



# Wastewater Asset Management Plan 2024-2034



TE KAUNIHERA Ā ROHE O  
**WHAKAAHURANGI**  
**STRATFORD**  
DISTRICT COUNCIL

#### DOCUMENT QUALITY ASSURANCE

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**The Wastewater  
Asset Management Plan 2024-2034  
(WWAMP)**

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# **Executive Summary**

## **The Stratford District**

The Stratford (Whakaahurangi) District is a land locked area encompassing 2170km<sup>2</sup> located in the heart of Taranaki. The district is adjacent to the New Plymouth and South Taranaki districts in the Taranaki region and the Ruapehu and Whanganui Districts in the Horizons Regional Council. Within the district there are four distinct geographical areas:

- The alpine and bush environment of Te Papakura o Taranaki
- The ring plain around Taranaki Maunga
- Hill country located between the ring plain and the eastern hill country; and
- Eastern hill country to the boundary with Ruapehu District Council.

The rural landscape supports large farming, forestry and Department of Conservation reserves. Stratford, Whakaahurangi is a growing tourist destination owing to key attractions such as the Te Papakura o Taranaki, the Manganui Ski Field, Forgotten World Highway (SH43), Whangamōmona, Dawson and Mt Dampier Falls. Three main townships make up the Stratford District. They are: Stratford; Midhirst and Toko.

## **The Wastewater Asset Management Plan**

The Wastewater Asset Management Plan (WWAMP) describes the planning, engineering, financial and technical strategies and practices employed in the delivery of the Stratford District Council, Te Kaunihera ā Rohe o Whakaahurangi, obligations for the provision of wastewater services at the agreed levels to the community. Activities include the operation, maintenance and development of collection, treatment and the distribution system of the wastewater service.

Based on forecasted growth and demand for service, the WWAMP sets out how the wastewater service will be managed over its lifecycle to ensure the optimal delivery of the service with the financial constraints set by the Council in its Long Term Plan (LTP) 2024-2034 and the Infrastructure Strategy (IS) 2024-2054. The levels of service to be delivered are as per the priorities and performance measures set by both the Council priorities; Regional Council resource consent conditions and Central Government initiatives and performance measures.

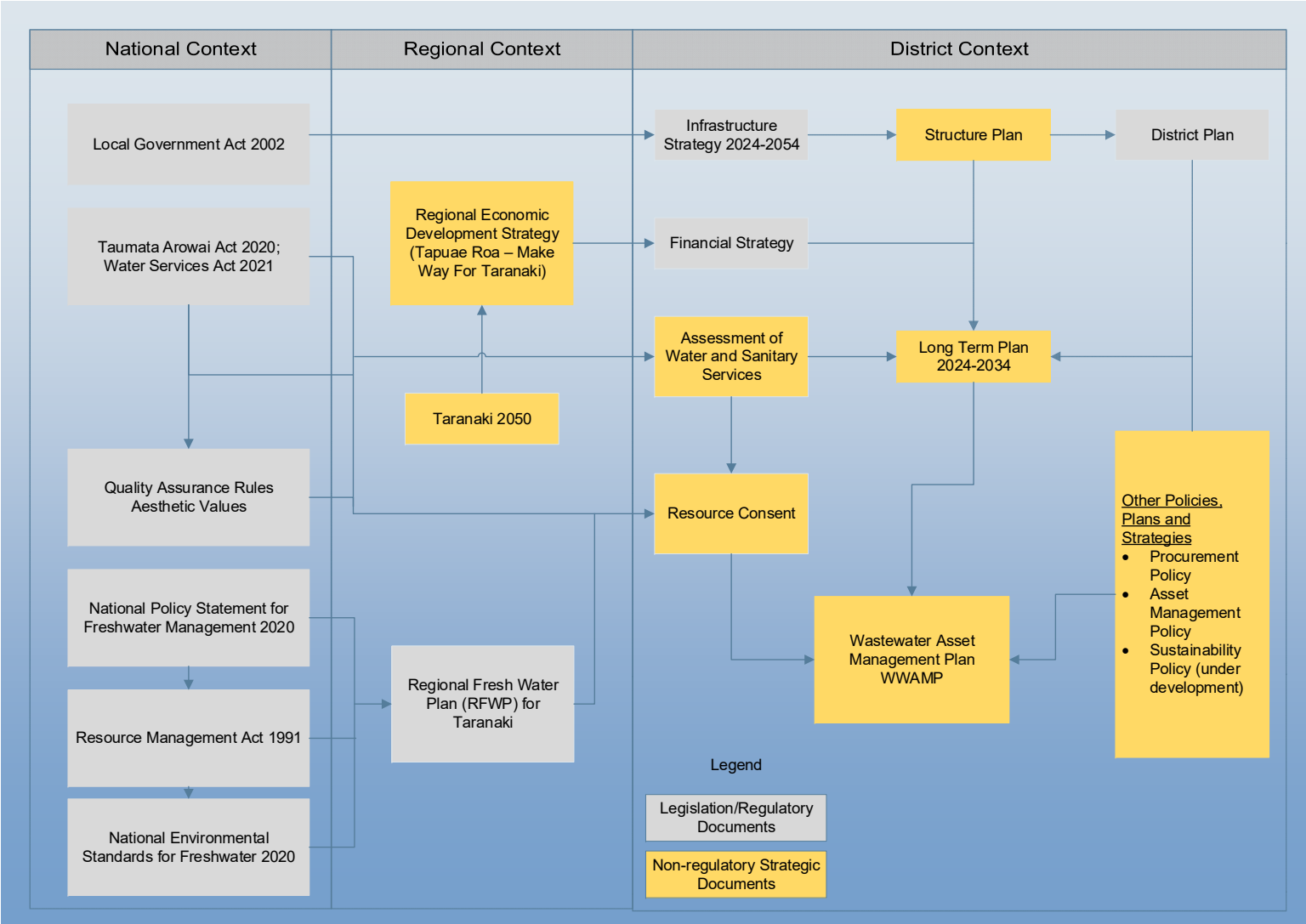
The WWAMP is a living document and is used to inform the Council's Long Term Plan and relevant reserve management plans. The AMP details Council owned assets and is used for communicating complex asset management information/strategies with stakeholders, elected members, service managers and other interested parties.

## **The Strategic and Legislative Context**

The WWAMP sets the local, regional and central government Strategic and Legislative drivers for the provision of wastewater service in the urban areas that benefit from the service. The Strategic and Legislative Context for the WWAMP is as per the framework below. The key central, regional and local government drivers are:

- The Local Government Act 2002 (LGA);
- The Health Act 1956;
- The National Policy Statement for Freshwater 2020 (FVNPS);
- The Resource Management Act 1991 (RMA);
- The Regional Fresh Water Plan for Taranaki (RFP);
- The Infrastructure Strategy 2024 – 2054 (IS); and
- The Long Term Plan 2024- 2034 (LTP)

The WWAMP Legislative and Strategic Context



## Our Community Outcomes

The Council's vision for the 2024-2034 Long Term Plan (LTP) is A Welcoming, Inclusive, Safe community – Te Pūmanawa o Taranaki.

Te Pūmanawa o Taranaki translates as 'The Beating Heart of Taranaki.' The Council's identified *Community Outcomes* to achieve the vision are:

- Welcoming
- Resilient
- Connected
- Enabling

The delivery of good quality infrastructure and the provision of services in a cost-effective manner via effective activity management planning will ensure the achievement of Council's Community Outcomes.

## Our Problems and Benefits Statements

The Council has identified key problems to be addressed in the coming years. Along with these, projects, including associated benefits of implementing them, have been highlighted to address the identified problems.

A summary of the Council's *Problems and Benefit Statements* along with the projects identified to deliver the benefits are provided in the Table below.

### Our Problem and Benefit Statements

Problem Statements	Preferred Option	Benefit Statements
<p><b>Problem Statement 1</b> Resource Consent Compliance</p>	<p>Implement all necessary measures to continue to achieve the conditions of the wastewater discharge consent.</p>	<p>Compliance with the requirements of the wastewater discharge consent is essential for minimising the adverse effects on the environment.</p> <p>With the issuing of Councils Wastewater Discharge Consent issued in April 2020, the Council has implemented the required system upgrade at the set time as per the consent conditions. The Council will continue to monitor the performance of the wastewater oxidation ponds and provide feedback to the key affected parties on a regular basis. Stakeholder meetings involving Iwi and Fish &amp; Game are held as a requirement of the resource consent, to discuss performance progress. Intermittent meetings will be held where issues arise to ensure they are addressed promptly.</p>
<p><b>Problem Statement 2</b> Reticulation overload due to inflow/infiltration</p>	<p>Implementation of Inflow/Infiltration programme, including inspections of private property to identify direct discharge of stormwater to sewer.</p>	<p>This programme primarily to optimise reticulation capacity during rainfall events, by ensuring there is no inflow or infiltration of water into the wastewater reticulation system.</p> <p>The Inflow/Infiltration programme is a suite of interventions designed to minimise the inflow and infiltration of surface and groundwater into the wastewater pipe network. This is an important part of our annual network maintenance and renewal programme that ensures that only wastewater collected from households and businesses is transported to the wastewater treatment plant.</p> <p>CCTV inspections are undertaken as part of the network conditions assessments therefore no additional costs are</p>

Problem Statements	Preferred Option	Benefit Statements
		<p>incurred. Identifying areas of high infiltration allows Council to better focus funds.</p> <p>The removal of stormwater maintains the available reticulation capacity during rainfall events.</p>
<p><b>Problem Statement 3</b> Pipework Capacity Issues</p>	<p>Programme the implementation of pipework capacity increase to support growth.</p>	<p>This programme is to address under-capacity of pipe network to support growth, residential infill and other intense land-use activities.</p> <p>There have been new residential subdivisions and developments, urban infill and other growth-related pressures created in our wastewater network. The consequence of this is that some pipes are requiring upgrades in capacity to accommodate the increased flow.</p>
<p><b>Problem Statement 4</b>  Network Planning and Modelling</p>	<p>Full review and calibration of the existing Wastewater model</p>	<p>To accommodate growth and increased demand, Council has programmed to increase pipe capacity to cater for high flows. While officers are aware of some pipes within the network requiring increased capacity, the Council is will commission a network modelling project on our stormwater network to reveal how our network systems are behaving.</p> <p>This modelling project will comprise:</p> <ul style="list-style-type: none"> <li>• the evaluation of network capacity;</li> <li>• the identification of inflow and infiltration into the pipe network;</li> <li>• the identification of bottlenecks in the existing or proposed network; and</li> <li>• the design of improvements needed to accommodate growth. The modelling project is expected to reveal the areas for improvement in the network from which priority areas can be programmed for improvement.</li> </ul> <p>The existing model is over 10 years old and needs updating in the near future to provide accurate information on where Council should undertake network upgrades and renewals.</p>
<p><b>Problem Statement 5</b> Wastewater Infrastructure Maintenance</p>	<p>Wastewater Treatment Ponds Desludging</p>	<p>This project is primarily driven by the need to maintain operational capacity and performance of the wastewater treatment ponds through regular desludging.</p> <p>Implementing a proactive maintenance strategy will:</p> <ul style="list-style-type: none"> <li>• Remove accumulated solids to sustain required hydraulic retention times and effluent quality standards.</li> <li>• Support continuity of wastewater treatment services for residents and industries</li> <li>• Aid compliance with resource consents related to discharge quality/volumes.</li> <li>• Reduce risks of uncontrolled discharges from overloaded ponds during high flow events</li> </ul> <p>Undertaking regular pond desludging will ensure the wastewater system can continue performing its vital functions over the long term.</p> <p>Undertaking regular pond desludging will ensure the wastewater system can continue performing its vital functions over the long term.</p>

## Our Levels of Service and Performance Measures

The Council applies a range of mandatory, non-financial performance measures to assess the successful delivery of its wastewater service to the community. These measures allow for a national standardisation of key performance indicators. A summary of the Level of Service (LoS) performance measures as set by both the Department of Internal Affairs (DIA) and the Council is provided in the Table below.

### Our Levels of Service and Performance Measures

	Level of Service	Performance Measure	Outcome Category
1.	<b>System Adequacy</b>	<b>Dry weather sewerage overflows</b> - The number of dry weather sewerage overflows from the territorial authority's sewerage system, expressed per 1000 sewerage connections to that sewerage system. This target is <5 per 1,000.	DIA measure
2.	<b>Discharge Compliance</b>	<b>Resource Consent Compliance</b> - Compliance with the territorial authority's resource consents for discharge from its sewerage system measured by the number of: <ul style="list-style-type: none"> <li>Abatement notices;</li> <li>Infringement notices;</li> <li>Enforcement orders; and</li> <li>Convictions.</li> </ul> Received by the territorial authority in relation to those resource consents. This target is 0.	DIA measure
3.	<b>Response and Resolution Times</b>	<b>Sewerage overflows</b> - Where the territorial authority attends to sewerage overflows resulting from a blockage or other fault in the territorial authority's sewerage system, the following median response times are measured: <ul style="list-style-type: none"> <li><b>Attendance time</b> from the time that the territorial authority receives notification to the time that service personnel reach the site. This target is 1 hour.</li> <li><b>Resolution time</b> from the time that the territorial authority receives notification to the time that service personnel confirm resolution of the blockage or other fault. This target is 8 hours.</li> </ul>	DIA measure
4.	<b>Customer satisfaction</b>	<b>Complaints</b> - The total number of complaints received by the territorial authority about any of the following: <ul style="list-style-type: none"> <li>Sewage odour</li> <li>Sewerage system faults</li> <li>Sewerage system blockages, and</li> <li>The territorial authority's response to issues with its sewerage system,</li> </ul> Expressed per 1000 connections to the territorial authority's sewerage system. This target is 0.	DIA measure
5.	<b>Trade Waste complaints response times</b>	Attendance time: from the time that Council receives notification to the time that a Trade Waste Officer arrives on site. This target is 2 working days.	Council Measure
6.	<b>Trade Waste consent processing</b>	Percentage of trade waste consent applications processed within 15 working days. This target is 100%	Council Measure

### Our Programme Business Case

The programme business case details how the problems identified in the previous sections will be addressed. This is presented in the Table below and shows how our identified projects address the identified problems and achieve the DIA and Internal/Other performance measures.

Work Category	Identified Projects	Performance measures				
		System Adequacy	Discharge Compliance	Response Times	Resolution Times	Customer Satisfaction
Renewal/ Replacement	Reticulation (Infiltration) Renewals	✓	✓	✓	✓	✓
	Reticulation (infrastructure) Renewals	✓	✓	✓	✓	✓
	Bulk Discharge Renewals	✓	✓	✓	✓	✓
	Safety Renewals	✓				✓
	Camper Van Facility					✓
	Treatment Plant renewals (routine step/aerate renewals)	✓	✓			✓
	Pipe at Swansea Road Bridge	✓	✓			✓
Level of Service Improvements	Reticulation Capacity Increase	✓		✓	✓	✓
	Modelling	✓		✓	✓	✓
	New discharge point for treated wastewater	✓	✓	✓	✓	✓
	Treatment upgrade (formerly diatomix)	✓	✓			✓
	Western reticulation extension	✓				✓
	Treatment Redesign to align with consent	✓	✓			✓
	De-sludge Oxidation Ponds (restore ponds capacity and treatment)	✓	✓			✓

The delivery of good quality infrastructure and the provision of essential water services in a cost-effective manner via effective asset management planning will ensure the achievement of Council's Community Outcomes.

## **Funding Our Investment Strategy**

The Council's Investment Strategy covers how the Stratford District Council plans to deliver on the services it offers whilst achieving value for money, with a key focus on future-proofing Council's assets. Capital projects and activities carried out to maintain the solid waste service for the next 10 years - including Renewal/ Replacement projects and Level of Service Improvements - will be funded as per the Revenue and Financing Policy, through one or a combination of the following sources:

- Loans;
- Reserves; and/or
- Subsidies/Grants by other Partners.

Generally, the Council expects that:

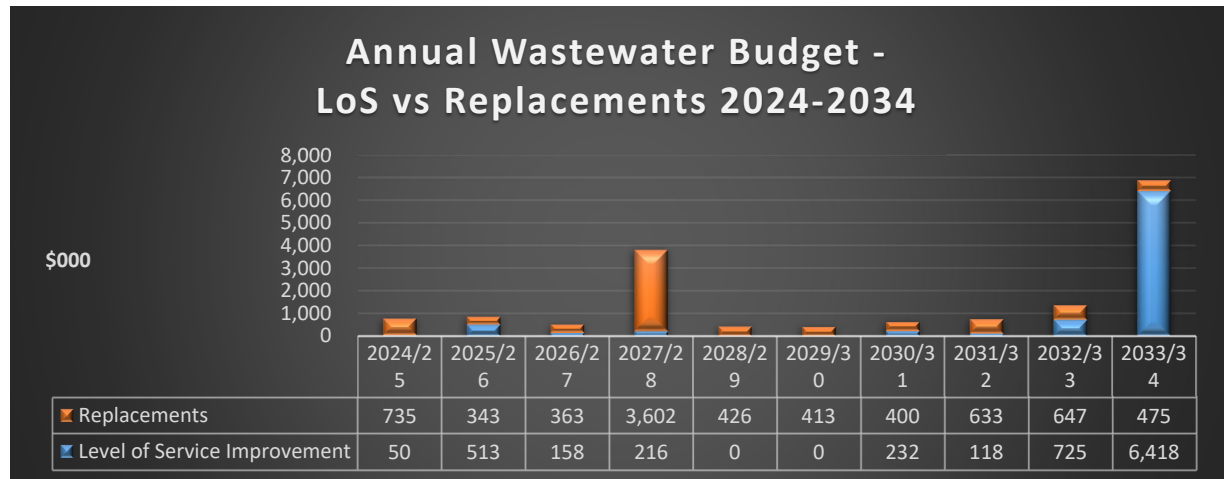
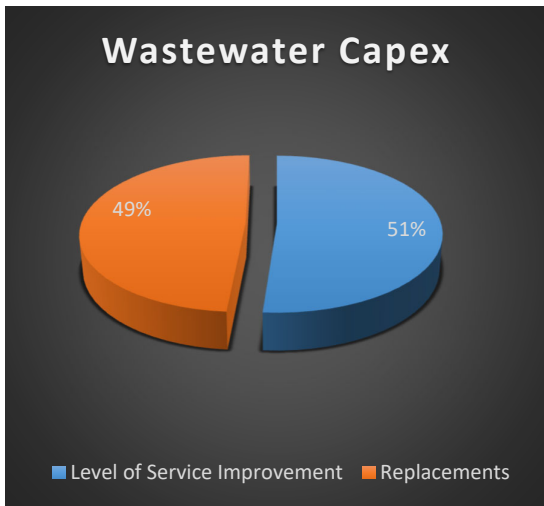
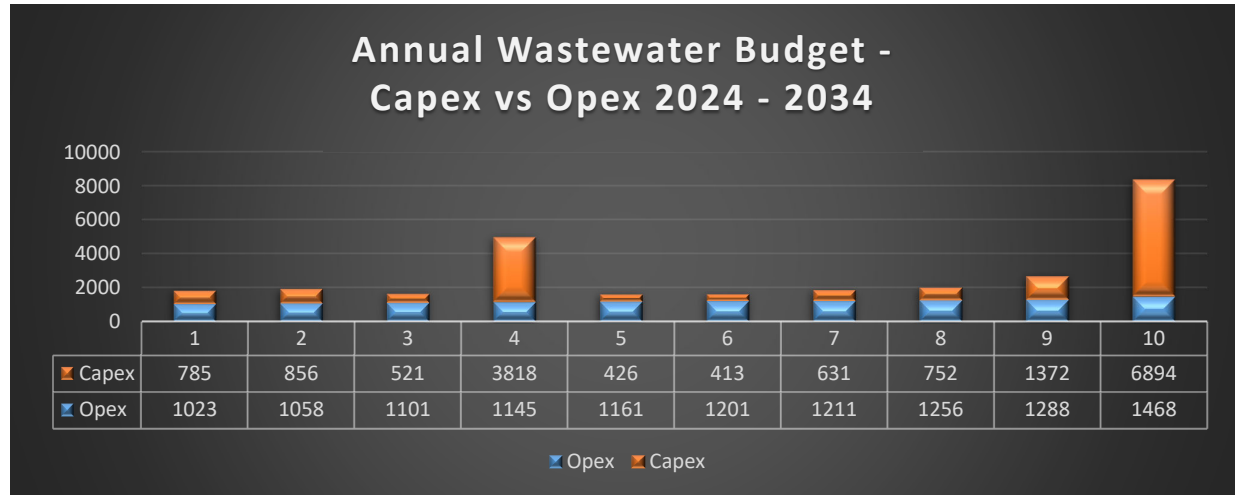
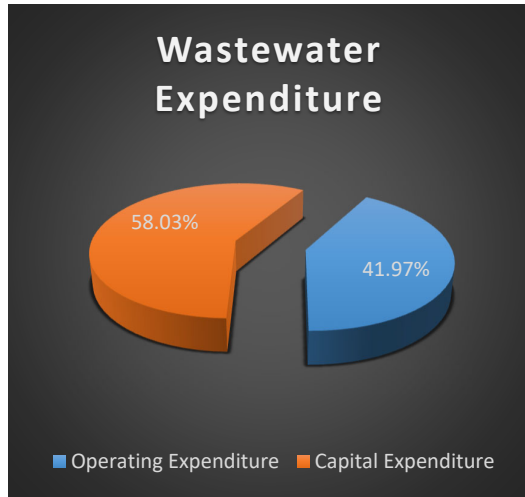
- Renewal or Replacement projects will be funded from Loans and Reserves;
- Operations and Maintenance activities will be funded through Rates; and
- Level of Service Improvements projects will be funded from loans and, where possible, any alternative funding source.

A summary of Council's Capital Investment Funding Strategy over a 10-year period is shown in the Table and Figures below.



**10 –Year Capital and Operating Expenditure Projection**

Budget		Forecast	Projection								
2023/24		2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
\$000		\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
<b>1,063</b>	<b>Operating Expenditure</b>	<b>1,023</b>	<b>1,058</b>	<b>1,101</b>	<b>1,145</b>	<b>1,161</b>	<b>1,201</b>	<b>1,211</b>	<b>1,256</b>	<b>1,288</b>	<b>1,468</b>
<b>35</b>	<b>Revenue</b>	<b>40</b>	<b>41</b>	<b>42</b>	<b>43</b>	<b>43</b>	<b>44</b>	<b>45</b>	<b>46</b>	<b>47</b>	<b>48</b>
<b>1,028</b>	<b>Net Cost of Service</b>	<b>983</b>	<b>1,017</b>	<b>1,060</b>	<b>1,103</b>	<b>1,118</b>	<b>1,157</b>	<b>1,166</b>	<b>1,210</b>	<b>1,241</b>	<b>1,421</b>
<b><u>EXPENDITURE</u></b>											
307	Operating Costs	435	447	458	468	478	488	498	507	517	527
59	Interest	54	59	68	70	71	68	69	72	84	210
432	Depreciation	432	455	468	495	501	526	526	558	561	607
265	Allocated Overheads	102	97	108	112	112	120	118	118	126	125
<b>1,063</b>	<b>Total Operating Expenditure</b>	<b>1,023</b>	<b>1,058</b>	<b>1,101</b>	<b>1,145</b>	<b>1,161</b>	<b>1,201</b>	<b>1,211</b>	<b>1,256</b>	<b>1,288</b>	<b>1,468</b>
69	Principal Loan Repayments	52	62	72	77	78	75	77	81	94	233
590	Capital Expenditure	785	856	521	3,818	426	413	631	752	1,372	6,894
<b>1,722</b>	<b>Total Expenditure</b>	<b>1,860</b>	<b>1,975</b>	<b>1,695</b>	<b>5,040</b>	<b>1,666</b>	<b>1,689</b>	<b>1,919</b>	<b>2,088</b>	<b>2,754</b>	<b>8,595</b>
<b><u>FUNDED BY:</u></b>											
35	Charges for Services	40	41	42	43	43	44	45	46	47	48
<b>35</b>	<b>Revenue</b>	<b>40</b>	<b>41</b>	<b>42</b>	<b>43</b>	<b>43</b>	<b>44</b>	<b>45</b>	<b>46</b>	<b>47</b>	<b>48</b>
810	Targeted Rates	977	1,011	1,055	1,098	1,113	1,153	1,163	1,208	1,240	1,421
100	Transfers (to) from Reserves	0	0	0	0	0	0	0	0	0	0
327	Transfer from Reserves	787	405	436	3,679	505	489	476	714	741	709
108	Depreciation funded from Reserves	0	0	0	0	0	0	0	0	0	0
332	Loan Funding - Capital	50	513	158	216	0	0	232	118	725	6,418
11	Other Funding	6	6	5	4	5	4	3	2	1	0
<b>1,722</b>	<b>Total Funding</b>	<b>1,860</b>	<b>1,975</b>	<b>1,695</b>	<b>5,040</b>	<b>1,666</b>	<b>1,689</b>	<b>1,919</b>	<b>2,088</b>	<b>2,754</b>	<b>8,595</b>



# **1.0**

## **Introduction**

## 1.0: Introduction

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## **1.1. PURPOSE OF THE PLAN**

The Wastewater Asset Management Plan 2024-2034 ('the WWAMP') is a 10 Year Strategic Plan for the Stratford District Council ('the Council'). It details how the Council will manage the Wastewater activity, assets and services in an efficient, safe, reliable and sustainable manner to provide value for money our customers and investors.

The WWAMP informs the development of the Council's 2024-2034 Long Term Plan ('the LTP'). It shows how the Council will prioritise and address key Wastewater issues, in the face of competing projects and constrained resources. The prioritisation of competing projects is necessary to deliver on Community Outcomes, the agreed Levels of Service (LoS) and also meet legislative objectives and requirements. The WWAMP proposes work programmes that deliver good value for money for our investment partners. This is achieved by doing the right things, in the right places, at the right times, for the right price and in the right ways.

The audience for this plan includes our Investment Partners, Wastewater Customers and Stakeholders, the Council representatives, Council staff, contractors, consultants, developers and members of the public who will take an interest in the future of levels of service the Council will be offering.

The WWAMP is reviewed every three years in line with the long term planning process and in compliance with the Council's Asset Management Policy.

## **1.2. THE STRATFORD DISTRICT**

Initial settlements in the Stratford District, Whakaahurangi, were small Māori villages in the forested hills which were used as places of refuge in times of war, and for seasonal activities. While New Plymouth and other coastal regions of Taranaki were settled by Europeans in the 1840s, the densely-forested inland Taranaki areas remained relatively isolated until the land wars of the 1860s. Following those wars, the land of Stratford District was both compulsorily purchased and freely sold (see figure 2 for those that hold Mana Whenua in the District).

The Stratford District is home to many settlements, with the main centres being Stratford, Midhirst, Toko and Whangamōmona.

### **1.2.1. STRATFORD**

Stratford (Whakaahurangi) is the main town in the Stratford District. It is located on the banks of the Patea River roughly 48 km south-east of New Plymouth and 30 km north of Hawera at the junction of State Highways 3 and 43. Stratford is near the geographic centre of the Taranaki region and the largest settlement of the Stratford District with an estimated population of 9880 (Statistics NZ, 2020). The town is central Taranaki's main rural servicing centre, and the administrative base of the Stratford District Council and the Taranaki Regional Council.

The site for Stratford Township on the north bank of the Patea River was cleared in 1877 and was originally named Stratford-on-Patea. It was named after Stratford-Upon-Avon, Shakespeare's birthplace, and the streets were named after Shakespearean characters including Oberon, Cordelia, Juliet and Hamlet. By 1906 the population of Stratford numbered almost 6,000. Other towns throughout the district sprung up as the bush was cleared and new farming districts developed. Schools, hotels, stores and other community facilities were established; however, the Stratford Township remained the hub of the area.

From early on in the twentieth century there was rapid development of the dairy industry, with most communities having their own factory. Roads through the district were still relatively basic, which meant travelling any distance was difficult. As roads improved throughout the 20th century, communities in the district gradually began to lose their facilities. It was cheaper and easier to travel to larger towns for services than to maintain those services in smaller settlements.

The Forgotten World Highway (State Highway 43) links the towns of Stratford and Taumarunui and later became New Zealand's first heritage trail. It passes through the village of Whangamōmona which was first settled in 1895, with no road or rail access. Today the village has approximately 150 full-time residents, a hotel, a handful of historic buildings (*Refer: SDC Website.*)

### **1.2.2. MIDHIRST**

Midhirst is located approximately 4 km north of Stratford, on State Highway 3. Inglewood is 17 km north of Midhirst and New Plymouth is 35 km to the northwest. Midhirst was a private settlement serving those who took up land in a 2,000-hectare block and named by a settlement promotor, Albert C Fookes. AC Fookes named Midhirst after his wife's family, the Hirst family. One of the most distinctive features of Midhirst is the towering concrete and glass milk-powder drying plant, which was one of New Zealand's most advanced in its time (1980). The factory closed after amalgamating with Kiwi Dairies in 1983 and is now used for bulk grain storage.

### **1.2.3. TOKO**

Toko is located 10 km east of Stratford, at the intersection of East Road (State Highway 43) and Toko Road. Toko was established in 1891, to serve as an important centre for access to and east of Stratford.

### **1.2.4. WHANGAMŌMONA**

Whangamōmona is a rural settlement 65 km North East of Stratford on State Highway 43. Once quite a thriving settlement and the headquarters of the Whangamōmona County Council with a hotel, a number of stores and a post office, it suffered decline from the mid-20<sup>th</sup> Century with only the hotel remaining as a business in town. Today an estimated 126 people live in and around Whangamōmona (Statistics NZ 2018).

### **1.2.5. MANA WHENUA/TANGATA WHENUA WHAKAAHURANGI DISTRICT**

Ngā Iwi/Hapū that hold mana over the whenua in the Stratford District (as defined by the Stratford District Council and central government) are seven of the eight Iwi in the region of Taranaki.

Mana whenua and tangata whenua for the purposes of this activity plan can be described as *those that hold the customary authority exercised by an Iwi or hapū in a rohe, or area. Tangata whenua, in relation to a particular area, is defined as meaning 'the Iwi or hapū that holds mana whenua over that area.*

We acknowledge the following seven Iwi as tangata whenua of the Whakaahurangi rohe: Ngāti Maru, Ngāti Mutunga, Ngāti Tama, Ngā Rauru, Ngāruahine, Ngāti Ruanui and Te Atiawa. Council also recognises the role of Whakaahurangi Marae within the district.

Given that the Stratford District Boundaries also borders the Ruapehu, Waitomo, and Whanganui regions, there are likely more Iwi/Hapū from these rohe with customary interest in the district, especially where assets may be close to these boundaries.

### **1.2.6. DISTRICT GEOGRAPHY**

The Stratford District is one of three territorial authorities ('TA') in the Taranaki region, overlying of which is the administrative area of the Taranaki Regional Council. The far eastern portion of the Stratford District is also overlain by the administrative area of the Horizons (Manawatu/Whanganui) Regional Council. The political division between the two regional councils lies along the Whangamōmona Saddle.

Taranaki Maunga, and Te Papakura o Taranaki, dominate the landscape of the District. In the past, successive eruptions of ash and natural erosion have created an "apron" or a "ring plain" around the base of the mountain. The fertile and generally free draining soils of this ring plain support intensive pastoral farming, especially dairying.

East of the ring plain lies the rolling topography of the frontal hill country and further east, the deeply dissected hill country. These hills are not volcanic but consist of sedimentary rocks (mudstone, sandstone and siltstone). Soil properties in the eastern hill country are closely linked to the differences in rock hardness and composition. Most are steepland soils, ie, are shallow soils which have developed on steep, relatively unstable slopes. (*Refer: Stratford District Plan 2014.*)

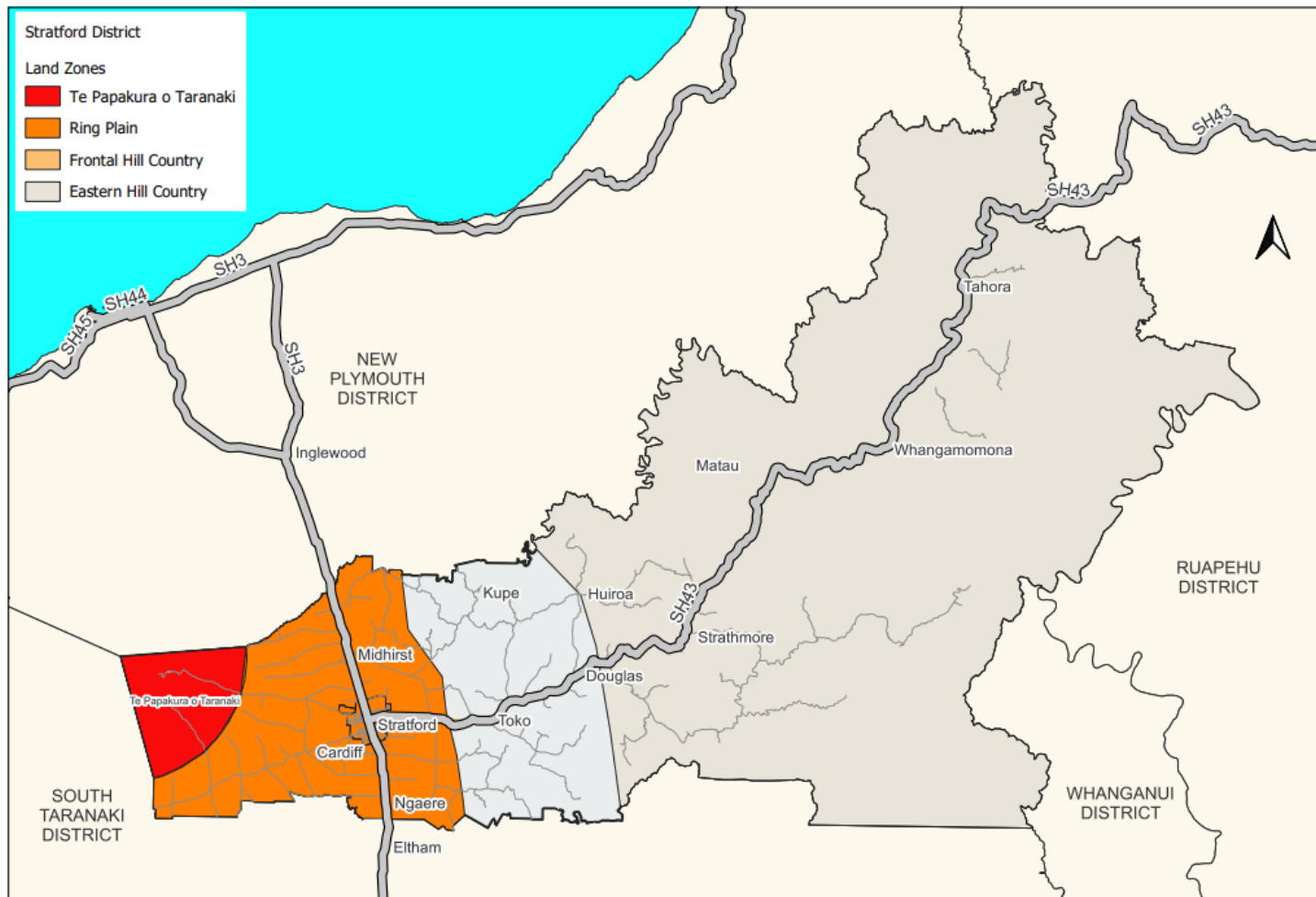


Figure 1 - The Stratford District

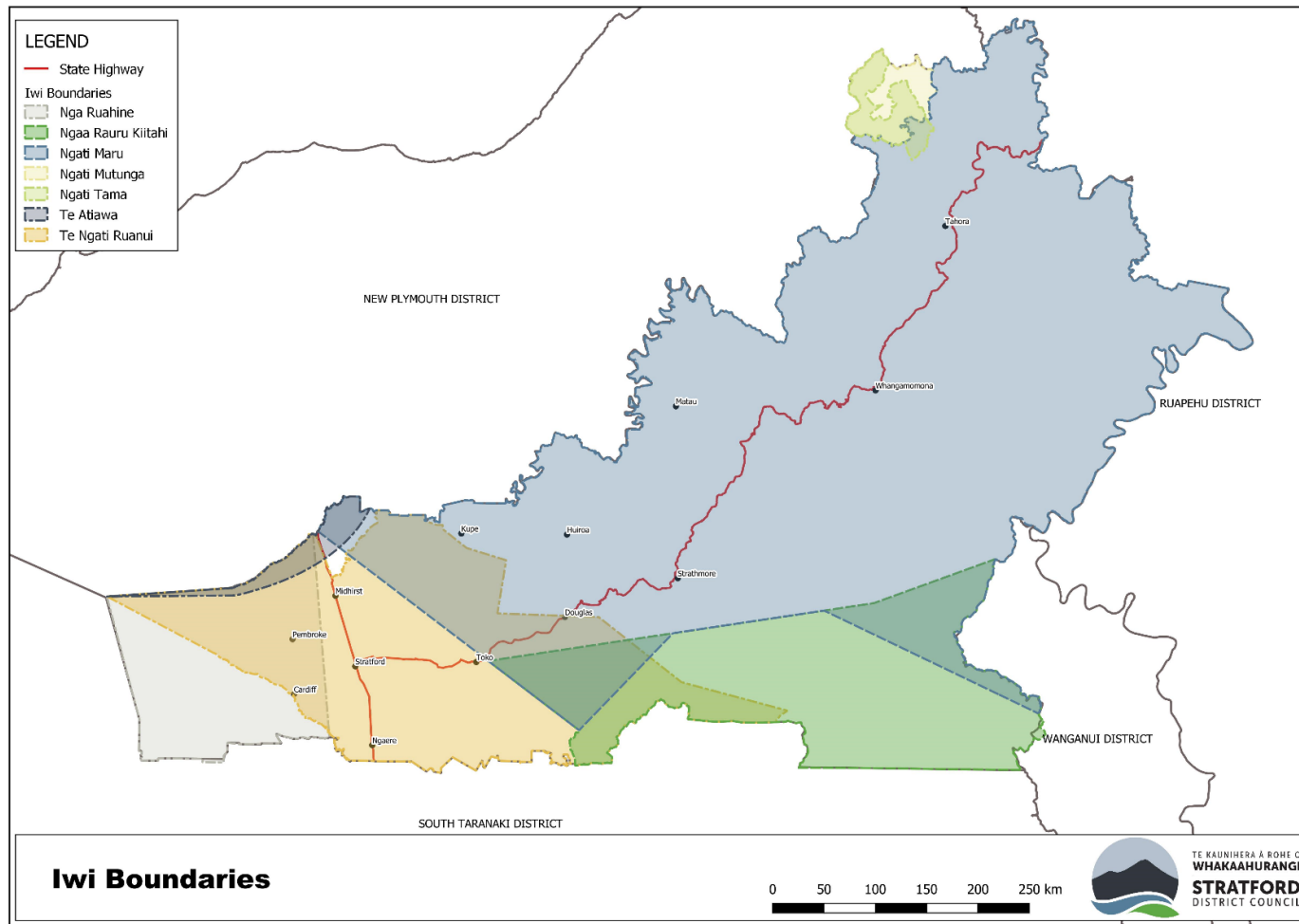
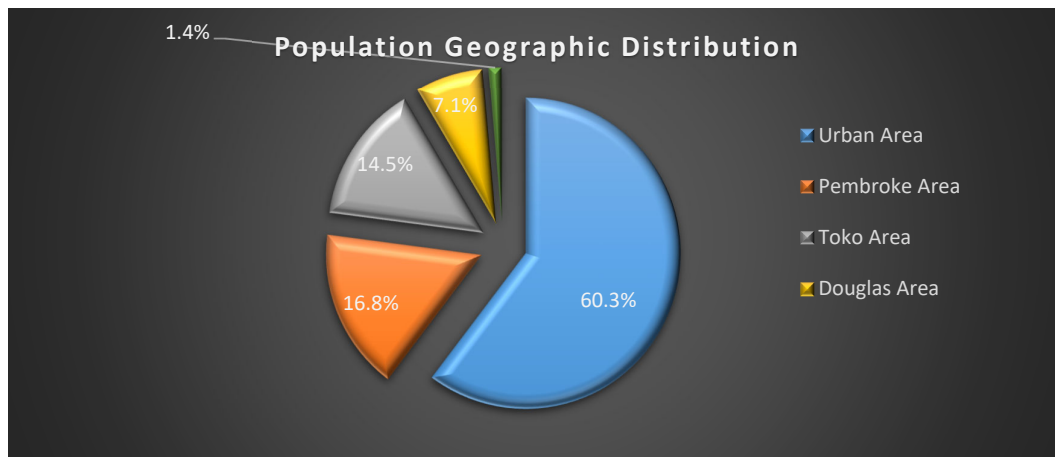


Figure 2: Iwi Boundaries within the Stratford District





**Figure 3 - Current Population Geographic Distribution**

**1.3. OUR MISSION, VISION AND VALUES**

Stratford District Council is local territorial authority for the Stratford District. Council's role in accordance with the Local Government Act 2002 (LGA) is to:

- Enable democratic local decision-making and action by, and on behalf of, communities; and
- Promote the social, economic, environmental, and cultural well-being of communities in the present and for the future

The Stratford District Council's **Mission Statement** is

*'To serve the district and its communities through advocacy, promotion, services, facilities and positive leadership'*

The Stratford District Council's **Vison Statement** is

*"A Welcoming, Inclusive, Safe community – Te Pūmanawa o Taranaki"*

Te Pūmanawa o Taranaki translates as 'The Beating Heart of Taranaki'

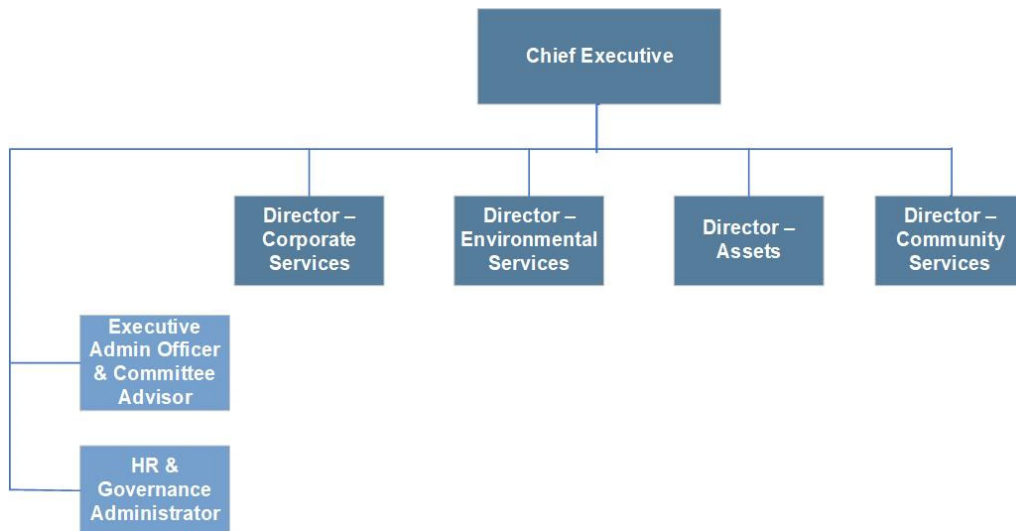
The Stratford District Council's **Corporate Values** are:

- Integrity:** *Be loyal to the organisation and trustworthy, honest and courteous with everyone we deal with.*
- Teamwork:** *Work together in the same direction, assist each other and have respect for others. Maintain a positive attitude and encourage teamwork.*
- Excellence:** *Be effective in everything we do using our experience and knowledge. Do the right thing at the right time. Be efficient by being cost effective and ensure prudent management of public money and assets.*
- Pride:** *Take pride in our performance and our organisation.*
- Commitment:** *Have commitment and respect for each other, our business and our customers.*
- Innovation:** *Examine alternatives, challenge the obvious and have a flexible attitude.*

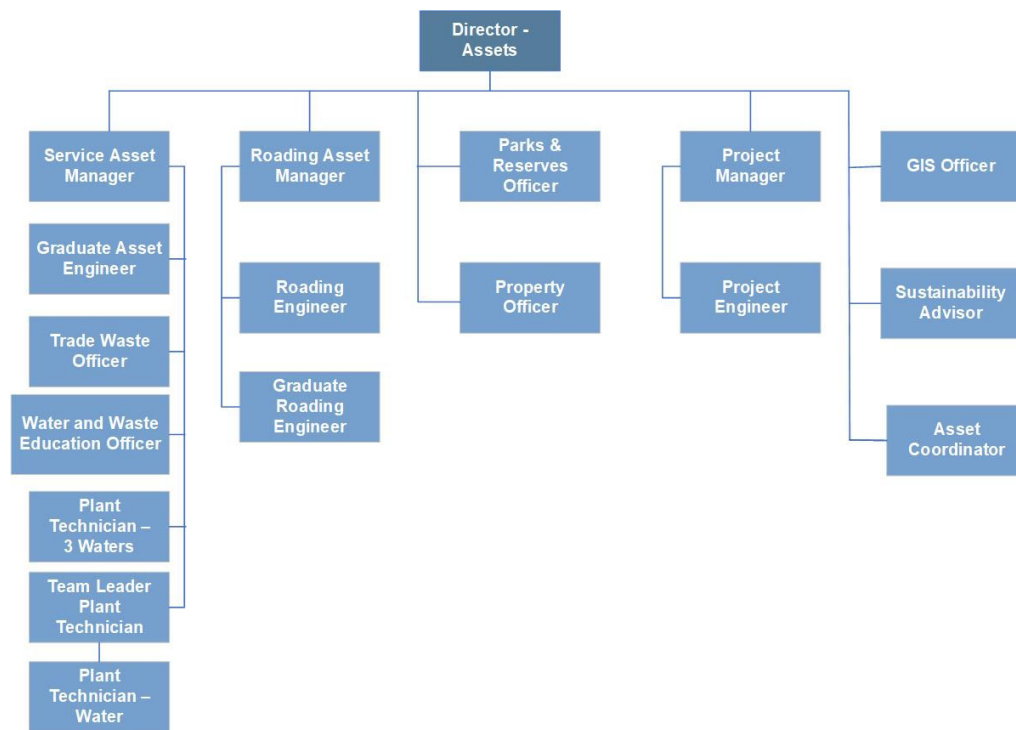
The Stratford District Council carries out its duties under the LGA (2002) through two key Management Teams:

- The *Executive Management Team*, comprising the Senior Leaders of the Council and headed by the Chief Executive. This team sets the overall direction for delivery of Roading activities and services; and
- The *Assets Management Team*, comprising the operational and maintenance staff who carry out the direction set by the *Executive Management Team*.

The structure for each Management Team is provided in Figures 4 and 5.



**Figure 4 – The Senior Leadership Team**



**Figure 5 – The Assets Department**

## 1.4. THE WASTEWATER ACTIVITY

The wastewater activity encompasses the planning, provision, operation, maintenance and renewal of wastewater, reticulation and treatment and disposal, and associated infrastructure for the Stratford urban area.

## 1.5. THE IMPORTANCE OF THE WASTEWATER ACTIVITY

Stratford District Council has obligations under the Local Government Act 2002, the Health Act 1956 and the Building Act 2004 to improve promote and protect public health through the sanitary and responsible treatment and disposal of wastewater.

The Council provides the Wastewater service to meet the needs and requirements of its customers and stakeholders. The goals and objectives of the Wastewater activity are:

- To collect wastewater from residential, commercial and industrial properties in a safe and efficient manner;
- To dispose of treated wastewater into the receiving environments in an environmentally friendly and sustainable manner in line with all applicable resource consent conditions.
- To facilitate the minimisation of risk and maintenance of public health through the safe disposal of wastewater into the receiving environment;
- To deliver on the agreed customer service levels;

Through the goals and objectives of the Wastewater Service Activity, this service contributes to achieving the goals and objectives of the Community Outcomes, as described in Table 1 below.

**Table 1- Wastewater Activity contribution to Community Outcomes**

	Community Outcomes	Wastewater Activity Contribution
Welcoming	<ul style="list-style-type: none"> <li>We celebrate the unique stories of our district</li> <li>We are inclusive, and value our diversity</li> <li>Stratford is a friendly place where our visitors feel welcomed</li> <li>Our diverse community feels safe and supported</li> <li>We promote the district as the place to visit, live, play, learn and work</li> </ul>	
Resilient	<ul style="list-style-type: none"> <li>We consider our natural resources as taonga (treasures) and we will work with our treaty partners and the community to protect and look after them</li> <li>We support a low-emissions future for our community</li> <li>We enable our rangatahi (youth) to be sustainable leaders</li> <li>We have resilient infrastructure that meets the current and future needs of the district</li> <li>We respect and apply Te Ao Māori values and Mātauranga Māori in our mahi (actions/work)</li> </ul>	<ul style="list-style-type: none"> <li>Liaise with Iwi, other government agencies and community groups in relation to wastewater services.</li> <li>By minimisation of risk to public health through the: <ul style="list-style-type: none"> <li>reduction of the risk of failure of pipe assets;</li> <li>appropriate disposal of the treated wastewater into the receiving environment.</li> </ul> </li> </ul>
Connected	<ul style="list-style-type: none"> <li>We provide opportunities for families and people of all ages to connect with others in the community</li> <li>Our community is engaged and actively participates in democracy</li> <li>We value local knowledge when making decisions</li> <li>We advocate for the services that our community needs to live safe and healthy lives</li> <li>We welcome opportunities to work in partnership with others to help achieve our community outcomes</li> <li>We are committed to fostering meaningful and genuine partnerships with Mana Whenua</li> </ul>	<ul style="list-style-type: none"> <li>Ensuring the continued collection of wastewater in the Stratford community as per the agreed level of service.</li> <li>Having an appropriate knowledge and actual state of the wastewater pipe network assets for optimal programming for maintenance and renewal / replacement.</li> <li>Providing continued access to wastewater services.</li> <li>Stratford will encourage developers to provide well planned developments that support the growth of the district.</li> <li>Fund capital works which offer value for money for current and future generations of Stratford District ratepayers and ensures the financial security of Council is not compromised.</li> </ul>
Enabling	<ul style="list-style-type: none"> <li>We are a business friendly district</li> <li>We encourage a diverse and sustainable business community</li> <li>We enable economic growth by supporting business investment and development in our district</li> <li>We support the growth of employment opportunities within our community; with a particular focus on our rangatahi (youth)</li> <li>We carefully balance the needs and wants of our district when funding services and infrastructure</li> <li>We encourage co-governance opportunities with Mana Whenua where it benefits the Stratford district</li> </ul>	

## 1.6. OUR PARTNERS, CUSTOMERS AND KEY STAKEHOLDERS

The wastewater activity exists to meet the needs and requirements of our customers, partners and key stakeholders. These groups help us focus our strategic planning on the right things. They have information and knowledge that helps us make more informed decisions. Table 2 shows how our partners, customers and key stakeholders are involved in our planning activity.

**Table 2 – Partners, Customers and Stakeholders**

Customers, Partners and Stakeholders	Involvement
Home Owners and Occupiers; Businesses and Organisations;	These customers realise the benefits provided by the wastewater activity.
Taranaki Regional Council	Administers and enforces effective resource management in the Taranaki region. Applications from SDC are processed through TRC.
Audit New Zealand	Carries out annual audits of Council on the Auditor-General's behalf to give ratepayers assurance that Council is appropriately reporting on how they spend public money and on the services they have provided.
Other Government agencies; Ratepayers Associations; Iwi groups	These groups liaise with Council in relation to wastewater services.
Utility Owners	New Zealand Utilities Advisory Group (NZUAG) requirements for co-ordinating networks.
Local Iwi; Environmental groups	Affected parties to Council's resource consents
Taranaki Emergency Management Office /Civil Defence <ul style="list-style-type: none"> <li>• Risk Reduction Advisory Group (RRAG)</li> <li>• Readiness and Response Advisory Group (RARAG)</li> <li>• Lifelines Advisory Group (LAG)</li> <li>• Volcanic Futures; <a href="https://www.volcanicfutures.co.nz">https://www.volcanicfutures.co.nz</a></li> </ul>	In the event of a Civil Defence emergency they provide advice and work alongside emergency services, lifeline utilities and government departments.
Elected Members; Committees; CEO, Management and Staff	Key internal stakeholders responsible for the management and operation of the wastewater system.

### 1.6.1. THE CUSTOMER CHARTER

An organisation-wide *Customer Charter* was developed and introduced in 2015 and reviewed in 2023. The Customer Charter states that Council is dedicated to having commitment and respect for each other, our business and our customers. We will be honest, courteous and efficient and use our knowledge and experience to be effective by doing the right thing at the right time. We support a culture of innovation by examining alternatives, challenging the obvious and having a flexible attitude.

Our Customer Service Charter establishes a consistent customer service standard across all Council business, regardless of whether our customer is borrowing a book, going to the pool, or lodging a building consent. Our philosophy is to provide quality service to all our customers in line with the Service Standards stated in the Customer Charter.

## **1.6.2. SIGNIFICANCE AND ENGAGEMENT POLICY**

The Council's Significance and Engagement Policy is used to determine what level of community engagement is needed for each issue or proposal, to gain a clearer understanding of community views and preferences and the ways the community can influence and participate in the decision-making of the Council. The Significance and Engagement Policy is currently under review.

## **2.0**

# **Legislative and Strategic Context**

## 2.0: Legislative and Strategic Context

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## 2.1. OVERVIEW

This section of the plan describes the strategic context of the Wastewater activity and the linkages between national, regional and district goals and objectives.

## 2.2. NATIONAL CONTEXT

There are a number of national legislative requirements that drive the Wastewater Activity Levels of Service (LoS) and influence the operation and management of the Assets. While many are listed below; the key drivers are described in detail in the following section.

- Waste Minimisation Act 2008;
- Aotearoa New Zealand Te rautaki para/Waste strategy 2023
- Soil Conservation and Rivers Control Act 1941;
- Climate Change Response Act 2002;
- The Local Government Act 2002 (and amendments);
- Taumata Arowai Act 2020;
- Water Services Act 2021;
- The National Policy statement for Freshwater Management (FWNPS) 2020;
- The Resource Management Act 1991;
- The National Environmental Standards for Sources of Human Drinking Water;
- Civil Defence Emergency Management Act 2002;
- New Zealand Firefighting Code of Practice;
- Public Works Act 1981;
- Health and Safety at Work Act 2015.
- Climate Change Response Act 2002

### 2.2.1. THE NATIONAL POLICY STATEMENT FOR FRESHWATER MANAGEMENT

The National Policy Statement for Freshwater Management 2020 sets out the objectives and policies for freshwater management under the Resource Management Act 1991. It comes into effect on 3 September 2020 and replaces the National Policy Statement for Freshwater Management 2014 (amended 2017). The new policy directions which are of relevance to, and have a direct impact on, how the Council manages its water and wastewater activities. The key requirements of the Freshwater NPS include:

- Managing freshwater in a way that 'gives effect' to Te Mana o te Wai through:
  - involving tangata whenua;
  - working with tangata whenua and communities to set out long-term visions in the regional policy statement and
  - prioritising the health and wellbeing of water bodies, then the essential needs of people, followed by other uses.
- Improving degraded water bodies, and maintaining or improving all others using bottom lines defined in the Freshwater NPS;
- An expanded national objectives framework:
  - two additional values - threatened species and mahinga kai - join ecosystem health and human health for recreation, as compulsory values
  - councils must develop plan objectives that describe the environmental outcome sought for all values (including an objective for each of the five individual components of ecosystem health)
  - new attributes, aimed specifically at providing for ecosystem health, include fish index of biotic integrity (IBI), sediment, macroinvertebrates (MCI and QMCI), dissolved oxygen, ecosystem metabolism and submerged plants in lakes; councils will have to develop action plans and/or set limits on resource use to achieve these attributes.
  - tougher national bottom lines for the ammonia and nitrate toxicity attributes to protect 95% of species from toxic effects (up from 80%)
- Identifying and working towards target outcomes for fish abundance, diversity and passage and address in-stream barriers to fish passage over time.

- Setting an aquatic life objective for fish and addressing in-stream barriers to fish passage over time; and
- Monitoring and reporting annually on freshwater (including the data used); publish a synthesis report every five years containing a single ecosystem health score and respond to any deterioration.

### **2.2.2. THE RESOURCE MANAGEMENT ACT**

The [Resource Management Act 1991](#) regulates the management and use of land and other natural resources and empowers local authorities to make rules, standards, policy statements and plans in this regard. It therefore has implications for the development of this plan and its implementation including the need to comply with the Stratford District Plan.

In February 2021, the Government announced it would repeal the [Resource Management Act 1991](#) (RMA) and enact new legislation in the form of three new acts. The new administration (Late 2023) has announced it will repeal the three Acts introduced by the previous administration and then repeal the RMA sometime over their tenure.

A summary of the three Acts to be repealed is as follows:

- The Natural and Built Environment Act (NBA), as the main replacement for the RMA, to protect and restore the environment while better enabling development. Introduced to Parliament on 15 November 2022. It provides an integrated framework for regulating both environmental management and land use planning and works in tandem with the Spatial Planning Act;
- The Spatial Planning Act (SPA), provides for the development and implementation of long-term strategic spatial planning across New Zealand through the development of regional spatial strategies (RSS). RSS will set out a vision and objectives for a region's development and change over a 30-year plus time span and integrate planning across different legislative frameworks associated with the management of the natural and built environment. Introduced to Parliament on 15 November 2022; and
- The Climate Adaptation Act (CAA), to address complex issues associated with managed retreat. This bill is expected to be introduced to Parliament in 2023.

As stated on the Ministry for the Environment website<sup>1</sup>: The Natural and Built Environment Act and the Spatial Planning Act will be phased in over the coming years. A small number of changes apply from August 2023. Many parts of the Resource Management Act 1991 (RMA) are still in force for now.

The disposal of solid waste in the regional landfills, and associated effects, fall under the Natural and Built Environment Act (NBA) and The Spatial Planning Act (SPA). These effects, if not avoided, remedied or mitigated, have implications on Closed Landfills, Transfer Stations, Emergency Management and any future waste processing facilities.

The RMA and Resource Management System Reform therefore has implications for the development of this plan and its implementation including the need to comply with the Stratford District Plan.

### **2.2.3. THE LOCAL GOVERNMENT ACT 2002 AMENDMENT ACT 2019**

The Local Government Act 2002 Amendment Act 2019 amended the purpose of the Act to be: *"to provide for democratic and effective local government that recognises the diversity of New Zealand communities"*.

The purpose of the Local Government Act is now amended thus:

- *to enable democratic local decision-making and action by, and on behalf of, communities; and*

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<sup>1</sup>Ref: <https://environment.govt.nz/what-government-is-doing/areas-of-work/rma/resource-management-system-reform/>

- *to promote the social, economic, environmental, and cultural well-being of communities in the present and for the future.*

The LGA outlines the responsibilities of local authorities and the decision-making process for activities undertaken on behalf of their community, primarily through the requirement to adopt a Long Term Plan. The LGA includes the principles that require Council to:

- make itself aware of community views;
- provide opportunities for Māori to participate in decision-making processes;
- collaborate and cooperate with other local authorities as appropriate; ensuring prudent stewardship of resources; and
- and take a sustainable development approach.

The LGA in Section 125, requires the Council to at least every 3 years complete assessments of drinking water and other sanitary services for communities throughout their district. The purpose of the assessment is to determine, from a public health perspective, the adequacy of drinking water and other sanitary services available to communities. In making such an assessment the following matters need to be considered:

- the health risks to communities arising from any absence of, or deficiency in, the services; and
- the quality of the services currently available to communities within the district; and
- the current and estimated future demands for any of those services; and
- the actual or potential consequences of stormwater and sewage discharges within the district.

An assessment of water and sanitary services was undertaken by the Stratford District Council in 2022.

#### **2.2.4. TAUMATA AROWAI - THE WATER SERVICES REGULATOR ACT 2020**

The Water Services Regulator Act was passed in July 2020. It establishes Taumata Arowai as a Crown Agent and provides for its objectives, functions, operating principles, and governance arrangements, including the appointment of an independent Board and a Māori Advisory Group. It provides the new drinking water regulator - Taumata Arowai - with significant new powers to give effect to the Government's expectation that New Zealanders are "able to drink the water that comes out of the tap knowing that it is safe"

The establishment of Taumata Arowai is one of three pou (pillars) of the previous Government's Three Waters Reform programme, alongside the regulatory reforms outlined in the Water Services Act, and the reforms to water delivery services. These reforms are intended to address issues and opportunities that were highlighted by the Government Inquiry into the Havelock North Drinking Water, and in the Government's Three Waters Review. The reforms are designed to:

- Provide clear leadership for drinking water regulation through a new, dedicated regulator;
- Significantly strengthen compliance, monitoring, and enforcement relating to drinking water regulation, and equip the new regulator with the powers and resources needed to build capability, support suppliers of all kinds to meet their regulatory obligations, and take a tougher, more consistent approach to enforcement where needed;
- Manage risks to drinking water safety and ensure source waters are protected;
- Ensure more people can access water that is safe to drink, by requiring all suppliers (except individual domestic self-suppliers) to be part of the regulatory system, and to provide safe drinking water on a consistent basis;
- Lift the environmental performance and transparency of wastewater and stormwater networks; and
- Improve national-level leadership, oversight, and support relating to wastewater and stormwater.

The role of Taumata Arowai is to:

- Oversee and administer an expanded and strengthened drinking-water regulatory system, to ensure all New Zealand communities have access to safe drinking water. That includes holding suppliers to account, if need be; and

- Oversee from a national perspective the environmental performance of waste water and storm water networks. (Regional councils will remain the primary regulators of waste water and storm water).

### **2.2.5. THE WATER SERVICES ACT 2021**

The Water Services Act 2021 aims to ensure drinking water suppliers provide safe drinking water to our community. This was done by setting out a new regulatory framework, requiring water suppliers to:

- Prepare and implement a drinking water safety plan (DWSP) for each supply.
- Comply with legislative requirements (eg drinking water standards).
- Provide a source water risk management plan for each water supply.
- Report performance of drinking water networks to Taumata Arowai.

The Water Services Act 2021 Part 2 Subpart 2 lays out the requirements for the Drinking Water Safety Plans (formerly Water Safety Plans), and how they will be monitored by Taumata Arowai to ensure compliance. Part 2 Subpart 5 is around the risks and hazards of source water, requiring water suppliers to prepare a Source Water Risk Management Plan (SWRMP).

Stratford District Council has prepared Drinking Water Safety Plans and Source Water Risk Management Plans for the Stratford, Toko, and Midhirst supplies, and have submitted them to Taumata Arowai as of November 2023. The Council plans to review the DWSP at least every five years, more often if substantial changes occur or issues are identified.

### **2.2.6. THE THREE WATERS REFORM**

The Council previously signed a Memorandum of Understanding (MoU) with central government to work together with the intent to form Entity D with South Taranaki District Council (STDC) and New Plymouth District Council (NPDC) to share water assets to guarantee funding. With the repeal of the Water Services Entities Act 2022 and amendments, the plan to form this entity is currently on hold as of the writing of this AMP.

The new government has indicated its' plan to institute a new reform called "Local Water Done Well," a letter by Hon. Simeon Brown was sent to Mayor Neil Volzke laying out the key principles of their plan including:

- Introducing greater central government oversight, economic and quality regulation.
- Fit-for-purpose service delivery models and financing tools, such as improving the current council-controlled organisation model and developing a new class of financially separate council-owned organisations.
- Setting rules for water services and infrastructure investment.
- Ensuring water services are financially sustainable. Financial sustainability means revenue sufficiency, balance sheet separation, ring-fencing and funding for growth.

### **2.2.7. CLIMATE CHANGE RESPONSE ACT 2002**

National adaptation plan and Aotearoa New Zealand's first emissions reduction plan. From 30 November 2022 local government must 'have regard to' Aotearoa New Zealand's first emissions reduction plan when they prepare or change a regional policy statement, regional plan or district plan. This is a requirement under the Resource Management Act 1991 (RMA), made by the Resource Management Amendment Act 2020 (RMAA). This requirement was introduced to create a stronger link between the Climate Change Response Act 2002 (CCRA) and decision-making under the RMA. Further to this council is also required to report to the Climate Change Minister our adaptation preparedness. (Section 5ZW of the Climate Change Response Act.)

# Legislative and Strategic Context

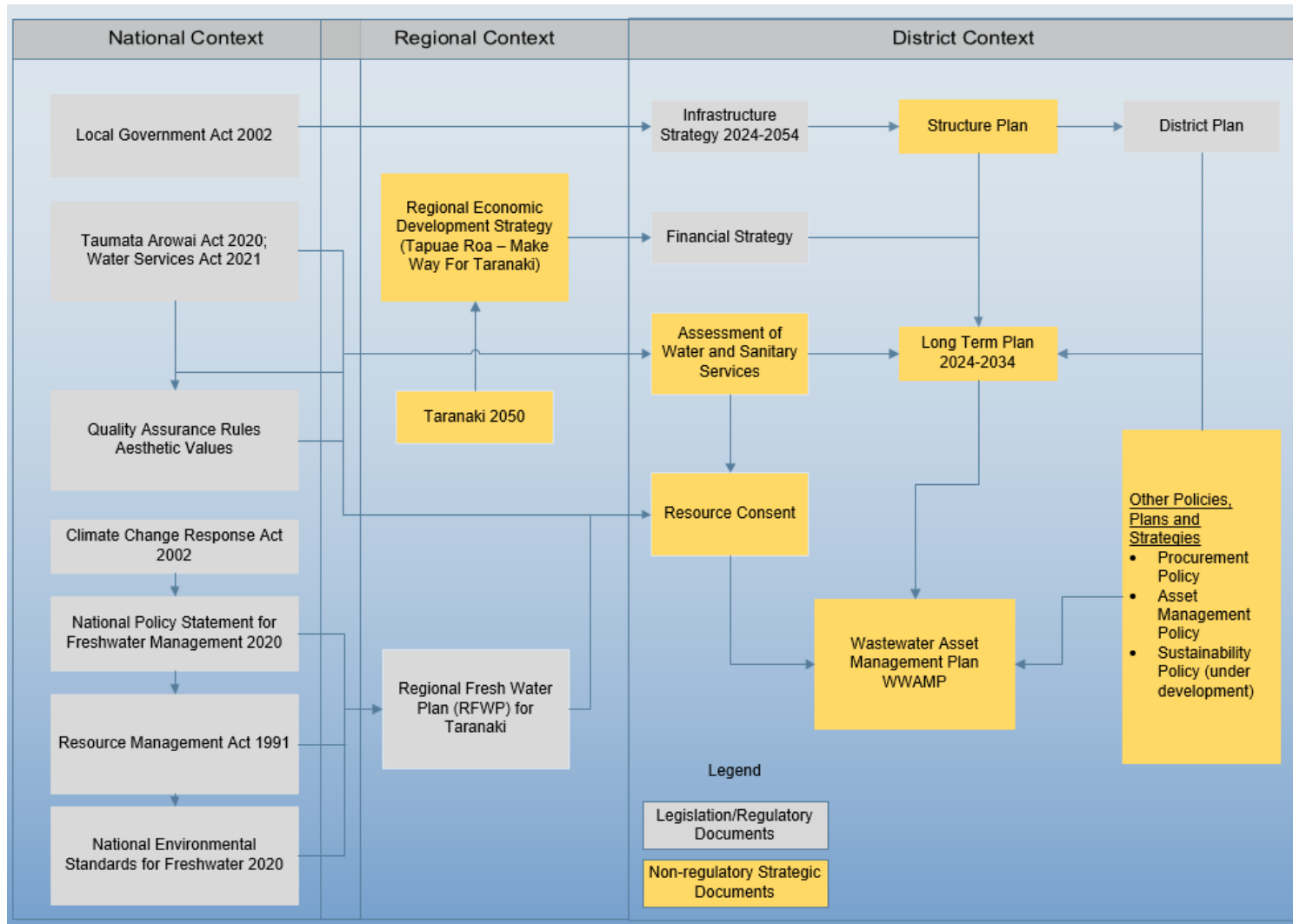


Figure 6 – Legislative and Strategic Context (WWAMP)

## 2.3. REGIONAL CONTEXT

The main regional drivers are the requirements of the Regional Freshwater Plan for Taranaki (RFP) and any other resource consents issued by the Taranaki Regional Council for relevant purpose.

### 2.3.1. THE REGIONAL FRESH WATER PLAN FOR TARANAKI (RFP)

The Regional Fresh Water Plan promotes sustainable management of the region's freshwater resources by applying rules and conditions to various activities. The Taranaki Regional Council was preparing a Natural Resources Plan to encompass their Regional Freshwater, Air, and Soil Plans, however this has been deferred with the Taranaki Regional Council instead preparing a Freshwater and Land Plan.

The Plan identifies how the fresh water resources of the region (both surface water and groundwater) are to be managed. It does this by identifying important issues from state of the environment monitoring relating to the use, development and protection of the fresh water resources of Taranaki. Objectives, policies and methods are set out for addressing these issues. Ongoing state of the environment monitoring will enable the Taranaki Regional Council to assess the effectiveness of the Plan and review policy direction where necessary. In particular the Plan contains regional rules which categorise activities into different classes (permitted, controlled, discretionary or prohibited), with different standards, terms or conditions which apply to them, depending on the effects on the environment of that activity. Activities have been classified in this way to facilitate the processing of resource consents and to provide certainty for the community.

In relationship to this document the RFP supplies the framework for setting the conditions under which the Stratford Wastewater Treatment plant must operate to achieve the goals of the plan.

### 2.3.2. THE REGIONAL ECONOMIC DEVELOPMENT STRATEGY – TAPUAE ROA - MAKE WAY FOR TARANAKI

The Regional Economic Development Strategy - Make Way for Taranaki was developed in 2017 by the four local authorities of the Taranaki region in association with Venture Taranaki and the Ministry of Business, Innovation and Employment (MBIE). The strategy sets a direction for economic development and identifies priorities and measurable goals for the region as a whole. It is anticipated that the Strategy will enable and support economic growth and development in the Stratford District.

While economic growth for the Stratford District is desirable, Council is aware that growth can have an impact on infrastructure and the services delivered by that infrastructure.

### 2.3.3. THE REGIONAL LONG TERM VISION/ROADMAP – TARANAKI 2050

The Taranaki 2050 Roadmap was first launched in 2019 with the goal of guiding how Taranaki will transition to a low emissions economy. To this end various Transition Pathway Action Plans (TPAPs) were prepared with the community, highlighting short- and medium-term actions to reach the long term vision.

The TPAPs related to water supply are the Regulatory, Environmental, and Infrastructure & Transport.

## 2.4. DISTRICT CONTEXT

The WAMP feeds, and in turn is fed into, a number of district strategies. The WAMP forms a critical part of the planning framework, as shown in Figure 6. Table 9 provides a description of the District Strategic Drivers for the WAMP, and how they influence or relate to the WAMP. The key district drivers are provided in more detail below.

### 2.4.1. THE LONG TERM PLAN (LTP) 2024-2034

The Long Term Plan (LTP) 2024-2034 is a regulatory document pursuant to Section 93 of the Local Government Act 2002 Amendment Act 2019 that:

- Describes the activities of Stratford District Council;
- Outlines Council's contribution to the community outcomes and describes how we will manage activities we are responsible for;
- Provides integrated decision making and co-ordination of resources; and
- Provides a long-term focus for Stratford District Council's decisions and activities

The LTP provides the direction and strategies that drive the WAMP. Programmes for Capital, Maintenance and Renewal works are linked to the LTP along with essential budgeting requirements. The LTP covers a planning period of 10 years and is reviewed three yearly.

## 2.4.2. THE INFRASTRUCTURE STRATEGY 2024 – 2054

The Infrastructure Strategy (IS) is a regulatory document pursuant to Section 101B of the Local Government Act 2002 Amendment Act 2019 for the purpose of:

- Identifying significant issues over the period covered by the strategy; and
- Identifying the principal options for managing those issues and the implications of these options.

The identified issues and opportunities from the 30 year strategy inform the relevant AMP and is reviewed every 3 years. Like the LTP, the IS provides the direction and strategies that drive the WAMP but in this case, the planning period primarily focussed on is for 10-30 years.

This strategic document allows Council to make informed decisions and place Council in a better position to understand and plan for major infrastructure investments.

## 2.4.3. THE DISTRICT PLAN

Developed in compliance with the requirements of the Resource Management Act 1991(RMA), the District Plan specifies land use policies aiming to mitigate and control the detrimental environmental effects of new developments. These areas of growth and development need to be accounted for within the WAMP through the use of water modelling reports, levels of service increase works and forward works programming.

## 2.4.4. THE ANNUAL PLAN

The Annual Plan is a regulatory document pursuant to Section 95 of the Local Government Act 2002 Amendment Act 2014. The Annual Plan is developed in compliance with section 95 of the LGA 2002 and updates information reported on within the Long Term Plan including its objectives, intended activities, performance, income and expenditure. The Annual Plan shows how that year of the Long Term Plan will be funded.

**Table 3 - District Strategic Drivers**

Strategies/ Plans/ Documents	Description	Review Frequency	Relationship to the Asset Management Plan
Financial Strategy	Developed to provide a financial framework for Council debt and rate levels and limits - future proof Council owned and operated assets.	Ten yearly	Provides financial framework for asset management and activity budgeting and expenditure.
Infrastructure Strategy	Prepared for the purposes of identifying significant issues over the period covered by the strategy and identifying the principal options for managing those issues and the implications of these options.	Three yearly	Provides a core infrastructure asset management framework over a 30-year planning horizon.
Economic Development Strategy	Sets the direction for economic development and identifies priorities and measurable goals.	Three yearly	Support asset management planning and good practice.
Structure Plan	Provide a long term planning framework for the future development and redevelopment of the Stratford District. The plan will set out in broad terms, the layout of land uses, key infrastructure and transport links.	Unknown at this stage	Support asset management planning.

## Legislative and Strategic Context

Strategies/ Plans/ Documents	Description	Review Frequency	Relationship to the Asset Management Plan
Significance and Engagement Policy	<p>Developed in compliance with Section 76AA to set out Councils approach to:</p> <ul style="list-style-type: none"> <li>The assessment of significance during decision-making. It provides direction on the consideration of community views and the level of community engagement that might be desirable to enable Council to develop a clearer understanding of community views and preferences on an issue or proposal.</li> </ul> <p>Regarding community engagement and the ways the community can influence and participate in the decision-making of the Council.</p>	Three yearly	Determines level of engagement required for asset management planning activities/projects
Annual Report (AR)	Reports Council's performance for the previous year.	Annually	Provides annual KPI targets that are reported in the Annual Report.
Assessment of Water and Sanitary Services	Undertaken in compliance with Section 125 of the Local Government Act 2002 as part of Council meeting its obligation under the Health Act 1956 to improve, promote, and protect public health within its district.	Ten yearly	Identified issues and required actions feed into the relevant AMP
Other Council Policies, By-laws, etc.	<p>The tools that guide and direct Council activities (see <a href="#">Appendix 2</a>)</p> <ul style="list-style-type: none"> <li>Trade Waste Bylaw</li> <li>Wastewater Bylaw</li> <li>Inflow/Infiltration Programme</li> <li>Resources Consent;</li> <li>Incident Response Plans</li> </ul>	As applicable	Support asset management planning and good practice.



# **3.0 Asset Information**

## 3.0: Asset Information

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### 3.1. ASSETS OVERVIEW

Stratford District Council is responsible for wastewater treatment and reticulation in Stratford Township. The Stratford wastewater system services over 2,500 properties, which is approximately 97 percent of the Stratford urban area. All other dwellings in the district are serviced by on-site wastewater treatment systems.

This section details the current asset valuation summary and provides details about infrastructure asset components. It identifies the general condition of assets and any issues/opportunities Council will need to consider. It highlights how asset condition is identified and Council's level of confidence in asset data.

### 3.2. ASSET VALUATION

Section 111 of the Local Government Act 2002 requires that local authorities comply with "generally accepted accounting practice" which is taken to mean the principles of the General Accepted Accounting Practice that is prepared by the New Zealand Society of Accountants (ICANZ) and included in the New Zealand Accounting Standards.

Section 6 of the Local Government (Financial Reporting and Prudence) Regulations 2014 requires Local Authorities to disclose information about core assets in its annual report, including the local authority's most recent estimate of the replacement cost. The concept of intergenerational equity in the funding of infrastructure asset is included as one of the principles of financial management. Without accurate knowledge of serviceability of assets, local authorities will only be guessing when they attempt to spread the costs of infrastructure across present and future ratepayers.

As required under the LGA, the Council has its assets re-valued every three years by independent qualified valuers. Valuations will be undertaken more regularly if necessary to ensure no individual item of property, plant or equipment within a class has a carrying value that is materially different from its fair value.

The following asset valuations presented in Table 4 was carried out by Beca Projects NZ Ltd as of 01 July 2021.

Asset information and asset registers used for the re-valuation undertaken by Telfer Young (Taranaki) included Land and Buildings.

Asset information and asset registers used for the re-valuation undertaken by Just Add Lime included:

- Previous Revaluation Reports;
- Network asset data provided from SDC (from AssetFinda database for the three waters)
- Unit rates and effective lives as agreed with SDC.

Asset information excluded from the Just Add Lime re-valuation were:

- Resource Consents
- As Built Plans

Financial Reporting Standards (PBE IPSAS 17) and International Valuation Standards (IVS) apply to all SDC wastewater infrastructure assets considered in the Beca Projects NZ Ltd re-valuation for the general purpose of financial reports.

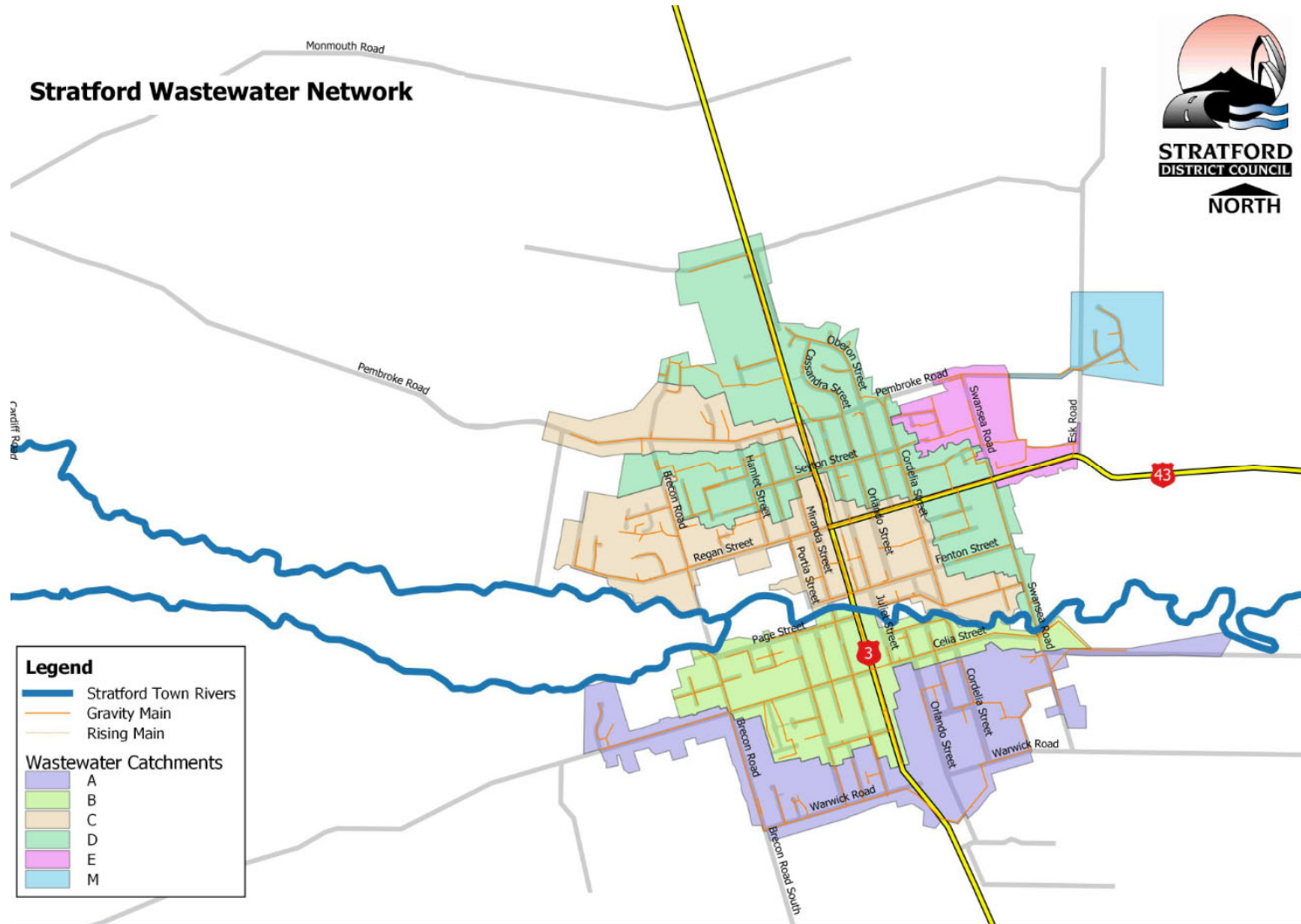


Figure 7 – Wastewater Area of Benefit in Stratford as at 01 July 2020

**Table 4 –Wastewater Asset Valuation Summary**

Asset Group	Asset Component	Size / length	Quantity	SDC Useful Life (yrs.)	Average Remaining Useful Life (yrs.)	RC (\$)	Values ODRC (\$)	(AD (\$))
Lines	Pipe	50mm	0.21889	30-100	64	26,179.25	21,503.24	422.20
	Pipe	90mm	0.76049	80	51	177,954.66	142,688.52	2,224.43
	Pipe	100mm	11.73019	80-100	46	2,744,864.46	1,327,062.42	26,233.42
	Pipe	150mm	36.49474	75-165	34	12,481,201.08	4,270,412.30	105,456.32
	Pipe	225mm	5.48342	75-165	10	3,257,151.48	280,171.95	11,346.12
	Pipe	300mm	2.81913	75-165	5	2,334,239.64	128,480.49	3,464.71
	Pipe	375mm	1.08936	75-100	8	1,402,006.32	104,056.52	3,060.48
	Pipe	450mm	1.95448	97	17	3,060,715.68	484,768.80	19,884.92
<b>Total Pipes</b>			<b>60.5507</b>			<b>25,484,312.57</b>	<b>6,759,144.24</b>	<b>172,092.60</b>
Point and plant	Point	N/A	802	100	53	3,328,882.70	1,560,306.07	29,609.65
	Pump Stations	N/A	4	1-100	33	284,758.54	202,037.44	6,228.24
	Treatment	N/A	38	50-120	55	8,100,383.14	3,489,638.42	184,999.80
<b>Total Point and Plant</b>						<b>11,714,024.38</b>	<b>5,251,981.93</b>	<b>220,837.69</b>
<b>Total Wastewater</b>						<b>37,198,336.95</b>	<b>12,011,126.17</b>	<b>392,930.29</b>

*Source: Beca Projects Ltd Asset Valuation Report as at 1 July 2021*

### 3.3. USEFUL LIFE

Useful life refers to either;

- The period over which an asset or component is expected to be available for use by an entity, or
- The number of production or similar units expected to be obtained from the asset or component by the entity. *Refer: International Infrastructure Management Manual (2015).*

The asset Useful lives are expressed as years. The asset Age is based on construction dates. The *Remaining useful life* is based on age and useful life of the assets

### 3.4. ASSET INFORMATION SYSTEM

The Stratford District Council uses AssetFinda to support management of the Wastewater Activity. Data on infrastructure assets is collected during inspections and monitoring using both paper based and electronic methods.

All data collected in relation to the Wastewater activity infrastructure is entered into AssetFinda by the Engineering Officer, GIS Officer, engaged Consultants or the Contractor.

### 3.5. THE WASTEWATER INFRASTRUCTURE ASSETS

The following constitute the wastewater infrastructure assets:

- Wastewater Reticulation system; and
- Wastewater Treatment System;

#### 3.5.1. WASTEWATER RETICULATION SYSTEM

Wastewater is collected through the reticulation system and transported to the wastewater treatment plant on Victoria Road. Most of the wastewater flow to the treatment plant is gravity fed from the reticulation system. Wastewater then flows into the inlet works at the wastewater treatment plant.

Wastewater reticulation system comprises of pipes, manholes and pump stations.

#### 3.5.2. WASTEWATER TREATMENT SYSTEM

The wastewater treatment system comprises of an inlet screen, a primary facultative pond, secondary maturation pond, and a rock filter. The final receiving environment for treated wastewater is the Patea River.

Table 5 provides a summary of the pump stations and the catchment areas they serve.

### 3.6. DRAINAGE CATCHMENTS

Stratford is divided into four main catchments with sub-catchments, as the sewer main branches shortly upstream of the treatment plant as shown in Figure 5. The area where catchments 3 and 4 are located has been arbitrarily separated into two catchments, with the point of separation immediately north of the intersection of Fenton Street and Swansea Road. The southern part of these two catchments also receives flow from a main along Pembroke Road, west of Broadway.

**Table 5 - Pump Stations and Catchment Discharge Areas**

Pump Station	Site Location	Service Area
Esk Rd Pump Station (P.S. 1)	On Esk Rd, 70mtrs north of SH43 intersection. NZTM coordinates (approx.): 5645396.46N, 1712016.56E	On demand station servicing catchment E. Flow is transferred to catchment D at the intersection of Swansea Road and Regan Street.
Cordelia St Pump Station (P.S. 3)	Outside 23 Cordelia St. NZTM coordinates (approx.): 5645283.41N, 1711046.17E	Overload station servicing high flow area of catchment D. Flow is transferred to low catchment C at the intersection of Cordelia and Regan Streets.
Miranda St Pump Station (P.S. 4)	Outside 103 Miranda Street NZTM coordinates (approx.): 5644132.98N, 1710779.62E	Overload station servicing high flow area of catchment B. Flow is transferred to low catchment A at the intersection of Romeo and Miranda Streets
Maria Place Pump Station (P.S. 2)	East side of Maria Plc cul de sac. NZTM coordinates (approx.): 5645859.52N, 1712280.69E	On demand station servicing catchment F. Flow is transferred to catchment E at Manhole E13 outside 168 Pembroke Rd.

### 3.7. ASSET MANAGEMENT MATURITY ASSESSMENT

The Council has assessed its Asset Management maturity across 5 key disciplines of asset management practice including:

- Setting the Strategic Direction;
- Establishing Levels of services;
- Forecasting Future Demand;
- Collecting Asset Information; and
- Monitoring Asset Performance and Condition.

The Asset Management Maturity Index assessment in Table 6 below provides a snapshot of where the Council is at in its asset management practices and in particular, emphasizes that seeking advanced practice in all areas may not be the best solution across activities, as this depends on the scale and type of assets being managed.

**Table 6: 3-Waters Asset Management Maturity Index Assessment**

	Asset Management Disciplines	Maturity Index	Maturity Description	What we do
1	Strategic Direction	Intermediate	<ul style="list-style-type: none"> <li>• AM System scope is defined and documented.</li> </ul>	<ul style="list-style-type: none"> <li>• The Council has adopted an <b>Asset Management Policy</b> to provide the overall direction for asset management in the district.</li> <li>• Scope is also refined as a consequence of our Early Conversation discussions with Elected Members, which inform the LTP, and also during our regular workshops to define Strategic Direction for the Council.</li> </ul>

## Asset Information

	Asset Management Disciplines	Maturity Index	Maturity Description	What we do
2	Defining Level of service	Intermediate to Advanced	<ul style="list-style-type: none"> <li>Level of service and cost relationship understood.</li> <li>Customers are consulted on significant service levels and options.</li> <li>Customer communications plan in place.</li> <li>Levels of service are integral to decision making and business planning.</li> </ul>	<ul style="list-style-type: none"> <li>Again, existing levels of service is are generally maintained, however, can be re-defined as result of either legislative requirements; customer feedback or in response t new technology. Re-definition is done as an outcome of our discussions with Elected Members, either prior to the LTP year or as and when required during the year.</li> <li>The LOS are defined in the AMPs for each work activity.</li> <li>Redefined levels of service in previous years include:               <ul style="list-style-type: none"> <li>Network Planning and modelling</li> <li>Pipe work – increase the size;</li> <li>New management of the trade waste discharges</li> <li>Reduction in the wastewater pipe inflow/infiltration</li> <li>Addition of new back flow devices;</li> <li>More staff to implement higher LOS defined;</li> <li>Universal metering;</li> <li>Higher wastewater discharge quality;</li> </ul> </li> </ul>
3	Forecasting future demands	Core to Intermediate	<ul style="list-style-type: none"> <li>Risk associated with demand change broadly understood and documented.</li> <li>Demand management considered as an alternative to major project development.</li> </ul>	<ul style="list-style-type: none"> <li>We have a broad understanding of the issues for each work activity and these are documented in the AMP as "Problem Statements".</li> <li>Forecasting is based on population and economic growth statistics in addition to regulatory changes at the central government level..</li> <li>Demand Management has been used in the water and wastewater activities, enforced by the Water Supply and Wastewater and Trade Waste Bylaws. Our resource consents also support our demand management initiatives. DM initiatives employed include:               <ul style="list-style-type: none"> <li>Universal metering to encourage water conservation; and</li> <li>New PRVs for flow and pressure managements;</li> </ul> </li> </ul>
4	Collecting Asset Information	Intermediate	<ul style="list-style-type: none"> <li>A reliable register of physical, financial and risk attributes recorded in an information system with data</li> </ul>	<ul style="list-style-type: none"> <li>AssetFinda is the database for our 3-waters assets for recording the physical, financial and risk attributes.</li> <li>Data is collected, updated and validated on an ongoing basis, particularly when new assets are being installed and maintenance occurs on existing assets.</li> </ul>



	Asset Management Disciplines	Maturity Index	Maturity Description	What we do
			analysis and reporting functionality. Systematic and documented data collection process in place.	
5	Monitoring Asset Performance and Condition	Core	<ul style="list-style-type: none"> <li>Condition and performance information is suitable to be used to plan maintenance and renewals to meet over the short term.</li> </ul>	<ul style="list-style-type: none"> <li>The condition - physical integrity - of an asset is deduced based on the age, material type and analysis of collected statistical data.</li> <li>The performance, being a measure of whether the asset is delivering level of service requirements – is monitored during routine inspections and asset upgrade.</li> </ul>

### 3.8. ASSESSMENT OF ASSET CONDITION

Asset condition is a measure of an asset's physical integrity, while asset performance is a measure of whether the asset is delivering level of service requirements. Knowing the condition of an asset enables more accurate prediction of asset development, maintenance and renewal/replacement requirements. The Stratford District Council identifies the condition of our wastewater infrastructure assets by age and through visual targeted inspections, analysis of collected statistical data, and through maintenance monitoring.

Generally, the Council takes a risk-based approach to monitoring the condition of assets and conducts condition assessments of its critical assets. Where assets have low risk because they are in the first half of their life, condition monitoring is low. If the consequences of running an asset through to failure are high, the Council, through a more intensive monitoring regime and targeted inspections, hold more information on the asset condition.

The Council has no backlog or deferred maintenance in its work programme.

**Targeted inspections** are carried out on asset components that are considered critical to Council and the community, have the potential to impact on public health and safety; or where there is a specific requirement. Targeted inspections of wastewater infrastructure assets are carried out by Council staff, the Maintenance Contractor, or specialist Consultant to identify the condition of specific asset components at intervals specified by the Asset Manager or upon request.

To identify the general condition of its wastewater assets, the Council undertakes the following targeted inspections:

- Underground reticulation – by the Contractor during works or as issues are identified;
- Underground reticulation – annual videoing of sample section;
- Buildings – annually by the Contractor; and
- Carparks – annually by the Council Roading Engineer.

**Maintenance monitoring** is carried out by the Contractor at intervals specified in the Maintenance Contract. Maintenance monitoring is carried out to identify the condition of infrastructure and any item(s) that needs attention or could affect the integrity of the asset and the service it provides.

Maintenance monitoring of wastewater assets includes:

- Oxidation Ponds
- Pump Stations
- Underground reticulation
- Manholes

**Condition Grading** - Visual targeted inspections, analysis of collected statistical data, and maintenance monitoring provide both qualitative descriptions and quantitative grading of asset component condition. Condition grading supports the development, maintenance, and renewal/replacement of an asset by enabling more accurate prioritisation of forward works programmes.

Both the New Zealand Infrastructure Asset Grading Guidelines (1999) and the National Asset Condition Grading Standards (2005) provide examples of standard condition grading schedules for infrastructure assets. The International Infrastructure Management Manual (2011) provides guidance on assessing the condition of assets and approaches to grading the condition. In line with this Stratford District Council has developed a condition grading system to support identifying the condition of assets at the group level. Using the system, the assessed condition of assets are ranked from 1-5 as illustrated in Table 7 below. Over the last 3 years the Wastewater assets have increased with new flowmeters and telemetry equipment installed in the treatment plant. This is due to the new resource consent requirements that came in to effect in 2020.

**Table 7 - Condition Grading System**

Grade	Condition	Description	Indicative Network Assessment
1	Very Good	Asset in structurally sound and excellent physical condition. No work required	29%
2	Good	Asset in structurally sound and acceptable physical condition. Minor work required (if any)	16%
3	Average	Asset is structurally sound but shows deterioration. Moderate work required to return asset to agreed level of service	13%
4	Poor	Asset failure likely in the short term. Significant work required now to return asset to agreed level of service	16%
5	Very Poor	Asset has failed/is about to fail. Renewal/Replacement required Urgently	25%

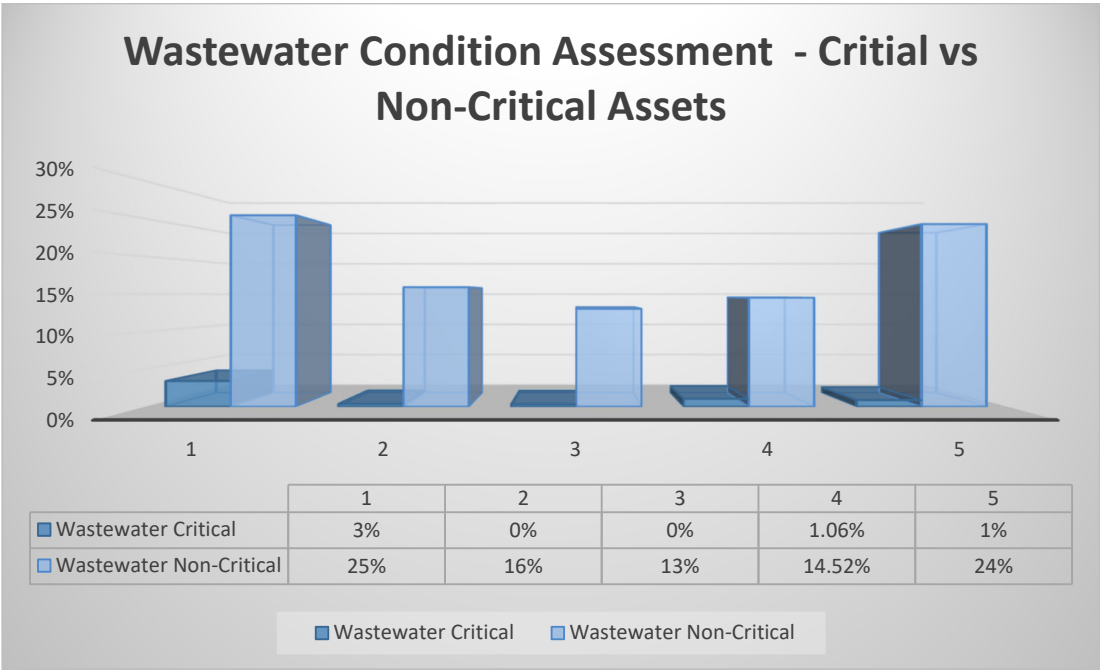


Figure 8: Wastewater Condition Assessment - Critical vs Non-Critical Assets

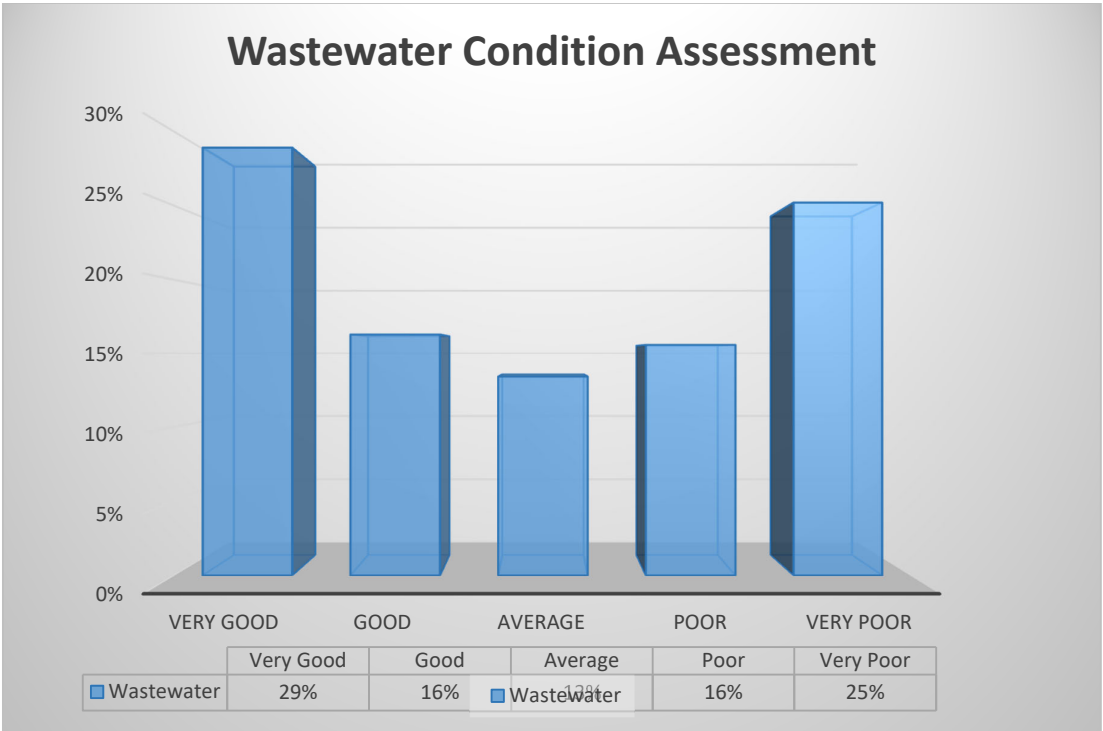


Figure 9: Wastewater Condition Assessment – Overall

### 3.9. DATA ACCURACY AND CONFIDENCE

The accuracy and currency of data is critical to effective asset management. Accurate data enables Council and the community to have confidence in decisions made about asset development, maintenance, and renewal/replacement.

To ensure accurate asset data is entered into the asset management system Stratford District Council has put in place the *Inspection Data Management Process* for managing targeted visual inspection data. Also, to determine the level of confidence Council has in targeted inspection data Stratford District Council has put in the *Data Confidence Grading System* in Table 9. Asset Grading by asset group is provided in Table 10.

**Table 8 - Inspection Data Management Process**

Step	Management process	Description
1	Collect Data	Data is collected and documented about asset and asset condition.
2	Hold Data	Where feasible data is stored in a temporary place until enough is gathered for sample auditing.
3	Audit a sample of Collected Data	Where applicable a sample of collected data is checked against the asset by authorised Council staff/Consultant – minimum 5%.
4	Enter Data into Asset Management System	Data is entered into the Asset Management System by the staff member responsible for the system.

**Table 9 - Data Confidence Grading System**

Grade	Confidence Level	Description
1	Highly Reliable	Data based on sound records, procedures, investigations and analysis which is properly documented and recognised as the best method of assessment - dataset is complete and estimated to be accurate +- 2%
2	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 +- 10%
3	Uncertain	Data based on sound records, procedures, investigations and analysis which is incomplete or unsupported, or extrapolation from a limited sample for which grade A or B data is available - dataset substantially complete but up to 50% extrapolated data and estimated to be accurate +- 25%
4	Very Uncertain	Data based on unconfirmed verbal reports and/or cursory inspection and analysis - dataset may not be fully complete and most data is estimated or extrapolated and estimated to be accurate +- 40%
5	Unknown	None or very little data held

**Table 10: Asset Data Grading by Asset Group**

Asset Group	Key Confidence Attributes Percentage (%)				Average	Assessed Confidence Level	Confidence Grading
	Location	Diameter /size	Material	Age			
Pipe	95	83	85	70	<b>83.25</b>	Uncertain	<b>3</b>
Service Connections	5	80	5	20	<b>27.5</b>	Unknown	<b>5</b>
Point	90	75	70	70	<b>76.25</b>	Uncertain	<b>3</b>
Pump Stations	100	65	70	80	<b>78.75</b>	Uncertain	<b>3</b>
Pre-treatment	90	90	90	90	<b>90</b>	Reliable	<b>2</b>
Treatment	90	90	90	90	<b>90</b>	Reliable	<b>2</b>
Post-treatment	90	90	90	90	<b>90</b>	Reliable	<b>2</b>
<b>Critical Assets Assessment</b>	<b>Reliable</b>						
<b>Non-Critical Assets</b>	<b>Reliable to Uncertain</b>						
<b>OVERALL ASSESSMENT</b>	<b>Reliable to Uncertain</b>						

While Council's overall confidence around its data quality is *'Reliable to Uncertain'*, the Council's confidence level for the 3-Waters is *'Reliable'* for its critical assets and *'Reliable to Uncertain'* for non-critical assets. This uncertainty stems from data held around the age of the non-critical assets, which have been deduced from the approximate date of construction, and also from the quality of data held on our service connections. However, given these are non-critical assets, impact of premature asset failure on continued service delivery is very low, as any disruption to service is limited to a few properties. The associated financial impact is also very low.

It is important to note that these assets do not fail simultaneously, as they are individual assets - any failed part can be isolated and managed, so the risk and consequences of failure is very low. This is evidenced from our annual performance indicators reported every month to the Council and summarized in the Annual Report. Our track record is good. Our strategy to mitigate the impacts of this *Uncertainty* is to be ready at all times to respond to all asset failures. Therefore we have, on hand or ready access to, supplies to replace any failed asset. Our contractors are on board as per the requirements of their maintenance contract.

The Council continues to validate the data in the AssetFinda database - as assets are replaced. Our maintenance contractors interact directly with our asset management system and provide corrections and updates to the condition data which is reviewed and/or updated as new data becomes available. Assets that are frequently interacted with therefore, are better documented than those that only get dug up as part of upgrades, renewals or repair work. It will take some time for the assessment of our 'confidence level' of our non-critical assets to be *'Reliable'*. The charts above provide snapshots of the overall *Condition Grading Assessment* for all assets -critical and non-critical and a summary of the *Data Confidence Levels*.

## 3.10. IMPROVEMENT PLAN

Actions identified in this Section for improving management of the asset are as follows:

Sub Section	Task	Due Date
3.7	<p><b>Update asset condition data</b></p> <p>Continue to use information collected from maintenance tasks to update asset condition data</p>	Ongoing
3.7	<p><b>Improve condition data accuracy and reliability</b></p> <p>The issues related to condition data for <u>below ground</u> wastewater supply assets does not allow Council to accurately forecast remaining useful life. However, using the information collated from both 'scheduled' and 'reactive' maintenance (under the Services Maintenance Contract 2014), Council is able to update asset condition data regularly. Over time as maintenance and renewals are carried out, the condition information will improve.</p> <p>Therefore, the implementation of additional major projects to assist Council in improving condition data information is not required.</p>	Ongoing

## **4.0**

# **Future Growth and Demand**

## 4.0: Future Growth and Demand

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## **4.1. OVERVIEW**

This section provides a description of population; economic growth trends and forecasts and demand drivers for the provision, development and sustainability of Council's Wastewater Services to the community. It identifies the demand forecasting model used by the Council and highlights the factors that influence the demand for infrastructure and services and the associated impacts of each driver on the demand for the Wastewater Services.

The demand for the provision of Wastewater services is generally determined by the degree to which customers use the service. The forecasting of future demand for services enables Stratford District Council to plan ahead and identify the best way to meet that demand.

Section 14 of the Local Government Act 2002 requires local authorities to take a sustainable development approach in conducting business. In doing this Stratford District Council must take into account;

- I. the social, economic, and cultural interests of people and communities; and
- II. the need to maintain and enhance the quality of the environment; and
- III. the reasonably foreseeable needs of future generations.

Stratford District Council is committed to planning for the changing needs of its community. As part of this commitment Council utilises demand forecasting in all asset management planning.

## **4.2. DEMAND FORECASTING**

Demand forecasting enables Stratford District Council to identify areas that are likely to experience significant pressures, and plan accordingly. Currently, the Stratford District Council uses a "basic" model for demand forecasting. It is a combination of formal and informal techniques. Central to this is an understanding of how growth and future demand trends will impact on Levels of Service and desired community outcomes.

As part of the planning process Council considers:

- the Asset use, demand, and capacity;
- the implementation and planning for quality and process improvements; and
- environmental impacts

Key Information gathered during the forecasting process includes:

- Historical data;
- Observed patterns and trends – use, demand, and popularity;
- Statistical estimates and projections;
- Commercial activity and anticipated business migration;
- Pending legislative changes.

From this, assumptions are formed about what could happen; enabling Council to better plan for the future needs of the community.

## **4.3. DEMAND DRIVERS AND IMPACTS**

Demand drivers are the factors that influence demand for services or the infrastructure that provides those services. Future growth in the Stratford community can be attributed to a number of factors described in detail below, including:

- Population;
- Economic Development;
- Tourism;
- Regulatory Changes;
- Land Use Changes via the Structure Plan;
- Changing Customer Needs and Expectations

## 4.3.1. POPULATION GROWTH

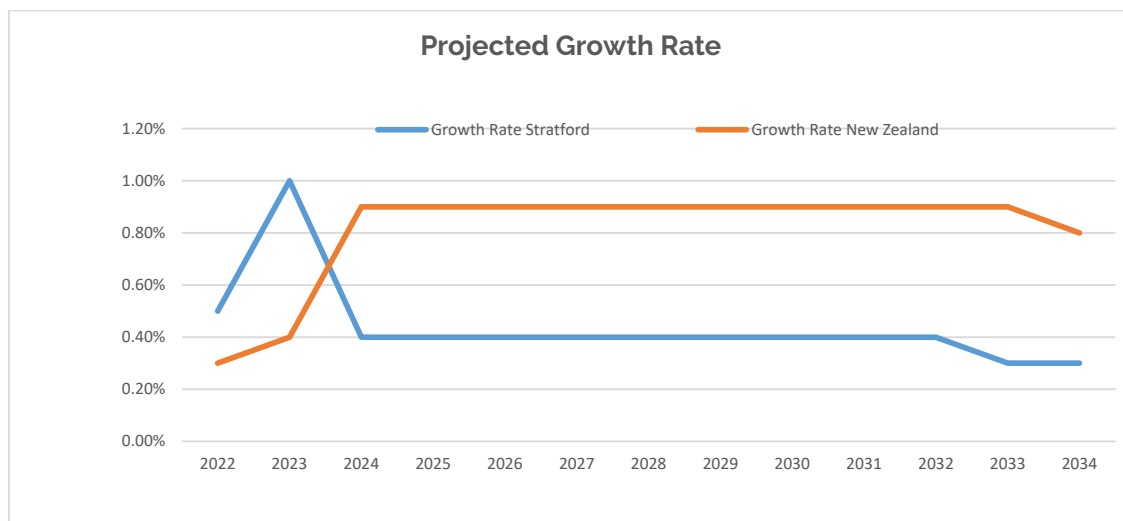
The Council is forecasting the district's population will grow from 10,295 in 2024 to 10,679 by 2034, at an average of 0.4% per year. This level of growth is unlikely to put significant pressure on council infrastructure. There is a low risk that growth may exceed these projections and Council may need to invest in additional urban growth infrastructure which will impact on capital budgets and revenue. There is also a low risk that growth is lower than the projections and Council over invests in infrastructure and services.

The growth in the Māori population of the district has been consistently higher than the growth of all other ethnicities for each of the last ten years. Stratford district's Māori population was 1,550 in 2022, up 2.6% from the previous year.

The below table shows total population projections over ten years, against the growth projections of the total New Zealand population.

**Table 11 - Actions Identified for Improving Management of the Asset**

Year	Stratford District		New Zealand	
	Value	Growth	Value	Growth
2022	10,150	0.5%	5,123,100	0.3%
2023	10,256	1.0%	5,141,837	0.4%
2024	10,295	0.4%	5,185,924	0.9%
2025	10,334	0.4%	5,230,348	0.9%
2026	10,373	0.4%	5,275,448	0.9%
2027	10,414	0.4%	5,321,561	0.9%
2028	10,455	0.4%	5,369,026	0.9%
2029	10,497	0.4%	5,418,006	0.9%
2030	10,539	0.4%	5,467,976	0.9%
2031	10,579	0.4%	5,518,235	0.9%
2032	10,617	0.4%	5,568,085	0.9%
2033	10,650	0.3%	5,616,826	0.9%
2034	10,679	0.3%	5,663,921	0.8%



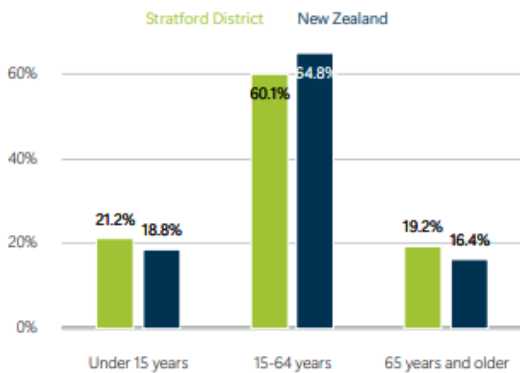
**Figure 10: Water Supply Condition Assessment**

## 4.3.2. DEMOGRAPHIC CHANGES

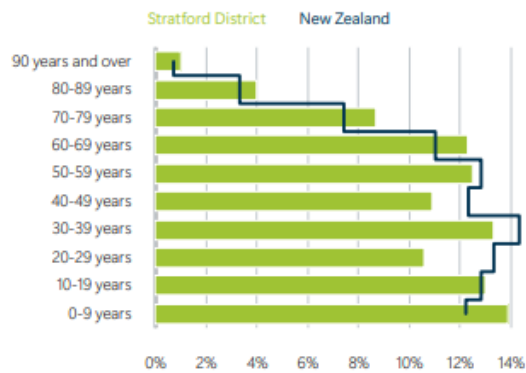
The below graph shows the current population by age group. The Stratford district is generally trending higher than the New Zealand average in the 60+ year age brackets, and much lower in the 20-29 year age bracket. However, the district is much higher than the national average in the 0-9 year age bracket showing positive signs of households choosing to raise their families in this district, and supporting the claim that the increase in population is largely driven by natural increase.

The gap in the 20-50 year old age brackets is not new, and is likely to be a result of the lack of tertiary level training opportunities and graduate employment opportunities in the district. With the change in working and studying environments due to enhanced technology and online access, and the increased acceptance that employees can work from anywhere in the country, and even the world, it is likely that we will see changes in the age demographics in the future. Due to the uncertainty of the impact, it has not been factored into the projections.

**Figure 38. Population by broad age group, 2022**  
% of total, as at 30 June



**Figure 39. Population by 10-year age group, 2022**  
% of total, as at 30 June



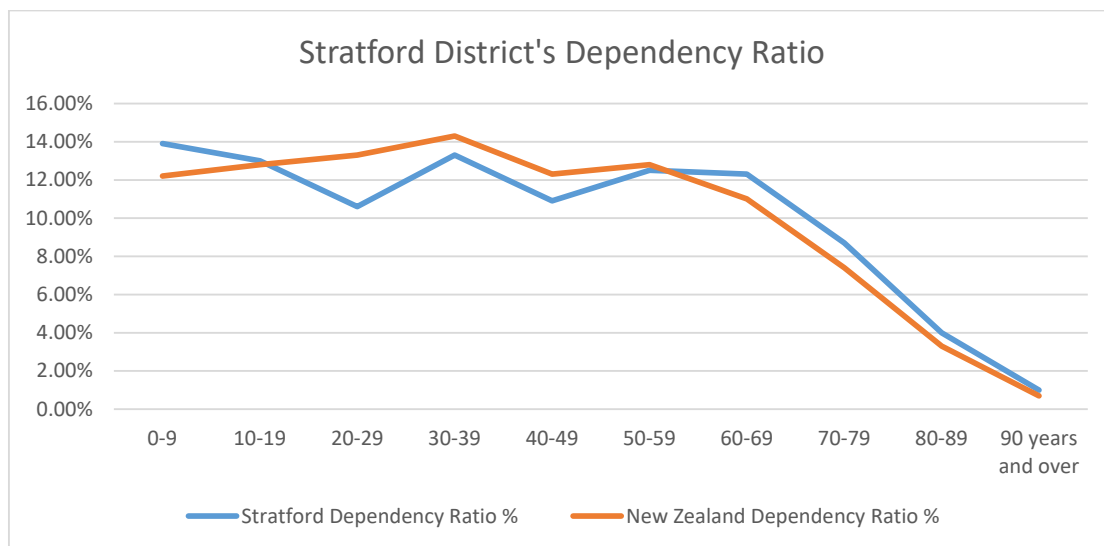
## Figure 11 - Stratford District's Population Age Structure

The Dependency Ratio calculates the average number of economically dependent population (0-14 year olds, and 65+) per 100 economically productive population at a specific point in time. A high ratio may indicate that the economically active population and the overall economy face a greater burden to contribute towards the rates requirement for the district.

Table 38 below shows the Stratford District's Dependency Ratio is 67%, compared to the national average of 54%. This is something Council must be mindful of when determining funding sources (increased reliance required for user pays and exacerbator pays funding sources), and areas (prioritisation) and levels of expenditure (affordability).

**Table 12 - Stratford District's Dependency Ratio**

Age Decade (years)	Stratford District		New Zealand	
	Level	% of total	Level	% of total
0-9	1,410	13.9%	625,490	12.2%
10-19	1,320	13.0%	655,720	12.8%
20-29	1,080	10.6%	679,450	13.3%
30-39	1,350	13.3%	733,760	14.3%
40-49	1,110	10.9%	631,220	12.3%
50-59	1,270	12.5%	654,040	12.8%
60-69	1,250	12.3%	561,800	11.0%
70-79	880	8.7%	380,170	7.4%
80-89	410	4.0%	167,640	3.3%
90 years and over	100	1.0%	34,790	0.7%
Dependency ratio	67.2%		54.4%	
<b>Total</b>	<b>10,150</b>	<b>100.0%</b>	<b>5,124,100</b>	<b>100.0%</b>



**Figure 12: Dependency Ratio Stratford District and New Zealand**

### 4.3.3. ECONOMIC DEVELOPMENT

The four local authorities of the Taranaki region in association with Venture Taranaki and the Ministry of Business, Innovation and Employment (MBIE) have developed a new regional Economic Development Strategy and Action Plan for Taranaki. The Taranaki Regional Economic Development Strategy became official in August 2017 and is known as "Tapuae Roa - Make Way for Taranaki".

This strategy sets a direction for economic development and identifies priorities and measurable goals for the region as a whole. It is anticipated that the Strategy will enable and support economic growth and development in the Stratford District.

While economic growth for the Stratford District is desirable, Council is aware that growth can have an impact on infrastructure and the services delivered by that infrastructure.

Anticipated impacts of the Regional Economic Development Strategy and any resulting growth on the parks and reserves activity and infrastructure are expected to include:

- Increased demand for parks and reserves services;
- Increased pressure on existing infrastructure;
- Increased maintenance and renewal costs; and
- Increase in revenue (through targeted rate and user charges).

#### **4.3.4. ECONOMIC HISTORY AND FORECAST**

Economic growth in the Stratford district is generally lower than the national average – averaging 1.7% per year over the 10 years to 2022, compared with an average of 3% in New Zealand. The estimated GDP for the district in 2022 of \$575m, makes up less than 1% of New Zealand's GDP.

There is some concern that the district is less diverse than average, with the largest industry being agriculture and forestry at 27%, the second largest industry being utilities (electricity, gas, water and waste) at 13%. The more concentrated a district's economic activity is within two or three industries, the more vulnerable it is to adverse effects such as those arising from climate conditions, or commodity price fluctuations.

Council intends to make significant investment in Economic Development over the life of the LTP to encourage diversification and provide opportunities to promote the Stratford District as a great place to do business. Under the Enabling Community Outcome, Council has committed to the following strategic goals:

- *We are a business friendly district*
- *We encourage a diverse and sustainable business community*
- *We enable economic growth by supporting business investment and development in our district*
- *We support the growth of employment opportunities within our community; with a particular focus on our rangatahi (youth)*
- *We carefully balance the needs and wants of our district when funding services and infrastructure*
- *We encourage partnerships to collaborate with Mana Whenua for the benefit of the Stratford district*

#### **4.3.5. CLIMATE CHANGE**

Scientific evidence indicates the earth's climate is changing because of increases in greenhouse gases caused by human activities.

Anticipated impacts for New Zealand over the next 100 years include:

- Changes in temperature
- Projected changes in rainfall
- Extreme weather events
- Decreased frost risk
- Increased frequency of high temperatures
- Increased frequency of extreme daily rainfalls
- Higher snow lines and possible reduced snow coverage
- Possible increase in strong winds
- An increase in average sea level.

At the regional and district level research indicates Taranaki could experience more extreme and varied rainfall patterns and severe weather events.

Extreme weather events and heavy rainfall would see increases in flooding, landslides, avalanches and mudslides during heavy rainfall events while on the flip side a lack of rain during summer

months could see prolonged periods of drought. Both extremes place increased pressure on government, private flood insurance schemes, and disaster relief.

The Government's principal policy response to climate change is the New Zealand Emissions Trading Scheme (ETS). In various sectors (such as energy), the Government is also undertaking a range of other policies and measures that are contributing to reducing greenhouse gas emissions while achieving other policy goals.

Council responds to and plans for impacts of climate change as part of asset management practices by monitoring NIWA data in order to plan for and make adjustments to infrastructure where and when needed. Where adjustments are needed they are undertaken through New Works and/or Renewal/Replacement.

### **4.3.6. TOURISM**

The Visitor Sector Action Plan is one of six action plans developed as part of the "Make Way for Taranaki" Regional Development Strategy. The action plan describes the current regional sector dynamic, growth objectives, challenges, opportunities and the actions required to achieve sector growth. It is anticipated that the Visitor Sector Action Plan will enable and support growth in the Stratford District Visitor Sector.

Council welcomes the Stratford District being seen as a visitor destination but is mindful that increases in visitor numbers may have an impact on infrastructure and the services it provides. Anticipated impacts of the Visitor Sector Action Plan and any increases in visitor numbers on the Wastewater Service and infrastructure are expected to include:

- Increased demand for wastewater services
- Increased pressure on existing infrastructure.
- Increased maintenance and renewal costs.

### **4.3.7. THE (DRAFT) STRUCTURE PLAN FOR STRATFORD**

The SDC is currently undertaking a Structure Plan of the Stratford District, which is in response to an increased demand for residential development sites in Stratford. This 30 year long term Strategy Plan will feed into the District Plan review and the Infrastructure Strategy, to ensure that the growth areas identified herein are duly catered for as and when required.

The Plan will identify key growth areas in Stratford, in addition to areas that lend themselves to in-filing. Roading, Water and Wastewater infrastructure will be planned to service these areas accordingly. Given its proximity and centrality to key employment generators and tourist areas in the New Plymouth and South Taranaki District, the creation of new and affordable residential lots is expected to support the growth forecast for the Town.

### **4.3.8. REGULATORY CHANGES**

Regulatory changes are mainly implemented through resource consent conditions. Currently, the changes to the National Policy Statement for Freshwater (FVNPS) require stricter discharge outcomes from all holders of water-related resource consents. The Taranaki Regional Council is currently reviewing its Regional Fresh Water Plan (RFP) for Taranaki to take into account the new requirements.

### **4.3.9. CUSTOMER NEEDS AND EXPECTATIONS**

The Stratford District is experiencing a change in customer needs and expectations. Changes are primarily driven by an increase in the older resident population and people moving to Stratford from larger metropolitan areas. Customers are expecting a higher level of service in terms of roads, footpaths, structures, water services, vegetation, and so forth.

## 4.4. IMPROVEMENT PLAN

Actions identified in this Section for improving management of the asset are as follows:

**Table 13 - Future Demands Improvement Plan**

Sub Section	Task	Due Date
4.3.1	Further analysis to determine how the impacts of growth and customer expectation will affect the structural integrity of an aging Wastewater Infrastructure network.	July 2020
4.3.2	Continue to use information collected from maintenance tasks to update asset condition data	Ongoing

## **5.0**

# **Level of Service Performance**



**5.0: Levels of Service Performance**

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**5.1. OVERVIEW**

Levels of Service (LoS) define the form and quality of service that the Stratford District Council provides to the community. They are the balance between what the community wants and what the community is willing to pay for.

Through asset management planning, the relationship between the LoS and the cost of service is determined. Once determined, the relationship is evaluated in consultation with the community to define the agreed LoS, which are then used to:

- Inform customers of the proposed LoS;
- Develop AM strategies to the deliver LoS;
- Develop targets to measure performance;
- Identify and evaluate the costs and benefits of services offered; and
- Enable customers to assess customer values such as accessibility, quality, safety, and sustainability.

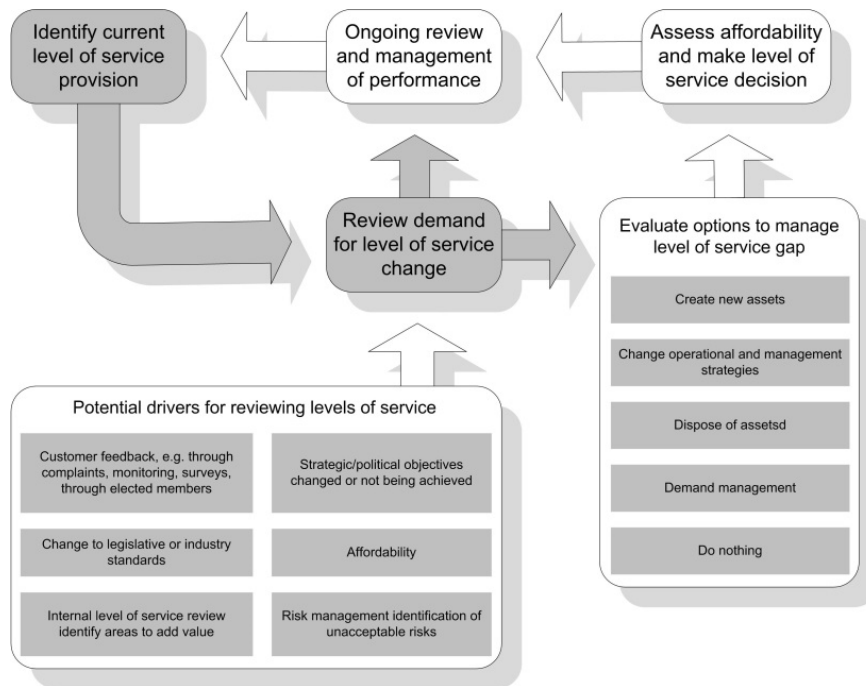
The Levels of Service section details legislative and regulatory requirements affecting the operation, management and Levels of Service for the Wastewater Supply activity and infrastructure assets.

This section:

- Highlights the current LoS provided by the Stratford District Council;
- Defines the desired LoS for the futures; and
- Outlines performance measures that will be used to monitor the delivery of the agreed LoS.

**5.2. LEVEL OF SERVICE DEVELOPMENT/REVIEW PROCESS**

LoS review is an on-going process which can be triggered by a variety of drivers. The development and review of the LoS will be undertaken following the process diagram in Figure 15 (Source: IIMM (2015)).



**Figure 13 - Levels of Service Review Process**

### 5.3. PERFORMANCE MONITORING AND REPORTING

The Stratford District Council has undertaken to provide a safe and well maintained wastewater network that meets LoS expectations and regulatory requirements. To ensure these expectations and requirements are met, the Stratford District Council undertakes performance monitoring of Water activities and infrastructure through the use of performance measures and key performance indicators (KPIs).

Performance measures and reporting enable Stratford District Council to identify how well it is delivering on the agreed LoS. KPIs enable Council to regularly measure actual performance against projected targets. By doing this we are able to identify trends, areas of achievement and areas for improvement to be identified.

The results of the performance monitoring are reported internally and externally through:

- monthly reports to Elected Members, also accessible to the public via the Council website; and
- the Long Term Plan, Annual Plan and Annual Report to our customers, key stakeholders and partners.

### 5.4. CURRENT PERFORMANCE

To ensure the wastewater services are delivered, the Council undertakes performance monitoring of the services it provides through the use of performance measures and key performance indicators (KPIs) as presented in Table 13. Our current performance is monitored through the measures from two main sources:

- The Department for Internal Affairs (DIA) performance measures; and
- Internal/Agency performance measure

**The DIA Performance Measures:** Since 2014 all local authorities have been required to comply with a standard set of performance measures. The performance measures are intended to provide information that will enable the public to contribute to discussions on future levels of service and participate more easily and effectively in decision-making processes.

**The Internal/Agency Performance Measures:** These are performance measures put in place by Council or other Agencies and are intended to inform the community about how well Council is delivering on Levels of Service and the asset performance of the activity.

#### 5.4.1. SYSTEM ADEQUACY

**Dry weather sewerage overflows** - The number of dry weather sewerage overflows from the territorial authority's sewerage system, expressed per 1,000 sewerage connections to that sewerage system.

This target is <5 per 1,000.

In 2022/2023, there were 1.11 dry weather overflows.

#### 5.4.2. DISCHARGE COMPLIANCE

Compliance with the territorial authority's resource consents for discharge from its sewerage system measured by the number of

- Abatement notices
- Infringement notices
- Enforcement orders; and
- Convictions,

Received by the territorial authority in relation to those resource consents. This target is 0.

In 2022/2023, there were no compliance notices.

Table 14- DIA and Internal / Other Performance Measures

	Level of Service	Performance Measure	Outcome Category
1.	<b>System Adequacy</b>	<b>Dry weather sewerage overflows</b> - The number of dry weather sewerage overflows from the territorial authority's sewerage system, expressed per 1000 sewerage connections to that sewerage system. This target is <5 per 1,000.	DIA measure
2.	<b>Discharge Compliance</b>	<p><b>Resource Consent Compliance</b> – Compliance with the territorial authority's resource consents for discharge from its sewerage system measured by the number of:</p> <ul style="list-style-type: none"> <li>• Abatement notices;</li> <li>• Infringement notices;</li> <li>• Enforcement orders; and</li> <li>• Convictions.</li> </ul> <p>Received by the territorial authority in relation to those resource consents. This target is 0.</p>	DIA measure
3.	<b>Response and Resolution Times</b>	<p><b>Sewerage overflows</b> - Where the territorial authority attends to sewerage overflows resulting from a blockage or other fault in the territorial authority's sewerage system, the following median response times are measured:</p> <ul style="list-style-type: none"> <li>• <b>Attendance time</b> from the time that the territorial authority receives notification to the time that service personnel reach the site. This target is 1 hour.</li> <li>• <b>Resolution time</b> from the time that the territorial authority receives notification to the time that service personnel confirm resolution of the blockage or other fault. This target is 8 hours.</li> </ul>	DIA measure
4.	<b>Customer satisfaction</b>	<p><b>Complaints</b> - The total number of complaints received by the territorial authority about any of the following:</p> <ul style="list-style-type: none"> <li>• Sewage odour</li> <li>• Sewerage system faults</li> <li>• Sewerage system blockages, and</li> <li>• The territorial authority's response to issues with its sewerage system,</li> </ul> <p>Expressed per 1000 connections to the territorial authority's sewerage system. This target is &lt;5.</p>	DIA measure
5.	<b>Trade Waste complaints response times</b>	<p>Attendance time: from the time that Council receives notification to the time that a Trade Waste Officer arrives on site.</p> <p>This target is within 2 working days.</p>	Council Measure
6.	<b>Trade Waste consent processing</b>	<p>Percentage of trade waste consent applications processed within 15 working days.</p> <p>This target is 100%</p>	Council Measure

### **5.4.3. RESPONSE AND RESOLUTION TIMES**

Where the territorial authority attends to sewerage overflows resulting from a blockage or other fault in the territorial authority's sewerage system, the following median response times measured:

- Attendance time from the time that the territorial authority receives notification to the time that service personnel reach the site. This target is 1 hour.
- In 2022/2023 the median response time for attendance was 6 hour 17 minutes. This target was massively exceeded as during the start of the reporting period extreme weather events resulted in the sewer reticulation network being overwhelmed as contractors had to respond to the event with limited personnel. As the reporting is cumulative there was limited scope to reduce the response time over the rest of the reporting period.
- Resolution time from the time that the territorial authority receives notification to the time that service personnel confirm resolution of the blockage or other fault. This target is 8 hours. In 2022/2023 the median response time for resolution was 8 hours and 7 minutes.

### **5.4.4. CUSTOMER SATISFACTION**

This was a measure introduced for the 2015-2025 Long Term Plan and continues in the 2024-2034 Long Term Plan.. The performance measure target for customer satisfaction is the total number of complaints received by SDC for:

- Sewage odour
- Sewerage system faults
- Sewerage system blockages, and
- The territorial authority's response to issues with its sewerage system.

Expressed per 1000 connections to the territorial authority's sewerage system. This target is <5.

### **5.4.5. TRADE WASTE CONSENT PROCESSING**

This was a new measure introduced by Council to ensure that the processing of new trade waste consents are completed within the specified timeframe, subject to receipt of complete information. It is the percentage of trade waste consent applications processed within 15 working days.

The performance measure target is 100%.

### **5.4.6. TRADE WASTE COMPLAINTS RESPONSE TIMES**

This was a new measure introduced by Council to measure the time it takes Council Officers to respond to trade waste complaints. This is the Attendance Time – from the time that Council receives notification to the time that a Trade Waste Officer arrives on site.

The performance measure target is within 2 working days.

## **5.5. DESIRED PERFORMANCE**

A summary of the Council's targets/ desired performance levels are presented in Table 14. This desire stems from the Council's resolve to maintain its agreed level of service delivery and strengthen the community's confidence in the Council's ability to deliver excellent Water Service to the users.

The Council will take into account its Customer Charter in its provision quality service to all our customers. Council will rate its performance against the key performance indicators (KPI's) or targets as per Table 15 below.

**Table 15 - Performance Rating Index**

Rating	Description
<b>Achieved</b>	Required actions have been completed and the intended level of service has been achieved; or Where a long-term level of service is targeted, the results for the year are in keeping with the required trend to achieve the intended level of service.
<b>Not Achieved</b>	None of the required actions have been undertaken, or The result for the year is less than half of the intended level of service, or Where a long-term level of service is targeted, the results for the year are contrary to the required trend to achieve the intended level of service.
<b>Not Applicable</b>	No action was required during the year.

**5.6. IMPROVEMENT PLAN**

Actions identified in this Section for improving management of the asset are as follows:

Sub Section	Task	Due Date
5.4.2	Continue to produce high quality discharges to the Patea River through environmentally - friendly, cost-effective and sustainable treatment measures in the oxidation pond.	On-going

## Levels of Service

**Table 16 - Performance Measures**

Level of Service	Performance Measure	Outcome Category	Trends				Current			Target			How Measured
			2019/ 20	2020/ 21	2021/ 22	2022/ 23	2023 /24	Year 1	2021/ 22	Year 2	2022 Year 3	2023 /24	
<b>System Adequacy</b>	Dry weather sewerage overflows	DIA measure	Ach - 0	Ach - 159	Ach - 0.37	Ach 1.1	<5	<5	<5	<5	<5	Reporting against corporate CRM system.	
<b>Discharge Compliance</b>	Resource Consent Compliance <ul style="list-style-type: none"> <li>• Abatement notices</li> <li>• Infringement notices</li> <li>• Enforcement orders;</li> <li>• Convictions.</li> </ul>	DIA measure	Ach - 0	Ach - 0	Ach - 0	Ach - 0	0	0	0	0	0	Consent & compliance documentation.	
<b>Response and Resolution Times</b>	Sewerage overflows – Attendance Time	DIA measure	Ach 42min	Ach 0h 54 min	Not/A 2 h 212 min	Not/Ac 6h 17min	1 hour	1 hour	1 hour	1 hour	1 hour	Work order tracking/reporting Council's asset management system.	
	Sewerage overflows – Resolution Time	DIA measure	Ach 4h 34 min	Ach 4 h 40 min	Ach 5h 31 min	Not/Ac 8h 7 min	8 hours	8 hours	8 hours	8 hours	8 hours		
<b>Customer satisfaction</b>	Complaints – <ul style="list-style-type: none"> <li>• Sewage odour</li> <li>• Sewerage system faults</li> <li>• Sewerage system blockages, and</li> <li>• Response to issues with its sewerage system,</li> </ul>	DIA measure	Ach - 0	Ach - 0.87	Not /Ac 9.5	Not/Ac 18.47	<5	<5	<5	<5	<5	Reporting against corporate CRM system.	
<b>Trade Waste complaints response times</b>	Attendance time: from the time that Council receives notification to the time that a Trade Waste Officer arrives on site.	Council Measure	N/A	N/A	Ach	Ach	Within 2 working days	Within 2 working days	Within 2 working days	Within 2 working days	Within 2 working days	Work order tracking/reporting through Assetfinda	
<b>Trade Waste consent processing</b>	Percentage of trade waste consent applications processed within 15 working days.	Council Measure	N/A	N/A	Not /Ac 50%	Ach	N/A	100 %	100 %	100 %	100 %	Authority	
<b>'Ach' – Achieved; Not /A – Not Achieved, N/A – Not Applicable</b>													

## **6.0**

# **Strategic Assessment**



**6.0: Strategic Assessment**

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## 6.1. OVERVIEW

The Stratford District Council provides wastewater collection services to the properties within the urban area of Stratford Township.

The Council provides this service by collecting, treating and discharging treated wastewater into the Patea River. The collection, treatment and disposal of wastewater is a core service provision in line with Section 11A of the Local Government Act (LGA) 2002. The delivery of this service is contingent on the appropriate disposal of treated wastewater consented by the Taranaki Regional Council (TRC). The Council discharges the treated wastewater into the Patea River, under the terms and conditions of a consent granted by the TRC.

The Council collects wastewater from households via an underground system of pipes and manholes. Being underground, the condition of these pipes and manholes are more difficult to assess visually and so, the condition and remaining lives of these assets have been based on the known age of the pipe material.

The '*Strategic Assessment*' section presents an assessment of the need for investment to support and improve Council's delivery of the wastewater service. It defines the problems facing the Council and highlights the benefits of the investment in addressing these problems.

## 6.2. OUR BUSINESS CASE

Section 17A of the Local Government Act (LGA) 2002 requires the local authority to '*review the cost-effectiveness of current arrangements for meeting the needs of communities within its district or region for good quality local infrastructure, local public services and performance of regulatory functions*'.

Between November 2023 and February 2024, Council staff prepared and business cases highlighting outstanding issues and requirements for discussion with the Elected Members as part of the Long Term Plan (LTP) process. The purpose of these early conversations was to ask elected members for direction regarding some capital projects being proposed in the 2024-2034 LTP.

The Early Conversations with the Elected Members identified:

- Problems and items for improvement in the delivery of our Wastewater Service;
- Future proofing Objectives in addition to Council Community Outcomes;
- Options for addressing the identified problems; and
- An assessment of each option against Council Outcomes and the identified future proofing objectives;
- Risks and Opportunities associated with each option and
- Preferred Options to address each Problem Area.

The Elected Members considered the information and provided the necessary direction - in some cases modifying the preferred option. The outcomes of these conversations provided a 10-year plan for implementation of the Preferred Options for each Problem area identified.

## 6.3. OUR PROBLEM STATEMENTS

The main problems identified and partly *workshopped* as part of the Early Conversations are:

- Resource Consent Implementation;
- Reticulation overload due to inflow/infiltration;
- Pipework Capacity Issues and Surcharge Mitigation; and
- Network Modelling

### 6.3.1. RESOURCE CONSENT IMPLEMENTATION

Condition 6 of our Wastewater Discharge consent states:

"Before 1 June 2022, the consent holder shall install the Diatomix system in the oxidation pond and advise the Taranaki Regional Council of the date of installation."

The consent condition requires this installation to be completed by June 2022, installation is expected to commence by July 2021. Given that it is a requirement of the resource consent, the installation of this system is non-negotiable. Council staff estimate the cost of this at \$500,000.

After installing and monitoring the Diatomix project for since its installation in late 2021, the expected results have not been shown over the past nearly 3 year trial period.. Due to this \$550,000 has been budgeted for to find alternative solutions over 2024-2026 to reduce the phosphate and nitrate in the discharge and comply with the consent. In addition, \$3,000,000 budgeted in 2027/2028 to remove the sludge from the oxidation ponds, will increase life time of the ponds but will reduce nitrates and phosphates in the effluent by increasing the anoxic layer in the oxidation ponds.

The existing wastewater consent will expire in 2034 so prior to this an alternative method of discharge will be required. \$600,000 is budgeted across 2031-2033 to conduct a feasibility study on the potential options, with \$5,000,000 budgeted in 2033/2034 to start the process of constructing the selected option.

### **6.3.2. INFLOW/INFILTRATION PROGRAMME**

The Inflow/Infiltration programme is a suite of interventions designed to minimise the inflow and infiltration of surface and groundwater into the wastewater pipe network. This is an important part of our annual network maintenance/renewal programme that ensures that only wastewater collected from households/businesses is transported to the treatment plant. Recently, Council Officers have also been identifying leaks from a number of private drains that need to be addressed in the future.

The requirement for this programme is echoed in Condition 9 of our resource consent which requires us to provide a report, before 31 July each year, to the Taranaki Regional Council, with copies to Ngati Ruanui and Fish and Game covering:

- details of the progress made towards reducing inflow and infiltration reduction over the previous year ending 30 June;
- the consent holder's target for reduction of inflow and infiltration in the coming year; and
- details of the works proposed in order to meet that target.

Council officers have been undertaking inspections of gully traps and manholes in conjunction with automatic manhole flow monitoring and the modelling programme mentioned below to find points of infiltration, to fix them through the ongoing sewer lining contract \$2,150,000 has been budgeted over 2024-2034 to fix infiltration through pipes and manholes as required.

**6.3.3. PIPEWORK CAPACITY INCREASE AND SURCHARGE MITIGATION**

As more subdivisions and houses are constructed in Stratford the need for greater sewer capacity in certain areas has been revealed due to surcharging and areas being unable to connect to our network. To this \$750,000 has been budgeted across 2026-2034 for pipe size increasing, \$500,000 has been budgeted for 2033/2034 for an extension West of Brecon Road, and \$300,000 has been budgeted for 2024/2025 to realign the pipe over the Patea River at Swansea Road due to it causing surcharging upstream.

**6.3.4. NETWORK PLANNING AND MODELLING**

Wastewater modelling will provide details on the rainfall-derived inflow and infiltration in the network and identify overflow investigations which will help to inform our forward works programme and support compliance with our resource consent conditions.

**6.4. OUR BENEFIT STATEMENTS**

The Council has identified projects to address the problems to delivering wastewater services in a safe and environmentally friendly manner and at the agreed level of service to the community. The projects identified are presented in Table 17 below and include:

**Table 17 – Problems, Projects and Benefit Statements**

Problem Statements	Preferred Option	Benefit Statements
<p><b>Problem Statement 1</b> Resource Consent Implementation</p>	<p>Implement all necessary measures to achieve the conditions of the wastewater discharge consent.</p>	<p>Compliance with the requirements of the wastewater discharge consent is essential for minimising the adverse effects on the environment.</p> <p>With the receipt of our new Wastewater Discharge Consent issued in April 2020, the Council has programmed to implement the required system upgrade at the set time per the consent condition. The Council will also continue to monitor the performance of the wastewater oxidation pond and provide feedback to the key affected parties on a regular basis. The first stakeholder meeting involving Iwi and Fish &amp; Game was held in August 2020; annual meetings will be held, as a requirement of the resource consent, to discuss performance progress. Intermittent meetings will be held where issues arise to ensure they are addressed promptly.</p>
<p><b>Problem Statement 2</b> Reticulation overload due to inflow/infiltration</p>	<p>Implementation of Inflow/Infiltration programme, including inspections of private property to identify direct discharge of stormwater to sewerage system</p>	<p>This programme primarily to optimise reticulation capacity during rainfall events, by ensuring there is no inflow or infiltration of water into the wastewater reticulation system.</p> <p>The Inflow/Infiltration programme is a suite of interventions designed to minimise the inflow and infiltration of surface and groundwater into the wastewater pipe network. This is an important part of our annual network maintenance and renewal programme that ensures that only wastewater collected from households and businesses is transported to the wastewater treatment plant.</p> <p>CCTV inspections are undertaken as part of the network conditions assessments therefore no additional costs are incurred. Identifying areas of high infiltration allows Council to better focus funds.</p>

Problem Statements	Preferred Option	Benefit Statements
<p><b>Problem Statement 3</b> Pipework Capacity Issues</p>	<p>Programme the implementation of pipework capacity increase to support growth.</p>	<p>The removal of stormwater maintains the available reticulation capacity during rainfall events.</p> <p>This programme is to address under-capacity of pipe network to support growth, residential infill and other intense land-use activities.</p> <p>There have been new residential subdivisions and developments, urban infill and other growth-related pressures created in both our wastewater and stormwater networks. The consequence of this is that some pipes are requiring upgrades in capacity to accommodate the increased flow.</p>
<p><b>Problem Statement 4</b> Network Planning and Modelling</p>	<p>Full review and calibration of the existing Wastewater model</p>	<p>To accommodate growth and increased demand, Council has programmed to increase pipe capacity to cater for high flows. While officers are aware of some pipes within the network requiring increased capacity, the Council is will commission a network modelling project on our stormwater network to reveal how our network systems are behaving.</p> <p>This modelling project will comprise:</p> <ul style="list-style-type: none"> <li>• the evaluation of network capacity;</li> <li>• the identification of inflow and infiltration into the pipe network;</li> <li>• the identification of bottlenecks in the existing or proposed network; and</li> <li>• the design of improvements needed to accommodate growth. The modelling project is expected to reveal the areas for improvement in the network from which priority areas can be programmed for improvement.</li> </ul> <p>The existing model is over 10 years old and needs updating in the near future to provide accurate information on where Council should undertake network upgrades and renewals.</p>
<p><b>Problem Statement 5</b> Wastewater Infrastructure Maintenance</p>	<p>Wastewater Treatment Ponds Desludging</p>	<p>This project is primarily driven by the need to maintain operational capacity and performance of the wastewater treatment ponds through regular desludging.</p> <p>Implementing a proactive maintenance strategy will:</p> <ul style="list-style-type: none"> <li>• Remove accumulated solids to sustain required hydraulic retention times and effluent quality standards.</li> <li>• Support continuity of wastewater treatment services for residents and industries</li> <li>• Aid compliance with resource consents related to discharge quality/volumes.</li> <li>• Reduce risks of uncontrolled discharges from overloaded ponds during high flow events</li> </ul> <p>Undertaking regular pond desludging will ensure the wastewater system can continue performing its vital functions over the long term.</p>

# **7.0 Lifecycle Management**

## 7.0: Lifecycle Management

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## 7.1. OVERVIEW

Lifecycle Asset Management focuses on management options and strategies to minimise risks to assets, and any potential risk of assets. It considers all relevant consequences from initial planning through to renewal, replacement, disposal or rationalisation of assets.

Lifecycle Asset Management acknowledges that assets are always in a state of decay and their useful life is primarily influenced by:

- Physical characteristics
- Operating environment
- Customer requirements

Lifecycle Asset Management enables Stratford District Council to identify issues, determine appropriate response options and identify strategies and programmes for response to identified issues/opportunities in order to deliver Levels of Service and achieve both asset and organisational goals and objectives.

The Lifecycle Asset Management section contains current Stratford District Council procurement and contractual arrangements and the prioritisation of works:

- That meets the short and long term needs of our community;
- That offers value for money; and
- In a sustainable manner to the least whole-of-life cost.

This section presents a detailed plan of prioritised work over a 10-year planning period in response to the problem and benefit statements highlighted in this AMP. It presents Council's practices and projects to maintain the wastewater assets over its lifecycle through Council's:

- Procurement Policy;
- Management Strategies;
- Contractual Arrangements;
- Programme Business Case for the next 10 years;
- Disposal Strategy; and
- Planning for Improvement.

## 7.2. PROCUREMENT POLICY

Procurement for the purpose implementing projects identified in the work programmes are undertaken in accordance with the Council's Procurement Policy. The Council's Procurement Policy for the purpose of procuring goods works and services is aimed at ensuring that Council:

- Achieves the right outcomes and value for money;
- Manages risk while allowing staff to exercise business judgement and be innovative;
- Demonstrates fairness;
- Reflects best management practice; and
- Has a local procurement policy applying to works with a monetary value up to a limit prescribed by Council.

All personnel involved in procurement procedures are required to maintain the confidentiality of the process. The Council, as a public entity, must act fairly and consistently, in accordance with relevant legislation.

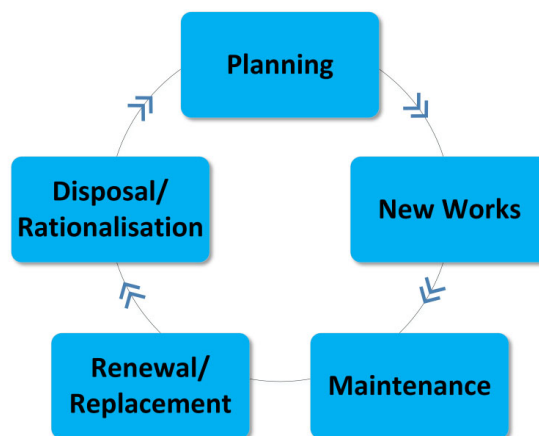


Figure 14 - Lifecycle Asset Management

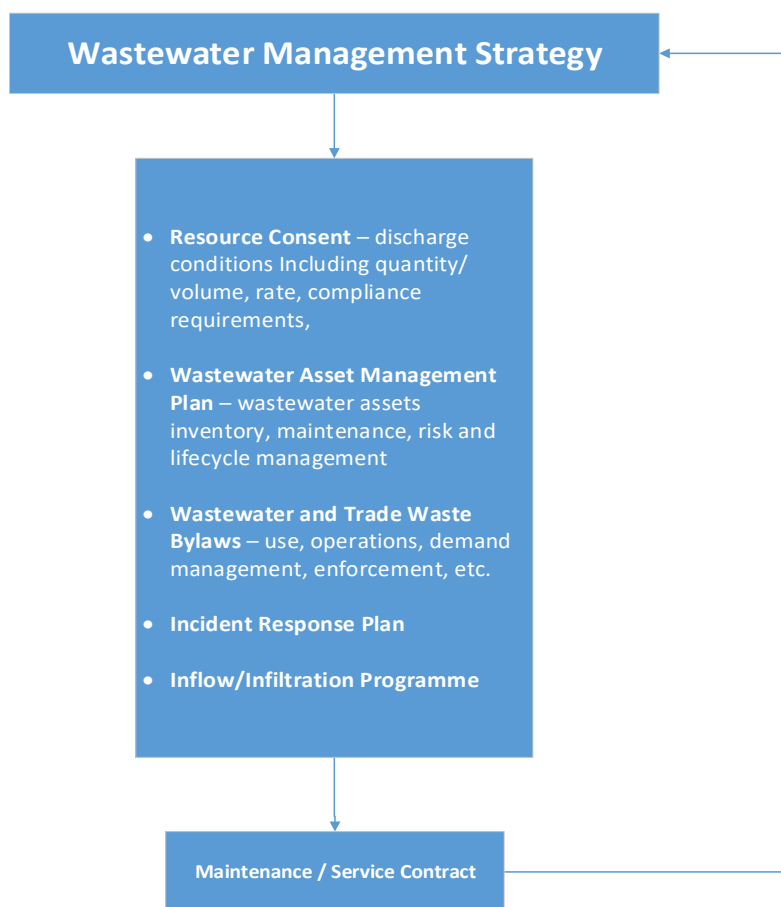


## 7.3. MANAGEMENT STRATEGIES

The overall management of infrastructure will be driven through strategies aimed at:

- Complying with the legislative and strategic requirements;
- Meeting customer expectations and agreed levels of service; and
- Delivering value for money for ratepayers, funding partners and the Council.

These strategies as presented in Figure 15, are either under review or currently being prepared and include a strategy for the Treatment and compliance with disposal standards required by the Resource Consent (0195-6).



**Figure 15 - Wastewater Asset Management Strategies**

## 7.4. CONTRACTUAL ARRANGEMENTS

The Stratford District Council has in place contractual agreements for the delivery of the agreed levels of service. Service is delivered under three main contractual agreements:

- Professional Services;
- Physical Works; and
- Maintenance Contracts

Professional services are usually catered for by Council's in-house Business unit. Where not catered for in-house, they are either delivered as part of Council's shared service arrangements or covered by the Maintenance Contract sought in accordance with Stratford District Council's Procurement Procedures.

Physical Works not mainly covered by the Maintenance Contract. However, where not covered, this service is procured in accordance with Stratford District Council's Procurement Procedures.

The contract covers an initial period of 3 years from 1 July 2019 and originally expired on 30 June 2022, but was extended an additional 2 years till 30 June 2023. It is a three year service delivery Contract with two rights of renewal of two years each for the continued operation and maintenance of the Stratford District Council's Water Supply, Wastewater and Stormwater Services.

Physical Works are mainly covered by the Maintenance Contract. However, where not covered, this service is procured in accordance with Stratford District Council's Procurement Procedures.

This Contract requires the Contractor to provide not only physical works but also a degree of professional services for significant aspects of the work. The Contract was entered into in 2019 with its first renewal option in 2022.

The Council is responsible for the operation of both the treatment plant (oxidation ponds) and the pump stations.

## **7.5. PROGRAMME BUSINESS CASE**

The programme business case details how the problems identified in the previous sections will be addressed. This is presented in Table 17 below and shows the identified projects that are proposed to address the identified problems presented in Section 6 of this report and achieve the DIA and Internal/Other performance measures as per Section 5.

The identified projects are grouped under three main categories of:

- Operations/Maintenance works;
- Renewal/Replacement works; and
- Level of Service Improvements.

The prioritisation of planned maintenance and renewal/replacement is based on Level of Service requirements, the level of risk, age and condition of the asset and budgetary constraints.

Options for delivery of the Wastewater activity works programme have been considered based on the potential impacts on LoS and the risks associated with investment levels that potentially change the level of service.

These key outcomes have been considered for each activity at an asset group level.

All options take a risk-based approach incorporating higher risk approach for low volume and access roads.

**Table 18 – Identified Projects and Performance Measures**

Work Category	Identified Projects	Performance measures				
		System Adequacy	Discharge Compliance	Response Times	Resolution Times	Customer Satisfaction
Operations/ Maintenance	Infiltration monitoring	✓	✓	✓	✓	✓
	Reticulation (Infiltration) Renewals (Replace existing infrastructure)	✓	✓	✓	✓	✓
	Bulk Discharge Renewals	✓	✓	✓	✓	✓
Renewal/ Replacement	Safety Renewals	✓				✓
	Pump station renewals (Replace existing mechanical and electrical infrastructure)	✓	✓	✓	✓	✓
	Camper Van Facility					✓
	Treatment Plant renewals (routine step/aerate renewals)	✓	✓			✓
	De-sludge Oxidation Ponds (restore ponds capacity)	✓	✓			✓
Level of Service Improvements	Reticulation Capacity Increase	✓		✓	✓	✓
	Modelling	✓		✓	✓	✓
	Inflow and infiltration programme	✓	✓	✓	✓	✓
	Diatomix	✓	✓			✓
	Camper van facility drainage					✓
	Stage 2 treatment Upgrade	✓	✓			✓

**7.5.1. OPERATION AND MAINTENANCE**

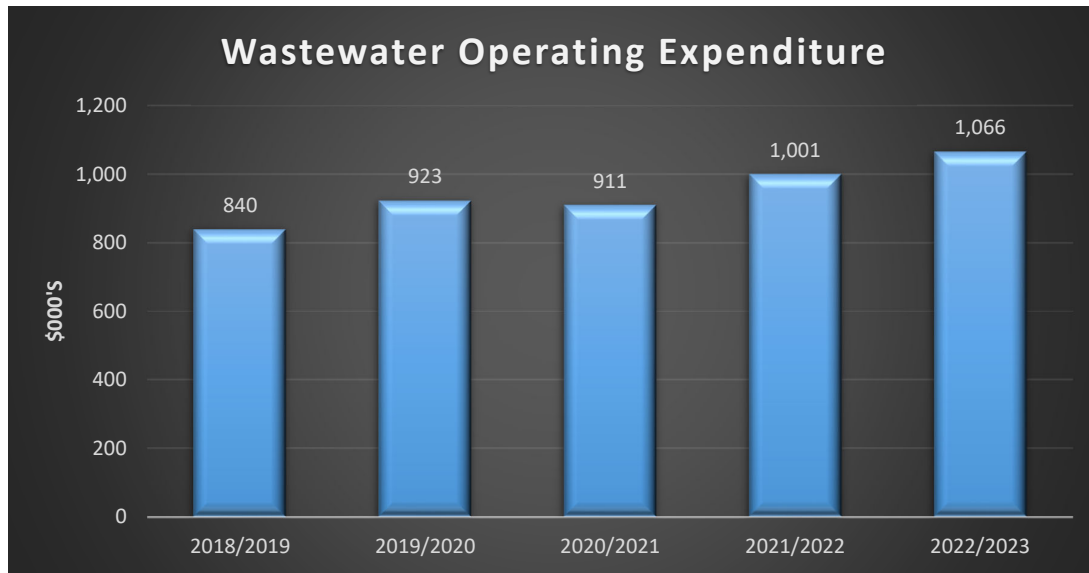
Operation and Maintenance strategies cover policies that determine how the asset will be operated and maintained on a day-to-day basis to consistently achieve optimum use. A key element of asset management planning is determining the most cost-effective blend of planned and unplanned maintenance.

Operating budgets are detailed in the Financial Forecasts Section of this document.

The operation and maintenance of assets is undertaken through:

- **Routine Maintenance** - The Day to day maintenance which is required on an on-going basis and is budgeted for under the Services Maintenance Contracts as "key tasks" ;
- **Planned Maintenance** - Non day-to-day maintenance which is identified in advance and is incorporated into a maintenance budget for a certain time period; and
- **Ready Response** - Maintenance that is unexpected and necessary to continue operation of the service.

The previous expenditure figures for operations and maintenance, as detailed in the Annual Plan, are presented in Figure 16. The planned works are presented in Table 19 below.



**Figure 16 - Wastewater Operating Expenditure**

**Table 19 - Planned Operation and Maintenance Works**

Project	2024/25	2025/26	2026/2027	2028-2034
<b>Identify future treatment options (Operations)</b>	<b>\$50,000</b>	<b>0</b>	<b>0</b>	<b>0</b>

Problem Statement	It is uncertain what environmental future standard will be imposed
Benefits of investment	Council will be able identify financial implications of possible/probable LoS requirements and plan accordingly.
Consequences of non-investment	A lack of planning will result in a high level of customer dissatisfaction.

Problem Statement	LoS Performance (demand management) targets are currently difficult to attain. Resource consent conditions require a reduction in groundwater infiltration.
Benefits of investment	Assists Council in reducing infiltration aiding in meeting demand management performance targets and resource consent conditions.
Consequences of non-investment	Risk of continued non-performance against agreed LoS Performance, issuing of infringement notices, and/or non-renewal of resource consent.

## 7.5.2. RENEWAL/REPLACEMENT

Renewal is major work which does not increase the asset's design capacity but restores, rehabilitates, replaces or renews an existing asset to its original capacity. Work over and above restoring an asset to its original capacity is new asset expenditure. Assets identified for renewal are typically:

- Near or beyond the end of their expected life;
- Have known condition and / or performance deficiencies; and
- Have both known deficiencies and are of a critical nature.

The previous expenditure figures for assets renewal/replacement, as detailed in the Annual Plan, are presented in Figure 17. The planned works are presented in Table 20 below. A 10-year Replacement profile is presented in Figure 18.

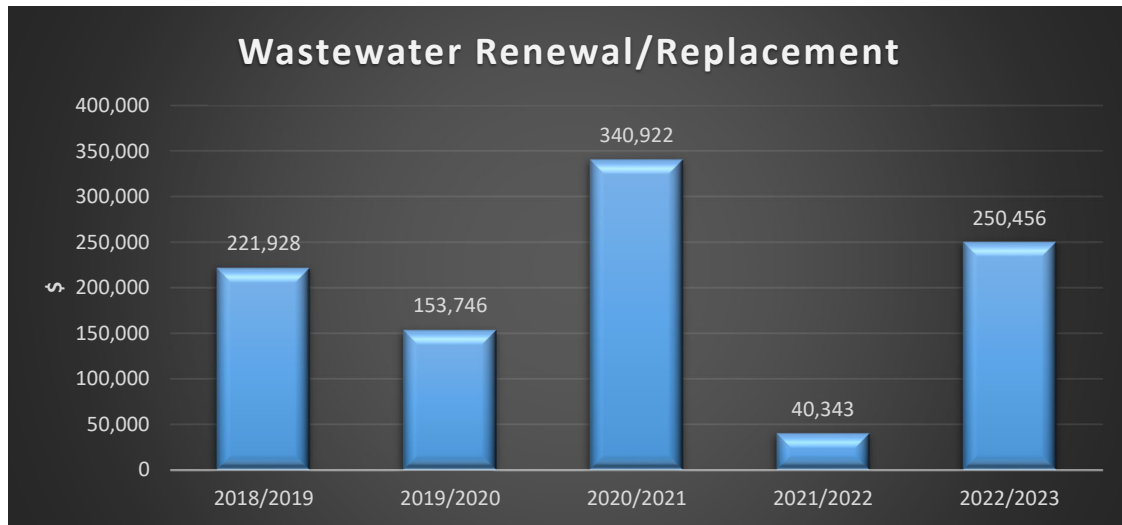


Figure 17 - Wastewater Renewal/Replacement History

**Table 20 - Planned Renewal /Replacement Works**

Project	2024/25	2025/26	2026/24	2024-2031
<b>Reticulation Renewals</b>	<b>\$183,000</b>	<b>\$183,000</b>	<b>\$183,000</b>	<b>\$1,161,000</b>
<b>Pump station Renewals, including bulk discharge</b>		<b>\$30,000</b>		<b>\$20,000</b>
<b>Safety Renewals</b>				<b>\$10,000</b>
<b>Pumps and Electrics</b>			<b>\$30,000</b>	
<b>Camper Van Facility</b>				<b>\$10,000</b>
<b>Routine Step/Aerate Renewals</b>	<b>\$30,000</b>	<b>\$30,000</b>	<b>\$30,000</b>	<b>\$210,000</b>
Problem Statement	Aged network falls below an acceptable LoS Performance.			
Benefits of investment	Project will assist Council in maintaining adequate LoS performance in future.			
Consequences of non-investment	LoS performance will reduce in time resulting in higher maintenance costs			
<b>De-sludge ponds (Renewals)</b>				<b>\$3,000,000</b>
Problem Statement	Pond capacity fall below that required to achieve effective treatment.			
Benefits of investment	Enables ponds to achieved required LoS.			
Consequences of non-investment	Council will incur abatements notices.			

# Lifecycle Management

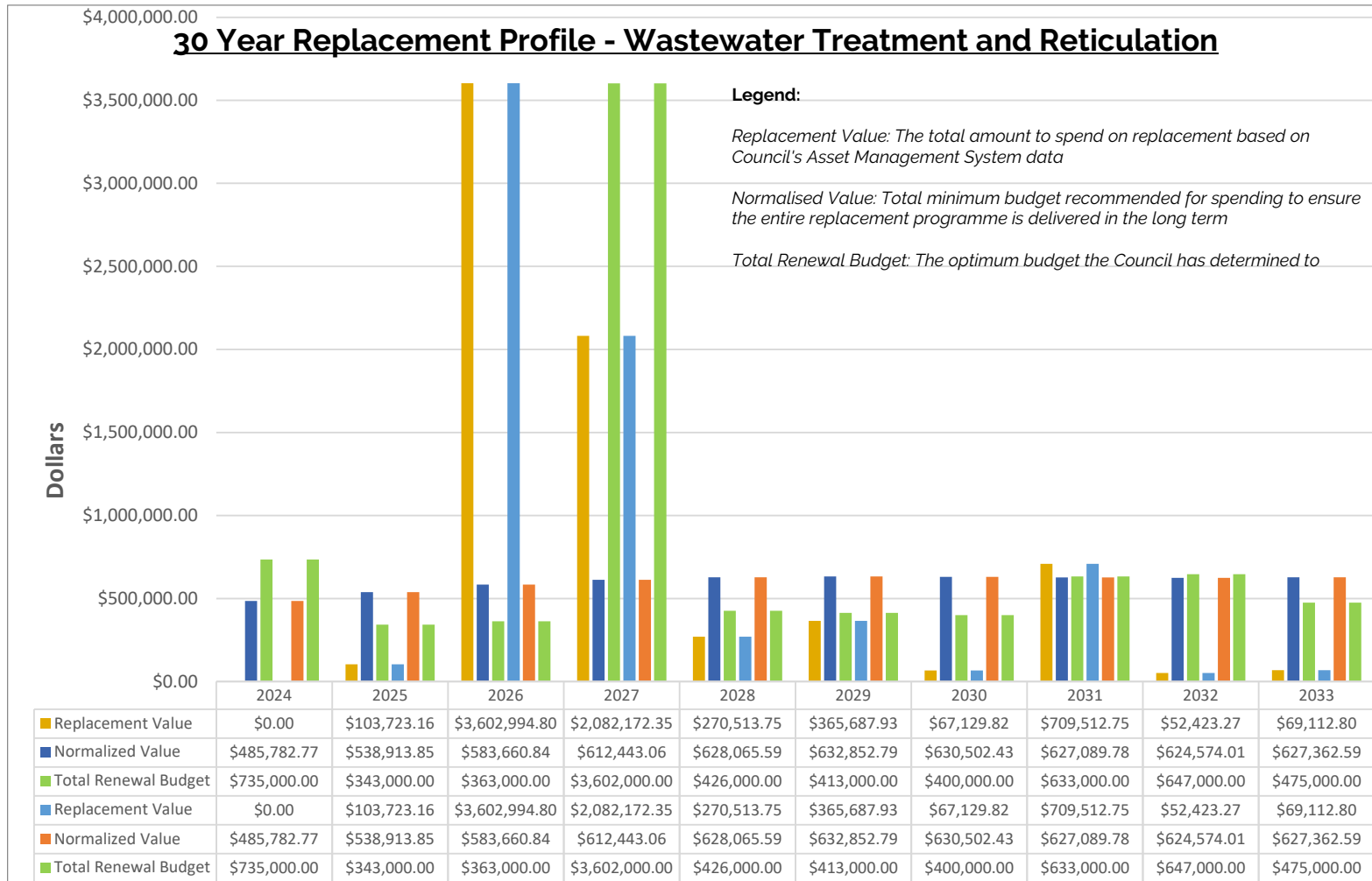
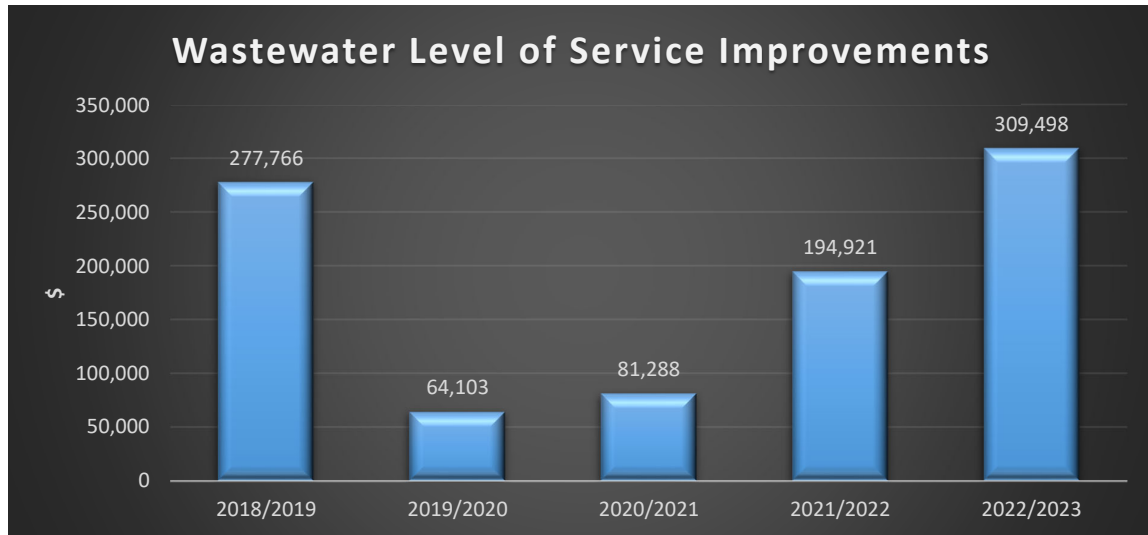


Figure 18 - 10-year Replacement Profile

**7.5.3. LEVEL OF SERVICE IMPROVEMENTS**

The Stratford District Council's main focus is on maintain levels of service rather than improving levels of services.

The previous expenditure figures for assets renewal / replacement, as detailed in the Annual Plan, are presented in Figure 19. The planned works are presented in Table 21 below.



**Figure 19 - Wastewater Levels of Service Improvements**

**Table 21 - Planned Level of Service Improvement Works**

Project	2024/25	2025/26	2026/2027	2028-2034
<b>Reticulation capacity increase (Level of Service)</b>			<b>\$150,000</b>	<b>\$600,000</b>
Problem Statement	Undersized network causing sewer overflows during adverse weather events.			
Benefits of investment	Project will assist Council in achieving adequate LoS performance.			
Consequences of non-investment	Overflow causes health problem that could results in infringement notice/fines			
<b>Modelling (level of Service) including bulk discharge</b>	<b>\$50,000</b>			<b>\$100,000</b>
Problem Statement	To understand the network capacity , identification on inflow and infiltration points, identify bottlenecks, it is necessary to undertake the modelling of the wastewater network is necessary			
Benefits of investment	To facilitate network planning and accommodate anticipated growth			
Consequences of non-investment	Inability to support growth and extend services as and when required.			
<b>Inflow and infiltration programme</b>	<b>\$350,000</b>	<b>\$200,000</b>	<b>\$200,000</b>	<b>\$1,400,000</b>
Problem Statement	Reticulation overload due to inflow/infiltration of stormwater into the wastewater system			
Benefits of investment	To optimise reticulation capacity during rainfall events			
Consequences of non-investment	Overflow causes health problem that could results in infringement notice/fines			



<b>Wastewater treatment redesign</b>				<b>\$400,000</b>
<b>Wastewater new discharge point</b>				<b>\$5,200,000</b>
<b>Wastewater pond desludging</b>				<b>\$3,000,000</b>
<b>Alternative to Diatomix</b>	<b>\$50,000</b>	<b>\$500,000</b>		

Problem Statement	To improve on the quality of discharge into the Patea River, particularly, the nitrogen and phosphorus concentration
Benefits of investment	Achievement of resource consent conditions and positive impacts on ecology of the Patea River
Consequences of non-investment	TRC Resource Consent requirements not complied with.

<b>Camper van facility drainage</b>			<b>\$10,000</b>	<b>\$10,000</b>
-------------------------------------	--	--	-----------------	-----------------

Problem Statement	The need to improve on the drainage system where the camper van facility is located
Benefits of investment	Project will assist Council in achieving adequate LoS performance.
Consequences of non-investment	Adverse impacts on the environment

<b>Network western extension</b>				<b>\$500,000</b>
----------------------------------	--	--	--	------------------

Problem Statement	Limited amount of properties able to connect on western portion of Stratford
Benefits of investment	More housing available for our growing community
Consequences of non-investment	Limiting the growth of residential properties in Stratford as they are forced to use septic tanks

## 7.6. DISPOSAL STRATEGY

Disposal is the retirement or sale of assets whether surplus or replaced by new or improved systems. Assets may need to be disposed of for a number of reasons, particularly if they fall under some criteria, including those identified below:

- Underutilisation;
- Obsolescence;
- Cost Inefficiency;
- Policy change;
- Provision exceeds required Levels of Service;
- Service provided by other means (e.g. private sector involvement); and
- Potential risk of ownership (financial, environmental, legal, social).

As part of the lifecycle asset management process, Council considers the costs of asset disposal in the long-term financial forecasts. These costs are generally incorporated in the capital cost of Level of Service increases or asset renewals.

While there are assets that fit under one or more of the above criteria, the Local Government Act provides clear instances when assets can be disposed of. The Council has in the past sought legal opinion on the disposal of assets identified under these criteria, however, it appears that provisions of Section 345 of the Local Government Act 1974, which the Council is unable to meet at this time, override these criteria.

Therefore, at this time, the Stratford District Council has neither a Disposal Strategy nor plans to dispose of any Wastewater assets other than those that become obsolete as a result of renewal or upgrading works.

## 7.7. IMPROVEMENT PLAN

Actions identified in this Section for improving management of the asset are as follows:

**Table 22 - Improvement Plan**

Sub Section	Task	Due Date
7.3	Maximise AssetFinda capabilities for predictive modelling purposes	On-going
7.5.1	Continue to undertake CCTV Condition Assessment the wastewater reticulation assets, to ascertain the useful and remaining lives of these assets	On-going

# **8.0**

## **Risk Management**

## 8.0: Risk Management

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## 8.1. OVERVIEW

Risk is the effect of uncertainty on objectives. Risk events are events which may compromise the delivery of the organisation's strategic objectives.

The main risk to asset management planning is the inability to deliver on agreed Levels of Service due to unplanned events and situations.

The Risk Management section highlights the Stratford District Council's risk management framework and process. It identifies significant negative effects and hazards linked to the activity and infrastructure assets. The section also identifies critical assets and our approach to emergency response and health and safety.

## 8.2. RISK MANAGEMENT STRATEGY

The Stratford District Council has prepared a *Corporate Risk Management Framework June 2018* which includes processes that identify, evaluate and manage all risks that may impact on the agreed Levels of Service to the Community. The purpose of this framework is to promote consistency and to describe the components of Stratford District Council's risk management system. The Council wide risk register allocates all council risks into the following 6 categories:

- Compliance and Legislation Risks;
- Data Information Risks;
- Financial
- Health and Safety Wellbeing
- Operational Risks
- Reputational and Conduct Risks;

The potential risks identified for the Wastewater assets and activities under these six categories are described in detail in this report.

The Council's risk management approach is underpinned by principles that will ensure the minimisation of risks for the principal asset systems through the non-achievement of critical business objectives and impact of system failure. The risk management principles are:

- Adds value by contributing to the achievement of Stratford District Council's objectives and improving performance;
- An integral part of the Stratford District Council's planning, processes, and decision making;
- Structured approach that is well-defined, transparent, and aligned with good practice;
- Responsive to change by monitoring, reviewing, and responding to the changing environment;
- Pragmatic by focusing on the most important risks and allowing informed risk taking;
- Explicitly addresses uncertainty based on best available information; and
- Continuous improvement as we get better at identifying and managing risks and opportunities.

The objectives of the Council's Risk Management framework are establish a systematic and structured approach to managing risks across the Stratford District Council and to embed risk management practices into business strategy, planning and core operations to ensure that key risks are proactively identified, managed and communicated. Benefits from applying effective risk management include:

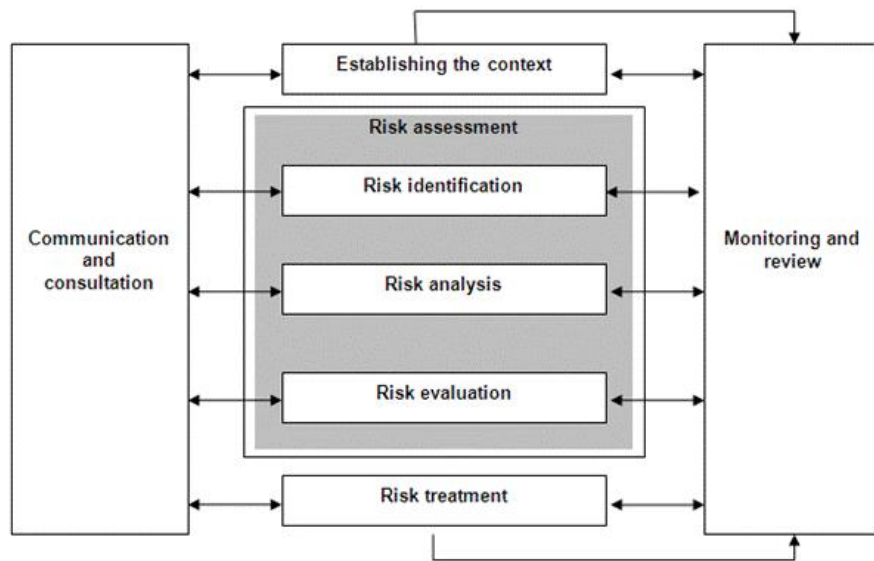
- Improved achievement of the Council's strategic direction, objectives and priorities;
- Reduced risks – significant risks are identified and managed and early warning of problems and emerging risks are addressed, with appropriate design and operation of internal controls;
- Improved decisions – decisions are made after analysis of risk;
- Improved planning and resource allocation – risks are prioritised and included in business planning so that resources are better managed; and

- Increased accountability and transparency – clarity of key risks and the responsibility and accountability for their management.

### 8.3. RISK ASSESSMENT PROCESS

The Stratford District Council's Risk Management Process in Figure 17 identifies risk management strategies to minimise risks associated with the provision of services. It is designed to ensure that:

- All significant operational and organisational risks are understood and identified;
- The highest risks that should be addressed within a ten year planning horizon are identified;
- Risk reduction treatments which best meet business needs are applied; and
- Responsibilities for managing risks are allocated to specific staff and reporting regimes are specified.



**Figure 20 - Risk Management Process**

A Risk Matrix allows for easy identification for the highest risks in the Council enabling appropriate resources to be allocated.

		Consequences				
		Minor	Important	Serious	Major	Catastrophic
Likelihood	Almost Certain	2- Moderate	5- High	7- High	20-Extreme	25-Extreme
	Likely	2- Moderate	4- Moderate	6- High	16-Very High	20-Extreme
	Possible	1-Low	3- Moderate	4- High	12-Very High	15-Very High
	Unlikely	1-Low	2- Moderate	3- Moderate	8- High	10-Very High
	Rare	1-Low	1-Low	1-Low	4- Moderate	5- High

**Figure 21 - The Risk Matrix (Source: Council's Vault system)**

## 8.4. POTENTIAL RISKS

The Stratford District Council has made a number of risk assumptions<sup>2</sup> under the six broad risk areas of Compliance and Legislation, Data Information, Financial, Health and Safety Wellbeing, Operational, & Reputational and Conduct. These are presented in [Appendix 1](#).

## 8.5 TOP TEN RISKS FOR THE WASTEWATER ASSETS AND ACTIVITY

The Stratford District Council has identified the following top ten Wastewater risks from the 6 categories in the Risk Management Framework ([Appendix 1](#)) in Table 23.

While *Compliance and Legislation, Financial and Reputation and Conduct Risks* impact on the achievement of the Organisation's high-level objectives and actions in the Long Term Plan, *Operational Risks* impact people, processes and technologies that support the business-as usual delivery of activities. The *Control Description* is a set of management intervention/ mitigation measures applied in response to risks, while *Residual Risk* is the resulting risk following the application of the mitigation measures.

**Table 23 – Top Ten Identified Wastewater Risks**

Risk Subject	Risk Description	Risk Score Raw	Control Description	Residual Risk Score
<b>1. Compliance and Legislation</b>				
1.1	Legislation Changes	8 High	<ul style="list-style-type: none"> <li>Staff will implement the changes</li> <li>Regular review and update Legislative Compliance Register.</li> <li>Staff training and attending relevant industry conferences.</li> <li>Regular policy review to ensure policies and procedures are in line with legislation changes.</li> <li>Ensure maintenance contractor and staff are up to date with legislative requirements through regular updates of legislative compliance register</li> <li>Subscribe to regular email updates from local government and relevant industry bodies, Council list server to ensure staff are notified of legislative changes.</li> </ul>	1 Low
1.4	Bylaws and Policies	8 High	<ul style="list-style-type: none"> <li>Quality assurance,</li> <li>Resourcing levels maintained</li> <li>Regular Policy Schedule review by CEO.</li> <li>Regular review of Bylaw timetable maintained in Content Manager.</li> </ul>	3 Moderate

<sup>2</sup> statements that are presumed to be true without concrete evidence to support them

Risk Subject	Risk Description	Risk Score Raw	Control Description	Residual Risk Score	
<b>2. Data and Information</b>					
<b>2.1</b>	Systems Down - Natural Disaster/Pandemic	IF there is a natural disaster THEN systems may be down temporarily, reduction in worker productivity, unable to respond to customers, data unavailable, potential permanent loss of data.	8 High	<ul style="list-style-type: none"> <li>Backups done daily and stored off-site.</li> <li>Most critical data is in the cloud, data centre is overseas so workers can access system remotely from anywhere.</li> <li>Civil Defence will make hardware available for emergency response.</li> </ul>	3 Moderate
<b>2.2</b>	Server Failure	IF the server failed THEN systems down, data unavailable, potential data loss	12 Very High	<ul style="list-style-type: none"> <li>Restore from backup, backups stored off-site.</li> <li>Fail-over for Melbourne data centre replicates to Sydney data centre.</li> </ul>	3 Moderate
<b>4. Health and Safety</b>					
<b>4.1</b>	Lone Worker	IF a staff member is seriously injured or killed during field inspections/site visits, THEN possible health and safety breaches, death or serious injury.	12 Very High	<ul style="list-style-type: none"> <li>Quality assurance,</li> <li>Ongoing training/awareness of HSE requirements and responsibilities,</li> <li>Better use of council data/knowledge base on dangerous or insanitary sites before staff member deploys to site.</li> <li>Use of GPS tracking, mobile phone tracking.</li> <li>Compliance officers to wear body cameras when on duty.</li> </ul>	1 Low
<b>4.9</b>	Employee Substance Abuse	IF staff are affected by drugs or alcohol while at work, THEN there is an increased risk of an accident or injury, property damage, and reduced work performance.	8 High	<ul style="list-style-type: none"> <li>Ensure staff are aware of drug and alcohol policy.</li> <li>Initial drug testing done prior to employment to filter out regular users.</li> <li>Utilise EAP.</li> </ul>	2 Moderate
<b>5. Operational</b>					
<b>5.4</b>	Maintenance Contractor fails to deliver	IF maintenance contractor fails to deliver contractual service necessitating termination of contract and re-tendering, THEN assets may become under threat, unreliable, or unable to	8 High	<ul style="list-style-type: none"> <li>Careful assessment of tender to ensure contract price viable for contractor to deliver level of service.</li> <li>Regular liaison with contractor to monitor performance and ensure compliance.</li> <li>Contractor pre-approval process must not be bypassed.</li> </ul>	3 Moderate



Risk Subject		Risk Description	Risk Score Raw	Control Description	Residual Risk Score
		meet community needs.			
<b>5.6</b>	Natural Disaster or Fire - Response preparedness	IF a Natural Disaster or Fire causes significant damage to infrastructure and buildings THEN community welfare may be severely compromised, putting peoples lives at risk, and staff may be unable to access systems to carry out their day to day duties and functions.	12 Very high	<ul style="list-style-type: none"> <li>• Civil Defence Emergency Management plans are in place.</li> <li>• Procedures following an emergency event are widely known by a number of staff due to Civil Defence</li> <li>• Foundational training being rolled out to majority of council staff.</li> <li>• Business Continuity Plans need to be in place and practiced regularly for all activities - Directors responsible for having a plan in place for each of their departments to ensure core functions can continue to be delivered.</li> </ul>	12 Very High
<b>5.9</b>	Critical Asset Failure	IF a critical asset (water treatment plants, stormwater, wastewater, reticulation, roading) failed, THEN unexpected financial burden may arise and there could be significant disadvantage and risk to the community.	12 Very High	<ul style="list-style-type: none"> <li>• Conduct 2 yearly Asset Criticality Review.</li> <li>• Ensure there are established Civil Defence Emergency Management response procedures in relation to fixing critical assets in an emergency event.</li> <li>• Management practices and staff training, retention to ensure appropriate skill level in critical asset maintenance.</li> </ul>	4 High
<b>5.11</b>	Government Policy Impacting on Local Government	IF Government Policy significantly changes the services Council delivers or the way they are delivered, THEN this could put financial pressure on the district to fund investment in changes, or it may mean previous investment has become redundant.	12 Very High	<ul style="list-style-type: none"> <li>• Where a policy change may have a significant impact on the Council then we must ensure that the Council makes a submission challenging the change and suggesting alternative options.</li> <li>• Council officers and elected members need to keep up to date with policy, and anticipate potential impacts of legislative changes and respond strategically, rather than being in a reactive position or being overly proactive. This could include joint collaboration with business and other councils, accessing alternative funding sources, or obtaining legal or professional advice.</li> </ul>	12 Very High

## 8.6 RISK RESPONSE

The Stratford District Council has a suite of response strategies for the potential risks identified above and in [Appendix 1](#). They include avoiding, exploiting, transferring/sharing, reducing or accepting the risk. These response strategies are summarised in Table 24.

**Table 24 - Risk Response Strategies and Definitions**

Response	Definitions
Avoid	To terminate exposure to a potential risk, generally the organisation needs to exit the activity which gives rise to the risk, or not start an activity which would give rise to the risk
Exploit	For risks which present an opportunity for Stratford District Council, a legitimate approach is to increase Stratford District Council's exposure to the risk; generally this would represent a situation where Stratford District Council can gain an advantage through their management of this risk.
Transfer/Share	Risk transfer is getting another party to undertake the activity generating the risk, or getting another party to take on all or part of the risk itself.
Reduce	For risks which present a threat to Stratford District Council, but which cannot be avoided, the development of additional controls or mitigation strategies will reduce the likelihood or impact of the risk.
Accept	Accepting the risk by informed decision. This means continuing with the business activity/project as currently defined, aware of how much risk is being carried, monitoring changes in overall risk, and ensuring appropriate levels of contingency at the Stratford District Council level.

## 8.7 SIGNIFICANT ADVERSE EFFECTS

The Wastewater system has the potential to have a negative effect on public health, the environment, and cultural wellbeing if it fails to operate according to the required performance standards. As standards are improved, the system is upgraded to suit.

### 8.7.1 ENVIRONMENT

Wastewater discharge can have a significant negative effect on the environment, particularly on water quality and aquatic life if disposal standards are not met. Overflows from the wastewater system may occur during heavy rainfall which could adversely affect eco systems in the receiving environments.

The Council currently discharges treated wastewater into the Patea River from the Stratford Treatment Plant under Resource Consent 0196-5. The Taranaki Regional Council monitors the discharge of the treated wastewater. The Council will ensure compliance with the terms and standards of the Resource Consent to minimise the potential for such overflows.

### 8.7.2 PUBLIC HEALTH

Periodic failures in the system, such as discharge overflows in domestic reticulation systems and through street manholes, are of concern and are being addressed as a priority by Council.

### 8.7.3 CULTURE

There are cultural impacts associated with the continued disposal of treated wastewater into the Patea River. The Council is currently addressing these negative impacts as part of the resource consent renewal process.

### 8.7.4 SOCIAL

Odours from the wastewater system could be objectionable to neighbouring properties. In addition effects on the adjacent public walkway in close proximity to the treatment and discharge site.

## 8.8 CRITICALITY

Critical assets are defined as those assets that are likely to have more significant consequences than other assets if they fail. Failure of critical assets has the potential to have significant economic, social and environmental impacts for the community and Council.

Wastewater assets are considered critical by Stratford District Council.

### 8.8.1 CRITICALITY EVALUATION

The Stratford District Council establishes criticality by using two rating levels - activity level and corporate level.

**Activity level criticality** is based on the criticality criteria shown in Table 25; Table 26 provides the Activity Level Criticality Rating with examples. **Corporate level criticality** ranks activities based on the criticality of the service the activity provides at the corporate level as illustrated in Table 25 below.

**Table 25 - Activity Level Criticality Criteria**

Customers affected	Number of customers affected by asset failure.
Redundancy	Ability to replace or circumvent the failed asset.
Health and Safety	Direct or indirect impact of asset failure on the health of safety of individuals or the community.
Cost of failure	Cost to repair/ replace the asset including cost of temporary service provision.

**Table 26 - Activity Level Criticality Rating and Examples**

Rating ID	Rating	Description	Example
1	<b>Very High</b>	<b>Critical, no redundancy</b> - Failure of equipment compromises H&S directly (impact, explosion) or indirectly (failure to supply drinking water to hospital).	Oxidation Pond
2	<b>High</b>	<b>Critical, no redundancy</b> - Failure of equipment does not compromise H&S but affects production or Level of Service	Wastewater reticulation on Broadway in the CBD
3	<b>Medium</b>	<b>Critical with redundancy</b> - Failure of equipment does not compromise H&S but affects production or Level of Service	Trunk main on Swansea Rd at the Patea River
4	<b>Low</b>	<b>Not critical, no redundancy</b> - Failure of equipment has no effects on H&S and/or production/Level of Service but cost of repair/replacement is above \$100k	Trunk mains elsewhere
5	<b>Very Low</b>	<b>Not critical, no redundancy</b> - Failure of equipment has no effects on H&S and/or production/LoS and cost of repair/replacement is below \$100k	Oxidation Pond embankment

**Corporate level criticality** ranks activities based on the criticality of the service the activity provides at the corporate level as illustrated below in Table 27.

**Table 27 - Corporate Level Criticality**

Rating	Description
1	Roading, Water Supply assets.
2	Cemeteries. Wastewater (Sewage).
3	Solid Waste and Stormwater.
4	Property
5	Parks and Reserves

## 8.8.2 CRITICAL ASSETS

The AssetFinda database holds a record of the critical Wastewater assets. The identified critical assets are ranked according to their functional criticality.

**Functional Criticality** is a product of the Activity Criticality and Corporate Criticality, i.e.:

$$\text{Functional Criticality} = \text{Activity Criticality} \times \text{Corporate Criticality}$$

The functional criticality ranking ranks assets from 1 to 5, with 1 being the highest score (the most critical) and 5 being the lowest (least critical).

In 2017, Stratford District Council undertook an internal review of its critical assets. The review identified that there was a need to:

- Document the formula used for identifying criticality in the Asset Management Plans;
- Link criticality and critical assets to incident response; and
- Prioritise critical assets at the Activity level.

Following the review we have undertaken the following:

- Identified the formula used for identifying functional criticality. This formula is shown in the above paragraph in brackets.
- The linking of criticality and critical assets to incident response is currently being considered as part of reviewing our Incident Response Plans.

Critical assets have been prioritised at the Activity level and added to the asset register. These critical assets are listed in Table 26.

The review also confirmed that the critical assets for the Wastewater activity are as follows:

**Table 28 - List of Critical Wastewater Assets**

Activity Priority	Criticality Rating			Asset Description	Criticality Description
	Functional Criticality	Activity Level	Corporate Level		
1	4	2	2	Oxidation Pond	Failure would allow a significant volume of raw sewage to escape into the Patea River placing public health at risk and cause significant impact on the environment for an extended length of the river. The event is likely to result in a prosecution by the Regional Council. The event would incur very high recovery costs and cause significant negative publicity and a loss of faith/good will by community.
2	4	2	2	Wastewater reticulation on Broadway in the CBD	Failure would allow raw sewage to flood shop basements in the CBD placing public health at risk and cause significant damage to commercial premises/stock, prolonged shop closures to clean up and reinstate. The failure would also cause severe disruption to SH 3 traffic while repair/replacement is undertaken. The event is likely to result in prosecution by the Regional Council. The event would incur very high recovery costs and cause significant negative publicity and a loss of faith/good will by community.
3	6	3	2	Trunk main on Swansea Rd over the Patea River	Failure would allow a large volume of raw sewage to escape into the Patea River causing severe public health issues and significant impact on the environment for an extended length of the river. The event is likely to result in prosecution by Regional Council. The event would incur very high recovery costs and cause significant negative publicity and a loss of faith/good will by community.
4	6	3	2	Trunk mains elsewhere	Failure would allow raw sewer overflows to several neighbouring properties placing public health at risk and potentially leading to prosecution by the Regional Council. The event would incur low to moderate costs and cause negative publicity and a loss of faith/good will by community.

## **8.9 EMERGENCY RESPONSE**

### **8.9.1 CIVIL DEFENCE**

The Taranaki Region operates a CDEM (Civil Defence Emergency Management) Group Office, called the Taranaki Emergency Management Office (TEMO). TEMO is a shared service between all four councils in Taranaki.

In 2017 The Taranaki CDEM group agreed to a constituting agreement that outlined the separate roles of the Group Office (TEMO), Taranaki Regional Council, and the three district councils. Funding for this arrangement comes from the *'Uniform Annual General Charge; (UAGC) Rates*.

The Stratford District Council has plans and resources in place to ensure it can;

- Reduce the risk of emergencies occurring;
- Be ready for an emergency;
- Respond to any emergency; and
- Recover from any emergency.

### **8.9.2 FIRE**

Fire and Emergency New Zealand was established on 1 July 2017 and provides a single approach to improved fire management of urban and rural fires within the District. The District comprises of all lands, within the three Taranaki territorial local authority areas including those lands administered by the Department of Conservation (DOC).

### **8.9.3 LIFELINES**

Lifeline utilities are entities that provide essential infrastructure services to the community such as water, wastewater, transport, energy and telecommunications. These services support communities, enable business, and underpin the provision of public services. The wastewater activity is a lifeline service as described in Part B of Schedule 1 of the Civil Defence Emergency Management Act (CDEMA) 2002.

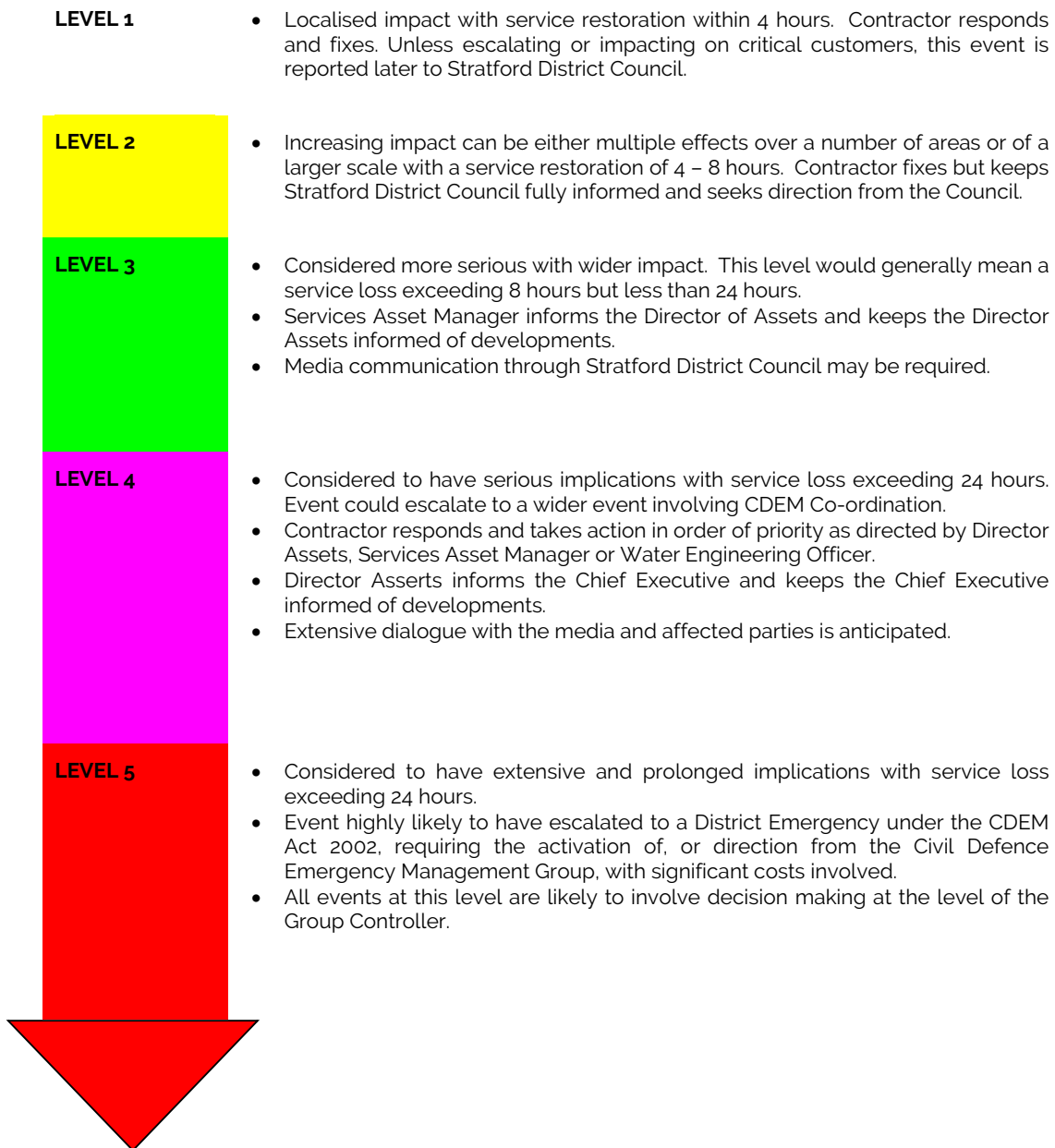
### **8.9.4 INCIDENT RESPONSE PLANS**

Stratford District Council has an Incident Response Plan<sup>3</sup> for the Wastewater activity. The plan contains schedules and procedures for managing incidents and escalating events that affect the delivery of services. Incidents are ranked on a scale of 1 – 5 to determine response and control level. See Figure 24.

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<sup>3</sup> D17/26535

**Figure 22 - Incident Response Plan**



**8.10 RISK INSURANCE**

The Local Government Act 2002 requires that from 2014 details of insurance of assets be included. This information is included in the following table. Insurance Arrangements as at 30 June 2023 are as follows:

**Figure 23 - Asset Insurance Valuations**

	<b>CARRYING VALUE</b> (as at 30 June 2023) <b>\$000</b>
<b>ASSETS FROM STATEMENT OF FINANCIAL POSITION</b>	
Property, plant and equipment	462,427
Investment property	303
<b>Total</b>	<b>462,780</b>
<b>LESS</b>	
Land component of operational assets	-9,374
Land under roads	-54,384
Land - restricted assets	-12,928
<b>Total</b>	<b>-76,686</b>
<b>NET NON-FINANCIAL ASSETS (EXCLUDING LAND)</b>	<b>386,094</b>

	<b>INSURED VALUE</b> (as at 30 June 2023) <b>\$000</b>	
<b>INSURANCE ARRANGEMENTS</b>		
Material damage cover for buildings, plant, contents	-66,313	Subject to various deductibles including \$5k for most claims except for earthquake or volcanic eruption where deductible is 5% of sum insured or 10% for pre 1935 buildings.
Motor vehicle insurance cover (including leased vehicles)	-216	Insured for market value – carrying value assumed for this purpose.
<b>RISK SHARING ARRANGEMENTS</b>		
Cover for infrastructure assets as a member of LAPP Central Government assistance	-44,441	Sum equates 40% of the ORV value of scheduled assets. A deductible of \$150,000 applied. It is anticipated (though cannot be guaranteed) that under the terms contained in the Guide to Civil Defence Emergency Management Plan central government may fund 60% of the qualifying cost of reinstating essential infrastructure with a deductible of \$150,000
<b>Council arrangements for covering deductibles and/or uninsured assets</b>	<b>110,970</b>	
<b>SUM NOT SPECIALLY INSURED</b>	<b>275,124</b>	Note the 60% of the ORV of infrastructure assets which may be funded by central government equates \$6.6m.

The Council has no insurances relating to financial or intangible assets. The uninsured assets consist of the Roding Network, \$202m, which NZTA may assist with in the event of an emergency.



## **8.11 PUBLIC HEALTH**

### **8.11.1 ASSESSMENT OF WATER AND SANITARY SERVICES**

In 2022, Stratford District Council undertook its second assessment of water and sanitary services. The purpose of the assessment was to determine, from a public health perspective, the adequacy of water and sanitary services available to communities. For the Wastewater activity the assessment focused on:

- the health risks arising from any absence or deficiency;
- the quality of services available to communities within the district; and
- the current and estimated future demands for such services;

The assessment concluded that:

- The current system can be extended to meet increased demand provided hydraulic issues associated with inflow volumes and outflow ground water infiltration into the reticulation can be resolved;
- Planned works over the next 10 years to decrease stormwater infiltration is expected to reduce pressure on the network linked to hydraulic issues.

While no new actions were identified, the 2016 Actions still apply, and they are for Council to:

- *Continue to address ground water infiltration into the wastewater reticulation within the Stratford community; and*
- *Continue to extend the wastewater reticulation to areas of medium to high density housing within the Stratford community.*

In relation to areas of the District where Council does not provide wastewater services, the assessment concluded that:

- There are no public health issues at this time;
- Where there is further development intensive use of septic tank disposal systems has the potential to cause health issues;
- There is the potential for increased demand for service in Stratford;
- The use of individual septic tanks is expected to remain appropriate wastewater treatment system un-serviced areas;
- There is no increase in demand for service; and
- No public health issues have been identified at this time.

The only action required by Council is to ensure *the proposed District Plan provisions have required section sizes suitable for septic tank installation, disposal and reserve areas.*

## **8.12 HEALTH AND SAFETY**

### **8.12.1 HEALTH AND SAFETY ADVISOR**

Stratford District Council employs a Human Resource/Health and Safety Advisor. The Advisor is responsible for the ongoing development and management of our HSE environment and ensuring staff are adequately trained in all aspects of health and safety.

### **8.12.2 HEALTH AND SAFETY POLICY**

In 2019 Stratford District Council reviewed and updated its Health and Safety Policy to better reflect legislative requirements reinforce its commitment to the philosophy that the health and safety of its employees, volunteers, contractors and subcontractors is of prime importance. SDC is committed to ensuring its operations are conducted in a safe and efficient manner that will not incur injury to personnel or damage to the environment.

### 8.12.3 INCIDENT/ACCIDENT REPORTING

In accordance with the Stratford District Council Health and Safety Policy all Council staff are required to report any accidents/incident. Accidents/incidents are reported via the Vault incident reporting system. Vault was integrated into Stratford District Council in 2016 as part of a joint initiative between Stratford District Council and South Taranaki District Council.

### 8.13 IMPROVEMENT PLAN

Actions identified in this Section for improving management of the asset are as follows:

**Table 29 - Risk Management Improvement Plan**

Sub Section	Task	Due Date
8.7.1	<p><b>Infiltration of Groundwater</b></p> <p>Continue addressing ground water infiltration into the wastewater reticulation to ensure continued an efficient performance of critical asset</p>	On-going
8.7.1	<p><b>Trade Waste Implementation</b></p> <p>Continue to Implement the Trade Waste Bylaw to ensure all non-domestic wastes are identified and captured under the necessary conditions to avoid critical asset failure</p>	On-going

## **9.0**

# **Investment Funding Strategy**

**9.0: Investment Funding Strategy**

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## 9.1. OVERVIEW

Our Investment Funding Strategy (IFS) incorporates our *Funding Impact Statement* and sets out how the Stratford District Council plans to finance its overall operations to meet its objectives now and in the future. A key objective of the strategy is the future-proofing of delivery of the Wastewater Activities.

This IFS provides the long term financial forecasting for all Wastewater Activities and projects described in this WWAMP. The IFS presents the funding sources determined for each of these to ensure a sustainable long-term approach to planning and asset management.

The historical cost for the Wastewater Activity by asset group is described in detail in the *Lifecycle Management* Section. This section presents the Council's Capital Investment Strategy for the Wastewater Activities for the next ten years and the financial standards and policies used in developing the strategy.

## 9.2 FINANCIAL STANDARDS

All prospective Financial Statements (financial statements) within this plan comply with the requirements of FRS 42 issued by the New Zealand Accounting Standards Board of the External Reporting Board (XRB), and the New Zealand equivalent of International Reporting Standard for Public Benefit Entities (NZ IFRS PEB), with Council designating itself as a Tier 2 public benefit entity for the purposes of compliance with these standards.

## 9.3 FUNDING AND FINANCIAL POLICIES

The Local Government Act in Section 102 requires that the Stratford District Council *'must, in order to provide predictability and certainty about sources and levels of funding, adopt the funding and financial policies listed'* below:

- A Revenue and Financing Policy; and
- A Liability Management Policy; and
- An Investment Policy; and
- A policy on Development Contributions (CD) or Financial Contributions (FC); and
- A policy on the Remission and Postponement of Rates on Maori freehold land.

The Council may also adopt either or both the *Rates Remission Policy* and a *Rates Postponement Policy*.

The Council has adopted all the relevant funding and financial policies described below. These policies guide the funding and financial decisions relating to the management of the Council's Wastewater Assets.

### 9.3.1 REVENUE AND FINANCING POLICY

The *Revenue and Financing Policy* sets out Stratford District Council's policies in respect of the funding for capital and operating expenditure. The current policy was reviewed in December 2017 and is due for renewal in 2021. The funding sources are detailed in the LTP 2024-2034 and include general and targeted rates, borrowing, grants and subsidies, etc.

### 9.3.2 TREASURY MANAGEMENT POLICY

The Council's Treasury Management Policy incorporates the *Liability Management Policy* and the *Investment Policy* requirements of the LGA. It guides the Council to prudently manage its revenue, expenditure, assets, liabilities, reserves and investments, in the interest of the Council and district ratepayers. The current policy was reviewed in 2019.

### 9.3.3 DEVELOPMENT AND FINANCIAL POLICY

The Council's *Development and Financial Contribution Policy* is consistent with the purpose as set out in Section 106 of the LGA. The Council does not require *Development Contributions*, however, the *Financial Contributions Policy* meet the requirement as set out in Section 108 (g) of the *Resource Management Act* (RMA) 1991.

### 9.4 FUNDING OUR INVESTMENT STRATEGY

Capital projects and activities carried out to maintain the Wastewater service, including Renewal or Replacement projects and Level of Service Improvements, for the next 10 years will be funded as per the Revenue and Financing Policy, through one or a combination of the following sources:

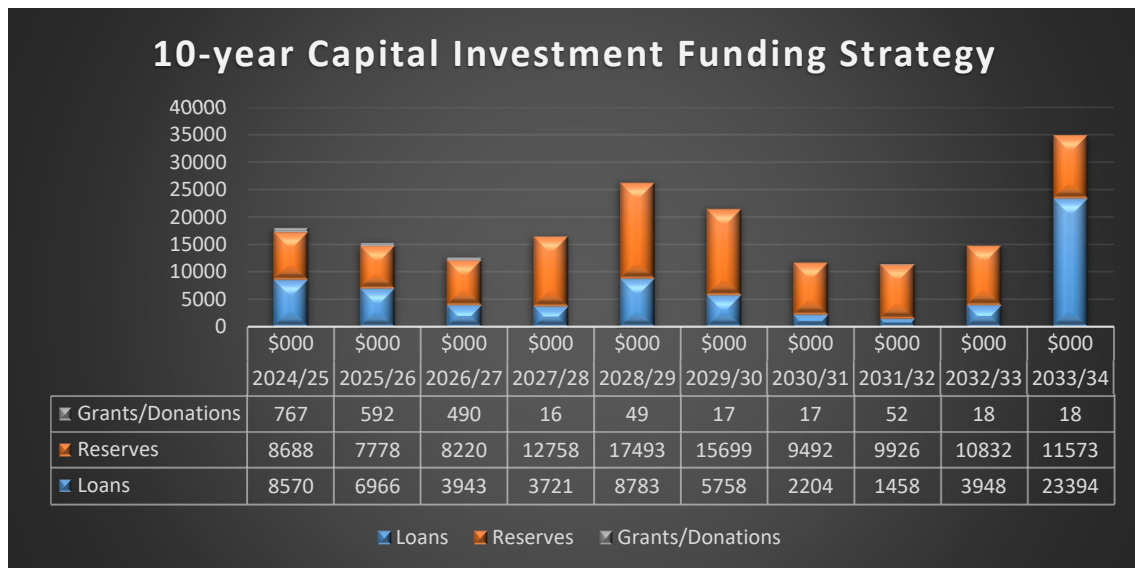
- Loans;
- Reserves; and/or
- Subsidies/ Grants by other Partners.

The Council expects that:

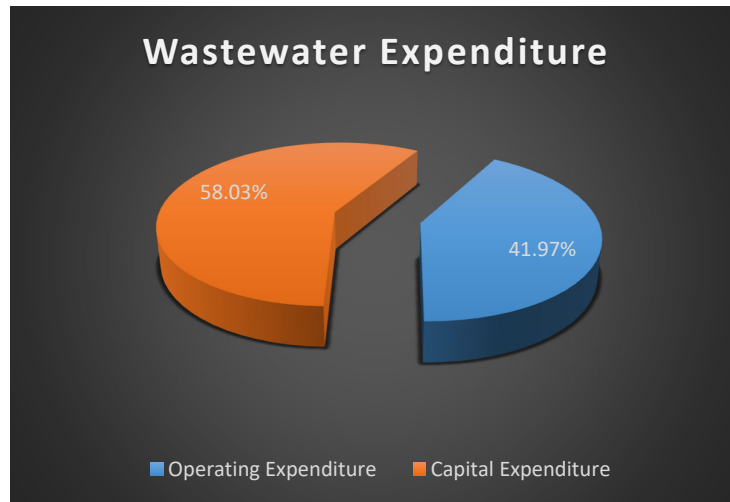
- All Level of Service Improvement projects for all the Three-Waters Activities will be funded 100% from Loans;
- Renewal or Replacement projects will be equally funded from Loans and Reserves; and
- While the cost of capital projects driven by growth and led by a private Developer will be borne by the Developer, any Council-led projects in support of growth will be accounted for within the particular project budget rather than by activity budgets.

The Council is very pro-active in seeking alternate funding sources. Where appropriate, the Council submits funding requests to the *TSB Community Trust (TSB)* and the *Taranaki Electricity Trust (TET)*. The Council also applies to the *Ministry of Business, Innovation and Employment (MBIE)* for tourism grants and initiatives.

A summary of Council's Capital Investment Funding Strategy is shown in Figures 24 - 28. Tables 30 and 31 provides the financial projections for the wastewater activity.



**Figure 24 - All Assets Capital Investment Funding Strategy**



**Figure 25 - Wastewater Expenditure - Capital vs Operating Expenditure**



**Figure 26 – Wastewater Capital Investment Split – Level of Service vs Replacement**

## 9.5 RELIABILITY OF OUR INVESTMENT STRATEGY

The Council provides an assessment of the reliability of its Investment Funding Strategy below – overall, the forecast is considered a reliable estimate of the financial investment in the Wastewater Activity:

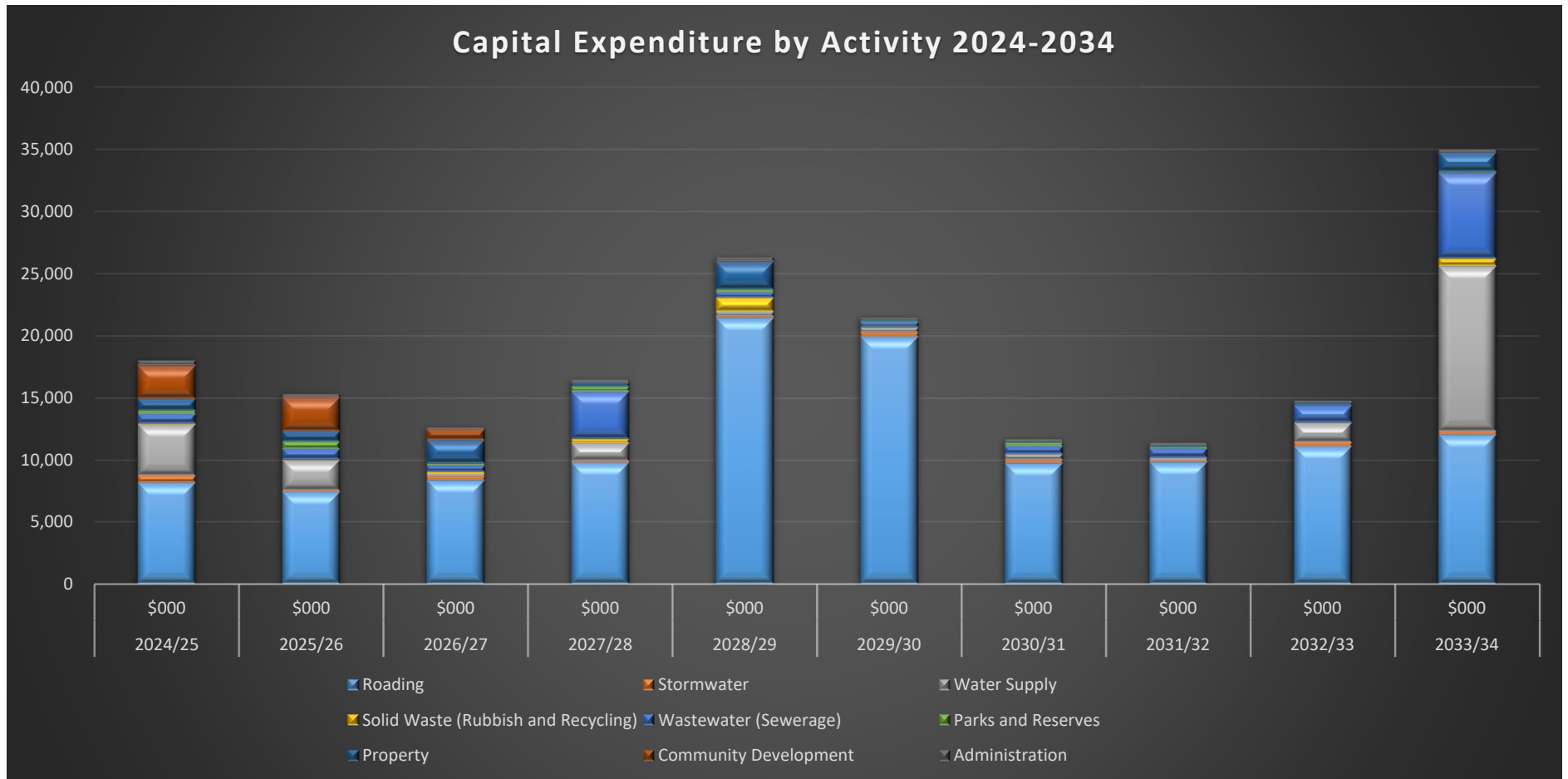
- The Council's funding source is largely from rates. Rates will be confirmed for the 2024-2027 period via the appropriate processes for inclusion in the LTP 2024-2034. Once adopted, the rates in the LTP 2024-2034 will constitute a reliable funding source for the delivery of Wastewater Activities;
- The Council is confident in its ability to raise funds within our financial strategy limits and is reasonably certain that it would secure loans at an affordable interest rates throughout this period.
- The Council relies on *Fees and Charges* or *Development Contributions* to deliver wastewater services. Any new demand for new assets to be vested in Council or services will generally be funded by the direct beneficiary of the assets/service.

## 9.6 FINANCIAL STATEMENTS AND PROJECTIONS

Table 30 – All Asset Capital Expenditure Projection

	Forecast					Projection				
	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
<b>Roading</b>										
Level of Service Improvement	3,150	2,142	2,817	3,950	15,273	13,461	2,954	2,700	3,605	4,155
Replacements	5,055	5,312	5,583	5,868	6,168	6,482	6,812	7,160	7,525	7,909
<b>Stormwater</b>										
Level of Service Improvement	450	0	158	0	0	198	116	0	181	0
Replacements	100	103	126	108	111	113	139	118	121	247
<b>Water Supply</b>										
Level of Service Improvement	1,367	246	0	1,026	166	119	0	0	1,330	12,466
Replacements	2,770	2,229	211	427	244	289	487	231	266	833
<b>Solid Waste</b>										
Level of Service Improvement	20	20	162	330	1,098	11	0	0	0	596
Replacements	40	10	10	11	11	11	0	0	0	0
<b>Wastewater (Sewerage)</b>										
Level of Service Improvement	50	513	158	216	0	0	232	118	725	6,418
Replacements	735	343	363	3,602	426	413	400	633	647	475
<b>Parks and Reserves</b>										
Level of Service Improvement	220	490	52	53	0	55	226	57	0	60
Replacements	45	102	104	341	239	22	45	46	23	24
<b>Property</b>										
Level of Service Improvement	629	587	1,790	197	1,614	94	39	75	99	1,472
Replacements	315	240	110	138	619	72	79	75	123	95
<b>Community Development</b>										
Meet Additional Demand	2,600	2,655	835	0	0	0	0	0	0	0
Level of Service Improvement	70	77	26	27	27	28	28	29	29	30
Replacements	0	0	0	0	0	0	0	0	0	0
<b>Administration</b>										
Replacements	408	267	148	202	330	105	156	192	122	205
<b>TOTAL PROJECTS (excl GST)</b>	<b>18,024</b>	<b>15,336</b>	<b>12,653</b>	<b>16,496</b>	<b>26,325</b>	<b>21,474</b>	<b>11,713</b>	<b>11,435</b>	<b>14,797</b>	<b>34,985</b>
<b>FUNDING</b>										
Loans	8,570	6,966	3,943	3,721	8,783	5,758	2,204	1,458	3,948	23,394
Section sales (subdivision loan-funded)	0	0	0	0	0	0	0	0	0	0
Cash from Investments	0	0	0	0	0	0	0	0	0	0
Reserves	8,688	7,778	8,220	12,758	17,493	15,699	9,492	9,926	10,832	11,573
Grants/Donations	767	592	490	16	49	17	17	52	18	18
Rates	0	0	0	0	0	0	0	0	0	0
NZTA Financial Assistance	0	0	0	0	0	0	0	0	0	0
<b>TOTAL (excl GST)</b>	<b>18,024</b>	<b>15,336</b>	<b>12,653</b>	<b>16,496</b>	<b>26,325</b>	<b>21,474</b>	<b>11,713</b>	<b>11,435</b>	<b>14,797</b>	<b>34,985</b>



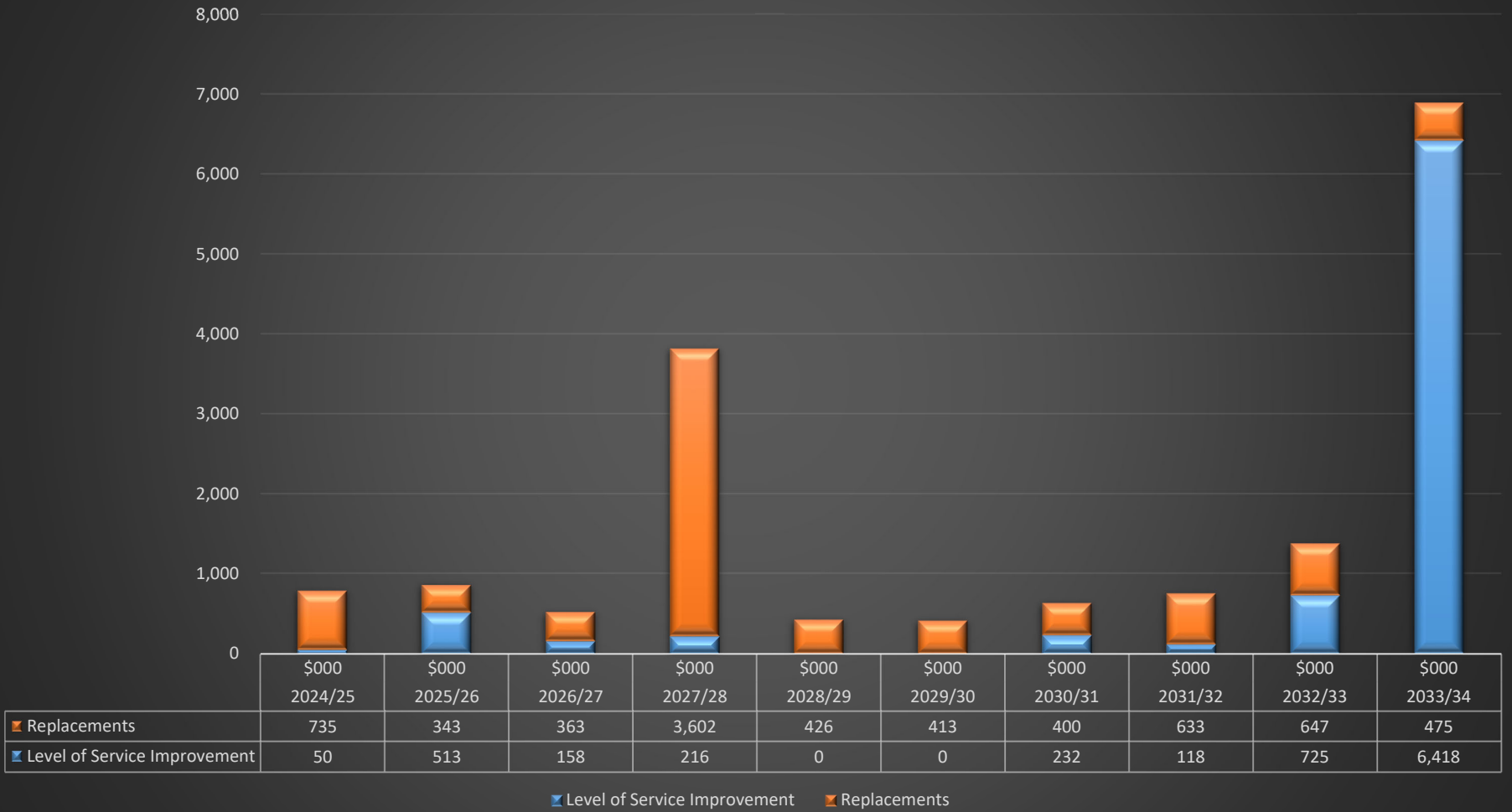


**Figure 27 - Capital Expenditure by Activity - All Assets**

**Table 31 - Wastewater Activity Expenditure and Funding Projection**

Budget 2023/24		Forecast 2024/25	Projection								
			2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
\$000		\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
<b>1,063</b>	<b>Operating Expenditure</b>	<b>1,023</b>	<b>1,058</b>	<b>1,101</b>	<b>1,145</b>	<b>1,161</b>	<b>1,201</b>	<b>1,211</b>	<b>1,256</b>	<b>1,288</b>	<b>1,468</b>
<b>35</b>	<b>Revenue</b>	<b>40</b>	<b>41</b>	<b>42</b>	<b>43</b>	<b>43</b>	<b>44</b>	<b>45</b>	<b>46</b>	<b>47</b>	<b>48</b>
<b>1,028</b>	<b>Net Cost of Service</b>	<b>983</b>	<b>1,017</b>	<b>1,060</b>	<b>1,103</b>	<b>1,118</b>	<b>1,157</b>	<b>1,166</b>	<b>1,210</b>	<b>1,241</b>	<b>1,421</b>
<b><u>EXPENDITURE</u></b>											
307	Operating Costs	435	447	458	468	478	488	498	507	517	527
59	Interest	54	59	68	70	71	68	69	72	84	210
432	Depreciation	432	455	468	495	501	526	526	558	561	607
265	Allocated Overheads	102	97	108	112	112	120	118	118	126	125
<b>1,063</b>	<b>Total Operating Expenditure</b>	<b>1,023</b>	<b>1,058</b>	<b>1,101</b>	<b>1,145</b>	<b>1,161</b>	<b>1,201</b>	<b>1,211</b>	<b>1,256</b>	<b>1,288</b>	<b>1,468</b>
69	Principal Loan Repayments	52	62	72	77	78	75	77	81	94	233
590	Capital Expenditure	785	856	521	3,818	426	413	631	752	1,372	6,894
<b>1,722</b>	<b>Total Expenditure</b>	<b>1,860</b>	<b>1,975</b>	<b>1,695</b>	<b>5,040</b>	<b>1,666</b>	<b>1,689</b>	<b>1,919</b>	<b>2,088</b>	<b>2,754</b>	<b>8,595</b>
<b><u>FUNDED BY:</u></b>											
35	Charges for Services	40	41	42	43	43	44	45	46	47	48
<b>35</b>	<b>Revenue</b>	<b>40</b>	<b>41</b>	<b>42</b>	<b>43</b>	<b>43</b>	<b>44</b>	<b>45</b>	<b>46</b>	<b>47</b>	<b>48</b>
810	Targeted Rates	977	1,011	1,055	1,098	1,113	1,153	1,163	1,208	1,240	1,421
100	Transfers (to) from Reserves	0	0	0	0	0	0	0	0	0	0
327	Transfer from Reserves	787	405	436	3,679	505	489	476	714	741	709
108	Depreciation funded from Reserves	0	0	0	0	0	0	0	0	0	0
332	Loan Funding - Capital	50	513	158	216	0	0	232	118	725	6,418
11	Other Funding	6	6	5	4	5	4	3	2	1	0
<b>1,722</b>	<b>Total Funding</b>	<b>1,860</b>	<b>1,975</b>	<b>1,695</b>	<b>5,040</b>	<b>1,666</b>	<b>1,689</b>	<b>1,919</b>	<b>2,088</b>	<b>2,754</b>	<b>8,595</b>

## Annual Wastewater Supply budget - LoS vs Replacements 2024 - 2034



**Figure 28 - 10 Year Capital Expenditure Budget - Wastewater**

# **10.0**

## **Asset Management Practices and Improvement Plan**

**10.0: Asset Management Practices and Improvement Plan**

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**10.1. OVERVIEW**

Asset management improvement planning is a process. It enables Council to improve the way it manages infrastructure assets and the services they provide.

The Asset Management Practices and Improvement Plan section identifies the maturity of Stratford District Council asset management practices, improvements made since the last Asset Management Plan review and a plan for future asset management improvements resulting from areas for improvement identified in earlier Sections of this plan

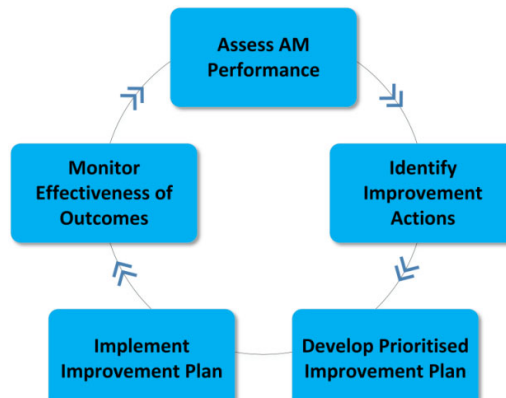


Figure 29 - Asset Management Improvement Process

**10.2. ASSET MANAGEMENT PRACTICES**

**10.2.1. ASSET MANAGEMENT POLICY**

Stratford District Council developed and adopted its inaugural Asset Management Policy in 2016 and a review was completed in 2020. The Policy establishes the first level of Council's asset management framework for managing infrastructure assets in a structured, coordinated, and financially sustainable manner. The objectives of this Policy are:

- Provide for a consistent approach to asset management planning within Council and ensure plans reflect the strategic direction of Council.
- Demonstrate to the community that Council recognises the critical importance of managing the District's assets and related activities in an effective and sustainable manner in order to deliver appropriate Levels of Service to current and future generations.
- Confirm a coordinated process for each asset/activity area that links their contribution to the Community Outcomes with specific Levels of Service performance requirements and desired improvement priorities and strategies.

The Council's Asset Management Policy can be viewed on the Stratford District Council website.

**10.2.2. ASSET MANAGEMENT GOALS AND OBJECTIVES**

The Council's Asset Management goals and objectives are guided by the Asset Management Policy to drive best practice. The Asset Management goals and objectives for Stratford District Council are to:

- Provide for a consistent approach to asset management planning to ensure plans reflect the strategic direction of Council.
- Demonstrate to the community that Council will manage the District's assets and related activities in a safe, cost-effective and sustainable manner to deliver agreed LoS to current and future generations.
- Confirm a coordinated process for each asset/activity area that links their contribution to the Community Outcomes with specific LoS performance requirements and desired improvement priorities and strategies.

The Council's overarching principles for sound asset management are:

- Asset management goals and objectives are aligned with corporate objectives and community outcomes.
- Affordable and financially sustainable AMPs are developed to industry standard appropriate for the scale of assets and associated risks being managed.
- AMPs reflect the priorities of the Council and are used to drive the day to day management of assets and the associated services;

- Capital, operation and maintenance, and renewal/replacement works are aligned with asset management objectives.
- Sustainability and sustainable development are considered in the selection of options for asset development and service delivery.
- Asset management strategies are established through the use of optimised lifecycle management and costing principles.
- Funding is allocated for the appropriate level of maintenance for assets to deliver the required LoS.
- Accurate, up to date asset data is collected for analysis and use throughout asset management planning processes.
- A strategic management approach is taken to improvement planning, asset management plan development and implementing improvement practices.
- Growth and demand forecasting will be integrated as part of all asset management planning to meet current and future needs of the community.
- Risk management will be integrated as part of all asset management planning to recognise the risks associated with the delivery of agreed LoS and manage them appropriately;
- Design, construction and maintenance of assets, so far as reasonably practical, are without risk to the health or safety of any person.

### **10.2.3. ASSET MANAGEMENT PLAN DEVELOPMENT**

Planning processes tend to be circular with built in reviews. The AMP and LTP need to have regular review cycles so that they remain current and deal with issues at the time. An important function of the review cycle is to monitor performance against the goal levels of service and KPIs that were set some years before.

The AMPs are reviewed every three years in line with the 10 year long term planning cycle but work programmes can change annually. These changes can be brought about by outside pressure, weather events, budget constraints and new projects becoming apparent.

The ability to become responsive each year is through the annual planning process. The AMP details goals, levels of service, goals, KPIs and targets which contribute to Stratford's organisational vision for the district and community.

The review process considers the overall impact of the planned programme to deliver the defined levels of service through the on-going development of the AMP. This review/AMP development process moderates competing priorities within the context of community affordability and may result in some projects being deferred or budgets being re-prioritised. Figure 31 below shows a graphical display of the AMP development process.

### **10.2.4. ASSET MANAGEMENT MATURITY**

We have assessed that our asset management system maturity is predominantly at the Core level. It is largely based on the long-term knowledge of the asset management team. It contains asset data that has been collected over time and held in asset management information systems.

Through continual improvement and development of asset management practices and processes it is our intention that the asset management plans progressively improve.

Our target is to develop our asset management practices and processes to an Intermediate level of maturity where appropriate. The Council in the process of assessing our asset management maturity level to identify areas for improvement. The Council is considering options for undertaking a formal assessment of our asset management maturity. The five levels of asset management plan maturity are shown in Figure 32 and are Aware, Basic; Core; Intermediate and Advanced.

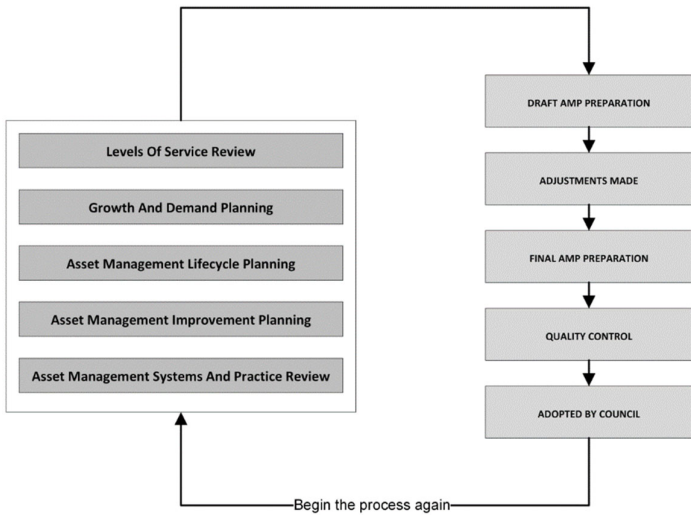


Figure 30 - Asset Management Plan Development Process



Figure 31 - Asset Management System Maturity Index



# Asset Management Improvement Plan and Monitoring

## 10.3. ASSET MANAGEMENT IMPROVEMENT PLAN

**Table 32 - Asset Management Improvement Plan**

	Asset Management Practice Area	Improvements	Section Identified	Date	Responsibility
1	Asset Information	<p><b>Update asset condition data</b></p> <p>Continue to use information collected from maintenance tasks to update asset condition data</p>	3.7	Ongoing	Asset Services Manager Plant Engineer
2	Asset Information	<p><b>Improve condition data accuracy and reliability</b></p> <p>The issues related to condition data for <u>below ground</u> wastewater supply assets does not allow Council to accurately forecast remaining useful life. However, using the information collated from both 'scheduled' and 'reactive' maintenance (under the Services Maintenance Contract 2014), Council is able to update asset condition data regularly. Over time as maintenance and renewals are carried out, the condition information will improve.</p> <p>Therefore, the implementation of additional major projects to assist Council in improving condition data information is not required.</p>	3.7	Ongoing	Asset Services Manager Plant Engineer
3	Future Growth and Demand	Further analysis to determine how the impacts of growth and customer expectation will affect the structural integrity of an aging Wastewater Infrastructure network.	4.3	Ongoing	Director, Assets Asset Services Manager
4	Future Growth and Demand	Continue to use information collected from maintenance tasks to update asset condition data	4.3	Ongoing	Asset Services Manager Plant Engineer
5	Level of Service Performance	Pursue an environmentally - friendly, cost-effective and sustainable solution in renewing the Resource Consent for the discharge of treated wastewater into the Patea River	5.4	Ongoing	Director, Assets

## Asset Management Improvement Plan and Monitoring

Asset Management Practice Area		Improvements	Section Identified	Date	Responsibility
					Asset Services Manager
6	Level of Service Performance	Continue to produce high quality discharges to the Patea River through environmentally - friendly, cost-effective and sustainable treatment measures in the oxidation pond.	5.4	Ongoing	Director, Assets Asset Services Manager
7	Lifecycle Management	Maximise AssetFinda capabilities for predictive modelling purposes	7.3	Ongoing	Asset Services Manager Plant Engineer
8	Lifecycle Management	Continue to undertake CCTV Condition Assessment the wastewater reticulation assets, to ascertain the useful and remaining lives of these assets	7.5	Ongoing	Asset Services Manager Plant Engineer
9	Risk Management	<b>Infiltration of Groundwater</b> Continue addressing ground water infiltration into the wastewater reticulation to ensure continued an efficient performance of critical asset	8.7	Ongoing	Asset Services Manager Plant Engineer
10	Risk Management	<b>Trade Waste Implementation</b> Continue to Implement the Trade Waste Bylaw to ensure all non-domestic wastes are identified and captured under the necessary conditions to avoid critical asset failure	8.7	Ongoing	Asset Services Manager Plant Engineer

# Appendices

- Appendix 1 - Wastewater Risk Assessment**
- Appendix 2 - Wastewater Operational Documents**

**Appendix 1 - Wastewater Risk Assessment**

**COMPLIANCE AND LEGISLATION RISKS**

1. Compliance and Legislation Risk Assessment				
Risk Subject	Risk Description	Risk Score Raw	Control Description	Residual Risk Score
Legislation Changes <b>TOP TEN RISK</b>	IF changes to legislation or case law occur and are not implemented by staff, THEN council may be acting illegally and in breach of legislation	8 High Unlikely / Major	<ul style="list-style-type: none"> <li>Staff will implement the changes</li> <li>Regular review and update Legislative Compliance Register.</li> <li>Staff training and attending relevant industry conferences.</li> <li>Regular policy review to ensure policies and procedures are in line with legislation changes.</li> <li>Ensure maintenance contractor and staff are up to date with legislative requirements through regular updates of legislative compliance register</li> <li>Subscribe to regular email updates from local government and relevant industry bodies, Council list server to ensure staff are notified of legislative changes.</li> </ul>	1 Low Rare/ Serious
Incorrect Planning Advice	IF Council gives out wrong advice on LIM, or issues Resource Consent when it should not have, THEN it could be subject to a judicial review or similar form of dispute process involving legal costs, possible fines, and reputational damage.	3 Moderate Unlikely / Serious	<ul style="list-style-type: none"> <li>Quality assurance.</li> <li>Resourcing and ongoing training of competent staff.</li> <li>Low tolerance for poor quality documentation from consent applicants.</li> <li>Good quality legal counsel.</li> <li>Council has professional indemnity, public liability, and statutory liability insurance.</li> </ul>	1 Low Rare/ Serious
Statutory Reporting Commitment	IF Council does not meet statutory commitments (eg for reporting to the national monitoring system) THEN it may be acting illegally and receive attention from Ministry which could result in financial penalty and council functions being removed, or elected members being replaced.	3 Moderate Unlikely / Serious	<ul style="list-style-type: none"> <li>Quality assurance.</li> <li>Resourcing levels maintained.</li> <li>Schedule of dates and commitments is regularly maintained and updated by Quality Assurance officer.</li> <li>Regular review and update of Legislative Compliance Register.</li> </ul>	1 Low Rare/ Serious
Bylaws and Policies <b>TOP TEN RISK</b>	IF Council fails to keep Policies and Bylaws up to date, THEN the Policies and Bylaws may become unenforceable and irrelevant, and council could be acting illegally, or the policy is not fit for purpose.	8 High Unlikely / Major	<ul style="list-style-type: none"> <li>Quality assurance,</li> <li>Resourcing levels maintained.</li> <li>Regular Policy Schedule review by CEO.</li> <li>Regular review of Bylaw timetable maintained in Content Manager.</li> </ul>	3 Moderate Unlikely/ Serious

**DATA AND INFORMATION RISKS**

2. Data and Information Risk Assessment				
Risk Subject	Risk Description	Risk Score Raw	Control Description	Residual Risk Score
Systems Down - Natural Disaster/Pandemic <b>TOP TEN RISK</b>	IF there is a natural disaster THEN systems may be down temporarily, reduction in worker productivity, unable to respond to customers, data unavailable, potential permanent loss of data.	8 High Unlikely/ Major	<ul style="list-style-type: none"> <li>Backups done daily and stored off-site.</li> <li>Most critical data is in the cloud, data centre is overseas so workers can access system remotely from anywhere.</li> <li>Civil Defence will make hardware available for emergency response.</li> </ul>	3 Moderate Unlikely/ Serious
Server Failure <b>TOP TEN RISK</b>	IF the server failed THEN systems down, data unavailable, potential data loss	12 Very High Possible/ Major	<ul style="list-style-type: none"> <li>Restore from backup, backups stored off-site.</li> <li>Fail-over for Melbourne data centre replicates to Sydney data centre.</li> </ul>	3 Moderate Unlikely/ Serious
Records Handling	IF hard copy protected records are handled in a way that could cause damage, degradation or disorganisation, THEN this could lead to loss of protected records, non-compliance with legislation and potential financial penalties.	1 Low Rare/ Important	<ul style="list-style-type: none"> <li>Access to archives is limited to trained staff.</li> <li>Ensure the Information Management Specialist is fully trained in all areas of protected records management.</li> <li>Maintain a register of archived records, and a process by which records will be archived.</li> <li>Storage area must be restricted and temperature controlled.</li> </ul>	1 Low Rare/ Important
Unapproved online platforms used	IF unapproved online platforms are used for Council business, THEN Council sensitive information and individual private details could be hacked and made available publically.	4 High Possible/ Serious	<ul style="list-style-type: none"> <li>All Council information should only be stored on platforms that are approved by IT and gone through proper procedures and checks by IT.</li> </ul>	1 Low Rare/ Serious

**FINANCIAL RISKS**

3. Financial Risk Assessment				
Risk Subject	Risk Description	Risk Score Raw	Control Description	Residual Risk Score
Accessing Funding	IF incorrect assessment is made to determine required maintenance funding, all funding options are not sought, or insufficient funding is made available THEN Council may miss out on funding and Council has to fully fund projects.	3 Moderate Possible/ Important	<ul style="list-style-type: none"> <li>Ensure funding assessments are carried out by sufficiently experienced personnel and strong cases are made for funding.</li> <li>A system should be established to regularly monitor all available funding for council projects.</li> </ul>	1 Low Rare/ Important
Internal Financial Controls	IF internal financial controls are compromised and ineffective, THEN possible fraud, budget blowout, delayed service	4 High Possible/ Serious	<ul style="list-style-type: none"> <li>Good quality controls.</li> <li>Implement annual external and internal audit recommendations.</li> <li>Adhere to Procurement and Delegations Policy.</li> <li>Communications of internal controls to all staff.</li> <li>Recommend internal audit programme every year by independent contractor.</li> </ul>	1 Low Rare/ Serious
Procurement contracts	IF procurement contracts entered into are not cost-effective and do not comply with Council's Procurement Policies THEN council projects could go over budget and council procurement could be subject to industry, media, legal scrutiny.	6 High Likely/ Serious	<ul style="list-style-type: none"> <li>Ensure procurement policy and procurement manual are appropriate, comply with legislation and good practice, and followed by all staff and significant contracts are reviewed by an independent professional.</li> </ul>	1 Low Rare/ Serious
Significant Population Reduction	IF there is a significant population reduction, resulting in loss of ratepayer base and reduction in property values - THEN this could result in higher rates for others and significant cost reductions may be required.	3 Moderate Unlikely/ Serious	<ul style="list-style-type: none"> <li>Ensure variable costs are clearly identifiable, and therefore able to be isolated and adjusted if ratepayer base reduced.</li> <li>Council actions to align with council mission and vision to make Stratford a great place to live.</li> </ul>	3 Moderate Unlikely/ Serious
New Regulations require Significant Investment	IF new environmental regulations or legislation imposed on councils requires a significant increase in capital expenditure, THEN ability to finance investment could be compromised and rates increases could breach limits.	3 Moderate Possible/ Important	<ul style="list-style-type: none"> <li>Attempt to keep debt and expenditure low and achieve cost efficiencies regularly so that council can weather any necessary investment in order to be compliant with changing legislative environment.</li> </ul>	1 Low Rare/ Serious
Theft by Contractors	IF contractors have unrestricted access to council property and/or information, THEN there is an	2 Moderate	<ul style="list-style-type: none"> <li>All contractors must go through a pre-qualification process.</li> </ul>	1 Low

3. Financial Risk Assessment				
Risk Subject	Risk Description	Risk Score Raw	Control Description	Residual Risk Score
	opportunity for theft and consequently loss of Council assets.	Unlikely/ Important	<ul style="list-style-type: none"> <li>Visitors to Council buildings must sign in.</li> <li>Access to the building has now been restricted with the use of fobs.</li> <li>Protected records are stored in a safe or locked storage room.</li> </ul>	Rare/ Serious
Inadequate financial provision to fund asset replacement	IF there is inadequate financial provision in reserves to fund the replacement of assets, THEN the Council may have to borrow more than expected, or asset replacement may need to be delayed which may affect service level performance.	3 Moderate  Possible/ Important	<ul style="list-style-type: none"> <li>Ensure annual depreciation is based on accurate fixed asset values (replacement cost) and accurate useful lives.</li> <li>Assets should not, unless necessary, be replaced before the end of their useful life.</li> </ul>	1 Low  Rare/ Important
Bribery and Corruption	IF elected members or staff act in a way that is, or is perceived to be, influenced by Bribery or Corruption, THEN the Council's reputation could be damaged, there is potential for legal action against Council, increased scrutiny by the Office of the Auditor General. There is also the risk that Council could have lost financially, or in some other way, by entering into an unethical contract.	3 Moderate  Unlikely/ Serious	<ul style="list-style-type: none"> <li>Ensure HR Policy, Procurement Policy, Anti-Fraud and Corruption Policy and Elected Members' Code of Conduct cover these areas sufficiently and that guidance is given to all staff and elected members at least annually on conflicts of interest, and Policies are widely distributed within Council and made available to all staff, particularly new staff.</li> <li>The Fraud Policy includes a process for reporting any suspected instances of bribery and corruption - ensure this is widely available and all staff are aware of reporting process.</li> </ul>	1 Low  Rare/ Serious
Management Override of Internal Controls	IF a Manager uses their unique position to override internal controls, THEN the financial statements may be incorrect and potential fraud may result.	4 High  Possible/ Serious	<ul style="list-style-type: none"> <li>Audit and Risk Committee oversight. Internal and External audits annually.</li> <li>Fraud Policy awareness training.</li> <li>Regular review of policies to ensure in line with best practice.</li> <li>SLT to undergo ethics training.</li> <li>Full reference checking of at least one recent, direct manager (particularly for financial and management roles).</li> <li>Zero tolerance for any bullying type behaviour.</li> </ul>	1 Low  Possible/ Minor

**HEALTH AND SAFETY WELLBEING RISKS**

4. Health and Safety Wellbeing Risk Assessment				
Risk Subject	Risk Descriptions	Risk Score Raw	Control Description	Residual Risk Score
Lone Worker <b>TOP TEN RISK</b>	If a staff member is seriously injured or killed during field inspections/site visits, then possible health and safety breaches, death or serious injury.	12 Very High  Possible/Major	<ul style="list-style-type: none"> <li>Complete quality assurance. Ongoing training/awareness of HSE requirements and responsibilities</li> <li>Better use of council data/knowledge base on dangerous or insanitary sites before staff member deploys to site</li> <li>Use of GPS tracking, mobile phone tracking</li> </ul>	3 Moderate  Unlikely/Serious
Council Vehicle accident	If a staff member has an accident in a council vehicle, then this could result in possible death or serious injury and damage to motor vehicle asset.	4 High  Possible/Serious	<ul style="list-style-type: none"> <li>All staff must have a full drivers licence and all staff are aware of procedures if there is an accident.</li> <li>Staff driver training to be provided to regular drivers.</li> <li>GPS and mobile phone tracking.</li> </ul>	3 Moderate  Unlikely/Serious
Staff under Stress	If staff are affected by personal issues or by work pressures and experiencing high levels of stress, then work performance may decline and/or fatigue, illness, unsafe work practices may result.	5 High  Almost Certain/Important	<ul style="list-style-type: none"> <li>Managers are responsible for being aware of the wellbeing of their direct reports</li> <li>There are various options available for relieving the pressure of staff who are overworked including increasing staff or reallocating work</li> <li>Ensure access to EAP service is widely known and communicated to all staff</li> <li>Ensure all staff have a backup option available so they can take annual leave for at least a week at a time</li> </ul>	3 Moderate  Possible/Important
Exposure to Hazardous Substances	IF staff are affected by exposure to hazardous substances eg chemicals, liquids, fumes and other toxic substances THEN there are possible risks to staff health and wellbeing.	4 High  Possible/Serious	<ul style="list-style-type: none"> <li>Staff are up to date with relevant immunisations.</li> <li>Training is mandatory for all staff working with hazardous substances.</li> <li>Use appropriate PPE gear at all times in the vicinity of the hazardous substances.</li> <li>Regular health checks for staff.</li> <li>Regular testing of hazardous substances and chemicals LABELLING and STORAGE be carried out RANDOMLY.</li> <li>The Stratford Water Treatment Plant has site licences for the storage of chemicals, these must be kept up to date.</li> <li>Fire extinguishers are on site, all signage is current and covers off on all of the chemicals held on site.</li> </ul>	3 Moderate  Unlikely/Serious
Workplace Bullying or Harassment	IF Bullying and harassment in the workplace occurs THEN it can have an impact on the health and wellbeing of	4 High	<ul style="list-style-type: none"> <li>Top down culture against bullying and harassment of any kind, policy is followed through by management, staff are aware of the reporting process.</li> </ul>	3 Moderate



4. Health and Safety Wellbeing Risk Assessment				
Risk Subject	Risk Descriptions	Risk Score Raw	Control Description	Residual Risk Score
	staff subject to the bullying and other staff witnessing the behaviour. This may impact on staff productivity and the ability of Council to attract good quality candidates.	Possible/ Serious	<ul style="list-style-type: none"> <li>The reporting process to deal with bullying and harassment is fair, transparent, and confidential and dealt with in a timely manner.</li> </ul>	Unlikely/ Serious
Asbestos Related Work	IF council buildings are contaminated with asbestos, THEN there is the possibility of asbestos exposure to staff and the public and increased risk of asbestosis and other lung and pleural disorders.	4 Moderate  Unlikely/ Important	<ul style="list-style-type: none"> <li>Asbestos protocols need to be developed in line with the asbestos regulations.</li> <li>Community needs to be made aware of Asbestos disposal guidelines.</li> <li>Staff involved in construction work should be appropriately trained in handling of asbestos materials.</li> </ul>	2 Moderate  Unlikely/ Important
Muscular discomfort - Ergonomics	IF muscular pain or discomfort or eye strain occurs as a result of the work environment and setting, THEN this will impact on staff health and wellbeing and long term comfort at work.	2 Moderate  Likely/ Minor	<ul style="list-style-type: none"> <li>Apply ACC Habit At Work guidelines.</li> <li>Workstation assessments should be carried out to reduce the likelihood of onset of long term discomfort and pain conditions.</li> </ul>	1 Low  Possible/ Minor
Armed Robbery	IF there is an armed robbery at any of council's services centres, THEN there is the potential for death or serious harm.	1 Low  Rare/ Serious	<ul style="list-style-type: none"> <li>Establish emergency procedures, including use of panic buttons.</li> <li>Security cameras in place.</li> <li>Ensure staff are trained to deal with potential threat.</li> <li>Design / limit access to building so that threats are minimised.</li> </ul>	1 Low  Rare/ Serious
Employee Substance Abuse <b>TOP TEN RISK</b>	IF staff are affected by drugs or alcohol while at work, THEN there is an increased risk of an accident or injury, property damage, and reduced work performance.	8 High  Unlikely/ Major	<ul style="list-style-type: none"> <li>Ensure staff are aware of drug and alcohol policy.</li> <li>Initial drug testing done prior to employment to filter out regular users.</li> <li>Utilise EAP.</li> </ul>	2 Moderate  Unlikely/ Important
Fatigue Management	IF Fatigue affects an employee, as a result of working extraordinary hours, THEN the employee may have limited functionality which could result in personal injury or injury to others. It could also lead to stress and long term mental illness if it is reoccurring and could mean Council is in breach of the Health and Safety Act.	3 Moderate  Possible/ Important	<ul style="list-style-type: none"> <li>Ensure employees take regular, quality rest breaks during the working day, in line with the Employment Relations Act (HR Policy requires this).</li> <li>Ensure all staff know their responsibilities in terms of managing fatigue.</li> <li>Ensure shift workers rostered times are manageable.</li> <li>The Vehicle Use Policy has limits on driving a Council vehicle after exceeding max number of work hours.</li> <li>Contractor fatigue management to be reported and monitored through regular contractor meetings.</li> </ul>	1 Low  Rare/ Minor

**OPERATIONAL RISKS**

5. Operational Risk Assessment				
Risk Subject	Risk Descriptions	Risk Score Raw	Control Description	Residual Risk Score
Contractor - Damage to Property	IF maintenance contractor damages council or private property while carrying out contracted work, THEN council could be liable for damages and additional expenditure.	4 High Possible/ Serious	<ul style="list-style-type: none"> <li>Stringent Operational procedures:</li> <li>Daily reporting of compliance.</li> <li>Regular liaison with contractor and regulators to monitor performance to ensure compliance.</li> <li>Contractor pre-approval process.</li> <li>Council has material damage insurance policy.</li> </ul>	3 Moderate Possible/ Important
Other Contractors in Network Corridor	IF work by others in Network Corridor results in damage to components of the 3 waters infrastructure THEN services to the public may cease or become unreliable or compromised.	4 Moderate Likely/ Important	<ul style="list-style-type: none"> <li>Co-ordination between services before major projects begin.</li> <li>Ensure all works have Corridor Access Requests.</li> </ul>	1 Low Rare/ Important
Attracting Qualified Staff	IF Council is unable to attract suitably qualified personnel, THEN services may become under threat and may cease.	6 High Likely/ Serious	<ul style="list-style-type: none"> <li>Internal training and succession planning programs.</li> <li>Ensure market wages are offered for all high demand positions.</li> <li>Recruit off shore option should be available for high-demand positions.</li> <li>Make greater use of consultants if necessary and/or shared services with neighbouring Councils.</li> <li>Make Stratford District Council a great place to work - measure staff engagement and respond to any issues expediently.</li> </ul>	2 Moderate Unlikely/ Important
Maintenance Contractor fails to deliver <b>TOP TEN RISK</b>	If a maintenance contractor fails to deliver contractual service necessitating termination of contract and re-tendering, then assets may become under threat, unreliable, or unable to meet community needs.	8 High Unlikely/ Major	<ul style="list-style-type: none"> <li>Careful assessment of tender to ensure contract price viable for contractor to deliver level of service</li> <li>Regular liaison with contractor to monitor performance and ensure compliance</li> <li>Contractor pre-approval process must not be bypassed</li> </ul>	3 Moderate Unlikely/ Serious
Key Person risk	If a key person in the organisation could not work for a significant period of time then this could affect Council's ability to perform core functions and duties.	3 Moderate Possible/ Important	<ul style="list-style-type: none"> <li>Ensure PROMAPP is up to date with all staff day to day processes</li> <li>If known absence ahead of time ensure an appropriate training plan in place</li> <li>Make use of local consultants where appropriate</li> </ul>	1 Low Possible/ Minor

5. Operational Risk Assessment				
Risk Subject	Risk Descriptions	Risk Score Raw	Control Description	Residual Risk Score
			<ul style="list-style-type: none"> <li>Connect with colleagues from neighbouring three councils to share resource if needed.</li> </ul>	
Natural Disaster or Fire - Response preparedness <b>TOP TEN RISK</b>	IF a Natural Disaster or Fire causes significant damage to infrastructure and buildings THEN community welfare may be severely compromised, putting people's lives at risk, and staff may be unable to access systems to carry out their day to day duties and functions.	12 Very High  Possible/ Major	<ul style="list-style-type: none"> <li>Civil Defence Emergency Management plans are in place.</li> <li>Procedures following an emergency event are widely known by a number of staff due to Civil Defence</li> <li>Foundational training being rolled out to majority of council staff.</li> <li>Business Continuity Plans need to be in place and practiced regularly for all activities - Directors responsible for having a plan in place for each of their departments to ensure core functions can continue to be delivered.</li> </ul>	12 Very High  Possible/ Major
Disease Outbreak/ Pandemic	If there is a human disease outbreak in the district, then this could impact staff and contractors staff available to deliver service	5 High  Rare/ Catastrophic	<ul style="list-style-type: none"> <li>Health and Safety Advisor to keep aware of any public health notifications of disease outbreaks</li> <li>Ensure there is a plan to respond to any notifications</li> <li>Civil Defence covers infectious human disease pandemics and will take responsibility for local management.</li> <li>Follow Ministry of Health's NZ Influenza Pandemic Action Plan.</li> </ul>	1 Low  Rare/ Serious
Biosecurity threat risk	IF there is a biosecurity threat to animals, or plant life THEN this could affect the economic wellbeing of the district and the ability of council to financially meet community needs.	4 High  Possible/ Serious	<ul style="list-style-type: none"> <li>Ensure council takes a proactive approach to working with Biosecurity NZ, MPI, TRC and the community where a threat is identified.</li> </ul>	2 Moderate  Unlikely/ Important
Critical Asset Failure <b>TOP TEN RISK</b>	IF a critical asset (water treatment plants, stormwater, wastewater, reticulation, roading) failed, THEN unexpected financial burden may arise and there could be significant disadvantage and risk to the community.	12 Very High  Possible/ Major	<ul style="list-style-type: none"> <li>Conduct 2 yearly Asset Criticality Review.</li> <li>Ensure there are established Civil Defence Emergency Management response procedures in relation to fixing critical assets in an emergency event.</li> <li>Management practices and staff training, retention to ensure appropriate skill level in critical asset maintenance.</li> </ul>	4 High  Possible/ Serious

5. Operational Risk Assessment				
Risk Subject	Risk Descriptions	Risk Score Raw	Control Description	Residual Risk Score
Heavy/Extreme Rainfall incidents	IF the Stratford District experiences heavy rainfall continually over a period THEN roads may flood, restricting accessibility, landslips and mudslides may restrict road access and cause property damage, productive land areas may flood reducing functions, Stormwater, Wastewater and Water Supply assets may fail from overburdening, and overflows from Wastewater system may result in untreated water entering the Patea River.	4 Moderate  Likely/ Important	<ul style="list-style-type: none"> <li>Asset Management Plans and Incident Control Response Plans to document critical asset areas and response plan in the event of heavy rainfall incidents.</li> </ul>	2 Moderate  Likely/ Minor
Government Policy Impacting on Local Government <b>TOP TEN RISK</b>	If Government Policy significantly changes the services Council delivers or the way they are delivered, then this could put financial pressure on the district to fund investment in changes, or it may mean previous investment has become redundant.	12 Very High  Possible/ Major	<ul style="list-style-type: none"> <li>Where a policy change may have a significant impact on the Council then we must ensure that the Council makes a submission challenging the change and suggesting alternative options.</li> <li>Council officers and elected members need to keep up to date with policy, and anticipate potential impacts of legislative changes and respond strategically. This could include joint collaboration with business and other councils, accessing alternative funding sources, or obtaining legal or professional advice</li> </ul>	12 Very High  Possible/ Major
Consents	The Council does not undertake the work in accordance with the resource consent conditions. Council can be fined by the Regional Council for breach of conditions.	3 Moderate  Possible/ Important	<ul style="list-style-type: none"> <li>Not negotiable - Consent conditions must be abided by otherwise the consent will be breached</li> <li>Council needs to submit to the Regional Council a methodology about how they are going to undertake the works.</li> </ul>	2 Moderate  Unlikely/ Important

**REPUTATIONAL AND CONDUCT RISKS**

6. Reputational and Conduct Risk Assessment				
Risk Subject	Risk Descriptions	Risk Score Raw	Control Description	Residual Risk Score
Online Passwords	IF online passwords are shared or used inappropriately, THEN there is the risk that staff can access or hack Council owned systems and release sensitive information.	3 Moderate  Possible/ Important	<ul style="list-style-type: none"> <li>Ensure that where a staff member leaves and they have access to logins accessible online that the passwords are changed and access ceases.</li> <li>Limit use of online accounts.</li> </ul>	2 Moderate  Unlikely/ Important
Contractor Damage or Breach	If Council and/or Council contractors are found to be liable for public/environmental damage, or any actions that are unsafe or non-compliant with legislation and applicable policies and standards, then fines, possible injury, long-term damage, reputational damage could result.	4 High  Possible/ Serious	<ul style="list-style-type: none"> <li>Appropriate procedures and guidelines are in place to monitor contractor actions and our own including health and safety audits, contractor meetings/KPI's</li> <li>The Council requires all physical works contractors to go through a thorough health and safety pre-qualification process and become approved before commencing any physical work</li> <li>All relevant staff are kept up to date with pre-approved contractors register</li> <li>Mini audits and random checks should be built into contracts</li> <li>Contractor public liability insurance required for all major contracts.</li> </ul>	3 Moderate  Unlikely/ Serious
Council employees/ contractors abuse members of the public	If Council employees, during the course of their Council duties abuse members of the public,, then the Council may suffer significant reputational damage and potentially be taken to court.	4 High  Possible/ Serious	<ul style="list-style-type: none"> <li>All staff in a public facing role, particularly where they must deal with children, must be police vetted before they commence work.</li> <li>Exception is where the role is urgent and requires immediate start - in these situations the employee should not be left alone at any time until a satisfactory police report has been received</li> </ul>	3 Moderate  Unlikely/ Serious

**Appendix 2 - Wastewater Operational Documents**

<b>Consents</b>	<b>Commencement Date</b>	<b>Expiry Date</b>	<b>CM Reference</b>
<b>0196-5.0</b> - Stratford Oxidation Pond Discharge to Patea River	1/05/2020	1/06/2034	D20/6149
<b>Policies</b>	<b>Commencement Date</b>	<b>Review Date</b>	<b>CM Reference</b>
Procurement Policy	11/06/2019	2022/2023	D18/29563(v3)
Asset Management	26/05/2020	2023/2024	D20/4330
Trade Waste Policy	05/10/2022	2025/2026	D22/6856
<b>Bylaws</b>	<b>Commencement Date</b>	<b>Review Date</b>	<b>CM Reference</b>
Wastewater Bylaw	1/07/2020	1/07/2030	D20/11525
Trade Waste Bylaw	1/07/2020	1/07/2030	D20/33703
<b>Strategies</b>	<b>Commencement Date</b>	<b>Review Date</b>	<b>CM Reference</b>
Infrastructure Strategy 2024-2054	1/02/2024	2053/2054	D23/46205
<b>Contracts</b>	<b>Commencement Date</b>	<b>Review Date</b>	<b>CM Reference</b>
3 Waters Maintenance Contract (1434)	1/07/2022	30/06/2024	D22/21853