



Stormwater Asset Management Plan 2024-2034



TE KAUNIHERA Ā ROHE O
WHAKAAHURANGI
STRATFORD
DISTRICT COUNCIL

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**THE STORMWATER
ASSET MANAGEMENT PLAN
2024-2034
(SAMP)**

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EXECUTIVE SUMMARY

The Stratford District

The Stratford (Whakaahurangi) District is a land locked area encompassing 2170km² 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 Damper Falls. Three main townships make up the Stratford District. They are: Stratford; Midhirst and Toko.

The Stormwater Asset and Activity Management Plan

The Stormwater Asset and Activity Management Plan (SAMP) describes the planning, engineering, financial and technical strategies and practices employed in the delivery of Council's obligations for the delivery of stormwater services at the agreed levels to the community. Activities include the operation, maintenance and development of distribution system including underground pipework and tunnels. The SAMP identifies the local, regional and central government strategic and legislative drivers for the provision of stormwater service in the areas of benefit.

Based on forecasted growth and demand for the service, the SAMP sets out how the stormwater service will be managed over its lifecycle to ensure the optimal delivery of the service within 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.

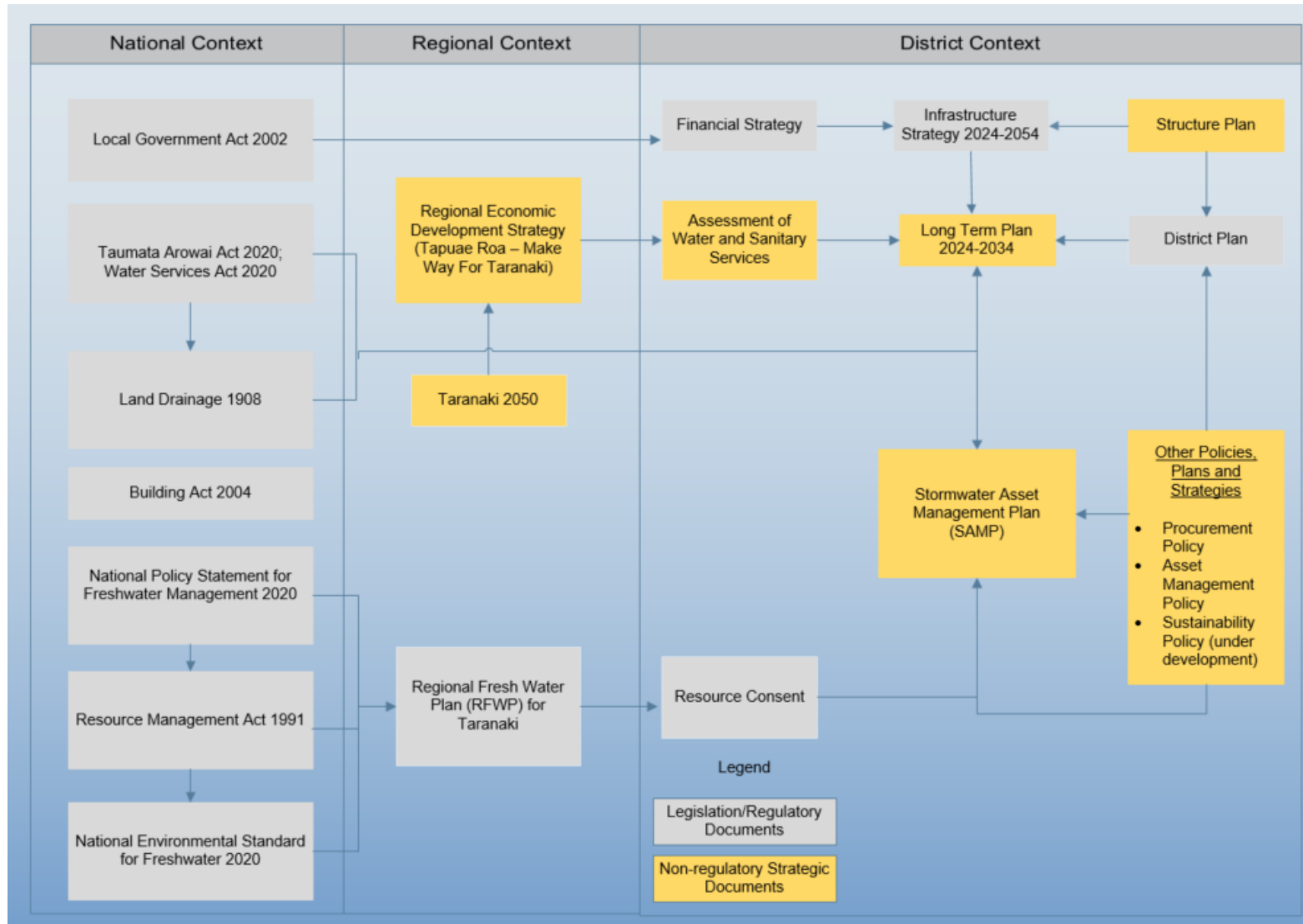
The SAMP is a living document reflecting Council's practice, central and local government requirements policies and guidance. This SAMP is used to inform the Council's Long Term Plan and the Infrastructure Strategy. The AMP details Council services and is used for communicating complex activity management information/strategies with stakeholders, elected members, service managers and other interested parties.

The Strategic and Legislative Context

The Strategic and Legislative Context for the SAMP is as per the framework below. The key central, regional and local government drivers include the:

- The Local Government Act (LGA)2002 (and amendments);
- The National Policy statement for Freshwater Management (FWNPS)
- The Resource Management Act (RMA);
- The Infrastructure Strategy 2024 – 2054 (IS); and
- The Long Term Plan 2024- 2034 (LTP)

The Legislative and Strategic Context (SAMP)



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 Problem and Benefit Statements

The Council has identified key problems to be addressed in the coming years. Along with these, projects have been highlighted and statements of the benefits of implementing those projects in solving the identified problems. A summary of our *Problem and Benefit Statements* along with projects identified to deliver the benefits, are provided in the Table below.

Summary of Problem and Benefit Statements

Problem Statements	Preferred Option / Project	Benefit Statements
Problem Statement 1: Network Planning and Modelling	Commission a new Wastewater model	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 have commissioned a report for catchment 6 to show the investment needed to accommodate growth. The modelling project is planned to be extended in 2024/025 to analyse the stormwater for the entire catchment
Problem Statement 2: Pipework Capacity Issues	Programme the implementation of pipework capacity increase to support growth.	This programme is to address under-capacity of pipe network to support growth, residential infill and other intense land-use activities. 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.
Problem Statement 3: Stormwater Safety Improvements	Conduct an inlet structure study, and its implementation, to ascertain the extent of potential upgrades required to meet public safety requirements	Ensuring stormwater ingress structures such as manholes and entry grates are locked keep our community safe in the event of flooding

Problem Statements	Preferred Option / Project	Benefit Statements
Problem Statement 4: Climate change	Create a catchment management plan to support upgrade of existing assets to accommodate a 1 in 100 year storm event	Should improve stormwater management in the existing network
Problem Statement 5: Silt removal of Victoria Park	Desilt the Victoria Park pond	Ensuring no silt enters the tributary of the Patea aligns the Council with the freshwater plan for taranaki

Our Levels of Service and Performance Measures

Stratford District Council undertakes performance monitoring of the activities and services it provides.

The Council monitors its performance through the use of performance measures and targets. The Council's 'Internal' performance measures and targets were developed and set by the Council. The performance targets measure how well the Council is delivering on Levels of Service and the performance of the activity assets. A summary of the Level of Service (LoS) performance measures is provided below. A snapshot of Council's performance trends and targets is provided in Section 5 of the SAMP.

Our Level of Service Performance Measures

Level of Service	Performance Measure	Outcome Category
1. Stormwater system protects property from impacts of flooding.	System adequacy <ul style="list-style-type: none"> The number of flooding events that occur in a territorial authority district. "Flooding" in this context means stormwater entering a habitable floor. For each flooding event, the number of habitable floors affected. (Expressed per 1000 properties connected to the territorial authority's stormwater system.) For each flooding event, the number of buildings in the central business zone affected by flooding. 	DIA measure
2. Discharge Compliance	Resource Consent Compliance – Compliance with the territorial authority's resource consents for discharge from its stormwater system measured by the number of <ul style="list-style-type: none"> Abatement notices Infringement notices Enforcement orders; and Convictions, Received by the territorial authority in relation to those resource consents. This target is 0.	DIA measure
3. Response and Resolution Times	The median response time to attend a flooding event, measured from the time that the territorial authority receives notification to the time that service personnel reach the site.	DIA measure
4. Customer satisfaction	Complaints - The number of complaints received by a territorial authority about the performance of its stormwater system, expressed per 1000 properties connected to the territorial authority's stormwater system.	Council/Internal 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 our Internal/Council Performance Measures.

Work Category	Identified Projects	Performance Outcomes			
		System Adequacy	Discharge Compliance	Response Times	Customer Satisfaction
Renewal/ Replacement	Stormwater reticulation renewals	✓		✓	✓
	Desilt ponds	✓			✓
	Manhole lid safety screens	✓	✓		
Level of Service Improvements	Reticulation capacity increase	✓	✓	✓	✓
	Modelling	✓	✓	✓	✓
	Safety improvements	✓	✓		✓
	Capacity increase	✓	✓	✓	✓

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 Stormwater 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.

Generally, 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 funded from Loans and Reserves.
- 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.

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

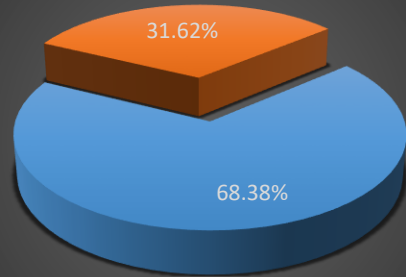
Executive Summary

Our 10-year Operating and Capital Expenditure for Stormwater

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
499	Operating Expenditure	471	495	503	525	524	548	557	577	581	602
0	Revenue	0	0	0	0	0	0	0	0	0	0
499	Net Cost of Service	471	495	503	525	524	548	557	577	581	602
<u>EXPENDITURE</u>											
49	Operating Costs	79	81	84	85	87	89	91	92	94	96
45	Interest	54	55	54	54	51	53	56	56	53	52
255	Depreciation	277	300	300	318	318	334	338	357	357	378
149	Allocated Overheads	61	59	65	68	68	72	72	72	76	76
499	Total Operating Expenditure	471	495	503	525	524	548	557	577	581	602
52	Principal Loan Repayments	53	57	58	59	57	58	62	62	60	57
589	Capital Expenditure	650	103	284	108	111	311	255	118	302	247
1,140	Total Expenditure	1,174	655	845	692	692	918	874	758	943	906
<u>FUNDED BY:</u>											
0	Revenue	0	0	0	0	0	0	0	0	0	0
0	General Rates	0	0	0	0	0	0	0	0	0	(0)
429	UAGC	468	492	500	522	522	546	555	576	580	602
0	Targeted Rates	0	0	0	0	0	0	0	0	0	0
108	Transfer from Reserves	253	160	185	167	167	172	201	181	181	304
64	Depreciation funded from Reserves	0	0	0	0	0	0	0	0	0	0
533	Loan Funding - Capital	337	0	158	0	0	198	116	0	181	0
0	Grants/Donations - Capital	113	0	0	0	0	0	0	0	0	0
6	Other Funding	3	3	3	3	3	2	2	1	1	0
1,140	Total Funding	1,174	655	845	692	692	918	874	758	943	906

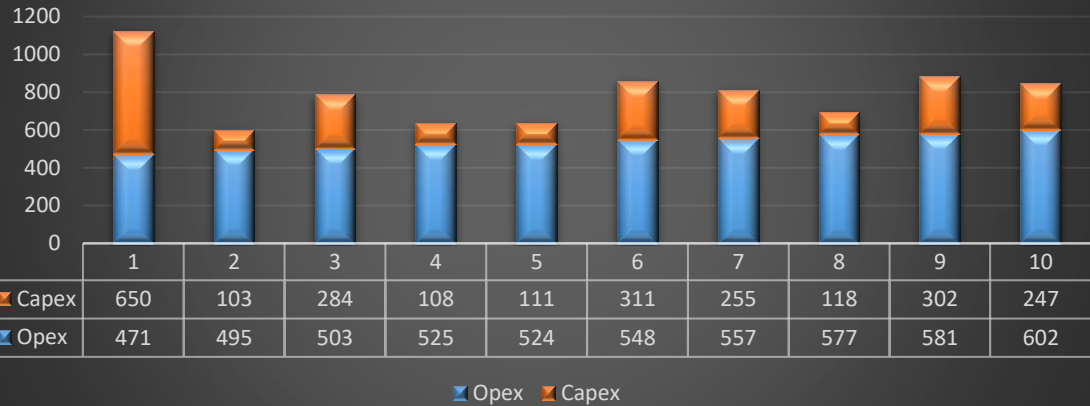
Executive Summary

Stormwater Expenditure



■ Operating Expenditure ■ Capital Expenditure

Annual Stormwater Budget - Capex vs Opex 2024 - 2034

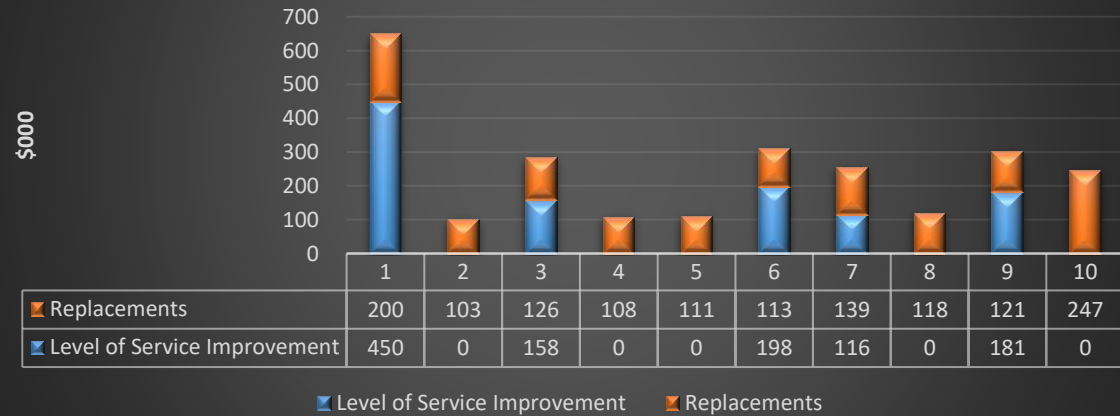


Stormwater Capex



■ Level of Service Improvement ■ Replacements

Annual Stormwater Budget - LoS vs Replacements 2024-2034



1.0

Introduction

1.0: INTRODUCTION

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1.1. PURPOSE OF THIS PLAN

The Stormwater Asset Management Plan 2024-2034 (SAMP) is a 10 year Strategic Plan for the Stratford District Council, Te Kaunihera ā Rohe o Whakaahurangi ('the Council'). It details how the Council will manage the stormwater activity and assets in an efficient, safe, reliable and sustainable manner to provide value for money to our customers and investors.

The SAMP informs the development of the Council 2024-2034 Long Term Plan ('the LTP'). It shows how the Council will prioritise and address key stormwater issues facing our District, 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 SAMP 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 and for the right price.

The audience for this plan includes our Investment Partners, 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 SAMP is reviewed every three years in line with the long-term planning process and in compliance with the Council's Asset Management Policy.

The Stratford District Council's Asset Management Policy requires the Asset and Activity Management Plans to be peer reviewed by an external reviewer and members of the public who will take an interest in the future of levels of service the Council will be offering before the document is formally presented to Council for adoption.

1.2. THE STRATFORD DISTRICT

Initial settlements in the Stratford District 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 now home to many settlements, with the four 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-20th 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.*)

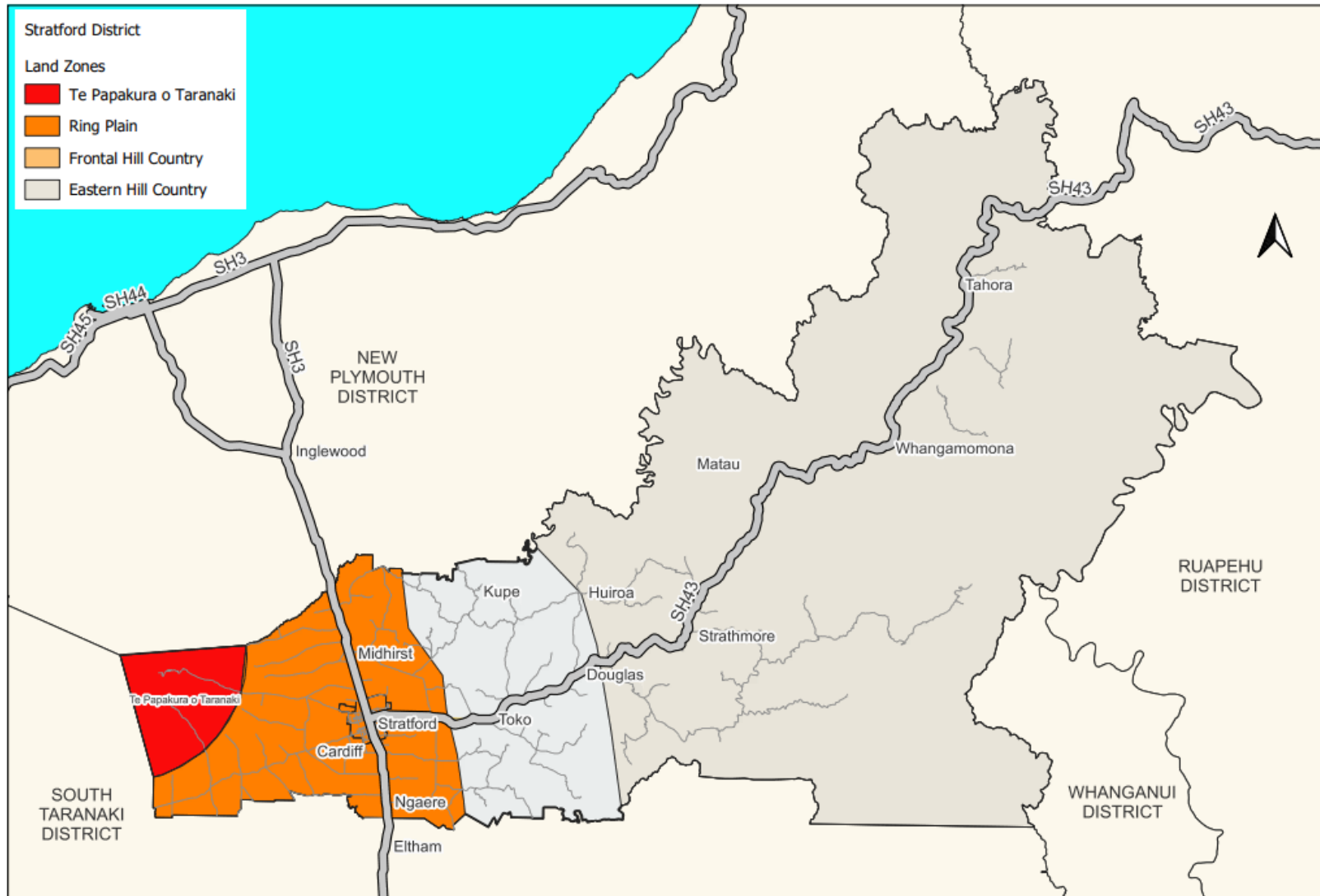


Figure 1 - Stratford District

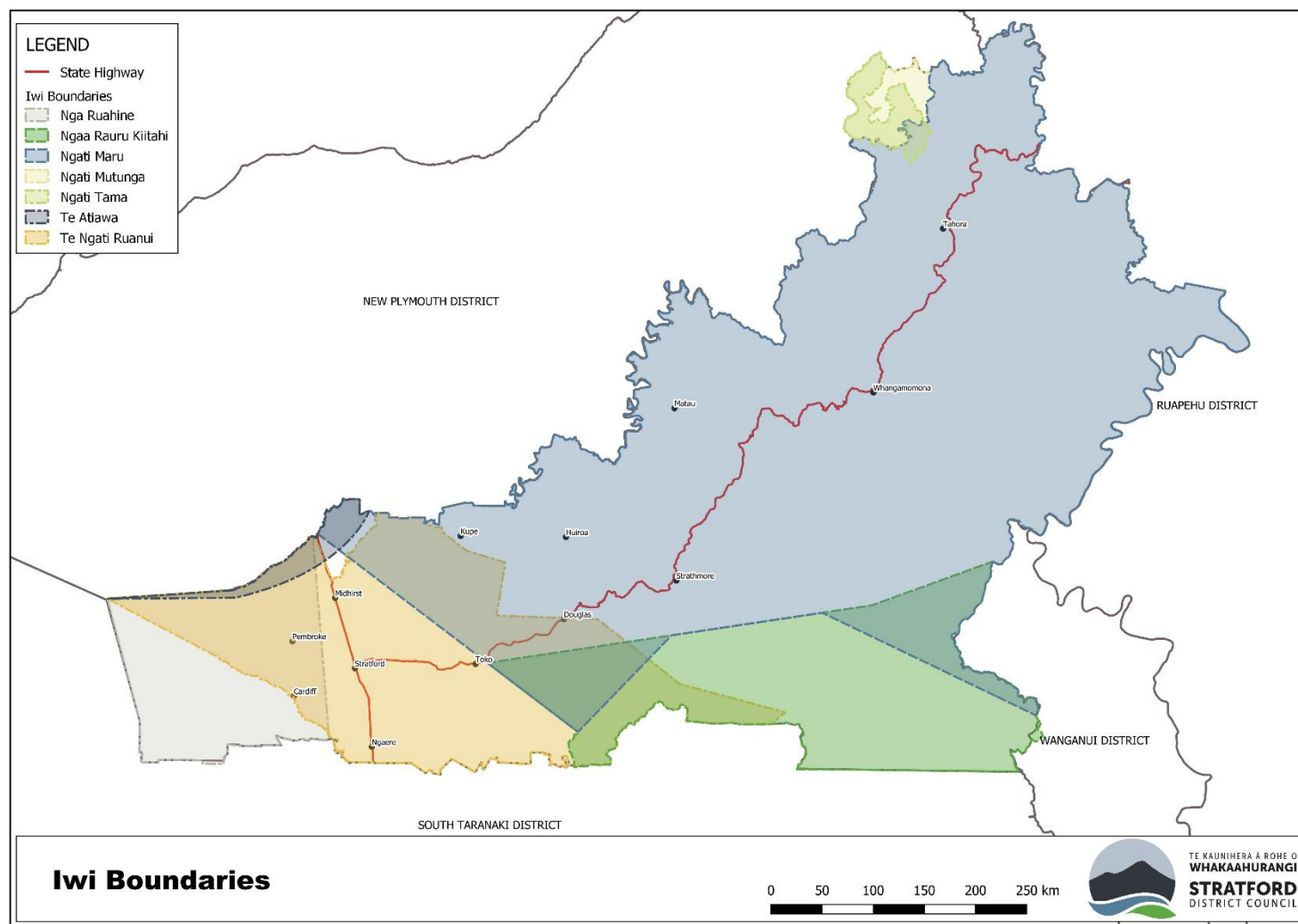


Figure 2: Iwi Boundaries within the Stratford District

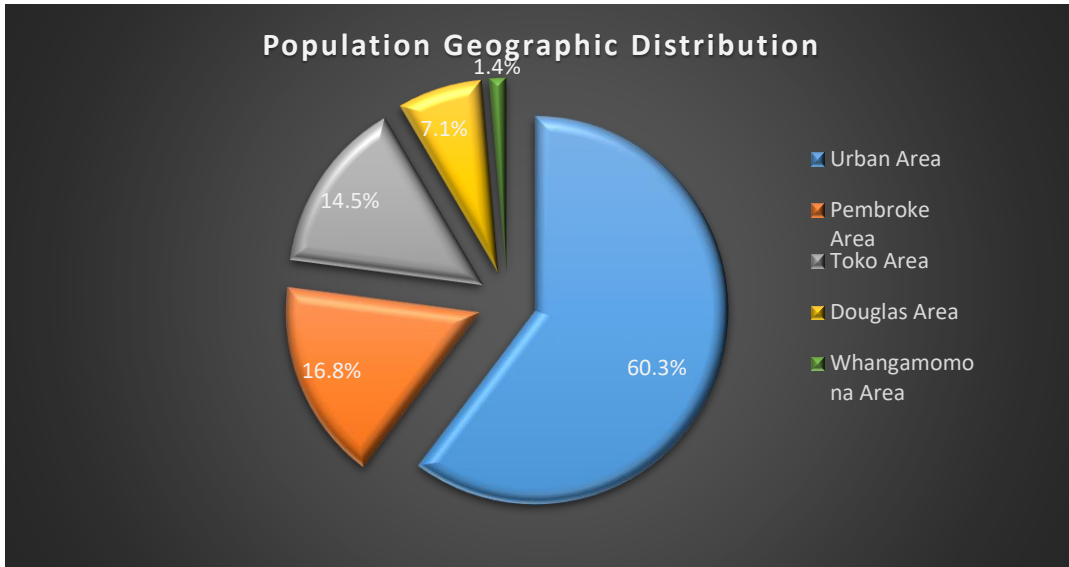


Figure 3: Current Population Geographic Distribution

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 **Vision 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 Roding 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.

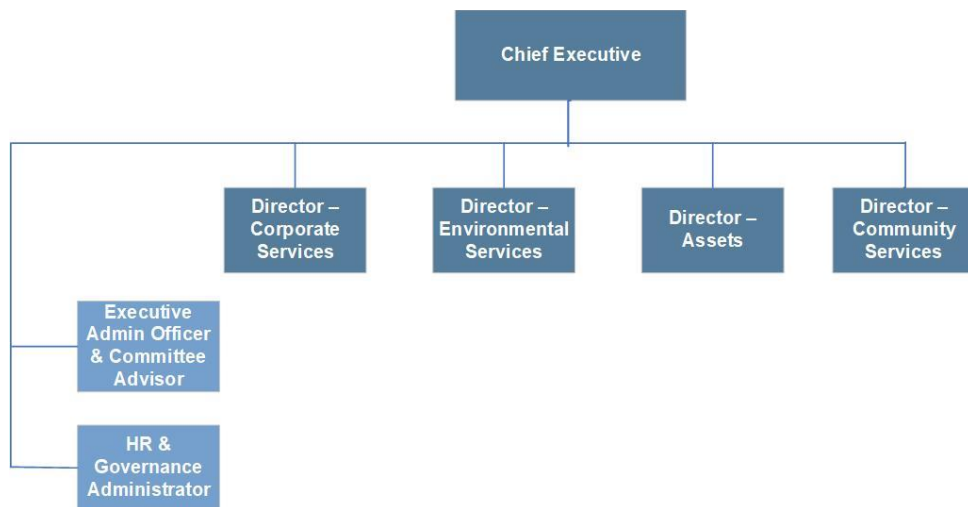


Figure 4 - The Senior Leadership Team

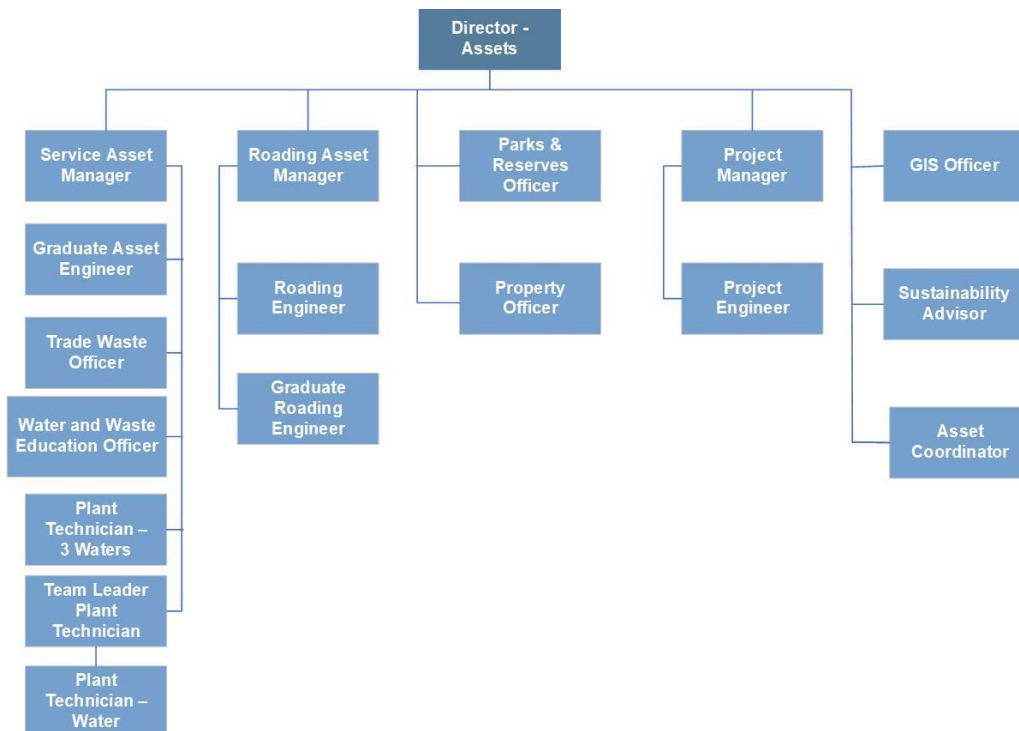


Figure 5 - The Assets Department

1.4. THE STORMWATER ACTIVITY

The Stormwater activity encompasses the planning, provision, operation, maintenance and renewal of stormwater reticulation systems and all associated infrastructure contained in the SAMP.

1.5. THE IMPORTANCE OF THE STORMWATER ACTIVITY

Stormwater assets are critical for the protection of properties and infrastructure. As required under Part 2 of the Local Government Act 2002 and Part 2 of the Health Act 1956 Stratford District Council provides stormwater reticulation and collection services that:

- Collects and disperses any excess water from a major rainfall event.
- Provides a system for the normal drainage of stormwater and groundwater, thereby enhancing the life of other infrastructure e.g. roads and protecting private property, at the agreed level of service.

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

- Channelization of stormwater flows in a safe and efficient manner;
- Protection of property from impacts of flooding;
- Protection of receiving environments.

By meeting its goals and objectives the Stormwater Activity contributes to the achievement of national, regional and district goals and objectives.

The stormwater activity goals and objectives contribute to the Community Outcomes shown in Table 1.

Table 1 - Community Outcomes

	Community Outcomes	Stormwater Activity Contribution
Welcoming	<ul style="list-style-type: none"> • We celebrate the unique stories of our district • We are inclusive, and value our diversity • Stratford is a friendly place where our visitors feel welcomed • Our diverse community feels safe and supported • We promote the district as the place to visit, live, play, learn and work 	<ul style="list-style-type: none"> • Maintaining the stormwater infrastructure in a sustainable and efficient manner for the future. • Delivering on the agreed level of service. • Funding 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.
	<ul style="list-style-type: none"> • We will empower the community to eliminate waste • 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 • We support a low-emissions future for our community • We enable our rangatahi (youth) to be sustainable leaders • We have resilient infrastructure that meets the current and future needs of the district • We respect and apply Te Ao Māori values and Mātauranga Māori in our mahi (actions/work) 	
Resilient	<ul style="list-style-type: none"> • We provide opportunities for families and people of all ages to connect with others in the community • Our community is engaged and actively participates in democracy • We value local knowledge when making decisions • We advocate for the services that our community needs to live safe and healthy lives • We welcome opportunities to work in partnership with others to help achieve our community outcomes • We are committed to fostering meaningful and genuine partnerships with Mana Whenua 	
Connected		

	Community Outcomes	Stormwater Activity Contribution
Enabling	<ul style="list-style-type: none"> 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 	

1.6. OUR CUSTOMERS, PARTNERS AND KEY STAKEHOLDERS

The Stormwater 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 - Customers, Partners and Key Stakeholders

Customers, Partners and Stakeholders	Involvement
Home Owners and Occupiers; Businesses and Organisations;	These customers realise the benefits provided by the Stormwater 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 stormwater 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 (TEMO)/Civil Defence <ul style="list-style-type: none"> Risk Reduction Advisory Group (RRAG) Readiness and Response Advisory Group (RARAG) Lifelines Advisory Group (LAG) Volcanic Futures; https://www.volcanicfutures.co.nz 	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 stormwater 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 Stratford District 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

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Legislative and Strategic Context

2.1. OVERVIEW

This section describes the legislative and strategic context of the Stormwater AMP at the national, regional and district levels.

2.2. NATIONAL DRIVERS

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

- The Local Government Act 2002 and amendments;
- The National Policy statement for Freshwater Management 2020;
- The Resource Management Act 1991;
- Land Drainage Act 1908;
- Civil Defence Emergency Management Act
- The Health Act 1956;
- Public Works Act 1981;
- The Building Act 2004;
- Utilities Access Act 2010;
- Electricity Act 1992;
- Gas Act 1992;
- Non-Financial Performance Measures Rules 2013.
- Climate Change Response Act 2002

2.2.1. THE LOCAL GOVERNMENT ACT 2002 AND AMENDMENTS

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*
- *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 Sections 125 and 128, requires the Council to at least every 3 years complete assessments of wastewater 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 wastewater 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.

2.2.2. 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.

2.2.3. THE RESOURCE MANAGEMENT ACT 1991/THE RESOURCE MANAGEMENT ACT REFORM

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.

The RMA regulates the volume, rate, timing of the taking of water from streams, rivers or bores, through the resource consent process. The Stratford District Council holds Resource Consent 0195-3 for the taking of water from the Patea and Konini Rivers for the Stratford Water Scheme, Resource Consent 1276-3 for the taking of water from the Te Popo stream for the Midhirst Water Scheme and Resource Consent 1337-3 for the taking of water from a bore for the Toko Water Scheme.

The Midhirst Resource Consent 1276-3 expired in June 2021 and the Toko Resource consent 1337-3 expired in June 2022. An application to renew these consents has been lodged with the Taranaki Regional Council. All Stakeholders, including Ngāti Ruanui, Ngāruahine, Te Atiawa, Ngati Māru and Fish & Game NZ, have been engaged in early conversations and initial discussions with Cultural Impact Assessments commissioned for both consents.

Legislative and Strategic Context

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 website¹: 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 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.

2.2.4. LAND DRAINAGE ACT 1908

The Land Drainage Act 1908 prescribes the Council's responsibilities for land drainage in the protection of private property from flooding. The Act also states Council's liability in the event of consequential damages arising from a lack of maintenance (neglect) of drains under its management causing flooding of private property. Therefore to avoid potential liability claims, the Council adequately maintains the existing drainage systems and undertake any upgrades required to maintain the delivery of that service, particularly in the face of climate change.

2.2.5 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

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

Legislative and Strategic Context

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 wastewater and storm water networks. (Regional councils will remain the primary regulators of wastewater and storm water).

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 organisation.
- 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 CIVIL DEFENCE EMERGENCY MANAGEMENT ACT 2002

The Civil Defence Emergency Management Act 2002 establishes a framework for building resilient New Zealand communities.

The National CDEM Strategy is the crown's vision for emergency management in New Zealand and is supported by:

- The National CDEM Plan, which sets out strategies and goals, outlining arrangements for managing emergency events of national significance, and,
- CDEM Group Plans, outlining similar arrangements at the regional level.

The Civil Defence Emergency Management Act 2002 establishes to:

- Promote sustainable management of hazards
- Enabling communities to achieve acceptable levels of risk
- Requires co-ordination of CDEM activities
- Encourages co-ordination and integration across sectors to address interdependencies

2.2.8 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.)

As part of the CCR Act 2002 SDC is committed to ensuring we can respond appropriately to climate change. Some ways we are doing this include:

- Recording and logging data of storm and flooding events.
- Developing an understanding of stormwater flows and soakage across Stratford through Geotech reports.
- Requiring public stormwater assets to be built to a minimum standard of 6.5 RCP and 2081 estimates for rainfall.

Included in the CCR Act 2002 is the United Nations Framework Convention on Climate Change which has a commitment to prepare adaptations to the impacts of climate change and to prepare plans for the protection and rehabilitation of areas affected by drought or floods.

2.3. REGIONAL CONTEXT

2.3.1. THE REGIONAL FRESH WATER PLAN FOR TARANAKI (RFWP)

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 RFWP supplies the framework for setting the conditions under which the Stratford, Midhirst, and Toko Water Supply Treatment plants must operate to achieve the goals of the plan.

2.3.2. THE REGIONAL ECONOMIC DEVELOPMENT STRATEGY – TAPUAE ROA

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.

Legislative and Strategic Context

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.

Legislative and Strategic Context

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.

The relationship between the Annual Plan and the SAMP is similar to that of the LTP, with the exception of it only applying to the year of the LTP being prepared for.

Table 3 - District Strategic Drivers

Strategies/ Plans/ Documents	Description	Review Frequency	Relationship to the Asset Management Plan
Communication and Engagement Strategy	Developed in compliance with Section 76AA of the Local Government Act 2002 to set out Council's approach to communicating and engaging with the community.	Ten yearly	Provides a framework for communication and engagement
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.
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.
Significance and Engagement Policy	Developed in compliance with Section 76AA to set out Council's approach to: <ul style="list-style-type: none"> 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. Regarding community engagement and the ways the community can influence and participate in the decision-making of the Council. 	Three yearly	Determines level of engagement required for asset management planning activities/projects
Procurement Policy	The purpose of this policy is to ensure Council, when procuring goods, works or services; <ul style="list-style-type: none"> 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 	Three yearly	Provides the framework for the purchasing of goods, works and services for Stratford District Council

Legislative and Strategic Context

Strategies/ Plans/ Documents	Description	Review Frequenc y	Relationship to the Asset Management Plan
	has a local procurement policy applying to works with a monetary value up to a limit prescribed by Council.		
Annual Plan (AP)	A regulatory document pursuant to Section 95 of the Local Government Act 2002. The Annual Plan updates information reported on within the LTP including its objectives, intended activities, performance, income and expenditure and shows how that year of the LTP will be funded.	Annually	Determines annual KPI targets for performance monitoring
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, Bylaws	The tools that guide and direct Council activities (see Appendix 2)	As applicable	Support asset management planning and good practice.

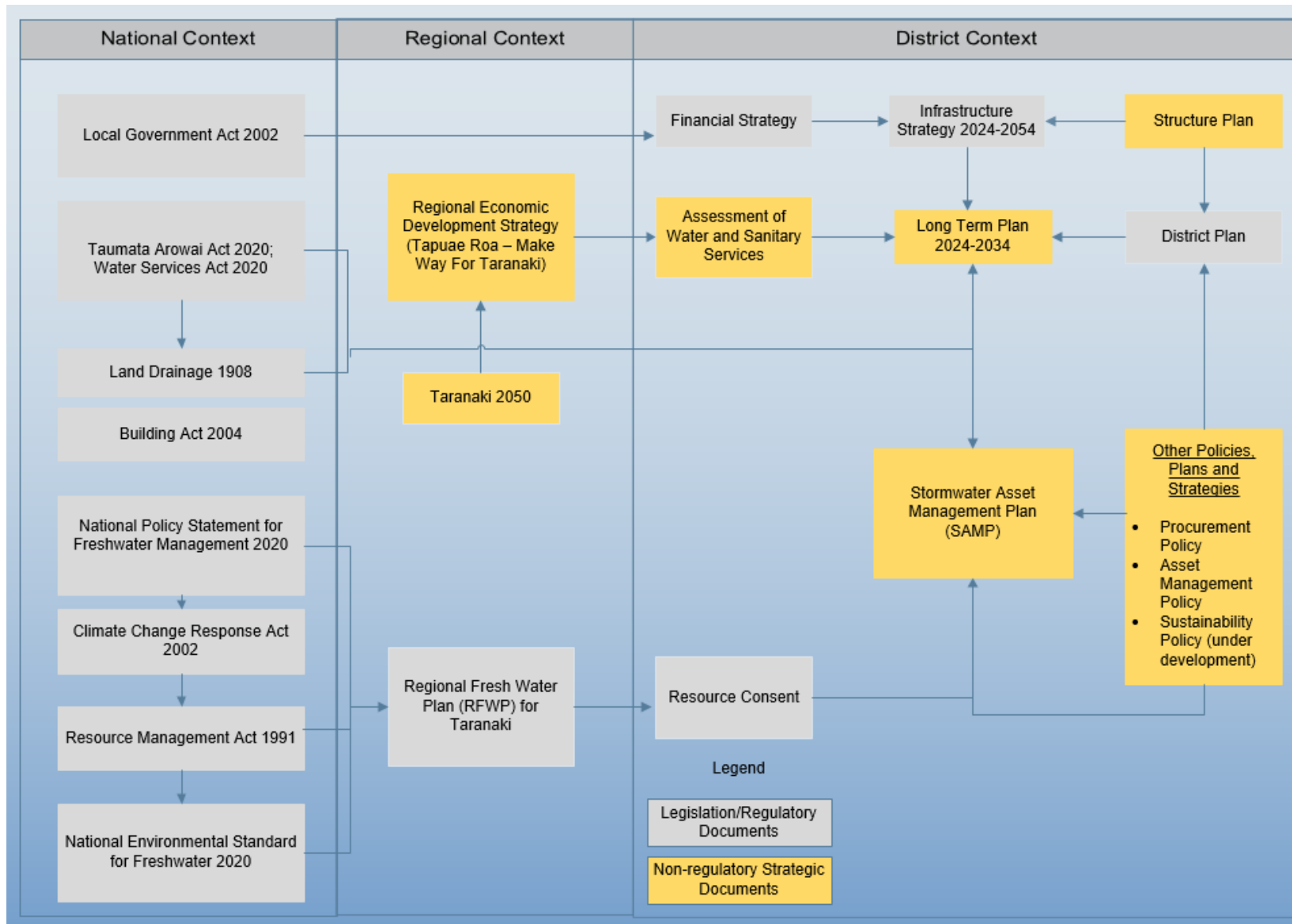


Figure 6 - Legislative and Strategic Framework (SAMP)

3.0 Asset Information

3.0: ASSET INFORMATION

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3.1. ASSET OVERVIEW

The Stratford District Council manages around 27.8 km of stormwater pipes, 2.0 km of tunnels, and 8.2 km of open channels/drains in the Stratford urban area. Council is also responsible for approximately 581 metres of pipes and culverts in Midhirst.

The Stormwater system is a network of pipes, open drains and tunnels that collect stormwater from developed urban areas (Figure 5). Stormwater is discharged and collected in three ways;

- Collection from roads and public areas is usually via sumps and directed to reticulation
- Commercial and industrial properties are permitted to discharge into a Council system or kerb line
- Residential area stormwater is discharged to ground mainly by soak holes, although if soil or other conditions are not suitable for soak holes, discharge is carried out via runoff through sumps and reticulation.

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 asset valuations contained in Table 4 were carried out by Beca Projects NZ Ltd as of 01 July 2021.

- **Replacement Cost (RC)** is the cost of the modern equivalent asset that replicates the existing asset most efficiently;
- **Optimised Depreciated Replacement Cost (ODRC)** is the optimised replacement cost after deducting an allowance for wear or consumption to reflect the remaining or economic service life of an asset; and
- **Annual Depreciation (AD)** is the systematic allocation of an amount over an asset over its useful life.

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

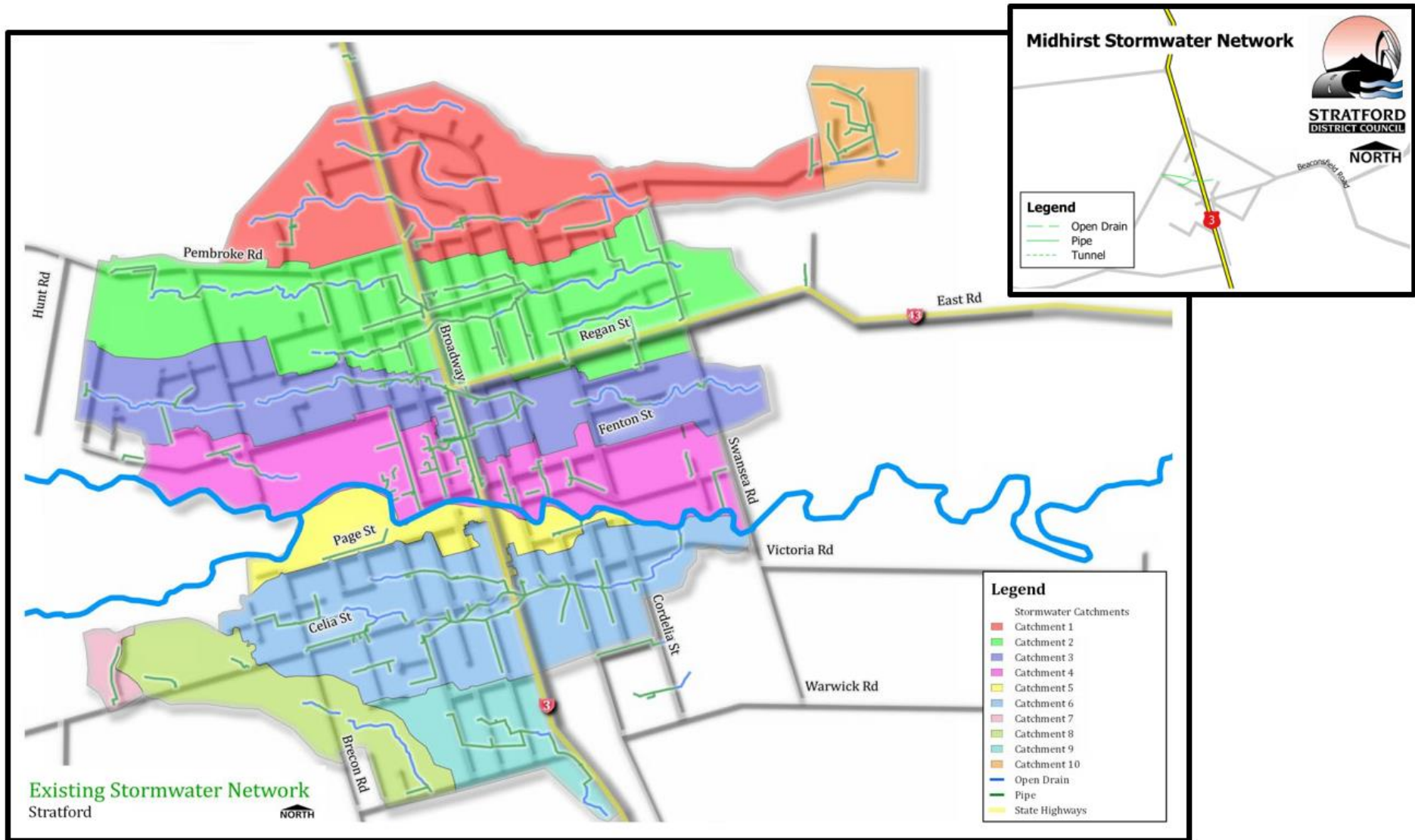


Figure 7 - Stratford Urban and Midhirst Stormwater Network

Table 4 –Stormwater Asset Valuation Summary

Asset Group	Asset Component	Size (mm)	Quantity (km or units)	Useful Life (yrs.)	Remaining Useful Life (yrs.)	Values (\$)		
						RC	ODRC	AD
Pipes	Pipe	100mm	0.15891	70-100	45	41,957.87	6,076.69	192.50
	Pipe	150mm	0.75261	70-100	53	242,641.50	132,212.94	2,711.85
	Pipe	180mm	0.07577	100	54	24,428.25	13,191.26	244.29
	Pipe	200mm	0.59775	100	65	192,714.62	143,011.63	1,927.14
	Culvert	225mm	7.54092	70-100	47	2,431,192.57	1,067,764.71	24,809.09
	Culvert	250mm	0.46403	70-100	62	149,603.25	89,684.20	1,502.56
	Culvert	300mm	6.25418	70-100	69	2,952,973.53	2,062,213.94	29,605.78
	Culvert	375mm	1.77207	70-100	66	912,261.63	622,633.00	9,692.90
	Culvert	450mm	1.36063	70-100	52	891,484.76	492,082.35	9,048.20
	Culvert	525mm	0.74428	70-100	57	541,835.84	368,738.63	6,019.08
	Culvert	600mm	1.01675	70-120	54	1,002,037.17	536,769.72	9,982.40
	Culvert	625mm	0.02813	100	57	28,348.29	16,069.19	283.49
	Culvert	750mm	0.3738	80-100	73	466,502.40	349,279.73	4,768.41
	Culvert	800mm	1.90109	120	24	5,486,545.74	1,097,309.14	45,721.24
	Culvert	900mm	0.88181	100	74	1,513,185.96	1,098,393.98	15,131.87
	Culvert	1050mm	0.38467	100	81	927,331.67	770,692.82	9,273.31
	Culvert	1200mm	0.86884	100	71	2,507,472.24	1,734,186.07	25,206.12
	Culvert	1350mm	0.10559	100	95	356,155.07	337,160.14	3,561.55
	Culvert	1500mm	0.1517	100	76	591,630.00	427,566.17	5,916.30
	Culvert	Unknown	1.05158	100	27	283,158.30	89,569.19	2,831.56

Asset Group	Asset Component	Size (mm)	Quantity (km or units)	Useful Life (yrs.)	Remaining Useful Life (yrs.)	Values (\$)		
						RC	ODRC	AD
Total Pipes			26.48511			21,543,460.66	11,454,605.50	208,429.64
Point	Manholes and Sumps	Varies	375	50-100	62	2,350,393.31	1,581,219.29	23,573.80
Total Point						2,350,393.31	1,581,219.29	23,573.80
Total Stormwater						23,893,853.97	13,035,824.79	232,003.44
<i>Note: Stormwater Asset Valuation Summary as at 01 July 2023 – Beca projects Ltd Asset Valuation Report</i>								

3.3. USEFUL LIFE

Useful life (Base 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

Stratford District Council uses *AssetFinda* to support management of the Stormwater 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 Stormwater activity infrastructure is entered into AssetFinda by the Engineering Officer, GIS Officer, engaged Consultants or the Contractor.

3.5. THE STORMWATER INFRASTRUCTURE ASSETS

The Stormwater system is a reticulation only system. It is a network of pipes, open drains and tunnels that collect stormwater from developed urban areas. Stormwater is discharged and collected in three ways:

- Collection from roads and public areas, usually via sumps and directed to reticulation;
- Commercial and industrial discharging into Council's system or kerb line;
- Residential area stormwater discharging to ground mainly by soak holes. Where soil or other conditions are unfavourable for soak holes, discharge is via runoff sumps and reticulation.

3.6. 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 5 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 5: 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"> • AM System scope is defined and documented. 	<ul style="list-style-type: none"> • The Council has adopted an Asset Management Policy to provide the overall direction for asset management in the district. • 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.

	Asset Management Disciplines	Maturity Index	Maturity Description	What we do
2	Defining Level of service	Intermediate to Advanced	<ul style="list-style-type: none"> Level of service and cost relationship understood. Customers are consulted on significant service levels and options. Customer communications plan in place. Levels of service are integral to decision making and business planning. 	<ul style="list-style-type: none"> 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. The LOS are defined in the AMPs for each work activity. Redefined levels of service in previous years include: <ul style="list-style-type: none"> Network Planning and modelling Pipe work – increase the size; New management of the trade waste discharges Reduction in the wastewater pipe inflow/infiltration Addition of new back flow devices; More staff to implement higher LoS defined; Universal metering; Higher wastewater discharge quality;
3	Forecasting future demands	Core to Intermediate	<ul style="list-style-type: none"> Risk associated with demand change broadly understood and documented. Demand management considered as an alternative to major project development. 	<ul style="list-style-type: none"> We have a broad understanding of the issues for each work activity and these are documented in the AMP as "Problem Statements". Forecasting is based on population and economic growth statistics in addition to regulatory changes at the central government level. 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"> Universal metering to encourage water conservation; and New PRVs for flow and pressure managements;
4	Collecting Asset Information	Intermediate	<ul style="list-style-type: none"> A reliable register of physical, financial and risk attributes recorded in an information system with data analysis and reporting functionality. Systematic and documented data collection process in place. 	<ul style="list-style-type: none"> AssetFinda is the database for our 3-waters assets for recording the physical, financial and risk attributes. Data is collected, updated and validated on an ongoing basis, particularly when new assets are being installed and maintenance occurs on existing assets.
5	Monitoring Asset Performance and Condition	Core	<ul style="list-style-type: none"> Condition and performance information is suitable to be used to plan 	<ul style="list-style-type: none"> The condition - physical integrity - of an asset is deduced based on the age, material type and analysis of collected statistical data. The performance, being a measure of whether the asset is delivering level of service

Asset Management Disciplines	Maturity Index	Maturity Description	What we do
		maintenance and renewals to meet over the short term.	requirements – is monitored during routine inspections and asset upgrade.

3.7. 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 stormwater infrastructure assets by the age of the asset, through visual targeted inspections (including sampling) and 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, for example to meet regulatory requirements or for asset acquisition, disposal, or justification.

Targeted inspections of stormwater 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 stormwater assets Stratford District Council undertakes the underground reticulation inspections, carried out by the Contactor during works or as issues are identified.

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 stormwater includes:

- Underground reticulation;
- Manholes;
- Visual stream inspections for obstructions (twice per year).

Condition Grading - Visual targeted inspections (including sampling), 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.

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 assumed condition of assets are ranked from 1-5 as illustrated in Table 6 below. In the last 3 years new stormwater assets were installed. 33 sections have been added to the stormwater infrastructure with the creation of the new subdivision on Pembroke Road.

Table 6 - Condition Grading System

Grade	Condition	Description	Expected Proportion of network (%)
1	Very Good	Asset in structurally sound and excellent physical condition. No work required	30%
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	17%
4	Poor	Asset failure likely in the short term. Significant work required now to return asset to agreed level of service	34%
5	Very Poor	Asset has failed/is about to fail. Renewal/Replacement required Urgently	2%

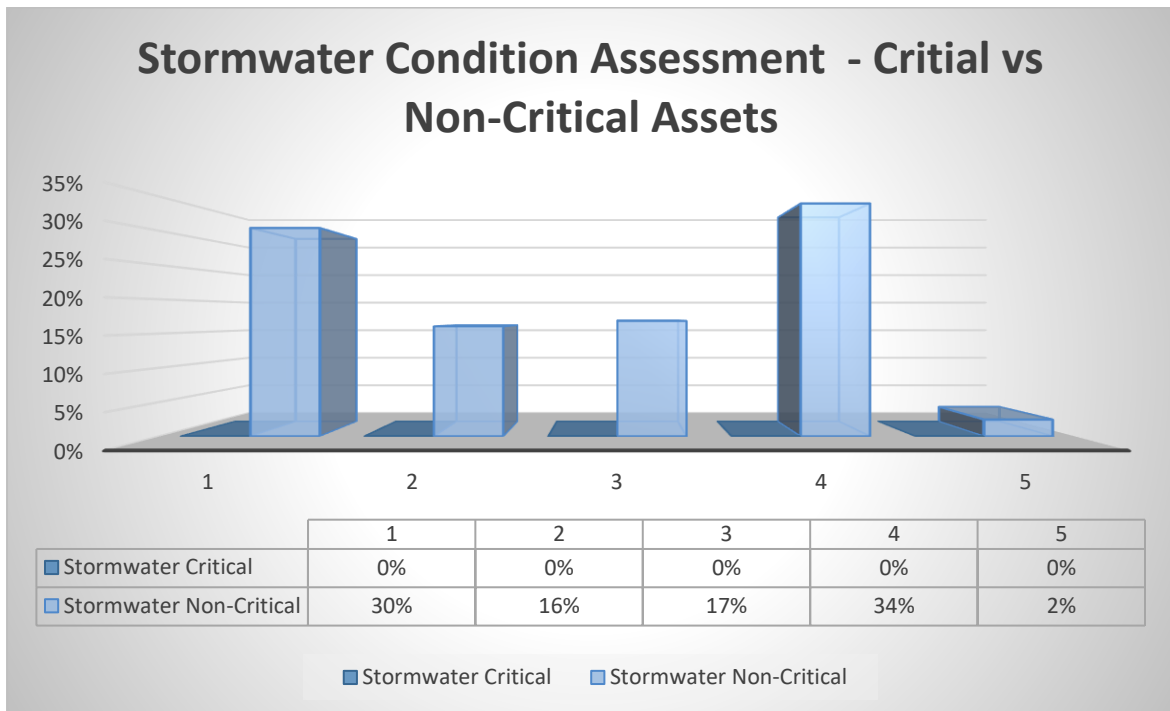


Figure 8: Stormwater Condition Assessment - Critical vs Non-Critical Assets

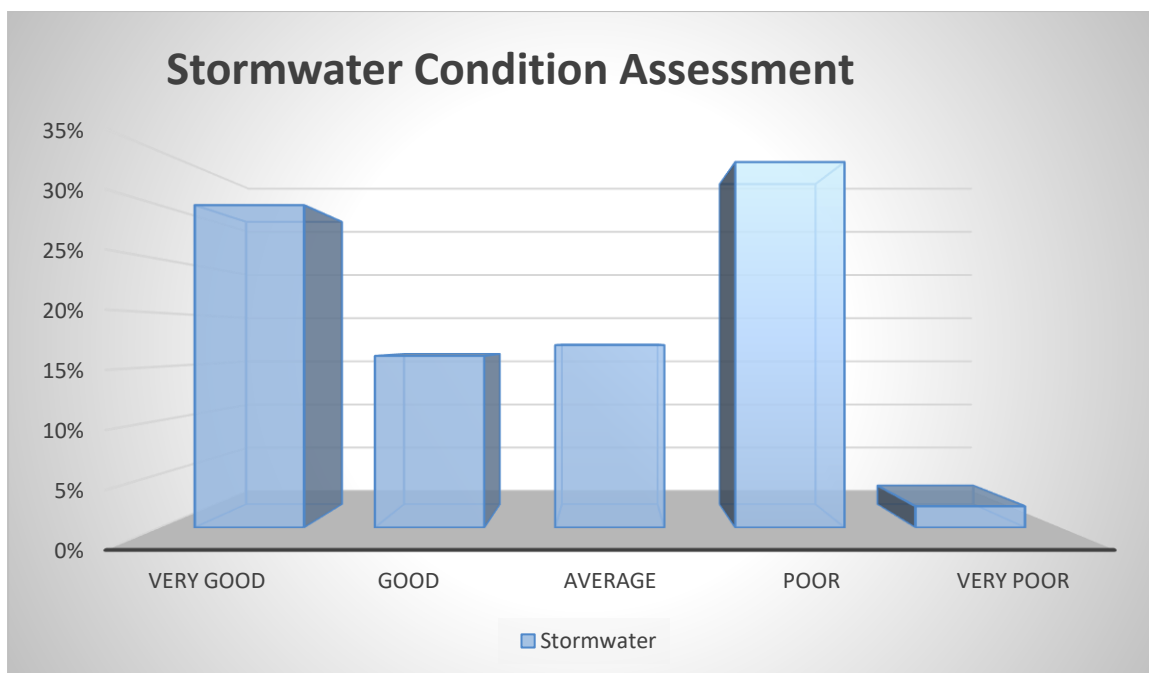


Figure 9: Stormwater Condition Assessment - Overall

3.8. 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 Council’s level of confidence in targeted inspection data, the Stratford District Council has implemented the *Data Confidence Grading System* in Table 8. Asset Grading by asset group is provided in Table 9.

Table 7 - 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 8 - 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 -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 9: Asset Grading by Asset Group

Asset Group	Key Confidence Attributes Percentage (%)				Average	Assessed Confidence Level	Confidence Grading
	Location	Diameter /size	Material	Age			
Pipes	70	60	70	80	70	Very Uncertain	4
Points	85	60	70	85	75	Uncertain	3
OVERALL ASSESSMENT	Reliable to Uncertain						

3.9. ASSET MANAGEMENT IMPROVEMENT PLAN ITEMS

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

Table 10 - Asset Management Improvement Plan Items

Sub Section	Task	Due Date
3.7	<p>Improve condition data accuracy and reliability</p> <p>Council’s knowledge of the extent, location and condition of the stormwater reticulation system is currently not fully understood. This lack of knowledge hasn’t allowed Council to accurately prepare a renewal/replacement program or in some cases, understand how Council performance against Levels of service is/is not attained. Therefore, improving condition data information is 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 forecasts and the demand drivers for the provision; development and sustainability of the Water 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 Water Services.

The demand for the provision of Water Supply 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. Information on future growth forecast has been supplied by Infometrics NZ.

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; and
- 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.

Table 11 and Figure 10 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%

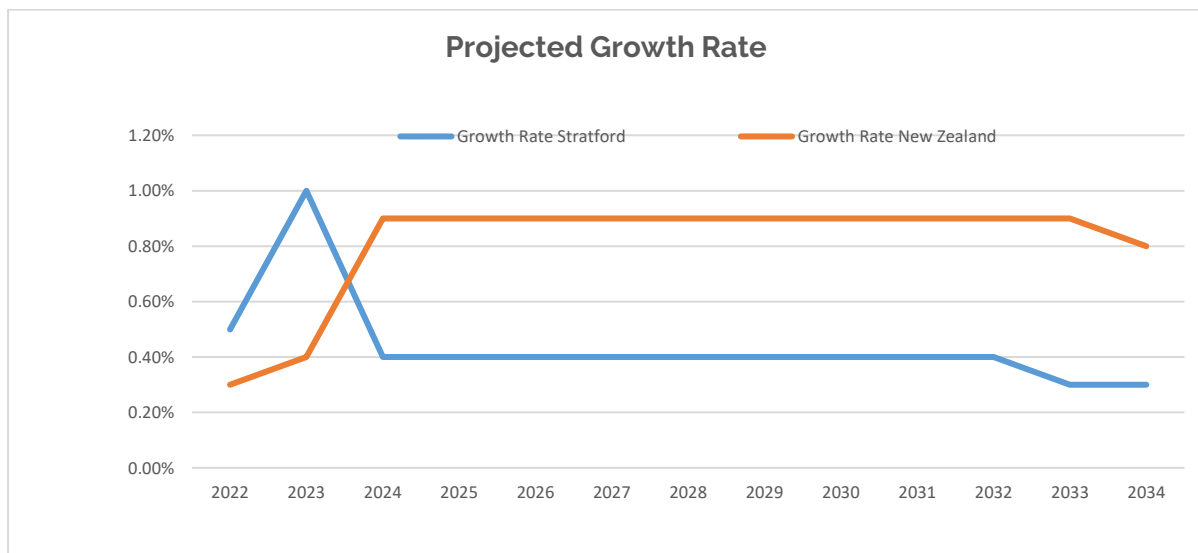


Figure 10: Water Supply Condition Assessment

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

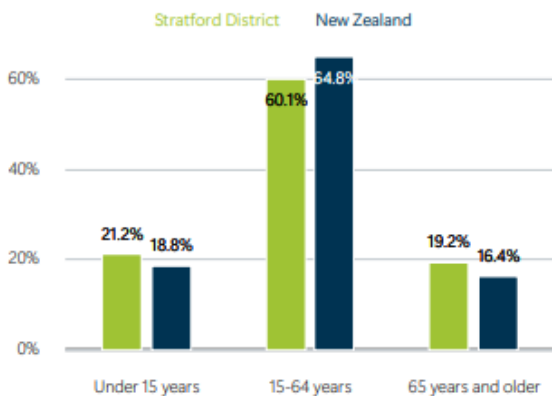


Figure 39. Population by 10-year age group, 2022
% of total, as at 30 June

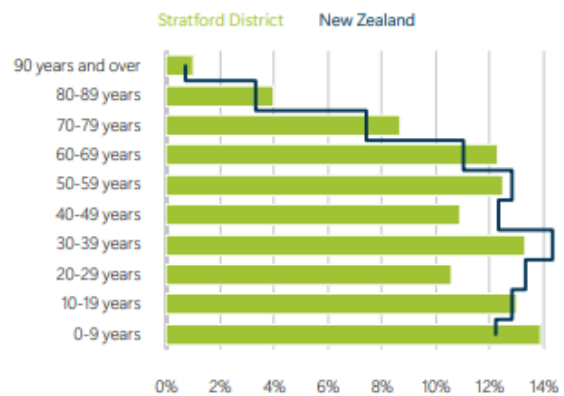


Figure 11 - Stratford District's Population Age Structure

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 12 and Figure 12 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%

Future Growth and Demand

Age Decade (years)	Stratford District		New Zealand	
	Level	% of total	Level	% of total
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%	
Total	10,150	100.0%	5,124,100	100.0%

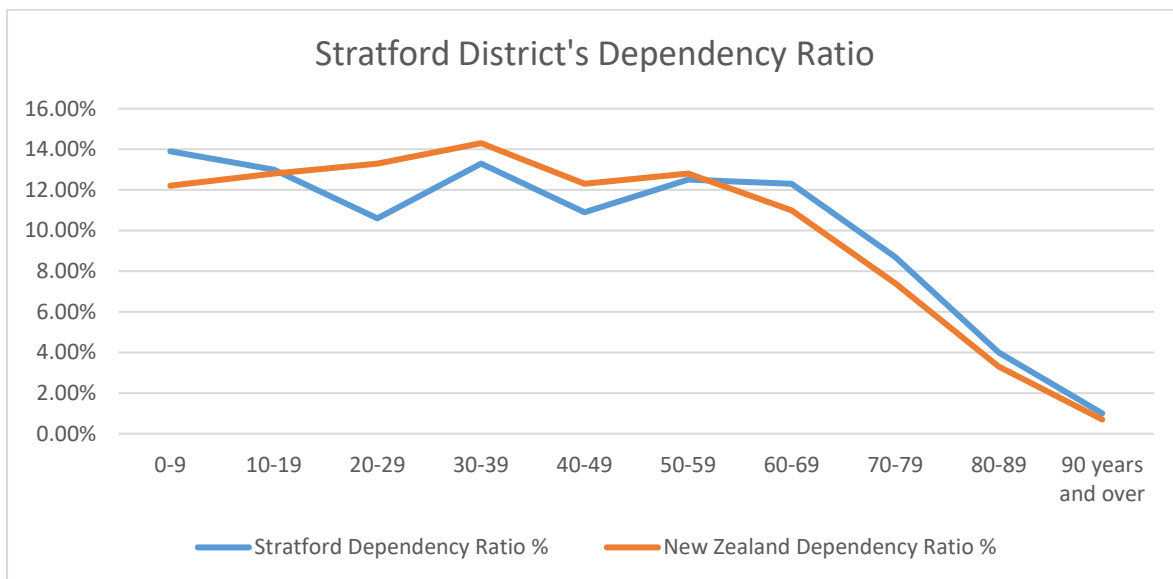


Figure 12: Dependency Ratio Stratford District and New Zealand

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 Water Supply Activity and infrastructure are expected to include:

- Increased demand for water 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 Plan 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-filling. Rooding, Solid Waste Services, 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. To facilitate this strategy, the Stratford District Council has led the creation of a quality and affordable subdivision to jumpstart the growth process and facilitate the development of quality affordable homes to the community. The uptake of the newly created lots was quick and has attracted homeowners from all parts of the Taranaki region as well as nationally.

4.3.8 REGULATORY CHANGES

The SDC regularly reviews regulatory changes that may or will affect the SDC water supplies. This primarily includes updates to resource consents and changes to drinking water legislation and standards. There are no immediate concerns of regulatory changes at the time of writing this AMP, however there is an expectation that the legislation, standards and guidelines related to drinking water will be reviewed and updated in the near future. This is a direct result of the Havelock North inquiry, and it is anticipated that SDC water supplies will be affected. It is too early to know what aspects of the inquiry will carry over into legislation/guidelines/standards.

4.3.9 CUSTOMER NEEDS AND EXPECTATIONS

Council has indicated a desire to promote growth in Stratford by developing new residential subdivisions with sections serviced by municipal water supply and wastewater schemes. Inherently, this will have an effect on the Stratford water supply whereby water demand in these areas will increase. To alleviate these effects on the network, the secondary trunk main could be utilised to supply directly to the growth areas where possible.

4.4 IMPROVEMENT PLAN

Table 13 - Future Growth Improvement Plan

Sub Section	Task	Due Date
4.3.1	Further assessment needed to assess the impacts of growth demands on the adequacy of the existing stormwater reticulation systems.	On-going

5.0

Levels of Service Performance

5.0: LEVELS OF SERVICE PERFORMANCE

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Levels of Service Performance

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 stormwater 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 13 (Source: IIMM (2015)).

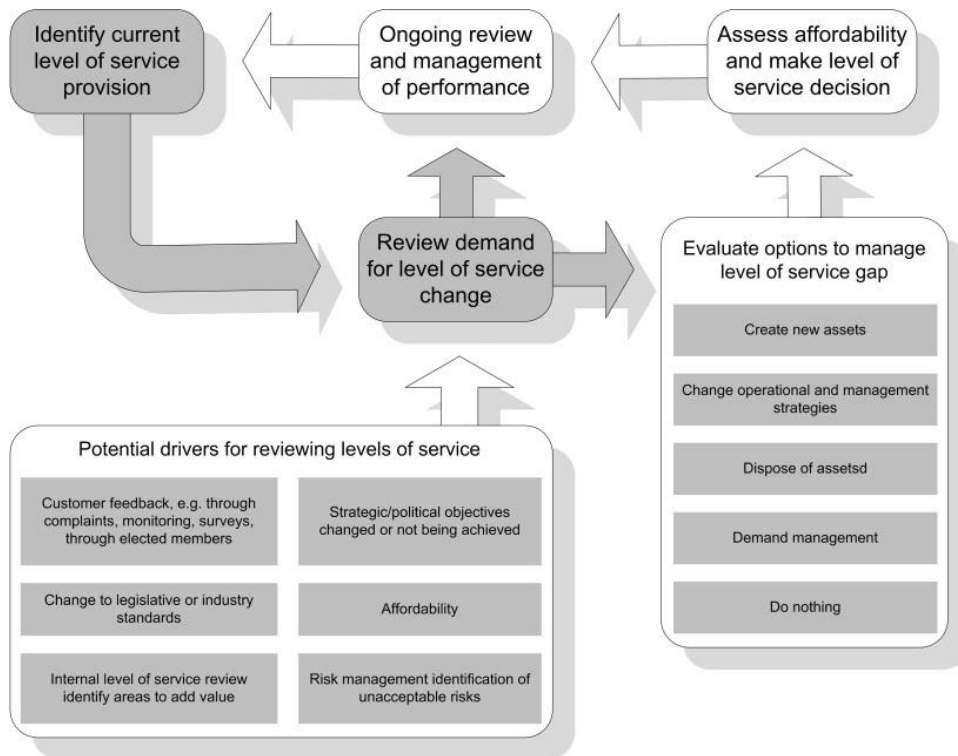


Figure 13 - LoS Development/Review Process

5.3 PERFORMANCE MONITORING AND REPORTING

The Stratford District Council has undertaken to provide a safe and well maintained 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 monitoring of the LoS is done through the Customer Satisfaction Survey and the Discharge Compliance with the territory authority's resource consents from its stormwater system.

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

Stratford District Council is required to provide stormwater reticulation and collection services that:

- Collect and disperse any excess water from a major rainfall event.
- Provide a system for the normal drainage of stormwater and groundwater, thereby enhancing the life of other infrastructure e.g., roads and protecting private property (to the defined level of service).

To ensure these expectations and requirements are met, Stratford District Council undertakes performance monitoring of the Stormwater Activity and service it provides.

Performance monitoring is undertaken through the use of performance measures and key performance indicators (KPIs). There are two different types of performance measures and KPIs used:

- DIA performance measures
- Internal performance measures

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. While these measures, provided in Table 14, are set by the DIA, the targets and response times are set by SDC.

The Internal/Other Performance Measures: These are performance measures put in place by Council that are intended to inform the community about how well Council is delivering on Levels of Service and the performance of the activity assets.

Levels of Service Performance

Table 14 - Performance Measures

Level of Service	Performance Measure	Outcome Category
1. Stormwater system protects property from impacts of flooding.	<p>System adequacy</p> <ul style="list-style-type: none"> The number of flooding events that occur in a territorial authority district. "Flooding" in this context means stormwater entering a habitable floor. For each flooding event, the number of habitable floors affected. (Expressed per 1000 properties connected to the territorial authority's stormwater system.) For each flooding event, the number of buildings in the central business zone affected by flooding. 	DIA measure
2. Discharge Compliance	<p>Resource Consent Compliance – Compliance with the territorial authority's resource consents for discharge from its stormwater system measured by the number of</p> <ul style="list-style-type: none"> Abatement notices Infringement notices Enforcement orders; and Convictions, <p>Received by the territorial authority in relation to those resource consents. This target is 0.</p>	DIA measure
3. Response and Resolution Times	The median response time to attend a flooding event, measured from the time that the territorial authority receives notification to the time that service personnel reach the site.	DIA measure
4. Customer satisfaction	Complaints - The number of complaints received by a territorial authority about the performance of its stormwater system, expressed per 1000 properties connected to the territorial authority's stormwater system.	Council/Internal measure

5.4.1. SYSTEM ADEQUACY

These are new measures introduced with the 2015-2025 Long Term Plan and continue in the 2024-2034 Long Term Plan. The performance measure targets for system adequacy for 2022/2024 are:

- The number of flooding events that occur in the district is 0.
- For each flooding event, the number of habitable floors affected is 0.
- For each flooding event, the number of buildings in the central business zone affected by flooding is 0.

In 2012/2023 there were no flooding events that met the measurement criteria recorded by Council in the district that affected buildings in the central business zone or any habitable buildings. The stormwater system achieved Level of Service requirements for system adequacy.

Table 15 - System Adequacy - Annual Report

Category	Year	
	2021/2022	2022/2023
Flooding Events	0	0
Floors Affected	0	0
Buildings in CBD Affected	0	0

Levels of Service Performance

5.4.2. DISCHARGE COMPLIANCE

This was a new measure introduced with the 2015-2025 Long Term Plan and continues in the 2024-2034 Long Term Plan. However, Stratford District Council does not hold discharge consents for discharge from its stormwater system therefore performance measurement is not applicable in this area.

5.4.3. RESPONSE TIMES

This was a new measure introduced with the 2015-2025 Long Term Plan and continues in the 2024-2034 Log Term Plan. The performance measure target for the median response time to attend a flooding event - from the time Council receives notification to the time that service personnel reach the site (as stated in the 2015-2025 Long Term Plan) is 1 hour.

In 2022/2023 there were no flooding events that met the measurement criteria recorded by Council in the district.

5.4.4. CUSTOMER SATISFACTION

This was a new measure introduced with the 2015-2025 Long Term Plan and continues in the 2024-2034 Log Term Plan. The performance measure target for number of complaints received by Council about the performance of its stormwater system is <8 per 1,000 properties.

In 2022/2023 there were no complaints received.

Note: Council is not required to break down performance statistics to "per 1000 connections" as the number of actual connections is much lower than the 1000 connection threshold.

5.5 DESIRED PERFORMANCE

A summary of the Council's targets/ desired performance levels are presented in Table 16. This desire stems from the Council's resolve to maintain its delivery of the agreed levels of service 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 17 below.

Table 16 - Performance Rating Index

Rating	Description
Achieved	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.
Not Achieved	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.
Not Applicable	No action was required during the year.

Levels of Service Performance

Table 17 - Performance Measures

Level of Service	Performance Measure	Outcome Category	Trend			Current		Target				How Measured
			2020/2021	2021/2022	2022/2023	2023/24	Year 1 2024/2025	Year 2 2025/2026	Year 3 2026/2027	Years 4-10 2027-2034		
System Adequacy	Number of flooding events	DIA Measure	Ach - 0	Ach - 0	Ach - 0	0	0	0	0	0	Reporting against corporate CRM system. Note: specific category to be set up for flooding – to separate between residential & commercial buildings and include count of habitable floors flooded (residential only).	
	Number of habitable floors affected. Expressed per 1000 properties connected to the territorial authority's stormwater system.		Ach - 0	Ach - 0	Ach - 0	0	0	0	0	0		
	Number of buildings in the central business zone affected by flooding.		Ach - 0	Ach - 0	Ach - 0	0	0	0	0	0		
Discharge Compliance	Compliance with Discharge Consents	DIA Measure	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	Consent & compliance documentation	
Response Times	Response Time	DIA Measure	0	0	Ach - 0	1 hour	1 hour	1 hour	1 hour	1 hour	Work order tracking/reporting through Council's Infrastructure asset management system.	
Customer Satisfaction	Number of Complaints received expressed per 1000 properties connected to the stormwater system		Not Recorded	Not Recorded	Ach - 0	<8	<8	<8	<8	<8	Reporting against corporate CRM system.	

6.0

Strategic Assessment

6.0: STRATEGIC ASSESSMENT

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6.1 OVERVIEW

The 'Strategic Assessment' section presents an assessment of the need for investment against strategic outcomes. It defines the problems facing the Stratford District Council; highlights the investment projects necessary to address these problems and the benefits of each identified investment project.

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'.

6.3 PROBLEM STATEMENTS

Between November 2023 and January 2024, Council staff prepared business cases to support the projects presented for consideration in the Long Term Plan (LTP) process. The purpose was to seek elected members direction regarding some capital projects being proposed in the 2024-2034 LTP.

The business cases included an assessment of each project identified in addition to the project's:

- Strategic alignment;
- Alternative options;
- Funding sources;
- Efficiency improvements (where applicable);
- Community outcomes alignment;
- Costings verification; and
- Risk identification.

After a series of meetings, Elected Members considered the information and provided the necessary direction - in some cases modifying or removing the proposed projects from the programme. The key problem statements are:

- Network Planning and Modelling
- Pipework Capacity Issues
- Stormwater Safety Improvements
- Climate change
- Silt removal of Victoria Park

6.3.1 NETWORK PLANNING AND MODELLING

With the new subdivision, urban infill and other growth areas springing up in Stratford, Council Officers are proposing to commission a network modelling project on our stormwater network. Network modelling will involve hydraulic analysis to reveal how our stormwater system is behaving and will comprise:

- I. the evaluation of network capacity;
- II. the identification of bottlenecks in the existing or proposed network; and
- III. the design of improvements needed to accommodate growth

Stormwater modelling will reveal the areas for improvement in the network from which priority areas can be programmed for improvement. Network modelling began in 2023 focusing on one catchment with further funding in 2024/2025 to increase the scope of the model to the entirety of Stratford township.

6.3.2 NETWORK CAPACITY INCREASE

As described above, there have been new residential subdivisions and developments, urban infill and other growth-related pressures created in our stormwater network. The consequence of this is that some pipes are requiring upgrades in capacity to accommodate the increased stormwater flow.

Council Officers are already aware of some pipes within the network requiring increased capacity, the Stormwater network modelling above will also help to identify priority areas for upgrades in the stormwater network. A budget of \$450,000 has been approved over the 2024-2034 LTP to increase the capacity.

6.3.3 STORMWATER SAFETY IMPROVEMENT

The Council's programme for stormwater safety improvements will continue through the LTP planning period. Safety improvements consist of inlet and outlet safety screening for stormwater manholes. This has been continuing with most manholes and screens being upgraded at this point, a further \$75,000 has been budgeted across the 2024-2034 LTP to finish these upgrades.

6.3.4 CLIMATE CHANGE SEE ANNUAL REPORT

The Taranaki region is susceptible to significant adverse effects from natural hazards. Natural disasters can result in heavy loss of property and threaten lives and livelihoods, forcing communities to learn to live with these hazards. While it is not possible to reduce the incidence of natural hazards, steps can be taken to reduce the vulnerability of the community to their impacts.

Natural hazards that are of concern to this activity is flooding, mainly surface flooding or flooding related to in-flow infiltration issues; Windstorm; and Land instability and erosion.

The Council proposes to create a catchment management plan to support upgrade of existing assets to accommodate a 1 in 100 year storm event.

6.3.5 SILT REMOVAL AT VICTORIA PARK RETENTION LAKE

As part of our on-going renewal programme, the removal of silt at the bottom of the Victoria Park Lake to keep sufficient silt removal from water entering the Patea River. This is being conducted in 2023/2024 and is budgeted to be repeated in 2033/2034

6.4 OUR BENEFIT STATEMENTS

The Council has identified projects, to address the problems to delivering stormwater services in a safe and environmentally friendly manner and at the agreed level of service to the community. The benefits of implementing these projects are presented in Table 18 below and include:

- Minimising adverse environmental effects on downstream ecology and properties
- Returning the actual capacity of the Victoria Park Lake close to its original capacity.
- Minimise the safety risks related to stormwater infrastructure

Table 18- Problems, Projects and Benefit Statements

Problem Statements	Preferred Option / Project	Benefit Statements
Problem Statement 1: Network Planning and Modelling	Commission a new Wastewater model	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 have commissioned a report for catchment 6 to show the investment needed to accommodate growth. The modelling project is planned to be extended in 2024/025 to analyse the stormwater for the entire catchment

Problem Statements	Preferred Option / Project	Benefit Statements
<p>Problem Statement 2: 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 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>Problem Statement 3: Stormwater Safety Improvements</p>	<p>Conduct an inlet structure study, and its implementation, to ascertain the extent of potential upgrades required to meet public safety requirements</p>	<p>Ensuring stormwater ingress structures such as manholes and entry grates are locked keep our community safe in the event of flooding</p>
<p>Problem Statement 4: Climate change</p>	<p>Create a catchment management plan to support upgrade of existing assets to accommodate a 1 in 100 year storm event</p>	<p>Should improve stormwater management in the existing network</p>
<p>Problem Statement 5: Silt removal of Victoria Park</p>	<p>Desilt the Victoria Park pond</p>	<p>Ensuring no silt enters the tributary of the Patea aligns the Council with the freshwater plan for Taranaki</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

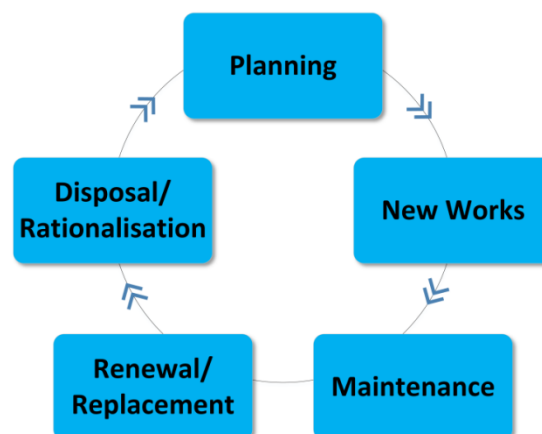


Figure 14 - Lifecycle Asset Management

Lifecycle Asset Management enables the 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 Section 6 of this AMP. It presents Council's practices and projects to maintain the stormwater 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 effectively;
- allows council officers to exercise business judgement by enabling flexibility and fluid, innovative approaches to procurement;
- demonstrates fairness;
- has health and safety risk management at the forefront.
- 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.

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.

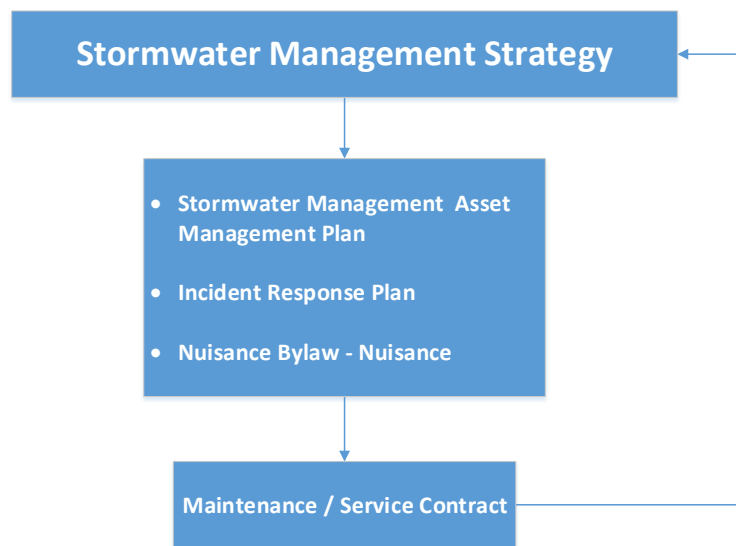


Figure 15 – Stormwater Asset Management Strategies

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

The Council has a 3 Waters Maintenance Contract with Citycare for the provision of ongoing maintenance services of the Council's stormwater services. 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 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.

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 19 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, renewal/replacement and capital projects is based:

- Level of Service requirements;
- Criticality and risk assessment associated with investment levels that potentially change the level of service;
- Age and condition of the infrastructure; and
- Budgetary constraints.

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

Table 19 - Identified Projects and Performance Measures

Work Category	Identified Projects	Performance Outcomes			
		System Adequacy	Discharge Compliance	Response Times	Customer Satisfaction
Renewal/ Replacement	Stormwater reticulation renewals	✓		✓	✓
	Desilt ponds	✓			✓
	Manhole lid safety screens	✓	✓		
Level of Service Improvements	Reticulation capacity increase	✓	✓	✓	✓
	Modelling	✓	✓	✓	✓
	Safety improvements	✓	✓		✓
	Capacity increase	✓	✓	✓	✓

7.5.1 OPERATIONS AND MAINTENANCE

Management 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 20 below.

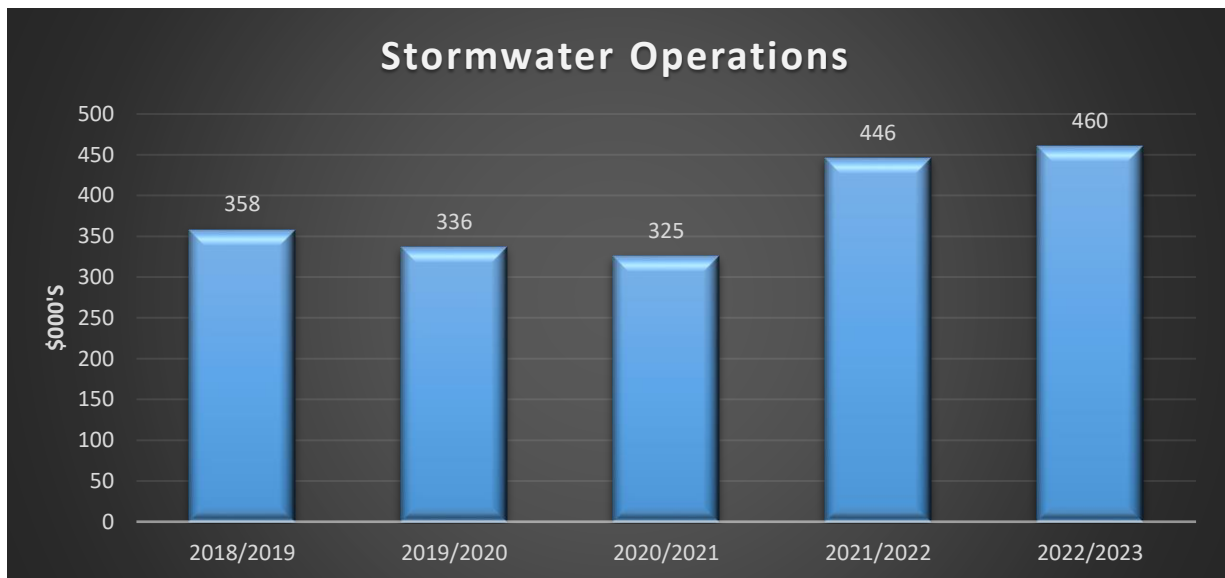


Figure 16 - Stormwater Operating Expenditure – Annual Report

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
- 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.

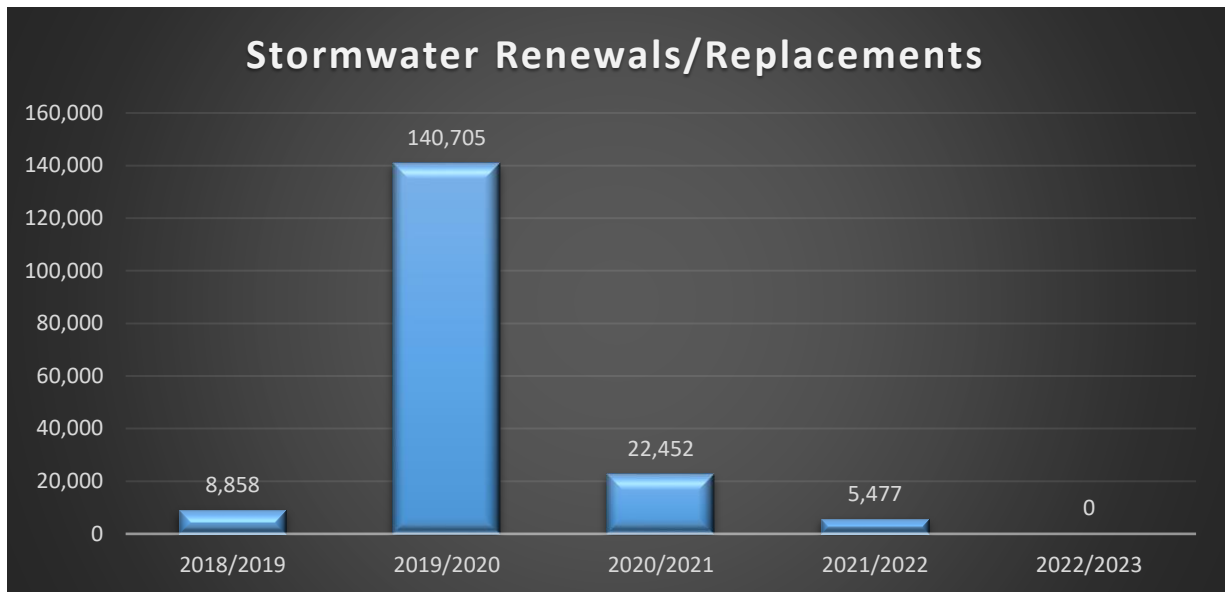


Figure 17 - Stormwater Replacement/Renewals - Annual Report

Table 20 - Planned Renewal /Replacement Works

Project	2024/25	2025/26	2026/27	2027-2034
Stormwater reticulation renewals	\$100,000	\$100,000	\$100,000	\$700,00

Problem Statement Some stormwater reticulation assets are coming to the end of their service life.

Benefits of investment Project will assist Council in maintaining adequate LoS performance in future.

Consequences of non-investment Risk of failure of stormwater assets (reticulation) causing flooding.

Project	2024/25	2025/26	2026/27	2027-2034
Safety Improvements	\$0	\$0	\$20,000	\$20,000

Problem Statement Some stormwater reticulation assets are coming to the end of their service life.

Benefits of investment Project will assist Council in maintaining adequate LoS performance in future and will ensure limited public access to protect public safety.

Consequences of non-investment Risk of failure of stormwater assets (inlet screens) causing blockages and potentially flooding.

Lifecycle Management

Project	2024/25	2025/26	2026/27	2027-2034
Silt Retention Victoria Park	\$100,000			\$100,000

Problem Statement	Some stormwater pond silt levels are becoming too high for the pond to be effective in reducing suspended solids before discharge into downstream water bodies. An additional \$100,000 is added in year 1 for storage, treatment, and disposal of the collected silt from 2023/24 financial year.
Benefits of investment	Project will assist Council in maintaining adequate LoS performance in future.
Consequences of non-investment	Continued settling of silt in the ponds causing the capacity of the ponds to be reduced.

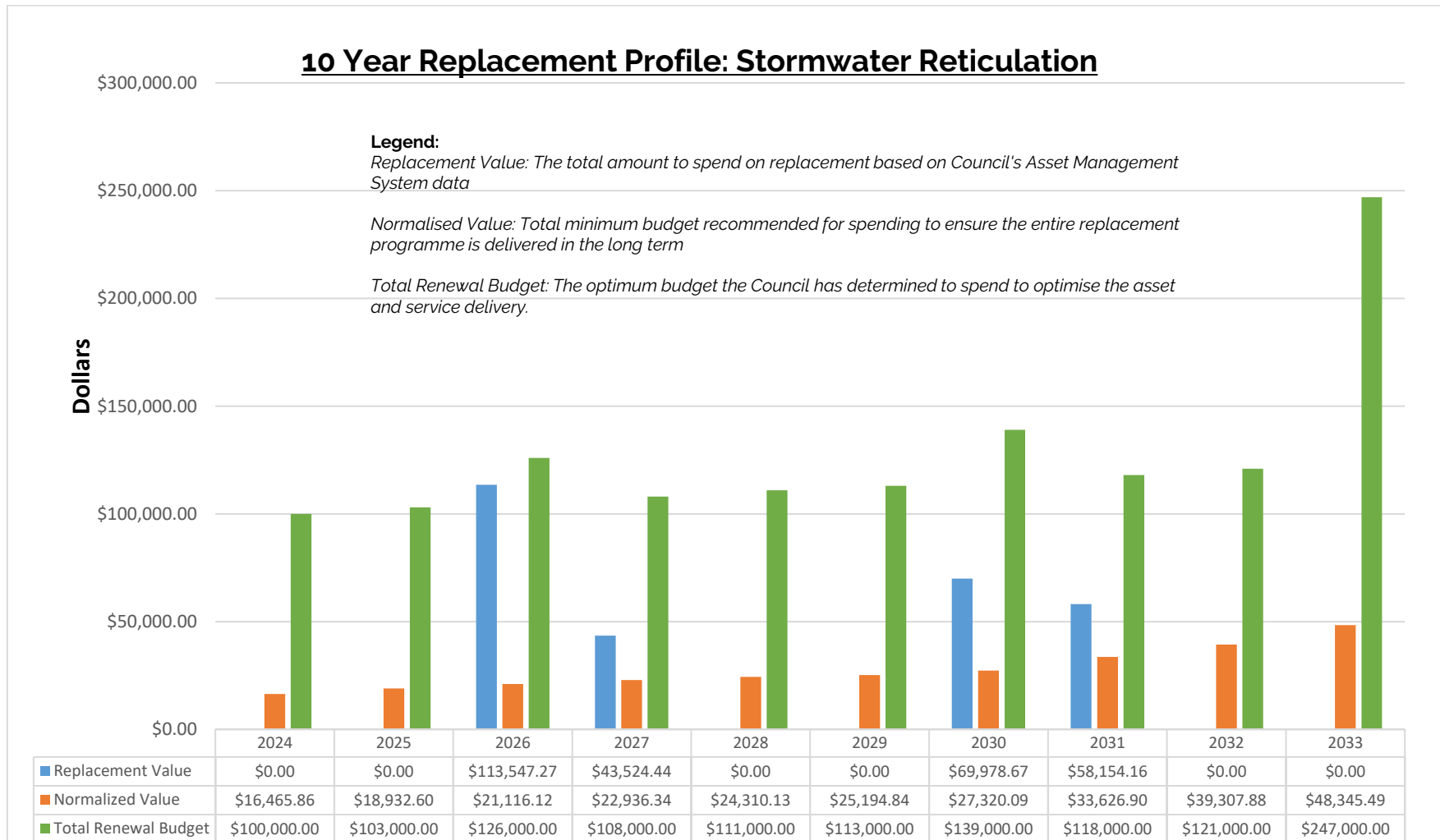


Figure 18 : 10-year Replacement Profile – Stormwater Reticulation

7.5.3 LEVEL OF SERVICE IMPROVEMENTS

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

The previous expenditure figures for level of service improvements, as detailed in the Annual Plan, are presented in Figure 19; the planned works are presented in Table 21 below.

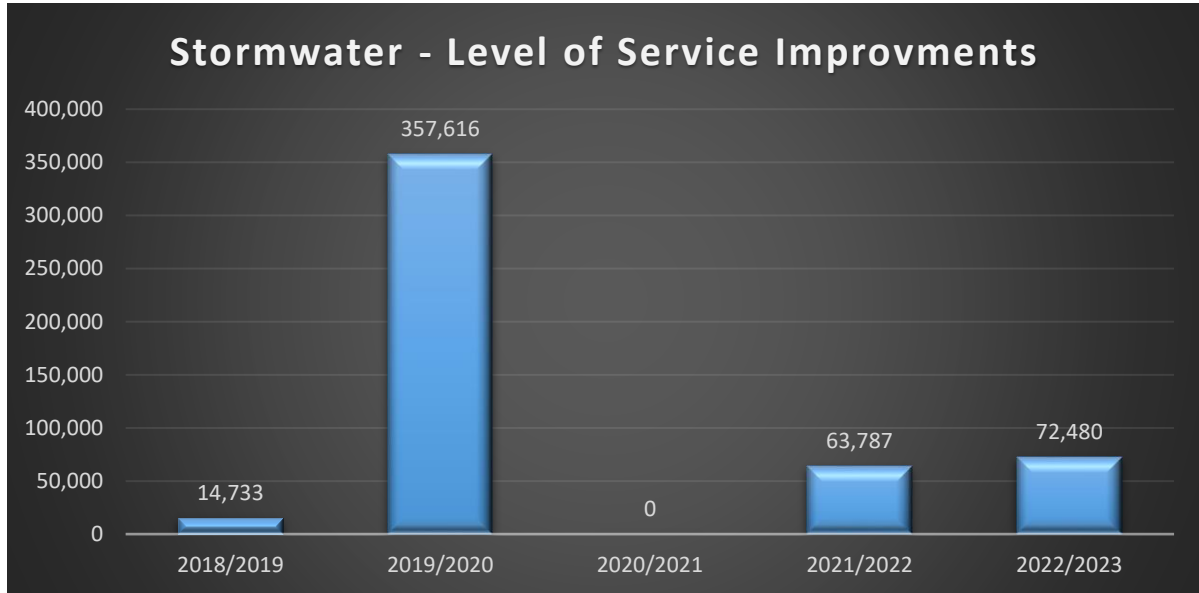


Figure 19 - Stormwater Levels of Service Improvements - Annual Report

Table 21 - Planned Level of Service Improvement Works

Project	2024/25	2052/26	2026/27	2027-2034
Reticulation capacity increase	\$0	\$0	\$150,000	\$300,000

Problem Statement Some existing infrastructure is known to be under capacity

Benefits of investment Project will assist Council in upgrading the infrastructure to increase the capacity for stormwater assets.

Consequences of non-investment Risk of flooding during more extreme events remains.

Project	2024/25	2025/26	2026/27	2027-2034
Modelling	\$400,000	\$0	\$0	\$100,000

Problem Statement Some stormwater reticulation assets are accessible to the public and manholes are not locked down and their safety could be at risk (i.e. child falling into a manhole).

Benefits of investment Project will assist Council in protecting public safety.

Consequences of non-investment Risk potential for harm to a member of the public remains.

Project	2024/25	2052/26	2026/27	2027-2034
Silt retention lake by-pass line	\$0	\$0	\$0	\$100,000

Problem Statement	This is linked to the lake desilting project so that problem statement applies too. Stormwater flows will still need to be accounted for during the de silting project.
Benefits of investment	Project will assist Council in ensuring stormwater flows during the desilting project are still able to flow downstream.
Consequences of non-investment	Risk of desilting project being unsuccessful due to stormwater flows being present during project.

Project	2024/25	2052/26	2026/27	2027-2034
Safety improvements	\$0	\$0	\$20,000	\$20,000

Problem Statement	Some stormwater reticulation assets are coming to the end of their service life.
Benefits of investment	Project will assist Council in maintaining adequate LoS performance in future and will ensure limited public access to protect public safety.
Consequences of non-investment	Risk of failure of stormwater assets (inlet screens) causing blockages and potentially flooding.

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. At this time, the Stratford District Council has no plans to dispose of any stormwater 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 - Lifecycle Improvement Plan

Sub Section	Task	Due Date
7.3	Maximise AssetFinda capabilities for predictive modelling purposes	Ongoing

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 FRAMEWORK

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; and
- Reputational and Conduct.

The potential risks identified for the Stormwater assets and activity under these six broad 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 to 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 19 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.

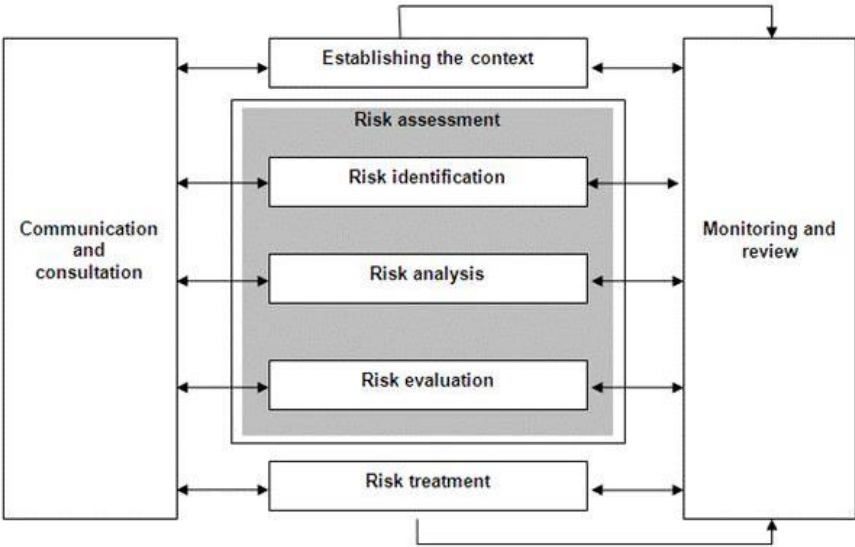


Figure 20 - Risk Management Process

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 - sourced from Vault, the Council's risk software

8.4 POTENTIAL RISKS

The Stratford District Council has made a number of risk assumptions 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 ([#Appendix1](#)) 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 Storm Water Risks

	Risk Subject	Risk Description	Risk Score Raw	Control Description	Residual Risk Score
Compliance and Legislation					
1	Bylaws and Policies	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	<ul style="list-style-type: none"> Quality assurance, Resourcing levels maintained Regular Policy Schedule review by CEO. Regular review of Bylaw timetable maintained in Content Manager. 	3 Moderate
Data and Information					
2	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"> Backups done daily and stored off-site. Most critical data is in the cloud, data centre is overseas so workers can access system remotely from anywhere. Civil Defence will make hardware available for emergency response. 	3 Moderate
3	Server Failure	IF the server failed THEN systems down, data unavailable, potential data loss	12 Very High	<ul style="list-style-type: none"> Restore from backup, backups stored off-site. Fail-over for Melbourne data centre replicates to Sydney data centre. 	3 Moderate
Health and Safety					
4	Lone Worker	IF a staff member is seriously injured or killed during field		<ul style="list-style-type: none"> Quality assurance, Ongoing training/awareness of 	1 Low

Risk Subject	Risk Description	Risk Score Raw	Control Description	Residual Risk Score
	inspections/site visits, THEN possible health and safety breaches, death or serious injury.	12 Very High	HSE requirements and responsibilities, <ul style="list-style-type: none"> Better use of council data/knowledge base on dangerous or insanitary sites before staff member deploys to site, Use of GPS tracking, mobile phone tracking. Compliance officers to wear body cameras when on duty. 	
5	Employee Substance Abuse	8 High	<ul style="list-style-type: none"> Ensure staff are aware of drug and alcohol policy. Initial drug testing done prior to employment to filter out regular users. Utilise EAP. 	2 Moderate
Operational				
6	Attracting Qualified Staff	6 High	<ul style="list-style-type: none"> Internal training and succession planning programs. Ensure market wages are offered for all high demand positions. Recruit off shore option should be available for high-demand positions. Make greater use of consultants if necessary and/or shared services with neighbouring Councils. Make Stratford District Council a great place to work - measure staff engagement and respond to any issues expediently. 	2 Moderate
7	Maintenance Contractor fails to deliver	8 High	<ul style="list-style-type: none"> Careful assessment of tender to ensure contract price viable for contractor to deliver level of service. Regular liaison with contractor to monitor performance and ensure compliance. 	3 Moderate

	Risk Subject	Risk Description	Risk Score Raw	Control Description	Residual Risk Score
				<ul style="list-style-type: none"> Contractor pre-approval process must not be bypassed. 	
8	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"> Civil Defence Emergency Management plans are in place. Procedures following an emergency event are widely known by a number of staff due to Civil Defence Foundational training being rolled out to majority of council staff. 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. 	12 Very High
9	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"> Conduct 2 yearly Asset Criticality Review. Ensure there are established Civil Defence Emergency Management response procedures in relation to fixing critical assets in an emergency event. Management practices and staff training, retention to ensure appropriate skill level in critical asset maintenance. 	4 High
10	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"> 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. Council officers and elected members need to keep up to date with policy, and anticipate potential impacts of legislative changes and respond strategically. 	12 Very High

Risk Subject	Risk Description	Risk Score Raw	Control Description	Residual Risk Score
			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.	

8.6 RISK RESPONSE

The Stratford District Council has a suite of response strategies for the potential risks identified above. They include avoiding, exploiting, transferring/sharing, reducing or accepting the risk. These response strategies are summarised in Table 24 below.

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

8.7.1 HEALTH

The stormwater system has the potential to affect community health if it is inadequate and results in flooded houses and properties and causes sewerage system overflows.

Council is aware of the areas where surface flooding occurs and is progressively working towards eliminating these events. However, there will always be localised storm events that will exceed the capacity of any system and some surface flooding will occur. Council recognises this potential and endeavours to take all steps to ensure the risk is minimised.

8.7.2 ENVIRONMENT

While the Council does not hold resource consent to discharge stormwater into the receiving environment, the Council is committed to monitoring of discharge points to ensure that there are no negative effects on rivers or streams at these locations.

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.

Stormwater assets are considered critical by Stratford District Council because they protect lifeline utilities, roads and properties from flooding during heavy rain events.

8.8.1 CRITICALITY EVALUATION

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 27 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 and Examples

Rating ID	Rating	Description	Example
1	Very High	Critical, no redundancy - Failure of equipment compromises H&S directly (impact, explosion) or indirectly (failure to supply drinking water to hospital).	Stormwater network serving Broadway Northern Roundabout
2	High	Critical, no redundancy - Failure of equipment does not compromise H&S but affects production or Level of Service	Stormwater network on Broadway in CBD
3	Medium	Critical with redundancy - Failure of equipment does not compromise H&S but affects production or Level of Service	Stormwater network on Broadway at St Mary's School
4	Low	Not critical, no redundancy - Failure of equipment has no effects on H&S and/or production/Level of Service but cost of repair/replacement is above \$100k	Stormwater network on Celia Street
5	Very Low	Not critical, no redundancy - Failure of equipment has no effects on H&S and/or production/LoS and cost of repair/replacement is below \$100k	Stormwater network serving Broadway Northern Roundabout

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 IDENTIFIED CRITICAL ASSETS

The AssetFinda database holds a record of the critical stormwater assets. The assets are shown in Table 29. 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 (AssetFinda).

Table 28 - List of Critical Stormwater Assets

Activity Priority	Criticality Rating			Asset Description	Criticality Description
	Functional Criticality	Activity Level Criticality	Corporate Level Criticality		
1	6	2	3	Stormwater network serving Broadway Northern Roundabout	Disruption directly affecting major traffic thoroughfare and a number of commercial premises. The event resulting in some immediate health & safety issue a significant Council costs and some high cost to the commercial sector.

Activity Priority	Criticality Rating			Asset Description	Criticality Description
	Functional Criticality	Activity Level Criticality	Corporate Level Criticality		
2	6	2	3	Stormwater network on Broadway in CBD	Disruption directly affecting major traffic thoroughfare and a significant number of commercial premises. The event resulting in health & safety issue and significant costs to the commercial premises and Councils
3	9	3	3	Stormwater network on Broadway at St Mary's School	Disruption directly affecting major traffic thoroughfare causing severe disruptions due to the length of bypass. The event resulting in some health & safety issues and high financial costs.
4	9	3	3	Stormwater network on Celia Street	Disruption directly affecting major traffic thoroughfare. The event resulting in some health & safety issues and high financial costs.

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

Between 1st July 2013 and 2017, the Taranaki Rural fire Authority provided a single approach to improved fire management of rural fire within the District. From 1 July 2017, Fire and Emergency New Zealand (FENZ), a single, unified fire services organisation, was formed for New Zealand's rural, urban, paid and volunteer firefighters. FENZ is an amalgamation of more than 40 rural fire authorities, including the former Taranaki Rural Fire Authority, along with the New Zealand Fire Service, the National Fire Authority and rural fire districts.

The FENZ Bill 2017 repeals the two Acts governing fire services, the Fire Service Act 1975 and the Forest and Rural Fires Act 1977. This Bill marks the most significant change to New Zealand's fire legislation in 70 years, with full integration expected to take four years.

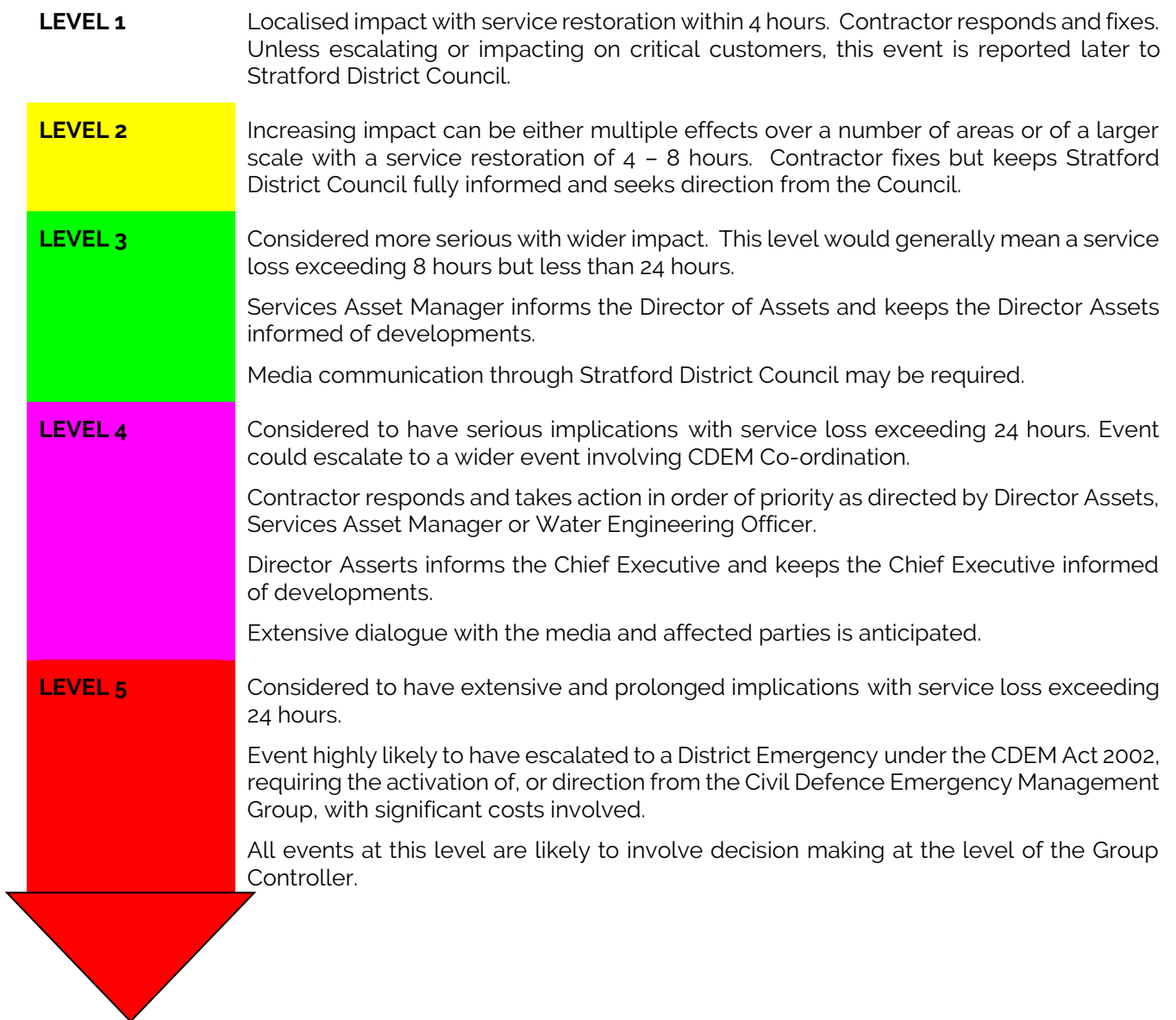
8.9.3 LIFELINES

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 Stormwater 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 Plan² for the Stormwater 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 22.

Figure 22 - Incident Response Plan Intervention Levels



² D17/26535

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

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

	INSURED VALUE (as at 30 June 2023) \$000	
INSURANCE ARRANGEMENTS		
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.
RISK SHARING ARRANGEMENTS		
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
Council arrangements for covering deductibles and/or uninsured assets	110,970	
SUM NOT SPECIALLY INSURED	275,124	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 an *Assessment of Water and Sanitary Services*. The purpose of the assessment is to determine, from a public health perspective, the adequacy of water and sanitary services available to communities.

For the Stormwater activity the assessment focused on:

- (a) the health risks arising from any absence or deficiency;
- (b) the quality of services available to communities within the district;
- (c) the current and estimated future demands for such services;
- (d) the actual or potential consequences of stormwater or sewage discharges within the district.

In relation to stormwater services currently provided by Stratford District Council the assessment concluded:

- | | |
|-----------|--|
| Stratford | <ul style="list-style-type: none">• Stratford District Council is prepared to adequately meet increased demand for its service.• Council has planned works in place to meet future demand.• No public health issues have been identified at this time. |
| Midhirst | <ul style="list-style-type: none">• The system is adequate for current and projected future demand.• No public health issues have been identified at this time. |

No actions identified in the 2022 Sanitary Assessment.

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 2023 Stratford District Council reviewed and updated its Health and Safety Policy and Human Resources Policy to better reflect legislative requirements, reinforcing 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	<p>Infiltration of Groundwater</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	<p>Trade Waste Implementation</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 Stormwater Activities.

This IFS provides the long term financial forecasting for all Stormwater Activities and projects described in this SAMP. 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 Stormwater Activity by asset group is described in detail in the *Lifecycle Management* Section. This section presents the Council's Capital Investment Strategy for the Stormwater Activity 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 2002 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 Stormwater 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. 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.

9.3.3 DEVELOPMENT AND FINANCIAL CONTRIBUTION 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 (9) of the *Resource Management Act (RMA) 1991*.

9.4 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 Stormwater 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.
- 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 to 28. Tables 30 and 31 provide the financial projections for the stormwater activity.

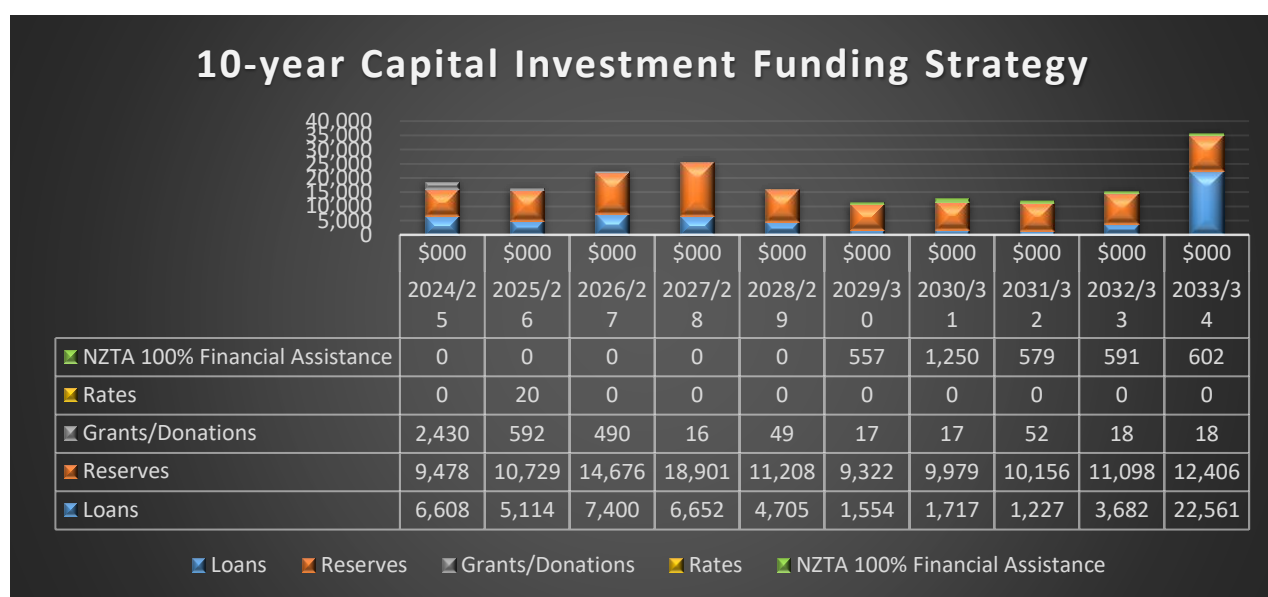


Figure 24 – All Assets Capital Investment Funding Strategy

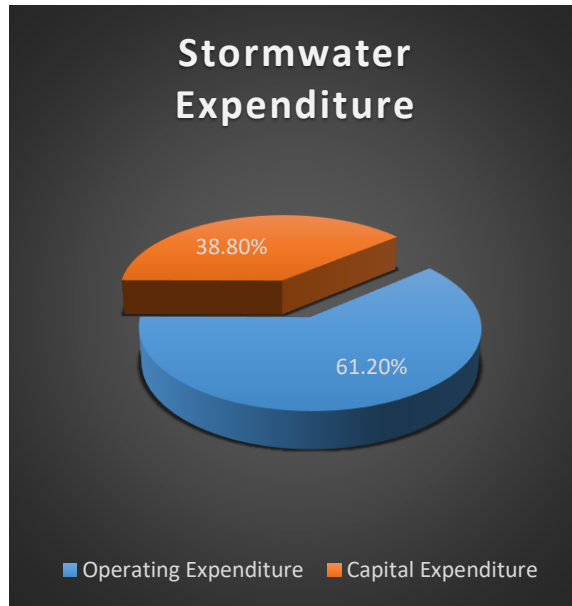


Figure 25- Stormwater Total Expenditure - Capital vs Operating Expenditure

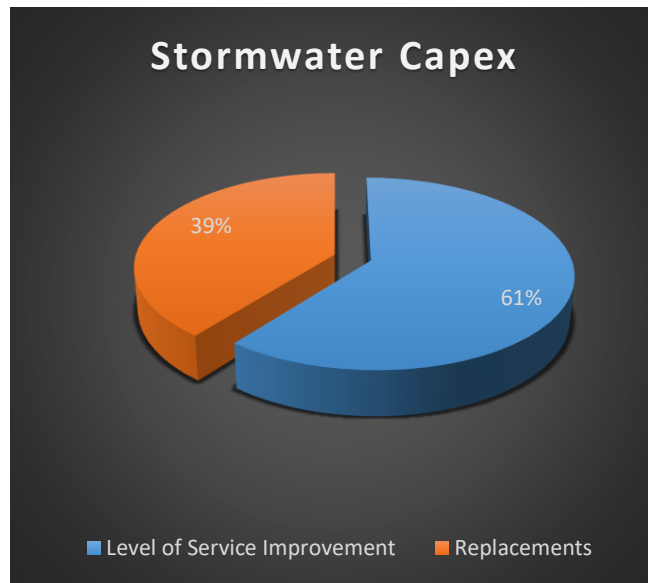


Figure 26 – Stormwater Capital Investment Split - Level of Service vs Replacement

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 Stormwater 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 the Stormwater services;

Investment Funding Strategy

- The Council's 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; and
- The Council does not rely on *Fees and Charges* or *Development Contributions* to deliver Stormwater 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.

Investment Funding Strategy

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
<u>Roading</u>										
Level of Service Improvement	3,150	3,162	12,730	13,023	4,909	3,436	4,204	3,280	4,196	4,758
Replacements	5,055	5,312	5,583	5,868	6,168	6,482	6,812	7,160	7,525	7,909
<u>Stormwater</u>										
Level of Service Improvement	450	0	158	0	0	198	116	0	181	0
Replacements	200	103	126	108	111	113	139	118	121	247
<u>Water Supply</u>										
Level of Service Improvement	1,814	246	0	1,026	166	119	0	0	1,330	7,529
Replacements	2,840	2,229	211	427	244	289	487	231	266	5,770
<u>Solid Waste (Rubbish and Recycling)</u>										
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
<u>Wastewater (Sewerage)</u>										
Level of Service Improvement	150	513	158	216	0	0	232	118	725	6,418
Replacements	735	343	363	3,602	426	413	400	633	647	475
<u>Parks and Reserves</u>										
Level of Service Improvement	295	470	52	53	0	55	226	58	0	60
Replacements	45	143	104	341	239	22	45	46	23	24
<u>Property</u>										
Level of Service Improvement	429	587	1,790	197	1,614	94	40	75	99	1,472
Replacements	315	220	110	138	619	72	79	75	123	95
<u>Community Development</u>										
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
<u>Administration</u>										
Replacements	308	367	148	202	330	105	156	192	122	205
TOTAL PROJECTS (excl GST)	18,516	16,456	22,566	25,569	15,961	11,449	12,963	12,014	15,388	35,587
<u>FUNDING</u>										
Loans	6,608	5,114	7,400	6,652	4,705	1,554	1,717	1,227	3,682	22,561
Section sales (subdivision loan-funded)	0	0	0	0	0	0	0	0	0	0
NZTA 100% Financial Assistance	0	0	0	0	0	557	1,250	579	591	602
Reserves	9,478	10,729	14,676	18,901	11,208	9,322	9,979	10,156	11,098	12,406
Grants/Donations	2,430	592	490	16	49	17	17	52	18	18
Rates	0	20	0	0	0	0	0	0	0	0
NZTA Financial Assistance	0	0	0	0	0	0	0	0	0	0
TOTAL (excl GST)	18,516	16,456	22,566	25,569	15,961	11,449	12,963	12,014	15,388	35,587

Investment Funding Strategy

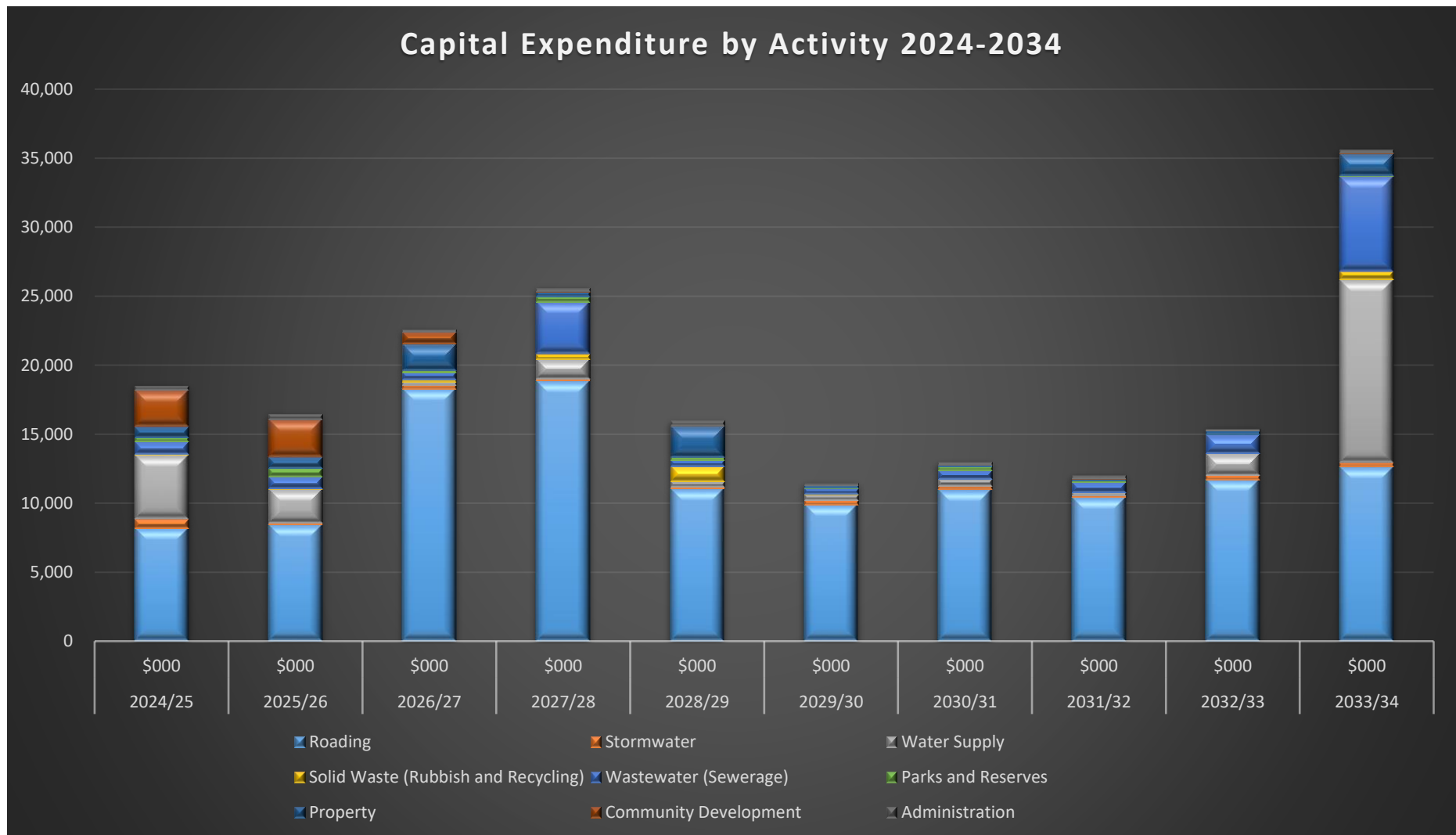


Figure 27 - Capital Expenditure by Activity - All Assets

Investment Funding Strategy

Table 31 – Stormwater Activity Expenditure and Funding 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
499	Operating Expenditure	471	495	503	525	524	548	557	577	581	602
0	Revenue	0	0	0	0	0	0	0	0	0	0
499	Net Cost of Service	471	495	503	525	524	548	557	577	581	602
EXPENDITURE											
49	Operating Costs	79	81	84	85	87	89	91	92	94	96
45	Interest	54	55	54	54	51	53	56	56	53	52
255	Depreciation	277	300	300	318	318	334	338	357	357	378
149	Allocated Overheads	61	59	65	68	68	72	72	72	76	76
499	Total Operating Expenditure	471	495	503	525	524	548	557	577	581	602
52	Principal Loan Repayments	53	57	58	59	57	58	62	62	60	57
589	Capital Expenditure	650	103	284	108	111	311	255	118	302	247
1,140	Total Expenditure	1,174	655	845	692	692	918	874	758	943	906
FUNDED BY:											
0	Revenue	0	0	0	0	0	0	0	0	0	0
0	General Rates	0	0	0	0	0	0	0	0	0	(0)
429	UAGC	468	492	500	522	522	546	555	576	580	602
0	Targeted Rates	0	0	0	0	0	0	0	0	0	0
108	Transfer from Reserves	253	160	185	167	167	172	201	181	181	304
64	Depreciation funded from Reserves	0	0	0	0	0	0	0	0	0	0
533	Loan Funding - Capital	337	0	158	0	0	198	116	0	181	0
0	Grants/Donations - Capital	113	0	0	0	0	0	0	0	0	0
6	Other Funding	3	3	3	3	3	2	2	1	1	0
1,140	Total Funding	1,174	655	845	692	692	918	874	758	943	906

Investment Funding Strategy

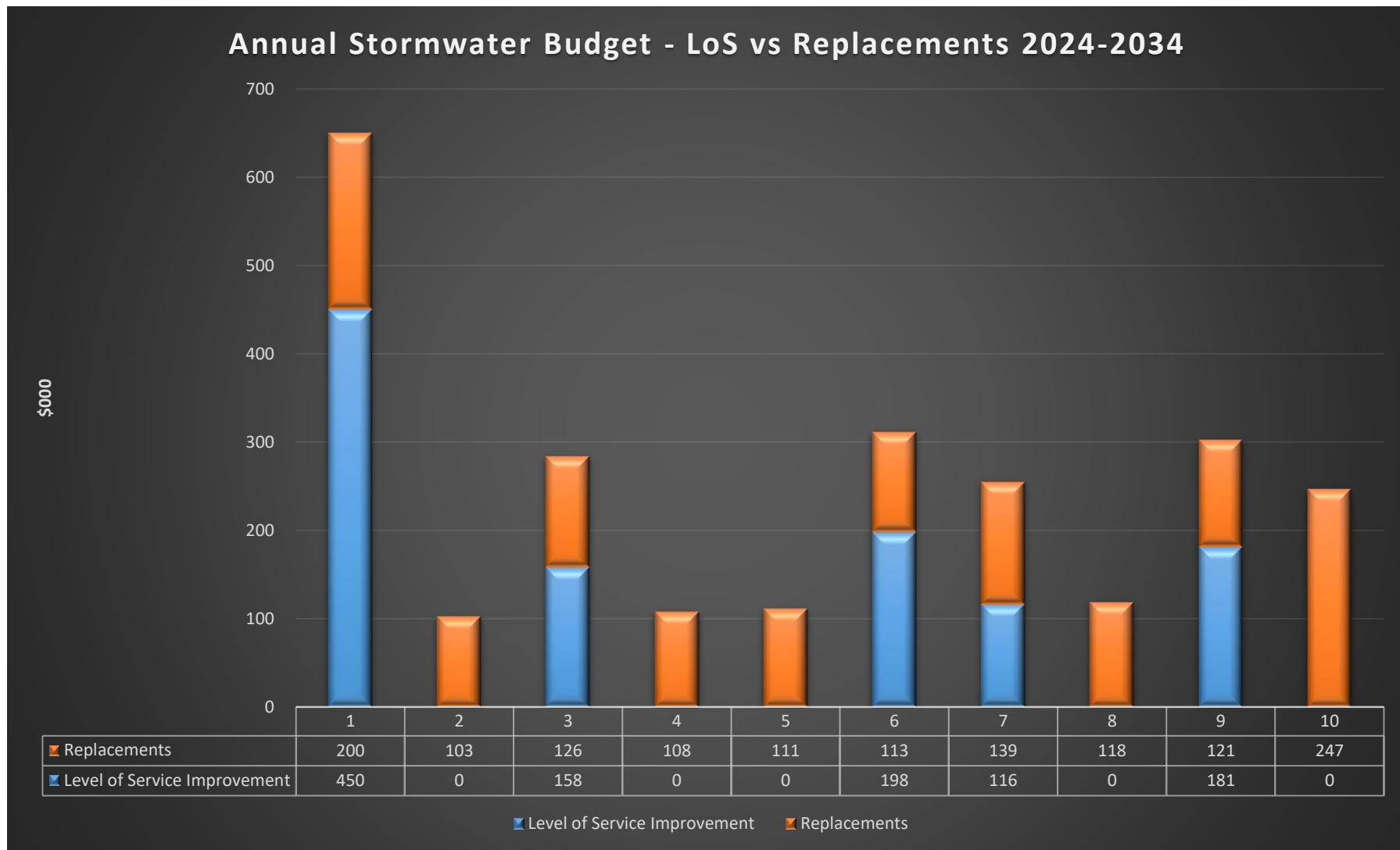


Figure 28 - Annual Stormwater Budget - LoS vs Replacements 2024-2034

10.0

Asset Management Practices and Improvement Plan

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

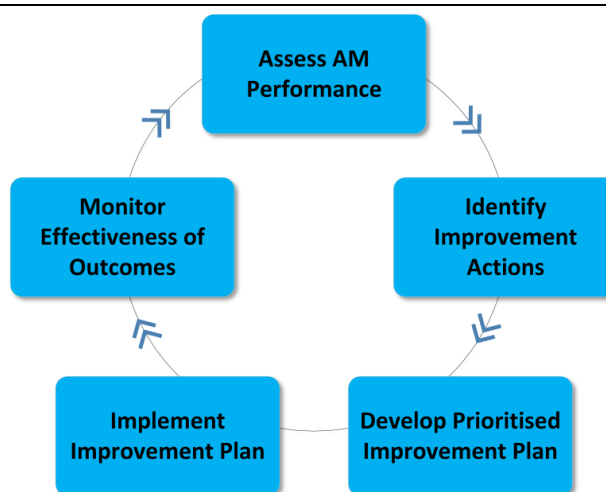


Figure 29 - Asset Management Improvement Process

10.2 ASSET MANAGEMENT

10.2.1. ASSET MANAGEMENT POLICY

The Stratford District Council developed and adopted its inaugural Asset Management Policy₂₀₁₆ and completed a review in 2020³. 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 objective of this Policy is to:

- 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 good quality infrastructure and local public services that are efficient, effective and appropriate for current and future generations.
- Meet the foreseeable needs of the community.
- Ensure that assets are planned for, created, replaced and disposed of in accordance with Council priorities as determined in the Long Term Plan.
- Ensure all legal delegations are met.

³ D20/4330

Asset Management Practices and Improvement Plan

- Ensure customer expectations are properly managed.
- Provide technical and professional advice that enables elected members to make sound well informed decisions concerning the management of assets.
- Assets are managed to meet agreed customer levels of service.
- Assets are managed and delivered in accordance with the strategies stated in the Asset Management Plans.
- Ensure data collection systems are in place to collect, store, maintain and use for prudent management of Council owned assets.

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

- Asset management goals and objectives will be aligned with corporate objectives and community outcomes.
- Capital, operation and maintenance, and renewal/replacement works will be aligned with asset management objectives.
- Sustainable and suitable development will be considered in the options for asset development and service delivery.
- Optimal replacement/lifecycle asset management strategies will be developed.
- Asset replacement strategies will be established through the use of optimised lifecycle management and costing principles.
- Funding allocation for the appropriate level of maintenance in order for assets to deliver required Levels of Service.
- Growth and demand forecasting will be integrated as part of all asset management planning to meet current and future needs of the community.
- Ensure the 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 27 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.

Asset Management Practices and Improvement Plan

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 is 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 31 and are Aware, Basic; Core; Intermediate and Advanced.

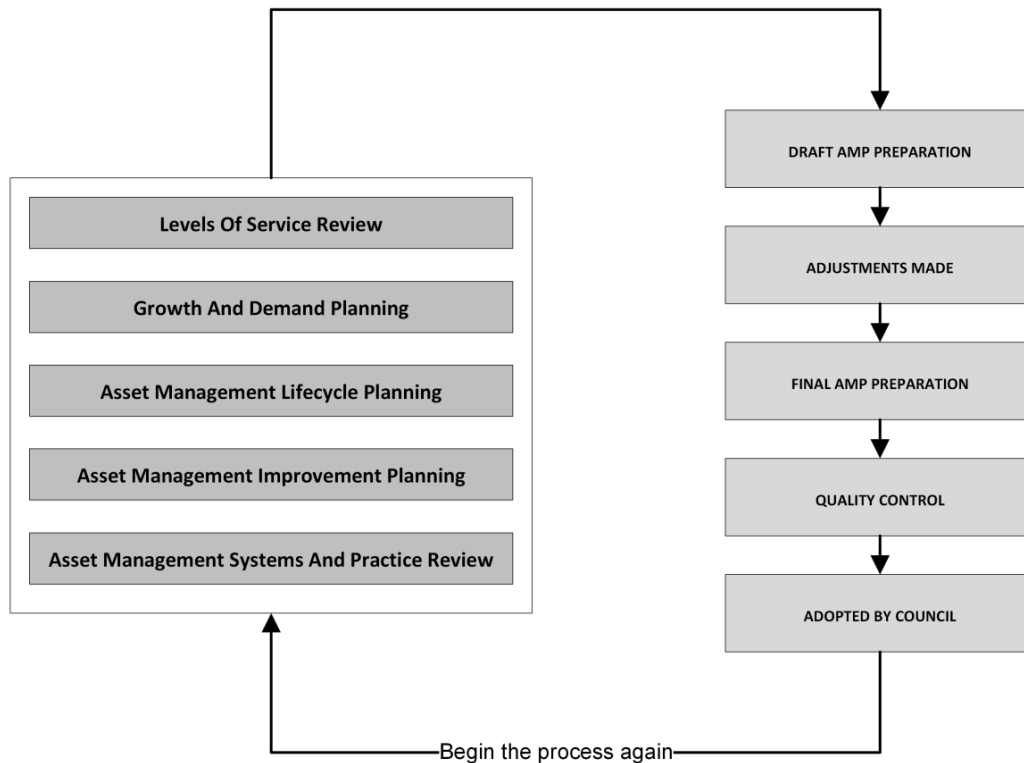


Figure 30 - Asset Management Plan Development Process

Asset Management Practices and Improvement Plan

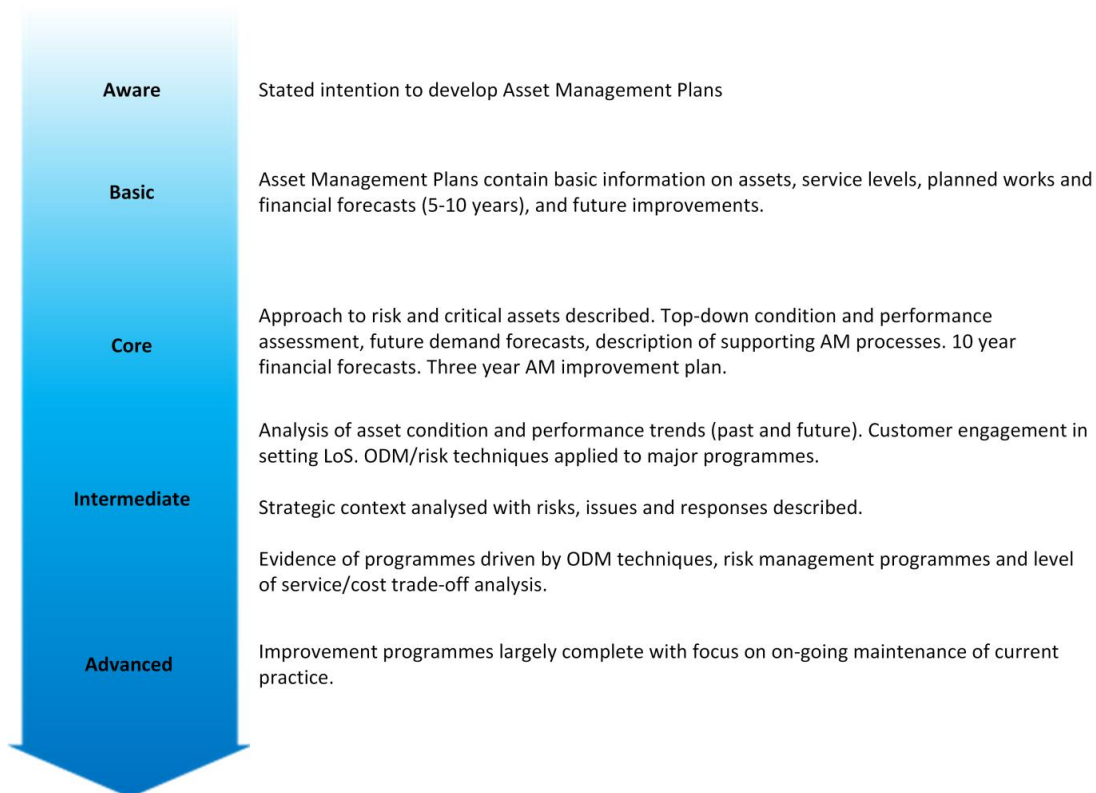


Figure 31 - Asset Management System Maturity Index

10.3 IMPROVEMENTS MADE AND FUTURE IMPROVEMENTS

Table 32 Improvements Made and Future Improvements

Asset Management Practice Area		Improvements	Section Identified	Date	Responsibility
1	Asset Information	<p>Improve condition data accuracy and reliability</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
2	Future Growth and Demand	Further assessment needed to assess the impacts of growth demands on the adequacy of the existing stormwater reticulation systems.	4.3	Ongoing	Director, Assets Asset Services Manager
3	Lifecycle Management	Maximise AssetFinda capabilities for predictive modelling purposes	7.3	Ongoing	Director, Assets Asset Services Manager
4	Risk Assessment	<p>Infiltration of Groundwater</p> <p>Continue addressing ground water infiltration into the wastewater reticulation to ensure continued an efficient performance of critical asset</p>	8.7	Ongoing	Director, Assets Asset Services Manager
5	Risk Assessment	<p>Trade Waste Implementation</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>	8.7	Ongoing	Director, Assets Asset Services Manager

APPENDICES

Appendix 1 Stormwater Risk Assessment

Appendix 2 Stormwater Operational Documents

Appendix 1 - Stormwater 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	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	1 Low Rare/ Important	<ul style="list-style-type: none"> Staff will implement the changes Regular review and update Legislative Compliance Register. Staff training and attending relevant industry conferences. Regular policy review to ensure policies and procedures are in line with legislation changes. Ensure maintenance contractor and staff are up to date with legislative requirements through regular updates of legislative compliance register Subscribe to regular email updates from local government and relevant industry bodies, Council list server to ensure staff are notified of legislative changes. 	1 Low Rare/ Important
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"> Quality assurance. Resourcing levels maintained. Schedule of dates and commitments is regularly maintained and updated by Quality Assurance officer. Regular review and update of Legislative Compliance Register. 	1 Low Rare/ Serious
Bylaws and Policies TOP TEN RISK	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"> Quality assurance, Resourcing levels maintained, Regular Policy Schedule review by CEO. Regular review of Bylaw timetable maintained in Content Manager. 	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 TOP TEN RISK	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"> Backups done daily and stored off-site. Most critical data is in the cloud, data centre is overseas so workers can access system remotely from anywhere. Civil Defence will make hardware available for emergency response. 	3 Moderate Unlikely/ Serious
Server Failure TOP TEN RISK	IF the server failed THEN systems down, data unavailable, potential data loss	12 Very High Possible/ Major	<ul style="list-style-type: none"> Restore from backup, backups stored off-site. Fail-over for Melbourne data centre replicates to Sydney data centre. 	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"> Access to archives is limited to trained staff. Ensure the Information Management Specialist is fully trained in all areas of protected records management. Maintain a register of archived records, and a process by which records will be archived. Storage area must be restricted and temperature controlled. 	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"> All Council information should only be stored on platforms that are approved by IT and gone through proper procedures and checks by IT. 	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"> Ensure funding assessments are carried out by sufficiently experienced personnel and strong cases are made for funding. A system should be established to regularly monitor all available funding for council projects. 	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"> Good quality controls. Implement annual external and internal audit recommendations. Adhere to Procurement and Delegations Policy. Communications of internal controls to all staff. Recommend internal audit programme every year by independent contractor. 	1 Low Rare/ Serious
Procurement contracts TOP TEN RISK	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"> 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. 	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"> Ensure variable costs are clearly identifiable, and therefore able to be isolated and adjusted if ratepayer base reduced. Council actions to align with council mission and vision to make Stratford a great place to live. 	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"> 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. 	1 Low Rare/ Serious

3. Financial Risk Assessment

Risk Subject	Risk Description	Risk Score Raw	Control Description	Residual Risk Score
Theft by Contractors	IF contractors have unrestricted access to council property and/or information, THEN there is an opportunity for theft and consequently loss of Council assets.	1 Low Rare/ Serious	<ul style="list-style-type: none"> • All contractors must go through a pre-qualification process. • Visitors to Council buildings must sign in. • Access to the building has now been restricted with the use of fobs. • Protected records are stored in a safe or locked storage room. 	1 Low 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"> • Ensure annual depreciation is based on accurate fixed asset values (replacement cost) and accurate useful lives. • Assets should not, unless necessary, be replaced before the end of their useful life. 	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"> • 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. • 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. 	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"> • Audit and Risk Committee oversight. Internal and External audits annually. • Fraud Policy awareness training. • Regular review of policies to ensure in line with best practice. • SLT to undergo ethics training. 	3 Moderate Unlikely/ Serious

3. Financial Risk Assessment

Risk Subject	Risk Description	Risk Score Raw	Control Description	Residual Risk Score
			<ul style="list-style-type: none"> • Full reference checking of at least one recent, direct manager (particularly for financial and management roles). • Zero tolerance for any bullying type behaviour. 	

HEALTH AND SAFETY WELLBEING RISKS

4. Health and Safety Wellbeing Risk Assessment

Risk Subject	Risk Descriptions	Risk Score Raw	Control Description	Residual Risk Score
Public Events	If health and safety accidents or incidents occur during events then increased costs can occur to the events, reputation is damaged	4 High Possible/ Serious	<ul style="list-style-type: none"> • Health and Safety plans are established well in advance to an event being planned • Physical hazards and risks are eliminated Hazard Identification records are kept • Events do not proceed without correct Health and Safety sign off • Good communication to all staff 	2 Moderate Unlikely/ Important
Lone Worker TOP TEN RISK	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"> • Complete quality assurance. • Ongoing training/awareness of HSE requirements and responsibilities • Better use of council data/knowledge base on dangerous or insanitary sites before staff member deploys to site • Use of GPS tracking, mobile phone tracking. • Compliance officers to wear body cameras when on duty. 	1 Low Rare/ Important
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"> • All staff must have a full drivers licence and all staff are aware of procedures if there is an accident. • Staff driver training to be provided to regular drivers. • GPS and mobile phone tracking. 	3 Moderate Unlikely/ Serious
	If staff are affected by personal issues or by work pressures and experiencing high levels of stress,	5 High	<ul style="list-style-type: none"> • Managers are responsible for being aware of the wellbeing of their direct reports 	3 Moderate

4. Health and Safety Wellbeing Risk Assessment

Risk Subject	Risk Descriptions	Risk Score Raw	Control Description	Residual Risk Score
Staff under Stress	then work performance may decline and/or fatigue, illness, unsafe work practices may result.	Almost Certain/ Important	<ul style="list-style-type: none"> • There are various options available for relieving the pressure of staff who are overworked including increasing staff or reallocating work • Ensure access to EAP service is widely known and communicated to all staff • Ensure all staff have a backup option available so they can take annual leave for at least a week at a time 	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"> • Staff are up to date with relevant immunisations. • Training is mandatory for all staff working with hazardous substances. • Use appropriate PPE gear at all times in the vicinity of the hazardous substances. • Regular health checks for staff. • Regular testing of hazardous substances and chemicals LABELLING and STORAGE be carried out RANDOMLY. • The Stratford Water Treatment Plant has site licences for the storage of chemicals, these must be kept up to date. • Fire extinguishers are on site, all signage is current and covers off on all of the chemicals held on site, labels are all correct and current. We currently have 5 authorised handlers. Ixom also do site audits when their representative is in the immediate area. 	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 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.	4 High Possible/ Serious	<ul style="list-style-type: none"> • Top down culture against bullying and harassment of any kind, policy is followed through by management, staff are aware of the reporting process. • The reporting process to deal with bullying and harassment is fair, transparent, confidential and dealt with in a timely manner. 	3 Moderate Unlikely/ Serious

4. Health and Safety Wellbeing Risk Assessment

Risk Subject	Risk Descriptions	Risk Score Raw	Control Description	Residual Risk Score
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.	2 Moderate Unlikely/ Important	<ul style="list-style-type: none"> Asbestos protocols need to be developed in line with the asbestos regulations. Contractor needs to be made aware of Asbestos disposal guidelines. 	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"> Apply ACC Habit At Work guidelines. Workstation assessments should be carried out to reduce the likelihood of onset of long term discomfort and pain conditions. 	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"> Establish emergency procedures, including use of panic buttons. Security cameras in place. Ensure staff are trained to deal with potential threat. Design / limit access to building so that threats are minimised. 	1 Low Rare/ Serious
Employee Substance Abuse TOP TEN RISK	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"> Ensure staff are aware of drug and alcohol policy. Initial drug testing done prior to employment to filter out regular users. Utilise EAP. 	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"> Ensure employees take regular, quality rest breaks during the working day, in line with the Employment Relations Act (HR Policy requires this). Ensure all staff know their responsibilities in terms of managing fatigue. Ensure shift workers rostered times are manageable. The Vehicle Use Policy has limits on driving a Council vehicle after exceeding max number of work hours. Contractor fatigue management to be reported and monitored through regular contractor meetings. 	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"> Stringent Operational procedures: Daily reporting of compliance. Regular liaison with contractor and regulators to monitor performance to ensure compliance. Contractor pre-approval process. Council has material damage insurance policy. 	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.	3 Moderate Possible/ Important	<ul style="list-style-type: none"> Co-ordination between services before major projects begin. Ensure all works have Corridor Access Requests. 	1 Low Rare/ Important
Attracting Qualified Staff TOP TEN RISK	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"> Internal training and succession planning programs. Ensure market wages are offered for all high demand positions. Recruit off shore option should be available for high-demand positions. Make greater use of consultants if necessary and/or shared services with neighbouring Councils. Make Stratford District Council a great place to work - measure staff engagement and respond to any issues expediently. 	2 Moderate Unlikely/ Important
Maintenance Contractor fails to deliver TOP TEN RISK	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"> Careful assessment of tender to ensure contract price viable for contractor to deliver level of service Regular liaison with contractor to monitor performance and ensure compliance Contractor pre-approval process must not be bypassed 	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"> Ensure PROMAPP is up to date with all staff day to day processes If known absence ahead of time ensure an appropriate training plan in place 	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"> • Make use of local consultants where appropriate • Connect with colleagues from neighbouring three councils to share resource if needed • 	
Natural Disaster or Fire - Response preparedness TOP TEN RISK	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 Possible/ Major	<ul style="list-style-type: none"> • Civil Defence Emergency Management plans are in place. • Procedures following an emergency event are widely known by a number of staff due to Civil Defence • Foundational training being rolled out to majority of council staff. • 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. 	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"> • Health and Safety Advisor to keep aware of any public health notifications of disease outbreaks • Ensure there is a plan to respond to any notifications • Civil Defence covers infectious human disease pandemics and will take responsibility for local management 	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"> • Ensure council takes a proactive approach to working with Biosecurity NZ, MPI, TRC and the community where a threat is identified. 	2 Moderate Unlikely/ Important
Critical Asset Failure TOP TEN RISK	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"> • Conduct 2 yearly Asset Criticality Review. • Ensure there are established Civil Defence Emergency Management response procedures in relation to fixing critical assets in an emergency event. 	4 High Possible/ Serious

5. Operational Risk Assessment

Risk Subject	Risk Descriptions	Risk Score Raw	Control Description	Residual Risk Score
			<ul style="list-style-type: none"> Management practices and staff training, retention to ensure appropriate skill level in critical asset maintenance. 	
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"> Asset Management Plans and Incident Control Response Plans to document critical asset areas and response plan in the event of heavy rainfall incidents. 	2 Moderate Likely/ Minor
Government Policy Impacting on Local Government TOP TEN RISK	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"> 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. 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 	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"> Not negotiable - Consent conditions must be abided by otherwise the consent will be breached Council needs to submit to the Regional Council a methodology about how they are going to undertake the works. 	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"> Ensure that where a staff member leaves and they have access to logins accessible online that the passwords are changed and access ceases. Limit use of online accounts. 	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"> Appropriate procedures and guidelines are in place to monitor contractor actions and our own including health and safety audits, contractor meetings/KPI's 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 All relevant staff are kept up to date with pre-approved contractors register Mini audits and random checks should be built into contracts Contractor public liability insurance required for all major contracts. 	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"> All staff in a public facing role, particularly where they must deal with children, must be police vetted before they commence work. 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 	3 Moderate Unlikely/ Serious

Appendix 2 - Stormwater Operational Documents

Consents	Commencement Date	Expiry Date	CM Reference
<ul style="list-style-type: none"> 6468-2.0- Culvert - Kahouri Stream 10057-1 Culvert - Unnamed Tributary Kahouri Stream 10678-1 Culvert - Unnamed Tributary Kahouri Stream 10677-1 Culvert - Unnamed Tributary Kahouri Stream 9683-1 Pipe unnamed tributary Patea River 7944-1 Culvert - Unnamed Tributary Kahouri Stream 9338-1 Culvert - Unnamed Tributary Patea 10680-1 Culvert - Unnamed Tributary Kahouri Stream 10679-1 Culvert - Unnamed Tributary Kahouri Stream 	<ul style="list-style-type: none"> Draft Conditions 12.04.2015 16.11.2018 16.11.2018 7.02.2014 3.11.2011 29.08.2012 16.11.2018 16.11.2018 	<ul style="list-style-type: none"> N/A 1.06.2034 1.6.2034 1.06.2034 1.06.2028 1.06.2028 1.06.2028 1.06.2034 1.06.2028 	<ul style="list-style-type: none"> N/A D17/20484 D21/5934 D21/5937 D17/20482 D17/20478 D17/20480 D21/5932 D21/5933
Policies			
Asset Management	26/05/2020	2023/2024	D20/4330
Procurement Policy	11/06/2019	2022/2023	D18/29563(v3)
Bylaws			
Nil			
Strategies			
Infrastructure Strategy 2024-2054	1/02/2024	2054	D23/46205
Contracts			
Three Water Maintenance Contract (1434)	1/07/2022	30/06/2024	D22/21853