNITY OUTCOME	RATIONALE FOR ALLOCATION	FUNDING SOURCE						FEES AND CHARGES
		GENERAL RATE		TARGETED RATE		OTHER		
		LAND VALUE	UAGC	FIXED CHARGE	CAPITAL VALUE			
Water								
<p>Water</p> <p>THRIVING ECONOMY</p> <p>SUSTAINABLE ENVIRONMENT</p> <p>SAFE & HEALTHY COMMUNITY</p>	<p>We supply households and the community with treated water at a suitable pressure and quantity. Water is treated to a required health standard and then pressurised for distribution and public firefighting. All water usage is measured through meters. From July 2012, we introduced volumetric charging across the district (except Roxburgh). Income from volumetric charging reflects the private benefit of water at the connection, but is priced to achieve an overall objective of reducing per connection usage.</p>			Majority fixed charge per connection or serviceable rating unit		Residually funded by volumetric charge per unit from metered water supply	Residual grants and water fees	
<p>Connected – any rating unit (including vacant sections) that is connected to (laterals provided) a Council operated water supply charged at 100%. Serviceable – any rating unit (including vacant sections) that is not connected to (no lateral provided) a council operated water supply but is within 100 metres of a Council operated water supply reticulation system, charged at 50%.</p>								
Wastewater								
<p>Wastewater</p> <p>SUSTAINABLE ENVIRONMENT</p> <p>SAFE & HEALTHY COMMUNITY</p>	<p>Wastewater generated by private and public premises is conveyed and treated to minimise public health risks and impacts on the environment. Where wastes from industrial processes are known to dramatically increase demand for the activity, we capture costs through our Trade Waste Bylaw.</p>			Majority fixed charge per connection or serviceable rating unit		Lump sum contribution to fund new wastewater scheme and connection	Minority funded by trade waste fees	
<p>Connected – any rating unit (including vacant sections) that is connected to (laterals provided) a Council operated wastewater system charged at 100%. Serviceable – any rating unit (including vacant sections) that is not connected to (no lateral provided) a Council operated wastewater system but is within 30 metres of a wastewater drain, charged at 50%. An additional 25% charge for subsequent urinal or water closet for commercial accommodation uses land rest homes for the elderly will apply. Clyde – a targeted rate set as a fixed charge per rating unit will fund the costs arising from wastewater activities in Clyde.</p>								
Stormwater								
<p>Stormwater</p> <p>SUSTAINABLE ENVIRONMENT</p> <p>SAFE & HEALTHY COMMUNITY</p>	<p>The stormwater activity provides for the safe removal of excess rainfall that does not naturally permeate into the ground. We have a responsibility to ensure individuals, households and businesses are not adversely impacted by localised flooding. Localised flooding risk is greater in urban areas where development reduces the permeability of the ground. Flood risks from large catchments, like the Clutha and Taieri rivers, are managed separately by the Otago Regional Council (ORC).</p>					Full funding from district-wide rate on capital value		
<p>This is funded by a rate on capital value to reflect the fact that all ratepayers derive a benefit from this activity but that the extent of benefit is more urban than rural.</p>								




ACTIVITY GROUP AND COMMUNITY OUTCOME	RATIONALE FOR ALLOCATION	FUNDING SOURCE						FEES AND CHARGES	
		GENERAL RATE		FIXED CHARGE	TARGETED RATE		OTHER		
		LAND VALUE	UAGC		CAPITAL VALUE	LAND VALUE			
Roading									
Roading   	<p>Subsidised Rooding – A core service for the public providing roads, bridges, roadmarking, signage, lighting, road safety and transport planning. The public benefits from our roading network by enabling economic activity throughout the district. The NZTA subsidises 51% of expenditure. This subsidy is funded through fuel taxes, road user charges, etc. and reflects the private benefit received.</p> <p>Non-Subsidised Transportation – The provision of infrastructure and service such as footpaths, car parks, vehicle crossings, street lighting, access ways and corridor gardens benefits all ratepayers.</p>	Minority general rate, assessed differentially	Minority uniform annual general charge					Majority subsidy and fuel tax	
		This is funded by a rate on land value and a uniform annual general charge to reflect the fact that all ratepayers derive a benefit from this activity but that the extent of benefit is more urban than rural.							
						Majority district-wide rate set on capital value			Minority funded by inspection fees
This is funded by a rate on capital value to reflect the fact that all ratepayers derive a benefit from this activity but that the extent of benefit is more urban than rural.									
Environmental Service									
Environmental Services  	<p>Waste Minimisation involves the education of the public and the provision, to the public, of services to minimise the impact of solid waste on our environment. The targeted rate has a fixed element per rating unit to fund core activities such as education and monitoring. We use a "polluter pays" approach to fund the kerbside collection service and waste transfer. This is reflected in a targeted rate assessed on the level of service and transfer station fees.</p>			Majority targeted rate set by District, assessed differentially				Minority transfer station charges and residual grants and subsidies	
		The targeted rate will be assessed on the basis of where the rateable land is situated. The targeted rate will be assessed on rating units. The targeted rate will be assessed based on the level of service provided, that is with a Council provided collection service or not.							
Property and Community Halls									
Elderly Persons' Housing  	<p>We provide housing predominately for the elderly. Council owns flats in Alexandra, Clyde, Cromwell, Ranfurly and Roxburgh. This activity provides direct social and economic benefits to residents within housing. It also provides comfort to the wider community that our elderly residents are being assisted.</p>	Residual general rate set by District						Majority market rents	








ACTIVITY GROUP AND COMMUNITY OUTCOME	RATIONALE FOR ALLOCATION	FUNDING SOURCE						FEES AND CHARGES
		GENERAL RATE		TARGETED RATE		OTHER		
		LAND VALUE	UAGC	FIXED CHARGE	CAPITAL VALUE		LAND VALUE	
Property and Community Halls								
Public Toilets  	<p>Public toilets are provided by Council across the district. They provide social well-being to the public by maintaining health and hygiene. They also provide economic well-being by supporting tourism activity. We feel it is uneconomic and impractical to charge a fee for using public toilets.</p>				Full funding obtained from a targeted rate set by District			
Forestry  	<p>We own and manage a number of forestry blocks across the district. These forests are regarded as a financial investment while providing land stabilisation and amenity value for the community for walking and biking. Council seeks to obtain maximum value for timber sold with the aim of recovering costs plus some return on capital invested. Income will be raised on and by sale only.</p>							Sale via tender or quote
Property  	<p>We own and lease a variety of commercial and farm properties. We also develop land for sale that is not contributing to community outcomes and where it is considered unlikely to do so in the future.</p>					Residual targeted rate set by ward		Majority market rents
Airports  	<p>We manage the assets at the aerodromes at Alexandra, Cromwell and Roxburgh. Council believes the aerodromes are assets of importance to all residents of the district due to the potential role they play in emergencies and alternate transport options for tourists and business. The users are generally recreational private pilots and some commercial users for such things as top dressing of farms.</p>	Minority general rate set by District, assessed differentially on hydro-electric dams						Majority landing fees and rental

ACTIVITY GROUP AND COMMUNITY OUTCOME	RATIONALE FOR ALLOCATION	FUNDING SOURCE						FEES AND CHARGES
		GENERAL RATE		TARGETED RATE		OTHER		
		LAND VALUE	UAGC	FIXED CHARGE	CAPITAL VALUE		LAND VALUE	
Property and Community Halls								
Community Facilities  	<p>Our community facilities and buildings provide places for social, sporting and cultural interaction. They provide both private and public well-being to users within the respective ward, unless regarded as a district facility.</p>			Majority targeted rate set by ward			Minority user charges	
Pools, Parks and Cemeteries								
Parks & Recreation   	<p>Access to parks, reserves, rivers and recreational facilities are important for individual and public well-being. Maintaining high quality open spaces is what makes our district an attractive place to live, work and play. This includes Clutha River and Lake Dunstan recreation. Private users of sports fields and courts also benefit directly.</p>			Majority targeted rate set by ward and District, assessed differentially			Minority user charges and residual grants and subsidies	
Cemeteries   	<p>The provision of cemeteries assists with peace of mind for people, knowing their loved ones will rest in peaceful, well-kept environments. We have a responsibility to the public, and under the law, for the maintenance of burial records, maintenance of cemetery grounds, burial of human remains, interment of human ashes and protection of the district's heritage.</p>			Residual targeted rate set by ward			Majority fees	
Swimming Pools  	<p>Swimming pools contribute to the health and well-being of the community and add to the attractiveness of the area. They provide a place for people to be active and to learn to swim, particularly for our young people, which we have recognised as being increasingly important when so much of our district is surrounded by water. We also acknowledge that making charges too high would decrease usage.</p>			Majority targeted rate set by ward			Minority user charges	
							The targeted rate will be assessed on the basis of where the rateable land is situated and assessed by rating unit.	
							The targeted rate will be assessed on the basis of where the rateable land is situated and assessed by rating unit.	

ACTIVITY GROUP AND COMMUNITY OUTCOME	RATIONALE FOR ALLOCATION	FUNDING SOURCE						FEES AND CHARGES
		GENERAL RATE		TARGETED RATE		OTHER		
		LAND VALUE	UAGC	FIXED CHARGE	CAPITAL VALUE		LAND VALUE	
Regional Identity, Tourism and Economic Development								
Business Development 	<p>We directly facilitate economic opportunity with the provision of a business development programme, a regional tourism organisation, community planning, visitor centres, managing the regional brand and a modest promotional grants fund. There is direct benefit in district promotion to all in the form of increased economic activity, but particularly to tourism operators.</p>				Full funding obtained from a targeted rate set by District			
Tourism 	<p>We directly facilitate economic opportunity with the provision of a business development programme, a regional tourism organisation, community planning, visitor centres, managing the regional brand and a modest promotional grants fund. There is direct benefit in district promotion to all in the form of increased economic activity, but particularly to tourism operators.</p>				Majority targeted rate set by District assessed differentially		Minority user charges	
Visitors Information Centre 					Differentials assessed on land use: Residential 1.00, Rural 0.77, Commercial/Industrial 5.36, Dams and Utilities 0.69.			
Central Otago Regional Identity 	<p>We directly facilitate economic opportunity with the provision of a business development programme, a regional tourism organisation, community planning, visitor centres, managing the regional brand and a modest promotional grants fund. There is direct benefit in district promotion to all in the form of increased economic activity, but particularly to tourism operators.</p>				Differentials assessed on land use: Residential 1.00, Rural 0.77, Commercial/Industrial 5.36, Dams and Utilities 0.69.			
					Full funding by general rate, differential on hydro-electric dams			
					General rates differential assessed on hydro-electric dams to keep their change in rates in line with the total change in rates.			

ACTIVITY GROUP AND COMMUNITY OUTCOME	RATIONALE FOR ALLOCATION	FUNDING SOURCE						FEES AND CHARGES
		GENERAL RATE		TARGETED RATE		OTHER		
		LAND VALUE	UAGC	FIXED CHARGE	CAPITAL VALUE		LAND VALUE	
Promotions & Grants 	<p>We directly facilitate economic opportunity with the provision of a business development programme, a regional tourism organisation, community planning, visitor centres, managing the regional brand and a modest promotional grants fund. There is direct benefit in district promotion to all in the form of increased economic activity, but particularly to tourism operators.</p>	<p>Full funding of district grants by general rate, differential on hydro-electric dams</p>			<p>Full funding of promotion grants differential targeted rates</p>	<p>Full funding of community board grants by differential targeted rates</p>	<p>Residual grants and subsidies</p>	
<p>District grants are funded by General rates with differentials on hydro-electric dams to keep their change in rates in line with the total change in rates. Promotion differentials assessed on location of the rating unit and land use: Residential 1.00, Rural 0.77, Commercial/Industrial 5.36, Dams and Utilities 0.69. Community Board grant differentials based on the location of the rating unit.</p>								
Planning, Regulatory and Community Development								
Resource Management 	<p>We prepare and manage the District Plan under the Resource Management Act (RMA). The District Plan controls the way we use, develop and subdivide land by identifying what activities can take place, and what landscapes and features should be protected. The activity controls the development of the district and the protection of the natural environment for all. We implement the District Plan by processing resource consent and LIM applications for individuals, companies and groups.</p>				<p>Majority funded from a targeted rate set by District</p>		<p>Resource consent and enforcement fees</p>	
<p>We waive resource consent fees for heritage items, or activities in a heritage precinct which require consent solely because of the rules relating to heritage values.</p>								
Building Control 	<p>The purpose of building control is to uphold public safety in generally privately owned buildings. We do this by issuing building consents, carrying out building inspections and responding to building related enquiries and complaints. Buildings and their owners directly benefit also through consent that the building is safe and complies with the law.</p>				<p>Residual targeted rate set by District</p>		<p>Majority building consent fees</p>	

ACTIVITY GROUP AND COMMUNITY OUTCOME	RATIONALE FOR ALLOCATION	FUNDING SOURCE						FEES AND CHARGES
		GENERAL RATE		FIXED CHARGE	TARGETED RATE		OTHER	
		LAND VALUE	UAGC		CAPITAL VALUE	LAND VALUE		
Planning, Regulatory and Community Development								
Environmental Health 	<p>This activity provides confidence to the public and visitors that our water, food premises, hairdressers, camping grounds and funeral directors are free from harmful contaminants. Premises directly benefit also by receiving certification that they are safe and comply with the law.</p>				Residual targeted rate set by District		Majority enforcement fees	
Dog Control & Registration 	<p>Provide the public a healthy and safe environment, free from dangerous and aggressive dogs and to minimise nuisance. Dog owners benefit from legal registrations and impounded dogs being returned. Council feels, on the grounds of fairness and equity, the costs of controlling and registering dogs should be borne by those generating the demand, dog owners.</p>						Full funding from registrations and fines	
Community Development 	<p>We facilitate community planning and a modest promotional grants fund. There is direct benefit in community planning which assists our communities to grown in a sustainable way</p>		Full funding from UAGC					

ACTIVITY GROUP AND COMMUNITY OUTCOME	RATIONALE FOR ALLOCATION	FUNDING SOURCE						FEES AND CHARGES
		GENERAL RATE		TARGETED RATE		OTHER		
		LAND VALUE	UAGC	FIXED CHARGE	CAPITAL VALUE		LAND VALUE	
Service Centres and Libraries								
Libraries  	<p>Our libraries promote literacy, education and the exchange of information and ideas. We run libraries in Alexandra, Clyde, Cromwell and Roxburgh and share resources of those based in the Queenstown Lakes District. We also have a partnership with schools in Millers Flat, Omakau and Maniototo. We recognise the private benefits of literacy and education but feel there should be equal access to all users, especially children and low income households who could not afford this service if it was funded completely by user fees.</p>			Majority targeted rate set by District			Minority fees, fines and charges	
Service Centres  	<p>We operate Service Centres in Alexandra, Cromwell, Roxburgh and Ranfurly. These provide the community with access to Council services such as payment of rates, building control, consent applications, access to property files and lodging service requests.</p>						Majority funded by internal cost transfer. Residual fees and charges	
Governance and Corporate Services								
Governance   	<p>While the Council and Community Boards provide many different services, it is the governance activity that supports elected members to be effective and responsible decision-makers. Each person has an equal right to partake in the democratic process of Council and so benefit equally. Community Boards represent residents of each ward and are funded as such.</p>		Full funding of Councillors from UAGC	Community Boards targeted rate set by ward			The targeted rate will be assessed on the basis of where the rateable land is situated.	

ACTIVITY GROUP AND COMMUNITY OUTCOME	RATIONALE FOR ALLOCATION	FUNDING SOURCE						
		GENERAL RATE		TARGETED RATE			FEES AND CHARGES	
		LAND VALUE	UAGC	FIXED CHARGE	CAPITAL VALUE	LAND VALUE		OTHER
Governance and Corporate Services								
Corporate Services 	<p>The corporate services activities provide both direct and indirect support across the organisation that allows Council to function efficiently and effectively. Residents requesting information or staff time is a direct private benefit.</p>							Staff time charged and user charges
Emergency Management 	<p>We have the responsibility to plan and provide for civil defence emergency management within the district. This activity is for the safety of our community, as any part or all of the district may be affected by an emergency event. An emergency may be declared in response to threats to life or property. We fund this activity to reflect the property and residents we work to protect.</p>				Full targeted rate set by District			

Explanation of Notations Made in the Table

1. **FULL** means that all, or almost all, of the cost of the activity is funded from that particular source. If the comment is made in the rates column it does not preclude making minor charges for the service but indicates that the charges are a negligible part of the total funding.
2. **MAJORITY** means the majority of the service is funded from this source. When used in the fees and charges column it reflects the view that the services should be recovered from users but that legislation imposes some constraints which may mean that full recovery is not possible.
3. **MINORITY** means a minority of the service or activity is funded from this source. When used in the fees and charges column it reflects the view that the majority of income should be recovered from ratepayers.
4. **RESIDUAL** indicates that a portion of funds comes from this source. It reflects that in some circumstances there are constraints on Council charges, or that the alternative revenue source may include enforcement revenue which is imposed to achieve compliance and may not always cover the costs of enforcement.
5. **AVAILABILITY** means that the cost of having the service available is met from that funding source. For these services Council believes that charges can be a major barrier to access for some members of the community. Revenue in these services reflects revenue from programmes, hire of the facility and added value services.
6. **SUBSIDY** means that a portion of the activity is funded from a Government subsidy. In some instances the subsidy makes a relatively minor contribution, but in others, such as roading, the subsidy is a substantial contributor to the cost of the activity. Those subsidies are identified within the individual plan of the activity.
7. **MARGINAL** reflects that the service has a level of public benefit but also recognises that the level of the service required is influenced by the actions or inactions of others. The revenue reflects a contribution to the cost from those parties.
8. **MARKET** means that the Council attempts to set its charges at a level that is affordable for the users and competitive with similar services either within the city or outside the city. It is used where market rates are not sufficient to meet the full costs of the service. The balance is funded from rates.
9. **LICENCE AND ENFORCEMENT FEES** can be charged for some services. Licence fees may be set by the Council or by regulation, and may not always cover the full costs of the service. Enforcement fees are charged to achieve compliance and do not necessarily meet the full costs of the enforcement activity.

The Local Government rating Act defines matters that may be used to define categories of ratable land. These are outlined below as per Schedule 2 of the Rating Act. CODC Uses Schedule 2 to define the apportionment of land for ratable purposes, and for the setting of differentials.

Rating Policy

Extract from Local Government (Rating) Act 2002

Schedule 2 – Matters that may be used to define categories of Rateable Land

1. The use to which the land is put.
2. The activities that are permitted, controlled, or discretionary for the area in which the land is situated, and the rules to which the land is subject under an operative district plan or regional plan under the Resource Management Act 1991.
3. The activities that are proposed to be permitted, controlled, or discretionary activities, and the proposed rules for the area in which the land is situated under a proposed district plan or proposed regional plan under the Resource Management Act 1991, but only if –
 - a. no submissions in opposition have been made under clause 6 of the First Schedule of that Act on those proposed activities or rules, and the time for making submissions has expired; or
 - b. all submissions in opposition, and any appeals, have been determined, withdrawn, or dismissed.
4. The area of land within each rating unit.
5. The provision or availability to the land of a service provided by, or on behalf of, the local authority.
6. Where the land is situated.
7. The annual value of the land.
8. The capital value of the land.
9. The land value of the land.

Schedule of Rates (Funding Impact Statement – Rates)

To enable flexibility between the processes of the Long Term Plan and the Annual Plan, a Schedule of Rates has been created. This is in response to the need to distinguish rating policy from the notification of annual operational rates funding requirements.

The Schedule of Rates will allow Council to respond to these circumstances without the necessity of engaging in the complex process required to amend the Long Term Plan for items of a minor nature and dealt with in other consultative procedures.

Council annually reviews each matter described in the Schedule of Rates. This is to ensure that the information is current and presents a true and correct statement to the ratepayers of Central Otago. This includes the review of definitions of rating categories, rates and charges, and other such information that applies in the ensuing rating year.

General

Uneconomic Rates: Rates levied on any one rating unit of less than \$10 for the year are deemed by the Council to be uneconomic to collect.

Allocation: Where a payment made by a ratepayer is less than the amount now payable, the Council will apply the payment firstly to any arrears from previous years, and then proportionately across all current year rates due.

Due Dates for Payment of Rates

All rates other than metered water charges will be payable in four instalments due on:

- 20 August 2018
- 20 November 2018
- 20 February 2019
- 20 May 2019

Charges for Metered Water will be Due On:

Bannockburn, Ranfurly, Naseby, Patearoa, Omakau, Clyde and Roxburgh:

- 25 October 2018, reading taken in September 2018
- 25 April 2019, reading taken in March 2019

Cromwell and Pisa:

- 20 December 2018, reading taken in November 2018
- 27 June 2019, reading taken in May 2019

Alexandra:

- 29 November 2018, reading taken in October 2018
- 30 May 2019, reading taken in April 2019

Penalties

The Council will apply penalties under section 57 and 58 of the Act on unpaid rates as follows:

A charge of 10% on any amount of any instalment assessed on or after 1 July 2018 and which is unpaid after the due date

A charge of 10% on so much of any rates (including metered water) levied before 1 July 2018 which remain unpaid on 1 October 2018.

A further charge of 10% on any rates (including metered water) levied before 1 July 2018 which remain unpaid on 1 April 2019.

Payment of Rates

A discount of 2.5% will be given where payment of the year's rates is made in full on or before the due date for the first instalment of the year.

Funding Impact Statement – Rates for the Financial Year 1 July 2018 to 30 June 2019

Rates

All rates and charges referred to in this policy are inclusive of goods and services tax at 15%.

The system of rating for the Central Otago District is the land value system. The general rate is set on this basis. Some rates are set on capital value, as specified. Unless otherwise specified, references to 'defined areas' mean sub-divisions of wards as described in the Council resolutions which established the differential rating.

Differentials based on Land Use

The Council proposes to use this matter to differentiate the general rate, tourism rate, promotion rate, wastewater rate (2nd and Subsequent pan/urinal) and the Alexandra Town Centre 08 loan rate.

The differential categories are:

General Rate

The General Rate differentials exist to ensure that the overall increase in rates liability for the Dams remain closely aligned with the overall average increase in rates.

Large Dams: Clyde Dam – Earnsclough and Roxburgh Dam – Roxburgh.

Paerau Dam – Maniototo.

Teviot Dams – Roxburgh.

All other properties.

Tourism and Promotion

Residential – all rating units categorised as residential by Council's valuations service provider.

Rural – all rating units used categorised as dairy, horticulture, forestry, mining, lifestyle or specialist agricultural use by Council's valuation service provider.

Commercial and industrial – all rating units categorised as commercial or industrial by Council’s valuations service provider.

Dams, Utilities and Other – the Clyde Dam, Roxburgh Dam, Paerau Dam, Teviot Dam, rating units categorised as utilities by Council’s valuation service provider, sports groups and other non-commercial community groups.

Alexandra Town Centre 08 Loan

Commercial – all properties categorised as commercial or industrial within the boundaries of the area defined by the resolution determining the area of benefit.

Residential – all other properties within Alexandra Ward.

Properties which have more than one use (or where there is doubt as to the primary use) will be placed in a category with the highest differential factor. Note that, subject to the rights of objection to the rating information database set out in section 29 of the Local Government (Rating) Act 2002, the Council is the sole determiner of the categories.

Wastewater Additional Pan/Urinal

Commercial properties providing accommodation including motels, camping grounds and commercial rest homes for the elderly.

Differentials based on Location

Molyneux Park Rate

The Council uses this matter to assess rates for the Molyneux Park Rate.

Vincent - all rating units within the area covered by Vincent Community Board.

District - all other rating units in the district located outside of the area covered by Vincent Community Board.

Ward Services Rate, Ward Services Charge, Recreation & Culture Charge and Promotions Rate

These rates are assessed differentially on the following locations:

Vincent Community Board – the area covered by the Vincent Community Board

Cromwell – the area covered by Cromwell Community board

Teviot Valley – the area covered by the Teviot Valley Community Board

Maniototo – the area covered by the Maniototo Community Board

Differentials based on Availability of Service

Water Supply

The categories for the proposed water supply rates are:

- Connected – any rating unit (including vacant sections) that is connected to (lateral/s provided) a council operated water supply
- Serviceable – any rating unit (including vacant sections) that is not connected to (no lateral provided) a council operated water supply but is within 100 metres of a water supply reticulation system.

Wastewater

The categories for the proposed wastewater rates are:

- Connected – any rating unit (including vacant sections) that is connected to (lateral/s provided) a council operated wastewater system
- Serviceable – any rating unit (including vacant sections) that is not connected to (no lateral provided) a council operated wastewater system but is within 30 metres of a council operated wastewater network.

Environmental Services - Waste Management

The categories for waste management rates are:

- Waste management with collection – wheelie bins are provided by the Council and a kerb-side collection service is available to the rating unit
- Waste management without collection – no wheelie bins are provided and no weekly collection service is available to the rating unit
- Additional rubbish bin – additional rubbish bins supplied over and above the initial supply of service
- Additional mixed recycle bin – additional mixed recycle bins supplied over and above the initial supply of service
- Additional glass recycle bin – additional glass recycle bins supplied over and above the initial supply of service

Water Rates and Charges

These targeted rates are assessed differentially, per connection to any rating unit (including vacant sections) within the district which is either connected to (lateral provided) at 100% charge, or serviceable, any rating unit (including vacant sections) that is not connected (no lateral provided) to a council operated water supply but is within 100 metres of a water supply reticulation system, at 50% charge. Rating units which are not connected to a scheme, and which are not serviceable will not be liable for this rate. The rates for the water supply are shown below:

CONNECTED (LATERAL PROVIDED) \$	SERVICEABLE (NO LATERAL PROVIDED) \$
323.46	161.73

The Council sets targeted rates for water charges that are based on volume of water supplied to consumers who will be metered and billed under the Council Water Supply Bylaw 2008. The charge will be \$0.60 per cubic metre for all users with a water meter on a Council supply.

Waste Management and Waste Collection Charges

The Council sets an annual waste collection charge differentially per rating unit based on the level of service provided. Rating units with no collection are charged a fixed amount which contributes to Environmental education and district-wide waste collection activities such as public bins. Where the Council waste collection service is available the charge is set on the basis of the number of containers of waste that the Council collects as part of its standard waste collection service, which is one household rubbish bin, one mixed recycling bin and one glass recycling bin. Household rubbish will be collected fortnightly and each recycling bin will be collected four-weekly. Where a household rubbish bin, mixed recycling bin or glass recycling bin is provided in addition to the standard service Council will charge additional rates per additional bin. Standard waste collection service is compulsory for all improved rating units that are situated within a collection area.

LEVEL OF SERVICE PROVIDED		\$
Waste management no collection	Per unit	55.00
Waste collection 3 bins (standard service)	Per unit	355.96
Waste collection additional household rubbish bin (red)	Per bin	211.95
Waste collection additional mixed recycling bin (yellow)	Per bin	44.51
Waste collection additional glass recycling bin (blue)	Per bin	44.51

Wastewater Rates and Charges

The Council sets a targeted rate for wastewater as a uniform charge assessed differentially per connection to any rating unit (including vacant sections) within the district which are connected to (lateral/s provided) a council operated wastewater system at 100% or serviceable, any rating unit (including vacant sections) that is not connected to (no lateral provided) a council operated wastewater scheme, but is within 30 metres of a wastewater drain at 50%. Rating units which are not connected to a scheme, and which are not serviceable will not be liable for this rate. The Council sets a targeted rate as a uniform charge for each additional pan or urinal in excess of one for those rating units providing commercial accommodation or commercial rest homes for the elderly. The rates for this service are shown below:

CONNECTED (LATERAL PROVIDED) \$	SERVICEABLE (NO LATERAL PROVIDED) \$	ADDITIONAL PAN ACCOMMODATION \$
577.96	288.98	144.49

The Council sets a targeted rate for wastewater management as a fixed charge per rating unit within Clyde (identified by Valuation Roll 28461).

	\$
Clyde Wastewater Management	85.00

The wastewater management charges will be applied for ground water monitoring and preliminary costs for a Clyde wastewater scheme.

Works and Services

The Council sets a targeted rate for each ward for ward services calculated on the basis of land value for each rating unit for housing and property, grants, recreation reserve committees and other works.

WARD/COMMUNITY BOARD	RATE IN \$
Cromwell	0.00012
Maniototo	0.00014
Teviot Valley	0.00009
Vincent	0.00015

The Council sets a targeted rate for unsubsidised roading, stormwater and public toilets calculated on the basis of capital value on all rateable land in the District.

	RATE IN \$
District Works and Public Toilets	0.0002663

The Council sets targeted rates for ward services within each ward on the basis of a uniform charge for each rating unit. The rates are shown in the table below:

WARD/COMMUNITY BOARD	PER UNIT \$
Cromwell	34.70
Maniototo	73.54
Teviot Valley	72.35
Vincent	37.70

Ward services charges are used to fund Community Board elected members costs and other cemeteries for each respective ward.

Recreation and Culture

The Council sets a targeted rate for recreation and culture within each ward. The targeted rates is set as a uniform charge per rating unit as shown in the table below:

WARD/COMMUNITY BOARD	PER UNIT \$
Cromwell	427.52
Maniototo	415.55
Teviot Valley	269.54
Vincent	368.50

Recreation and culture charges fund the operations and maintenance of parks and reserves, swimming pools, museums, sports club loan assistance, community halls and other recreation facilities and amenities.

The Council sets a targeted rate for Molyneux Park differentially across the District. This is set as a fixed charge per rating unit where rating units outside the Vincent Community Board area pay one third of the charge payable by those rating units situated within this area as shown in the table below:

CATEGORY	PER UNIT \$
Molyneux Park Vincent	49.31
Molyneux Park District	16.44

The Council sets a targeted rate for library services as a uniform charge per rating unit. The targeted rates will be set as a uniform charge for each rating unit as shown in the table below:

CATEGORY	PER UNIT \$
District Library	109.51

Library charges are applied to operations and maintenance of libraries.

The Council sets a targeted rate for Tracks and Waterways as a uniform charge per rating unit, across the District. The targeted rate is set as a uniform charge for each rating unit as follows:

	PER UNIT \$
Tracks and Waterways	19.56

Tracks and Waterways charges are applied to operations and maintenance of facilities associated with Lake Dunstan, the Clutha River and other tracks and waterways throughout the District.

Promotion

The Council sets a targeted rate for promotion within each community board. For each community board the rate will be on a differential basis, based on the use to which the rating unit is put.

The targeted rates are based on the capital value of all rating units as shown in the table as follows:

	RATE IN \$
Cromwell Community Board	
Commercial and Industrial	0.0001332
Residential	0.0000249
Rural	0.0000191
Dams, Utilities and Other	0.0000172
Maniototo Community Board	
Commercial and Industrial	0.0001106
Residential	0.0000206
Rural	0.0000159
Dams, Utilities and Other	0.0000142
Teviot Valley Community Board	
Commercial and Industrial	0.0000305
Residential	0.0000057
Rural	0.0000044
Dams, Utilities and Other	0.0000039
Vincent Community Board	
Commercial and Industrial	0.0000951
Residential	0.0000177
Rural	0.0000137
Dams, Utilities and Other	0.0000122

The rate revenue is used to provide grants to promote local areas within the District.

Planning and Environment

The Council sets a planning and environment rate on all rating units. The rate is based on the capital value of all rating units in the District according to the table below:

	RATE IN \$
Planning and Environment	0.0001109

Planning and Environment rates are used to fund functions including Resource Management, Environmental Health and Building and Civil Defence.

Economic Development

The Council sets an economic development rate on all rating units. The rate is set on the capital value of all rating units in the District according to the table below:

	RATE IN \$
Economic Development	0.0000265

Tourism

The Council sets a tourism rate on a differential basis based on use (with the differential categories being "Residential", "Rural", "Commercial and Industrial", "Dams and Utilities", on all rating units. The rate is based on the capital value of all rating units in the District.

	RATE IN \$
Residential	0.0001574
Rural	0.0001212
Commercial and Industrial	0.0008437
Dams, Utilities and Other	0.0001086

The tourism rate will be used to fund visitor information centres and tourism development within the district.

General Rate

The Council sets a general rate on a differential basis based on use (with the differential categories being "Large Dams", "Paerau Dam - Maniototo", "Teviot Power Scheme - Roxburgh" and "All areas excluding Large Dams, Paerau Dam - Maniototo, Teviot Dam - Roxburgh") on all rating units. The rate is based on the land value of all rating units in the District according to the table below:

	RATE IN \$
All areas excluding Large Dams, Paerau Dam - Maniototo, and Teviot Dam - Roxburgh	0.00088
Large Dams	0.13628
Paerau Dam - Maniototo	0.06701
Teviot Power Scheme - Roxburgh	0.11709

General rates are used to fund the costs of functions not delegated to a Community Board and not covered by any other rate or charge. Included are housing, district grants, regional identity, roading (other than the uniform charge contribution), noxious plant control, airports and other infrastructure.

Uniform Annual General Charge

The Council sets a uniform annual charge on every rating unit.

	PER PROPERTY \$
All areas	146.17

The uniform annual general charge is used to fund democracy, roading (\$60 of the charge), and other amenities controlled by the Council.

Funding Impact Statement: Total Rates to be Collected

The revenue and financing mechanisms to be used by the Council, including the amount to be produced by each mechanism, are as follows (all GST inclusive):

REVENUE AND FINANCING MECHANISMS	2018/19 \$000	2017/18 \$000
GENERAL RATES		
General Rate	4,628	4,917
Uniform Annual General Charge	1,893	1,622
TARGETED RATES		
Planning & Environment Rate	1,036	1,027
Economic Development Rate	248	207
Tracks and Waterways Charge	253	270
Tourism Rate	1,745	1,440
Waste Management Charge	3,388	2,848
District Library Charge	1,418	1,519
Molyneux Park Charge	395	330
District Works and Public Toilets Rate	2,486	2,012
District Water Supply	3,175	3,507
District Wastewater	4,753	4,500
WARD TARGETED RATES		
Vincent Community Board		
Vincent Promotion Rate	72	72
Vincent Recreation and Culture Charge	2,043	1,868
Vincent Ward Services Charge	209	222
Vincent Ward Services Rate	239	307
Clyde Wastewater Management Charge	71	40
Alexandra Town Centre Upgrade 1991	0	20
Alexandra Town Centre Loan 2008	0	35
Cromwell Community Board		
Cromwell Promotion Rate	122	122
Cromwell Recreation and Culture Charge	2,062	1,904
Cromwell Ward Services Charge	167	178
Cromwell Ward Services Rate	205	158
Maniototo Community Board		
Maniototo Promotion Rate	23	23
Maniototo Recreation and Culture Charge	600	552
Maniototo Ward Services Charge	106	111
Maniototo Ward Services Rate	129	91
Teviot Valley Community Board		
Teviot Valley Promotion Rate	5	4
Teviot Valley Recreation and Culture Charge	301	303
Teviot Valley Ward Services Charge	81	80
Teviot Valley Ward Services Rate	38	24

Note: These figures are GST inclusive whereas the Activity Funding Impact Statements are GST exclusive. These rates to be collected do not include volumetric water charges.

Rating Examples

Property Description	Land Value	Capital Value	2017/18 Rates	2018/19 Rates	Change \$	Change %
Alexandra Commercial	106,000	410,000	3,788.26	3,785.09	-	0%
Alexandra Hotel	315,000	1,170,000	3,645.88	3,883.31	237.43	7%
Alexandra Lifestyle Block	305,000	600,000	1,386.77	1,423.06	36.29	3%
Alexandra Major Motel	610,000	3,700,000	14,359.75	14,657.12	297.37	2%
Alexandra Motel	190,000	580,000	3,497.25	3,684.93	187.68	5%
Alexandra Residential	141,000	315,000	2,229.57	2,315.68	86.11	4%
Bannockburn Hotel	400,000	890,000	3,435.36	3,640.02	204.66	6%
Bannockburn Vineyard	860,000	2,080,000	2,673.25	2,800.42	127.17	5%
Clyde Commercial	265,000	1,050,000	3,318.66	3,545.74	227.08	7%
Clyde Motel	280,000	1,030,000	3,653.88	3,813.27	159.39	4%
Clyde Residence	119,000	350,000	1,714.41	1,820.34	105.93	6%
Cromwell Commercial	510,000	730,000	3,356.56	3,529.13	172.57	5%
Cromwell Farm	7,950,000	9,260,000	13,554.81	13,796.34	241.53	2%
Cromwell Large Farm	6,800,000	8,300,000	11,887.76	12,124.10	236.34	2%
Cromwell Lifestyle Block	360,000	800,000	1,535.51	1,604.10	68.59	4%
Cromwell Major Hotel	1,860,000	7,750,000	23,069.31	24,841.73	1,772.42	8%
Cromwell Motel	800,000	2,240,000	8,751.27	9,252.01	500.74	6%
Cromwell Residence	200,000	405,000	2,353.35	2,448.60	95.25	4%
Cromwell Storage	970,000	3,650,000	7,385.61	8,020.49	634.88	9%
Earnsclough Lifestyle Block	210,000	490,000	1,218.49	1,265.97	47.48	4%
Earnsclough Orchard	340,000	1,230,000	1,719.01	1,798.44	79.43	5%
Earnsclough Vineyard	520,000	1,710,000	2,154.65	2,242.36	87.71	4%
Maniototo Farm	1,430,000	1,750,000	3,143.81	3,240.79	96.98	3%

Property Description	Land Value	Capital Value	2017/18 Rates	2018/19 Rates	Change \$	Change %
Maniototo Large Farm	16,100,000	18,400,000	26,594.42	27,208.49	614.07	2%
Maniototo Lifestyle Block	103,000	255,000	1,027.79	1,078.74	50.95	5%
Maniototo Rural - Hotel	109,000	600,000	1,624.34	1,761.75	137.41	8%
Manuherikia Farm	4,080,000	4,600,000	7,650.07	7,465.71	- 184.36	-2%
Manuherikia Large Farm	11,200,000	12,800,000	19,784.59	19,215.83	- 568.76	-3%
Manuherikia Lifestyle Block	80,000	190,000	925.91	970.49	44.58	5%
Millers Flat Residence	35,000	200,000	1,063.34	1,136.84	73.50	7%
Naseby Residence	68,000	210,000	2,136.83	2,229.67	92.84	4%
Omakau Hotel	160,000	700,000	5,945.75	6,271.46	325.71	5%
Omakau Residence	52,000	275,000	2,103.22	2,200.87	97.65	5%
Ophir Commercial	95,000	1,380,000	3,488.46	3,784.57	296.11	8%
Ophir Residence	72,000	215,000	1,543.81	1,608.77	64.96	4%
Patearoa Residence	44,000	170,000	1,292.75	1,303.00	10.25	1%
Pisa Moorings Residential	190,000	600,000	2,081.64	2,229.42	147.78	7%
Ranfurlly - Hotel	72,000	310,000	3,091.52	3,255.03	163.51	5%
Ranfurlly Commercial Property	18,000	170,000	2,178.19	2,287.37	109.18	5%
Ranfurlly Residence	41,000	160,000	2,082.69	2,173.04	90.35	4%
Roxburgh - Commercial	70,000	205,000	2,140.20	2,220.81	80.61	4%
Roxburgh - Hotel	76,000	275,000	2,223.57	2,316.10	92.53	4%
Teviot Valley Orchard	121,000	252,000	1,530.46	1,563.75	33.29	2%
Teviot Valley Farm	2,690,000	3,280,000	4,944.36	5,033.97	89.61	2%
Teviot Valley Large Farm	12,300,000	14,000,000	19,707.77	20,029.77	322.00	2%
Roxburgh Residence	52,000	215,000	2,002.00	2,063.25	61.25	3%
Teviot Valley Rural Industry	160,000	1,420,000	2,658.96	2,959.35	300.39	11%

Operational Rating Principles

Payment Options

Rates may be paid by:

- cash
- cheque
- EFTPOS (excluding from a credit card account)

During the hours of 8.30am to 5pm, Monday to Friday at any of the following:

- Council Offices, William Fraser Building, Dunorling Street, Alexandra
- Cromwell Service Centre, 42 The Mall, Cromwell
- Maniototo Service Centre, 15 Pery Street, Ranfurly
- Roxburgh Service Centre, 120 Scotland Street, Roxburgh (9am to 4.30pm)

Rates may be paid by:

- direct debit (Council's preferred method of payment)
- automatic payment (please contact our Alexandra office to discuss an appropriate payment plan)
- internet transfer or telephone initiated direct credit

Or by prior arrangement with the Rates Department on (03) 440 0617.

Rates may be paid by credit card on the Internet via www.codc.govt.nz. There will be a service charge payable direct to Council's bankers by ratepayers who use this option.

Due Dates for Payment of Rates

Rates will be payable in four instalments, with due dates as follows:

INSTALMENT	DUE DATE
1	Mid-August
2	Mid-November
3	Mid-February
4	Mid-May

The actual instalment dates will be notified annually in the Rates Assessment.

Early Payment of Rates

Early payment of all rates assessed in the current financial year may be made at any time.

A discount of 2.5% will be given if payment is made in full on or before the due date for the first instalment of the year.

Penalties on Rates

Penalties for unpaid rates will be applied as follows:

- 10% on any outstanding amount of any instalment not paid by the due date
- 10% on amounts outstanding from earlier years, such penalty being applied on 1 October and 1 April

Requests for waiver of penalties should be sent, in writing, to the Rates Officer.

Requests for waiver of penalties on water accounts should be sent, in writing, to the Water Billing Officer.

Inspection of and Objection to Rating Information and Records

The Complete Rating Information Database (CRID) and related rates records are available for inspection between 8.30am to 4.30pm, Monday to Friday, at any of the following:

- Council Offices, William Fraser Building, Dunorling Street, Alexandra
- Cromwell Service Centre, 42 The Mall, Cromwell
- Maniototo Service Centre, 15 Pery Street, Ranfurly
- Roxburgh Service Centre, 120 Scotland Street, Roxburgh (9am to 4pm)

Any interested person may inspect the CRID. Inspection is free but there may be a fee payable for the supply of particulars from the CRID.

The following persons may inspect the rates records for a rating unit:

- the ratepayer
- anyone authorised, in writing, by the ratepayer to do so
- any person who has become liable to pay the rates under the recovery provisions of the Local Government (Rating) Act 2002
- a solicitor, landbroker or real estate agent
- any member of the public with respect to rates assessed, but not including arrears, remissions or postponed rates

Any ratepayer named in the Rating Information Database (RID) can object to the information in the RID on the following grounds:

- rating unit listed in the district valuation roll (DVR) has been omitted from the RID
- information from the DVR has been omitted or incorrectly entered in the RID
- information entered in the RID (other than information from the DVR) is incorrect
- a lawful amendment to the DVR has not been entered in the RID

Objections to the rates records of a rating unit may only be made by:

- the ratepayer, or
- someone who has become liable to pay the rates on the unit under the recovery provisions

Objections to rates records may only be made on the following grounds:

- the rates have been incorrectly calculated, or
- the balance shown as owing on the rating unit is incorrect

The Council will notify objectors in writing of its decision regarding an objection.

Delegations

Section 132 of the Local Government (Rating) Act 2002 allows Council to delegate the exercise of functions, powers or duties conferred by the Act to any specific officer of the Council. It cannot delegate:

- the power to delegate, or
- any of the powers to set and assess rates or replacement rates

Council has put in place the following delegations:

1. The decision whether disclosure of a name is necessary to identify a rating unit (s28 (2) of the Act) – to the CEO and Executive Manager – Corporate Services, acting singly.
2. Authority to determine the fee payable for supplying a copy of the Rates Information Database (RID) (Section 28 (3) of the Act) – to the Executive Manager – Corporate Services.
3. Authority to determine objections to the RID (Section 29 of the Act) – to the CEO, Executive Manager – Corporate Services and Finance Manager, any two acting jointly.
4. Authority to remove names from the RID (Section 35 (b) of the Act) – to the Executive Manager – Corporate Services, Finance Manager, and Rates Officer acting singly.
5. Authority to determine objections to rates records (Section 39 of the Act) – to the CEO, Executive Manager – Corporate Services and Finance Manager, any two acting jointly.
6. Authority to correct errors in RIDs and Rate Records (Section 40 of the Act) – to the Executive Manager – Corporate Services, Finance Manager and Rates Officer, acting singly.
7. Authority to fix the interest rate to be charged on reassessed rates (Section 42 (3) of the Act) – to the Executive Manager – Corporate Services.
8. Authority to issue invoices based on previous year's rates (Section 50 of the Act) – to the Executive Manager – Corporate Services and Finance Manager, acting singly.
9. Determine agreeable method of rates payments (Section 52 (2) of the Act) – to the Executive Manager – Corporate Services.

10. Authority to recover unpaid rates from owner (Section 61 (1) of the Act) – to the Executive Manager – Corporate Services, Finance Manager and Rates Officer, any two acting jointly.
11. Authority to recover unpaid rates from persons other than owners (Section 62 of the Act) – to the Executive Manager – Corporate Services, Finance Manager and Rates Officer, acting singly.
12. Authority to commence proceedings for unpaid rates (Section 63 of the Act) – to the CEO and Executive Manager – Corporate Services, acting jointly.
13. Commencement of rating sale or lease provisions (Section 67 of the Act) – to the CEO and Executive Manager – Corporate Services, acting jointly.
14. Authority to sell by private treaty (Section 72 of the Act) – to the CEO and Executive Manager – Corporate Services, acting jointly.
15. Authority to sell abandoned land (Section 77 to 83 of the Act) – to the Executive Manager – Corporate Services and Property Officer, acting singly.
16. Authority to administer remission and postponement policies (Sections 85/87 of the Act) – to the Executive Manager – Corporate Services.
17. Authority to impose penalties on unpaid rates (Section 57 and 58 of the Act) - to the Executive Manager – Corporate Services.
18. Authority to remit rates penalties as applied in accordance with section 57 and 58 of the Act to the Executive Manager – Corporate Services, Finance Manager or Rates Officer acting singly.
19. Authority to remit water rates penalties as applied in accordance with section 57 and 58 of the Act to the Executive Manager – Corporate Services, Finance Manager, Rates Officer or Water Billing Officer, acting singly.

Operational Rating Policies

Maori Freehold Land

Central Otago District Council has no Maori freehold land and therefore has no policy relating to rates relief thereon.

Postponement of Rates

The objective of the Council's policy on postponement of rates is to assist ratepayers experiencing extreme financial circumstances which affect their ability to pay rates.

Only rating units used solely for residential purposes (as defined by the Council) will be eligible for consideration for rates postponement for extreme financial circumstances.

Only the ratepayer, or his/her authorised agent, may make application for rates postponement. Such application must be in writing.

The ratepayer must have owned the rating unit for at least five years.

When considering whether extreme financial circumstances exist, all of the ratepayer's circumstances will be relevant, including:

- age
- physical and/or mental disability
- injury or illness
- family circumstances
- eligibility for DIA Rate Rebate

Additionally, Council must be satisfied that the ratepayer is unlikely to have sufficient funds left over, after the payment of rates, for:

- normal health care
- proper provision for maintenance of his/her home and chattels at an adequate standard
- normal day to day living expenses

Any postponed rates will be postponed until:

- the death of the ratepayer; or
- the sale of the rating unit

Postponed rates will be registered as a statutory land charge on the rating unit title. This means that the Council will have first call on the proceeds of any revenue from the sale or lease of the rating unit.

Postponement of rates will apply from the beginning of the rating year in which the application is made.

Postponed rates will incur a postponement fee, equivalent to interest calculated on the total amount postponed at 30 June each year, plus an administrative charge. The interest will be calculated at Council's internal investment rate, as used for internal loans.

Remission of Rates

The general objectives of the Council's policy on remission of rates are to:

- mitigate the effects of anomalies and inequities in its rating system, i.e. fairness and equity, i.e. economic well-being
- assist new and existing businesses to increase their contribution to district employment, i.e. social and economic well-being
- assist conservation of natural, historic and cultural resources, i.e. environmental and cultural well-being

Specific objectives are set out in each element of the policy.

Remission of Penalties

The objective is to enable Council to act fairly and reasonably in its consideration of rates which have not been received by the due date due to circumstances outside a ratepayer's control.

A good payment history will be taken into account when considering any remission of penalty.

Remission of penalty will be considered in the case of death, illness or accident of a close family member (as defined by Council) as at the due date.

Remission of penalty will be considered when a payment plan for arrears is agreed and operational.

Remission of penalty will be considered where it facilitates the future payment of rates by direct debit within a specified timeframe.

Remission of penalty will be considered where remission will facilitate the collection of overdue rates and results in full payment of arrears and saving on debt recovery costs.

Remission of penalty will be considered if the ratepayer is able to provide evidence that payment has gone astray in the post or by failure to act by a bank in the case of direct debits or credits.

Remission of penalty will be considered where the penalty has been incurred during the processing of settlements following changes in ownership of rating units.

Application for remission of penalty must be in writing to the Rates Officer, or in the case of volumetric water charges, the Water Billing Officer.

Penalties will not be applied to rates accounts with an outstanding balance where an agreed payment arrangement is in place.

Remission of Uniform Annual Charges and Fixed Charge Targeted Rates on Rural Rating Units

The objective is to prevent a ratepayer paying several uniform annual charges and fixed charge targeted rates on rural land where land is contiguous, farmed as a single entity but is owned by more than one family member, including a family trust (but excluding a limited liability company).

Application for remission of uniform annual charges must be in writing to the Council. It will not be necessary to reapply each year unless circumstances change.

Remission will include any targeted rate set on the basis of a fixed dollar charge per rating unit, as well as any uniform annual charges, with the exception of water and waste water.

The ratepayer will remain liable for at least one set of each charge.

Remission of uniform annual charges and fixed charge targeted rates, where granted, will take effect from the commencement of the next rating year.

Remissions will not be granted where the Council views the contiguous properties as held for investment purposes; for example, where a new deposited plan has been approved. [Refer also to the Council's policy on remission for development land.]

Where a remission of uniform annual charges and fixed charge targeted rates has been granted to a rating unit, and that remission ceases to be applicable through change in ownership or usage, the rating unit will be charged a proportion of the targeted rates and uniform annual charges applicable for the remainder of the year, commencing from the beginning of the next rating instalment period.

Remission for Extreme Financial Hardship

The objective is to assist ratepayers who experience temporary extreme financial circumstances which affect their ability to pay rates.

Application must be in writing, on the prescribed form (available at Council offices). This is to enable Council to verify that extreme financial circumstances exist.

If the ratepayer would not qualify for the DIA rates rebate, Council may remit some or all of the rates due, based on its assessment of the situation.

Remission for Anomalous Rates Increases

The objective is to allow Council to mitigate any unforeseen effects of:

- changes in funding policies
- changes in legislation
- changes arising from unforeseen and/or unusual circumstances

The objective of this policy is to identify the unforeseen and unintended effects of technical changes to the calculation of rates. Council will review applications in writing made by ratepayers who believe that their rates increase is anomalous.

Remission of Rates on Rural Land (with a Capital Value less than \$1,000)

The objective is to recognise that undeveloped rural land with a capital value below \$1,000 should only pay minimum rates.

To qualify, ratepayers must hold other land in the district on which full rates are payable.

The minimum rate may vary, but is currently deemed to be \$10.

Ratepayers eligible for such remission will be notified in writing before the first instalment falls due.

Remission of Rates on Land Protected for Natural, Historic or Cultural Conservation Purposes

The objective is to preserve and promote natural resources and heritage by encouraging the protection of land held for natural, historical or cultural purposes.

Ratepayers who own rating units that have some feature of cultural, natural or historical heritage that is voluntarily protected may qualify for remission of rates under this policy.

Applications must be made in writing and be supported by documented evidence of the protected status of the rating unit, for example a copy of the covenant or other legal mechanism.

In considering any application for remission of rates under this part of the policy, the Council will consider the following criteria:

- The extent to which the preservation of natural, cultural or historic heritage will be promoted by granting remission on rates on the rating unit
- The degree to which features of natural, cultural or historic heritage are present on the land
- The degree to which features of natural, cultural or historic heritage inhibit the economic use of the land
- The use of the property

In granting remissions under this policy, the Council may specify certain conditions before remission will be granted. Applicants will be required to agree in writing to these conditions and to pay any remitted rates if the conditions are violated.

Council reserves discretion in the awarding of all remissions, with the value and duration being relative to scale of the maintenance or restoration project.

Ratepayers are only eligible to apply for this remission if they voluntarily protect any features of cultural, natural or historic heritage.

Land that is non-rateable under section 8 of the Local Government (Rating) Act 2002 and is liable only for rates for water supply, sewage disposal or refuse collection will not qualify for remission under this part of the policy.

Remission of Rates for Heritage Buildings

The objective is to provide for the preservation of Central Otago’s heritage by encouraging the maintenance and restoration of historic buildings. Provision of a rates remission recognises that there are private costs incurred for public benefit.

Ratepayers who have buildings with a heritage classification may apply for a rates remission providing the following conditions are met:

- Buildings date pre-1900 or are listed on the Central Otago District Plan Schedule 19.4: Register of Heritage Buildings, Places, Sites and Heritage Objects and Notable Trees
- The property must not be owned by the Council or the Crown, or their agencies
- Building owners will need to make a commitment to the ongoing maintenance of their building; or
- Provide details of the restoration project

Eligible ratepayers will receive a 50% remission of rates for two years commencing 1 July on the year following application.

Water, wastewater and refuse charges will be excluded and not subject to remission under this policy.

Remissions for Community, Sporting and Other Organisations

The objective is to facilitate the ongoing provision of non-commercial community services and non-commercial recreational opportunities.

The purpose of granting rates remission to an organisation is to:

- Recognise the public good contribution to community well-being made by such organisations
- Assist the organisation’s survival
- Make membership of the organisation more accessible to the general public, particularly disadvantaged groups including children, youth, young families, aged people and economically disadvantaged people

Council supports applications for financial assistance by any organisation not conducted for private profit. The principal object of the organisation should be to promote the development of Central Otago and provide for at least one of the following: the public, recreation, health, enjoyment, instruction, sport or any form of culture, or for the improving or developing of amenities, where the provisions of any one of these areas is to the benefit of the area.

An organisation making an application should include the following information in support of its application:

- Evidence that other areas of assistance have been investigated if available
- That there is a need for assistance
- That there has been a reasonable effort made to meet the need by the organisation itself
- The organisation’s most recent financial accounts

Each application will be considered by Council in its merits, and provision of a remission in any year does not set a precedent for similar remissions in any future year.

Remissions to any qualifying organisation shall be on a case by case basis of reduction in rates and charges, except that no remission will be granted on targeted rates/charges for water supply, sewage disposal or refuse collection, or areas used for bars.

Remission for Crown or Council Land used for Private or Commercial Purposes

The objective is to ensure lessees using Crown or Council land for private or commercial use do not pay unreasonable levels of rates. Such land is subject to the remissions supporting contiguous land.

Application for remission of uniform annual charges must be in writing to the Council. It will not be necessary to reapply each year unless circumstances change.

Remission will include any targeted rate set on the basis of a fixed dollar charge per rating unit, with the exception of water and waste water.

Applications for remission under this part of the policy must be in writing to the Rates Officer. Applications should give evidence as to why it is unreasonable for the ratepayer to be assessed for rates on the land.

Remission for Land Affected by Natural Disasters

The objective is to provide relief to ratepayers whose land or property has been seriously adversely affected by a natural disaster. A natural disaster is considered as including, but not necessarily limited to, flooding, earthquake damage, wildfire or storm.

Applications for remission under this part of the policy must be in writing to the Council. Applications should give evidence as to why the ratepayer's enjoyment of the land or property has been seriously adversely affected by the natural disaster.

This part of the policy will only be relevant if the natural disaster had a widespread effect in the district.

Remission for Development Land

The objective is to ensure that unsold development land which is in one parcel, but has separate valuation assessment numbers, does not pay more than one set of uniform annual charges and fixed charge targeted rates, excluding volumetric water charges.

Council reserves discretion to consider other requests for remission for Development Land, which vary from that outlined above.

Applications under this part of the policy must be in writing to the Council.

Any remission granted shall be for four years.

For each development (defined as one deposited plan):

- In years 1 and 2 the ratepayer shall pay uniform annual charges and fixed charge targeted rates on one allotment and receive 100% remission on second and subsequent allotments
- In years 3 and 4 the ratepayer shall pay uniform annual charges and fixed charge targeted rates on one allotment and receive 50% remission on second and subsequent allotments
- Remission shall cease for any allotment if:
 - any interest in the land is passed by the developer to another party, or
 - an application for a building consent is granted, or
 - the land is developed in some other way

Remission ceases from the end of the quarter in which any of these events occur.

Remission for Business Development

The objective is to promote employment and economic development within the district by assisting new businesses (i.e. not in competition with existing businesses) and/or the expansion of existing businesses.

This part of the policy applies to:

- commercial and/or industrial development that involves the construction, erection or alteration of any building, fixed plant and machinery, or other works intended to be used for industrial, commercial or administrative purposes. Investment in capital improvements (excluding the cost of the land) must be in excess of \$1,000,000 and significant new employment opportunities created
- residential developments are specifically excluded from consideration for remission under this part of the policy

Applications must be made in writing to the Council and must be supported by:

- a description of the development
- a plan of the development (where possible)
- an estimate of costs
- an estimate of the likely number of new jobs to be created by the development

Any rates remission granted will apply during the course of the development for a period of up to three years.

The amount of remission to be granted will be on a case by case basis, subject to a maximum of 50% of rates assessed.

In granting any remission under this part of the policy the Council may specify certain conditions before the remission will be granted. Applicants will be required to agree in writing to such conditions and to pay any remitted rates if the conditions are violated.

Remission of Water Rates Attributable to Leakage

Background

From time to time water consumers experience a loss as a result of leaks or damage to their water supply system. It is the normal practice for the consumer to be responsible for the maintenance of the reticulation from the water meter to the property, and to account for any consumption of water supplied through the meter. This is currently enforced through the Water Supply Bylaw.

Council has taken the view that some consumers may experience an occasional water leak without them being aware of the problem. They have therefore decided that it would be reasonable to allow for a reduction in charges to these consumers in certain circumstances.

This policy statement addresses that decision.

Objective of the Policy

To standardise procedures to assist ratepayers who have excessive water rates due to a fault (leak) in the internal reticulation serving their rating unit.

Whilst at the same time ensuring that consumers retain responsibility for the maintenance of their private reticulation, as required by the Water Supply Bylaw 9.15.

Conditions and Criteria

The Council may remit the excess water rates where the application meets the following criteria:

- the policy will apply to applications from ratepayers who have excess water rates due to a fault(s) in the internal reticulation
- that all applicants are requested to submit their application in writing before the due date of an invoice
- that a report from a registered plumber be supplied stating that the property has experienced a water loss as a result of a leak
- that proof of the repairs to the internal reticulation be submitted for verification (i.e. plumber's repair account) within 60 days of the due date of an invoice
- that the ratepayer be charged the full charge for normal consumption
- the maximum relief that will be provided will be 50% of the difference between the normal consumption and the actual water consumption for that period
- any remission under this policy will be limited to one application within any two year period for any particular rating unit
- the CFO be delegated authority to consider applications for remission of excess water rates and, if appropriate, approve or decline them

Notes:

- “Internal reticulation” refers to the underground and indoor pipe work and specifically excludes irrigation and leaking toilets, taps etc.
- The “normal consumption” will be calculated at Council’s discretion from the information available.
- No adjustment shall be backdated beyond the current period invoiced.
- This is a financial remission only based on the volumetric charge.

General

In certain cases, particularly requests for remission for:

- business development
- land protected for natural, historic or cultural conservation purposes
- land affected by natural disaster
- remission for anomalous rates increases
- community sporting and other organisations

The application will be referred to Council for a decision.

All applications considered by Council will be discussed in open session, or the results of its deliberations in closed session will be disclosed in open session at its next meeting.

All other applications for remissions will be decided by the Executive Manager – Corporate Services or duly delegated officer.

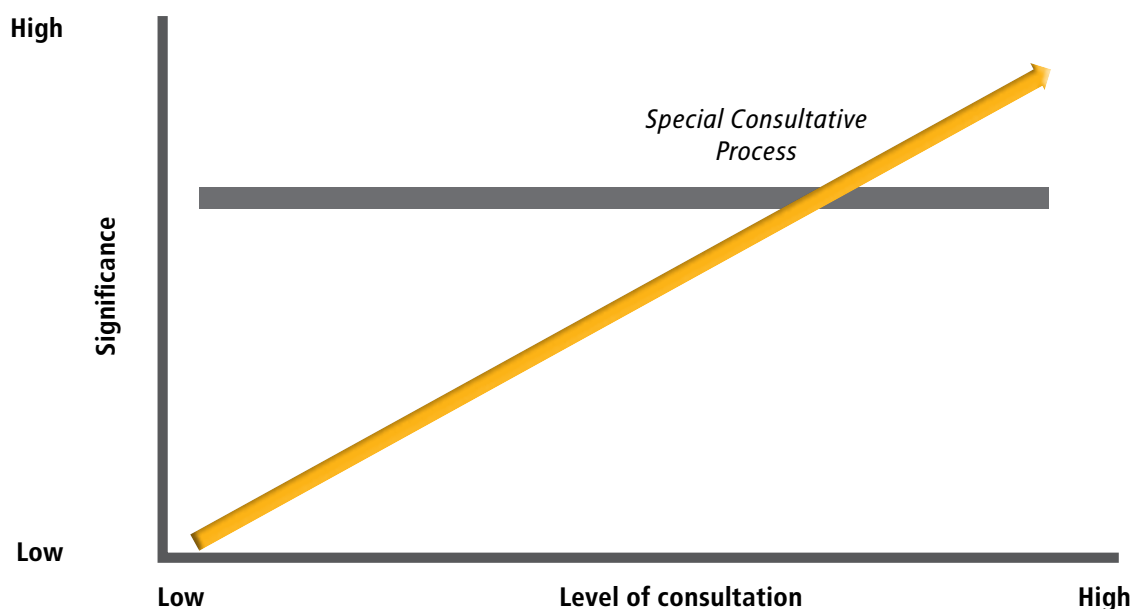
Significance & Engagement Policy

1. Purpose

The purpose of the policy is to enable Council and our community to identify the degree of significance attached to particular issues, proposals, assets, decisions and activities. It also aims to provide clarity about how and when communities can expect to be engaged in decisions about different issues, assets or other matters. The policy will also inform the 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 and type of engagement required.

2. Determining Significance

When considering a proposal or decision Council will take into account the thresholds and/or criteria detailed; if the decision relates to the strategic assets or is prescribed by legislation. If the issue exceeds one or more of the criteria/thresholds the matter is likely to have a higher degree of significance. Generally the greater the financial input the higher the impact on the community, a higher degree of public interest and therefore a higher degree of significance. However, there may be some cases where small financial transactions may attract great public interest, while large ones do not. See Appendix 2 for the Local Government Act 2002 definition of significance and significant.



The level of significance has a direct relationship to the level of consultation required with interested communities. Decisions of low significance may require little or no consultation, however as significance rises the requirement for consultation increases with decisions of high significance likely to require council to undertake a special consultative process.

Council may take into account knowledge it has previously gained about what the preference of the community is e.g. resident opinion surveys, community plans, community outcomes, previous public submissions and media coverage.

Each proposal or decision will be considered on a case by case basis to determine significance. The method and level of consultation or engagement will differ for each issue and will be proportional to the decision depending on location, level of significance and community preferences. The decision on a matter's significance lies ultimately with Council.

2.1 Criteria / Thresholds

Council will consider the following matters when considering whether an issue, asset or other matter is of significance under this policy:

- The potential level of financial consequence, in particular the impact on rates, user fees and charges
- The consequences or impacts of the issues, assets, or other matters on the District
- The extent of the consequences or impact on the ratepayers and residents within the District
- The issue, asset, or other matter have a history of wide public interest within Central Otago, the Otago Region or New Zealand generally
- The achievement of, or ability to achieve, the Council's strategic issues and objectives as set out in the Long Term Plan
- The capacity of Council to perform its role and carry out its activities, now and in the future
- The financial, resource and other cost impacts of the decision
- The extent to which there is, or is likely to be, a change in the level of service in carrying out any significant activity
- Entry into any partnership with the private sector to carry out a significant activity
- The degree to which the decision or proposal is reversible
- The sustainability of the decision or proposal
- The degree to which the issue has cultural relevance
- The creation of a new group or activity, the cessation of a group or activity

2.2 Strategic Assets

Listed below are the assets that Council considers to be strategic. Council needs to retain these assets to maintain its capacity to achieve or promote outcomes that it determines to be important to the well-being of the community.

- Council water, wastewater and stormwater networks as a whole
- The roading network as a whole
- Reserves listed and managed under the Reserves Act
- All other Council owned infrastructure
- Alexandra Airport

3. Procedure

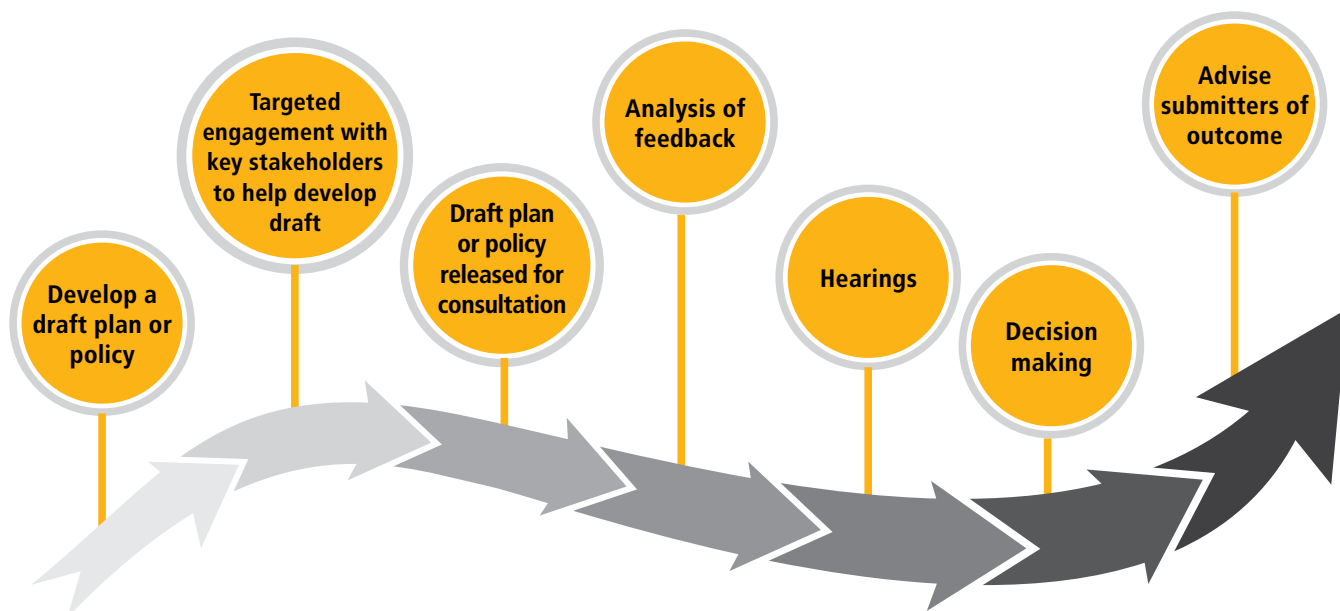
Council will consult when it has a legislative requirement to do so and the Special Consultative Procedure is the formal process which enables the community to have a say on significant decisions. Please see Appendix 3 for Section 83 of the Local Government Act which outlines the Special Consultative Procedure.

Council recognises its responsibilities with respect to consulting Maori and endeavours to foster the development of Maori capacity to contribute to Council's decision making as set out in the Long Term Plan.

Council prepares a proposal and advertises it for public submission. Submissions on the proposal can be received from anybody and the time period for receiving submissions is at least a month.

People who have submitted can also request to speak to Council regarding their submission and this is done through a hearings process. This is organised in the most appropriate council office/service centre and we will provide for audio/ audio visual links as well as facilitate translation (however, we will require notice). We will acknowledge receipt of submissions (automatically acknowledged online).

After considering all the submissions the Council then makes a decision on the proposal. We will provide access to the decisions made and free access to view the Council's website is available at the District's libraries. The Special Consultative Procedure has to be undertaken for Long Term Plans; making, amending or revoking a bylaw (if required under LGA 2002 Section 156(1)(a)); transferring Council's ownership of a strategic asset and other acts expressly required by law such as the Local Government Act 2002 and Resource Management Act 1991.



If a matter is considered significant by this policy and we don't have to use the Special Consultative Procedure we can engage in a less formal way – examples of when and how this will happen are set out in Appendix 1. The methods used will depend on the significance of the issue and we will use those methods considered most appropriate for the issue and the community affected. Council is not limited to these examples and is open to new and developing methods of engagement through the use of technology and innovation.

Every agenda item requiring a decision will require the report author to consider significance and engagement. Council officers will be responsible for making recommendations to elected members about a decision's significance and the level of engagement or consultation they believe is required. When the proposal or decision is considered to be significant the report will include a statement addressing the appropriate observance of the Local Government Act 2002. The final decision about the significance of any matter rests with elected members who will also take into account other factors such as urgency, safety and commercial sensitivity.

4. When Council Won't Consult or Engage

There are times when we won't normally consult with the community because the issue is routine, or operational or because there is an emergency. The Council will not engage on:

- Emergency management activities such as during a state of emergency
- Decisions that have to be made urgently and it is not reasonably practicable to consult
- Decisions to act where it is necessary to comply with the law
- Decisions that are confidential or commercially sensitive as prescribed under the Local Government Official Information Act 1987
- Commercial decisions that are time sensitive
- Organisational decisions (such as staff changes and operational matters) that do not materially change a level of service
- Decisions with regard to legislative requirements and enforcement activities
- Any decisions that are made by delegation/sub-delegation to officers (detailed in CODCs Delegation Register)
- Any matter where the costs of consultation materially outweigh the benefits of it
- Entry or exit from a development agreement (private contract) as per section 207A Local Government Act 2002
- An issue where Council already has a good understanding of the views of the persons likely to be affected by or interested in the matter e.g. resident opinion survey, community plans, community meetings
- A matter that Council has consulted on in the last 24 months, where there has been no material change to the issue over this period

When Council doesn't consult it is still required to consider the views and preferences of persons likely to be affected by, or have an interest in the proposal or decision.

5. Policy Review

The policy will be reviewed at a minimum of every three years during the first six months of the new triennium; as required by any legislative changes or other reason.

Changes to this policy do not have to be made through the Special Consultative Procedure and may be made by Council resolution.

Appendix 1

ENGAGEMENT LEVELS AND METHOD

Level of Community Engagement	Engagement Examples	Engagement Toolbox (Council will use a combination of methods considered most appropriate and not limited to those listed)
High (including Special Consultative Procedure)	<ul style="list-style-type: none"> • Long Term Plan (LTP) • District Plan • Annual Plans (where there are significant or material differences to the LTP) • Transferring ownership or control of a strategic asset • Making, amending or revoking 	<ul style="list-style-type: none"> • Statutory notice (if required) • Advertising newspaper and radio • Media releases/website news • Social Media • Drop-in sessions/roadshows or public stands/public meetings • Rates newsletter article (if/when timing allows) • Consider targeted consultation if any special interest groups or stakeholders (email/letter/direct contact) • Hard copies available at Council facilities (service centres and libraries) • Submissions (by mail, email, online) • Hearings • Public decision • Direct feedback to submitters
Medium	<ul style="list-style-type: none"> • Making minor bylaw changes • Electoral system review • Resident Opinion Survey 	<ul style="list-style-type: none"> • Statutory notice (if required) • Advertising • Media releases/website news • Social Media • Drop-in sessions • Rates newsletter article (when timing allows) • Consider targeted consultation if any special interest groups or stakeholders (email/letter/direct contact) • Hard copies available at Council facilities (service centres and libraries) • Feedback opportunities (by mail, email, online) • Feedback via website/public notices/media
Low	<ul style="list-style-type: none"> • Road works • Maintenance work on Council infrastructure • Annual Report adoption • Holiday closures • Service disruptions 	<ul style="list-style-type: none"> • Media release/website news or media advisory/website note/spotlight (as appropriate) • Advertising • Social Media • Targeted information for any known special interest groups or stakeholders

Very high degree of significance

SIGNIFICANCE

Very low degree of significance

Appendix 2

Local Government Act 2002

5. INTERPRETATION

Significance, in relation to any issue, proposal, decision, or other matter that concerns or is before a local authority, means the degree of importance of the issue, proposal, decision, or matter, as assessed by the local authority, in terms of its likely impact on, and likely consequences for-

- (a) the district or region:
- (b) any persons who are likely to be particularly affected by, or interested in, the issue, proposal, decision, or matter:
- (c) the capacity of the local authority to perform its role, and the financial and other costs of doing so significant, in relation to any issue, proposal, decision, or other matter, means that the issue, proposal, decision, or other matter has a high degree of significance.

Appendix 3

Local Government Act 2002

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); 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); 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) (or the statement of proposal, if a summary is not prepared) as widely available as is 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 (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; 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 audiovisual link.
- (3) This section does not prevent a local authority from requesting or considering, before making a decision, comment or advice from an officer of the local authority or any other person in respect of the proposal or any views on the proposal, or both.

77 Requirements in relation to decisions

- (1) A local authority must, in the course of the decision-making process,—

- (a) seek to identify all reasonably practicable options for the achievement of the objective of a decision; and
- (b) assess the options in terms of their advantages and disadvantages; and
- (c) if any of the options identified under paragraph (a) involves a significant decision in relation to land or a body of water, take into account the relationship of Maori and their culture and traditions with their ancestral land, water, sites, waahi tapu, valued flora and fauna, and other taonga.

(2) This section is subject to section 79.

78 Community views in relation to decisions

(1) A local authority must, in the course of its decision-making process in relation to a matter, give consideration to the views and preferences of persons likely to be affected by, or to have an interest in, the matter.

(2) [Repealed]

(3) A local authority is not required by this section alone to undertake any consultation process or procedure.

(4) This section is subject to section 79.

80 Identification of inconsistent decisions

(1) If a decision of a local authority is significantly inconsistent with, or is anticipated to have consequences that will be significantly inconsistent with, any policy adopted by the local authority or any plan required by this Act or any other enactment, the local authority must, when making the decision, clearly identify—

- (a) the inconsistency; and
- (b) the reasons for the inconsistency; and
- (c) any intention of the local authority to amend the policy or plan to accommodate the decision.

(2) Subsection (1) does not derogate from any other provision of this Act or of any other enactment.

81 Contributions to decision-making processes by Maori

(1) A local authority must -

- (a) establish and maintain processes to provide opportunities for Maori to contribute to the decision-making processes of the local authority; and
- (b) consider ways in which it may foster the development of Maori capacity to contribute to the decision-making processes of the local authority; and
- (c) provide relevant information to Maori for the purposes of paragraphs (a) and (b).

(2) A local authority, in exercising its responsibility to make judgments about the manner in which subsection (1) is to be complied with, must have regard to—

- (a) the role of the local authority, as set out in section 11; and
- (b) such other matters as the local authority considers on reasonable grounds to be relevant to those judgments.

82 Principles of consultation

(1) Consultation that a local authority undertakes in relation to any decision or other matter must be undertaken, subject to subsections (3) to (5), in accordance with the following principles:

- (a) that persons who will or may be affected by, or have an interest in, the decision or matter should be provided by the local authority with reasonable access to relevant information in a manner and format that is appropriate to the preferences and needs of those persons:
- (b) that persons who will or may be affected by, or have an interest in, the decision or matter should be encouraged by the local authority to present their views to the local authority:

- (c) that persons who are invited or encouraged to present their views to the local authority should be given clear information by the local authority concerning the purpose of the consultation and the scope of the decisions to be taken following the consideration of views presented:
 - (d) that persons who wish to have their views on the decision or matter considered by the local authority should be provided by the local authority with a reasonable opportunity to present those views to the local authority in a manner and format that is appropriate to the preferences and needs of those persons:
 - (e) that the views presented to the local authority should be received by the local authority with an open mind and should be given by the local authority, in making a decision, due consideration:
 - (f) that persons who present views to the local authority should have access to a clear record or description of relevant decisions made by the local authority and explanatory material relating to the decisions, which may include, for example, reports relating to the matter that were considered before the decisions were made.
- (2) A local authority must ensure that it has in place processes for consulting with Maori in accordance with subsection (1).
- (3) The principles set out in subsection (1) are, subject to subsections (4) and (5), to be observed by a local authority in such manner as the local authority considers, in its discretion, to be appropriate in any particular instance.
- (4) A local authority must, in exercising its discretion under subsection (3), have regard to—
- (a) the requirements of section 78; and
 - (b) the extent to which the current views and preferences of persons who will or may be affected by, or have an interest in, the decision or matter are known to the local authority; and
 - (c) the nature and significance of the decision or matter, including its likely impact from the perspective of the persons who will or may be affected by, or have an interest in, the decision or matter; and
 - (d) the provisions of Part 1 of the Local Government Official Information and Meetings Act 1987 (which Part, among other things, sets out the circumstances in which there is good reason for withholding local authority information); and
 - (e) the costs and benefits of any consultation process or procedure.
- (5) Where a local authority is authorised or required by this Act or any other enactment to undertake consultation in relation to any decision or matter and the procedure in respect of that consultation is prescribed by this Act or any other enactment, such of the provisions of the principles set out in subsection (1) as are inconsistent with specific requirements of the procedure so prescribed are not to be observed by the local authority in respect of that consultation.

82A Information requirements for consultation required under this Act

- (1) This section applies if this Act requires a local authority to consult in accordance with, or using a process or a manner that gives effect to, the requirements of section 82.
- (2) The local authority must, for the purposes of section 82(1)(a) and (c), make the following publicly available:
- (a) the proposal and the reasons for the proposal; and
 - (b) an analysis of the reasonably practicable options, including the proposal, identified under section 77(1); and
 - (c) if a plan or policy or similar document is proposed to be adopted, a draft of the proposed plan, policy, or other document; and
 - (d) if a plan or policy or similar document is proposed to be amended, details of the proposed changes to the plan, policy, or other document.
- (3) In the case of consultation on an annual plan under section 95(2), instead of complying with subsection (2), the local authority must prepare and adopt a consultation document that complies with section 95A.
- (4) Nothing in this section applies where the special consultative procedure under section 83 is required to be used.
- (5) Nothing in this section limits the application of section 82.

Significant Forecasting Assumptions and Risks

We have outlined the two key principles that underpin our 10-Year Plan, being affordability and sustainability. In everything we do as a Council we want to ensure we are operating in an affordable and sustainable manner.

We have acknowledged from the start that these issues are so significant and dynamic that we can only react to them as they arise. So we are focusing our efforts on the long-term sustainability of our services. We want to build future resilience from these issues where we can. There is a risk in this approach.

This approach highlights the need for close and effective consultation that the community actually understands. It also highlights the need for Council and community boards to assume a strong leadership role.

Fortunately we have the opportunity to update our 10-Year Plan each year during the annual plan process in the instance things do change dramatically.

In preparing forecasts, both financial and non-financial, there is a need to provide assumptions to address the uncertainties of the future. This is important for a number of reasons, including:

- allowing readers of the forecasts to understand the basis that financial information has been prepared on.
- providing a means of explaining differences that will inevitably occur between the actual result and that which was forecast.
- ensuring risks faced by the organisation in the future have been appropriately identified and evaluated.

Government Policy

This 10-Year Plan has assumed that there will be no changes in legislation under which Council operates, that will impact financial estimates over the 10-Year Plan. Changes in Government policy may directly impact the financial estimates of Council. This risk of this assumption is medium.

Sources of Funds for Future Replacement of Significant Assets

Sources of funds for the future replacement of significant assets are in accordance with Council's Revenue and Financing Policy. Sources of funding include depreciation reserves, general reserves and borrowing. This risk of this assumption is low.

Staffing and Resources

The gap between national and Central Otago wages is a known issue for securing and retaining skilled staff. There is an ongoing risk to the sustainability of our services through skill shortages. But there are unique lifestyle trade-offs that this district can offer to staff and we will continue to focus on these. The risk of this assumption is medium.

Growth Projections

Population, dwelling and demographic projections are produced three-yearly to support long-term planning. They underpin all demand projections within activity management plans. They are also incorporated into development contributions and income projections. Our resident population is projected to be 22,230 by 2028 from approximately 20,500 today. Our visitor peak day numbers is projected to be 18,240 in 2028 from approximately 15,280 today. Our growth projections are derived from Statistics NZ with local growth factors included.

An over or under estimation of growth could lead to an over or underinvestment in infrastructure and services. We monitor asset capacity and development contributions income against projections annually and adjust assumptions accordingly. The risk of this assumption is medium.

Council is considering the role the district has in balancing the affordability of sustaining our smaller rural towns over the next period of time. The risk of this assumption is medium.

Population Changes

Central Otago has a significantly larger proportion of older residents in its population compared to the rest of New Zealand. The current proportion of people aged 65+ in our district is 21%. This proportion is expected to increase to 28% by 2030. Council has considered this shift and its effect in the planning for major capital projects. This risk of this assumption is medium.

Average Household Size

The average household size of a given area is the total resident population divided by the total number of households. A household can be one person who usually resides alone, or two or more people who usually reside together and share facilities in a dwelling. There may be more than one family in a household. The average household size for the district is currently 2.32 and is projected to be 2.26 in 2028. This risk of this assumption is low.

Third Party Funding Sources

A number of projects, including many community facility projects are reliant on funding from other sources. It is assumed that funding will continue at current levels to be available as planned, as a conservative approach has been taken. The risk of this funding not being available is low.

Vested Assets

From time to time Council will receive privately constructed infrastructure assets vested in Council for ongoing management. There is a great deal of uncertainty around the amount and makeup of vested assets and as such vested assets are not included in council's plans. The long-term financial impacts of vesting assets into Council is assessed before transfer. The risk of this assumption is low.

Natural Disasters and Business Continuity

We assume that in the event of a significant disaster, natural or man-made, Council can continue to provide sufficient services to the community. Council has a Disaster Relief Fund of just over \$2 million in case of a natural disaster. This would likely only fund the initial response effort. We have assumed we, if required, external borrowing would be utilised to fund the clean-up and ongoing capital work to rebuild damaged underground assets, for which we don't currently insure, should any major disaster occur. There is a risk, in that depending on the extent of the disaster the borrowing may be difficult to acquire. However due to the size and spread of our communities we consider it unlikely a disaster would affect the entire district at any one time, which should mitigate any borrowing difficulties. Alongside us, Central Government also has a role in disaster recovery and restoration works after natural disasters happen.

We are also undertaking lifelines planning for all core services to improve the resilience of infrastructure critical to the community's well-being. Assessments of all earthquake-prone buildings is also underway. Other than increased insurance costs, there is no other allowance in this plan for funding the repair of infrastructure and riverbanks damaged by any future natural disasters. Equally, the occurrence of drought has a major impact by reducing the incomes of primary sector businesses; this will influence decisions on the affordability of the 10-Year Plan. The risk of this occurring is medium.

Asset Sales

Selling some property assets has been proposed within this plan. Money collected from selling property assets will be used to fund proposed upgrades to social infrastructure, particularly the town centre upgrade project in Cromwell, or to reduce financial liabilities. There is a risk that the proceeds from asset sales is not as much as anticipated. The viability of such proposals will be reconsidered in this instance. The risk of this occurring is medium.

Asset Purchases for investment purposes

The plan assumes proceeds for asset sales will be invested in cash due to the uncertainty of the type and timing of reinvestments. Council will work over the following 18mths to develop and investment strategy that will provide more clarity in regard to reinvestments. The operating and capital expenditure is not dependent on either asset sales or asset reinvestment. The risk of this occurring is medium.

Climate Change

Climate change will increasingly affect the district in the future, however the effect over the next 10 years is not likely to be significant. Council will assess the effect of climate change through its 3 yearly reviews of the Asset Management Plans, Long Term Plan, Financial Strategy and Infrastructure Strategy. The risk of direct impact from climate change within the 10-Year Plan timeframe is low.

Financial Assumptions

Our Financial Strategy specifies how we will manage our finances into the future. We also have a Revenue and Financing Policy that defines how we decide to fund Council expenditure. Each contains specific financial assumptions. The following assumptions are further to these.

Interest Rates

We plan not to borrowing externally within this 10-Year Plan. We have assumed the following interest rates:

Interest on internal borrowings is 4.5% throughout the 10-Year Plan.

Interest on external investments is 3.5%.

There is a reasonable risk of interest rate movement, however we will consider hedging against this risk.

We have also assumed that facilities to borrow externally will be available when required, based on recent discussions with our bankers.

Cost Increases

Inflation reflects erosion in the buying power of money. Each dollar buys less and less goods and services over time.

Depreciation staff, costs and some expenditure items have inflation applied from year 1 of the plan. The majority of the balance of the expenditure forecasts for each activity are input in the dollars of the relevant year for the first three years (e.g. water and wastewater renewals and other operational expenditure lines such as maintenance contracts). Where cost

change has been applied for these years, Council has used the BERL indices shown below. For all years from 2022 to 2028 the BERL indices shown below have also been applied. The risk of this assumption is medium.

	Year 1 2018/19	Year 2 2019/20	Year 3 2020/21	Year 4 2021/22	Year 5 2022/23	Year 6 2023/24	Year 7 2024/25	Year 8 2025/26	Year 9 2026/27	Year 10 2027/28
Inflation Adjustment Range	1.6% to 2.3%	1.6% to 2.5%	1.7% to 2.3%	1.8% to 2.4%	1.8% to 2.4%	1.9% to 2.5%	1.9% to 2.6%	2% to 2.6%	2% to 2.7%	2.1% to 2.8%

Project Estimates

Project estimates of cost and timing are based on the best available scope, asset and market information available at the time of planning. Our Procurement Strategy defines the delegations and tendering requirements of projects. Significant estimates are independently peer reviewed. The timing of projects are assumed to be as planned unless significant changes to a project occurs.

The wastewater scheme at Clyde is based on an initial study with the estimated costs being based on an accuracy of \pm 30%. These costs will be refined during the design process.

The risk of any significant changes is reasonably low.

Asset Revaluations and Data Accuracy

Assets are revalued at least three-yearly to understand their worth and condition. We make assumptions on an asset's useful life and its replacement cost based on market information and professional knowledge. We mitigate the risk of these assumptions by revaluing some assets annually and undertaking regular site visits.

Asset renewal and maintenance forecasts are based on the condition and the remaining life of infrastructure assets. This data is captured within the field and stored in dedicated databases. The accuracy of asset data has a direct impact on the accuracy of renewals and maintenance forecasts. We measure the accuracy of this data and have targets to improve its accuracy. We also have acceptable levels of confidence around asset valuations and data, which are also targeted for continuous improvement. Revaluations in the 10 year plan are based on BERL indices for the appropriate asset class. The risk associated with the revaluations is considered low.

Depreciation

Depreciation of existing assets have used the current depreciation rates based on the remaining useful lives of the assets. New assets have been assigned estimated lives based on similar assets from the existing asset register. For larger assets the asset lives are based on the predominate asset. The risk of any significant changes is medium.

New Zealand Transport Agency funding

Each year New Zealand Transport Agency funds the majority of council's roading expenditure currently at a rate of 51%. The Roothing programme presented in Councils 10 Year Plan also has planned funding from NZTA at a rate of 51% for all appropriate roading expenditure. The risk of any significant changes is reasonably low.

Clyde Wastewater

Within the options for Clyde Wastewater, presented in the Consultation Document, there are payment options for the connection fee. The payment option would give the Clyde residents a choice to make a one-off payment or to pay a set amount for 10 years, equivalent to the repayments required to repay the connection fee over 10 years at a 5% interest rate. The interest rate is set to recover any charges and costs incurred in administering the 10-year repayments to make both alternatives cost neutral to Council. The 10-Year Plan assumes that 50% of Clyde residents in stage one pay the one-off connection fee of \$10,000, with the other 50% electing to pay \$1,277 per annum for 10 years from connection.

Development and Financial Contributions

Overview

The overall policy document is split into four parts with Part 1 being included within the 2018-28 10-Year Plan. This overview briefly outlines what is contained within each part.

Part 1 is CODC's 2018 Policy on Development and Financial Contributions. This is broken into section A, B and C.

Section A outlines how to apply the policy to a development.

Section B defines and explains the workings of the policy.

Section C contains supporting information to the policy.

Parts 2, 3 and 4, plus appendices A, B and C make up the Detailed Supporting Document.

Part 2 outlines the calculation methodology used for calculating development contributions.

Part 3 provides the details of specific elements of the development contributions calculation model.

Part 4 provides the background and direction for assessing development contributions for specific developments and subdivisions.

Appendix A: Detailed Disclosure Tables.

Appendix B: Water Supply Network Charge Factor Calculation Method.

Appendix C: Schedule of Assets for which Development Contributions will be used.

The Policy and Detailed Supporting Document are publicly available from CODC upon request. Provisions for both development and financial contributions are discussed as they have different procedural matters relating to them.

Major Changes from the Previous Policy

The major changes from the previous policy (as included in the 2015 - 25 LTP) and the Detailed Supporting Document are listed below:

- Merging of the Alexandra and Clyde water supply scheme. This merged scheme also includes the Outer Alexandra area.
- Expanding the Alexandra wastewater scheme to include Clyde.
- Merging the Cromwell - Urban and Outer Cromwell water supply schemes into the Cromwell water supply scheme.
- Merging the Cromwell – Urban and Outer Cromwell wastewater schemes in the Cromwell wastewater scheme.
- Removal of water supply and waste water financial contributions.
- Removal of development contribution caps to allow for full funding of growth capex.

PART 1: Policy on Development and Financial Contributions

1.1 Introduction

The Policy has been prepared to meet the disclosure requirements of the Local Government Act (LGA) 2002. It defines what development and financial contributions Council will require when subdivisions and developments increase the demand for Council services. Included are methods for assessing residential and non-residential contributions. The policy defines the value of the contributions required for various catchments or contributing areas.

There are a number of contributions that Council considers appropriate to levy on subdivisions and developments. The principal basis for levying these contributions against subdivisions and development is to ensure that those who create the demand for additional services/assets pay fairly and reasonably for this.

Financial Contributions are defined by s108 of the Resource Management Act (RMA) 1991 and collected using the provisions of the District Plan. Contributions are assessed based on the environmental effects of growth. These are defined in Chapter 15 of the Central Otago District Plan.

Financial contributions has the meaning given to it by s109(a) of the Resource Management Act 1991 i.e.

- a) Money; or
- b) Land, including an esplanade reserve or esplanade strip (other than in relation to a subdivision consent), but excluding Maori land within the meaning of the Maori Land Act 1993 unless that Act provides otherwise; or
- c) A combination of money and land.

Financial contributions will continue to be collected under the District Plan Provisions.

Development Contributions are contributions defined by the provisions of Part 8 Subpart 5 and Schedule 13 of the LGA 2002. Development contributions are assessed based on the fiscal implications of growth. The terminology used in this Policy is consistent with the definitions in Section 197 of the LGA 2002 where **Community Facilities** means reserves, network infrastructure, or community infrastructure for which development contributions may be required in accordance with section 199.

1.2 Activities Covered By This Policy

Council activities included in this policy are:

1. **Network infrastructure** for water supplies, wastewater and roading.
2. **Reserves.**
3. **Financial contributions of non-fiscal nature** as defined by Chapter 15 (operative) of the Central Otago District Plan and any subsequent variation.

1.3 Purpose

Section 197AA of the LGA 2002 defines the purpose of development contributions as:

The purpose of the development contributions in this Act is to enable territorial authorities to recover from those persons undertaking development a fair, equitable, and proportionate portion of the total cost of capital expenditure necessary to service growth over the long term.

Council considers the provision of suitable infrastructure as one of its key **strategic** activities that aid in the provision of social, economic, environmental and cultural well-being of the community. Providing infrastructure in anticipation of growth is an obligation of Council. Council will often invest in infrastructure capacity well in advance of the uptake of that capacity. Therefore recouping the growth component of this investment is an obligation Council has on behalf of the community.

Council also considers it important to ensure that the funding of this infrastructure is fair, reasonable and equitable. The existing community has invested in its needs and enjoys the benefits derived from those assets and services. Council considers it appropriate to use development and financial contributions where new subdivision and development benefit from existing infrastructure, generate need for additional infrastructure and/or require infrastructure extensions.

Section 106(2)(c) of the LGA 2002 requires Council's development contributions policy to explain why the Council has determined that it is appropriate to use development contributions as a funding source, by reference to the matters in section 101(3) of the LGA 2002.

Section 101(3) of the LGA 2002 requires that the following be considered:

The funding needs of the local authority must be met from those sources that the local authority determines to be appropriate, following consideration of:

- (a) *in relation to each activity to be funded -*
 - (i) the community outcomes to which the activity primarily contributes; and
 - (ii) the distribution of benefits between the community as a whole, any identifiable part of the community, and individuals; and
 - (iii) the period in or over which those benefits are expected to occur; and
 - (iv) the extent to which the actions or inaction of particular individuals or a group contribute to the need to undertake the activity; and

(v) the costs and benefits, including consequences for transparency and accountability, of funding the activity distinctly from other activities; and

b) the overall impact of any allocation of liability for revenue needs on the community.

For each activity, Council has specifically considered these matters in relation to the Policy on Development and Financial Contributions. The Council considers that development contributions are an appropriate method of funding growth costs. The considerations are documented in Table 1. The activities have been grouped into:

- Water Supply, Wastewater
- Roading

Each of these matters has been considered for each activity however in some cases the reasons given are valid for all activities. Where this is the case Table 1 shows the common reasons applicable to all activities.

Table 1: Considerations of Section 101(3) of the LGA 2002

Water Supply and Wastewater	Roading
<p>Water supply and wastewater networks across the district are provided to levels appropriate to sustain the density of use provided for in that locality. The two networks are grouped together as they share similarities in their management and in terms of the effects any extensions have upon them.</p>	<p>The roading network is maintained throughout the district at an appropriate level to ensure accessibility for all possible origins and destinations, and to provide for all possible activities.</p>
<p>S101(3) (a) (i) the community outcomes to which the activity primarily contributes;</p>	
<p><u>Community Outcomes</u> A Thriving Economy A Safe and Healthy Community - Maintain services in local communities.</p>	<p><u>Community Outcomes</u> A Thriving Economy A Safe and Healthy Community – Transportation and Communications</p>
<p>S101(3) (a) (ii) the distribution of benefits between the community as a whole, any identifiable part of the community, and individuals;</p>	
<p><u>Existing Community and Growth Community</u> Capital expenditure will provide capacity, and therefore benefit, to the existing community, the growth community, or both these groups. Council intends to pass the cost of growth onto the growth community through development contributions. Improving levels of service, historical catch-up or asset renewal will be funded from other sources of revenue by the existing community. The capital expenditure undergoes a cost driver analysis to define the benefit and the cost attributable to each part of the community using one or many of the following cost drivers:</p> <ul style="list-style-type: none"> • Growth • Renewal • Other (Level of Service, Statutory and Deferral) <p>The growth costs provide for new or additional assets or assets of increased capacity to meet the demands growth places on community facilities.</p>	
<p><u>Contributing Areas</u></p>	
<p>Council intends to use the scheme boundaries to define the contributing areas for water supply and wastewater contributions. These are:</p>	<p>All developments within the district's boundaries have the ability to use the roading network therefore all developments shall be assessed for a development contribution. Roading development contributions fund growth related capital expenditure for all components of the transportation network.</p>
<p>Water Supply • Alexandra and Clyde • Cromwell • Omakau • Ranfurly • Roxburgh • Naseby • Patearoa</p>	<p>Wastewater • Alexandra and Clyde • Cromwell • Omakau • Ranfurly • Roxburgh • Naseby</p>

Water Supply and Wastewater	Roading
<p>Only those developments connecting or utilising the water supply and/or wastewater network shall pay a development contribution.</p> <p>Development contributions fund growth related capital expenditure for all components of the utilities network including storage, treatment plants, firefighting, reticulation and pump stations.</p>	
<p>S101(3) (a) (iii) the period in or over which those benefits are expected to occur;</p> <p>The purpose of development contributions is to assist in providing intergenerational equity. The approach determines the capacity of each asset and the amount of capacity that will be utilised by the growth community. The length of time over which the asset created will provide a benefit to the future community has been considered. If this benefit extends beyond the 10-year Long Term Plan planning horizon then the growth costs shall be recovered in this LTP window and the next as the capacity is taken up.</p> <p>Funding the cost of providing increased capacity in community facilities through development contributions, rather than rates serviced debt, promotes equity between the existing community and the growth community. Once a development contribution has been paid in relation to a subdivision or development, the benefits of the asset, service, or environmental enhancement shall occur indefinitely.</p>	
<p>S101(3) (a) (iv) the extent to which the actions or inaction of particular individuals or a group contribute to the need to undertake the activity;</p> <p>Council has projected the extent of growth within the district. Council has also identified capital expenditure necessary to meet the needs of the growth community. The contributing areas discussed above in 101(3) (a) (ii) also ensures the growth costs are attributed to those which contribute to the need to undertake the activity.</p>	
<p><u>Land Use Categories</u></p> <p>Council intend to use land use categories to ensure the growth costs are attributed to identifiable parts of the growth community which contribute to the need to undertake the activity. Growth in each land use category generates a different demand for community facilities and therefore each land use shall pay an appropriate contribution.</p>	
<p>The land use categories used for Water Supply and Wastewater are:</p> <ul style="list-style-type: none"> • Residential • Housing Multi Unit • Retail/ Commercial • Restaurants/ Bars • Accommodation • Industrial 	<p>The land use categories used for Roading are:</p> <ul style="list-style-type: none"> • Residential (includes all residential dwellings and multi units) • Business (includes Retail/ Commercial, Restaurants/ Bars, Accommodation, Industrial)
<p>S101(3) (a) (v) the costs and benefits, including consequences for transparency and accountability, of funding the activity distinctly from other activities;</p> <p>Development contributions received for a specific activity will only be used for, or towards, the capital expenditure of that activity for which the contribution was required. Using development contributions to fund the cost of providing additional community facilities provides greater transparency. The benefits of this approach include intergenerational equity, fairer apportionment of costs and a more targeted, user pays system. These benefits are deemed to exceed the costs of assessing development contributions.</p>	
<p>S101(3) (b) the overall impact of any allocation of liability for revenue needs on the community.</p> <p>The liability for revenue falls directly with the growth community. At the effective date of this Policy, Council considers that any negative impact on the social, economic, environmental and cultural well-being of this particular sector of the community is outweighed by a positive impact on the wider community. At any stage in the future where there maybe impacts of this nature, Council may revisit this policy.</p>	

Section 106 of the LGA 2002 identifies that both development and financial contributions can be used. However the Local Authority must clearly demonstrate that no 'double dipping' (charge twice for the same effect/benefit) will occur. This policy clearly defines when a development contribution versus a financial contribution will be required.

1.4 Implementation Date

The financial and development contributions identified in this Policy shall be applied to all consents with an application date on or after 1 July 2018.

Any consent applied for prior to 1 July 2018 will be assessed under the provisions of the Policy in place on the date of consent application.

Section A: Applying the Policy to a Development

1.5 Schedules of Development and Financial Contributions Payable

Council may levy contributions in accordance with Tables 2 and 3 over the duration of the LTP. This policy may be amended under the annual update process as described in the Monitoring, Review and Development/Financial Contributions Policy Update section in the Policy.

The two tables demonstrate the type of contribution sought by geographical area, by asset type and under what legislation these will be collected. Development contributions are detailed in Table 2 and financial contributions are detailed in Table 3. The figures provided in Tables 2 and 3 are GST exclusive.

Development contributions for water supply, wastewater and roading have been calculated where growth costs have or are expected to occur. These are detailed in Table 2 below and are calculated in accordance with the conversion factors and assessment rules in the following section.

Maps showing the water and wastewater network scheme boundaries can be found in the final section of this policy. Should Council approve a water supply or wastewater connection to a property outside the scheme boundaries, the applicable development contribution shall be required.

Table 2: Schedule of Development Contributions (excludes GST)

Contributing Area	Water Supply (per DE)	Wastewater (per DE)	Roading
Alexandra and Clyde	\$6,295	\$5,795	Res \$1,772 per DE Bus \$5,157 per standard business lot
Cromwell	\$4,695	\$3,979	
Omakau	\$5,964	\$1,108	
Ranfurly	\$1,765	\$244	
Roxburgh	\$1,156	\$413	
Naseby	\$2,524	\$149	
Patearoa	\$1,510	n/a	
Other Urban Areas	Watching brief should growth create demand for additional assets/services.		
Other Rural Areas			

Note 1: Stormwater development contributions will not be charged at present however this is open for review should growth create demand for additional assets/services.

Table 3: Schedule of Financial Contributions (excludes GST)

Area	Water Supply	Wastewater	Roading	Reserves
Alexandra and Clyde	n/a	n/a	Environmental effects based.	\$1,910
Cromwell				Maintain existing provisions in the District Plan
Omakau				
Ranfurly				
Roxburgh				
Naseby				
Patearoa				
Other Urban Areas				1. Land; or 2. Cash in lieu of land; or 3. Both
Other Rural Areas	\$955			

Note 1: Financial Contributions are inflated annually based on Statistics NZ Construction Index PPIQ.SQNEE0000. They are updated to the September 2017 quarter in the above table.

Note 2: General Financial Contribution provisions in the operative District Plan allow for contributions to be sought against various assets and for various environmental effects (no explicit contributions identified). These are detailed in Chapter 15.6 of the District Plan and will be maintained.

1.6 Conversion Factors and Assessment Rules

The following table shows the Conversion Factors used to assess non-residential developments or subdivisions. The detail and derivation of these conversion factors can be found in Part 3 and Part 4 of the Detailed Supporting Document. These apply only to development contributions. The assessment rules below the table must also be considered, specifically for business roading development contributions.

Table 4: Conversion Factors for Development Contributions

Land Use Category	Water Supply		Wastewater	Roothing
	Working Charge	Network Charge		
Residential	1.0 DE per dwelling		1 DE per dwelling	1 DE per dwelling
Housing Multi Unit	0.38 DE per unit	0.4 DE per lot	0.64 DE per unit	1 DE per unit
Residential Flats of 60m ² GFA or less	0.5 DE per residential flat		0.5 DE per residential flat	0.5 DE per residential flat
Retail/Commercial	0.05 DE per peak no. of persons	1.24 DE per lot	0.09 DE per peak no. of persons	Typically 2.91 DE per standard business lot, but subject to assessment rules where applicable.
Restaurants/Bars	0.05 DE per peak no. of persons	1.24 DE per lot	0.14 DE per peak no. of persons	
Accommodation	0.16 DE per peak no. of persons	1.4 DE per lot	0.27 DE per peak no. of persons	
Industrial	0.08 DE per peak no. of persons	1.24 DE per lot	0.18 DE per peak no. of persons	

For roading contributions the residential land use includes rural and residential lifestyle subdivisions or developments.

1.7 Housing Multi-Units

Multi-unit development that comprises the provision of a second one-bedroomed residential unit limited by consent to be for family use, whether attached or unattached to the main residence, shall be exempt from development contributions.

Assessment Rules

Water Supply and Wastewater

Any development that does not connect to Council's water supply or wastewater network will not be levied a development contribution for that activity.

The peak number of persons for each land use category is as follows:

Retail/Commercial	Peak full-time staff equivalents
Restaurants/Bars	Maximum Number of Patrons + Peak full-time staff equivalents
Accommodation	Number of fee paying guests + (Peak full-time staff equivalents / 5)
Industrial	7 for typical industrial development, otherwise consumption determined at the time of site development.

The NCF for water supply will have regard to the underlying zoning (and hence the firefighting standards) of the subject lot, e.g. the NCF for a small accommodation development in a residential zone will be 0.4 per lot.

Roading

Small Business Assessment - For all small business developments, daily vehicle movements shall be assessed as a percentage of a standard business demand of 90 movements per day. Where the assessed daily vehicle movement is less than 100% of the standard demand, roading development contributions shall be due on a percentage pro-rata basis of the fixed business fee. Developments with less than 10% of the standard business daily vehicle movements shall attract a nil roading development contribution.

For this calculation a broad consideration of traffic movements is required. Specialist traffic assessments are not required except for complex developments, or where the assessments are disputed. The special assessment provision for larger developments is unchanged. For developments of multi units on one site, or units covering multiple lots the above principles shall apply to the development as a whole.

Special Assessment - A special assessment tool has been used in conjunction with the previous Policy to assess developments that have a greater than normal impact on the roading network.

Council deems that a development which exceeds three business contributions should be the point where a special assessment is appropriate. This equates to 270 vehicle movements per day.

A summary of the above two assessment rules is shown below for business developments or subdivisions (vpd = vehicles per day).

- 0-9 vpd 0 DE
- 10-89 vpd pro-rate of 90vpd x 2.91 DE
- 90-269 vpd 2.91 DE
- Greater than 270 vpd pro-rate of 90vpd x 2.91 DE

Rural and Rural Residential Development and Subdivision - A roading development contribution will be assessed for all developments or subdivisions, including those in rural and rural residential zones.

Alterations - Where alterations are made to an existing business building and work exceeds \$500,000, a fixed fee will be charged. Any alterations to an existing business building where work is less than \$500,000 shall be exempt a roading development contribution.

Traveller Accommodation - The following table shall be used to determine the proportion of the business roading contribution payable.

Table 5: Roading Development Contributions for Traveller Accommodation

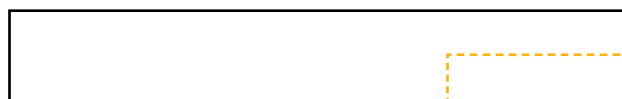
Fee Paying Guests	5 or less	6-7	8-9	10-11	12 or More
Percentage of the Business Roading Contribution Payable	Nil	50%	67%	83%	100%

Homestay activities are also exempt roading development contributions.

Rural Selling Places and Cellar Doors- These are defined in the District Plan in section 4.7.2 (iii) and (v) respectively. Council considers these activities do not generally create any additional demand as they are places where passers-by make purchases as opposed to being a destination causing additional demand on the roading infrastructure. These activities shall be exempt from roading development contributions.

Multi Unit / Multi Lot Development Scenarios- Multi unit and multi lot developments caused confusion when assessing roading contributions under the earlier policies. The following section clarifies the charging of development contributions for certain scenarios.

1. Existing Building – Building Modification for Separately Tenanted Space(s).



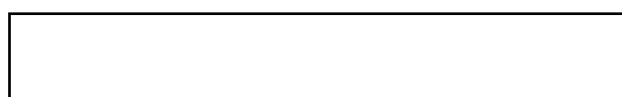
Solution: At building consent charge a separate business or residential fixed fee roading development contribution for the additional tenanted space.

2. Building to be constructed where it is clear separate tenancies will occur and meet building standards for that purpose.



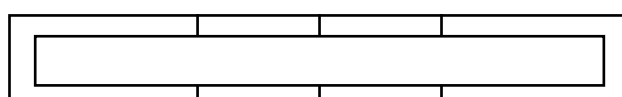
Solution: Each separately tenanted space shall be charged a fixed fee roading development contribution.

3. Building shell to be constructed where it can potentially be modified to have separate tenancies.



Solution: Charge a single fixed fee roading contribution at the time of construction. When building is modified additional contributions should be charged. The owner and not the tenant shall be liable for any future development contributions upon building modification.

4. Development(s) covering multiple lots.



Solution: A fixed fee roading contribution shall be charged for each lot used by the development. For this purpose development includes buildings and ancillaries, e.g. car parking.

1.8 Unusual Developments

Council reserves the right to individually assess any development or activity that it deems to create a significantly different demand on infrastructure than could usually be expected under their relevant category. For example, a swimming pool may be classified under commercial but it will have a significantly different water use than generally allowed for under the commercial category.

Where alterations are made to an existing business building and work exceeds \$500,000, a fixed roading development contribution will be charged. Any alterations to an existing business building where work is less than \$500,000 shall be exempt a roading development contribution. Section 15.6.4 of Council's District Plan identifies developments required to pay a Development Impact Levy. Developments meeting the test for a development impact levy are also considered unusual developments in relation to this Policy.

1.9 Credits

Different credit systems apply to financial contributions and development contributions.

Financial Contributions – credits and refunds are detailed in section 15.5.2 of the District Plan. This section identifies the following in relation to credits.

- (b) With respect to assessing financial contributions for reserves the following credit shall apply:
- (i) In the case of residential subdivision and/or development, a credit will be given for any financial contribution paid at the time of a previous subdivision and/or land use consent.
 - (ii) In the case of subdivision, credit will be given for the number of allotments that existed prior to the subdivision, including the number of allotments that could have accommodated dwellings in the context of residential subdivision.
 - (iii) Credit will be given when the facilities for general public use are provided as part of the subdivision and/or development.
- (c) When as a condition of a resource consent a financial contribution was made in respect to the provision of two or more households on one allotment without subdivision and the allotment is subsequently subdivided to create separate allotments to accommodate those household units no further financial contribution shall be paid.

Development Contributions – the following credit considerations apply to all development contribution assessments:

- Credits will be specific to the activity for which they were paid (i.e. a water supply credit will not be able to offset a wastewater contribution).
- Credits are based on the underlying zoning of the lot and not the proposed activity. i.e. the credit for a business development on a residential lot will be based on the residential land use.
- Credits are to be site specific (not transferable) and non refundable unless the refund provisions of the Act apply.
- The existing demand of any lot that is to be developed or subdivided will be converted to a dwelling equivalent credit when assessing development contributions. Thus development contributions are solely for additional demand created by the new development or subdivision.
- Any credit will be identified on the Development / Financial Contribution Demand.

Following the above two considerations, there are two types of development contribution credits that may be applied:

- (1) Actual Credits
- (2) Deemed Credits

The applications of the credits are described in the following table.

Table 6: Summary of Development Contribution Credits Applicable

When do they apply?	Who is responsible for them?	The following credits are anticipated (not intended as an exclusive list) :		Time Limit	Comments
		Stage / Type of Development	Details of Credit		
Actual Credit					
Actual credits apply when development contributions have already been paid.	Developers may request an actual credit. The Council invites applicants to submit with their applications records of development contributions paid.	Any development or subdivision on all zoned lots.	Actual credits will be applied to subdivisions or developments where a development contribution has been paid at an earlier stage, under this, or a previous version of the Policy on Development and Financial Contributions. The actual credit includes any deemed credit applied at the time of assessment. The actual credit will be quantified in dwelling equivalents. Any earlier development contribution payment will be converted to a dwelling equivalent credit for each activity based on the policy in place at the time of assessment.	There will be no time limit within which these credits must be used.	In some instances, particularly business sites, the contribution paid may exceed the contribution required under the new policy. This remaining credit may be used to off-set contributions that would otherwise be payable on future development of the lot.
Deemed Credit					
Deemed credits will only apply to vacant lots that existed prior to the requirement for development contributions. A deemed credit will only apply when an actual credit does not exist.	Council will determine if a lot is entitled to a deemed credit.	Residential <i>Subdivision or Development</i>	Any underlying residential lot shall be allocated a credit of one dwelling equivalent.	Any excess deemed credits that are identified as a result of an amalgamation of individual lots will accrue on the new amalgamated lot but will lapse if not utilised within a period of three years.	
		Rural <i>Subdivision or Development</i>	Any underlying rural lot shall be allocated a credit of one dwelling equivalent.		
		Business <i>Subdivision or Development</i>	Any underlying business lot shall be allocated a credit of one dwelling equivalent, except for roading contributions where deemed credits will not apply.		

Development contributions and credits will remain with the original underlying lot. For example if a business relocates then the development contribution or credit cannot be transferred to the new lot.

1.10 Commercial and Industrial Developments on Rural Zoned Land

When the need for a Resource or Building Consent on rural zoned land arises or a service connection is made a development contribution may be required. Pastoral land is considered the baseline land use for rural zoned land. When the land use changes a development contribution may be required.

Where development occurs that supports the pastoral land use, but does not change it, the developer will not be liable for contributions. In this instance it is assumed that supporting the existing land use will not generate additional demand on Council's infrastructure. The construction, for example of a hay or implement shed would not generate any additional demand if its sole purpose was to support a pastoral land use.

Where the land use deviates from pastoral, contributions will be assessed and may be payable. The land uses or types of development that follow are not considered to be pastoral:

- Pack houses
- Processing plant
- Dairy farms
- Buildings or works supporting land uses other than pastoral
- Forestry

Any activity that increases demand on Council infrastructure may be assessed for development contributions. This includes the addition of a residential dwelling to rural land.

Section B: Defining the Policy

1.11 Significant Assumptions

Best Available Knowledge

All information used in the calculation of development contributions is the best available at the time of the calculation models being prepared. Council is proceeding with numerous strategic studies which will aid in delivering improved information. Council will update the Policy at reasonable intervals. Council considers it fiscally prudent to have contributions in place now to ensure the recovery of growth costs. Delays to implement this process are considered unacceptable and would unfairly burden the existing population with these costs.

Growth Projections

The findings of a district-wide growth projections study completed by Rationale Ltd in July 2008, and updated in May 2017, were used as the basis for forecasting growth. The growth study considers Statistics New Zealand (SNZ) census data and SNZ projections. The study provides growth projections for each Census Area Unit and a more detailed analysis of specific urban areas.

Growth estimates have been prepared for each contributing area using dwelling equivalents. The starting point uses existing connections from the CODC rates database. These are converted to dwelling equivalents for non-residential connections using the differentials described in Part 3 and 4 of the Detailed Supporting Document. The annual growth factors from the above study are applied to forecast the growth in dwelling equivalents.

Financial Considerations

The following are key financial considerations applied in the model:

1. All figures are in current New Zealand dollars – effective 1 July 2018 and are GST exclusive.
2. Inflation is applied to past capital projects only.
3. Interest costs have been assessed based on the weighted average cost of capital over the 10 year period from 2018. The cumulative net deficit between the contributions anticipated to be collected and the growth costs over the 10-year period are used to determine the proportion of the growth cost that will be funded by debt. An interest rate of 5.0% has been applied.

4. Capital expenditure (CAPEX) projections are those that have been forecast in the Long Term Plan Statement of Proposal effective at 1 July 2018. Actual expenditure for the years to and including 2016/17 has been used. Amendments to the CAPEX programme have been made to account for budgets carried forward and expenditure changes. The public nature and auditability of these capital projections provides additional confidence to the process. Schedule 10 of the LGA 2002 prescribes significant disclosures including growth, renewal and level of service apportionments.

1.12 Review and Update of the Policy on Development and Financial Contributions

The Council is required to review the policy at least once every three years using a consultation process that gives effect to the requirements of section 82 of the Local Government Act.

The Council may, under the provisions of section 106(2B) of the Act, increase the development contributions in accordance with movements in the Producers Price Index (Construction).

Financial contributions will be updated for inflation annually as part of the Annual Plan process. Where financial contributions are inflated, and differ from those contained within this Policy on Development and Financial Contributions, the financial contributions defined in the Annual Plan will take precedence.

1.13 Contribution Triggers

Statutes define different triggers for financial contributions and development contributions. These are:

1. Financial Contributions - As defined by chapter 15.5.1 of the District Plan, namely required as a condition of:

- Subdivision consent and/or
- Land use consent

2. Development Contributions – As defined by s198 of the LGA 2002 may be required when:

- A resource consent is granted; or
- A building consent is granted; or
- A service connection is authorised.

Both financial contributions and development contributions relate to demand for assets and/or resources. Once the Council has assessed the demand and a contribution has been determined and paid, provided the demand does not change then no further contributions will be required. Council will consider issues of equity, fairness and reasonableness when applying development contributions at these phases of subdivision and development.

The sequence of development is not always consistent. Hence financial and development contributions will be required at the first available opportunity. At each and every subsequent opportunity the development may be reviewed in terms of both types of contributions. Additional contributions will be required if the demand assessed for the development exceeds those previously paid for.

1.14 Notification

Notification procedures are different for both financial and development contributions.

Financial contributions are a condition of resource consent and are payable to ensure compliance with that consent. Financial contributions payable will be notified on both subdivision and land use resource consent decisions.

Development contributions are **not** a condition of resource consent. Council will however attach a Development/Financial Contributions Demand to the following documents where appropriate:

- Resource Consents – subdivisions and land use
- Building Consent
- Service Connection Authorisations

The Development/Financial Contributions Demand will include a list of contributions payable, details of any calculations undertaken in terms of assessing demand, details of existing credits known to Council and when payment is required. The Development/Financial Contributions Demand includes a statement of contributions for a specific allotment. Therefore any changes in demand can be assessed giving consideration of existing credits.

1.15 Timing of Payment

Financial Contributions – timing of payments are defined in section 15.5.1 of the District Plan. This section identifies the following:

- “(a) Financial Contributions of money shall generally be paid as follows:
- (i) In the case of a resource consent for land use prior to the commencement of that use.
 - (ii) In the case of a resource consent for subdivision prior to the issue of a certificate under section 224 of the Act* provided that in circumstances where the adverse effect (or a significant portion of that effect) created by the subdivision and/or development will not occur until sometime in the future then Council may defer the financial contribution through the use of covenants, bonds, consent notices or the review of conditions as appropriate.
 - (iii) In the case of financial contributions of money on permitted activities, prior to the issue of the building consent or commencement of the activity.
- (b) Financial contributions of land shall be vested in Council immediately upon the land being able to legally vest.”
- * Act meaning the Resource Management Act 1991

Development Contributions – will be payable as follows:

- Resource consent (subdivision) – prior to the issue of S224c certificate (See section 208 of Local Government Act 2002). Council will consider applications for deferral of payment under the following clause:

In the case of a subdivision consent prior to the issue of a certificate under section 224(c) of the Resource Management Act 1991, provided that in circumstances where the effects, or a significant portion of the effects, created by the subdivision will not occur until sometime in the future, then the Council may defer the payment of the development contribution provided it is satisfied that appropriate security by way of registering the development contribution under the Statutory Land Charges Registration Act 1928, as a charge on the title of the land in respect of which the development contribution was required and within a timeframe agreed being no greater than 5 years from the issue date of the certificate under section 224(c) of the Resource Management Act 1991.

- Resource consent (other) – prior to commencement of the consent except where a building consent is required then payment shall be as noted for building consents below;
- Building consent – prior to the issue of the code of compliance certificate. In the event of undue delays in applying for code of compliance certificate Council may require payment 90 days from the granting of the building consent.
- Service connection – prior to connection.

1.16 Developer Provision of Assets

Where any service serves or is intended to serve land in a subdivision or development and other land, the liability of the consent holder shall be limited to the extent to which the service serves or is intended to serve the land in the subdivision or development.

Where a developer provides works or services in excess of that required by the Council and this is documented by way of a written agreement the works will be valued and then deducted from the relevant contribution category.

1.17 Development Agreements

The 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 the district or a part of the district. The provisions of Sections 207A to 207F shall apply to such agreements.

1.18 Reconsiderations

An applicant may request council to reconsider the requirement if the applicant has grounds to believe that:

- (a) the development contribution was incorrectly calculated or assessed under the council's development contributions policy;
- or
- (b) council incorrectly applied its development contributions policy; or
- (c) the information used to assess the person's development against the development contributions policy, or the way council has recorded or used it when requiring a development contribution, was incomplete or contained errors.

A request for reconsideration must be made in writing stating clearly which of the above grounds the applicant believes the Council has erred. The request for reconsideration must be made within ten working days after the date on which the person lodging the request receives notice from Council of the level of development contribution that Council requires. This request should be addressed to:

The Development Engineer,
Central Otago District Council
PO Box 122 , Alexandra 9340
Email: dcreconsider@codc.govt.nz

The steps that Council will apply when reconsidering the requirement to make a development contribution are:

- The appropriate Council officer shall review the reconsideration request,
- The Council officer may request further relevant information from the applicant,
- The Council officer will make a recommendation to the delegated authority,
- Council will, 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 person who made the request.

A reconsideration cannot be requested if the applicant has already lodged an objection. If the applicant is not satisfied with the outcome of the reconsideration, they may lodge an Objection as specified in the Local Government Act 2002 Amendment Act (No 3) 2014, s199C to s199N.

1.19 Remission and Reimbursement

Remission

There will be no remissions, other than those listed below, except in exceptional circumstances. Remissions are at the discretion of the Chief Executive.

Seasonal Activity Remission

Remissions on the basis of seasonal activity or reduced demand on specific assets will only be allowed where the actual demand can be demonstrated to be significantly different from a typical development. Furthermore it must be demonstrated that the demand will not increase if the development was to be used differently.

Small Business Remission

A remission will be provided to small business and non-residential service developments on the following basis.

Where the average assessed additional demand across the roading, water and wastewater activities is less than or equal to 1.5 dwelling equivalents, the development contributions, and financial contributions for roading, water and wastewater shall be remitted.

Seasonal worker accommodation is interpreted as non-residential for this policy and is thus eligible for the small business remission if the criteria are met.

The small business remissions principle was implemented with effect from 1 July 2011, and will apply only to development contributions that are due to be paid on or after that date. Remission considerations for developments that have already been assessed but not paid will be initiated by an application from the developer. The remission is not available to developments where contributions were due to be paid prior to 1 July 2011, but where payment has been delayed by the developer.

Not-for-Profit Remission

Developments linked to a not-for-profit organisation may also be considered for remission.

Reimbursement

A reimbursement maybe sought where it can be demonstrated that the subdivision or development has amassed development/financial contribution credits against it. Example: Where a contribution has been assessed as a condition of a land use consent (subdivision) based on likely future land use and where that future (conceivable final land use) is substantially and materially different.

1.20 Non Payment

If **financial contributions** are not paid in accordance with the above provisions and to the satisfaction of Council, Council may:

1. Withhold issue of a certificate under section 224 of the Act for subdivision;
2. Prevent commencement of a land use consent.

If **development contributions** are not paid in accordance with the above and to the satisfaction of Council, Council may as it is permitted under section 208 of the Local Government Act 2002:

- Withhold S224c Certificate on a subdivision;
- Prevent the commencement of a resource consent for a development;
- Withhold a code of compliance certificate under the Building Act;
- Withhold a service connection to a development;
- In each case the Council may register the Development Contribution under the Statutory Land Charges Registration Act 1928 as a charge on the title of the land for which the contribution was required.

In the event where a lawful debt is unrecovered Council will commence debt collection in accordance with normal debt collection processes.

1.21 Refund of Contributions

Different refund rules apply to financial contributions and development contributions.

Financial Contributions – credits and refunds are detailed in section 15.5.2 of the District Plan. This section identifies the following in relation to refunds.

(a) Where:

- (i) A resource consent which includes a condition requiring a financial contribution lapses or is cancelled or surrendered in accordance with the provisions of the Act; or
- (ii) The activity or relevant part of the activity in respect of which the resource consent was granted does not proceed.

Council shall pay or return to the person entitled in accordance with 15.5.3(a)(v) below the financial contribution less a value equivalent to the costs incurred by the Council in relation to the activity and its discontinuance provided that Council shall not repay or credit the value of any work or services actually provided as a result of a financial contribution of money before the resource consent lapses, or is cancelled or surrendered, or does not proceed.

and:

- (d) Where a financial contribution is made for the provision of a particular work or service and the Council subsequently resolves not to proceed with that work or to provide that service or where the work does not proceed within a time period of 10 years from the date that the contribution is paid or such shorter or longer time period as stated in the resource consent, the financial contribution shall be refunded to that person entitled in accordance with 15.5.3(a)(v) below plus the value of any interest accrued on the financial contribution whilst in the possession of the Council less

the costs incurred by the Council in relation to design or other costs incurred in planning for the provision of the particular work or service.

Development Contributions – Sections 209 and 210 of the LGA 2002 outline the circumstances in which the Council must refund or return to the consent holder a development contribution. These include:

- Where a development or building does not proceed, the resource consent or building consent lapses or the resource consent is surrendered.
- Where the Council does not provide the reserve, network infrastructure or community infrastructure for which the development contribution was required.

Where Council required a development/financial contribution as part of subdivision or development activities and where the documentation (resource consent, building consent or service connection authorisation) permitting that subdivision or development has lapsed, Council will refund the contribution if paid. This does not prevent Council from requiring development/financial contributions in the future. Council may retain a portion of the contribution of a value equivalent to the costs incurred by the Council in processing/assessing the contribution required by the subdivision or development.

1.22 Delegations

Council shall determine where a development or financial contribution will be sought. It has the authority to set the quantum of those contributions. The Chief Executive will ensure the Policy is implemented.

1.23 Administration

Council's planning department will be responsible for issuing Development Contribution Demands on the relevant applications.

Section C: Supporting Information

1.24 Summary Disclosure Tables

The following tables show a summary of each contributing area for the 10-year period between 2018/19 and 2027/28. The tables demonstrate the nature and level of expected capital expenditure required by Council and the portion that is attributable to growth. A table is produced for each activity which shows the CAPEX for each contributing area where a contribution has been assessed. The CAPEX attributable to growth is apportioned equitably among the growth population to define a set charge for each dwelling equivalent.

The following tables also detail the growth related debt levels for each contributing area. These define the interest component of the contributions. The tables show the growth CAPEX consumed by each contributing area and the dwelling equivalent growth used to calculate the development contributions.

The detailed disclosure tables, including Schedule of Asset tables can be found in the appendices of the Detailed Supporting Document.

Table 7: Water Supply - Capital Expenditure for Development Contributions (Policy Year \$'s)

Contributing Area	Historical Expenditure	Total Capital Expenditure	Growth Capital Expenditure (excl. interest)	Growth Capital Expenditure (incl. interest)	Growth costs consumed - historic capex	Growth costs consumed - future capex	Growth costs consumed - TOTAL	Analysis Period Dwelling Equivalents	Development Contribution per Dwelling Equivalent
Alexandra and Clyde	19,641,241	43,719,247	10,436,576	13,740,059	1,602,799	4,263,295	5,866,094	932	6,295
Cromwell	8,148,055	22,486,110	10,119,696	12,107,355	834,986	2,589,215	3,424,201	729	4,695
Omakau	2,552,614	3,406,494	650,476	202,703	230,971	40,158	271,130	45	5,964
Ranfurlly	1,659,313	2,350,548	152,389	79,187	38,689	42,900	81,590	46	1,765
Roxburgh	3,545,299	3,662,199	60,668	82,113	36,275	3,182	39,457	34	1,156
Naseby	1,412,278	1,544,426	18,597	22,857	25,336	1,343	26,679	11	2,524
Patearoa	665,309	1,000,762	18,597	22,857	1,016	11,142	12,157	8	1,510
District Wide	37,624,109	78,169,785	21,517,589	26,911,993	2,770,073	6,951,235	9,721,309	1,805	23,911

Table 8: Water Supply - Debt Funding Ratio - 10 Year Net Growth versus Revenue Assessment

Contributing Area	LTP CAPEX (Policy Year \$)	LTP Growth CAPEX (Policy Year \$)	New Dwelling Equivalents	Cumulative Development Contributions Received (Policy Year \$)	Debt Balance	Debt Funding Ratio
Alexandra and Clyde	24,078,006	7,908,942	932	5,866,094	2,787,852	49%
Cromwell	14,338,055	7,222,934	729	3,424,201	3,798,733	31%
Omakau	853,879	187,893	45	271,130	-155,311	0%
Ranfurlly	691,236	76,166	46	81,590	49,092	64%
Roxburgh	116,900	7,841	34	39,457	31,785	68%
Naseby	132,148	5,601	11	26,679	26,564	70%
Patearoa	335,453	15,993	8	12,157	3,836	45%
District Wide	40,545,676	15,425,370	1,805	9,721,309	6,542,551	

Table 9: Wastewater - Capital Expenditure for Development Contributions (Policy Year \$'s)

Contributing Area	Historical Expenditure	Total Capital Expenditure	Growth Capital Expenditure (excl. interest)	Growth Capital Expenditure (incl. interest)	Growth costs consumed - historic capex	Growth costs consumed - future capex	Growth costs consumed - TOTAL	Analysis Period Dwelling Equivalents	Development Contribution per Dwelling Equivalent
Alexandra and Clyde	11,777,641	26,059,787	3,831,969	3,680,087	970,032	1,532,130	2,502,161	432	5,795
Cromwell	21,842,060	27,684,227	9,216,168	9,216,168	2,436,661	658,760	3,095,421	778	3,979
Omakau	511,406	714,711	69,564	69,564	11,763	23,446	35,210	32	1,108
Ranfurlly	813,028	813,028	29,095	29,095	10,854	0	10,854	45	244
Roxburgh	1,071,281	1,071,281	41,321	56,753	14,063	0	14,063	34	413
Naseby	226,221	226,221	4,300	6,287	1,642	0	1,642	11	149
District Wide	36,241,637	56,569,255	13,192,416	13,057,953	3,445,015	2,214,336	5,659,351	1,331	

Table 10: Wastewater - Debt Funding Ratio - 10 Year Net Growth versus Revenue Assessment

Contributing Area	LTP CAPEX (Policy Year \$)	LTP Growth CAPEX (Policy Year \$)	New Dwelling Equivalents	Cumulative Development Contributions Received (Policy Year \$)	Debt Balance	Debt Funding Ratio
Alexandra and Clyde	14,561,052	2,501,675	432	2,502,161	427,164	45%
Cromwell	5,842,167	2,206,696	778	3,095,421	-1,532,384	0%
Omakau	203,305	43,148	32	35,210	-48,035	0%
Ranfurlly	0	-	45	10,854	-6,806	0%
Roxburgh	0	-	34	14,063	14,354	73%
Naseby	0	-	11	1,642	3,042	80%
District Wide	20,606,524	4,751,520	1,331	5,659,351	-1,142,665	

Table 11: Roading - Capital Expenditure for Development Contributions (Policy Year \$'s)

Contributing Area	Historical Expenditure	Total Capital Expenditure	Growth Capital Expenditure (excl. interest)	Growth Capital Expenditure (incl. interest)	Growth costs consumed - historic capex	Growth costs consumed - future capex	Growth costs consumed - TOTAL	Analysis Period Dwelling Equivalents	Development Contribution per Dwelling Equivalent
District Wide	87,571,190	144,909,382	11,701,480	16,740,130	2,080,409	1,930,618	4,011,027	2,264	1,772

Table 12: Roading - Debt Funding Ratio - 10 Year Net Growth versus Revenue Assessment

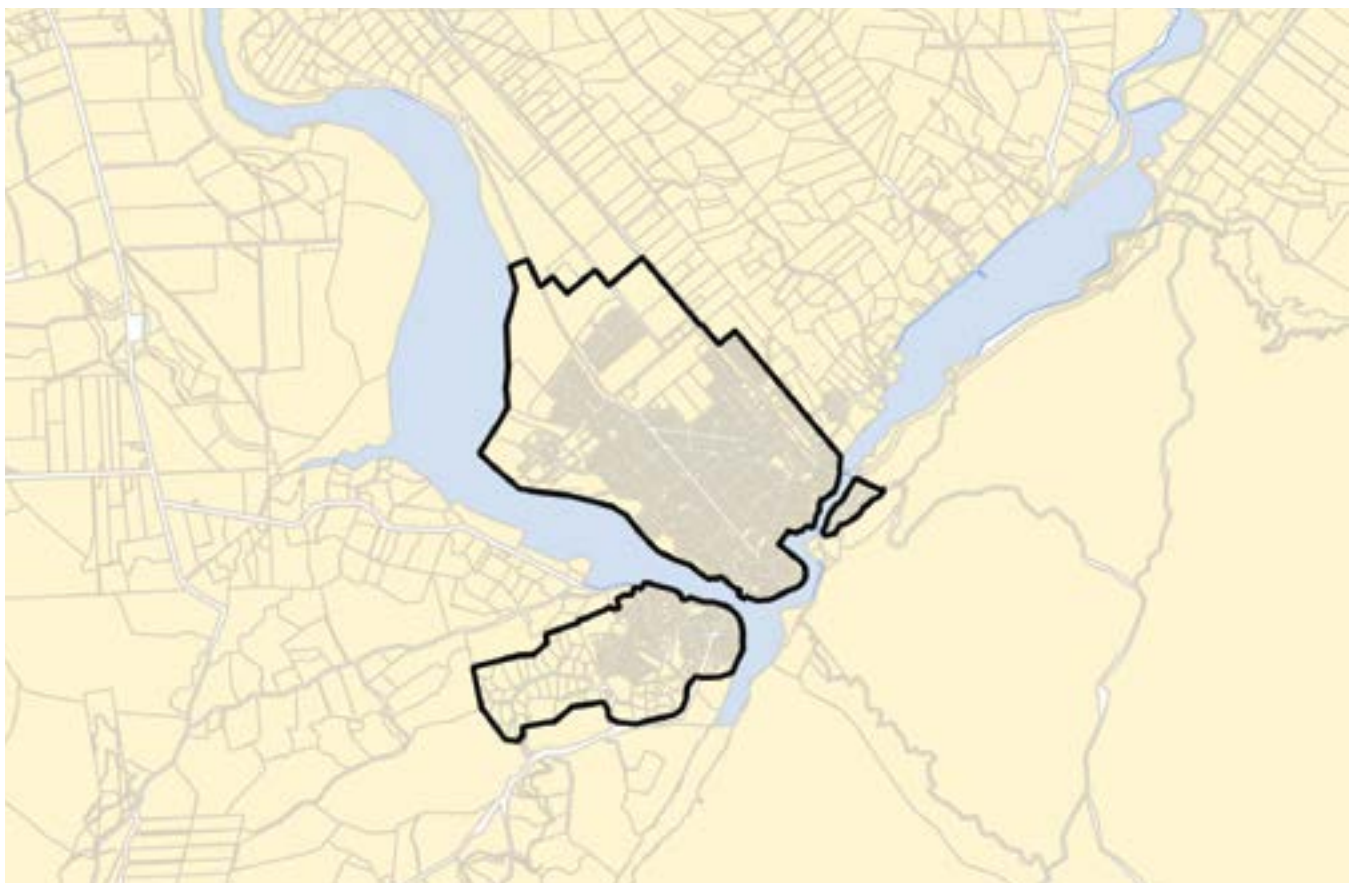
Contributing Area	LTP CAPEX (Policy Year \$)	LTP Growth CAPEX (Policy Year \$)	New Dwelling Equivalents	Cumulative Development Contributions Received (Policy Year \$)	Debt Balance	Debt Funding Ratio
District Wide	57,338,192	5,693,631	2,264	4,011,027	6,034,899	71%

1.25 Scheme Maps

ALEXANDRA & CLYDE WATER SUPPLY – SCHEME BOUNDARY



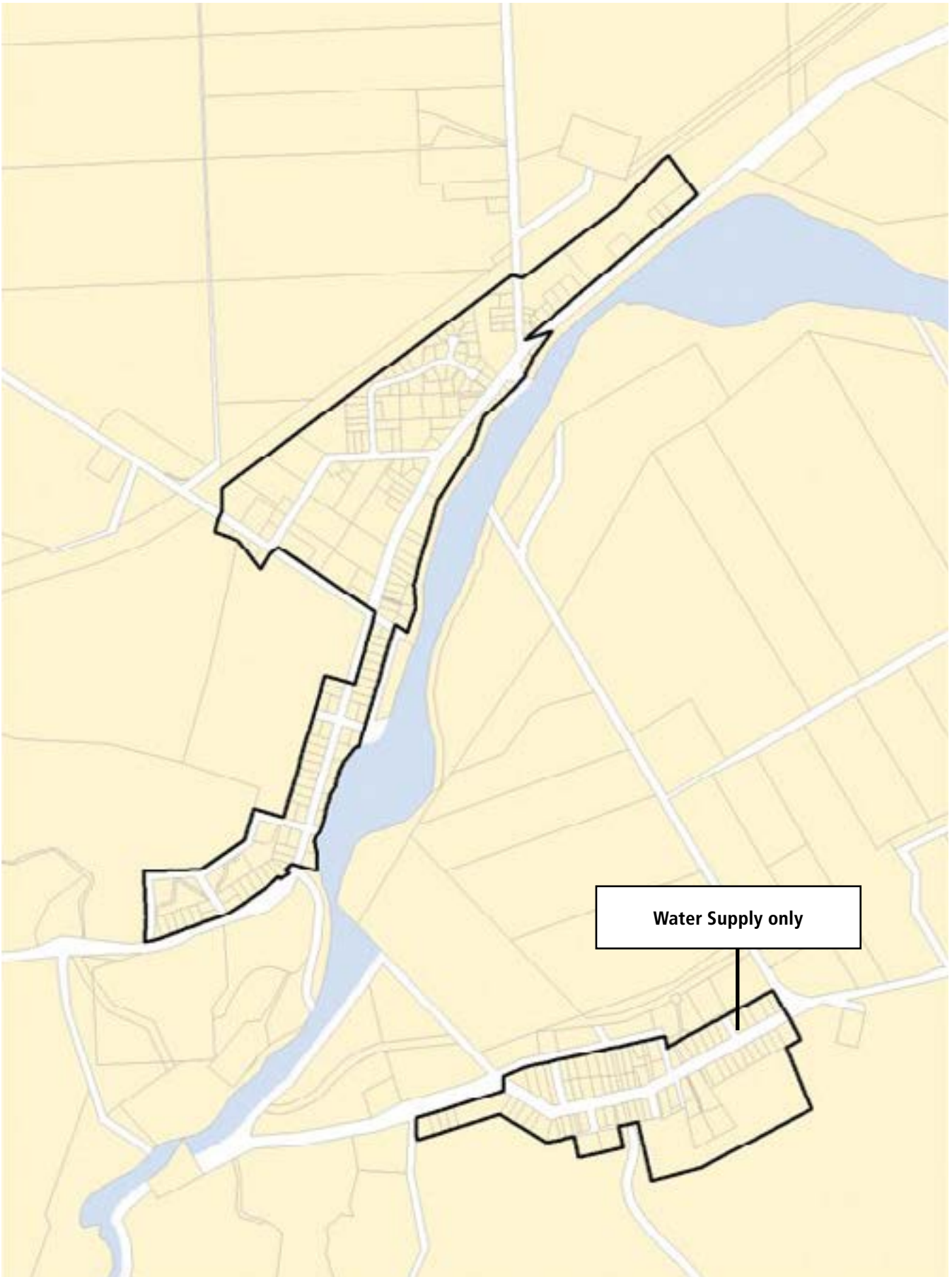
ALEXANDRA WASTEWATER – SCHEME BOUNDARY



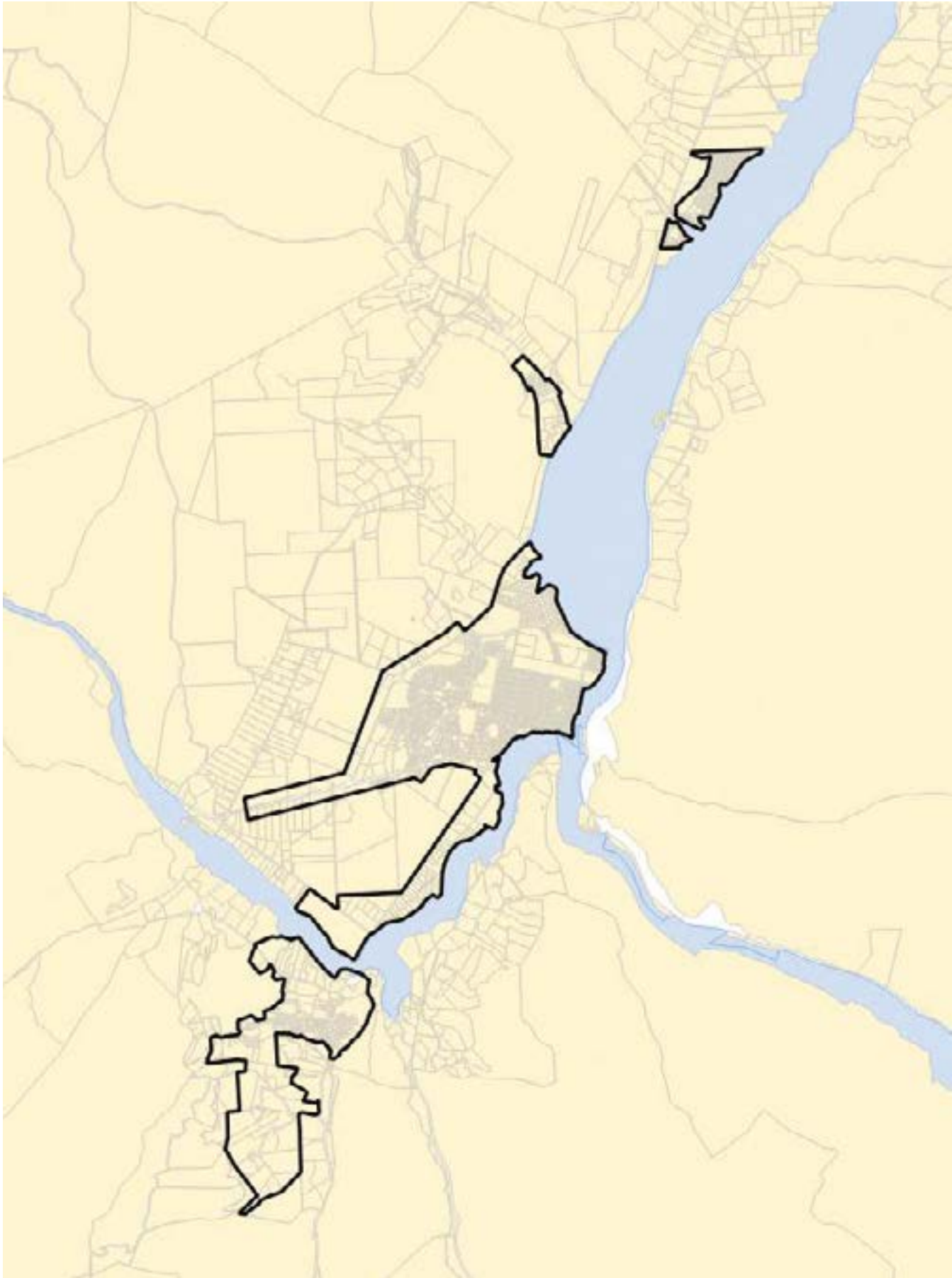
CLYDE WASTEWATER – SCHEME BOUNDARY



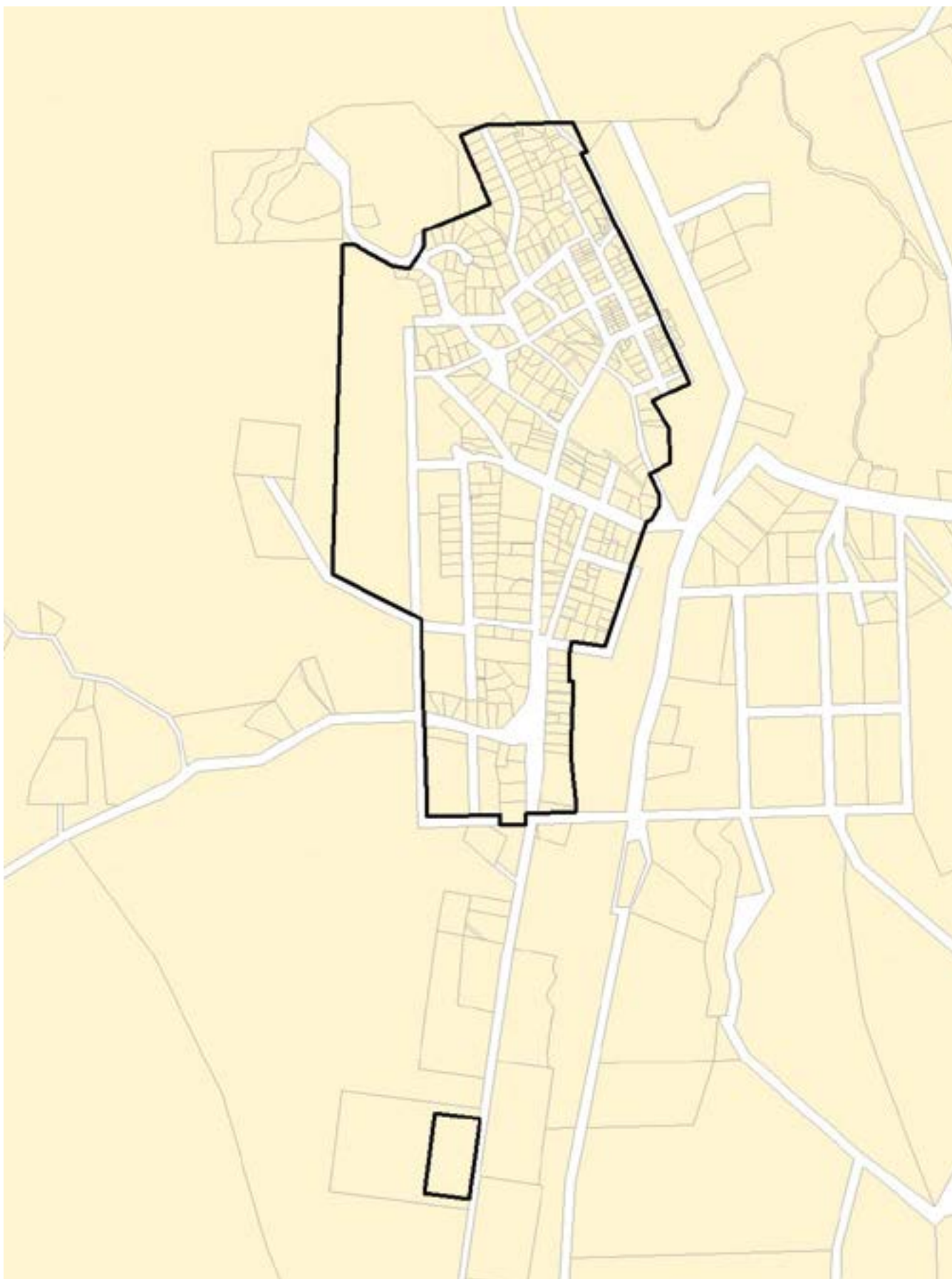
OMAKAU / OPHIR WATER SUPPLY & WASTEWATER – SCHEME BOUNDARIES



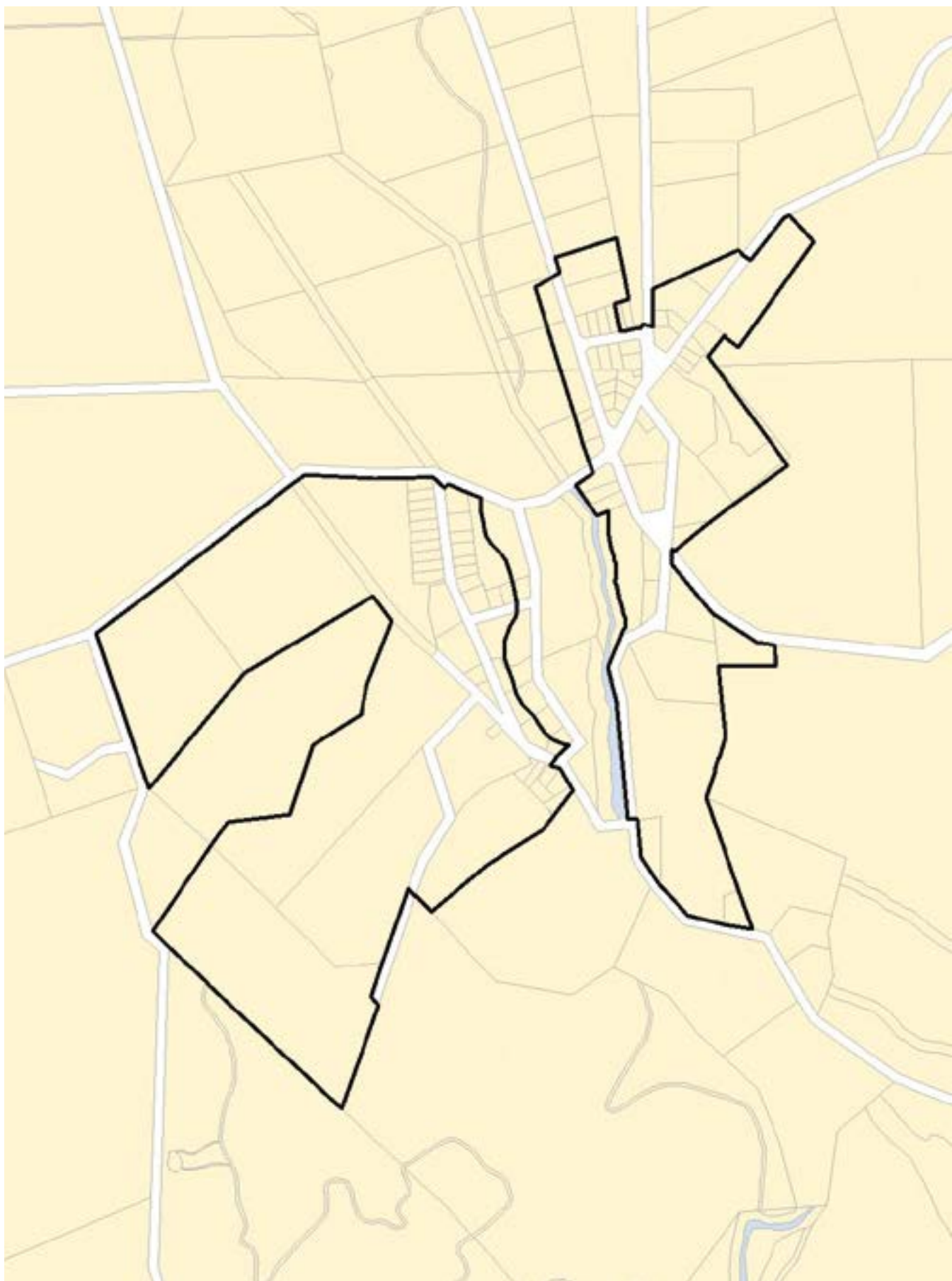
CROMWELL WATER SUPPLY & WASTEWATER – SCHEME BOUNDARY



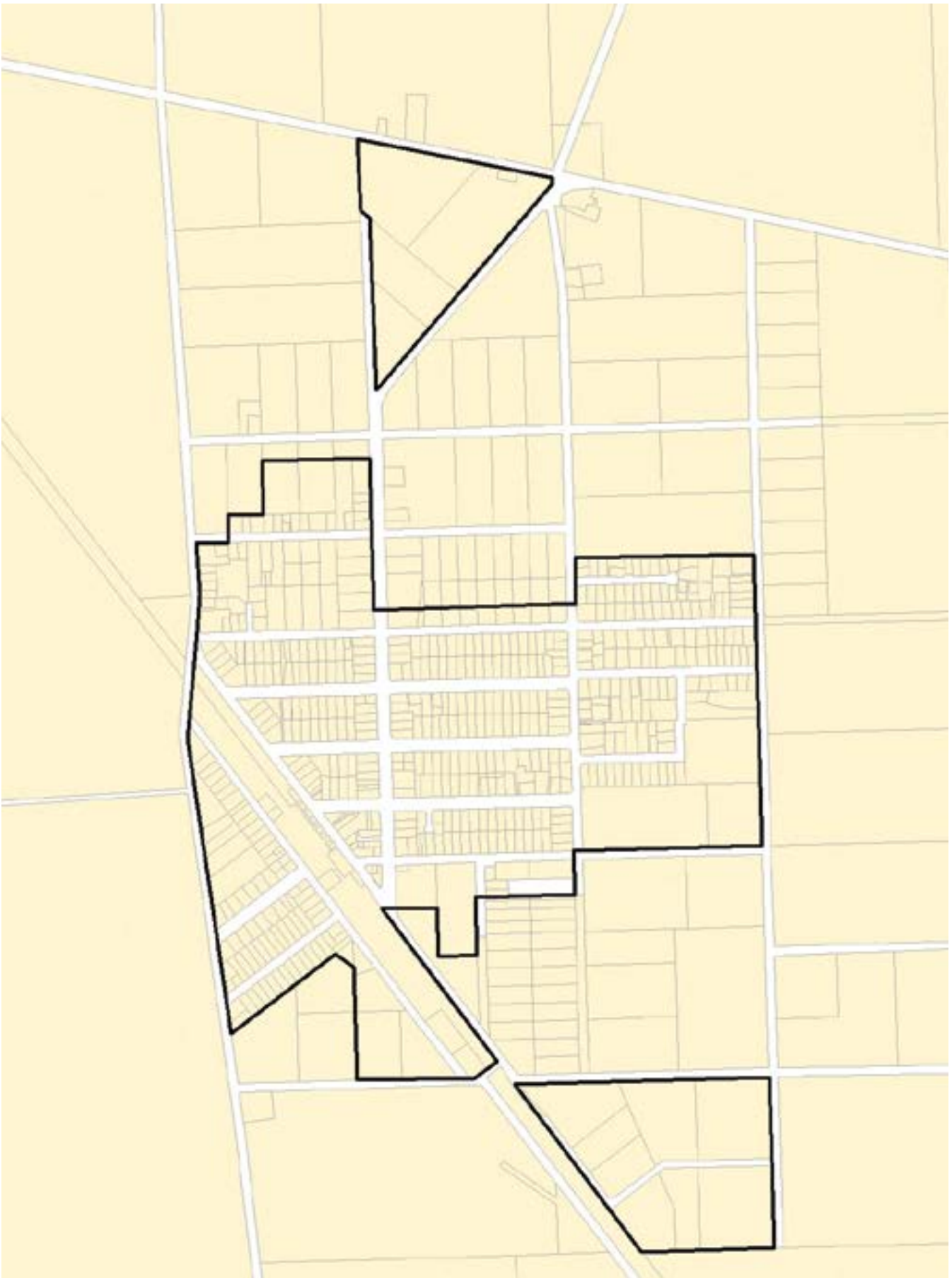
NASEBY URBAN WATER SUPPLY AND WASTEWATER – SCHEME BOUNDARY



PATEAROA URBAN WATER SUPPLY – SCHEME BOUNDARY

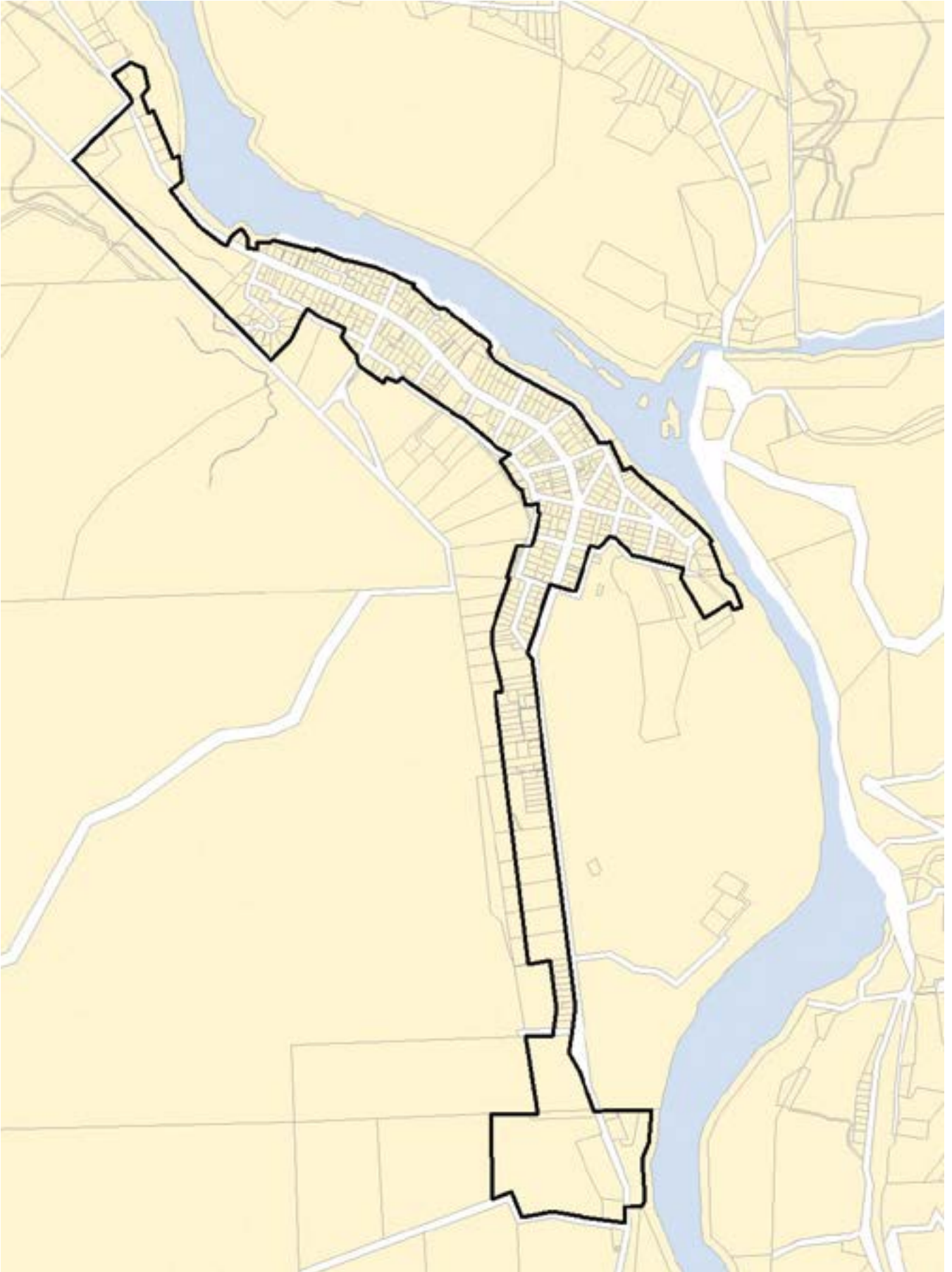


RANFURLY URBAN WATER SUPPLY AND WASTEWATER – SCHEME BOUNDARY



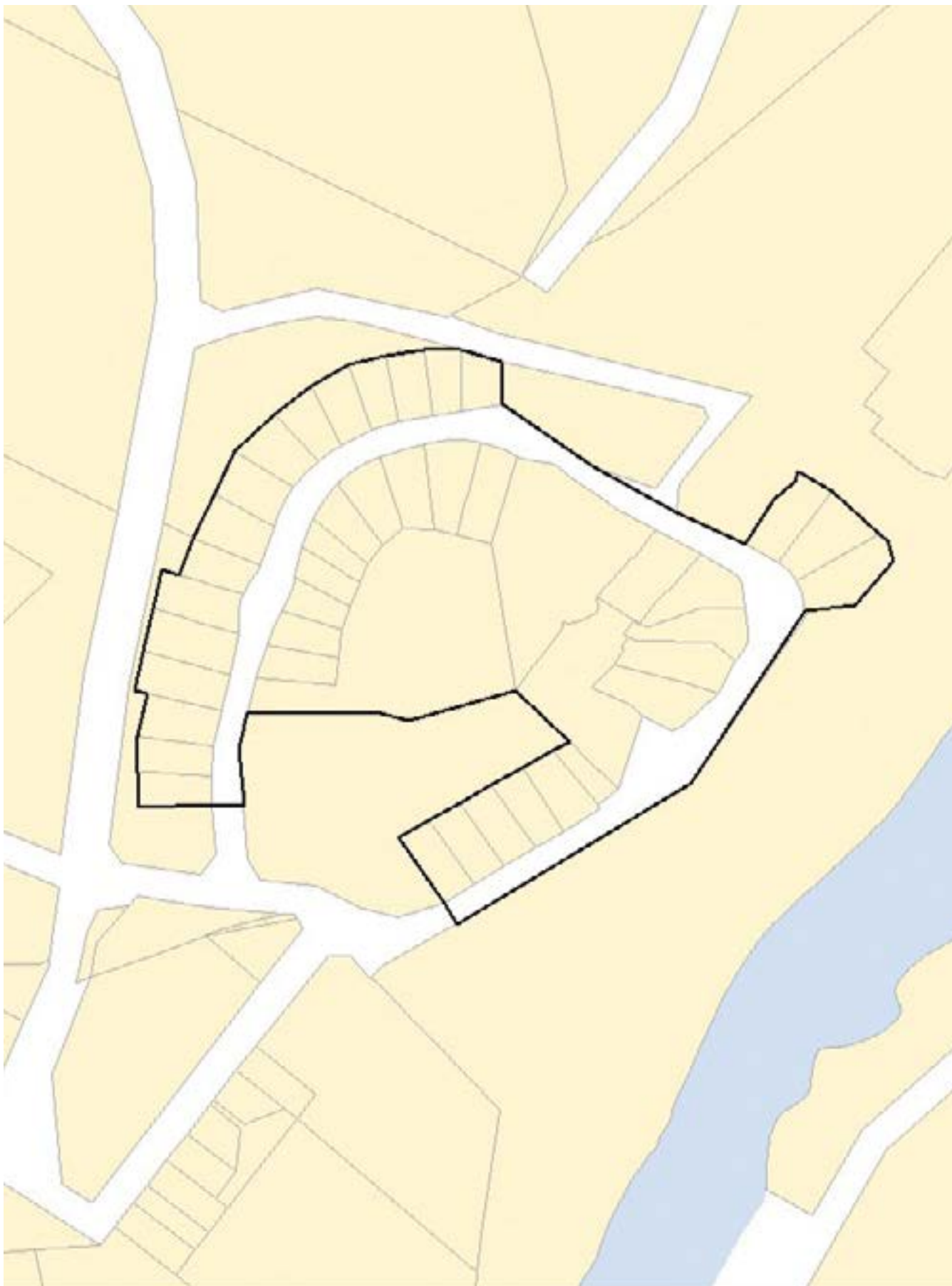
ROXBURGH WATER SUPPLY AND WASTEWATER – SCHEME BOUNDARY (shown on two maps)

1. ROXBURGH



ROXBURGH WATER SUPPLY AND WASTEWATER – SCHEME BOUNDARY (shown on two maps)

2. LAKE ROXBURGH VILLAGE





OUR COUNCIL

Mayor and Councillors



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His Worship the Mayor

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mayor@codc.govt.nz



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(Deputy Mayor)
Cromwell

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Dr. Barrie Wills
Alexandra

Phone: 03 448 8215
Mobile: 021 138 1988
barrie.wills@codc.govt.nz

Community Boards

The Council has four Community Boards covering the entire district. Community Boards provide a link between Council and the community. Our Council is one of the few in the country that maintains a comprehensive community board structure with significant delegated powers.

Cromwell Community Board

42 The Mall, Cromwell Phone: 03 445 0211



Neil Gillespie
(Chair)



Shirley Calvert
(Deputy)



Annabel Blaikie



Robin Dicey



Anna Harrison



Nigel McKinlay



Werner Murray

Maniototo Community Board

15 Pery Street, Ranfurly Phone: 03 444 9170



Robert Hazlett
(Chair)



Sue Evans
(Deputy)



Stuart Duncan



Duncan Helm



Sue Umbers

Teviot Valley Community Board

120 Scotland Street, Roxburgh Phone: 03 446 8105



Raymond Gunn
(Chair)



Cliff Parker
(Deputy)



Sally Feinerman



Stephen Jeffery



John Pritchard

Vincent Community Board

1 Dunorling Street, Alexandra Phone: 03 440 0056



Sharleen
Stirling-Lindsay
(Chair)



Dr. Barrie Wills
(Deputy)



James
Armstrong



Victoria Bonham



Brian Fitzgerald



Russell Garbutt



Claire Goudie



Malcolm Topliss

Sanchia Jacobs
Chief Executive



- Governance
- Communications
- Human Resources
- Emergency Management
- Health and Safety
- Regional Identity
- Tourism Central Otago
- Visitor Information Centres



Bernard Murphy
Executive Manager
- Corporate Services

- Accounting
- Financial Planning and Reporting
- Rating / Policy
- Information Systems
- Customer Service and Administration
- Libraries



Julie Muir
Executive Manager
- Infrastructure Services

- Roading
- Water Services
- Environmental Services
- Economic Development



Louise van der Voort
Executive Manager
- Planning and Environment

- Resource Management
- Building Control
- Alcohol Licensing
- Dog Control and Registration
- Environmental Health
- Elderly Persons' Housing
- Public Toilets
- District / Commercial Property
- Airports
- Community Facilities
- Parks and Recreation
- Cemeteries
- Swimming Pools
- Community Development



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