



Our reference
F19/13/03-D21/26182

22 February 2024

Policy and Services Committee

Notice is hereby given that the Policy and Services Committee meeting will be held in the **Council Chambers, Stratford District Council, 63 Miranda Street, Stratford** on **Tuesday 27 February 2024** beginning at **2.00pm** to hear and consider submissions to the draft Easter Sunday Shop Trading Policy.

The hearing will be followed by the monthly Policy and Services Committee meeting.

Timetable for 27 February 2024 as follows:

2.00pm	Policy and Services Committee (Hearing) - To hear and consider submissions to the draft Easter Sunday Shop Trading Policy.
2.45pm	Afternoon Tea for Councillors
3.00pm	Policy and Services Committee

Yours faithfully

Sven Hanne
Chief Executive

2024 - Agenda - Policy & Services - February

27 February 2024 03:00 PM - 05:00 PM



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AGENDA

Policy and Services Committee



F22/55/05-D24/6077

Date: Tuesday 27 February 2024 at 3.00 PM
Venue: Council Chambers, 63 Miranda Street, Stratford

1. **Welcome**

1.1 Opening Karakia
D21/40748 Page 10

1.2 Health and Safety Message
D21/26210 Page 11

2. **Apologies**

3. **Announcements**

4. **Declarations of members interest**

Elected members to declare any real or perceived conflicts of interest relating to items on this agenda.

5. **Attendance Schedule**

Page 12

Attendance schedule for Policy and Services Committee meetings, including Hearings.

6. **Confirmation of Minutes**

6.1 Policy and Services Committee –23 and 30 January 2024
D24/2499 Page 13

Recommendation

THAT the minutes of the Policy and Services Committee Meeting held on Tuesday 23 and 30 January 2024 be confirmed as a true and accurate record.

/
Moved/Seconded

7. **Matters Outstanding**

D16/47 Page 41

Recommendation

THAT the Matters Outstanding be received.

/
Moved/Seconded

8. [Decision Report – Policy Reviews – February 2024](#)
D24/6183 Page 42

Deputation – Michael Coes – Housing for Older Person Policy

Recommendations

1. THAT the report be received.
2. THAT the following, updated and new policies, being the:
 1. CCTV Cameras Policy
 2. Housing for Older Persons Policy (replacing Housing for the Elderly Policy)
 3. Presentations to elected members Policy (replacing the Presentation to Elected Members and Staff Policy)
 4. Council Vehicles

be adopted.

2. THAT the following policies, being the:
 1. Remitting of fees to Non-Profit Organisations
 2. Infringement Notices Policy

be withdrawn.

Recommended Reason

This is part of council's rolling review of policies. Policies require review from time to time to ensure they still reflect current legislation and best practice, as well as elected members' views and meet the business needs of the organisation. Any policies recommended for withdrawal have either been found to be not required, amalgamated into an existing policy or replaced by a new policy as outlined in the body of this report.

/
Moved/Seconded

9. [Information Report – Economic Development Quarterly Report – Quarter One and Two 2023/24](#)
D23/50634 Page 78

Recommendation

THAT the report be received.

/
Moved/Seconded

10. Information Report – Percy Thomson Trust – Half Yearly Report as at 31 December 2023
D24/6175 Page 99

Recommendations

1. THAT the report be received.
2. THAT Council receive the half yearly report for Percy Thomson Trust as at 31 December 2023.

Recommended Reason

In terms of Section 66 of the Local Government Act 2002 the Percy Thomson Trust, being a council controlled organisation, must deliver to Council a half yearly report (as at 31 December 2023) before 1 March 2024.

/_____
Moved/Seconded

11. Decision Report – Percy Thomson Trust – Statement of Intent 2024-2027
D23/6161 Page 120

Recommendations

1. THAT the report be received.
2. THAT Council notes that the provision of the draft Statement of Intent for Percy Thomson Trust relating to the period 1 July 2024 to 30 June 2027 within this report meets the legislative requirements of a CCO to deliver a draft statement of intent to its shareholders by 1 March in the year preceding the financial year to which the draft statement relates, and
3. THAT Council provide any comments on the draft statement of intent it wishes the board of the Percy Thomson Trust to consider in the preparation of its final Statement of Intent. The final Statement of intent must delivered to shareholders before the commencement of the financial year it relates to unless the deadline is formally extended by the shareholders.

Recommended Reason

In terms of Schedule 8 of the Local Government Act 2002 Percy Thomson Trust, being a Council Controlled Organisation, must deliver a draft Statement of Intent on or before 1 March 2024 to its shareholders, being the Stratford District Council.

/_____
Moved/Seconded

12. [Decision Report – Donation of Bench Seat](#)
D24/5459 Page 144

<p>Recommendations</p> <ol style="list-style-type: none">1. <u>THAT</u> the report be received.2. <u>THAT</u> the Committee approves Option 2 – to approve the donation of a bench seat <p>Recommended Reason To approve the donation of a bench seat (with a memorial plaque) from the Bray family to commemorate Ronald (Ron) Bray who worked at the Stratford District Council for 31 years as Park Superintendent.</p> <p style="text-align: right;">/ Moved/Seconded</p>
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13. [Decision Report – Proposed Road Closure of Miranda Street for ANZAC Day Service](#)
D24/3500 Page 147

<p>Recommendations</p> <ol style="list-style-type: none">1. <u>THAT</u> the report be received.2. <u>THAT</u> pursuant to Section 342(1) (b) in accordance with Schedule 10 clause 11(e) of the Local Government Act 1974, Stratford District Council approves the closure of the following roads between the hours 5.30am to 10.00am on Thursday 25 April 2024:<ul style="list-style-type: none">• Miranda Street between Fenton Street and Regan Street – 5:30am to 10:00am• War Memorial Car park to be closed• Fenton St from Broadway to Malone Gates and Portia St to the TET carparkfor the purpose of the ANZAC Day Dawn Service <p>Recommended Reason In order for the Stratford District Council to hold ANZAC Day commemorations, it is necessary to close the roads listed above for the safety of the public gathering for the dawn service at the Cross of Sacrifice on Miranda Street. The proposed road closures require formal approval by a Council resolution.</p> <p style="text-align: right;">/ Moved/Seconded</p>

14. [Decision Report – Approve Draft Financial Strategy](#)
D24/6151 Page 153

<p>Recommendations</p> <ol style="list-style-type: none">1. <u>THAT</u> the report be received.2. <u>THAT</u> the draft Financial Strategy be approved and released for audit review, before the final draft Financial Strategy is approved to be released for consultation. <p>Recommended Reason This is an opportunity for elected members to formalise their initial stance on the Financial Strategy for the district, prior to releasing for audit review.</p> <p style="text-align: right;">/ Moved/Seconded</p>
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15. [Decision Report – Infrastructure Strategy](#)
D24/6282 Page 170

<p>Recommendations</p> <ol style="list-style-type: none">1. <u>THAT</u> the report be received.2. <u>THAT</u> the draft Infrastructure Strategy be approved and released for audit review, before the final Infrastructure Strategy is adopted for community feedback. <p>Recommended Reason This is an opportunity for elected members to ensure that the Infrastructure Strategy reflects their position on the management of Council's core assets in the next 30 years, prior to releasing the Consultation Document for audit review.</p> <p style="text-align: right;">/ Moved/Seconded</p>
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16. [Decision Report – Approve draft Consultation Document for release to Auditors](#)
D24/6241 Page 244

<p>Recommendations</p> <ol style="list-style-type: none">1. <u>THAT</u> the report be received.2. <u>THAT</u> the draft Consultation Document be approved and released for audit review, before the final Consultation Document is approved to form the basis for the consultation with the community.3. <u>THAT</u>, in accordance with Standing Order 8.4, an Extraordinary Meeting of Council be held on Tuesday 26 March 2024 at 1.00pm to release the final Consultation Document, and supporting Information, for consultation with the community.4. <u>THAT</u> the hearing date for submissions to the Long Term Plan be amended to Tuesday 14 May 2024, as noted in Appendix 1. <p>Recommended Reason This is an opportunity for elected members to ensure that the consultation documents reflects their priorities and aspirations regarding the outcomes of the Long Term Plan, prior to releasing the Consultation Document for audit review.</p> <p style="text-align: right;">/ Moved/Seconded</p>

17. [Monthly Reports](#)

17.1 **Assets Report**
D24/3178 Page 273

<p>Recommendation</p> <p><u>THAT</u> the report be received.</p> <p style="text-align: right;">/ Moved/Seconded</p>
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17.2 Community Services Report
D24/4295 Page 295

Recommendation

THAT the report be received.

/
Moved/Seconded

17.3 Environmental Services Report
D24/1633 Page 303

Recommendation

THAT the report be received.

/
Moved/Seconded

17.4 Corporate Services Report
D24/5866 Page 310

Recommendation

THAT the report be received.

/
Moved/Seconded

18. [Questions](#)

19. [Closing Karakia](#)
D21/40748 Page 328



Our reference
F19/13/03-D21/40748

Karakia

Kia uruuru mai
Ā hauora
Ā haukaha
Ā haumāia
Ki runga, Ki raro
Ki roto, Ki waho
Rire rire hau Paimārire

I draw in (to my being)
The reviving essence
The strengthening essence
The essence of courage
Above, Below
Within, Around
Let there be peace.



Our reference
F19/13/03-D22/17082

Health and Safety Message

In the event of an emergency, unless guided to an alternative route by staff, please exit through the main entrance. Once outside the building please move towards the War Memorial Centre congregating on the lawn area outside the front of the council building.

If there is an earthquake, please drop, cover and hold where possible. Remain indoors until the shaking stops and you are sure it is safe to exit or remain where you are until further instruction is given.

5. Attendance schedule for 2024 Policy & Services Committee meetings (including Hearings).

Date	23/1/24	30/1/24 **	27/2/24	27/2/23	26/3/24	26/3/23	23/4/23	28/5/24	4/6/24	25/6/24	23/7/24	27/8/24	24/9/24	22/10/24	26/11/24
Meeting	PS	PS	H	PS	H	PS	PS	PS	H	PS	PS	PS	PS	PS	PS
Neil Volzke	✓	✓													
Steve Beck	✓	✓													
Grant Boyde	✓	✓													
Annette Dudley	✓	✓													
Jono Erwood	✓	✓													
Ellen Hall	✓	✓													
Amanda Harris	✓	✓													
Vaughan Jones	✓	✓													
Min McKay	✓	✓													
John Sandford	✓	✓													
Clive Tongaawhikau	A	A													
Mathew Watt	✓	✓													

** The Policy and Services Committee meeting held on 30 January 2024 was a continuation of the 23 January meeting.

Key	
PS	Policy & Services Committee Meeting
H	Hearing (heard by Policy & Services Committee)
✓	Attended
A	Apology/Leave of Absence
AB	Absent
S	Sick
AV	Meeting held, or attended by, by Audio Visual Link

MINUTES

Policy and Services Committee



F22/55/05 – D24/4505

Date: Tuesday 23 January 2024 at 3.00PM
Venue: Council Chambers, 63 Miranda Street, Stratford

Present

The Deputy Mayor M McKay (the Chairperson), the District Mayor N C Volzke, Councillors: S J Beck, G W Boyde, A M C Dudley, J M S Erwood, A K Harris, E E Hall, V R Jones, W J Sandford (*part meeting*) and M J Watt.

In attendance

The Chief Executive – Mr S Hanne, the Director – Assets Mrs V Araba (*part meeting*), the Director – Corporate Services – Mrs T Radich, the Director – Community Services – Ms K Whareaitu, the Director – Environmental Services – Mr B Sutherland, the HR & Governance Advisor – Mrs C Reynolds, the Communications Manager – Ms G Gibson, the Corporate Accountant - Mrs C Craig (*part meeting*), the Parks and Reserves Officer – Mrs M McBain, the Projects Engineer – Mr O Mabumbo (*part meeting*), the Services Asset Manager – Mr J Cooper (*part meeting*), the Graduate Roding Engineer – Mr F Hick (*part meeting*), the Sustainability Advisor – Ms V Dombroski (*part meeting*), the Community Development and Engagement Lead – Ms A Crane (*part meeting*), the Roding Manager – Mr S Bowden, the Graduate Asset Engineer – Ms K Van Hout (*part meeting*), the Projects Manager – Mr S Taylor, the Communications Advisor – Mrs S Clarkson (*part meeting*), the Planner – Connor Marnier (*part meeting*), the Finance Officer – Mrs J Mack and two members of the media (Stratford Press and Taranaki Daily News (*part meeting*)).

1. Welcome

The opening karakia was read.

The Deputy Mayor welcomed the Chief Executive, Councillors, staff, and the media.

The Deputy Mayor reiterated the health and safety message and emergency procedures.

2. Apologies

An apology was received from Councillor C M Tongaawhikau

Recommendation

THAT the apology be received.

ERWOOD/WATT
Carried
P&S/24/1

3. Announcements

There were no announcements.

4. Declarations of members interest

Elected members were asked to declare any real or perceived conflicts of interest relating to items on this agenda. There were no conflicts of interest.

5. Attendance Schedule

The Attendance schedule for Policy and Services Committee meetings, including Hearings, was attached.

6. Confirmation of Minutes

6.1 Policy and Services Committee –28 November 2023 (Hearing)
D23/48292 Page 15

Recommendation

THAT the minutes of the Policy and Services Committee Meeting, to hear and consider submissions to the Draft Beauty Therapy, Tattooing and Skin Piercing Bylaw and Code of Practice, held on Tuesday 24 October November 2023 be confirmed as a true and accurate record.

HARRIS/HALL
Carried
P&S/24/2

6.2 Policy and Services Committee –28 November 2023
D23/48069 Page 18

Recommendation

THAT the minutes of the Policy and Services Committee Meeting held on Tuesday 28 November 2023 be confirmed as a true and accurate record.

SANDFORD/VOLZKE
Carried
P&S/24/3

7. Matters Outstanding

D16/47 Page 31

Recommendation

THAT the Matters Outstanding be received.

JONES/BOYDE
Carried
P&S/24/4

The Director – Environmental Services noted the Ariel Steet numbering is currently being looked into.

8. Information Report – Reserve Balances and Movements 2022/23

D23/47870 Page 32

Recommendation

THAT the report be received.

DUDLEY/BOYDE
Carried
P&S/24/5

The Corporate Accountant noted the following points:

- Currently there are two reserves in deficit, roading and water supply. There is concern that there is not enough funds to fund water supply from reserves. It was noted all renewal is reserve funded, which is not realistic from an empty reserve, however there is a report coming up with proposed loan funding to move forward.

Questions/Points of Clarification:

- Councillor Hall sought clarification on point 2.2 of the Executive Summary. She questioned if the dates were correct. It was noted the dates should be 30 June 2022 and 1 July 2023 respectively.
- Councillor Boyde questioned if the water supply reserve was for water only, not wastewater. It was confirmed this is correct.
- The District Mayor questioned if the 2023/2024 over budget spend of \$1,000,000 for roading outlined on page 35's opening paragraph, was expected to be remedied over one year or a longer time period. It was noted in the current financial year roading will be over budget and there is discussion to be had on what to do regarding an overdrawn reserve, what rate should be used to attempt to refill the reserve. It was noted this is not addressing the fact that roading has become more expensive and roads continue to need to be maintained.

The Services Asset Manager and Sustainability Advisor joined the meeting at 3.12pm

- The Mayor questioned if depreciation funding of the pool was double dipping. It was noted if you build a new pool and fund the depreciation, and at the same time fund the loan from rates, the current ratepayers will be paying for the current asset but also paying for a future pool. Therefore, the approach of funding the loan from the depreciation ensures ratepayers only pay for one facility at a time, and once free of the loan servicing cost the full amount benefits the depreciation reserves.
- The Deputy Mayor questioned if the depreciation amount is taken off the loan repayment. It was noted if depreciation is rate funded, the loan repayment comes out of reserves, which means the use of the asset comes from rates, rather than the payment of the asset.

9. Decision Report – Communications and Engagement Strategy Review 2024

D24/570 Page 38

Recommendations

1. THAT the report be received.

ERWOOD/HARRIS
Carried
P&S/24/6

2. THAT the reviewed *draft* Communication and Engagement Strategy be released for public feedback with the amendments noted in discussion.

MCKAY/HALL
Carried
P&S/24/7

Questions/Points of Clarification:

- Councillor Boyde made the observations that throughout the strategy different census dates and information were being used. He noted there were 2013 and 2018 census information used. It was noted 2018 census was the most up to date public information, and the 2013 referral is in 2020 Communications & Engagement Strategy.

- The District Mayor noted on page 56 under 5. District Profile, reference is made to Egmont National Park, which needs to be updated.
- The District Mayor noted on page 56 under ethnicity, the totals do not add up to 100%. It was noted this will be looked into and resolved.
- The District Mayor noted on page 58, the second to last bullet point states “the promise that the public’s contributions will influence the decision”. He believes this implies that if the contributions from the community were one way or the other, this might influence Elected Members to go down that track and that is not always what happens. He suggested there could be another word to suggest contributions could influence, but don’t always determine the outcome. It was noted the bullet points are extracted from the International Association for Public Participation (IAP2) Core Values, therefore the bullet points could not be updated, however could be removed if not considered suitable.
- The District Mayor noted he did not see any reference to how Council will process communication from the community in forms of Facebook anger and misinformation. He questioned how Council responds to that in terms of community engagement. It was noted this could be addressed in the strategy, however there is an internal social media engagement policy for these situations, as well as a policy on how Council interreacts with the media.
- The Deputy Mayor noted page 63 possibly covers council staff behaviour. It was noted it does, and staff guidelines are also being worked on.
- Councillor Sandford questioned if the bullet points on page 58 were being taken out, as he believes they have very significant wording, and he doesn’t want to see someone use them against council.
- Councillor Hall noted she had listened to what others had noted and believes ‘influence’ does not mean the decision needs to go the group wants them to go. It could mean the discussion was influenced by others contributions before the decision is made, not influencing the outcome.
- Councillor Sandford reiterated his question regarding the removal of the bullet points. Ms Gibson suggested that these bullet points could be put in italics so it is more obvious the points are from somewhere else. It was noted it could be reformatted and the words included that council acknowledges the core values are important which would be an acknowledgement and not an adoption.

10. Decision Report – Significance and Engagement Policy Review

D23/41012 Page 67

Recommendations

1. THAT the report be received.

BOYDE/DUDLEY
Carried
P&S/24/8

2. THAT the *draft* Significance and Engagement Policy and statement of proposal is released for public consultation in accordance with section 82 and 82A of the Local Government Act 2002.

Hall /HARRIS
Carried
P&S/24/9

Questions/Points of Clarification:

- Councillor Harris referred to page 85 and the list of Strategic Assets, and questioned if there was a discussion to call Housing for the Elderly something different. She requested it be called something different, and be named that everywhere.
- Councillor Harris questioned why the Centennial Restrooms and TET Stadium were not listed under strategic assets, when the War Memorial Centre was. It was noted the War Memorial Centre was on the list as it was a more diverse facility, and currently housed Civil Defence, where the TET was like any other sporting facility. It’s removal would not impact the wider community, only a few sports groups.
- The District Mayor questioned why the Council farm was not listed as a strategic asset. It was clarified that the farm is not a strategic asset, it is not an important asset to the wider community and is not crucial in what Council provides.

- The Deputy Mayor referred to page 81 in the table beside Financial Cost, and questioned what would trigger in terms of significance and engagement. It was noted nothing would go over 5% of total council expenditure without a decision being made which would have been identified as significant which would trigger community consultation.

The Services Asset Manager left the meeting at 3.45pm.

- The District Mayor questioned what is Councils definition of climate change, and when is that triggered? It was noted the list is not triggers, triggers would be decided at the time. The Deputy Mayor noted she is mindful of the term climate change popping up more and more, however it has not been discussed what climate change means for the Stratford District. Councillor Hall noted she would like it left in there to help encourage discussion on what climate change means for this council. It was noted this discussion is likely to be had regardless, however this policy will not be brought back to council for review for another three years. It was noted if it is not put in the policy in some form it will not be discussed in future reports.
- Councillor Boyde noted he disagreed that the Council farm is not a strategic asset. It was noted strategic assets are defined in the Local Government Act 2020, that the farm has always been seen as an economic return which helps reduce rates. It was noted if the farm was sold and money reinvested it would not have an impact on council's service delivery.
- Councillor Hall noted there is a report to decide on earthquake strengthening, and noted the decision made there may have an impact on the list of strategic assets. Councillor Harris questioned if the strategic assets can be amended once the policy comes back from consultation. It was confirmed there were other avenues to update the list.
- The Deputy Mayor noted she is happy with the policy, however, would like climate change removed and put under environmental. She believes that if climate change is included there is the expectation that Council is considering climate change, however at this stage it is not clear what it means for Stratford District Council. Councillors Beck and Watt agreed with the Deputy Mayor. Councillor Hall noted her concern that removing climate change means the discussion will not happen. She noted she would be in agreeance from her if there was an assurance the conversation will be had, otherwise she would like to see it kept in there. It was noted there is a plan to create a policy which shows Councils position on climate change, which will be before Councillors for debate this year.

The Sustainability Advisor and the Community Development and Engagement Lead left the meeting at 4.04pm

11. Decision Report – Administration Matters for Long Term Plan 2024-34

D24/1121 Page 93

Recommendations

1. THAT the report be received.

BOYDE/ERWOOD
Carried
P&S/24/10

1. THAT the draft Long Term Plan 2024-34 (LTP) be amended to incorporate the three waters activities for the full ten years of the LTP, noting the government's intention to repeal the Water Services Entity Act 2002 ("the Act").

2. THAT approval be given, subject to repeal of the Act, that the Consultation Document for the Long Term Plan 2024-34 is not required to be audited.

3. THAT the timeframe for the adoption of the Long Term Plan 2024-34 by 30 June 2024 continue to be the preferred date for adoption, however allowing some flexibility by agreeing that the LTP shall be adopted no later than 31 July 2024.

VOLZKE/WATT
Carried
P&S/24/11

12. Decision Report – Forestry Differential – Roothing Targeted Rate

D24/1114 Page 102

Recommendations

1. THAT the report be received.

BOYDE/DUDLEY
Carried
P&S/24/12

4. THAT the application of the Forestry Differential be expanded to include areas within a rating unit, of which are no less than 10 hectares, and used for exotic forestry (excluding indigenous and protected forests), where the rating unit is not currently classified as having forestry as the primary use under the Valuer-General rules

BOYDE/DUDLEY
Carried
P&S/24/13

3. THAT the amount collected under the Forestry Differential on the Roothing Targeted Rate be increased to \$350,000 (exclusive of GST), taking into account the increased costs of remediation works on council's roading network as a result of forestry operations.

VOLZKE/BOYDE
Carried
1 against
P&S/24/14

The Director – Corporate Services noted the following points:

- There has been a Forestry Differential for two years, which was increased this current year. Presented today are options to increase the differential for next year.
- There are three things to look at today:
 - First decision is regarding the differential on properties where forestry is not their main activity, however still have substantial forestry blocks. Currently the option is set at 10 hectares as there are not many under 10 hectares which will come under this.
 - Is the option of 10 hectares sensible?
 - What rate do you want to charge the differential at?
- If the decision goes through today, a letter to the potentially affected ratepayers will be sent out explaining the proposal and questioning if the estimated amount of forestry is correct.

Questions/Points of Clarification:

- Councillor Jones sought clarification regarding page 105, paragraph three which states “If the application of the differential is extended to parts of a rating unit, the forestry portion of these properties would likely come under the forestry differential from the 2024/25 rating year”. He asked what the defining parts of a rating unit are, and what is the rest of the rating unit? It was noted each portion would be given a value for example if a farm is half forestry it would be divided into 2, and charged half as forestry.
- Councillor Jones questioned if land was pastoral and changing to forestry, would that be better or worse for Council?
- Councillor Boyde noted he supported the 10 hectare limit and did not believe it should be any higher. He questioned where the data was collected? It was noted Council's imagery from 2022 was used, along with information from Taranaki Regional Council on forestry consents, they have given information in terms of property ID, which we have then used to find information. This information has not yet been verified.
- Councillor Boyde questioned if this activity will need to be consented when Council writes its District Plan. It was noted this was something which would have to be considered.

The Communications Advisor left the meeting at 4.15pm.

- The District Mayor noted there is a chance for an anomaly in the rating system if only information from TRC guides where to look for properties, when those within the Horizons region could potentially be missed. It was noted this is just a preliminary draft list, and is still a work in progress,

however then the visual was done, this included Horizon District properties. It was noted the Horizons data will be double checked.

The Projects Engineer left the meeting at 4.17pm.

- The Director- Corporate Services advised the plan is to send a letter to the identified farms noting the information collected and they can supply evidence this information is incorrect. Effectively they default onto the list, and they have to prove that they should not be.
- Councillor Harris noted she can see three Horizon District properties which have been captured. She enquired if letters were going to be sent to existing properties outlining the differential increase. It was noted there would not be, it would be treated as any other rates rise.
- The Deputy Mayor questioned why 10 hectares was the limit, and how many properties fall under this limit? It was noted that anything under 10 hectares may be random planting, rather than those for harvesting which is where the significant damage comes from.

The Planner left the meeting at 4.23pm.

- The Deputy Mayor questioned if the percentage which is applied to the property value, does the QV show the overall value of the farm, and then divide by the ten hectares, or do they value forestry differently. It was advised it would be treated as a separate property. It would be requested QV do this, which is covered in our current fee.
- Councillor Beck sought clarification if the ten hectares proposed included lots of little one hectare blocks or one single ten hectare block. It was advised it could be multiple stands of trees that make up ten hectares. Currently the information has been collected, and now questions would be asked from property owners who would then give their feedback, a final decision would then be made.

The Finance Officer joined the meeting at 4.25pm.

- Councillor Boyde noted he agreed with the increase as the cost of emergency roading is a major issue which is taking away from already planned roading. It was advised the unsealed budget this year was approximately \$600,000 which should be used for all unsealed roads, however most of this has been spent on forestry related road damage or preventative work. The budgets are being redirected to forestry damage instead of general maintenance which means there is no preventative maintenance elsewhere.
- The Deputy Mayor questioned if reimbursement the following year of the cost spent on repairing forestry roading could be looked at? It was advised we are essentially doing this by bringing the differential rate closer to the cost of maintenance. The Deputy mayor enquired if Council could be more open with ratepayers, clearly saying to them that Council is seeking reimbursement of the cost. It was advised that under the Local Government (Rating) Act 2002 we can budget for the next year to charge rates, if reimbursement is sought it is more like an invoice than a rate.

The Roading Manager left the meeting at 4.34pm.

- The Deputy Mayor wondered if there would be more ownership from the ratepayers if they knew they were going to be paying for it the following year. She questioned if there is a way to forecast the budget and set the targeted rate for the forestry blocks, which will mean transparency that Council is trying to cover the cost from that specific rate. Councillor Hall questioned how Council could relate the forestry rate to the differential rate.

The Graduate Asset Engineer left and the Roading Manager joined the meeting at 4.36pm.

- Councillor Boyde noted he believes what council is currently using the right approach. The Challenge is Council doesn't know how much is coming out, how often and the impact it is having on the road.

The Director – Assets left the meeting at 4.39pm.

- Councillor Beck questioned if the roads are being more damaged in the winter than the summer. It was confirmed they were. Councillor Beck then questioned if there could be a premium on harvesting in the winter, and other Councils have times of year when the roads are closed. It was advised it was unlikely to be able to close roads for specific usage types.
- The District Mayor noted it is very clear how much is being spent on roads, and we are currently retrospectively funding this which is allowing Council to cover this.

Points noted in discussion:

- Councillor Jones noted he is not happy with the jump as it is still uncertain what properties are going to be charged.
- Councillor Hall noted she disagreed with Councillor Jones and would be happy with over \$400,000 for recommendation three reflective of the fact that the cost of the road sat above \$350,000. The District Mayor noted she would also like to see an increase. She noted it is easy to get caught up on the \$380,000 however it is important to look at the bigger picture where it cost over \$900,000 however NZTA contributed to the cost. She noted this meant other projects are not getting completed because Council is utilising NZTA's subsidy for damage from forestry.
- Councillor Harris advised she is mindful of the increase, particularly the newly identified properties, and also of the fact that some identified will become ineligible which will dilute the pool, however she agrees with the recommendation.

The Director – Community Services joined the meeting at 4.45pm.

- Councillor Sandford noted it has taken years for Council to be brave enough to create this differential. He suggested identifying the properties to receive the rate, accept the \$350,000 recommendation and get going. Councillor Erwood agreed with Councillor Sandford.
- The District Mayor called a point of order, noting he moved the recommendation, any other Councillors who wish to put through an amendment to the motion should put forward an amendment.

Recommendations

3. THAT the amount collected under the Forestry Differential on the Roothing Targeted Rate be increased to \$400,000 (exclusive of GST), taking into account the increased costs of remediation works on council's roading network as a result of forestry operations.

HALL/NO SECONDER
Lapsed
P&S/24/15

- As there was no seconder the motion lapsed.

The Director – Assets joined the meeting at 4.50pm.

13. Decision Report – Revenue and Financing Policy

D24/1096 Page 110

Recommendations

1. THAT the report and attachments be received.
2. THAT the draft Revenue and Financing Policy in **Appendix One** to this report, is approved to be released for consultation with the Long Term Plan 2024-34 Consultation Document.

ERWOOD/HARRIS
Carried
P&S/24/16

ERWOOD/VOLZKE
Carried
P&S/23/17

The Director – Corporate Services noted the following points:

- There will be amendments which include adding in page numbers.

Questions/Points of Clarification:

- The Deputy Mayor questioned the definition of prudent in relation to page 112, 7.2.3. It was advised it is defined in the act, however it would be something along the lines of not putting council in a worse situation in ten years that could not be recovered from.
- The Deputy Mayor noted this policy sounds like it is opening the gates to lean more heavily on borrowing. It was advised this policy is allowing more flexibility for council to decide what is more financially prudent.

14. Decision Report – Housing for Elderly Policy

D23/19380 Page 137

Recommendations	
1. <u>THAT</u> the report be received.	<u>BOYDE/MCKAY</u> Carried <u>P&S/24/18</u>
2. <u>THAT</u> the Committee approves Option Three of the report as the preferred method for setting rental charges	<u>HALL/WATTS</u> Carried <u>P&S/24/19</u>
3. <u>THAT</u> the Draft Housing for the Elderly Policy be released to collect feedback from the key stakeholders.	<u>HARRIS/BECK</u> Carried <u>P&S/24/20</u>

The Projects Manager noted the following points:

- Table three shows the comparison of current rental charges to New Plymouth District Council and South Taranaki District Council however the South Taranaki District Council charges do not include their increases.

Questions/Points of Clarification:

- Councillor Hall questioned if there has been any investigation into what support is available for elderly. It was advised Work and Income New Zealand do have a supplement available, but this does not give a full reimbursement for the rental.
- Councillor Jones questioned the 80% rationale. It was advised this was a social activity, that 91% would cover the cost however this will fluctuate. Councillor Beck noted this had been talked about recently, and 80% was set which would allow the remaining to be the social activity of Council.
- The Deputy Mayor questioned what percentage of cost the current rates cover. It was confirmed 45% of the cost. She then enquired what percentage it would be if it is brought up. It was noted it would cover 90% of the cost.
- Councillor Watt questioned how many people are currently on the waiting list. It was noted there are currently 50 people on the waiting list and a letter is sent every year confirming they would like to remain on the waiting list. It was advised the Policy is looking at removing the second list as there are too many people on the eligible list.
- Councillor Harris questioned if the decrease in the applicants assets is part of the criteria. It was noted this will bring the Policy in line with New Plymouth District Council and South Taranaki District Council.

Points noted in discussion:

- The District Mayor noted option 3 reflects what has been discussed in previous workshops. He noted he is conscious of the original request and does not believe this needs to be discussed every year, the target can be set and then officers can make changes based on market value. He noted

his support for option 3. The Deputy Mayor noted her support for the District Mayor especially considering a deficit was made in the previous year.

One member of the Media (Taranaki Daily News) left the meeting at 5.20pm.

- The District Mayor supported the update of removing the secondary list, and the other proposed changes across the board. He questioned if the weekly income is still the appropriate figure, as minimum wage works out to be around \$47,000, which with no cost except rent would leave you doing well and with approximately \$900 per week. The Deputy Mayor noted she would support seeing that reduced. Councillor Hall questioned how much superannuation is currently. Councillor Dudley noted she knew someone living alone who receives \$496 per week. The District Mayor advised the whole point of the conversation is all of these people will be receiving superannuation and by giving reference to minimum wage it is giving scope for those who have investments over and above their income and if they have that amount coming in, they are not poor. The list needs to be shrunk to make sure it is only those who truly need it.

The Director – Community Services and the Director – Corporate Services left the meeting at 5.24pm.

- It was agreed to change Eligibility Criteria 2.5 to “that does not exceed the adult minimum wage for a 30-hour week”.
- The District Mayor requested that Other Conditions of Rental 3.1 and 3.2 have a provision that a when a person moves into a unit and their needs change (for example for health reasons) it does not obligate Council to facilitate that need. It was noted 3.2 is an attempt to cover this. Councillor Harris questioned if 3.2 allows Council not to accommodate the new need, does it prohibit the tenant for making those improvements. It was noted the decision would be made at the time.
- It was agreed to add in the clause that Council is not required to accommodate individual needs into the conditions and bring back before adoption.

The meeting adjourned at 5.33pm and reconvened at 5.45pm.

The Corporate Accountant and the Finance Officer in attendance had left the meeting and the Director – Community Services, the Director – Corporate Services and the Graduate Assets Engineer rejoined the meeting.

15. Decision Report – Fees and Charges 2024/25

D24/1117 Page 154

Recommendations

1. THAT the report be received.

ERWOOD/BOYDE
Carried
P&S/24/21
2. THAT the proposed Fees and Charges for 2024/25 be approved, with any amendments made, to be released for public consultation with the Long Term Plan 2024-34 (LTP) Consultation Document with amendments

HALL/HARRIS
Carried
P&S/24/22

Points noted in discussion:

Aerodrome strip hire fee

- It was agreed to include the Aerodrome strip hire fee.
- Councillor Boyde noted he did not mind the increase, however the bins need some work. Councillor Harris questioned if the bins that are there are included in the fee or are they additional and how often are the bins being used before Council should start charging them? Councillor Boyde advised the bins are being used. Councillor Harris questioned if it could not be ascertained when the bins are being used, can it be ascertained when the strip is being used? It was confirmed it could.

Aerodrome ground lease fees

- The Deputy Mayor noted she believed the amount of \$4.49 for proposed ground lease rental had been agreed on. It was advised there should be a maximum increase per annum set, it as suggested not going straight to \$4.49 but for it to be staggered over 3-4 years. It was noted the smallest charge is currently \$0.82 per square metre and the largest is \$3.30 per square metre, it is about stepping those to \$4.49. It was noted if it is going to be in fees and charges there needs to be a fixed amount, and everyone needs to be on the same amount. The Deputy Mayor questioned if it was too complicated to have in fees and charges. It was noted once the issue is resolved it will be simple. Councillor Hall noted even if you are paying \$0.82 and then being asked to pay the same as others there is no argument to be had as you have already received the benefit of a lower rate for years.
- Leave the option blank, come back and have a \$4.49 guideline with options to what will happen each year with a uniformed approach.

Cemetery Increase

- Councillor Sandford noted he believed the increases were moving in the right direction. The District Mayor noted the interment fee increase still leaves Council below their neighbour, could this be increased to \$2,100. Councillor Erwood agreed with the Deputy Mayor
- Increase interment fees to \$2,100.

Transfer station – addition

- No objections to the addition to add e-waste.

Roading - Removal

- No objections.

Sports Ground/Parks and Reserves Increase

- The Deputy Mayor questioned how many will be affected by the 100% increase per year. It was confirmed approximately 3 bookings per year.
- There were no objections to the increase.

Stormwater Connection - Increase

- No objections.

Trade Waste – No Change

- No objections.

Transfer station – addition

- No objections.

Councillor Sandford left the meeting at 6.10pm.

Venue hire increase

- It was noted there is a proposed blanket increase across the board, with a decision to be made on introducing a refundable vs a non-refundable deposit.
- The Deputy Mayor acknowledged there were options given for increases and decreases, and there has been feedback from the community that the current prices could discourage usage. She questioned if the proposed 0.2% rise for the War Memorial Centre was to align with community feedback. It was noted it was an attempt to get back lost customers. Councillor Dudley noted there was an \$80,000 loss on cancellations, and noted she would like to see that decreased. She advised she liked the flat rate to hire the whole facility for the whole weekend.
- It was clarified the proposal is to keep the 10% non refundable deposit at the time of booking (to be updated from bond) and the refundable bond. Councillor Hall recalled a conversation around at the time of booking something had to be paid, it was confirmed this would be the non refundable deposit. Councillor Harris noted she would like a non refundable deposit, which may prevent cancellations and discourage those who book as a back up plan but then cancel the plan at the last minute.
- The District Mayor explained the situation where someone hires the stadium and pays \$30 per hour for a few hours, which requires a \$300 bond which is more than the hire fee itself. He questioned the practicality of the bond and how often it is not refunded. It was advised approximately one booking per year. Councillor Hall noted the bond would be there to pay for any damage or cleaning required, however this would unlikely be needed for a 2-hour booking. It was advised the requirement is when food and drink are consumed, no matter the time frame.
- It was agreed to change the top line to 10% non refundable deposit at time of booking.

- Councillor Harris questioned if there could be any discretion on this charge as there would be some groups who are applying for funding and may not have the funds available at the time of booking. It was noted the Chief Executive has discretion for all fees and charges.
- Councillor Hall questioned if there was confidence the proposed costs will not equate to lost bookings. It was advised a lot of time was spent on comparing the charges and this is where it landed, however this is for Councillors to determine.
- The whole complex hireage is reduced to \$1,000 per day.
- The whole weekend charge is increased to \$2,500.
- The bond is removed and 10% non refundable deposit at time of booking introduced.

The Roding Asset Manager left the meeting at 6.33pm.

Library – No change

- No objections.

Wai o Rua Stratford Aquatic Centre – proposals to be confirmed.

- The proposed changes were tabled as discussed at the workshop earlier in the day.
 - School Groups
 - Councillor Harris advised she would like the charge to be \$2.00. Councillor Boyde disagreed and believed \$2.50 per child is a very fair price.
 - It was agreed to increase the charge to \$2.50 per child.
 - Swimming Sports Fees
 - It was noted the swimming school fee was removed when simplifying the fees. It was recommended to apply a discount rather than add a new charge line as having a swimming sports fee will introduce problems, for example some would complain they already received this price this year, why can it not be applied again?

The Roding Asset Manager joined the meeting at 6.42pm.

- Councillor Hall noted she had been thinking about the issues raised in the workshop. She noted she had come to the conclusion if Council looks at providing discounts to schools, the impact of this discount on the facility is insignificant to the overall running costs, however makes a big difference to the schools. She noted she would like to see something that reflects the feedback received from schools, and that it is about finding the balance between what is needed to run the facility, and getting children in the pool. Councillor Boyde questioned if Councillor Hall was suggesting what Councillor Erwood had recommended at the workshop. Councillor Hall noted that is not necessarily what she is saying, as she is also listening to the staff and does not want make things harder.
- The District Mayor noted if the lane hire fee was dropped to 50% only \$5,000 per year of income is missed. Councillor Dudley noted that if a lane hire fee was not charged, the schools may be more likely to come back for more fun days.
- The Deputy Mayor questioned if schools are booking in swimming sports, would they not say how many lanes they want booked? Councillor Dudley questioned how many people would be put out if lanes were out of action for two hours.
- Councillor Hall noted the suggestions are offsetting a new charge, but is not addressing the issue. Councillor Erwood agreed that the issue is getting over complicated. He suggested adding a new school swimming sports charge with something like \$5 per child and if the whole complex is required then more is charged. Councillor Hall noted \$5 per child is more than the current charges.
- Councillor Boyde noted all the other new charges are fairly straightforward, is there the possibility to come back to this with more options. It was advised there was no more information to supply, so the decision is ready to be made.
- The Deputy Mayor questioned if based on the communication from the schools, is the lane hire fee the issue? It was confirmed this is the main complaint as it is based on the perception. It was recommended that a blanket fee with no lane hire that would be better received. The District Mayor reiterated there is the perception of double dipping. He suggested a price of \$4-\$4.50 per child would be right. It was noted the fees and charges will be included in the consultation, so schools will give their feedback.
- Councillor Hall questioned if there would be a \$2.50 charge per child for a fun day, but a different charge for swimming sports.
- Councillor Harris questioned if no matter what figure was defined, whether the schools could use all 8 lanes? It was advised there would have to be a Policy on how many children per lane.

3. THAT a 'school swimming sports' fee of \$4 per child is introduced into the fees and charges. To be available to each school in the District, once per year with a maximum of four hours per day.

ERWOOD/BOYDE
Carried
P&S/24/23

- Councillor Boyde questioned if the swimming sports fee could offer a solution to the club and carnival days. It was noted the carnival days are too frequent to fit this solution. The District Mayor advised to offer consistence there could be a carnival fee at a higher level, along with a time limit as they have the same issues as the primary schools. He noted they generally need 8 lanes and a warmup area.
- The Deputy Mayor questioned what the feedback from the clubs had been. It was noted they were also upset about the double dipping of the entry fee. Councillor Hall suggested one fee which incorporates all the fees, and discounted. It was advised the choice could be to go to lane hire only. The Deputy Mayor suggested they wanted to book the programme pool and the main pool and could pay both per lane costs but not pay the entry fee.
- Councillor Hall questioned what fees Taranaki Swimming make? It was noted that this information would be presented back to the committee at a later date.

Animal Control – Increase

- Councillor Harris noted she did not agree with the increase, referencing where it is suggested there will be an increase will increase the amount of unregistered dogs, which she agrees with. Councillor Dudley agreed with Councillor Harris.
- It was noted a certain portion of revenue needs to come from user charges, and last year this was not achieved, therefore dog control is the only place that charges can be increased.
- Councillor Harris questioned if there were optics into the expenditure which comes from dogs which are unregistered, are those who register their dogs covering those who do not? It was advised the biggest increase in expenditure is after hours dog control. Councillor Harris questioned if the after hours costs are recovered from the dog owner. It was advised the impound fees partially offset the cost, however it is not a direct transaction per callout.
- There were no objections to no change in dog registration costs.

Bylaws – Increase

- No objections

Health and Safety Licenses – Additions / Increases

- No objections

Mobile Trade shops bylaw – No change

- No objections

Tattoo and Beauty Therapy – No Change

- No objections

Resource Management – Increase

- No objections

All corporate services

- No objections

16. Decision Report – Facilities Seismic Assessments – Strengthening Costs

D23/47876 Page 180

Recommendations	
1. <u>THAT</u> the report be received.	HARRIS/DUDLEY <u>Carried</u> <u>P&S/24/24</u>
2. <u>THAT</u> the Committee approves Option 3 for the Wall Memorial Centre.	HALL/ERWOOD <u>Carried</u> <u>P&S/24/25</u>
3. <u>THAT</u> the Committee approves Option 4 for the TET Multi Sports Centre.	HALL/DUDLEY <u>Carried</u> <u>P&S/24/26</u>
4. <u>THAT</u> the Committee approves Option 3 for the Clock Tower.	

Points noted in discussion:

War Memorial Centre

- The Deputy Mayor noted there are 25 years before being non-compliant, and that there are mentions of insurance benefits, but questioned if the decision was made today to do something in 24 years where would that lead Council to. It was advised that if there was an earthquake there is the possibility to be in trouble with WorkSafe, as well as insurance for natural disasters increasing. The Deputy Mayor questioned if there was no decision made today, but the issue revisited in ten years, would that be considered doing nothing? It was advised it was the same, as Council would not have done everything in its power to make everyone safe.
- The Deputy Mayor questioned if over the next 10-25 years Council could work on replenishing reserve funds to complete the work. It was advised Council could start rating for a capital project and set the money aside to pay for something in the future, or do it now and repay it which reduces the risk of something happening if it is not done now, and the cost of inflation.
- The Deputy Mayor requested a comparison between the War Memorial Centre and the TET Multi Sports Centre and how often they are both booked and utilised. It was noted this information would need to be sought. The Deputy Mayor pondered if it would be better to redirect funds into one facility. It was advised currently there are two Civil Defence facilities, it was unlikely the War Memorial Centre will ever reach the required Civil Defence level so the advice would be to move it all to the TET Multi Sports Centre, however that is for Councillors to decide.

The Parks and Reserves Officer left the meeting at 7.34

- Councillor Hall advised she supports the recommendation as there is a liability and risk to life and Council now have the knowledge of that risk. She also noted if something is not done now, it will cost a whole lot more money in the future. She advised she would like to see option three adopted. Councillor Erwood agreed with Councillor Hall, noting Council cannot put their head in the sand.

TET Multi Sports Centre

- Councillor Hall noted she had thought about the cost and when an Civil Defence Emergency happens it would be fantastic to have a facility for the community to utilise.

Clock Tower

- Councillor Boyde noted he supports Option 4 and recommended it should be put in Prospero Place.
- Councill Harris requested a confirmation on the estimate to strengthen to 67%. It was advised it would cost another \$20,000 to get further costings for the three options. Councillor Harris questioned if the amounts were estimates. It was confirmed the consultant was reluctant to put his name next to the prices without further investigation, and required another two months.

- Councillor Harris queried the report saying demolish and rebuild for option four, rather than relocate. It was advised it would not be able to be relocated as there is the old concrete structure inside.

THAT the Committee approves Option 4 for the Clock Tower.

BOYDE/JONES
Motion Lost
P&S/24/27

- Councillor Jones noted he supported Option 4 if it went out for consultation. It was advised whatever option is chosen will go out for consultation. Councillor Harris noted she struggles with the amount as it is a similar price to a building which is actually used. She noted her support for option four if it goes out for consultation. Councillor Erwood also noted his support for option 4 and questioned if a smaller, more economical version could be built.
- The District Mayor disagreed and noted he could not find any justification in a \$1,000,000 - \$3,000,000 cost to move it across the road. He advised he supports option 2 with it being put into year 2025 to be completed, noting there is no more risk than any other building or veranda on Broadway and is not an occupied building. Councillor Dudley noted she agreed with the District Mayor, that spending that amount of extra money is ridiculous. She noted she also does not like the idea of moving the clock tower as it is iconic and you can see it when coming into Stratford.

THAT the Committee approves Option 2 for the Clock Tower.

VOLZKE/BECK
Carried
1 Against
P&S/24/28

- Councillor Boyde voted against the motion.

The meeting adjourned at 7.54pm and reconvened at 8.02pm.

17. Decision Report – 2024/2034 LTP Capital Projects

D23/47571 Page 189

Recommendations

1. THAT the report be received.

BOYDE/DUDLEY
Carried
P&S/24/29

2. THAT Council approves Option 3 – Consider each project per Activity as outlined in **Appendix 1** of this report with supporting Business Cases in Appendix 2 and approve as necessary for information in the community consultation document with the amendments as noted in discussion.

DUDLEY/HALL
Carried
P&S/24/30

The Projects Manager noted the following points:

- The total dropped from the budget this morning was \$8,000,000 over ten years, with year one decreasing by \$445,000 and year two decreasing by \$1,200,000.

Points noted in discussion:

Clock Tower – Structural Strengthening

- Moved to year 9 and 10.

TET Stadium – Structural Strengthening

- Leaving as is.

War Memorial Centre – Structural Strengthening

- Move to year 2027/2028 and 2028/2029.

Demolition of the TSB Pool

- Remove the \$50,000 and move \$430,000 into year one.

War Memorial Centre roof

- It was noted an assessment will be completed after water blasting. It was advised if structural strengthening was not going to be completed until 2027/2028 then the roof may need to be completed sooner.
- It was decided to move this out to 2027/2028 to align with the strengthening, however can be changed with more detail after water blasting and change before being adopted.

Demolition of the Municipal Building and associated reinstatement.

- Remove the \$50,000 in the first year.

War Memorial – Stadium Lighting

- Move to 2027/2028.

War Memorial Centre – Resurface Stadium Floor

- Move to 2027/2028

The Communications Manager left the meeting at 8.15pm.

Survey Drones

- Remove

Library Development of seating areas/meeting spaces

- Update funding source to grants.
- Condense \$25,000 into year one and three.

Replacement of all Heritage Signs – Stratford to Tangarakau

- Councillor Harris noted she believes this is a nice to have, not a requirement as all the ones she has seen there is nothing wrong with. She enquired if this could be grant funded.
- Move to year 5.

Street Tree and tree surrounds replacements

- Councillor Erwood noted he does not believe this is a requirement. The Deputy Mayor advised these needed to be replaced, the alternative option is to take the trees out.
- Leave as is

Replace red brick monument wall with old bricks – Pioneer Cemetery

- Updated to Grant funding

Seating to pump track area

- Updated to Grant funding

Lighting at the Bike Park

- Updated to Grant funding

King Edward Park – Completion of the lime chip path

- Move to year 2.

Replacing lime chip path to concrete – Netball Courts to Rhododendron Dell

- Move to year 2.

Lighting and power box in Rhododendron Dell

- Move to year 1

The Communications Manager joined the meeting at 8.34pm.

The meeting adjourned at 8.35pm and reconvened at 8.38pm.

Ice Bath/Plunge

- Councillor Boyde noted he would like this removed. Councillor Beck agreed.
- Remove.

On-site Café – Tea and Coffee facilities

- Councillor Boyde noted he believed a coffee machine should not be considered. He noted he has no problem with someone else coming in and opening a café. Councillor Hall disagreed noting money would be made from it, so it should be a no brainer. Councillor Boyde noted it would be an overhead cost, including staff training, as well as businesses in town saying no to the proposal. Councillor Dudley noted her agreement with Councillor Hall as other cafes in town close at 2.30pm which means they will be closed after school, which is when most customers attend.
- Councillor Harris noted she would like to see the pool operating smoothly first and then pick up the café later down the line. The Deputy Mayor agreed, noting she sees the value in the opportunity to extract revenue from spectators, but does not believe now is the right time.
- Councillor Beck noted he does not want to see a café in there, he sees the opportunity for a coffee cart or similar operating out the front.
- Councillor Watt noted looking at the business case he does not believe it will make a profit, so would like the line removed.
- Councillor Jones noted the pool needs its ducks in a row before investing in a café, however sees the opportunity for a cart to go out front to see how that is customised before investing.
- Move to year 2027/2028.

Spin Bikes

- Councillor Hall questioned if 2026/2027 is the correct year for this. It was confirmed this funding was to purchase additional bikes, however TOI are inviting an application this year for wellbeing for the pool.
- Move to 2024/2025 along with Pilates – Reformers, Mirrors installation in fitness room and Total bars

Footpath Renewals and Walking and Cycling

- The Deputy Mayor sought clarification that Cordelia Steet has been identified as not needing a new footpath as it was already wide, could this be accommodated so it could be shared with cycling. It was advised currently when a footpath is replaced they are made 1.5 metres wide, however if it was on the main cycle route it could be made to 2.4 metres wide.
- The Deputy Mayor questioned what the walking and cycling budget is currently for. It was advised as Transport Choices is gone, it now sits in the Connecting Communities strategy. The Deputy Mayor questioned what the budget would look like if the plan was revised with shared use in mind when replacing the footpaths. It was advised footpath replacement comes from depreciation, and cycle ways comes from loan funding. The current footpath replacements could come from depreciation funds, with the extra to make it to 2.5 metres could be loan funded.
- Councillor Beck noted he believed the plans for Transport Choices were gone. It was advised the Connecting Communities Strategy was adopted before Transport Choices. The core of Transport Choices already existed, the funding has gone, but the intent is still there. Councillor Beck reiterated his understanding he believed it was gone. It was confirmed it existed before, but had received a significant funding boost.
- The Deputy Mayor noted she would be interested in the specifics of what is happening each year and that it would be nice to take a step back and look at the right priorities. It was advised the first five years would be taken up with Stratford Primary School and Portia Streets etc. It was noted that NZTA need to approve any plans in order to get subsidies, along with a safety audit from them. Projects will then come back to Council to reprioritise. Councillor Harris questioned for these projects to be subsidised they needed to be in the long term plan. It was noted if it is not on the list it would not get funding.

Brecon Road Bridge

- Councillor Jones questioned if there is a risk NZTA could say Council is not taking Brecon Road Bridge serious enough as it has been pushed down the line, could it be brought sooner so it can be determined if NZTA are going to fund it. The District Mayor agreed and would also like to see if moved forward. Councillor Jones suggested if the first year was moved into year three, it does mean it needs to be spent. Councillor Hall noted her support, which also shows the community Council is serious about the Bridge. It was advised it may show as a rates increase when the modelling was done.
- Councillor Boyde suggesting moving the projects to year four, five and six.
- There was no opposition to moving to year four, five and six.

It was noted that the meeting had now reached six hours which was the maximum duration of a meeting under the standing orders. Standing Order 4.2 allows for a resolution to continue or adjourn the meeting, transfer the remaining business to the next meeting or to an extraordinary meeting.

THAT the Committee will continue the meeting until the end of this report.

MCKAY/HALL
Carried
P&S/24/31

Bulk Discharge renewals

- Year one removed.

Safety Renewals

- Removing.

Pipework Capacity

- \$150,000 updated from year one to year three.

Toko Resource Consent

- Removed

Hydrants

- Updated to every second year one, three, five, seven and nine

Meter Renewal

- Removing years two and three.

Street work rider mains

- Updated to \$100,000

Toko bore review

- Removed.

Stratford Bore

- \$500,000 moved from year three to year four.

Stratford new Reservoir

- Moved to year five and six

Toko new Reservoir

- Year two \$20,000 and year ten \$12,000 removed.

Midhirst new Reservoir

- Removed.

Backflow prevention assessment and installations

- Removed.

Alternative power supply for Midhirst and Toko

- It was noted if there is no power supply in Midhirst there will be no water pressure as it is not gravity fed as the other water supplies, and a generator would help here.
- It was agreed to leave in.

THAT, in accordance with Standing Order 4.2, the Policy and Services Committee meeting will be adjourned to Tuesday 30 January 2024 to begin at 9.00am.

MCKAY/VOLZKE
Carried
P&S/24/32

The meeting adjourned at 9.23pm.

Date: Tuesday 30 January 2024 at 9.00AM (Reconvened)
Venue: Council Chambers, 63 Miranda Street, Stratford

Present

The Deputy Mayor M McKay (the Chairperson), the District Mayor N C Volzke, Councillors: S J Beck, G W Boyde, A M C Dudley, J M S Erwood, A K Harris, E E Hall, V R Jones (*part meeting*), W J Sandford, and M J Watt.

In attendance

The Chief Executive – Mr S Hanne, the Director – Assets Mrs V Araba (*part meeting*), the Director – Corporate Services – Mrs T Radich, the Director – Community Services – Ms K Whareaitu, the Director – Environmental Services – Mr B Sutherland, the Committee Advisor and Executive Assistant – Mrs E Bishop, the Communications Manager – Ms G Gibson, the Corporate Accountant – Mrs C Craig, the Property Officer – Mrs S Flight (*part meeting*), the Projects Manager – Mr S Taylor (*part meeting*), the Roading Manager – Mr S Bowden, the Graduate Roading Engineer – Mr F Hick (*part meeting*), the Sustainability Advisor – Ms V Dombroski (*part meeting*) and two members of the media (Stratford Press and Taranaki Daily News)

Welcome

The opening karakia was read.

The Deputy Mayor welcomed the Chief Executive, Councillors, staff, and the media.

The Deputy Mayor reiterated the health and safety message and emergency procedures.

Apologies:

Apologies were noted from Councillor V R Jones (lateness) and C M Tongaawhikau

Recommendation

THAT the apologies be received.

DUDLEY/HARRIS
Carried
P&S/24/33

18. Decision Report – Section 17a Review – Building Facilities Maintenance Contract D23/35352 Page 267

Recommendations

1. THAT the report be received

BOYDE/HALL
Carried
P&S/24/34

2. THAT the Committee approves to further investigate option 4 – Combination of ~~Status quo~~ Contractor Panel and In-house service delivery (Cleaning and Caretaker), for the cost-effective delivery of the building facilities maintenance service.

BOYDE/HALL
Carried
P&S/24/35

The Property Officer requested that the recommendation be updated to replace *status quo* with *Contractor Panel* as per the option within the report.

The Taranaki Daily News representative joined the meeting at 9.05am.

Questions/Points of Clarification:

- The District Mayor asked how the staffing requirements had been determined. Mr Taylor clarified that these had been estimated based on the hours that council needed, a full time electrician, plumber or builder may not be required but two full time cleaners and two part time cleaners would be to cover those disciplines. Mr Taylor noted that option 2 was not the preferred option as this would mean council had to continue to use external tradesmen to allow for situations where more than one person was required for the task for safety (as an example). Mr Hanne noted Option 2 was not a viable option and only included to show the full spectrum of options.
- It was clarified that Wai o Rua – Stratford Aquatic Centre cleaning was included within the full cleaning contract within the option (but not currently).
- The Deputy Mayor noted it appeared officers were not satisfied with the current level of service for cleaning and asked what the difference would be moving forward? Mrs Flight clarified that if the cleaning was brought in-house then it would mean the facilities could be kept up to scratch all the time, rather than one clean per day and jobs could be prioritised when needed.

The Director – Assets joined the meeting at 9.08am

- The Deputy Mayor asked that given the current satisfaction level, was continuing with the status quo a viable option? Mr Taylor noted there had always been a problem with the cleaning side of this current contract with one of the issues being this is subcontracted and therefore council is dealing with the middleman and does not allow the control officers would be looking for. The option to renew the contract is coming up and this discipline will need to be addressed each time. Mr Taylor clarified that by bringing the cleaning staff in-house there would be more direct control on the work undertaken and a lift in the sense of pride the staff would feel.
- Councillor Harris noted that legislation required a transfer of existing staff, she noted her concern that the current issues could transfer over if it was the same staff. Mr Hanne confirmed he would be required to work through the implications of a transfer as council was not this company's only contract therefore he would require further information of the requirements for a right of transfer requirements.
- It was clarified it was envisioned there would be two full time staff and two part time staff members, one of the full time positions would be in a supervisor role.
- Councillor Boyde noted his support for Option 4. He felt that there would always be inefficiencies with a subcontractor and this would allow council to have better control and set the standard it wanted. He noted councillors often received complaints regarding the level of service in the facilities.
- It was clarified that this option brought the cleaning and caretaker position in-house, with all trade requirements being through the contractor panel. The only option to retain the current contractor set up was Option 2.
- Mr Taylor clarified that the reason for having a caretaker position in-house was to undertake the smaller jobs, other janitorial type works and response works as there are often delays with tradespeople. There would be sufficient work to justify this position as it would be covering all civic amenities.

Points noted in discussion:

- The District Mayor clarified that the recommendation was for further investigation and not to commit to the option. He was happy to support investigation and requested further details be provided such as tool provision, storage, transportation etc.
- Councillor Beck noted he would like to see this work bring money back into Stratford rather than clipping the ticket of a multinational company. This option would tick that box.
- Councillor Sandford supported seeing a further breakdown as he felt this would be biting off more than council could chew. He noted cleaning vacancies are difficult to fill. It was confirmed this would be a 7 days a week requirement.

19. Decision Report – Section 17a Review - Open Space Maintenance Contract

D23/33805 Page 276

Recommendations

1. THAT the report be received

DUDLEY/ERWOOD
Carried
P&S/24/36
2. THAT the Committee approves Option 1 – Status Quo, for the continued cost-effective delivery of the parks and reserves maintenance service.

ERWOOD/BECK
Carried
P&S/24/37

Questions/Points of Clarification:

- It was clarified that the 10 (mixed of full and part time) staff noted in 5.5 included the position of Parks and Reserves Manager.

Points noted in discussion:

- The Deputy Mayor noted this had been an interesting report as this was a consistent element of the feedback received to council. It was important to investigate if bringing this in-house would improve the level of service but the figures did not weigh up for the cost to the ratepayers. She noted her support for Option 1 but would encourage officers to be clear on the expectation for the level of service.
- Mr Hanne clarified that Option 1 (Status Quo) did not require further investigation as officers know the costs, therefore this recommendation was a decision. If another option was preferred then further investigation would be required.
- Councillor Boyde noted he would like to see more coming in-house, however the ratepayers could not afford this. He noted the comments regarding the level of service for these areas were received in the customer satisfaction survey every time.
- The District Mayor noted that if this was brought in-house there would be new problems incurred. He questioned if the complaints around the appearance of parks and the cemetery was in relation to the lack of performance in relation to managing the contract rather than the contract itself. He felt the best way forward was ensuring the contractors deliver on what they are meant to be. He noted the cost of setting up and buying the equipment was substantial, therefore Option 1 was the only option. He requested some emphasis be put on ensuring the cemetery is maintained to a standard that people expect, however there has been a conscious effort to improve.
- It was noted the current contract expires on 30 June 2024 with a renewal option for a further two years to 2026.
- It was clarified that the contractor has a local depot with Taranaki local staff. It is a bigger company that works throughout New Zealand but this also allows efficiencies with equipment. Mr Taylor noted that this company also holds the contract with South Taranaki District Council which adds the benefits of the equipment being more readily available for Stratford's contract needs, concern was noted that the South Taranaki contract could be given priority as it was bigger however this had not been the case so far.
- Councillor Beck supported Option 1 but would like to see council make it easier for local individuals to submit proposals as focus to see locals getting the work. Mr Hanne noted that council had split the tender process in the past to allow for hard copy tenders which was requested by them, however not a single tender in this format was received and he felt this was largely because the contract was so broad locals were not able to fulfil it. He noted there is a buy local term within the procurement policy which allowed a higher, but local, tender to be successful. Mrs Araba also noted that it was a requirement that the contractors base themselves in Stratford.
- Councillor Beck noted it was probably not the contract that was at fault but the enforcing of the contract and that officers needed to make sure it is upheld. Mr Hanne reminded the committee an option to lift the maintenance contract up was presented to elected members a year ago and they chose not to fund it to the higher level. Contractors can only deliver what they are paid to do.
- Councillor Harris supported the status quo but acknowledged this exercise provided some good insight and comparison for costs which will help ensure council is across what is being tendered.

20. Decision Report – Stratford's Speed Management Plan – Options for Consideration

D24/1235 Page 283

Recommendations

1. THAT the report be received.

HARRIS/BOYDE
Carried
P&S/24/38

2. THAT Council considers the following options in relation to the Draft Speed Management Plan. The options to consider are:

Option 1 - Continue with the implementation of draft Stratford Speed Management Plan. This would be a discretionary decision rather than mandatory.

Option 2 - Wait for the new Setting of Speed Limits Rule to become law to reduce speeds on local roads which have an increased crash rate related to speed, like Opunake Road.

Option 3 - Do not continue with the *draft* Stratford Speed Management Plan.

HARRIS/HALL
Carried
P&S/24/39

3. ~~THAT Council adopts Option 3 of the draft Stratford Speed Management Plan.~~

Questions/Points of Clarification:

- It was clarified that the Taranaki Regional Council had confirmed they were not progressing with implementing a speed management plan for the region.
- Councillor Boyde asked what the costs associated with this work had been as he noted these decisions by central government come at a cost. He noted the ratepayers were not in favour of this plan and he supported Option 3 to not continue. His only concern was what the new government would bring in and what it would look like. Mr Bowden noted that there had been no costs associated with the speed management plan other than officer time. It is clear that the minister will present a revised version next year and he suggested that if problems arise then those areas be addressed at that time. The regional council was not pursuing a region wide speed management plan and New Plymouth District Council was looking to implement some varied speeds in high density areas but these are isolated locations rather than a district wide approach.

Councillor V R Jones joined the meeting at 9.40am.

- Mr Bowden noted that funding was still secured with Waka Kotahi for the safety improvements planned for State Highway 3 (Hawera to New Plymouth) but was not sure if these plans were going to be implemented.
- Councillor Harris noted that council had gone out with this speed management plan and received submissions, including submitter requests to speak to their submission. She questioned if this was a breach of process to not give them the opportunity to speak to council? Mr Hanne noted that to continue with a hearing would require a genuine willingness from council to proceed with the plan as presented.
- Mr Bowden clarified that Option 2 meant waiting for the new rule to be presented, Option 3 was to not continue with the speed management plan. The new rule may be very similar, but it was not known if it would look at the whole region or particular areas.
- Councillor Hall asked for insight on the feedback received on the reduction of speed on Opunake Road? Mr Bowden noted there had been 34 submissions in favour of this and 32 opposed to it. His officer recommendation was to reduce the speed limit due to the number of crashes along this piece of road (52 in 5 years with three that were fatal). He noted that there had been no crashes on this road since the speed was reduced in 2022.
- Councillor Hall noted her support for Option 2 as she felt this gave council more scope. She noted there was frustration around the table when decisions were forced on council from central

government and councillors would prefer to make the decisions for their community and option 2 would provide more scope for this.

- The District Mayor noted that this was a unique situation where the goalposts had been shifted halfway through a process. The blanket set rules have now been removed and it is not known what we will be moving towards or trying to achieve. It would make sense to stop the process completely as the whole principle of the plan was a blanket set rule across the region. But he agreed there are problem areas. He noted one third of submitters were supportive across the board but the negativity was relating to the blanket rule but noting there were areas needing consideration. He supported stopping the process and continuing if a problematic area is identified on a case by case basis. He felt both Option 2 and 3 would achieve this.
- Mr Hanne clarified the information will not be disposed of and will be utilised for further analysis. He felt it would be viable to pause and wait until further instruction is received from the government to check it against the new directive and feedback received.
- Councillor Beck noted his support for Option 3. He considers it undesirable committing public money for policies which are not council's policies. The road to zero is not the new governments policy and is not his either.
- Councillor Harris agreed that Option 2 and 3 achieve a similar result but that she was keen to pause what had already been done, address any problem areas if they arise and wait for the new rules. Mr Hanne confirmed that council can look at a problematic area at any time with either option. Mr Bowden noted that the Setting Speed Limits Bylaw is still in place which will govern what council can do.
- Councillor Harris noted her concern that Option 3 felt very final and supported Option 2.
- Councillor Boyde noted he would support Option 3 knowing council still had the tools to address problem areas.

Recommendations

3. THAT Council adopts Option 2 for the draft Stratford Speed Management Plan.

HARRIS/HALL
Division
For 6
Against 5
Carried
P&S/24/40

A division was called.

Those voting for the motion: Councillors: Dudley, Harris, Hall, Sandford, the Deputy Mayor and the District Mayor.

Those voting against the motion: Councillors: Beck, Boyde, Jones, Erwood and Watt.

21. Decision Report – Disposal of Surplus Properties

D23/49198 Page 307

Recommendations	
1. <u>THAT</u> the report be received.	BOYDE/McKAY Carried <u>P&S/24/41</u>
2. <u>THAT</u> this Committee approves to the disposal of surplus properties below:	
a) 577 Beaconsfield Road (PtS 41 Blk XIV SD Huiroa and Lot 1 DP398529) - Stanley Road as per Option 2.	VOLZKE/BOYDE Carried <u>P&S/24/42</u>
b) 31 SH3 / Mountain Road (PtS2 Blk XIII SD Huiroa) as per Option 2.	
a) 31 SH3 / Mountain Road (PtS2 Blk XIII SD Huiroa) as per Option 3.	ERWOOD/BECK Withdrawn <u>P&S/24/43</u>
b) Lot 2 DP1688 (85 Regan Street) as per Option 2.	BOYDE/SANDFORD Carried <u>P&S/24/44</u>
	HALL/SANDFORD Carried <u>P&S/24/45</u>

The Projects Manager noted that officers had met with Stratford on Stage to let them know this report was being presented to council. They had requested council be reminded that this property was currently no cost to council as they pay the rates and maintenance as part of the lease agreement. They have expressed their desire to purchase the building.

Questions/Points of Clarification:

- Councillor Boyde noted his support for the officer recommendations, he asked if a real estate agent was required to be engaged for these sales or if council approaches neighbouring property owners? Mr Hanne noted that the policy requires council to be competitive, transparent and open. However he acknowledged there could be deviations such as the Stratford on Stage property which was for community benefit. He noted there has been contact from interested parties regarding Beaconsfield Road and officers have committed to notifying them when it goes on the market.
- The District Mayor noted that the disposal of the Beaconsfield Road property was understandable, however he felt the land on Mountain Road was of no value to anyone other than the grazing it is currently being used for and he asked what the alternative options were if they did not choose to purchase it. He also noted the Stratford on Stage property was not costing council anything and they want to continue to use the building so why was council wanting to sell this?

The Sustainability Advisor joined the meeting at 10.10am.

- Mr Hanne noted it was important that council reviews the surplus property list. The Stratford on Stage property could be put to the open market but council needed to weigh up the community benefit in deciding this. He noted that the group currently struggles to get external funding for the building as they did not own it. He clarified that Option 2 was to sell it to Stratford on Stage but

noted this would need to be open-ended in terms of the timeline to allow the group to put themselves in the right legal and financial situation, he noted Option 1 to do nothing did not stop the group approaching council to purchase it and he felt that going to the open market could be seen as a threat. Mr Taylor noted that going to the open market would also mean officers would have to explore council's legal obligations in terms of the current lease.

- Councillor Sandford noted this had historically been the Stratford Band clubrooms and asked if it had been gifted to council as he thought this should be part of the consideration. Councillor Beck agreed and questioned the history of the land as there are sports clubs with club rooms on council land and that the group wanted to formalise this for funding purposes.
- It was clarified that mortgages were not held against properties and that the purchase of the additional cemetery land had been purchased from the Assets Proceeds Reserve so the sale of Beaconsfield Road would replenish this reserve.
- It was requested that a deep dive investigation on the Stratford on Stage land be undertaken on the history of the ownership prior to a decision being made on the purchase price and sale. Approval would be sought in this report to breach the asset disposal policy in regards to selling the land directly to the Stratford on Stage group.

The Graduate Roading Engineer joined the meeting at 10.18am.

Points noted in discussion:

Beaconsfield Road

- The District Mayor noted his support to place this property on the open market to maximise the benefits.

Mountain Road

- Councillor Sandford noted the farmer currently grazing this land has told council he will not purchase this land.
- The District Mayor supported pursuing Option 3.
- Councillor Harris supported Option 3. She noted it was disappointing the farmer grazing the land had not engaged in a license to occupy.
- It was clarified that if the market value was not achieved, as per option 3, then council could explore the options if there was a buyer at a lower price.
- Councillor Jones supported Option 3 but suggested the property should be fenced. Mr Taylor confirmed the property was not fenced and this would need to be considered if the adjoining owner did not want to purchase it.
- The Deputy Mayor noted her preference to see the land planted in native trees if the adjoining land owner did not want to own the land.
- It was clarified that due to the shape of the land it was highly unlikely that a house could be put on it.

Regan Street

- Councillor Hall supported Option 2 as it supports a local group and allows for flexibility in the timeline of purchasing the land. She felt this was in line with council's values and core priorities.
- Councillor Beck supported Option 2 as long as the deep dive into the historical ownership of the land is completed. Mr Hanne clarified that if Option 2 is agreed upon then officers will communicate with Stratford on Stage and get the land valued. The current lease was expiring in 2028 but a continuation of the lease could be arranged if they were not at the position to purchase at that point. To delay the decision for further information would need an alternative option.

Forest Road

- It was clarified nothing further was required for this land as the crown had removed it from council ownership.

The Taranaki Daily News left the meeting at 10.29am.

22. Monthly Reports

22.1 Assets Report D23/48257 Page 316

Recommendation

THAT the report be received.

HALL/HARRIS
Carried
P&S/24/46

The Services Asset Manager joined the meeting at 10.32am.

Questions/Points of Clarification:

- It was clarified the break on the water main was on the old trunk main.
- It was noted it was still unknown why the phosphate levels are rising at the Oxidation Pond.
- Councillor Boyde noted production at the farm was currently 6% ahead on a monthly basis and 1% ahead on a yearly basis with 10 less cows.
- The review on the hydrological effects on the two playing fields in Victoria Park was being undertaken to get to the bottom of why some of the work undertaken has not been successful and so officers can get a clear understanding of what is happening in the soil.
- Councillor Sandford noted he had received feedback that the cemetery had never looked so good as it is now.

The Services Asset Manager, the Property Officer, the Sustainability Advisor and the Project Manager left the meeting at 10.33am.

22.2 Community Services Report D23/48052 Page 341

Recommendation

THAT the report be received.

DUDLEY/McKAY
Carried
P&S/24/47

Questions/Points of Clarification:

- Councillor Boyde noted the Lightning Five Hockey Tournament was being held 10-11 February 2024.
- It was clarified no further discussion had been held with the Stratford Business Association regarding its relationship with council, this would be postponed until the desired outcomes of Economic Development are defined.
- The District Mayor noted the Mayors Taskforce for Jobs registrations highlights the demand and need for this service. He noted that there were 30 job seekers registered in November but not any new businesses or employers. A meeting was held last week with the administrator from Wellington who made comments regarding the requirement to spend the allocated funds, failure to do this may result in the funding being reduced. He noted one of the biggest problems is that some of the success stories do not count towards council's performance indicators such as finding work for a young person outside of the Stratford boundaries. He confirmed work in Eltham did not count as it was not in the Stratford district.

22.3 Environmental Services Report
D23/46170 Page 351

Recommendation

THAT the report be received.

ERWOOD/BOYDE
Carried
P&S/24/48

Questions/Points of Clarification:

- It was confirmed that councils are still operating under the current Resource Management Act.
- Councillor Jones sought clarification on the amendment process for building consents as he had received complaints especially with the time it is taking to go back to the designers to make small changes. Mr Sutherland noted that amendments are required to highlight the change in the project from when it was consented and keep an accurate record of what the building project is. He would need to seek clarification on the specific level of change that triggers an amendment requirement.
- It was clarified that the building complaint numbers were in relation to formal complaints only.

22.4 Corporate Services Report
D24/1089 Page 358

Recommendation

THAT the report be received.

BOYDE/HARRIS
Carried
P&S/24/49

The Director – Corporate Services noted the property rating sale on Swansea Road should be advertised by the end of February. This was approved by council approximately six years ago and officers have been trying to work with the property owner during this time. The ratepayer has made payments on occasion but has fallen further and further behind so all other means have now been exhausted. The court has been communicating with the ratepayer to give final opportunities and fully explain the consequences.

Questions/Points of Clarification:

- It was noted that de-escalation training for elected members had been booked for 20 February 2024.
- It was clarified the property rating sale had been presented to elected members. There have been a range of scenarios and a lot of engagement with the property owner. It was clarified that once a rating sale is conducted the debt to council is cleared with the remaining funds going to the property owner. Properties do not go to a rating sale if there is a mortgage on the property, in the instance of a mortgage council writes to the bank and the outstanding rates are put on the mortgage. The rate remission policy for the remission of penalties is not applicable for reoccurring instances such as this one.
- The District Mayor noted his concern that three items of expenditure were already significantly over budget (Roading, Aquatic Centre and 3 Waters). It was noted that a lot of these were fixed costs, such as the roading maintenance monthly expense, and these will worsen. This is why there has been quite a jump in Year 1 of the Long Term Plan budgets.
- Councillor Boyde noted the overspend at Wai o Rua – Stratford Aquatic Centre and that elected members were still waiting for the Section 17a review on the facility. Given that the 12 months was completed in October he felt it should be showing the synergies and cost costing exercises by now. He expressed his concern how much of a cost this is for the ratepayers as well as most of the expenditure being in the red.
- Councillor Harris noted the expenditure associated with the transport choices and asked if there was any way to claim those costs? Mr Bowden noted that council was currently waiting for a decision from the minister on the allocation of unclaimed pre-implementation funds which could potentially be a funding source to apply for.

23. Questions

There were no questions.

24. Closing Karakia

D21/40748 Page 375

The closing karakia was read.

The meeting closed at 10.55am

M McKay
Chairman

Confirmed this 27th day of February 2024.

N C Volzke
District Mayor

**Policy and Services Committee
Matters Outstanding Index**

ITEM OF MATTER	MEETING RAISED	RESPONSIBILITY	CURRENT PROGRESS	EXPECTED RESPONSE
Street Numbering - Ariel Street	26 May 2020	Blair Sutherland	On-going	Item 17.3 (Environmental Services Report section 2)
Taranaki Swimming fees	23 January 2024	Kate Whareaitu	Complete	

DECISION REPORT



F22/55/04 – D24/6183

To: Policy and Services Committee
From: Chief Executive
Date: 27 February 2024
Subject: Policy Reviews – February 2024

Recommendations

1. THAT the report be received.
2. THAT the following, updated and new policies, being the:
 1. CCTV Cameras Policy
 2. Housing for Older Persons Policy (replacing Housing for the Elderly Policy)
 3. Presentations to elected members Policy (replacing the Presentation to Elected Members and Staff Policy)
 4. Council Vehicles

be adopted.

2. THAT the following policies, being the:
 1. Remitting of fees to Non-Profit Organisations
 2. Infringement Notices Policy

be withdrawn.

Recommended Reason

This is part of council's rolling review of policies. Policies require review from time to time to ensure they still reflect current legislation and best practice, as well as elected members' views and meet the business needs of the organisation. Any policies recommended for withdrawal have either been found to be not required, amalgamated into an existing policy or replaced by a new policy as outlined in the body of this report.

/
Moved/Seconded

1. Purpose of Report

This report is part of Council's rolling review of its policies. There are a small number of policies that are reviewed as part of other processes and will not form part of this review cycle – but the majority of policies are expected to be presented this way over time. Occasionally where a policy requires significant attention, this may be done via a separate report.

2. Executive Summary

Policies are an essential element of Council's business processes as they communicate elected members' expectations on general business matters to staff. These require periodic review to remain current.

3. Local Government Act 2002 – Section 10

Under section 10 of the Local Government Act 2002, the Council’s purpose is to “enable democratic local decision making by and on behalf of communities; as well as promoting the social, economic, environmental, and cultural well-being of communities now and into the future”			
Does the recommended option meet the purpose of the Local Government 4 well-beings? And which:			Yes
Social	Economic	Environmental	Cultural
✓	✓	✓	✓

Up to date policies enable council to perform a good quality local public service and good quality regulatory functions.

4. Background

- 4.1 While Council regularly reviews its policies, a notable backlog has recently been identified. Staff are working to address this backlog to ensure policies are reviewed in the appropriate time frame.
- 4.2 Policy review cycles vary notably and part of the review of each policy will be to ensure each policy has the appropriate review cycle attached. Review of policies can be triggered outside of the normal review cycle by a range of factors, including but not limited to legislative change, operational requirements identified by staff and request by elected members.
- 4.3 All policies included in this report are summarised below. For the policies for adoption within this report, the following changes have been incorporated and are being recommended by staff:

4.3.1 CCTV Cameras Policy – Appendix 1

4.3.1.1 New policy that governs the collection, use and disclosure of personal information collected through Stratford District Council owned and operated CCTV (Closed Circuit Television) cameras. This policy has been prepared in accordance with Council obligations set out in the Privacy Act 2020 and is compliant with Section 47(1) of the Search and Surveillance Act 2012.

4.3.2 Housing for Older Persons – Appendix 2

- 4.3.2.1 Policy name has been updated, naming of activity to be standardised across all aspects (LTP, reporting, budgets, policy)
- 4.3.2.2 Significant rewrite of policy to incorporate recent discussions with elected members regarding rent levels and rent setting process
- 4.3.2.3 Removal of secondary waiting list as primary list consistently over-subscribed
- 4.3.2.4 The letter presented to the residents regarding the proposed changes as well as the feedback received is included in Appendix 6. In the correspondence received from residents a number of alternative methods for rent setting are suggested to minimise the impact on residents.

4.3.3 Presentations to Elected Members Policy – Appendix 3

4.3.3.1 All recognition of elected members' service has been carried over from the existing policy without change

4.3.3.2 Name change and narrowing of focus for policy as employment matters should remain separate from elected members' influence. Split of policy between recognition of elected members' service and staff long service. Staff policy will become internal policy either stand-alone or incorporated into existing HR policy.

4.3.3.3 Move to current policy template

4.3.4 Council Vehicles Policy – Appendix 4

4.3.4.1 Move to current policy template

4.3.4.2 Removes the 5 year limit on vehicle ownership – but retains the 100.000km limit

4.3.4.3 Introduces a preference for Hybrid/Electrical vehicles but weighs this up against cost and vehicle purpose/use

4.3.5 Remitting of Fees to Non-Profit Organisations Policy – Appendix 5

4.3.5.1 The recommendation is for this policy to be withdrawn due to placing a potentially significant financial strain on council in general and the Environmental Services department in particular.

4.3.5.2 Consenting costs are a minor aspect in the costs of a project and are usually met via the fundraising efforts or via the funding by the organisation's national body as part of the project funding. It is therefore considered inappropriate for the community to effectively subsidise these projects "by stealth".

4.3.5.3 Alternatively, if elected members were of a mind to retain this policy, an internal budget to fund the cost for these projects should be set up to improve transparency and financial reporting.

4.3.6 Infringement Notices Policy – Appendix 6

4.3.6.1 The recommendation is for this policy to be withdrawn.

4.3.6.2 This policy effectively refers to the relevant fines under the relevant legislation (Dog Control Act, Resource Management Act, Land Transport Act, Building Act) without adding any further value to the matter.

The policy gives an element of guidance to the waiving of infringement notices, but discretion remains with the decision maker. This withdrawal of the policy would not affect an officer's ability to apply this discretion. Under either scenario, the relevant delegation needs to be in place.

5. Consultative Process

5.1 Public Consultation - Section 82

Some policies will require public consultation, this determination will be made on a case-by-case basis in alignment with legislative requirements and Council's Significance and Engagement Policy.

5.2 Māori Consultation - Section 81

Where appropriate, direct consultation will be undertaken with Māori.

6. Risk Analysis

Refer to the Council Risk Register - available on the Council website.
<ul style="list-style-type: none"> Does this report cover any issues that relate to any risks on the Council Risk Register, and if so which risks and what are the impacts and likelihood of eventuating? Does this report cover any issues that may lead to any new risks that are not on the Council Risk Register, and if so, provide some explanation of any new identified risks. Is there a legal opinion needed?

6.1 The key risk within this process is that legislative and or consultation requirements are overlooked or policy change creates undesired outcomes. These factors need to be managed on a policy-by-policy basis as part of the process.

7. Decision Making Process – Section 79

7.1 Direction

	Explain
Is there a strong link to Council's strategic direction, Long Term Plan/District Plan?	Policies form the basis of a variety of council functions including the provision of infrastructure, regulatory functions and the provision of a local public service.
What relationship does it have to the communities current and future needs for infrastructure, regulatory functions, or local public services?	Policies in many cases form the basis and framework to how these needs are identified, addressed and met.

7.2 Data

<ul style="list-style-type: none"> Do we have complete data, and relevant statistics, on the proposal(s)? Do we have reasonably reliable data on the proposals? What assumptions have had to be built in?
--

The review and preparation of each policy will incorporate the required research and where needed additional information and or data will be provided within the relevant context.

7.3 Significance

	Yes/No	Explain
Is the proposal significant according to the Significance Policy in the Long Term Plan?		
Is it:		
• considered a strategic asset; or		
• above the financial thresholds in the Significance Policy; or		
• impacting on a CCO stakeholding; or		
• a change in level of service; or		
• creating a high level of controversy; or		
• possible that it could have a high impact on the community?		

In terms of the Council's Significance Policy, is this proposal of high, medium, or low significance?		
High	Medium	Low
		✓

7.4 Options

An assessment of costs and benefits for each option must be completed. Use the criteria below in your assessment.

1. What options are available?
2. For **each** option:
 - explain what the costs and benefits of each option are in terms of the present and future needs of the district;
 - outline if there are any sustainability issues; and
 - explain if the outcomes meet the current and future needs of communities for good-quality local infrastructure, local public services, and performance of regulatory functions?
3. After completing these, consider which option you wish to recommend to Council, and explain:
 - how this option is the most cost effective option for households and businesses;
 - if there are any trade-offs; and
 - what interdependencies exist.

There is overall no alternative to having key policies. For policies which are not legislatively required, consideration needs to be given whether the effort to develop and maintain a policy exceeds the potential benefit. Within each policy, council has options how to manage events and actions stipulated by that policy. These options will be discussed with elected members for each relevant policy.

7.5 Financial

- Is there an impact on funding and debt levels?
- Will work be undertaken within the current budget?
- What budget has expenditure come from?
- How will the proposal be funded? eg. rates, reserves, grants etc.

There is no immediate impact other than through the actions triggered by each policy. This will be discussed on a policy-by-policy level where required.

7.6 Prioritisation & Trade-off

- Have you taken into consideration the:
- Council's capacity to deliver;
 - contractor's capacity to deliver; and
 - consequence of deferral?

No trade-off is being undertaken, all policies will form part of the review cycle, as outlined in the original report on this matter.

7.7 Legal Issues

- Is there a legal opinion needed?
- Are there legal issues?

There are no legal implications at a high (all policies) level, individual policies will have to reflect current legislation.

7.8 Policy Issues - Section 80

- Are there any policy issues?
- Does your recommendation conflict with Council Policies?

The subject of this report is the review of policies, their alignment, legality and timely review

Attachments:

- Appendix 1** – CCTV Cameras Policy - D23/43983
- Appendix 2** – Housing for Older Persons – D23/25127
- Appendix 3** – Presentations to elected members Policy; D24/6199
- Appendix 4** – Council Vehicles Policy; D23/44513
- Appendix 5** – Remitting of Fees to Non-Profit Organisations – D16/2135
- Appendix 6** – Infringement Notices – D19/22993
- Appendix 7** – Letter seeking feedback from residents of Housing for Older Persons and feedback received.



Sven Hanne
Chief Executive

Date 20 February 2024

POLICY



APPENDIX 1

Policy:	CCTV Cameras
Department:	Corporate Services
Approved by:	Council
Effective date:	February 2024
Next review date:	February 2027
Document Number:	D23/43983

1. Purpose

This Policy governs the collection, use and disclosure of personal information collected through Stratford District Council owned and operated (Closed Circuit Television) CCTV cameras. This policy has been prepared in accordance with Council obligations set out in the Privacy Act 2020 and is compliant with Section 47(1) of the Search and Surveillance Act 2012.

2. Scope

This policy relates to:

- 2.1 The CCTV system installed at the Centennial Rest Rooms.
- 2.2 The CCTV system installed at the Dog Pound.
- 2.3 The CCTV system installed at the Miranda St Admin Building.
- 2.4 The CCTV system installed at the Kopuatama Cemetery.
- 2.5 The CCTV system installed at the Percy Thomson Art Gallery.
- 2.6 The CCTV system installed at the Stratford Library and iSite.
- 2.7 The CCTV system installed at the Transfer Station.
- 2.8 The CCTV system installed at the Wai o Rua Aquatic Centre.
- 2.9 The CCTV system installed at the Esk Road Waste Discharge Site.
- 2.10 Associated computer hardware, software, electrical equipment and signage.
- 2.11 Wearable cameras, mobile cameras worn by Enforcement Officers

3. Objectives

The objectives of this Policy are to:

- 3.1 Specify council CCTV camera locations and provide guidance for operational oversight.
- 3.2 Regulate the collection, use, retention, access to and disposal of information.
- 3.3 Ensure Council staff members are aware of the relevant privacy and other legal implications when using camera recordings .
- 3.4 Regularly review the need to use cameras and other recording devices.

4. Background

- 4.1 Council has installed CCTV cameras in Council workplaces to deter crime and disorder, so employees and customers feel safe, and to reduce incidences of damage to, or loss of, Council assets. Council is responsible for camera placement, operation, and maintenance, and data storage and retrieval.
- 4.2 While Council has no legal obligation to maintain or ensure the cameras are operating in any of the above-named areas, Council will still take reasonable steps to ensure the CCTV cameras are properly maintained and in good working order.
- 4.3 CCTV cameras located at the Centennial Rest Rooms, Dog Pound, Miranda St Administration Building, Kopuatama Cemetery, Library Hub, Transfer Station, Wai o Rua Stratford Aquatic Centre and the Esk Road Waste Discharge Site are checked monthly by IT staff to ensure they are functioning correctly. The checks are to be documented in the CCTV Access Register.
- 4.4 Council staff (generally enforcement officers) may wear cameras or mobile recording devices while carrying out their duties under legislation and Council bylaws. The visible, wearable cameras and recording devices are a mitigation tool for reducing the risk of harm to Council staff that deal with the public regularly outside of Council workplaces.

5. Purpose of CCTV Cameras

- 5.1 Footage from the CCTV cameras installed at council locations may be used by Stratford District Council (SDC) for any of the reasons as outlined below:

- Staff safety
- Public safety
- Protection of council assets from staff or the public
- Assistance in police investigations
- Assistance in internal investigations as authorised by the Chief Executive
- Training improvements for health and safety purposes

- 5.2 The below cameras have additional purposes:

CCTV cameras located at Esk Road Waste Discharge Site

Footage from these cameras is used to ensure the discharge of septic tank waste is charged out correctly, for revenue generating purposes, and to provide evidence of illegal use of the facility.

Wearable cameras

Wearable cameras and mobile recording devices are used to:

- Minimise the risk of personal harm to Council staff members and members of the public
- Assist staff members to lawfully carry out their duties

Wearable cameras will be worn by authorised staff members exercising their powers under legislation and/or Council bylaws and may be used in public places and on private property.

Where practicable the authorised staff member will advise the customer(s) prior to activating the camera, that the camera is being activated, or as soon as possible after activating it.

The authorised staff member must keep the camera on his/her person so it records only what s/he can hear and/or see.

Information collected by the wearable cameras will be used for any of the reasons below:

- Staff safety
- Assistance in legal investigations
- Gathering evidence

6. Awareness of Cameras

- 6.1 The locations of CCTV cameras must be clearly signposted at the public entrance of the building, to notify the public that a camera is or may be in operation. The signs also serve as a general crime deterrent.
- 6.2 Whenever an authorised staff member has a wearable camera on her/his person the camera will be in plain view.
- 6.3 Staff must be made aware of all cameras in the workplace.

7. Access – Council Staff

- 7.1 Access to the recordings of the CCTV camera systems must follow the process as outlined in this policy.
- 7.2 Any request must be made through a Director or the Chief Executive (particularly for internal investigations) to the Privacy Officer by email to privacyofficer@stratford.govt.nz. The request should include the following information:
 - Date and time range to be viewed,
 - Brief explanation of the incident and how viewing the cameras aligns with section 5 of this policy.
 - Who will participate in viewing the footage.
 - The urgency of the request.
 - If there is anything specific that needs to be identified in the footage.
 - Confirmation that the Director or Chief Executive has approved the request.

The Privacy Officer will check that the request is in line with section 5 of this policy, and will also consider the following factors:

- The time range length and the cost of staff time involved in viewing the cameras.
- To what extent viewing the cameras will enable council to meet one of the purposes in section 5 of this policy.
- Whether privacy will be breached, and to what extent this would result in harm to any individual.
- Whether any further information is required.

Once approved, the request will be forwarded to IT Support, who will arrange a suitable time with other staff (as per the request), to view the camera footage.

Despite the above, the following are exceptions to the above access:

- The cameras at Esk Road may be freely accessed by staff in the Wastewater department.
- Some customer service locations have live camera screens which may be viewed in real time by staff, to provide for extra security and monitoring.

All approved access to CCTV footage must be documented by IT Support in the CCTV Access Register.

- 7.3 Members of the Information and Technology team will from time to time access cameras at the Centennial Rest Rooms, Dog Pound, Miranda St Administration Building, Kopuatama Cemetery, Stratford Library and iSite, Transfer Station, Wai o Rua Aquatic Centre and the Esk Road Waste Discharge Site for the purpose of undertaking maintenance on the cameras.

8. Access – Other Parties

- 8.1 Access by organisations or individuals to council owned and operated CCTV cameras must still meet the criteria as outlined in section 5 of this policy.
- 8.2 In accordance with the Privacy Act, an individual whose activities have been recorded by cameras has the right to access that footage, providing it is available. Requests for viewing of

CCTV footage must be made in writing to the Privacy Officer and include a form of photo identification sufficient to enable the Privacy Officer to verify that the individual making the request appears in the footage.

- 8.3 Any request from an individual to view footage that relates to a criminal investigation must not be granted without prior Chief Executive approval.
- 8.4 Public request to access footage of an individual must not result in access to images of other individuals. Images of other individuals may be disguised before the footage can be accessed by the individual making the request. If this is not possible, the individual concerned will be supplied with a written description of their activities in the footage. This may incur a cost as per council's fees and charges schedule.
- 8.5 The Privacy Officer must respond to a request for access within 10 working days of receiving the request. However, requests from the Police should be dealt with as soon as possible.

Privacy Officer details:

Privacy Officer
Email address: privacyofficer@stratford.govt.nz
Address: 61-63 Miranda Street, STRATFORD 4332
Postal Address: PO Box 320 STRATFORD 4352

9. Use of Collected Information

- 9.1 Images or recordings collected by the CCTV cameras installed at the Centennial Rest Rooms, Dog Pound, Miranda St Administration Building, Kopuatama Cemetery, Percy Thomson Art Gallery, Stratford Library and iSite, Transfer Station, Wai o Rua Aquatic Centre and the Waste Discharge Site, wearable or mobile cameras, will be used only for the purposes for which they were collected, or may, in accordance with Principle 10 of the Privacy Act be used by other parties for the following purposes or circumstances, provided the procedures in this policy are followed:
 - Court or tribunal proceedings
 - Enquiries relating to the investigation and prosecution of other offences
 - To prevent or lessen a serious and imminent threat to public health and safety or the life and health of an individual
 - The individuals filmed have consented to its use or disclosure
- 9.2 The collected information must not be used for any other purposes or released for public viewing. Only the Police may release footage to the public to assist in solving a crime.

10. Security and Retention of Information

- 10.1 Footage from the CCTV cameras installed at the Centennial Rest Rooms, Dog Pound, Miranda St Administration Building, Kopuatama Cemetery, Percy Thomson Art Gallery, Stratford Library and iSite, Transfer Station, Wai o Rua Aquatic Centre and the Esk Road Waste Discharge Site is securely stored on site and retained for up to 3 months. It is automatically erased when the storage device reaches its full capacity unless it is required for evidential purposes. In the event that footage is identified as significant, the information will be backed up to USB or a secure network location by the IT Team and will be retained until it is no longer administratively required.
- 10.2 Footage recorded by a wearable camera is stored on the device until uploaded to a secure server in the Council's Information Technology Department. The staff member who recorded the footage is responsible for its security until it is uploaded. Once uploaded, the recordings must be erased from the recording device. Uploading and deletion from the device must occur within two working days of being recorded.
- 10.3 Footage recorded by wearable cameras can be viewed by staff with the approval of a director or the Chief Executive. Any footage not immediately required for evidential purposes will be erased six months after the recorded event.

11. Appendices

Legislation

Privacy Act 2020 no 31 (as at 01 July 2023), Public Act contents – New Zealand legislation. (n.d.). New Zealand Legislation. <https://www.legislation.govt.nz/act/public/2020/0031/latest/LMS23223.html>

Search and Surveillance Act 2012 no 24 (as at 05 October 2023), Public Act contents – New Zealand legislation. (n.d.). New Zealand Legislation. <https://legislation.govt.nz/act/public/2012/0024/latest/DLM2136536.html>

Guidelines

Privacy and CCTV, A guide to the Privacy Act for businesses, agencies and organisations. (n.d.). Privacy Commissioner. <https://www.privacy.org.nz/assets/New-order/Resources-/Privacy-and-CCTV/Privacy-and-CCTV-A-guide-October-2009.pdf>

Privacy and CCTV: A guide to the Privacy Act for businesses, agencies and organisations - Summary of guidelines and checklist. (n.d.). Privacy Commissioner. <https://www.privacy.org.nz/assets/New-order/Resources-/Privacy-and-CCTV/CCTV-guidelines-summary.pdf>

Related Policies

Privacy Policy: D16/16748 v3

DRAFT

POLICY



APPENDIX 2

Policy:	Housing for Older Persons
Department:	Assets
Approved by:	Director Assets
Effective date:	March 2024
Next review date:	2025/2026
Document Number:	D23/25127

1. Purpose

- 1.1 The purpose of this policy is to:
 - Guide the provision and management of the housing units owned by Council;
 - Facilitate the allocation of Council-owned housing units, as they become available, to eligible persons in the district; and
 - Provide a mechanism where the rental prices are established for the units.
- 1.2 The purpose of housing for older persons in the Stratford District is to provide affordable housing for residents of the district, as per the Eligibility Criteria below.
- 1.3 Council's role is to maintain the current stock of housing in a manner that supports the level of service required and meets all legislative requirements under the Residential Tenancies Act, while minimising the rates contribution from the community.
- 1.4 The policy states the:
 - Eligibility criteria for applicants for housing for older persons.
 - Conditions of rental.
 - Rental charges and funding principles.

2. Eligibility Criteria

To be eligible to apply for any rental unit, the applicant must:

- 2.1 Be a single occupant.
- 2.2 Be able to live independently. This implies an active and independent lifestyle, free of the need for any assistance with daily needs.
- 2.3 Be 65 years of age or older at the date of the application.
- 2.4 Have resided in the district for at least five years over the previous 20 years or have family who are residing in the district, for at least two years.
- 2.5 Have a weekly income (from all sources), including NZ Superannuation, that does **not** exceed the adult minimum wage for a 30-hour week, current at the time of tenancy commencement.
- 2.6 Have total assets (including cash, investments, shares, real property or other assets, but not including one motor vehicle, furniture and personal effects or a funeral plan to the value of up to \$10,000) **not** exceeding \$20,000 in value.
- 2.7 Be able to demonstrate they are a good tenant with no history of excessive drinking of alcohol, use of recreational drugs or domestic or other violence.
- 2.8 Shall be required to provide evidence, or a statutory declaration to this effect, to show that all relevant criteria are met.

3. Other Conditions of Rental

- 3.1 If an applicant turns down a unit due to personal reasons but wishes to stay on the waiting list, they be transferred to the bottom of the list.
- 3.2 The Council provides Housing for Older Persons as a social service. However, this is not an obligation to accommodate any applicant who meets the eligibility criteria. For example, if an applicant has a previous record of causing loss or damage to their accommodation or disruption to neighbours, their application may not be accepted.
- 3.2 If a tenant becomes less independent during their tenancy, to the extent that the unit is no longer able to adequately support their day to day living, the Council is under no obligation to make modifications to the unit.

4. Rental Charges and Funding Principles

- 4.1 The operational costs of the Housing for Older Persons activity will be funded as per the Council's Revenue and Financing Policy.
- 4.2 To achieve the funding objectives, rents for Housing for Older Persons will be set at no less than 80% of market rates for a median two-bedroom house in Stratford or the closest applicable town (if no market data exists for Stratford), as indicated on the Government tenancy website..
- 4.3 Rents for existing tenants will be increased by a maximum of 10% market rate per year until 80% of market rate is reached. See table below for new rental charge from 1 July 2024.

	Year 1	Year 2	Year 3	From Year 4
Start of new Rental Charge	From 1 July 2024	From 1 July 2025	From 1 July 2026	From 1 July 2027
New Rental Charge as a percentage of the Market Rate (MR)	50% MR	60% MR	70% MR	80% MR

- 4.4 Rents must be paid no less than 2 weeks in advance.

5. Waiting List

- 5.1 Vacancies will be filled from a waiting list of eligible applicants, based on date of application.
- 5.2 The waiting list will be reviewed annually. Applicants will be contacted to confirm if their applications are still current and valid. If the Application is unable to be confirmed, , Council reserves the right to remove the Applicant from the list.

6. Tenancy Agreement

- 6.1 The tenancy shall be subject to the Residential Tenancies Act 1986, including all versions and amendments.
- 6.2 The Tenant shall read and sign a Tenancy Agreement prior to taking occupancy of the assigned housing unit.
- 6.3 The Tenant shall observe to comply with all terms and conditions stated in the signed Tenancy Agreement.

POLICY



APPENDIX 3

Policy:	Presentations to Elected Members
Department:	Chief Executive
Approved by:	Council
Effective date:	March 2024
Next review date:	2029/30
Document Number:	D24/6199

1. Purpose

- 1.1 To formalise a policy for presentations to be made to elected members who leave Stratford District Council or reach a significant milestone.

2. Recognition of Elected Members on leaving

- 2.1 After three years or more continuous service the elected member will be presented with a certificate and a function will be held.
- 2.2 After nine years or more continuous service the elected member will be presented with a certificate and gift on leaving, and a function will be held. The total value of the gift will be no more than \$500.
- 2.3 After 15 years or more continuous service the elected member's departure will be recognised with a function and they will be presented with a certificate and gift. The total value of the gift will be \$1,000.
- 2.4 Any presentations or functions held for the District Mayor will be at the discretion of the Chief Executive and the Deputy Mayor.

3. Recognition of Long Service of Elected Members

- 3.1 After 24 years (eight terms) continuous service for an elected member, the member will be presented with a certificate and a gift, and a function will be held. The total value of the gift will be \$1,500.

4. General

- 4.1 Any presentations or functions to be held will be at the discretion of the District Mayor with the exception of any presentations or functions held for the District Mayor which will be at the discretion of the Chief Executive and the Deputy Mayor as per 2.4 above.
- 4.2 Presentations to elected members, including the District Mayor, will be funded from the Staff Gratuities Reserve.

5. Appendices

- 6.1 Sensitive Expenditure Policy

POLICY



Appendix 4

Policy:	Council Vehicles
Department:	Corporate Services
Approved by:	Council
Effective date:	February 2024
Next review date:	February 2027
Document Number:	D23/44513

1. Purpose

- 1.1 To ensure that staff and elected members have suitable transport to carry out their duties Council provides vehicles in appropriate numbers and configuration.

2. Policy

- 2.1 There are three groups of vehicles within the Council fleet:
- Vehicles that are assigned to individual staff members, or the mayor, and form part of their remuneration.
 - Vehicles that are assigned to individual positions or departments due to the specialist nature of the vehicle and/or equipment within the vehicle.
 - Pool vehicles which are accessible by all staff via a booking system.
- 2.2 The number of vehicles within the council fleet shall reflect efficient use of resources while at the same time not imposing limitations on staff to carry out their duties due to lack of available vehicles. Any increase or decrease in the total number of vehicles within council's fleet requires approval from the Senior Leadership Team.
- 2.3 Unless a staff member has authorised private use, vehicles can only be used for official Council business. In addition, vehicles may be taken home overnight under the following circumstances:
- By staff who are on call, or
 - On request from Council (e.g. due to insufficient secure vehicle storage space at Council offices),
 - In connection with work related travel to facilitate early departure and/or late arrival.
- 2.4 As a general guideline, vehicles are to be replaced when they have completed 100,000 kilometres and disposed of in accordance with Council's Asset Disposal Policy.
- 2.5 All vehicles are to be purchased in compliance with Council's Procurement Policy.
- 2.6 Priority will be given to Battery Electric Vehicles (BEVs) or Hybrid Electric Vehicles (HEVs) when replacing vehicles within the council fleet. Of consideration will be the relative costs of different models, practicalities around charging of vehicles and the range requirements of the vehicles for their regular use.

APPENDIX 5**STRATFORD DISTRICT COUNCIL**

<u>POLICY: REMITTING OF FEES TO NON-PROFIT ORGANISATIONS</u>	
DEPARTMENT: Environmental Services	RESPONSIBILITY:
SECTION:	<ul style="list-style-type: none"> • Director Environmental Services
REVIEW DATE: 2015/2016	NEXT REVIEW: 2018/2019
VERSION: 3	APPROVAL DATE: November 2012

OBJECTIVE

To encourage the long term viability of non-profit organisations within the Stratford District.

APPLICATION OF POLICY

1. This policy applies only to any building or resource consent application from an applicant who meets both of the following criteria:
 - The applicant is a non-profit organisation which is registered with the Charities Commission; and
 - The activity which the building or resource consent is intended to accommodate is conducted by a non-profit organisation registered with the Charities Commission.
2. The applicant must supply Council with the details of registration(s) with the Charities Commission to allow the remittance of fees and charges.

POLICY STATEMENT

1. Council will remit all fees and charges, except as stated below, relating to a building consent or a resource consent application (including both land use and subdivision consent) where those fees and charges relate to work carried out up to the time of grant of the building or resource consent.
2. The remittance shall not be available for any of the following types of fees and charges:
 - Charges which are required to be paid to any external person or organisation including, but not limited to building levies, processing charges for out of scope work, valuation reports, specialist reports etc;
 - Peer review of consent documents by external persons or organisations;
 - Requests for, administration of, or processing of any further information;
 - Administration of or processing of any amendments to consented documents; and:
 - Inspection and monitoring charges.

DELEGATION

Any decision under this policy may be exercised by the officer with delegation to decide on the application to which the remittance applies.

COMMENCEMENT

This policy shall take effect from 1 January 2013.

REVIEW

This policy shall be reviewed prior to the first anniversary of the date on which it takes effect and then prior to each triennial anniversary of that initial review.

APPENDIX 6**STRATFORD DISTRICT COUNCIL****POLICY: INFRINGEMENT NOTICES**

DEPARTMENT: Environmental Services		RESPONSIBILITY: • Director Environmental Services
SECTION:		
REVIEW DATE: 2012/2013		NEXT REVIEW: 2021/2022
VERSION: 3 D19/22993		APPROVAL DATE: 13/08/2019

PURPOSE

The purpose of this policy is to have guidelines in place for Council staff to follow in relation to the issuing of infringement notices.

DOG CONTROL INFRINGEMENT NOTICES

1. Stratford District Council Animal Control Officers may issue infringement notices as authorised in the Dog Control Act 1996.
2. The Dog Control Act 1996 details the range of offences and fines for dog control infringements.

RESOURCE MANAGEMENT ACT (INFRINGEMENT NOTICES) REGULATIONS 1999

1. Stratford District Council Authorised Officers may issue infringement notices as detailed under the Resource Management Act 1991.
2. The Resource Management (Infringement Offences) Regulations 1999 details the range of offences and fines for Resource Management Act infringements.

STATIONARY VEHICLE INFRINGEMENT NOTICES

1. Stratford District Council Parking Wardens may issue infringement notices as detailed in the Land Transport Act 1998.
2. The Land Transport (Offences and Penalties) Regulations 1999 details the range of offences and fines for stationary vehicles.

BUILDING CONTROL INFRINGEMENT NOTICES

1. Stratford District Council Building Control Officers may issue infringement notices as detailed in the Building Act 2004.
2. Building (Infringement Offences, Fees and Forms) Regulations 2007 details the offences and fines for building control offences.

WAIVING OF INFRINGEMENT NOTICE

1. The waiver of an infringement notice is considered on a case by case basis and may include consideration of, but is not limited to the following criteria ::
 - it is the first offence in a two year period; and
 - the offence had no potential to create a danger to people, property, or the environment; and
 - the offence, giving rise to the issue of an infringement notice, has been mitigated-



25 January 2024

Dear

DRAFT HOUSING FOR THE ELDERLY POLICY

In June 2023, we advised you that Stratford District Council (SDC) was reviewing its Housing for the Elderly Policy. On Tuesday 23 January 2024, our Policy and Services Committee discussed this matter, as was reported in the media today. The newspaper article did not report that so far this is only a recommendation and has yet to be endorsed by the full council on Tuesday 13 February.

From there, if approved, we will consult with you on the proposed changes, and your feedback will be taken into consideration before the decision is finalised as part of the adoption of Council’s Long Term Plan later in the year.

Key proposed changes in the draft Housing for the Elderly Policy include:

- Increasing rental charges
- Changes to the eligibility criteria
- Removal of the secondary waiting list
- Addition of other conditions of rental

Proposed changes to rental charges

In the draft Policy, we propose a new rental charge based on 80% of the current market rate. In this scenario, rental charges would be increased by 10% of the market rate each year until 80% of the current market rate has been met in 2027. The table below shows what the rent would be increased to from 1 July 2024.

	Current Rental	Year 1	Year 2	Year 3	Year 4
Rental Charged	Current Rental Charge	From 1 July 2024	From 1 July 2025	From 1 July 2026	From 1 July 2027
New Rental Charge as a percentage of the Market Rate (MR)	40% MR	50% MR	60% MR	70% MR	80% MR
New Rental Charge as a percentage of the Market Rate (MR)	\$140.00	\$161.00			

If you have any questions about the proposed changes, please do not hesitate to contact me.

Yours faithfully

Sara Flight
Property Officer

Whakaahurangi

Stratford District Council

07/02/2024

The Mayor and Councillors,

Re; proposed rent increase for the Elsie Fraser units on Page Street

We the residents of the Elsie Fraser units wish to voice our disapproval of the proposed rental increases and having them based on market rates, especially being compared to a two bed-roomed house in New Plymouth.

We would expect that the market comparison would align with our own District and would not exceed the usual 10%.

However, the rent increase needs to be considered along with the original intention of the Elsie Fraser bequest to the people less able to afford accommodation in Stratford, and not primarily as a commercial asset to the council.

The Housing for Elderly Policy states in its Eligibility Criteria that applicants would be over 65 years, of low income and low assets, that there may be special circumstances of dire need, vulnerability, and urgent housing security.

Therefore, the residents are on fixed income pensions and have little to no other assets. They may be vulnerable and in dire need and unable to find safe housing that is affordable in the commercial market.

Our incomes are mostly provided by Government pension which do not increase historically by 10%, therefore in five years we would be considerably financially disadvantaged.

We propose alternative consideration be given to other ways of calculating a rent increase for affordable housing of the elderly;

- A rent increase of 10% per annum
- A rent adjustment according to the CPI, currently at 7%

- A social housing, AFL (affordable rent limit), set at 35% of income
- Align with NZ Housing (Kaianga Ora), which sets rentals at 25% of income

There has been laid out a schedule of the proposed increases over the next four years that would result in the tenants paying the full 80% increase by 2028, and that any new tenants entering the units from this year would be expected to start at the full 80% rate, we believe this to be inequitable, and would expect any new tenant to pay the rate set for that year up to 2028 when we would all be on the same rate.

It could be said that the Council has taken on a form of social housing in the interests of protecting our vulnerable elderly, and that was certainly the intention of Elsie Fraser in her generous bequest to this community, we would implore council members to act in the spirit intended and not let commercial imperatives drive your decisions on our behalf.

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Yours sincerely

The Residents of the Elsie Fraser units.

Unit 1	<i>B. Peres</i>	Unit 6
Unit 2		Unit 7
Unit 3		Unit 8
Unit 4		Unit 9
Unit 5		Unit 10

Whakaahurangi

Stratford District Council

07/02/2024

The Mayor and Councillors,

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Unit 1

Unit 2

Unit 3

Unit 4

Unit 5

Unit 6

Unit 7

Unit 8

Unit 9

Unit 10

Elien Burnett

10

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Joy K. Webb
8th Feb 2024

3

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Mike Coe

5
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9

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Unit 2

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Unit 5

Unit 10

7
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Unit 1

Unit 6

Unit 2

Unit 7

Sandra Fraser

Unit 3

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Unit 4

Unit 9

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4
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Unit 5

Unit 10

R.F. Ayling C Bob Ayling

QUARTERLY REPORT



F22/55/04 – D23/50634

To: Policy & Services Committee
From: Acting Community Development Manager
Date: 27 February 2024
Subject: Economic Development Quarterly Report – Quarter One and Two 2023/24

Recommendation

THAT the report be received.

_____/_____
 Moved/Seconded

1. Executive Summary

This report provides a combined summary of Economic Development activity over the past quarter in the Stratford District, a report on projects, and the quarterly Venture Taranaki report.

2. Regional Economic Profile

Population: 10,300

Economy	Employment	Businesses
\$601m	3,772	1,503
Gross domestic product. 0.5% growth in 2023.	Total filled jobs. 1.0% growth in 2023.	Number of business units. 0.2% growth in 2023.

Largest industries, 2023 (% of total)	
Agriculture, forestry, and fishing	26.4%
Electricity, gas, water, and waste services	12.7%
Construction	5.0%
Manufacturing	4.9%
Retail Trade	4.9%

**Information obtained from Infometrics. Updated in December for the year ending 31 March 2023. Updated on an annual basis.*

- This section is new to the report to provide an economic snapshot of the district.

3. Venture Taranaki

The Q1 quarterly report from Venture Taranaki is attached as **Appendix 1**.

Key Highlights:

Q1-2	Q1-2	Q1-2
68	12	7
Referrals. Number of enterprise referrals and connections made by Venture Taranaki staff.	Startup clients met in Stratford.	Businesses Supported. Number of client interactions with Business Advisory services.

Q1-2	Q1-2
\$5,625	0
RBP (Regional Business Partner network) Capability Funding. Distributed to Stratford enterprises.	Mentor Matches

- Full Venture Taranaki reports will be received the quarter following.

4. Local Tourism and Promotion

4.1 Website Engagement

Page	Views	
	Q1	Q2
Discover Stratford	263	333
Venture Taranaki	42	16
Stratford Business Association	77	67
Prospero Markets	104	95
Community Events	50	82

4.2 Community Events

Quarter One/Two Events:

Completed:

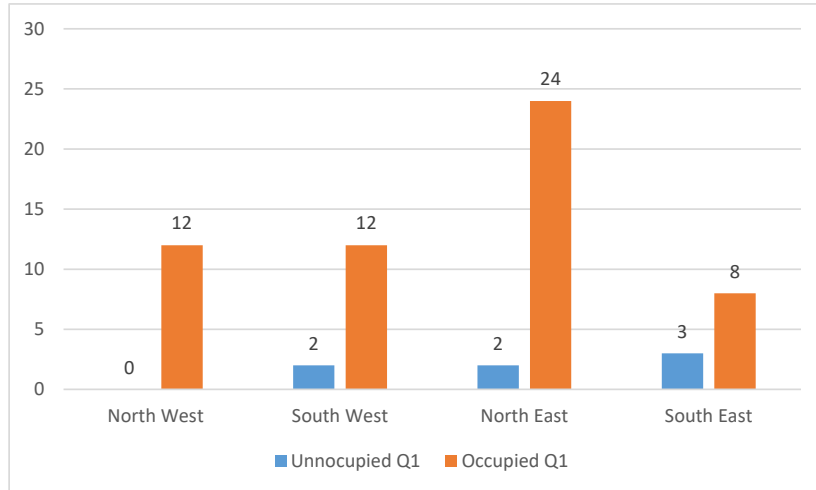
Activity	Date
Scarecrow Trail	27 October – 12 November 2023
Stratford Christmas Parade	Friday 1 December

Coming up:

Activity	Date
Summer Nights: movies	Saturday 27 January 2024
Summer Nights: concert	Saturday 10 February 2024
Americana (Stratford stop)	Friday 23 February 2024

5. Development

5.1 Businesses in central Broadway



Changes in Q1/2 include:

- Blackbull Liquor changing to Bottle O.
- The Collective moving into the old BNZ building.
- Tall Poppy leasing what was a pop-up shop on the on the NE side.

5.2 2035 Projects

An advisory group has been pulled together that includes officers and two elected members. Key projects have been identified with actions to be determined over the next month.

The priority and project identified is the sale and purchase of the leased land in Prospero Place. From this, next steps and the development of Prospero Place can be determined.

5.3 Stratford Business Association

Membership: 150

Completed Events/Activity:

Activity	Date
Ba5 events	Jul – Dec 2023
Customer Service: A deep dive	Tuesday 19 September
Bites, Brews & Banter: An event for the Tradies	Tuesday 26 September
Annual General Meeting	Monday 9 October
Target Market & Buyer Personas	Tuesday 17 October
Phone photography	Tuesday 24 October
Google Ads	Wednesday 1 November
Chat GPT	Tuesday 17 November
Stratford Christmas Parade	Friday 1 December

Upcoming Events/Activity:

Activity	Date
Americana (Stratford stop)	Friday 23 February 2024

5.4 Consents Granted

Type	Q1	Q2
New Dwellings	3	9
New duplex dwellings	0	2
Relocated dwellings	1	2
Relocated buildings other than dwellings	0	0
Fires	13	8
Pole sheds/accessory buildings	8	8
Additions/alterations – residential	4	1
New Commercial buildings	1	0
Additions/alterations – commercial	2	1
Other/miscellaneous	0	3

5.5 Property Sales

Location	Median Price		Volume Sold	
	22/23 Q2	23/24 Q2	Q1	Q2
New Plymouth District	Oct		287	276
	\$ 640,000	\$ 650,000		
	Nov			
	\$ 650,000	\$ 617,000		
South Taranaki	Dec		93	82
	\$ 640,000	\$ 670,000		
	Oct			
	\$ 425,000	\$ 449,000		
Stratford District	Nov		29	29
	\$ 525,000	\$ 440,000		
	Dec			
	\$ 520,000	\$ 480,000		
Stratford District	Oct		29	29
	\$ 480,000	\$ 391,000		
	Nov			
	\$ 485,000	\$ 491,000		
Stratford District	Dec		-	\$ 505,000
	-	\$ 505,000		

**Information obtained from Real Estate Institute of New Zealand Inc (REINZ).*

5.6 Mayors Taskforce for Jobs (MTFJ)

Registrations

	Q1	Q2*	YTD
Young People Registered	25	48	73
Businesses Registered	3	1	4

Employment

	Q1	Q2*	YTD
People placed into employment	4	11	15
Young people who are employed but require assistance with upskilling	0	17	17
Young people registered onto programme and straight in study	7	2	9
People who received support and found work themselves	0	4	4

* Activity is as of 7 December 2023

Attachments:

Appendix 1 - Venture Taranaki - Quarter One Report

Amy Kingston
Acting Community Development Manager

Endorsed By
Kate Whareaitu
Director – Community Services

Approved by
Sven Hanne
Chief Executive

DATE: 20 February 2024

Quarterly Report 2023/24

Quarter One (July to September 2023)



Govett-Brewster Art Gallery | Len Lye Centre

venture
TARANAKI
Te Puna Umanga

Contents

Message from the CE	3
Key Performance Snapshot	4
Regional Strategy Refresh	5
Key Strategic Focus Areas	6
Regional Development Agency Functions	10
Major Events Fund	13
Performance Measures	14
External Project Measures	15
Coming up next quarter	16



Hāwera Water Tower²

Message from the CE

Tēnā koutou

We kicked off quarter one (Q1) with some big wins and accomplishments, including winning the bid to host the Business Events Industry Aotearoa Conference in 2024. This will attract 170 industry-leading event professionals to Taranaki and will bolster our regional profile as a vibrant destination to host future major conferences and business events.

Events are a key driver of visitation for Taranaki and significantly boost our region's economy as people stay to shop, eat, and explore. In Q1, we shifted our Major Events Funding strategy to a single annual funding round. The change aimed to increase efficiency and timeliness for the Event Owners, and we have already had great feedback on this more streamlined process.

Energy transition continues to be a key strategic focus for VT, and a highlight this quarter was joining a Taranaki delegation to Lithuania. The visit was hugely insightful as we uncovered innovative technologies that are allowing Lithuania to be world-leaders in the low-emissions space and explored opportunities for international collaboration.

Mahi in the food and fibre space continues to progress and we were thrilled to support eight Taranaki food and beverage producers to the Auckland Food Show in July, to showcase Taranaki products on a national level. Work is also underway to support the Taranaki Farmers Market to thrive and grow, along with exciting advancements in our Branching Out food and fibre diversification programme.

While there is a lot to celebrate in Q1, it also brings some uncertainty as we lead up to the New Zealand election.

We are well placed to support our business community with our core enterprise support services and have facilitated many activities this quarter to enable connections and capability development for our business community. This includes grant information sessions, innovative Smart Factory Tours, and hosting Callaghan Innovation's Executive Leadership team on a famil to meet local research and development companies.

Finally, during Q1 we have also refreshed our quarterly reports to more closely align with our Statement of Intent and key strategic focus areas of Energy, Food & Fibre, Hi Tech Innovation and Destination. Moving forward, the Q1 and Q3 reports will be not be as fulsome as our Q2 and Q4 reports that will include more on our sustainability and emissions reduction, our financial position and regional intelligence.

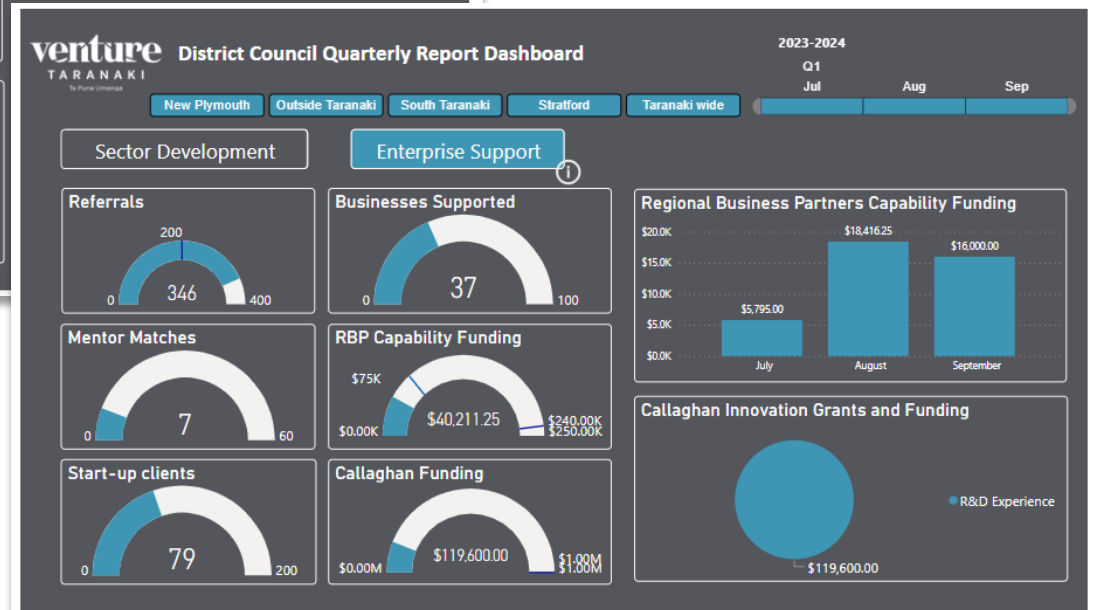
As we head into quarter two, we look forward to continuing to provide our core support services and driving forward our strategic focus areas to achieve a thriving region for all.

**Kelvin Wright,
CE Te Puna Umanga
Venture Taranaki**





Key Performance Snapshot



Venture Taranaki offers an interactive dashboard that provides a comprehensive overview of key performance metrics by district, month, and quarter. To view this live dashboard please visit the link below:

<https://www.venture.org.nz/regional-intelligence/performance-dashboard/>

Note: The dashboard is for internal use only and is not linked to the public website.

Regional Strategy Refresh



Tapuae Roa the regional economic development strategy and action plan for Taranaki was developed in 2017/18, with the Taranaki 2050 road map and underlying transition pathway actions plans being finalised in 2020, driven by government policy change on offshore permitting. This was swiftly followed by a global pandemic accompanied by an economic reset, significant regulatory reform, community infrastructure concerns, and government policy change that have all challenged the Taranaki Economy. Given the immense disruption and restriction, the region responded well through this period of challenge, uniting in the face of adversity, and working collectively to lead our region through to today. Taranaki still has significant challenges ahead with the traditional core of its economy being disrupted, and new

economies emerging. We face national challenges around Infrastructure, Health, Education, Housing, Equity, and Social issues. At a macro level we also face global challenges around climate change and decarbonisation, and regional challenges around infrastructure, transitioning workforce, and establishment of new industries to ensure a prosperous and thriving Taranaki for all – a region that is attractive to live, work, invest, and play.

With so much behind us, now is the time to refresh our Regional Strategy, providing clarity on regional priorities in order to unite and catalyse the region around the opportunity to transition and grow our regional economy, creating and maintaining employment opportunities, and attracting investable opportunities for both government and private business. It's also an opportunity to reflect on our current context, understanding and embracing our uniqueness, diversity, and how this translates to a thriving Taranaki for all. Taranaki has many opportunities ahead, hence, with a clear plan to guide and catalyse investment, and collectivise effort we will be well placed to take advantage of our opportunities, while mitigating our risks.

Our Maunga, that gives way to our highly fertile soils, and relatively climate-resistant landscape sit at the middle of our biggest opportunities and threats. A plan to recognise this uniqueness and plan for economic prosperity, alongside economic recovery and resilience will be critical to our region's future economic proposition while living alongside our ancestor Taranaki Maunga and protecting him for generations to come.

A series of workshops have been run with local councils to acknowledge the need to refresh the Regional Economic Development Strategy and identify any key priorities from Councils. We are working collaboratively alongside our iwi colleagues as they refresh the Ngā Iwi o Taranaki Strategy, to determine in partnership how these outcomes are included in the Regional Strategy. Ngā Iwi o Taranaki and regional priorities will be brought together through a workshop with regional leaders early in the new year. The intent is to have a concise set of collective regional priorities, accountabilities, funding, resourcing, and reporting to ensure the outcomes are enabled, supported, and delivered for our region.

Strategic Focus Areas Snapshot

Highlighted below is a snapshot of the work undertaken in Q1 that fall within Venture Taranaki's key strategic focus areas. For more detail on these projects and workstreams, refer to the following pages



Energy

1. The New Zealand Wind Energy Association Summit

2. Energy Efficiency Programme

3. H2 Taranaki Roadmap - Progress



Food and Fibre

1. Auckland Food Show

2. Taste of Taranaki Food Pop-up at WOMAD

3. Branching Out - First trial crops in the ground



Destination

1. Talent Attraction

2. Cruise Sector Development

3. Industry Support and Updates



Hi Tech Innovation

1. Smart Factory Showcase

2. Taranaki Tech and Innovation Sector Action Plan

3. Tech Step Events



Energy

The New Zealand Wind Energy Association Summit

The New Zealand Wind Energy Association Summit was held from 12 - 13 September. Anne Probert, Director Strategic Partnerships facilitated a panel session at this national event on offshore wind. The summit spanned a range of topics and demonstrated the progress made to date, including the pioneering Offshore Wind Energy Report, launched in 2020 by Venture Taranaki.

Energy Efficiency Programme

In conjunction with project partners, VT have been involved in securing investment for a two-year farm energy efficiency programme, encompassing energy audits and workshops for farmers in Taranaki, with learnings to be shared nationally.

H2 Taranaki Roadmap Update

Several projects are being progressed which align the H2 Taranaki roadmap with heavy transport as a key area of focus. The H2 Taranaki Roadmap – which aligns to Tapuae Roa and Taranaki 2050 – outlines how the region could leverage its skills, infrastructure and resources to become a leader in hydrogen production and utilisation.



Food and Fibre

Auckland Food Show

The Auckland Food Show was held from 27 to 30 July. VT supported eight local food and beverage businesses to attend under the 'Taste of Taranaki' banner, providing the opportunity for these businesses to connect with key industry stockists and suppliers.

Taste of Taranaki Food Pop-up at WOMAD

As a major sponsor of WOMAD, VT is using its allocated activation space at WOMAD 2024 for a 'Taste of Taranaki Food Pop-up' store featuring 10-12 food and beverage producers from around the region. The pop-up will tell the story of Taranaki as a vibrant and diverse food-producing region and be used as an opportunity to further promote Taranaki as a destination, as well as connect our producers with new audiences to potentially bring significant impact to our food and beverage industry.

Branching Out – Trial sites underway

The Sustainable Crop Rotation planting commenced in July with garlic and faba beans planted in both North and South Taranaki. With significant interest across the region for all Branching Out crop trials, we have selected trial sites in all three districts, working with committed landowners that include horticulturalists, organic dairy farmers and whānau. Hop trials are advancing to phase 2 with scale up support to growers to increase overall hectare size for the 2024/2025 growing season.



Destination

Talent attraction

VT designed and provided a 'Find your Career in Taranaki' handout for the 21 August Taranaki Careers Expo. This included information on the most in demand jobs for the region, as well as future roles needed within the Food and Fibre, Energy, Education, Technology, Health and Construction, and Manufacturing and Engineering sectors.

Partnered with the Chamber of Commerce, Mobile Relocations, and Auld Brewer Mazengarb & McEwen, VT hosted an Immigration Event for businesses in August to explore the process of attracting and retaining international talent.

Cruise sector development

Alongside our Port Taranaki partners, VT attended the NZ Cruise conference in August. The conference enabled VT to connect directly with in bounders and cruise handlers, as well as cruise line representatives and destination managers and provide them with the Cruise Taranaki prospectus. This has since resulted in one cruise liner that currently doesn't come into port seriously considering Taranaki as a destination.

Industry support and updates

A hui for South Taranaki operators was held at Ohangai at the end of August, bringing together over 20 people who share a passion for putting South Taranaki tourism on the map.

A networking evening was held in Urenui for women in the farming sector to learn more about support and initiatives to diversify their land (Agri Tourism), including the business support available to enhance their management capabilities.

In early September VT hosted the Tourism NZ Experience Leadership Team in Taranaki for two days. This included a famil showcasing local operators as well as visits to attractions including the coastal walkway, Tawhiti Museum, Stratford Mountain House, West End Precinct and The Ōkato. The feedback was very positive with one team member stating "we all had a great time and I think it might have been our best famil as a team so far!"



Speaker and local businesses at Immigration Event



NZ Cruise Conference



AgriTourism Networking Event



Tourism NZ experience leadership team



Hi Tech Innovation

Smart Factory Showcase

Through collaboration and targeted regional promotion of the Smart Factory Showcase in Taranaki, VT along with Callaghan Innovation, EMA and BECA brought together the region's manufacturing sector to explore the latest advancements including the impact of 4.0 technologies on efficiencies.

Taranaki Tech and Innovation Sector Action Plan

Our vision for the Taranaki Tech and Innovation sector is one that can provide local, innovative solutions to support the challenges facing Taranaki businesses and industries alongside our key strategic focus areas. We have now finalised the sector action plan for FY23/24 which is focused on discovery of the existing ecosystem and understanding what value VT can provide the sector in the medium-long term.

Tech Step Events

Together with the Taranaki Chamber of Commerce, VT, Learner Me and Te Heru Māpara organised two Tech Step events, one in Hawera on 27 September and the other to be held in New Plymouth on 4 October. Both events targeted educators working in the technology space and included a panel discussion with tech professionals at various stages of their career to provide insight into what they're doing, how they got there and where their tech careers are taking them.



Speakers and local manufacturers at Smart Factory Showcase



Speakers at Tech Step event in Hawera

Regional Development Agency Functions

PowerUp Programmes

PowerUp - Start Up Weekend

VT was thrilled to be the signature sponsor at Startup Weekend at Te W'anake The Foundry coworking space in Hāwera in September, with our Chief Executive Kelvin Wright being part of the judging panel along with South Taranaki superstars Gemma Adams, Vizlink and Sonia Kiser, Carac Group. It was fantastic to see the high level of innovative thinking and creativity from all four teams over an intensive 54-hours, that culminated in an exciting pitch-off which saw team Refill-It take out the win.



DOSO and Venture Taranaki Startup Weekend held in Hawera with support from South Taranaki District Council



Startup Weekend Award Event

PowerUp Masterclass

PowerUp Masterclass is a series of four half-day workshops designed to help entrepreneurs develop their skillset and take their enterprise to the next level, with practical advice from industry experts. The first PowerUp Masterclass Raising Capital For Growth will take place on 7 November in New Plymouth, with a focus on investment readiness. Led by Chris Burgess, Investment Manager at New Zealand Trade and Enterprise (NZTE), participants will gain practical advice on becoming investment ready and capital raising strategies, as well as hear from a local speaker who will share their investment journey. Themes and dates for the remaining masterclasses this financial year will be released soon.



Regional Development Agency Functions

Enterprise support

Regional Business Partner (RBP) Fund

Enterprise clients have been seeking more general support this quarter. Some are growing and scaling despite the challenges and are seeking guidance on the next phases of their business cycle, whilst others are struggling with reduced sales and increasing costs. Marketing (social media and digitalisation), leadership and management continue to be the most popular support services requested.

Spend on capability development is down significantly in Q1 spend compared with previous years, despite client enquiries and engagement levels being maintained. Clients are reluctant to commit to spending on training in the current economic climate, with fears of recession and uncertainty around the election outcome. Spending may pick up post-election when marketing is planned to promote the programme.

Callaghan Innovation Fund

Callaghan Innovation Research and Development (R&D) Student Experience grant applications launched during Q1. This grant supports student summer internships for R&D projects within businesses. This year there were nine Taranaki applications and 11 student placements. The fund closed early due to the budget being fully allocated.

Capability building areas of interest this quarter included a higher level of intellectual property enquiries.

In August, Venture Taranaki hosted the Callaghan Innovation Executive Leadership Team for two days. The visit included meeting with some local R&D companies to find out more about their R&D challenges. Led by CEO Stefan Korn, the organisation is aiming to spend time with customers to gain first-hand insights to inform future support for businesses. Taranaki was the first region outside of the main centres to be visited by the whole of the Callaghan Innovation leadership team together and it was great for the region to have our feedback raised directly.



Callaghan Innovation Senior Leadership Team visit Begin Distilling (Juno Gin)

Startup Clinics

Demand remains high for VT's Start-up services, both online and in-person. Demand for in-person clinics has increased across the region, and these will be offered weekly instead of fortnightly in Q2 to cater for demand.

Business Mentors NZ

Demand for mentoring has picked up over the quarter, with clients requiring expertise in business planning, strategy and marketing (digital marketing most popular). Two mentors were recruited, and seven matches made.

Regional Development Agency Functions

Film and Convention Bureau

Attracting and supporting business events

In September VT attended the three-day Business Events Industry Aotearoa Conference in Marlborough. Approximately 170 delegates attended (including venue managers, RTOs (Regional Tourism Organisations) and PCOs (Professional Conference Organisers) to network and hear from industry experts and speakers. With the support of New Plymouth Airport and local operators (including venues, transport providers, sound/audio hire, and accommodation providers) Taranaki has been successful in winning the rights to host the conference in 2024 which will attract 170 industry-leading event professionals to Taranaki, and is expected conservatively to deliver \$170k in direct economic impact.

During the last quarter, VT have had confirmation that two conferences – collectively attended by 520-570 delegates – will be held in region in September 2024. VT are currently working with PCO's on an additional four conferences for 2024 which if secured will bring a further 900 delegates to the region for a period of 2-4 days (DEI (\$960,000 – 1,918,800)).

Attracting and supporting film

In August VT hosted a team from a large American film production company who were looking at locations for the filming of a high-profile international film. Feedback was very positive from both the Producer and Director, and we are waiting to hear the outcome. Securing this film would not only profile the region on an international scale, but it would also bring a film crew, cast and support to the region for multiple days to weeks.

VT met with New Plymouth District Council, Stratford District Council and South Taranaki District Council to discuss the development of a centralised regional film permitting process to streamline the process for those looking to film in Taranaki, and centralising data (including economic impact) to support further strategic development of this \$3B industry nation-wide. VT are continuing to develop this system and expect to have this live by end of the financial year.



Visitor and Events Adviser Melissa Devine with BEIA CE Lisa

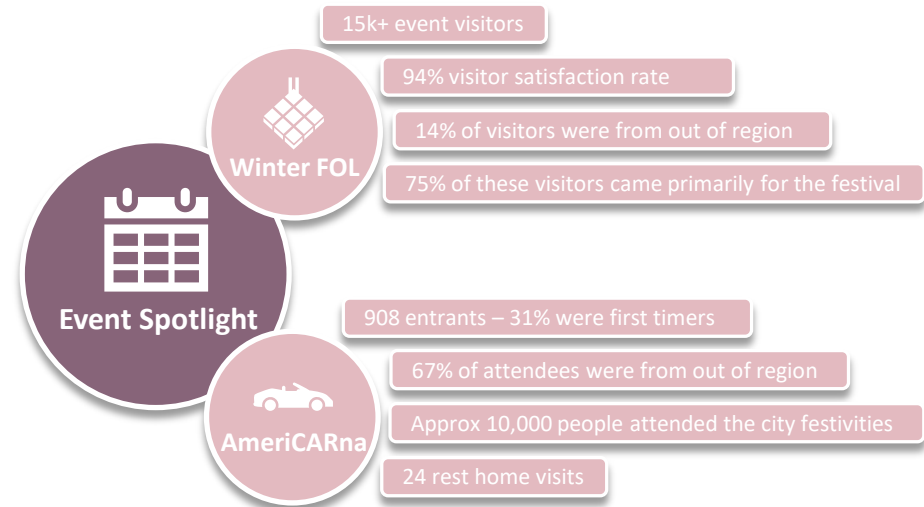


American film producer scouting

Destination: Major Events Fund*

Attracting and supporting major events in New Plymouth district

NO.	Event Name	Event Contracted
1	Festival of Lights (FOL) – Summer	13 Sept 2023
2	Festival of Lights (FOL) – Winter	13 Sept 2023
3	WOMAD	18 Sept 2023
4	Bowl of Brooklands – concert one	18 Sept 2023
5	Bowl of Brooklands – concert two	18 Sept 2023
6	NZ Breakers	14 Sept 2023













This quarter saw a change to our previous administration of the Major Events Fund with the introduction of an annual Major Event Fund funding round. This change has provided internal efficiencies and the ability to maximise our ability to strategically manage the fund in line with funding intent as directed by our Shareholder.

Event producers have been very supportive of this change, and we look forward to continuing to review and evolve our administration of the fund as required to achieve the best outcomes for the region.

During this round, we received a total of 23 applications, offering 19 contracts to successful applications who met the criteria. Of these applications, six of these contracts have now been fully executed and the remaining are with the event managers for completion.

*Due to the reporting method, we have revised the event list according to the contracted date only


Performance Measures 2023/24

Performance Measure	Target	Q1	Q2	Q3	Q4	YTD	Status
Number of major events attracted or retained (funded in accordance with the criteria of the major events fund).	4	6				6	
Undertaking initiatives to support investment into Taranaki.	5	1				1	
The level of annual investment in regional businesses (subject to central government policy).	\$1m	\$119,600.00				\$119,600.00	
The annual percentage of clients satisfied with Venture Taranaki business support services.	>85%						
The level of annual investment* in the management capability of Taranaki's small and medium sized businesses.	\$240k	\$40,211.25				\$40,211.25	
Number of enterprise referrals** and connections made by Venture Taranaki staff.	200	346				346	
Number of engagements*** with visitor industry operators (including local operators, other RTOs, national and international tourism agencies).	1000	446				446	
The number of talent initiatives to facilitate the retention, growth or attraction of talent (human resource) into Taranaki	2	3				3	
Number of Start-up clients.		79				79	
Number of Mentor matches.	50	7				7	


* Investment includes capability development funding as part of the nationwide Regional Business Partner programme.

** Referrals are instances where a business or organisation is referred to a resource of which they were previously unaware. This may be a funding opportunity, programme, cluster group etc. A connection is an instance where two contacts are introduced to one another for a specific purpose that is likely to be mutually beneficial.

*** Engagement is defined as an interaction by staff with an external party and includes meetings, workshops, activity-focused emails, phone and video-conferencing conversations.

 On Target

 Achieved

 Behind target

External Project KPI 2023/24

Title	Cost centre	Owner	Start date	End date	KPI	Result	Traffic light	Commentary	Description
Regional Event Fund	Destination	MBIE	12/1/2020	7/1/2024	Extensive	On track		All funding is committed, and to be paid out as determined in individual events contracts.	To support the development and hosting of events that drive regional economic growth & attract visitors to specific regions in NZ.
Regional Business Partner	Economic Development	MBIE	7/1/2022	6/30/2025	Multiple	38 (22%)		Number of engaged clients is slightly behind due to staff leave in Q1. This is expected to recover.	To support business growth by providing businesses with access to advisory services, training, and funding opportunities.
BTAG	Economic Development	MSD	4/1/2022	6/30/2024	None			Referral-based contract, ongoing.	To support emerging businesses with developing a business plan, training in business skills, advice and project reports.
Business Mentors	Economic Development	BMNZ	7/1/2022	6/30/2024	50 matches per annum	7 (14%)		50 has always been a stretch target. In the past five years, it has been reached only once, in 2019/20. Despite this, Taranaki continues to be recognised as one of the top performing regions for this programme.	To facilitate delivery of the Business mentors programme to mentors and mentees on Behalf of BMNZ.
Massey Partnership	Regional Investment	Massey	9/1/2012	6/1/2024	Multiple			Partnership program on track and delivering on all KPIs.	Connection for Taranaki industry, business and organisations with Massey University expertise, knowledge and innovation to encourage greater development, innovation and growth.
Participatory Science Platform	Regional Investment	MBIE	12/1/2021	6/1/2024	Multiple	All met		The PSP programme will have no future funding allocated due to Govt budget cuts. We have confirmed that we have an extension of contract to December 2024 to complete the current funding round.	To encourage collaboration between scientists and communities, fostering engagement in scientific research and empowering individuals to actively participate in scientific endeavors.
Branching Out	Regional Investment	MPI	11/1/2022	6/30/2025	Multiple	On track		Extension on some KPIs to be delivered at next milestone date in November, approved by MPI.	To diversify food and fibre value chains to generate better economic, social and environmental outcomes for Taranaki.
Branching Out	Regional Investment	NPDC, STDC, SDC and other partners	11/1/2022	6/30/2025	Multiple	On track		Extension on some KPIs to be delivered at next milestone date in November, approved by MPI.	To diversify food and fibre value chains to generate better economic, social and environmental outcomes for Taranaki.
Branching Out - Better Off Funding	Regional Investment	DIA - via NPDC	5/5/2023	6/30/2027	Multiple	On Track		Deliverables on track.	Capital/operational grant for a dryer and hemp processing/manufacturing.

Traffic light key

- All KPIs met, contract complete or reporting period complete
- All KPIs substantially met (within 90%), contract complete
- All KPIs on track to be met by completion of contract
- Some KPIs not on track to be met by completion of contract
- Some or all KPIs not substantially met, contract complete



Coming up next quarter:



- 4 October: Tech Step Event New Plymouth
- 18 October: Taste of Taranaki WOMAD Vendor applications open
- 25 October: [Food for Thought](#) Networking Event and Panel Discussion
- 27 October: Launch of Centuria Taranaki Garden Festival and Taranaki Arts Trail (MEF recipient)
- 1-3 November: Regional Film Offices National hui and conference
- 7 November: [PowerUp Masterclass: Raising Capital for Growth](#)
- 8 November: Taranaki Business Survey
- 16 November: Q2 Visitor Industry evening, Puke Ariki
- 21 November: Attending New Zealand Business Expo
- 23 November: [Export and Import survey launch](#)
- 28 November: EECA (Energy Efficiency & Conservation Authority) Regional Energy Transition Accelerate workshop
- 17 December: First cruise vessel of season in port, the Noordam
- 28 December: Cruise vessel in port, Queen Elizabeth
- December: Land Diversification programme developed
- October - December: Branching Out will complete all sowing and transplanting of crops (2 x gin botanicals, 2 x medicinal plants, hemp, 3 x crop rotation). Funding will also be deployed to support the local hop growers to scale up and industry strategies will be delivered for hops, medicinal plants, and gin botanicals.



INFORMATION REPORT



F22/55/04 – D24/6175

To: Policy and Services Committee
From: Corporate Accountant
Date: 27 February 2024
Subject: Percy Thomson Trust – Half Yearly Report as at 31 December 2023

Recommendations

1. THAT the report be received.
2. THAT Council receive the half yearly report for Percy Thomson Trust as at 31 December 2023.

Recommended Reason

In terms of Section 66 of the Local Government Act 2002 the Percy Thomson Trust, being a council controlled organisation, must deliver to Council a half yearly report (as at 31 December 2023) before 1 March 2024.

 Moved/Seconded

1. Purpose of Report

The purpose of this report is to present the half yearly report as at 31 December 2023 for the Percy Thomson Trust (PTT).

2. Executive Summary

Within two months after the end of the first half of each financial year, the PTT must deliver to Council a report on its operations during that half of the year.

3. Local Government Act 2002

Under section 10 of the Local Government Act 2002, the Council's purpose is to "enable democratic local decision making by and on behalf of communities; as well as promoting the social, economic, environmental, and cultural well-being of communities now and into the future"			
Does the recommended option meet the purpose of the Local Government 4 well-beings? And which:			Yes
Social	Economic	Environmental	Cultural
✓	✓	✓	✓

- 3.1 The half yearly report provides information on the performance of the PTT, being a local public service.
- 3.2 The PTT is run as an independent council-controlled organisation

4. Background

In terms of Section 66 of the Local Government Act 2002 the PTT, being a council-controlled organisation, must deliver the half yearly report to council before 1 March 2024.

5. Information Summary

- 5.1 Visitor numbers have continued to show improvement in the last six, following the trend since the Covid-19 closures. In the six-month period there were 12,619 visitors compared with 9,658 for the same period in the previous year. This increase was primarily due the continued increase in overseas visitors, together with the mix of exhibitions that were provided. It is anticipated that numbers will continue to increase, and based on these numbers, the gallery will exceed its annual target of 20,000.
- 5.2 The property expenditure is higher than anticipated, due to additional repairs and maintenance required as the building is now 23 years old. The gallery operations are over budget mainly due to the increase in staff costs. Income from investments is less than budget, due to lower than anticipated interest rates. Also, external funding is less than anticipated as it is becoming harder to get, however the Trust are continually looking at all potential sources of external funding.
- 5.3 Laura Campbell, Gallery Director, says the forward plan for exhibitions looks good and enticing and should see the continued growth and reputation of the gallery – a real treasure for Stratford.
- 5.4 The upgrade at the arboretum has been popular with visitors and provides an enhanced visitor experience.
- 5.5 Attached as **Appendix 1** is the half yearly report as at 31 December 2023 of the PTT. At the time of writing this report, the Chairman's report had not been received.

6. Strategic Alignment

6.1 Direction

The operations of the PTT contribute to the community outcome relative to a district with a clear identity where people of all cultures experience a sense of inclusive community".

This ensures people have access to and are encouraged to participate in a wide range of art and cultural activities.

6.2 Annual Plan and Long Term Plan

The half yearly report of the PTT is consistent with the Annual and Long Term Plans.

6.3 District Plan

The operations of the Trust are consistent with the rules of the Stratford District Plan.

6.4 Legal Implications

There are no legal implications.

6.5 Policy Implications

There are no policy implications

Attachments:

- Appendix 1 -** Percy Thomson Trust Half Yearly Report
- Appendix 2 -** Investment Statement



Christine Craig
Corporate Accountant



[Endorsed by]
Tiffany Radich
Director – Corporate Services



[Approved by]
Sven Hanne
Chief Executive

Date: 20 February 2024

APPENDIX 1



PERCY THOMSON TRUST

• Percy Thomson Gallery • Percy Thomson Herbarium • Percy Thomson Arboretum

**SIX MONTHLY REPORT
FOR THE PERIOD ENDED
31 DECEMBER 2023**

PERCY THOMSON TRUST

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PERCY THOMSON TRUST BOARD

Chairman: Bruce Ellis

Trustees: Douglas Robinson
Ellen Hall
Christine Craig
Jim Clarkson
Deborah Clough
Helen Cloke

PERCY THOMSON TRUST STAFF

As at 31 December 2023

Gallery Director – Laura Campbell
Gallery Assistant – Amy Taunt

Part-time Gallery Assistants

- Gayleen Schrider
- Carina McQueen
- Donna Hitchcock
- Jacqueline McCluggage
- Justin Morgan
- Kayla-Leigh Love
- Michelle Rowland

PERCY THOMSON TRUST

Chairman's Report of Percy Thomson Trust
For the six months ended 31 December 2023

On behalf of the Trust, it is my pleasure to present the report for the six months ended 31 December 2023.

We have continued to show improvement in visitor numbers to the gallery, following the trend since the covid closures – the expectation being that we will surpass the KPI of 20,000 visitors in the current financial year. Visitors to 14 February total 15,021.

Laura is now in her third year as Gallery Director. For the most part the programme has been picking up that put in place by Rhonda, but now we are seeing the results of her own creativity and this looks fgor the time ahead.

Planning work has continued to refresh the Arboretum with a focus on planting, signage, and an enhanced visitor experience.

Financials

The financials show a cash deficit for the period of \$10,000 against the budget of a deficit of \$3,000. The situation will be tight going into the second half of the year with some reduction in investment income whilst expenditure from wages and other cost elements, such as audit fees and repairs and maintenance, strike home.

The moves to review the future relationship between the Trust and the Council is an important part of future proofing the Trust.

Investment Funds

The Investment portfolio of the Trust is summarised as follows:

Category	Book Value as at 31 December 2023 (\$)	Book Value as at 30 June 2023 (\$)
Bank Balances	137,000	77,000
Trading Bank Term Deposits	250,000	350,000
Bonds	30,000	30,000
Commercial Property through Proportionate Ownership Schemes and Property Investment Funds	397,000	397,000
Total	\$814,000	\$854,000

There has been no change in the property investments in the past six months. With the current interest settings now has not been a good time to liquidate these investments. There are some transactions being processed by the respective fund manager's, however the cash redemption values are relatively significant below the asset values. It is therefore felt appropriate to keep a watching brief on the situation as, amongst other things, the Reserve Bank and the Government continue to work to bring inflation and interest rates down.

Building Works

Whilst the condition of the gallery roof continues to cause concern, steps have been taken to improve the maintenance scheduling and scope to extend the status quo.

Other Responsibilities

- **The Arboretum.** The landscaping project previously reported has now been completed and has added to the ambience of the arboretum. The review of the Trust, has given the opportunity to put forward proposals for its enhancement.

- **The Herbarium.** We now consider this part of the Thomson Bequest as complete. Membership of the New Zealand Plant Network is proceeding as part of the Arboretum.

Summary

The Trust continues to make an important contribution to the life and culture of the District. Our stewardship of Percy Thomson's legacy is our key role and we acknowledge the support of the Council in making this happen.

However, it is time to assess the future of the Trust and we look forward to continuing discussions with the Council on this.



Bruce Ellis
CHAIRMAN

PERCY THOMSON TRUST

PERCY THOMSON TRUST ENTITY INFORMATION FOR THE YEAR ENDED 31 DECEMBER 2023

Legal name

Percy Thomson Trust (the Trust).

Type of entity and legal basis

The Trust is incorporated in New Zealand under the Charitable Trusts Act 1957. The Trust is controlled by Stratford District Council and is a council-controlled organisation as defined in section 6 of the Local Government Act 2002.

The Trust's purpose or mission

The primary objectives of the Trust are to provide the Percy Thomson Gallery, Percy Thomson Arboretum and Percy Thomson Herbarium in accordance with the bequest left by the late Percy Thomson, and to be responsible for the ongoing maintenance of these assets.

Structure of the Trust's operations, including governance arrangements

The Trust comprises a Board of seven Trustees who oversee the governance of the Trust, including a Chairman who is responsible for the day-to-day operations of the Trust and reporting to the Trustees, and six other voluntary members who support the Chairman in delivering against the Trust's objectives. At least 50% of the Trustees shall not be current elected members of the Stratford District Council.

Main sources of the Trust's cash and resources

An operating grant received from the Stratford District Council, rental income from that part of the building not occupied by the gallery, investment income, and other forms of grant revenue are the primary sources of funding to the Trust.

Outputs

The Trust owns and maintains the building in which the gallery is situated and all expenses relating to this are incurred by the Trust. The Trust also promotes and exhibits various forms of art works in the gallery, and exhibition costs are also a major output for the Trust.

STATEMENT OF ACCOUNTING POLICIES FOR THE PERIOD TO 31 DECEMBER 2022

ACCOUNTING POLICIES APPLIED

Basis of Preparation

The Board has elected to apply PBE SFR-A (PS) *Public Benefit Entity Simple Format Reporting – Accrual (Public Sector)* on the basis that the Trust does not have public accountability (as defined) and has total annual expenses of less than \$2 million.

All transactions in the financial statements are reported using the accrual basis of accounting.

The financial statements are prepared on the assumption that the Trust will continue to

operate in the foreseeable future.

The financial statements are presented in NZ dollars and all values are rounded to the nearest thousand dollars, as per paragraph A22 and A17c of PBE tier 3 presentation and disclosure, unless stated otherwise.

Goods and Services Tax

The Trust is registered for GST. All amounts in the financial statements are recorded exclusive of GST, except for debtors and creditors, which are stated inclusive of GST.

SIGNIFICANT ACCOUNTING POLICIES

Revenue

Grants

Council, government, and non-government grants are recognised as revenue when the funding is received unless there is an obligation to return the funds if conditions of the grant are not met ("use or return condition"). If there is such an obligation, the grant is initially recorded as a liability and recognised as revenue when conditions of the grant are satisfied.

Sale of goods

Revenue from the sale of goods is recognised when the goods are sold to the customer.

Commission on Sales

Commission on exhibition sales and Percy Place sales is retained by the Trust, with the remaining proceeds passed on to the seller of the artworks. Revenue includes only amounts received and receivable by the Trust on its own account, not the amounts collected for the principal. Revenue is recognised when receivable.

Sale of services

Revenue from the sale of services is recognised by reference to the stage of completion of the services delivered at balance date as a percentage of the total services to be provided.

Interest revenue

Interest revenue is recorded as it is earned during the year.

Employee related costs

Wages, salaries, and annual leave are recorded as an expense as staff provide services and become entitled to wages, salaries, and leave entitlements.

Performance payments are recorded when the employee is notified that the payment has been granted.

Superannuation contributions are recorded as an expense as staff provide services.

Advertising, marketing, administration, and other costs

These are expensed when the related service has been received.

Bank accounts and cash

Bank accounts and cash comprise a cheque account and deposits held at call with banks.

Debtors

Debtors are initially recorded at the amount owed. When it is likely the amount owed (or some portion) will not be collected, a provision for impairment is recognised and the loss is recorded as a bad debt expense.

Investments

Investments are comprised of term deposits with banks, listed bonds, listed shares, short term promissory notes issued by companies and Local Authorities, real estate, and professionally managed portfolios of investments.

Deposits with banks are initially recorded at the amount paid. If it appears that the carrying amount of the investment will not be recovered, it is written down to the expected recoverable amount.

Listed bonds and shares are initially recorded at the amount paid. If the market price of the investment falls below cost, the carrying value of the investment is reduced to the current market price. If the market price of the investment subsequently increases, the carrying amount of the investment is increased but limited to the original cost of the investment.

Property, plant, and equipment

Property, plant, and equipment is recorded at cost, less accumulated depreciation and impairment losses. The fair value of the freehold land was determined based on the market comparable approach that reflects recent transaction prices for similar properties. The fair value of the buildings was determined from market based evidence using the cost approach, reflecting the cost to construct assets of comparable utility and age, adjusted for obsolescence.

Donated assets are recognised upon receipt of the asset if the asset has a useful life of 12 months or more, and the current value of the asset is readily obtainable and significant. Significant donated assets for which current values are not readily obtainable are not recognised.

For an asset to be sold, the asset is impaired if the market price for an equivalent asset falls below its carrying amount.

For an asset to be used by the Trust, the asset is impaired if the value to the Trust in using the asset falls below the carrying amount of the asset.

Depreciation is provided on a straight-line basis at rates that will write off the cost of the assets over their useful lives. The useful lives and associated depreciation rates of major classes of assets have been estimated as follows:

Furniture and fittings	10 to 20 years (5% to 10%)
Office Equipment	4 to 10 years (10% to 25%)
Buildings	10 to 80 years (1.25% to 10%)

Revaluation

The Trust has adopted tier 2 standards regarding the revaluation of its land and buildings in accordance with PBE IPSAS 17. Unless stated, valuations are carried out or reviewed by independent qualified valuers and are carried out at least on three yearly cycles.

Valuations will be undertaken more regularly if necessary to ensure no individual item of property, land or equipment within a class has a carrying value that is materially different from its fair value.

Land and buildings were valued as at 30 June 2023 by Telfer Young (NZ) Ltd, independent valuers.

Revaluation increases and decreases will be transferred to equity.

Creditors and accrued expenses

Creditors and accrued expenses are measured at the amount owed.

Employee costs payable

A liability for employee costs payable is recognised when an employee has earned the entitlement.

These include salaries and wages accrued up to balance date and annual leave earned but not yet taken at balance date.

Income tax

Tax expense is calculated using the taxes payable method. As a result, no allowance is made for deferred tax.

Tax expense includes the current tax liability and adjustments to prior year tax liabilities.

Budget figures

The budget figures are derived from the statement of intent as approved by the Board at the beginning of the financial year. The budget figures have been prepared in accordance with Tier 3 standards, using accounting policies that are consistent with those adopted by the Board in preparing these financial statements.

Tier 2 PBE Accounting Standards applied

The Trust has applied any Tier 2 Accounting Standards for asset revaluations only, in preparing its financial statements. This was to bring consistency in property revaluations between the trust and its parent, Stratford District Council.

CHANGES IN ACCOUNTING POLICIES

There have been no changes to the accounting policies during the year.

PERCY THOMSON TRUST

PERCY THOMSON TRUST

COST OF SERVICE STATEMENTS

FOR THE SIX MONTH PERIOD ENDED 31 DECEMBER 2023

	<u>Actual</u> <u>to 31 Dec</u> <u>23</u> \$	<u>Budget</u> <u>to 31 Dec</u> <u>23</u> \$	<u>Budget</u> <u>2023/24</u> \$	<u>Projected</u> <u>Year end</u> \$	<u>Actual</u> <u>to 31 Dec 22</u> \$
PROPERTY	-				
Revenue	-				
Café Lease	7,050	7,050	14,100	14,100	7,050
Post Box Lobby Rental	660	660	1,320	1,320	660
Rental income	9,000	9,000	18,000	18,000	9,000
Total Property Revenue	16,710	16,710	33,420	33,420	16,710
Expenditure					
Depreciation	49,975	42,025	84,050	100,000	39,922
Insurance	12,753	9,500	9,500	12,753	9,006
Rates (Services Only)	1,396	1,650	1,650	1,396	1,525
Repairs and Maintenance Building	12,364	8,650	17,300	25,000	6,385
Repairs and Maintenance Arboretum	-	-	5,000	5,000	-
Repairs and Maintenance Herbarium	-	-	1,000	1,000	-
Total Property Expenditure	76,488	61,825	118,500	145,149	56,838
	-				
Profit (Loss) from Property	(59,778)	(45,115)	(85,080)	(111,729)	(40,128)

PERCY THOMSON TRUST

	<u>Actual</u> <u>to 31 Dec</u> <u>23</u> \$	<u>Budget</u> <u>to 31 Dec</u> <u>23</u> \$	<u>Budget</u> <u>2023/24</u> \$	<u>Projected</u> <u>Year end</u> \$	<u>Actual</u> <u>to 31 Dec 22</u> \$
ART GALLERY	-				
Revenue					
Membership and "Friends" Donations	928	800	1,600	1,600	635
Rental/Hireage	9,706	5,000	10,000	14,000	5,965
Donation Box	1,173	1,500	3,000	2,500	1,201
Commission - Percy's Place	6,845	6,000	12,000	12,000	5,232
Commission - Gallery	2,775	3,000	6,000	6,000	2,150
Total Art Gallery Revenue	21,427	16,300	32,600	36,100	15,183
Expenditure					
ACC Levy	298	350	350	298	336
Energy Costs	7,883	7,500	15,000	15,000	5,025
Insurance	691	1,200	1,200	691	673
Miscellaneous	375	400	800	800	401
Printing & Stationery	2,839	-	-	3,000	2,084
Programme	16,733	10,000	20,000	25,000	12,335
Major Exhibition	-	5,000	10,000	5,000	6,567
Publications & Subscriptions	50	100	200	200	296
Staff training	120	750	1,500	1,500	-
Salary & Wages and Employee Costs	67,277	60,000	120,000	135,000	59,098
Telephone & Tolls	1,346	1,800	3,600	3,000	2,451
Total Art Gallery Expenditure	97,612	87,100	172,650	189,489	89,266
Profit (Loss) from Art Gallery	(76,185)	(70,800)	(140,050)	(153,389)	(74,083)

PERCY THOMSON TRUST

	<u>Actual</u> <u>to 31 Dec</u> <u>23</u> \$	<u>Budget</u> <u>to 31 Dec</u> <u>23</u> \$	<u>Budget</u> <u>2023/24</u> \$	<u>Projected</u> <u>Year end</u> \$	<u>Actual</u> <u>to 31 Dec 22</u> \$
<u>TRUST INVESTMENTS</u>	-				
Investment Revenue					
Interest	16,145	17,500	35,000	30,000	16,601
Stratford District Council Grant	50,000	50,000	50,000	50,000	-
External Funding	-	-	88,000	10,000	-
Subsidies	-	-	-	-	600
Taranaki Foundation	-	-	-	-	10,000
Other grants and donations	2,000	-	-	2,000	4,000
Total Investment Revenue	68,145	67,500	173,000	92,000	31,201
Trust Investment Expenditure					
Administration	20,600	20,600	20,600	20,600	20,600
Audit Fees	400	-	8,500	25,000	65
Insurance - Trustees Liability	-	-	2,400	2,400	-
Investment Expenses	-	150	300	300	-
Total Trust Investment Expenditure	21,000	20,750	31,800	48,300	20,665
Profit (Loss) from Trust Investments	47,145	46,750	141,200	43,700	10,536

PERCY THOMSON TRUST

SUMMARY COST OF SERVICE STATEMENT FOR THE PERCY THOMSON TRUST

	<u>Actual</u> <u>to 31 Dec</u> <u>23</u> \$	<u>Budget</u> <u>to 31 Dec</u> <u>23</u> \$	<u>Budget</u> <u>2023/24</u> \$	<u>Projected</u> <u>Year end</u> \$	<u>Actual</u> <u>to 31 Dec 22</u> \$
<u>REVENUE</u>					
Property	16,710	16,710	33,420	33,420	16,710
Art Gallery	21,427	16,300	32,600	36,100	15,183
Other Investments	68,145	67,500	173,000	92,000	31,201
Total Revenue	106,282	100,510	239,020	161,520	63,094
<u>OPERATING EXPENDITURE</u>					
Property	76,488	61,825	118,500	145,149	56,838
Art Gallery	97,612	87,100	172,650	189,489	89,266
Other Investments	21,000	20,750	31,800	48,300	20,665
Total Operating Expenditure	195,100	169,675	322,950	382,938	166,769
Net surplus (deficit) from operations	(88,818)	(69,165)	(83,930)	(221,418)	(103,675)
Transferred to Accumulated Surpluses	(88,818)	(69,165)	(83,930)	(221,418)	(103,675)
<i>Net Surplus (Deficit)</i>	<i>(88,818)</i>	<i>(69,165)</i>	<i>(83,930)</i>	<i>(221,418)</i>	<i>(103,675)</i>
<i>Add back depreciation (non-cash)</i>	<i>49,975</i>	<i>42,025</i>	<i>84,050</i>	<i>100,000</i>	<i>39,922</i>
<i>Cash Surplus (Deficit)</i>	<i>(38,843)</i>	<i>(27,140)</i>	<i>120</i>	<i>(121,418)</i>	<i>(63,753)</i>

PERCY THOMSON TRUST

PERCY THOMSON TRUST

STATEMENT OF FINANCIAL PERFORMANCE

FOR THE SIX MONTH PERIOD ENDED 31 DECEMBER 2023

	<u>Actual</u> <u>to 31</u> <u>Dec 23</u> <u>\$000</u>	<u>Budget</u> <u>to 31 Dec</u> <u>23</u> <u>\$000</u>	<u>Budget</u> <u>2023/24</u> <u>\$000</u>	<u>Projected</u> <u>Year End</u> <u>\$000</u>	<u>Actual</u> <u>to 31 Dec</u> <u>22</u> <u>\$000</u>
Revenue					
Funding from central or local government	50	50	50	50	-
Revenue from non-governmental sources for providing goods or services	38	33	66	70	32
Donations, fundraising and other similar revenue	2	0	88	12	14
Interest, dividends and other investment revenue	16	18	35	30	17
Total Revenue	106	101	239	162	62
Expenses					
Employee related costs	67	60	120	135	59
Costs related to providing goods or services	78	68	119	148	68
Other expenses	50	42	84	100	40
Total Expenses	195	170	323	383	167
Net Operating Surplus (Deficit) for the period	(89)	(69)	(84)	(221)	(104)

PERCY THOMSON TRUST

STATEMENT OF FINANCIAL POSITION

FOR THE SIX MONTH PERIOD ENDED 31 DECEMBER 2023

	<u>Actual</u> <u>Year to Date</u> \$000	<u>Actual for</u> <u>the Six</u> <u>Months</u> <u>to 31 Dec</u> <u>2022</u> \$000	<u>Actual for</u> <u>the</u> <u>Year Ended</u> <u>to 30 June</u> <u>2023</u> \$000
Assets			
Current Assets			
Bank Accounts and Cash	135	212	77
Debtors and Prepayments	2	9	22
Investments	280	250	380
Total Current Assets	417	471	479
Non-Current Assets			
Property, Plant and Equipment	2,552	1,804	2,539
Non-current investments	397	427	397
Total Non-Current Assets	2,949	2,231	2,936
Total Assets	3,366	2,702	3,415
Liabilities			
Current Liabilities			
Creditors and Accrued Expenses	4	2	27
Employee Costs Payable	8	6	8
Total Current Liabilities	12	8	35
Total Liabilities	12	8	35
Total Assets less Total Liabilities (Net Assets)	3,354	2,694	3,380
Accumulated Funds			
Capital contributed by owners or members	0	0	0.1
Accumulated Surpluses or (deficits)	1,445	1,487	1,471
Reserves	1,909	1,207	1,909
Total Accumulated Funds	3,354	2,694	3,380

PERCY THOMSON TRUST

STATEMENT OF CASHFLOWS

FOR THE SIX MONTH PERIOD ENDED 31 DECEMBER 2023

	<u>Actual</u> <u>Year to Date</u> \$000	<u>Actual for</u> <u>the Six</u> <u>Months</u> <u>to 31 Dec 2022</u> \$000	<u>Actual for</u> <u>the</u> <u>Year Ended</u> <u>to 30 June</u> <u>2023</u> \$000
<u>Cash Flows from Operating Activities</u>			
<i>Cash was received from:</i>			
Funding from central or local government	50	0	50
Receipts from non-governmental sources for providing goods or services	38	28	46
Donations, fundraising and other similar revenue	2	14	49
Interest, dividends and other investment revenue	16	17	41
Other revenue	0	0	19
Net GST	4	0	(8)
<i>Cash was applied to:</i>			
Payments to Suppliers and Employees	(150)	(134)	(234)
Net Cash Flow from Operating Activities	(40)	(76)	(37)
<u>Cash Flows from Investing and Financing Activities</u>			
Receipts from Sale of Investments	350	275	-
Payments to acquire property, plant and equipment	(2)	(12)	(75)
Payments to Acquire Investments	(250)	(250)	(86)
Net Cash Flow from Investing and Financing Activities	98	13	(161)
Net (Decrease)/Increase in Cash for the period	58	(63)	(198)
Add opening bank accounts and cash	77	275	275
Closing Bank Accounts and Cash	135	212	77

PERCY THOMSON TRUST

OTHER EXPLANATORY NOTES AS AT 31 DECEMBER 2023

Property, Plant and Equipment

Cost or valuation	Carrying Amount 1/07/23 \$000	Additions	Depreciation to 31/12/23 \$000	Carrying Amount 31/12/203 \$000
Buildings	2,072	-	(46)	2,026
Land	385	-	-	385
Plant and Equipment	143	-	(4)	139
Work in Progress	-	2	-	2
Total	2,600	2	(50)	2,552

PERCY THOMSON TRUST INVESTMENTS - as at 31 December 2023										APPENDIX 2	
	Maximum Policy Limit	Individual Investee Policy Limit	Actual Investment	Interest Rate	Due Date	Frequency of Interest Payments	Amount	% Invested	Annual interest		
Bank Investments	100%	50%	TSB Bank - Current account	Various - Premier cheque rates	Call	Annual	\$137,162		Approx	\$1,000	
			TSB Bank - Term investment	5.90%	4/06/2024	Maturity	\$250,000			\$14,750	
							\$387,162	36.9%			
Promissory Notes	35%	20%					\$0				\$250,000
											\$30,000.00
Bonds	Other 80%	50%	Meridian Energy Ltd	4.88%	20.03.2024	Half yearly	\$30,000	4.4%		\$1,464	
							\$30,000	4.4%			
Listed Shares	30%						\$0	0.0%			
Real Estate	75%		Proportionate ownership share - Bush Road, Albany, Auckland	7.80%		Monthly	\$125,000	18.5%		\$7,910	\$125,000
			Proportionate ownership share - Osterley Way, Manukau, Auckland	9.25%		Monthly	\$50,000	7.4%		\$4,625	\$50,000
			Proportionate ownership share - Todd Park, Porirua, Wellington	6.42%		Monthly	\$72,000	10.6%		\$5,000	\$72,000
			Proportionate ownership share - Cameron Road, Tauranga	7.80%		Monthly	\$50,000	7.4%		\$4,000	\$50,000
			Proportionate ownership share - Henderson, Auckland	6.50%		Monthly	\$100,000	14.8%		\$6,500	\$100,000
Professional Portfolios	50%						\$0	0%			\$677,000
Total Portfolio							\$814,162	100.00%		\$45,249	
The policy only allows up to 50% in any one bank investment (based on the total of promissory notes, bonds, deposits etc). The Trust currently has 36.9% in TSB Bank (excluding the current account), which complies with the policy for all types of investments.											

DECISION REPORT



F22/55/04 – D24/6161

To: Policy and Services Committee
From: Corporate Accountant
Date: 27 February 2024
Subject: Percy Thomson Trust – Statement of Intent 2024-2027

Recommendations

1. THAT the report be received.
2. THAT Council notes that the provision of the draft Statement of Intent for Percy Thomson Trust relating to the period 1 July 2024 to 30 June 2027 within this report meets the legislative requirements of a CCO to deliver a draft statement of intent to its shareholders by 1 March in the year preceding the financial year to which the draft statement relates, and
3. THAT Council provide any comments on the draft statement of intent it wishes the board of the Percy Thomson Trust to consider in the preparation of its final Statement of Intent. The final Statement of intent must delivered to shareholders before the commencement of the financial year it relates to unless the deadline is formally extended by the shareholders.

Recommended Reason

In terms of Schedule 8 of the Local Government Act 2002 Percy Thomson Trust, being a Council Controlled Organisation, must deliver a draft Statement of Intent on or before 1 March 2024 to its shareholders, being the Stratford District Council.

/
Moved/Seconded

1. Purpose of Report

The purpose of this report is to present the Draft Statement of Intent for the Percy Thomson Trust (PTT) for the 2024 to 2027 years to Council.

2. Executive Summary

A Statement of Intent must include specific information for the first year of the plan and the immediately following two financial years.

The 2024-2027 Statement of Intent for the PTT provides information on the coming three years regarding the Trust's operations, being a local public service.

The Trust runs as an independent council controlled organisation.

The draft budgets have been prepared and approved by the Percy Thomson Trust trustees.

3. Local Government Act 2002 – Section 10

Under section 10 of the Local Government Act 2002, the Council’s purpose is to “enable democratic local decision making by and on behalf of communities; as well as promoting the social, economic, environmental, and cultural well-being of communities now and into the future”			
Does the recommended option meet the purpose of the Local Government 4 well-beings? And which:			Yes
Social	Economic	Environmental	Cultural
✓	✓	✓	✓

4. Background

In terms of Schedule 8 of the Local Government Act 2002 the PTT, being a council-controlled organisation, must deliver a statement of intent to council on or before 1 March 2024.

The below table borrowed from Queenstown Lakes District Council is helpful in outlining the process, options, responsibilities and timeline for the preparation of a statement of intent for a CCO:

PREPARING A STATEMENT OF INTENT

Making a Statement of Expectations & Statement of Intent	
LGA Requirement	Timing
<p>The shareholders of a CCO may prepare a statement of expectations (SOE) that (s 64B(1)):</p> <ul style="list-style-type: none"> > specifies how the organisation is to conduct its relationship with shareholding local authorities and their communities, iwi, hapū, and other Māori organisations; > requires the organisation to act consistently with the statutory obligations of the shareholding local authorities and the shareholders’ obligations pursuant to agreements with third parties; and > other shareholder expectations, such as expectations in relation to community engagement and collaboration with shareholders and others in the delivery of services. 	<p>There is no requirement in the LGA for timing of an SOE. However, logically it must be prepared by the shareholders and provided to the Company in sufficient time for the SOE to inform the draft SOI.</p>
<p>Publication of SOE (s 64B(3)): must be published on an internet site maintained by or on behalf of each local authority that is a shareholder of the organisation.</p>	<p>As soon as practicable after the SOE is provided to the Company.</p>
<p>Draft Statement of Intent (SOI) (Cl 1, Sch 8): The Board must deliver the draft SOI to its shareholders.</p>	<p>On or before 1 March in the year preceding the financial year to which the draft SOI relates.</p>
<p>Opportunity for shareholder comments: The Council as a shareholder in the CCO has an opportunity to provide comments on the draft SOI. Any comments made by the Council must be arrived at in a manner that complies with the requirements of the LGA.</p>	<p>There is no requirement in the LGA for timing of comments on the SOI. However, they must be provided in sufficient time to allow the Board to consider the comments in accordance with Cl 2, Sch 8.</p>
<p>Consideration of shareholder comments (Cl 2, Sch 8): The Board must consider any comments on the draft SOI that are made by the shareholders.</p>	<p>On or before 1 May in the year preceding the year to which the draft statement relates.</p>

Opportunity for Board to make changes to the SOI to reflect the comments made by the shareholders.	
Final SOI (Cl 3, Sch 8): The Board must adopt and deliver the final SOI to the shareholders.	Before the commencement of the financial year, to which it relates.
Council must agree the SOI or if it does not agree, require modifications under the process set out in clause 6 of Schedule 8 of the LGA.	As soon as reasonably practicable after the final SOI is delivered to it.
Publication of SOI (s 64B(9)): Each shareholding Council must publish the adopted SOI on an internet site maintained by or on behalf of the Council.	Must be published within 1 month of adopting the SOI and must maintain the statement on the website for a period of no less than 7 years.
Council may extend deadlines (Cl 4, Sch 8): Council can, by written notice, extend a deadline specified in clause 1(2), 2 or 3 of Sch 8 for a period not exceeding 1 calendar month.	
Changes to the SOI (outside the annual process): <ol style="list-style-type: none"> 1. The Board may, by giving written notice, modify a SOI at any time if the Board has given written notice to the shareholders and considered any comments within 1 month after giving notice or a shorter period agreed by the shareholders (Cl 5, Sch 8). 2. Shareholders of a CCO may by resolution, require the Board to modify the SOI in the manner specified in the resolution. This can be done at any time, and shareholders must take all practicable steps to do so if an SOI is not able to be agreed in accordance with s 65(2) of the LGA. 	

5. Consultative Process

5.1 Public Consultation - Section 82

No public consultation is required.

5.2 Māori Consultation - Section 81

Specific consultation with iwi is not considered necessary for the process.

6. Risk Analysis

Refer to the Council Risk Register - available on the Council website.

- Does this report cover any issues that relate to any risks on the Council Risk Register, and if so which risks and what are the impacts and likelihood of eventuating?
- Does this report cover any issues that may lead to any new risks that are not on the Council Risk Register, and if so, provide some explanation of any new identified risks.
- Is there a legal opinion needed?

6.1 Risk number 59 on Council's Risk register includes the Percy Thomson Trust, as a CCO, that affect's Council's reputation and conduct.

IF Council's non-core activities (farm, aerodrome) or CCO (Percy Thomson Trust) operate in a way that has potential for non-compliance with the law or potential for financial loss THEN there may be legal, financial, environmental and health implications

The risk treatment states:

Ensure regular meetings between council staff and external operators are held and there is good reporting and monitoring of key risks and KPI's by council staff. CCO's must report six-monthly to Council. Farm Business plan is prepared annually, separate to the Annual Plan, which contains all other council operations.

7. Decision Making Process – Section 79

7.1 Direction

	Explain
Is there a strong link to Council's strategic direction, Long Term Plan/District Plan?	Yes – links to the Long Term Plan and Annual Plans.
What relationship does it have to the communities current and future needs for infrastructure, regulatory functions, or local public services?	Council provides assistance to the Trust, as a CCO, to ensure the gallery and arboretum are available to the local and wider community to enjoy, while maintaining a high standard.

7.2 Data

<ul style="list-style-type: none"> Do we have complete data, and relevant statistics, on the proposal(s)? Do we have reasonably reliable data on the proposals? What assumptions have had to be built in?
--

Refer to Appendix One which is the Draft Statement of Intent for the period 1 July 2024 to 30 June 2027.

This Statement of Intent has been based on projected balances at 30 June 2024, which are considerably different from the previous year's statement of intent. Notably there is an increase in staff costs, audit fees, and building maintenance; together with a reduction of investment income, which in turn affects the increased requirement for external funding.

Although the performance measure for the visitor numbers has not been met in the past two financial years, 2023/24 will meet the target, therefore the visitor number target of 20,000 per year is retained.

7.3 Significance

	Yes/No	Explain
Is the proposal significant according to the Significance Policy in the Long Term Plan?	No	However, it involves a grant to the trust though it's Long Term Plan.
Is it:	No	
• considered a strategic asset; or	No	
• above the financial thresholds in the Significance Policy; or	No	
• impacting on a CCO stakeholding; or	NO	While the Percy Thomson Trust is a CCO the matter at hand does not impact its stakeholding in the trust.
• a change in level of service; or	No	
• creating a high level of controversy; or	No	
• possible that it could have a high impact on the community?	No	

In terms of the Council's Significance Policy, is this proposal of high, medium, or low significance?		
High	Medium	Low
		✓

7.4 Options

An assessment of costs and benefits for each option must be completed. Use the criteria below in your assessment.

1. What options are available?
2. For **each** option:
 - explain what the costs and benefits of each option are in terms of the present and future needs of the district;
 - outline if there are any sustainability issues; and
 - explain if the outcomes meet the current and future needs of communities for good-quality local infrastructure, local public services, and performance of regulatory functions?
3. After completing these, consider which option you wish to recommend to Council, and explain:
 - how this option is the most cost effective option for households and businesses;
 - if there are any trade-offs; and
 - what interdependencies exist.

Option 1

Council receives the Draft Statement of Intent for the period 1 July 2024 to 30 June 2027 as presented, and

Council provide any comments on the draft statement of intent it wishes the board of the Percy Thomson Trust to consider in the preparation of its final Statement of Intent.

The final Statement of intent must be delivered to shareholders before the commencement of the financial year it relates to, unless the deadline is formally extended by the shareholders.

This is the recommended option.

Or

Option 2

Council receives the Draft Statement of Intent for the period 1 July 2024 to 30 June 2027 as presented, and chooses not to provide any comments on the draft statement of intent it wishes the board of the Percy Thomson Trust to consider in the preparation of its final Statement.

Option 2 would most likely mean that the Draft Statement of Intent for the period 1 July 2024 to 30 June 2027 becomes the Final Statement of Intent for the period 1 July 2024 to 30 June 2027

7.5 Financial

- Is there an impact on funding and debt levels?
- Will work be undertaken within the current budget?
- What budget has expenditure come from?
- How will the proposal be funded? eg. rates, reserves, grants etc.

There is provision for a grant to be paid by council to the Trust of \$50,000 per annum in the Statement of Intent, together with a receipt of \$20,600 towards the cost of financial services provided to the trust.

Council also provides "in kind" the sum of \$15,000 to maintain the arboretum, and \$15,000 for cleaning services in the public toilets in the Percy Thomson Building.

All above costs are funded by rates.

7.6 **Prioritisation & Trade-off**

Have you taken into consideration the:

- Council's capacity to deliver;
- contractor's capacity to deliver; and
- consequence of deferral?

N/A

7.7 **Legal Issues**

- Is there a legal opinion needed?
- Are there legal issues?

There are no legal implications.

7.8 **Policy Issues - Section 80**

- Are there any policy issues?
- Does your recommendation conflict with Council Policies?

There are no policy implications.

Attachments:

Appendix 1 Percy Thomson Trust Statement of Intent 2024-2027



Christine Crag
Corporate Accountant



[Endorsed by]
Tiffany Radich
Director – Corporate Services



[Approved by]
Sven Hanne
Chief Executive

Date 20 February 2024

APPENDIX 1



PERCY THOMSON TRUST

• Percy Thomson Gallery • Percy Thomson Herbarium • Percy Thomson Arboretum

STATEMENT OF INTENT FOR THE PERIOD 1 JULY 2024 TO 30 JUNE 2027

NOTE: THIS STATEMENT OF INTENT HAS BEEN PREPARED ON A "STATUS QUO" BASIS. DISCUSSIONS ARE IN PLACE BETWEEN THE TRUST AND THE COUNCIL THAT COULD SIGNIFICANTLY AFFECT THE FUTURE GOVERNANCE AND OPERATIONS OF THE TRUST.

This Statement of Intent is prepared by the Percy Thomson Trust under the provisions of section 64 of the Local Government Act 2002.

The purpose of this document is to:

- State publicly the activities and intentions of the Percy Thomson Trust for the year and the objectives to which those activities will contribute; and
- Provide an opportunity for shareholders to influence the direction of the Trust; and
- Provide a basis for the accountability of the directors to their shareholders for the performance of the Trust.

This Statement of Intent covers the period commencing 1 July 2024 to 30 June 2027 inclusive.

A Statement of Intent is required to cover the following contents:

- The objectives of the group; and
- A statement of the board's approach to governance; and
- The nature and scope of the activities to be undertaken; and
- The ratio of consolidated shareholders' funds to total assets, and the definitions of those terms; and
- The accounting policies of the group; and
- The performance targets and other measures by which the performance of the group may be judged in relation to its objectives; and
- An estimate of the amount or proportion of accumulated profits and capital reserves that is intended to be distributed to the shareholders; and
- The kind of information to be provided to the shareholders by the group during the course of those financial years, including the information to be included in each half-yearly report; and
- The procedures to be followed before any member or the group subscribes for, purchases, or otherwise acquires shares in any company or other organisation; and
- Any activities for which the board seeks compensation from any local authority; and
- The board's estimates of the commercial value of the shareholders' investment in the group and the manner in which, and the times at which, that value is to be reassessed; and
- Any other matters that are agreed by the shareholders and the board.

BACKGROUND

The Council has established a charitable trust to be known as the 'Percy Thomson Trust' for the objects set out in the Trust Deed.

Percy Thomson by his will left a significant bequest to be used and applied towards the establishment and maintenance of an arboretum and herbarium of the native flora of New Zealand and an art gallery, all of which were to be vested in a Board of Trustees that were to be elected or appointed by the Stratford District Council.

The Council, using the funds available, has established an arboretum, herbarium and art gallery which are respectively known as the Thomson Arboretum, the Thomson Herbarium and the Thomson Gallery. By a Trust Deed and by a subsequent Deed of Transfer, the Council has recorded the formal vesting of the Thomson Arboretum, the Thomson Herbarium and the Thomson Gallery in the trustees of this trust.

The Trustees have agreed to act as Trustees of the Trust and to be responsible for the ongoing management of the Thomson Arboretum, the Thomson Herbarium and the Thomson Gallery.

OBJECTS OF THE TRUST

The objects for which the Trust is established are, to the extent that they are a Charitable Purpose within New Zealand, as follows:

- to receive the Percy Thomson Arboretum, the Percy Thomson Herbarium and the Percy Thomson Gallery and to be responsible for the ongoing establishment and maintenance of an arboretum, herbarium and art gallery in Stratford;
- to manage the Trust Facilities and to create, acquire, promote, exhibit and manage the Collections for the benefit of the inhabitants of the Stratford District and the public generally;
- to endeavour to achieve the objectives the Council sets for the delivery of services in respect of the Trust Facilities as negotiated and set out in the Charter, the Business Plan, and the Strategic Plan;
- to implement the Council's policy as revised from time to time for the development and enhancement of the Trust Facilities with an emphasis on Stratford and in accordance with the Charter, Business Plan and Strategic Plan;
- to provide advice to the Council on the Council's long term policy for the development of gallery services in Stratford;
- to establish exhibition programmes and education policies for the Trust Facilities;
- to develop acquisition, de-accession and collection development policies for the Trust;
- to provide all financial, administration, marketing, technology and services required for the Trust Facilities;
- to determine charges for viewing or using any of the Trust Facilities and the Collections with a view to generating appropriate revenue and encouraging public enjoyment and utilisation of the Trust Facilities and Collections;
- to house and care for any art collections, antiquities or other articles acquired by, loaned, created or otherwise made available to the Trust and particularly to preserve and maintain the Collections (subject to any de-accession policies developed by the Trustees);
- to lease land or other assets where the Trustees determine that such land or other assets can be used in conjunction with the Trust Facilities or to promote the objectives of the Trust;
- to solicit and raise funds and carry out such activities as are necessary or conducive for the carrying out and giving effect to the objects of the Trust;
- to encourage and foster liaison and co-operative activities with related facilities, particularly those in the Stratford District; and
- generally to do all acts, matters and things that the Trustees consider may advance the objects of the Trust.

For the avoidance of doubt, the objects of the Trust expressed above are set out in no particular order or priority and do not include an intention or purpose that the Trust operates a trading undertaking with the intention or purpose of making a profit, but rather that the Trustees fairly and efficiently manage the Trust Fund, the Trust Facilities and the Collections for the benefit of the people of Stratford District.

The Trust's objects shall only be carried out in, or to benefit people in the Stratford District. The Trustees may carry out activities outside the Stratford District to promote the Trust or the Trust's activities but only if they believe that such activities will be for the ultimate benefit of people in the Stratford District.

GOVERNANCE

The Trust Deed provides that there shall be not less than six or more than seven Trustees, and that these Trustees shall provide governance to the Trust as per the terms of the Trust Deed.

The current Trustees are:

- Bruce Ellis for a term expiring at the 2025 AGM
- Councillor Ellen Hall for a term expiring at the 2026 AGM
- Christine Craig for a term expiring at the 2026 AGM
- Helen Cloke for a term expiring at the 2025 AGM
- Deborah Clough for a term expiring at the 2025 AGM
- Jim Clarkson for a term expiring at the 2024 AGM
- Douglas Robinson or a term expiring at the 2024 AGM.

Trustees are eligible for reappointment.

The Trustees shall hold at least four meetings in each financial year.

NATURE AND SCOPE OF ACTIVITIES

The Percy Thomson Trust covers three activities, the Art Gallery, the Arboretum, and the Herbarium.

The Percy Thomson Gallery is located in Prospero Place, and the arboretum on Cloten Road near the intersection with Ariel Street. The herbarium is delivered through the Trust's membership of the New Zealand Plant Conversation Network, and specifically through the website, <https://www.nzpcn.org.nz/>.

The Percy Thomson Gallery is Stratford's public art gallery and was opened in June 2002. The gallery contains both exhibition areas and work areas for use by local artists and community art groups. The gallery provides an active programme of exhibitions and events that is both internally generated and toured from other art collections.

The gallery's main display area totals 178m² which can be comfortably partitioned into two areas of 116m² and 62m² respectively.

RATIO OF CONSOLIDATED FUNDS

The ratio of the equity to total assets is 99.75% as at 30 June 2023 and projected at 99.75% as at 30 June 2027

- where equity is defined as accumulated equity; and
- total assets is defined as all assets, both current and long term.

STATEMENT OF ACCOUNTING POLICIES FOR THE YEAR ENDED 30 JUNE 2025

ACCOUNTING POLICIES APPLIED

Basis of Preparation

The Board has elected to apply PBE SFR-A (PS) Public Benefit Entity Simple Format Reporting – Accrual (Public Sector) on the basis that the Trust does not have public accountability (as defined) and has total annual expenses of less than \$2 million.

All transactions in the financial statements are reported using the accrual basis of accounting.

The financial statements are prepared on the assumption that the Trust will continue to operate in the foreseeable future.

The financial statements are presented in NZ dollars, and all values are rounded to the nearest thousand dollars, as per paragraph A22 and A17 c of PBE tier 3 presentation and disclosure, unless stated otherwise.

Goods and Services Tax

The Trust is registered for GST. All amounts in the financial statements are recorded exclusive of GST, except for debtors and creditors, which are stated inclusive of GST.

SIGNIFICANT ACCOUNTING POLICIES

Revenue

Grants

Council, government, and non-government grants are recognised as revenue when the funding is received unless there is an obligation to return the funds if conditions of the grant are not met ("use or return condition"). If there is such an obligation, the grant is initially recorded as a liability and recognised as revenue when conditions of the grant are satisfied.

Sale of goods

Revenue from the sale of goods is recognised when the goods are sold to the customer.

Commission on Sales

Commission on exhibition sales and Percy Place sales is retained by the Trust, with the remaining proceeds passed on to the seller of the artworks. Revenue includes only amounts received and receivable by the Trust on its own account, not the amounts collected for the principal. Revenue is recognised when receivable.

Sale of services

Revenue from the sale of services is recognised by reference to the stage of completion of the services delivered at balance date as a percentage of the total services to be provided.

Interest revenue

Interest revenue is recorded as it is earned during the year.

Employee related costs

Wages, salaries, and annual leave are recorded as an expense as staff provide services and become entitled to wages, salaries, and leave entitlements.

Performance payments are recorded when the employee is notified that the payment has been granted.

Superannuation contributions are recorded as an expense as staff provide services.

Advertising, marketing, administration, and other costs

These are expensed when the related service has been received.

Bank accounts and cash

Bank accounts and cash comprise a cheque account and deposits held at call with banks.

Debtors

Debtors are initially recorded at the amount owed. When it is likely the amount owed (or some portion) will not be collected, a provision for impairment is recognised and the loss is recorded as a bad debt expense.

Investments

Investments are comprised of term deposits with banks, listed bonds, listed shares, short term promissory notes issued by companies and Local Authorities, real estate, and professionally managed portfolios of investments.

Deposits with banks are initially recorded at the amount paid. If it appears that the carrying amount of the investment will not be recovered, it is written down to the expected recoverable amount.

Listed bonds and shares are initially recorded at the amount paid. If the market price of the investment falls below cost, the carrying value of the investment is reduced to the current market price. If the market price of the investment subsequently increases, the carrying amount of the investment is increased but limited to the original cost of the investment.

Property, plant, and equipment

Property, plant, and equipment is recorded at cost, less accumulated depreciation and impairment losses. The fair value of the freehold land was determined based on the market comparable approach that reflects recent transaction prices for similar properties. The fair value of the buildings was determined from market based evidence using the cost approach, reflecting the cost to construct assets of comparable utility and age, adjusted for obsolescence.

Donated assets are recognised upon receipt of the asset if the asset has a useful life of 12 months or more, and the current value of the asset is readily obtainable and significant. Significant donated assets for which current values are not readily obtainable are not recognised.

For an asset to be sold, the asset is impaired if the market price for an equivalent asset falls below its carrying amount.

For an asset to be used by the Trust, the asset is impaired if the value to the Trust in using the asset falls below the carrying amount of the asset.

Depreciation is provided on a straight-line basis at rates that will write off the cost of the assets over their useful lives. The useful lives and associated depreciation rates of major classes of assets have been estimated as follows:

Furniture and fittings	10 to 20 years (5% to 10%)
Office Equipment	4 to 10 years (10% to 25%)
Buildings	10 to 80 years (1.25% to 10%)

Revaluation

The Trust has adopted tier 2 standards regarding the revaluation of its land and buildings in accordance with PBE IPSAS 17.

Unless stated, valuations are carried out or revised by independent qualified valuers and are carried out at least on three yearly cycles. Valuations will be undertaken more regularly if necessary to ensure no individual item of property, land or equipment within a class has a carrying value that is materially different from its fair value.

Land and buildings were valued as at 30 June 2023 by Telfer Young (NZ) Ltd, independent valuers.

Revaluation increases and decreases will be transferred to equity.

Creditors and accrued expenses

Creditors and accrued expenses are measured at the amount owed.

Employee costs payable

A liability for employee costs payable is recognised when an employee has earned the entitlement. These include salaries and wages accrued up to balance date and annual leave earned but not yet taken at balance date.

Income tax

Tax expense is calculated using the taxes payable method. As a result, no allowance is made for deferred tax.

Tax expense includes the current tax liability and adjustments to prior year tax liabilities.

Budget figures

The budget figures are derived from the statement of intent as approved by the Board at the beginning of the financial year. The budget figures have been prepared in accordance with Tier 3 standards, using accounting policies that are consistent with those adopted by the Board in preparing these financial statements.

Tier 2 PBE Accounting Standards applied

The Trust has applied any Tier 2 Accounting Standards for asset revaluations only, in preparing its financial statements. This was to bring consistency in property revaluations between the Trust and its parent, the Stratford District Council.

CHANGES IN ACCOUNTING POLICIES

There have been no changes to the accounting policies during the year.

PERFORMANCE MEASURES

Mission Statement

"To fulfil the wishes of the bequest by the late Mr Percy Thomson".

Level of Service	Performance Measure	Year 1 2024/25	Target Year 2 2025/26	Year 3 2026/27	How Measured
Delivery of art exhibitions	Deliver proposed art exhibitions which will include local, regional and at least 1 National.	Deliver proposed art exhibitions which will include local, regional and at least 1 National.	Deliver proposed art exhibitions which will include local, regional and at least 1 National.	Deliver proposed art exhibitions which will include local, regional and at least 1 National.	Art Gallery Records
	Number of visitors to the Gallery to be not less than 20,000 per year.	>20,000	>20,000	>20,000	Door Count
Development and maintenance of arboretum	Develop and maintain the arboretum to the standards in the facilities management contract	Develop and maintain the arboretum to the standards in the Facilities Management Contract.	Develop and maintain the arboretum to the standards in the Facilities Management Contract.	Develop and maintain the arboretum to the standards in the Facilities Management Contract.	Council Records

DISTRIBUTIONS TO SHAREHOLDERS

The Trustees do not intend to distribute any accumulated profits or capital reserves to the Stratford District Council.

REPORTING

The Percy Thomson Trust will provide audited annual accounts in conjunction with its annual report. The Auditor-General is the auditor of the Trust.

A six-monthly summary report will also be presented including a summary of progress against objectives, and an unaudited balance sheet and income statement.

PURCHASE OF SHARES

The Trust does not intend to purchase shares in any company, other than as an investment mechanism. The Trust's Investment Policy states the policies and procedures for Trust investments.

PERCY THOMSON TRUST ENTITY INFORMATION

Legal name

Percy Thomson Trust (the Trust).

Type of entity and legal basis

The Trust is incorporated in New Zealand under the Charitable Trusts Act 1957. The Trust is controlled by Stratford District Council and is a council-controlled organisation as defined in section 6 of the Local Government Act 2002.

The Trust's purpose or mission

The primary objectives of the Trust are to provide the Percy Thomson Gallery, Percy Thomson Arboretum and Percy Thomson Herbarium in accordance with the bequest left by the late Percy Thomson, and to be responsible for the ongoing maintenance of these assets.

Structure of the Trust's operations, including governance arrangements

The Trust comprises a Board of six Trustees who oversee the governance of the Trust, including a Chairman who is responsible for the day-to-day operations of the Trust and reporting to the Trustees, and five other voluntary members who support the Chairman in delivering against the Trust's objectives. At least 50% of the Trustees are appointed by the Stratford District Council.

Main sources of the Trust's cash and resources

An operating grant received from the Stratford District Council, investment income, and other forms of grant revenue are the primary sources of funding to the Trust.

Outputs

The Trust owns and maintains the building in which the gallery is situated and all expenses relating to this are incurred by the Trust. The Trust also promotes and exhibits various forms of art works in the gallery, and exhibition costs are also a major output for the Trust.

INVESTMENT POLICY

Last reviewed February 2021, next review due February 2024

PHILOSOPHY

The investment strategy of the Percy Thomson Trust is to maintain the income level required to achieve the Trust objectives whilst also inflation-proofing the capital base.

CRITERIA FOR INVESTMENT

Investments must be made to optimise returns while balancing risk and return considerations. As a responsible Trust with a public benefit aim, the Percy Thomson Trust investments should be low risk. The criteria to be applied to investments are:

- Safety of Capital - Safety of capital is a dominant consideration in all investment decisions.
- Liquidity - Investments are managed to ensure that sufficient funds are available to meet liabilities as and when they fall due.
- Returns - Long term investments reflect the objective of maximizing returns in excess of the inflation rate consistent with moderate to low risk exposure and to provide consistent real income over the long term.

PERFORMANCE MEASURES

Maintain the real value of the capital of the Trust with regard to inflation. (using the Statistics New Zealand All Groups CPI).

Types of Investment

The Trust may hold the following types of investments. See other sections of this policy for restrictions on the management of each type.

- Bank deposits, bank accepted bills and bank issued certificates of deposit
- Short term Promissory Notes issued by companies and Local Authorities
- Stocks and bonds issued by Government, SOE's, Local Authorities and suitably rated Corporate entities
- Shares in listed public companies
- Real Estate
- Professionally managed portfolios of investments, either by direct investment or through Unit Trusts including:
 - Equities both New Zealand and overseas domiciled
 - Fixed interest both New Zealand and overseas domiciled
 - Short term cash
 - Real estate

The following types of investments are prohibited:

- Loans to individuals
- Loans to community organisations

ASSESSMENT AND MANAGEMENT OF RISKS BY TYPE OF INVESTMENT

Authorised Bank Instruments

The Trust may invest in any registered bank in New Zealand subject to the following:

- The bank remains the primary debtor throughout the term of the investment.
- Investments will only be in banks on the list of registered banks in New Zealand as approved by the Reserve Bank of New Zealand.
 - any other organisation with a Standard and Poor's short term credit rating of A-3 or better and a long term credit rating of A- or better (equivalent Moody's ratings may be used).
- Up to 100% of the available funds may be invested.
- A maximum of 50% of the total investments issued by the financial market (which is made up of short term bank deposits, promissory notes and long term stocks and bonds including those issued by Local Authorities and Government Stock) may be invested with any one bank.
- Deposits may not include foreign currency.

Promissory Notes by NZ Companies and Local Authorities

The Trust may invest in Promissory Notes issued in New Zealand by Corporates and Local Authorities in New Zealand currency subject to the following:

- Up to 35% of the available funds may be invested where the Promissory Notes are issued by any company in New Zealand subject to the issuer having a Standard and Poor's long term credit rating of Investment Grade or better (equivalent Moody's ratings may be used) and subject to a maximum 20% of the total investments with any one issuer.
- The term is no more than 180 days.
- The interest rate must be better than Bank deposits for the same term.
- For registered Promissory Notes the note must be held in the Trust's name.
- For 'bearer' Promissory Notes, the certificate may be held by the Trust or by a suitable agent such as a Bank.
- To avoid the Trust being exposed to settlement risk, payment on maturity or sale requires settlement by 'Cleared Funds'.

Authorised Stock or Bond Investments

The Trust may invest in any fixed term stock or bond issued in New Zealand subject to the following:

- Up to 100% of the available funds may be invested where the stock is issued by the New Zealand Government or State Owned Enterprise guaranteed by the Government.
- Up to 100% of the available funds may be invested where the stock is issued by a Local Authority and is rate secured, but subject to a maximum of 50% of the total investments with any one issuer.
- Up to 80% of the available funds may be invested where the bonds are issued by any company in New Zealand subject to the issuer having a Standard and Poor's long term credit rating of Investment Grade or better (equivalent Moody's ratings may be used) and subject to a maximum 20% of the total investments with any one issuer.

Shares in Listed Public Companies

The Trust may invest in any public company listed on the New Zealand Stock Exchange subject to the following:

- Specific resolution is required by the Trust to invest directly in a listed equity, such resolution to have considered professional advice from a broker.
- There is to be an annual review by a broker to assess price, total value, and hold or sell advice.
- Up to 30% of the available funds may be invested.

Real Estate

The Trust may invest in real estate subject to the following:

- The property is directly linked to the aims and purpose of the Trust; or
- The property was included in the initial assets of the Trust.
- Up to 75% of the available funds may be invested.

Professionally Managed Portfolios

The Trust may invest in professionally managed portfolios subject to the following:

- In selecting the fund manager the Trust shall consider:
 - Performance and competence
 - Diversification of the asset class
 - Expected return
 - Volatility of return, both in the past and expected
 - Trust's tolerance to risk
- The management of the investment, once made with a professional Fund Manager, shall be handled entirely by that Fund Manager. Therefore, restrictions stated elsewhere in this policy governing the selection and handling of direct investments shall not apply.
- Up to 50% of the available funds may be invested.

Diversification Summary

Investment Category	Fund Weighting Restriction	Other Restrictions
Bank Instruments	100% of fund	Maximum 50% with any one bank
Promissory Notes	35% of fund	No more than 180 days; No more than 20% with one issuer
Authorised Stock/Bonds	100% of fund Government Stock; 100% of fund Local Authority; 80% of fund Others	No more than 50% with one Local Authority; No more than 20% with one issuer
Listed Shares	30% of fund	
Real Estate	75% of fund	Aims of Trust
Professional Portfolios	50% of fund	

Reporting

The Percy Thomson Trust shall receive with each set of accounts reported to the Trust a statement of investments including book value, maturity date, return, market value, and other features deemed relevant.

Delegated authority to act on all investments in accordance with this policy, (except Real Estate, Shares, and Professionally Managed Funds) is granted to the Chairman of the Trust and any one other authorised account signatory.

ACTIVITIES FOR WHICH COMPENSATION SOUGHT

The Percy Thomson Trust is seeking a continuation of the annual cash grant of \$50,000 from the Stratford District Council.

This grant helps fund the activities of the Trust and is a recognition of the benefits the operations of the Trust bring to the wellbeing of the Stratford District. It is noted that the grant has not been increased since 2012. The Trust has up until recently been able to absorb inflationary cost pressures on wages and operational costs mainly through fundraising and outside grants, however this has now become significantly harder so that there has been some resort to reserves. If the grant had maintained a similar proportion of rate income over this period the current grant would be of the order of \$80,000. No increase in the grant is being sought at this time given the discussions taking place on the future of the Trust and recognising the financial constraints on Council.

The Trust is also seeking \$15,000 of maintenance work on the Arboretum, delivered "in kind" - no change from previous Statement.

In addition, the Trust is seeking \$15,000 of cleaning and maintenance services of the building, and the public toilets within the Percy Thomson Building, delivered 'in kind' - no change from previous Statement.

The Council also provides administration services to the Trust for \$20,600 per annum - no change from previous Statement.

As a Council controlled organisation, any funding applications to TSB Community Trust must be made in conjunction with Council's applications.

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PERCY THOMSON TRUST

PERCY THOMSON TRUST COST OF SERVICE STATEMENTS

FOR THE THREE YEARS COMMENCING 1 JULY 2024

<u>2023/24</u>		<u>2024/25</u>	<u>2025/26</u>	<u>2026/27</u>
<u>Budget</u>		<u>Forecast</u>	<u>Projection</u>	<u>Projection</u>
\$		\$	\$	\$
	<u>PROPERTY</u>			
	Revenue			
14,100	Café Lease	14,100	14,805	14,805
1,320	Post Box Lobby Rental	1,400	1,400	1,500
18,000	Building lease	18,000	18,000	19,800
33,420	Total Property Revenue	33,500	34,205	36,105
	Expenditure			
84,050	Depreciation	84,050	84,050	92,455
9,500	Insurance	13,000	14,300	15,730
1,650	Rates (Services Only)	1,898	2,087	2,296
17,300	Repairs and Maintenance Building	20,000	20,000	20,000
5,000	Repairs and Maintenance Arboretum	5,000	5,000	5,000
1,000	Herbarium	1,000	1,000	1,000
118,500	Total Property Expenditure	124,948	126,437	136,481
(85,080)	Surplus (Deficit) from Property	(91,448)	(92,232)	(100,376)

PERCY THOMSON TRUST				
<u>2023/24</u>		<u>2024/25</u>	<u>2025/26</u>	<u>2026/27</u>
<u>Budget</u>		<u>Forecast</u>	<u>Projection</u>	<u>Projection</u>
\$		\$	\$	\$
<u>ART GALLERY</u>				
Revenue				
1,600	Membership and "Friends" Donations	1,600	1,600	1,600
10,000	Rental/Hireage	11,000	11,550	12,128
3,000	Donation Box	3,000	3,000	3,000
12,000	Commission - Percy's Place	12,000	12,000	12,000
6,000	Commission - Gallery	6,000	6,000	6,000
32,600	Total Art Gallery Revenue	33,600	34,150	34,728
Expenditure				
350	ACC Levy	350	350	350
15,000	Energy Costs	15,000	15,750	16,538
1,200	Art Insurance	1,000	1,100	1,210
800	Miscellaneous	800	800	800
20,000	Programme	20,000	21,000	23,100
10,000	Major Exhibition	10,000	10,500	11,550
200	Publications & Subscriptions	200	200	200
120,000	Salary, Wages and Employment Related Costs	135,000	139,100	143,300
1,500	Staff Training	1,500	1,500	1,500
3,600	Telephone & Tolls	3,600	3,780	3,969
172,650	Total Art Gallery Expenditure	187,450	194,080	202,517
(140,050)	Surplus (Deficit) from Art Gallery	(153,850)	(159,930)	(167,789)
<u>2023/24</u>		<u>2024/25</u>	<u>2025/26</u>	<u>2026/27</u>
<u>Budget</u>		<u>Forecast</u>	<u>Projection</u>	<u>Projection</u>
\$		\$	\$	\$
<u>OTHER REVENUE AND EXPENDITURE</u>				
Other Revenue				
35,000	Interest	35,000	35,000	35,000
50,000	Stratford District Council Grant	50,000	50,000	50,000
88,000	External Funding	50,000	50,000	50,000
173,000	Total Other Revenue	135,000	135,000	135,000
Other Expenditure				
20,600	Administration	20,600	20,600	20,600
8,500	Audit Fees	25,000	25,000	25,000
2,400	Trustee Liability Insurance	2,970	3,267	3,594
300	Investment Expenses	300	300	300
31,800	Total Other Expenditure	48,870	49,167	49,494
141,200	Surplus (Deficit)	86,130	85,833	85,506

PERCY THOMSON TRUST

<u>2023/24</u>	<u>2024/25</u>	<u>2025/26</u>	<u>2026/27</u>
<u>Budget</u>	<u>Forecast</u>	<u>Projection</u>	<u>Projection</u>
\$	\$	\$	\$

SUMMARY COST OF SERVICE STATEMENT

<u>REVENUE</u>				
33,420	Property	33,500	34,205	36,105
32,600	Art Gallery	33,600	34,150	34,728
173,000	Other Revenue	135,000	135,000	135,000
239,020	Total Revenue	202,100	203,355	205,833
<u>OPERATING EXPENDITURE</u>				
118,500	Property	124,948	126,437	136,481
172,650	Art Gallery	187,450	194,080	202,517
31,800	Other Expenditure	48,870	49,167	49,494
322,950	Total Operating Expenditure	361,268	369,684	388,491
<u>(83,930)</u>	<u>Operating Surplus (Deficit)</u>	<u>(159,168)</u>	<u>(166,329)</u>	<u>(182,659)</u>
(83,930)	Net Operating Surplus (Deficit)	(159,168)	(166,329)	(182,659)
84,050	Add back depreciation (non-cash)	84,050	84,050	92,455
120	Cash Surplus (Deficit)	(75,118)	(82,279)	(90,204)

PERCY THOMSON TRUST

PERCY THOMSON TRUST PROSPECTIVE STATEMENT OF FINANCIAL PERFORMANCE FOR THE THREE YEARS COMMENCING 1 JULY 2024

<u>2023/24</u> <u>Budget</u> <u>\$000</u>		<u>2024/25</u> <u>Forecast</u> <u>\$000</u>	<u>2025/26</u> <u>Projection</u> <u>\$000</u>	<u>2026/27</u> <u>Projection</u> <u>\$000</u>
	Revenue			
50	Funding from central or local government	50	50	50
66	Revenue from non-governmental sources for providing goods or services	67	68	71
88	Donations, fundraising and other similar revenue	50	50	50
35	Interest, Dividends and Other Investment Revenue	35	35	35
-	Other revenue	-	-	-
239	Total Revenue	202	203	206
	Expenses			
120	Employee Related Costs	135	139	143
119	Costs related to providing goods and services	142	147	153
84	Other Expenditure	84	84	92
323	Total Expenses	361	370	388
(84)	Operating Surplus/(Deficit) Before Tax	(159)	(166)	(183)
-	Share of Associate Surplus/(Deficit)	-	-	-
(84)	Surplus/(Deficit) Before Tax	(159)	(166)	(183)
-	Income Tax Expense	-	-	-
(84)	Surplus/(Deficit) After Tax	(159)	(166)	(183)

PERCY THOMSON TRUST

PERCY THOMSON TRUST

PROSPECTIVE STATEMENT OF FINANCIAL POSITION

For the Three Years Ending 30 June 2025, 2026 and 2027

<u>2023/24</u>		<u>2024/25</u>	<u>2025/26</u>	<u>2026/27</u>
<u>Budget</u>		<u>Forecast</u>	<u>Projection</u>	<u>Projection</u>
<u>\$000</u>		<u>\$000</u>	<u>\$000</u>	<u>\$000</u>
	<u>Assets</u>			
	Current Assets			
212	Bank Accounts and Cash	35	(47)	(138)
10	Debtors and Prepayments	10	10	10
250	Investments	300	300	300
472	Total Current Assets	345	263	172
	Non-Current Assets			
1768	Property, Plant and Equipment	2381	2297	2434
502	Other Financial Assets	397	397	367
2270	Total Non-Current Assets	2778	2694	2801
2742	TOTAL ASSETS	3123	2957	2974
	<u>Liabilities</u>			
	Current Liabilities			
5	Creditors and Accrued Expenses	5	5	5
2	Employee Costs Payable	2	2	2
7	Total Current Liabilities	7	7	7
7	Total Liabilities	7	7	7
2,735	Total Assets less Total Liabilities (Net Assets)	3,116	2,950	2,967
	<u>Accumulated Funds</u>			
0	Capital contributed by owners or members	0	0	0
1440	Accumulated Surpluses or (deficits)	1207	1041	858
1295	Reserves	1909	1909	2109
2735	Total Accumulated Funds	3116	2950	2967
99.74%	Ratio of Trust Equity to Total Assets	99.78%	99.76%	99.77%

PERCY THOMSON TRUST

ESTIMATE OF COMMERCIAL VALUE

As the Trust is an independent charitable trust, and the winding up clauses of the Trust Deed provide for any distribution of remaining funds to another charitable purpose within the Stratford District with similar objectives, the commercial value as the shareholders' investment is assessed as zero.

OTHER MATTERS

The Percy Thomson Trust has one commercial arrangement with the Stratford District Council as follows:

- The Stratford District Council provides accounting and administrative services to the Percy Thomson Trust. The Trust pays a fee for these services.

The Percy Thomson Trust leases to third parties, a portion of the building asset for operation of a café and a professional surveyor.

ASSUMPTIONS

The budget forecasts do not include any adjustments for inflation for the years 2024 - 2027 and beyond. All revenue and expenditure is based on 2022 dollars.

DECISION REPORT



F22/55/04 – D24/5459

To: Policy and Services Meeting
From: Property Officer
Date: 27 February 2024
Subject: Donation of Bench Seat

Recommendations

1. THAT the report be received.
2. THAT the Committee approves **Option 2** – to approve the donation of a bench seat

Recommended Reason

To approve the donation of a bench seat (with a memorial plaque) from the Bray family to commemorate Ronald (Ron) Bray who worked at the Stratford District Council for 31 years as Park Superintendent.

/
Moved/Seconded

1. Purpose of Report

- 1.1 The purpose of this report is to seek Elected Members' approval to accept the donation request from the Bray family for a bench seat (with memorial plaque) to be placed within King Edward Park (Rhododendron Dell).

2. Executive Summary

- 2.1 Mrs Averil Bray has requested that a bench seat be installed in memory of Ron Bray, her deceased husband, who was the Park Superintendent at the Stratford District Council for 31 years from 25 November 1963 – 2 December 1994.

3. Local Government Act 2002 – Section 10

Under section 10 of the Local Government Act 2002, the Council's purpose is to "enable democratic local decision making by and on behalf of communities; as well as promoting the social, economic, environmental, and cultural well-being of communities now and into the future"

Does the recommended option meet the purpose of the Local Government 4 well-beings? And which:

Yes

Social	Economic	Environmental	Cultural
✓			

4. Background

- 4.1 Ron Bray was the Park Superintendent at the Stratford District council for 31 years from 25 November 1963 – 2 December 1994. Ron loved his work as Park Superintendent and was responsible for all parks and reserves in Stratford, including: sportsfields, playgrounds, entrances, grass verges, cemetery, campsite and nursery, walkways, and the old pool site.
- 4.2 Ron Bray passed away on 26 December 2022 and his wife, Mrs Averil Bray, has requested a bench seat and memorial plaque be placed in King Edward Park (Rhododendron Dell) to celebrate the commitment Ron had to his work in Stratford as Parks Superintendent.
- 4.3 Mrs Bray has confirmed that the cost of purchase and installation of the seat will be borne by the Bray family.

5. Consultative Process

5.1 Public Consultation - Section 82

No public consultation is required.

5.2 Māori Consultation - Section 81

No Māori consultation is required.

6. Risk Analysis

- 6.1 No risks are identified.

7. Decision Making Process – Section 79

7.1 Direction

	Explain
Is there a strong link to Council’s strategic direction, Long Term Plan/District Plan?	No
What relationship does it have to the communities current and future needs for infrastructure, regulatory functions, or local public services?	The community will be able to utilise this bench seat when visiting King Edward Park (Rhododendron Dell).

7.2 Data

No data required.

7.3 Significance

	Yes/No	Explain
Is the proposal significant according to the Significance Policy in the Long Term Plan?	No	
Is it:	No	
• considered a strategic asset; or	No	
• above the financial thresholds in the Significance Policy; or	No	
• impacting on a CCO stakeholding; or	No	
• a change in level of service; or	No	
• creating a high level of controversy; or	No	
• possible that it could have a high impact on the community?	No	

In terms of the Council's Significance Policy, is this proposal of high, medium, or low significance?		
High	Medium	Low
		✓

7.4 Options

Option 1 – Decline the request.

This will represent a lost opportunity to recognise Mr Ron Bray's contribution to, and long service of, the Council, in addition to receiving the bench seating at no cost, which will serve the users of the King Edward Park well.

Option 2 – To approve the request to install a bench seat (with a memorial plaque) to be installed within King Edward Park (Rhododendron Dell) in memory of Mr Ron Bray.

This is the recommended option.

7.5 Financial

No immediate financial implications, however, maintenance may be needed in the coming years.

7.6 Prioritisation & Trade-off

No issues for council to deliver, as the bench seat will be donated.

7.7 Legal Issues

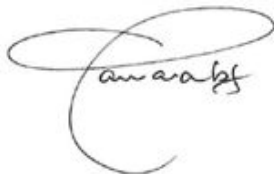
There are no legal issues associated with this request.

7.8 Policy Issues - Section 80

There are no policy issues.



Melanie McBain
Parks and Reserves Officer



[Endorsed by]
Victoria Araba
Director, Assets



[Approved by]
Sven Hanne
Chief Executive

Date 20 February 2024

DECISION REPORT



F22/55/04-D24/3500

To: Policy and Services Committee
From: Roading Asset Manager
Date: 27 February 2024
Subject: Proposed Road Closure of Miranda Street for ANZAC Day Service

Recommendations

1. THAT the report be received.
2. THAT pursuant to Section 342(1) (b) in accordance with Schedule 10 clause 11(e) of the Local Government Act 1974, Stratford District Council approves the closure of the following roads between the hours 5.30am to 10.00am on Thursday 25 April 2024:
 - Miranda Street between Fenton Street and Regan Street – 5:30am to 10:00am
 - War Memorial Car park access to be closed from Miranda Street
 - Fenton St from Broadway to Malone Gates and Portia St to the TET carpark

for the purpose of the ANZAC Day Dawn Service

Recommended Reason

In order for the Stratford District Council to hold ANZAC Day commemorations, it is necessary to close the roads listed above for the safety of the public gathering for the dawn service at the Cross of Sacrifice on Miranda Street. The proposed road closures require formal approval by a Council resolution.

/
Moved/Seconded

1. Purpose of Report

For any street event that requires a road closure, Schedule 10 Clause 11(e) of the Local Government Act 1974 requires a Council resolution to approve the proposed road closure. This report seeks this approval for the purposes of allowing the Stratford District Council to close the road listed above on 25 April 2024 for the times specified in the recommendation.

2. Executive Summary

- 2.1 In order for the ANZAC Day commemorations to be held, for health and safety reasons the Stratford District Council have requested that Miranda Street between Fenton Street and Regan Street be closed for the purposes of the parade and the public gathering at the Cross of Sacrifice for the dawn service.
- 2.2 Included in **Appendix 1** of this report is the traffic management plan showing the road to be closed.

3. Local Government Act 2002 – Section 10

Under section 10 of the Local Government Act 2002, the Council’s purpose is to “enable democratic local decision making by and on behalf of communities; as well as promoting the social, economic, environmental, and cultural well-being of communities now and into the future”			
Does the recommended option meet the purpose of the Local Government 4 well-beings? And which:		Yes – To commemorate the lost soldiers during the First World War	
Social	Economic	Environmental	Cultural
✓			

The report is for the purposes of providing good regulatory function, as street events such as this, require a Council resolution to approve a proposed road closure.

4. Background

4.1 ANZAC Day occurs on 25 April. It commemorates all New Zealanders killed in war and also honours returned servicemen and women.

The date itself marks the anniversary of the landing of New Zealand and Australian soldiers – the ANZACs – on the Gallipoli Peninsula in 1915. The aim was to capture the Dardanelles, the gateway to the Bosphorus and the Black Sea. At the end of the campaign, Gallipoli was still held by its Turkish defenders.

Thousands lost their lives in the Gallipoli campaign: 87,000 Turks, 44,000 men from France and the British Empire, including 8500 Australians. To this day, Australia also marks the events of 25 April. Among the dead were 2779 New Zealanders, about a fifth of those who served on Gallipoli.

It may have led to a military defeat, but for many New Zealanders then and since, the Gallipoli landings meant the beginning of something else – a feeling that New Zealand had a role as a distinct nation, even as it fought on the other side of the world in the name of the British Empire.

ANZAC Day was first marked in 1916. The day has gone through many changes since then. The ceremonies that are held at war memorials up and down New Zealand, or in places overseas where New Zealanders gather, remain rich in tradition and ritual befitting a military funeral.

4.2 Following the disbandment of the Stratford branch of the Returned Servicemen Association in 2016, the Stratford District Council has offered to host the annual ANZAC Day commemorations service.

The Commemorations include the following:

5.30am-8.00am Extended Dawn Service at the Cross of Sacrifice on Miranda Street

5. Consultative Process

5.1 Public Consultation - Section 82

The Stratford District Council is required to liaise with all residents and traders affected by the proposed road closure. A public notice was placed on the Stratford District Council website on 16 February and an advertisement was placed in Central Link in the Stratford Press newspaper on 21 February. To date no written objections have been received by the Stratford District Council.

Stratford District Council has contacted the Police, Fire Service, St John’s Ambulance and the Road Transport Authority seeking their approval for the proposed road closure. At the time of writing this report, no objections had been received

5.2 Māori Consultation - Section 81

There are no known effects that this event is likely to have on local iwi issues. This event also recognises the loss of Māori military personnel during the ANZAC Gallipoli assault on the Turkish army in 1915,

6. Risk Analysis

Refer to the Council Risk Register - available on the Council website.
<ul style="list-style-type: none"> • Does this report cover any issues that relate to any risks on the Council Risk Register, and if so which risks and what are the impacts and likelihood of eventuating? • Does this report cover any issues that may lead to any new risks that are not on the Council Risk Register, and if so, provide some explanation of any new identified risks. • Is there a legal opinion needed?

6.1 In order for the ANZAC Day Service and parade to be undertaken in a safe manner on public roads, it is essential that this road is closed for the times stated in the recommendation. This will safeguard the participants, invited guests and members of the public attending the event.

6.2 A full Health and Safety Management Plan and Traffic Management Plan have been prepared for this event. This element is captured by Risk 29 – Health, Safety and Wellbeing and is covered by the organisers with their appropriate plans.

7. Decision Making Process – Section 79

7.1 Direction

	Explain
Is there a strong link to Council's strategic direction, Long Term Plan/District Plan?	Yes. This event brings the community together to commemorate the military personnel lost in war and those who have served
What relationship does it have to the communities current and future needs for infrastructure, regulatory functions, or local public services?	This report supports the performance of Council by providing a regulatory function in accordance with the Local Government Act 2002.

7.2 Data

<ul style="list-style-type: none"> • Do we have complete data, and relevant statistics, on the proposal(s)? • Do we have reasonably reliable data on the proposals? • What assumptions have had to be built in?
--

Yes, the times of the proposed road closure are outlined in the recommendation above.

7.3 **Significance**

	Yes/No	Explain
Is the proposal significant according to the Significance Policy in the Long Term Plan?		
Is it:	No	
• considered a strategic asset; or	No	
• above the financial thresholds in the Significance Policy; or	No	
• impacting on a CCO stakeholding; or	No	
• a change in level of service; or	No	
• creating a high level of controversy; or	No	
• possible that it could have a high impact on the community?	No	As a mark of respect for the military personnel lost in action, shops throughout New Zealand are closed on the morning of ANZAC Day.

In terms of the Council's Significance Policy, is this proposal of high, medium, or low significance?		
High	Medium	Low
		✓

7.4 **Options**

<p>An assessment of costs and benefits for each option must be completed. Use the criteria below in your assessment.</p> <ol style="list-style-type: none"> What options are available? For each option: <ul style="list-style-type: none"> explain what the costs and benefits of each option are in terms of the present and future needs of the district; outline if there are any sustainability issues; and explain if the outcomes meet the current and future needs of communities for good-quality local infrastructure, local public services, and performance of regulatory functions? After completing these, consider which option you wish to recommend to Council, and explain: <ul style="list-style-type: none"> how this option is the most cost effective option for households and businesses; if there are any trade-offs; and what interdependencies exist.
--

The options to be considered for this report are:

Option 1 Do not approve the closing of Miranda Street and Fenton Street. If this is the option chosen, then the Stratford District Council will not be able to host the ANZAC Day commemorations. This will have a negative impact on this authority.

Option 2 Approve the proposed road closures as outlined in recommendation 2 above to indicate our support for this event. This will have a positive impact for Stratford. **This is the recommended option.**

7.5 **Financial**

- Is there an impact on funding and debt levels?
- Will work be undertaken within the current budget?
- What budget has expenditure come from?
- How will the proposal be funded? eg. rates, reserves, grants etc.

The cost of providing the traffic management will be met by the Stratford District Council's Community Services Team. Stratford District Council's officer time for approving the traffic management plan is met from current Rooding budgets.

7.6 **Prioritisation & Trade-off**

- Have you taken into consideration the:
- Council's capacity to deliver;
 - contractor's capacity to deliver; and
 - consequence of deferral?

The Stratford District Council has engaged the services of Central Traffic Services to provide and monitor the traffic management for this event.

7.7 **Legal Issues**

- Is there a legal opinion needed?
- Are there legal issues?

Pursuant to Section 342(1) (b) Schedule 10, Clause 11(e) of the Local Government Act 1974, provides powers to Council to formally approve a recommendation to close a road for the purposes of a street event.

7.8 **Policy Issues - Section 80**

- Are there any policy issues?
- Does your recommendation conflict with Council Policies?

This report is consistent with the policy for Temporary Road Closures.

Attachments:

Appendix 1 – Traffic Management Plan



Debbie Taplin
Rooding Engineer



[Endorsed by]
Victoria Araba
Director - Assets



[Approved by]
Sven Hanne
Chief Executive

Date 20 February 2024

APPENDIX 1



DECISION REPORT



F22/55/04 – D24/6151

To: Policy and Services Committee
From: Director – Corporate Services
Date: 27 February 2024
Subject: Approve draft Financial Strategy

Recommendations

1. THAT the report be received.
2. THAT the draft Financial Strategy be approved and released for audit review, before the final draft Financial Strategy is approved to be released for consultation.

Recommended Reason

This is an opportunity for elected members to formalise their initial stance on the Financial Strategy for the district, prior to releasing for audit review.

/
Moved/Seconded

1. Purpose of Report

- 1.1 To approve the Financial Strategy to be released to the external auditors, and to set the Financial Strategy limits.

2. Executive Summary

- 2.1 The Financial Strategy is a legislative requirement and forms part of council's Long Term Plan. The Financial Strategy sets out the overall financials goals of the Stratford District Council for the 2024-34 Long Term Plan ('LTP').

- 2.2 The main target actions of this Financial Strategy are to:

- Ensure the Stratford District Council authority maintains financial sustainability to ensure independence and debt capacity for future growth opportunities. This includes ensuring targeted rate reserve balances are not in deficit by the end of the LTP.
- Build resilience for the Stratford District – by, amongst other things, adequately funding for asset renewals, and ensuring council owned buildings are earthquake strengthened and fit for purpose.
- Provide the platform to enable achievement of the Community Outcomes, agreed levels of service, and performance measures, without significantly burdening the districts' ratepayers.

- 2.2 The following key information forms part of the Financial Strategy:

Rates Increase Limit:	< 7%
Borrowing Limits:	Net Debt < 115% of Annual Operating Revenue Borrowing costs <15% of Annual Rates Revenue Borrowing costs <10% of Annual Operating Revenue
Growth assumption:	0.4% annually
Inflation assumption: expenditure	Average of 2.1% annually, varies across categories of expenditure
Waka Kotahi (NZTA) Subsidy:	63% over the 10 years of the Long Term Plan
Three Waters activities:	Within council ownership and control for the ten years of the Long Term Plan

3. Local Government Act 2002 – Section 10

Under section 10 of the Local Government Act 2002, the Council's purpose is to “enable democratic local decision making by and on behalf of communities; as well as promoting the social, economic, environmental, and cultural well-being of communities now and into the future”			
Does the recommended option meet the purpose of the Local Government 4 well-beings? And which:			Yes
Social	Economic	Environmental	Cultural
✓	✓	✓	✓

The Financial Strategy seeks to address the four well-beings through a financial lens.

4. Background

- 4.1 Compared to the Financial Strategy 2021-2024, the foundation for this Strategy is based on significantly increased operating costs due to high inflation between 2022 and 2024, and an unprecedented capital expenditure programme from 2021 to 2024. This has resulted in the need to lift the rates increase limit to a level that is realistic, at <7% (LTP 2021-31: <6%), despite this being breached in year 1 of the Long Term Plan (of 15.53%).
- 4.2 The Net Debt to Annual Operating Revenue Limit is to reduce to 115% (LTP 2021-31: 130%), and additional limits have been added to ensure appropriate management of costs associated with debt. This prudent strategy recognises the need to maintain a high level of debt capacity, and the impact that debt servicing has on rates, and future financial sustainability. By year 10 the Net Debt to Revenue limit increases to 150%, due to significant resilience projects, although the limit is met in all prior years.
- 4.3 The Financial Strategy should be read in conjunction with the Infrastructure Strategy, and can be seen as the enabler of the Infrastructure Strategy.

5. Consultative Process

- 5.1 **Public Consultation - Section 82**
Full public consultation on the draft strategy will take place during April. Council will invite submitters to present their views in person at a Long Term Plan hearing in May / June.
- 5.2 **Māori Consultation - Section 81**
An opportunity for consultation with tangata whenua on the full LTP will be provided.

6. Risk Analysis

Refer to the Council Risk Register - available on the Council website.

- Does this report cover any issues that relate to any risks on the Council Risk Register, and if so which risks and what are the impacts and likelihood of eventuating?
- Does this report cover any issues that may lead to any new risks that are not on the Council Risk Register, and if so, provide some explanation of any new identified risks.
- Is there a legal opinion needed?

6.1 This report relates to the following risks in council's risk register:

Risk 18 – 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.

Risk 26 – Credit Risk - IF Council is unable to increase borrowing to fund urgent capital or operational expenditure, or is unable to renew borrowing once it matures, or is called to repay a loan if covenants are breached THEN projects will not proceed, council may have to cease operations, possible replacement of councillors.

Risk 27 - 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.

Risk 28 – Interest Costs - IF financing costs increase THEN this results in increased costs to council and budget being exceeded or increase to rates.

Risk 74 – 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.

These risks have been considered throughout the development of the LTP.

7. Decision Making Process – Section 79

7.1 **Direction**

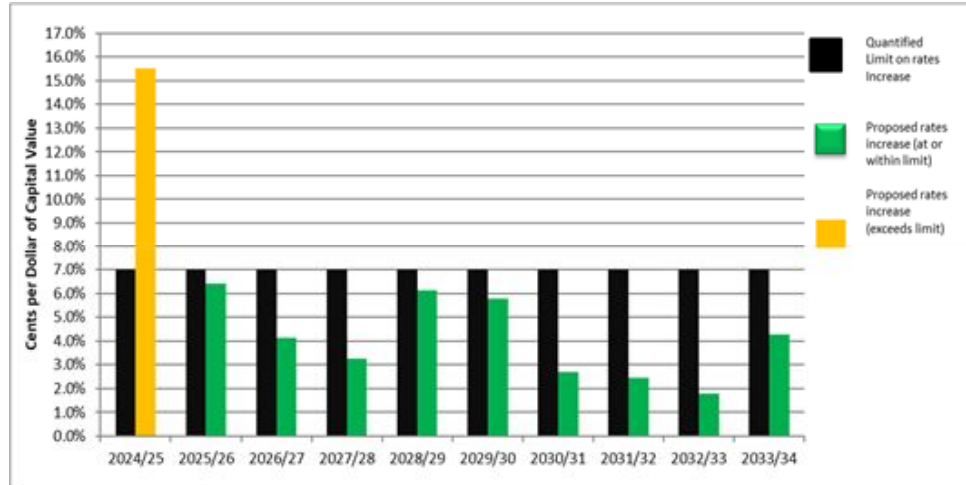
	Explain
Is there a strong link to Council's strategic direction, Long Term Plan/District Plan?	Yes – the Financial Strategy forms part of the Long Term Plan.
What relationship does it have to the communities current and future needs for infrastructure, regulatory functions, or local public services?	A strong relationship

7.2 **Data**

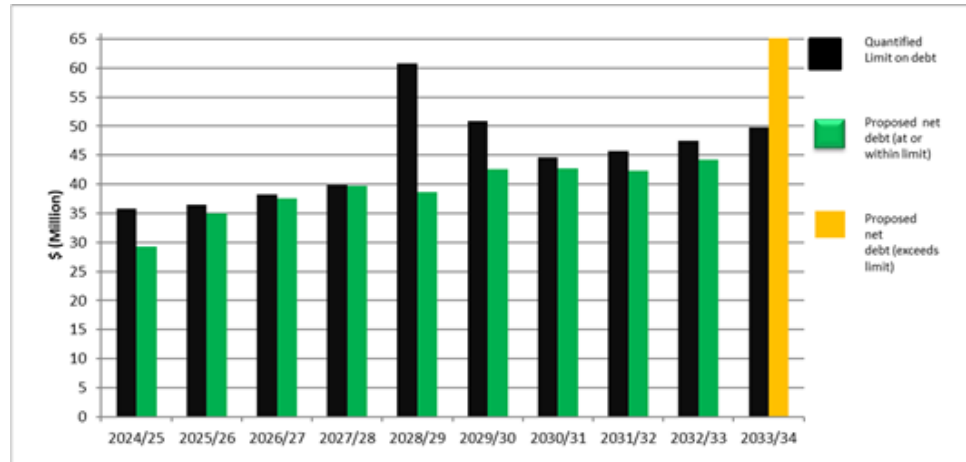
- Do we have complete data, and relevant statistics, on the proposal(s)?
- Do we have reasonably reliable data on the proposals?
- What assumptions have had to be built in?

Refer to the draft Financial Strategy attached to this report. The following graphs disclose Council's planned performance in relation to various benchmarks, required to be included in the LTP in accordance with the Local Government (Financial Reporting and Prudence) Regulations 2014.

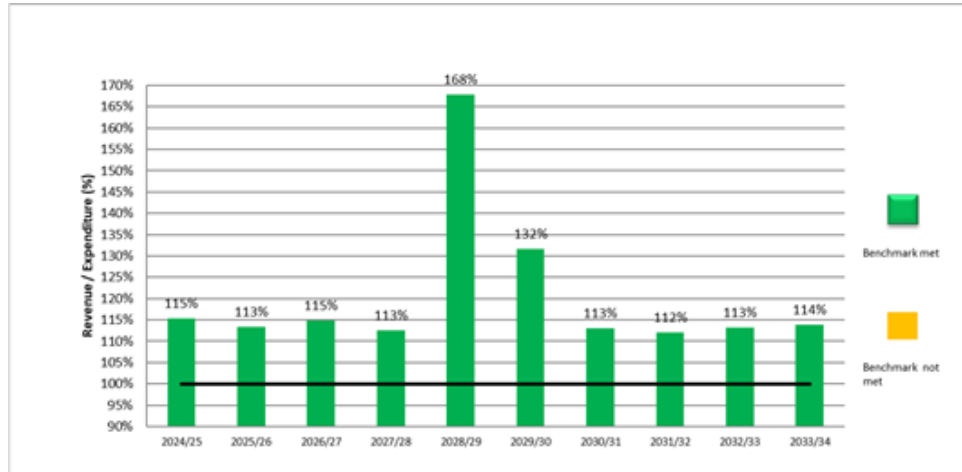
Rates Increases Affordability Benchmark – the below graph shows that council plans to breach its rates limit in year 1 of the LTP, but will comply with the limit in all remaining years of the LTP. The breach in year 1, at 15.53% is due to a substantial increase in operational expenditure requirements as a result of inflation and operational costs associated with capital expenditure in recent years. Additionally, years 1 and 2 of the LTP include a contribution towards the Roothing reserve due to budget overspend in recent years – largely as a result of significant inflation in this area, and responding to forestry damage.



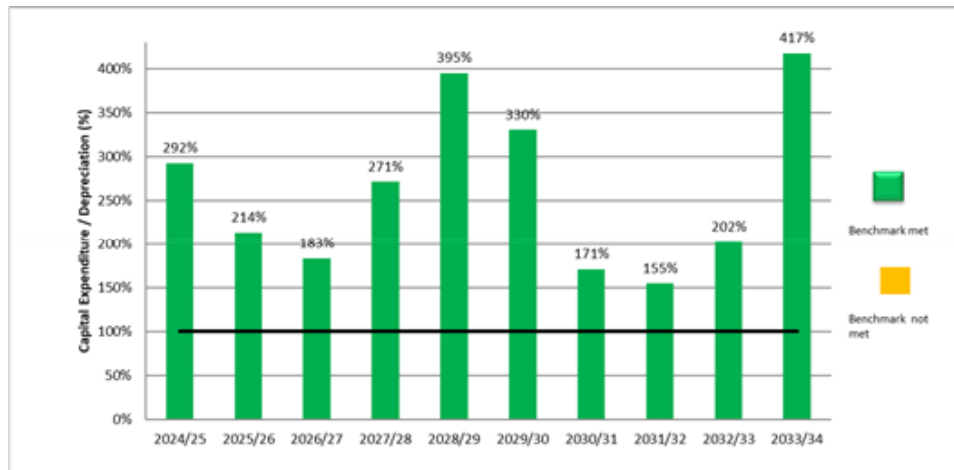
Debt Affordability Benchmark – this graph shows that in all years, except for year 10 of the LTP, planned net debt is within the limit set by council. Closer to the time, council may wish to review either its debt limit, or the proposed loan funded capital expenditure program to ensure continued compliance with self-imposed limits.



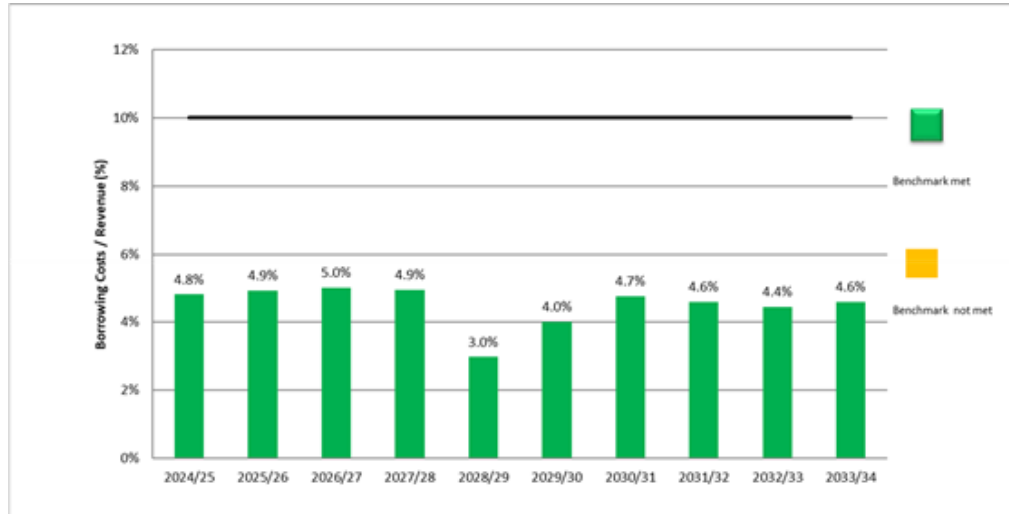
Balanced Budget Benchmark – The council meets the balanced budget benchmark if planned revenue is more than planned operating expenses, which is the case in the proposed LTP.



Essential Services Benchmark – The council meets this benchmark if planned capital expenditure on roading and three waters is greater than budgeted depreciation on these activities, which is the case in the proposed LTP.



Debt Servicing Benchmark – Council meets the debt servicing benchmark if planned borrowing costs are less than 10% of planned revenue, which is the case in the proposed LTP.



7.3 Significance

	Yes/No	Explain
Is the proposal significant according to the Significance Policy in the Long Term Plan?	Yes	
Is it:		
• considered a strategic asset; or		
• above the financial thresholds in the Significance Policy; or		
• impacting on a CCO stakeholding; or		
• a change in level of service; or		
• creating a high level of controversy; or		
• possible that it could have a high impact on the community?		

In terms of the Council's Significance Policy, is this proposal of high, medium, or low significance?		
High	Medium	Low
	✓	

7.4 Options

<p>An assessment of costs and benefits for each option must be completed. Use the criteria below in your assessment.</p> <ol style="list-style-type: none"> 1. What options are available? 2. For each option: <ul style="list-style-type: none"> • explain what the costs and benefits of each option are in terms of the present and future needs of the district; • outline if there are any sustainability issues; and • explain if the outcomes meet the current and future needs of communities for good-quality local infrastructure, local public services, and performance of regulatory functions? 3. After completing these, consider which option you wish to recommend to Council, and explain: <ul style="list-style-type: none"> • how this option is the most cost effective option for households and businesses; • if there are any trade-offs; and • what interdependencies exist.

Option 1 (recommended)

Approve the Financial Strategy to be released for audit, with any amendments.

Option 2

Do not approve the draft Financial Strategy. Note – the strategy will still be released to audit, however, elected members may choose to formally adopt the draft at a later stage, prior to release for consultation.

7.5 Financial

- Is there an impact on funding and debt levels?
- Will work be undertaken within the current budget?
- What budget has expenditure come from?
- How will the proposal be funded? eg. rates, reserves, grants etc.

The strategy discusses the impact of funding and debt levels over the next ten years and the challenges and issues council is facing and how it will respond to these challenges.

7.6 Prioritisation & Trade-off

- Have you taken into consideration the:
- Council's capacity to deliver;
 - contractor's capacity to deliver; and
 - consequence of deferral?

Building resilience and working on achieving Community Outcomes comes at a cost, and impacts on the financial limits imposed by elected members.

7.7 Legal Issues

- Is there a legal opinion needed?
- Are there legal issues?

No legal opinion is required, however our external auditors Deloitte will have significant focus on this strategy during their audit.

7.8 Policy Issues - Section 80

- Are there any policy issues?
- Does your recommendation conflict with Council Policies?

The Financial Strategy closely aligns with the Revenue and Financing Policy and Treasury Management Policy.

Attachments:

Appendix 1 Draft Financial Strategy



Tiffany Radich
Director – Corporate Services



[Approved by]
Sven Hanne
Chief Executive

Date 20 February 2024

APPENDIX 1

FINANCIAL STRATEGY

SUMMARY OF KEY INFORMATION

Rates Increase Limit:	< 7%
Borrowing Limits:	Net Debt < 115% of Annual Operating Revenue Borrowing costs <15% of Annual Rates Revenue Borrowing costs <10% of Annual Operating Revenue
Growth assumption:	0.4% annually
Inflation assumption:	Average of 2.1% annually, varies across categories of expenditure
Waka Kotahi (NZTA) Subsidy:	63% over the 10 years of the Long Term Plan
Three Waters activities:	Within council ownership and control for the ten years of the Long Term Plan

INTRODUCTION

The purpose of the financial strategy is to:

- Provide guidance for elected members and staff when considering proposals for funding and expenditure.
- Make Council funding and expenditure decisions and their overall effects on service levels, rates, debt and investments transparent to ratepayers.
- Ensure that services levels are maintained, while ensuring debt, revenue and expenditure (Operating and Capital) are managed in a financially sustainable way.

The Financial Strategy sets out the overall financials goals of the Stratford District Council for the 2024-34 Long Term Plan ('LTP'). The main target actions of this Financial Strategy are to:

- Ensure the Stratford District Council authority maintains financial sustainability to ensure independence and debt capacity for future growth opportunities. This includes ensuring targeted rate reserve balances are not in deficit by the end of the LTP.
- Build resilience for the Stratford District – by, amongst other things, adequately funding for asset renewals, and ensuring council owned buildings are earthquake strengthened and fit for purpose.
- Provide the platform to enable achievement of the Community Outcomes, agreed levels of service, and performance measures, without significantly burdening the districts' ratepayers.

Compared to the Financial Strategy 2021-2024, the foundation for this Strategy is based on significantly increased operating costs due to high inflation between 2022 and 2024, and an unprecedented capital expenditure programme from 2021 to 2024. This has resulted in the need to lift the rates increase limit to a level that is realistic, at <7% (LTP 2021-31: <6%), despite this being breached in year 1 of the Long Term Plan (of 15.53%).

The Net Debt to Annual Operating Revenue Limit is to reduce to 115% (LTP 2021-31: 130%), and additional limits have been added to ensure appropriate management of costs associated with debt. This prudent strategy recognises the need to maintain a high level of debt capacity, and the impact that debt servicing has on rates, and future financial sustainability. By year 10 the Net Debt to Revenue limit increases to 150%, due to significant resilience projects, although the limit is met in all prior years.

COUNCIL'S GUIDING VISION AND DESIRED COMMUNITY OUTCOMES

Council's vision is to be *"A Welcoming, Inclusive, Safe Community – Te Pūmanawa o Taranaki."* (Te Pūmanawa o Taranaki translates as 'The Beating Heart of Taranaki'.)

The Community Outcomes adopted in August 2023, guide the levels of service council provides:

Welcoming

- 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

Resilient

- 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 Strive to 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)

Connected

- 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

Enabling

- 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 benefits of the Stratford district.

Elected members have acknowledged that there is more work to do to achieve these Community Outcomes, above what would be considered business as usual. However, the foundations are in place, and future work to achieve these outcomes is focused on using the existing resources available to council – staff, expertise, infrastructure, community, funding capacity – to deliver on the Community Outcomes.

PRUDENCE

Council is required to set its operating revenues to cover its projected operating costs unless it is prudent to do otherwise. The test of whether operating revenues are set to cover operating costs is whether the Statement of Comprehensive Revenue and Expense has a balance before Asset Revaluations (Net Surplus figure below) of greater than zero. The financial projections show that Council has met this requirement.

Long Term Plan forecast of Net Surplus

In \$000's	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
Total Operating Revenue	31,096	31,746	33,251	34,694	52,833	44,234	38,762	39,763	41,303	43,329
Total Operating Expense	27,067	28,000	28,947	30,811	31,475	33,608	34,284	35,493	36,474	38,041

Net Surplus	4,029	3,746	4,304	3,882	21,358	10,626	4,479	4,270	4,829	5,289
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The net surplus includes Waka Kotahi funding revenue for capital expenditure on roading projects, which are particularly high in 2028/29 and 2029/30 due to the Brecon Road bridge project. Revenue also includes the sale of subdivision sections in 2028/29 budgeted at \$9,208,000, which will be used to repay the original funding sources (debt and reserves).

As stated in the Revenue and Financing Policy “Prior to determining the amount of expenditure to be funded by rates, Council will identify and exhaust all other funding sources available.” These include Fees and Charges, Grants and Subsidies, Borrowings (where prudent), Asset Sales Proceeds, Financial Contributions, and Interest and Dividends from Investments. Fees and charges take into account the principles of user benefits/pays and exacerbator pays, while also recognising that many of the services that Council delivers provide wellbeing outcomes to the community and therefore affordability is also taken into account to encourage capacity utilisation and improved outcomes for the community.

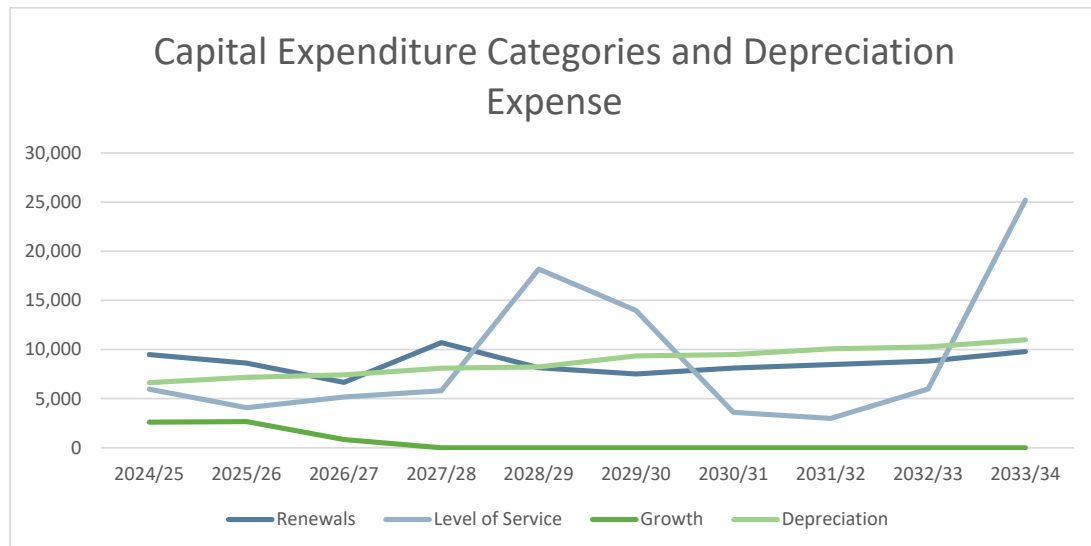
SIGNIFICANT FACTORS UNDERPINNING THE FINANCIAL STRATEGY

Service Levels

The budgeted expenditure in year 1 of the Long Term Plan provides for increased service levels in comparison to the previous Long Term Plan, notably the operating costs for the new Swimming Pool and Bike Park, Economic Development initiatives, Sustainability / Waste Minimisation initiatives, and the rollout of universal Water Metering. There are no significant cost reductions forecast that would result in a decrease in service levels provided.

Grants and subsidies will be actively sought to help fund the capital work programme. In previous years, the Council was successful in obtaining Government funding for the new Swimming Pool project of \$8,000,000, the Water Supply second Trunkmain of \$2,390,000, and the Stratford Bike Park of \$1,800,000. We are now seeing the impact of maintaining these assets on the ongoing funding required from our community.

Note: most assets that have been grant funded initially will be fully depreciated in the expectation that Council will fund the replacement of the asset from the appropriate reserve, except for roading where it is expected that the roading subsidy will continue to contribute towards the replacement of roading assets, and the Wai o Rua Stratford Aquatic Centre where only Council’s contribution towards the cost of construction will be depreciated.



To continue to deliver the levels of service for an Activity, Council must ensure that it has made sufficient provision for funding to do the maintenance and asset replacement outlined within its Asset Management Plans. The LTP includes provision for renewal capital works of \$9,468,100 in 2024/25,

and \$76,802,000 over the remaining 9 years of the Long Term Plan. Depreciation over the 10 years of the LTP is \$87,664,000.

As the graph above indicates, depreciation over the years is at a similar level to renewals, demonstrating Council's commitment to maintain assets at a rate similar to the rate at which they are failing.

Building Resilience

One of the key action plans for this Long Term Plan is to build resilience for the district and focus on maintaining current levels of service and being adequately equipped for future district growth.

Council will fully fund for depreciation on three waters and roading infrastructure. Universal water metering is expected to be rolled out over the first three years of the LTP to help with water conservation and identification of water loss and infrastructure maintenance requirements. Additionally, the Stratford water grit tanks will be replaced in years 1 and 2 of the LTP at a budgeted cost of \$4,000,000, and a new Patea crossing for the old trunkmain will be constructed in year 10 of the LTP at a budgeted cost of \$4,000,000. Additionally, for Wastewater, a new discharge point will be constructed in year 10 of the LTP at a budgeted cost of \$5,200,000.

All council owned buildings that do not meet current legislative seismic standards will be brought up to standard by the end of the Long Term Plan to ensure public safety from potential earthquake risk and the ability to operate a civil defence emergency centre.

Council has recently hired a Sustainability Officer who is responsible for developing and delivering environment and sustainability strategies, plans and projects, including those relating to land & water conservation, Council's energy use, renewable energy and the mitigation of climate change. Future plans within the first three years of the LTP are to develop a corporate Sustainability Policy (and embed this internally), research and contract out a corporate baseline emissions assessment, and develop a Sustainability Strategy – utilising a facilitated working party model to develop the strategy. Projects will be developed to meet the high-level outcomes and objectives, approved by council, of the working party Sustainability Strategy. A capital expenditure budget of \$395,000 has been set from years 4-10 of the LTP.

Council will also provide for resilience by ensuring debt capacity is maximised, which is reflected by a lower Net Debt to Revenue limit than the covenant set by the LGFA.

District Growth

Population and the number of rateable properties is expected to increase by 0.4% per annum. Council has noticed the upturn in Taranaki's regional growth which appears to be flowing through most of the provincial areas. In recent years there has been an increase in rating units of around 1%. However, it is not expected that this level of increase will be sustainable over the next ten years and so for the purposes of determining rating unit growth, 0.4% growth has been used as a conservative measure.

The District Plan will be reviewed over the next few years and will take into account any potential change in use of land as a result of any higher than anticipated population growth. There is currently provision in the District Plan if new infrastructure is required to respond to new development. Those provisions allow Council to obtain financial contributions from developers to any response to the development required by Council.

Current assets have the capacity to cope with the moderate growth experienced and forecast. It would take consistent growth of 1-3% for a considerable number of years before this would change. If growth was to occur at a higher than anticipated level, the Council and the community would have enough time to develop policies and a new financial strategy to cope with that growth. New debt would be the likely source of funding for any new infrastructure required, after exhausting funding from financial contributions.

In 2019 – 2020, the Council developed a 33 section urban subdivision, with all sections sold within a year. Due to the high demand, Council plans to invest a further \$8,000,000 in a new subdivision, to be fully loan funded in the short term, with operating costs to be reserve funded. The budgets in the LTP are set to break even and not make an economic return from the section sales.

Forecasting Assumptions

Council has made a number of forecasting assumptions in preparing the 10 year plan. These are outlined in the Long Term Plan under Significant Forecasting Assumptions.

The Council also undertook a review of the current and forecast environment including the demographics, legislative reform, inflation, employment, and facilities available and in high demand in the district – including health and medical, educational and recreational facilities.

The most recent property rating valuations in 2023, effective from 1 July 2024, show a continued pattern (from the last three yearly valuation) of residential property values increasing, and dairy land values remaining flat. This is likely to have an impact on capital value based rates (general and roading targeted rate) and ability to pay for residential property owners. The increasing UAGC will also impact lower value properties, and council has increased its remission policy scope for low value properties that qualify for a remission of the UAGC.

Although Council believes it has made prudent assumptions in each case, there is a high level of uncertainty in some assumptions. In most cases Council has some flexibility to cope with changing circumstances. Depending on the issue, Council's response could involve reducing maintenance for a short period, postponing scheduled capital renewals or levels of service capital items, or using "headroom" in Council's borrowing capacity.

CURRENT POSITION (2024) AND END POSITION (2034)

Treasury Position

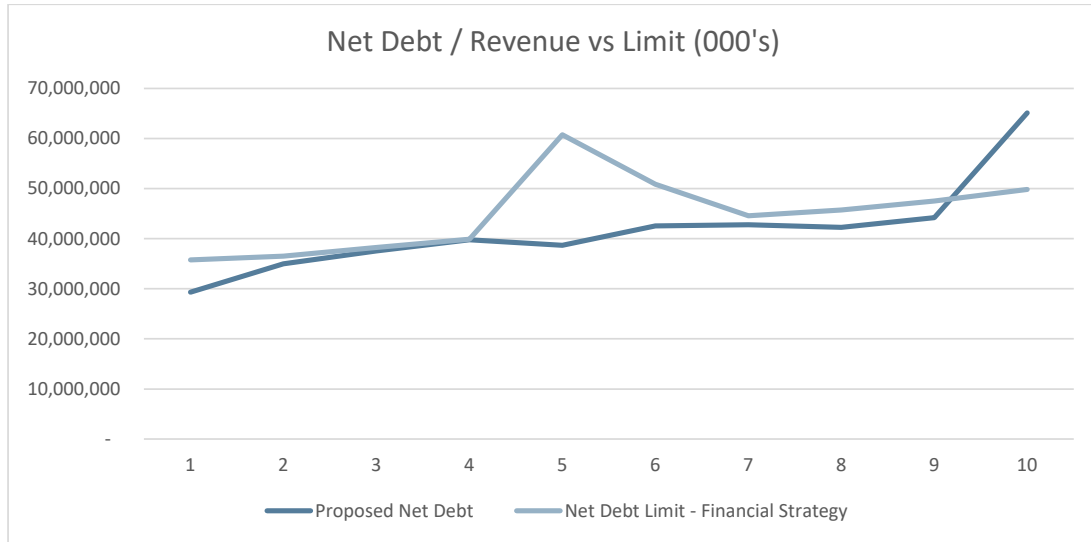
Net debt by the end of year 1 of the Long Term Plan is expected to be \$29,314,663. This is expected to peak to \$65,111,780 in ten years, by 2034. Loan funded capital expenditure proposed over the Long Term Plan is \$68,743,000.

The Net Debt limit has been reduced to 115% of annual operating revenue to encourage prudent decision making when considering proposals for funding investment in level of service capital expenditure. Borrowing flows directly through to the rates requirement by increasing the cost of interest. However, this limit is breached in year 10 of the Long Term Plan.

In terms of long term liquidity, and access to capital funding, the Council is not expected to breach its LGFA covenants over the next ten years, and based on the proposed net debt forecast. In the short term, Council has access to a \$1,000,000 loan facility if needed.

The net debt limit is lower than the LGFA covenant of 175% of annual operating revenue, as elected members consider that future generations should not be inheriting a treasury position where debt is at its maximum. Council is mindful that interest rates and borrowing costs are and may continue to increase further, putting pressure on ratepayers to fund debt servicing costs.

Council investments forecast to provide a financial return include Term Deposit investments of \$6,000,000, and a loan to the Stratford Agricultural and Pastoral Association of \$7,180,000. The forecasts maintain both at the same level over the next ten years, although it is likely the term deposits may need to increase as the level of reserves increases, and there is provision for \$3,680,000 of the \$7,180,000 loan to be repaid in the loan contract within the next 5 years so this may reduce, offsetting one another to some extent.



Council expects to breach its Net Debt / Revenue limit in year 10 of the Long Term Plan due to significant Water and Wastewater improvement projects.

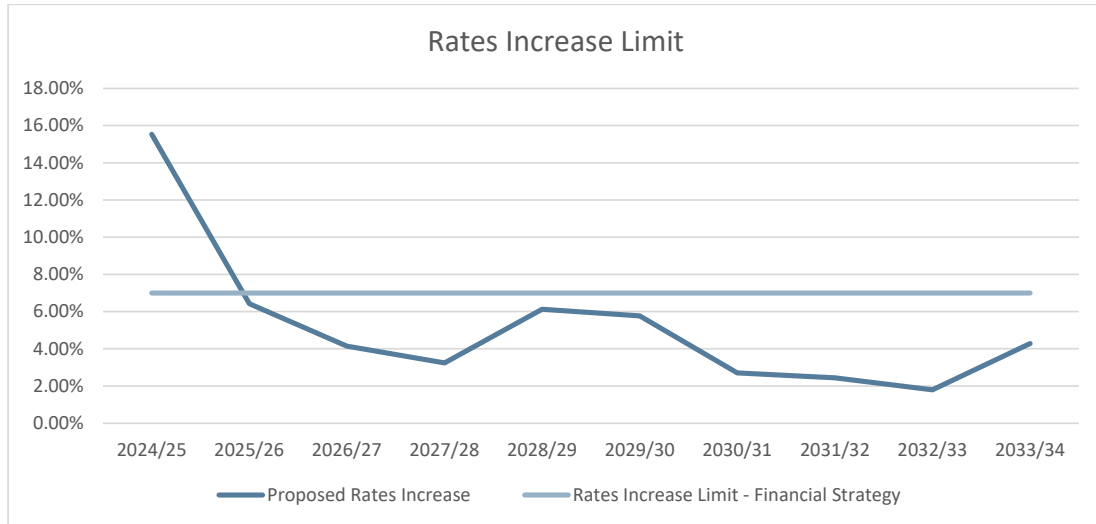
Rates

A key challenge is to keep rates at an affordable level while delivering on the Community Outcomes and the increased levels of service desired by the community. Rates are a key source of funding as many of the services provided by Council are unable to be provided privately due to the public benefit associated with these services limiting the economic returns on investment, or there is no practical way to charge for services efficiently.

Council will set rates on the following basis:

- District wide rates on all properties:
 - General Rates (including a Uniform Annual General Charge)
 - Rooding Rates (for the costs of the rooding activity), which will include a differential on properties that have plantation forestry.
- Targeted rate on serviced and serviceable properties
 - Wastewater Disposal Rates (for sewage disposal from serviceable properties)
 - Solid Waste Collection Rates (for refuse collection from serviceable properties)
 - Water Supply Rates (for water supply to serviceable properties)
- Targeted rate on properties in a specified area:
 - Community Centres (for the maintenance of local community halls)

Inter-generational equity is better served by maintaining consistency in the level of rates increases year on year. The rates increase limit is to be set at 7%, up from 6% from the previous Long Term Plan (and 4.45% from the LTP 2018-28). This is to take into account the increased prices experienced by the local government sector in all cost areas, and the increased levels of service delivered to the community to deliver on the Community Outcomes, as a result of the completion of capital projects budgeted for in the Long Term Plan 2021-31.



The above graph shows the budgeted rates increase over each of the next ten years against the rates increase limit.

The proposed rates increases are less than the rates increase limit set by Council, except for in Year 1 of the Long Term Plan, where a significant upwards shift is required as a result of recent inflationary pressures, and to include the impact of new capital expenditure on operating funding requirements. Additionally, in year 1 and 2 of the LTP, council has committed to rectifying the deficit in the Roothing Reserve. From year 2 onwards, council spending is expected to settle under the limit and the focus will be on maintenance of existing services and building infrastructure resilience.

	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
Proposed Rates Increase	15.53%	6.4%	4.1%	3.2%	6.1%	5.8%	2.7%	2.4%	1.8%	4.3%
Rates Increase Limit - Financial Strategy	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%
Difference in Rates Increase and Limit	8.53%	-0.58%	-2.86%	-3.76%	-0.87%	-1.23%	-4.30%	-4.56%	-5.21%	-2.72%

Rates are rising at a level higher than expected inflation of 2.10% largely due to the operational costs (depreciation and/or interest) arising from new capital expenditure on service level increases, particularly the new swimming pool complex and the bike park. Many of the fees and charges are not able to be increased at a rate higher than inflation without affecting community participation and overall revenue, and counteracting the wellbeing benefits provided by council services.

Fees and charges for 2024/25 were reviewed by Council as part of the development of the Long Term Plan, with increases across the board, where appropriate.

Council Infrastructure and Asset Condition

Council manages Assets with a value of \$463,280,000 (as at 30 June 2023), made up largely of infrastructure assets, including Roothing, Water Supply, Wastewater and Stormwater assets (total infrastructure asset value of \$392,377,000). These assets have very long lives of up to 120 years, and have an estimated replacement value of \$583,261,000. By the end of the Long Term Plan, June 2034, the value of Council assets is expected to increase to \$829,088,000, as a result of asset revaluations and capital expenditure on new assets to increase levels of service.

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 its AMP and systems hold more information on the asset condition. The Council has assessed the risk of sudden asset failure as minor and therefore has not budgeted for the replacement of assets before their useful life. To clarify, Council's strategy is to replace non-critical

assets when they fail. This is a common strategy with many Councils, and Stratford has a good track record of fixing failures in a timely manner.

Council insures all essential infrastructure assets, except Roading assets, at full reinstatement cost, ensuring that following a risk event, the Council is effectively positioned to return in a timely manner to its pre-event state.

The Financial Strategy is the enabler of the Infrastructure Strategy which identifies Roading and Three Waters resilience as the key focus areas for the Long Term Plan. The Council's Infrastructure Strategy and Asset Management Plans provide details on asset condition and expectations for asset replacement. Assets are only replaced when at the end of their useful life based on the condition of the asset, rather than at the end of the expected useful life.

There is a high risk that council's planned capital expenditure program will not be fulfilled in each year of the LTP, based on historical capital program completion rates. The reasons for not delivering on the full program are largely due to factors outside of council's control which are unlikely to be mitigated for the future as well. The capital program for years 2 and later will be reviewed at each Annual Plan and for the next Long Term Plan. The biggest impact on under delivering on capital projects will be on council's debt and reserves balances, which will be lower than forecast. Where there is potential for significant reductions in levels of service as a result of not delivering particular capital projects, these projects will be prioritised.

POLICY ON GIVING SECURITY FOR BORROWING

Council has the ability to borrow from the LGFA. The accession to LGFA was completed in May 2018, and Council became a guarantor to the LGFA in April 2020.

Borrowings from the Local Government Funding Agency will be under Debenture Trust Deed security documents and a debenture trustee is appointed to monitor financial compliance and to hold the security on our behalf for borrowed funds. The security for the loans is a charge over rates revenue.

Council may also choose to secure certain borrowings by a charge over assets. This will only occur when;

- there is a direct relationship between the debt and the asset purchase/construction and
- Council considers a pledge of the physical assets to be a more appropriate mechanism than the general charge over rates.

Any pledging of physical assets must meet the terms and conditions of the debenture trust deed and the Local Government Act 2002 (which prevents water service assets from being used as security for any purpose).

FINANCIAL INVESTMENTS AND EQUITY SECURITIES

Financial investments of \$13,180,000 is not expected to change over the Long Term Plan. Council also has non-financial investments in property including a farm, and has surplus cash available for investment from time to time.

Council maintains financial investments primarily to allow for:

- investment of surplus cash,
- liquid funds to be available to support Council reserves and/or a Civil Defence Emergency Event requiring significant capital expenditure, and/or
- a return on investment by way of improved community outcomes.

Over the ten years of the LTP, Council has budgeted to receive \$4,181,000 in interest revenue from financial investments. Investment return rates are based on either contracted investment rates, or for term deposits, the forecast 12 month term deposit rate.

Council also holds shares in cooperative companies for the farm operation to support the activity which requires the holding of those shares.

Investment and financial instruments will be restricted by the Treasury Management Policy, which is to be reviewed at least once every three years, and was last reviewed in February 2024.

The farm investment is expected to contribute at least \$75,000 per year to subsidise rates, however the Farm and Aerodrome Committee is responsible for the allocation of year end profits and may decide to increase this amount in any year to contribute towards the annual rates requirement.

DECISION REPORT



F22/55/04 – D24/6282

To: Policy and Services Committee
From: Director - Assets
Date: 27 February 2024
Subject: Approve draft Infrastructure Strategy for release to Auditors

Recommendations

1. THAT the report be received.
2. THAT the draft Infrastructure Strategy be approved and released for audit review, before the final Infrastructure Strategy is adopted for community feedback.

Recommended Reason

This is an opportunity for elected members to ensure that the Infrastructure Strategy reflects their position on the management of Council's core assets in the next 30 years, prior to releasing the Consultation Document for audit review.

/
Moved/Seconded

1. Purpose of Report

- 1.1 To approve the draft Infrastructure Strategy to be released to external auditors.

2. Executive Summary

- 2.1 The Infrastructure Strategy represents a visionary and inclusive approach to the management and development of Council's core infrastructure of roads, water supply, wastewater, and stormwater management over the next three decades.
- 2.2 Aligned with the Council's core values of Integrity, Teamwork, Excellence, Pride, Commitment, and Innovation, the strategy aims to enhance the community's well-being, foster sustainable growth, and promote a resilient and connected living environment.
- 2.3 The Strategy is driven by Section 101B of the Local Government Act (LGA) 2002 and spans a planning period of 30 years.

3. Local Government Act 2002 – Section 10

Under section 10 of the Local Government Act 2002, the Council's purpose is to "enable democratic local decision making by and on behalf of communities; as well as promoting the social, economic, environmental, and cultural well-being of communities now and into the future"			
Does the recommended option meet the purpose of the Local Government 4 well-beings? And which:			Yes
Social	Economic	Environmental	Cultural
✓	✓	✓	✓

The Infrastructure Strategy addresses the four well-beings through the setting of a 30-year asset management framework for Council's core assets.

4. Background

- 4.1 Section 101B requires that the Council, as part of its long-term plan, prepare and adopt an infrastructure strategy for a period of at least 30 consecutive financial years. The LGA requires the infrastructure strategy to outline how the Council intends to manage its infrastructure assets, taking into account the need to:
- renew or replace existing assets; and
 - respond to growth or decline in the demand for services reliant on those assets; and
 - allow for planned increases or decreases in levels of service provided through those assets; and
 - maintain or improve public health and environmental outcomes or mitigate adverse effects on them; and
 - provide for the resilience of infrastructure assets by identifying and managing risks relating to natural hazards and by making appropriate financial provision for those risks.
- 4.2 The Infrastructure Strategy (IS) 2024-2054 is a significant infrastructure strategy developed by the Stratford District Council ('the Council') spanning the 30-year period between 2024 and 2054. The IS has been prepared along with the LTP 2024-2034, for the purposes of identifying:
- Significant infrastructure issues for the Council over the 30-year period;
 - The principal options for the management of those issues; and
 - Implications of the identified options.
- 4.3 The IS considers a number of asset and lifecycle management issues including:
- Response to growth in the service demand and increase in service levels;
 - Maintenance or improvement of public health and environmental outcomes;
 - Asset resilience through appropriate risk management.
- 4.4 The IS presents an overview of how the Council will manage its core infrastructure assets over the 30-year planning horizon. It presents the most likely cost scenario for the management of the assets, following the identification of the long-term significant issues and options.

5. Consultative Process

5.1 Public Consultation - Section 82

Full public consultation on the draft strategy will take place during April. Council will invite submitters to present their views in person at a Long Term Plan hearing in May / June.

5.2 Māori Consultation - Section 81

An opportunity for consultation with tangata whenua on the full LTP will be provided.

6. Risk Analysis

Refer to the Council Risk Register - available on the Council website.

- Does this report cover any issues that relate to any risks on the Council Risk Register, and if so which risks and what are the impacts and likelihood of eventuating?
- Does this report cover any issues that may lead to any new risks that are not on the Council Risk Register, and if so, provide some explanation of any new identified risks. Is there a legal opinion needed?

- 6.1 As the Long Term Plan sets the direction and budgets for the organisation for the next 3 years in detail and remaining 7 years as a general direction, the full spectrum of the Risk Register has been taken into consideration in its development.

- 6.2 A key risk is Risk 74 - 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

7. Decision Making Process – Section 79

7.1 Direction

	Explain
Is there a strong link to Council’s strategic direction, Long Term Plan/District Plan?	Yes – the Infrastructure Strategy forms part of the Long Term Plan.
What relationship does it have to the communities current and future needs for infrastructure, regulatory functions, or local public services?	The Infrastructure Strategy provides the community with a most likely scenario of how the council will manage its core assets of Roading and 3-Waters over a 30-year period.

7.2 Data

- Do we have complete data, and relevant statistics, on the proposal(s)?
- Do we have reasonably reliable data on the proposals?
- What assumptions have had to be built in?

The draft Infrastructure Strategy is attached to this report and draws on information from a number of sources, as cited in the strategy.

7.3 Significance

	Yes/No	Explain
Is the proposal significant according to the Significance Policy in the Long Term Plan?	Yes	
Is it:		
• considered a strategic asset; or		
• above the financial thresholds in the Significance Policy; or		
• impacting on a CCO stakeholding; or		
• a change in level of service; or		
• creating a high level of controversy; or		
• possible that it could have a high impact on the community?		

In terms of the Council’s Significance Policy, is this proposal of high, medium, or low significance?		
High	Medium	Low
	✓	

7.4 Options

An assessment of costs and benefits for each option must be completed. Use the criteria below in your assessment.

1. What options are available?
2. For **each** option:
 - explain what the costs and benefits of each option are in terms of the present and future needs of the district;
 - outline if there are any sustainability issues; and
 - explain if the outcomes meet the current and future needs of communities for good-quality local infrastructure, local public services, and performance of regulatory functions?
3. After completing these, consider which option you wish to recommend to Council, and explain:
 - how this option is the most cost effective option for households and businesses;
 - if there are any trade-offs; and
 - what interdependencies exist.

Option 1 (recommended)

Approve the Infrastructure Strategy to be released for audit, with any amendments.

Option 2

Do not approve the draft Infrastructure Strategy.

Note – the strategy will still be released to audit, however, elected members may choose to formally adopt the draft at a later stage, prior to release for consultation.

7.5 Financial

- Is there an impact on funding and debt levels?
- Will work be undertaken within the current budget?
- What budget has expenditure come from?
- How will the proposal be funded? eg. rates, reserves, grants etc.

The strategy discusses the most likely scenario for asset management over a 30 -year period and the funding and risk implications, based on the agreed levels of service to be delivered.

7.6 Prioritisation & Trade-off

- Have you taken into consideration the:
- Council's capacity to deliver;
 - contractor's capacity to deliver; and
 - consequence of deferral?

Building resilience and working on achieving Community Outcomes comes at a cost, and impacts on the financial limits imposed by elected members.

7.7 Legal Issues

- Is there a legal opinion needed?
- Are there legal issues?

No legal opinion is required, however our external auditors Deloitte will have significant focus on the draft Consultation Document during their audit.

7.8 **Policy Issues - Section 80**

- | |
|---|
| <ul style="list-style-type: none">• Are there any policy issues?• Does your recommendation conflict with Council Policies? |
|---|

The draft Infrastructure Strategy aligns with the draft Financial Strategy and the draft Consultation document, as part of the 2024-2034 Long term planning process.

Attachments:

Appendix 1 Draft Infrastructure Strategy



Victoria Araba
Director - Assets



[Approved by]
Sven Hanne
Chief Executive

Date 20 February 2024

Appendix 1



DRAFT Infrastructure Strategy

2024 - 2054



TE KAUNIHERA Ā ROHE O
WHAKAAHURANGI
STRATFORD
DISTRICT COUNCIL

Long Term Plan 2024-34

DOCUMENT QUALITY ASSURANCE

	NAME	DATE
Prepared By	Victoria Araba – Director, Assets	
Approved By	Sven Hanne - Chief Executive	

DOCUMENT CONTROL

VERSION	DATE	DESCRIPTION	UPDATED BY
1	20 Feb 2024	Draft for Approval by Elected Members for Release for Auditing and/or Public Consultation	
2			
3			

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1. Introduction

Section 101B of the LGA requires that the Council must, as part of its Long Term Plan (LTP), prepare and adopt an Infrastructure Strategy for a period of at least 30 consecutive years.

The Infrastructure Strategy (IS) 2024-2054 is a significant infrastructure strategy developed by the Stratford District Council ('the Council') spanning the 30-year period between 2024 and 2054. The IS has been prepared along with the LTP 2024-2034, for the purposes of identifying:

- Significant infrastructure issues for the Council over the 30-year period;
- The principal options for the management of those issues; and
- Implications of the identified options.

The IS considers a number of asset and lifecycle management issues including:

- Response to growth in the service demand and increase in service levels;
- Maintenance or improvement of public health and environmental outcomes;
- Asset resilience through appropriate risk management.

The IS presents an overview of how the Council will manage its core infrastructure assets over the 30-year planning horizon. It presents the most likely cost scenario for the management of the assets,

following the identification of the long-term significant issues and options.

The Council has an important stewardship role for the infrastructure assets and for the services they deliver. Council's vision for its significant infrastructure assets is: *'Infrastructure is resilient, fit for purpose, affordable and meets the needs of today without compromising the needs of tomorrow'*.

Infrastructure provides the foundation for efficient delivery of services and enables population and economic growth. It supports the fabric of modern living and is taken for granted until something fails or no longer provides the expected service. Infrastructure enables the Council to achieve desired community outcomes and meet asset ownership goals and objectives.

The IS aims to ensure core services provided by Council meet the agreed level of service and the infrastructure assets that deliver them are fit for purpose and can meet the needs of a changing community today and in the future. The IS will guide Council's decision making process and inform the community of the Council's long-term priorities with respect to the core services it delivers. It presents the Council's approach for addressing identified issues within the core local government infrastructure categories.

This Stratford District Council IS covers the four core local government infrastructure categories:

- Roading (and transport);
- Stormwater and drainage
- Sewer treatment and disposal;
- Water supply

Flood protection and control is addressed where it falls under each respective core service category. This IS describes the:

- Growth and Demand Drivers;
- Significant Issues the Council will address over the next 30 years;
- Options for addressing the identified issues, including the Council's preferred option;
- Significant Assumptions underpinning the strategy including Risks, Consequence, Mitigation;
- Level of Service, Risk and Lifecycle Management Strategies;
- Council's 30-year Investment Funding Strategy, including Capital and Operating Expenditure;
- Timeline for Investment.

The IS is reviewed and updated every three years in line with the LTP.

2. Mission, Vision, Values, Priorities and Community Outcomes

The Stratford District Council is the 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;
- 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 **Values** are:

Integrity	<i>Be loyal to the organisation and trustworthy, honest and courteous with everyone we deal with.</i>
Teamwork	<i>Work together in the same direction, assist each other and have respect for others. Maintain a positive attitude and encourage teamwork.</i>
Excellence	<i>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.</i>
Pride	<i>Take pride in our performance and our organisation.</i>
Commitment	<i>Have commitment and respect for each other, our business and our customers.</i>
Innovation	<i>Examine alternatives, challenge the obvious and have a flexible attitude.</i>

The Council's key **Priorities** over the next 30 years are to:

- Ensure the provision of long-term, affordable core services to the community;
- Maintain agreed levels of service;
- Optimise the replacement of ageing infrastructure;
- Maintain compliance with legislative requirements; and
- Manage changing customer expectations and needs in a cost-effective manner.

Elected Members have reviewed the Council's **Community Outcomes** as part of the LTP process.

An assessment of the achievement of the Community Outcomes through the delivery of the four Core Infrastructure Services of Roading; Water; Wastewater and Stormwater, is provided below

Achievement of Community Outcomes through the delivery of Core Services					
Community Outcomes		Roading	Water	Wastewater	Stormwater
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"> 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 strive to 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). 	✓	✓	✓	✓
Connected	<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 	✓	✓	✓	✓
	<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 benefits of the Stratford district. 	✓	✓	✓	✓

3. District Overview

The Stratford District is a beautiful land-locked area situated in the heart of the Taranaki region and encompassing approximately 2,170km² of land. To the north, west and south of the district are the New Plymouth and South Taranaki districts in the Taranaki region; to the east, the district is bordered by the Ruapehu and Whanganui districts within the Horizons region.

Within the Stratford District are four distinct geographical areas:

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

The district's population as at 2020 ranks 10th smallest out of the 67 districts in New Zealand. The rural landscape supports large farming, forestry and Department of Conservation reserves. The Stratford District is a growing tourist destination owing to key attractions such as the Te Papakura o

Taranaki, the Manganui Ski Field, Forgotten World Highway (SH43), Dawson and Mt Damper Falls.

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

Stratford 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 with a population of approximately 9880 (Statistics NZ, June 2020) is near the geographic centre of the Taranaki region and the largest settlement of the Stratford District. The town is central Taranaki's main rural servicing centre, and the administrative base of the Stratford District Council and the Taranaki Regional Council.

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. An estimated 234 (Statistics NZ 2013) people live in Midhirst.

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.

Toko is located 10 km east of Stratford, at the intersection of East Road (State Highway 43) and Toko Road. It is situated on a railway, the Stratford-Okahukura Line, the western portion of which was operated as a branch line known as the "Toko Branch" prior to the line's completion.

The Toko Stream flows through the area to join the Patea River. An estimated 1,350 (Statistics NZ 2018) people live in or around Toko. This includes people living in the settlement and those living in the surrounding rural areas.

Whangamomona is a rural settlement 65 km North East of Stratford on State Highway 43. Once quite a thriving settlement and the headquarters of the Whangamomona 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 Whangamomona.

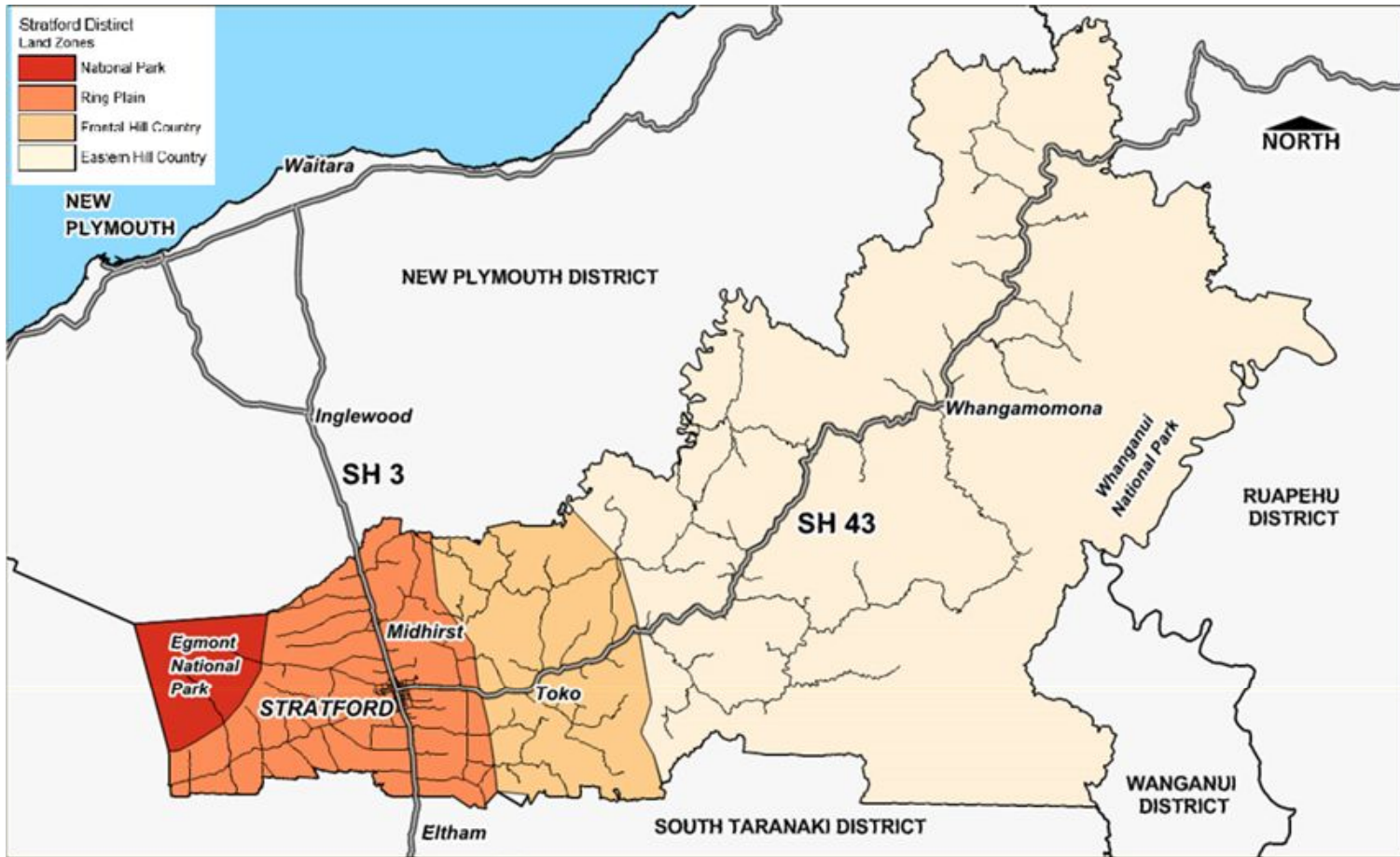


Figure 1 - The Stratford District

4. Legislative and Strategic Context

The Legislative and Strategic context of the IS is presented in Figure 2.

Section 101B of the LGA (2002) requires that the Council must, as part of its Long-Term Plan (LTP), prepare and adopt an Infrastructure Strategy for a period of a least 30 consecutive years. One principle by which a local authority should perform its role in Section 14(g) of the LGA is that:

'a local authority should ensure prudent stewardship and the efficient and effective use of its resources in the interests of its district or region, including by planning effectively for the future management of its assets'.

Undergirding the preparation of this long-term strategic document is the principle to ensure that the Council maintains the sustainable delivery of its core services to the community.

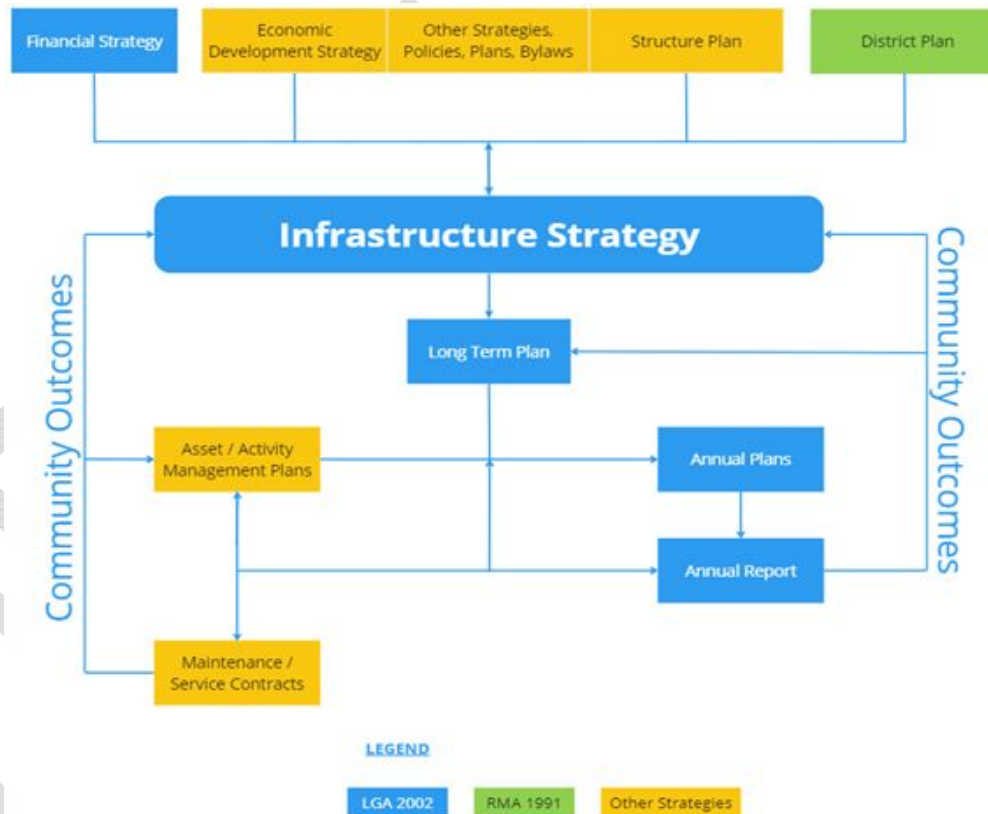


Figure 2 – Legislative and Strategic Context

5. Growth and Demand Forecast

The future growth and demand for services in the district can be attributed to a number of factors including:

- Population growth;
- Economic development;
- Tourism;
- Regulatory Changes; and
- Land-Use Changes.

Anticipated impacts of growth and increased demand include:

- Increased demand for services and the infrastructure that delivers these services;
- Increased pressure on existing infrastructure; and
- Increased maintenance and renewal costs.

Demand increases can impact affordability positively as well as negatively, depending on how these are managed. The uncertainties and reliability of these assumptions are discussed in the *Significant Assumptions* Table in Section 8.

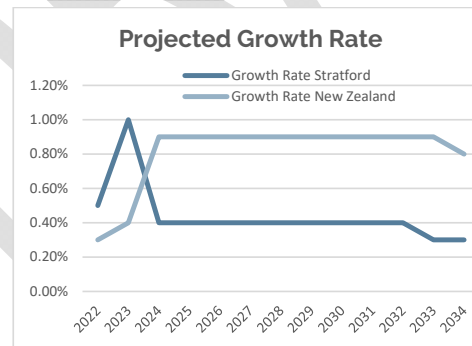
Population Growth

The Council is forecasting the district's population will grow from 10,295 in 2024 to 10,679 by 2034, at an average of 0.4% per year. This level of growth is unlikely to put significant pressure on council infrastructure. There is a low risk that growth may exceed these

projections and Council may need to invest in additional urban growth infrastructure which will impact on capital budgets and revenue. There is also a low risk that growth is lower than the projections and Council over invests in infrastructure and services.

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

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



Economic Development

This district's economic development strategy as well as its participation in Tapuae Roa – Make Way for Taranaki, the regional economic development strategy, set a direction for economic development and identify priorities and measurable goals for the district. It is anticipated that both strategies will enable and support economic growth and development in the Stratford District.

The two biggest contributing industries in Stratford are the Agriculture and Forestry sector contributing 27% of district GDP, and the Utilities sector (electricity, gas, water and waste) contributing 13%. Stratford has the region's largest electricity generation site at Contact's 575MW gas powered plant – it is considered a nationally significant generation site.

Tourism

Tourism currently makes up 0.9% of Stratford District's GDP (*Infometrics. 2022*).

Potential growth opportunities are:

- Walking and Cycling;
- Forgotten Highway; and
- Taranaki Maunga.

The Visitor Sector Action Plan (VSAP) is one of six action plans developed as part of the *Tapuae Roa – Make Way for Taranaki* - Regional Economic 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 VSAP will facilitate growth in the Stratford District.

Land Use Changes

The Council is preparing a review of its District Plan. Core infrastructure assets will be planned to service new policy areas as required.

The Council has recently successfully completed the creation of a quality and affordable subdivision in one of the identified growth areas by supplying new residential lots to jumpstart and facilitate growth in the district. The uptake of the newly created lots was quick and attracted homeowners from all parts of the Taranaki region and beyond. The Council has recently commenced the development of a new subdivision, which is expected to support the creation of affordable residential lots to support the growth forecast for the Town.

Relationships with Tangata Whenua

While there are no formal agreements with Iwi, engagement occurs regularly with Iwi Authorities that have mana over whenua within

the Stratford district, on project by project as the need arises. Council has made a commitment through the Communication and Engagement Strategy to involve iwi in Council decision making at an early stage and through the Community Outcomes to work with iwi to achieve the following outcomes:

The Council has an ongoing relationship with a number of Iwi groups in the District, including;

- Ngaruahine Iwi Authority;
- Te Runanga o Ngāti Ruanui Trust; and
- Ngāti Maru Wharanui Pukehou Trust

Regulatory Changes

The SDC regularly reviews regulatory changes that may or will affect the delivery of our core services. This primarily includes updates to resource consents and changes to drinking water legislation and standards.

Regulatory changes, as seen in recent times, are likely to require the implementation of stricter outcomes from Territorial Authorities such as the Council. For example, current changes to the National Policy Statement for Freshwater (FVNPS) 2020, will have an impact on the management and cost of core service delivery of the 3-Waters Activity, with a direct impact on rates.

Also expected to have a key impact on future Water, Wastewater and Stormwater operations

are the new government's proposed bills on 3-Waters Reform and possible changes to the Government Policy Statement (GPS) on Land Transport.

6. Infrastructure Assets Information, Condition and Performance

The Council maintains its core infrastructure assets to support the delivery of its agreed level of service. The Council's core assets are in four categories:

- Wastewater;
- Roads;
- Stormwater; and
- Water supply.

Asset Management Plans (AMP) are maintained for all major assets, including the four core asset categories above. The AMPs contain information on the life, age and condition of the assets. They also contain details of the asset's location; valuation; useful lives; condition assessment system and data accuracy/confidence.

A summary of Council's core assets as at 19 January 2024, including the associated Optimised Replacement Cost (ORC), is provided below.

The Council owns and operates three urban water supplies servicing the Stratford, Midhirst and Toko Communities. Table below is a total of all 3 water supplies Data for the 3-Waters and roading infrastructure assets is held in AssetFinda and RAMM

databases respectively. More details are provided in the respective AMPs.

Water Supply Assets

Asset Group	Quantity
Reticulation	102,693 km
Fittings	6,297 No.
Treatment	394 No.
Total RC	\$56,894,821

Wastewater Assets

Asset Group	Quantity
Reticulation	60,551 km
Point and Plant	3,342 No.
Total ODRC	\$37,198,337

Stormwater Assets

Asset Group	Quantity
Reticulation (pipes)	26,485 km
Points – Inlets, Outlets, etc.	375
Total RC	\$23,893,854

Road Assets

Asset Group	Quantity
Sealed Roads	402 km
Unsealed Roads	206 km
Footpaths	73 km
Bridges/Large culverts	157 No.
Culverts	3976 No.
Tunnels	5 No.
Retaining Walls	259 No.
Signs	5525 No.
Markings	2450 No.
Guard Rails	910 No.
Streetlights	755 No.
Surface Water Channels	827 km
Total RC	\$450,673,329

The Council Roding assets include all land transport infrastructure assets including walking and cycling facilities.

.Asset Condition and Data Confidence

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

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 is a core part of what the Council and its contracting partners do as it enables more accurate prediction of its performance and supports its development, maintenance and renewal/replacement requirements. The

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

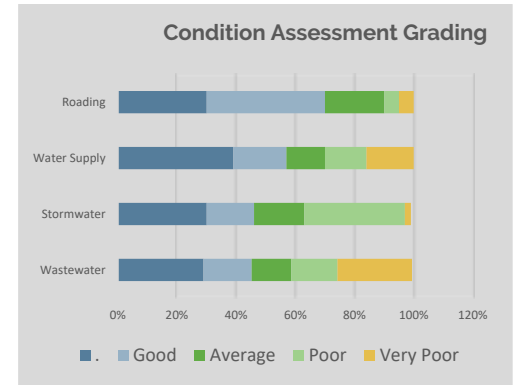
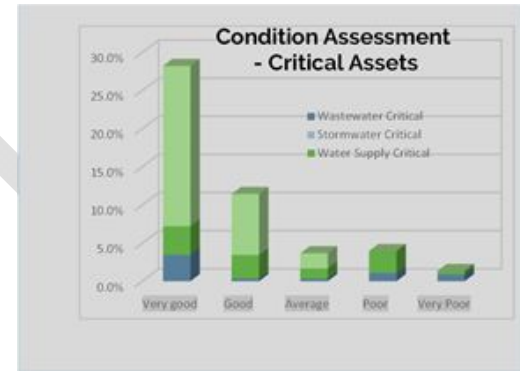
The Stratford District Council identifies the condition of its infrastructure assets by a combination of the following, based on risk and asset criticality, with higher risk assets inspected and assessed more rigorously:

- Asset Age;
- Visual targeted inspections;
- Analysis of collected statistical data; and
- Maintenance monitoring.

The Stratford District Council has developed a condition grading system to support the classification of our infrastructure assets at the group level. Using the system, assets are ranked from 1-5 as illustrated in the table above. The figures below provide a summary of the condition grading for our core assets, and our critical assets.

Given that some data in our asset database is either incomplete or unsupported, the Council's overall confidence level in the condition data assessment is '*Reliable to Uncertain*'. Therefore, the Council uses a combination of visual inspection, maintenance monitoring and other methods to support the development of its maintenance and replacement forward works programmes.

The Council will continue to deliver on agreed service levels, knowing the asset condition presented above. Council's approach to monitoring the condition of its assets is as described in Section 7.



While Council's overall confidence around its data quality is *'Reliable to Uncertain'*, the Council's confidence level for the 3-Waters is *'Reliable'* for its critical assets and *'Reliable to Uncertain'* for non-critical assets. With regards to roading assets, confidence is *'Reliable to Highly Reliable'* for the critical assets and other assets that receive regular inspections (such as structures, footpaths and carriageways). For other non-critical assets, the confidence is average, translating to *'uncertain'*.

This uncertainty stems from data held around the age of the non-critical assets, which have been deduced from the approximate date of construction, and also from the quality of data held on our service connections. However, given these are non-critical assets, impact of premature asset failure on continued service delivery is very low, as any disruption to service is limited to a few properties. The associated financial impact is also very low.

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

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

The charts above provide snapshots of the overall *Condition Grading Assessment* for all assets -critical and non-critical; the table below provides a summary of the *Data Confidence Levels*.

		Data Confidence Level				
		Highly Reliable	Reliable	Uncertain	Very Uncertain	Unknown
Wastewater	Critical		✓			
	Non-Critical		✓	✓		
	OVERALL		✓	✓		
Stormwater	Critical					
	Non-Critical			✓		
	OVERALL			✓		
Water Supply	Critical		✓			
	Non-Critical		✓	✓		
	OVERALL		✓	✓		
Roading	Critical	✓	✓			
	Non-Critical		✓	✓		
	OVERALL		✓			

7. Critical Assets and Significant Infrastructure Issues

Critical Assets

Critical assets are defined as those assets that if they fail, are likely to have more significant consequences than others and have adverse significant economic, social and environmental impacts on the community.

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 its AMP and systems employ a more intensive monitoring regime and targeted inspections to collect more information on the asset condition. The Council has assessed the risk of sudden asset failure as minor.

The Council establishes criticality using the Activity and Corporate rating levels. The Council's *Criticality Rating Criteria* is provided below. Activity level criticality is based on certain the criticality criteria – this is detailed in the AMP. The Council's *Corporate Level Criticality* ranking for its core assets is presented below.

Rating	Description
1	Critical with no redundancy - Failure of equipment compromises H&S directly (failure to supply drinking water to hospital)
2	Critical with no redundancy - Failure of equipment does not compromise H&S but affects production or Level of Service
3	Critical with redundancy - Failure of equipment does not compromise H&S but affects production or Level of Service

Rating	Description
1	Roading, Water Supply assets.
2	Wastewater (Sewerage).
3	Solid Waste and Stormwater.

Further details of *Asset Criticality* evaluation, in addition to the operating management of critical assets, are described in detail in the respective AMP.

For non-critical assets that affect a limited number of residents and no critical users (schools, medical centres, etc.), the Council's approach is to maximise the useful life of the asset - until it breaks. Reinstatement of non-

critical assets is generally achievable within four (4) hours. The Council manages flexible operating and renewal budgets that accommodate the re-prioritisation of such failed assets.

The Council has identified a number of significant issues in the medium and long term that are potentially detrimental to the Council's core assets. The *Significant Issues and Options* by asset Group are presented in the Appendix. Cost implications of the most likely scenario (key projects) for addressing these issues are presented in Section 14.

Significant Infrastructure Issues

The *Significant Infrastructure Issues* are key challenges that must be addressed to enable the delivery of agreed service levels both now and in the future. These challenges are typically renewal, resilience, service standards, changes in legislation, growth demand. These are categorised under four broad categories and include:

- Financial Issues:
- Natural Disasters/Climate Change -
- Operating Issues:
- Strategic Issues:

Significant Issue 1:

Financial Issues - Limited Resources, Funding Assistance and Subsidies, Financial Uncertainty

The continued delivery of robust and well maintained infrastructure for the district, at the agreed level of service, depends on our continued ability to attract funding assistance and subsidy from our key partners. Our major Partner is the New Zealand Transport Agency (NZTA) who currently provides a 63 % Funding Assistance rate (FAR) for all Roothing Activities.

Key financial issues stem from:

- Increased asset values and associated depreciation contribution;
- Contract cost escalations;
- Affordability pressures to keep rates to a minimum;
- Bridges due for replacement in the next 10 years;
- Customer expectations; and
- Cost to service forestry impacts

Our ability to continue funding our services rely on:

- The number of rateable properties;
- The amount to be collected via rates from our ratepayers;
- Any alternative systems or funding sources to supplement the existing funding inadequacies.

Funding alternatives are as per Council's *Revenue and Financing Policy*.

Significant Issue 2:

Natural Disasters/ Climate Change - Resilience

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 the Council include:

- Volcanic activity within next 50 years;
- Flooding, mainly surface flooding;
- Earthquake;
- Windstorm; and
- Land instability and erosion.

Significant Issue 3:

Operating Issues - Legislative Changes, Levels of Service increase, Forestry Impacts

There have been considerable legislative changes over the last decade which create a degree of uncertainty and require the Council to be more vigilant in meeting its obligations. Recent legislative changes that will have on-going impact on Council's delivery of its core services include:

The 3-Waters Reform - It remains to be seen what the final reform will be. The most recent update of 12 February 2024 stated that central government will, by 23 February 2024, pass

two bills to replace the repealed laws. *'The first bill would be passed by the middle of this year and would set out provisions related to council service delivery plans and transitional economic regulation. ... The second bill would set up the long-term replacement regime ... and the regulatory backstop powers, to be used if councils were failing to meet the requirements to deliver financially sustainable and safe water services'* - [February 12 update](#)

The Government Policy Statement on Land Transport (GPS) - With the recent change in government, it is expected that the priorities of the current GPS will change.

Significant Issue 4

Strategic Issues - Renewal of Aging Assets, Growth and Demand Changes

All Council's assets are aging. Many of these aging assets are due for replacement at about the same period. The implication of this is that burden of the cost of renewal or replacement of these assets will fall on ratepayers living in the Stratford District within a certain era.

The Council aims to ensure that the cost of infrastructure replacement is not entirely borne by one generation. Through robust asset management planning, the Council will spread the cost of replacement in a way and at a rate that is fair and affordable to Stratford residents through time.

8. Significant Assumptions - Risks, Uncertainties, Impacts and Mitigation

Stratford District Council conducted an environmental scan as a means of identifying changes in the local economy, local demographics, and land-use, which are direct requirements under legislation. The scan provides an assessment that ensures the integration of all current relevant matters into the LTP development at an early point, to shape the development of both the Financial and Infrastructure strategies, as required by legislation.

Risk Assessment

In making assumptions about the future, there is a risk that the information relied for future planning is inaccurate. This has been articulated in the Council's Environmental Scan, with an assessment of the risk impact and mitigations.

Forecasting Assumptions

Stratford District Council has adopted a range of forecasting assumptions which will underpin the preparation of the LTP 2024-34 ("LTP"), and which represent the most likely future scenario with the information known at present. However, there are several other likely outcomes that have not been factored

in. Therefore, variations from the forecasting assumptions are likely, and it is accepted that variations from the LTP may be material.

Financial Budgeting

The development of the LTP relies heavily on Council's financial modelling systems, which must have a robust methodology and appropriate controls in place to prevent errors. The Council is committed to reviewing the budgeting model used in the development of the LTP 2021-31.

Decision Making Processes

While the adoption of the final LTP is made in one Council decision, it is essentially the culmination of a large number of individual decisions, made and owned by elected members. To ensure the best decisions are made, all significant decisions will be subject to consultation with the community in line with Council's Significance and Engagement Policy.

Future Amalgamation

Although not adopted as policy by the Government, the Future for Local Government review panel have

recommended a significant reform of the local government sector, with the suggestion that amalgamation of the 78 authorities is a potential to likely outcome. This is a low risk, due to the uncertainty of government policy, and low support for this from the sector as evidenced at the recent Local Government New Zealand meeting with mayors on the Future for Local Government recommendations. The assumption for the LTP is that the Council continues to operate as a standalone entity throughout the life of the LTP.

Auditor Involvement

Auditor involvement in the creation of a plan for the community introduces a risk in that auditors with potentially little knowledge of the district can have a strong influence in shaping the final LTP document, as experienced in previous years.

In addition to the above, the significant assumptions - *Risks; Uncertainties; Impacts and Mitigation* - are provided in detail in the Table below.

Significant Assumptions	Risk	Risk and Uncertainty Assessment	Potential Impacts and Implications	Mitigation / Control Description
1. FINANCIAL ASSUMPTIONS				
<p>Revenue</p> <p>Council revenue will cover expenditure, providing for a balanced budget. The majority of revenue will be raised from rates, user charges and NZTA funding assistance</p> <p>The number of rating units will not change significantly over the period of the Infrastructure Strategy.</p> <p>Sources of funding for operating and capital expenditure do not change, but will remain as per the Revenue and Financing Policy.</p> <p>Funding Assistance from NZTA will remain at 63 % for all works categories.</p>	<ul style="list-style-type: none"> • Council revenue and reserves do not cover expenditure. • The predicted rate take is not realised. • Sources of funds are not realised. • NZTA funding assistance rate may change 	Medium to High	<ul style="list-style-type: none"> • A significant impact from changes in funding or funding sources may result in a revised operational and capital works programme, or changes in the level of user fees and charges, borrowing or rating requirements. • Operating, maintenance, renewal and level of service improvement budgets are affected. • Planned capital, maintenance and renewal works deferred or cancelled. • Asset ownership may need to be reviewed. • Potential social, environmental and public health implications as a result of reduced service levels. 	<ul style="list-style-type: none"> • Levels of revenue from user charges have been set at realistic levels in accordance with the ratios outlined in the Revenue and Financing Policy. • There is a concentration of risk associated with a small number of industrial consumers for some revenue streams (e.g., extraordinary water charges). • Regular liaison is maintained with these consumers. • Funding for projects and assets is considered before the commencement of each project or asset. • The rating base is reviewed annually when determining the rates for the year. • Any changes to NZTA funding are communicated well in advance
<p>Cost</p> <p>Costs will remain stable over the entire period of the Infrastructure Strategy</p>	Costs are higher than anticipated.	High	<ul style="list-style-type: none"> • Variability of prices, such as for oil, could cause variability in costs. • Higher cost of project delivery 	The Council and management will review its budget annually through the LTP/Annual Planning process and may adjust work programmes/budgets where necessary.
<p>Capital Expenditure Do-ability</p> <p>Council plans to deliver 100% of all budgeted capital expenditure over the life of the Long Term Plan. The</p>	That Council delivers significantly less than 100% of	High	<ul style="list-style-type: none"> • Price fluctuation hinder the completion of entire capital 	<ul style="list-style-type: none"> • Capital budget costs are inflated over the entire strategy period.

Significant Assumptions	Risk	Risk and Uncertainty Assessment	Potential Impacts and Implications	Mitigation / Control Description
financial model was developed based on this assumption.	capital budget.		<p>projects</p> <ul style="list-style-type: none"> • Service disruption or reduced levels of service as a result of non-completion of projects • Reduced levels of service if assets are not maintained as they should be, over-reliance on repairs and maintenance expenditure. • Potential to over-rate ratepayers if new expenditure is factored into budget, along with operational impacts, and then doesn't materialise. 	<ul style="list-style-type: none"> • Council has prioritised projects and elected members have reviewed and accepted the capital programme. • Major capital projects have also been logically spread taking into account initial development, construction, and implementation phases of a project
<p>Inflation Rates</p> <p>The inflation rates remain as indicated in financial tables.</p> <p>Council, along with many other NZ councils, calculates and applies inflation factors to its 10 year budget forecast, using predictions of future inflation levels from New Zealand economic research company.</p>	Inflation is much higher than forecast assumptions.	Medium	A significant change in inflation will result in changed revenue and expenditure. This could be significant and may adversely affect the ability of the Council to set affordable rates in future. Budget increases will be required.	<ul style="list-style-type: none"> • Limited controls available. • The Council will review its budget annually through the LTP/Annual Plan process and may adjust work programmes /budgets when necessary.
<p>Useful Lives</p> <p>Infrastructural assets useful lives are determined during the certified valuations using specifications from suppliers.</p> <p>All assets will be replaced at the end of their useful life unless noted otherwise, based on:</p> <ul style="list-style-type: none"> • The asset's theoretical useful life; • The asset condition; 	<p>Those assets wear out earlier or later than estimated.</p> <p>That the useful asset life information held is incomplete or inaccurate</p>	Low	<ul style="list-style-type: none"> • The financial effect of uncertainty is likely to be immaterial. • Depreciation and interest costs would increase if capital expenditure was required earlier than anticipated. • Subsequent depreciation calculations will result in incorrect revenue setting, 	<ul style="list-style-type: none"> • Reprioritisation of capital projects • Update useful life information of infrastructure assets regularly • Council has a comprehensive asset management planning process. Where a decision is made not to replace an asset, this will be factored into capital projections.

Significant Assumptions	Risk	Risk and Uncertainty Assessment	Potential Impacts and Implications	Mitigation / Control Description
<ul style="list-style-type: none"> The asset technology becoming obsolete; The asset's capability to perform intended work. <p>Depreciation costs are based on their respective lives.</p> <p>Unit cost assumptions used are the same as used during the most recent Certified Valuation and are determined using latest contracts, construction projects and supplier information.</p>	<p>That Council activities change, resulting in decisions not to replace existing assets.</p>		<p>resulting in incorrect rates collection and leading to insufficient funds.</p>	
<p>Revaluation of Non-Current Assets</p> <p>Revaluations will take place every three years and the percentage increases assumed are as follows:</p> <ul style="list-style-type: none"> Roading 10% in year 2, and every second year after that; and Utilities 5% in year 2, and every second year after that 	<p>Risk that Council is not funding depreciation at an appropriate level to cover the future asset replacement cost</p>	<p>Medium</p>	<p>Financial impact – revaluations come at a substantial cost to Council in terms of fees and increased depreciation, however they ensure sufficient funds are set aside for future replacement and that the burden is placed evenly on current and future generations.</p>	<p>As above, get quotes early for full revaluation years.</p>
<p>Interest on Debt</p> <p>Interest cost assumptions are as stated in the Financial Strategy.</p>	<p>That interest costs continue to increase higher than forecast assumptions</p>	<p>Medium</p>	<p>Financial impact on interest expenditure – budget increases will be required (less of an impact after three waters transition date)</p>	<p>Reduce reliance on debt. Comply with treasury policy and LGFA covenant limits.</p>

Significant Assumptions	Risk	Risk and Uncertainty Assessment	Potential Impacts and Implications	Mitigation / Control Description
2. OPERATING ASSUMPTIONS				
<p>Levels of Service</p> <p>The demand for Council Services and customer expectations regarding levels of service will not change significantly and therefore there will be no significant effects on asset requirements or operating expenditure.</p>	<p>There are significant increases in customer expectations regarding demand for services and/or the level of service provided.</p>	<p>Low</p>	<ul style="list-style-type: none"> Infrastructure and service provision do not meet customer and stakeholder needs and expectations. Maintenance, renewal/replacement, and performance monitoring requirements increase. Customer and stakeholder needs are not met. Customer confidence is eroded. 	<ul style="list-style-type: none"> Regular reviews of Community expectations against levels of service, via customer surveys as well as feedback received. Minor changes may be made to service levels where budget, contracts and resources allow. These will generally occur within existing budgets. Major changes in service levels will be confirmed with the community via consultation. These will generally require increase to fees or rates, depending on how the service involved is funded.
<p>Legislation</p> <p>It is assumed that there will be no significant legislative changes that affect infrastructure and service delivery.</p>	<p>There are significant changes in legislation that require a different and/or higher level of service delivery, maintenance or performance standard.</p>	<p>High</p>	<ul style="list-style-type: none"> The ability to meet Levels of Service requirements will be altered. Maintenance and renewal planning and funding requirements will be increased 	<ul style="list-style-type: none"> Very little control as this is usually driven by central government. Current infrastructure and service provision meets good practice and will be able to adapt within reasonable timeframes. Ongoing discussion with Elected Members and stakeholders on the implementation of possible service level improvement requirements e.g. in the water sector - universal water metering.
<p>Resource Consents</p> <p>Renewed resource consents will have similar conditions as the expiring resource consents and will not be significantly altered.</p> <p>Any resource consents due for</p>	<p>Conditions of resource consents are altered significantly.</p>	<p>Medium</p>	<p>Council is unable to renew existing resource consents upon expiry.</p> <p>Breach of Consent conditions</p>	<ul style="list-style-type: none"> Appropriate planning and on-going interaction and/or consultation with regulators and other parties for resource consent applications/renewals should ensure that they are obtained. Monitoring of compliance with existing

Significant Assumptions	Risk	Risk and Uncertainty Assessment	Potential Impacts and Implications	Mitigation / Control Description
renewal during the ten year period will be renewed accordingly.				resource consent conditions will provide a record of compliance for future processes. <ul style="list-style-type: none"> The renewal of consents is dependent upon the legislative and environmental standards and expectations that exist at that time. Work closely with TRC and iwi authorities – particularly in the lead up to consent expiry date.
Three Waters Reform Delivery of 3 waters activities by a Taranaki Regional entity	Risk that this may not occur as planned causing uncertainty, additional work and resourcing.	Medium	<ul style="list-style-type: none"> Service delivery impacts – confusion on who is doing what and when. Reduced debt and responsibility for Council may not be realised 	The Taranaki region is committed to exploring the possibility of a three waters CCO, now that legislation is repealed by the new government.
3. STRATEGIC ASSUMPTIONS				
Population Growth The current population is projected to increase on average by 0.4% each year, based on an assumption of medium growth by Infometrics Model 2020. Note: Population projections do not represent forecasts, but indicate what the future size and structure will be if the underlying assumptions regarding births, deaths and migration prevail.	That growth is higher than projected thereby putting pressure on Council to provide additional infrastructure and services.	Medium - High	<ul style="list-style-type: none"> Accelerated infrastructure deterioration rate; Increased maintenance and renewal/ replacement needs; Maintenance and renewal/replacement requirements exceeds current programme of works and funding allocations; Compromised ability to meet Levels of Service requirements. 	<ul style="list-style-type: none"> Council will continue to monitor population change in the District. Generally, small increases in population can be managed within the existing level of service. Declines in population will not necessarily reflect lower number of ratepayers as the number of people per household is declining but will impact affordability. Where growth requires additional infrastructure (e.g., subdivisions), Council can require financial contributions for this work. Costs over this amount may result in additional Council expenditure which is likely to be funded out of debt.

Significant Assumptions	Risk	Risk and Uncertainty Assessment	Potential Impacts and Implications	Mitigation / Control Description
<p>Demographic Change</p> <p>The prediction is that the proportion of elderly over 65's and young under 10's will be higher than the national average, and that the Maori population will continue to grow at a faster rate than all other ethnicities.</p>	<p>The demographic make-up of the district differs significantly from previous year changes and expectations.</p>	<p>Low</p>	<p>The district already has a higher dependency ratio than the national average which puts a greater burden on the working age population, and is likely to reduce productivity capacity and growth.</p>	<p>Limited risk mitigations available. Ensure attractions and facilities are available for all age groups, and support is available for ethnic minorities.</p>
<p>Asset Management Plans</p> <p>AMPs are complete; they include renewal and capital programmes for all major infrastructural assets and are based on sound assessments of asset condition, lifecycle and demand management.</p> <p>AMPs are peer reviewed in accordance with the Asset Management Policy.</p> <p>The following asset parameters are assessed in order to develop the renewals programme:</p> <ul style="list-style-type: none"> • Asset Criticality; • Material type • Asset Age • Asset Condition • Asset Performance (e.g. pipe bursts, leaks, valves not working, blockages and flooding) 	<p>Asset Management Plans are incomplete. Condition ratings and life cycle demand assumptions are erroneous.</p> <p>Asset Management Plans are not peer reviewed.</p>	<p>Low - Medium</p>	<ul style="list-style-type: none"> • Current Levels of Service are not clearly defined. • Improvement planning is not adequately tracked and/or resources and time needed is not adequately allocated. • Misalignment between projected and actual budgets • AMPs present a weak business case for investment. • AM improvement is inhibited. 	<p>Significant investment made in asset management systems and practices as well a condition assessment of assets.</p>
<p>Asset Disposal/Acquisition</p> <p>There are no substantial asset disposals that will impact significantly</p>	<p>Policy changes result in substantial</p>	<p>Low</p>	<ul style="list-style-type: none"> • Maintenance and renewal planning and funding 	<p>Regular review of levels of service, population growth and legislative environments, which</p>

Significant Assumptions	Risk	Risk and Uncertainty Assessment	Potential Impacts and Implications	Mitigation / Control Description
<p>on the plan.</p> <p>There are no substantial asset acquisitions that will impact significantly on the plan.</p>	<p>asset disposal.</p> <p>Policy changes result in substantial asset acquisition.</p>	Low - Medium	<p>requirements will be reduced.</p> <ul style="list-style-type: none"> • Maintenance and renewal planning and funding requirements will be increased 	would be the most likely drivers of asset disposal and/or acquisition.
<p>Programming of Works</p> <p>The recommended programme of works will be carried out.</p>	The recommended programmed work is not carried out.	Low	<ul style="list-style-type: none"> • Identified problems/opportunities are not responded to. • The rate of deterioration to infrastructure is accelerated. • Compromised ability to meet agreed LoS. 	<ul style="list-style-type: none"> • On-going monitoring of work programmes. • Identification of root-cause of delays / failure to deliver.
<p>Staff</p> <p>Current staff members possess the necessary education and skill sets to adequately perform their designated functions.</p> <p>Current staffing levels are adequate and stable.</p>	<p>Staff leaving results in staff skill levels falling below the standard required - Skills shortage</p> <p>Staffing levels are not adequately maintained.</p>	Low - Medium	<ul style="list-style-type: none"> • Loss of institutional knowledge • Inadequate Operating management of infrastructure and/or delivery of service. • Demand on Council activities not being met by Council staff. • Negative impacts on customer service and reputational damage. 	<ul style="list-style-type: none"> • Active training and recruitment programmes ensuring suitably qualified staff • Strong relationships with key contractors and suppliers are maintained to ensure availability and competency of critical resources
4. HAZARD ASSUMPTIONS				
<p>Resource Consents</p> <p>Resource Consent Conditions will be understood, met.</p>	Non-compliance with Resource Consent Conditions	Low - Medium	Breach of Resource Consent Conditions	<ul style="list-style-type: none"> • Suitably qualified and skilled staff • Appropriate technology used to control consent conditions; • On-going consultation with regulators

Significant Assumptions	Risk	Risk and Uncertainty Assessment	Potential Impacts and Implications	Mitigation / Control Description
<p>Water Supply Contamination</p> <p>Water quality will be maintained</p>	<p>Water contamination occurs</p>	<p>Low - Medium</p>	<ul style="list-style-type: none"> Breach of Resource Consent Conditions Public health and safety impacts Negative publicity eroding public opinion. Unexpected financial costs. Unexpected legal implication for Council. 	<ul style="list-style-type: none"> Implement regular and systematic routine testing of raw and treated water including for a range of heavy metals. Suitably qualified and skilled staff Appropriate technology used to control consent conditions; On-going consultation with regulators
<p>Contractors Availability</p> <p>Council contracts out the majority of its operations and services. It is assumed that:</p> <ul style="list-style-type: none"> Contractors will be available to undertake all contracted works; It is assumed that all contractors will adhere to the terms of the contract 	<p>Contractors are unavailable to undertake works</p> <p>Contractor breaches terms of contract</p> <p>Contractor financial situation declines.</p>	<p>Low - Medium</p>	<ul style="list-style-type: none"> Operations and services are disrupted Compromised Asset and public safety Substandard completed works Negative publicity eroding public opinion. Unexpected financial costs. Unexpected legal implication. 	<ul style="list-style-type: none"> Regular monitoring of and interaction with engaged contractors to ensure acceptable performance. Healthy contracting environment within the district and region that allows for substitution of any one contractor- if significant issues experienced.
<p>Natural Disasters</p> <p>Current planned Incident Response would be effective until Level 4-5 at which point this will be treated as per Civil Defence / Emergency Management protocols.</p>	<p>The current Incident Response Plans are not effective until Level 4-5.</p>	<p>Low</p>	<ul style="list-style-type: none"> Provision of service is disrupted. Structural integrity of infrastructure is compromised. Public safety is compromised. Recovery from a major event is inhibited. 	<ul style="list-style-type: none"> Infrastructure resilience incorporated into design, planning and maintenance of assets. High-level planning on a regional basis with mutual support during events. Contractual arrangements to ensure resource availability.

Significant Assumptions	Risk	Risk and Uncertainty Assessment	Potential Impacts and Implications	Mitigation / Control Description
<p>Emergency Event</p> <p>Disruptive or destructive emergency events could lead to damage – not budgeted for</p>	<p>Business continuity – continuing to provide agreed levels of service</p> <p>Financial cost – emergency response and rebuild costs</p>	High	<ul style="list-style-type: none"> Impact on infrastructure, employment, housing, social disruption, health and access. Increased debt - Likely to require loan funding for rebuild costs 	Business continuity plans, insurance, borrowing capacity. Central government source of funding.
<p>Pandemic/COVID-19</p> <p>It is assumed that the current "Service Continuity Plan" would be effective in maintaining continuity of service in a pandemic event.</p>	<p>Service continuity Plan is not effective and continuity of service is unable to be maintained</p>	Low - medium	<ul style="list-style-type: none"> Provision of service is disrupted. Operation and maintenance of infrastructure is compromised. Public safety is compromised. 	<ul style="list-style-type: none"> Staff, being essential workers are set up to operate remotely. Others are able to continue operating essential services, with minor disruption to service levels. Infrastructure resilience incorporated into design, planning and maintenance of assets. High-level planning on a regional basis with mutual support during events. Contractual arrangements to ensure resource availability. Comply with national/regional Pandemic Action Plan
<p>Climate Change</p> <p>Climate change will impact on the Council's operations and will require an appropriate response to adapt and prepare for potential impacts.</p>	<p>The effects of climate changes are more severe than expected.</p> <p>The consequences of adaptation measures may</p>	Medium	<ul style="list-style-type: none"> The district has no exposure to coastlines, however may be impacted by severe weather events including heavy rainfall and drought. Unrealised effects of climate change are likely to create additional costs to mitigate their 	<ul style="list-style-type: none"> Council activities will build appropriate mitigation responses into infrastructure development. The Council will continue to monitor Climate change science and the response of central government and adapt its response where required. Work with community where climate change

Significant Assumptions	Risk	Risk and Uncertainty Assessment	Potential Impacts and Implications	Mitigation / Control Description
	disproportionately harm parts of the community.		impacts, such as improving protection of critical infrastructure. <ul style="list-style-type: none"> • More severe weather events resulting from climate change may increase damage to infrastructure and place pressure on Council finances. 	decisions will impact negatively. <ul style="list-style-type: none"> • Capture baseline emissions data • Work with the business community on diversification • Work with households and schools on waste reduction
Further details on the significant assumptions are provided in the <i>Council Profile and Significant Forecasting Assumptions – Long Term Plan 2024-2034</i> underpinning the Council's <i>Financial Strategy 2024-2034</i>				

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9. Risk Management

Risk management is key for the continued delivery of service and minimising disruption to service delivery for all our infrastructure assets. Thus, are *'resilience'* projects are mainly derived from the mitigation measures identified in our Risk Management framework and from legislative requirements.

The Council's risk management framework is designed to be effective within its specific internal and external environments, and potential sources of risk and aims to:

- establish a systematic and structured approach to managing risks across the Council; and
- embed risk management practices into business strategy, planning and core operations to ensure that key risks are proactively identified, managed and communicated.

The Council has identified risks in its Corporate Risk Register, under six broad risk areas:

- Data and Information;
- Health and Safety;
- Financial;
- Compliance and Legislative;
- Operational; and
- Reputational and Conduct.

Risk management activities are based on the ISO31000 Risk Management Standard which directs governance and management

responsibilities to frame, assess, respond and monitor the identified risks.

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

The following are Council's risk management principles:

- 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
- Undergo continuous improvement as we get better at identifying and managing risks and opportunities.

Benefits of 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.

The issues identified under these risk areas are consistent with the significant assumptions presented in the Section 8 of the IS. The top 10 risks for each Core Infrastructure Asset are provided in the respective AMPs and their attached Appendices.

The Council has adopted an Insurance Framework which:

- acknowledges the relevance of insurance and how it fits into its risk management function;
- Ensures that, following a risk event, the Council is effectively positioned to return in a timely manner to its pre-event state; and
- Considers Council priorities and the financial impact to ratepayers of risk mitigation through insurance

10. Asset Management Policy, Principles and Objectives

The Council's Asset Management Practices are as detailed in the respective AMPs. Each AMP includes improvement planning which enables the Council to close the gaps between its existing asset management practice and best practice. This will ensure the desired outcome of improved asset management and delivery of agreed service levels to the community.

Asset Management Policy

The *Asset Management Policy* establishes the management framework for managing infrastructure assets in a structured, coordinated and financially sustainable manner. The objectives of this Policy are 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; and
- 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.

Asset Management Principles

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; and
- Ensure the design, construction and maintenance of assets, so far as

reasonably practical, are without risk to the health or safety of any person.

Asset Management Objectives

The Council's Asset Management objectives 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;
- 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.

11. Levels of Service and Lifecycle Management

Levels of Service

Levels of Service (LoS) define the form and quality of service that the Council provides to the community. They represent a balance between what the community wants and what the community is willing to pay for. Asset management planning helps to determine the relationship between the LoS and the cost of service. The Council's asset management approach will ensure that it maintains the agreed LoS over the next 30 years.

In general, the Council is planning to keep its levels of service the same. In order to maintain the current service levels, the Council is planning to spend more than has been spent in recent years on infrastructure. This increased spending is being balanced with the affordability of our ratepayers to fund the additional cost of service, as detailed Council's Financial Strategy. With this additional investment our assets will be more resilient and provide a reliable environment for our residents and businesses to live, work and play.

Once determined, the relationship is evaluated through the Long Term Planning process in consultation with the community. The agreed LoS are used to:

- Communicate the proposed LoS;
- Develop strategies to 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.

As such, LoS cannot be defined beyond the 10-year planning horizon of the LTP.

Current and Planned LoS are presented in the respective AMPs for each core Infrastructure asset. The performance monitoring of the agreed LoS delivery is undertaken through performance measures and targets. The results of the performance monitoring are reported internally and externally through the:

- Monthly reports to Elected Members, which is also accessible to the public via the Council website; and
- LTP, Annual Plan and Annual Report to our customers, key stakeholders and partners.

Lifecycle Management

Lifecycle Management (LM) involves the planning; procurement, management; renewal/replacement and disposal of the assets for the delivery of the agreed LoS. The Council will employ robust LM strategies to maintain the delivery of the LoS

as agreed with the Community and amended via the LTP process. The rate of asset renewal is intended to maintain the overall condition of the asset system at a standard, which reflects its age profile, and ensures that the Community's investment in the District's infrastructure is maintained. The level of expenditure on cyclic asset replacement varies from year to year, reflects:

- Asset age/life;
- Asset condition; and
- Asset Criticality.

The Council will take into account the key LoS drivers described in earlier sections, including:

- Growth and Demand Forecasts;
- Identified Significant Issues and Options; and
- Potential Risks;

The LM Strategies for the delivery of planned LoS for the next 3 years are described in detail in the respective AMPs and they include:

- Management Strategies;
- Risk Management Strategies;
- Contractual Arrangements; and
- Incident Response Plans.

Further details on these strategies are presented below.

12.Asset Management Strategies

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

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

These strategies are either under review or currently being prepared and drive the AMPs and Maintenance Agreements with our contractors. The Management Strategy framework fits into Council's overall strategic framework for the Infrastructure Assets as shown in Figure 3.

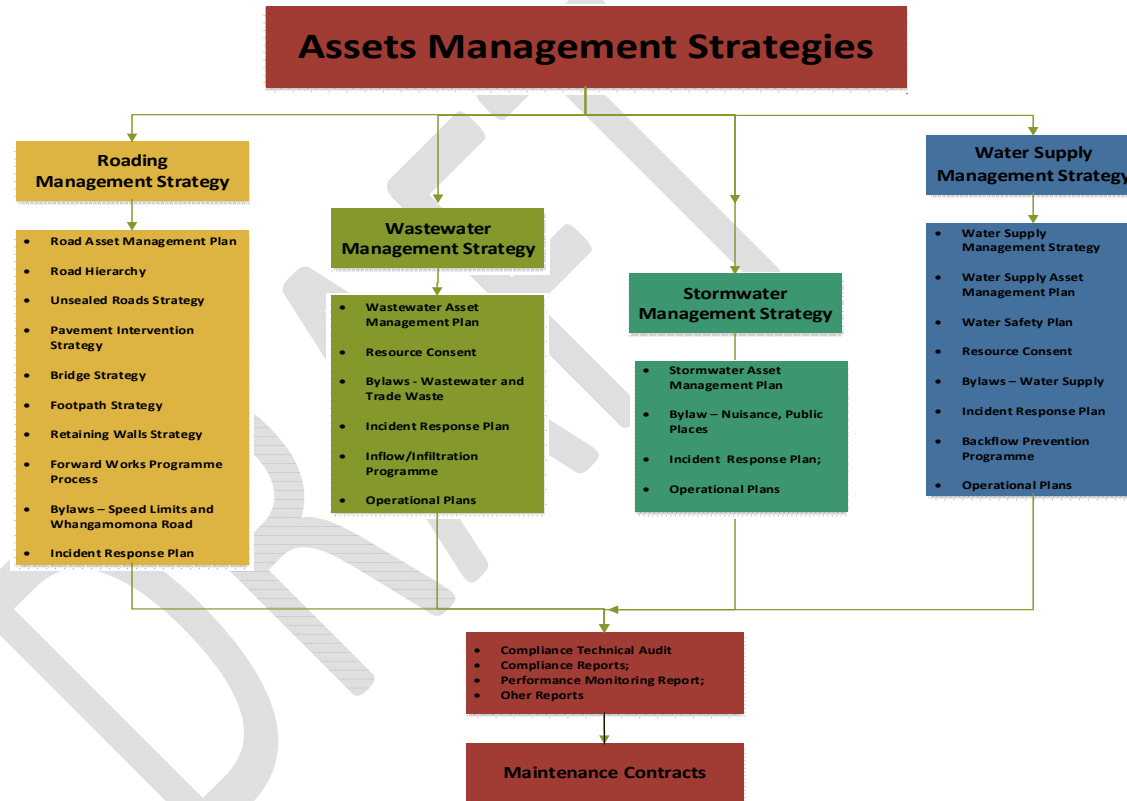


Figure 3: Asset Management Strategies

13. Contractual Arrangements

The Council has a number of contractual arrangements for the delivery of the agreed LoS. While these Contractual Arrangements are for current and up to the period agreed under each contract, they are a demonstration of how the Council will continue to deliver the LoS agreed with the Community.

In general, Professional Services are either delivered as part of SDC's 'Shared Service' arrangements or as covered by 'Maintenance Contracts' under each asset group. Physical Works are covered by the maintenance contracts or contracted in accordance with SDC's Procurement Procedures

Activity	Maintenance Arrangement	Operating Arrangement
<p>Roading</p> <ul style="list-style-type: none"> • Road maintenance • Bridge Inspections • Street Lighting 	<p>A 'General Rooding Maintenance, Resurfacing, Rehabilitation and Road Marking Contract' on a 3 + 2 + 2 term, covers an initial period of three years with the option of two 24-month extensions on satisfactory completion of the initial period. Each 24-month extension is at the Council's sole discretion. This contract was signed in 2019 and expires in 2026.</p> <p>A 6-year Structures Inspection and Reporting contract to inspect all structural assets in the Road reserve. The contract was signed in July 2021</p> <p>A New Plymouth and Stratford District Councils Streetlight Maintenance contract for a five year term with the provision of two one year extensions, for the inspection, reporting, maintenance and upgrading of all street lighting assets owned and/or maintained by the Stratford District Council. This contract commenced on 1 September 2023</p>	<p>Under the Local Government Act (1974), SDC is the road controlling authority and is responsible for the operation and the movement of all traffic, including cyclists and pedestrians, within the District. Rooding network includes all asset types associated with the rooding environment.</p> <p>The Bridge inspection contract is for the inspections of all structural assets, including Road bridges; retaining walls; large culverts; water drives and privately owned stock underpasses. This contract also requires the inspection of Council-owned Parks bridges; playgrounds; 3-Waters bridges and the external examination of the reservoirs.</p> <p>The Street Lighting contract is a joint contract with NPDC and includes all NZTA streetlight assets with the district.</p>
<p>3-Waters</p> <ul style="list-style-type: none"> • Water Supply (Stratford, Midhirst and Toko) • Wastewater (for Stratford) • Stormwater 	<p>SDC has a 'Services Maintenance Contract' covering three year service delivery with two rights of renewal. This Contract requires the Contractor to provide physical works and a degree of professional services for significant aspects of the work. The Contract was entered into in 2019. This contract is for the continued operation and maintenance of SDC's wastewater, water and stormwater services.</p>	<p>SDC's Engineering staff are responsible for the operation of:</p> <ul style="list-style-type: none"> • both the treatment plant (oxidation ponds) and the pump stations; and • all three water treatment plants (WTP). <p>The operation of our I & E is as part of a signed shared agreement.</p> <p>Stormwater system is reticulation only with no need for treatment plant Operating management.</p>

14. Key Projects

These key projects are Council's principal options for addressing the 'Significant Infrastructure Issues' discussed in Section 7. They are an outcome of a series of 'Early Conversation' workshops held with Elected Members in 2020. Each *Early Conversation* workshop identified:

- Problems and items for improvement in the delivery of our core services;
- Impact of this on the achievement of Community Outcomes and future-proofing Objectives;
- Options for addressing the identified problems;
- An assessment of each option against Community Outcomes and the identified future proofing objectives;
- Risks and Opportunities associated with each option and
- Principal Options to address each problem area.

Key consideration factors in the determination of the preferred options were support for *Future Requirements, Growth, Higher Level of Service, Health Benefits* and *Reliability and Efficiency*. Indicative costs of delivering the preferred options are presented in the attached Table and reflected in the 'Investment Funding Strategy' section. Further

detail on each key project is provided in the *Significant Issues and Options* sections in the Appendices.

Brecon Road Extension

This is an ongoing project. A Point Of Entry (POE) discussion paper has been commissioned for NZTA's review prior to the development of the Single-Stage Business Case.

This project aims to address the lack of a crossing infrastructure over the Patea River in the Stratford Urban area to the west of State Highway 3. On completion, this link road will provide an alternative crossing to the residents in this western urban area of Stratford. This is particularly important in case the bridge over the Patea River on State Highway 3 is closed due to emergencies, roadworks, or planned street events like the Christmas Parade and ANZAC Day Parade.

Apart from providing good connectivity between the north and south sides of the Patea River, this route has been identified as a key walking and cycling corridor, to serve schools (one high school and three primary schools), a medical centre, dentist, doctors and kindergartens, TET Multi Sport Centre and hockey pitch as well as the new aquatic

centre. At the present time, residents that live in the western half of Stratford, have to travel to SH3, along SH3 over the Patea River to access two primary schools, (St Joseph's, Avon School) and the medical centre on Romeo Street.

With two of the three emergency services located on Miranda Street, (Fire and Police) this link road will provide an alternative route for these services to attend emergency calls to the south of Stratford, without the need to travel through the Central Business District.

Walking and Cycling Initiative

The Connecting our Communities Strategy (2023-2053) is a 30-year strategy, the purpose of which is to address current transport network challenges, highlights opportunities for improvement, and outlines proposed actions for strategic investment over the next 30 years. By this, the Council will optimise existing partnerships and create new opportunities to maximise infrastructure investment benefits.

Over the next three decades, our focus will be on fostering sustainable transport in the Stratford district. This strategy outlines our commitment to creating safe and reliable road

transport infrastructure, ensuring that our communities are well-connected and secure.

By promoting sustainable transport, we aim to contribute significantly to the realisation of the Stratford district's social, environmental, cultural, and economic objectives. This approach will not only enhance the overall well-being of our residents but also positively impact the surrounding environment, preserving our cultural heritage, and supporting local businesses and industries.

Our commitment to sustainable transport will serve as a cornerstone for the future development of Stratford, fostering a resilient and prosperous community for generations to come. Through a coordinated effort, we aspire to build a greener, more connected, and thriving Stratford district, aligned with the principles of sustainability and environmental stewardship.

The walking and cycling initiatives are as identified in the 30-year strategy which focuses on walking and cycling to work, school, for recreational activities and to support tourism opportunities in the district. These initiatives are designed to support the social, environmental and health benefits of walking and cycling.

Footpath Replacement and Extensions

With an increasing number of elderly residents using mobility scooters, most of the footpaths within the district are of insufficient width to accommodate pedestrian/mobility scooter use. Of the 63km of footpaths within the district, 45km are less than 1.5m in width. To address this issue, Council has programmed footpath replacement from Year 1 of the LTP, an increased level of service by widening footpaths to a minimum width of 1.5m.

With the current restraints on budgets, the Council is proposing to replace 1300m of footpaths per annum. As a result, the duration of the programme will be extended to 35 years.

The Stratford District Council has identified 16km of urban streets where no footpaths exist. There is the potential to extend footpaths/cycleways under the Connecting our Communities Strategy should these locations form part of the cycling network. At the present time Councillors have decided not to fund new footpaths for the period of this Long-Term Plan.

Bridge Replacement

Following the latest cycle of bridge inspections which informs the development of the 30-year Bridge Replacement Programme, Council has identified 7 bridges that will need to be replaced by Year 10. There are a further 14 bridges to be replaced in Years 11 – 20, and a further 36 bridges to be replaced in years 21-30. The remainder of 100 bridges are due for replacement beyond the time scope of this strategy). The Council's total budget over the next 30 years is approximately \$33M.

Retaining Wall Replacements

Inspections data on more than 250 retaining walls throughout the district shows that approximately 50% of these retaining walls are in the *average to very poor* condition, with 58 retaining walls in *poor* or *very poor* conditions. These have been programmed for replacement over the 10-year life of the LTP. The remaining retaining walls in *average* condition will form part of a future works programme as their structural condition deteriorates over time.

Uneconomic Bridges

There have been numerous reports compiled by Council officers over the years on the subject of "Un-economical Bridges". Within the Stratford District there are 14 bridges that will fall into this category. The definition of this category being *"Bridges built and currently*

maintained by Council that generally only provide access to individual properties". To clarify Council's legal obligation in relation to Un-economic Bridges, SDC sought a legal assessment in July 2016, which stated "if the Council previously maintained/erected the bridge, then the responsibility for maintaining the bridge continues". In layman's terms, if a public body (County, Borough, or District Council), has spent public funds either constructing or maintaining a bridge, irrespective of its location, the Council still has a responsibility to maintain this bridge. The only avenue to remove this responsibility is for Council to divest itself from the ownership of the bridge and the land on which it sits, or in other terms, sell the bridge and road reserve using the Road Stopping procedures.

For the purposes of developing a forward works programme for the Roading Activity Management Plan and Infrastructure Strategy, Council commissioned Consultants to produce a 30-year bridge replacement programme based on their in-depth knowledge of the districts bridge stock and the routine bridge inspection reports. Included in this replacement programme are the economic bridges. For uneconomic bridges, Council Officers are assessing several future options, including giving back the bridges to the benefiting owners. Until a resolution is

achieved, Council is committed to ensuring the bridges are fit for purpose.

Culvert LoS Improvements

With changes in climatic conditions, the frequency and intensity of rainstorm events has resulted in Council spending significant funds on remediation works. As a result of the recent changes to the National Environmental Standards for Freshwater, the Council will need to increase the size of the culverts when they are due for replacement, to target outcomes for fish abundance, diversity and passage and address in-stream barriers to fish passage over time. A direct implication of this is that for typical large diameter culvert replacement, a more cost-effective option would be to replace it with a bridge. Improvements programme is as per attached budget and timeframe.

Whangamomona Road Upgrade / Bylaw

Whangamomona Road is a popular tourist attraction and nationally recognised 4x4 club trail route. SDC obtained funding from NZTA to upgrade this road during the 2021-2024 LTP period. This work has been completed. On-going up-keep of this road will be undertaken using roading maintenance and renewal budgets.

The Council has resolved to create a new Bylaw to define the levels of service and to restrict certain types of vehicles from using the road, as this road is not suitable for all vehicle types, e.g. cars, campervans.

Road Renewals

This activity is associated with all the roading work categories, including some of the topics mentioned above. The four main work categories not mentioned are:

- Sealed Road Resurfacing;
- Unsealed Road Metalling;
- Drainage Renewals; and
- Sealed Pavement Rehabilitation.

The funding for these four work categories over the next 10 years is \$47m which is 75% of the total renewals budget for this period.

These activities are for resealing the district roads (25km/year), strengthening sealed roads used by heavy commercial vehicles, replacing culverts, kerb and channel and overlaying unsealed roads with metal. Our target length is to re-metal 15km of road per year.

Universal Water Metering

The case for Water Conservation in the Stratford District is driven by many factors including resource consent; equity in water tariff system and most importantly, the optimisation of water use and consumption to

ensure and support spare capacity for future growth etc.

Our current water-take resource consent from the Patea River requires the Council to undertake and report on our leak detection programme and implement a water use efficiency and conservation programme. The DIA performance measure of *Adequacy of System* is a mandatory performance measure that monitors the percentage of real water loss from the local authority's networked reticulation system. This is referred to as 'Benchloss'. Under the current tariff system, inequality occurs where a household uses more than its intended allocation of (250 m³) only to be subsidised by a smaller household or granny flat which uses considerably less.

With water metering comes more efficient consumption of existing water resources, which will also create spare capacity to support the future growth in Stratford – without the need to increase quantity of water taken from our streams. Water metering will also support our leak detection programme and ensure fairness in the consumption and of water by ensuring that costs lie where they fall.

The Council will now extend its water metering programme to include all properties in the district connected to the Council's water

reticulation system. This programme will be supported by the implementation of an electronic meter reading system. This project commenced in 2021 and is expected to be completed by June 2025. The budget for this programme is as per attached tables.

Emergency Water Supply

The Case for Additional Water Storage is driven by resilience and growth – resilience in ensuring that the provision of storage capacity for Stratford residents in emergency situations is adequate and to support future growth.

Resiliency analysis has identified approximately 3 days of water supply for Stratford in the current reservoirs, if there were any incidents that rendered the raw water intake unusable. The addition of a 4,500m³ water reservoir will provide an additional day of water supply in the event of failure of the water intake and ensure the continued provision of critical clean, safe drinking water for residents, and process water for industry in Stratford. The continuity of clean and safe water also gives confidence to existing and new industries. Year 9/10

For Toko residents,, the provision of a new water reservoir will provide an additional 16 hours of water supply to the current 2 days' supply. This depends on the time of the year and water usage. A new reservoir is

programmed for installation in Year 1 of this planning horizon. To further strengthen this resilience plan, the Council is proposing to procure additional land to extend the Toko Water Treatment site to allow the addition of water reservoirs from Year 16 of this planning timeframe.

Given that the Midhirst water storage is approximately 10 days, depending on demand, Council is proposing to install an emergency power supply plug-in device to provide resilience and support the continued treatment and supply of water in the event of an emergency. Council will also replace the existing reservoir in later years for earthquake resilience.

Alternative Water Supply

The need to explore an alternative water supply source for the Stratford Township is mainly driven by Resilience - in the event that we are unable to source water for treatment from the Patea River. The Patea River, supported by the Konini Stream, are currently the sole source of water supply for the Stratford Township.

Inability to source water from the Patea River and Konini Stream may arise as a result of severe drought, poisoning, natural disaster or other extreme weather or climatic event. The starting point is to commission a feasibility study to explore the alternative options

available to us. A feasibility study is expected to provide information on groundwater conditions; water supply alternatives; other alternatives to extend supply, cost evaluations and recommendations, etc. The feasibility study will commence in Year 2 of the LTP, budget as per attached tables.

Rider Mains

The installation of rider mains is a cost-effective way of distributing water in the network. This project continues in Year 1 of the LTP; the implementation timeframe and budgets are as per the attached Tables.

Resource Consent - Water Supply Renewal

The Council is currently going through a process of renewing its Water Take consent for Midhirst Township. With the take being from a stream identified as culturally significant, Iwi is a key stakeholder to this consent process and consultation with affected Iwi groups has commenced.

The Council is committed to working with the affected Iwi groups on achieving a sustainable solution. Iwi has issued a Cultural Impact Assessment (CIA) in support of the application. The new consent will prioritise water efficiency measures such as metering of water use, which Council has already implemented for Midhirst Township. Council

will also plan to renew the water supply for Stratford in the coming years. The current consent granted in 2017 and will expire in 2034.

Key infrastructure

The primary driver is the need to upgrade key water supply infrastructure to maintain the reliability and resilience of Stratford's water treatment system. The Council is proposing to replace the existing raw water intake line and grit tank for the Stratford Water Treatment Plant. A new raw water intake line and grit tank will improve security and quality of raw water supply to the water treatment plant

Another key project is the relocation of the existing water trunk main from 'under' to 'over' the bed of the Patea River. This relocation is to enable easy access for maintenance, repair and renewal. If desired and funded, this infrastructure could serve as another connection within the Carrington walkway network.

Pipework Capacity Increase – Water Supply, Wastewater and Stormwater

There have been new residential subdivisions and developments, urban infill and other growth-related pressures created in water supply, wastewater and stormwater networks. The consequence of this is that some pipes

are requiring upgrades in capacity to accommodate the increased flow.

To accommodate growth and increased demand, the Council has programmed an increase to the pipework capacity throughout the IS planning period. The pipework capacity programme will be undertaken at the time of renewal, commencing from Year 1 of the LTP, budget and implementation timeframe is as per the attached Tables.

Resource Consent – Wastewater Renewal

There are 2 parts to this; the implementation of the current consent and the renewal of the existing consent come 2034.

Changes to the national policy statement (NPS) on freshwater may require, at the expiry of this current consent, that the Council re-directs its wastewater discharge from water to land. If so, Council must plan to invest either in an appropriately sized and suitably location for this purpose, or seek to pipe this discharge into an established and consented receiving environment. This investment plan must be concluded prior to the expiry of the current consent in 2034. Estimated budget is as per the attached tables.

Following receipt of our new Wastewater Discharge Consent granted in April 2020 with an expiry date of 2034, the Council has

implemented a programme of required system upgrades as per the consent conditions. The Council continues to monitor the performance of the wastewater oxidation pond and provide feedback to the key affected parties including Ngati Ruanui and Fish & Game. Annual meetings are held to discuss performance progress. Intermittent meetings are held where issues arise to ensure they are addressed promptly.

Discharges to and from the wastewater treatment ponds are being sampled on a monthly basis. A health and safety induction document has been created for the wastewater treatment ponds. A wastewater spillage contingency plan for the wastewater ponds and sewer network has been created. Monitoring of the telemetered data and maintenance of the instruments operating at the wastewater treatment ponds is ongoing.

The implementation of the Trade Waste Bylaw is crucial to the successful implementation of the wastewater discharge consent conditions.

Reticulation Extension

An extension of the wastewater network is proposed west of Brecon Road (south) to extend the wastewater network and support growth and new developments in the area.

This project is programmed for implementation from Year 9 of the LTP.

Capacity Maintenance – Oxidation Pond Desludging

Wastewater treatment ponds require desludging to renew their capacity and improve treatment efficiency. The capacity of this pond is renewed approximately every 12-15 years by removing the sludge in the ponds. This project is programmed from Year 4 of the 30-year plan, and as per the tables attached.

Inflow/Infiltration Programme

The Inflow/Infiltration programme is a suite of interventions designed to minimise the inflow and infiltration of surface and groundwater into the wastewater pipe network. This is an important part of our annual network maintenance and renewal programme that ensures that only wastewater collected from households and businesses is transported to the treatment plant. This programme will consider the outcomes from the wastewater modelling commissioned by Council.

The requirement for this programme is also echoed in the conditions of our wastewater discharge resource consent which require the Council to provide a report, to the Taranaki Regional Council, with copies to our key Stakeholders - Ngati Ruanui and Fish & Game NZ.

The Council will continue this programme from Year 1 of the LTP, throughout the life of the LTP and beyond where necessary. The budget and implementation timeframe is as per the attached Tables.

Trade Waste Bylaw Implementation

Stratford District Council's Trade Waste Bylaw 2020 (TWB) was adopted by Council in July 2020, with subsequent amendments adopted in October 2020.

Consent conditions, consent templates and other associated documents have been created; applications for trade waste discharges have been received and processed. The initial focus of the consenting process was directed towards bulk tanker discharges, other industries have been identified as requiring consent and are working through the process, the consent process is ongoing.

Although the Local Government Act 2002 has enforcement provisions for breaches of bylaws using the court system, 'minor' offending does not. Offences are being documented within the TWB infringement fees for the offences have been established and included in the LTP fees and Charges schedule. Consultation process has been completed with the Ministry of Justice, and

the infringement scheme is now being reviewed by both the Parliamentary Counsel Office and Department of Internal Affairs.

Capacity Maintenance – Victoria Pond Desilting

Stormwater originating from the western extent of Stratford flow into the Victoria Park Pond, which is utilised as a sediment retention and stormwater treatment pond. The capacity of this pond is renewed approximately every 10 years by removing the silt and sediment. This is a crucial project that ensures that stormwater quality downstream into the Patea River is maintained. This project is programmed from Year 9 of the 30-year plan.

Network Planning and Modelling – Wastewater and Stormwater

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 has commissioned a network modelling project on both our wastewater and stormwater networks to reveal how our network systems are behaving.

This modelling will comprise the evaluation of network capacity, the identification of inflow and infiltration into the pipe network (for wastewater); the identification of bottlenecks in the existing or proposed network and the design of improvements needed to accommodate growth. The modelling project is expected to reveal the areas for improvement in the network from which priority areas can be programmed for improvement. This programme continues in Year 1 of the LTP.

Stormwater Safety Improvements

The Council's programme for stormwater safety improvements will continue through the IS planning period. Safety improvements consist of safety screening for stormwater inlets, outlets and manholes. The improvement programme continues in Year 3, budget and implementation timeframe is as per the attached Tables in section 15.

Infrastructure Asset Renewals

The Council's programme for Infrastructure renewals for Roding and 3- Waters Assets continue throughout the infrastructure strategy planning period. The renewal programme commences from Year 1, budget is as per Table in section 15.

Budget Summary

The budget summary of these key projects is provided below. Details of the implementation timeline are provided in Section 15.

Key Projects Budget Summary

	No	Project Description	Estimated Budget (\$ 000)		Total Estimated Budget (\$ 000)
			Year of Implementation		
			1-10	11-30	
Roading	1	Brecon Road extension	20000	0	20000
	2	Walking and cycling Initiatives	4000	10600	14600
	3	Footpath Replacement and Extensions	2650	8500	11150
	4	Bridge and Retaining Walls Replacement	11690	33750	45690
	5	Un-economic Bridge Replacements	250	5050	5050
	6	Culvert LoS and Drainage Improvements	8320	18450	26770
	7	Road Renewals including Whangamomona Road Upgrade	36470	84500	120970
	Total		83380	160850	244230
Water	8	Universal Water Metering	1147	0	1147
	9	Emergency Water Supply / Additional Storage	7225	7000	14225
	10	Alternative Water Supply	600	100	700
	11	Rider Mains	300	0	300
	12	Resource Consent - Renewal	300	0	300
	13	Key Infrastructure	8200	4200	12,400
	Total		17772	11300	29072
Wastewater	14	Resource Consent - Renewal	5600	45000	50600
	15	Capacity Maintenance - Oxidation Pond desludging	3000	6000	9000
	16	Inflow/Infiltration Programme	2150	6500	8650
	17	Pipework Capacity Increase	750	1200	1950
	18	Network Planning and Modelling	150	270	420
	Total		11650	58970	70620
Stormwater	19	Pipework Capacity Increase	450	1250	1700
	20	Network Planning and Modelling	500	470	970
	21	Capacity Maintenance - Victoria Park Pond Desilting	100	270	370
	22	Stormwater Safety Improvements	75	190	265
	23	Water Supply, Wastewater and Stormwater Infrastructure Renewals	15160	15530	30,690
	Total		16285	17710	33,995
		GRAND TOTAL	129087	482130	377,917

15.30 Year (Inflated) Capital Budget for Key Projects

	Year	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	Total		
		2024/ 25	2026/ 26	2028/ 27	2029/ 28	2030/ 29	2031/ 30	2032/ 31	2033/ 32	2034/ 33	2035/ 34	2036/ 35	2037/ 36	2038/ 37	2039/ 38	2040/ 39	2041/ 40	2042/ 41	2043/ 42	2044/ 43	2045/ 44	2046/ 45	2047/ 46	2048/ 47	2049/ 48	2050/ 49	2051/ 50	2052/ 51	2053/ 52	2054/ 53	2055/ 54			
	Project Description	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000		
Roading	1 Brecon Road extension	0	0	0	1000	9500	9500	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	20,000	
	2 Walking and cycling Initiatives	400	400	400	400	400	400	400	400	400	400	450	450	450	450	500	500	500	500	500	550	550	550	550	550	550	600	600	600	600	600	600	14,600	
	3 Footpath Replacement and Extensions	210	240	275	275	275	275	275	275	275	275	300	300	300	300	300	400	400	400	400	400	400	450	450	450	450	450	550	550	550	550	550	550	11,150
	4 Bridge and Retaining Walls Replacement	950	670	1290	1290	1040	1290	1290	1290	1290	1290	1500	1500	1500	1500	1500	1750	1750	1750	1750	1750	1750	1750	1750	1750	1750	1750	1750	1750	1750	1750	1750	45,690	
	5 Un-economic Bridge Replacements	0	0	0	0	250	0	0	0	0	0	0	0	300	0	1000	1000	0	1000	1000	0	0	0	250	0	0	0	0	500	0	0	0	5,050	
	6 Culvert LoS and Drainage Improvements	915	885	815	815	815	815	815	815	815	815	850	850	850	850	850	900	900	900	900	900	900	950	950	950	950	950	990	990	990	990	990	26,770	
	7 Road Renewals including Whangamona Road Upgrade	2820	3410	3780	3780	3780	3780	3780	3780	3780	3780	3780	3950	3950	3950	3950	3950	4150	4150	4150	4150	4150	4300	4300	4300	4300	4300	4500	4500	4500	4500	4500	120,970	
TOTAL		5295	5605	6560	7560	16060	16060	6560	6560	6560	6560	7050	7350	7050	8050	8100	7700	8700	8700	7700	7750	8000	8250	8000	8000	8000	8390	8890	8390	8390	8390	244230		
Water Supply	8 Universal Water Metering	1147	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1,147	
	9 Emergency Water Supply / Additional Storage	70	0	0	0	150	5	0	0	1000	6000	0	0	1000	6000	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	14,225	
	10 Alternative Water Supply	0	100	0	500	0	0	0	0	0	0	0	0	0	0	0	100	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	700	
	11 Rider Mains	300	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	300	
	12 Resource Consent - Renewal	100	0	0	0	0	0	0	0	0	0	200	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	300	
13 Key Infrastructure	2000	2000	0	0	0	0	0	0	0	100	4100	1200	3000	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	12,400	
TOTAL		3617	2100	0	500	150	5	0	0	1100	10300	1200	3000	1000	6000	0	100	0	0	0	0	0	0	0	0	0	0	0	0	0	0	29072		
Wastewater	14 Resource Consent - Renewal	0	0	0	0	0	0	0	300	300	5000	40000	5000	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	50,600	
	15 Capacity Maintenance - Oxidation Pond desludging	0	0	0	3000	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	6000	0	0	0	0	0	0	0	0	0	0	0	9,000	
	16 Inflow/Infiltration Programme	350	200	200	200	200	200	200	200	200	200	250	250	250	250	250	300	300	300	300	300	350	350	350	350	350	400	400	400	400	400	400	8,650	
	17 Pipework Capacity Increase	0	0	150	200	0	0	200	0	0	200	0	0	200	0	0	200	0	0	0	200	0	0	200	0	0	200	0	0	200	0	0	1,950	
	18 Network Planning and Modelling	50	0	0	0	50	0	0	0	0	0	50	0	0	0	0	60	0	0	0	0	60	0	0	0	0	70	0	0	0	80	0	420	
TOTAL		400	200	350	3400	250	200	400	500	500	5450	40250	5250	450	250	310	500	300	300	6500	360	350	550	350	350	620	400	400	600	480	400	70620		
Stormwater	19 Pipework Capacity Increase	0	0	150	0	0	150	0	0	150	0	0	150	0	0	200	0	0	200	0	0	200	0	0	200	0	0	300	0	0	0	1,700		
	20 Network Planning and Modelling	400	0	0	0	0	0	100	0	0	0	0	100	0	0	0	0	100	0	0	0	0	120	0	0	0	0	150	0	0	0	970		
	21 Capacity Maintenance - Victoria Park Pond Desilting	0	0	0	0	0	0	0	0	100	0	0	0	0	0	0	0	0	0	120	0	0	0	0	0	0	0	0	150	0	0	370		
	22 Stormwater Safety Improvements	50	0	0	0	0	25	0	0	0	0	30	0	0	0	30	0	0	0	0	0	40	0	0	0	0	40	0	0	0	50	265		
23 Water Supply, Wastewater and Stormwater Infrastructure Renewals	3255	2475	500	3937	580	615	825	783	834	834	1355.212	540	565	665	485	465	1510	1075	1045	1245	1045	720	985	755	755	955	680	475	655	455	455	30,690		
TOTAL		3705	2475	650	3937	580	790	925	783	1084	1355	570	815	665	485	695	1510	1175	1245	1365	1085	920	1105	755	955	995	680	925	655	605	505	33995		
GRAND TOTAL		13,017	10,380	7,560	15,397	17,040	17,055	7,885	7,843	9,244	23,665	49,070	16,415	9,165	14,785	9,105	9,810	10,175	10,245	15,565	9,195	9,270	9,905	9,105	9,305	9,615	9,470	10,215	9,645	9,475	9,295	377,917		

16. Investment Funding Strategy

Section 102 of the LGA requires that the 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 a Rates Remission Policy and a Rates Postponement Policy. The Council has adopted all the relevant funding and financial policies which guide Council's funding and financial decisions.

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 has been reviewed. The funding sources are detailed in the LTP 2021-2051 and include general and targeted rates, borrowing, grants and subsidies, etc.

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.

Development and Financial Contributions Policy

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

Financial Strategy

Council's Financial Strategy which aims to:

- Provide guidance for elected members and staff when considering proposals for funding and expenditure.
- Make Council funding and expenditure decisions and their overall effects on service levels, rates, debt and investments, transparent to ratepayers.

- Ensure that services levels are maintained, while ensuring debt, revenue, and expenditure (Operating and Capital) are managed in a financially sustainable way.

Capital projects and activities, including Renewal or Replacement projects and Level of Service Improvements, for the next 30 years will be funded through one or a combination of the following sources:

- Loans;
- Grants;
- Reserves;
- Targeted rates; and/or
- Subsidies.

Given the present funding regime, the Council anticipates that the Roothing Activity projects will continue to be 63 % funded by NZTA. The Council specifies how different projects will be funded in its Financial Strategy .

The cost of capital projects driven by growth will be borne by the Developer,

A summary of Council's Capital Investment funding for our core assets is shown in below.

17. 30-Year Capital Expenditure Estimates

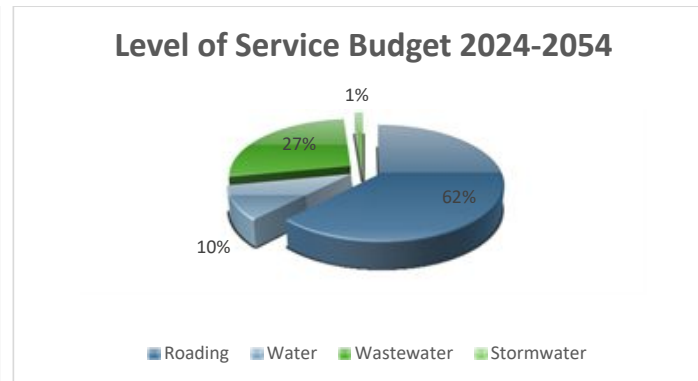
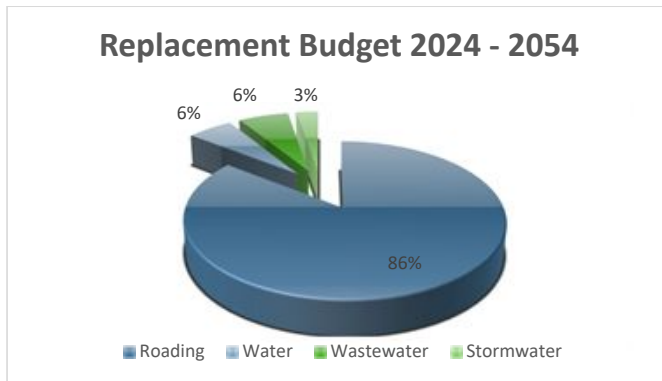
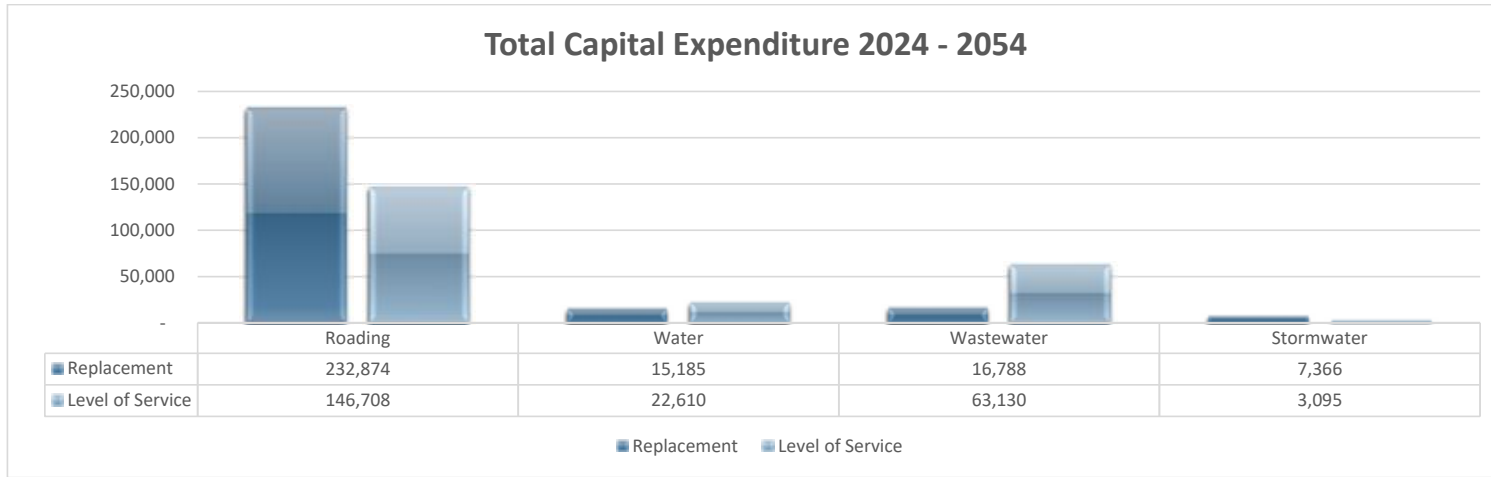
The Council's total projected 30-year Capital and Operating Expenditure Estimates are presented separately in the Tables and Charts below. The Capital and Operating Expenditure Estimate Tables and Charts - by Asset group - are presented in the Appendices.

The figures in Years 1 – 10 are as per the 2024-2034 LTP. Inflation has been accounted for as *BERL* Indicators have been applied to all expenditure figures for Years 1 to 10 and Year 10 rate applied to Years 11 to 30. Where there are no additional capital works, expenditure figures in Years 11 – 30 are equal to figures in Year 10.

Year	1	2	3	4	5	6	7	8	9	10	11-15	16-20	21-25	26-30	Total
	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034-39	2039-44	2044-49	2049-54	
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
<u>Roading</u>															
Level of Service Improvement	3,150	2,142	2,817	3,950	15,273	13,461	2,954	2,700	3,605	4,155	21,250	22,500	23,750	25,000	146,708
Replacements	5,055	5,312	5,583	5,868	6,168	6,482	6,812	7,160	7,525	7,909	42,500	43,000	41,500	42,000	232,874
<u>Stormwater</u>															
Level of Service Improvement	450	-	158	-	-	198	116	-	181	-	600	232	635	525	3,095
Replacements	100	103	126	108	111	113	139	118	121	247	1,020	1,520	2,020	1,520	7,366
<u>Water Supply</u>															
Level of Service Improvement	1,367	246	-	1,026	166	119	-	-	1,330	12,466	4,840	300	350	400	22,610
Replacements	2,770	2,229	211	427	244	289	487	231	266	833	1,700	1,900	1,900	1,700	15,185
<u>Wastewater</u>															
Level of Service Improvement	50	513	158	216	-	-	232	118	725	6,418	47,500	6,450	450	300	63,130
Replacements	735	343	363	3,602	426	413	400	633	647	475	1,250	4,000	2,000	1,500	16,788
TOTAL	13,677	10,888	9,416	15,196	22,387	21,076	11,139	10,961	14,400	32,504	120,660	79,902	72,605	72,945	507,757

Key Assumptions:

1. Capital expenditure Figures in Years 1 – 10 are as per the 2024-2034 LTP;
2. *BERL* Indicators have been applied to Capital expenditure figures for Years 1 – 10 and Year 10 rate applied to Years 11 to 30; and
3. Where there are no additional capital works, capital expenditure figures in years 11 – 30 are equal to figures in Year 10.

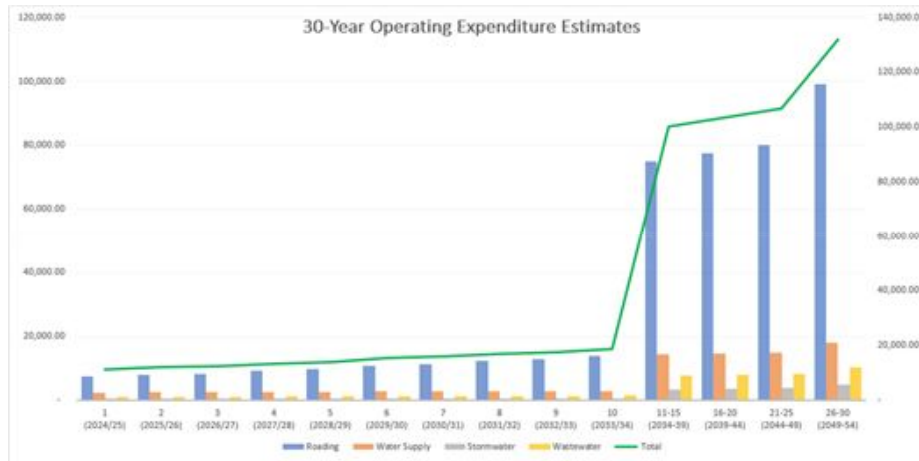


18. 30-Year Operating Expenditure Estimates

Year	1	2	3	4	5	6	7	8	9	10	11-15	16-20	21-25	26-30	Total
	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034-39	2039-44	2044-49	2049-54	
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Roading	7,441	7,974	8,247	9,146	9,648	10,834	11,406	12,304	12,764	13,813	75,000	77,500	80,000	99,000	435,077
Water Supply	2,417	2,507	2,591	2,614	2,633	2,692	2,691	2,696	2,767	2,752	14,250	14,500	14,750	18,000	87,859
Stormwater	473	499	506	528	527	550	559	580	583	604	3,250	3,500	3,750	4,800	20,709
Wastewater	1,023	1,058	1,101	1,145	1,161	1,201	1,211	1,256	1,288	1,468	7,750	8,000	8,250	10,200	46,113
TOTAL	11,354	12,038	12,446	13,433	13,969	15,277	15,866	16,836	17,402	18,637	100,250	103,500	106,750	132,000	589,757

Key Assumptions:

1. Operating expenditure Figures in Years 1 – 10 are as per the 2024-2034 LTP;
2. BERL Indictors have been applied to Capital expenditure figures for Years 1 – 10 and Year 10 rate applied to Years 11 to 30; and
3. Operating Expenditure Figures for Years 11 – 30 are equal to Figures in Year 10.



19. Appendices

- **Appendix 1: Roading**
 - Significant Issues and Options
 - 30 -Year Capital Expenditure
 - 30-Year Operating Expenditure

- **Appendix 2: Water Supply**
 - Significant Issues and Options
 - 30 -Year Capital Expenditure
 - 30-Year Operating Expenditure

- **Appendix 3: Wastewater**
 - Significant Issues and Options
 - 30 -Year Capital Expenditure
 - 30-Year Operating Expenditure

- **Appendix 4: Stormwater**
 - Significant Issues and Options
 - 30 -Year Capital Expenditure
 - 30-Year Operating Expenditure

Appendix 1: Roothing

Significant Issues and Options

The Significant Infrastructural Issues for the Roothing Activity are detailed in the Roothing Asset Management Plan and summarised below.

- Forestry Road Strengthening across the district;
- Increasing heavy commercial vehicle use is impacting on the Roothing network;
- Legislative Changes and the impact on existing assets.
- The geology, geography, environmental conditions (i.e. waterways) combined with poor drainage to adequately control the impacts of extreme weather events;
- Increased demand for safe and accessible urban transport infrastructure;
- Reduction in deaths and serious injuries as a result of driver behaviour and road condition;
- Replacement of aging bridges and retaining walls;
- Maintaining levels of service with an increase in the population;
- The future of Whangamomona Rd as a tourist destination.

The options for addressing these significant infrastructural issues drive the Long-term financial forecast for the Roothing Activity.

Issue 1 – Forestry Road Maintenance and Strengthening.

Response Options	Implications of Options
Target funding from forest block owners	<ul style="list-style-type: none"> • Funds collected from forestry block owners to be used to better maintain the affected road network
Maintain and strengthen the roads	<ul style="list-style-type: none"> • Support the increasing demand of forestry traffic on the transport network.
Strengthen key structures where applicable	<ul style="list-style-type: none"> • Bridge strengthening where applicable will support forest traffic, and the Industry at large, on the road network.
Maintain reasonable service levels	<ul style="list-style-type: none"> • Ensure the structural condition of the existing road is able to meet a reasonable level of service

Issue 2: Increase in HCV's coupled with current standard of assets is resulting in reactive investment and inefficient allocation of resources

Response Options	Implications of options
Maintain road structural integrity	<ul style="list-style-type: none"> • Accommodate increasing demand of heavy commercial vehicles on the transport network.
Strengthen key structures	<ul style="list-style-type: none"> • Accommodate both HPMV and 50MAX vehicles. All vehicles including the forestry/ agriculture/oil and gas industry are able to efficiently use key routes.
Maintain current service levels for bridges	<ul style="list-style-type: none"> • Ensure the structural condition of the existing bridges is able to meet the agreed level of service

Issue 3: Legislative Changes and the impact on existing assets.

Response Options	Implications of Options
Identify affected assets, replacements options to meet the new legislation and delivery timeframes.	<ul style="list-style-type: none"> • Supports consideration of options for replacing large diameter culverts with bridges to meet the New Environmental Standards requirements for fish passage. • Allows for long-term planning for renewal and budgetary requirements to seek funding from both the Council and NZTA.
Seek appropriate funding from our key funding partner – NZTA.	<ul style="list-style-type: none"> • Ensure Council provides adequate financial contribution to match NZTA's co-investment.

Issue 4: The geology, geography, environmental conditions (i.e. waterways) and poor drainage control has reduced the ability of the network to cope with extreme weather events

Response Options	Implications of Options
Culverts function to allow the passage of water from roadside drains.	<ul style="list-style-type: none"> Annual culvert inspections to ensure they function along with assessing those due for replacement. Increase the capacity of culverts to cope with more intense rainfall events.
Improvements to outlet controls to reduce the risk of underslips occurring.	<ul style="list-style-type: none"> Reduces the possibility of underslips forming therefore the roading network remains open for use
Roads are not closed due to un-planned events e.g. flooding, slips	<ul style="list-style-type: none"> Increase the maintenance programme to clear and maintain roadside drains to prevent un-planned closures Improved resilience of the road network in the Stratford district
Access to productive land is retained.	<ul style="list-style-type: none"> Enables the district to thrive and prosper as access to the markets is maintained
The community has reasonable access to the land transport network	<ul style="list-style-type: none"> Ensures connectivity to the rural communities.

Issue 5: Increased demand for safe and accessible urban transport infrastructure

Response Options	Implications of options
Future infrastructure requirements	<ul style="list-style-type: none"> Support increase in tourism Access to and through the district is maintained. Suitable parking areas on Mt Taranaki Attractive Urban streets Development of urban cycleways Construction of the Brecon Road Extension

Response Options	Implications of options
Footpaths improved	<ul style="list-style-type: none"> Meet current and future levels of service For all suitable urban streets Safer footpaths- reducing the risk of personal injury incidents occurring. Suitable for all users, including mobility scooters and wheelchairs. Improved road safety for pedestrians.
Provision of urban and rural cycle routes for commuting and recreational use	<ul style="list-style-type: none"> Encourages a healthier lifestyle through active transport systems Greater use and uptake on active modes of transport Increase in cycling tourists staying within Stratford District Improved environmental benefits from less vehicle emissions.

Issue 6: Poor driver behaviour, challenging road conditions, limited experience with local conditions and unforgiving roads and roadsides is resulting in safety issues and deaths and serious injuries.

Response Options	Implications of options
Promote safe use of the network through 'Roadsafe Taranaki'	<ul style="list-style-type: none"> Safer use of the transport network resulting in fewer crashes Supports the physical works undertaken and supports use of alternative modes by reducing the perception that they are unsafe.
Introduce safer speeds to the existing network	<ul style="list-style-type: none"> Reduction in the number and severity of crashes Achieves consistency with national guidance/best practice. Improved amenity for walking and cycling where speeds are lowered Improved efficiency for freight and general traffic where speeds are raised. Speed limit reviews to reduce the number of death and serious injury crashes throughout the district

Response Options	Implications of options
Undertake minor improvements to the existing network Infrastructure	<ul style="list-style-type: none"> Reduction in crashes and therefore deaths and serious injuries Able to respond to community requests for safety management and improvements of a minor nature; such as pedestrian islands Geometrical improvements to key routes throughout the district Use of road signage and roadmarking to highlight roadside hazards.
Undertake major improvements to the existing network infrastructure	<ul style="list-style-type: none"> Reduction in crashes, their severity and therefore deaths and serious injuries Able to undertake safety transformation project improvements on key routes. Improved resilience and reliability of the network. Geometrical improvements to key routes throughout the district

Issue 7 – Replacement of aging bridges and retaining walls

Response Options	Implications of Options
Identify all Uneconomic bridges and develop plan options for their replacement (Table below)	<ul style="list-style-type: none"> Potential sources of funding outside of general rates and/or NZTA funding, i.e. targeted rating of benefiting landowners. Alternative service levels, access and treatment options for affected bridges, as appropriate.
Many bridges are currently single lane.	<ul style="list-style-type: none"> Consider widening to two lane – this will increase replacement costs. Replace like for like at this stage. Can be reviewed at time of replacement.
Over 250 retaining walls have been identified.	<ul style="list-style-type: none"> Replacement of retaining walls in poor condition to continue over the period of this strategy. Annually - \$200k for years 0-10 to replace the "very poor" rated structures
Replacing these structures ensures the community remain connected.	<ul style="list-style-type: none"> Council may need to loan fund the replacements, depending on the number of bridges being replaced each year.

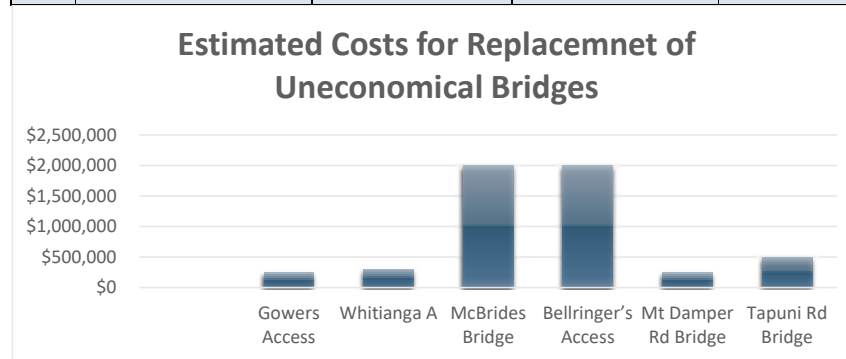
Issue 8 - Maintaining levels of service with an increase in the population

Response Options	Implications of Options
Differential levels of service for road hierarchy	<ul style="list-style-type: none"> Many low volume roads will have minimal maintenance
Increase in contract prices due to cost escalations and new contracts	<ul style="list-style-type: none"> Review the levels of service, contract specifications to remain affordable Development of a Maintenance Intervention Plan for all maintenance activities to provide the right solution and the right time.
Increase revenue to offset increases in household rates	<ul style="list-style-type: none"> Provides affordable services
Increase the population of Stratford	<ul style="list-style-type: none"> Bigger rating base to raise revenue

Issue 9 - The future of Whangamomona Rd as a tourist destination.

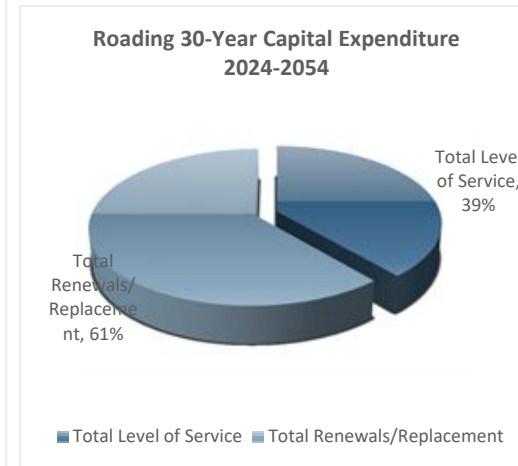
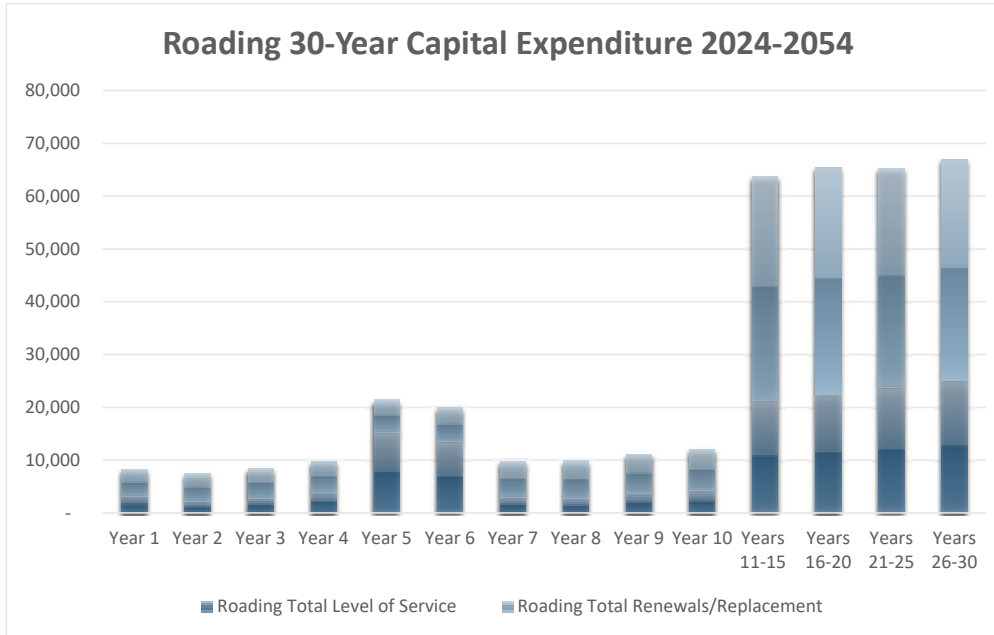
Response Options	Implications of Options
Ongoing maintenance of this road to retain its appeal as a tourist destination	<ul style="list-style-type: none"> Funds incorporated into operational budgets for roading. Cap the level of expenditure to \$40k per annum for minimal maintenance
Creation of a Bylaw specifically for Whangamomona Road	<ul style="list-style-type: none"> Controls the use of the road by specifically precluding certain types of vehicles Allows for the closure of the road throughout the winter months for maintenance purposes

Uneconomic bridges for replacement in the next 30 years				
Item	Bridge Location	Bridge Name	Expected Replacement Year	Estimated Costs
1	Lower Kohuratahi Road	Gowers Access	0-5 years	\$250,000
2	Pukeko Road	Whitianga A	11 - 20	\$300,000
3	Mangaehu Road B	McBrides Bridge	11 - 20	\$2,000,000
4	Lower Kohuratahi Road	Bellringer's Access	11 - 20	\$2,000,000
5	Mt Damper Road	Mt Damper Rd Bridge	21-30	\$250,000
6	Upper Mangaehu Road A	Tapuni Rd Bridge	21-30	\$500,000
Total				\$5,300,000



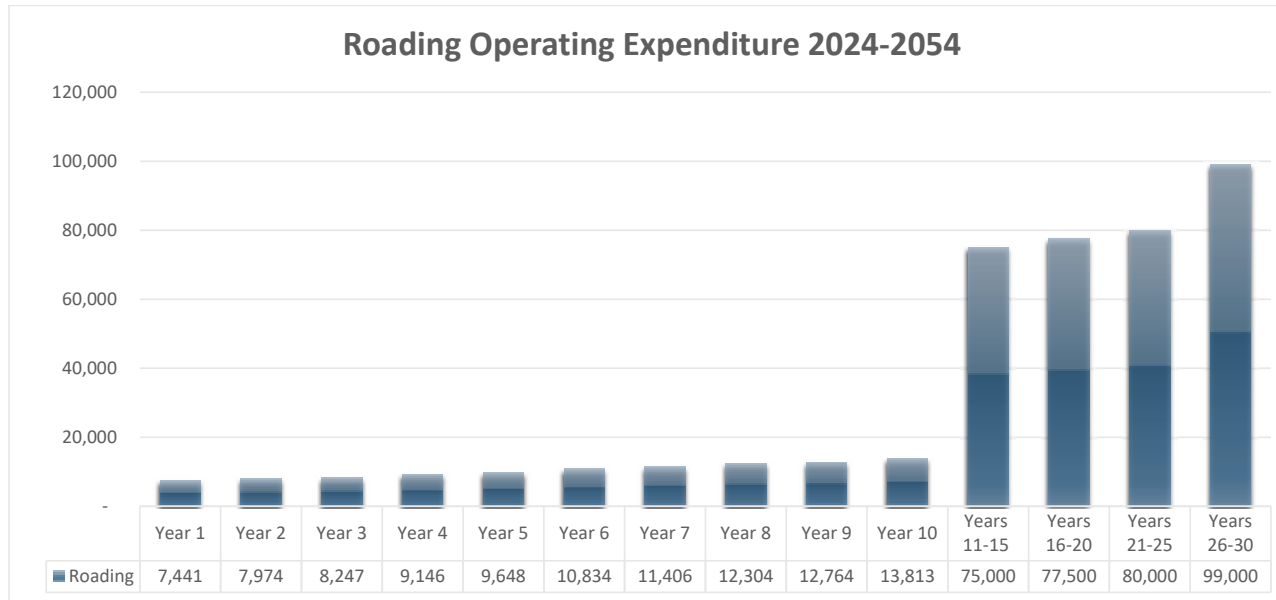
30 –Year Capital Expenditure – Roading

Roading	1	2	3	4	5	6	7	8	9	10	11-15	16-20	21-25	26-30	Total
	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034-39	2039-44	2044-49	2049-54	
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Level of Service Improvement	3,150	2,142	2,817	3,950	15,273	13,461	2,954	2,700	3,605	4,155	21,250	22,500	23,750	25,000	146,708
Replacements	5,055	5,312	5,583	5,868	6,168	6,482	6,812	7,160	7,525	7,909	42,500	43,000	41,500	42,000	232,874
TOTAL	8,205	7,454	8,400	9,818	21,441	19,943	9,766	9,860	11,130	12,064	63,750	65,500	65,250	67,000	379,582



30 –Year Operating Expenditure – Roothing

Year	1	2	3	4	5	6	7	8	9	10	11-15	16-20	21-25	26-30	Total
	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034-39	2039-44	2044-49	2049-54	
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Roothing	7,441	7,974	8,247	9,146	9,648	10,834	11,406	12,304	12,764	13,813	75,000	77,500	80,000	99,000	435,077



Appendix 2: Water

Significant Issues and Options

The Significant Infrastructural Issues for the Water Supply Activity are detailed in the Water Supply Asset Management Plan and summarised briefly below.

- Water Infrastructure Upgrade
- Treated Water Supply Capacity Increase
- Emergency Water Supply
- Alternative Water Supply;
- Backflow Prevention;
- Improvement in the reticulation system; and
- Resource Consent renewal
- Universal Water Metering

The options for addressing these significant infrastructural issues drive the Long-term financial forecast for the Water Supply Activity

Issue 1: Water Infrastructure Upgrade

Response Options	Implications of options
Construct of a new raw water intake line and grit tank for the Stratford Water Treatment Plant	<p>This project is primarily driven by the need to upgrade key water supply infrastructure to maintain the reliability and resilience of Stratford's water treatment system. Constructing a new raw water intake line and grit tank will:</p> <ul style="list-style-type: none"> • Improve security and quality of raw water supply to the water treatment plant • Reduce operational risks from use of aged intake infrastructure • Enhance pretreatment capabilities to safeguard treatment processes • Provide resilience to ensure uninterrupted water supply during

<ul style="list-style-type: none"> • maintenance/outages/natural events • Support continuity and growth of water supply capacity long-term • Ensure compliance with extraction consent conditions and NPSFM 2020 <p>Upgrading these critical assets will ensure Stratford can continue delivering safe, secure, high quality drinking water to its residents and businesses into the future.</p>

Issue 2: Treated Water Supply Capacity Increase

Response Options	Implications of options
Construct a new trunk main for future southern subdivisions	<p>This project is primarily driven by the need to increase capacity in the city's treated water supply to support future residential and commercial growth in southern subdivisions. Constructing a new trunk main will help optimize water delivery and use for the following reasons:</p> <ul style="list-style-type: none"> • It will provide infrastructure needed to enable development of planned southern subdivisions in line with council's land use priorities. • It supports council's obligations around supplying capacity for projected growth and demand. • It allows for more equitable distribution of water supply costs across present and future users. • It improves the flow path and therefore supply of water to the southwestern area of town. • It proactively addresses forecast increases

	<p>in water demand before capacity deficits occur.</p> <p>The new infrastructure will be designed and built in ways that also promote sustainable use of water resources over the long term.</p>
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Issue 3: Emergency Water Supply

Response Options	Implications of options
Construct new water reservoirs in Stratford, Toko and Midhirst	<p>This project is primarily driven by the need to improve resilience and continuity of Stratford District's water supply system to ensure reliable delivery of safe clean drinking water. New water reservoirs will specifically support:</p> <ul style="list-style-type: none"> • An additional day of water storage capacity in Stratford to mitigate risks from potential failure at the existing water intake site and treatment plant. • Several additional days storage for Midhirst in case of prolonged discolouration in the water source causing prolonged water treatment plant shutdown. • This backup supply will provide critical contingency for provision of drinking water and industrial process water to Stratford District's residents and businesses during crisis events. • Planning for both steady-state and unexpected population growth and economic development across Stratford district by proactively adding storage capacity to meet future water security needs. • Reliable and sufficient water capacity signals Stratford's readiness for residential, commercial and industrial growth, providing confidence for investments and growth planning.

Issue 4: Alternative Water Supply

Response Options	Implications of options
Commission a feasibility report to explore the alternative water supply options available for the Patea River/Konii Stream Water Take	<p>This project is primarily to investigate alternative water supply options for the Patea River water source - in the face of an emergency that renders the take from the river unusable or due to environmental conditions such as prolonged low flow events. This project is primarily driven by resilience. The recommendation of the feasibility study, if implemented, will:</p> <ul style="list-style-type: none"> • Provide redundancy in the water supply source to this critical service; and in turn • Allow the Council to continue to perform its duties and responsibilities, under the Local Government Act, to the people of Stratford

Issue 5: Backflow Prevention

Response Options	Implications of options
Implement a Backflow Prevention campaign for all properties identify as being at risk of contaminating their water supply.	<p>This project primarily for health and safety purposes and is being achieved in conjunction with the universal water metering project. It is driven by the requirements of Section 18 of Council's Water Supply Bylaw, which requires a backflow prevention device be installed where there is a risk of contamination entering the potable water supply through backflow or syphoning.</p> <p>Once implementation is complete, the Council can be sure that the risk of contamination as a result of backflow or syphoning is minimised. This risk is part of the corporate Risk Register that must be minimised by Council for the health and safety of its residents.</p>

Issue 6: Improvements to the reticulation system

Response Options	Implications of options
Continue with the Implementation of rider mains in the water network	Rider mains represent a cost-effective way of distributing water within the network

Issue 7: Resource Consent renewal

Response Options	Implications of options
Undertake to renew the Expired Resource Consent to take water from the Te Popo Stream at Midhirst. This consent expired in June 2021.	<p>This process is required to satisfy the requirements of the Resource Management Act (1991) for expiring consents. The Council currently takes water from the Te Popo Stream under an authorisation consent from the Taranaki Regional Council, which expired in June 2021..</p> <p>This resource consent renewal process has commenced and it is expected to take 12 to 18 months to complete in conjunction with stakeholders and regulatory authority. Supporting documentation will need to be commissioned and submitted to the TRC for</p>

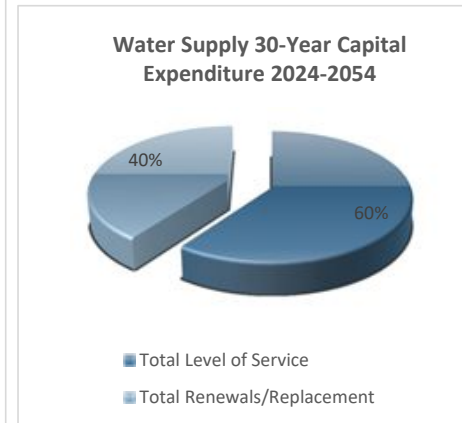
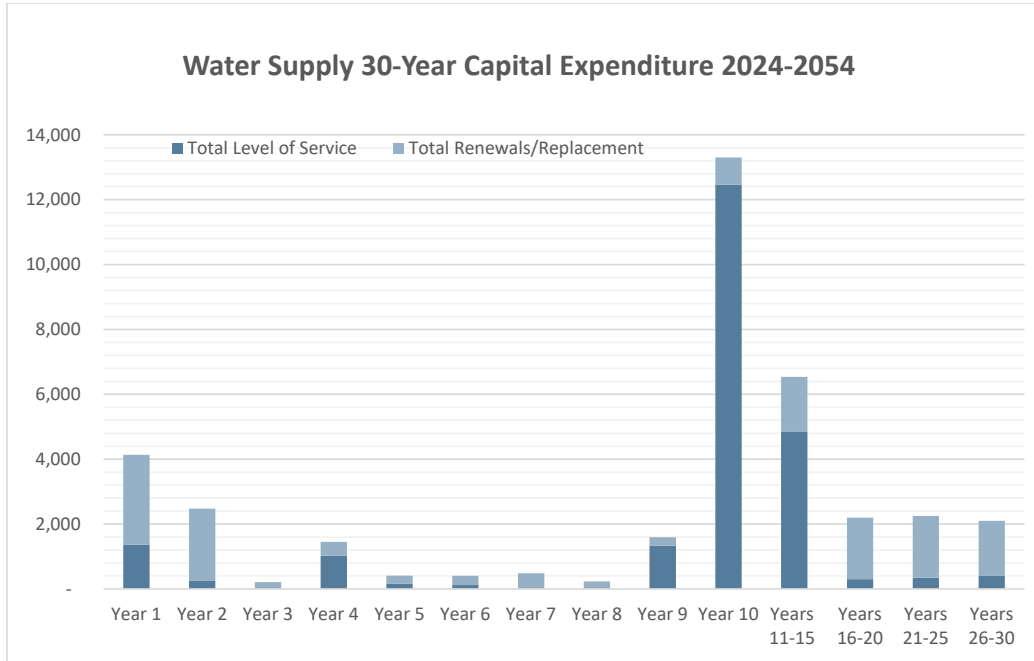
	At the completion of this process, the Council will be able to continue to take water from the Te Popo Stream to supply the residents of Midhirst.
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Issue 8: Universal Water Metering

Response Options	Implications of options
Implement universal water metering within Stratford.	<p>This is required to ensure and to demonstrate efficient use of the water extracted from the two sources.</p> <p>This project will allow Council to account for the water that has been treated and supplied to town.</p> <p>This project should assist Council in identifying leaks within its network as well as leaks within private properties.</p>

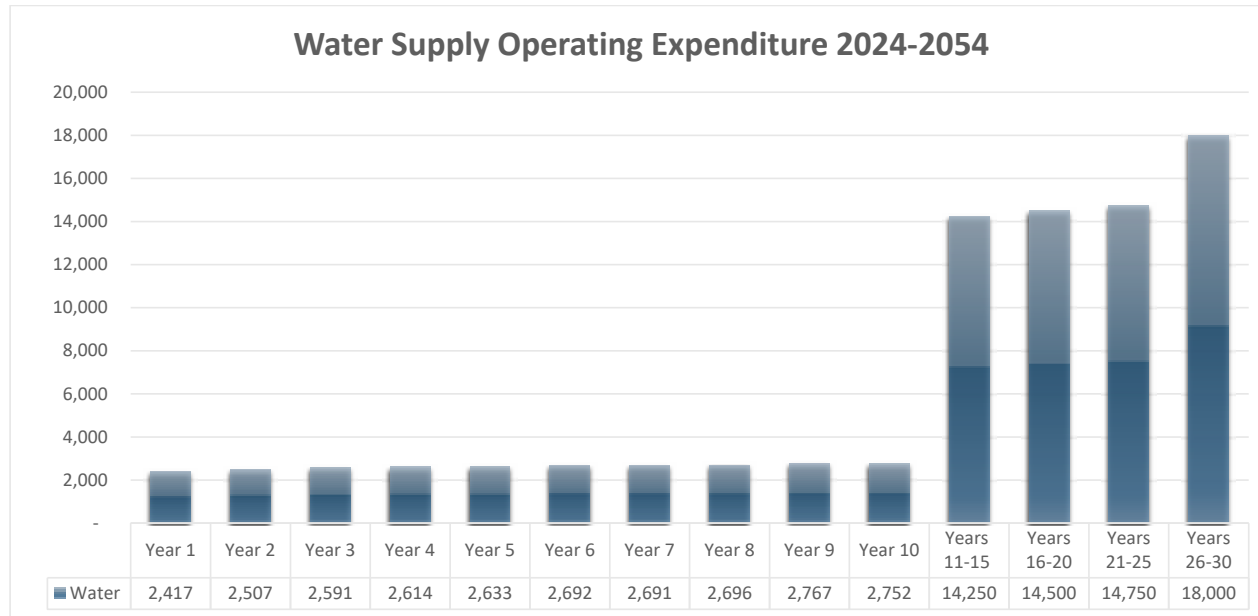
30 –Year Capital Expenditure – Water

Water Supply	1	2	3	4	5	6	7	8	9	10	11-15	16-20	21-25	26-30	Total
	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034-39	2039-44	2044-49	2049-54	
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Level of Service Improvement	1,367	246	-	1,026	166	119	-	-	1,330	12,466	4,840	300	350	400	22,610
Replacements	2,770	2,229	211	427	244	289	487	231	266	833	1,700	1,900	1,900	1,700	15,185
TOTAL	4,137	2,475	211	1,453	410	408	487	231	1,596	13,299	6,540	2,200	2,250	2,100	37,795

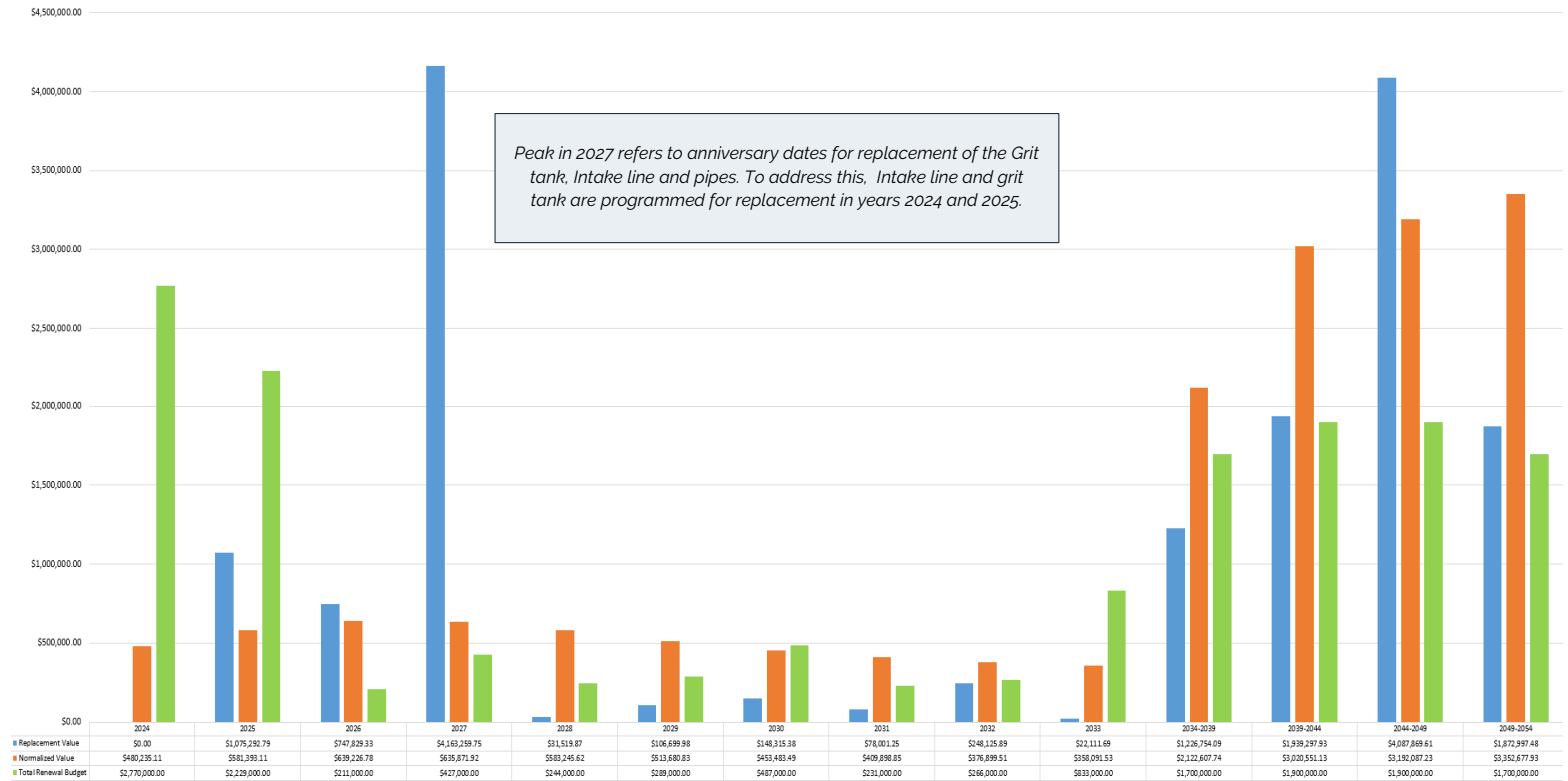


30 –Year Operating Expenditure – Water

Year	1	2	3	4	5	6	7	8	9	10	11-15	16-20	21-25	26-30	Total
	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034-39	2039-44	2044-49	2049-54	
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Water Supply	2,417	2,507	2,591	2,614	2,633	2,692	2,691	2,696	2,767	2,752	14,250	14,500	14,750	18,000	87,859



30 –Year Water Supply Replacement Profile - Water Treatment and Reticulation



Legend:

Replacement value: The total amount to spend on replacement based on Council's Asset Management System data;

Normalised Value - Total minimum budget recommended for spending to ensure the entire replacement programme is delivered in the long-term.

Total Renewal Budget - The optimum budget the Council has determined to spend to optimise the asset and service delivery

Appendix 3: Wastewater

Significant Issues and Options Assessment

The Significant Infrastructural Issues for the Wastewater Activity are detailed in the Wastewater Asset Management Plan and summarised below.

- Resource Consent compliance;
- Reticulation overload due to inflow/infiltration;
- Pipework Capacity Issues;
- Network Planning and Modelling
- Wastewater Infrastructure Condition and Maintenance

The options for addressing these significant infrastructural issues drive the Long-term financial forecast for the wastewater activity.

Issue 1: Resource Consent Compliance

Response Options	Implications of options
Implement all necessary measures to maintain compliance with the conditions of the wastewater discharge consent.	<p>Compliance with the requirements of the wastewater discharge consent is essential for minimising the adverse effects on the environment.</p> <p>Since the issuing of the Wastewater Discharge Consent in April 2020 Council has implemented the required system upgrade at the set time as per the consent condition. Council has monitored the effectiveness of the upgrade and is finding that the desired effect is not being achieved. In conjunction with stakeholders and the regulatory authority alternative treatment methods or infrastructure upgrade will likely need to be considered and implemented.</p>

Issue 2: Reticulation overload due to inflow/infiltration

Response Options	Implications of options
Implementation of Inflow/Infiltration programme, including inspections of private property to identify direct discharge of stormwater to sewer.	<p>This programme primarily to optimise reticulation capacity during rainfall events, by ensuring there is no inflow or infiltration of water into the wastewater reticulation system.</p> <p>The Inflow/Infiltration programme is a suite of interventions designed to minimise the inflow and infiltration of surface and groundwater into the wastewater pipe network. This is an important part of our annual network maintenance and renewal programme that ensures that only wastewater collected from households and businesses is transported to the wastewater treatment plant.</p> <p>CCTV inspections are undertaken as part of the network conditions assessments therefore no additional costs are incurred. Identifying areas of high infiltration allows Council to better focus funds.</p> <p>The removal of stormwater maintains the available reticulation capacity during rainfall events.</p>

Issue 3: Pipework Capacity Issues

Response Options	Implications of options
Programme the implementation of pipework capacity increase to support growth.	<p>This programme is to address under-capacity of pipe network to support growth, residential infill and other intense land-use activities.</p> <p>There have been new residential subdivisions and developments, urban infill and other growth-related pressures created in our wastewater</p>

network. The consequence of this is that some pipes are requiring upgrades in capacity to accommodate the increased flow.

Issue 4: Network Planning and Modelling

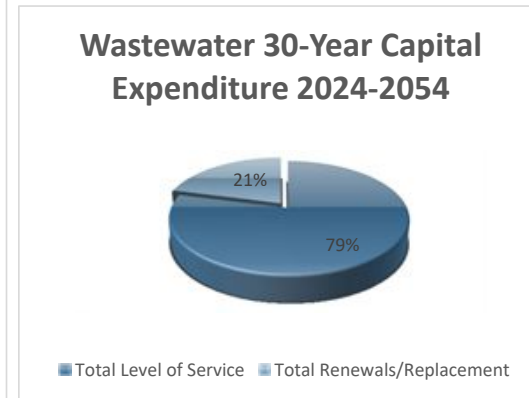
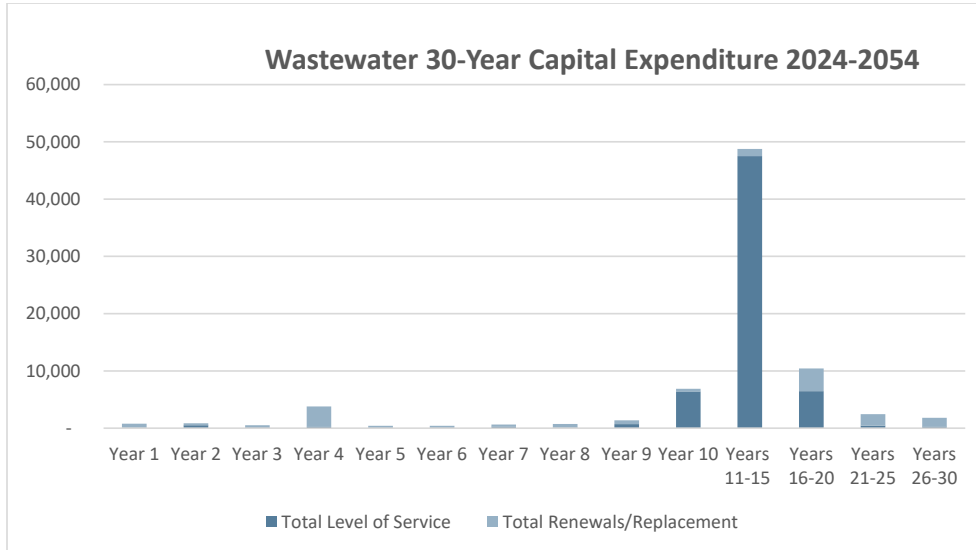
Response Options	Implications of options
Full review and calibration of the existing Wastewater model	<p>To accommodate growth and increased demand, Council has programmed to increase pipe capacity to cater for high flows. While officers are aware of some pipes within the network requiring increased capacity, the Council has commission a network modelling project on the wastewater network to reveal how our network systems are behaving and any areas of constraint.</p> <p>This modelling project comprises:</p> <ul style="list-style-type: none"> • Evaluation of network capacity; • Identification of inflow and infiltration into the pipe network; • The identification of bottlenecks in the existing or network; and • Any design of improvements needed to accommodate growth. The modelling project is expected to reveal the areas for improvement in the network from which priority areas can be programmed for improvement.

Issue 5: Wastewater Infrastructure Maintenance

Response Options	Implications of options
Wastewater Treatment Ponds Desludging	<p>This project is primarily driven by the need to maintain operational capacity and performance of the wastewater treatment ponds through regular desludging. Implementing a proactive maintenance strategy will:</p> <ul style="list-style-type: none"> • Remove accumulated solids to sustain required hydraulic retention times and effluent quality standards. • Support continuity of wastewater treatment services for residents and industries • Aid compliance with resource consents related to discharge quality/volumes. • Reduce risks of uncontrolled discharges from overloaded ponds during high flow events <p>Undertaking regular pond desludging will ensure the wastewater system can continue performing its vital functions over the long term.</p>

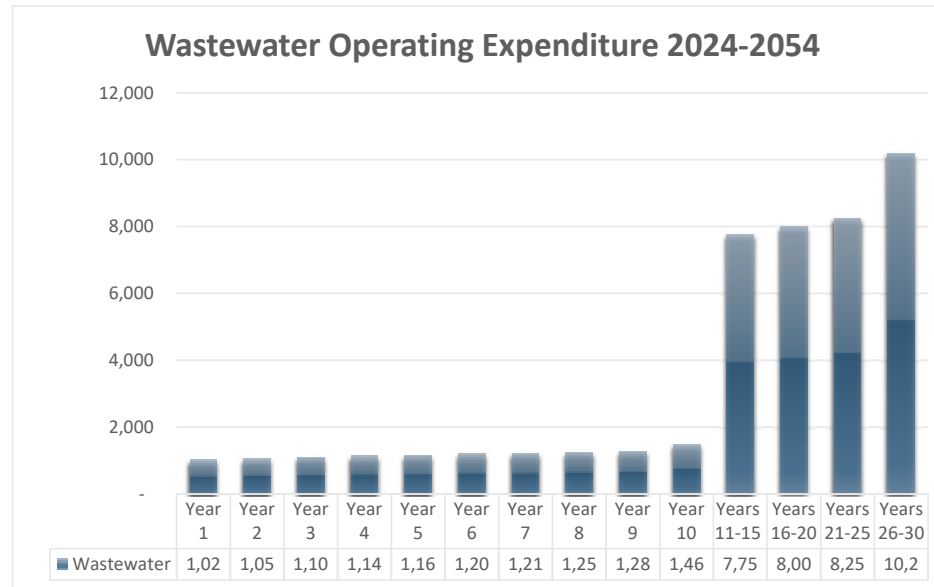
30 –Year Capital Expenditure- Wastewater

Wastewater	1	2	3	4	5	6	7	8	9	10	11-15	16-20	21-25	26-30	Total
	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034-39	2039-44	2044-49	2049-54	
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Level of Service Improvement	50	513	158	216	-	-	232	118	725	6,418	47,500	6,450	450	300	63,130
Replacements	735	343	363	3,602	426	413	400	633	647	475	1,250	4,000	2,000	1,500	16,788
TOTAL															

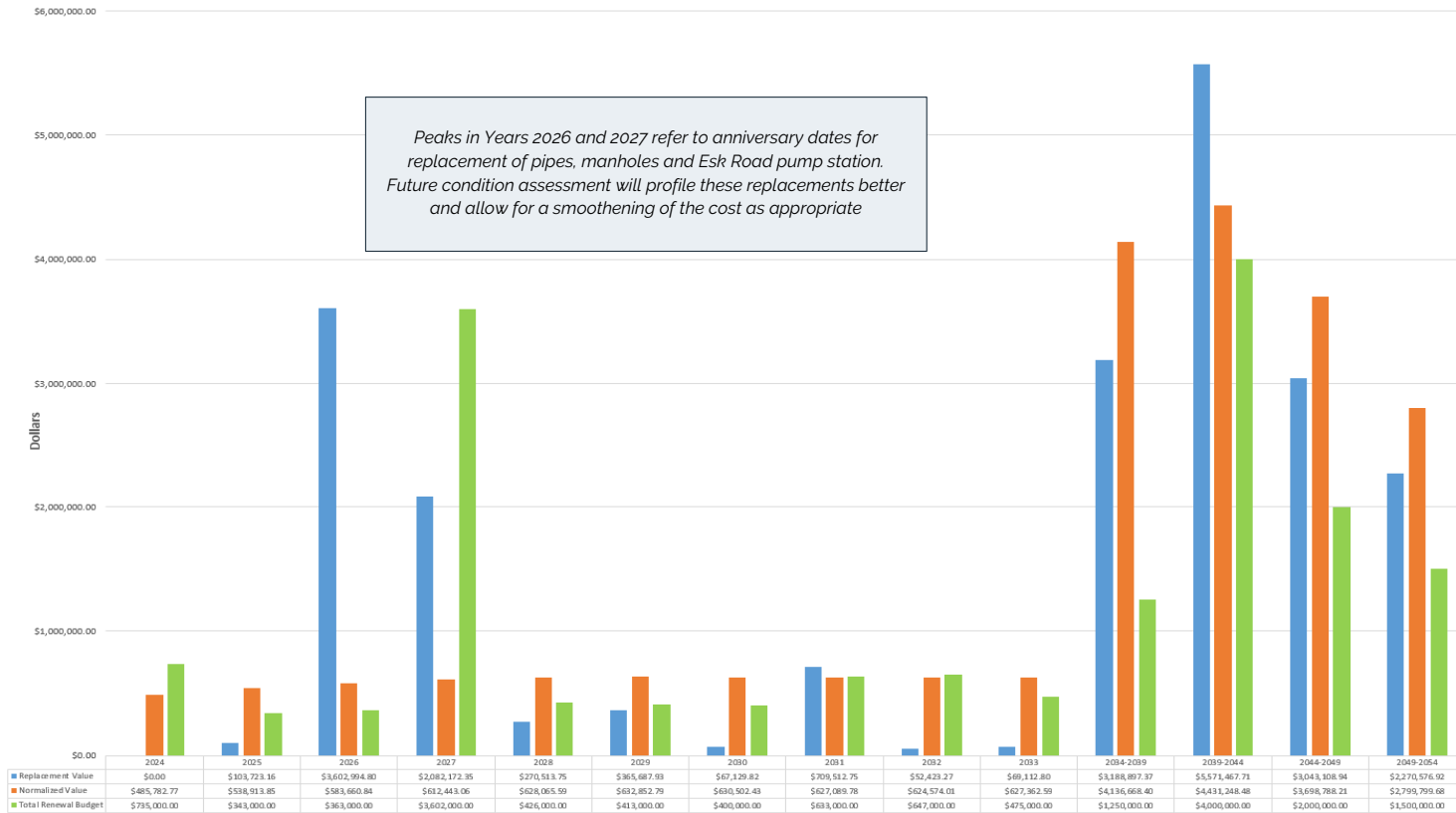


30 –Year Operating Expenditure - Wastewater

Year	1	2	3	4	5	6	7	8	9	10	11-15	16-20	21-25	26-30	Total
	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034-39	2039-44	2044-49	2049-54	
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Wastewater	1,023	1,058	1,101	1,145	1,161	1,201	1,211	1,256	1,288	1,468	7,750	8,000	8,250	10,200	46,113



30 –Year Wastewater Replacement Profile - Treatment and Reticulation



Legend:

Replacement value: The total amount to spend on replacement based on Council’s Asset Management System data;

Normalised Value – Total minimum budget recommended for spending to ensure the entire replacement programme is delivered in the long-term.

Total Renewal Budget – The optimum budget the Council has determined to spend to optimise the asset and service delivery

Appendix 4: Stormwater

Significant Issues and Options

The Significant Infrastructural Issues for the Stormwater Activity are detailed in the Stormwater Asset Management Plan and summarised below.

- Network Planning and Modelling;
- Pipework Capacity Issues;
- Stormwater Safety Improvements
- Climate Change; and
- Replacement of Stormwater tunnels
- Stormwater Infrastructure Capacity Maintenance

The options for addressing these significant infrastructural issues drive the Long-term financial forecast for the Stormwater Activity.

Issue 1: Network Planning and Modelling

Response Options	Implications of options
Commission a new Stormwater model	<p>To accommodate growth and increased demand, Council has programmed to increase pipe capacity to cater for high flows..</p> <p>While officers are aware of some pipes within the network requiring increased capacity, the Council has commissioned a network modelling project on our stormwater network to reveal how our network systems are behaving.</p> <p>This modelling project will comprise</p> <ul style="list-style-type: none"> • the evaluation of network capacity; • the identification of bottlenecks in the existing or proposed network; and • the design of improvements needed to accommodate growth. <p>The modelling project is expected to reveal the areas for improvement and continues in Year 1 of the LTP</p>

Issue 2: Pipework Capacity Issues

Response Options	Implications of options
Programme the implementation of pipework capacity increase to support growth.	<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>

Issue 3: Stormwater Safety Improvements

Response Options	Implications of options
Conduct an inlet structure study, and its implementation, to ascertain the extent of potential upgrades required to meet public safety requirements	Knowledge of what inlet structures are in the network and whether they are adequate is not at an appropriate level. This study will help Council gain the appropriate level of knowledge required to plan for the construction of new, safe stormwater inlet structures.

Issue 4: Climate change

Response Options	Implications of options
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 Pipeline capacity increase

Issue 5: Replacement of stormwater tunnels

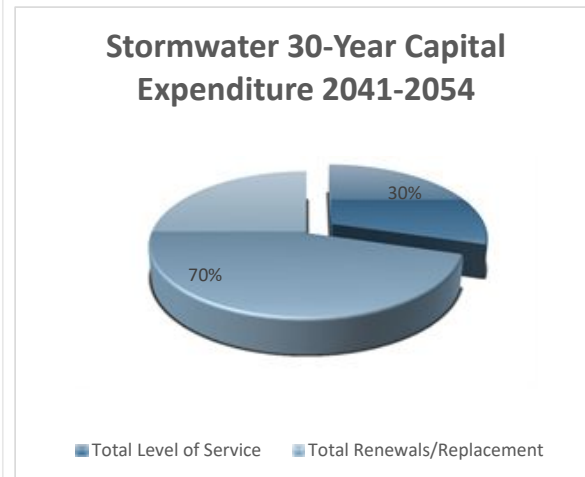
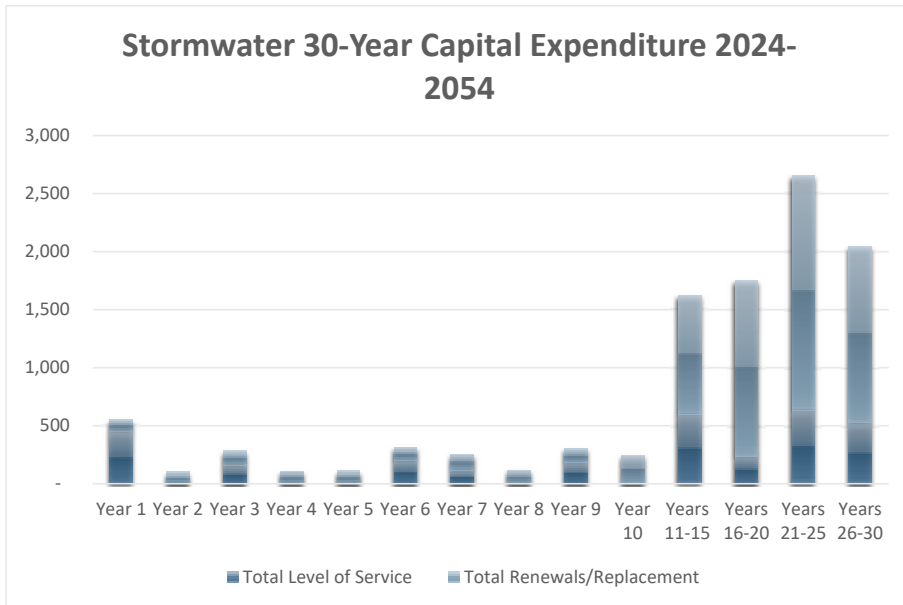
Response Options	Implications of options
Consider rerouting of larger waterways/pipeline/tunnels to be more accessible and within public land or easements	Properties currently connected to existing infrastructure will need to be accounted for in any new design route

Issue 6: Stormwater Infrastructure Capacity Maintenance

Response Options	Implications of options
Victoria Park Drainage Desilting / Desludging	<p>This project is primarily driven by the need to maintain capacity and performance of the Victoria Park drainage infrastructure through regular desilting and desludging. Implementing a proactive maintenance strategy will:</p> <ul style="list-style-type: none"> • Remove accumulated solids to sustain required hydraulic conveyance capacity • Mitigate flood risks during high rainfall events • Support continuity of stormwater drainage services • Aid compliance with resource consents related to discharge quality/volumes • Reduce risks of uncontrolled overflows due to reduced pipe capacity <p>Undertaking regular drainage desludging will ensure the Victoria Park stormwater system can continue performing its vital functions over the long term.</p>

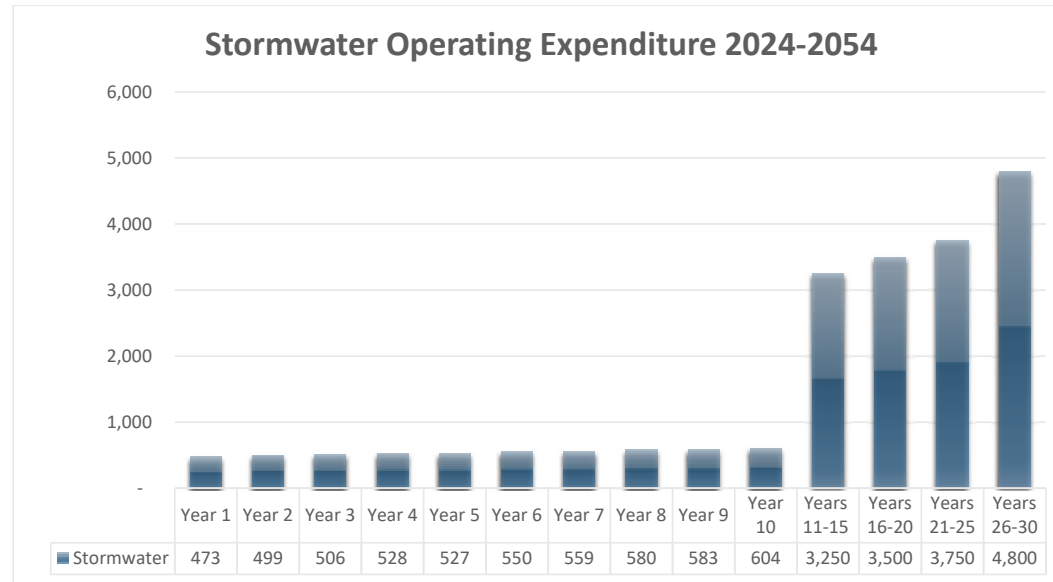
30 –Year Capital Expenditure - Stormwater

Stormwater	1 2024/25	2 2025/26	3 2026/27	4 2027/28	5 2028/29	6 2029/30	7 2030/31	8 2031/32	9 2032/33	10 2033/34	11-15 2034-39	16-20 2039-44	21-25 2044-49	26-30 2049-54	Total
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Level of Service Improvement	450	-	158	-	-	198	116	-	181	-	600	232	635	525	3,095
Replacements	100	103	126	108	111	113	139	118	121	247	1,020	1,520	2,020	1,520	7,366
TOTAL															



30 –Year Operating Expenditure – Stormwater

<i>Year</i>	1	2	3	4	5	6	7	8	9	10	11-15	16-20	21-25	26-30	Total
	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034-39	2039-44	2044-49	2049-54	
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Stormwater	473	499	506	528	527	550	559	580	583	604	3,250	3,500	3,750	4,800	20,709



30 –Year Stormwater Replacement Profile - Reticulation



Legend:

Replacement value: The total amount to spend on replacement based on Council’s Asset Management System data;

Normalized Value – Total minimum budget recommended for spending to ensure the entire replacement programme is delivered in the long-term.

Total Renewal Budget – The optimum budget the Council has determined to spend to optimise the asset and service delivery

DECISION REPORT



F22/55/04 – D24/6241

To: Policy and Services Committee
From: Communications Manager
Date: 27 February 2024
Subject: Approve draft Consultation Document for release to Auditors

Recommendations

1. THAT the report be received.
2. THAT the draft Consultation Document be approved and released for audit review, before the final Consultation Document is approved to form the basis for the consultation with the community.
3. THAT, in accordance with Standing Order 8.4, an Extraordinary Meeting of Council be held on Tuesday 26 March 2024 at 1.00pm to release the final Consultation Document, and supporting Information, for consultation with the community.
4. THAT the hearing date for submissions to the Long Term Plan be amended to Tuesday 14 May 2024, as noted in **Appendix 1**.

Recommended Reason

This is an opportunity for elected members to ensure that the consultation documents reflects their priorities and aspirations regarding the outcomes of the Long Term Plan, prior to releasing the Consultation Document for audit review.

/
Moved/Seconded

1. Purpose of Report

- 1.1 To approve the draft Consultation Document to be released to external auditors.

2. Executive Summary

- 2.1 The Consultation Document is a legislative requirement and forms part of council's Long Term Plan. The Consultation Document identifies the highlights and key decisions inherent within Stratford District Council's Long Term Plan 2024-34 ('LTP'). It also communicates the proposed investments in services, facilities and infrastructure and resulting impacts on budgets and rates.
- 2.2 The main target actions of this Consultation Document are to:
 - Provide a high level overview of council's operations;
 - Communicate proposed focus areas;
 - Provide insight into the financial impacts of the proposed actions especially with regards to financial implications, rates impact and impact on levels of service.

3. Local Government Act 2002 – Section 10

Under section 10 of the Local Government Act 2002, the Council’s purpose is to “enable democratic local decision making by and on behalf of communities; as well as promoting the social, economic, environmental, and cultural well-being of communities now and into the future”			
Does the recommended option meet the purpose of the Local Government 4 well-beings? And which:			Yes
Social	Economic	Environmental	Cultural
✓	✓	✓	✓

The Consultation Document addresses the four well-beings through the setting of a 10-year budget encompassing all of council’s business areas.

4. Background

4.1 The consultation document fulfils the role of a draft Long Term Plan. It is a summary of key information inherent within the Long Term Plan process and the key budgetary decisions proposed and alternatives for consideration. It aims to provide sufficient information to the community to engage in the process and convey their thoughts to elected members via the submission process.

5. Consultative Process

5.1 Public Consultation - Section 82

The consultation document will form the basis of full public consultation on Council’s LTP and associated documents. The process follows the special consultative procedure and includes a LTP hearing in May / June.

5.2 Māori Consultation - Section 81

An opportunity for consultation with tangata whenua on the full LTP will be provided.

6. Risk Analysis

<p>Refer to the Council Risk Register - available on the Council website.</p> <ul style="list-style-type: none"> • Does this report cover any issues that relate to any risks on the Council Risk Register, and if so which risks and what are the impacts and likelihood of eventuating? • Does this report cover any issues that may lead to any new risks that are not on the Council Risk Register, and if so, provide some explanation of any new identified risks. • Is there a legal opinion needed?
--

6.1 As the Long Term Plan sets the direction and budgets for the organisation for the next 3 years in detail and remaining 7 years as a general direction, the full spectrum of the Risk Register has been taken into consideration in its development. This flows through into the Consultation Document, being the high level summary of the Long Term Plan.

7. Decision Making Process – Section 79

7.1 Direction

	Explain
Is there a strong link to Council's strategic direction, Long Term Plan/District Plan?	Yes – the Consultation Document forms part of the Long Term Plan.
What relationship does it have to the communities current and future needs for infrastructure, regulatory functions, or local public services?	The Consultation Document provides the basis to discuss community aspirations and future needs for infrastructure, regulatory functions, and local public services.

7.2 Data

<ul style="list-style-type: none"> Do we have complete data, and relevant statistics, on the proposal(s)? Do we have reasonably reliable data on the proposals? What assumptions have had to be built in?
--

The draft Consultation Document draws information from a wide range of financial and non-financial documents.

7.3 Significance

	Yes/No	Explain
Is the proposal significant according to the Significance Policy in the Long Term Plan?	No	
Is it:	No	
• considered a strategic asset; or	No	
• above the financial thresholds in the Significance Policy; or	No	
• impacting on a CCO stakeholding; or	No	
• a change in level of service; or	No	
• creating a high level of controversy; or	No	
• possible that it could have a high impact on the community?	No	

In terms of the Council's Significance Policy, is this proposal of high, medium, or low significance?		
High	Medium	Low
		✓

7.4 Options

<p>An assessment of costs and benefits for each option must be completed. Use the criteria below in your assessment.</p> <ol style="list-style-type: none"> What options are available? For each option: <ul style="list-style-type: none"> explain what the costs and benefits of each option are in terms of the present and future needs of the district; outline if there are any sustainability issues; and explain if the outcomes meet the current and future needs of communities for good-quality local infrastructure, local public services, and performance of regulatory functions? After completing these, consider which option you wish to recommend to Council, and explain: <ul style="list-style-type: none"> how this option is the most cost effective option for households and businesses; if there are any trade-offs; and what interdependencies exist.
--

Option 1 (recommended)

Approve the Consultation Document to be released for audit, with any amendments.

Option 2

Do not approve the draft Consultation Document. Note – the draft Consultation Document will still be released to audit with a disclaimer that elected members are seeking further changes to it, prior to formally adopting the draft at a later stage, for release for consultation.

7.5 Financial

- Is there an impact on funding and debt levels?
- Will work be undertaken within the current budget?
- What budget has expenditure come from?
- How will the proposal be funded? eg. rates, reserves, grants etc.

The draft Consultation Document discusses the key elements of funding and debt levels over the next ten years and the challenges and issues council is facing and how it will respond to these challenges.

7.6 Prioritisation & Trade-off

- Have you taken into consideration the:
- Council's capacity to deliver;
 - contractor's capacity to deliver; and
 - consequence of deferral?

Building resilience and working on achieving Community Outcomes comes at a cost, and impacts on the financial limits imposed by elected members.

7.7 Legal Issues

- Is there a legal opinion needed?
- Are there legal issues?

No legal opinion is required, however our external auditors Deloitte will have significant focus on the draft Consultation Document during their audit.

7.8 Policy Issues - Section 80

- Are there any policy issues?
- Does your recommendation conflict with Council Policies?

The draft Consultation Document is a high level summary of a wide range of council policies and strategies.

Attachments:

Appendix 1 Draft Consultation Document



Gemma Gibson
Communications Manager



[Approved by]
Sven Hanne
Chief Executive

Date 20 February 2024

Appendix 1

Let's Talk Progress 2024-34

Long Term Plan Consultation Document

Intro from Mayor/CE

Welcome to Stratford District Council's 2024-34 Long Term Plan Consultation Document.

While a Long Term Plan (LTP) isn't all about rates increases, they are an important aspect of it and your elected members have spent a lot of time weighing up the community's needs and wants against the costs and affordability to establish, run and maintain such services and improvements. A good reference while reading this consultation document is the fact that every \$160,000 council spends in a year equates to 1% in rates. It's also useful to remember that not all properties are equal in the way they are impacted by rates. This varies depending on the services your property receives as well as the recent property revaluation. For some properties in our district, they've seen a significant rise in capital value while others have pretty much remained unchanged. For this reason, you may see a wider range in the rates increases than usual.

Our last LTP predicted an average rates increase of 4.96% for 2024/25. The plan in front of you proposes an increase of 15.5% for the same year. What is driving this increase? The last LTP was written against the backdrop of COVID-19, during a time of record low interest rates and with the economy facing significant recession and unemployment risks, all of which were keeping costs down. This year could hardly be any different. With record inflation and long periods of labour shortages having upwardly driven the costs we as a council face, and also those experienced by our ratepayers, to record highs.

Furthermore, since the last LTP we have gone through significant reforms regarding Three Waters and the Resource Management Act, only to have these reforms cancelled following the 2023 general election. This means costs that had been deferred until councils had certainty regarding the new reform requirements, as well as costs that were meant to be carried by a new water entity independent of council, have now come back into the equation.

In light of all of this, councillors have spent a record number of hours going through every budget, line by line and made it their priority to find ways to continue delivering services without having to pass through the full impact of rising costs. In summary, it is very much a 'business as usual' approach and throughout this plan you will see references to back-to-basics and keeping-the-beat. What it means is that council is trying its hardest to minimise the impact of additional costs on the community, without going backwards.

Part of this consultation process is our question to you: Do you think we could save any more? Is there anything we are currently providing that you think we should reduce or drop to save some cost? Or is there something you think should be added, a service that needs enhancing perhaps? We are keen to hear all views.

Neil Volzke
District Mayor

Sven Hanne
Chief Executive

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About this document

Every three years we prepare a long term plan which sets out the outcomes we want to achieve for the Stratford district over the next 10 years, and the projects and activities that will help us get there. It also shows how these activities will be funded, and what this means for your rates.

This consultation document is a key part of developing the plan, helping us hear community views on priorities and directions for the decade ahead. In this document you'll find information on the opportunities and challenges we're facing, any major projects proposed during the next 10 years, and their financial impact.

This is your opportunity to have your say and to share your views with us. This could be regarding our planned direction overall, a specific project proposed within the consultation document or something that you think is really important but you can't see covered here or in the supporting documents.

The information contained in this Consultation Document comes from a range of other detailed documents, which can be viewed at Council's Service Centre, Stratford Library and Visitor Information Centre or on our website stratford.govt.nz/LTP

In January 2024, Elected Members agreed to publicly release the Long Term Plan 2024-34 Consultation Document without an audit opinion. This was recommended due to the Government's intention to repeal the Water Services Entities Act 2002, to allow Council staff time to include three waters services within the 10 year budget and ensure public consultation can proceed without delays. While this document does not include a formal audit opinion, Council's external auditors Deloitte have reviewed and provided input on the document.

How to have your say?

Making a submission is easy!

Online

The easiest way to let us know what you think is to complete our online submission form. To complete the submission form and survey online, go to stratford.govt.nz/LTP. You can also provide comments by emailing us at submissions@stratford.govt.nz.

In writing

Fill in the submission form at the end of this document. Post your completed submission form to Council, or drop it to one of our facilities. Additional forms are available from the library and Visitor Information Centre, Council offices and on our website.

Key dates

- Submissions open: 28 March 2024
- Submission close: 1 May 2024
- Public hearing and deliberations: 14 May 2024
- Final Long Term Plan adopted: 25 June 2024

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In person

You can present your thoughts to Council by speaking to your submission in person. If you'd like to do this, put in a submission outlining the key points you'll refer to. On your submission form, make sure you select the option to speak to your submission.

Making progress

Over the last couple of long term plan processes we have committed to a number of significant improvement projects for our district. Here's an update on how some of these projects have progressed.

Completed

Stratford Bike Park

The concept of a children's bike park was consulted on throughout the Long Term Plan 2018-2028, and it received a lot of positive support from the community. Through the help of external funding we were able to see this project come to life in 2021 and be fully completed in 2022. Located on Victoria Park, behind the playground, the park includes a children's cycle track for kids to learn and gain bicycle confidence, a pump track, a half basketball court, a BBQ pavilion and a toilet block.

Wai o Rua – Stratford Aquatic Centre

As part of the 2018-2028 Long Term Plan, we discussed the need to replace the old TSB Pool Complex facility. Parts of the old facility were deteriorating rapidly and requiring replacement, and ongoing maintenance costs weren't getting cheaper. As part of this consultation we were excited to approve the development of a new aquatic centre. One that would meet the future needs of the community and provide a more comfortable indoor swimming pool experience. The project needed to attract some grant funding in order to go ahead. In 2020 we were successful in receiving a grant of \$8million towards the build. The total cost of the project was \$20.7 million, with \$12million being funded through loans and other external funding. The new facility opened in 2022 and has been a welcome addition to the district. Having a brand new facility like this does impact our annual budget, as we're providing an aquatic centre that is double the size of the previous and offering new services. We're mindful of the cost of this facility when not everyone in our community uses it and continue to review operating costs and revenue sources to make this investment accessible for people for decades to come.

Second water trunk main

Constructing a second water main to supply the Stratford township with drinking water had been a long time coming due mainly to its significant cost. But in 2021 we received a grant of \$2.4 million to enable the project to progress with minimal financial impact for our ratepayers. The

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purpose of installing a second water main was to increase the resilience of our water supply and avoid town shutdowns in the future, plus accommodate water demand to the north of Stratford. The project was completed in 2022.

Residential development

In 2019 we started the first stage of a council-led residential development. Our involvement in the delivery of residential sections was driven by a shortage of suitable land in Stratford to build new houses, which was seen as limiting our potential to grow. As part of this project we were able to successfully sell 33 sections off Pembroke Road West within 12 months of completing the ground works and infrastructure – a project that was cost neutral to our ratepayers.

On track

Universal Water Metering

Water supplied by Council is charged as a fixed annual cost to all connected properties with only a small number of extraordinary users (such as commercial and lifestyle blocks) being charged by volume. As part of the Long Term Plan 2021-31, Council included the roll out of Universal Water Metering, which will mean people are charged for the water they use. This was seen as the best and fairest way forward to reduce demand and conserve our natural resource. The roll out of these meters will continue in 2024/25. The final fee structure for water meters is yet to be determined and will become a topic for discussion and feedback in a future Annual Plan process.

Future of Broadway – town centre upgrades

Towards the end of 2016 we launched Stratford 2035 - Making it Real, which was the banner under which an integrated approach to Stratford's long term future was going to be delivered. Part of this included the Future of Broadway project, focusing on the revitalisation of Prospero Place and Broadway. Over the years we've made small steps in progressing this project, including the demolition of the old ANZ Bank building in 2019 to make room for an expanded town centre. In 2020 we started negotiations to purchase the privately owned land in Prospero Place which will give us the opportunity to make some attractive changes to the town centre. We expect this to be completed in 2024/25. We've had concept plans drawn up for the space and are now working with a designer to bring these to life for consultation with our community.

Residential Development – future growth

To continue enabling the growth of our district, and after the positive outcome of the previous residential subdivision in 2019/20, we committed to stage 2 of this project as part of the Long Term Plan 2021-2031. This included purchasing land in year 1 of the plan and beginning development works in years 2 or 3. We're looking to complete the lead infrastructure work in 2024/25 and are keeping a close eye on how things are tracking in the housing market to determine when any sections should become available for sale.

What else has happened?

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There's been a lot of changes come out of central Government, including a number of reforms to the way local government delivers services.

District Plan

Councils are required to review their District Plans at least every 10 years. The current District Plan was made operative in 2014 and is due for review no later than 2024. Recent legislative changes, followed by a change in government and early indications that these will be repealed and later replaced make it extremely difficult to start a review. We have allowed \$4.5 million over the 10 years of this long term plan to undertake this work once the requirements become clearer.

Three Waters

There's been lots of back and forth on Three Waters services. For now, our draft 10-year budget includes delivering three waters services locally, as we currently do. At the same time we're working closely with our neighbouring district councils to investigate the best way to deliver these services going forward, including consideration of a regional Taranaki entity. Nothing is confirmed, and the outcomes of this investigation will form the basis of a future discussion with our community.

Our vision for the next decade

In 2023 we asked you to share your goals for our district, what you saw as priority areas for us to focus on, and how you wanted your home to be described by others. From this feedback and through community events and customer satisfaction surveys staff and councillors reviewed the district vision and community outcomes.

Our draft Vision is: A Welcoming, Inclusive, Safe community – Te Pūmanawa o Taranaki.

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

Our 4 Community Outcomes are: Welcoming, Resilient, Connected, Enabling

We've used the vision and community outcomes to help steer our direction for the next 10 years, and will use these as key drivers when considering future decisions for the Stratford district.

View the full Vision and Community Outcomes document in our LTP supporting information online.

Being realistic

We all want our community to be the best it can be, and we acknowledge that there's a whole host of things we would love to see come to life, including some awesome ideas put forward in our Let's Talk Progress community survey in 2023.

However, we also know that it is pretty tough out there at the moment, with prices for just about everything going up. To be frank, we just can't afford to do everything.

As a result, we are proposing to minimise expenditure on discretionary, nice-to-have projects and activities and to focus on our core services. We refer to this as back-to-basics, or "keeping the beat".

As part of this process we've gone through our budgets line by line, and reviewed everything from subscription costs and print advertising, to how we fund depreciation on some of our bigger ticket assets like the aquatic centre. We feel we've explored all avenues to keep our rates down as best as possible with what we've proposed – but we're really keen to hear your thoughts on this approach.

What do you think?

Is there something you'd be willing to go without to make further savings?

Or would you rather invest in your community now to see further growth and development?

Keeping the beat still costs money

We've spent a lot of time looking at our proposed budgets and trying to find a balance that keeps our community ticking while remaining an affordable place to live.

Just to do 'the basics', maintaining our current levels of services and delivering core functions like roading, water supply, wastewater, rubbish and recycling collections, is costing us more than ever before. Funding these will continue to be one of our biggest challenges, as they're largely funded by ratepayers. We're not alone in this. Districts up and down the country are grappling with increasing costs and the difficult task of paying for these which impacts on rates.

Council's core assets and what it takes to keep them going is covered in our **Infrastructure Strategy**, you can find our strategy at [Stratford.govt.nz/LTP](https://stratford.govt.nz/LTP)

Something to consider:

1% rates increase equals approximately \$160,000 in our budget.

Across our various activities, we look after:

- 110km of drinking water pipes with an average age of 28 years
- 63km of wastewater pipes with an average age of 49 years
- one wastewater treatment plant
- 407km of sealed roads
- 206km of unsealed roads
- 157 bridges
- 251 road retaining walls
- 64km of footpaths
- 6 public toilets
- 7 cemeteries (open and closed)
- 10 units providing Housing for the Elderly
- 32 ha of parks and reserves
- 16 community facilities

Adapting to climate change

We need to ensure our services and facilities remain fit for purpose into the future, and to do this we must adopt a climate lense to everything we do. At the regional and district level, research indicates Taranaki could experience more extreme and various weather events as a result of climate change, causing increases in flooding, landslides, avalanches and mudslides during heavy rainfall events and prolonged periods of drought, with the risk of wildfires during summer months. Such events could place increased pressure on business continuity and funding availability.

In order to plan appropriately and meet the requirements of climate-related legislation that will have a future impact on local government, we are committing resource to the journey and aim to develop a Sustainability Strategy to help set our direction. This Strategy and associated work will help us work towards the goals set out in our Community Outcomes.

You can learn more about this in our **Significant Forecasting Assumptions** available online at **[Stratford.govt.nz/LTP](https://stratford.govt.nz/LTP)**

Tell us what you think!

In this document we've listed what we think are our key priorities for the next 10 years and want to know if you agree or disagree with these.

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Our top priorities

Keeping rates down for our community as best as possible while looking after all the basics we talked about earlier is one of our main focus areas.

But there are some projects that we see as being vital to keeping the heart of Taranaki beating for the next 10 years and beyond. We've made some compromises along the way. So you'll see some of the things that we were keen to do, delayed until further down the track to minimise the cost impact.

We think we should...

Focus on these things soon (in the first 3 years of our plan)

- **Earthquake strengthen the TET Multi-Sports Centre** to a standard that makes it safe should we ever experience a serious earthquake. As currently none of our facilities meet the standard of a Civil Defence centre, we believe we should, as part of this, bring the TET Multi-Sports Centre up to a standard that would allow it to be used as a Civil Defence centre for our community in the event of an emergency. We're proposing to spend an estimated \$1.3million in year 3 of the plan for this. This is just 1 of 3 buildings that require earthquake strengthening in the next 25 years. You can find more information on Council owned earthquake prone buildings and our plan for them on page 11.

- **Maintain our roads and create safer connections.**

Roading makes up a significant part of what we do as a council and significantly influences our overall budgets – and what you pay in rates. The cost to maintain our roading infrastructure has increased by 19% over the past five years. This is to do the same amount of work with no extras. Because of this significant increase, we've had to carefully consider the level of service we're able to fund and balance this against the expectations of our community. While we'd like to go above and beyond in this area, we're proposing that we retain the same level of service we currently provide. Financially this is approximately 20% less than what we think we really should invest into our roads.

So why aren't we?

Roading budgets are a bit more complex than other council activities because we receive a subsidy from Waka Kotahi NZ Transport Agency. This significantly reduces the amount that we have to rate for to maintain our roads, but it also introduces another decision maker. The budget that Waka Kotahi NZ Transport Agency subsidises, or co-funds requires approval. Currently our co-funding rate is 63%, meaning we only have to fund \$0.37 of every dollar we spend on roading. But if we want to go over the amount approved by Waka Kotahi NZ Transport Agency we have to pay the full amount of the additional work – meaning to do the same costs almost three times as much as the work done within the subsidised budget. It therefore makes sense to stay within the budget Waka Kotahi NZ Transport Agency is willing to subsidise.

Across the overall roading budget, \$3.3million is used for maintenance like filling pot holes, grading and street cleaning annually. \$1.2million of that is covered by Stratford ratepayers. To address some long-standing safety issues across our urban and rural networks, we are budgeting \$3.2million (loan funded) in year 1 for safety improvement projects such as widening rural roads and creating safer crossing points around urban schools. These go hand-in-hand with the projects that deliver against our Connecting our Communities Strategy and are often delivered in combination. We have \$400,000 (loan funded) in the budget annually for this work, which includes widening footpaths for pedestrians, mobility scooters, prams, and cyclists, along key connecting routes. These programmes receive the same 63% subsidy from Waka Kotahi as our day-to-day maintenance so the amount funded through rates is closer to \$1.3million.

In 2022 we introduced a Forestry Differential Roding Targeted Rate which means a fixed portion of the total roading rate requirement is collected from ratepayers who own property that is used for the purpose of forestry. This was introduced because each year we were spending a large portion of the roading budget on repairing unsealed roads damaged by heavy vehicles associated with the forestry industry. In 2022/23 we spent \$975,000 on this, and we anticipate another \$3.1million to be spent on roads affected by forestry over the next 3 years.

As part of this draft plan we're proposing to increase the fixed amount collected through the Forestry Differential Roding Targeted Rate to \$350,000 (from \$250,000) and to expand the application of the differential to include properties that have a section of land greater than 10 hectares which is used for exotic forestry (excluding indigenous and protected forests).

- **Water supply and wastewater renewals** – We need to upgrade our raw water intake system and install a new grit tank. While the Stratford Water Treatment plant is only about 10 years old, the intake and grit tank delivering the river water to the treatment plant were installed in 1922! The grit tank provides the first stage of filtering for Stratford's water supply as it's taken from the river. It's a bit like a sand filter on a swimming pool, it helps to clean the water of bugs and other bits of muck before it goes into the treatment plant for final processing. This project will cost \$4 million across years 1 and 2 and is loan funded.
- **Town Centre upgrades** – We plan to spend \$1.4million across years 1 to 3 to make improvements to Prospero Place and Broadway. We know how important tidying up the Stratford town centre is for our community – it's something we get feedback on regularly, so we need to just get on and do the work.
- **Demolish the old TSB Pool Complex** – We're planning to remove the existing structures and return the area in King Edward Park back to green space. We're proposing to spend an estimated \$430,000 in year 1 on this work.

Look at these things later on (Year 4 onwards, because we can't do everything right now.

- **Earthquake strengthen the War Memorial Centre** – The War Memorial Centre is the second council owned earthquake prone building covered in this consultation document. We're proposing to invest \$1.45million to strengthen this building in year 5 of the long term plan – You can find more information on Council owned earthquake prone buildings and our plan for them on page 11.

- **Brecon Road Bridge extension** – We're proposing to spend \$1million in Year 4 of this plan to start work on joining Brecon Road across the Patea River and Paetahi Stream. We estimate the total construction of this project to cost approximately \$20million depending on the final design of the road. We've allocated this money as loan funded. It's a project that has been consulted on in previous long term plan processes and is key to improving connectivity within Stratford and building resilience in our transport network. For this reason it remains on our wish list, and is also included in the Taranaki Regional Land Transport Plan. We are hopeful that Waka Kotahi will support this project with our normal 63% subsidy.
- **Earthquake strengthening the Glockenspiel** – we think this can wait until Year 10 of the plan because the main purpose of the building is not disadvantaged by delaying the work. People can still enjoy viewing the iconic feature and watch the Romeo and Juliet performance. But it does mean we are unable to hold any tours of the Glockenspiel, something we occasionally do on a market day or for special events. Our current cost estimate to strengthen the clock tower is \$1.25million but this could change. You can find more information on Council owned earthquake prone buildings and our plan for them on the next page.

Tell us what you think.

We're keen to hear your views on all parts of our draft LTP, but we're specifically keen to hear what you think about how we plan to tackle our earthquake prone facilities.

We've provided more detail, the costs involved, different options available and what our preferred way forward is below.

Have a look at the following information and share your views online at [Stratford.govt.nz/LTP](https://stratford.govt.nz/LTP) or use the submission form at the back of this document.

Earthquake prone buildings – do you agree with our plan?

Background

In 2017 the Building (Earthquake-Prone Buildings) Amendment Act 2016 took effect.

This legislation ensures the way our buildings are managed for future earthquakes is consistent across the country. It also provides more information for people using buildings, such as notices on earthquake-prone buildings and a national public register.

In summary, the new system for managing earthquake-prone buildings aims to strike a balance between protecting people from harm in an earthquake, managing the costs of strengthening or removing buildings and any impact on heritage.

We own four buildings which have been assessed as earthquake-prone under this Act. These are the War Memorial Centre, TET Multi-Sport Centre, Glockenspiel Clock Tower and the TSB Pool Complex.

By law, these buildings will need to be fixed by 2048 if we want to continue using them after that date. Until then, they can continue to be used like they are now, but you'll see an Earthquake Prone Building (EPB) notice attached to them, alerting users to the risk associated with entering.

While we would love to have all of our buildings earthquake strengthened as soon as possible, the financial realities make this a difficult goal to achieve and we propose the following approach:

Facility	Our preferred plan of action	Alternative options
TET Multi-Sports Centre	<p>Focus on this building first, strengthening the whole building to meet the building standard and strengthen at least the Stadium component of the building to the highest level that enables it to be used as a Civil Defence facility.</p> <p>We have determined that the TET Multi-Sports Centre poses the highest risk, being a two-storey building with a concrete-slab second floor at risk of collapse during an earthquake.</p> <p>At the same time, it is also the most cost-</p>	<ol style="list-style-type: none"> 1. Do Nothing. By doing nothing, Council will be exposed to safety and reputational risks. The building will eventually become unavailable for usage, providing no income to offset the cost to maintain. If nothing is done by 2048, Council will need to apply to the District Court to demolish the building. 2. Strengthen the building to the minimum level to no longer be considered an earthquake prone building. This is estimated to cost \$260,000. While the building will no longer be considered earthquake prone and will be removed from the Earthquake Prone Building database, the TET Multi

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	<p>efficient of our buildings to upgrade to the standard required for a Civil Defence facility.</p> <p>When: Year 3, 2026/27</p> <p>Estimated cost as of 2024: \$1.3million</p>	<p>Sports Centre will still be considered an Earthquake Risk building by our insurers. This option will also expose Council to the risk of future seismic strengthening requirements.</p> <ol style="list-style-type: none"> 3. Strengthen the building to the minimum level to no longer be considered Earthquake Prone and Earthquake Risk, and limit Council’s exposure to future seismic strengthening legislation changes. This is estimated to cost \$ 630,000. However, the Stratford District will continue to not have a Civil Defence base. 4. Demolish and rebuild to meet New Building Standard requirements. This option is estimated to cost \$14million. It would bring the building to a higher standard than option 3, thereby securing the future of the building, but it will not provide a Civil Defence base as this would require it to meet the highest building standard – adding further costs to the project.
<p>War Memorial Centre</p>	<p>Strengthen the building to the minimum level to no longer be considered Earthquake Prone and Earthquake Risk and limit Council’s exposure to future seismic strengthening legislation changes.</p> <p>Due to the amount and wide variety of use it provides, we consider this building as important to our community. From weddings to funerals, birthday parties and basketball matches – we want to see this facility used for generations to come.</p> <p>When: Year 5, 2028/29</p> <p>Estimated cost as of 2024: \$1.45million</p>	<ol style="list-style-type: none"> 1. Do Nothing. By doing nothing, Council will be exposed to safety and reputational risks. The building will eventually become unavailable for usage, providing no income to offset the cost to maintain. If nothing is done by 2048, Council will need to apply to the District Court to demolish the building.’ 2. Strengthen the building to the minimum level to no longer be considered an earthquake prone building. This is estimated to cost \$900,000. While the building will no longer be considered earthquake prone and will be removed from the Earthquake Prone Building database, the War Memorial Centre will still be considered an

		<p>Earthquake Risk building by our insurance company. This option will also expose Council to the risk of future seismic strengthening requirements. It is likely that corporate customers will not utilise a building identified as Earthquake Prone or Earthquake Risk.</p> <p>3. Demolish and rebuild to meet New Building Standard requirements. This option is estimated to cost \$6.5million. It would allow for the consideration of current community needs and to incorporate modern building features, therefore securing the future of the building. However we think that the additional benefits of doing this option don't outweigh the significant costs associated. This option would also not meet the requirements to designate the facility as a Civil Defence centre.</p>
Glockenspiel	<p>The Glockenspiel is an icon of Stratford. It resembles the Shakespearean character and sets our town apart from others. It continues to draw spectators to its shows and gives motorists a reason to stop in our town. We want this to remain a key piece of our identity, but we think work to strengthen it can come after the other 2 facilities.</p> <p>The nature of this building means that the requirements are lower than those applicable to other council buildings discussed here.</p> <p>When: Year 10, 2034/35 Estimated cost as of 2024: \$1.25million</p>	<p>1. Do Nothing By doing nothing, Council will be exposed to safety and reputational risks. The building will eventually become unavailable for tourism purposes. If nothing is done by 2048, Council will need to apply to the District Court to demolish the building.</p> <p>2. Demolish and rebuild to meet New Building Standards requirements. This is estimated to cost \$3.2million. The community could consider re-location of this building as part of this option.</p>
TSB Pool Complex	<p>The TSB Pool Complex has faithfully delivered its services to our community. In addition to having exceeded its design life and showing the signs of a building that has lived its life in a</p>	<p>1. Do nothing This option creates an eyesore within one of our parks and exposes Council to safety and reputational risks. If nothing is done by 2048,</p>

	<p>very challenging environment, it has also been identified as earthquake prone. As a result we are planning its demolition.</p> <p>When: Year 1, 2024/25 Estimated cost: \$430,000</p>	<p>Council will need to apply to the District Court to demolish the building.</p> <p>2. Complete a Detailed Seismic Assessment and seek expressions of interest from the community for repurposing the facility. At an estimate of \$60,000 for the assessment alone, this option assumes that the community wants to repurpose the building. Any repurposing will require strengthening and retrofitting at a significant cost. We do not consider this proposal feasible and would suggest it would be cheaper and more practical to find an alternative building in better condition or build something that meets the needs.</p>
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Financial Strategy

The Financial Strategy sets out the overall financial goals of the Stratford District Council for the Long Term Plan 2024-34 ('LTP'). The main target actions of this Financial Strategy are to:

- Ensure the Stratford District Council authority maintains financial sustainability to ensure independence and debt capacity for future growth opportunities. This includes ensuring targeted rate reserve balances are not in deficit by the end of the LTP.
- Build resilience for the Stratford District – by, amongst other things, adequately funding for asset renewals, and ensuring council owned buildings are earthquake strengthened and fit for purpose.
- Enable achievement of the Community Outcomes, agreed levels of service, and performance measures, without significantly burdening the districts' ratepayers.

We've provided a summary of the strategy here but you can view the full Financial Strategy in our supporting information pack available on our website stratford.govt.nz/LTP

Our financial goals

Maintain levels of service

To ensure we can keep delivering across services in the most cost effective way for our rate payers we plan to:

- Look after what we've got – allocate \$9,468,100 in 2024/25, and \$76,802,000 over the remaining 9 years of the to renew our existing assets.
- Smooth our costs out over the 10 years to minimise impact on ratepayers where possible. This includes loan or grant funding any projects that aim to increase service levels. This ensures that the cost of assets providing long term benefits, is spread over the expected life of the asset – aligning with the principle of inter-generational equity.
- Grants and subsidies will be actively sought to help fund our capital works programme.
- Consider different ways of funding depreciation on our assets in order to be practical and balance future sustainability and intergeneration equity. Like replacing a roof on your home, it's a good idea to put aside money regularly in advance of needing the roof replaced. So when the time comes, you're ready. We do this through rates, to help pay for the future replacement of our assets. This is what we mean by funding depreciation. For this plan we're proposing to fund 55% of the depreciation of Wai o Rua – Stratford Aquatic Centre, but fund 100% of our three waters assets.

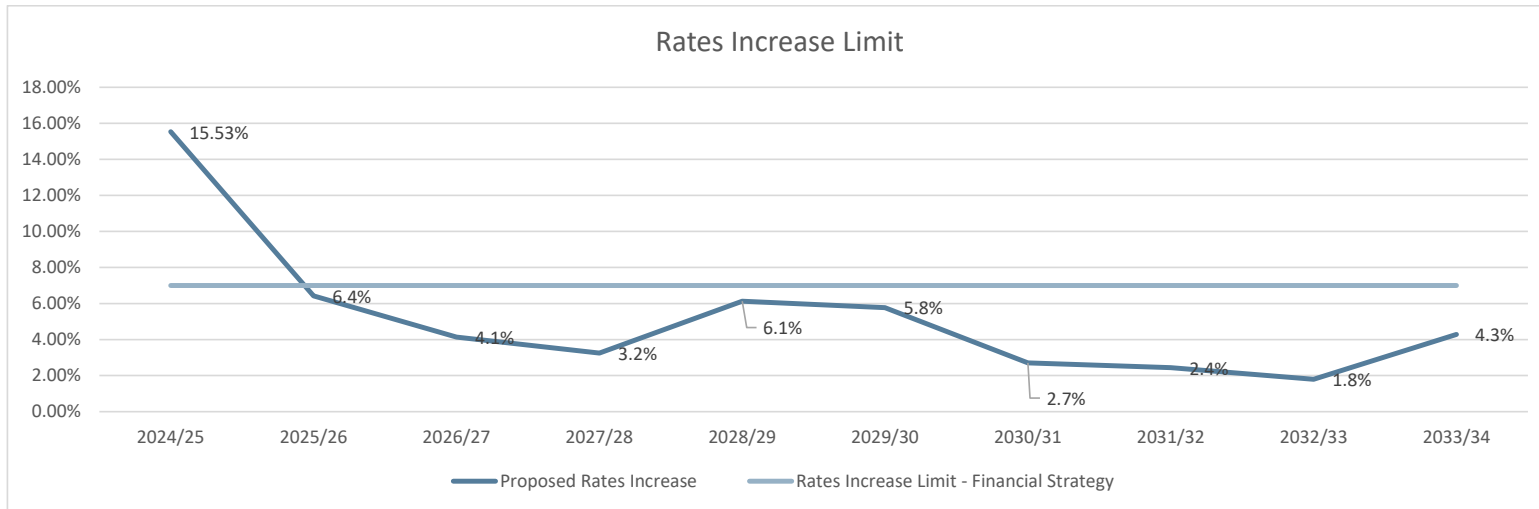
Set realistic limits on rate increase

Keeping our rates at a low level, at a time when our costs to deliver essential services continue to increase is no longer sustainable.

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It's costing us more than ever before to keep things ticking. This has resulted in a proposed increase in total rates of 15.5% for year 1 of the LTP. For the other years of the plan, we propose to set a limit on rate increases at 7% (currently it's a limit of 6). For year 1, we already know we will breach this limit due the significant cost increases across the board as we've discussed in this document. The jump in year 1 is out of necessity to reflect a realistic budget, but from year 2 onwards the rates increases settle below the limit as inflation is forecast to settle, and the focus is on maintaining existing assets and building resilience.

For the current proposed plan, the next 10 years of rates increases looks like:



Rates are a key source of funding. Many of the services provided by Council are unable to be provided privately due to the public benefit associated with these services, limiting the economic returns on investment, or there is no practical way to charge for services efficiently.

Council sets rates on the following basis:

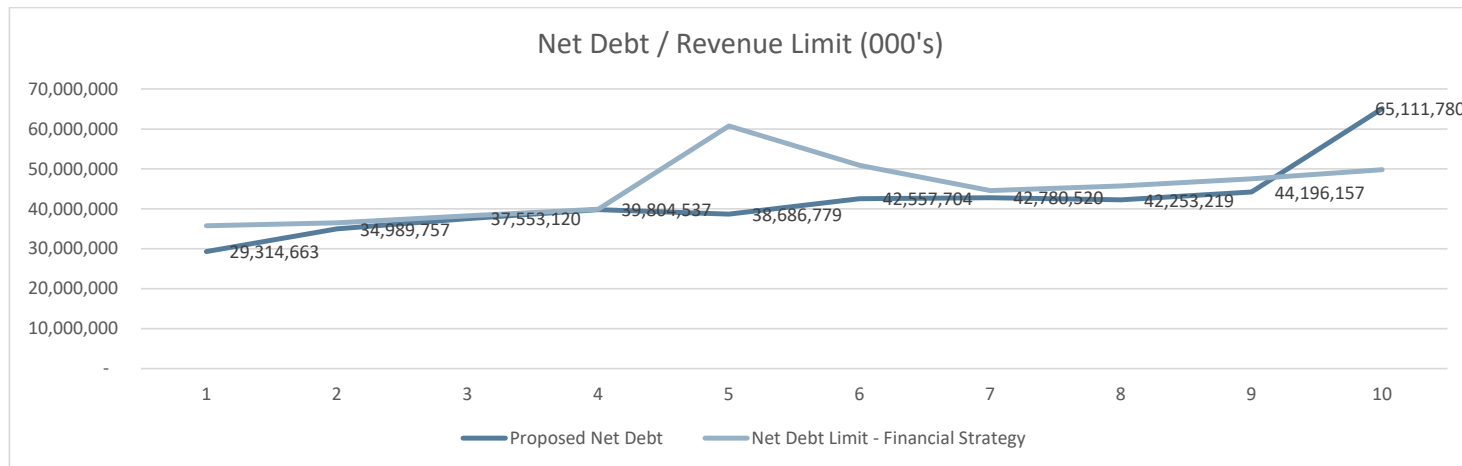
District wide rates on all properties:

- General Rates (including a Uniform Annual General Charge)
 - Rooding Rates (for the costs of the rooding activity), which will include a differential on properties that have plantation forestry.
- Targeted rate on serviced and serviceable properties
- Wastewater Disposal Rates (for sewage disposal from serviceable properties)
 - Solid Waste Collection Rates (for refuse collection from serviceable properties)
 - Water Supply Rates (for water supply to serviceable properties)
- Targeted rate on properties in a specified area:
- Community Centres (for the maintenance of local community halls)

Set limits on debt

We are planning to reduce our net debt to annual operating revenue limit to 115% (it's currently at 130%) and add other limits to ensure appropriate management of costs associated with debt. This is our response to increasing levels of gross debt and the impact that debt servicing has on rates, and future financial sustainability.

In year 10 of the LTP, the proposed level of debt is expected to exceed the limit and reach 150%. Council will monitor this over the next ten years and may have to consider re-prioritising debt funded capital expenditure in the next few years.



Review fees and charges regularly

As the cost of delivering services increases, it's important to review how much we charge for particular services. Fees and charges are usually only set for a service that a user has discretion to use or not, and where it is efficient for the Council to collect the fee or charge.

We have the ability to review these every year as part of our annual plan process and will continue to adjust income sources where necessary to meet the demands of the current economic climate.

We have reviewed all fees and charges and updated the following areas: Aerodrome, Building Services, Transfer Station, Sportsground use, Three Waters connections, Dog Registrations, Cemeteries, Resource Consents, Venue Hire, Health Registrations, Staff charge out rates, and Wai o Rua – Stratford Aquatic Centre.

You can view the full fees and charges schedule online at **[Stratford.govt.nz/LTP](https://stratford.govt.nz/LTP)**

Policies

We've made proposed changes to the following policies, which you can view and share feedback on as part of our consultation process.

- Revenue and Financing Policy
- Rates Remission Policy
- Treasury Management Policy

So what does this mean for your rates?

This is heavily dependent on your circumstances. It varies depending on the services your property receives as well as the recent property revaluation.

We have included a sample rates for actual properties in the district below, but every property will be impacted differently.

Property type	New Property value	2023/24 Annual Rates	Proposed 2024/25 Annual Rates	Movement % & \$	Weekly \$ increase
Residential – connected to water and solid waste services	\$440,000	\$3,049.15	\$3,568.79	17.04% \$519.63	\$10
	\$1,000,000	\$4,046.71	\$5,048.22	24.75% \$1,001.51	\$19
Rural (Pastoral ie, Sheep and Beef farms) – not connected to services	\$2,475,000	\$5,925.67	\$7,409.44	25.04% \$1,483.77	\$29
Rural (Dairy) – not connected to services	\$3,610,000	\$10,104.62	\$10,407.94	3% \$303.32	\$6
Forestry	\$1,030,000	\$10,346.03	\$11,340.48	9.61% \$994.46	\$19
Commercial – connected to wate services)	\$510,000	\$3,129.01	\$3,532.16	12.88% \$403.15	\$29

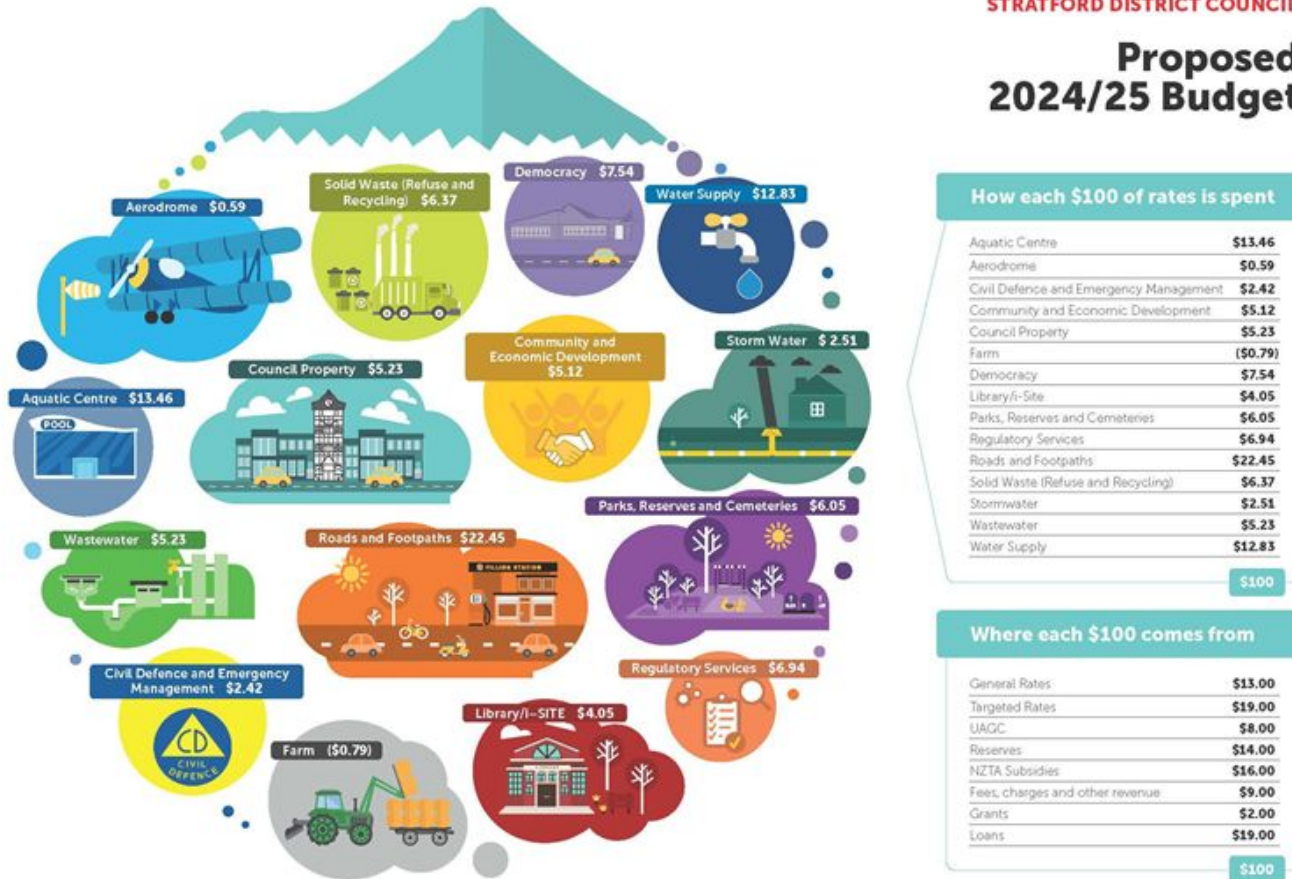
Property value changed?

Last year, properties in the Stratford District were revalued and we have used these new valuations to determine how much you will pay in rates for the 2024/2025 financial year. For some properties in our district, they've seen a significant rise in capital value while others have pretty much remained unchanged. For this reason, you may see a wider range in the rates increases than usual.

There are a number of misconceptions about property valuations and Council collecting rates. People often think that an increase or decrease in valuation will automatically result in an increase or decrease in rates. Many people also think that an increase in the district's values will mean that the Council gets more money. This is not true. Council does not collect more rates as a result of increased property values or less rates if values decrease. But your property's new value will help determine the share of the total rate revenue you pay.

Understanding rates: where is every \$100 of your rates spent, and where is it coming from?

This graphic shows our proposed budget for Year 1 of the long term plan. The brackets around the Farm means that it provides an income.



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Your decision makers – the Mayor and Councillors

Get in touch with the Mayor or your local councillors if you have any questions about what we're proposing for the next 10 years.

Neil Volzke	nvolzke@stratford.govt.nz	027 6317 418
Grant Boyde	grant.boyde@stratford.govt.nz	(06) 765 5715
Amanda Harris	amanda.harris@stratford.govt.nz	(06) 762 3520
Mathew Watt	mathew.watt@stratford.govt.nz	027 263 1235
Vaughan Jones	vaughan.jones@stratford.govt.nz	027 620 2106
Steve Beck	steve.beck@stratford.govt.nz	027 444 7571
Jono Erwood	jono.erwood@stratford.govt.nz	027 6404 008
Annette Dudley	annette.dudley@stratford.govt.nz	027 452 6617
John Sandford	john.sandford@stratford.govt.nz	027 496 2278
Min McKay	min.mckay@stratford.govt.nz	027 357 6060
Ellen Hall	Ellen.Hall@stratford.govt.nz	021 817 792

Want to know more?

This Consultation Document covers our focus areas as we develop the Long Term Plan 2024 - 2034.

The supporting documents can be found on our website stratford.govt.nz/LTP

The supporting documents include:

- Draft Financial Strategy
- Draft Infrastructure Strategy
- Asset Management Plans (AMPs)
- Draft supporting policies including the Revenue and Financing Policy
- Draft Fees and Charges
- Financial Forecasts
- Community Vision and Outcomes
- Key Assumptions
- Activity Statements

When are the public meetings?

Join us at one of the public meetings held during April, or invite us to present to your community organisation.

Date	Time	Where
TBC		War Memorial Centre
TBC		Whangamomona Hall
TBC		Whakaahurangi Marae

Tell us what you think!

Making a submission is easy!

Online

The easiest way to let us know what you think is to complete our online submission form. To complete the submission form and survey online, go to stratford.govt.nz/LTP. You can also provide comments by emailing us on submissions@stratford.govt.nz

In writing

Fill in the submission form on the next page. Post your completed submission form to Council, or drop it to one of our offices. Additional forms are available from the library and Visitor Information Centre, Council offices and on our website.

In person

You can present your thoughts to Council by speaking to your submission in person.

If you'd like to do this, put in a submission outlining the key points you'll refer to.

On your submission form, make sure you select the option to speak to your submission.

Submission form

Tell us what you think by 1 May 2024

- Submit online: Visit Council’s website, stratford.govt.nz/LTP
- Email: submissions@stratford.govt.nz
- Post this form to: Long Term Plan 2024 – 2034
Submissions, Stratford District Council, PO Box 320,
Stratford 4352
- Drop into: Service Centre, Stratford District Council, 63
Miranda Street, Stratford

Need clarification on any of the information in this document?

Give us a call before making your submission on 06 765 6099.

PLEASE NOTE: Submissions on this LTP are public information and your information and submission will be made available to the public as part of deliberations. Your submission will only be used for the purpose of the LTP process and will be held by Stratford District Council at 63 Miranda Street, Stratford 4352. You may access the information and request its correction, if required. Please contact our Privacy Officer on privacy@stratford.govt.nz if you want to request that your details remain private.

Your details

Full name:

I am submitting feedback (please tick):

- As an individual
- On behalf of an organisation

Name of Organisation (if applicable):

Address

Phone

Mobile

Email

Please tick this box if you would like to speak to your submission at the Council hearings on 14 May. Someone will contact you to confirm this.

Optional Demographic Information This is kept confidential for analysis only.

Age:

- <24
- 25-34
- 35-44
- 45-54
- 55-64
- 65>

Gender:

- Female
- Male
- Other
- Prefer not to say

Ethnicity:

Do you live in the Stratford district?

- Yes - where? _____
- No - where? _____

How did you hear about this LTP consultation?

- Newspaper
- Mail
- Website
- Meeting
- Facebook
- Other _____

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The key questions

1. Do you agree or disagree with our top priorities? Is anything missing?

2. We've done a lot of work reviewing budget lines to identify savings. Do you think we could make further savings somewhere? If so, what service would you be willing to see a decrease in?

3. Do you agree with our preferred plan of action for managing our earthquake prone buildings? Or would you prefer one of the other options listed?

4. Do you have any other comments to make on our draft LTP?

MONTHLY REPORT

Assets Department



F22/55/04 – D24/3178

To: Policy and Services Committee
From: Director – Assets
Date: 27 February 2024
Subject: Assets Monthly Report for January 2024

Recommendation

THAT the report be received.

/
Moved/Seconded

1. Highlights

General

- Officers have been developing projects, budgets and programmes, while 'workshopping' these with elected Members for inclusion into the 2024/34 Long Term Plan (LTP) consultation document.
- Officers are also developing Asset and Activity Management Plans (AMP) across 7 key activity areas, in addition to the Infrastructures Strategy (IS), as required by good practice and legislation.
- Policies, Bylaws and other plans have also been reviewed where necessary in readiness for the LTP.

Roading

- The replacement of a section of footpath on Juliet Street between Pembroke Road East and Seyton Street continued in January.
- Work commenced on widening the existing footpath on Regan Street between Brecon Road and the Caretakers entrance to the Stratford Primary School.
- Work continued with the lining of the steel culvert under Pembroke Road West near the entrance to Platinum Lodge.

Water Supply

- No water treatment issues were experienced during this reporting period.
- High water demand in Midhirst identified leaks within private properties and these were identified efficiently using the electronic water meter reading software
- Installation of manifolds tender has been evaluated and contract awarded.

Wastewater

- Wastewater oxidation pond monitoring and sampling are ongoing. Influent and effluent sampling are ongoing and remains compliant with resource consent conditions.
- High phosphate result on the influent was recorded during January. In accordance with a TRC directive, council staff are to undertake catchment sampling to ascertain the origin of the high readings.
- Algal sampling of the wastewater is ongoing for the Diatomix project.

Trade Waste

- Trade Waste Consents – nil new consents issued.

Stormwater

- There were no stormwater reticulation issues during this reporting period.

Solid Waste

- A request has been sent to all primary and secondary schools to facilitate a waste minimisation and water conservation workshop in their school.
- SDC Waste Levy Contestable fund closed 31 January 2024; decision to be made by the Committee soon after.
- Collaboration between the council and the Stratford Repair Café group continues.

Parks and Reserves

- The Cricket Club have now played at Victoria Park and will continue to do so until the end of their season. Contractors will then complete maintenance in preparation for the rugby season.
- Midhirst Old Cemetery - Pathway Upgrade – Weeks one and two are complete, and the contractors are progressing to schedule. The old path has been removed and boxing and timber edges complete. Please note, the cemetery will remain closed throughout the construction period.

Special Projects

- Better off Funding projects are ongoing.
- Transport Choices has been officially cancelled by the Minister for Transport

2. Rooding

2.1 Level of Service and Performance Measures

The Levels of Service for the Rooding Activity are measured using several performance indicators as shown in the table below.

Rooding Level of Service (LoS) and Performance Measures

Level of Service	Performance Measure	Target	2023/2024 YTD
Safe Rooding Network	Road safety - The change from the previous financial year in the number of deaths and serious injury crashes (DSI) on the local road network, expressed as a number. The number of DSI's for 2021/2022 was 6. Our target is 5 a reduction of 1.	-1	Achieved to date = 1 There were no serious injury crashes in January.
Road Condition	Urban Road condition – The average quality of ride on sealed urban road network, measured by smooth travel exposure.	≥ 83%	Not Achieved - 54% (as at 2022/23). NZTA is undertaking nationwide data collection surveys as a part of their Consistent Data Collection Strategy. This KPI should be reviewed as clearly the funding available cannot deliver this level of service for the urban road network.
	Rural Road condition- The average quality of ride on sealed rural road network, measured by smooth travel exposure.	≥ 91%	Achieved - 92% (as at 2022/23). As above, the KPI should be reviewed given the extensive damage caused to some rural sealed roads by logging activity and the funds available to undertake repairs.
Road Maintenance	Sealed Road maintenance – The percentage of the sealed road network that is resurfaced:	≥5%	Not Achieved ¹ The reseal programme for the year has commenced.
	Unsealed Road maintenance ¹ - The percentage of the unsealed road network that has been metal dressed.	≥7%	0.6% Achieved to date. No maintenance metalling was undertaken in January.
Footpaths	Footpaths that fall within LoS Standard - The percentage of footpaths within a territorial authority district that fall within the level of service or service standard for the condition of footpaths that is set out in the territorial authority's relevant document.	>72%	Achieved at 89%. A footpath condition survey was completed in January and we are reviewing the results of the survey.

¹We continue with the reseal programme, sealing a further 1.0km of Monmouth Rd and Opunake Road. This brings the total to 3.5km.
²Our target is to use 10,000m³ of metal or the equivalent of 25km (12%) on unsealed roads, assuming a 100mm overlay on a 4m wide road. To date we have re-metalled 1.3km of the unsealed network.

Level of Service	Performance Measure	Target	2023/2024 YTD
Customer Request Management Response	Response to service requests - The percentage of customer service requests relating to roads and footpaths to which the territorial authority responds within the time frame specified in the long-term plan.	>88%	Achieved
Customer Satisfaction	• Roothing Network	>80%	Not Achieved – The results for the first quarter are 19% satisfied and 50% dissatisfied.
	• Footpaths	>80%	Not Achieved - The results of the first quarter are 50% satisfied and 19% dissatisfied.

2.2 Customer Requests

There are no outstanding CRMs for the month of January

2.3 Routine Maintenance

Day-to-day maintenance activities continued throughout January typically comprising:

- CBD cleaning;
- Bridge cleaning;
- Pothole filling and fixing edge breaks;
- Sweeping up leaves in the urban area;
- Clearing sump tops;
- Litter collection;
- Vegetation control;
- Unsealed pavement maintenance;

2.4 Ready Response Works

There were no call-outs during January.

2.5 Capital Works

- After the initial site establishment in December, the lining of the culvert under Pembroke Road West continued through January (**Figures 1 – 3**).
- The replacement of a section of footpath on Juliet Street between Pembroke Road East and Seyton Street began in December 2023 and continued through January.
- The widening of the footpath on Regan St between Brecon Rd and the Caretakers entrance to Stratford Primary School began during the month (**Figure 4**).



Figure 1: De-watering of the Culvert under Pembroke Road West.



Figure 2: The completed concrete lining with rubber baffles for the fish passage



Figure 3: Concrete lining being poured.



Figure 4: Widening of the footpath on Regan Street.

2.6 Building Consents, Resource Consents and LIMS

Roading assessments were made for a total of:

- Four (4) building consent applications;
- Three (3) resource consent applications; and
- Six (6) LIM reports.

2.7 Stratford's Speed Management Plan.

At the council meeting on 30 January 2024, the Policy and Services Committee resolved the following recommendation for the draft Stratford Speed Management Plan:

Option 2 - Wait for the new Setting of Speed Limits Rule to become law to reduce speeds on local roads which have an increased crash rate related to speed, like Opunake Road.

2.8 Roading Activities

A snapshot of the programmed and reactive works completed in January is shown in **Figure 5**.

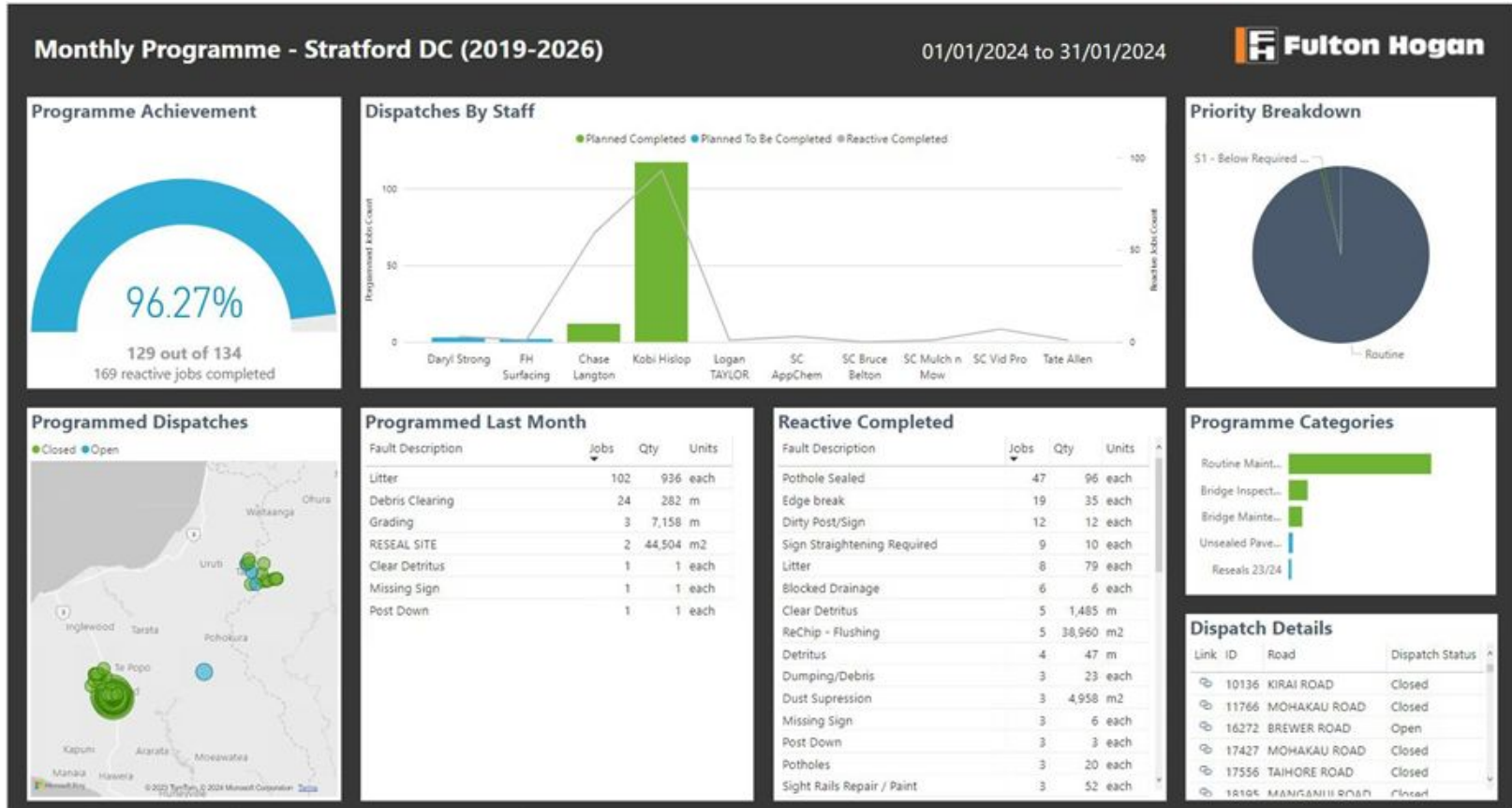


Figure 5: January 2024 Monthly Programme Achievement Chart

3. Services

3.1 Water Supply

The Levels of Service for the Water Supply Activity are measured using several performance indicators as shown in the table below.

Water Supply Level of Service (LoS) and Performance Measures

Level of Service	Performance Measure	Target	2023/2024 YTD
Safe Drinking Water: • Drinking Water Standards • Maintenance of Reticulation	DWSNZ Bacterial compliance – Compliance with Part 4 of the Drinking-water standards (bacteria compliance)	100%	Achieved
	DWSNZ Protozoal compliance – Compliance with Part 5 of the Drinking-water standards (protozoal compliance)	100%	Achieved
	Water Loss – The percentage of real water loss from the local authority’s networked reticulation system (including a description of the methodology used to calculate this)	<25%	Achieved – 13.5% Stratford – 15.3 Midhirst – 17 Toko – 8.2
A Reliable Water Supply: • Response Time • Unplanned Disruptions	Urgent Response Times – The performance measure targets for the median response time for urgent attendance and resolution		
	• Attendance for urgent call-out	1 hr	Achieved 0 hr 12 mins
	• Resolution for urgent call-out	8 hrs	Achieved 4 hr 27 mins
	Non-urgent Response Times – The performance measure targets for the median response time for non-urgent attendance and resolution		
	• Attendance non urgent call-out	2 working days	Achieved 1 days 15 hrs 21 mins
	• Resolution non urgent call-out	5 working days	Achieved 3 days 15 hrs 46 mins
	Unplanned Disruptions - The performance measure target for disruptions.		
	• Minor disruptions (between 5 and 50 connections affected)	< 5	Achieved 0.33
• Major disruptions (more than 50 connections affected)	<2	Achieved 0.33	
Demand Management	Water Consumption – The average consumption of drinking water per day per resident within the district	<275L / resident / day	Achieved 159 average Stratford – 187 Midhirst – 143 Toko - 147
Customer Satisfaction	Number of complaints – The performance measure target for customer satisfaction is <32 complaints per 1,000 connections received for:		Achieved
	• Drinking Water Clarity;		0
	• Drinking Water Taste;	<32	0
	• Drinking Water Odour;		0
	• Drinking Water Pressure or Flow;		0.33
	• Continuity of Supply		0.99

Level of Service	Performance Measure	Target	2023/2024 YTD
Water Pressure	Water Pressure – The average water pressure at 50 properties within the water supply zone, including any that have complained about pressure and or flow meets Council specifications (flow>10l/min & pressure>350kpa)	100%	Achieved
NZFS Conditions	Fire Hydrants – The performance measure targets the percentage of hydrants meeting the NZFS Code of Practice conditions regarding supply	100%	Achieved

3.1.1 Water Treatment

- No water treatment issues were experienced during this reporting period.

3.1.2 Water Reticulation

- No major water reticulation issues were experienced during this reporting period.
- High water demand in Midhirst identified leaks within private properties and these were identified efficiently using the electronic water meter reading software. Council staff worked with the property owners to address the leaks and the water demand dropped accordingly.

3.1.3 Capital Works

- The new raw water delivery line and grit tank project is ongoing.
- Installation of manifolds tender has been evaluated and contract awarded.

3.1.4 Building Consents, Resource Consents and LIMs

- Assessments were made for a total of:
 - Seven (7) Building Consent applications;
 - One (1) Resource Consent application; and
 - Five (5) LIM reports.

3.2 Wastewater

The Levels of Service (LoS) for Wastewater Activity are measured using several performance indicators as shown in the table below. The overarching LoS is the management of wastewater without risk to public health.

Wastewater Level of Service (LoS) and Performance Measures

Level of Service	Performance Measure	Target	2023/2024 YTD
System Adequacy	Dry weather sewerage overflows - The number of dry weather sewerage overflows from the territorial authority's sewerage system, expressed per 1000 sewerage connections to that sewerage system.	<5 per 1,000	Achieved 0
Discharge Compliance	Resource Consent Compliance – Compliance with the territorial authority's resource consents for discharge from its sewerage system measured by the number, received by the territorial authority in relation to those resource consents, of:	0	Achieved
	• Abatement notices;		0
	• Infringement notices;		0
	• Enforcement orders; and		0

Level of Service	Performance Measure	Target	2023/2024 YTD
	<ul style="list-style-type: none"> Convictions. 		0
Response and Resolution Times	Sewerage overflows - Where the territorial authority attends to sewerage overflows resulting from a blockage or other fault in the territorial authority's sewerage system, the following median response times are measured:		
	<ul style="list-style-type: none"> Attendance time from the time that the territorial authority receives notification to the time that service personnel reach the site. 	1 hour	Achieved 0 hrs 20 mins
	<ul style="list-style-type: none"> Resolution time from the time that the territorial authority receives notification to the time that service personnel confirm resolution of the blockage or other fault. 	8 hours	Achieved 2 hrs 6 mins
Customer satisfaction	Complaints - The total number of complaints, expressed per 1000 connections to the territorial authority's sewerage system, received by the territorial authority about any of the following:	<5	Achieved
	<ul style="list-style-type: none"> Sewage odour 		0
	<ul style="list-style-type: none"> Sewerage system faults 		0.66
	<ul style="list-style-type: none"> Sewerage system blockages 		2.3
Trade Waste Complaints Response times	<ul style="list-style-type: none"> Attendance time: from the time the Council receives notification to the time that a Trade Waste Officer arrives on site. 	2 working days	Achieved 1 YTD (January – 0)
Trade Waste Consent Processing	<ul style="list-style-type: none"> Percentage of trade waste consent applications processed within 15 working days. 	100%	Achieved

3.2.1 Operations

Wastewater Treatment

- An inspection of the wastewater ponds undertaken by the Taranaki Regional Council found the turbidity of the receiving waters downstream of the discharge point breached *Condition 14* of resource consent 0196-5 whereby the 1.35 FNU (Formazin Nephelometric Unit) upstream increased to 2.3 FNU downstream, a 70% increase; condition 14 stipulates 50% maximum increase.
- A Formazin Nephelometric Unit (FNU) measures scattered light at 90 degrees from the incident light beam using an infrared light source.
- The breach was recorded as non-compliance, but sampling found the suspended solids to be low and the river was in low flow, so no enforcement action was taken.

Wastewater Reticulation

- There were no major issues relating to wastewater reticulation during this reporting period.
- During camera inspection for the sewer lining programme a historic cabbage tree root within private property was found to have broken a sewer line on Hamlet Street (**Figure 6**).

Health and Safety

- There were no health and safety incidents during this reporting period.



Figure 6: Unearthed broken sewer pipe

Oxidation Pond Influent and Effluent Sampling

- Monthly influent and effluent sampling of the wastewater treatment ponds is ongoing in accordance with resource consent conditions.
- Compliance was maintained during this reporting period.
- Another high phosphate result on the influent was recorded during January (7.3 mg/l). In accordance with a TRC directive, Council staff have undertaken catchment sampling. A 'high' result was found on Swansea Road and strategic sampling was undertaken within the catchment along Cloten Road. At the time of writing no source has been identified and further sampling is to occur.

3.2.2 Capital Works - Wastewater Treatment Upgrade

- Algal sampling of the wastewater is ongoing for the Diatomix project.
- Bird scaring operations are ongoing.

3.2.3 Matters Outstanding

- There are no matters outstanding for this reporting period.

3.3 Trade Waste

The following provides a summary of Trade Waste Activities for the month of January:

3.3.1 Trade Waste Consents

- No new consents issued.

3.3.2 Trade Waste Consent Holders

- Programme to inspect and sample operators continues. Since several operators rarely use (or have never used) the Esk Road facility, some sampling has not always been able to be completed within timeframes specified in their consents. Ongoing. One sucker truck operator was sampled. The results were non-compliant for phosphorus limit but compliant for Nitrogen. No action taken at this stage but a review of the consent conditions and limits at the renewal stage will be undertaken.

3.3.3 Permitted Activities

- Audit of grease management systems in high-risk food premises continues. This is to confirm compliance with the permitted activities within the district. One business being investigated for non-compliance with the fat, oil, and grease (FOG) limits in the bylaw was engaged with in a formal meeting to discuss the non-compliance and the

implications of this. A written plan of action was requested from the operator outlining how they will manage compliance in the future. Awaiting formal response.

3.3.4 General

Diatomix project update – ongoing monitoring continues. An additional dose of silica containing product to improve outcomes, on advice from the consultant, was implemented in addition to the regular Diatomix solution.

3.4 Stormwater

The Levels of Service for the Stormwater Activity are measured using several performance indicators as shown in the table below.

Stormwater Level of Service (LoS) and Performance Measures

Level of Service	Performance Measure	Target	2022/2023
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 	0	0
	<ul style="list-style-type: none"> For each flooding event, the number of habitable floors affected. (Expressed per 1000 properties connected to the territorial authority's Stormwater system.) 	0	0
	<ul style="list-style-type: none"> For each flooding event, the number of buildings in the central business zone affected by flooding. 	0	0
Discharge Compliance	Resource Consent Compliance – Compliance with the territorial authority's resource consents for discharge from its Stormwater system measured by the number of:	N/A	
	<ul style="list-style-type: none"> Abatement notices; 		
	<ul style="list-style-type: none"> Infringement notices; 		
	<ul style="list-style-type: none"> Enforcement orders; and Convictions. 		
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.	1hr	0hrs
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.	< 8	0

3.4.1 Operations

- There were no major issues relating to stormwater operations during this reporting period.
- A resource consent has been applied for to remove the silt/sediment from the pond within Victoria Park. The works are expected to commence during February, subject to resource consent conditions.

3.4.2 Matters Outstanding

- There are no matters outstanding for this reporting period.

3.5 Solid Waste

The Levels of Service for the Solid Waste Collection Activity are measured using the performance indicators shown in the table below.

This report shows December activity. Contractor reports haven't arrived for the January period at the time of the report deadline.

Solid Waste Level of Service (LoS) and Performance Measures

Level of Service	Performance Measure	Target	2023/2024
The levels of waste generated are reducing	Quantity of Waste to landfill per household (kg/hh/annum) (municipal kerbside collection only)	<600kg kg/hh/annum	Achieved to date: December- Achieved – 468.9kg/hh/pa (Figure 7)
	Percentage (by weight) of Council controlled waste stream that is recycled (municipal kerbside collection only).	>20%	Achieved to date. December - 29%
Customer Satisfaction	Percentage of customers satisfied with the service provided.	>80%	Achieved to date 81%

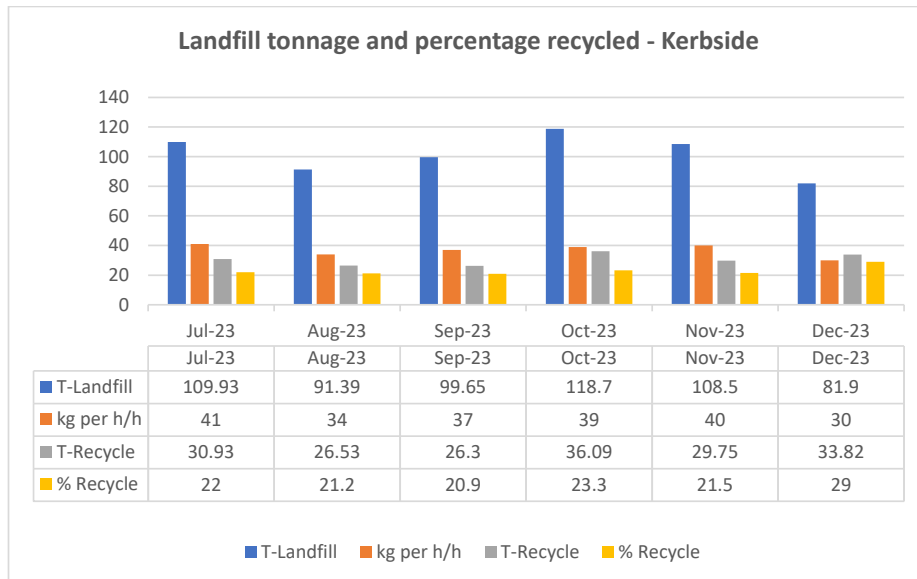


Figure 7: Total Tonnage of Kerbside Collection

3.5.1 Planning – Strategies, Policies, Plans and Bylaws

The WMMP 2023 is now operative. Officers are developing timelines, responsibilities, and mini projects to facilitate the implementation of the actions therein.

3.5.2 Sustainability

Officers are considering the most appropriate way to communicate and engage with Elected Members on the proposed draft Sustainability Policy (and subsequent Strategy). While a first draft has been developed, Officers are developing a Communications Plan which should include a series of workshops with the Senior Leadership Team (SLT), staff and Elected Members.

3.5.3 Contamination Levels of Kerbside Recycling

- Contractor reports hadn't arrived for the January period at the time of the report deadline.
- In November and December, a total of 47 education packs were issued from 4/8 audits completed, comprising:
 - 11 and 16 respectively Education packs issued for minor contamination (down over 20 on October)
 - 10 and 7 respectively First notifications and education packs (down 6 on October) and
 - 0 and 3 respectively Second notifications with education packs (down 6 on September) were issued.
 - 3 properties have had recycling bin collection service suspensions lifted leaving only two properties who have not notified council that they wish to resume their service. These two properties have had multiple suspensions.

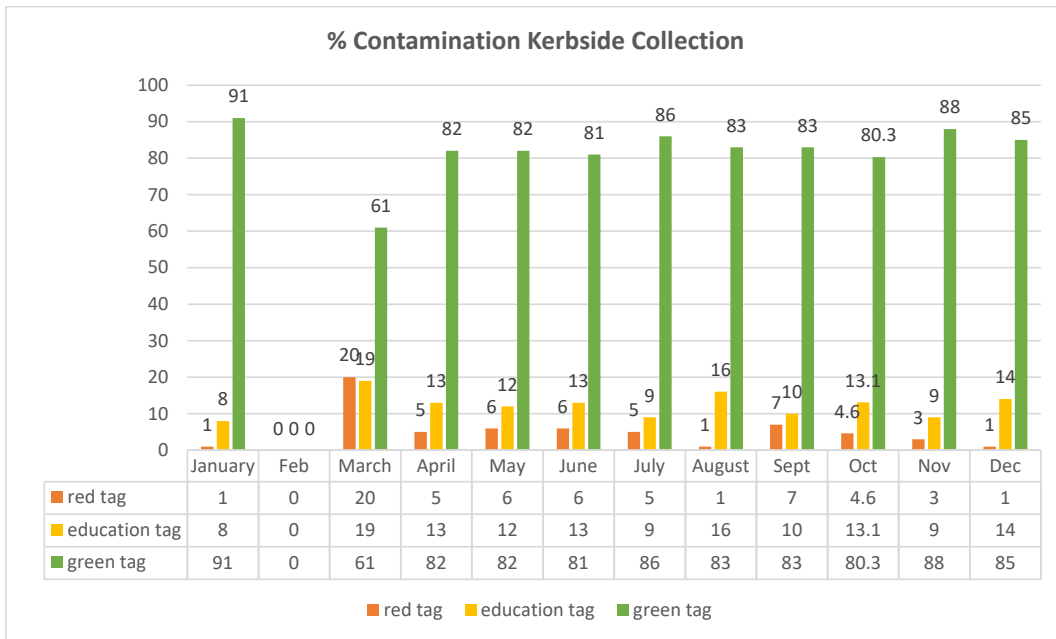


Figure 8: Monthly Waste, % Contamination Proportion of Recycling Bins

3.5.4 Waste and Water Minimisation Education

Bin Audit

- Initiated a bin condition audit, a condition assessment of all kerbside bins currently in use within the community. This audit also allows the officers to complete more detailed bin contamination audits and allows greater targeted educational material to be sent where it has the most benefit. While the audit is in the early stage, a number of issues have already been highlighted including numerous houses presenting multiple bins, poor condition of bin stock and the process of delivery/repair of bins needing to be amended.

Repair Cafe

- Collaboration between the Council and the Stratford Repair Café group continues. The old municipal building is the new location for the Repair Café, who are hosting workshops on composting/waste free parenting/worm farming and upcycling and/or repair of resources.

Primary Schools education workshops

- A request has been sent to all primary and secondary schools to facilitate a waste minimisation and water conservation workshop in their school. No schools have responded.
- Development of materials for inclusion in the Primary Schools education workshops.

Kerbside Standardisation

- The Education Officer is working with the Sustainability Officer and the Regional Waste Minimisation Officer on messaging for the kerbside standardisation due 1 February 2024.
- The Education Officer is working with community groups to help manage their application for waste levy contestable fund grants.

Water Conservation Messaging

- Development of CentralLink messaging around water conservation.

3.5.5 Waste Levy Contestable Fund

- Fund applications opened on 1 November 2023 and closed 31 January 2024. An advisory group meeting has been scheduled with the decision to recipients of fund and other applicants to be communicated by the end of February 2024. Link for the committee's information; <https://www.stratford.govt.nz/our-district/funding-and-grants/waste-levy-fund>.
- Officers, not involved in the decision-making process, will be available to work with potential applicants.

3.5.6 Regional Waste Services Contract

- The current Regional Waste Services Contract ends on 30 September 2024. The new Regional Waste Services Contract will be operative for 10 years. The start date for the new service is 1 October 2024.

4 Property

The Property Officer manages several community facilities including the Aerodrome; Civic Amenities; and Rental and Investment properties. The Customer service request history for the property activity is shown in **Figure 9** below.

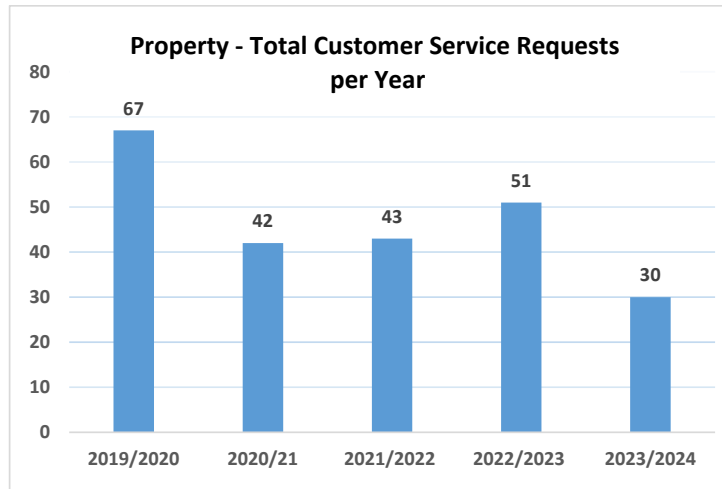


Figure 9: Customer service request history – January 2024

Note: Complaints, concerns, observations and suggestions from the public are categorised as Customer requests. The figures above do not relate only to complaints received.

4.1 Aerodrome

The Levels of Service provision, including the Performance Measures is based on the condition and maintenance and associated customer satisfaction of the Aerodrome. This is measured annually and reported at the end of each financial year. The first draft of the **Aerodrome Strategic Plan** review has been completed and is being reviewed by Officers.

Level of Service	Performance Measure	Target	2023/2024 YTD
The aerodrome meets the needs of users.	A high level of satisfaction amongst the users with the condition and maintenance of the aerodrome	>70%	Expected to achieve
The aerodrome is used by the Stratford community and visitors.	Number of aircraft movements during the year	>3,500	904

Below is a summary of January activities at the Aerodrome (**Figures 10 & 11**). The next Aerodrome User group and Safety Committee meeting is on 21 February 2024.

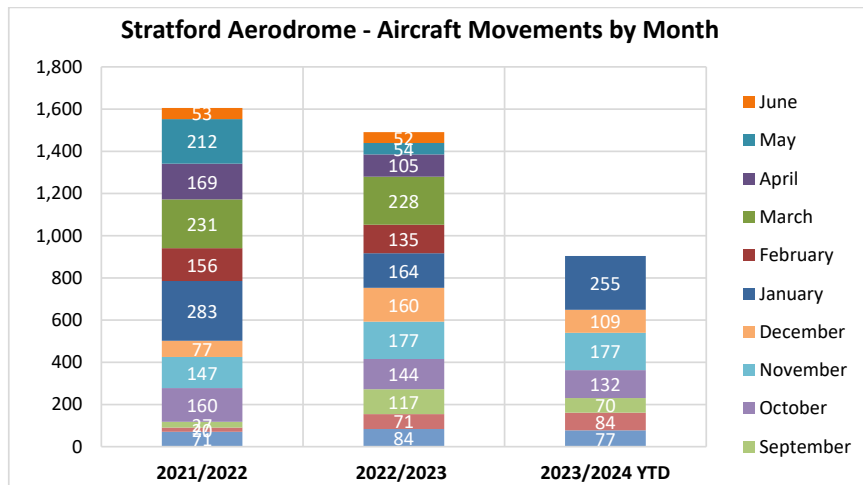


Figure 10: : Stratford Aerodrome Aircraft Movements –January 2024

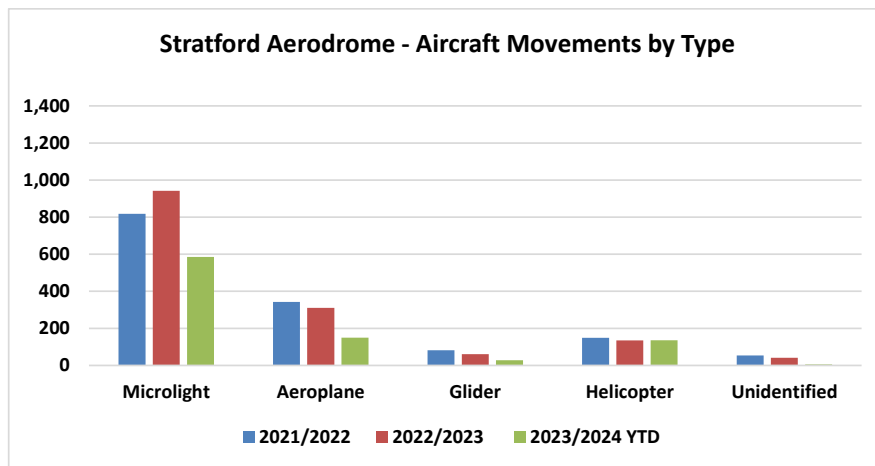


Figure 11: Stratford Aerodrome Aircraft Movements by Type – January 2024

4.2 Civic Amenities

The Council's Amenities portfolio include, but are not limited to:

- Housing for the Elderly;
- TET Stadium
- War Memorial Centre;
- Centennial Restrooms; and
- Public toilets.

The Levels of Service provision, including the Performance Measures is based on the condition of the assets and associated customer satisfaction. The performance of these services is annually measured and reported at the end of the financial year.

Level of Service	Performance Measure	Target	2023/2024 YTD
To provide facilities that are well maintained and utilised.	Buildings legally requiring a Building Warrant of Fitness (WoF) have a current Building WoF at all times.	100%	100%
	Annual booking of War Memorial Centre.	>500	187
	Annual booking of Centennial Restrooms.	>200	111
To provide suitable housing for the elderly.	Percentage of Customer satisfaction.	>89%	Expected to achieve
	Annual Occupancy rate.	>95%	100%
To provide clean, well maintained toilet facilities.	Percentage of Stratford District residents satisfied with overall level of service of toilets.	>80%	Expected to achieve%

The Civic amenities occupancy rates / patronage are shown in the table and charts below.

4.2.1 Housing for the Elderly

The draft Housing for the Elderly Policy was presented to the Policy and Service Committee in January and approved by council for officers to seek feedback. Amendments to the Policy include:

- The inclusion of rental review
- Changes to the eligible criteria
- Removal of the secondary waiting list.

The current Housing for the Elderly unit's occupancy rate for the month of January 2024, is 100%

4.2.2 War Memorial Centre

One booking was cancelled during the month of January 2024.

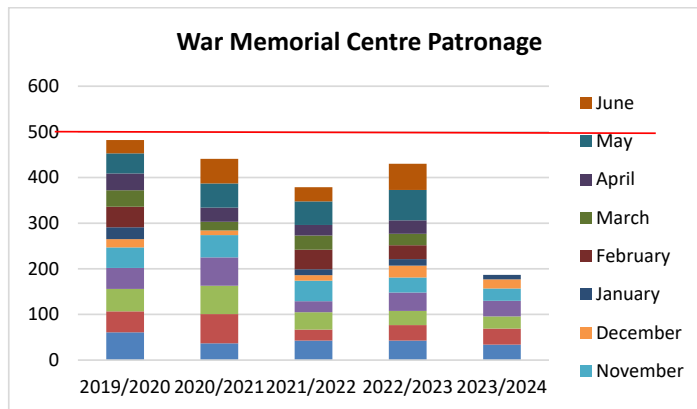


Figure 12: War Memorial Centre Patronage – January 2024

4.2.3 Centennial Restrooms

Three (3x) bookings were cancelled during the month of January 2024

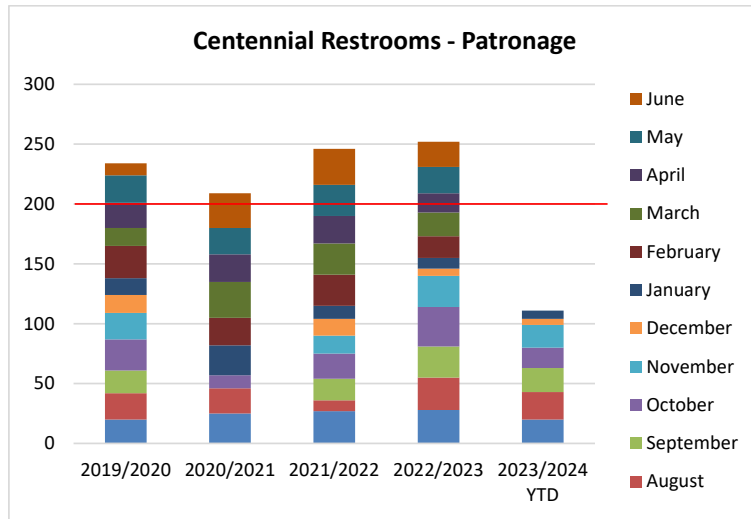


Figure 13: Centennial Restrooms Patronage – January 2024

4.3 Rental and Investment Properties

The Council’s Rental and Investment Properties are:

- the Farm;
- the Holiday Park (operated by a third party, with a formal lease on the land); and
- Rental properties (urban and rural land, and commercial properties).

The Levels of Service are measured annually and reported at the end of the financial year, using the performance indicators shown in the table below.

Level of Service	Performance Measure	Target	2023/2024 YTD
Maximum profits from the farm are returned to Council.	Milk production is maximised	>150,000 kg	98,095.1 KgMS
The Council is meeting national Environmental standards.	The Council farm's Environmental Plan is reviewed annually	Compliance	Achieved
Leased property is safe and fit for purpose.	Number of complaints from tenants.	<5	Expected to achieve

4.3.1 The Farm

4.3.1.1 January’s milk production has increase by 4.1% compared to January last year. This season’s milk production total is 98,095.1 KgMS which is an increase of 1% compared to last season.

4.3.1.2 The next quarterly Farm meeting will be held on the 22 February 2024, where a discussion on the current stocking rate will be held.

The history of the Farm milk production is shown in **Figure 14** below.

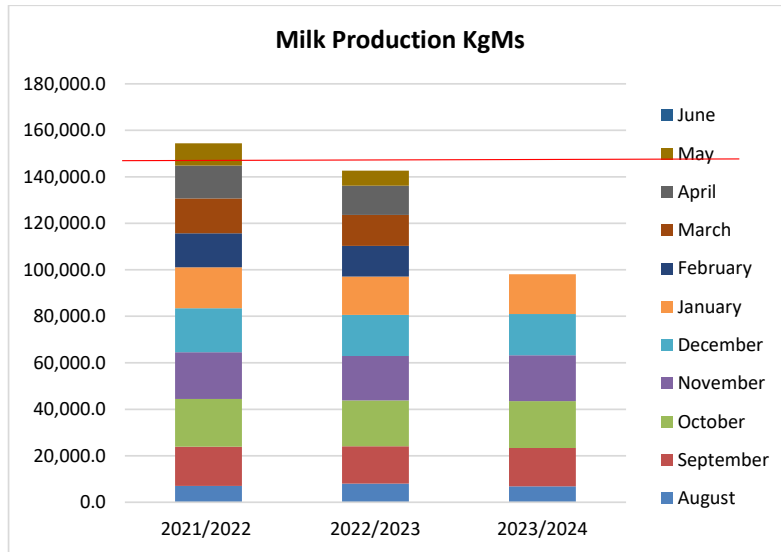


Figure 14: Milk Production KgMs

4.4 Key Property Projects

These projects relate to the seismic assessment on four of Council's facilities:

4.4.1 The TET Multisport Stadium

- **Seismic Retrofitting** - A Decision report on strengthening cost options was presented to the P&S Committee in January 2024. Council resolved to strengthen the TET Stadium to 100% IL4, for use as a Civil Defence Building. This project will be included in the draft LTP documentation.
- **Entrance and Gymnasium Door Upgrade** – A Request for Quote (RFQ) closed in January 2024 with no quotes received. Officers are working with local suppliers to progress this work.

4.4.2 The War Memorial Centre

- **Seismic Retrofitting** – At the P&S Committee meeting in January 2024, the Decision report on strengthening cost options was presented. Council resolved to strengthen the Centre to 67% IL3. Details of this project will be included in the consultation document for the draft LTP.

4.4.3 The Glockenspiel – Clock Tower

- A Decision report on strengthening cost options was presented to the P&S Committee in January 2024. Council resolution was to strengthen the Clock Tower to 34% IL2. This project will be included in the consultation document for the draft LTP.

4.4.4 TSB Pool Complex – Old Pool

- A report was presented to Elected Members at the Ordinary meeting of Council in December, seeking direction on the pool's future. Elected Members approved for the pool complex to be demolished with that works and budget to be proposed in year 1 of the 2024/34 LTP.

5. Parks and Reserves

The performance of Council’s parks and reserves activities are measured using the targets shown in the table below. Measurement is done annually and reporting at the end of the financial year.

Level of Service	Performance Measure	Target	2023/2024 YTD
To provide parks, Sports fields and other open spaces that meet community demand	Number of complaints and requests for service.	<40	57
	Percentage of Stratford residents satisfied with:		
	Parks;	>80%	Achieved - 90%
	Sports fields;	>80%	Achieved - 85%
	Cemeteries.	>80%	Not Achieved - 68%
Safe playgrounds are provided	All playgrounds meet NZ Safety Standards.	Full Compliance	Achieved - Full compliance
Foot Bridges are safe.	All foot bridges meet NZ Safety standards.	Full Compliance	Achieved - Full compliance

The customer service request history for the Parks and Reserves Activity is shown below.

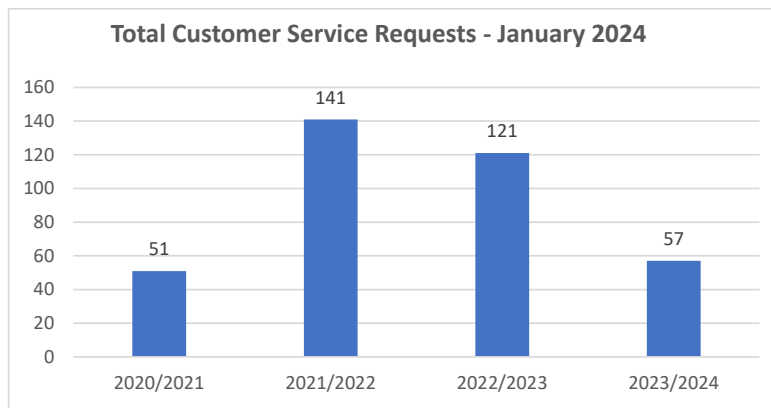


Figure 15: Total Customer Service Requests – January 2024

	2020/2021	2021/2022	2022/2023	2023/2024 (YTD)
Parks	10	24	31	12
Structures	2	32	17	9
Sports grounds	5	5	7	6
Playgrounds	1	14	7	6
Cemeteries	5	11	12	2
Street Trees	15	24	28	18
Walkways	13	31	19	4
Total	51	141	121	57

Note: Complaints, concerns, observations and suggestions from the public are categorised as Customer requests. The figures above do not relate only to complaints received.

5.1 Capital Projects Summary

- Victoria Park Drainage – A Request for Proposal (RFP) was advertised in late December for the review of the hydrological effects on the two playing fields. Any works from this study will guide discussions on the future management of the park.
- Midhirst Old Cemetery - Contractors are now into week 3 of the pathway upgrade, with the removal of concrete and boxing of the paths complete. See photos below.



Figure 16: Cemetery Upgrade progress

6. Capital Projects

Progress updates on some of Council's key projects, as of **31 January 2024**.

6.1 Wai O Rua - Stratford Aquatic Centre

Construction is complete and the Certificate for Code of Compliance (CCC) has been granted. The building is still in its *Defects Liability Period* as there are still outstanding defects to be remedied. Officers are continuing to work with the Engineer to the Contractor to rectify the defects so the project can be 'completed'.

6.2 Better off Funding

The Council has been allocated \$2.57 million (Tranche 1) of the \$2.5b support package, as part of the *Three Water Reforms* – a package intended to support councils to ensure they are no worse off due to the reforms process. The \$7.70 million Tranche 2 funding has been withdrawn by Central Government because of the changes to the *Affordable Waters Reform*.

The Tranche 1 projects are underway. Projects and progress updates are given below:

- **The Brecon Road Extension.**
A consultant has been procured to produce a scoping report (called a Point of Entry). From this, a business case will be developed in conjunction with NZTA so the project can be submitted for funding in the future.
- **Town Centre Development including the Prospero Place and Broadway Beautification.**
This project is included under the *Stratford 2035* banner. A concept scheme for the design of Prospero Place has been accepted by Council in December as a starting point for design options. A Request for Proposal will be advertised in February 2024 to procure a Landscape Designer to develop design drawings for Council review and adoption. Negotiations with the landowner for the purchase of green space (Prospero Place) is ongoing.
- **Skate Park development**
Construction of a Skate Bowl was completed in December 2023 and is now open to the public. Additional funding was obtained through the TET Electricity Trust to complete the tie in works between the existing skate park and the new bowl. Informal conversations with users have been very positive, and the bowl has been extensively used over the summer holidays.
- **Victoria Park Drainage Project**
A Request for Proposal for a review of the hydrological effects on the two playing fields was advertised in late December and is due to close in February 2024. Any works from this study will guide future LTP discussions.
- **Enabling Wastewater Infrastructure for the Stratford Park – Modelling of existing capacity in Stratford's wastewater network is underway, to allow an impact assessment on the existing network. This is an on-going contract due for completion in 2026.**

6.3 Whangamomona Camping Ground Septic Tank Replacement

A report was presented to Officers in January 2024, outlining the requirements for the site. While the report was similar to the original concept design, the patronage numbers were significantly different, which means a modular system may be applicable to the site. Officers are exploring pricing for this to progress the works.

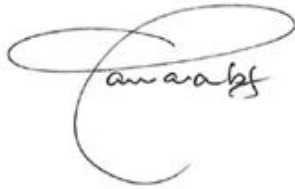
7. GIS

- Researching the process of Automatic meter reading for Stratford, Midhirst and Toko.
- Ongoing capture of water meters in AssetFinda and Authority.
- Three waters assets gps and capture.
- Ongoing rapid address issuing to residents.
- Ongoing update of Linz data to Intramaps.
- Testing the stability of AssetFinda after new patches applied in Test Server completed.

8. Resource Consents

Several resource consent applications have been lodged with the Taranaki Regional Council (TRC) as shown below.

RC Number	Location	Description	Stakeholders	Update
1276-3	Midhirst Te Popo Water Take	To take water from the Te Popo Stream, a tributary of the Manganui River for community public water supply purposes	Fish and Game NZ, Te Atiawa, Ngāti Ruanui, Ngāruahine, Ngāti Maru, Okahu Inuawai Manataiao Hapū, Pukerangioraha Hapū	Iwi have provided a Cultural Impact Assessment. TRC processing to commence shortly.
1337-3	East Road, Toko	To take and use groundwater from a bore in the vicinity of the Toko Stream in the Patea catchment for Toko rural water supply purposes	Ngāti Ruanui, Ngāruahine, Ngāti Maru	Consent granted.
6605-1	East Road, Toko	To discharge treated filter backwash water from the Toko Water Treatment Plant into a soak hole adjacent to the Manawawiri Stream	Ngāti Ruanui, Ngāruahine, Ngāti Maru	Consent granted.
6468-1	Cordelia Street, Stratford	To erect, place and maintain a culvert in an unnamed tributary of the Kahouri Stream in the Patea catchment for flood control purposes	Ngāti Ruanui, Ngāruahine	Iwi feedback received – no issues. Draft consent conditions provided, awaiting TRC to agree our comments.



Victoria Araba
Director – Assets



[Approved by]
Sven Hanne
Chief Executive

Date 20 February 2024

MONTHLY REPORT

Community Services Department



F22/55/04-D24/42s95

To: Policy and Services Committee
 From: Director – Community Services
 Date: 27 February 2024
 Subject: Community Services Monthly Report – January 2024

Recommendation

THAT the report be received.

/_____
 Moved/Seconded

This report presents a summary of the monthly progress and any highlights for the main areas of activity within Community Services i.e., Community and Economic Development, Communications, Library and Visitor Information Centre, Pool and Service Centre. The Long-Term Plan 2021 - 2031 sets the performance measures for these activities and this report presents, in tabular form, the progress measured to date against the target for each performance measure.

1. Highlights

- Upcoming community events and programmes

2. Community and Economic Development

Performance Measures (*Performance Measures in bold*)

	Target	2023/24 YTD
Deliver or facilitate community events	>5	8
Percentage of residents feeling a sense of community	80%	
Number of client interactions with Venture Taranaki's Business Advisory Services	100%	
Mentor matches made as requested	100%	

2.1 Council Organisations and Council Representatives on Other Organisations

Councillors may take the opportunity to report back from Strategic and Community organisations on which they are a representative for Council.

2.2 Youth Council (SDYC)

Applications for the Youth Council have now closed. The first meeting for 2024 is scheduled for Monday 12 February where the questions for the interviews will be confirmed. Interviews will happen during February with the new Youth Councillors to be sworn in on the 5 March 2024.

Zeal and SDYC are collaborating on an event on Children's Day, 3 March 2024. It will be held at Victoria Park, this will involve, live music, dancing, a scooter competition and facepainting. A free BBQ and 100 ice creams will be available. (This is the postponed event from 2023).

Upcoming meetings and events:

- SDYC council meeting – 12 February.
- SDYC council meeting – 5 March

2.3 **Civic and Community Events**

Coming Up:

- Summer Nights concert – 10 Feb
- Summer Nights Movies – 18 Feb
- Americarna (Stratford) – 23 Feb
- Children’s Day - 3 March
- Positive Ageing Forum – 21 March

2.4 **Community Projects and Activity**

2.4.1 **Mayors’ Taskforce for Jobs (MTFJ)**

Registrations

	January	YTD
Young People Registered	8	83*
Businesses Registered	3	7

Employment

	January	YTD
People placed into employment	8	27*
Young people who are employed but require assistance with upskilling	4	21
Young people registered onto programme and straight in study	0	9
People who received support and found work themselves	6	10

- The YTD of registered job seekers is at 83. In December there were two further job seekers registered that weren’t captured in last month’s report because they were placed over the holiday break.
- Employment placements YTD includes all placements including placements in December that started after the last report deadline.

Highlights January

- 2 new apprenticeships placed. One in electrical and one in plumbing.
- 3 placements in January were NEETs (not in employment, education, or training)
- 2 placements in January were placed into part time or casual contracts. They are both NEETs. The part time and casual job placements don’t fit the MTFJ KPI perimeters of 30 hour per week. But MTFJ will help people into all employment opportunities. These might turn into full time opportunities or employment experience for future placements.
- 1 of the 8 placements received MSD support to help them into their roles.
- 7 of the 8 placements received some sort of support from MTFJ SDC since their registration.
- MTFJ is sitting at 9 sustainable outcomes. A sustainable outcome is after 91 days of employment in the same role. Stratford’s goal is 38 sustainable outcomes by 30 June 2024.

2.5 **Funding**

2.5.1 Creative Communities Scheme

The next funding round opens March 2024.

2.5.2 Sport New Zealand Rural Travel Fund

The latest funding round opened on 12 February and closes on 15 March.

2.6 **Positive Ageing**

A Positive Ageing Forum is scheduled for Thursday 21 March 2024. The forum will include the District Mayor presenting on the LTP, Avon Medical will discuss and answer questions on their service delivery and improvements and the Taranaki Retreat will share some tips and ideas that can help us through the times when we feel like there is a lot going on in our own personal world and the world as a whole.

2.7 **Stratford Business Association**

Memberships	
New	0
Current total	141

Upcoming Activity:

Americarna (Stratford) – Friday 23 February

Ba5 events

- Wednesday 21 February – JSL
- Wednesday 20 March – Taranaki Pioneer Village
- Wednesday 17 April - Te Popo Gardens and Accommodation
- Wednesday 15 May - Taranaki Diocesan School for Girls

Lunch + Learn

- Tuesday 5 March - Managing time and meeting deadlines – Implement
- Tuesday 9 April - Cyber Security for business - Proformac Technologies

3. Communications

3.1 **External communications**








Four Central Link updates were produced in January. These are printed in the Stratford Press and shared online at stratford.govt.nz and on Council's Facebook page weekly. Much of the content within the weekly Central Link is also shared with local media (print and radio), published as news articles on council's website and social media sites, and sent as an Antenno update.

Focus for January:

- Summer Nights events 2024
- School holiday activities
- Waste Levy Fund Applications
- Meeting schedule - January
- Proposed road closure - Junction Road
- Download the Antenno app
- Have Your Say – Draft King Edwards Park Reserve Management Plan
- Midhirst Old Cemetery closing to visitors during path upgrades
- Red-light for Stratford's Transport Choices project
- Proposed road closure - Mangaotuku Road
- Have Your Say – Easter Sunday Trading Policy
- Can I burn stuff in my backyard?
- Prospero Markets coming up
- Water saving tips
- Kerb and channel spray rounds
- Temporary road closures - Americarna 2024
- Recycling collection is changing... What does it mean for Stratford district?
- Long Term Plan a focus at recent meeting
- Meeting schedule – February

3.2 Digital channels

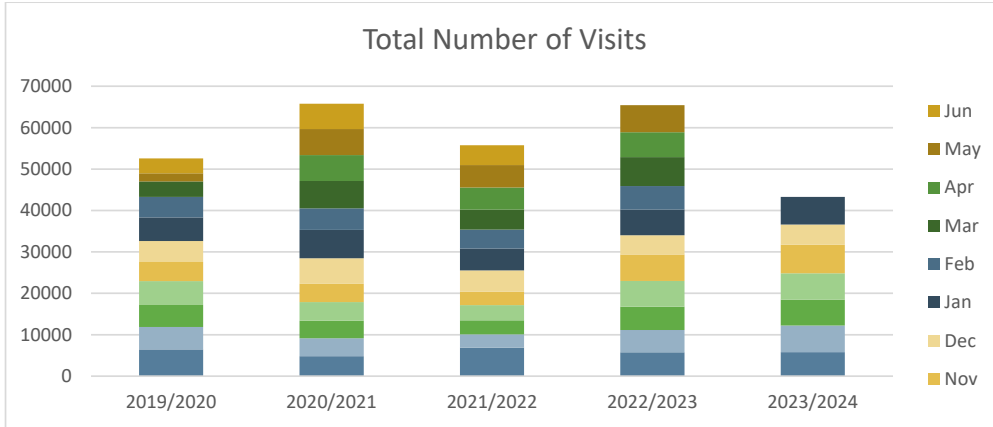
January snapshot:

Website		Social Media	
	6000 ↑ 800 Users		36 New Facebook followers /stratforddistrictcouncil 4,390 people follow Council's page.
	28,755 ↑ 12,096 Page views		8,000 ↓ 22% People reached The number of people who saw any of Council's posts at least once this month.
	9,365 ↑ 1,262 Total sessions (visits) A session is the period of time a user is actively engaged with Council's website.		8 New Instagram followers /stratford_nz 1,137 people follow Council's account.
Antenno			
	29 installs 7 uninstalls Devices using Antenno. As at end of January 1,201 devices were using Antenno	20 posts sent out 17 reports received	




4. Visitor Information and Library Services

Performance Measures (Performance Measures in bold)



	Target	2023/24 YTD
Number of users of AA Agency Service is measured	>10,000	4,670
Percentage customers are satisfied with the Information Centre	>80%	
Number of items (including digital) issued annually	>40,000	37,755
% of library users satisfied with library services	>80%	
Number of people participating in library events and programmes	>1,200	2,617



Visitors/Users per service

Service	Jan	Year to date (2023/24)
 Information Services (brochures/maps/event tickets etc)	335 ↓190	2,042
 Vehicle/Driver licensing	785 ↑309	4,670
 Programme and Events	259 ↓55	2,617

Library services - Items Issued

Service	Jan	Year to date (2023/24)
 In person	5356 ↑1529	33,052
 Online	846 ↑169	4,703

Programme/Event Users

Age group		Jan	Year to date (2023/24)
65+	Seniors	33 ↑4	262
18+	Adults	51 ↓24	362
13-17	Secondary School	0 ↓↑	18
5-12	Primary School	155 ↑26	1,302
<5	Pre-School	0 ↓77	263

4.1 Highlights for January

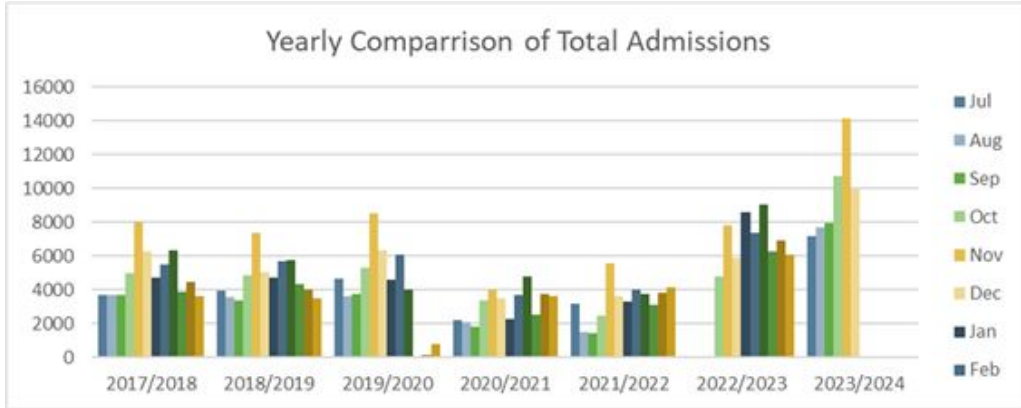
- All services in the facility experienced a very busy January. The door count was up 8% on the previous January, 10% more books were issued across the counter and digital item use increased by 25%. There was a 5% increase in transactions across the AA counter.
- School holiday programmes were well attended with all events at capacity. Activities included making mosaic tiles, tie dye art, friendship bracelets, a craft afternoon and building traps with Predator Free Taranaki.
- The “Sail Into Summer Reading” programme concluded with a party held at Pioneer Village.
- 268 new library members were welcomed in 2023. The average across the previous ten years is 230 new library members per year.

5. Pool Complex

Level of Service Category	Performance Measure	Target	2023/24 YTD
The pool complex will be a safe place to swim	Number of reported accidents, possible accidents and similar incidents per annum (pa).	<80	62
	Compliance with NZS5826:2010 NZ Pool Water Quality Standards	100%	100%
	Pool Safe accreditation is met	100%	100%
The pool facilities meet demand	Percentage of pool users are satisfied with the pool	>80%	84%
	Number of pool admissions per annum	>55,000	79045

5.1 Highlights for January

- January 2024 saw 7,321 patrons through the facility.
- The Wai O Rua Swim School is on track for Term 1 with a total of 466 students enrolled



6. Service Centre

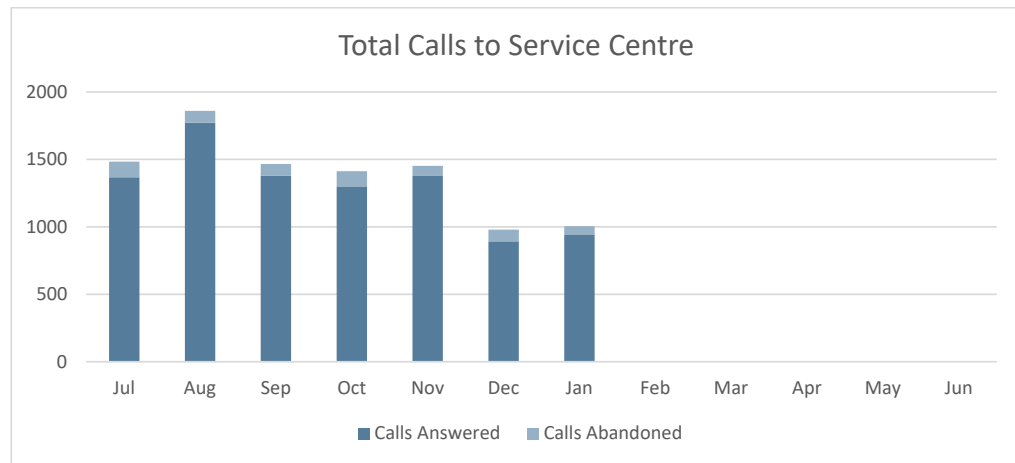
Over January the Customer Service Centre experienced a quieter month. There were 1,618 customer interactions recorded through phone calls, emails and counter enquiries.

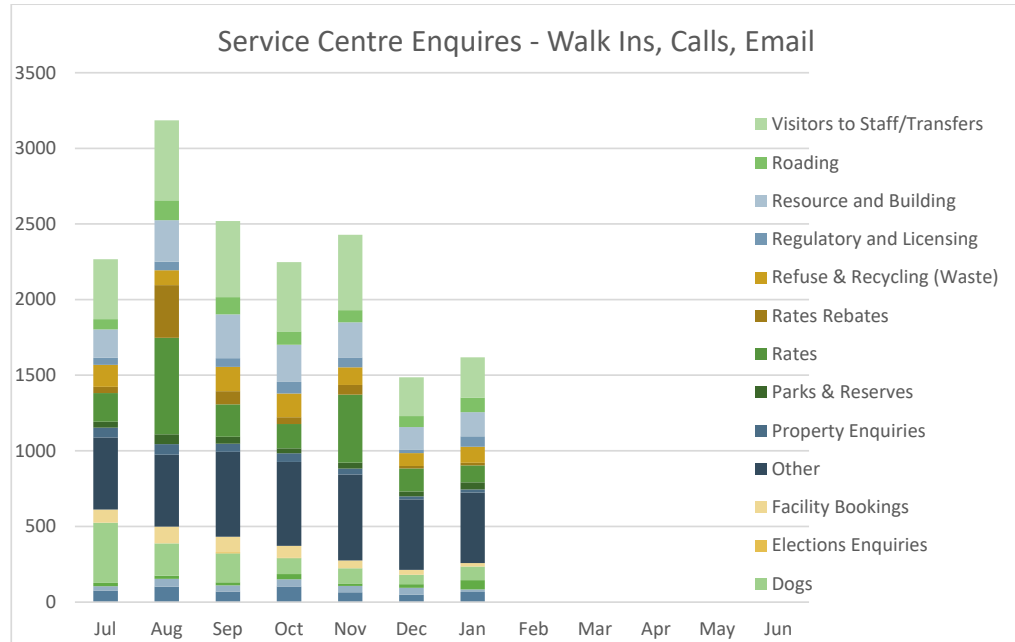
Please note that the January statistics from this month now include combined:

- the StratfordDC@stratford.govt.nz inbox
- the request for services’s in the Afterhours inbox
- the Cemetery inbox, and
- online services inbox from Antenno and Website contact us forms.

July to December 2023 did not include all of these. These stats only included the Stratford DC inbox over that time.

This will now give a truer representation of all customer interactions through all channels to Service Centre.





Kate Whareaitu
Director - Community Services

[Approved by]
 Sven Hanne
Chief Executive

Date: 20 February 2024

MONTHLY REPORT

Environmental Services Department



F22/55/04– D24/1633

To: Policy and Services Committee
From: Director – Environmental Services
Date: 27 February 2024
Subject: Environmental Services Monthly Report – January 2024

Recommendation

THAT the report be received.

/
Moved/Seconded

This report presents a summary of the monthly progress and highlights for the main areas of activity within the Environmental Services department. The Long-Term Plan 2021-2031 sets the performance measures, and this report presents progress to date against the target for each performance measure.

1. Overview

Ten applications for building consent were received in January 2024. These included one new residential building, three log fires, two pole sheds, one effluent disposal system, one new commercial building (dairy shed), one bridge, one alteration/extension to a commercial building. There were also a further six amendments to existing building consents, two Certificates for Public Use and one Amusement device. We also received three applications for subdivision consent.

Across New Zealand we are hearing reports of a reducing level of activity in the construction sector. The downward trend in the number of applications we are receiving is consistent with the national trend.

2. Strategic/Long Term Plan Projects

Work on the joint New Plymouth District Council and Stratford District Council Local Alcohol Policy started with some information gathering late in 2022. Since then, work has been suspended while matters relating to the recently adopted New Plymouth District Plan were addressed. Now that those matters have been resolved work has recommenced.

The only remaining road numbering project relates to Ariel Street. Ariel Street does not look likely to require any renaming but instead looks likely to be resolved through a relatively limited renumbering exercise.

3. Dashboard – All Business Units

3.1 The following table summarises the main licencing, monitoring, and enforcement activity across the department for the month:

Activity	Result Jan
Building Consent Authority	
Building Consent Applications	10
Building Consent Amendment Applications	6
Building Consents Issued	5
Building Consent Amendments Issued	5
Inspections completed	96
Code Compliance Certificate Applications	12
Code Compliance Certificates Issued	11
Code Compliance Certificates Refused	1
Number of Building Consents Received in Hard Copy	0
Number of Buildings Consents Received Digitally	16
Building Act Complaints received and responded to	0
Planning	
Land Use Consents Received	0
Land Use Consents Granted	3
Subdivision Consents Received	3
Subdivision Consents Granted	2
223/224 Applications Received	1
223/224 Applications Granted	0
Resource Consent Applications Received in Hard Copy	0
Resource Consent Applications Received in Digital Form	3
Resource Consent Applications Placed on Hold or Returned	4
LIM's Received	6
LIM's Granted	2
Environmental Health	
Registered Premises Inspected for Compliance under the Food or Health Act	3
Health or Food Act Complaints Received and responded to	1
Licensed Premises Inspected for Compliance under the Sale & Supply of Alcohol Act.	4
Certificates and Licence Applications received under the Sale and Supply of Alcohol Act	8
Bylaw Complaints Received and responded to	27
Dog Complaints Received and responded to	22

4. Key Performance Indicators – All Business Units

4.1 Building Services

Level of Service	Performance Measures	Targets	Status
To process applications within statutory timeframes.	Percentage of building consent applications processed within 20 days.	100%	9 of the 9 (100%) applications in January were processed within 20 working days.
	Percentage of inspection requests completed within 24 hours of request.	100%	63 of the 65 (97%) inspections in January were completed within 24 hours of the request. Those that that weren't, were due to being booked more than 24 hours in advance.

Level of Service	Performance Measures	Targets	Status
	Percentage of code compliance certificate applications determined within 20 working days.	100%	11 of the 11 (100%) CCCs issued in January were issued within 20 working days.
To process LIMs within statutory timeframes	% of LIMs processed within statutory timeframes.	100%	Two of the two (100%) LIMs were processed within 10 working days.
To retain registration as a Building Consent Authority.	Current registration	Confirmed	Achieved.
Service meets customer expectations.	Percentage of customers using building consent processes are satisfied with the service provided.	>80%	Not achieved. The result of the second wave of the customer satisfaction survey is 37%. This result is affected by a small number of survey respondents (11).

4.2 Planning and Bylaws

Level of Service	Performance Measure	Target	Status
To promote the sustainable management and use of land and public spaces.	To undertake a comprehensive review of the district plan, with notification within statutory timeframes.	Notification of a proposed District Plan.	Work on this project was delayed due to new legislation. The legislation has been repealed and clarification of current requirements will be sought in the New Year.
	To undertake a systematic review of bylaws and related policies as they reach their statutory review dates.	100% review within timeframes	There are no bylaws or policies currently outside their statutory review periods.
To process resource consents within statutory timeframes.	% of non-notified applications processed within 20 working days.	100%	Five of the five (100%) applications in January were processed within 20 working days.
	% of notified applications processed within legislated timeframes for notification, hearings and decisions.	100%	N/A
	% of S223 and S224 applications processed within 10 working days.	100%	No applications were processed in January.
Service meets customer expectations.	Percentage of customers using resource consent processes are satisfied with the service provided	>80%	Not achieved. The result of the second wave of the customer satisfaction survey is 32%. This result is affected by a small number of survey respondents (4).

4.3 **Community Health and Safety**

Level of Service	Performance Measure	Target	Status
To fulfil obligations to improve, promote and protect public health	Percentage of registered premises registered under the Food Act, Health Act, Beauty and Tattoo Bylaw, to be inspected for compliance.	100%	100%
	Health nuisance and premise complaints are responded to within 1 working day.	100%	100%
To fulfil obligations as a District Licensing Committee	Percentage of licensed premises inspected.	100%	100%
	Percentage of applications processed within 25 working days (excluding hearings).	100%	100%
To monitor and enforce bylaws	Percentage of complaints responded to within 2 hours.	100%	100%
To ensure dogs are controlled	Percentage of known dogs registered	95%	97.5%
	Percentage of dog attack/wandering dog complaints responded to within an hour	100%	100%

- 4.3.1 The Environmental Health Manager and Information Technology Manager are currently investigating the Council's ability to send dog registration notices to dog owners where they wish to receive their notice via email. This currently involves discussions with external service providers about options for providing this service and the cost of it.

5. **Detailed Reporting Building Services**5.1 **Building Consent Authority ("BCA")**5.1.1 **Compliance/Notices to Fix issued as a BCA.**

No Notices to Fix were issued by the BCA in January 2024.

5.1.2 **Lapsed Consents**

Section BC5 of the Quality Management System requires the BCA to check the files to identify consents issued 11 months previously, against which no inspections have been recorded. The check has been undertaken and no consents were lapsed in January 2024.

5.1.3 **Regulation 6A Compliance Dashboard**

Clause 6A of the Accreditation Regulation requires BCAs to notify the Ministry of Business Innovation and Enterprise ("MBIE") if any of the following incidents occur:

Incident	Occurrence this month
A significant change in the legal, commercial, or organisational status of the building consent authority or the wider organisation in which it operates:	Nil
The departure of the building consent authority's authorised representative or responsible manager:	Nil
In any one quarter of a calendar year, a reduction of 25% or more of employees doing technical jobs who are not replaced with employees who have equivalent qualifications and competence:	Nil
A transfer under section 233 or 244 of the Act of (i) 1 or more functions of the building consent authority to another building consent authority: (ii) 1 or more functions of another building consent authority to the building consent authority:	Nil

Incident	Occurrence this month
An arrangement being made under section 213 of the Act for—(i) another building consent authority to perform a significant amount of the functions of the building consent authority: (ii) the building consent authority to perform a significant amount of the functions of another building consent authority:	Nil
A material amendment to the building consent authority's policies, procedures, or systems required by these regulations.	Nil

5.1.4 Training needs analysis

During January two Building Control Officers attended a two-day Advanced Compliance Schedules course held by the Building Officials Institute of New Zealand.

Further training will be scheduled through the year when they become available in relation to Specified Systems associated with commercial buildings.

5.1.5 Internal audit/external audit timetable

No Internal audits were scheduled for January.

The Building Consent Authority is currently working through gathering evidence to clear the General Non-Compliances identified during the BCA's external audit last year. The changes to our systems that were required have been made and we are now gathering evidence that the changes have worked.

The Territorial Authority has received a follow-up email from the Ministry of Building Innovation and Employment about progress on clearing the outstanding corrective action from its Compliance Schedule performance monitoring assessment. Council's response is to be provided to MBIE by 29 February.

During January the Territorial Authority was notified by MBIE of its next round of performance monitoring assessments. These assessments are in relation to Certificates for Public Use and Dangerous, Affected, or Insanitary Buildings.

5.2 Territorial Authority

5.2.1 Compliance Schedules/Building Warrants of Fitness

No onsite BWoF audits were undertaken during January 2024. No notifications were issued for Warrant of Fitness renewal. One existing Compliance Schedule was amended.

5.2.2 Swimming Pools

There are 86 swimming pools on the Council's swimming pool register. There is one that requires remediation work to achieve compliance, and a re-inspection will be scheduled for early 2024.

5.2.3 Earthquake-Prone Buildings

During January no reports were received from the owners of buildings that have been identified as potentially being earthquake prone. To date ten reports have been received which have confirmed five buildings as earthquake prone and five buildings as not being earthquake prone. A total of 89 buildings were identified as being potentially earthquake prone.

5.2.4 Non-Standard Site Register Maintenance

No new sites were added to the non-standard site register in January 2024.

5.2.5 Notices to Fix/Other Compliance as a Territorial Authority

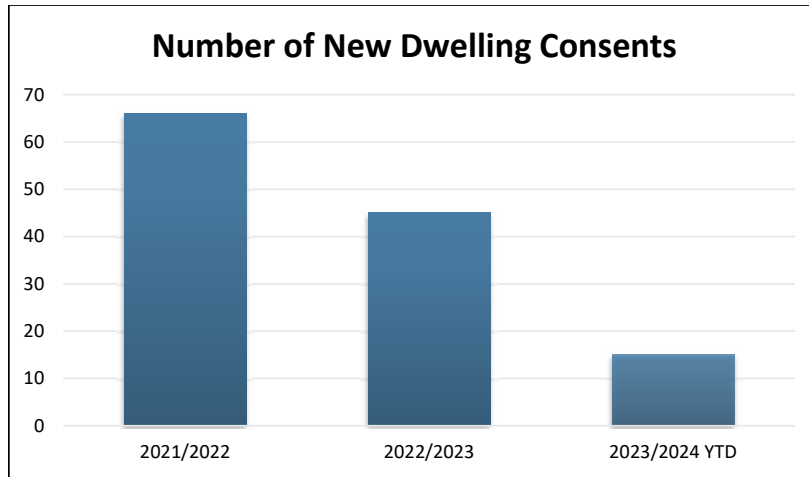
No Notices to Fix for were issued by the Territorial Authority during January 2024.

5.3 Trends Analysis

5.3.1 Consents applied for by type:

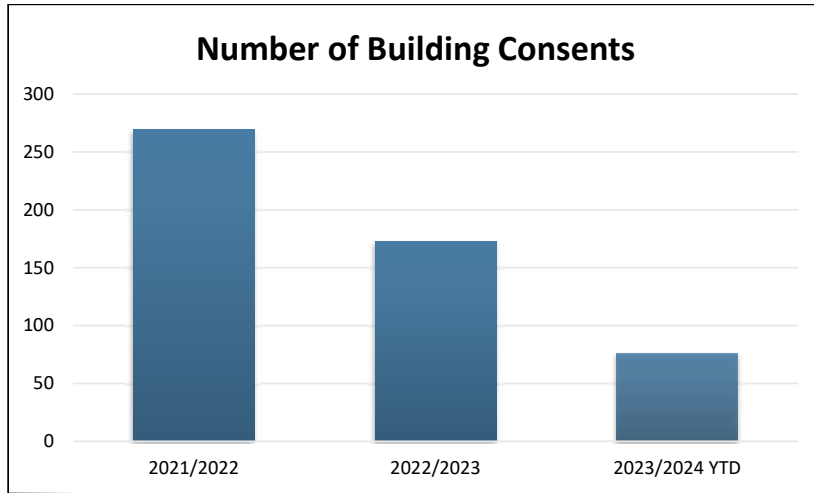
Type	Jan 2024	Jan 2023	2023/2024	2022/2023 Whole Year
New residential dwellings	1	0	13	44
New duplex dwellings	0	0	2	
Relocated dwellings	0	0	3	15
Relocated buildings other than dwellings	0	0	0	0
Fires	3	3	24	55
Pole sheds/accessory buildings	2	1	18	26
Additions/alterations – residential	0	1	5	13
New Commercial buildings	1	1	2	5
Additions/alterations – commercial	1	1	4	10
Other/miscellaneous	2	0	5	5
Total/s	10	7	76	173

New House indicator by year



Year	New Dwellings
2021/2022	66
2022/2023	45
2023/2024 YTD	15

Consent numbers by year



Year	Building Consents
2021/2022	269
2022/2023	173
2023/2024 YTD	76

Blair Sutherland
Director - Environmental Services

[Approved]
Sven Hanne
Chief Executive

Date: 20 February 2024

MONTHLY REPORT

Corporate Services Department



F22/55/04 – D24/5866

To: Policy and Services Committee
From: Director – Corporate Services
Date: 27 February 2024
Subject: Corporate Services Monthly Report – January 2024

Recommendation

THAT the report be received.

/_____
 Moved/Seconded

1. Financial Management

Reports attached, as at 31 January 2024, are:

- 1) Statement of Comprehensive Revenue and Expenses
- 2) Balance Sheet
- 3) Expenditure and Revenue by Activity
- 4) Capital Expenditure Report
- 5) Treasury Report
- 6) Cashflow Forecast

1.1 Financial Results for January Year to Date (YTD)

Revenue

Total Revenue for the YTD is \$868,145 over budget, at **\$14,150,825**. Operating Revenue (excluding extraordinary revenue) is on par with the budget, at **\$13,189,327**. The variance for total revenue largely relates to unbudgeted grant funding revenue.

Grant funding received that was unbudgeted for is at \$795,011 for the YTD. This includes a Toi Foundation grant, Mayors Taskforce for Jobs funding, DIA Three Waters funding, and TET grants. Note – the budgeted grant funding of \$6,611,000 relates to Transport Choices solely, and is now not expected to be received.

Expenditure

Total Expenditure for the YTD is \$705,451 over budget, at **\$15,285,093**. Direct Operating Expenditure is over budget for the YTD by \$1,010,838, at \$11,104,647.

The operating expenditure budget variance relates to the following:

- The Roothing activity is over budget by \$187,914 due to unfunded Transport Choices expenditure.
- Wai o Rua - Stratford Aquatic Centre – expenditure over budget by \$275,197 largely due to staffing costs and fixed direct costs such as energy and insurance.
- The three waters activities are over budget by a combined \$222,722, and the overspend relates to contractor costs.
- The Civic Amenities budget is overspent by \$71,200 for the year to date.
- The Library budget is overspent by \$63,270 for the year to date.

1.2 Capital Expenditure Report

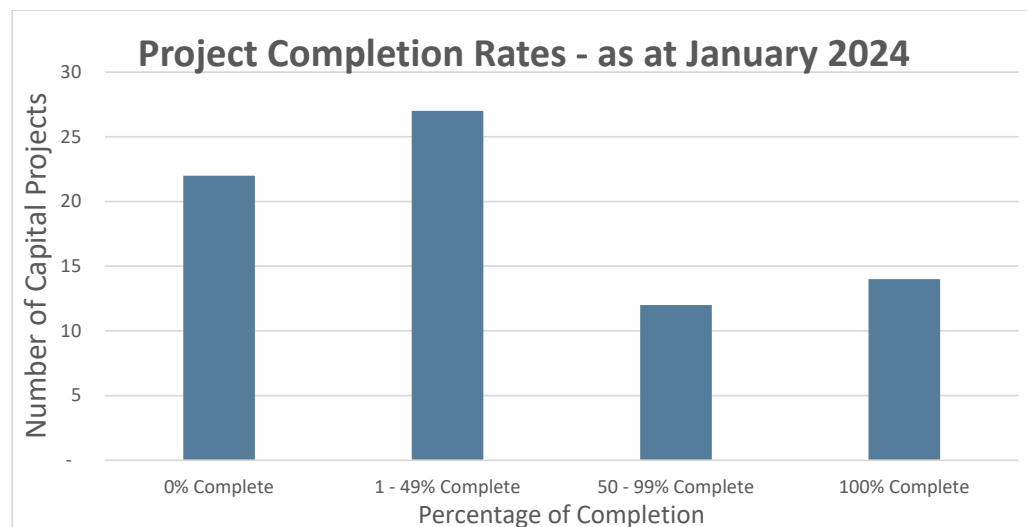
The capital expenditure budget for the 2023/24 financial year is **\$22,307,680**. This is made up of budgeted capital expenditure as per the Annual Plan 2023/24 of \$16,457,145 and budgeted amounts brought forward from the previous year of \$5,961,309. Of the total budget available:

- \$6,146,700 is for replacing existing assets,
- \$15,034,649 is for new assets or improving existing assets, and
- \$1,126,331 is to cater for district growth.

Actual capital expenditure for the year to date is **\$4,131,946** or **19%** of the available budget.

The updated capital expenditure forecast for the year is now expected to be \$10,479,707, and council has spent 39% of the reforecasted budget for the year to date.

The below graph shows that the majority of council capital projects have either not started or are less than halfway complete.



1.3 Treasury Management

Summary

Borrowings (LGFA)	\$	36,700,000
Term Deposits	\$	6,000,000
A&P Association Loan	\$	7,180,000
Net Debt	\$	23,520,000

Gross Council debt as at 31 January 2024 was \$36,700,000.

This is an increase in \$2,000,000 from the previous month due to a new loan drawn down on 30 January 2024 of \$2,000,000, at 5.32% for three years.

Net debt is \$23,520,000 after deducting financial investments comprising of \$6,000,000 on term deposits with registered New Zealand banks, and the \$7,180,000 loan to the Stratford A&P Association.

All debt covenants were met as at 31 January 2024.

	Actual	Policy
Actual Fixed Debt	100%	>60%
Actual Floating Debt	0%	<60%
Fixed 1-3 years	32%	10-60%
Fixed 3-5 years	31%	10-60%
Fixed >5 years	29%	5-60%
Debt Matures 1-3 years	32%	10-60%
Debt Matures 3-5 years	31%	10-60%
Debt Matures > 5 years	29%	10-60%
Debt Servicing to Revenue Ratio	4%	<10%
Net Debt to Revenue Ratio	96%	<130%
Liquidity Ratio	178%	>110%
Net Debt per population	\$ 2,315	<\$3,000
Net Debt per Ratepayer	\$ 4,642	N/A
Maximum Investment with Counterparty	\$ 5,000,000	N/A

Borrowings

All Council debt, made up of Local Government Funding Agency ('LGFA') loans, is 100% fixed and within Treasury Policy limits.

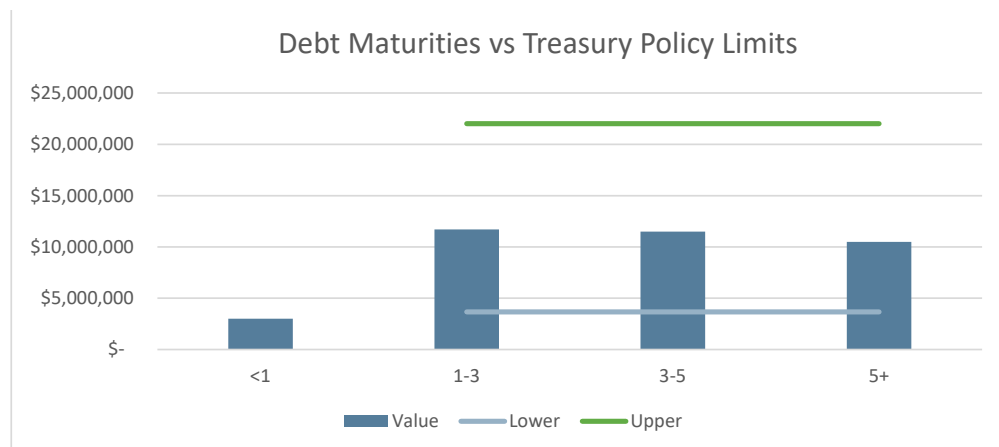
The Net Debt to Revenue ratio is currently at 96% (Council's limit is 130%).

There has been a hike in the LGFA interest rates received, despite seeing a falling trend in previous months. The latest LGFA borrowing rates as at 14 February 2024 are:

- 1 year 5.95%
- 5 years 5.79%
- 10 years 6.10%

The weighted average interest rate across all Council debt is currently at **3.17%**. The interest rate used for budgeting purposes for the Annual Plan 2023/24 is 3.45%. For the Long Term Plan 2024-34, the forecast interest rate for 2024/25 is 4.09%.

The weighted average interest rate of all term deposits is **5.89%** (December 2023: 5.83%). All term deposits are currently placed with ASB Bank, due to the favourable interest rates being offered in recent times.



LGFA Borrower Notes

The following table shows the current LGFA borrower notes attached to each LGFA loan. These were previously shown in the Treasury Report appendix to this report but were removed for conciseness.

LGFA Borrower Notes - matched to LGFA Loans				
	<i>Investment</i>	<i>Interest</i>	Loan	Interest
LGFA	\$ 100,000	3.82%	\$4,000,000	4.22%
LGFA	\$ 92,500	0.64%	\$3,700,000	1.04%
LGFA	\$ 87,500	1.47%	\$3,500,000	1.87%
LGFA	\$ 75,000	5.27%	\$3,000,000	5.67%
LGFS	\$ 50,000	4.92%	\$2,000,000	5.32%
LGFA	\$ 50,000	3.95%	\$2,000,000	4.30%
LGFA	\$ 50,000	3.91%	\$2,000,000	4.26%
LGFA	\$ 50,000	3.82%	\$2,000,000	4.17%
LGFA	\$ 32,000	2.98%	\$2,000,000	3.38%
LGFA	\$ 32,000	2.13%	\$2,000,000	2.53%
LGFA	\$ 20,000	5.26%	\$1,000,000	5.66%
LGFA	\$ 24,000	3.25%	\$1,500,000	3.65%
LGFA	\$ 25,000	5.08%	\$1,000,000	5.50%
LGFA	\$ 25,000	5.07%	\$1,000,000	5.49%
LGFA	\$ 25,000	3.83%	\$1,000,000	4.23%
LGFA	\$ 25,000	1.72%	\$1,000,000	2.12%
LGFA	\$ 16,000	1.62%	\$1,000,000	2.02%
LGFA	\$ 25,000	1.27%	\$1,000,000	1.67%
LGFA	\$ 16,000	0.98%	\$1,000,000	1.38%
LGFA	\$ 25,000	0.74%	\$1,000,000	1.14%

Cashflow Forecast

As at January 2024, Council had \$993,985 (December 2023: \$740,860) in the bank and \$6,000,000 on short term deposits (120 day).

Council is expecting to borrow an additional \$2,000,000 in the next 12 months – in April 2024 and October 2024.

2.0 Revenue Management

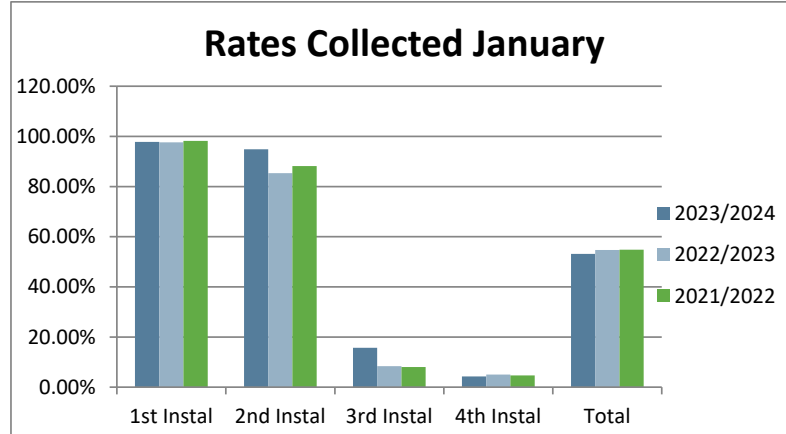
2.1 Rates

Rates Arrears (owing from 2022/23 year and earlier) \$73,601

As at 31 January 2024, 82% of rates in arrears has been collected since 1 July 2022 (2023: 83%). Council has a property that will soon be advertised for sale through the legal process and enforced through court proceedings, due to ongoing issues with overdue rates. The

Current Year Rates

As at 31 January 2024, 53% of rates has been collected (2023: 54%).



2.2 Outstanding Debtors

The Outstanding Debtors report as at 31 January is attached to this report showing 11% of total debtors of \$1,838,137 are overdue for payment. Overdue debtors largely relate to rates, water charges, and infringements.

A building consent debtor may need to be written off due to the company going into liquidation, the debt is less than \$1,000.

3.0 Information Technology

3.1 Information Technology Update

- The IT team have been developing a rollout plan to upgrade all council workstations from Windows 10 to Windows 11. Windows 10 is nearing the end of Microsoft's support date, so this is an essential upgrade. We have now identified which machines are not compatible with Windows 11, and we estimate at least a dozen computer hardware and software replacements will be required.
- The pre-upgrade revenue audit stage of the Authority Upgrade to version 7.1 is near completion, and officers will begin the installation and upgrade phase on February 22. This project is on target, with Go Live still scheduled for early June 2024.
- The IT Team has finalised its findings to meet the business requirements for a council intranet site. A meeting is scheduled with the Communications Team to advise what platform will be best suited for the organisation.
- The upgrade of AssetFinda mobile to Univerus Field was delayed in November 2023 and is now back in progress. We have started the hardware procurement and planning phase. We expect to Go Live before June 30.

3.2 Information Management Strategy

- Property files
 - Approximately 6 boxes of Council owned property records remain to be scanned
 - 13 boxes of scanned building consents are ready for disposal pending final approval by Environmental Services Director.
- Shared drives
 - Retention and disposal is in progress on shared drives to bring them in line with the Information and Records Management Policy.
 - SDrive – One folder left to review
 - ODrive (Pool) – Not Started
 - IDrive (Community) – Not Started

- eLearning
 - Taranaki Regional Council has provided some content for Privacy Training, this will be uploaded to Safety Hub. The Regional Council is very open to sharing training resources and our learning management systems share information very well.

3.3 Business Efficiency

- Property File Request Customer Requests in Authority
 - Currently working on changes to existing customer service requests to allow a direct email reply to requestor with a link to the property file.

3.4 Official Information Requests

Official Information Requests have now been taken on by the Information Management Specialist. For the 2024 calendar year, Council has received 7 Local Government Official Information and Meetings Act (LGOIMA) requests. The below table includes the LGOIMA's received for the months of January 2024

Date Received	Requested by	Query	Due Date	Date Responded	Days to Respond
7/01/2024	Mathias Schaeffner - Tasman Democracy	Council debt	8/02/2024	15/01/2024	6
9/01/2024	Mathias Schaeffner - Tasman Democracy	LGOIMA process	8/02/2024	12/01/2024	3
15/01/2024	Jessica Durham - Community Law	2023 District Licensing Committee decisions	14/02/2024	17/01/2024	2
15/01/2024	Stephen Bell	Animal control statistics	14/02/2024	17/01/2024	2
22/01/2024	Mike Procter	Roads in Egmont National Park	20/02/2024	26/01/2024	4
19/01/2024	Department of Conservation	Recreational cycle tracks and day hikes	19/02/2024	22/01/2024	1
31/01/2024	Kainga Ora	Ratepayers mailing address for property address	29/02/2024	31/01/2024	<1

4 Health and Safety / Civil – Defence Update

- The ongoing review and update of the Health and Safety manual is nearly complete. It has focused this month on clarifying guidance on Contractor Management for staff, following a recent incident involving contractors at the Wai O Rua - Stratford Aquatic Centre. There is also an ongoing review and update of the Health and Safety manual with a particular focus on procedures, hazard identification and incident investigation processes. The quarterly council staff Health and Safety meeting in February 2024 will look to workshop these areas.
- Work is underway on a staff training matrix for Emergency Management procedures, and we are creating a central register of training requirements for different roles.
- A Civil Defence practice activation has been organised for 22 March 2024, combined with staff training on D4H Operations incident response software.



Tiffany Radich
Director - Corporate Services



Approved By:
Sven Hanne
Chief Executive

Date: 20 February 2024

Statement of Comprehensive Revenue and Expense

For the Year to Date - January 2024

	January '24 Actual YTD	January '24 Budget YTD	Variance YTD	Total Budget 2023/24	January 23 Actual YTD
Operating Revenue					
Finance Revenue	\$254,048	\$189,000	\$65,048	\$324,000	\$201,707
Waka Kotahi NZTA Rooding Subsidy	\$2,483,149	\$2,665,833	(\$182,684)	\$4,570,000	\$3,228,640
Rates Revenue - excl water consumption r	\$7,865,146	\$7,846,500	\$18,646	\$15,693,000	\$7,255,803
Water Supply - Consumption Charge	\$273,274	\$245,500	\$27,774	\$491,000	\$227,415
Sundry Revenue	\$40,798	\$34,017	\$6,781	\$55,000	\$37,396
Farm Milk Proceeds	\$391,422	\$359,333	\$32,089	\$616,000	\$344,423
User Charges for Services	\$1,881,490	\$1,839,497	\$41,993	\$2,638,000	\$2,074,630
Total Operating Revenue	\$13,189,327	\$13,179,680	\$9,647	\$24,387,000	\$13,370,014
Extraordinary Revenue					
Grant Funding	\$795,011	\$0	\$795,011	\$6,611,000	\$2,153,906
Financial Contributions	\$52,174	\$0	\$52,174	\$0	\$72,065
Other Revenue	\$0	\$0	\$0	\$0	\$21,236
Dividends	\$114,313	\$103,000	\$11,313	\$103,000	\$12,228
Total Extraordinary Revenue	\$961,498	\$103,000	\$858,498	\$6,714,000	\$2,259,435
Total Revenue	\$14,150,825	\$13,282,680	\$868,145	\$31,101,000	\$15,629,449
Operating Expenditure					
Personnel Costs	\$3,574,904	\$3,339,808	(\$235,096)	\$5,789,000	\$3,128,179
Other Direct Operating Costs	\$7,529,743	\$6,754,001	(\$775,742)	\$11,687,000	\$7,086,010
Total Operating Expenditure	\$11,104,647	\$10,093,809	(\$1,010,838)	\$17,476,000	\$10,214,189
Other Operating Expenditure					
Depreciation	\$3,440,099	\$3,761,917	\$321,818	\$6,449,000	\$3,032,146
Finance Costs	\$681,080	\$723,917	\$42,837	\$1,241,000	\$532,873
Sundry Expenditure	\$59,267	\$0	(\$59,267)	\$0	\$13,808
Total Other Expenditure	\$4,180,446	\$4,485,833	\$305,387	\$7,690,000	\$3,578,827
Total Expenditure	\$15,285,093	\$14,579,642	(\$705,451)	\$25,166,000	\$13,793,016
Net Surplus (Deficit)	(\$1,134,268)	(\$1,296,962)	\$162,694	\$5,935,000	\$1,836,433

Capital Revenue/Expenditure is made up of:

NZTA Funding for Rooding capital projects	\$1,254,897	\$1,889,232
Community Grants and Donations	\$0	\$0
	<u>\$1,254,897</u>	<u>\$1,889,232</u>

Adjusted Net Surplus/(Deficit)* **(\$2,389,165)** **(\$3,186,194)** \$797,029

*The budgeted YTD net deficit includes un-funded depreciation - mainly rooding as 61% of capital projects are subsidised, and the Wai o Rua Pool, and part of three waters activities, and some buildings.

Statement of Financial Position

As at 31 January 2024

	January '24 Actual YTD	January 23 Actual YTD
Assets		
<u>Current Assets</u>		
Cash and Cash Equivalents	\$995,064	\$1,444,871
Short Term Deposits	\$6,000,000	\$4,000,000
Receivables	\$1,838,137	\$3,266,648
LGFA Borrower Notes	\$57,000	\$40,000
Current Assets Total	\$8,890,201	\$8,751,519
<u>Non-Current Assets</u>		
Investment in Other Financial Assets		
LGFA Borrower Notes	\$793,000	\$675,000
Shares	\$599,868	\$547,048
Loan to Stratford A and P Association	\$7,180,000	\$7,180,000
Trust Settlements	\$110	\$110
Work in Progress	\$7,197,857	\$29,692,696
Property, Plant & Equipment / Intangibles	\$456,574,477	\$422,285,703
Non-Current Assets Total	\$472,345,312	\$460,380,557
Assets Total	\$481,235,513	\$469,132,076
Liabilities & Equity		
<u>Equity</u>		
Renewal Reserves	\$5,972,491	\$4,964,739
Contingency Reserve	\$504,500	\$504,500
Other Council Created Reserves	\$967,682	\$1,598,689
Restricted Reserves	\$1,274,980	\$1,191,475
Targeted Rate Reserves	\$931,075	\$340,910
Asset Revaluation Reserves	\$233,607,627	\$226,366,136
Retained Earnings	\$200,895,308	\$199,260,588
Equity Total	\$442,291,513	\$434,227,037
<u>Liabilities</u>		
Current Liabilities		
Borrowings (maturing less than one year)	\$3,000,000	\$14,500,000
Provision for Landfill Aftercare	\$7,028	\$6,902
Employee Entitlements	\$322,736	\$281,909
Payables and Deferred Revenue	\$1,907,523	\$2,403,370
Non-Current Liabilities		
Borrowings	\$33,700,000	\$17,700,000
Provision for Landfill Aftercare	\$6,713	\$12,858
Liabilities Total	\$38,944,000	\$34,905,039
Liabilities & Equity Total	\$481,235,513	\$469,132,076

Expenditure and Revenue by Activity

For the Year to Date - January 2024

**Note: Expenditure excludes interest and depreciation allocated to each activity.*

Revenue includes user charges, sales revenue, water revenue by meter, grants and subsidies, and sundry revenue

	January '24 Actual YTD	January '24 Budget YTD	Variance YTD	Total Budget 2023/24	January 23 Actual YTD
<u>Recreation and Facilities</u>					
Aerodrome					
Expenditure	\$95,918	\$79,594	(\$16,324)	\$135,000	\$62,473
Revenue	\$16,964	\$15,750	\$1,214	\$27,000	\$17,398
Net cost of activity	\$78,954	\$63,844	(\$15,110)	\$108,000	\$45,075
Civic Amenities					
Expenditure	\$401,511	\$330,311	(\$71,200)	\$529,000	\$132,226
Revenue	\$23,871	\$31,500	(\$7,629)	\$54,000	\$38,146
Net cost of activity	\$377,640	\$298,811	(\$78,829)	\$475,000	\$94,080
Pensioner Housing					
Expenditure	\$70,455	\$75,155	\$4,700	\$121,000	\$72,465
Revenue	\$42,021	\$44,917	(\$2,896)	\$77,000	\$36,598
Net cost of activity	\$28,434	\$30,238	\$1,804	\$44,000	\$35,867
Library					
Expenditure	\$355,809	\$292,539	(\$63,270)	\$495,000	\$388,548
Revenue	\$15,176	\$8,750	\$6,426	\$15,000	\$21,178
Net cost of activity	\$340,633	\$283,789	(\$56,844)	\$480,000	\$367,370
Parks and Reserves					
Expenditure	\$465,147	\$431,793	(\$33,354)	\$724,000	\$410,666
Revenue	\$4,336	\$5,250	(\$914)	\$9,000	\$4,788
Net cost of activity	\$460,811	\$426,543	(\$34,268)	\$715,000	\$405,878
Cemeteries					
Expenditure	\$132,013	\$122,220	(\$9,793)	\$209,000	\$116,886
Revenue	\$95,960	\$84,583	\$11,377	\$145,000	\$86,182
Net cost of activity	\$36,053	\$37,636	\$1,583	\$64,000	\$30,704
Wai O Rua Aquatic Centre					
Expenditure	\$1,455,044	\$1,179,847	(\$275,197)	\$1,976,000	\$981,215
Revenue	\$434,926	\$228,667	\$206,259	\$392,000	\$178,347
Net cost of activity	\$1,020,118	\$951,180	(\$68,938)	\$1,584,000	\$802,868
<u>Democracy and Corporate Support</u>					
Expenditure	\$790,717	\$748,968	(\$41,749)	\$1,279,000	\$755,173
Revenue	\$168,367	\$80,683	\$87,684	\$140,000	\$96,844
Net cost of activity	\$622,350	\$668,285	\$45,935	\$1,139,000	\$658,329
<u>Community Development</u>					
Community Services					
Expenditure	\$392,174	\$314,333	(\$77,841)	\$496,000	\$382,969
Revenue	\$410,711	\$0	\$410,711	\$0	\$316,972
Net cost of activity	-\$18,537	\$314,333	\$332,870	\$496,000	\$65,997
Economic Development					
Expenditure	\$303,896	\$366,098	\$62,202	\$626,000	\$345,472
Revenue	\$121,187	\$0	\$121,187	\$0	\$88,404
Net cost of activity	\$182,709	\$366,098	\$183,389	\$626,000	\$257,068
Information Centre					
Expenditure	\$124,400	\$147,348	\$22,948	\$251,000	\$125,468
Revenue	\$42,850	\$37,917	\$4,933	\$65,000	\$36,140

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**Note: Expenditure excludes interest and depreciation allocated to each activity.*

Revenue includes user charges, sales revenue, water revenue by meter, grants and subsidies, and sundry revenue

	January '24 Actual YTD	January '24 Budget YTD	Variance YTD	Total Budget 2023/24	January 23 Actual YTD
Net cost of activity	\$81,550	\$109,432	\$27,882	\$186,000	\$89,328
Rental Properties					
Expenditure	\$28,162	\$27,069	(\$1,093)	\$44,000	\$29,474
Revenue	\$25,049	\$21,583	\$3,466	\$37,000	\$20,925
Net cost of activity	\$3,113	\$5,485	\$2,372	\$7,000	\$8,549
Farm					
Expenditure	\$205,576	\$205,863	\$287	\$345,000	\$231,499
Revenue	\$505,735	\$462,333	\$32,089	\$616,000	\$344,423
Net cost of activity	-\$300,159	-\$256,470	\$32,376	-\$271,000	-\$112,924
Holiday Park					
Expenditure	\$1,449	\$1,167	(\$282)	\$2,000	\$1,415
Revenue	\$0	\$0	\$0	\$3,000	\$0
Net cost of activity	\$1,449	\$1,167	(\$282)	-\$1,000	\$1,415
<u>Environmental Services</u>					
Building Control					
Expenditure	\$627,311	\$589,285	(\$38,026)	\$1,008,000	\$518,560
Revenue	\$317,207	\$305,083	\$12,124	\$523,000	\$281,135
Net cost of activity	\$310,104	\$284,202	(\$25,902)	\$485,000	\$237,425
District Plan					
Expenditure	\$130,087	\$143,500	\$13,413	\$746,000	\$119,027
Net cost of activity	\$130,087	\$143,500	\$13,413	\$746,000	\$119,027
Resource Consents					
Expenditure	\$202,045	\$206,538	\$4,493	\$353,000	\$195,702
Revenue	\$38,867	\$73,500	(\$34,633)	\$126,000	\$76,178
Net cost of activity	\$163,178	\$133,038	(\$30,140)	\$227,000	\$119,524
Food and Health					
Expenditure	\$122,946	\$110,500	(\$12,446)	\$189,000	\$116,228
Revenue	\$24,190	\$17,500	\$6,690	\$35,000	\$25,082
Net cost of activity	\$98,756	\$93,000	(\$5,756)	\$154,000	\$91,146
Alcohol Licensing					
Expenditure	\$75,485	\$72,333	(\$3,152)	\$124,000	\$82,446
Revenue	\$15,831	\$19,833	(\$4,002)	\$34,000	\$16,222
Net cost of activity	\$59,654	\$52,500	(\$7,154)	\$90,000	\$66,224
Parking and Other Bylaws					
Expenditure	\$92,277	\$89,833	(\$2,444)	\$154,000	\$80,370
Revenue	\$674	\$583	\$91	\$1,000	-\$3,753
Net cost of activity	\$91,603	\$89,250	(\$2,353)	\$153,000	\$84,123
Animal Control					
Expenditure	\$146,452	\$137,673	(\$8,779)	\$235,000	\$120,501
Revenue	\$169,453	\$209,830	(\$40,377)	\$167,000	\$130,559
Net cost of activity	-\$23,001	-\$72,157	(\$49,156)	\$68,000	-\$10,058
Civil Defence					
Expenditure	\$296,677	\$272,779	(\$23,899)	\$431,000	\$192,697
Net cost of activity	\$296,677	\$272,779	(\$23,899)	\$431,000	\$192,697
<u>Assets</u>					
Roading					
Expenditure	\$2,594,206	\$2,406,292	(\$187,914)	\$4,021,000	\$2,798,630
Revenue	\$3,028,705	\$3,233,833	(\$205,128)	\$5,208,000	\$3,706,567

2024 - Agenda - Policy & Services - February - Monthly Reports

**Note: Expenditure excludes interest and depreciation allocated to each activity.*

Revenue includes user charges, sales revenue, water revenue by meter, grants and subsidies, and sundry revenue

	January '24 Actual YTD	January '24 Budget YTD	Variance YTD	Total Budget 2023/24	January 23 Actual YTD
Net cost of activity	-\$434,499	-\$827,542	(\$393,043)	-\$1,187,000	-\$907,937
Stormwater					
Expenditure	\$139,068	\$117,201	(\$21,867)	\$198,000	\$121,132
Revenue	\$0	\$0	\$0	\$0	\$0
Net cost of activity	\$139,068	\$117,201	(\$21,867)	\$198,000	\$121,132
Wastewater (Sewerage)					
Expenditure	\$440,112	\$339,260	(\$100,852)	\$572,000	\$371,282
Revenue	\$24,113	\$20,417	\$3,696	\$35,000	\$21,024
Net cost of activity	\$415,999	\$318,843	(\$97,156)	\$537,000	\$350,258
Solid Waste					
Expenditure	\$609,698	\$580,350	(\$29,348)	\$1,001,000	\$551,581
Revenue	\$179,990	\$99,167	\$80,823	\$170,000	\$108,334
Net cost of activity	\$429,708	\$481,184	\$51,476	\$831,000	\$443,247
Water Supply					
Expenditure	\$806,012	\$705,959	(\$100,053)	\$1,178,000	\$712,669
Revenue	\$360,774	\$245,500	\$115,274	\$491,000	\$227,415
Net cost of activity	\$445,238	\$460,459	\$15,221	\$687,000	\$485,254
Total Activity Expenditure	\$11,104,647	\$10,093,809	(\$1,010,838)	\$17,442,000	\$10,016,774
Total Activity Revenue	\$6,066,957	\$5,247,180	\$808,464	\$8,370,000	\$5,875,108
Net Cost of Activities	\$5,037,690	\$4,846,629	(\$202,374)	\$9,072,000	\$4,141,666

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CAPITAL EXPENDITURE SUMMARY BY ACTIVITY AS AT 31 JANUARY 2024

Grant funded

Council Activity	Project Description	2023/24 Annual Plan Budget (a)	Carry-forwards and adjustments	Total Funds Available (a + b)	2023/24 Actual Expenditure YTD	Projected year end forecast	2023/24 Projected under/(over) spend	Project Completion %	Expected Project Completion Date	Status of each Project
GROWTH - to meet additional demand										
Economy	Proposed Council subdivision	1,049,000	77,331	1,126,331	3,871	300,000	826,331	5%	By 30 June 2024	Total expenditure to date is \$2,146,000. Procurement for Ecologist is underway, with request for proposal due to be advertised in February/March 2024.
Total Growth Expenditure		1,049,000	77,331	1,126,331	3,871	300,000	826,331			

LEVEL OF SERVICE - to improve the level of service on an existing asset or provide an additional asset to increase a service level

Roading	Transport Choices Projects	7,700,000	0	7,700,000	0	0	7,700,000	0%	Cancelled	Government funding withdrawn
Roading	Road to Zero	0	588,366	588,366	119,932	588,366	0	30%	By 30 June 2024	A project to widen Cardiff Road by the Patea River bridge is programmed for March 2024.
Roading	Walking and Cycling Strategy - footpath improvements	156,000	0	156,000	125,635	156,000	0	65%	By 30 June 2024	Widening of the footpath outside Stratford Primary School in progress.
Solid Waste	Healthy homes upgrade	7,000	0	7,000	1,833	7,000	0	33%	By 30 June 2024	Works underway (Window installed, hood range and extractor fan for bathroom)
Stormwater	Reticulation Capacity Increase	143,300	177,322	320,622	68,659	150,000	170,622	10%	By 30 June 2024	On hold until stormwater capacity for catchment is determined
Stormwater	Silt retention lake bypass	265,400	0	265,400	2,025	265,400	0	2%	By 30 June 2024	Resource Consent applied, works programmed for March/April.
Stormwater	Modelling	0	6,363	6,363	0	40,000	(33,637)	80%	By 31 January 2023	Waiting for results from Consultant. Due in February 2024.
Stormwater	Safety improvements	124,600	224,877	349,477	147,152	349,477	0	40%	By 30 June 2024	Ongoing as required.
Wastewater	Reticulation capacity increase	159,300	200,223	359,523	17,798	359,523	0	5%	By 30 June 2024	Determined by outcomes identified from the wastewater modelling.
Wastewater	Camper van drainage facility	7,900	0	7,900	0	0	7,900	0%	Unlikely to proceed	
Wastewater	Stage 2 treatment upgrade	5,300	0	5,300	0	0	5,300	0%	Not required.	See Treatment Plant Upgrade.
Wastewater	Modelling	0	9,483	9,483	25,074	60,000	(50,517)	40%	By 30 June 2024	Model built and monitoring existing flows to calibrate model. \$50,000 funded by Better Off fundng.
Wastewater	Oxidation pond fencing	0	154,388	154,388	154,388	154,388	0	100%	Complete	
Wastewater	Inflow and infiltration programme	159,300	122,152	281,452	447,666	447,666	(166,214)	60%	Complete	Works identified by known identified issues and determined in the modelling process. Programme complete for this financial year.
Wastewater	Treatment plant upgrade	0	171,105	171,105	104,383	171,105	0	50%	By 30 June 2024	Adding Diatomix to help with the quality of the discharge into the Patea River.
Water Supply	Water meter upgrade	337,100	509,751	846,851	161,983	846,851	0	10%	By 30 June 2024	Contract awarded for the installation of Manifolds.
Water Supply	Steetwork ridermains	31,800	0	31,800	3,442	3,442	28,358	100%	Complete	
Water Supply	Raw water delivery line	0	1,968,698	1,968,698	114,687	200,000	1,768,698	5%	By 30 June 2024	Concept design to be completed in January, with detailed design completed by June 2024.
Water Supply	Raw water analyser	0	28,230	28,230	47,961	47,961	(19,731)	100%	Complete	
Water Supply	Generator for treatment plant	0	9,819	9,819	8,709	25,000	(15,181)	95%	By 30 June 2024	Final works to be completed in March - exhaust venting.
Parks and Reserves	Broadway Roundabout Gardens upgrade	0	60,000	60,000	0	0	60,000	0%	Unlikely to proceed	
Parks and Reserves	Walkway development	20,000	0	20,000	13,079	20,000	0	50%	By 30 June 2024	Work as required - remedial works
Parks and Reserves	Skate Park upgrade - Victoria Park	0	0	0	174,487	174,487	(174,487)	100%	By 30 June 2024	Complete.
Parks and Reserves	Drainage upgrade - Victoria Park	0	0	0	28,503	28,503	(28,503)	100%	By 30 June 2024	Complete.
Parks and Reserves	Park development	13,600	0	13,600	0	13,600	0	0%	By 30 June 2024	Work as required - remedial works
Parks and Reserves - Cemetery	Midhirst cemetery pathway upgrade	31,400	0	31,400	0	40,000	(8,600)	20%	By 31 March 2024	Works underway. Due to be complete beginning of March 2024.
Swimming Pool	Play equipment	0	0	0	8,860	8,860	(8,860)	100%	Complete	External funding received
Civic Amenities	Stratford 2035	482,345	979,056	1,461,401	0	0	1,461,401	0%	Unlikely to proceed	Discussions with landowner has delayed this project. Funded from Better Off Funding

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Council Activity	Project Description	2023/24 Annual Plan Budget (a)	Carry-forwards and adjustments	Total Funds Available (a + b)	2023/24 Actual Expenditure YTD	Projected year end forecast	2023/24 Projected under/(over) spend	Project Completion %	Expected Project Completion Date	Status of each Project
Civic Amenities	WMC - carpark lighting upgrade	57,600	0	57,600	0	57,600	0	0%	By 30 June 2024	NPDC providing quote to change lighting to LED.
Civic Amenities	TET Stadium improvements	52,400	24,671	77,071	30,144	77,071	0	50%	By 30 June 2024	> RFQ received no quotes. Exploring options with local window suppliers. > Upgrade of Fire System underway.
Pensioner Housing	Healthy homes upgrade	29,500	0	29,500	26,214	26,214	3,286	100%	By 30 June 2024	Complete.
Farm	Water lines and trough upgrade	12,600	0	12,600	1,704	12,600	0	10%	By 30 June 2024	Sharemilker carries out works as and when required.
Farm	Landscaping / riparian planting	3,700	0	3,700	0	3,700	0	0%	By 30 June 2024	TRC have reviewed planting in October 2023 and has identified that only fencing is required. Programmed for May/June 2024.
Total Level of Service Expenditure		9,800,145	5,234,504	15,034,649	1,834,318	4,334,814	10,699,835			

REPLACEMENTS - replaces an existing asset with the same level of service provided

Roading - Financially assisted NZTA	Unsealed Road metalling (includes forestry roads)	750,000	(100,000)	539,226	616,094	616,094	(76,868)	80%	Complete	
Roading - Financially assisted NZTA	Sealed Road resurfacing	880,000	(461,476)	418,524	173,770	1,000,000	(581,476)	20%	By 30 June 2024	Monmouth Road, Cardiff Road and Brewer Road to be sealed.
Roading - Financially assisted NZTA	Drainage Renewals	680,000	(80,000)	600,000	364,435	600,000	0	50%	By 30 June 2024	Ongoing. Focusing on culverts and water tables rather than kerb and channel replacement.
Roading - Financially assisted NZTA	Pavement Rehabilitation	700,000	(50,000)	650,000	41,999	300,000	350,000	20%	By 30 June 2024	Beaconsfield Rd - in conjunction with Low Cost low risk
Roading - Financially assisted NZTA	Structure Components Replacement	530,000	376,477	906,477	143,775	700,000	206,477	20%	By 30 June 2024	Concrete lining steel culvert on Pembroke Road is complete. Replacing retaining walls on Croyden Road and 3 on Mangaotuku Road.
Roading - Financially assisted NZTA	Traffic Servcies Renewals	130,000	(20,000)	110,000	35,248	110,000	0	30%	By 30 June 2024	Ongoing
Roading - Financially assisted NZTA	Footpath renewals	150,000	(110,000)	40,000	35,911	40,000	0	90%	By 30 June 2024	Finishing Juliet Street
Roading - Financially assisted NZTA	Low cost low risk safety	575,000	46,614	621,614	247,466	621,614	0	30%	By 30 June 2024	Beaconsfield Rd - Hick's Corner. Agreement to purchase land from property owner has been accepted. Finalising design.
Roading - Financially assisted NZTA	Sealed Road resurfacing-Special purpose	0	60,000	60,000	0	60,000	0	0%	By 30 June 2024	Pembroke Rd to be sealed to address a flushing issue.
Roading - Financially assisted NZTA	Unsealed Road resurfacing-Special purpose	0	10,000	10,000	0	10,000	0	0%	By 30 June 2024	Programmed for late Summer/early Autumn.
Roading - Financially assisted NZTA	Drainage Renewals-Special purpose	0	10,000	10,000	29,830	29,830	(19,830)	100%	Complete	
Roading - Financially assisted NZTA	Traffic services renewals-Special purpose	60,000	(55,000)	5,000	0	5,000	0	0%	By 30 June 2024	Ongoing - replacement of signs etc.
Roading - Financially assisted NZTA	Low cost low risk safety - Special purpose roads	0	54,458	54,458	0	54,458	0	0%	By 30 June 2024	Installation of a retaining wall on Pembroke Road.
Stormwater	Reticulation Renewals	56,000	101,983	157,983	1,162	157,983	0	1%	By 30 June 2024	Ongoing as required.
Wastewater	Step / aerate treatment renewals	31,800	0	31,800	0	31,800	0	0%	By 30 June 2024	Ongoing as required.
Wastewater	Pumps and electrics	31,800	0	31,800	0	31,800	0	0%	By 30 June 2024	Ongoing as required.
Wastewater	Bulk discharge	0	18,262	18,262	0	18,262	0	0%	By 30 June 2024	Ongoing as required.
Wastewater	Infiltration renewals	194,300	157,495	351,795	186,395	186,395	165,400	100%	Complete	Works identified by known identified issues and determined in the modelling process. Programme complete for this financial year.
Water Supply	Laterals	32,500	0	32,500	0	32,500	0	0%	By 30 June 2024	Ongoing as required.
Water Supply	Stratford street work rider mains	270,700	0	270,700	214,766	214,766	55,934	100%	Complete	
Water Supply	Infrastructural general - Stratford	26,100	0	26,100	4,927	26,100	0	20%	By 30 June 2024	Ongoing as required.
Water Supply	Infrastructural general - Midhirst	3,400	0	3,400	0	3,400	0	0%	By 30 June 2024	Ongoing as required.
Water Supply	Toko bore	0	134,500	134,500	0	134,500	0	0%	By 30 June 2024	Review as required.

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Council Activity	Project Description	2023/24 Annual Plan Budget (a)	Carry-forwards and adjustments	Total Funds Available (a + b)	2023/24 Actual Expenditure YTD	Projected year end forecast	2023/24 Projected under/(over) spend	Project Completion %	Expected Project Completion Date	Status of each Project
Water Supply	Reservoir overflow to pond	0	74,042	74,042	4,488	74,042	0	5%	By 30 June 2024	Tender prices exceeded budget. Project scope being re-visited.
Water Supply	Infrastructural general - Toko	1,800	0	1,800	0	1,800	0	0%	By 30 June 2024	Ongoing as required.
Water Supply	Stratford reservoir	0	38,669	38,669	0	38,669	0	10%	By 30 June 2024	Video footage under review to determine if cleaning is required.
Water Supply	Midhirst reservoir	0	26,838	26,838	0	26,838	0	10%	By 30 June 2024	Video footage under review to determine if cleaning is required.
Water Supply	Membranes	0	146,044	146,044	0	146,044	0	5%	By 30 June 2024	Ordered new membranes.
Water Supply	Meter replacements	53,100	57,750	110,850	547	110,850	0	1%	By 30 June 2024	Ongoing as required.
Water Supply	Midhirst resource consent	106,200	197,040	303,240	0	50,000	253,240	0%	By 30 June 2024	With TRC for resource consent application
Water Supply	Hydrants	15,700	0	15,700	2,018	15,700	0	10%	By 30 June 2024	Ongoing as required.
Parks and Reserves	Replace septic tank - Whangamomona Camp Ground	121,000	15,778	136,778	9,410	136,778	0	40%	By 30 June 2024	Officers are exploring options with Preferred Supplier as to what steps can be taken to ensure the best outcome with existing budget.
Parks and Reserves	Cemetery - replace water tank	0	0	0	4,228	4,228	(4,228)	100%	Complete	
Civic Amenities	WMC - replace furniture	3,100	0	3,100	0	3,100	0	0%	By 30 June 2024	Replacement as required
Civic Amenities	Broadway LED sign replacement	0	0	0	24,132	24,132	(24,132)	100%	By 30 June 2024	Complete
Miranda Street Office	Furniture Replacement	3,100	0	3,100	2,774	3,100	0	80%	By 30 June 2024	Replacement as required
Miranda Street Office	Partial roof replacement	31,400	0	31,400	0	31,400	0	5%	By 30 June 2024	Roof programmed to be cleaned in March 2024. Once cleaned, assessment can be made for replacement.
Corporate	Computers/Peripherals/ Software	131,000	0	131,000	99,604	131,000	0	80%	By 30 June 2024	Replacement as required
Corporate	Pool building software	0	0	0	8,710	8,710	(8,710)	100%	Complete	
Corporate	Vehicle Replacement (after trade in)	20,000	0	20,000	42,068	34,000	(14,000)	100%	Complete	Trade in still to be completed
Corporate	Miscellaneous	20,000	0	20,000	0	20,000	0	0%	By 30 June 2024	Ongoing as required.
Total Replacement Expenditure		5,608,000	649,474	6,146,700	2,293,757	5,844,893	301,807			
TOTAL EXPENDITURE		\$16,457,145	\$5,961,309	\$22,307,680	\$4,131,946	\$10,479,707	\$11,827,973			

CASHFLOW FORECAST FOR THE YEAR ENDED JANUARY 2025

	Jan-24	Actual Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	12 Month
OPENING BALANCE	740,860	740,860	993,985	2,094,108	652,127	370,374	2,201,193	1,327,247	397,247	2,557,247	1,210,266	685,963	2,278,394	1,553,448	993,985
Rates	620,000	489,020	3,200,000	620,000	620,000	3,500,000	655,000	620,000	4,000,000	710,000	710,000	3,500,000	710,000	500,000	19,345,000
NZTA Refunds	383,453	383,453	160,123	300,000	300,000	300,000	300,000	500,000	500,000	450,000	450,000	450,000	450,000	160,000	4,320,123
Fees and Charges	400,000	373,191	350,000	415,000	380,000	450,000	430,000	400,000	500,000	500,000	500,000	500,000	500,000	500,000	5,425,000
Interest Revenue	30,000	13,463	30,000	53,019	30,000	3,500	53,019	36,000	20,000	53,019	20,000	20,000	53,019	20,000	391,576
Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Cash In	1,433,453	1,259,127	3,740,123	1,388,019	1,330,000	4,253,500	1,438,019	1,556,000	5,020,000	1,713,019	1,680,000	4,470,000	1,713,019	1,180,000	29,481,699
Salaries and Wages / Elected Members	630,000	666,251	540,000	540,000	666,000	540,000	560,000	666,000	540,000	540,000	666,000	560,000	666,000	666,000	7,150,000
Payments to Suppliers - Operating	800,000	631,896	900,000	1,000,000	900,000	700,000	900,000	800,000	820,000	820,000	820,000	820,000	820,000	700,000	10,000,000
Major contract payments	900,000	1,447,674	1,200,000	1,000,000	800,000	1,100,000	800,000	900,000	1,500,000	1,500,000	1,500,000	1,500,000	900,000	900,000	13,600,000
Interest Expense	-	-	-	-	245,753	282,681	51,965	-	-	-	218,303	197,569	51,965	-	1,048,236
GST Paid / (Received)	260,181	260,181	-	290,000	-	200,000	-	120,000	-	200,000	-	200,000	-	260,000	470,000
Total Cash Out	2,590,181	3,006,002	2,640,000	2,830,000	2,611,753	2,422,681	2,311,965	2,486,000	2,860,000	3,060,000	3,204,303	2,877,569	2,437,965	2,526,000	32,268,236
(Increase)/Reduce Financial Investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Borrowing /(Repaying) Loans	2,000,000	2,000,000	-	-	1,000,000	-	-	-	-	-	1,000,000	-	-	-	2,000,000
CLOSING BALANCE	1,584,132	993,985	2,094,108	652,127	370,374	2,201,193	1,327,247	397,247	2,557,247	1,210,266	685,963	2,278,394	1,553,448	207,448	207,448
Net Debt	23,520,000	23,520,000	23,520,000	23,520,000	24,520,000	24,520,000	24,520,000	24,520,000	24,520,000	24,520,000	25,520,000	25,520,000	25,520,000	25,520,000	25,520,000
Gross Debt	36,700,000	36,700,000	36,700,000	36,700,000	37,700,000	37,700,000	37,700,000	37,700,000	37,700,000	37,700,000	38,700,000	38,700,000	38,700,000	38,700,000	38,700,000
Investments - Term Deposits	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000
Investments - A & P Loan	7,180,000	7,180,000	7,180,000	7,180,000	7,180,000	7,180,000	7,180,000	7,180,000	7,180,000	7,180,000	7,180,000	7,180,000	7,180,000	7,180,000	7,180,000

LIABILITIES AND INVESTMENTS STATEMENT AS AT 31 JANUARY 2024**Public Debt Statement**

Lender	Amount	Interest Rate	Term (Years)	Date Drawn	Maturity Date
LGFA	\$ 1,000,000	1.14%	3	19/04/2021	15/04/2024
LGFA	\$ 2,000,000	2.53%	5	10/05/2019	10/05/2024
LGFA	\$ 2,000,000	3.38%	7	27/08/2018	15/04/2025
LGFA	\$ 4,000,000	4.22%	3	12/08/2022	15/04/2025
LGFA - A&P	\$ 3,700,000	1.04%	5	21/12/2020	21/12/2025
LGFA	\$ 1,000,000	1.67%	5	19/04/2021	15/04/2026
LGFA	\$ 1,000,000	2.02%	6	7/04/2020	15/04/2026
LGFA	\$ 1,000,000	1.38%	7	11/05/2020	15/04/2027
LGFA	\$ 2,000,000	4.17%	5	14/04/2022	15/04/2027
LGFA	\$ 1,500,000	3.65%	9	27/08/2018	15/04/2027
LGFA	\$ 2,000,000	5.32%	3	30/01/2024	15/05/2028
LGFA	\$ 1,000,000	2.12%	7	19/04/2021	15/05/2028
LGFA	\$ 1,000,000	4.23%	6	12/08/2022	15/05/2028
LGFA	\$ 2,000,000	4.26%	6	14/04/2022	15/05/2028
LGFA	\$ 1,000,000	5.50%	5	24/05/2023	15/05/2028
LGFA	\$ 1,000,000	5.49%	6	24/05/2023	20/04/2029
LGFA	\$ 1,000,000	5.66%	6	10/07/2023	20/04/2029
LGFA	\$ 3,000,000	5.67%	7	10/07/2023	15/05/2030
LGFA	\$ 2,000,000	4.30%	9	14/04/2022	15/05/2031
LGFA - A&P	\$ 3,500,000	1.87%	12	21/12/2020	21/12/2032
	\$ 36,700,000	3.17%			

Internal Debt Register

Activity	Amount	Start Date	Term	Interest Rate	Details
Water Supply	\$ 1,190,795	2013	N/a	3.17%	Water treatment plant
Farm	\$ 1,909,228	2016	N/a	3.17%	As at 1 July 2023

Committed Cash Facilities

Lender	Facility Value	Outstanding	Rate
TSB Bank	\$ 1,000,000	\$ -	BKBM* + 3%
	\$ 1,000,000		

Investment Statement

Investee	Amount	Interest Rate	Term (Days)	Start	End
ASB	\$ 1,000,000	5.93%	120	15/12/2023	13/04/2024
ASB	\$ 1,000,000	5.93%	120	15/12/2023	13/04/2024
ASB	\$ 1,000,000	5.77%	100	31/01/2024	10/05/2024
ASB	\$ 1,000,000	5.82%	88	24/11/2023	20/02/2024
ASB	\$ 1,000,000	5.93%	117	24/11/2023	20/03/2024
ASB	\$ 1,000,000	5.93%	111	30/11/2023	20/03/2024
A&P Association	\$ 3,680,000	1.29%	1826	22/12/2020	22/12/2025
A&P Association	\$ 3,500,000	2.12%	4383	22/12/2020	22/12/2032
	\$ 13,180,000	3.60%			

Shareholdings Statement

	No. of Shares	Share Price	Value of Shares
Fonterra	158,716	\$ 2.20	\$ 349,175
Ravensdown	21,820	\$ 1.00	\$ 21,820
Civic Financial	65,608	\$ 0.99	\$ 64,952
			\$ 435,947

Other Investments

	Date Drawn	Amount	Interest Rate	Details
Vendor loan to EBS Trust	2020	\$ 190,000	LGFA rate plus 0.25%, currently 6.125%	Repayable - June 2024

*BKBM - The Bank Bill Market Rate is a short term interest rate used widely in NZ as a benchmark for pricing debt.

Outstanding Debtors as at 31 January 2024

Category	Total Outstanding	Overdue > 3 months	Notes relating to outstanding balances
Rates	\$425,228	\$73,601	The overdue balance for rates debtors is what is owed for previous financial years. All outstanding rates are charged a 10% penalty on what is outstanding at the end of each quarter. Demand has been sent to bank for collection of some overdue accounts. Two are with the solicitors. One is approaching a rating sale, the other has been given a court judgement which may result in a rating sale by the end of 2024 if not settled.
Transfer Station	\$1,061	\$0	
Cemeteries	\$50,295	\$15,955	Overdues relate to 12 debtors, 10 of which have payment arrangements with council. Two we are investigating if probate has been granted.
Rental Properties	\$17,398	\$1,811	Overdue relates to 1 debtor which has a payment arrangement in place.
Pensioner Housing	-\$5,205	-\$83	Rent and bond in advance.
Planning and Regulatory	\$3,421	\$240	Overdues relates to 1 debtor for a Food Control Plan. Council are in the process of sending to the debt collector.
Facility Hire	\$2,195	\$735	Overdue relates to one debtor which is in dispute. Council are working through the dispute with the debtor.
Sundry Debtors	\$590,448	\$11,071	Overdues include one-off revenue items made up mostly by 2 large overdue debtors of which 1 is in the process of being sent
Legal Fees	\$9,977	\$6,220	Relating to property rating sale, expect to recover through sale process.
Targeted Rates after Strike	\$3,090	\$0	
Debtors Accruals	\$352,272	\$0	Includes Fonterra milk revenue accrued (not yet paid), interest revenue receivable upon maturity - as the main items.
NZTA	\$160,124	\$0	
Swimming Pool	\$7,169	\$0	
Resource Consents	\$10,303	\$1,430	Overdue made up of 2 debtors, all relating to subdivision fees. Currently liaising with debtors in regards to payment.
Building Consent Revenue	\$19,082	\$5,649	The overdue balance relates to two debtors. One debtor (\$975) is in the process of being sent to the debt collector the other debtor is in liquidation and liquidators have been contacted (may need to consider writing off).
Infringements	\$43,892	\$43,812	All debtors are < 3 years overdue and with the Ministry of Justice for collection. Dog registration infringements are largely outstanding.
Wastewater Discharge	\$6,879	\$1,300	Overdues relate to 2 debtors for septic tank discharge. 1 Debtor is in the process of being sent to the debt collector.
Water Billing	\$140,507	\$38,135	All debt relates to previous financial years. A number of properties are being investigated for leaks.
TOTAL	\$1,838,137	\$199,876	



Our reference
F19/13/03-D21/40748

Karakia

Kia uruuru mai
Ā hauora
Ā haukaha
Ā haumāia
Ki runga, Ki raro
Ki roto, Ki waho
Rire rire hau Paimārire

I draw in (to my being)
The reviving essence
The strengthening essence
The essence of courage
Above, Below
Within, Around
Let there be peace.