



16 June 2021

EXTRAORDINARY MEETING OF COUNCIL

Notice is hereby given that an **Extraordinary Meeting of Council** will be held in the **Council Chambers, Stratford District Council, Miranda Street, Stratford** on **Tuesday 22 June 2021** at **4.00pm** (to follow the Policy and Services Committee meeting).

Timetable for 22 June 2021 as follows:

9.45am	Morning tea for Councillors
10.00am	Workshop for Councillors - Organisational Risk - Risk documents
1.00pm	Lunch for Councillors
1.30pm	Audit and Risk Committee Meeting (<i>deferred from 18 May 2021</i>)
2.45pm	Afternoon tea for Councillors
3.00pm	Policy and Services Committee Meeting
4.00pm (approx.)	Extraordinary Meeting – to adopt the 2021-2031 Long Term Plan

Yours faithfully



Sven Hanne
CHIEF EXECUTIVE

2021 - Extraordinary - June - 2021-2031 Long Term Plan Adoption



22 June 2021 04:00 PM - 05:00 PM

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EXTRAORDINARY MEETING OF COUNCIL
TUESDAY 22 JUNE 2021 AT 4.00 PM (APPROX)

A G E N D A

1. **WELCOME**

- Health and Safety Message

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**

Attendance schedule for Ordinary and Extraordinary Council meetings.

6. **DECISION REPORT – ADOPTION OF 2021-2031 LONG TERM PLAN**

D21/19200

RECOMMENDATIONS

1. **THAT** the report be received.
2. **THAT** the supporting documentation that was consulted on be adopted as final, subject to any amendments required by Audit NZ and acknowledging the documents will undergo a full design process following adoption:

Documents contained within the Long Term Plan 2021-31

- Community Outcomes
- Financial Strategy
- Revenue and Financing Policy
- Significance and Engagement Policy
- Development and Financial Contributions Policy
- Financial Statements
- Accounting Policies
- Forecast Assumptions
- Funding Impact Statements
- Infrastructure Strategy

Additional supporting documentation

- Fees and Charges
- Parks, Reserves and Cemeteries Asset Management Plan
- Solid Waste Asset Management Plan
- Stormwater Asset Management Plan
- Wastewater Asset Management Plan
- Water Supply Asset Management Plan
- Property Asset Management Plan
- Roading Asset Management Plan

3. THAT the 2021-2031 Long Term Plan is adopted, subject to any amendments required by Audit NZ and acknowledging the documents will undergo a full design process following adoption.

Recommended Reason

Council is required to adopt a Long Term Plan pursuant to Section 93 of the Local Government Act 2002 (LGA).

Moved/Seconded

7. **DECISION REPORT – SETTING OF RATES, DUE DATES AND PENALTIES REGIME FOR 2021/22**

D21/18100

RECOMMENDATIONS

1. THAT the report be received.
2. THAT the Stratford District Council sets the following rates, due dates, and penalties regime under the Local Government (Rating) Act 2002, in accordance with the relevant provisions of the Long Term Plan 2021-31 and Funding Impact Statement, on rating units in the Stratford District for the financial year commencing 1 July 2021, and ending 30 June 2022.

Important: All charges are GST inclusive, and funds raised are GST exclusive.

GENERAL RATE

Council set a general rate under section 13 of the Local Government (Rating) Act 2002 (“LGRA”) calculated on the capital value of each rateable rating unit within the district.

The general rate is set with no differential.

The rate (in cents per dollar of capital value) for 2021/22 is 0.13200 cents, raising \$3,991,276.

General rates will be used to fund all activities that are not covered by the uniform annual general charge, targeted rates or other funding mechanisms outlined in the Revenue and Financing Policy.

UNIFORM ANNUAL GENERAL CHARGE

Council set a UAGC under section 15 of the LGRA in respect of every separately used or inhabited part of a rateable rating unit within the district.

The UAGC for 2021/22 is \$767.00 per SUIP, raising \$3,253,935.

DEFINITION OF SUIP

A SUIP is a separately used or inhabited part of a rating unit and includes any part of a rating unit that is used or inhabited by any person. This definition applies to the application of UAGCs, the Solid Waste targeted rate, Wastewater targeted rate, and the Community Centre targeted rate.

This definition includes separately used parts, whether or not actually occupied at any particular time, which are provided by the owner for rental or other form of occupation on an occasional or long term. For the purpose of this definition, vacant land and vacant premises are separately used by the owner as a property available for separate sale, or provided by the owner for rental (or other form of occupation).

For a commercial rating unit (other than motels/hotels), this includes a building or part of a building that is, or is capable of being, separately tenanted, leased or subleased, and is not integral to the commercial operation. Motels/hotels are treated as one SUIP even if each accommodation unit may be capable of separate habitation.

For a residential rating unit, this includes a building or part of a building which is used, or is capable of being used, as an independent unit. An independent unit is any unit containing either separate cooking and living facilities, or a separate entrance; and that has its own toilet or bathroom facilities.

Separate parts of buildings, after the first, that are uninhabitable and declared unsanitary under the Health Act 1956 or the Building Act 2004 are not SUIPs.

TARGETED RATE – ROADING

Council set a targeted rate under section 16 of the LGRA in respect of roading and street services based on the capital value of each rating unit within the District.

The roading rate (in cents per dollar of capital value) under section 16 for 2021/22 is 0.10593 cents, raising \$3,203,000.

The roading rate will be used to fund roading and street services activities within the District.

TARGETED RATE – SOLID WASTE

Council set a targeted rate under section 16 of the LGRA for refuse collection on the basis of an amount per each separately used or inhabited part of a rating unit from which Council is prepared to collect a container of refuse, as part of its normal refuse disposal service, in the Stratford and Midhirst domestic collection area.

The solid waste rate under section 16 for 2021/22 is \$334.00, raising \$755,644.

The solid waste rate will be used to fund the urban domestic refuse collection activity.

TARGETED RATE – WASTE WATER (SEWERAGE)

Council set a targeted rate under section 16 of the LGRA for sewerage as a fixed amount per separately used or inhabited part of a rating unit which is connected to a public sewerage drain, and a targeted rate under Schedule 3, Clause 8 of the LGRA as a fixed amount per rating unit for serviceable properties. Serviceable properties are properties that have Council waste water reticulation services adjacent, contiguous or nearby to the serviceable properties, but are not connected.

The Waste Water rate for properties connected is \$389.00, and for serviceable properties is \$194.50, being 50% of the targeted rate.

For all non-commercial properties the differential factor is 1 (base) and the amount is \$389.00 per SUIP.

Commercial properties are differentiated by use as follows:

Commercial base category (all commercial rating units not included in any other commercial category) and the differential factor is also 1 (base) and the amount is \$389 per SUIP.

- Commercial 2 (commercial rating units used for an activity requiring 2 toilets) differential factor 150% of base and the amount is \$583.50 per SUIP.
- Commercial 3 (commercial rating units used for an activity requiring 3 toilets) differential factor 200% of base and the amount is \$778.00 per SUIP.
- Commercial 4 (commercial rating units used for an activity requiring 4 toilets) differential factor 225% of base and the amount is \$875.25 per SUIP.

- Commercial 5 (commercial rating units used for an activity requiring 5 toilets) differential factor 250% of base and the amount is \$972.50 per SUIP.
- Commercial 6 (commercial rating units used for an activity requiring 6 toilets) differential factor 275% of base and the amount is \$1,069.75 per SUIP.
- Commercial 7 (commercial rating units used for an activity requiring 7 toilets) differential factor 300% of base and the amount is \$1,167.00 per SUIP.
- Commercial Large (commercial rating units used for an activity requiring 8 or more toilets) differential factor 325% of base and the amount is \$1,264.25 per SUIP.

The Waste Water system rate for 2021/22 is to raise \$935,998 and will be used to fund the waste water activity.

TARGETED RATES - WATER SUPPLY

Council set a targeted rate under section 16 of the LGRA for water supply on the basis of an amount per rating unit connected to the Stratford, Midhirst, or Toko Water Supply, and a targeted rate under Schedule 3, Clause 8 of the LGRA as a fixed amount per rating unit for serviceable properties. Serviceable properties are properties that have Council water reticulation services adjacent, contiguous or nearby to the serviceable properties, but are not connected.

The Water Supply rate for properties connected is \$552.00, and for serviceable properties is \$276.00, being 50% of the targeted rate, is raising \$1,430,083.

In addition, Council set a targeted rate for extraordinary water supply under section 19 of the LGRA on the basis of an amount per unit of water supplied in the Stratford Water Supply Area, the Midhirst Water Supply area, and the Toko Water Supply Area to any rating unit which has been fitted with a water meter.

The Stratford water supply rate under section 19 for 2021/22 is \$1.94 per cubic metre of supply in excess of 250 cubic metres per annum, raising \$364,110.

The Midhirst water supply rate under section 19 for 2021/22 is \$1.94 per cubic metre of supply in excess of 250 cubic metres per annum, raising \$9,246.

The Toko water supply rate under section 19 for 2021/22 is \$1.94 per cubic metre of supply in excess of 250 cubic metres per annum, raising \$2,306.

The water supply rates will be used to fund the water supply activities in the Stratford, Midhirst and Toko areas.

TARGETED RATES - COMMUNITY CENTRES

Council sets targeted rates under section 16 of the LGRA for community centres on the basis of an amount per separately used or inhabited part of a rating unit in the listed community areas. This rate uses a fixed charge based on the location of the rating unit.

The community centre rates for 2021/22 are:

- A fixed charge of \$23.00 within the Wharehuia/Te Popo Community Centre area per SUIP collecting \$2,700.
- A fixed charge of \$13.80 within the Pembroke Road Community Centre area per SUIP collecting \$1,524.
- A fixed charge of \$34.50 within the Toko Community Centre area per SUIP collecting \$4,410.
- A fixed charge of \$17.25 within the Pukengahu Community Centre area per SUIP collecting \$810.
- A fixed charge of \$17.25 within the Midhirst Community Centre area per SUIP collecting \$4,560.
- A fixed charge of \$11.50 within the Makahu Community Centre area per SUIP collecting \$500.
- A fixed charge of \$30.00 within the Cardiff Community Centre area per SUIP collecting \$2,269.

The community centres rate will be used to fund the operating costs of the community centres and will raise \$16,774.

PAYMENT DUE DATES AND PENALTIES

All rates, except those for metered water supply, will be payable in four equal instalments due on:

- 1st Instalment: 25 August 2021
- 2nd Instalment: 24 November 2021
- 3rd Instalment: 23 February 2022
- 4th Instalment: 25 May 2022

Pursuant to Sections 57 and 58 of the LGRA the following penalties on unpaid rates (excluding metered water rates) will be added:

- A charge of 10% on so much of any instalment that has been assessed after 1 July 2021 and which remains unpaid after the due date for that instalment. The penalty will be added on the following dates:
 - 1st Instalment 1 September 2021
 - 2nd Instalment 1 December 2021
 - 3rd Instalment 2 March 2022
 - 4th Instalment 1 June 2022
- A charge of 10% on so much of any rates assessed before 1 July 2021 which remain unpaid on 1 July 2021. The penalty will be added on 12 July 2021.
- A continuing additional penalty of 10% on so much of any rates assessed before 1 July 2021, to which a penalty has been added under the immediately preceding bullet point, and which remain unpaid six months after the previous penalty was added. The penalty will be added on 10 January 2022.
- Penalties imposed are exempt from GST.

Payment Due Dates for Metered Water Supply

A charge of 10% on any amount outstanding which remains unpaid on the following dates will be added on the dates below:

<u>Period</u>	<u>Due Date</u>	<u>Penalty Date</u>
1 July to 30 September 2021	10 December 2021	17 December 2021
1 October to 31 December 2021	11 March 2022	18 March 2022
1 January to 31 March 2022	10 June 2022	17 June 2022
1 April to 30 June 2022	9 September 2022	16 September 2022

EARLY PAYMENT

Sections 55 and 56 of the Local Government (Rating) Act 2002 empowers Council to allow for the early payment of rates.

- Council proposes to accept early payment of all rates assessed for the 2021/22 year, but no discount will be applied for early payment. (Section 55).
- Council proposes to accept early payment of all rates assessed for the 2022/23 and subsequent years, but no discount will be applied for early payment. These payments will be applied to general rates or individual targeted rates if requested by the ratepayer, otherwise they will be applied against future general rates. (Section 56).

PAYMENT LOCATIONS – ALL RATES AND CHARGES

Direct Debits are our preferred method of payment. Direct Debit Authority Forms are available at our Council office, or alternatively online.

Payments can be made online by going to <https://www.stratford.govt.nz> and clicking on “Pay Online”.
Mail and electronic payments shall be deemed to be received at the Council Office on day of receipt.
The Council accepts payments by cash, eftpos or credit card between the hours of 8.30 am to 4.30 pm, Monday to Friday, at the Council offices, Miranda Street, Stratford

Recommended Reason

The Long Term Plan 2021-31 contains the activities and associated costs of Council and the funding mechanisms, including rates, to meet those costs. The Rates to be set above are consistent with the Funding Impact Statement in the Long Term Plan 2021-31, as required by law. Council is required by law to adopt a Long Term Plan by 30 June of the year in which the Plan commences, and set rates for the year.

Moved/Seconded

8. **QUESTIONS**



Health and Safety Message

In the event of an emergency, please follow the instructions of Council Staff.

Please exit through main entrance.

Once you reach the footpath outside please turn left and walk towards the Bell tower congregating on lawn outside the Council Building.

Staff will guide you to an alternative route if necessary.

If there is an earthquake – drop, cover and hold where possible. Stay indoors till 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 2021 Ordinary and Extraordinary Council meetings.

Date	<u>09/02/21</u>	<u>09/03/21</u>	<u>23/03/21</u>	<u>13/04/21</u>	<u>11/05/21</u>	<u>21/05/21</u>	<u>08/06/21</u>	<u>22/06/21</u>	<u>13/07/21</u>	<u>10/08/21</u>	<u>14/09/21</u>	<u>12/10/21</u>	<u>09/11/21</u>	<u>14/12/21</u>
Meeting	O	O	E	O	O	EM	O	E	O	O	O	O	O	O
Neil Volzke	✓	✓	✓	✓	✓	✓	✓							
Grant Boyde	✓	✓	✓	✓	✓	AV	✓							
Rick Coplestone	✓	✓	✓	✓	✓	✓	✓							
Peter Dalziel	✓	✓	✓	✓	✓	AV	✓							
Jono Erwood	A	✓	✓	✓	✓	✓	✓							
Amanda Harris	✓	✓	✓	✓	✓	✓	✓							
Alan Jamieson	✓	✓	✓	✓	✓	✓	✓							
Vaughan Jones	A	✓	✓	A	✓	✓	✓							
Min McKay	✓	✓	✓	✓	✓	✓	✓							
John Sandford	✓	✓	✓	✓	✓	✓	✓							
Gloria Webby	✓	✓	✓	✓	✓	✓	✓							

Key	
O	Ordinary Meeting
E	Extraordinary Meeting
EM	Emergency Meeting
✓	Attended
A	Apology/Leave of Absence
AB	Absent
S	Sick
(AV)	Meeting held, or attended by, by Audio Visual Link

DECISION REPORT



F19/13/04-D21/19200

TO: Council
FROM: Director – Corporate Services
DATE: 22 June 2021
SUBJECT: ADOPTION OF 2021–2031 LONG TERM PLAN

RECOMMENDATIONS

1. THAT the report be received.
2. THAT the supporting documentation that was consulted on be adopted as final, subject to any amendments required by Audit NZ and acknowledging the documents will undergo a full design process following adoption:

Documents contained within the Long Term Plan 2021-31

- Community Outcomes
- Financial Strategy
- Revenue and Financing Policy
- Significance and Engagement Policy
- Development and Financial Contributions Policy
- Financial Statements
- Accounting Policies
- Forecast Assumptions
- Funding Impact Statements
- Infrastructure Strategy

Additional supporting documentation

- Fees and Charges
- Parks, Reserves and Cemeteries Asset Management Plan
- Solid Waste Asset Management Plan
- Stormwater Asset Management Plan
- Wastewater Asset Management Plan
- Water Supply Asset Management Plan
- Property Asset Management Plan
- Roading Asset Management Plan

3. THAT the 2021-2031 Long Term Plan is adopted, subject to any amendments required by Audit NZ and acknowledging the documents will undergo a full design process following adoption.

Recommended Reason

Council is required to adopt a Long Term Plan pursuant to Section 93 of the Local Government Act 2002 (LGA).

_____/_____
Moved/Seconded

1. **PURPOSE OF REPORT**

The purpose of the report is to adopt the Long Term Plan for 2021-2031 and its supporting documentation. It is important to note that Council is adopting the content of the documents only, once adopted these documents will be sent to be designed and to incorporate the new branding of the Council.

2. **EXECUTIVE SUMMARY**

The Long Term Plan and supporting documentation have been developed over the past year following engagement activities and consultation with the community. It has also been subject to audit by Audit New Zealand pre and post consultation.

The plan is required to be adopted by 30 June 2021.

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**

The Long Term Plan has been a major process which commenced late 2019 with pre-consultation with the community. The process has involved the rewrite of numerous policies, strategies and plans. There has been considerable senior staff and elected member involvement in workshops, hui, consultation and deliberation.

The outcome of deliberations, held on 18 May 2021, and the key issues that were consulted on are discussed below:

- Water Meters – approved pending further detail on three waters reforms.
- Food and greenwaste bin service – not approved.
- Economic Development targeted rate – not approved.
- Council subdivision – approved.

Council is proposing an averages rates increase over the next ten years of 4.60%, and over the first three years of the LTP as follows:

2021/22	4.63%
2022/23	6.21%
2023/24	4.23%

The Council is now in a position to adopt its Long Term Plan for 2021-2031 in accordance with the LGA. The Long Term Plan is valid for three years, but may be amended through an Annual Plan, which must be adopted by 30 June, in both 2022 and 2023 for the 2022/23 and 2023/24 years.

5. **CONSULTATIVE PROCESS**

5.1 **Public Consultation - Section 82**

The Consultation Document has been subject to a consultation process as required by the LGA.

The Consultation Document was approved by Council on 23 March 2021 and made available to the public for consultation on 25 March 2021. Printed copies of the Consultation Document were made available for residents to pick up at Council facilities and supplied at the three public meetings.

Links to the consultation document, including the online submission form were shared across Council’s website and social media channels throughout the consultation period, and radio advertising was also used to promote the opportunity for public to have their say.

Community organisations on Councils’ community directory were emailed the consultation document, and asked if they’d like a hard copy of the document and made aware of the process for making a submission and of the public meetings being held. They were also invited to contact Council if they wished to have an elected member present to their group/organisation.

Three public consultation meetings were held:

Tuesday 13 April	Whangamomona Town Hall
Thursday 22 April	Stratford, War Memorial Centre
Tuesday 27 April	Stratford, Whakaahurangi Marae

In addition to these, presentations were also made to community groups including the Stratford Positive Ageing Group forum, Stratford Business Association members, Stratford Rotary Group, Women’s Fellowship Group and the Stratford District Youth Council.

Public consultation closed on 2 May 2021. Council received 114 submissions. A Policy & Services Committee Meeting to hear and consider the submissions was held on 18 May 2021. 13 members of the public spoke to their submission.

Councillors undertook deliberations at a Policy & Services Committee Meeting, held on the same day, 18 May 2021.

Prior to formal consultation, Council conducted a community pre-engagement process while developing the Long Term Plan 2021-2031. This included informal coffee catch ups with Councillors, information at community events, and online survey.

5.2 **Māori Consultation - Section 81**

Council emailed the Consultation Document to Iwi with an explanation of the process for making a submission and when the public meetings were being held. As part of the community pre-engagement process Council officers delivered Long Term Plan development updates through existing meetings with iwi representatives.

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?

This report directly relates to *Risk 9: LTP/Annual Plan not adopted by 30 June*. The likelihood of not adopting the Long Term Plan is dependent on Audit NZ finalising their audit, and elected members adopting the recommendation in this report. The impact of the risk would be that Council would be unable to set rates via the Rates Resolution by 30 June, affecting Council's ability to charge rates for the 2021/22 rating year. It would also create uncertainty about future Council operations over the next ten years.

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?	This is the Long Term Plan that sets the framework for the next three years.
What relationship does it have to the communities current and future needs for infrastructure, regulatory functions, or local public services?	The Long Term Plan incorporates the requirements of the Asset Management Plans.

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 complete 2021 – 2031 Long Term Plan is attached.

The changes to the 2021-2031 Long Term Plan post-hearings and deliberations have resulted in the following limits and proposed outcomes as per the Financial Strategy:

- The rates increase limit of 6.0% is exceeded in Year 2 of the Long Term Plan, where 6.21% is proposed. This is largely due to the increased depreciation and interest on the new swimming pool.
- Net debt as a percentage of total annual operating revenue has been capped at 130%, and it is not expected that this will be breached over the life of the Long Term Plan.

7.3 **Significance**

	Yes/No	Explain
Is the proposal significant according to the Significance Policy in the Long Term Plan?	Yes	It outlines council rates and total expenditure for the next ten years and is required by legislation to be consulted on, and to be audited by Audit NZ.
Is it:	No	
<ul style="list-style-type: none"> • considered a strategic asset; or • above the financial thresholds in the Significance Policy; or 	Yes	Required separate consultation.
<ul style="list-style-type: none"> • impacting on a CCO stakeholding; or 	No	
<ul style="list-style-type: none"> • a change in level of service; or 	No	

<ul style="list-style-type: none"> • creating a high level of controversy; or 	Yes	Consulted on via the Consultation Document.
<ul style="list-style-type: none"> • possible that it could have a high impact on the community? 	Yes	Consulted on via the Consultation Document.

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.

Council has previously considered options for the Long Term Plan and it is now recommended that the final Plan be adopted, in accordance with the LGA.

The alternative options are to adopt the Long Term Plan with further amendments, or to not adopt the Plan. Further amendments are not recommended as this may affect the audit opinion and cause delays in the ability to strike rates. Choosing not to adopt the Plan would also cause delays.

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 financial implications are identified within the Long Term Plan, particularly in the Financial Strategy.

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?

This has been discussed in depth in the Significant Forecasting and Assumptions section of the Long Term Plan.

7.7 **Legal Issues**

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

The Long Term Plan must be adopted in accordance with the LGA before 30 June 2021.

7.8 **Policy Issues - Section 80**

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

There are no policy issues. All the supporting policies have either been adopted or draft policies will be confirmed via the Long Term Plan.

Attachments:

- Attachment 1 - 2021 – 2031 Long Term Plan
- Attachment 2 - Asset Management Plans



Tiffany Radich
DIRECTOR – CORPORATE SERVICES



[Approved by]
Sven Hanne
CHIEF EXECUTIVE

DATE 15 June 2021

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SUMMARY OF INFORMATION

The major matters contained within the Long Term Plan are:

- The significant policies and objectives of the Stratford District Council;
- The community priorities of the Stratford District;
- The nature and scope of the significant activities to be undertaken;
- The performance targets and other measures by which performance may be judged;
- An outline of the indicative costs and sources of funds in total, and for each significant activity in particular terms for the financial years 2021/2022, 2022/2023 and 2023/2024 and in general terms for the following seven financial years:
 - Revenue and Financing Policy;
 - Development and Financial Contributions Policy;
 - Significance and Engagement Policy;
 - Funding Impact Statement;
 - Summaries of assessments of water and sanitary services and solid waste plans;
 - Details on Council Controlled Organisations;
 - Steps to foster the development of Māori capacity to the decision making processes;
 - Significant forecasting assumptions used in the preparation of the Long Term Plan;
 - An Audit opinion;
 - Local Government (Financial Reporting and Prudence) Regulations 2014 Disclosure Statement;
 - Infrastructure Strategy.

Public Consultation

Below is a list of dates and venues of public meetings that were held to consult the community on the Consultation Document.

<u>Date/Time</u>	<u>Venue</u>
Tuesday 13 April 2021	Whangamomona Hall
Wednesday 22 April 2021	War Memorial Centre
Monday 27 April 2021	Whakaahurangi Marae

RESULTS OF THE SUBMISSION PROCESS

Council received 114 submissions and a hearing was held on Tuesday 18 May with deliberations being undertaken on the same day.

As a result of the submission process, elected members decided to:

- Proceed with the implementation of universal water metering, unless superseded by the pending outcomes of the three waters reforms; and to
- Allocate funding for a residential subdivision.
- Not go ahead with the proposed Food and Green Waste Collection, and
- Not introduce an Economic Development Targeted Rate at this time.

FROM THE MAYOR AND CHIEF EXECUTIVE

In front of you lies Stratford District Council's Long Term Plan 2021-2031. This will guide council's operations and capital projects for the next three years, until it comes up for review in 202. It also provides general direction for the next decade.

Elected members and staff have put in long hours to balance needs, wants and opportunities for the district and had positive response and input from the community. We have also worked hard to maximise investment from external sources to minimise the cost of providing services and amenities for ratepayers.

The four key issues that we sought feedback on were water conservation, waste minimisation; the introduction of an Economic Development targeted rate for commercial properties; and Council undertaking another Residential Subdivision.

This was put to the test via public consultation with 114 submissions received on a wide range of topics. As a result of this feedback Council decided to proceed with the installation of water meters to achieve its water conservation goals and the strong support for another subdivision meant that this is also included in the final plan. Elected members however decided not to proceed with the proposed additional service for food and green waste as well as the Economic Development targeted rate at this point.

With regards to water meters, elected members asked staff to however hold off on any installations until the outcomes of the Government's 3 Water reforms are better understood. This is expected in the latter part of 2021.

We think Stratford has a good vibe at the moment, with significant amounts of new work under way, creating employment opportunities and improving our town and district. We want to keep this momentum going, but are also well aware of the need to not over-burden our ratepayers.

The overall rates increase is 4.63% for the 2021/22 financial year with an average rates increase of 4.60% for the 10 years covered by the Long Term Plan. These percentages are the change in council's overall budget, rather than the change that will apply to each or every individual property. The change that applies to properties is affected by their type, value and shift in value during the recent revaluation and whether it receives council services such as water supply, wastewater or solid waste collection.

The recent strong increase of residential property values has led to an overall shift of the rates burden towards residential and away from rural properties. It is important to note that the same has occurred in reverse as a result of previous revaluation cycles with rural properties picking up a larger share of the overall rates during those cycles. A range of sample rates are provided at the back of this plan.

Ngā mihi

Neil Volzke, JP
DISTRICT MAYOR

Sven Hanne
CHIEF EXECUTIVE



DISTRICT PROFILE

Stratford is located at the junction of State Highway 3 and State Highway 43, in the heart of Central Taranaki, in the North Island of New Zealand.

Stratford is the closest main centre to Egmont National Park, and the gateway to Mt Taranaki, the Manganui Ski Field, Dawson Falls, and the Forgotten World Highway (SH43) which winds its way through east Taranaki to Taumarunui.

Covering approximately 2,170 square kilometres, it has four distinct regions:

- The alpine and bush environment of the Egmont National Park.
- The dairy farming country of the Egmont ring-plain.
- The frontal hill country. This land lies between the ring plain and the eastern hill country. It is mostly utilised for sheep and beef farming.
- The relatively steep hill-country of eastern Taranaki, some areas of which are farmed mostly for sheep and beef farming. Some areas are abandoned farmland reverting to bush while some land remains in original bush.

Stratford District is one of New Zealand's smallest local authority areas, being the 58th largest district in New Zealand, of 67, based on population estimates.

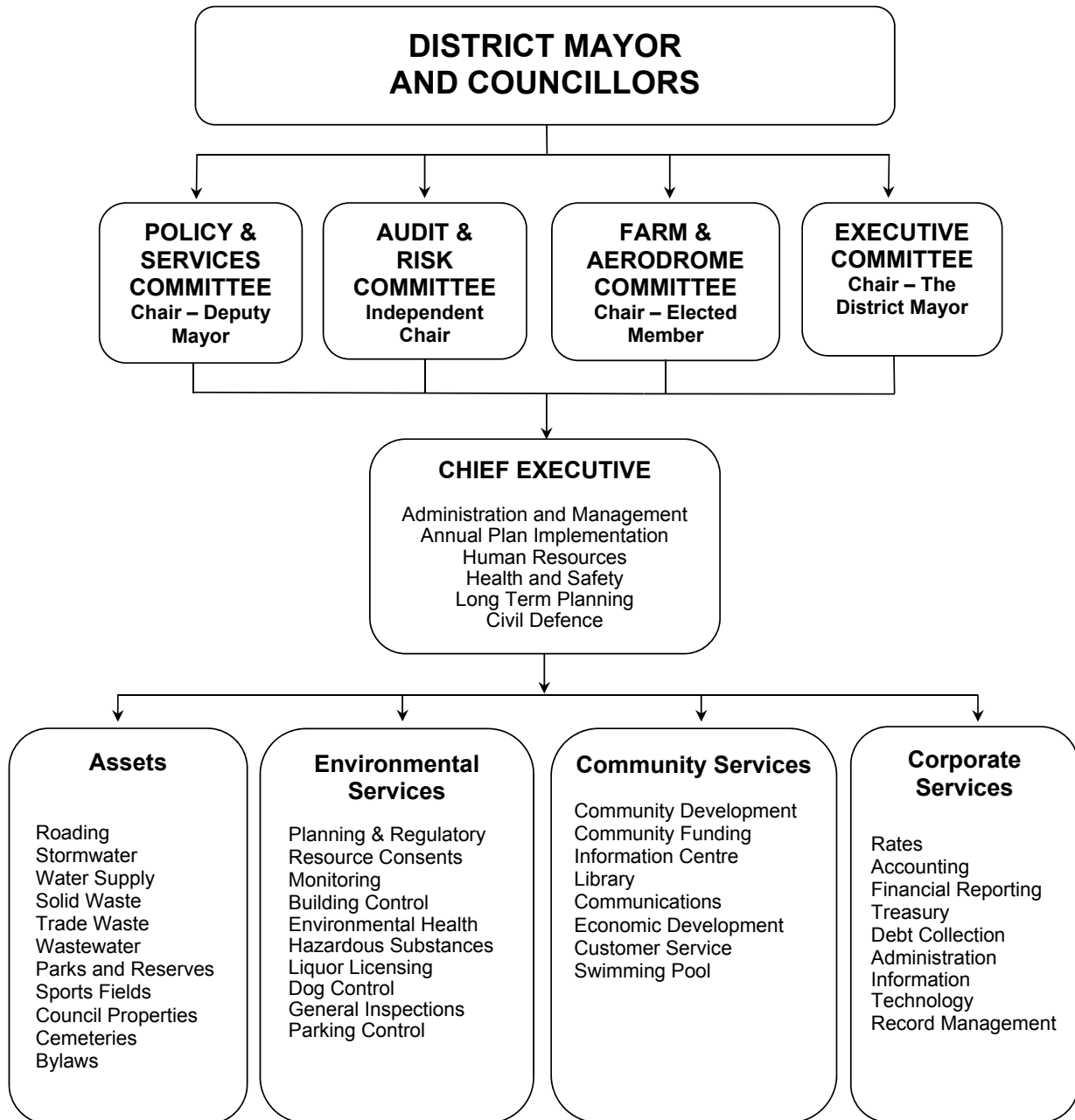
Stratford District is part of the Taranaki Region. Taranaki has four Councils, made up of three territorial authorities and one regional council:

- Taranaki Regional Council
- New Plymouth District Council
- South Taranaki District Council
- Stratford District Council



The Stratford District Council is represented by 10 Councillors and the Mayor. Stratford district is divided into two wards – an urban ward (6 Councillors) and a rural ward (4 Councillors). The Council currently has no Community Boards or Maori wards.

The Council has one Council Controlled Organisation (CCO), the Percy Thomson Trust, with control through the ability to appoint more than half of the trustees. The Trust is registered as a charitable trust, and therefore exempt from income tax.



The most recent population estimate for the district of 9,880 people is based on Statistics NZ population estimates as at 30 June 2020. The average age of Stratford District residents is expected to increase from 40 to 42 over the next 30 years.

GDP growth has generally been static to low, and generally under the national average – except for 2009 and 2012 where there were spikes in the district's GDP compared to the rest of the country.

The two biggest contributing industries in Stratford are the Agriculture and Forestry sector contributing 27% (Dairy Farming making up 16% of this) of district GDP, and the Electricity and Gas Supply contributing 16%. Stratford has the region's largest electricity generation site at Contact's 575MW gas powered plant – it is considered a nationally significant generation site.

In 2019, there were 3,462 filled jobs in the Stratford District. The district unemployment rate was 4.4%, compared to the regional unemployment rate of 5.0% and national unemployment rate of 4.3%. Employment growth lags behind the rest of the country (2018 Stratford: 1.5%, National: 3.0%), although it did spike above the national average in 2009. The biggest increase in jobs in Stratford since 2017 has been in the house construction (building) sector, and in primary education.

The home ownership rate in Stratford is 68% (compared to the national average of 65%). Stratford has good housing affordability compared to the national average: the mortgage as a proportion of income in Stratford is 0.21, compared to 0.34 the national average. The average household size in Stratford is expected to remain at 2.5 individuals over the next 30 years, unlike other districts where it is expected to decline.

SIGNIFICANT FORECASTING ASSUMPTIONS

Inflation

The forecast financial information includes provision for inflation. Forecasts of price level changes prepared specifically for the local government sector by Business and Economic Research Limited (BERL) have been used to calculate the inflation rates for each year of this plan.

In year 1 there has been no inflation applied to operational revenue and costs, except for energy and insurance costs which are based on current plus an inflated rate, as we are reasonably confident in forecasting actual revenue and expenditure figures in the immediate year timeframe.

There is a medium-high level of uncertainty about whether these forecasts will be correct, however unless there is an extraordinary period of sustained high inflation, it is unlikely to have too much of an impact on rates.

Roads	0.00%	3.10%	3.00%	2.90%	2.90%	2.90%	2.90%	2.90%	2.90%	2.90%
Property	0.00%	2.50%	2.30%	2.20%	2.20%	2.20%	2.20%	2.20%	2.20%	2.20%
Water	0.00%	3.50%	2.60%	2.70%	2.90%	2.80%	3.20%	3.30%	3.40%	3.10%
Energy	4.00%	3.50%	2.60%	2.70%	2.90%	2.80%	3.20%	3.30%	3.40%	3.10%
Staff	0.00%	2.50%	2.30%	2.20%	2.20%	2.20%	2.20%	2.20%	2.20%	2.20%
Other Expenses	5.00%	2.50%	2.30%	2.20%	2.20%	2.20%	2.20%	2.20%	2.20%	2.20%
FMC Contract	0.00%	3.10%	3.00%	2.90%	2.90%	2.90%	2.90%	2.90%	2.90%	2.90%
Sundry Revenue	0.00%	2.50%	2.30%	2.20%	2.20%	2.20%	2.20%	2.20%	2.20%	2.20%
Waste Index	0.00%	3.50%	2.60%	2.70%	2.90%	2.80%	3.20%	3.30%	3.40%	3.10%

The inflation rates used from years 11 to 30 for the Infrastructure Strategy are based on the 10 year inflation rates.

If the inflation rates tabled above were all to increase by 1% it would impact total operating expenditure for the first three years of the LTP as follows:

	Expenditure Current (\$000)	Expenditure 1% Increase (\$000)
Year 1	19,985	20,188
Year 2	20,957	21,190
Year 3	23,420	23,675

Interest

Interest on borrowings is based on the current weighted average rate, plus 0.3% in Year 4, and an increase of 0.5% in Year 7. The average loan term is currently over 5 years and 91% of Council debt is fixed, so significant fluctuation over the next few years in interest rates is not anticipated.

2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
2.20%	2.20%	2.20%	2.50%	2.50%	2.50%	3.00%	3.00%	3.00%	3.00%

Interest on investments is based on a similar methodology to the above, and increases as does interest on borrowings. It is expected that interest on debt and investments will move in a similar direction and at a similar rate over the next ten years.

2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
1.84%	1.84%	1.84%	2.14%	2.14%	2.14%	2.64%	2.64%	2.64%	2.64%

There is a high level of uncertainty about the interest rate assumption. With forecast interest expenditure on gross external debt in 2021/22 of \$476,756, an increase in interest rates of 1% will result in an additional \$216,708 in interest expenditure. Over the ten years of the LTP, the additional interest expenditure incurred as a result of a 1% increase in the interest rate assumption is \$3,461,791. The interest rate assumption will be reviewed annually during the preparation of the Annual Plan and updated as more current information provides more certainty.

External Funding

The Funding Assistance Rate (FAR) government roading subsidy is forecast to be 61% in 2021/22 and to remain at this level over the following nine years. This is based on projections supplied by Waka Kotahi. An assumption has also been made that Waka Kotahi will fund all roading projects budgeted for.

There is medium to high level of uncertainty around the FAR rate remaining at 61% over the 10 years of the LTP. The budget for the first 1 – 3 years of the LTP has not yet been approved by Waka Kotahi. If the FAR rate reduced by 1%, this would amount to a loss of Waka Kotahi subsidy in 2021/22 of \$89,279, and \$1,069,770 over the 10 year LTP period.

On 31 May 2021, Waka Kotahi endorsed indicative investment levels as part of the 2021-24 work programme. Council’s work programme for this three year period was budgeted for \$20,642,000. However, Waka Kotahi have indicated funding approval for \$19,700,000. The final funding amount will be determined and approved by late August 2021. Council will only incur operational and capital expenditure for roading up to the maximum amount approved by Waka Kotahi for funding. For the purposes of preparing the Long Term Plan budgets, Council has budgeted for the full work programme requested, and note that there is a risk that this won’t be received as indicated by Waka Kotahi recently.

There is also a medium risk that Waka Kotahi may not fund all of the roading projects proposed from Year 4 onwards. The Brecon Road bridge project, for which Council has budgeted grant funding from years 5-6 of the LTP of \$7,015,000 has not yet been approved by Waka Kotahi. This would have a significant impact on the delivery of the project, and it is unlikely that the project would proceed without the Waka Kotahi contribution.

An assumption has been made that up to 100% external funding will be received for certain capital projects – grant funding budgeted of \$8,209,000. There is a high level of uncertainty around whether some of the funding will be received – particularly for the fitness gym (\$84,000), and part of the pool external funding not already confirmed (\$2,500,000), but there is a low level of uncertainty for projects confirmed for Provincial Growth Funding already.

If external funding for the pool of \$2,500,000 is not received, then Council will reduce the scope and associated cost for the pool from \$22,500,000 to the amount available.

Revaluation of Assets

It is assumed that the value of Council assets will be consistent with the most recent asset valuation. Assets will be revalued every three years, with the next asset revaluation for infrastructure assets to be in 2021/22, and for property assets to be in 2022/23.

The below table shows the inflation rate assumptions (cumulative rates) used for the asset revaluations for the various categories of assets which are taken from the relevant inflation category as published by Business and Economic Research Ltd (BERL, September 2020).

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Asset Revaluations - Roading	3.10%	0.00%	0.00%	9.27%	0.00%	0.00%	9.79%	0.00%	0.00%	10.66%
Asset Revaluations - Services Infrastructure	3.50%	0.00%	0.00%	9.06%	0.00%	0.00%	10.00%	0.00%	0.00%	12.05%
Asset Revaluations - Property	0.00%	2.50%	0.00%	0.00%	7.02%	0.00%	0.00%	7.39%	0.00%	0.00%

There is a medium to high level of uncertainty that the asset revaluation forecasts are correct. The value of Council assets and subsequent depreciation expense may change as a result of changes in valuation methodologies, or cost changes being significantly different to what has been forecast. This could lead to an increase or decrease in rates, depending on the outcome at the time. For example, the revaluation for 2021/22 is based on an increase in roading assets of 3.1% and an increase in all other infrastructure assets of 3.5%, resulting in depreciation of \$5,426,000 in 2022/23. If the increase in values was 4.1% and 4.5% respectively, depreciation for 2022/23 would be \$5,463,000.

Capital Expenditure

Council has forecast for \$125,463,814 of capital expenditure over the 10 years of the LTP, with 40% of the forecasted projects to be delivered in the first three years.

The key risk is that the Council is unable to deliver the works programmes as outlined. If the risk occurs then this creates a wave and backload of work, in particular continued delays in the delivery of renewals and upgrades, subsequently that may impact on the achievement of levels of service, potential increased costs from delays and risks to the continuity and delivery of services with the risks of assets failing before they can be replaced. This also comes with the risk that Council rates and borrows to fund a program that can't be delivered in the budgeted timeframe.

There is a medium to high level of uncertainty about the delivery of all projects within the years specified. If any replacement projects can be delayed then that will occur, likewise if any projects need to be prioritised due to asset failure, then they may need to be brought forward.

There is also some uncertainty about the capacity to resource each project to completion phase, and Council is taking on extra resource to greater ensure that projects, particularly those that will increase levels of service, can be delivered on time. The budget from Year 1 includes a new Project Manager, which Council has now completed successful recruitment for, with the candidate to commence in the role in early July 2021.

Skill Shortages

There is a risk that Council will not be able to recruit and retain staff as required. If this occurs then increased reliance may be placed on contractors, with an impact on costs, or there may be a risk to continuity of service and service levels, and loss of institutional knowledge.

The likelihood of this impacting Council increases with the more technical roles, especially roles that are unique to local government – including Regulatory roles such as building control and planning, and certain engineering roles, and Rates.

Council has developed a staff wellbeing strategy to increase staff retention and is investing in refining its performance measurement and remuneration system. In terms of being able to attract new staff, when a vacancy is anticipated, Council's policy is to recruit immediately and as widely as possible. Council has also focused on succession planning in recent years with many low to mid-level positions having a clear career progression path.

Contractor Availability

The ability of Council to deliver many core infrastructure services as well as parks, reserves, cemeteries, and property maintenance depends on the ability of contractors to deliver to agreed expectations. An effective procurement process also relies on there being an adequate number of contractors to bid for Council work, enabling a more competitive process – not just on price but quality of delivery. The inability to get contractors for particular projects has affected the 2020/21 capital programme completion rate due to the significant number of shovel ready projects in the region and nationally. However, this is unlikely to have as large an impact over the next ten years.

There is a moderate to high level of risk that there will be a shortage of contractors or that contractors will not deliver to the agreed standards and specifications within the agreed time.

Council is supporting local industries by running the Mayors Taskforce for Jobs programme – matching people in Stratford who aren't currently working with available jobs in an attempt to bridge any shortage gaps.

Cost Certainty

There is a medium level of uncertainty around the cost of significant projects, which can be affected by demand and supply at the time, and a change in requirements either as a result of community feedback or legislative requirements. The projected capital expenditure for Brecon Road bridge of \$11,500,000, is based on a consultants estimate and an estimated cost for a business case for funding and contingency amounts, however, this amount could either go up or down and will not be known until after the business case stage is underway. On this bridge project in particular, there is a high level of uncertainty of whether it will go ahead – refer to External Funding section.

It is expected that the future replacement of significant assets will be able to be funded from reserves.

Asset Life

The remaining useful lives of Council assets are recorded in the individual Asset Management Plans and have been taken from the most recent Independent Asset Revaluation.

There is a medium to high level of uncertainty about the expected useful lives which is based upon estimates by actual performance, industry standards, engineer estimates, and valuers. Plant, equipment and infrastructural assets lives range from 2 years to 120 years and were determined either upon initial recognition, or at the asset revaluation cycles. Depreciation and interest costs would increase if replacement capital expenditure was required earlier than anticipated. However, these impacts could be mitigated as capital projects could be reprioritised in the event of early expiration of assets. It is also possible for assets to last longer than their estimated useful life, again mitigating the effects of asset failure before the expected date. Service disruption may occur where

assets fail before their useful life, however, Council are very responsive when it comes to ensuring the core infrastructure services are maintained and operated with minimal disruption. If the three waters reforms were to proceed and Council’s water assets are amalgamated into a larger entity, the situation may be different and less priority may be given to restoration of core services in an unplanned event.

There is a low level of uncertainty that Council activities will change and result in decisions not to replace existing assets. Where a decision is made not to replace an asset, this will be factored into capital projections. Council has a comprehensive asset management planning process in place to ensure there is an efficient renewal program.

Depreciation

Depreciation is calculated on a straight line basis on all property, plant and equipment, excluding land, at rates that will write off the value of the assets, less their estimated residual values, over their useful lives.

The useful lives of the classes of assets have been estimated as follows:

	<u>Years</u>
Buildings	10-100
Plant	5-10
Motor Vehicles	5
Fixtures and Fittings	5-10
Office Equipment	4-10
Roading Base course	15-80
Roading Seal	2-16
Roading Culverts	20-80
Roading Sumps	80
Signs	10
Bridges (including Tunnels)	60-100
Footpaths	20-80
Streetlights	30
Stormwater	20-80
Water Supply Treatment	20-120
Water Supply Reticulation	20-120
Wastewater Treatment	40-80
Wastewater Reticulation	40-80
Street Beautification	10-100

Council is constantly trying to improve the level and accuracy of asset data for core infrastructure recognising the current information could be improved.

Fonterra Milk Price

Fonterra sets the milk price for each season. For the purposes of forecasting, Council has used the average of the previous ten years (below) over the next ten years, of \$6.25.

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
\$	7.60	\$ 6.08	\$ 5.84	\$ 8.40	\$ 4.40	\$ 3.90	\$ 6.12	\$ 6.69	\$ 6.35	\$ 7.14

There is a medium risk that the price will drop below \$6.25. A drop in the milk price of \$1 will result in revenue reducing by \$75,000, based on estimated milk production to remain consistent over the next ten years at 150,000 kg/milk solids produced annually.

Population Growth

Population and the number of rateable properties is expected to increase by 0.5% per annum. The *Population Projections 2018-2051* report by Infometrics, dated April 2020, forecasts that the Stratford district population will, under a high growth model, increase from around 10,000 to 11,800 over the next 30 years (18% or 0.6% 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 for the Long Term Plan, 0.5% growth has been used as a conservative measure.

This level of growth has also been used for the forecast increase in rating units. There is a medium to high level of uncertainty that population and rating unit growth will increase by 0.5% annually, and it may be higher or lower than forecast.

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 respond to any development work required by Council.

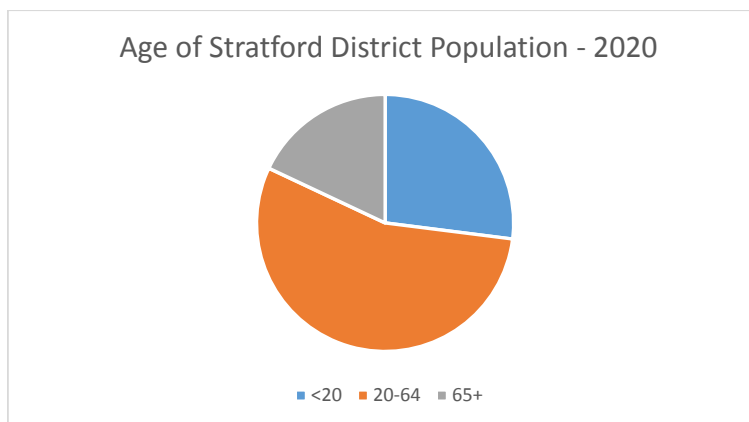
Council has made provision for growth by proposing to invest in a self-funding property development between 2021 and 2023, at a slightly smaller scale to the 2020 Council subdivision. The cost proposed is purely an estimate based on the previous Council subdivision and hasn't taken into account the number of sections, change in land prices, and potential development work required. The financial outcomes proposed for the subdivision are purely reliant on there being sufficient demand for all sections Council makes available for sale.

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.

A lower than expected population growth outcome is considered unlikely, but could result in reduced revenue to Council from funding sources other than rates.

Societal Changes

The average age of Stratford residents is expected to increase over the next 30 years from 40 to 42 years. It is not expected that this increase will have a significant impact on Council services and infrastructure, and there is a low to medium level of uncertainty around this assumption as it is based on Infometrics data and is a trend that doesn't generally change dramatically within 10 years. 580 residents (5% of the district population) are aged 80+.



There are 1,250 Māori population – 48% are under 20. Māori make up 13% of the district population. This is expected to increase slightly over the next 10 – 30 years.

Resource Consents

The Council regularly reviews regulatory changes that may or will affect the delivery of core services. This primarily includes updates to resource consents and changes to legislation or national standards.

The assumption in the Long Term Plan is that renewed resource consents will have similar conditions as the expiring resource consents and will not include significant cost triggers and additional expenditure. There is a medium level of uncertainty on this assumption as it is dependent to a high degree on the legislative environment and environmental standards and expectations that exist at the time of renewal.

An assumption has also been made that all resource consent conditions will be met by Council. There is a low to medium level risk that Council will face some form of non-compliance or breach consent conditions. Council has suitably qualified and skilled staff and appropriate processes and technology to control, monitor and manage consent conditions.

Legislative Reform

Resource Management Act reform – there is potential for the District Plan to be consolidated into a Regional Plan in the near future however no decision has been made on this yet. At this stage, Council has still budgeted for \$1,500,000 in years 3 to 5 of the Long Term Plan to produce a new District Plan to ensure current legislative timeframes are met. Council will monitor the ongoing situation. There is a high level of uncertainty around this, as the Government has announced legislative reform will occur by 2022 and will involve consolidation of planning documents between territorial authorities.

Three Waters reform - There is potential for the Water Supply, Wastewater, and Stormwater Activities to no longer be operated by individual territorial authorities in 3-4 years. The current proposal is to amalgamate these activities under a much larger multi-regional entity. The work on this is still underway and no firm decision has been made yet on what the reforms might look like, so the Long Term Plan does not allow for what is being proposed under the Three Water Reforms. Instead the operating and capital expenditure budget are as per normal with some level of service expenditure required to ensure a sustainable water supply for future generations. If the 3-Water Activities were to be removed from Council, from say Year 4 of the Long Term Plan, this would have an impact on Council assets, debt, revenue, expenditure, and treasury covenants. There is a high level of uncertainty around what will happen, and by when.

Climate Change

Climate change is expected to affect the Stratford district over the short to long term through an increase in the frequency and intensity of storm events, and a change in rainfall patterns producing more extreme weather events, and an increase in drought events.

Extreme weather events and heavy rainfall would see increases in flooding, landslides, avalanches and mudslides during heavy rainfall events while on the flip side a lack of rain during summer months could see prolonged periods of drought. Both extremes place increased pressure on government, private flood insurance schemes, and disaster relief.

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

Council has budgeted for projects that will support the districts response to climate change. These include the Walking and Cycling strategy projects (\$3.35M for 10 years), Water Meter Installation (\$2.49M for 10 years) and the reticulation capacity upgrade for the storm water system (\$1.35M for 10 years).

Although the level of uncertainty around what impact Climate Change will have on the district over the next ten years is high, planned expenditure in the LTP does not include provision for any impacts of a natural disaster event. The costs will be addressed as or when they arise. The Revenue and Financing Policy allows for such expenditure to be loan funded if required.

Insurance cover is in place for above ground and below ground infrastructure assets, and Council has a contingency fund of \$500,000 to assist in initial damage control and restoration work required after any significant weather event. Council has deliberately kept the net debt to revenue limit (130%) below the Local Government Funding Agency (LGFA) net debt covenant of 175% to ensure that if borrowing is required urgently for unforeseen circumstances such as to respond to infrastructure damage from an extreme weather event, Council has the capacity to draw down additional funds through the LGFA.

The Infrastructure Strategy discusses climate change and its effects on the district in further detail. At this stage, no assessment has been done on the potential impact of the expected effects of climate change on the community's social, economic and cultural wellbeing. With the Stratford district being heavily reliant on agriculture, an increase in droughts as a result of climate change will have an impact on the viability of the industry, which would have a social and economic impact. Council is committed to working with Venture Taranaki to develop diversification and innovation in the food production industry via the Food Futures project.

Covid-19

No impact has been factored into the LTP budgets as a result of the Covid-19 pandemic and Council does not anticipate any further lockdowns. There is a low to medium level of uncertainty for this assumption, as the 2020 lockdown did not have a significant impact financially on Council, and is unlikely to occur again now that the Covid-19 vaccine is being administered in New Zealand.

The current situation is indicating only a minor impact overall on the Stratford District Council as a result of Covid-19. Of Council's total revenue, a low portion (10%) is reliant on user fees and charges, the remainder is made up of rates revenue and Waka Kotahi funding. Consequently, any future Covid-19 impact has not been factored into Long Term Plan considerations and no impact on revenue or supply chain availability from overseas is anticipated. The Long Term Plan is based on the assumption that the Council will adequately deal with any extraordinary situations as they arise.

The district is also more reliant on industries that haven't been majorly negatively impacted by the effects of Covid-19 such as agriculture, education, health care and other day to day necessity industries.

The food and service industries may experience sporadic closures or lower activity as the country moves in and out of the Covid-19 levels over the next year or so. This could ultimately result in some permanent closures, and reduced revenue coming in to the district. It may also result in Council being unable to achieve its non-financial performance measures that rely on visitor numbers or bookings e.g. library, pool, War Memorial Centre. Council anticipates no effect from Covid-19 from July 2021 onwards, and will explain any under performance results at the time, as is usually done.

With the border closures and quarantining likely to remain in effect for some time, some industries may also experience short-staffing and an inability to maintain capacity or grow due to some industries previously relying heavily on foreign workers, e.g. contracting industry, agricultural industry.

TET Multi Sports Centre

The TET Multi Sports Centre was vested to Council on 1 July 2018. Although Council has assumed ownership of the TET Multi Sports Centre building, Council has decided not to fund depreciation of the asset. The assumption has been made that Council will take on minor operational costs and expenses associated with the stadium and in addition has budgeted for \$50,000 of capital expenditure on the stadium each year.

As a decision has not yet been made on the ultimate ownership of the Stadium, the budgets assume the Centre will continue to be run as per previous operations, in that the current lessee will manage the majority of the associated running costs of the building.

There is a medium level of uncertainty on this occurring as negotiations are yet to take place, and consultation with the community may be required in future.

FINANCIAL STRATEGY

SUMMARY OF KEY INFORMATION

Rates Increase Limit:	< 6%
Borrowing Limit:	Net Debt < 130% of Annual Operating Revenue
Growth assumption:	0.5% annually
Inflation assumption:	Average of 2.4% annually, varies across categories of expenditure
Waka Kotahi (NZTA) Subsidy:	61% over the 10 years of the Long Term Plan
Effects from Covid-19:	Nil

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 debt, revenue and expenditure (Operating and Capital) are managed in a way that maintains service levels in a financially sustainable way.

This is a ten year Strategy, but will be reviewed 3 yearly in line with the review of the Long Term Plan (“LTP”). Compared to the Financial Strategy adopted in 2018, this Strategy is based on a higher population growth forecast (LTP 2018-28: 0.3%), significant service level increases, and a higher rates increase limit (LTP 2018-28: 4.45%). The Debt Limit is to increase from 100% to acknowledge that increased service levels desired by the community.

COUNCIL’S GUIDING VISION AND DESIRED COMMUNITY OUTCOMES

Council’s vision is to be “*A vibrant, resilient and connected community – in the heart of Taranaki*”.

The Community Outcomes of a Vibrant Community, a Sustainable Environment, Connected Communities, and an Enabling Economy (based on the local government four wellbeings), guide the services Council provides and the level of service provided by each Council Activity.

Elected members have acknowledged that there is more work to do to achieve these Community Outcomes, above what would be considered business as usual. Capital expenditure on increasing the levels of service provided to the community is expected to be \$57,570,182 over the next ten years, mostly loan funded. This is a major reason why the rates increase limit of 6% has been set higher than the previous rates increase limit – to enable Council to deliver on the increased levels of service within the Long Term Plan.

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

	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
<i>In \$000's</i>	<i>/22</i>	<i>/23</i>	<i>/24</i>	<i>/25</i>	<i>/26</i>	<i>/27</i>	<i>/28</i>	<i>/29</i>	<i>/30</i>	<i>/31</i>
Total Operating Revenue	29,3	24,0	27,4	25,0	29,6	29,8	27,8	28,6	29,9	30,9
Total Operating Expense	19,9	20,9	23,4	23,1	23,7	24,0	25,0	25,8	26,4	27,8
Net Surplus	9,40	3,13	4,03	1,87	5,84	5,77	2,80	2,73	3,50	3,16
	4	1	4	2	9	4	0	9	7	7

The net surplus includes capital grant funding, e.g Provincial Growth Funding and Waka Kotahi funding for capital expenditure on roading – particularly high in year 2021/22, 2025/26 and 2026/27, and also includes the sale of assets in 2023/24.

As stated in the Revenue and Financing Policy *“Prior to determining the amount to be funded by rates, Council identified and exhausted all other funding sources available to each Activity.”* These include Fees and Charges, Grants and Subsidies, Borrowings, 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.

SIGNIFICANT FACTORS UNDERPINNING THE FINANCIAL STRATEGY**Service Levels**

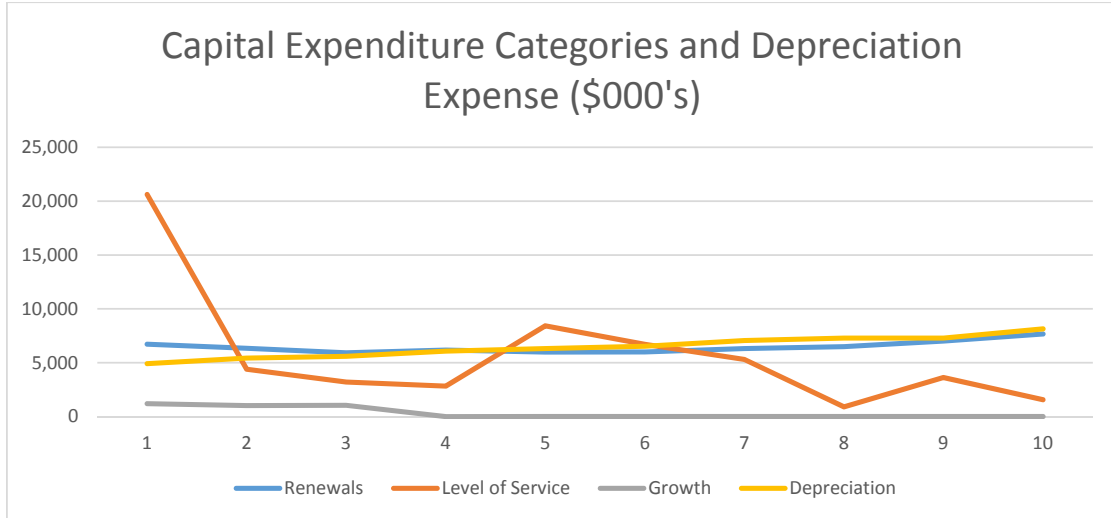
The capital expenditure forecasts in the Long Term Plan provide for increased service levels – notably the new Swimming Pool, Economic Development initiatives, Waste Minimisation/Environmental initiatives, a new Water Supply Trunk Main, the rollout of universal Water Metering, and Roding initiatives with the proposed new Brecon Road Bridge and a significant upgrade to Whangamomona Road. There is 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. Recently, the Council has been successful in confirming Government funding for the new Swimming Pool project of \$8,000,000, and the Water Supply second Trunkmain of \$2,390,000.

The majority of the remainder of capital expenditure that relates to increasing service levels shall be loan-funded (some additional grant-funding anticipated). 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.

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 \$6,721,100 in 2021/22, and \$57,898,957 over the remaining 9 years.

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.



Maintaining Levels of Service

As the graph indicates above, 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.

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 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.

District Growth

Population and the number of rateable properties is expected to increase by 0.5% 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, 0.5% 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 \$3,273,575 in a new subdivision, to be self-funding at the time the sections fully sold, and loan funded in the short term.

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.

In the environmental review Council recognised that there may be a reduced ability to deliver on the planned capital expenditure program. To reduce this risk, additional staffing resource has been added in the project management area to provide greater assurance that projects are delivered on time, unless out of Council's control.

Refer to the Infrastructure Strategy for key forecasting assumptions with regards to infrastructure assets.

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 (2021) AND END POSITION (2031)

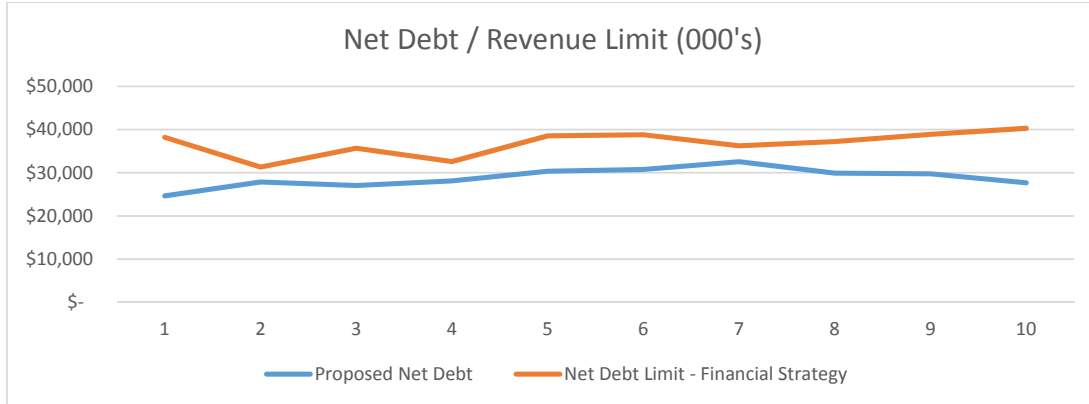
Treasury Position

Opening net debt is expected to be \$11,500,000. This is expected to peak to \$32,554,032 by 2028, and gradually reduce down to \$27,667,632 by 2031. Loan funded capital expenditure proposed over the Long Term Plan is \$42,387,122. The Net Debt limit has been set at 130% 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.

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, Council may access an additional \$14,294,000 through the LGFA before breaching the net debt to revenue covenant with the LGFA. 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 although interest rates are currently at record lows, it may not remain that way in the years to come.

Council investments forecast to provide a financial return include Term Deposit investments of \$4,000,000, 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 does not expect to breach its Net Debt limit over the next ten years.

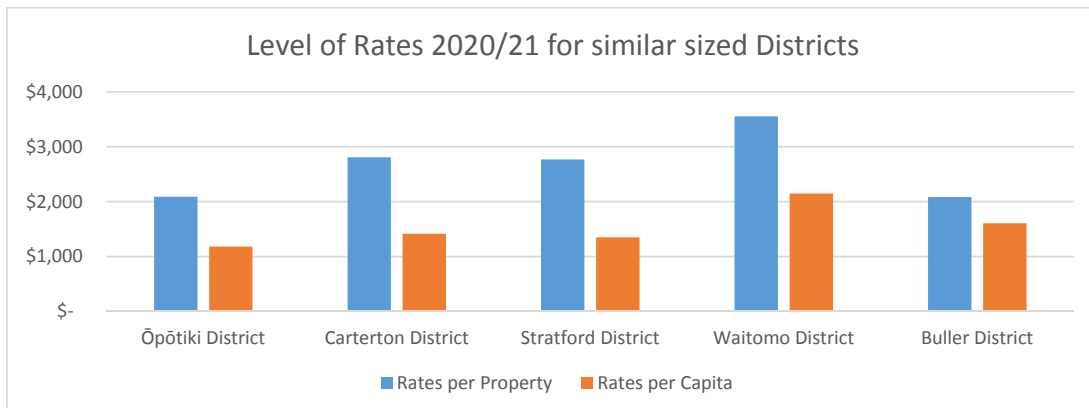
Rates

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.

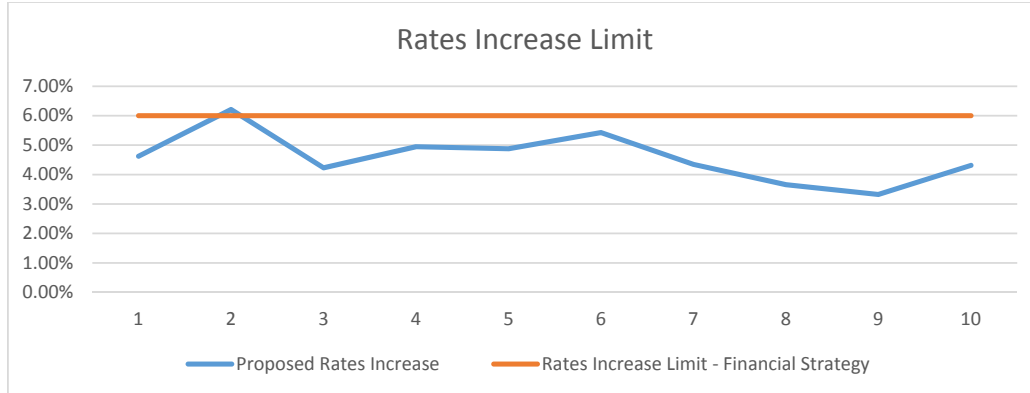
Council will set rates on the following basis:

- District wide rates on all properties:
 - General Rates (including a Uniform Annual General Charge)
 - Rooding Rates (for the costs of the rooding activity)
- 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)

The level of rates for the 2020/21 year is comparable with other Councils with a similar district population. Refer to the graph below showing Stratford District (9,880 popn) rates levels with comparisons made to Opotiki District (10,020), Carterton District (9,960), Waitomo District (9,710), and Buller District (9,610).



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 6%, up from 4.45% from the previous Long Term Plan. This is to take into account the increased levels of service desired by the community to deliver on the Community Outcomes, as revealed in the pre-consultation and consultation periods of the preparation of 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 2 of the Long Term Plan, where significant capital expenditure forecast is expected to increase rates significantly, as a result of significantly increased interest and depreciation on the new swimming pool.

	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
Proposed Rates Increase	4.63%	6.21%	4.23%	4.95%	4.88%	5.43%	4.34%	3.66%	3.32%	4.32%
Rates Increase Limit - Financial Strategy	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%
	-1.37%	0.21%	-1.77%	-1.05%	-1.12%	-0.57%	-1.66%	-2.34%	-2.68%	-1.68%

Rates are rising at a level higher than expected inflation of 2.40% largely due to the operational costs (depreciation and interest) arising from new capital expenditure on service level increases, and many of the fees and charges are not increasing at a rate higher than inflation as it is difficult to continue to keep raising fees and charges year on year. Fees and charges were reviewed by Council as part of the development of the Long Term Plan.

Council Infrastructure and Asset Condition

Council manages Assets with a value of \$328,722,000 (as at 30 June 2020), made up largely of infrastructure assets, including Roading, Water Supply, Wastewater and Stormwater assets (total infrastructure asset value of \$288,000,000). These assets have very long lives of up to 120 years, and have an estimated replacement value of \$412,549,000.

By the end of the Long Term Plan, June 2031, the value of Council assets is expected to increase to \$518,776,000, as a result of asset revaluations and capital expenditure on new assets to increase levels of service.

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.

Infrastructure deep dive 1 - Roading

Council has identified seven bridges that will need to be replaced by Year 10 (2031) at a cost of \$2,000,000. 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 Council's total budget over the next 30 years for bridge replacement is \$16,500,000. These will need to be funded from the roading reserve, the Long Term Plan 2021-31 seeks to build the Roading reserve up from \$600,000 to \$3,632,000 by June 2031 to ensure there are sufficient funds in the reserve to cover this cost, allowing for intergenerational equity.

An increase in Heavy Commercial Vehicles (HCV's) and forestry activity combined, coupled with the current standard of Council roading assets in areas where forestry is prevalent, is resulting in reactive investment and inefficient allocation of resources. The preferred response option is to strengthen key roading structures to accommodate the HCV's, enabling these vehicles to efficiently use key routes, however there may still be reactive maintenance work required as notice of at least 4-6 months is required from the forestry landowners to enable road strengthening work to be carried out and this is often not achievable. Over the ten years of the Long Term Plan it is forecast that \$2,900,000 will be spent on proactive strengthening of these roads, and \$3,900,000 will be spent on reactive maintenance.

The costs above are expected to be subsidised by Waka Kotahi at 61%.

Infrastructure deep dive 2 – Water Reforms

In July 2020, the Government launched the Three Waters Reform Programme - a three-year programme to reform the water, wastewater and stormwater service delivery arrangements. The work on this is still underway and no firm decision has been made yet on what the reforms might look like, so the Long Term Plan does not allow for potential Water Reforms at all. Instead the operating and capital expenditure budget are as per normal with some level of service expenditure required to ensure a sustainable water supply for future generations. This includes rolling out Universal Water Metering to all residential properties connected to the district's water supply, and investment in a second Trunkmain and a third Water Reservoir.

However, if the 3 Water Activities were to be shifted from Council to another entity, from say Year 4 of the Long Term Plan, this would have an impact on Council assets, debt, revenue, expenditure, and treasury covenants. With everything else remaining the same but overheads being reallocated to other activities, the total rates requirement in Year 4 would drop by \$2,541,029, from what has been originally proposed in the Long Term Plan. By Year 4, the debt for the three waters Activities is expected to be \$11,839,272, and it is proposed that this debt, along with any reserve funds – expected to total \$657,087 by Year 4, will be transferred to the new consolidated entity.

Although Council rates would significantly reduce, and the level of debt would too, it does not mean that the community would benefit economically, as the new entity will take over charging Stratford ratepayers the cost of the 3 Water Activities. Also, total annual revenue of \$3,588,274 (Year 4 forecast) would be transferred to the new entity and unable to be used by Council in determining Local Government Funding Agency (LGFA) covenants.

Council has decided to go ahead with installing universal water metering for all of the Stratford District that is able to connect to one of the Council's water schemes. However, the implementation is pending a final decision on the water reforms, which is expected to be revealed by the end of 2021.

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 professional trustee has been appointed. 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 \$11,200,000 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 \$2,520,000 in interest revenue from financial investments.

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 with entities that have strong credit ratings being equivalent to Standard and Poor's "A1" for short-term and "A" for long term. An exception to this would be for investments in local government or government bonds.

The farm investment is expected to contribute at least \$50,000 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.

AUDIT OPINION

AUDIT OPINION

AUDIT OPINION

COMMUNITY OUTCOMES

Vision

Council has spent time reviewing its vision statement for the district and will aspire to be: A vibrant, resilient, and connected community – in the heart of Taranaki

Community Outcomes

To the deliver the vision we will develop strategies, policy and procedures that facilitate and encourage:

- Vibrant Community
- Sustainable Environment
- Connected Communities
- Enabling Economy

Council has a role on behalf of the community it represents in planning, delivering and monitoring parts of this vision.

Council has held workshops to refine the outcomes to better reflect what is important to Stratford. These are then used to provide direction and inform Council on service delivery and use of resources. These community outcomes are:

COMMUNITY OUTCOME	WHAT COUNCIL WILL DO
Vibrant community (Insert Icon)	<ul style="list-style-type: none"> • We celebrate and embrace our community’s cultures and traditions • We tell our unique story • We develop strong relationships with iwi, hapu and marae
Sustainable environment (Insert Icon)	<ul style="list-style-type: none"> • Our natural resources can be enjoyed now and by future generations. • We are committed to working towards zero waste • We have well planned and resilient infrastructure that meets the current and future needs of the district • We aim to understand and support Te Ao Māori values and principles
Connected communities (Insert Icon)	<ul style="list-style-type: none"> • Our neighbourhoods are safe and supported • We enable positive healthy lifestyles, through access to health, social and recreation services • We have a strong sense of belonging • We value opportunities to be involved and work together as a community
Enabling economy (Insert Icon)	<ul style="list-style-type: none"> • We are a welcoming and business friendly District • We encourage a strong and diverse local economy • We promote opportunities to visit, live and invest in the district • We support economic opportunities for Māori

The group of activities contribute predominantly to the following community outcomes:

Activities	Vibrant community (Insert Icon)	Sustainable environment (Insert Icon)	Connected communities (Insert Icon)	Enabling economy (Insert Icon)
Recreation and Facilities	✓	✓	✓	✓
Community Services	✓		✓	✓
Democracy	✓	✓	✓	✓
Environmental Services		✓	✓	✓
Roading			✓	✓
Stormwater		✓		✓
Wastewater		✓		✓
Solid Waste		✓		✓
Water Supply		✓		✓

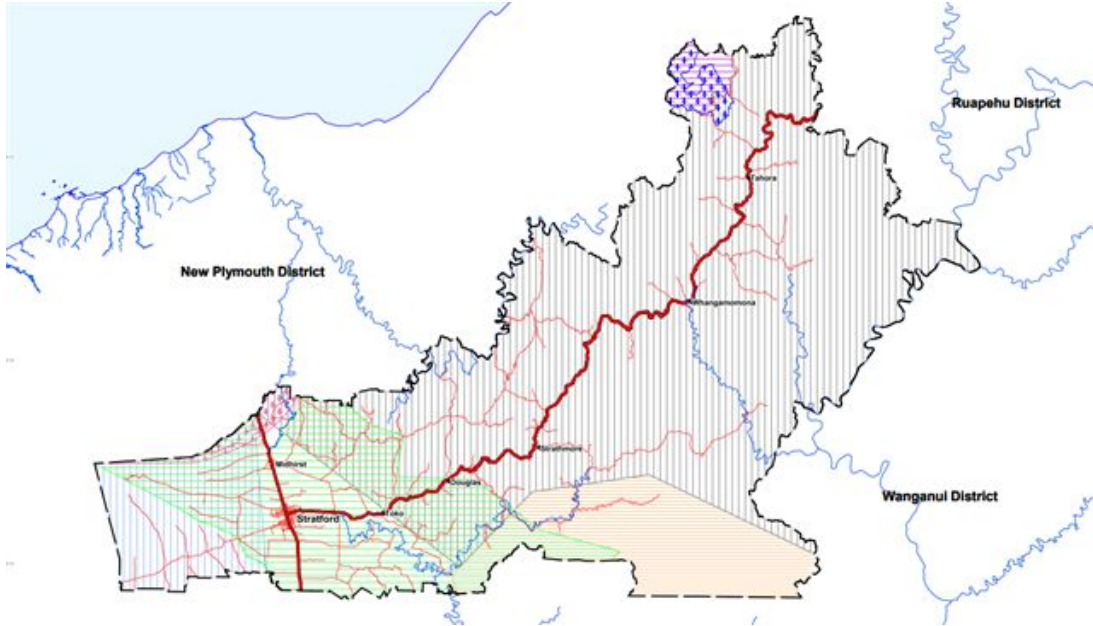
The group of activities meet the purpose of the Local Government four well-beings as follows:

Activities	Cultural	Social	Economic	Environmental
Aerodrome		✓	✓	✓
Civic Amenities	✓	✓		
Library	✓	✓		
Parks, Reserves and Cemeteries	✓	✓		✓
Pool Complex	✓	✓	✓	
Democracy	✓	✓	✓	✓
Community Development	✓	✓		
Economic Development	✓		✓	
Information Centre	✓	✓	✓	
Rental and Investment Properties		✓	✓	
Building Services			✓	✓
Planning			✓	✓
Community Health and Safety			✓	
Civil Defence and Emergency Management		✓	✓	✓
Roading		✓	✓	
Stormwater	✓	✓	✓	✓
Wastewater	✓	✓	✓	✓
Solid Waste		✓	✓	✓
Water Supply	✓	✓	✓	✓

Opportunities for Māori Contribution to Decision Making Processes

As a Council, we recognise the special position of tangata whenua and the important role Māori have to play in Council's decision-making processes and aim to build and grow mutually beneficial, positive relationships with iwi and hapu situated within the Stratford District.

We acknowledge the following seven iwi as tangata whenua within the Stratford District. These are Ngāti Ruanui, Ngāruahine, Ngāti Maru, Ngāti Mutunga, Ngāti Tama, Ngā Rauru and Te Atiawa. Council also recognises the role of Whakaahurangi Marae within the district.



Council provides opportunities for Māori contribution to decision making in the following ways:

STATUTORY

Section 81 of the Local Government Act, 2002 requires Council to provide opportunities for Māori to participate in Council decision-making and consider ways we can foster the development of Māori capacity to contribute to Council's decision-making. The Resource Management Act 1991 places further requirements on Council to support Māori participation and capacity in contributing to its decision making processes.

SIGNIFICANCE AND ENGAGEMENT

The Significance and Engagement Policy sets out how Council will determine the significance of an issue, proposal, or decision and the level of engagement required with key stakeholders including iwi. This ensures a consistent approach is used when considering Māori contributions to Council's decision-making. Council acknowledges its unique relationship with Māori and supports this through:

- Establishing and maintaining processes to provide opportunities for Māori to contribute to decision-making;
- Taking into account the relationship Māori have with their ancestral land, water, sites, waahi tapu, and other taonga, when a significant decision relates to land or a body of water;

- Building ongoing relationships with Māori to enable early engagement in the development of appropriate plans and policies.

INTERNAL CAPACITY

To enable and enhance effective engagement of Maori in decision making processes Council has committed resource to support and guide its interactions with Māori, with a focus on building the cultural competency of our staff and elected members. This includes ensuring training on Te Ao Māori is available and supported, including basic te reo Māori, tikanga, local history, and relevant legislation. This enhances staff confidence and skills in engaging with Māori to establish and manage effective relationships.

WORKING TOGETHER

Council values its relationship with mana whenua, demonstrated through involvement in significant community events such as the Puanga and te wiki o te reo Māori celebrations, through active engagement in the development of new recreational facilities as well as policy and bylaw adoption processes. Cooperation is also directly benefiting from iwi being increasingly included in regional groups such as the Taranaki Regional Executive Group, Ngā Kaiwhakaterere o Taranaki and Civil Defence.

Going forward Council is committed to adopt a more formal approach to further enable Māori in decision making by having regular liaison meetings, at both governance and operational levels, and by establishing a Māori engagement framework with local iwi.

GOVERNANCE

In 2021 Council adopted a bilingual name Te Kaunihera a Rohe o Whakaahurangi Stratford District Council, and is looking forward to continuing the conversation around bilingual language use across Council operations, services and facilities moving forward.

In May 2021 Council adopted to include a Maori Ward for the 2022 and 2025 local body elections.

COUNCIL ACTIVITIES

GROUPS OF ACTIVITIES

As required by the Local Government Act 2002, Council has grouped the services it provides into the following groups of activities:

GROUP	ACTIVITY	SERVICES
<i>Recreation and Facilities</i>	Aerodrome	
	Civic Amenities	Civic Amenities & Toilets Pensioner Housing
	Library Parks, Reserves & Cemeteries Pool Complex	
<i>Democracy</i>		Democracy Corporate Support
<i>Community Development</i>	Community Development	
	Economic Development	
	Information Centre	
	Rental & Investment Properties	Farm Holiday Park Rental Properties
<i>Environmental Services</i>	Building Services	
	Planning	District Plan Resource Consents
	Community Health And Safety	Food and Health Alcohol Licensing Parking and Other Bylaws Animal Control
	Civil Defence and Emergency Management	
<i>Roading</i>	Roading	Construction, maintenance and renewal of roads, footpaths and associated infrastructure.
<i>Stormwater</i>	Stormwater	Construction and renewal of stormwater infrastructure.
<i>Wastewater (Sewerage)</i>	Wastewater	Construction, maintenance and renewal of waste water network and treatment facilities.
<i>Solid Waste</i>	Waste Management	Kerbside collection of refuse and recycling and operation of the transfer station.
<i>Water Supply</i>	Water Supply	Construction, maintenance and renewal of water treatment plants and water reticulation network.

Disclosure of significant negative effects on well-being

The Council is required to identify and disclose any activities undertaken to promote specific community well-beings which have potentially significant adverse effects for other outcomes.



RECREATION AND FACILITIES

AERODROME

1.1 What We Do

Council owns the aerodrome to make provision for local air transport, recreation and light commercial needs. The aerodrome is situated at Flint Road and has two grassed runways.

1.2 Why We Do It

This activity contributes to the community outcomes of:

- Connected Communities – by providing an alternative transport route for people to connect to the district.
- Enabling Economy – promotes district opportunities for economic growth by increasing accessibility.

1.3 Significant Negative Effects

The Aerodrome activity has the potential to negatively impact the social, economic, environmental or cultural well-being of the local community. The most likely significant negative effects from this activity and the mitigation measures in place, are outlined below.

Social & environmental - The Aerodrome activity has the potential to negatively impact on the social and environmental well-being of the local community through noise. To mitigate this, the aerodrome is located in a rural area and Council owns the farm surrounding the aerodrome which serves as a buffer zone.

These negative effects and any controls and mitigation in place have to be balanced against the positive impact the activity has on the social, economic, environmental and cultural well-being of its users and the district overall.

1.4 Statement of Service Provision

Level of Service	Performance Measure	Target				Actual 2019/20	How Measured
		Year 1 2021/22	Year2 2022/23	Year3 2023/24	Years 4-10 2024/31		
The aerodrome meets the needs of users	A high level of satisfaction amongst the users with the condition and maintenance of the aerodrome	>70%	>70%	>70%	>70%	Achieved – 71.5%	Annual aerodrome user survey.
The aerodrome is used by the Stratford community and visitors.	Number of aircraft movements during the year.	>3,500	>3,500	>3,500	>3,500	New Measure	Annual AIMM compliance reporting

1.5 Key Future Projects

There are no future projects associated with the Aerodrome activity.

1.6 Statement of Prospective Financial Performance

The ten year detailed financial summary including inflation is shown below:

Budget 2020/21 \$000		Forecast 2021/22 \$000	Projection								
			2022/23 \$000	2023/24 \$000	2024/25 \$000	2025/26 \$000	2026/27 \$000	2027/28 \$000	2028/29 \$000	2029/30 \$000	2030/31 \$000
106	Operating Expenditure	98	101	105	106	109	113	115	118	122	124
22	Revenue	27	27	27	28	28	29	29	30	30	31
85	Net Cost of Service	72	74	77	79	81	84	85	88	91	93
EXPENDITURE											
74	Operating Costs	66	68	70	72	74	77	79	81	83	86
0	Interest	0	0	0	0	0	0	0	0	0	0
7	Depreciation	6	6	6	6	6	6	6	6	6	6
25	Allocated Overheads	26	27	29	28	29	31	30	31	33	32
106	Total Operating Expenditure	98	101	105	106	109	113	115	118	122	124
0	Principal Loan Repayments	0	0	0	0	0	0	0	0	0	0
0	Capital Expenditure	0	0	0	0	0	0	0	0	0	0
106	Total Expenditure	98	101	105	106	109	113	115	118	122	124
FUNDED BY:											
22	Charges for Services	27	27	27	28	28	29	29	30	30	31
22	Revenue	27	27	27	28	28	29	29	30	30	31
84	General Rates	70	73	76	77	79	83	84	86	90	92
0	UAGC	0	0	0	0	0	0	0	0	0	0
0	Transfer (to) from Reserves	0	0	0	0	0	0	0	0	0	0
0	Transfer from Reserves	0	0	0	0	0	0	0	0	0	0
0	Loan Funding - Capital	0	0	0	0	0	0	0	0	0	0
0	Other Funding	1	1	1	1	1	1	1	1	1	1
106	Total Funding	98	101	105	106	109	113	115	118	122	124

CIVIC AMENITIES

1.1 What We Do

Council's Civic Amenities include a range of facilities that are fairly typical of a rural area and service town:

- Council Office (Miranda Street)
- War Memorial Centre
- TET Multi Sports Centre
- Pensioner Housing
- Centennial Rest Rooms
- Clock Tower (Glockenspiel)
- Bell Tower
- Bus Shelters
- Hall of Remembrance
- Public Toilets
- Rural Halls
- Security Cameras
- Structures/Beautification
- Transfer Station

1.2 Why We Do It

Council owns Civic Amenities to provide a community good or core civic functions, some of these are provided by Council because no other agencies are able or willing to provide them.

This activity contributes to the achievement of the District's civic, social and cultural needs.

This activity contributes to the community outcomes of:

- Vibrant Community
- Connected Communities

1.3 Significant Negative Effects

There are no significant negative effects associated with the Civic Amenities activity that may affect the social, economic, environmental or cultural well-being of the local community. However, failure to deliver this activity would have a significant negative impact on the social, economic and cultural well-being.

1.4 Statement of Service Provision

Level of Service	Performance Measure	Target				Actual 2019/20	How Measured
		Year 1 2021/22	Year2 2022/23	Year3 2023/24	Years 4-10 2024/31		
To provide facilities that are well maintained and utilised.	Buildings legally requiring a Building WoF have a current Building WoF at all times.	100%	100%	100%	100%	Achieved – 100%	Building WoF records
	Annual booking of War Memorial Centre.	>500	>500	>500	>500	Not Achieved – 376	Booking records
	Annual booking of Centennial Restrooms.	>200	>200	>200	>200	Achieved – 205	Booking records
To provide suitable housing for the elderly.	Percentage of resident satisfaction.	>89%	>89%	>89%	>89%	Achieved – 92.8%	Annual Survey of Pensioner Housing tenants.
	Annual Occupancy rate.	>95%	>95%	>95%	>95%	Achieved – 100%	Tenancy records.
To provide clean, well maintained toilet facilities.	Percentage of Stratford District residents satisfied with overall level of service of toilets.	>80%	>80%	>80%	>80%	Achieved – 83%	Annual Residents Survey

1.5 Key Future Projects

Project	Category	2021/22	2022/23	2023/24	2024-31
Stratford 2035 Projects	Level of Service	\$482,500	\$533,000	\$482,345	\$3,166,237
TET Multi Sports Centre	Level of Service	\$50,000	\$51,300	\$52,400	\$400,700
Demolish Bell Tower	Replacements	\$30,000	\$0	\$0	\$0
Storage Shed	Replacements	\$70,000	\$0	\$0	\$0
War Memorial Centre					
Kitchen and appliance upgrade	Level of Service	\$29,500	\$0	\$0	\$0
Upgrade to LED lighting in carpark	Level of Service	\$0	\$0	\$57,600	\$0
Upgrade roof	Level of Service	\$0	\$0	\$0	\$273,800
Centennial Rest Rooms					
Furniture and appliances	Replacements	\$8,000	\$0	\$0	\$9,500
Pensioner Housing					
Roof replacements	Replacements	\$0	\$0	\$0	\$107,164

1.6 Statement of Prospective Financial Performance

The ten year detailed financial summary including inflation is shown below:

Civic Amenities

Budget 2020/21 \$000		Forecast 2021/22 \$000	Projection								
			2022/23 \$000	2023/24 \$000	2024/25 \$000	2025/26 \$000	2026/27 \$000	2027/28 \$000	2028/29 \$000	2029/30 \$000	2030/31 \$000
807	Operating Expenditure	907	1,024	1,110	1,204	1,375	1,397	1,412	1,502	1,600	1,959
51	Revenue	51	52	54	55	56	57	58	60	61	62
756	Net Cost of Service	856	971	1,056	1,149	1,319	1,340	1,354	1,442	1,539	1,897
EXPENDITURE											
338	Operating Costs	306	329	335	353	343	367	354	375	423	506
13	Interest	16	28	40	58	69	74	88	87	121	154
329	Depreciation	455	534	592	652	758	803	820	887	893	1,139
127	Allocated Overheads	130	133	143	140	204	154	150	153	163	161
807	Total Operating Expenditure	907	1,024	1,110	1,204	1,375	1,397	1,412	1,502	1,600	1,959
19	Principal Loan Repayments	29	51	72	93	110	118	118	115	161	205
161	Capital Expenditure	673	587	596	606	441	171	64	62	2,463	68
988	Total Expenditure	1,609	1,662	1,778	1,903	1,926	1,686	1,594	1,679	4,223	2,232
FUNDED BY:											
51	Charges for Services	51	52	54	55	56	57	58	60	61	62
51	Revenue	51	52	54	55	56	57	58	60	61	62
688	General Rates	621	732	817	909	1,064	1,085	1,098	1,170	1,267	1,626
0	UAGC	0	0	0	0	0	0	0	0	0	0
14	Targeted Rates	17	17	17	17	17	17	17	17	17	17
50	Grants and Donations	0	0	0	0	0	0	0	0	0	0
51	Depreciation funded from Reserves	210	215	215	215	230	230	230	247	247	247
100	Loan Funding - Capital	562	584	592	603	438	168	60	58	2,449	64
30	Transfer from Reserves	140	54	75	96	114	121	121	119	174	209
2	Other Funding	8	8	8	8	8	8	8	8	7	6
988	Total Funding	1,609	1,662	1,778	1,903	1,926	1,686	1,594	1,679	4,223	2,232

Pensioner Housing

Budget 2020/21 \$000		Forecast 2021/22 \$000	Projection								
			2022/23 \$000	2023/24 \$000	2024/25 \$000	2025/26 \$000	2026/27 \$000	2027/28 \$000	2028/29 \$000	2029/30 \$000	2030/31 \$000
107	Operating Expenditure	114	133	131	146	139	138	133	156	156	162
65	Revenue	72	79	87	94	102	110	118	127	136	145
42	Net Cost of Service	42	54	45	52	37	28	15	29	20	17
EXPENDITURE											
32	Operating Costs	32	49	43	58	47	43	39	57	54	61
1	Interest	1	1	0	1	2	2	2	2	2	2
28	Depreciation	33	34	34	34	36	36	36	39	39	39
46	Allocated Overheads	49	50	54	53	54	58	56	58	62	60
107	Total Operating Expenditure	114	133	131	146	139	138	133	156	156	162
1	Principal Loan Repayments	1	1	1	2	3	2	2	2	2	2
0	Capital Expenditure	0	0	0	107	0	0	0	0	0	0
108	Total Expenditure	115	134	132	255	142	141	136	158	158	164
FUNDED BY:											
65	Charges for Services	72	79	87	94	102	110	118	127	136	145
65	Revenue	72	79	87	94	102	110	118	127	136	145
22	General Rates	23	26	26	35	19	24	15	19	25	27
21	Operational Balance from Reserves	19	28	18	18	19	6	1	10	(4)	(9)
0	Transfer from Reserves	0	0	0	64	0	0	0	0	0	0
0	Loan Funding - Capital	0	0	0	43	0	0	0	0	0	0
0	Other Funding	1	1	1	1	1	1	1	1	1	1
108	Total Funding	115	134	132	255	142	141	136	158	158	164

LIBRARY

1.1 What We Do

The Stratford District Library is co-located with the Visitor Information Centre (i-SITE) which sees a vibrant, community hub situated in the town centre, Prospero Place. The library provides physical and digital access to a collection of lending material and information resources in a welcoming environment intended for community activities, leisure, social interaction, and study. It promotes creativity and learning through the delivery of public programmes and the provision of support facilities such as the Wi-Fi network and access to equipment and technology.

1.2 Why We Do It

This activity contributes to the district's overall well-being by providing access to reading material, databases and internet services that individuals are unlikely to be able to provide for themselves.

This activity contributes to the community outcomes of:

- Vibrant community
- Connected communities

1.3 Significant Negative Effects

There are no significant negative effects associated with the Library activity that may affect the social, economic, environmental or cultural well-being of the local community. However, failure to deliver this activity would have a significant negative impact on the social, economic and cultural well-being.

1.4 Statement of Service Provision

Level of Service	Performance Measure	Target				Actual 2019/20	How Measured
		Year 1 2021/22	Year 2 2022/23	Year 3 2023/24	Years 4-10 2024/31		
To provide a library service which meets the needs of and is being used by Stratford District residents	Number of items (including digital) issued annually	>40,000	>40,000	>40,000	>40,000	New Measure	Monthly statistics from Koha
	% of library users satisfied with library services.	>80%	>80%	>80%	>80%	Achieved – 98%	Annual Residents Survey
	Number of people participating in library events and programmes	>1,200	>1,200	>1,200	>1,200	New Measure	Internal attendance records

1.5 Key Future Projects

There are no future projects associated with the Library activity.

1.6 Statement of Prospective Financial Performance

The ten year detailed financial summary including inflation is shown below.

Budget 2020/21 \$000		Forecast 2021/22 \$000	Projection								
			2022/23 \$000	2023/24 \$000	2024/25 \$000	2025/26 \$000	2026/27 \$000	2027/28 \$000	2028/29 \$000	2029/30 \$000	2030/31 \$000
659	Operating Expenditure	733	648	672	682	700	725	732	748	769	783
17	Revenue	14	14	15	15	15	16	16	16	17	17
642	Net Cost of Service	719	634	657	667	685	709	716	732	753	766
	EXPENDITURE										
343	Operating Costs	428	335	343	350	358	367	375	384	393	402
21	Interest	17	16	15	17	16	15	18	17	16	16
93	Depreciation	78	80	81	82	86	87	88	92	93	94
202	Allocated Overheads	210	217	233	232	240	256	251	255	267	271
659	Total Operating Expenditure	733	648	672	682	700	725	732	748	769	783
32	Principal Loan Repayments	30	29	28	27	26	25	24	23	22	21
0	Capital Expenditure	0	0	0	0	0	0	0	0	0	0
691	Total Expenditure	764	677	700	709	726	749	756	771	791	804
	FUNDED BY:										
17	Charges for Services	14	14	15	15	15	16	16	16	17	17
17	Revenue	14	14	15	15	15	16	16	16	17	17
602	General Rates	585	577	600	607	624	648	653	669	689	703
0	UAGC	0	0	0	0	0	0	0	0	0	0
0	Targeted Rates	0	0	0	0	0	0	0	0	0	0
0	Transfer (to) from Reserves	0	0	0	0	0	0	0	0	0	0
37	Depreciation funded from Reserves	45	46	47	48	49	50	51	53	54	55
0	Loan Funding - Capital	0	0	0	0	0	0	0	0	0	0
0	Grants and Donations	79	0	0	0	0	0	0	0	0	0
32	Transfer from Reserves	30	29	28	27	26	25	24	23	22	21
3	Other Funding	11	10	10	11	11	10	12	11	10	9
691	Total Funding	764	677	700	709	726	749	756	771	791	804

PARKS, RESERVES AND CEMETERIES

1.1 What We Do

Council provides a range of active and passive recreation opportunities that benefit the community's physical, social and personal quality of life. Parks assets include:

- (i) 36.7 hectares of passive reserves:
 - Gardens, lawns, trees, and amenity street plantings
 - 2 neighbourhood parks and 3 playgrounds
- (ii) 10 hectares of urban active reserves comprising:
 - 2 croquet greens
 - 6 netball/tennis courts
 - 4 rugby fields
 - 1 cricket wicket
 - 2 soccer fields
 - 2 hockey fields
- (iii) 9.4 hectares of cemeteries
 - 5.1 hectares in 2 operating cemeteries
 - 4.3 hectares in 5 closed cemeteries
- (iv) 14km of walkway including 9 foot bridges.
- (v) 5.4 hectares in 19 esplanade reserves.
- (vi) Accessory structures and buildings:
 - Grandstand at Victoria Park
 - Toilet block at Victoria Park
 - Croquet pavilion at Victoria Park
 - Memorial Gates at Victoria Park
 - Malone Gates at King Edward Park
 - Netball shelters at King Edward Park
 - Stratford Gateway Structures (2)
 - Skate park at Victoria Park
 - Children's Bike Park at Victoria Park
 - Pump Track at Victoria Park
 - Half basketball court at Victoria Park
- (vii) 34.3 hectares in rural domains and reserves.

1.2 Why We Do It

To provide and manage parks, reserves and cemeteries encompassing passive, active and scenic open spaces which contribute towards the desirability and attractiveness in the community.

The Parks and Reserves activity creates and provides a sense of belonging and pride, adding to social, recreational and cultural facilities in the community which are accessible to all.

This activity contributes to the community outcomes of:

- Connected communities
- Sustainable environment

1.3 Significant Negative Effects

There are no significant negative effects associated with the Parks, Reserves and Cemeteries activity that may affect the social, economic, environmental or cultural well-being of the local community. However, failure to deliver this activity would have a significant negative impact on the social, economic, environmental and cultural well-being.

1.4 Statement of Service Provision

Level of Service	Performance Measure	Target				Actual 2019/20	How Measured
		Year 1 2021/22	Year 2 2022/23	Year 3 2023/24	Years 4-10 2024/31		
To provide parks, sports fields and other open spaces that meet community demand	Number of complaints and requests for service.	<40	<40	<40	<40	Achieved – 21	Reporting against corporate CRM system.
	Percentage of Stratford residents satisfied with:						
	• Parks;	>80%	>80%	>80%	>80%	Achieved – 95%	Annual Residents Survey.
	• Sports fields; and	>80%	>80%	>80%	>80%	Achieved – 94%	Annual Residents Survey.
• Cemeteries.	>80%	>80%	>80%	>80%	Achieved – 81%	Annual Residents Survey.	
Safe playgrounds are provided	All playgrounds meet NZ Safety Standards.	No result (Biennial review)	100%	No result (Biennial review)	100%	Achieved – 100%	Biennial playground inspection report and records provided from weekly and quarterly compliance checks by contractor.
Foot Bridges are safe.	All foot bridges meet NZ Safety standards.	No result (Biennial review)	100%	No result (Biennial review)	100%	Achieved – 100%	Biennial bridge inspection Report

1.5 Key Future Projects

Project	Category	2021/22	2022/23	2023/24	2024-31
Upgrade Broadway round-a-bout gardens	Level of Service	\$60,000	\$0	\$0	\$0
Walkway trees of significance – access maintenance	Level of Service	\$35,000	\$0	\$0	\$0
Walkway upgrade	Level of Service	\$0	\$10,000	\$20,000	\$20,000
Parks upgrade	Level of Service	\$0	\$6,400	\$13,600	\$14,300
Victoria Park – exercise and fitness trail	Level of Service	\$0	\$16,400	\$33,600	\$34,300
Whangamomona Camp Ground – septic tank	Replacements	\$47,000	\$0	\$0	\$0
Cemeteries					
Kopuatama Cemetery – entrance upgrade	Level of Service	\$0	\$76,800	\$0	\$0
Midhirst Cemetery – pathway upgrade	Level of Service	\$0	\$0	\$31,400	\$0

1.6 Statement of Prospective Financial Performance

The ten year detailed financial summary including inflation is shown below:

Parks & Reserves

Budget 2020/21 \$000		Forecast 2021/22 \$000	Projection								
			2022/23 \$000	2023/24 \$000	2024/25 \$000	2025/26 \$000	2026/27 \$000	2027/28 \$000	2028/29 \$000	2029/30 \$000	2030/31 \$000
778	Operating Expenditure	699	731	752	803	755	863	874	904	930	1,007
9	Revenue	9	9	9	10	10	10	10	10	11	11
769	Net Cost of Service	690	722	743	793	745	853	864	893	920	996
EXPENDITURE											
498	Operating Costs	468	487	498	544	533	582	594	612	630	708
6	Interest	6	7	8	9	9	9	10	10	9	9
144	Depreciation	93	102	104	107	118	118	118	127	127	127
130	Allocated Overheads	131	135	143	142	95	154	152	155	164	162
778	Total Operating Expenditure	699	731	752	803	755	863	874	904	930	1,007
9	Principal Loan Repayments	12	13	14	15	15	14	14	13	12	12
680	Capital Expenditure	144	33	67	69	0	0	0	0	0	0
1,467	Total Expenditure	854	778	833	886	770	877	888	917	943	1,019
FUNDED BY:											
9	Charges for Services	9	9	9	10	10	10	10	10	11	11
9	Revenue	9	9	9	10	10	10	10	10	11	11
777	General Rates	693	726	746	796	748	856	867	897	923	1,000
0	UAGC	0	0	0	0	0	0	0	0	0	0
0	Targeted Rates	0	0	0	0	0	0	0	0	0	0
626	Grants and Donations	0	16	34	34	0	0	0	0	0	0
0	Transfer (to) from Reserves	0	0	0	0	0	0	0	0	0	0
(10)	Transfer (to) Turf Replacement Reserve	(10)	(10)	(10)	(10)	(10)	(10)	(10)	(10)	(10)	(10)
0	Depreciation funded from Reserves	0	0	0	0	0	0	0	0	0	0
54	Loan Funding - Capital	97	16	34	34	0	0	0	0	0	0
9	Transfer from Reserves	59	13	14	15	15	14	14	13	12	12
2	Other Funding	7	7	6	7	7	7	7	7	6	5
1,467	Total Funding	854	778	833	886	770	877	888	917	943	1,019

Cemeteries

Budget 2020/21 \$000		Forecast 2021/22 \$000	Projection								
			2022/23 \$000	2023/24 \$000	2024/25 \$000	2025/26 \$000	2026/27 \$000	2027/28 \$000	2028/29 \$000	2029/30 \$000	2030/31 \$000
180	Operating Expenditure	183	189	205	244	218	226	229	236	256	247
85	Revenue	92	95	97	99	101	103	106	108	110	113
95	Net Cost of Service	90	94	108	145	117	122	123	128	145	134
EXPENDITURE											
113	Operating Costs	118	121	125	161	132	136	140	144	160	152
0	Interest	0	1	2	3	2	2	3	3	3	2
9	Depreciation	7	7	15	18	19	19	19	20	20	20
58	Allocated Overheads	58	60	64	63	64	68	67	69	73	72
180	Total Operating Expenditure	183	189	205	244	218	226	229	236	256	247
0	Principal Loan Repayments	0	2	4	4	4	4	4	4	3	3
0	Capital Expenditure	0	77	31	0	0	0	0	0	0	0
180	Total Expenditure	183	267	240	248	222	230	232	239	259	250
FUNDED BY:											
85	Charges for Services	92	95	97	99	101	103	106	108	110	113
85	Revenue	92	95	97	99	101	103	106	108	110	113
94	General Rates	87	93	109	146	118	123	124	128	146	135
0	UAGC	0	0	0	0	0	0	0	0	0	0
0	Transfers (to) from Reserves	0	0	0	0	0	0	0	0	0	0
0	Transfer from Reserves	0	0	0	0	0	0	0	0	0	0
0	Loan Funding - Capital	0	77	31	0	0	0	0	0	0	0
1	Other Funding	3	3	3	3	3	3	3	3	3	2
180	Total Funding	183	267	240	248	222	230	232	239	259	250

POOL COMPLEX

1.1 What We Do

Owned and operated by Council, this facility has three heated indoor pools that cater year-round for both recreational and competitive swimming. It provides a place for people to learn-to-swim, particularly for young people, and has a range of fitness programmes, coaching and events.

A new facility is currently being built on Portia Street, north of the hockey turf. It will have four water spaces including, a 25m main pool, programme/hydrotherapy, learn to swim, and toddler pool with kids splash pad. The building is expected to be completed in 2022/2023.

1.2 Why We Do It

Council owns the pool to provide aquatic recreation for its residents and visitors. Council has historically adopted the role of provider of a swimming pool complex for the district as there has been no alternative provider.

The Pool makes a valuable contribution to the overall health and wellbeing of residents and visitors providing diverse recreational activities and enhancing the attractiveness of the district.

This activity contributes to the community outcomes of:

- Vibrant Community
- Connected Communities
- Enabling Economy

1.3 Significant Negative Effects

The TSB Pool Complex activity has the potential to negatively impact the social, economic, environmental or cultural well-being of the local community. The most likely significant negative effects from this activity and the mitigation measures in place, are outlined below.

Social - Cryptosporidia and other pathogens have the potential to cause significant negative health effects. Mitigation of this risk is a critical part of the water filtration and treatment processes.

Social – Chlorine odour has the potential to cause significant negative health effects. The water filtration system used minimises the level of chlorine used, and keeps the chlorine odour at low levels.

Environmental & cultural – Any accidental or uncontrolled discharge of pool water or associated chemicals into the neighbouring Patea River would have significant negative impacts on the environmental and cultural wellbeing of the river and the community. This is managed and mitigated through compliance with existing resource consent conditions.

These negative effects and any controls and mitigation in place have to be balanced against the positive impact the activity has on the social, economic, environmental and cultural well-being of its users and the district overall.

1.4 Statement of Service Provision

Level of Service	Performance Measure	Target				Actual 2019/20	How Measured
		Year 1 2021/22	Year 2 2022/23	Year 3 2023/24	Years 4-10 2024/31		
The pool complex will be a safe place to swim.	Number of reported accidents, possible accidents and similar incidents pa.	<80	<80	<80	<80	Achieved - 63	Reported monthly to Council.
	Compliance with NZS5826:2010 NZ Pool Water Quality Standards.	100%	100%	100%	100%	Achieved - 100%	Water quality register.
	PoolSafe accreditation is met	100%	100%	100%	100%	Achieved - 100%	
That the pool facilities meet demand.	Percentage of pool users are satisfied with the pool.	>80%	>80%	>80%	>80%	Achieved - 91%	Annual Residents Survey.
	Number of pool admissions per annum.	>55,000	>55,000	>55,000	>55,000	Not Achieved - 47,779	Reported monthly to Council.

1.5 Key Future Projects

Project	Category	2021/22	2022/23	2023/24	2024-31
Pool Complex Upgrade	Level of Service	\$16,700,000	\$512,500	\$0	\$0

1.6 Statement of Prospective Financial Performance

The ten year detailed financial summary including inflation is shown below:

Budget 2020/21 \$000		Forecast		Projection							
		2021/22 \$000	2022/23 \$000	2023/24 \$000	2024/25 \$000	2025/26 \$000	2026/27 \$000	2027/28 \$000	2028/29 \$000	2029/30 \$000	2030/31 \$000
1,163	Operating Expenditure	1,208	1,694	1,785	1,823	1,874	1,905	1,958	2,014	2,046	2,056
222	Revenue	231	231	291	291	291	291	291	291	291	291
941	Net Cost of Service	977	1,463	1,494	1,532	1,583	1,614	1,667	1,723	1,755	1,764
EXPENDITURE											
701	Operating Costs	759	780	846	869	892	914	938	964	988	1,013
165	Interest	122	243	239	261	251	241	277	266	255	245
102	Depreciation	122	459	469	469	502	502	502	539	539	539
195	Allocated Overheads	205	211	230	224	229	249	240	245	263	258
1,163	Total Operating Expenditure	1,208	1,694	1,785	1,823	1,874	1,905	1,958	2,014	2,046	2,056
253	Principal Loan Repayments	221	443	435	418	401	385	370	355	341	327
15,674	Capital Expenditure	16,700	513	0	0	0	0	0	0	0	0
17,089	Total Expenditure	18,130	2,649	2,220	2,241	2,275	2,290	2,327	2,369	2,386	2,383
FUNDED BY:											
222	Charges for Services	231	231	291	291	291	291	291	291	291	291
222	Revenue	231	231	291	291	291	291	291	291	291	291
938	General Rates	967	1,452	1,484	1,521	1,572	1,604	1,655	1,713	1,745	1,756
0	UAGC	0	0	0	0	0	0	0	0	0	0
0	Targeted Rates	0	0	0	0	0	0	0	0	0	0
0	Transfer (to) from Reserves	0	0	0	0	0	0	0	0	0	0
0	Depreciation funded from Reserves	0	0	0	0	0	0	0	0	0	0
12,637	Loan Funding - Capital	11,000	513	0	0	0	0	0	0	0	0
3,000	Grants - Capital	5,700	0	0	0	0	0	0	0	0	0
290	Transfer from Reserves	221	443	435	418	401	385	370	355	341	327
3	Other Funding	10	10	10	11	11	10	11	10	9	8
17,089	Total Funding	18,130	2,649	2,220	2,241	2,275	2,290	2,327	2,369	2,386	2,383



1.1 What We Do

Democracy

Democracy includes the formal meeting processes, elections and the means for community involvement in the democratic process. The Democracy activity supports the elected members in these roles and ensures the purposes of the Local Government Act 2002 are met.

Corporate Support

Corporate Support provides a range of professional support services to the Council and to agencies closely associated with Council. These services include financial planning, reporting, analysis and advice, the provision of accounting services, secretarial and administrative support and the development and maintenance of management information systems.

1.2 Why We Do It

Council is required by the Local Government Act 2002 to provide a democratic process and manage its funding and administrative services efficiently and responsibly on behalf of the district.

The Democracy activity, by its nature, contributes to all of the desired district well-beings, and community outcomes that Council aims to achieve.

Corporate Support is an internal support function that provides services to other areas of Council to assist them in the delivery of activities. The total costs are allocated to other activity areas.

This activity contributes to the community outcomes of:

- Connected Communities
- Vibrant Communities
- Enabling Economy
- Sustainable Environment

1.3 Significant Negative Effects

There are no significant negative effects associated with the Democracy activity that may affect the social, economic, environmental or cultural well-being of the local community. However, failure to deliver this activity would have a significant negative impact on the social, economic, environment and cultural well-being

1.4 Statement of Service Provision

Level of Service	Performance Measure	Target				Actual 2019/20	How Measured
		Year 1 2021/22	Year 2 2022/23	Year 3 2023/24	Years 4-10 2024/31		
To provide Democracy services in accordance with statutory deadlines.	Agendas and associated reports for all scheduled meetings are available to interested parties in accordance with statutory timeframes.	100%	100%	100%	100%	Achieved – 100%	Meeting Register.
	All Council meetings are publicly notified in accordance with statutory timeframes.	100%	100%	100%	100%	Achieved – 100%	Meeting Register.
Opportunities for the community to participate in decision making is widely publicised	The community is satisfied with how Council keeps them informed.	>80%	>80%	>80%	>80%	Not Achieved – 79%	Annual Residents Survey.
Ensure accountability documents are prepared and meet statutory requirements.	The Annual Report, Annual Plan and Long Term Plan meet statutory deadlines and receive an unmodified audit opinion.	Achieved	Achieved	Achieved	Achieved	Achieved	Audit Opinion.

1.5 Key Future Projects

Project	Category	2021/22	2022/23	2023/24	2024-31
Computers and peripherals	Replacements	\$128,000	\$162,000	\$81,000	\$1,071,000
Vehicle replacements	Replacements	\$38,000	\$39,500	\$20,000	\$245,000
Miscellaneous equipment	Replacements	\$20,000	\$20,000	\$20,000	\$140,000
Miranda Street Office					
Furniture replacement	Replacements	\$3,000	\$3,100	\$3,100	\$24,000
Kitchen renewals	Replacements	\$0	\$0	\$20,900	\$0
Partial roof replacement	Replacements	\$0	\$0	\$31,400	\$0

1.6 Statement of Prospective Financial Performance

The ten year detailed financial summary including inflation is shown below.

Democracy

Budget 2020/21 \$000		Forecast	Projection								
		2021/22 \$000	2022/23 \$000	2023/24 \$000	2024/25 \$000	2025/26 \$000	2026/27 \$000	2027/28 \$000	2028/29 \$000	2029/30 \$000	2030/31 \$000
1,097	Operating Expenditure	1,178	1,275	1,258	1,281	1,391	1,352	1,359	1,464	1,440	1,480
0	Revenue	0	0	0	0	0	0	0	0	0	0
1,095	Net Cost of Service	1,178	1,275	1,258	1,281	1,391	1,352	1,359	1,464	1,440	1,480
EXPENDITURE											
501	Operating Costs	505	583	530	542	645	566	579	665	605	642
595	Allocated Overheads	673	692	728	740	746	785	780	799	835	838
1,097	Total Operating Expenditure	1,178	1,275	1,258	1,281	1,391	1,352	1,359	1,464	1,440	1,480
0	Contingency Reserve Replenishment	0	0	0	0	0	0	0	0	0	0
1,097	Total Expenditure	1,178	1,275	1,258	1,281	1,391	1,352	1,359	1,464	1,440	1,480
FUNDED BY:											
0	Charges for Services	0	0	0	0	0	0	0	0	0	0
0	Revenue	0	0	0	0	0	0	0	0	0	0
0	General Rates	0	(0)	0	0	(0)	0	(0)	0	0	0
1,088	UAGC	1,144	1,242	1,225	1,245	1,356	1,318	1,322	1,430	1,409	1,452
9	Other Funding	34	34	33	36	35	34	37	34	31	28
1,097	Total Funding	1,178	1,275	1,258	1,281	1,391	1,352	1,359	1,464	1,440	1,480

Corporate Support

Budget 2020/21 \$000		Forecast	Projection								
		2021/22 \$000	2022/23 \$000	2023/24 \$000	2024/25 \$000	2025/26 \$000	2026/27 \$000	2027/28 \$000	2028/29 \$000	2029/30 \$000	2030/31 \$000
0	Operating Expenditure	0	0	0	0	0	0	0	0	0	0
70	Revenue	70	70	70	70	70	70	70	70	70	70
(70)	Net Cost of Service	(70)	(70)	(70)	(70)	(70)	(70)	(70)	(70)	(70)	(70)
EXPENDITURE											
Operating Costs											
377	- Chief Executive's Department	568	583	598	611	624	638	652	666	681	696
754	- Finance Department	800	820	968	859	879	1,035	919	940	1,108	984
(1,130)	Allocated Overheads Recovered	(1,368)	(1,403)	(1,565)	(1,470)	(1,503)	(1,673)	(1,571)	(1,607)	(1,788)	(1,680)
0	Total Operating Expenditure	0	0	0	0	0	0	0	0	0	0
189	Capital Expenditure	189	225	177	291	280	124	146	214	157	269
189	Total Expenditure	189	225	177	291	280	124	146	214	157	269
FUNDED BY:											
70	Charges for Services	70	70	70	70	70	70	70	70	70	70
70	Revenue	70	70	70	70	70	70	70	70	70	70
(0)	General Rates	0	0	0	0	0	0	0	0	0	0
(70)	UAGC	(70)	(70)	(70)	(70)	(70)	(70)	(70)	(70)	(70)	(70)
189	Transfer from Reserves	189	225	177	291	280	124	146	214	157	269
189	Total Funding	189	225	177	291	280	124	146	214	157	269



COMMUNITY DEVELOPMENT

COMMUNITY SERVICES

1.1 What We Do

Community development encourages and supports groups and individuals in the district to achieve their own goals and outcomes in a sustainable way that benefits the community. It does this by providing information, advice, and support to groups and individuals, through activities such as networking, facilitation, administration support, promotion, advocacy, and event facilitation.

Examples of the current community development activities include:

- Facilitating the Positive Ageing Group and Youth Council
- Coordinating the promotion of school holiday activities
- Administration of community funds including Sport NZ Rural Travel Fund and Creative New Zealand Funding Scheme
- Working with community groups to identify the outcomes they want for the community
- Working in partnership with regional agencies to support the well-being of the community
- Providing community events such as Summer Nights and war memorial commemorations.

1.2 Why We Do It

This activity contributes to the district's well-being by the Council maintaining a general overview of trends in the social well-being of the district. The aim is to actively involve people in building their own sustainable and resilient communities and initiating, usually in conjunction with others, action for enhancement whenever it considers that to be necessary, appropriate and practical.

This activity contributes to the community outcomes of:

- Vibrant community
- Connected communities

1.3 Significant Negative Effects

There are no significant negative effects associated with the Community Services activity that may affect the social, economic, environmental or cultural well-being of the local community. However, failure to deliver this activity would have a significant negative impact on the social, economic, environment and cultural well-being.

1.4 Statement of Service Provision

Level of Service	Performance Measure	Target				Actual 2019/20	How Measured
		Year 1 2021/22	Year 2 2022/23	Year 3 2023/24	Years 4-10 2024/31		
Event Development that supports and encourages community engagement	Deliver or facilitate community events.	>5	>5	>5	>5	Achieved – 7 (target was 2)	Number of events held are recorded
	Percentage of residents feeling a sense of community.	>80%	>80%	>80%	>80%	Achieved – 94%	Annual Residents Survey

1.5 Key Future Projects

There are no future projects associated with the Community Development activity.

1.6 Statement of Prospective Financial Performance

The ten year detailed financial summary including inflation is shown below.

Budget 2020/21 \$000		Forecast 2021/22 \$000	Projection								
			2022/23 \$000	2023/24 \$000	2024/25 \$000	2025/26 \$000	2026/27 \$000	2027/28 \$000	2028/29 \$000	2029/30 \$000	2030/31 \$000
429	Operating Expenditure	472	445	455	461	467	478	482	488	497	505
21	Revenue	34	34	34	34	34	34	34	34	34	34
408	Net Cost of Service	438	411	421	428	434	444	448	455	464	471
EXPENDITURE											
306	Operating Costs	349	318	321	325	329	333	336	340	344	348
123	Allocated Overheads	123	127	133	136	139	145	145	148	153	157
429	Total Operating Expenditure	472	445	455	461	467	478	482	488	497	505
FUNDED BY:											
21	Charges for Services	34	34	34	34	34	34	34	34	34	34
21	Revenue	34	34	34	34	34	34	34	34	34	34
407	General Rates	432	405	415	421	427	438	441	448	458	466
0	UAGC	0	0	0	0	0	0	0	0	0	0
2	Other Funding	6	6	6	7	6	6	7	6	6	5
429	Total Funding	472	445	455	461	467	478	482	488	497	505

ECONOMIC DEVELOPMENT

1.1 What We Do

Council has a leadership role in economic development. This activity supports the development and growth of the district by:

- Encouraging and supporting the establishment, retention and development of sustainable, new and existing businesses.
- Promoting business opportunities and events that benefit the local economy
- Promoting the district as a great place to live and visit.
- Supporting the Stratford Business Association
- Working in partnership with Venture Taranaki Trust to support the economic growth of the district.

1.2 Why We Do It

Council provides this service to enable growth in population, increase employment opportunities, and promote the district as a destination for business and visitors. This works towards enabling a local economy that is prosperous.

This activity contributes to the community outcomes of:

- Vibrant Community
- Enabling Economy

1.3 Significant Negative Effects

There are no significant negative effects associated with the Economic Development activity that may affect the social, economic, environmental or cultural well-being of the local community. However, failure to deliver this activity would have a significant negative impact on the social, economic and cultural well-being.

1.4 Statement of Service Provision

Level of Service	Performance Measure	Target				Actual 2019/20	How Measured
		Year 1 2021/22	Year 2 2022/23	Year 3 2023/24	Years 4-10 2024/31		
To support and promote the economic growth of the district.	Number of client interactions with Venture Taranaki's Business Advisory Service	100%	100%	100%	100%	New Measure	5 start up clinics
	Mentor matches made as requested	100%	100%	100%	100%	New Measure	Venture Taranaki Quarterly reports
Enterprise Partnership and Engagement	Review the Economic Development Strategy	Achieved	N/A	N/A	N/A	New Measure	Year 1 only - Strategy approved by Council

1.5 Key Future Projects

Project	Category	2021/22	2022/23	2023/24	2024-31
Purchase of land and development	Level of Service	\$1,200,000	\$1,025,000	\$1,049,000	\$0

1.6 Statement of Prospective Financial Performance

The ten year detailed financial summary including inflation is shown below.

Economic Development

Budget 2020/21 \$000		Forecast 2021/22 \$000	Projection								
			2022/23 \$000	2023/24 \$000	2024/25 \$000	2025/26 \$000	2026/27 \$000	2027/28 \$000	2028/29 \$000	2029/30 \$000	2030/31 \$000
440	Operating Expenditure	618	744	743	790	807	828	843	861	883	900
0	Revenue	0	0	0	0	0	0	0	0	0	0
440	Net Cost of Service	618	744	743	790	807	828	843	861	883	900
EXPENDITURE											
295	Operating Costs	466	588	580	625	639	653	667	682	697	712
145	Allocated Overheads	152	156	162	165	168	175	176	179	186	188
440	Total Operating Expenditure	618	744	743	790	807	828	843	861	883	900
FUNDED BY:											
0	Revenue	0	0	0	0	0	0	0	0	0	0
0	Targeted Rates	0	0	0	0	0	0	0	0	0	0
219	General Rates	305	368	368	391	399	410	417	427	438	447
219	UAGC	305	368	368	391	399	410	417	427	438	447
2	Other Funding	8	8	7	8	8	8	8	8	7	6
440	Total Funding	618	744	743	790	807	828	843	861	883	900

Council Projects

Budget 2020/21 \$000		Forecast 2021/22 \$000	Projection								
			2022/23 \$000	2023/24 \$000	2024/25 \$000	2025/26 \$000	2026/27 \$000	2027/28 \$000	2028/29 \$000	2029/30 \$000	2030/31 \$000
97	Operating Expenditure	13	11	59	0	0	0	0	0	0	0
0	Revenue	0	0	0	0	0	0	0	0	0	0
97	Net Cost of Service	13	11	59	0	0	0	0	0	0	0
EXPENDITURE											
0	Operating Costs	0	0	0	0	0	0	0	0	0	0
97	Interest	13	11	59	0	0	0	0	0	0	0
0	Allocated Overheads	0	0	0	0	0	0	0	0	0	0
97	Total Operating Expenditure	13	11	59	0	0	0	0	0	0	0
3,719	Principal Loan Repayments	12	68	3,194	0	0	0	0	0	0	0
0	Capital Expenditure	1,200	1,025	1,049	0	0	0	0	0	0	0
3,816	Total Expenditure	1,225	1,104	4,301	0	0	0	0	0	0	0
FUNDED BY:											
0	Charges for Services	0	0	0	0	0	0	0	0	0	0
0	Revenue	0	0	0	0	0	0	0	0	0	0
0	General Rates	25	79	(22)	0	0	0	0	0	0	0
3,816	Sales of Sections - Capital	0	0	3,274	0	0	0	0	0	0	0
0	Loan Funding	1,200	1,025	1,049	0	0	0	0	0	0	0
0	Transfer (to) Reserves	0	0	0	0	0	0	0	0	0	0
0	Transfer from Reserves - Capital	0	0	0	0	0	0	0	0	0	0
3,816	Total Funding	1,225	1,104	4,301	0	0	0	0	0	0	0

INFORMATION CENTRE

1.1 What We Do

The Visitor Information Centre (i-SITE) is co-located with the Stratford District Library which sees a vibrant, community hub situated in the town centre, Prospero Place. Residents and visitors can access a wide range of travel information, booking services and complete NZTA transactions such as car registration and driver licensing.

1.2 Why We Do It

This activity provides a range of tourism information related to the Stratford District, Taranaki, and New Zealand. It also acts as an Automotive Association touring agent providing driver licence and vehicle licensing services that otherwise may not have been available.

This activity contributes to the community outcomes of:

- Vibrant community
- Enabling economy

1.3 Significant Negative Effects

There are no significant negative effects associated with the Information Centre activity that may affect the social, economic, environmental or cultural well-being of the local community. However, failure to deliver this activity would have a significant negative impact on the social, economic, environment and cultural well-being.

1.4 Statement of Service Provision

Level of Service	Performance Measure	Target				Actual 2019/20	How Measured
		Year 1 2021/22	Year 2 2022/23	Year 3 2023/24	Years 4-10 2024/31		
To provide an Information Centre for visitors, incorporating Automobile Association Agency services that meets the needs of and is being used by the community.	Number of users of AA Agency Service is measured.	>10,000	>10,000	>10,000	>10,000	Not Achieved – 8,842	AA customer count records
	Percentage customers are satisfied with the Information Centre.	>80%	>80%	>80%	>80%	Achieved – 96%	Annual Residents Survey

1.5 Key Future Projects

There are no future projects associated with the Information Centre activity.

1.6 Statement of Prospective Financial Performance

The ten year detailed financial summary including inflation is shown below.

Budget 2020/21 \$000		Forecast	Projection								
		2021/22 \$000	2022/23 \$000	2023/24 \$000	2024/25 \$000	2025/26 \$000	2026/27 \$000	2027/28 \$000	2028/29 \$000	2029/30 \$000	2030/31 \$000
312	Operating Expenditure	266	272	285	286	292	306	305	311	324	326
92	Revenue	62	64	65	67	68	70	71	73	74	76
220	Net Cost of Service	204	208	220	219	224	236	234	239	250	250
	EXPENDITURE										
210	Operating Costs	157	160	164	167	171	174	178	181	185	189
1	Depreciation	4	4	4	4	5	5	5	5	5	5
101	Allocated Overheads	104	107	117	114	117	127	122	125	134	132
312	Total Operating Expenditure	266	272	285	286	292	306	305	311	324	326
	FUNDED BY:										
92	Charges for Services	62	64	65	67	68	70	71	73	74	76
92	Revenue	62	64	65	67	68	70	71	73	74	76
218	General Rates	198	203	215	213	219	231	228	233	245	245
0	UAGC	0	0	0	0	0	0	0	0	0	0
2	Other Funding	5	5	5	6	5	5	6	5	5	4
312	Total Funding	266	272	285	286	292	306	305	311	324	326

RENTAL AND INVESTMENT PROPERTIES

1.1 What We Do

The Rental and Investment Properties activity manages properties council owns for strategic or commercial purposes.

Under this activity Council staff performs common landlord roles, such as the day-to-day maintenance of grounds and buildings as well as the long term planning for purchase, disposal, renewal, upgrades and redevelopment of properties.

This activity covers the following:

Farm - manage 160 hectares of land (132 hectares milkable) on a 50/50 share milking basis.

Holiday Park - operate a formal lease for the land.

Rental Properties - Council manages urban and rural land and commercial properties under this activity.

- Land with a Council function that generally has limited potential for any other use or is strategically important to Council.
- Land that has commercial potential and its legal status permits its availability for sale.
- Land that is currently vacant or occupied informally by an adjoining owner and has limited options for sale.

1.2 Why We Do It

The prudent management of Council owned properties not used in the day-to-day functions of Council ensure these do not become a nuisance and maximises commercial return for Council.

Each property is held for specific reasons and the property portfolio is regularly reviewed to ensure any properties surplus to requirements are disposed of. The key properties and the reason for Council's ownership are described below.

Farm - The farm is considered to be an economic investment that was purchased for the purposes of providing a financial contribution to ease the burden of rates on the community. In 2015 the farm expanded by 54 hectares when the Council purchased the neighbouring farm for the purposes of increasing economies of scale, and returns to the ratepayer. The farm contributes to the economic well-being of the district by providing rates mitigation for ratepayers.

The farm surrounds the aerodrome, therefore providing a buffer zone to allow for smooth operations of the aerodrome.

Holiday Park - Council has traditionally adopted the role of provider of the holiday park as there has been no alternative provider in Stratford.

Rental Properties - most properties have been purchased for a strategic purpose because of their location, either for Council's future use or for on selling at a later date.

This activity contributes to the community outcomes of:

- Enabling Economy

1.3 Significant Negative Effects

The Rental and Investment Property activity has the potential to negatively impact the social, economic, environmental or cultural well-being of the local community. The most likely significant negative effects from this activity and the mitigation measures in place, are outlined below.

Environmental & cultural - Contamination of streams that cross or border the council owned farm, from runoff from paddocks, effluent ponds or animals gaining access to the river has the potential to negatively impact the environmental and cultural wellbeing. This is mitigated by good farming practices and significant investment made in fencing and riparian planting of stream edges as well as effluent management.

These negative effects and any controls and mitigation in place have to be balanced against the positive impact the activity has on the social, economic, environmental and cultural well-being of its users and the district overall.

1.4 Statement of Service Provision

Level of Service	Performance Measure	Target				Actual 2019/20	How Measured
		Year 1 2021/22	Year 2 2022/23	Year 3 2023/24	Years 4-10 2024/31		
Maximum profits from the farm are returned to Council.	Milk production is maximised	>150,000 kg/ms	>150,000 kg/ms	>150,000 kg/ms	>150,000 kg/ms	Achieved - 154,177.7 kgs	Milk Supplier's Statements issued by Fonterra.
The Council is meeting national Environmental standards.	The Council farm's Environmental Plan is reviewed annually	Achieved	Achieved	Achieved	Achieved	New Measure	Report to Farm and Aerodrome Committee
Leased property is safe and fit for purpose.	Number of complaints from tenants.	<5	<5	<5	<5	Achieved - 3	Reporting against corporate CRM system.

1.5 Key Future Projects

Project	Category	2021/22	2022/23	2023/24	2024-31
Farm					
New storage facility	Level of Service	\$8,000	\$0	\$0	\$0
House components	Level of Service	\$8,500	\$0	\$0	\$0
Landscaping and riparian planting	Level of Service	\$3,500	\$3,600	\$3,700	\$28,100
Install in-shed feed system	Level of Service	\$53,000	\$0	\$0	\$0
Water lines and trough upgrade	Level of Service	\$0	\$12,300	\$12,600	\$0

1.6 Statement of Prospective Financial Performance

The ten year detailed financial summary including inflation is shown below.

Farm

Budget 2020/21 \$000		Forecast	Projection									
		2021/22 \$000	2022/23 \$000	2023/24 \$000	2024/25 \$000	2025/26 \$000	2026/27 \$000	2027/28 \$000	2028/29 \$000	2029/30 \$000	2030/31 \$000	
389	Operating Expenditure	378	376	390	401	405	419	432	437	453	457	
507	Revenue	489	489	489	489	489	489	489	489	489	489	
(119)	Net Cost of Service	(111)	(113)	(98)	(88)	(84)	(69)	(57)	(52)	(36)	(31)	
EXPENDITURE												
211	Operating Costs	243	240	250	255	257	267	273	274	285	291	
54	Interest	45	45	44	49	48	47	56	56	56	57	
66	Depreciation	33	33	34	35	38	38	38	40	40	40	
58	Allocated Overheads	57	58	62	61	62	67	65	67	71	70	
389	Total Operating Expenditure	378	376	390	401	405	419	432	437	453	457	
83	Principal Loan Repayments	61	63	48	38	34	19	7	2	(14)	(19)	
97	Capital Expenditure	73	16	16	4	4	4	4	4	4	4	
569	Total Expenditure	512	454	455	442	442	443	443	443	443	443	
FUNDED BY:												
507	Charges for Services	489	489	489	489	489	489	489	489	489	489	
507	Revenue	489	489	489	489	489	489	489	489	489	489	
(52)	General Rates	(50)	(50)	(50)	(50)	(50)	(50)	(50)	(50)	(50)	(50)	
0	UAGC	0	0	0	0	0	0	0	0	0	0	
0	Transfer (to) from Reserves	0	0	0	0	0	0	0	0	0	0	
57	Transfer from Reserves	0	0	0	0	0	0	0	0	0	0	
0	Sale of Land	0	0	0	0	0	0	0	0	0	0	
55	Loan Funding - Capital	73	16	16	4	4	4	4	4	4	4	
1	Other Funding	0	0	0	0	0	0	0	0	0	0	
569	Total Funding	512	454	455	442	442	443	443	443	443	443	

Holiday Park

Budget 2020/21 \$000		Forecast	Projection									
		2021/22 \$000	2022/23 \$000	2023/24 \$000	2024/25 \$000	2025/26 \$000	2026/27 \$000	2027/28 \$000	2028/29 \$000	2029/30 \$000	2030/31 \$000	
3	Operating Expenditure	2	2	2	2	2	2	2	2	2	2	
3	Revenue	3	3	3	3	3	3	3	3	3	3	
0	Net Cost of Service	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	
EXPENDITURE												
1	Operating Costs	0	0	0	0	0	0	0	0	0	0	
2	Allocated Overheads	2	2	2	2	2	2	2	2	2	2	
3	Total Expenditure	2	2	2	2	2	2	2	2	2	2	
FUNDED BY:												
3	Charges for Services	3	3	3	3	3	3	3	3	3	3	
3	Revenue	3	3	3	3	3	3	3	3	3	3	
0	General Rates	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	
0	Other Funding	0	0	0	0	0	0	0	0	0	0	
3	Total Funding	2	2	2	2	2	2	2	2	2	2	

Rental Properties

Budget 2020/21 \$000		Forecast 2021/22 \$000	Projection								
			2022/23 \$000	2023/24 \$000	2024/25 \$000	2025/26 \$000	2026/27 \$000	2027/28 \$000	2028/29 \$000	2029/30 \$000	2030/31 \$000
68	Operating Expenditure	66	68	72	71	74	78	77	80	85	84
32	Revenue	35	36	37	38	38	39	40	41	42	43
36	Net Cost of Service	31	32	35	33	35	39	37	39	43	41
	EXPENDITURE										
10	Operating Costs	9	10	10	11	11	12	13	13	14	15
21	Depreciation	17	18	18	18	19	19	19	20	20	20
37	Allocated Overheads	39	40	44	42	43	47	45	46	50	48
68	Total Operating Expenditure	66	68	72	71	74	78	77	80	85	84
0	Capital Expenditure	0	0	0	0	0	0	0	0	0	0
68	Total Expenditure	66	68	72	71	74	78	77	80	85	84
	FUNDED BY:										
32	Charges for Services	35	36	37	38	38	39	40	41	42	43
32	Revenue	35	36	37	38	38	39	40	41	42	43
35	General Rates	29	30	33	31	33	37	35	37	41	39
0	UAGC	0	0	0	0	0	0	0	0	0	0
0	Depreciation funded from Reserves	0	0	0	0	0	0	0	0	0	0
0	Transfer from Reserves	0	0	0	0	0	0	0	0	0	0
1	Other Funding	2	2	2	2	2	2	2	2	2	2
68	Total Funding	66	68	72	71	74	78	77	80	85	84



ENVIRONMENTAL SERVICES

BUILDING SERVICES

1.1 What We Do

The Council is registered as a building consent authority (BCA), as required by the Building Act 2004. The BCA receives and processes applications for building consents. It also involves monitoring and compliance, to ensure that all building, plumbing and drainage work in the District is undertaken in a safe, secure and proper manner. The Building Control Team also leads the preparation of Land Information Memorandums.

1.2 Why We Do It

The Council has a legal responsibility to ensure buildings are fit for purpose and comply with legislation.

This activity contributes to the community outcomes of:

- Enabling Economy
- Sustainable Environment

1.3 Significant Negative Effects

The Building activity has the potential to negatively impact the social, economic, environmental or cultural well-being of the local community. The most likely significant negative effects from this activity and the mitigation measures in place, are outlined below.

Social, economic, environmental & cultural - the construction and modification of buildings and structures represents a significant investment for its owners and directly impacts the community and the natural and built environment, as well as community safety. Performance indicators have been designed to strike a balance between legal requirements, supporting the environmental and economic well-being and delivering efficiency from a customer service perspective. Maintenance of a quality management system and a structured approach to continual improvement are two measures to ensure the purpose of the Building Act is upheld.

These negative effects and any controls and mitigation in place have to be balanced against the positive impact the activity has on the social, economic, environmental and cultural well-being of its users and the district overall.

1.4 Statement of Service Provision

Level of Service	Performance Measure	Target				Actual 2019/20	How Measured
		Year 1 2021/22	Year 2 2022/23	Year 3 2023/24	Years 4-10 2024/31		
To process applications within statutory timeframes.	Percentage of building consent applications processed within 20 days.	100%	100%	100%	100%	Achieved – 100%, 242 out of 242	Council Records.
	Percentage of inspection requests completed within 24 hours of request.	100%	100%	100%	100%	Achieved – 100%	Council Records.
	Percentage of code compliance certificate applications determined within 20 working days.	100%	100%	100%	100%	Achieved – 100%, 213 out of 213	Council Records.
To retain registration as a Building Consent Authority.	Current registration.	Confirmed	Confirmed	Confirmed	Confirmed	Achieved – expires July 2020	Current IANZ Certification
To process LIMs within statutory timeframes	% of LIMs processed within timeframes.	100%	100%	100%	100%	Not Achieved – 98% 53 of 54	Council Records
Service meets customer expectations.	Percentage of customers using building consent processes are satisfied with the service provided	>80%	>80%	>80%	>80%	Achieved – 83%	Annual Residents Survey

1.5 Key Future Projects

There are no future projects associated with the Building Services activity.

1.6 Statement of Prospective Financial Performance

The ten year detailed financial summary including inflation is shown below.

Budget 2020/21 \$000		Forecast	Projection									
		2021/22 \$000	2022/23 \$000	2023/24 \$000	2024/25 \$000	2025/26 \$000	2026/27 \$000	2027/28 \$000	2028/29 \$000	2029/30 \$000	2030/31 \$000	
560	Operating Expenditure	761	802	797	844	833	886	871	920	910	964	
256	Revenue	280	297	314	321	328	336	343	350	358	366	
304	Net Cost of Service	481	505	483	522	505	550	528	570	552	598	
	EXPENDITURE											
322	Operating Costs	472	504	488	527	510	551	533	575	556	601	
239	Allocated Overheads	289	297	309	316	323	335	338	345	354	363	
560	Total Operating Expenditure	761	802	797	844	833	886	871	920	910	964	
	FUNDED BY:											
256	Charges for Services	280	297	314	321	328	336	343	350	358	366	
256	Revenue	280	297	314	321	328	336	343	350	358	366	
0	General Rates	0	0	0	0	0	0	0	0	0	0	
301	UAGC	466	490	469	507	489	536	512	555	539	586	
4	Other Funding	15	14	14	16	15	14	16	15	13	12	
560	Total Funding	761	802	797	844	833	886	871	920	910	964	

PLANNING

1.1 What We Do

This activity covers:

- The development and administration of the Stratford District Plan
- The processing of resource consents required under the District Plan.
- Monitoring of the district to ensure that the District Plan is relevant and complied with.

1.2 Why We Do It

All of the above functions are required by legislation.

This activity contributes to the community outcomes of:

- Sustainable Environment
- Enabling Economy

1.3 Significant Negative Effects

The Planning activity has the potential to negatively impact the social, economic, environmental or cultural well-being of the local community. The most likely significant negative effects from this activity and the mitigation measures in place, are outlined below.

Social, economic, environmental & cultural - land use and subdivision activity can impact on short and long term social, economic, environmental and cultural outcomes. Performance indicators have been designed to strike a balance between legal requirements, supporting the environmental and economic well-being, meeting the community's needs and delivering efficiency from a customer service perspective. Best social, economic, environmental & cultural practice and community expectations will also be incorporated in the future update of the District Plan which governs much of this activity.

These negative effects and any controls and mitigation in place have to be balanced against the positive impact the activity has on the social, economic, environmental and cultural well-being of its users and the district overall.

1.4 Statement of Service Provision

Level of Service	Performance Measure	Target				Actual 2019/20	How Measured
		Year 1 2021/22	Year2 2022/23	Year3 2023/24	Years 4-10 2024/31		
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.	N/A	N/A	Notification Required	Release Decisions Year 5	Not Achieved	<i>No timeframe to be met in Year 1</i> Reports to Council
	To undertake a systematic review of bylaws and related policies as they reach their statutory review dates.	100% within review timeframes	100% within review timeframes	100% within review timeframes	100% within review timeframes	Not Achieved	Reports to Council
To process resource consents within statutory timeframes.	% of non notified applications processed within 20 working days.	100%	100%	100%	100%	Achieved – 100% 72 of 72	Council records
	% of notified applications processed within legislated timeframes for notification, hearings and decisions.	100%	100%	100%	100%	Achieved – 0 notified consent applications	Council records
	% of s223 and s224 applications processed within 10 working days.	100%	100%	100%	100%	Achieved – 100% 36 of 36 applications.	Council records
Service meets customer expectations.	Percentage of customers using resource consent processes are satisfied with the service provided	>80%	>80%	>80%	>80%	Achieved – 84%	Council Records

1.5 Key Future Projects

Project	Category	2021/22	2022/23	2023/24	2024-31
Review District Plan	Operating expenditure	\$0	\$0	\$500,000	\$1,000,000

1.6 Statement of Prospective Financial Performance

The ten year detailed financial summary including inflation for this activity is shown below.

District Plan

Budget 2020/21 \$000		Forecast 2021/22 \$000	Projection								
			2022/23 \$000	2023/24 \$000	2024/25 \$000	2025/26 \$000	2026/27 \$000	2027/28 \$000	2028/29 \$000	2029/30 \$000	2030/31 \$000
169	Operating Expenditure	187	192	709	726	741	243	249	250	253	255
0	Revenue	0	0	0	0	0	0	0	0	0	0
169	Net Cost of Service	187	192	709	726	741	243	249	250	253	255
EXPENDITURE											
78	Operating Costs	81	83	586	588	590	91	93	95	97	99
0	Interest	0	0	11	24	34	31	33	30	27	24
0	Depreciation	0	0	0	0	0	0	0	0	0	0
91	Allocated Overheads	106	109	113	115	117	121	123	125	129	131
169	Total Operating Expenditure	187	192	709	726	741	243	249	250	253	255
0	Principal Loan Repayments	0	0	50	95	136	122	110	99	89	80
0	Capital Expenditure	0	0	0	0	0	0	0	0	0	0
169	Total Expenditure	187	192	759	822	876	365	359	349	342	335
FUNDED BY:											
0	Revenue	0	0	0	0	0	0	0	0	0	0
0	General Rates	0	0	0	0	0	0	0	0	0	0
168	UAGC	182	187	254	315	370	360	353	344	337	331
0	Loan Funding - Capital	0	0	500	500	501	0	0	0	0	0
1	Other Funding	5	5	5	6	6	5	6	5	5	4
169	Total Funding	187	192	759	822	876	365	359	349	342	335

Resource Consents

Budget 2020/21 \$000		Forecast 2021/22 \$000	Projection								
			2022/23 \$000	2023/24 \$000	2024/25 \$000	2025/26 \$000	2026/27 \$000	2027/28 \$000	2028/29 \$000	2029/30 \$000	2030/31 \$000
179	Operating Expenditure	202	207	213	219	223	229	233	238	243	250
35	Revenue	76	83	95	98	100	102	110	112	115	117
144	Net Cost of Service	126	124	118	121	123	127	123	126	129	133
EXPENDITURE											
81	Operating Costs	95	98	100	102	105	107	109	112	114	117
99	Allocated Overheads	106	109	113	116	119	122	124	127	129	133
179	Total Operating Expenditure	202	207	213	219	223	229	233	238	243	250
FUNDED BY:											
35	Charges for Services	76	83	95	98	100	102	110	112	115	117
35	Revenue	76	83	95	98	100	102	110	112	115	117
0	General Rates	0	0	0	0	0	0	0	0	0	0
143	UAGC	120	119	112	115	118	122	118	121	124	128
1	Other Funding	5	5	5	6	6	5	6	5	5	4
179	Total Funding	202	207	213	219	223	229	233	238	243	250

COMMUNITY HEALTH AND SAFETY

1.1 What We Do

The activities broadly cover the regulation and enforcement of various statutes and bylaws relating to health, food, alcohol, animal control, and general nuisance arising from inappropriate parking of motor vehicles and/or use of public places.

Health Act and Food Act

The Council:

- provides a uniform system of control to ensure that food being sold is fit for consumption and safe
- carries out premises registration, education, monitoring and enforcement activities, including complaint resolution, to avoid and mitigate actual and potential adverse effects on public health.

From time to time this activity also has to review and respond to legislative changes. Overall its main role is licencing, compliance and enforcement.

Sale and Supply of Alcohol Act

The Council carries out licencing, monitoring and enforcement activities, to ensure that a reasonable system of control is in place over the sale and supply of liquor to the public, with the aim of contributing to the reduction of liquor abuse in the community.

Parking and other Bylaw compliance

Bylaws provide an enforcement tool where specific local regulation is required. In some instances bylaws are required to give a specific local interpretation of national legislation. Others, such as the Public Places Bylaw, are passed under the Local Government Act but simply reflect a set of local expectations.

The Council receives an average of 300 complaints concerning infringements of the various bylaws each year.

Animal Control

The Council exercises its responsibilities under the Dog Control Act 1996 and the Council's Dog Control Bylaw. The Council controls dogs as required by legislation to avoid nuisance and minimise risk to the community.

This covers:

- registration of dogs
- providing a timely response to all complaints concerning dogs, particularly in regard to instances involving aggressive behaviour by dogs
- Enforcing obligations on dog owners designed to ensure that dogs do not cause a nuisance to any person, and do not injure, endanger or cause distress to any person or cause distress to any stock, poultry, domestic animal or protected wildlife.

The Council operates a dog pound which has capacity for six dogs. The demand for services is relatively consistent.

Under the general bylaw this activity also manages wandering stock on road reserves.

1.2 Why We Do It

These services are either required by statute or bylaws produced by the Council in response to either public expectations or legal requirements.

This activity contributes to the community outcomes of:

- Enabling Economy
- Sustainable Environment

1.3 Significant Negative Effects

There are no significant negative effects associated with the Community Health and Safety activity that may affect the social, economic, environmental or cultural well-being of the local community. This activity exists to avoid, minimise or mitigate significant negative effects of environmental or community health and safety events. Failure to deliver this activity would therefore have a significant negative impact on the economic and environment well-being.

1.4 Statement of Service Provision

Level of Service	Performance Measure	Target				Actual 2019/20	How Measured
		Year 1 2021/22	Year2 2022/23	Year3 2023/24	Years 4-10 2024/31		
To fulfil obligations to improve, promote and protect public health.	Percentage of premises registered under the Food Act, Health Act, Beauty and Tattoo Bylaw, to be inspected for compliance.	100%	100%	100%	100%	Achieved – 100%	Council Records
	Health nuisance and premise complaints are responded to within 1 working day.	100%	100%	100%	100%	Achieved – 100% 22 out of 22 complaints	Council Records
To fulfil obligations as a District Licensing Committee.	Percentage of licensed premises inspected.	100%	100%	100%	100%	Not Achieved – 91% 30 of 33 inspected	Council Records
	Percentage of applications processed within 25 working days (excluding hearings).	100%	100%	100%	100%	Achieved – 100% 81 of 81 applications	Council Records
To monitor and enforce bylaws.	Percentage of complaints responded to within 2 hours.	100%	100%	100%	100%	Achieved – 100% 322 of 322 complaints	Council Records
To ensure dogs are controlled.	Percentage of known dogs registered.	95%	95%	95%	95%	Not Achieved – 97% 2,072 of 2,132 dogs (target was 98%)	Council Records
	Percentage of dog attack/wandering dog complaints responded to within an hour.	100%	100%	100%	100%	Achieved – 100% 278 of 278 complaints	Council Records

1.5 Key Future Projects

There are no future projects associated with the Community Health & Safety activity.

1.6 Statement of Prospective Financial Performance

The ten year detailed financial summary including inflation for this activity is shown below.

Food and Health

Budget 2020/21 \$000		Forecast	Projection								
		2021/22 \$000	2022/23 \$000	2023/24 \$000	2024/25 \$000	2025/26 \$000	2026/27 \$000	2027/28 \$000	2028/29 \$000	2029/30 \$000	2030/31 \$000
155	Operating Expenditure	166	170	178	180	184	192	192	196	203	206
15	Revenue	30	31	31	32	33	34	34	35	36	37
140	Net Cost of Service	136	140	147	148	151	158	158	161	168	169
	EXPENDITURE										
81	Operating Costs	89	92	94	96	98	100	102	104	107	109
73	Allocated Overheads	76	79	84	84	86	92	90	92	97	97
155	Total Operating Expenditure	166	170	178	180	184	192	192	196	203	206
	FUNDED BY:										
15	Charges for Services	30	31	31	32	33	34	34	35	36	37
15	Revenue	30	31	31	32	33	34	34	35	36	37
0	General Rates	0	0	0	0	0	0	0	0	0	0
138	UAGC	132	136	143	144	147	154	154	157	164	166
1	Other Funding	4	4	4	4	4	4	4	4	4	3
155	Total Funding	166	170	178	180	184	192	192	196	203	206

Alcohol Licensing

Budget 2020/21 \$000		Forecast	Projection								
		2021/22 \$000	2022/23 \$000	2023/24 \$000	2024/25 \$000	2025/26 \$000	2026/27 \$000	2027/28 \$000	2028/29 \$000	2029/30 \$000	2030/31 \$000
115	Operating Expenditure	109	112	117	118	121	126	126	129	133	135
35	Revenue	33	34	34	35	36	37	37	38	39	40
80	Net Cost of Service	77	79	83	83	85	89	89	91	95	95
	EXPENDITURE										
66	Operating Costs	58	59	61	62	63	65	66	67	69	70
50	Allocated Overheads	51	53	56	56	57	61	60	61	65	65
115	Total Operating Expenditure	109	112	117	118	121	126	126	129	133	135
	FUNDED BY:										
35	Charges for Services	33	34	34	35	36	37	37	38	39	40
35	Revenue	33	34	34	35	36	37	37	38	39	40
0	General Rates	0	0	0	0	0	0	0	0	0	0
79	UAGC	74	76	80	80	82	87	86	88	92	93
1	Other Funding	3	3	3	3	3	3	3	3	2	2
115	Total Funding	109	112	117	118	121	126	126	129	133	135

Parking and other Bylaws

Budget 2020/21 \$000		Forecast 2021/22 \$000	Projection								
			2022/23 \$000	2023/24 \$000	2024/25 \$000	2025/26 \$000	2026/27 \$000	2027/28 \$000	2028/29 \$000	2029/30 \$000	2030/31 \$000
141	Operating Expenditure	128	132	136	139	142	146	148	151	155	159
1	Revenue	1	1	1	1	1	1	1	1	1	1
140	Net Cost of Service	127	131	135	138	141	145	147	150	154	158
EXPENDITURE											
71	Operating Costs	50	51	52	53	55	56	57	58	60	61
70	Allocated Overheads	78	81	83	85	87	90	91	93	95	98
141	Total Operating Expenditure	128	132	136	139	142	146	148	151	155	159
FUNDED BY:											
1	Charges for Services	1	1	1	1	1	1	1	1	1	1
1	Revenue	1	1	1	1	1	1	1	1	1	1
0	General Rates	0	0	0	0	0	0	0	0	0	0
139	UAGC	123	127	131	134	136	141	143	146	150	154
1	Other Funding	4	4	4	4	4	4	4	4	4	3
141	Total Funding	128	132	136	139	142	146	148	151	155	159

Animal Control

Budget 2020/21 \$000		Forecast 2021/22 \$000	Projection								
			2022/23 \$000	2023/24 \$000	2024/25 \$000	2025/26 \$000	2026/27 \$000	2027/28 \$000	2028/29 \$000	2029/30 \$000	2030/31 \$000
201	Operating Expenditure	221	227	237	238	243	254	254	259	270	271
142	Revenue	142	145	148	152	155	158	162	165	169	173
60	Net Cost of Service	80	82	89	87	88	96	92	94	101	98
EXPENDITURE											
102	Operating Costs	122	125	127	130	133	136	139	142	145	148
2	Interest	1	1	1	1	1	1	1	1	1	1
7	Depreciation	5	5	5	5	5	5	5	5	5	5
91	Allocated Overheads	93	96	103	101	103	112	108	111	118	116
201	Total Operating Expenditure	221	227	237	238	243	254	254	259	270	271
0	Principal Loan Repayments	2	2	2	2	2	2	2	2	2	1
0	Capital Expenditure	0	0	0	0	0	0	0	0	0	0
201	Total Expenditure	223	229	239	240	245	256	256	261	272	273
FUNDED BY:											
142	Charges for Services	142	145	148	152	155	158	162	165	169	173
142	Revenue	142	145	148	152	155	158	162	165	169	173
0	General Rates	0	0	0	0	0	0	0	0	0	0
58	UAGC	77	79	86	84	85	93	89	91	98	96
0	Loan Funding - Capital	0	0	0	0	0	0	0	0	0	0
0	Transfer from Reserves - Capital	0	0	0	0	0	0	0	0	0	0
1	Other Funding	5	5	5	5	5	5	5	5	4	4
201	Total Funding	223	229	239	240	245	256	256	261	272	273

CIVIL DEFENCE & EMERGENCY MANAGEMENT

1.1 What We Do

The overriding principle for Civil Defence and Emergency Management delivery across the Taranaki Civil Defence and Emergency Management (CDEM) Group is that it is a regionally coordinated and locally delivered approach. The Taranaki Region operates a CDEM Group Office, called the Taranaki Emergency Management Office (TEMO). TEMO is a shared service between all four councils in Taranaki that delivers Civil Defence and Emergency Management coordination throughout Taranaki on behalf of the councils in the region. The Council is obligated to plan and provide for Civil Defence and Emergency Management within the Stratford District and to ensure that it can function at the fullest possible extent during an emergency.

1.2 Why We Do It

Council has legal requirements to play a direct role in the prevention and management of natural hazards.

This activity contributes to the community outcomes of:

- Sustainable Environment
- Connected Communities

1.3 Significant Negative Effects

There are no significant negative effects associated with the Civil Defence and Emergency Management activity that may affect the social, economic, environmental or cultural well-being of the local community. However, failure to deliver this activity would have a significant negative impact on the social, economic, environment and cultural well-being.

1.4 Statement of Service Provision

Level of Service	Performance Measure	Target				Actual 2019/20	How Measured
		Year 1 2021/22	Year 2 2022/23	Year 3 2023/24	Years 4-10 2024/31		
To maintain effective emergency capability	Recruit, train and maintain a pool of staff and volunteers capable of responding to an emergency event. Number of people trained to at least Foundational level.	>40	>40	>40	>40	New Measure	Takatu Records
To ensure the Stratford District Emergency Operations Centre is fit for purpose.	Annual capability audit undertaken (externally) and quarterly system checks undertaken (internally).	Achieved	Achieved	Achieved	Achieved	New Measure	Council Records

1.5 Key Future Projects

There are no future projects associated with the Civil Defence & Emergency Management activity.

1.6 Statement of Prospective Financial Performance

The ten year detailed financial summary including inflation for this activity is shown below.

Civil Defence and Emergency Management

Budget 2020/21 \$000		Forecast	Projection								
		2021/22 \$000	2022/23 \$000	2023/24 \$000	2024/25 \$000	2025/26 \$000	2026/27 \$000	2027/28 \$000	2028/29 \$000	2029/30 \$000	2030/31 \$000
231	Operating Expenditure	333	342	294	299	305	310	319	326	335	341
0	Revenue	0	0	0	0	0	0	0	0	0	0
231	Net Cost of Service	333	342	294	299	305	310	319	326	335	341
	EXPENDITURE										
105	Operating Costs	163	167	112	115	117	120	123	125	128	131
1	Depreciation	0	0	0	0	0	0	0	0	0	0
125	Allocated Overheads	170	174	181	184	187	190	195	200	207	209
231	Total Operating Expenditure	333	342	294	299	305	310	319	326	335	341
	FUNDED BY:										
0	Subsidies	0	0	0	0	0	0	0	0	0	0
0	Revenue	0	0	0	0	0	0	0	0	0	0
0	General Rates	0	0	0	0	0	0	0	0	0	0
229	UAGC	325	333	286	290	296	302	309	317	328	334
2	Other Funding	9	8	8	9	9	8	9	9	8	7
231	Total Funding	333	342	294	299	305	310	319	326	335	341



1.1 What We Do

The Roothing activity encompasses the management, construction, maintenance and renewal of rural and urban roads, footpaths, kerb and channel, street lighting and associated infrastructure for the District excluding State Highways. The Roothing network managed by the Stratford District Council totals 597.8km, made up of 556.1km of rural roads and 41.6km of urban streets. State Highways 3 and 43 are maintained by the New Zealand Transport Agency (NZTA). In addition there are over 700km of unformed legal road and a number of bridges ‘beyond the maintenance peg’ that are not maintained by Council.

The Roothing asset includes all pavements from the sub base to, and including, the top sealed or metal surface, traffic services (lighting, street and safety signage, footpaths, kerb & channel), bridges, culverts and side drains.

	Rural	Urban	Total
Sealed km	349.4	41.6	391.1
Unsealed km	<u>206.7</u>	<u>0.01</u>	<u>206.7</u>
	556.1	41.6	597.8

The physical works carried out on the District roads are undertaken by private contractors. Most of the work, including all routine maintenance and most renewals and planned work such as reseals and unsealed roads metal replacement, is carried out under the Roothing Facilities Management Contract.

1.2 Why We Do It

Council is the road controlling authority under the Local Government Act 1974 and 2002 with responsibility for all local roads in the area. It provides an integrated, safe, responsive and sustainable local land transport system for the District. This is a fundamental requirement for every District.

The main users of the network are residents, industries (particularly dairy, forestry and oil), a small commercial sector, and visitors.

This activity contributes to the community Outcomes of:

- Connected communities
- Enabling economy

1.3 Significant Negative Effects

Negative Effects

The Roothing activity has the potential to negatively impact the social, economic, environmental or cultural well-being of the local community. The most likely significant negative effects from this activity and the mitigation measures in place, are outlined below.

Social, economic, environmental & cultural - Traffic hazards and accidents have the potential to negatively impact the community’s social, economic, environmental and cultural well-being. Council is actively involved in regional road safety strategies such as ‘Roadsafe Taranaki’, and the ‘Community Road Safety Programme’ and investigates injury accidents with the Police to address any roading issues that may be involved.

Social, economic, environmental & cultural – Dust from unsealed roads has the potential to negatively impact the community’s social, economic, environmental and cultural well-being. Council is working with the rural community to manage nuisance from dust.

Social, economic & cultural –Road closures have the potential to negatively impact the community’s social, economic and cultural well-being. Unplanned road closures are usually the result of environmental events and can be of concern, particularly for isolated rural communities. When this happens, every effort is made to have the road or alternative routes open as soon as possible. Planned road closures are generally not a significant problem as they are well notified to affected parties and council works with event organisers to reduce the impact of closures of popular routes.

Environmental & cultural – Earthworks and run-off from road construction and maintenance activities has the potential to impact the environmental and cultural wellbeing. To manage and mitigate this risk, all major project works are carried out under resource consent conditions and undertaken in a manner that avoids significant negative effects. Routine maintenance activities are governed by performance criteria outlined in the maintenance contract.

These negative effects and any controls and mitigation in place have to be balanced against the positive impact the activity has on the social, economic, environmental and cultural well-being of its users and the district overall.

1.4 Statement of Service Provision

Level of Service	Performance Measure	Target				Actual 2019/20	How Measured
		Year 1 2021/22	Year2 2022/23	Year3 2023/24	Years 4-10 2024/31		
To provide a safe roading network.	Road safety - The reduction from the previous financial year in the number of fatalities and serious injury crashes on the local road network, expressed as a number.	A reduction of at least 1	A reduction of at least 1	A reduction of at least 1	A reduction of at least 1	Not Achieved – Increase of 1 (5 Fatalities and serious injury crashes)	Police CAS Database
To provide a well maintained roading network.	Road Condition – The average quality of ride on sealed road network, measured by smooth travel exposure.	Urban – ≥83% Rural – ≥91%	Urban – ≥83% Rural – ≥91%	Urban – ≥83% Rural – ≥91%	Urban – ≥83% Rural – ≥91%	Achieved – Urban – 88% Not Achieved – Rural – 78%	RAMM Rating Report
	Road maintenance – The percentage of the sealed road network that is resurfaced.	≥5%	≥5%	≥5%	≥5%	Achieved – 5.4%	RAMM Rating Report
	Road maintenance – The percentage of the unsealed road network that has been metal dressed.	≥7%	≥7%	≥7%	≥7%	Achieved – 14.4%	RAMM Report

Level of Service	Performance Measure	Target				Actual 2019/20	How Measured
		Year 1 2021/22	Year2 2022/23	Year3 2023/24	Years 4-10 2024/31		
To provide a well maintained roading network.	Footpaths - 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 (annual plan, activity management plan, asset management plan, annual works programme or long term plan)	>70%	>72.5%	>75%	>77.5%	Not Achieved - 62%	RAMM Report
	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 (note: this information is actually held in the asset management plan not the long term plan).	>88%	>88%	>88%	>88%	Achieved - 100%	RAMM Report. Spreadsheet until connectivity is established between RAMM and Customer Service Requests
	Percentage of residents who are satisfied with:						Annual Residents Survey
	• Roothing Networks	>80%	>80%	>80%	>80%	Not Achieved - 75%	
	• Footpaths	>80%	>80%	>80%	>80%	Not Achieved - 73%	

1.5 Key Future Projects

Project	Category	2021/22	2022/23	2023/24	2024-31
Walking and cycling footpath improvements	Level of Service	\$350,000	\$360,800	\$424,700	\$2,688,200
Brecon Road bridge	Level of Service	\$0	\$257,700	\$265,483	\$12,499,500
Whangamomona Road upgrade	Level of Service	\$0	\$0	\$530,900	\$0
Unsealed Road Metalling	Replacements	\$840,000	\$840,975	\$841,943	\$7,957,290
Sealed Road resurfacing	Replacements	\$1,100,000	\$1,101,268	\$1,102,526	\$9,047,937
Drainage Renewals	Replacements	\$700,000	\$700,780	\$701,554	\$5,532,342
Pavement Rehabilitation	Replacements	\$750,000	\$750,878	\$751,749	\$5,278,491
Structure Component Replacement	Replacements	\$835,000	\$650,975	\$577,943	\$4,213,788
Traffic Services	Replacements	\$113,000	\$113,098	\$113,194	\$903,744
Footpath renewals	Replacements	\$170,000	\$175,270	\$180,528	\$1,419,103
Low cost low risk roads	Replacements	\$830,000	\$575,000	\$575,000	\$3,300,000
Sealed Road Resurfacing – Special Purpose Roads	Replacements	\$60,000	\$60,098	\$60,194	\$543,624
Low cost low risk roads – Special Purpose Roads	Replacements	\$15,000	\$15,000	\$15,000	\$165,000

1.6 Statement of Prospective Financial Performance

The ten year detailed financial summary including inflation for the Roding activity is shown below.

Roding

Budget 2020/21 \$000		Forecast		Projection							
		2021/22 \$000	2022/23 \$000	2023/24 \$000	2024/25 \$000	2025/26 \$000	2026/27 \$000	2027/28 \$000	2028/29 \$000	2029/30 \$000	2030/31 \$000
6,324	Operating Expenditure	6,413	6,448	6,498	7,069	7,230	7,523	8,067	8,185	8,313	8,837
3,830	Revenue	5,689	5,601	5,943	5,974	9,756	8,990	6,144	6,153	6,754	6,921
2,494	Net Cost of Service	725	846	555	1,095	(2,526)	(1,468)	1,923	2,032	1,559	1,916
EXPENDITURE											
3,368	Operating Costs	3,350	3,370	3,392	3,660	3,765	3,871	3,983	4,095	4,211	4,330
0	Interest	2	6	13	25	63	122	175	172	171	170
2,805	Depreciation	2,885	2,891	2,901	3,191	3,206	3,323	3,704	3,708	3,711	4,117
152	Allocated Overheads	176	181	191	193	196	207	205	210	219	220
6,324	Total Operating Expenditure	6,413	6,448	6,498	7,069	7,230	7,523	8,067	8,185	8,313	8,837
0	Principal Loan Repayments	3	10	24	40	100	195	233	230	228	226
3,107	Capital Expenditure	5,763	5,602	6,141	5,911	12,005	10,639	5,852	5,753	6,613	6,776
9,431	Total Expenditure	12,179	12,060	12,663	13,020	19,335	18,356	14,153	14,168	15,154	15,840
FUNDED BY:											
169	Charges for Services	243	248	253	258	264	269	275	280	286	293
3,661	NZTA Financial Assistance	5,446	5,353	5,690	5,716	9,492	8,721	5,869	5,873	6,467	6,629
3,830	Revenue	5,689	5,601	5,943	5,974	9,756	8,990	6,144	6,153	6,754	6,921
2,992	Targeted Rates	3,203	3,026	3,344	3,493	3,859	4,347	4,753	4,831	5,120	5,127
0	UAGC	0	0	0	0	0	0	0	0	0	0
0	General Rates	0	(0)	0	0	0	0	0	0	0	0
1,482	Depreciation funded from Reserves	1,611	1,615	1,621	1,784	1,793	1,865	2,081	2,084	2,086	2,314
1,278	Transfer from Reserves - Capital	2,088	1,928	1,917	1,954	2,012	2,147	2,317	2,318	2,521	2,708
(153)	Transfer (to) from Reserves	(558)	(361)	(648)	(558)	(835)	(1,167)	(1,316)	(1,346)	(1,581)	(1,364)
0	Loan Funding - Capital	137	241	476	362	2,741	2,166	163	119	246	126
0	Grants/Donations - Capital	0	0	0	0	0	0	0	0	0	0
2	Other Funding	9	9	9	10	9	9	10	9	8	7
9,431	Total Funding	12,179	12,060	12,663	13,020	19,335	18,356	14,153	14,168	15,154	15,840

Business Unit

Budget 2020/21 \$000		Forecast		Projection							
		2021/22 \$000	2022/23 \$000	2023/24 \$000	2024/25 \$000	2025/26 \$000	2026/27 \$000	2027/28 \$000	2028/29 \$000	2029/30 \$000	2030/31 \$000
313	Operating Expenditure	391	401	416	423	432	448	452	462	477	484
327	Revenue	390	400	419	439	455	465	480	491	502	513
(14)	Net Cost of Service	1	1	(3)	(16)	(22)	(16)	(29)	(29)	(25)	(29)
EXPENDITURE											
144	Operating Costs	182	187	191	196	200	204	209	213	218	223
9	Depreciation	6	6	6	6	7	7	7	7	7	7
161	Allocated Overheads	202	208	219	222	226	237	236	242	252	254
313	Total Operating Expenditure	391	401	416	423	432	448	452	462	477	484
FUNDED BY:											
327	Inhouse services - NZTA Financial Assistance	390	400	419	439	455	465	480	491	502	513
327	Revenue	390	400	419	439	455	465	480	491	502	513
(16)	General Rates	(10)	(9)	(13)	(27)	(33)	(26)	(40)	(39)	(34)	(37)
0	UAGC	0	0	0	0	0	0	0	0	0	0
2	Other Funding	10	10	10	11	11	10	11	10	9	8
313	Total Funding	391	401	416	423	432	448	452	462	477	484



1.1 What We Do

Stormwater reticulation and collection services are provided and managed by Stratford District Council:

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

The Stormwater reticulation system is a network of pipes and open drains that collects stormwater from developed urban areas. Collection from roads and public areas is usually via sumps and directed to reticulation. Collection from commercial and industrial properties is via reticulation manholes. Residential area stormwater is discharged to ground mainly by soak holes, although if soil or other conditions are not suitable for soak holes, discharge is carried out via runoff through sumps and reticulation.

The Stratford District Council manages around 6.7km of stormwater pipes, and 1.9km of open channels/drains in the Stratford urban area. Council is also responsible for approximately 70 metres of 450mm culvert in Midhirst.

1.2 Why We Do It

Stormwater assets are critical for the protection of properties and infrastructure.

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

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

This activity contributes to the community outcomes of:

- Sustainable Environment
- Enabling Economy

1.3 Significant Negative Effects

The Stormwater activity has the potential to negatively impact the social, economic, environmental or cultural well-being of the local community. The most likely significant negative effects from this activity and the mitigation measures in place, are outlined below.

Social, economic, environmental & cultural - the Stormwater system has the potential to affect community health if existing drainage systems are inadequate and results in flooded houses and properties.

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

These negative effects and any controls and mitigation in place have to be balanced against the positive impact the activity has on the social, economic, environmental and cultural well-being of its users and the district overall.

1.4 Statement of Service Provision

Level of Service	Performance Measure	Target				Actual 2019/20	How Measured
		Year 1 2021/22	Year 2 2022/23	Year 3 2023/24	Years 4-10 2024/25 - 2030/31		
Stormwater system protects property from impacts of flooding.	System adequacy						
	The number of flooding events that occur in a territorial authority district. "Flooding" in this context means stormwater entering a habitable floor	0	0	0	0	Achieved – 0 – No flooding events meeting the criteria	Reporting against corporate CRM system. Note: specific category to be set up for flooding – to separate between residential & commercial buildings and include count of habitable floors flooded (residential only).
	For each flooding event, the number of habitable floors affected. (Expressed per 1000 properties connected to the territorial authority's stormwater system.)	0	0	0	0	Achieved – 0 – No flooding events meeting the criteria	
For each flooding event, the number of buildings in the central business zone affected by flooding.	0	0	0	0	Achieved – 0 – No flooding events meeting the criteria		

Level of Service	Performance Measure	Target				Actual 2019/20	How Measured
		Year 1 2021/22	Year 2 2022/23	Year 3 2023/24	Years 4-10 2024/25		
Discharge Compliance	Compliance with the territorial authority's resource consents for discharge from its stormwater system, measured by the number of: <ul style="list-style-type: none"> Abatement notices Infringement notices Enforcement orders, and Convictions received by the territorial authority in relation to those resource consents. 	N/A	N/A	N/A	N/A	Not Applicable	Council does not hold discharge consents for discharge from its stormwater system.
Response 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.	1 hour	1 hour	1 hour	1 hour	Achieved – 0 – No flooding events meeting the criteria	Work order tracking/reporting through Council's Infrastructure asset management system.
Customer Satisfaction	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	<8	<8	<8	Achieved – 0	Reporting against corporate CRM system.

1.5 Key Future Projects

Project	Category	2021/22	2022/23	2023/24	2024-31
Pipework capacity increase	Level of Service	\$135,000	\$139,700	\$143,300	\$1,129,885
Modelling	Level of Service	\$0	\$31,000	\$0	\$0
Silt retention lake bypass	Level of Service	\$0	\$0	\$265,400	\$0
Safety improvements	Level of Service	\$117,370	\$121,400	\$124,600	\$982,330
Safety improvements	Replacements	\$0	\$0	\$0	\$96,000
Silt retention – Victoria Park	Replacements	\$0	\$0	\$0	\$65,400
Reticulation renewals	Replacements	\$53,000	\$55,000	\$56,000	\$605,000

1.6 Statement of Prospective Financial Performance

The ten year detailed financial summary including inflation for the Stormwater activity is shown below.

Budget 2020/21 \$000		Forecast	Projection								
		2021/22 \$000	2022/23 \$000	2023/24 \$000	2024/25 \$000	2025/26 \$000	2026/27 \$000	2027/28 \$000	2028/29 \$000	2029/30 \$000	2030/31 \$000
328	Operating Expenditure	363	373	394	436	451	469	515	532	551	597
0	Revenue	0	0	0	0	0	0	0	0	0	0
328	Net Cost of Service	363	373	394	436	451	469	515	532	551	597
EXPENDITURE											
61	Operating Costs	63	59	61	62	64	66	68	69	71	73
18	Interest	22	27	35	49	54	59	77	83	89	95
141	Depreciation	146	151	157	182	187	193	218	224	230	264
107	Allocated Overheads	132	136	140	143	146	151	153	156	161	164
328	Total Operating Expenditure	363	373	394	436	451	469	515	532	551	597
27	Principal Loan Repayments	41	50	64	78	86	94	102	110	119	127
292	Capital Expenditure	305	347	590	442	343	352	364	376	388	453
647	Total Expenditure	709	770	1,048	956	880	915	981	1,018	1,058	1,176
FUNDED BY:											
0	Revenue	0	0	0	0	0	0	0	0	0	0
0	General Rates	(0)	(0)	0	0	(0)	(0)	(0)	0	0	(0)
326	UAGC	356	367	387	429	444	462	508	526	545	591
0	Targeted Rates	0	0	0	0	0	0	0	0	0	0
85	Transfer from Reserves	94	105	121	245	146	155	165	176	186	249
0	Depreciation funded from Reserves	0	0	0	0	0	0	0	0	0	0
234	Loan Funding - Capital	252	292	533	275	283	291	300	310	321	331
2	Grants/Other Funding - Capital	0	0	0	0	0	0	0	0	0	0
1	Other Funding	7	7	6	7	7	7	7	7	6	5
647	Total Funding	709	770	1,048	956	880	915	981	1,018	1,058	1,176



1.1 What We Do

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

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

1.2 Why We Do It

Council has obligations under the Local Government Act 2002, the Health Act 1956 and the Building Act 2004 that outline general duties of a local authority to improve, promote and protect public health through the sanitary and responsible treatment and disposal of wastewater.

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

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

This activity contributes to the community outcomes of:

- Sustainable Environment
- Enabling Economy

1.3 Significant Negative Effects

The Wastewater activity has the potential to negatively impact the social, economic, environmental or cultural well-being of the local community. The most likely significant negative effects from this activity and the mitigation measures in place, are outlined below.

Social, economic, environmental & cultural - The Wastewater system has the potential to affect community health. Continued efforts are made to ensure that environmental effects are minimised. This is addressed through ongoing improvements to the treatment system which form part of the resource consent.

Social, economic, environmental & cultural - Odour is managed through the resource consent process. The upgrade of the oxidation pond treatment system through increased aeration and screening will further minimise the possibility of odour problems.

Social, economic, environmental & cultural – Periodic failures in the system, such as blockages and overflows are being addressed as a priority and the immediate resolution followed up by root cause investigation to minimise the risk of future recurrence.

Cultural – Historically, the treatment and disposal of wastewater raised cultural concerns, such as the direct disposal of the discharge from the oxidation ponds to the Patea River. These were addressed as part of the consent consultation process and subsequent upgrades. Council will continue to give consideration to cultural aspects as part of future upgrades.

These negative effects and any controls and mitigation in place have to be balanced against the positive impact the activity has on the social, economic, environmental and cultural well-being of its users and the district overall.

1.4 Statement of Service Provision

Level of Service	Performance Measure	Target				Actual 2019/20	How Measured
		Year 1 2021/22	Year 2 2022/23	Year 3 2023/24	Years 4-10 2024/25		
Wastewater is managed without risk to public health.	System and adequacy - The number of dry weather sewerage overflows from the territorial authority's sewerage system, expressed per 1000 sewerage connections to that sewerage system.	<5	<5	<5	<5	Achieved - 0	Reporting against corporate CRM system.
	Discharge compliance - Compliance with the territorial authority's resource consents for discharge from its sewerage system measured by the number of <ul style="list-style-type: none"> • Abatement notices • Infringement notices • Enforcement orders; and • Convictions, Received by the territorial authority in relation to those resource consents.	0	0	0	0	Achieved - 0	Consent & compliance documentation.

Level of Service	Performance Measure	Target				Actual 2019/20	How Measured
		Year 1 2021/22	Year 2 2022/23	Year 3 2023/24	Years 4-10 2024/31		
Fault response times	Where the territorial authority attends to sewerage overflows resulting from a blockage or other fault in the territorial authority's sewerage system, the following median response times measured:						Work order tracking/reporting through Council's Infrastructure asset management system.
	Attendance time: from the time that the territorial authority receives notification to the time that service personnel reach the site; and	1 hour	1 hour	1 hour	1 hour	Achieved – 42 minutes	
	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	8 hours	8 hours	8 hours	Achieved – 4 hours 34 minutes	
Customer satisfaction	The total number of complaints received by the territorial authority about any of the following: <ul style="list-style-type: none"> • Sewage odour • Sewerage system faults • Sewerage system blockages, and • The territorial authority's response to issues with its sewerage system, Expressed per 1000 connections to the territorial authority's sewerage system.	<5	<5	<5	<5	Achieved – 0	Reporting against corporate CRM system.
Trade Waste complaints response times	Attendance time: from the time that Council receives notification to the time that a Trade Waste Officer arrives on site.	<2 working days	<2 working days	<2 working days	<2 working days	New Measure	Work order tracking/reporting through Assetfinda
Trade Waste consent processing	Percentage of trade waste consent applications processed within 15 working days.	100%	100%	100%	100%	New Measure	Authority

1.5 Key Future Projects

Project	Category	2021/22	2022/23	2023/24	2024-31
Pipework capacity increase	Level of Service	\$150,000	\$155,200	\$159,300	\$722,500
Modelling	Level of Service	\$0	\$51,700	\$0	\$0
Inflow and infiltration programme	Level of Service	\$150,000	\$155,200	\$159,300	\$722,500
Diatomix to enhance growth of good algae	Level of Service	\$500,000	\$0	\$0	\$0
Campervan discharge facility	Level of Service	\$0	\$0	\$7,900	\$36,900
Desludging ponds	Level of Service	\$0	\$0	\$0	\$655,500
Treatment upgrade	Level of Service	\$0	\$0	\$53,000	\$168,300
Infiltration renewals	Replacements	\$183,000	\$189,400	\$194,300	\$1,394,900
Bulk discharge renewals	Replacements	\$0	\$31,000	\$0	\$24,300
Safety renewals	Replacements	\$0	\$0	\$0	\$12,100
Pumps and electrics	Replacements	\$0	\$0	\$31,800	\$0
Campervan discharge facility	Replacements	\$0	\$0	\$0	\$12,100
Routine step/aerate renewals	Replacements	\$30,000	\$31,000	\$31,800	\$251,000

1.6 Statement of Prospective Financial Performance

The ten year detailed financial summary including inflation for this activity is shown below.

Budget 2020/21 \$000		Forecast				Projection					
		2021/22 \$000	2022/23 \$000	2023/24 \$000	2024/25 \$000	2025/26 \$000	2026/27 \$000	2027/28 \$000	2028/29 \$000	2029/30 \$000	2030/31 \$000
993	Operating Expenditure	1,058	1,073	1,110	1,199	1,206	1,241	1,343	1,346	1,377	1,487
73	Revenue	73	75	77	78	80	82	83	85	87	89
920	Net Cost of Service	985	998	1,034	1,121	1,126	1,159	1,259	1,261	1,289	1,398
	EXPENDITURE										
423	Operating Costs	452	428	439	472	461	473	508	497	510	547
59	Interest	42	53	59	72	76	81	101	103	104	115
300	Depreciation	311	331	340	380	387	394	440	446	451	510
211	Allocated Overheads	254	261	273	275	281	294	294	300	312	315
993	Total Operating Expenditure	1,058	1,073	1,110	1,199	1,206	1,241	1,343	1,346	1,377	1,487
91	Principal Loan Repayments	76	96	107	116	122	129	134	137	139	154
687	Capital Expenditure	1,013	614	638	472	508	500	456	446	449	1,145
1,771	Total Expenditure	2,147	1,783	1,855	1,787	1,836	1,869	1,933	1,930	1,965	2,785
	FUNDED BY:										
73	Charges for Services	73	75	77	78	80	82	83	85	87	89
73	Revenue	73	75	77	78	80	82	83	85	87	89
881	Targeted Rates	936	985	1,021	1,107	1,112	1,146	1,245	1,248	1,278	1,387
36	Transfers (to) from Reserves	36	0	0	0	0	0	0	0	0	0
293	Transfer from Reserves	289	348	365	316	350	340	352	399	410	459
0	Depreciation funded from Reserves	0	0	0	0	0	0	0	0	0	0
485	Loan Funding - Capital	800	362	380	273	281	288	238	184	178	839
3	Other Funding	13	13	12	14	13	13	14	13	12	10
1,771	Total Funding	2,147	1,783	1,855	1,787	1,836	1,869	1,933	1,930	1,965	2,785



1.1 What We Do

The Solid Waste activity encompasses the planning and provision of solid waste services and the operation, maintenance and renewal of all associated infrastructure.

The Council provides domestic refuse and recycling services to the households in the urban area of Stratford and Midhirst. In addition, it contracts out the operations of a transfer station in Stratford which allows for the disposal of general waste, recycling and green waste. All services are provided by a contractor with all recycling transported to the Materials Recovery Facility in New Plymouth, the general waste transported to the Hawera Transfer Station, consolidated with South Taranaki Districts general waste, then taken to the Bonny Glen landfill in the Rangitikei.

1.2 Why We Do It

The Council provides the Solid Waste service to meet the needs and requirements of its customers and stakeholders. The goals and objectives of the Solid Waste Activity as per the LTP are to ensure that the:

- Levels of waste generated are reducing; and
- waste collection services meet the needs of the community.

This activity contributes to the community outcomes of:

- Sustainable Environment
- Enabling Economy

1.3 Significant Negative Effects

The Solid Waste activity has the potential to negatively impact the social, economic, environmental or cultural well-being of the local community. The most likely significant negative effects from this activity and the mitigation measures in place, are outlined below.

Social, economic, environmental & cultural - disposal of solid waste to land has inherent negative impacts on the social, environmental and cultural wellbeing. To minimise these impacts, council only sends waste to appropriately consented sites and aims to minimise the volume of waste it sends to landfill by actively seeking further opportunities to increase waste minimisation and diversion.

Social, economic, environmental & cultural - odour, litter and noxious materials originating from historic, closed landfills can have negative impacts on the social, environmental and cultural wellbeing. These effects are controlled and minimised by resource consents and management practices.

These negative effects and any controls and mitigation in place have to be balanced against the positive impact the activity has on the social, economic, environmental and cultural well-being of its users and the district overall.

1.4 Statement of Service Provision

Level of Service	Performance Measure	Target				Actual 2019/20	How Measured
		Year 1 2021/22	Year2 2022/23	Year3 2023/24	Years 4-10 2024/31		
The levels of waste generated are reducing.	Waste to landfill per household (municipal kerbside collection only)	<600kg	<600KG	<600KG	<600KG	Achieved - 634kg	Landfill invoices & transactions.
	Percentage (by weight) of council controlled waste stream that is recycled (municipal kerbside collection only).	>20%	>20%	>20%	>20%	Not Achieved - 11%	Recycling facility invoices & transactions.
The waste collection service meets the needs of the community.	Percentage of customers satisfied with the service provided.	>80%	>80%	>80%	>80%	Achieved - 96%	Annual Residents Survey

1.5 Key Future Projects

Project	Category	2021/22	2022/23	2023/24	2024-31
Transfer Station building renewals	Replacements	\$0	\$10,000	\$0	\$60,100

1.6 Statement of Prospective Financial Performance

The ten year detailed financial summary including inflation for the Solid waste activity is shown below.

Budget 2020/21 \$000		Forecast 2021/22 \$000	Projection									
			2022/23 \$000	2023/24 \$000	2024/25 \$000	2025/26 \$000	2026/27 \$000	2027/28 \$000	2028/29 \$000	2029/30 \$000	2030/31 \$000	
858	Operating Expenditure	883	910	933	956	981	1,015	1,038	1,066	1,098	1,125	
83	Revenue	108	110	111	113	115	117	119	121	123	125	
776	Net Cost of Service	776	800	822	843	866	898	919	945	975	1,000	
EXPENDITURE												
671	Operating Costs	682	704	722	741	761	789	809	831	857	883	
25	Interest	20	19	18	20	19	18	21	20	20	19	
31	Depreciation	30	31	31	31	33	33	33	35	35	35	
132	Allocated Overheads	152	156	162	164	168	175	176	179	186	188	
858	Total Operating Expenditure	883	910	933	956	981	1,015	1,038	1,066	1,098	1,125	
12	Landfill Aftercare Expenditure	7	7	7	7	7	7	3	0	0	0	
38	Principal Loan Repayments	36	35	33	32	31	30	28	27	26	25	
21	Capital Expenditure	0	10	0	11	0	11	0	12	14	12	
928	Total Expenditure	926	962	974	1,006	1,019	1,063	1,070	1,105	1,138	1,162	
FUNDED BY:												
83	Charges for Services	108	110	111	113	115	117	119	121	123	125	
83	Revenue	108	110	111	113	115	117	119	121	123	125	
696	Targeted Rates	756	780	801	820	844	875	891	913	943	968	
19	UAGC	19	20	20	21	22	22	23	24	24	25	
0	Loan Funding - Capital	0	0	0	0	0	0	0	0	0	0	
129	Transfer from Reserves	36	45	33	43	31	41	28	39	41	37	
2	Other Funding	8	8	7	8	8	8	8	8	7	6	
928	Total Funding	926	962	974	1,006	1,019	1,063	1,070	1,105	1,138	1,162	



1.1 What We Do

The Water Supply activity encompasses the planning, provision, operation, maintenance and renewal of water treatment and reticulation systems, and all associated infrastructure.

Council operates three urban water supplies servicing the Stratford, Toko and Midhirst townships, with river fed sources for Stratford and Midhirst and a bore supply for Toko.

1.2 Why We Do It

Council has assumed the role of provider of Water Supply to provide all properties in the water supply zones with a constant, safe and sustainable water supply.

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

- Water is safe to drink;
- A reliable water supply is provided;
- Water has a pleasant taste and odour;
- Water flow and pressure is appropriate for its intended use; and
- Water supply meets firefighting requirements.

This activity contributes to the community outcomes of:

- Sustainable Environment
- Enabling Economy

1.3 Significant Negative Effects

The Water Supply activity has the potential to negatively impact the social, economic, environmental or cultural well-being of the local community. The most likely significant negative effects from this activity and the mitigation measures in place, are outlined below.

Social & Economic - Failure to meet Drinking Water Standards could have a significant negative impact on the social and economic well-being of its users and the district overall.

Social, economic, environmental & cultural – Discharge of contaminants to air, water or land could have a significant negative impact on the social, economic, environmental and cultural well-being of its users and the district overall.

These negative effects and any controls and mitigation in place have to be balanced against the positive impact the activity has on the social, economic, environmental and cultural well-being of its users and the district overall.

1.4 Statement of Service Provision

Level of Service	Performance Measure	Target				Actual 2019/20	How Measured
		Year 1 2021/22	Year2 2022/23	Year3 2023/24	Years 4-10 2024/31		
Water is safe to drink.	The extent to which the local authority's drinking water supply complies with:						Plant & reticulation performance records in water outlook. Includes water quality sampling programme records as well as any plant non-performances.
	Part 4 of the drinking water standards (bacterial compliance criteria), and	100%	100%	100%	100%	Stratford – Achieved -100% Midhurst – Achieved – 100% Toko – Achieved – 100%	
	Part 5 of the drinking water standards (protozoal compliance criteria).	100%	100%	100%	100%	Achieved – 100% Midhurst – Achieved – 100% Toko – Achieved – 100%	
	Maintenance of the reticulation network - 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%	<25%	<25%	<25%	Achieved Stratford –21.4% Midhurst –10.1% Toko – 12.0%	Calculated annually as per NZWWA Water Loss Guidelines.
A reliable water supply is provided.	Fault Response Times – Where the local authority attends a call-out in response to a fault or unplanned interruption to its networked reticulation system, the following median response times are measured:						Work order tracking/reporting through Council's Infrastructure asset management system.
	Attendance for urgent call-outs: from the time that council receives notification to the time that service personnel reach the site.	1 hour	1 hour	1 hour	1 hour	Achieved – 33 minutes	
	Resolution of urgent call-outs: from the time that council receives notification to the time the service personnel confirm resolution of the fault or interruption.	8 hours	8 hours	8 hours	8 hours	Achieved – 2 hours 41 minutes	
A reliable water supply is provided.	Attendance for non-urgent call-outs: from the time that council receives notification to the time that service personnel confirm resolution of the fault or interruption	2 working days	2 working days	2 working days	2 working days	Achieved – 8 hours 1 minute	Work order tracking/reporting through Council's Infrastructure asset management system. Affected property numbers provided via GIS/Asset Management System

Level of Service	Performance Measure	Target				Actual 2019/20	How Measured
		Year 1 2021/22	Year2 2022/23	Year3 2023/24	Years 4-10 2024/31		
A reliable water supply is provided.	Resolution of non-urgent call-outs: from the time that council receives notification to the time the service personnel confirm resolution of the fault or interruption	5 working days	5 working days	5 working days	5 working days	Achieved – 11 hours 29 minutes	Work order tracking/reporting through Council's Infrastructure asset management system. Affected property numbers provided via GIS/Asset Management System
	Number of unplanned disruptions:						
	Minor * (between 5 and 50 connections affected)	<6	<6	<6	<6	Not Achieved – 5 (target was <5)	Work order tracking/reporting through Council's Infrastructure asset management system. Affected property numbers provided via GIS/Asset Management System
	Major * (more than 50 connections affected)	<3	<3	<3	<3	Achieved - 0	Affected property numbers provided via GIS/Asset Management System
Water has a pleasant taste and odour.	Customer Satisfaction - Total number of complaints received for: <ul style="list-style-type: none"> • Drinking water clarity • Drinking water taste • Drinking water odour • Drinking water pressure or flow • Continuity of supply • Council's response to any of these issues expressed per 1000 connections to council's networked reticulation system.	<32	<32	<32	<32	Achieved: - 2.6	Reporting against corporate CRM system.
<i>Note: This is understood to be limited to supplied properties within the water supply zones.</i>							
Water has a pleasant taste and odour.	Demand management - The average consumption of drinking water per day per resident within the district (in litres).	<275	<275	<275	<275	Achieved: Stratford - 248.1 Midhurst - 262.1 Toko - 157.8	Calculated from production records ex SCADA/Water Outlook, deducting commercial users as per water meter records as well as any other non-residential use and losses (as per bench loss), divided by number of residential connections and average number of residents per property.

Level of Service	Performance Measure	Target				Actual 2019/20	How Measured
		Year 1 2021/22	Year2 2022/23	Year3 2023/24	Years 4-10 2024/31		
Water flow and pressure is appropriate for its intended use.	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%	100%	100%	100%	Achieved – 52 properties tested for water pressure and flow - all passed – 100%	Pressure and flow to be measured at a minimum of 50 properties per annum. Test results recorded by handheld device directly into asset management system against property's point of supply. Where test at tap inside property fails, test will be repeated at point of supply (toby/meter box) to isolate problems with private pipework from public network. Customer is advised if problem with internal plumbing.
Water supply meets fire fighting requirements.	Fire hydrants meet NZFS Code of Practice conditions regarding supply.	100%	100%	100%	100%	Achieved – 31 hydrants were tested and all 31 passed the test – 100%.	Flow & pressure testing carried out by council contractor and or NZ Fire Service to NZ Fire Fighting Code of Practice standards.

1.5 Key Future Projects

Project	Category	2021/22	2022/23	2023/24	2024-31
Universal water metering implementation	Level of Service	\$349,500	\$361,400	\$337,100	\$1,147,000
Second water trunk main	Level of Service	\$1,400,000	\$1,511,100	\$0	\$0
Street work rider mains	Level of Service	\$0	\$31,000	\$31,800	\$143,300
Midhirst reservoir	Level of Service	\$0	\$0	\$0	\$327,100
Pressure reducing and zone valves	Level of Service	\$30,000	\$0	\$0	\$0
Pipe bridges	Replacements	\$0	\$103,500	\$0	\$0
Midhirst resource consent	Replacements	\$100,000	\$103,500	\$106,200	\$0
Hydrants	Replacements	\$14,800	\$15,300	\$15,700	\$123,800
Laterals	Replacements	\$30,600	\$31,600	\$32,500	\$256,100
Meter renewals	Replacements	\$50,000	\$51,700	\$53,100	\$4,184,000
Street work rider mains – 3 waters schemes	Replacements	\$270,000	\$263,900	\$270,700	\$2,188,500
Toko bore	Replacements	\$0	\$134,500	\$0	\$0
Reservoir overflow to pond	Replacements	\$0	\$77,600	\$0	\$0
Reservoir cleaning – 3 water schemes	Replacements	\$50,000	\$0	\$0	\$57,600
Membranes	Replacements	\$150,000	\$0	\$0	\$0
Infrastructure general – 3 water schemes	Replacements	\$29,500	\$30,500	\$31,300	\$246,900

1.6 Statement of Prospective Financial Performance

The ten year detailed financial summary including inflation for the Water Supply activity is shown below.

Budget 2020/21 \$000		Forecast	Projection								
		2021/22 \$000	2022/23 \$000	2023/24 \$000	2024/25 \$000	2025/26 \$000	2026/27 \$000	2027/28 \$000	2028/29 \$000	2029/30 \$000	2030/31 \$000
1,904	Operating Expenditure	1,836	1,856	1,991	2,043	2,097	2,160	2,331	2,507	2,531	2,629
445	Revenue	376	390	1,082	1,149	1,242	1,281	1,382	1,489	1,505	1,565
1,459	Net Cost of Service	1,460	1,466	910	894	855	879	949	1,018	1,026	1,064
EXPENDITURE											
860	Operating Costs	736	698	758	727	752	777	784	811	820	846
206	Interest	170	179	187	218	221	222	324	375	360	344
414	Depreciation	429	464	502	555	569	576	642	728	729	817
424	Allocated Overheads	501	515	544	543	555	586	580	593	623	622
1,904	Total Operating Expenditure	1,836	1,856	1,991	2,043	2,097	2,160	2,331	2,507	2,531	2,629
339	Principal Loan Repayments	336	355	373	384	393	396	478	548	531	514
1,001	Capital Expenditure	2,474	2,716	879	1,088	833	897	4,741	523	540	498
3,244	Total Expenditure	4,645	4,926	3,242	3,515	3,323	3,453	7,549	3,577	3,602	3,641
FUNDED BY:											
445	Charges for Services	376	390	1,082	1,149	1,242	1,281	1,382	1,489	1,505	1,565
445	Revenue	376	390	1,082	1,149	1,242	1,281	1,382	1,489	1,505	1,565
1,453	Targeted Rates	1,434	1,441	885	867	828	854	921	992	1,003	1,043
0	Transfer (to) from Reserves	0	0	0	0	0	0	0	0	0	0
339	Transfer from Reserves	930	1,063	776	798	836	892	930	1,034	1,033	1,012
0	Depreciation funded from Reserves	0	0	0	0	0	0	0	0	0	0
0	Cash From Investments	0	0	0	0	0	0	0	0	0	0
1,001	Loan Funding - Capital	480	982	475	673	390	401	4,289	37	38	0
0	Grants/Donations - Capital	1,400	1,025	0	0	0	0	0	0	0	0
6	Other Funding	25	25	25	27	26	25	28	25	23	21
3,244	Total Funding	4,645	4,926	3,242	3,515	3,323	3,453	7,549	3,577	3,602	3,641



COUNCIL CONTROLLED ORGANISATIONS

PERCY THOMSON TRUST

1.1 Background

The Local Government Act 2002 defines entities in which Council has more than a 50% shareholding, or the ability to appoint more than 50% of the directors, as Council Controlled Organisations. The Stratford District Council has one organisation that meets these criteria and is therefore a Council Controlled Organisation; the Percy Thomson Trust.

The Trust was established to fulfil the wishes and bequest of the late Percy Thomson to provide an art gallery, arboretum and herbarium. There are to be a minimum of six trustees and a maximum of seven on the trust and less than 50% of the trustees can come from elected representatives.

1.2 Nature and Scope of Activities

The Percy Thomson Gallery is located in Prospero Place and provides a total display area of 178m². The arboretum has been established at Cloten Road, and the herbarium is a 'virtual' asset that can be found at www.taranakiplants.net.nz.

The Trust Deed sets out the objectives of the Trust and the key points are:

- to manage and promote the facilities.
- to establish exhibition programmes and education policies.
- encouraging public enjoyment and utilisation of Trust facilities and collections.
- to care for any art collections loaned.
- to look at ways of raising revenue.

Council provides administration services to the Trust and leases the Information Centre area from the Trust.

1.3 Why We Do It

The Percy Thomson Trust contributes to the community outcomes by providing for the cultural requirements of the District.

1.4 Performance Measures

Level of Service	Performance Measure	Target				Actual 2019/20	How Measured
		Year 1 2021/22	Year2 2022/23	Year3 2023/24	Years 4-10 2024/31		
Delivery of art exhibitions	Deliver proposed art exhibitions which will include at least 1 local, 1 regional and 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..	Deliver proposed art exhibitions which will include local, regional and at least 1 National.	Not Achieved	Art Gallery Records
	Number of visitors to the Gallery to be not less than 20,000 per year	>20,000	>20,000	>20,000	>20,000	Not Achieved: 19,433	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.	Develop and maintain the arboretum to the standards in the Facilities Management Contract.	Achieved Note: The arboretum has been maintained by Stratford District Council on behalf of the Trust, and meets the standards as set out in the Facilities Management Contract. The planting programme was also maintained, and continued on in conjunction with the plantings/replacement of native trees.	Council Records
Delivery of Herbarium	Explore alternative options to achieve this measure	To be reset following the conclusion of the 2021/22 review.	To be reset following the conclusion of the 2021/22 review.	To be reset following the conclusion of the 2021/22 review.	To be reset following the conclusion of the 2021/22 review.	Not Achieved	Dependent on option selected

PROSPECTIVE STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSE

Budget 2020/21 \$000		Forecast 2021/22 \$000	Projection								
			2022/23 \$000	2023/24 \$000	2024/25 \$000	2025/26 \$000	2026/27 \$000	2027/28 \$000	2028/29 \$000	2029/30 \$000	2030/31 \$000
	REVENUE										
13,321	Rates Revenue (Note 1)	13,950	14,816	15,443	16,207	16,997	17,919	18,698	19,382	20,026	20,890
2,345	User Charges for Services	2,563	2,626	2,763	2,819	2,871	2,920	2,981	3,032	3,084	3,138
7,341	Subsidies and Grants	12,625	6,394	5,723	5,750	9,492	8,721	5,869	5,873	6,467	6,629
139	Finance Revenue	206	206	206	240	240	240	296	296	296	296
0	Development & Financial Contributions	0	0	0	0	0	0	0	0	0	0
3,816	Other Revenue - sale of land	0	0	3,274	0	0	0	0	0	0	0
44	Sundry Revenue	46	46	46	46	46	46	46	46	46	46
27,005	TOTAL REVENUE	29,390	24,088	27,454	25,061	29,646	29,846	27,889	28,628	29,919	30,998
	EXPENSE										
4,157	Employee Benefit Expenses	4,819	4,932	5,045	5,071	5,182	5,296	5,413	5,532	5,653	5,778
9,478	Other Direct Operating Costs	9,777	9,962	10,693	11,262	11,470	11,363	11,473	11,879	12,262	12,689
0	Cost of sales - subdivision	0	0	1,372	0	0	0	0	0	0	0
665	Finance Costs	477	637	720	781	829	890	1,151	1,192	1,204	1,226
4,810	Depreciation and Amortisation	4,912	5,426	5,589	6,077	6,316	6,523	7,054	7,286	7,292	8,139
19,111	TOTAL OPERATING EXPENSE	19,985	20,957	23,420	23,190	23,797	24,072	25,090	25,889	26,412	27,832
7,894	NET SURPLUS/(DEFICIT) BEFORE TAX	9,404	3,131	4,034	1,872	5,849	5,774	2,800	2,739	3,507	3,167
0	Income Tax Expense	0	0	0	0	0	0	0	0	0	0
7,894	SURPLUS/(DEFICIT) AFTER TAX	9,404	3,131	4,034	1,872	5,849	5,774	2,800	2,739	3,507	3,167
	Surplus/Deficit attributable to:										
7,894	Stratford District Council	9,404	3,131	4,034	1,872	5,849	5,774	2,800	2,739	3,507	3,167
	OTHER COMPREHENSIVE REVENUE AND EXPENSE										
0	Loss on sale of financial assets at fair value through other comprehensive revenue and expense	0	0	0	0	0	0	0	0	0	0
0	Revaluation of financial assets at fair value through other comprehensive revenue and expense	0	0	0	0	0	0	0	0	0	0
(48)	Staff Gratuities Expenditure	0	0	0	0	0	0	0	0	0	0
0	Gains/(Loss) on property revaluation	7,708	1,394	0	25,556	4,140	0	33,334	4,684	0	43,194
(48)	Total Other Comprehensive Revenue and Expense	7,708	1,394	0	25,556	4,140	0	33,334	4,684	0	43,194
7,847	TOTAL COMPREHENSIVE REVENUE AND EXPENSE	17,113	4,525	4,034	27,428	9,989	5,774	36,134	7,423	3,507	46,360
	Total Comprehensive Revenue and Expense attributable to:										
7,847	Stratford District Council	17,113	4,525	4,034	27,428	9,989	5,774	36,134	7,423	3,507	46,360

Budget 2020/21 \$000		Forecast 2021/22 \$000	Projection								
			2022/23 \$000	2023/24 \$000	2024/25 \$000	2025/26 \$000	2026/27 \$000	2027/28 \$000	2028/29 \$000	2029/30 \$000	2030/31 \$000
	Depreciation Allocated to each Group of Activities										
712	Recreation and Facilities	794	1,222	1,301	1,368	1,526	1,571	1,589	1,710	1,717	1,965
303	Democracy	252	270	290	301	335	359	354	356	340	353
88	Community Development	55	55	56	57	62	61	61	66	65	65
7	Environmental Services	5	5	5	5	5	5	5	5	5	5
2,814	Roading	2,891	2,897	2,907	3,197	3,213	3,330	3,711	3,715	3,718	4,124
141	Stormwater Drainage	146	151	157	182	187	193	218	224	230	264
300	Wastewater (Sewerage)	311	331	340	380	387	394	440	446	451	510
31	Solid Waste	30	31	31	31	33	33	33	35	35	35
414	Water Supply	429	464	502	555	569	576	642	728	729	817
4,810	TOTAL DEPRECIATION ALLOCATED TO EACH GROUP OF ACTIVITIES	4,912	5,426	5,589	6,076	6,315	6,522	7,053	7,285	7,291	8,138

PROSPECTIVE STATEMENT OF FINANCIAL POSITION

Budget 2020/21 \$000		Forecast	Projection								
		2021/22 \$000	2022/23 \$000	2023/24 \$000	2024/25 \$000	2025/26 \$000	2026/27 \$000	2027/28 \$000	2028/29 \$000	2029/30 \$000	2030/31 \$000
	Current Assets										
981	Cash and Cash Equivalents	675	433	957	1,402	2,401	3,855	5,589	7,352	9,178	11,025
3,000	Financial Investments	11,200	11,200	11,200	11,200	11,200	11,200	11,200	11,200	11,200	11,200
0	Inventory	960	1,268	0	0	0	0	0	0	0	0
1,026	Debtors and Other Receivables	1,049	1,049	1,049	1,049	1,049	1,049	1,049	1,049	1,049	1,049
5,007	Total Current Assets	13,884	13,950	13,206	13,651	14,650	16,104	17,838	19,601	21,427	23,274
	Non-Current Assets										
921	Investment in Other Financial Assets	865	865	865	865	865	865	865	865	865	865
0	Investment in CCO's and other Entities (Note 3)	0	0	0	0	0	0	0	0	0	0
344,534	Property, Plant & Equipment	369,658	377,082	381,571	410,051	422,290	428,466	466,372	471,159	474,496	518,776
345,455	Total Non-Current Assets	370,523	377,947	382,436	410,916	423,155	429,331	467,237	472,024	475,361	519,641
350,462	TOTAL ASSETS	384,407	391,897	395,642	424,568	437,805	445,435	485,075	491,625	496,789	542,915
	Current Liabilities										
2,067	Creditors and Other Payables	3,823	3,823	3,823	3,823	3,823	3,823	3,823	3,823	3,823	3,823
11	Provisions	7	7	7	7	7	3	0	0	0	0
117	Employee Benefit Liabilities	183	183	183	183	183	183	183	183	183	183
1,500	Borrowings	3,652	3,949	3,921	4,072	4,397	4,583	4,934	4,847	5,013	4,989
3,695	Total Current Liabilities	7,665	7,962	7,934	8,085	8,410	8,592	8,940	8,853	9,019	8,995
	Non-Current Liabilities										
23,036	Borrowings	32,869	35,544	35,290	36,644	39,573	41,250	44,409	43,623	45,114	44,903
45	Provisions	31	24	17	10	3	0	0	0	0	0
46	Employee Benefit Liabilities	49	49	49	49	49	49	49	49	49	49
23,127	Total Non-Current Liabilities	32,949	35,617	35,356	36,703	39,625	41,299	44,458	43,672	45,163	44,952
	Public Equity										
181,362	Accumulated comprehensive revenue and expense	193,974	196,391	198,887	199,404	203,181	206,419	206,326	206,080	206,516	206,557
7,099	Reserves / Special Funds	8,206	8,921	10,459	11,814	13,886	16,422	19,314	22,299	25,370	28,496
135,197	Asset Revaluation Reserves	141,612	143,006	143,006	168,562	172,703	172,703	206,037	210,721	210,721	253,915
323,659	Total Equity	343,793	348,318	352,351	379,780	389,770	395,543	431,677	439,100	442,608	488,968
350,481	TOTAL LIABILITIES & EQUITY	384,407	391,897	395,642	424,568	437,805	445,435	485,075	491,625	496,789	542,915

NOTES TO THE ABOVE STATEMENTS

Budget 2020/21 \$000		Forecast	Projection								
		2021/22 \$000	2022/23 \$000	2023/24 \$000	2024/25 \$000	2025/26 \$000	2026/27 \$000	2027/28 \$000	2028/29 \$000	2029/30 \$000	2030/31 \$000
	Note 1										
	Rates Revenue consists of:										
12,895	- Rates	13,574	14,426	14,361	15,058	15,755	16,638	17,316	17,893	18,522	19,325
445	- Targeted rates for metered water supply	376	390	1082	1149	1242	1281	1382	1489	1505	1565
13,340	Total Rates Revenue	13,950	14,816	15,443	16,207	16,997	17,919	18,698	19,382	20,026	20,890
	Note 2										
	Subsidies and Grants consists of:										
3,666	- Subsidies from NZTA for financial assistance	5,446	5,353	5,690	5,716	9,492	8,721	5,869	5,873	6,467	6,629
3,676	- Grants	719	1041	34	34	0	0	0	0	0	0
7,341	Total Subsidies and Grants Revenue	12,625	6,394	5,723	5,750	9,492	8,721	5,869	5,873	6,467	6,629
	Note 3										
	Investment in CCO's and other Entities										
\$100	- Percy Thomson Trust	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100
\$10	- Stratford Health Trust	\$10	\$10	\$10	\$10	\$10	\$10	\$10	\$10	\$10	\$10
\$10	- Stratford Community House Trust	\$10	\$10	\$10	\$10	\$10	\$10	\$10	\$10	\$10	\$10
\$120	Total Investment in CCO's and other	\$120	\$120	\$120	\$120	\$120	\$120	\$120	\$120	\$120	\$120

PROSPECTIVE STATEMENT OF CHANGES IN NET ASSETS/EQUITY

Budget 2020/21		Forecast	Projection								
		2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
\$000		\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
		NET ASSETS/EQUITY - OPENING BALANCES									
175,066	Accumulated comprehensive revenue and expense	185,352	193,974	196,391	198,887	199,404	203,181	206,419	206,326	206,080	206,516
5,549	Reserves / Special Funds	7,424	8,206	8,921	10,459	11,814	13,886	16,422	19,314	22,299	25,370
135,197	Asset Revaluation Reserves	133,904	141,612	143,006	143,006	168,562	172,703	172,703	206,037	210,721	210,721
315,812	TOTAL NET ASSETS/ EQUITY - Opening Balance	326,680	343,793	348,318	352,352	379,780	389,769	395,543	431,677	439,100	442,607
		CHANGES IN NET ASSETS/EQUITY									
6,296	Accumulated comprehensive revenue and expense	8,622	2,416	2,497	516	3,777	3,238	(93)	(246)	437	41
1,550	Reserves / Special Funds	782	715	1,538	1,355	2,072	2,536	2,892	2,985	3,071	3,126
0	Asset Revaluation Reserves	7,708	1,394	0	25,556	4,140	0	33,334	4,684	0	43,194
7,847	TOTAL COMPREHENSIVE REVENUE AND EXPENSE	17,113	4,525	4,034	27,428	9,989	5,774	36,134	7,423	3,507	46,360
		NET ASSETS/EQUITY - CLOSING BALANCES									
181,362	Accumulated comprehensive revenue and expense	193,974	196,391	198,887	199,404	203,181	206,419	206,326	206,080	206,516	206,557
7,099	Reserves / Special Funds	8,206	8,921	10,459	11,814	13,886	16,422	19,314	22,299	25,370	28,496
135,197	Asset Revaluation Reserves	141,612	143,006	143,006	168,562	172,703	172,703	206,037	210,721	210,721	253,915
323,659	TOTAL NET ASSETS/EQUITY - Closing Balance	343,793	348,318	352,351	379,780	389,770	395,543	431,677	439,100	442,608	488,968

PROSPECTIVE CASH FLOW STATEMENT

Budget 2020/21 \$000		Forecast					Projection				
		2021/22 \$000	2022/23 \$000	2023/24 \$000	2024/25 \$000	2025/26 \$000	2026/27 \$000	2027/28 \$000	2028/29 \$000	2029/30 \$000	2030/31 \$000
	CASH FLOWS FROM OPERATING ACTIVITIES										
	Cash was Provided From:										
12,876	Rates	13,574	14,426	14,361	15,058	15,755	16,638	17,316	17,893	18,522	19,325
445	Water Supply Targeted Rate	376	390	1,082	1,149	1,242	1,281	1,382	1,489	1,505	1,565
3,661	NZTA Financial Assistance	5,446	5,353	5,690	5,716	9,492	8,721	5,869	5,873	6,467	6,629
139	Interest Revenue	206	206	206	240	240	240	296	296	296	296
3,836	Sale of land	0	0	3,274	0	0	0	0	0	0	0
44	Sundry Revenue	46	46	46	46	46	46	46	46	46	46
3,676	Grants and Donations	7,179	1,041	34	34	0	0	0	0	0	0
2,345	Other Revenue	2,563	2,626	2,763	2,819	2,871	2,920	2,981	3,032	3,084	3,138
27,020		29,390	24,088	27,454	25,061	29,646	29,846	27,889	28,628	29,919	30,998
	Cash was Applied To:										
9,532	Supply of Goods and Services	9,784	9,969	10,700	11,269	11,477	11,370	11,476	11,879	12,262	12,689
4,157	Payments to Employees	4,819	4,932	5,045	5,071	5,182	5,296	5,413	5,532	5,653	5,778
665	Interest Paid on Public Debt	477	637	720	781	829	890	1,151	1,192	1,204	1,226
14,355		15,080	15,537	16,465	17,120	17,488	17,556	18,039	18,603	19,120	19,693
12,665	NET CASH FROM OPERATING ACTIVITIES	14,310	8,550	10,989	7,941	12,158	12,290	9,850	10,024	10,799	11,305
	CASH FLOWS FROM INVESTING ACTIVITIES										
	Cash was Provided From:										
0	Sale of Investments	0	0	0	0	0	0	0	0	0	0
0		0	0	0	0	0	0	0	0	0	0
	Cash was Applied To:										
21,909	Purchase of Fixed Assets	28,535	11,764	10,183	9,001	14,414	12,698	11,626	7,389	10,629	9,225
0	Purchase of Investments	0	0	0	0	0	0	0	0	0	0
21,909		28,535	11,764	10,183	9,001	14,414	12,698	11,626	7,389	10,629	9,225
(21,909)	NET CASH FROM INVESTING ACTIVITIES	(28,535)	(11,764)	(10,183)	(9,001)	(14,414)	(12,698)	(11,626)	(7,389)	(10,629)	(9,225)
	CASH FLOWS FROM FINANCING ACTIVITIES										
	Cash was Provided From:										
14,566	Loans Received	13,821	2,972	(282)	1,505	3,255	1,863	3,509	(873)	1,656	(234)
14,566		13,821	2,972	(282)	1,505	3,255	1,863	3,509	(873)	1,656	(234)
	Cash was Applied To:										
4,530	Repayment of Public Debt	0	0	0	0	0	0	0	0	0	0
4,530		0	0	0	0	0	0	0	0	0	0
10,036	NET CASH FROM FINANCING ACTIVITIES	13,821	2,972	(282)	1,505	3,255	1,863	3,509	(873)	1,656	(234)
792	NET INCREASE (DECREASE) IN CASH HELD	(404)	(241)	524	445	998	1,455	1,734	1,763	1,826	1,847
3,189	TOTAL CASH RESOURCES AT 1 JULY	1,079	675	433	957	1,402	2,401	3,855	5,589	7,352	9,178
3,981	TOTAL CASH RESOURCES AT 30 JUNE	675	433	957	1,402	2,401	3,855	5,589	7,352	9,178	11,025

PROSPECTIVE STATEMENT OF NET PUBLIC DEBT

Budget 2020/21 \$000		Forecast					Projection				
		2021/22 \$000	2022/23 \$000	2023/24 \$000	2024/25 \$000	2025/26 \$000	2026/27 \$000	2027/28 \$000	2028/29 \$000	2029/30 \$000	2030/31 \$000
	PUBLIC DEBT										
14,500	Opening Balance (reforecasted in Year 1)	22,700	36,521	39,493	39,211	40,716	43,970	45,834	49,343	48,470	50,126
10,036	Loan Funded Capital less Loan Repayments	13,821	2,972	(282)	1,505	3,255	1,863	3,509	(873)	1,656	(234)
24,536	Closing Balance	36,521	39,493	39,211	40,716	43,970	45,834	49,343	48,470	50,126	49,893
23,555	Net Debt	35,846	39,060	38,253	39,313	41,570	41,978	43,754	41,118	40,948	38,868
	BORROWING HIGHLIGHTS										
5.00%	Interest Expense as a % of Rates Revenue	3.42%	4.30%	4.66%	4.82%	4.88%	4.96%	6.15%	6.15%	6.01%	5.87%
87.23%	Net Debt as a % of Annual Operating Revenue	121.97%	162.16%	139.34%	156.87%	140.22%	140.65%	156.88%	143.63%	136.86%	125.39%

PROSPECTIVE STATEMENT OF MOVEMENTS IN RESERVES

	Forecast	Projection								
	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
GENERAL RENEWAL RESERVE										
Opening Balance	4,049	4,558	5,629	6,851	7,908	9,300	10,923	12,559	14,246	15,982
Interest Credited	19	21	26	37	42	50	72	83	94	105
Transfers In	1,093	1,539	1,639	1,719	1,913	1,982	1,995	2,121	2,112	2,372
Transfers Out	(602)	(489)	(442)	(698)	(563)	(409)	(431)	(517)	(471)	(575)
Closing Balance	4,558	5,629	6,851	7,908	9,300	10,923	12,559	14,246	15,982	17,883
ROADING RENEWAL RESERVE										
Opening Balance	953	700	412	425	437	675	1,157	1,786	2,450	3,152
Interest Credited	4	3	2	2	2	4	8	12	16	21
Transfers In	3,443	3,252	3,549	3,748	4,041	4,490	5,020	5,054	5,292	5,482
Transfers Out	(3,700)	(3,543)	(3,538)	(3,738)	(3,806)	(4,012)	(4,399)	(4,402)	(4,607)	(5,022)
Closing Balance	700	412	425	437	675	1,157	1,786	2,450	3,152	3,632
CONTINGENCY RESERVE										
Opening Balance	504	504	507	509	509	509	509	509	509	509
Interest Credited	2	2	2	3	3	3	3	3	3	3
Transfers In	0	0	0	0	0	0	0	0	0	0
Transfers Out	(2)	0	0	(3)	(3)	(3)	(3)	(3)	(3)	(3)
Closing Balance	504	507	509	509	509	509	509	509	509	509
ASSET SALE PROCEEDS RESERVE										
Opening Balance	1,036	1,040	1,045	1,050	1,056	1,061	1,067	1,074	1,081	1,088
Interest Credited	5	5	5	6	6	6	7	7	7	7
Transfers In	0	0	0	0	0	0	0	0	0	0
Transfers Out	0	0	0	0	0	0	0	0	0	0
Closing Balance	1,040	1,045	1,050	1,056	1,061	1,067	1,074	1,081	1,088	1,095
DISTRICT PLAN REVIEW RESERVE										
Opening Balance	0	0	0	0	0	0	0	0	0	0
Interest Credited	0	0	0	0	0	0	0	0	0	0
Transfers In	0	0	0	0	0	0	0	0	0	0
Transfers Out	0	0	0	0	0	0	0	0	0	0
Closing Balance	0	0	0	0	0	0	0	0	0	0
TURF REPLACEMENT RESERVE										
Opening Balance	30	40	51	61	71	82	92	103	113	124
Interest Credited	0	0	0	0	0	0	1	1	1	1
Transfers In	10	10	10	10	10	10	10	10	10	10
Transfers Out	0	0	0	0	0	0	0	0	0	0
Closing Balance	40	51	61	71	82	92	103	113	124	135
FARM RESERVE										
Opening Balance	0	0	0	0	0	0	0	0	0	0
Interest Credited	0	0	0	0	0	0	0	0	0	0
Transfers In	0	0	0	0	0	0	0	0	0	0
Transfers Out	0	0	0	0	0	0	0	0	0	0
Closing Balance	0	0	0	0	0	0	0	0	0	0
STAFF GRATUITIES RESERVE										
Opening Balance	149	149	150	151	151	152	153	154	155	156
Interest Credited	1	1	1	1	1	1	1	1	1	1
Transfers In	0	0	0	0	0	0	0	0	0	0
Transfers Out	0	0	0	0	0	0	0	0	0	0
Closing Balance	149	150	151	151	152	153	154	155	156	157
MAYOR'S RELIEF FUND RESERVE										
Opening Balance	5	5	5	5	5	5	5	5	5	5
Interest Credited	0	0	0	0	0	0	0	0	0	0
Transfers In	0	0	0	0	0	0	0	0	0	0
Transfers Out	0	0	0	0	0	0	0	0	0	0
Closing Balance	5	5	5	5	5	5	5	5	5	5
ELSIE FRASER BEQUEST RESERVE										
Opening Balance	65	66	59	62	0	3	18	39	53	80
Interest Credited	0	0	0	0	0	0	0	0	0	1
Transfers In	20	20	20	20	22	22	22	23	23	23
Transfers Out	(19)	(28)	(18)	(82)	(19)	(6)	(1)	(10)	4	9
Closing Balance	66	59	62	0	3	18	39	53	80	113
RMA FINANCIAL CONTRIBUTIONS RESERVE										
Opening Balance	595	598	601	604	607	610	613	617	621	626
Interest Credited	3	3	3	3	3	3	4	4	4	4
Transfers In	0	0	0	0	0	0	0	0	0	0
Transfers Out	0	0	0	0	0	0	0	0	0	0
Closing Balance	598	601	604	607	610	613	617	621	626	630
STORMWATER RESERVE										
Opening Balance	341	436	534	637	655	786	922	1,083	1,249	1,420
Interest Credited	2	2	2	3	4	4	6	7	8	9
Transfers In	146	151	157	182	187	193	218	224	230	264
Transfers Out	(53)	(55)	(56)	(167)	(59)	(61)	(63)	(65)	(67)	(122)
Closing Balance	436	534	637	655	786	922	1,083	1,249	1,420	1,572

WATER SUPPLY RESERVE										
Opening Balance	(293)	(461)	(708)	(612)	(475)	(352)	(273)	(85)	156	384
Interest Credited	(1)	(2)	(3)	(3)	(3)	(2)	(2)	(1)	1	3
Transfers In	429	464	502	555	569	576	642	728	729	817
Transfers Out	(595)	(709)	(403)	(414)	(443)	(496)	(452)	(486)	(502)	(498)
Closing Balance	(461)	(708)	(612)	(475)	(352)	(273)	(85)	156	384	705
SOLID WASTE RESERVE										
Opening Balance	108	102	88	85	73	76	68	73	69	64
Interest Credited	0	0	0	0	0	0	0	0	0	0
Transfers In	30	31	31	31	33	33	33	35	35	35
Transfers Out	(36)	(45)	(33)	(43)	(31)	(41)	(28)	(39)	(41)	(37)
Closing Balance	102	88	85	73	76	68	73	69	64	62
WASTEWATER RESERVE										
Opening Balance	404	468	549	633	816	980	1,167	1,397	1,591	1,781
Interest Credited	2	2	3	3	4	5	8	9	10	12
Transfers In	311	331	340	380	387	394	440	446	451	510
Transfers Out	(249)	(252)	(258)	(200)	(228)	(211)	(218)	(262)	(271)	(305)
Closing Balance	468	549	633	816	980	1,167	1,397	1,591	1,781	1,997
TOTAL PROJECTED RESERVES (excluding Asset Revaluation Reserves)	8,206	8,921	10,459	11,814	13,886	16,422	19,314	22,299	25,370	28,496
ASSET REVALUATION RESERVES										
Opening Balance	133,904	141,612	143,006	143,006	168,562	172,703	172,703	206,037	210,721	210,721
Transfers In	7,708	1,394	0	25,556	4,140	0	33,334	4,684	0	43,194
Transfers Out	0	0	0	0	0	0	0	0	0	0
Closing Balance	141,612	143,006	143,006	168,562	172,703	172,703	206,037	210,721	210,721	253,915
TOTAL PROJECTED RESERVES (including Asset Revaluation Reserves)	149,818	151,927	153,465	180,376	186,588	189,124	225,351	233,020	236,091	282,411

The purpose of each Reserve Fund and the activities to which the fund relates to are disclosed below:

PURPOSE OF EACH RESERVE FUND

Council's reserve funds are classified in to three categories:

- Council Created Reserves
- Restricted Reserves
- General Renewals Reserve

The purpose of the reserves are as follows:

General Renewals Reserve (All activities)

This reserve has been created for the accumulation of depreciation on buildings, plant, vehicles, office equipment and furniture and fittings. The funds are set aside to provide for the ongoing replacement of operational assets in these categories, and also to maintain and enhance existing Council assets. Funds are also provided for new projects where necessary.

Roading Renewals Reserve (Roading)

This reserve has been created for the accumulation of depreciation on roads, bridges and street services assets. The funds are set aside to provide for the ongoing replacement of operational assets in these categories, and also to maintain and enhance existing Council assets. Funds are also provided for new projects where necessary.

Contingency Reserve (All activities)

This reserve has been created to assist in the event of an emergency. Purposes for which funds are currently set aside are such things as natural disasters e.g. floods, earthquakes, volcanic eruptions etc.

Asset Sales Proceeds Reserve (All activities)

The purpose of this reserve is to accumulate the net proceeds from the sale of Council assets that have not been specifically tagged for a particular purpose. These funds can then be used to acquire new capital assets.

Staff Gratuities Reserve (All activities)

These funds are for the payment of gratuities, redundancies, and farewells/recognition of long service of staff or elected members, however there are no other specific restrictions on this reserve.

Mayor's Relief Fund (Community)

This fund has been in existence since at least 1934 and was originally set up to provide funds for the 'relief of distress' in the Stratford District. In recent years the reserve has been funded by donations and distributions of these monies has been at the Mayor's discretion.

Turf Replacement Reserve (Parks and Reserves)

This reserve was created to accumulate funds annually to contribute towards the replacement of the hockey turf, when required.

Farm Reserve (Farm)

This reserve was created to accumulate funds annually to contribute to rates as recommended by the Farm and Aerodrome Committee.

Restricted Reserves

Elsie Fraser Bequest Reserve (Pensioner Housing)

These funds came from a bequest from Elsie Fraser in 1985 for the provision of a 'home for the less affluent old people within the Stratford community'. All surpluses from operations of these units are credited to the reserve.

RMA/Financial Contributions Reserve (All activities)

Financial contributions are required by the Stratford District Plan. Council has received these funds from the subdivision of land and various land use activities. The reserve is used to fund growth related capital works and services.

Targeted Rate Reserves

Water Supply, Solid Waste and Wastewater Reserves (Water Supply, Solid Waste and Waste Water activities)

These reserves represent the balance of funds collected from various targeted rates which have not yet been spent. The funds can only be used for the purpose for which they were originally levied. The reserves include depreciation on infrastructural assets, costs of any capital/renewal expenditure and any surplus/deficit from operations for the year.

CAPITAL EXPENDITURE PROGRAMME

	Forecast	Projection								
	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
	\$ 000	\$ 000	\$ 000	\$ 000	\$ 000	\$ 000	\$ 000	\$ 000	\$ 000	\$ 000
Roading										
Level of Service Improvement	350	619	1,221	929	7,028	5,554	417	306	630	324
Replacements	5,413	4,983	4,920	4,983	4,977	5,085	5,436	5,446	5,983	6,452
Stormwater										
Level of Service Improvement	252	292	533	275	283	291	300	310	321	331
Replacements	53	55	56	167	59	61	63	65	67	122
Water Supply										
Level of Service Improvement	1,780	1,904	369	673	390	401	4,289	37	38	0
Replacements	695	812	510	414	443	496	452	486	502	498
Solid Waste										
Level of Service Improvement	0	0	0	0	0	0	0	0	0	0
Replacements	0	10	0	11	0	11	0	12	14	12
Wastewater (Sewerage)										
Level of Service Improvement	800	362	380	273	281	288	238	184	178	839
Replacements	213	252	258	200	228	211	218	262	271	305
Recreation and Facilities										
Level of Service Improvement	16,877	673	209	122	329	56	57	58	60	61
Replacements	161	6	59	114	7	7	7	7	17	8
Community Development										
Meet Additional Demand	1,200	1,025	1,049	0	0	0	0	0	0	0
Level of Service Improvement	556	549	499	553	113	116	7	4	2,394	7
Replacements	0	0	0	0	0	0	0	0	0	0
Administration										
Replacements	186	222	121	288	277	121	142	210	153	266
TOTAL PROJECTS (excl GST)	28,535	11,764	10,183	9,001	14,414	12,698	11,626	7,389	10,629	9,225
FUNDING										
Loans	14,600	4,109	3,587	2,267	4,136	3,318	5,054	714	3,237	1,365
Reserves	6,835	6,614	6,562	6,700	10,278	9,380	6,572	6,675	7,392	7,860
Grants/Donations	7,100	1,041	34	34	0	0	0	0	0	0
TOTAL (excl GST)	28,535	11,764	10,183	9,001	14,414	12,698	11,626	7,389	10,629	9,225

PROSPECTIVE ACCOUNTING POLICIES

Reporting Entity

The prospective financial statements of the Stratford District Council are for the years ended 30 June 2022 to 30 June 2031.

The Stratford District Council (Council) is a territorial local authority governed by the provisions of the Local Government Act 2002 (the Act) and is domiciled in New Zealand.

The financial statements in this Long Term Plan (LTP) are those of the Council as a separate legal entity and not of the Council group.

The primary objective of Council is to provide services or goods for the community for social benefit rather than making a financial return. Accordingly, having regard to the criteria set out in the Public Benefit Entity Internal Public Sector Accounting Standards (PBE IPSAS), as a defined public entity under the Public Audit Act 2001, the Council is audited by the Auditor – General and is classed as a Public Sector Benefit Entity (PBE) for financial reporting purposes. Council has designated itself as a Tier 2 entity.

The financial information contained within this document is in terms of PBE FRS 42: Prospective Financial Information. It has been prepared to enable the public to participate in the decision making processes regarding the services to be provided by Council over the financial years 2021-2031 and to provide a broad accountability mechanism of Council to the community.

The operations of Council have been divided into the following Groups of Activities:

- Recreation and Facilities.
- Democracy.
- Community Development.
- Environmental Services.
- Rooding.
- Stormwater.
- Wastewater (Sewerage)
- Solid waste.
- Water Supply.

Council also advise caution that the information in these statements may not be appropriate for purposes other than those described.

The prospective financial statements were authorised for issue by Council on 22 June 2021. The Mayor and Chief Executive that authorise the issue of the prospective financial statements by Council are responsible for the prospective financial statements presented, including the appropriateness of the assumptions underlying the prospective financial statements and all other required disclosures. No actual results have been incorporated in these prospective financial statements. Actual financial results achieved for the period covered are likely to vary from the information presented, variations may be material. It is not intended to update the prospective financial statements subsequent to presentation.

Measurement Base

The measurement base adopted is that of historical cost, modified by the revaluation of certain assets.

Accounting Policies

The following accounting policies which materially affect the measurement of results and financial position have been applied consistently to all years presented from 1 July 2021 unless otherwise stated.

1 BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

The prospective financial statements have been prepared in accordance with the requirements of the Local Government Act 2002: Part 6, Section 93 and Part 1 of Schedule 10, which includes the requirement to comply with New Zealand generally accepted accounting practice (NZ GAAP).

These financial statements have been prepared in accordance with NZ GAAP. They comply with NZ PBE IPSAS, and other applicable Financial Reporting Standards, as appropriate for public benefit entities. Council is a tier 2 reporting entity using the public sector Public Benefit Entity Accounting Standards, as it has expenses between \$2.0m and \$30.00m, and is not publicly accountable.

Although Council is not publicly accountable, Council has included a separate Cost of Services Statement for each significant activity.

The financial statements are presented in New Zealand dollars and all values are rounded to the nearest thousand dollars (\$000). The functional currency of Council is New Zealand dollars.

The financial statements have been prepared on a going concern basis and the accounting policies have been applied consistently throughout the period.

The 2020/21 Annual Plan adopted by the Council in June 2020 has been provided as a comparator for these prospective financial statements. The closing balance in this comparative differs from the opening position used to prepare these prospective financial statements, which is based on the most up-to-date forecast information.

2 BUDGET FIGURES

The budget figures have been prepared in accordance with NZ GAAP and comply with NZ PBE IPSAS, and other applicable Financial Reporting Standards, using accounting policies that are consistent with those adopted in preparing these financial statements. Then as a tier 2 reporting entity, Council uses the public sector Public Benefit Entity Accounting Standards.

Council has not presented group prospective financial statements because it believes that the parent prospective financial statements are more relevant to users. The main purpose of prospective financial statements is to provide users with information about the core services that the Council intends to provide ratepayers, the expected cost of those services and as a consequence how much Council requires by way of rates to fund the intended levels of service. The level of rates funding required is not affected by subsidiaries except to the extent that Council obtains distributions from, or further invests in, those subsidiaries. Such effects are included in the prospective financial statements of Council.

3 REVENUE

Revenue is measured at the fair value of consideration received or receivable.

Rates Revenue

The following policies for rates have been applied:

- General rates, targeted rates (excluding water-by-meter), and uniform annual general charges are recognised at the start of the financial year to which the rates resolution

relates. They are recognised at the amounts due. The Council considers the effect of payment of rates by instalments is not sufficient to require discounting of rates receivables and subsequent recognition of interest revenue.

- Rates arising from late payment penalties are recognised as revenue when rates become overdue.
- Revenue from water-by-meter rates is recognised on an accrual basis based on usage. Unbilled usage, as a result of unread meters at year end, is accrued on an average usage basis.
- Rate remissions are recognised as a reduction of rates revenue when the Council has received an application that satisfies its rates remission policy.
- Rates collected on behalf of the Taranaki Regional Council (TRC) are not recognised in the financial statements, as the Council is acting as an agent for the TRC.

Development and Financial Contributions

Development and financial contributions are recognised as revenue when the Council provides, or is able to provide, the service for which the contribution was charged. Otherwise, development and financial contributions are recognised as liabilities until such time as the Council provides, or is able to provide, the service.

New Zealand Transport Agency roading subsidies

The Council receives funding assistance from the New Zealand Transport Agency, which subsidises part of the costs of maintenance and capital expenditure on the local roading infrastructure. The subsidies are recognised as revenue upon entitlement, as conditions pertaining to eligible expenditure have been fulfilled.

Other grants received

Other grants are recognised as revenue when they become receivable unless there is an obligation in substance to return the funds if conditions of the grant are not met. If there is such an obligation, the grants are initially recorded as grants received in advance and recognised as revenue when conditions of the grant are satisfied.

Building and Resource Consent revenue

Fees and charges for building consent services are recognised on receipt of the fees, which is when the service is provided. Fees and charges for resource consent revenue is recognised on the provision of an invoice.

Entrance Fees

Entrance fees are fees charged to users of the Council's local facilities, such as the pool. Revenue from entrance fees is recognised upon entry to such facilities.

Transfer Station Fees

Fees for disposing of waste at the Council's transfer station are recognised as waste is disposed of by users.

Sales of Goods

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

Infringement Fees and Fines

Infringement fees and fines mostly relate to traffic and parking infringements and are recognised when the infringement notice is issued. The Council recognises revenue at an amount based on the probability of collecting fines, which is estimated by considering the collection history of fines over the preceding 2 year period.

Vested or Donated Physical Assets

For assets received for no or nominal consideration, the asset is recognised at its fair value when the Council obtains control of the asset. The fair value of the asset is recognised as revenue, unless there is a use or return condition attached to the asset.

For long-lived assets that must be used for a specific use (e.g. land must be used as a recreation reserve), the Council immediately recognises the fair value of the asset as revenue. A liability is recognised only if the Council expects it will need to return or pass the asset to another party.

Interest and Dividends

Interest revenue is recognised using the effective interest method. Interest revenue on an impaired financial asset is recognised using the original effective interest rate.

Dividends are recognised when the right to receive payment has been established. When dividends are declared from pre-acquisition surpluses, the dividend is deducted from the cost of the investment.

Sale of Land

Revenue from the Sale of Land is recognised in full when the sale and purchase agreement becomes legally enforceable, as at the date the contract becomes unconditional.

4 INVENTORIES

Inventories are held for distribution or for use in the provision of goods and services. The measurement of inventories held for commercial distribution, are measured at the lower of cost and net realisable value.

Council inventory is made up of land held for development and future resale.

When land held for development and future resale is transferred from investment property/property, plant, and equipment to inventory, the fair value of the land at the date of the transfer is its deemed cost.

5 BORROWING COSTS

Borrowing costs are recognised as an expense in the period in which they are incurred.

6 GRANT EXPENDITURE

Non-discretionary grants are those grants that are awarded if the grant application meets the specified criteria and are recognised as expenditure when an application that meets the specified criteria for the grant has been received.

Discretionary grants are those grants where the Council has no obligation to award on receipt of the grant application and are recognised as expenditure when approved by the Council and the approval has been communicated to the applicant. The Council's grants awarded have no substantive conditions attached.

7 INCOME TAX

Income tax expense includes current tax and deferred tax.

Current tax is the amount of tax payable based on the taxable profit for the current year, and any adjustments to income tax payable in respect of prior years. Current tax is calculated using tax rates (and tax laws) that have been enacted or substantively enacted at balance date.

Deferred tax is the amount of income tax payable or recoverable in future periods in respect of temporary differences and unused tax losses. Temporary differences are differences

between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable surplus.

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

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

Current and deferred tax is recognised against the profit or loss for the period, except to the extent that it relates to items recognised in other comprehensive revenue and expenses or directly in equity.

In general, local authorities are only subject to income tax on income derived from a council-controlled organisation and income derived as a port operator.

8 LEASES

Finance Leases

A finance lease is a lease that transfers to the lessee substantially all the risks and rewards incidental to ownership of an asset, whether or not title is eventually transferred.

At the commencement of the lease term, finance leases are recognised as assets and liabilities in the statement of financial position at the lower of the fair value of the leased item or the present value of the minimum lease payments.

The finance charge is charged to the surplus or deficit over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability.

The amount recognised as an asset is depreciated over its useful life. If there is no certainty as to whether Council will obtain ownership at the end of the lease term, the asset is fully depreciated over the shorter of the lease term and its useful life.

Operating Leases

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

9 CASH AND CASH EQUIVALENTS

Cash and cash equivalents includes cash on hand, deposits held with banks and other short term investments with maturities of three months or less, and bank overdrafts. Bank overdrafts are shown as a current liability in the statement of financial position. The carrying value of cash at bank and short-term deposits with original maturities less than three months approximates their amortised cost.

10 DEBTORS AND OTHER RECEIVABLES

Debtors and other receivables are initially measured at fair value and subsequently measured at amortised cost, less any provision for impairment (expected credit losses). Receivables are generally short-term and non-interest bearing and receipt is normally on 30 day terms. Therefore, the carrying value of receivables approximates their amortised cost. In measuring expected credit losses, short term receivables have been assessed on a collective basis as they possess shared credit risk characteristics. They have been grouped based on the days past due. Short term receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include the debtor being in liquidation.

11 NON-CURRENT ASSETS HELD FOR SALE

Non-current assets held for sale are classified as such if their carrying amount will be recovered principally through a sale transaction, not through continuing use. Non-current assets held for sale are measured at the lower of their carrying amount and fair value less costs to sell.

Non-current assets are not depreciated or amortised while they are classified as held for sale.

12 PROPERTY, PLANT AND EQUIPMENT

Items of a capital nature over \$2,000 are treated as property, plant and equipment. Property, plant and equipment are classified into two categories:

- Unrestricted** Council is able to sell these assets without restrictions.
- Restricted** The disposal of these assets is limited by legislation, or in the manner in which they were vested, or cannot be physically uplifted and sold.

In most instances, an item of property, plant or equipment is recognised at its cost. Where an asset is acquired at no cost, or for a nominal cost, it is recognised at fair value as at the date of acquisition.

Property, plant and equipment classes of assets whose fair value can be measured reliably shall be carried at a revalued amount, being its fair value at the date of the revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations shall be made with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the balance sheet date.

If there is no market-based evidence of fair value because of the specialised nature of the item of property, plant or equipment, Council will carry those classes of assets at its cost less any accumulated depreciation and any accumulated impairment losses value.

Property, plant and equipment are valued as follows:

Class	Method of Valuation
Land	Fair Value
Buildings	Optimised Depreciated Replacement Cost
Roads, Bridges and Footpaths	Depreciated Replacement Cost
Water Supply Reticulation	Optimised Depreciated Replacement Cost
Water Supply Treatment	Optimised Depreciated Replacement Cost
Wastewater Reticulation	Optimised Depreciated Replacement Cost
Wastewater Treatment	Optimised Depreciated Replacement Cost
Stormwater system	Optimised Depreciated Replacement Cost

Revaluation

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, plant or equipment within a class has a carrying value that is materially different from its fair value.

Council's land and building assets have been revalued by Telfer Young (Taranaki) Limited, independent valuers as at 1 January 2020 at fair value as determined from market-based evidence.

Council's infrastructure assets consisting of Stormwater, Waste Water and Water Supply were revalued by Infrastructure Associates Ltd, independent valuers, as at 1 July 2018 in accordance with Financial Reporting Standard (PBE IPSAS 17) and the New Zealand Infrastructure Asset Valuation and Depreciation Guidelines.

Roading assets (except land under roads) have been revalued by the independent valuers, Calibre Consultants Ltd, as at 1 July 2018.

Roading Corridor Land is valued on the fair value of adjacent land. This assumes land in its bare state without the benefit of roading, water supply, sewer etc. The valuation takes into consideration the sale of vacant land in the area which is suitably adjusted to reflect an unimproved state.

Land under roads was valued based on fair value provided by previous valuations in 2016 of the Roding Network. This valuation was carried out by Calibre Consultants Ltd. Council elected to use the fair value of Land under Roads as at 1 July 2016 as the deemed cost. Land under roads is no longer revalued.

Public Benefit Entity Revaluation

Revaluation increases and decreases relating to individual assets within a class of assets are offset. Revaluation increases and decreases in respect of assets in different classes are not offset. Where the carrying amount of a class of assets is increased as a result of a revaluation, the net revaluation increase is credited to the revaluation reserve. The net revaluation increase shall be recognised in the Statement of Comprehensive Revenue and Expenses to the extent that it reverses a net revaluation decrease of the same class of assets previously recognised in the Statement of Comprehensive Revenue and Expense. A net revaluation decrease for a class of assets is recognised in the Statement of Comprehensive Revenue and Expense, except to the extent that it reverses a revaluation increase previously recognised in the revaluation reserve to the extent of any credit balance existing in the revaluation reserve in respect of the same class of asset.

Impairment

The carrying amount of Council's non-financial assets, other than investment property are reviewed at each Statement of Financial Position date to determine whether there is any indication of impairment. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, Council estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Where the future economic benefits of an asset are not primarily dependant on the asset's ability to generate net cash flows, and where Council, if deprived of the asset, replaces its remaining future economic benefits, value in use shall be determined as the depreciated replacement cost of the asset.

Where Council accounts for revaluations of property, plant and equipment on a class of asset basis, an impairment loss on a revalued asset is recognised directly against any revaluation reserve in respect of the same class of asset to the extent that the impairment loss does not exceed the amount in the revaluation reserve for that same class of asset.

Where Council accounts for revaluations of property, plant and equipment on a class of asset basis, a reversal of an impairment loss on a revalued asset is credited directly to the revaluation reserve. However, to the extent that an impairment loss on the same class of asset was previously recognised in the Statement of Comprehensive Revenue and Expense, a reversal of that impairment loss is also recognised in the Statement of Comprehensive Revenue and Expense.

Disposals

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

Subsequent Costs

Costs incurred subsequent to initial acquisition are capitalised only when it is probable that future economic benefits or service potential associated with the item will flow to the Council and the cost of the item can be measured reliably.

Security

Council do not have any Property, Plant and Equipment pledged as security.

The costs of day-to-day servicing of property, plant and equipment are recognised in the surplus or deficit as they are incurred.

Additions

The cost of an item of property, plant and equipment is recognised as an asset only when it is probable that future economic benefits or service potential associated with the item will flow to the Council and the cost of the item can be measured reliably.

Work in progress is recognised at cost less impairment and is not depreciated.

In most instances, an item of property, plant, and equipment is initially recognised at its cost. Where an asset is acquired through a non-exchange transaction, it is recognised at its fair value as at the date of acquisition.

Costs incurred subsequent to initial acquisition are capitalised only when it is probable that future economic benefits for service potential associated with the item will flow to the Council and the cost of the item can be measured reliably.

The costs of day-to-day servicing of property, plant and equipment are recognised in the surplus or deficit as they are incurred.

13 INTANGIBLE ASSETS

Acquired software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software.

The carrying value of an intangible asset with a finite life is amortised on a straight line basis. The amortisation charge is recognised in the Statement of Comprehensive Revenue and Expense. The useful lives of intangible assets have been estimated as follows:

- Software 3-10 years.

14 DEPRECIATION

Depreciation is calculated on a straight line basis on all property, plant and equipment, excluding land, at rates that will write off the value of the assets, less their estimated residual values, over their useful lives.

The useful lives of the classes of assets have been estimated as follows:

	<u>Years</u>
Buildings	10-100
Plant	5-10
Motor Vehicles	5
Fixtures and Fittings	5-10
Office Equipment	4-10
Roading Basecourse	15-80
Roading Seal	2-16
Roading Culverts	20-80
Roading Sumps	80
Signs	10
Bridges (including Tunnels)	60-100
Footpaths	20-80
Streetlights	30
Stormwater	20-80
Water Supply	50-120
Sewerage	40-80
Street Beautification	10-100

15 BUSINESS UNIT

Business Unit gains or losses are recorded in the equity of the Stratford District Council.

16 GOODS AND SERVICES TAX (GST)

All items in the financial statements are exclusive of GST, with the exception of receivables and payables which are stated as GST inclusive. When GST is not recoverable as an input tax, it is recognised as part of the related asset or expense.

The net amount of GST recoverable from, or payable to, the Inland Revenue Department (IRD) is included as part of receivables or payables in the statement of financial position.

The net GST paid to, or received from the IRD, including the GST relating to investing and financing activities, is classified as an operating cashflow in the statement of cashflows.

Commitments and contingencies are disclosed exclusive of GST.

17 COST OF SERVICE STATEMENTS

The Cost of Service Statements report the net cost of services for significant activities of Council, and are represented by the costs of providing the service less all revenue that can be allocated to these activities.

Cost Allocation

The Cost of Service Statements reflect the full cost of significant activities, by including direct costs, internal transfers, depreciation and indirect costs (overheads) allocated on the 'step' method, based on hours of service supplied to each activity.

'Direct Costs' are those costs directly attributable to a significant activity.

'Indirect Costs' are those costs which cannot be identified in an economically feasible manner with a specific significant activity.

18 FINANCIAL INSTRUMENTS

Council is party to financial instruments as part of its normal operations. The 2020/21 comparative annual plan forecast information was prepared using different financial instrument accounting policies, due to IPSAS 41, than what was applied in the LTP forecast financials. Refer to the Annual Plan 2020/21 statement of accounting policies for a comparison. There is no significant impact to Council's reporting as a result of the policy change.

19 OTHER FINANCIAL ASSETS

Financial assets are initially recognised at fair value plus transaction costs unless they are carried at fair value through surplus or deficit in which case the transaction costs are recognised in the surplus or deficit.

Purchases and sales of financial assets are recognised on trade-date, the date on which the Council commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Council has transferred substantially all the risks and rewards of ownership.

Financial assets are classified into the following categories for the purpose of measurement:

- fair value through surplus or deficit;
- loans and receivables;
- held-to-maturity investments; and
- fair value through other comprehensive revenue and expense.

The classification of a financial asset depends on the purpose for which the instrument was acquired.

Financial assets at fair value through surplus or deficit

Financial assets shall be measured at fair value through surplus or deficit unless it is measured at amortised cost or at fair value through other comprehensive revenue and expenses.

Financial assets at fair value through surplus or deficit include financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short-term or it is part of a portfolio of identified financial instruments that are managed together and for which there is evidence of short-term profit-taking. Derivatives are also categorised as held for trading unless they are designated into a hedge accounting relationship for which hedge accounting is applied.

Financial assets acquired principally for the purpose of selling in the short-term or part of a portfolio classified as held for trading are classified as a current asset. The current/non-current classification of derivatives is explained in the derivatives accounting policy above

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the balance date, which are included in non-current assets.

After initial recognition, they are measured at amortised cost, using the effective interest method, less impairment. Gains and losses when the asset is impaired or derecognised are recognised in the surplus or deficit.

Loans to community organisations made at nil or below-market interest rates are initially recognised at the present value of their expected future cash flows, discounted at the current market rate of return for a similar financial instrument. The loans are subsequently measured

at amortised cost using the effective interest method. The difference between the face value and present value of the expected future cash flows of the loan is recognised in the surplus or deficit as a grant.

Included in this category is the loan to the Agricultural and Pastoral Association.

Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities and there is the positive intention and ability to hold to maturity. They are included in current assets, except for maturities greater than 12 months after balance date, which are included in non-current assets.

After initial recognition they are measured at amortised cost, using the effective interest method, less impairment. Gains and losses when the asset is impaired or derecognised are recognised in the surplus or deficit.

Fair value through other comprehensive revenue and expense

Financial assets at fair value through other comprehensive revenue and expense are those that are designated into the category at initial recognition or are not classified in any of the other categories above. They are included in non-current assets unless management intends to dispose of, or realise, the investment within 12 months of balance date. A financial asset shall be measured at fair value through other comprehensive revenue and expense if both of the following conditions are met:

- The financial asset is held within a management model whose objective is achieved by both collecting contractual cash flows and selling financial assets and,
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

These investments are measured at their fair value, with gains and losses recognised in other comprehensive revenue and expense, except for impairment losses, which are recognised in the surplus or deficit.

On derecognition, the cumulative gain or loss previously recognised in other comprehensive revenue and expense is reclassified from equity to the surplus or deficit.

20 IMPAIRMENT OF FINANCIAL ASSETS

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

Loans and receivables, and held-to-maturity investments

Impairment is established when there is evidence that the Council will not be able to collect amounts due according to the original terms of the receivable. Significant financial difficulties of the debtor, probability that the debtor will enter into bankruptcy, receivership, or liquidation and default in payments are considered indicators that the asset is impaired. The amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted using the original effective interest rate.

For debtors and other receivables, the carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in the surplus or deficit. When the receivable is uncollectible, it is written-off against the allowance account. Overdue receivables that have been renegotiated are reclassified as current (that is, not past due). Impairment in term deposits, local authority stock, government bonds, and community loans, are recognised directly against the instrument's carrying amount.

Financial assets at fair value through other comprehensive revenue and expense

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

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

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

Equity instrument impairment losses recognised in the surplus or deficit are not reversed through the surplus or deficit.

If in a subsequent period the fair value of a debt instrument increases and the increase can be objectively related to an event occurring after the impairment loss was recognised, the impairment loss is reversed in the surplus or deficit.

21 PAYABLES

Short-term creditors and other payables are recorded at their face value.

Borrowings

Borrowings are initially recognised at their fair value plus transaction costs. After initial recognition, all borrowings are measured at amortised cost using the effective interest method.

Borrowings are classified as current liabilities unless the Council or group has an unconditional right to defer settlement of the liability for at least 12 months after balance date.

Employee entitlements

Short-term employee entitlements

Employee benefits expected to be settled within 12 months after the end of the period in which the employee renders the related service are measured based on accrued entitlements at current rates of pay. These include salaries and wages accrued up to balance date, annual leave earned to, but not yet taken at balance date, and sick leave.

A liability and an expense are recognised for bonuses where the Council or group has a contractual obligation or where there is a past practice that has created a constructive obligation.

Long-term employee entitlements

Employee benefits that are due to be settled beyond 12 months after the end of the period in which the employee renders the related service, such as long service leave and retirement gratuities, have been calculated on an actuarial basis. The calculations are based on:

- likely future entitlements accruing to staff, based on years of service, years to entitlement, the likelihood that staff will reach the point of entitlement, and contractual entitlement information; and
- the present value of the estimated future cash flows.

Presentation of employee entitlements

Annual leave is classified as a current liability. Retirement gratuities expected to be settled within 12 months of balance date are classified as a current liability. All other employee entitlements are classified as a non-current liability.

22 PROVISIONS

Council recognises a provision for future expenditure of uncertain amount or timing when there is a present obligation (either legal or constructive) as a result of a past event, it is probable that expenditures will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not recognised for future operating losses.

23 EQUITY

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

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

Restricted reserves

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

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

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

Property revaluation reserve

This reserve relates to the revaluation of property, plant, and equipment to fair value.

Fair value through other comprehensive revenue and expense reserve

This reserve comprises the cumulative net change in the fair value of assets classified as fair value through other comprehensive revenue and expense.

24 CRITICAL ACCOUNTING ESTIMATES AND ASSUMPTIONS

In preparing these financial statements Council has made estimates and assumptions concerning the future. These estimates and assumptions may differ from the subsequent actual results. Estimates and judgements are continually evaluated and are based on historical experience and other factors that are believed to be reasonable under the circumstances.

As operator of the urban and rural landfills in the district, Council has a legal obligation to provide ongoing maintenance and monitoring services at the landfill sites after closure.

To provide for the estimated cost of aftercare, a provision has been created, and a charge is made each year based on the estimated value of restoration works over the number of years Council is required to maintain these sites.

A number of assumptions and estimates are used when performing depreciated replacement cost valuations over infrastructural assets. These include:

- The physical condition of the asset. This is particularly so for those assets which are not visible, for example stormwater, wastewater and water supply pipes that are underground. This risk is minimised by Council performing physical inspections and condition modelling assessments of underground assets.
- Estimating any obsolescence or surplus capacity of any asset.
- The remaining useful life over which the asset will be depreciated. These estimates can be impacted by local conditions, for example weather patterns and traffic growth. If useful lives do not reflect the actual consumption of the benefits of the asset, Council could be over or underestimating the depreciation charge recognised in the Statement of Comprehensive Revenue and Expense. To minimise this risk useful lives are determined with reference to the NZ Infrastructural Asset Valuation and Depreciation guidelines published by the National Asset Management Steering Group. Asset inspections and condition modelling are also carried out regularly as part of Council's asset management planning activities.
- The replacement cost of an asset is based on recent construction contracts in the region for modern equivalent assets, from which unit rates are determined. Unit rates have been applied to components of the network based on size, material, depth and location.

25 ROUNDING ERRORS

Some rounding errors may occur in the financial statements due to stating dollar amounts to the nearest \$1,000.

26 CRITICAL JUDGEMENTS IN APPLYING ACCOUNTING POLICIES

Management has exercised the following critical judgements in applying accounting policies for the year ended 30 June 2022:

Classification of property

The Council owns a number of properties held to provide housing to pensioners. The receipt of market-based rental from these properties is incidental to holding them. The properties are held for service delivery objectives as part of the Council's social housing policy. The properties are therefore accounted for as property, plant, and equipment rather than as investment property.

27 CHANGES IN ACCOUNTING POLICIES

Early adoption of PBE IPSAS 41, Financial Instruments, has been applied from 1 July 2021. See note 18 above for the impact on financial statements.

Other than the above, there have been no changes in accounting policies.

FUNDING IMPACT STATEMENT 2021/22

INTRODUCTION

This Statement sets out the information required by Schedule 10 of the Local Government Act 2002 (LGA). It details the rating mechanisms to be used to cover the estimated expenses for the years of the plan.

The Funding Impact Statement should be read in conjunction with Council's Revenue and Financing Policy.

Important: All charges are GST inclusive, and funds raised are GST exclusive.

DEFINITION OF SEPARATELY USED OR INHABITED PARTS OF A RATING UNIT (SUIP)

A SUIP is a Separately Used or Inhabited Part of a rating unit and includes any part of a rating unit that is used or inhabited by any person. This definition applies to the application of the UAGC, the Solid Waste targeted rate, Wastewater targeted rate, and the Community Centre targeted rate.

This definition includes separately used parts, whether or not actually occupied at any particular time, which are provided by the owner for rental or other form of occupation on an occasional or long term. For the purpose of this definition, vacant land and vacant premises are separately used by the owner as a property available for separate sale, or provided by the owner for rental (or other form of occupation).

For a commercial rating unit (other than motels/hotels), this includes a building or part of a building that is, or is capable of being, separately tenanted, leased or subleased, and is not integral to the commercial operation. Motels/hotels are treated as one SUIP even if each accommodation unit may be capable of separate habitation.

For a residential rating unit, this includes a building or part of a building which is used, or is capable of being used, as an independent unit. An independent unit is any unit containing either separate cooking and living facilities, or a separate entrance; and that has its own toilet or bathroom facilities.

Separate parts of buildings, after the first, that are uninhabitable and declared unsanitary under the Health Act 1956 or the Building Act 2004 are not SUIPs.

EXAMPLES	NO. OF SUIP'S per rating unit
Single Dwelling	1
Dwelling plus granny flat	2
Six flats	6
Corner dairy with integral dwelling attached	1
Dwelling with nail business within dwelling	1
Dwelling with hair salon in structure detached from main house	2
Three retails shops and one industrial building	4
Garden centre with separate café	2
Farm with 1 dwelling	1
Farm with 3 dwellings	3
Farm run-off	1
Farm with 1 dwelling plus a contracting business	2
Hotel/Motel with six rooms (one commercial business activity)	1
Hotel/Motel with attached restaurant	2
Caravan park with six cabins (one commercial business activity)	1
Rest home with 10 self-contained residential units	11

GENERAL RATE

Council set a general rate under section 13 of the Local Government (Rating) Act 2002 (LGRA) calculated on the capital value of each rateable rating unit within the district.

The general rate is set with no differential.

The rate (in cents per dollar of capital value) for 2021/22 is 0.13200 cents, raising \$3,991,276.

General rates will be used to fund all activities that are not covered by the uniform annual general charge, targeted rates or other funding mechanisms outlined in the Revenue and Financing Policy.

UNIFORM ANNUAL GENERAL CHARGE

Council set a UAGC under section 15 of the LGRA in respect of every separately used or inhabited part of a rateable rating unit within the district.

The UAGC for 2021/22 is \$767.00 per SUIP, raising \$3,253,935.

TARGETED RATE – ROADING

Council set a targeted rate under section 16 in respect of roading and street services based on the capital value of each rating unit within the District.

The roading rate (in cents per dollar of capital value) under section 16 for 2021/22 is 0.10593 cents, raising \$3,203,000.

The roading rate will be used to fund roading and street services activities within the District.

TARGETED RATE – SOLID WASTE

Council set a targeted rate under section 16 of the LGRA for refuse collection on the basis of an amount per each separately used or inhabited part of a rating unit from which Council is prepared to collect a container of refuse, as part of its normal refuse disposal service, in the Stratford and Midhirst domestic collection area.

The solid waste rate under section 16 for 2021/22 is \$334.00, raising \$755,644.

The solid waste rate will be used to fund the urban domestic refuse collection activity.

TARGETED RATE – WASTE WATER (SEWERAGE)

Council set a targeted rate under section 16 of the LGRA for sewerage as a fixed amount per separately used or inhabited part of a rating unit which is connected to a public sewerage drain, and a targeted rate under Schedule 3, Clause 8 of the LGRA as a fixed amount per rating unit for serviceable properties. Serviceable properties are properties that have Council waste water reticulation services adjacent, contiguous or nearby to the serviceable properties, but are not connected.

The Waste Water rate for properties connected is \$389.00, and for serviceable properties is \$194.50, being 50% of the targeted rate.

For all non-commercial properties the differential factor is 1 (base) and the amount is \$389.00 per SUIP.

Commercial properties are differentiated by use as follows:

Commercial base category (all commercial rating units not included in any other commercial category) and the differential factor is also 1 (base) and the amount is \$384 per SUIP

- Commercial 2 (commercial rating units used for an activity requiring 2 toilets) differential factor 150% of base and the amount is \$583.50 per SUIP.
- Commercial 3 (commercial rating units used for an activity requiring 3 toilets) differential factor 200% of base and the amount is \$778.00 per SUIP.
- Commercial 4 (commercial rating units used for an activity requiring 4 toilets) differential factor 225% of base and the amount is \$875.25 per SUIP.
- Commercial 5 (commercial rating units used for an activity requiring 5 toilets) differential factor 250% of base and the amount is \$972.50 per SUIP.
- Commercial 6 (commercial rating units used for an activity requiring 6 toilets) differential factor 275% of base and the amount is \$1,069.75 per SUIP.
- Commercial 7 (commercial rating units used for an activity requiring 7 toilets) differential factor 300% of base and the amount is \$1,167.00 per SUIP.
- Commercial Large (commercial rating units used for an activity requiring 8 or more toilets) differential factor 325% of base and the amount is \$1,264.25 per SUIP.

The sewerage system rate for 2021/22 is to raise \$935,998 and will be used to fund the waste water activity.

TARGETED RATES - WATER SUPPLY

Council set a targeted rate under section 16 of the LGRA for water supply on the basis of an amount per rating unit connected to the Stratford, Midhirst, or Toko Water Supply, and a targeted rate under Schedule 3, Clause 8 of the LGRA as a fixed amount per rating unit for serviceable properties. Serviceable properties are properties that have Council water reticulation services adjacent, contiguous or nearby to the serviceable properties, but are not connected.

The Water Supply rate for properties connected is \$552.00, and for serviceable properties is \$276.00, being 50% of the targeted rate, is raising \$1,430,083.

In addition, Council set a targeted rate for extraordinary water supply under section 19 of the LGRA on the basis of an amount per unit of water supplied in the Stratford Water Supply Area, the Midhirst Water Supply area, and the Toko Water Supply Area to any rating unit which has been fitted with a water meter.

The Stratford water supply rate under section 19 for 2021/22 is \$1.94 per cubic metre of supply in excess of 250 cubic metres per annum, raising \$364,110.

The Midhirst water supply rate under section 19 for 2021/22 is \$1.94 per cubic metre of supply in excess of 250 cubic metres per annum, raising \$9,246.

The Toko water supply rate under section 19 for 2021/22 is \$1.94 per cubic metre of supply in excess of 250 cubic metres per annum, raising \$2,306.

The water supply rates will be used to fund the water supply activities in the Stratford, Midhirst and Toko areas.

TARGETED RATES - COMMUNITY CENTRES

Council sets targeted rates under section 16 of the LGRA for community centres on the basis of an amount per separately used or inhabited part of a rating unit in the listed community areas. This rate uses a fixed charge based on the location of the rating unit.

The community centre rates for 2021/22 are:

- A fixed charge of \$23.00 within the Wharehuia/Te Popo Community Centre area per SUIP collecting \$2,700.
- A fixed charge of \$13.80 within the Pembroke Road Community Centre area per SUIP collecting \$1,524.
- A fixed charge of \$34.50 within the Toko Community Centre area per SUIP collecting \$4,410.
- A fixed charge of \$17.25 within the Pukengahu Community Centre area per SUIP collecting \$500.
- A fixed charge of \$17.25 within the Midhirst Community Centre area per SUIP collecting \$4,560.
- A fixed charge of \$11.50 within the Makahu Community Centre area per SUIP collecting \$500.
- A fixed charge of \$30.00 within the Cardiff Community Centre area per SUIP collecting \$2,269.

The community centres rate will be used to fund the operating costs of the community centres and will raise \$16,774.

Please refer to Council's website for the boundary map for each listed area.

PAYMENT DUE DATES AND PENALTIES

All rates, except those for metered water supply, will be payable in four equal instalments due on:

1 st Instalment:	25 August 2021
2 nd Instalment:	24 November 2021
3 rd Instalment:	23 February 2022
4 th Instalment:	25 May 2022

Pursuant to Sections 57 and 58 of the LGRA the following penalties on unpaid rates (excluding metered water rates) will be added:

- A charge of 10% on so much of any instalment that has been assessed after 1 July 2021 and which remains unpaid after the due date for that instalment. The penalty will be added on the following dates:
 - 1st Instalment 1 September 2021
 - 2nd Instalment 1 December 2021
 - 3rd Instalment 2 March 2022
 - 4th Instalment 1 June 2022
- A charge of 10% on so much of any rates assessed before 1 July 2021 which remain unpaid on 1 July 2021. The penalty will be added on 12 July 2021.
- A continuing additional penalty of 10% on so much of any rates assessed before 1 July 2021, to which a penalty has been added under the immediately preceding bullet point, and which remain unpaid six months after the previous penalty was added. The penalty will be added on 10 January 2022.
- Penalties imposed are exempt from GST.

Payment Due Dates for Metered Water Supply

A charge of 10% on any amount outstanding for the quarter which remains unpaid on the following dates will be added on the dates below:

<u>Period</u>	<u>Due Date</u>	<u>Penalty Date</u>
1 July to 30 September 2021	10 December 2021	17 December 2021
1 October to 31 December 2021	11 March 2022	18 March 2022
1 January to 31 March 2022	10 June 2022	17 June 2022
1 April to 30 June 2022	9 September 2022	16 September 2022

EARLY PAYMENT

Sections 55 and 56 of the Local Government (Rating) Act 2002 empowers Council to allow for the early payment of rates.

- Council proposes to accept early payment of all rates assessed for the 2021/22 year, but no discount will be applied for early payment. (Section 55).
- Council proposes to accept early payment of all rates assessed for the 2022/2023 and subsequent years, but no discount will be applied for early payment. These payments will be applied to general rates or individual targeted rates if requested by the ratepayer, otherwise they will be applied against future general rates. (Section 56).

PAYMENT LOCATIONS – ALL RATES AND CHARGES

Direct Debits are the preferred method of payment. Direct Debit Authority Forms are available at our Council office, or online.

Payments can be made online by going to <https://www.stratford.govt.nz> and clicking on “Pay Online”.

Mail and electronic payments shall be deemed to be received at the Council Office on day of receipt. The Council accepts payments by cash, eftpos or credit card between the hours of 8.30 am to 4.30 pm, Monday to Friday, at the Council offices, Miranda Street, Stratford.

STRATFORD DISTRICT COUNCIL FUNDING IMPACT STATEMENT FOR THE FINANCIAL YEARS 2021 TO 2031

For the Whole of Council

	Annual Plan		Long Term Plan								
	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
	\$000	\$000	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)
Sources of operating funding											
General rates, uniform annual general charges, rates penalties	6,854	7,245	8,194	8,310	8,770	9,112	9,416	9,506	9,908	10,178	10,799
Targeted rates	6,467	6,705	6,622	7,133	7,437	7,885	8,503	9,192	9,474	9,849	10,091
Subsidies and grants for operating purposes	1,883	1,984	1,911	1,918	2,081	2,140	2,201	2,264	2,328	2,393	2,461
Fees and charges	2,345	2,563	2,626	2,763	2,819	2,871	2,920	2,981	3,032	3,084	3,138
Interest and dividends from investments	139	206	206	206	240	240	240	296	296	296	296
Local authorities fuel tax, fines, infringement fees, and other receipts	44	46	46	46	46	46	46	46	46	46	46
Total operating funding (A)	\$17,730	\$18,749	\$19,604	\$20,375	\$21,392	\$22,294	\$23,325	\$24,284	\$25,083	\$25,845	\$26,830
Applications of operating funding											
Payment to staff and suppliers	13,631	14,596	14,894	15,738	16,332	16,652	16,659	16,885	17,411	17,916	18,467
Finance costs	665	477	637	720	781	829	890	1,151	1,192	1,204	1,226
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
Total applications of operating funding (B)	\$14,296	\$15,073	\$15,530	\$16,458	\$17,113	\$17,481	\$17,549	\$18,036	\$18,603	\$19,120	\$19,693
Surplus (deficit) of operating funding (A-B)	\$3,434	\$3,676	\$4,074	\$3,917	\$4,279	\$4,813	\$5,776	\$6,248	\$6,480	\$6,725	\$7,137
Sources of capital funding											
Subsidies and grants for capital expenditure	5,454	10,641	4,484	3,805	3,669	7,352	6,521	3,606	3,545	4,074	4,168
Development and financial contributions	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in debt	10,036	13,821	2,972	(282)	1,505	3,255	1,863	3,509	(873)	1,656	(234)
Gross proceeds from sale of assets	3,816	-	-	3,274	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-	-
Total sources of capital funding (C)	\$19,306	\$24,462	\$7,456	\$6,797	\$5,174	\$10,607	\$8,384	\$7,115	\$2,672	\$5,730	\$3,934
Applications of capital funding											
Capital expenditure to:											
- meet additional demand	-	1,200	1,025	1,049	-	-	-	-	-	-	-
- improve the level of service	17,865	20,614	4,399	3,211	2,825	8,423	6,706	5,308	901	3,621	1,563
- replace existing assets	4,044	6,721	6,340	5,923	6,176	5,991	5,992	6,318	6,488	7,008	7,662
Increase (decrease) in reserves	831	(397)	(234)	531	452	1,005	1,462	1,737	1,763	1,826	1,847
Increase (decrease) in investments	-	-	-	-	-	-	-	-	-	-	-
Total applications of capital funding (D)	\$22,740	\$28,138	\$11,530	\$10,714	\$9,453	\$15,419	\$14,160	\$13,363	\$9,152	\$12,455	\$11,072
Surplus (deficit) of capital funding (C-D)	(\$3,434)	(\$3,676)	(\$4,074)	(\$3,917)	(\$4,279)	(\$4,812)	(\$5,776)	(\$6,248)	(\$6,480)	(\$6,725)	(\$7,138)
Funding balance ((A-B) + (C-D))	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

The Funding Impact Statement is required under the Local Government Act 2002 Schedule and conforms to the Local Government (Financial Reporting) Regulations 2014.

Generally accepted accounting practice does not apply to the preparation of the Funding Impact Statement as stated in Section 111(2) of the Local Government Act.

Reconciliation between the surplus in the Prospective Statement of Revenue and Expense and Surplus(Deficit) of operating funding in the Funding Impact Statement

	Annual Plan		Long Term Plan								
	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
	\$000	\$000	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)
Surplus of operating funding from Funding Impact Statement	3,434	3,676	4,074	3,917	4,279	4,813	5,776	6,248	6,480	6,725	7,137
Subsidies and grants for capital expenditure	5,454	10,641	4,484	3,805	3,669	7,352	6,521	3,606	3,545	4,074	4,168
Gross proceeds from sale of assets	3,816	-	-	3,274	-	-	-	-	-	-	-
Depreciation	(4,810)	(4,912)	(5,426)	(5,589)	(6,077)	(6,316)	(6,523)	(7,054)	(7,286)	(7,292)	(8,139)
Net Surplus before taxation in Prospective Statement of Revenue and Expense	\$7,894	\$9,404	\$3,131	\$5,407	\$1,872	\$5,849	\$5,774	\$2,800	\$2,739	\$3,507	\$3,167

STRATFORD DISTRICT COUNCIL FUNDING IMPACT STATEMENT FOR THE FINANCIAL YEARS 2021 to 2031

For Recreation and Facilities

	Annual Plan		Long Term Plan								
	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
	\$000	\$000	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)
Sources of operating funding											
General rates, uniform annual general charges, rates penalties	3,205	3,046	3,678	3,858	4,091	4,224	4,423	4,496	4,682	4,886	5,338
Targeted rates	14	17	17	17	17	17	17	17	17	17	17
Subsidies and grants for operating purposes	-	79	-	-	-	-	-	-	-	-	-
Fees and Charges	471	496	508	580	592	604	616	629	643	656	671
Internal charges and overheads recovered	-	-	-	-	-	-	-	-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	11	47	46	46	50	49	46	51	47	43	39
Total operating funding (A)	\$3,702	\$3,686	\$4,250	\$4,500	\$4,750	\$4,894	\$5,103	\$5,194	\$5,388	\$5,602	\$6,064
Applications of operating funding											
Payment to staff and suppliers	2,099	2,178	2,169	2,260	2,409	2,380	2,485	2,520	2,617	2,730	2,928
Finance costs	206	161	296	305	349	349	343	398	384	406	428
Internal charges & overheads applied	783	809	833	895	883	915	969	947	965	1,025	1,017
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
Total applications of operating funding (B)	\$3,088	\$3,149	\$3,298	\$3,459	\$3,640	\$3,644	\$3,796	\$3,865	\$3,967	\$4,161	\$4,373
Surplus (deficit) of operating funding (A-B)	\$614	\$537	\$951	\$1,041	\$1,109	\$1,250	\$1,306	\$1,329	\$1,421	\$1,441	\$1,692
Sources of capital funding											
Subsidies and grants for capital expenditure	3,676	5,700	16	34	34	-	-	-	-	-	-
Development and financial contributions	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in debt	12,477	11,366	652	104	122	(120)	(380)	(471)	(453)	1,908	(506)
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-	-
Total sources of capital funding (C)	\$16,152	\$17,066	\$668	\$137	\$156	(\$120)	(\$380)	(\$471)	(\$453)	\$1,908	(\$506)
Applications of capital funding											
Capital expenditure to:											
- meet additional demand	-	-	-	-	-	-	-	-	-	-	-
- improve the level of service	16,503	16,877	673	209	122	329	56	57	58	60	61
- replace existing assets	11	161	6	59	114	7	7	7	7	17	8
Increase (decrease) in reserves	251	565	940	911	1,030	794	863	794	902	3,272	1,117
Increase (decrease) in investments	-	-	-	-	-	-	-	-	-	-	-
Total applications of capital funding (D)	\$16,764	\$17,603	\$1,620	\$1,179	\$1,266	\$1,129	\$926	\$858	\$968	\$3,349	\$1,186
Surplus (deficit) of capital funding (C-D)	(\$613)	(\$537)	(\$952)	(\$1,041)	(\$1,109)	(\$1,250)	(\$1,305)	(\$1,329)	(\$1,421)	(\$1,441)	(\$1,692)
Funding balance ((A-B) + (C-D))	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

STRATFORD DISTRICT COUNCIL FUNDING IMPACT STATEMENT FOR THE FINANCIAL YEARS 2021 to 2031

For Roading

	Annual Plan		Long Term Plan								
	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
	\$000	\$000	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)
Sources of operating funding											
General rates, uniform annual general charges, rates penalties	(16)	(10)	(9)	(13)	(27)	(33)	(26)	(40)	(39)	(34)	(37)
Targeted rates	2,992	3,203	3,026	3,344	3,493	3,859	4,347	4,753	4,831	5,120	5,127
Subsidies and grants for operating purposes	1,833	1,905	1,911	1,918	2,081	2,140	2,201	2,264	2,328	2,393	2,461
Fees and Charges	496	633	648	673	698	718	734	755	771	788	805
Internal charges and overheads recovered	-	-	-	-	-	-	-	-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	5	19	19	19	20	20	19	21	19	17	16
Total operating funding (A)	\$5,309	\$5,750	\$5,595	\$5,941	\$6,265	\$6,704	\$7,273	\$7,753	\$7,910	\$8,285	\$8,372
Applications of operating funding											
Payment to staff and suppliers	3,512	3,533	3,557	3,584	3,856	3,965	4,076	4,192	4,309	4,429	4,553
Finance costs	-	2	6	13	25	63	122	175	172	171	170
Internal charges & overheads applied	312	379	389	410	414	422	444	442	451	471	475
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
Total applications of operating funding (B)	\$3,824	\$3,913	\$3,952	\$4,007	\$4,295	\$4,450	\$4,641	\$4,808	\$4,932	\$5,071	\$5,197
Surplus (deficit) of operating funding (A-B)	\$1,485	\$1,837	\$1,643	\$1,934	\$1,970	\$2,254	\$2,632	\$2,945	\$2,978	\$3,213	\$3,174
Sources of capital funding											
Subsidies and grants for capital expenditure	1,829	3,541	3,443	3,771	3,635	7,352	6,521	3,606	3,545	4,074	4,168
Development and financial contributions	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in debt	-	134	231	452	322	2,640	1,971	(71)	(110)	18	(100)
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-	-
Total sources of capital funding (C)	\$1,829	\$3,675	\$3,674	\$4,224	\$3,957	\$9,992	\$8,492	\$3,535	\$3,435	\$4,092	\$4,068
Applications of capital funding											
Capital expenditure to:											
- meet additional demand	-	-	-	-	-	-	-	-	-	-	-
- improve the level of service	-	350	619	1,221	929	7,028	5,554	417	306	630	324
- replace existing assets	3,107	5,413	4,983	4,920	4,983	4,977	5,085	5,436	5,446	5,983	6,452
Increase (decrease) in reserves	207	(251)	(285)	17	16	242	485	628	660	692	467
Increase (decrease) in investments	-	-	-	-	-	-	-	-	-	-	-
Total applications of capital funding (D)	\$3,313	\$5,512	\$5,317	\$6,157	\$5,928	\$12,247	\$11,124	\$6,480	\$6,412	\$7,305	\$7,243
Surplus (deficit) of capital funding (C-D)	(\$1,485)	(\$1,837)	(\$1,643)	(\$1,934)	(\$1,970)	(\$2,254)	(\$2,632)	(\$2,945)	(\$2,978)	(\$3,213)	(\$3,175)
Funding balance ((A-B) + (C-D))	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

STRATFORD DISTRICT COUNCIL FUNDING IMPACT STATEMENT FOR THE FINANCIAL YEARS 2021 to 2031

For Water Supply

	Annual Plan		Long Term Plan								
	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
	\$000	\$000	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)
Sources of operating funding											
General rates, uniform annual general charges, rates penalties	-	-	-	-	-	-	-	-	-	-	-
Targeted rates	1,898	1,810	1,831	1,966	2,016	2,071	2,135	2,303	2,481	2,508	2,609
Subsidies and grants for operating purposes	-	-	-	-	-	-	-	-	-	-	-
Fees and Charges	-	-	-	-	-	-	-	-	-	-	-
Internal charges and overheads recovered	-	-	-	-	-	-	-	-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	6	25	25	25	27	26	25	28	25	23	21
Total operating funding (A)	\$1,904	\$1,836	\$1,856	\$1,991	\$2,043	\$2,097	\$2,160	\$2,331	\$2,507	\$2,531	\$2,629
Applications of operating funding											
Payment to staff and suppliers	860	736	698	758	727	752	777	784	811	820	846
Finance costs	206	170	179	187	218	221	222	324	375	360	344
Internal charges & overheads applied	424	501	515	544	543	555	586	580	593	623	622
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
Total applications of operating funding (B)	\$1,490	\$1,407	\$1,391	\$1,489	\$1,488	\$1,528	\$1,584	\$1,689	\$1,779	\$1,802	\$1,812
Surplus (deficit) of operating funding (A-B)	\$414	\$429	\$464	\$502	\$555	\$569	\$576	\$642	\$728	\$729	\$817
Sources of capital funding											
Subsidies and grants for capital expenditure	-	1,400	1,025	-	-	-	-	-	-	-	-
Development and financial contributions	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in debt	662	144	628	102	289	(3)	4	3,811	(511)	(493)	(514)
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-	-
Total sources of capital funding (C)	\$662	\$1,544	\$1,653	\$102	\$289	(\$3)	\$4	\$3,811	(\$511)	(\$493)	(\$514)
Applications of capital funding											
Capital expenditure to:											
- meet additional demand	-	-	-	-	-	-	-	-	-	-	-
- improve the level of service	587	1,780	1,904	369	673	390	401	4,289	37	38	-
- replace existing assets	414	695	812	510	414	443	496	452	486	502	498
Increase (decrease) in reserves	75	(502)	(599)	(274)	(243)	(268)	(316)	(288)	(306)	(305)	(195)
Increase (decrease) in investments	-	-	-	-	-	-	-	-	-	-	-
Total applications of capital funding (D)	\$1,076	\$1,973	\$2,117	\$605	\$845	\$565	\$581	\$4,453	\$217	\$236	\$303
Surplus (deficit) of capital funding (C-D)	(\$414)	(\$429)	(\$464)	(\$502)	(\$555)	(\$569)	(\$576)	(\$642)	(\$728)	(\$729)	(\$817)
Funding balance ((A-B) + (C-D))	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

STRATFORD DISTRICT COUNCIL FUNDING IMPACT STATEMENT FOR THE FINANCIAL YEARS 2021 TO 2031

For Wastewater (Sewerage)

	Annual Plan		Long Term Plan								
	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
	\$000	\$000	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)
Sources of operating funding											
General rates, uniform annual general charges, rates penalties	-	-	-	-	-	-	-	-	-	-	-
Targeted rates	881	936	985	1,021	1,107	1,112	1,146	1,245	1,248	1,278	1,387
Subsidies and grants for operating purposes	-	-	-	-	-	-	-	-	-	-	-
Fees and Charges	73	73	75	77	78	80	82	83	85	87	89
Internal charges and overheads recovered	-	-	-	-	-	-	-	-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	3	13	13	12	14	13	13	14	13	12	10
Total operating funding (A)	\$957	\$1,022	\$1,073	\$1,110	\$1,199	\$1,206	\$1,241	\$1,343	\$1,346	\$1,377	\$1,487
Applications of operating funding											
Payment to staff and suppliers	423	452	428	439	472	461	473	508	497	510	547
Finance costs	59	42	53	59	72	76	81	101	103	104	115
Internal charges & overheads applied	211	254	261	273	275	281	294	294	300	312	315
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
Total applications of operating funding (B)	\$693	\$747	\$742	\$771	\$819	\$819	\$847	\$902	\$900	\$926	\$978
Surplus (deficit) of operating funding (A-B)	\$264	\$275	\$331	\$340	\$380	\$387	\$394	\$440	\$446	\$451	\$510
Sources of capital funding											
Subsidies and grants for capital expenditure	-	-	-	-	-	-	-	-	-	-	-
Development and financial contributions	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in debt	394	724	266	272	157	158	160	104	47	39	685
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-	-
Total sources of capital funding (C)	\$394	\$724	\$266	\$272	\$157	\$158	\$160	\$104	\$47	\$39	\$685
Applications of capital funding											
Capital expenditure to:											
- meet additional demand	-	-	-	-	-	-	-	-	-	-	-
- improve the level of service	485	800	362	380	273	281	288	238	184	178	839
- replace existing assets	202	213	252	258	200	228	211	218	262	271	305
Increase (decrease) in reserves	(29)	(15)	(17)	(26)	64	36	54	88	47	41	50
Increase (decrease) in investments	-	-	-	-	-	-	-	-	-	-	-
Total applications of capital funding (D)	\$658	\$998	\$597	\$612	\$536	\$545	\$553	\$544	\$493	\$490	\$1,195
Surplus (deficit) of capital funding (C-D)	(\$264)	(\$274)	(\$330)	(\$340)	(\$380)	(\$387)	(\$394)	(\$440)	(\$446)	(\$451)	(\$510)
Funding balance ((A-B) + (C-D))	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

STRATFORD DISTRICT COUNCIL FUNDING IMPACT STATEMENT FOR THE FINANCIAL YEARS 2021 TO 2031

For Stormwater

	Annual Plan		Long Term Plan								
	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
	\$000	\$000	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)
Sources of operating funding											
General rates, uniform annual general charges, rates penalties	326	356	367	387	429	444	462	508	526	545	591
Targeted rates	-	-	-	-	-	-	-	-	-	-	-
Subsidies and grants for operating purposes	-	-	-	-	-	-	-	-	-	-	-
Fees and Charges	-	-	-	-	-	-	-	-	-	-	-
Internal charges and overheads recovered	-	-	-	-	-	-	-	-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	2	7	7	6	7	7	7	7	7	6	5
Total operating funding (A)	\$328	\$363	\$373	\$394	\$436	\$451	\$469	\$515	\$532	\$551	\$597
Applications of operating funding											
Payment to staff and suppliers	61	63	59	61	62	64	66	68	69	71	73
Finance costs	18	22	27	35	49	54	59	77	83	89	95
Internal charges & overheads applied	107	132	136	140	143	146	151	153	156	161	164
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
Total applications of operating funding (B)	\$187	\$217	\$222	\$237	\$254	\$264	\$276	\$297	\$308	\$321	\$332
Surplus (deficit) of operating funding (A-B)	\$141	\$146	\$151	\$157	\$182	\$187	\$193	\$218	\$224	\$230	\$264
Sources of capital funding											
Subsidies and grants for capital expenditure	-	-	-	-	-	-	-	-	-	-	-
Development and financial contributions	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in debt	207	212	242	469	197	197	197	198	200	202	204
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-	-
Total sources of capital funding (C)	\$207	\$212	\$242	\$469	\$197	\$197	\$197	\$198	\$200	\$202	\$204
Applications of capital funding											
Capital expenditure to:											
- meet additional demand	-	-	-	-	-	-	-	-	-	-	-
- improve the level of service	234	252	292	533	275	283	291	300	310	321	331
- replace existing assets	58	53	55	56	167	59	61	63	65	67	122
Increase (decrease) in reserves	56	52	46	36	(63)	42	38	53	48	44	16
Increase (decrease) in investments	-	-	-	-	-	-	-	-	-	-	-
Total applications of capital funding (D)	\$348	\$358	\$393	\$626	\$379	\$384	\$390	\$416	\$424	\$433	\$468
Surplus (deficit) of capital funding (C-D)	(\$141)	(\$146)	(\$151)	(\$157)	(\$182)	(\$187)	(\$193)	(\$218)	(\$224)	(\$230)	(\$264)
Funding balance ((A-B) + (C-D))	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

STRATFORD DISTRICT COUNCIL FUNDING IMPACT STATEMENT FOR THE FINANCIAL YEARS 2021 TO 2031

For Solid Waste

	Annual Plan		Long Term Plan								
	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
	\$000	\$000	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)
Sources of operating funding											
General rates, uniform annual general charges, rates penalties	19	19	20	20	21	22	22	23	24	24	25
Targeted rates	696	756	780	801	820	844	875	891	913	943	968
Subsidies and grants for operating purposes	-	-	-	-	-	-	-	-	-	-	-
Fees and Charges	83	108	110	111	113	115	117	119	121	123	125
Internal charges and overheads recovered	-	-	-	-	-	-	-	-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	-	8	8	7	8	8	8	8	8	7	6
Total operating funding (A)	\$799	\$890	\$917	\$940	\$963	\$988	\$1,022	\$1,041	\$1,066	\$1,098	\$1,125
Applications of operating funding											
Payment to staff and suppliers	671	682	704	722	741	761	789	809	831	857	883
Finance costs	25	20	19	18	20	19	18	21	20	20	19
Internal charges & overheads applied	132	152	156	162	164	168	175	176	179	186	188
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
Total applications of operating funding (B)	\$828	\$853	\$879	\$903	\$925	\$949	\$982	\$1,006	\$1,031	\$1,063	\$1,090
Surplus (deficit) of operating funding (A-B)	(\$29)	\$37	\$38	\$38	\$38	\$40	\$40	\$36	\$35	\$35	\$35
Sources of capital funding											
Subsidies and grants for capital expenditure	-	-	-	-	-	-	-	-	-	-	-
Development and financial contributions	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in debt	(38)	(36)	(35)	(33)	(32)	(31)	(30)	(28)	(27)	(26)	(25)
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-	-
Total sources of capital funding (C)	(\$38)	(\$36)	(\$35)	(\$33)	(\$32)	(\$31)	(\$30)	(\$28)	(\$27)	(\$26)	(\$25)
Applications of capital funding											
Capital expenditure to:											
- meet additional demand	-	-	-	-	-	-	-	-	-	-	-
- improve the level of service	-	-	-	-	-	-	-	-	-	-	-
- replace existing assets	32	-	10	-	11	-	11	-	12	14	12
Increase (decrease) in reserves	(99)	-	(8)	4	(5)	9	(1)	7	(4)	(5)	(2)
Increase (decrease) in investments	-	-	-	-	-	-	-	-	-	-	-
Total applications of capital funding (D)	(\$66)	\$0	\$2	\$4	\$6	\$9	\$10	\$7	\$8	\$9	\$10
Surplus (deficit) of capital funding (C-D)	\$29	(\$36)	(\$37)	(\$37)	(\$38)	(\$40)	(\$40)	(\$35)	(\$35)	(\$35)	(\$35)
Funding balance ((A-B) + (C-D))	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

STRATFORD DISTRICT COUNCIL FUNDING IMPACT STATEMENT FOR THE FINANCIAL YEARS 2021 TO 2031

For Democracy

	Annual Plan		Long Term Plan								
	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
	\$000	\$000	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)
Sources of operating funding											
General rates, uniform annual general charges, rates penalties	1,018	1,074	1,172	1,155	1,175	1,286	1,248	1,252	1,360	1,339	1,382
Targeted rates	-	-	-	-	-	-	-	-	-	-	-
Subsidies and grants for operating purposes	-	-	-	-	-	-	-	-	-	-	-
Fees and Charges	70	70	70	70	70	70	70	70	70	70	70
Internal charges and overheads recovered	1,130	1,368	1,403	1,565	1,470	1,503	1,673	1,571	1,607	1,788	1,680
Local authorities fuel tax, fines, infringement fees, and other receipts	9	34	34	33	36	35	34	37	34	31	28
Total operating funding (A)	\$2,228	\$2,547	\$2,678	\$2,823	\$2,751	\$2,894	\$3,025	\$2,930	\$3,070	\$3,228	\$3,160
Applications of operating funding											
Payment to staff and suppliers	1,632	1,874	1,986	2,096	2,012	2,148	2,240	2,150	2,272	2,393	2,322
Finance costs	-	-	-	-	-	-	-	-	-	-	-
Internal charges & overheads applied	595	673	692	728	740	746	785	780	799	835	838
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
Total applications of operating funding (B)	\$2,228	\$2,547	\$2,678	\$2,823	\$2,751	\$2,894	\$3,025	\$2,930	\$3,070	\$3,228	\$3,160
Surplus (deficit) of operating funding (A-B)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Sources of capital funding											
Subsidies and grants for capital expenditure	-	-	-	-	-	-	-	-	-	-	-
Development and financial contributions	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in debt	-	-	-	-	-	-	-	-	-	-	-
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-	-
Total sources of capital funding (C)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Applications of capital funding											
Capital expenditure to:											
- meet additional demand	-	-	-	-	-	-	-	-	-	-	-
- improve the level of service	-	-	-	-	-	-	-	-	-	-	-
- replace existing assets	189	189	225	177	291	280	124	146	214	157	269
Increase (decrease) in reserves	(189)	(189)	(225)	(177)	(291)	(280)	(124)	(146)	(214)	(157)	(269)
Increase (decrease) in investments	-	-	-	-	-	-	-	-	-	-	-
Total applications of capital funding (D)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Surplus (deficit) of capital funding (C-D)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Funding balance ((A-B) + (C-D))	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

STRATFORD DISTRICT COUNCIL FUNDING IMPACT STATEMENT FOR THE FINANCIAL YEARS 2021 TO 2031

For Community Development

	Annual Plan		Long Term Plan								
	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
	\$000	\$000	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)
Sources of operating funding											
General rates, uniform annual general charges, rates penalties	640	1,243	1,402	1,325	1,396	1,427	1,475	1,487	1,521	1,569	1,594
Targeted rates	-	-	-	-	-	-	-	-	-	-	-
Subsidies and grants for operating purposes	-	-	-	-	-	-	-	-	-	-	-
Fees and Charges	635	623	625	627	629	632	634	637	639	641	644
Internal charges and overheads recovered	-	-	-	-	-	-	-	-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	5	21	21	21	23	22	21	23	21	19	17
Total operating funding (A)	\$1,279	\$1,887	\$2,048	\$1,973	\$2,048	\$2,081	\$2,130	\$2,147	\$2,182	\$2,230	\$2,256
Applications of operating funding											
Payment to staff and suppliers	726	1,224	1,316	1,326	1,384	1,406	1,439	1,467	1,491	1,526	1,556
Finance costs	151	59	56	103	49	48	47	56	56	56	57
Internal charges & overheads applied	344	476	490	521	521	531	563	556	567	596	597
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
Total applications of operating funding (B)	\$1,221	\$1,759	\$1,862	\$1,949	\$1,953	\$1,986	\$2,049	\$2,079	\$2,115	\$2,178	\$2,210
Surplus (deficit) of operating funding (A-B)	\$59	\$128	\$186	\$24	\$95	\$95	\$81	\$68	\$67	\$51	\$46
Sources of capital funding											
Subsidies and grants for capital expenditure	-	-	-	-	-	-	-	-	-	-	-
Development and financial contributions	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in debt	(3,746)	1,200	910	(2,177)	(34)	(30)	(16)	(3)	3	18	23
Gross proceeds from sale of assets	3,816	-	-	3,274	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-	-
Total sources of capital funding (C)	\$70	\$1,200	\$910	\$1,097	(\$34)	(\$30)	(\$16)	(\$3)	\$3	\$18	\$23
Applications of capital funding											
Capital expenditure to:											
- meet additional demand	-	1,200	1,025	1,049	-	-	-	-	-	-	-
- improve the level of service	-	556	549	499	553	113	116	7	4	2,394	7
- replace existing assets	97	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in reserves	31	(428)	(478)	(426)	(492)	(48)	(50)	58	66	(2,324)	62
Increase (decrease) in investments	-	-	-	-	-	-	-	-	-	-	-
Total applications of capital funding (D)	\$128	\$1,328	\$1,096	\$1,121	\$61	\$65	\$66	\$65	\$70	\$70	\$69
Surplus (deficit) of capital funding (C-D)	(\$59)	(\$127)	(\$186)	(\$24)	(\$95)	(\$95)	(\$81)	(\$68)	(\$68)	(\$52)	(\$46)
Funding balance ((A-B) + (C-D))	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

STRATFORD DISTRICT COUNCIL FUNDING IMPACT STATEMENT FOR THE FINANCIAL YEARS 2021 TO 2031

For Environmental Services

	Annual Plan		Long Term Plan								
	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
	\$000	\$000	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)
Sources of operating funding											
General rates, uniform annual general charges, rates penalties	1,255	1,499	1,547	1,561	1,668	1,725	1,795	1,762	1,819	1,832	1,888
Targeted rates	-	-	-	-	-	-	-	-	-	-	-
Subsidies and grants for operating purposes	-	-	-	-	-	-	-	-	-	-	-
Fees and Charges	484	561	590	625	639	653	667	687	702	718	734
Internal charges and overheads recovered	-	-	-	-	-	-	-	-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	12	49	48	48	52	51	48	53	49	45	40
Total operating funding (A)	\$1,752	\$2,109	\$2,186	\$2,233	\$2,359	\$2,428	\$2,510	\$2,503	\$2,570	\$2,595	\$2,662
Applications of operating funding											
Payment to staff and suppliers	905	1,131	1,180	1,620	1,674	1,670	1,225	1,222	1,280	1,276	1,337
Finance costs	2	1	1	12	25	35	32	34	31	28	25
Internal charges & overheads applied	837	969	997	1,043	1,058	1,080	1,124	1,130	1,153	1,194	1,213
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
Total applications of operating funding (B)	\$1,744	\$2,101	\$2,178	\$2,676	\$2,757	\$2,785	\$2,381	\$2,386	\$2,464	\$2,498	\$2,574
Surplus (deficit) of operating funding (A-B)	\$8	\$8	\$8	(\$442)	(\$398)	(\$357)	\$130	\$117	\$106	\$96	\$87
Sources of capital funding											
Subsidies and grants for capital expenditure	-	-	-	-	-	-	-	-	-	-	-
Development and financial contributions	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in debt	-	(2)	(2)	448	403	363	(124)	(112)	(100)	(91)	(82)
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-	-
Total sources of capital funding (C)	\$0	(\$2)	(\$2)	\$448	\$403	\$363	(\$124)	(\$112)	(\$100)	(\$91)	(\$82)
Applications of capital funding											
Capital expenditure to:											
- meet additional demand	-	-	-	-	-	-	-	-	-	-	-
- improve the level of service	-	-	-	-	-	-	-	-	-	-	-
- replace existing assets	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in reserves	8	6	5	5	5	5	5	5	5	5	5
Increase (decrease) in investments	-	-	-	-	-	-	-	-	-	-	-
Total applications of capital funding (D)	\$8	\$6	\$5	\$5	\$5	\$5	\$5	\$5	\$5	\$5	\$5
Surplus (deficit) of capital funding (C-D)	(\$8)	(\$8)	(\$7)	\$443	\$398	\$358	(\$129)	(\$117)	(\$106)	(\$96)	(\$87)
Funding balance ((A-B) + (C-D))	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

SAMPLE RATING COMPARISONS

	Annual Plan 2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	
		Forecast	LTP Projection									
			\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Residential - Capital Value	\$180,000	\$275,000	\$275,000	\$275,000	\$275,000	\$275,000	\$275,000	\$275,000	\$275,000	\$275,000	\$275,000	
Uniform Annual General Charge	678.00	767.00	816.00	817.00	860.00	902.00	914.00	917.00	958.00	961.00	994.00	
Solid Waste	310.00	334.00	342.00	350.00	356.00	364.00	376.00	380.00	388.00	398.00	407.00	
Water Supply*	573.00	552.00	556.00	338.00	330.00	314.00	322.00	345.00	370.00	372.00	386.00	
Water Consumption**	0.00	0.00	0.00	337.99	378.05	412.83	430.00	468.45	509.80	520.42	546.87	
Wastewater	376.00	389.00	407.00	420.00	453.00	452.00	464.00	501.00	500.00	509.00	550.00	
Roading Rate	199.55	291.29	275.26	304.16	317.73	350.94	395.32	432.33	439.37	465.67	466.30	
General Rate***	267.61	363.01	429.33	438.30	462.57	476.18	498.30	504.16	523.31	545.65	588.05	
Total Rates (excl TRC)	2,404.15	2,696.30	2,825.58	3,005.45	3,157.35	3,271.95	3,399.62	3,547.94	3,688.47	3,771.74	3,938.21	
Movement \$		292.15	129.28	179.87	151.90	114.60	127.67	148.32	140.54	83.26	166.48	
Movement %		12.15%	4.79%	6.37%	5.05%	3.63%	3.90%	4.36%	3.96%	2.26%	4.41%	
Residential - Capital Value	\$280,000	\$380,000	\$380,000	\$380,000	\$380,000	\$380,000	\$380,000	\$380,000	\$380,000	\$380,000	\$380,000	
Uniform Annual General Charge	678.00	767.00	816.00	817.00	860.00	902.00	914.00	917.00	958.00	961.00	994.00	
Solid Waste	310.00	334.00	342.00	350.00	356.00	364.00	376.00	380.00	388.00	398.00	407.00	
Water Supply*	573.00	552.00	556.00	338.00	330.00	314.00	322.00	345.00	370.00	372.00	386.00	
Water Consumption**	0.00	0.00	0.00	422.49	472.57	516.04	537.50	585.57	637.25	650.52	683.59	
Wastewater	376.00	389.00	407.00	420.00	453.00	452.00	464.00	501.00	500.00	509.00	550.00	
Roading Rate	310.41	402.52	380.36	420.30	439.05	484.93	546.26	597.40	607.12	643.47	644.34	
General Rate***	416.28	501.61	593.25	605.65	639.19	657.99	688.55	696.65	723.11	753.99	812.57	
Total Rates (excl TRC)	2,663.68	2,946.13	3,094.61	3,373.44	3,549.80	3,690.97	3,848.32	4,022.61	4,183.49	4,287.98	4,477.50	
Movement \$		282.45	148.48	278.83	176.36	141.17	157.35	174.30	160.88	104.49	189.52	
Movement %		10.60%	5.04%	9.01%	5.23%	3.98%	4.26%	4.53%	4.00%	2.50%	4.42%	
Rural - Capital Value	\$1,670,000	\$1,840,000	\$1,840,000	\$1,840,000	\$1,840,000	\$1,840,000	\$1,840,000	\$1,840,000	\$1,840,000	\$1,840,000	\$1,840,000	
Uniform Annual General Charge	678.00	767.00	816.00	817.00	860.00	902.00	914.00	917.00	958.00	961.00	994.00	
Roading Rate	1,851.36	1,949.02	1,841.73	2,035.14	2,125.91	2,348.10	2,645.06	2,892.66	2,939.76	3,115.77	3,119.95	
General Rate***	2,482.79	2,428.87	2,872.58	2,932.63	3,095.01	3,186.07	3,334.05	3,373.26	3,501.39	3,650.88	3,934.56	
Total Rates (excl TRC)	5,012.15	5,144.89	5,530.31	5,784.77	6,080.91	6,436.17	6,893.11	7,182.91	7,399.15	7,727.65	8,048.50	
Movement \$		132.74	385.41	254.47	296.14	355.25	456.94	289.80	216.24	328.50	320.85	
Movement %		2.65%	7.49%	4.60%	5.12%	5.84%	7.10%	4.20%	3.01%	4.44%	4.15%	
Rural - Capital Value	\$3,980,000	\$5,790,000	\$5,790,000	\$5,790,000	\$5,790,000	\$5,790,000	\$5,790,000	\$5,790,000	\$5,790,000	\$5,790,000	\$5,790,000	
Uniform Annual General Charge	678.00	767.00	816.00	817.00	860.00	902.00	914.00	917.00	958.00	961.00	994.00	
Roading Rate	4,412.23	6,133.06	5,795.44	6,404.06	6,689.67	7,388.86	8,323.32	9,102.44	9,250.64	9,804.53	9,817.65	
General Rate***	5,917.07	7,643.02	9,039.25	9,228.23	9,739.18	10,025.73	10,491.38	10,614.75	11,017.98	11,488.37	12,381.03	
Total Rates (excl TRC)	11,007.29	14,543.08	15,650.69	16,449.29	17,288.86	18,316.58	19,728.70	20,634.20	21,226.62	22,253.89	23,192.68	
Movement \$		3,535.79	1,107.61	798.59	839.57	1,027.73	1,412.12	905.49	592.42	1,027.28	938.79	
Movement %		32.12%	7.62%	5.10%	5.10%	5.94%	7.71%	4.59%	2.87%	4.84%	4.22%	
Rural - Capital Value	\$7,110,000	\$6,560,000	\$6,560,000	\$6,560,000	\$6,560,000	\$6,560,000	\$6,560,000	\$6,560,000	\$6,560,000	\$6,560,000	\$6,560,000	
Uniform Annual General Charge	678.00	767.00	816.00	817.00	860.00	902.00	914.00	917.00	958.00	961.00	994.00	
Roading Rate	7,882.15	6,948.69	6,566.16	7,255.72	7,579.32	8,371.49	9,430.22	10,312.96	10,480.87	11,108.41	11,123.28	
General Rate***	10,570.44	8,659.45	10,241.37	10,455.47	11,034.38	11,359.03	11,886.61	12,026.39	12,483.23	13,016.18	14,027.56	
Total Rates (excl TRC)	19,130.58	16,375.14	17,623.53	18,528.19	19,473.70	20,632.51	22,230.83	23,256.34	23,922.10	25,085.59	26,144.84	
Movement \$		-2,755.45	1,248.39	904.66	945.51	1,158.82	1,598.31	1,025.52	665.76	1,163.49	1,059.25	
Movement %		-14.40%	7.62%	5.13%	5.10%	5.95%	7.75%	4.61%	2.86%	4.86%	4.22%	

	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	
Annual Plan 2020/21	Forecast	LTP Projection									
		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Commercial - Capital Value	\$190,000	\$230,000	\$230,000	\$230,000	\$230,000	\$230,000	\$230,000	\$230,000	\$230,000	\$230,000	\$230,000
Uniform Annual General Charge	678.00	767.00	816.00	817.00	860.00	902.00	914.00	917.00	958.00	961.00	994.00
Water Supply*	573.00	552.00	556.00	338.00	330.00	314.00	322.00	345.00	370.00	372.00	386.00
Water Consumption**	642.00	582.72	595.43	506.98	567.08	619.25	645.00	702.68	764.70	780.63	820.31
Wastewater	376.00	389.00	407.00	420.00	453.00	452.00	464.00	501.00	500.00	509.00	550.00
Roading Rate	210.63	243.63	230.22	254.39	265.74	293.51	330.63	361.58	367.47	389.47	389.99
General Rate***	282.47	303.61	359.07	366.58	386.88	398.26	416.76	421.66	437.67	456.36	491.82
Total Rates (excl TRC)	2,762.11	2,837.96	2,963.72	2,702.95	2,862.69	2,979.02	3,092.39	3,248.92	3,397.85	3,468.46	3,632.12
Movement \$		75.85	125.77	-260.77	159.74	116.33	113.37	156.53	148.93	70.61	163.66
Movement %		2.75%	4.43%	-8.80%	5.91%	4.06%	3.81%	5.06%	4.58%	2.08%	4.72%
Commercial - Capital Value	\$870,000	\$1,020,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000
Uniform Annual General Charge	678.00	767.00	816.00	817.00	860.00	902.00	914.00	917.00	958.00	961.00	994.00
Water Supply*	573.00	552.00	556.00	338.00	330.00	314.00	322.00	345.00	370.00	372.00	386.00
Water Consumption**	1,070.00	971.20	992.39	844.97	945.13	1,032.08	1,075.00	1,171.13	1,274.50	1,301.04	1,367.18
Wastewater	376.00	389.00	407.00	420.00	453.00	452.00	464.00	501.00	500.00	509.00	550.00
Roading Rate	964.48	1,080.44	1,020.96	1,128.18	1,178.49	1,301.66	1,466.28	1,603.54	1,629.65	1,727.22	1,729.53
General Rate***	1,293.43	1,346.44	1,592.41	1,625.70	1,715.71	1,766.19	1,848.22	1,869.96	1,940.99	2,023.86	2,181.11
Total Rates (excl TRC)	4,954.91	5,106.07	5,384.76	5,173.84	5,482.34	5,767.94	6,089.51	6,407.63	6,673.14	6,894.12	7,207.83
Movement \$		151.16	278.68	-210.91	308.49	285.60	321.57	318.12	265.51	220.98	313.71
Movement %		3.05%	5.46%	-3.92%	5.96%	5.21%	5.58%	5.22%	4.14%	3.31%	4.55%

Number of Rating Units Per Year

Year	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
Rating Units	4,788	4,812	4,836	4,860	4,884	4,909	4,933	4,958	4,983	5,008

- * The reduction of the Water Supply Targeted Rate in year 4 is as a result of a shift in funding of this Activity towards a usage based charge, reducing the fixed targeted rate.
- ** Annual water Consumption is estimated at 200-250 m3 for residential, and 300-500 m3 for commercial based on the property value - at \$1.73 per cubic metre in 2023/24.
- *** The reduction of the general rate in year 1 is a result of the recent property revaluation, to be applied to rates from 1 July 2021, which lead to an increase in the total capital value of rateable properties in the district by \$370,000,000 or 12%. This resulted in a lower rate per dollar of capital value as the valuation increase is higher than the general rates increase (decrease). This is also the reason for the reduction in the Roothing Rate in year 1.

BALANCING THE BUDGET

Introduction

In terms of the Local Government Act 2002, Council is balancing the budget over the period of the Long Term Plan due to the budgeted operating income exceeding budgeted operating expenditure. There are some areas of expenditure that Council has resolved not to fund, which are discussed further.

Local Government Act 2002

The financial statements within this plan do contain a balanced budget as outlined in Section 100 of the Local Government Act 2002 (the Act) for 2018/2019 and subsequent years. Council is required under the Act to generate sufficient revenue to cover operational costs including depreciation.

The ten year detailed financial summary including inflation is shown below.

Budget 2020/21 \$000	Forecast 2021/22 \$000	Projection									
		2022/23 \$000	2023/24 \$000	2024/25 \$000	2025/26 \$000	2026/27 \$000	2027/28 \$000	2028/29 \$000	2029/30 \$000	2030/31 \$000	
	Funding:										
	Depreciation funded from reserves (unfunded)										
1,482	- Roading	1,611	1,615	1,621	1,784	1,793	1,865	2,081	2,084	2,086	2,314
0	- Bridges	0	0	0	0	0	0	0	0	0	0
88	- Buildings	255	261	262	263	280	281	282	300	301	302
0	- Infrastructure	0	0	0	0	0	0	0	0	0	0
14,566	Loan Proceeds for Capital Expenditure	14,600	4,109	4,087	2,768	4,637	3,318	5,054	714	3,237	1,365
2,732	Capital Expenditure funded from reserves	4,077	4,253	3,942	4,267	4,210	4,245	4,467	4,689	4,897	5,303
96	Operational Expenditure funded from reserves	503	334	629	540	816	1,161	1,315	1,336	1,584	1,373
	Less Expenditure										
4,610	Total loan repayments	859	1,217	4,449	1,343	1,462	1,535	1,625	1,667	1,661	1,678
0	Net transfer to loan repayment reserve	0	0	0	0	0	0	0	0	0	0
10	Rates transferred to Reserve	10	10	10	10	10	10	10	10	10	10
125	Interest transferred to reserves	34	38	41	53	60	72	105	124	144	164
48	Staff Gratuities	0	0	0	0	0	0	0	0	0	0
12	Landfill aftercare provision	7	7	7	7	7	7	3	0	0	0
21,909	Capital Expenditure	28,535	11,764	10,183	9,001	14,414	12,698	11,626	7,389	10,629	9,225
7,894	Net Surplus (Deficit) before other comprehensive revenue and expense	9,404	3,131	5,407	1,872	5,849	5,774	2,800	2,739	3,507	3,167

Use of Reserves

Council is forecasting to record overall surpluses in each year of the Long Term Plan, however, in some activities, Council has resolved not to set revenue to fund all of the costs relating to that activity. In some cases Council has resolved to use reserves to fund some specific expenditure. This is particularly the case where Council actively uses the Reserves, built up by surpluses recorded from targeted rate activities, to fund the capital expenditure and in limited cases one off operating expenditure of those activities.

Intergenerational Equity

Council considers the issue of intergenerational equity when funding depreciation in areas where it may not be fair to impose a cost for depreciation to this generation. Intergenerational equity requires today's ratepayers to meet the costs of utilising Council's assets and not expecting them to meet the full cost of long term assets that will benefit ratepayers in future generations.

Council has given careful consideration to the required funding for the provision and maintenance of certain assets throughout their useful life, and the equitable allocation of responsibility for this funding. Council does not consider it equitable for current ratepayers to fund the financing cost of interest and principal repayments on loans and at the same time fund depreciation for the eventual replacement of the asset.

Funding of Depreciation

Council primarily uses the Depreciation Reserve to fund:

Replacements/Renewals – works to upgrade, refurbish, or replace existing facilities with facilities of equivalent capacity or performance capability.

Capital expenditure – expenditure used to create new assets or to increase the capacity of existing assets beyond their original design capacity or service potential.

Depreciation is calculated on a straight line basis on all applicable property, plant and equipment, excluding land. The depreciation rates are set for the assets to be written off, less their estimated residual values, over their useful lives. Council does not consider it prudent to fund full depreciation on assets that may or may not be replaced, and doubt exists as to the form of the possible replacement, as a result a portion of the depreciation is funded on those assets. Assets that have an alternative funding source also have not had depreciation funded in full.

The Assets are:

Assets	Rationale For Not Funding Depreciation
Library books	Not funded to the extent of book renewals
Civic Amenities	May not be replaced
Roading (part)	NZTA's portion of subsidy

Depreciation on some assets of Council are not fully funded. Those assets are the ones that Council elected not to replace at the end of their useful life; and those that Council expects to receive funding for by way of grants.

REVENUE AND FINANCING POLICY

OVERVIEW

This Policy provides a summary of Council's funding policies in respect of both operating and capital expenditure for each Council Activity. The Policy is reviewed at least every three years. The last review was completed prior to the adoption of the Long Term Plan 2018-28. This policy comes into effect from 1 July 2021.

The Council must undertake services in a financially prudent and sustainable way for the Council and the community as a whole. Funding decisions made by elected members and the rationale underpinning the decisions are set out in this Policy.

In accordance with section 101(3) of the Local Government Act 2002, in funding each activity the Council has considered:

- The community outcomes to which each activity contributes;
- An analysis of who benefits from the activity;
- The period of time the benefits are expected to occur;
- The extent to which the actions or inaction of a particular person or group contributes to the need to undertake the activity, and
- The costs and benefits of funding the activity distinctly from other activities, and
- The overall impact of any allocation of liability for revenue needs on the four wellbeing outcomes of the community.

Council has also taken into account legislative requirements in setting rates and determining sources of funding. For example the Local Government (Rating) Act 2002 provides that all rates set on a uniform fixed amount basis (including the UAGC, but excluding water and wastewater uniform targeted rates) must not exceed 30% of the total rates revenue. Other legislation, such as the Sale and Supply of Alcohol Act 2012, set out statutory fees for various types of regulatory services, and these fees must not be exceeded. The Resource Management Act 1991 specifies the circumstances in which local authorities may require financial contributions from developers to meet the costs of their impact on the environment, including their impact on the demand for infrastructure.

INITIAL FUNDING OPTIONS CONSIDERED

Prior to determining the amount to be funded by rates, Council identified and exhausted all other funding sources available to each Activity. These include:

Fees and Charges

Fees and charges are usually either full or part charges to recover the costs of delivering the services. Fees and charges are usually only set for services that a user has discretion to use or not, and where it is efficient for the Council to collect the fee or charge.

Grants and Subsidies

These are provided by external agencies and are usually for an agreed, specified purpose. The major source of grants and subsidies is the New Zealand Transport Agency (NZTA) which provides subsidies for road maintenance, renewals and improvements. For all other grants and subsidies, applications will be made wherever they are available.

Borrowing

Debt will be used to fund new capital assets.

Debt may also be used to fund operational expenditure where that expenditure provides benefits over many years. An example of this is the development of the District Plan, where expenditure occurs over a 2-3 year period, but the benefits are received over a 10+ year period.

Proceeds from Asset Sales

Sale proceeds may be used to fund new or replacement assets. The Council has established an Asset Sales Proceeds Reserve to ring-fence sale proceeds that have not been specifically tagged for any other purpose, for the purpose of funding new or replacement assets – with any decision on the funding of asset purchases from this reserve to be made by elected members on a case by case basis.

Financial Contributions

Financial Contributions may be required as part of Council's Development and Financial Contributions Policy, and used to fund operating or capital expenditure as per the requirements in the District Plan. As there is some uncertainty about whether Council will charge Financial Contributions in the years ahead or to what extent, no amount has been budgeted for Financial Contributions in the Long Term Plan. Any actual Financial Contributions collected will be transferred to the Financial Contributions Reserve, with any funding decisions from the reserve to be made by elected members on a case by case basis.

Interest and Dividends from Investments

If the investment income relates to a specific Activity that has a reserve established for a targeted rate, then investment income will go towards funding that Activity. Otherwise, it will be part of a corporate treasury fund that nets off the overall general rates requirement. It is expected that the Farm will contribute at least \$50,000 a year to offset the general rates requirement.

RATING OPTIONS

When considering how rates are to be applied to ratepayers, Council has considered the following principles:

- Who benefits from providing the activity,
- Who causes the need to provide the specific service to the community,
- The ability of ratepayers, users, and exacerbators to pay for the costs of the activity,
- Intergenerational equity – where the cost aligns with the time period over which the benefits are received,
- Operating an efficient rating system, that is cost effective to administer, and transparent to ratepayers.

General Rates

These are generally used to fund activities that benefit a wide portion of the community, and where it is considered fair and efficient to use this rating tool.

General rates are applied by a specific rate in the dollar per Capital Value of a rating unit. The general rates requirement is determined after all other funding (including other rates funding) options have been netted off total operating expenditure. No differentials are used in the application of general rates.

Targeted Rates

These will be used where Council requires transparency in funding for a particular activity and where the funds collected will be ring-fenced for funding that Activity only.

Targeted rates may be applied on the basis of ratepayers who use or are able to use a service, to properties in a specified area, or over the district as a whole. They may be applied by rating unit or by a separately used or inhabited part of a rating unit (or "SUIP", defined later on in this policy).

UAGC (Uniform Annual General Charge)

The UAGC is applied as a fixed rate per SUIP.

This rate will be used for activities where it is considered that each SUIP benefits from the activity by a similar amount.

Definition of SUIP

A SUIP is a Separately Used or Inhabited Part of a rating unit and includes any part of a rating unit that is used or inhabited by any person. This definition applies to the application of the UAGC, the Solid Waste targeted rate, Wastewater targeted rate, and the Community Centre targeted rate.

This definition includes separately used parts, whether or not actually occupied at any particular time, which are provided by the owner for rental or other form of occupation on an occasional or long term. For the purpose of this definition, vacant land and vacant premises are separately used by the owner as a property available for separate sale, or provided by the owner for rental (or other form of occupation).

For a commercial rating unit (other than motels/hotels), this includes a building or part of a building that is, or is capable of being, separately tenanted, leased or subleased, and is not integral to the commercial operation. Motels/hotels are treated as one SUIP even if each accommodation unit may be capable of separate habitation.

For a residential rating unit, this includes a building or part of a building which is used, or is capable of being used, as an independent unit. An independent unit is any unit containing either separate cooking and living facilities, or a separate entrance; and that has its own toilet or bathroom facilities.

Separate parts of buildings, after the first, that are uninhabitable and declared unsanitary under the Health Act 1956 or the Building Act 2004 are not SUIPs.

EXAMPLES	NO. OF SUIP'S per rating unit
Single Dwelling	1
Dwelling plus granny flat	2
Six flats	6
Corner dairy with integral dwelling attached	1
Dwelling with nail business within dwelling	1
Dwelling with hair salon in structure detached from main house	2
Three retails shops and one industrial building	4
Garden centre with separate café	2
Farm with 1 dwelling	1
Farm with 3 dwellings	3
Farm run-off	1
Farm with 1 dwelling plus a contracting business	2
Hotel/Motel with six rooms (one commercial business activity)	1
Hotel/Motel with attached restaurant	2
Caravan park with six cabins (one commercial business activity)	1
Rest home with 10 self-contained residential units	11

GROUPS OF ACTIVITIES

<i>Group</i>	<i>Activity</i>	<i>Description of Activity</i>	<i>Time Period of Benefits</i>	<i>Direct Beneficiaries of Activity</i>	<i>Community Outcomes (Rationale for Activity)</i>	<i>Funding Sources (excl capital for all except Roding)</i>
Recreation and Facilities	Aerodrome	Provides opportunities for local air transport, recreation and light commercial needs. Council owns the land, the apron pad, car parking, site drainage, landscaping. The Stratford Aero Club owns the clubrooms, hangars and the fuel pump.	Operational - annual	Aerodrome users / aeroclub members	Connected Communities , Enabling Economy	General rates 60-80% User Charges 20-40%
	Civic Amenities	Range of community facilities including public toilets, bus shelters, rural halls, structures, War Memorial Centre, Clock Tower, Pensioner Housing.	Operational - annual	Community, tourists, users of the facilities. Some facilities are considered to be of low benefit and won't be replaced, therefore the asset is not depreciated i.e. Centennial Restrooms, Rural Halls, TET Stadium.	Connected Communities , Vibrant Community	General rates 80-90% Targeted rate <5% (SUIP) User charges 10-20% Grants/donations <10%
	Library	Provides physical access to books, and online access to digital books and articles. Provides free wi-fi, some learning opportunities, school holiday programmes.	Operational - annual	Library users, community	Vibrant Community, Connected Communities	General rates 90-100% User charges <10%

<i>Group</i>	<i>Activity</i>	<i>Description of Activity</i>	<i>Time Period of Benefits</i>	<i>Direct Beneficiaries of Activity</i>	<i>Community Outcomes (Rationale for Activity)</i>	<i>Funding Sources (excl capital for all except Rooding)</i>
	Parks, Reserves and Cemeteries	Provision of recreation opportunities, open spaces, and cemeteries for use by all.	Operational - annual	Users, the community also benefits from having areas available for recreation. Cemeteries are an important part of a community.	Sustainable Environment, Connected Communities	Cemeteries: General rates 45-65% User charges 40-55% Parks and Reserves: General rates 95-99% User charges 1-5%
	TSB Pool Complex	Provision of swimming pool facilities	Operational - annual	Users. The business community also benefits from visitors to the pool.	Vibrant Community, Enabling Economy, Connected Communities	General rates 75-90% User charges 10-20%
Community Development	Community Services	Support community groups in the Stratford district to achieve their goals i.e. Positive Ageing, Central Taranaki Safe Trust, Iwi groups, Youth Council, and providing events that benefit the community and recognise and enhance cultural wellbeing, including events that celebrate Maori culture.	Operational - annual	Community, groups and individuals receiving support from Council	Vibrant Community, Connected Communities	General rates >90% Grants and/or user charges <10%
	Economic Development	Supports the growth of the district and promotes the district as a place to do business and a great place to live.	Operational - annual	Ratepayers (property owners), business owners.	Enabling Economy, Vibrant Community	UAGC 50% General rates 50%

Group	Activity	Description of Activity	Time Period of Benefits	Direct Beneficiaries of Activity	Community Outcomes (Rationale for Activity)	Funding Sources (excl capital for all except Rooding)
	Information Centre	Provides a booking service for tourists and residents, also a tourist gift shop, and an AA.	Operational - annual	Tourists, users of the I-Site and AA, community.	Enabling Economy, Vibrant Community	General rates 70-80% User charges 20-30%
	Rental and Investment Properties	Council owns properties for strategic or investment purposes - includes Farm, and other commercial properties.	Varies, depending on the intended future use of the property.	Ratepayers expectation is that the investments should contribute towards rates however this is not always the case for some rental properties in the short term.	Enabling Economy	User charges >100%
Democracy	Democracy	Includes all governance processes, meetings, elections, and community involvement in the democratic process.	Election costs - once every three years	Stratford district community	Connected Communities , Vibrant Community, Enabling Economy, Sustainable Environment	UAGC 100%
Environmental Services	Building Services	Receives and processes applications for building consents. Monitoring and compliance of building work in the district.	Operational - annual	Users, ratepayers	Enabling Economy, Sustainable Environment	UAGC 55-65% User charges 35-45%
	Planning	Development and administration of the District Plan. Issuing of resource consents.	District Plan costs - spread over	Community, users, all ratepayers	Sustainable Environment, Enabling Economy	UAGC 75-85% User charges 15-25%

<i>Group</i>	<i>Activity</i>	<i>Description of Activity</i>	<i>Time Period of Benefits</i>	<i>Direct Beneficiaries of Activity</i>	<i>Community Outcomes (Rationale for Activity)</i>	<i>Funding Sources (excl capital for all except Roading)</i>
			the life of the plan			
	Community Health and Safety	Regulation and enforcement of legislation and bylaws relating to health, food, alcohol, animal control, and general nuisance.	Operational - annual	Users (affected business owners, dog owners), exacerbators, community.	Sustainable Environment, Enabling Economy	UAGC 60-70% User charges 30-40%
	Civil Defence and Emergency Management	Regional shared service for civil defence emergency management and preparedness.	Benefits are primarily received at the time of a Civil Defence event only.	The district and community, all ratepayers	Sustainable Environment, Connected Communities	UAGC 100%
Roading	Roading	Management, construction and maintenance of rural and urban roads, footpaths, street lighting and associated infrastructure, excluding state highways.	Operational - annual	Road users, community and ratepayers	Connected Communities , Enabling Economy	Targeted rate (incl reserves) 30-55% (rate per \$CV) NZTA Grant 40-65% User charges <5%
Stormwater	Stormwater	Provision of stormwater reticulation and collection services, and minimising excess water from a major rainfall event, and allowing for normal drainage of stormwater and groundwater.	Operational - annual	The CBD and residents, community and ratepayers	Enabling Economy, Sustainable Environment	UAGC 100%

Group	Activity	Description of Activity	Time Period of Benefits	Direct Beneficiaries of Activity	Community Outcomes (Rationale for Activity)	Funding Sources (excl capital for all except Rooding)
Wastewater	Wastewater	The operation, maintenance and management of the reticulation network and treatment plant, managing the disposal of sewerage.	Desludging of oxidation pond – capital cost occurs once every 15-20 years.	Properties connected to wastewater system, users of the discharge facility, commercial users.	Enabling Economy, Sustainable Environment	Targeted rate 85-95% (by SUIP, commercial differential) User charges 5-15%
Solid Waste	Solid Waste	Waste and recycling collection service to households in urban areas and a transfer station in Stratford.	Landfill aftercare provision \$12k a year to 2022/23	Properties within rubbish collection area, transfer station users, the community (bins on Broadway collected - UAGC funded).	Enabling Economy, Sustainable Environment	Targeted rate 85-95% (SUIP) User charges 5-15% UAGC <5%
Water Supply	Water Supply	Council operates three water supplies, water treatment plant and manages the reticulation systems and associated infrastructure to supply the district with clean drinking water.	Operational - annual	Properties to which water is supplied, community.	Enabling Economy, Sustainable Environment	For years 1 and 2: Targeted rate 70-80% (by rating unit) Targeted rate 20-30% (variable, based on usage) From year 3 onwards: Targeted rate 35-45% (by SUIP) Targeted rate 55-65% (variable, based on usage)

FUNDING OF CAPITAL EXPENDITURE

Schedule 10 of the Local Government Act requires Councils to, in relation to each group of activities, and for each financial year covered by the Long Term Plan, include a statement of the amount of capital expenditure budgeted to a) meet additional demand for an activity, b) improve the level of service, and c) replace existing assets. This is outlined in the Funding Impact Statements in the Long Term Plan 2021-31. The funding source for each type of capital expenditure is explained below.

Renewal projects

Renewal projects restore or replace components of an asset or the entire asset to maintain the current level of service (original size, condition or capacity). These projects will be funded from capital reserves built up from funded depreciation. Where the reserve is not sufficient to meet the programmed renewals and the work is deemed necessary, then an internal loan will be used to recognise the overdrawn reserve account, and repaid from a contribution from the reserve over a period that matches with the benefit received from the expenditure.

Level of Service projects

Increasing the levels of service expenditure is the creation of new assets or improvements to existing assets that result in a higher level of service able to be delivered by the Council. These projects will be funded by loans and repaid from operational funding sources. It is considered that debt funding is a fair funding mechanism for significant improvements to the community that will benefit future generations over a number of years.

Growth Related projects

These relate to the additional investment required to serve growth in existing services due to new areas being serviced, or growth in the district. These projects will be funded from financial contributions, with any additional funding requirement to be funded by loans as above (Level of Service projects).

Emergency Capital Expenditure

Where an entire asset is damaged by an extraordinary event, e.g. a natural disaster, all efforts will be made to claim under Council's insurance policies where possible, with any excess payable to be covered by Council's Contingency Reserve. If neither of these funding sources are sufficient or available, then Council may fund any emergency capital expenditure requirements through borrowing.

DEVELOPMENT AND FINANCIAL CONTRIBUTIONS POLICY

INTRODUCTION

Section 102(2) of the Local Government Act 2002 requires the Council to adopt a policy on development contributions (money or land required from developers under the provisions of the Local Government Act 2002) or financial contributions (money or land required from developers under the provisions of the Resource Management Act 1991 and the Stratford District Plan).

Requiring developers to pay the actual costs of extending services is considered to be an appropriate method of encouraging an efficient, consolidated, compact pattern of land use. It is recognised that the true costs of service provision for an extended network would include not only the actual cost of the extension, but also a share of the costs that have been invested by the community in the establishment of the existing service network.

As a general rule, the Council will use financial mechanisms to ensure that ratepayers do not subsidise land developers who are seeking to extend service networks to serve their subdivisions and developments while there is still spare capacity on the existing network.

DEVELOPMENT CONTRIBUTIONS

Development contributions are provided for under Sections 201 through 211 of the Local Government Act 2002.

The Stratford District Council does not have a policy on development contributions due to the complex methodology imposed by the legislation and the requirement to demonstrate growth in order to apply and collect development contributions. The Council has not budgeted for any growth expenditure in the Long Term Plan 2021-31, except for a subdivision which is anticipated to be self-funding.

FINANCIAL CONTRIBUTIONS

Financial contributions (whether cash, land, works or services) may be required from developers where the cost of providing or upgrading the public infrastructure or utility service can be attributed to a development.

Section 106 of the Local Government Act 2002 sets out the requirements for a Financial Contributions Policy, which a local authority must adopt under Section 102(2)(d).

The Resource Management Act 1991 requires the Council to manage the effects of subdivision and development in a manner that promotes the sustainable management of the district's natural and physical resources. Contributions from developers provide a means of offsetting, avoiding, remedying or mitigating the adverse effects of such activities. Contributions may be required as conditions of resource consents pursuant to that Act.

The purposes, circumstances and maximum amounts of any financial contribution are detailed in C1 and C2 of the Stratford District Plan.

Council requires financial contributions as conditions of resource consents to ensure that any adverse effects from subdivision and development on the natural and physical resources of the district are minimised. Such contributions may be in the form of cash, land, or physical works, and may include, as stated in C2 of the Stratford District Plan:

- Provision of new roads, private ways, access lots, service lanes and access-ways.
- Provision for maintaining, upgrading and/or widening of existing roads.
- Provision of stock underpasses.

- Provision for footpaths.
- The provision of off-street parking.
- The carrying out of earthworks including excavation, filling and compaction.
- The carrying out of landscape design and land rehabilitation, including (but not limited to) the revegetation of modified or cleared land and the planting of trees and shrubs.
- The provision of fencing or screening.
- Provision of water supply.
- Provision for sewerage system systems.
- Provision for stormwater control and disposal systems, including during construction of any works.
- Provision for electricity supply.
- Provision for gas supply.
- Provision for street lighting.
- Provision for telephone supply.
- Provision of -
 - land for public open space, public recreation, community facilities or community purposes and for other reserves purposes; and/or
 - cash, for the purpose of upgrading or maintaining public open space, upgrading land or facilities for public recreation, upgrading land or facilities used for community purposes, or for the provision of street furniture.
- The protection of -
 - notable trees and areas of indigenous forest;
 - outstanding natural features and landscapes;
 - heritage resources;
 - ecologically sensitive areas, including (but not limited to) wetlands and habitats of indigenous flora and fauna;
 - riparian margins, through the creation of esplanade strips or esplanade reserves.”

FINANCIAL CONTRIBUTIONS RESERVE

All Financial Contributions received will go into the Financial Contributions Reserve, with the balance to be reported to elected members annually.

Council may, from time to time, request that expenditure that relates to the following, be funded from this reserve.

- Enabling kaitiakitanga and preservation of the natural environment for future generations.
- Sustainable development.
- Comprehensive social, recreational and cultural facilities accessible to all.
- Clean air, water and land; and
- A diverse natural environment that is accessible to all

REVIEW OF FINANCIAL CONTRIBUTIONS

A review of what development Financial Contributions may be collected for, and how, and the maximum amounts that can be collected for each type of development must be carried out in conjunction with a review of the District Plan, as the Financial Contributions Policy must align with the District Plan.

SIGNIFICANCE AND ENGAGEMENT POLICY

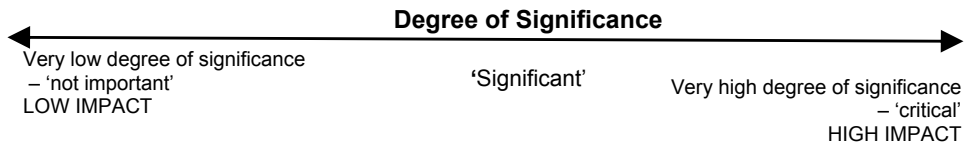
PURPOSE

The purpose of this policy is to inform and enable Stratford District Council and the community to identify the degree of significance attached to particular issues, proposals, assets, decisions and activities. This will determine the level of research and assessment and information to be provided, and the nature and extent of public input.

This policy will tell you:

- When the community can expect to be engaged in Council's decision-making processes.
- How the Council is likely to engage with the community.
- How Council will assess the significance of the decisions.

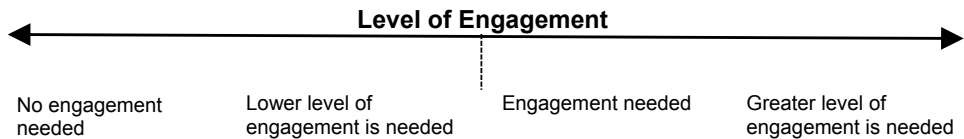
DETERMINING SIGNIFICANCE



1. Local authorities make decisions about a wide range of matters and most will have a degree of significance but not all issues will be considered to be ‘significant’. An assessment of the degree of significance of proposals and decisions, and the appropriate level of engagement, will be considered in the early stages of a proposal before decision making occurs.
2. Council will take into account the following matters when assessing the degree of significance of decisions and the appropriate level of engagement:
 - The impact on the community, how many people are affected and by how much;
 - The impact on levels of service provided by Council or the way in which services are delivered;
 - The level of community interest already apparent; or the potential to generate community interest;
 - Possible environmental, social and cultural impacts, including the likely impact on Māori cultural values and their relationship to land and water;
 - Whether the decision is reversible, and the likely impact on future generations;
 - Whether the ownership or function of a strategic asset(s) listed in *Appendix 1* of this policy is affected;
 - The degree of impact on Council's expenditure or debt levels. Significance may be triggered where unbudgeted expenditure is more than 5% of the annual total expenditure or gross debt increases by more than 20%.
3. In determining significance, Council may take into account knowledge it has previously gained about community opinion e.g. community plans, community outcomes, previous public debate, media coverage and public submission.
4. It may be that only one of the above criteria applies but to such a high degree that the decision will be considered ‘significant’. At the other end, several criteria may be applicable but to only a low degree and therefore will be considered to have a lower level of significance.

- 5. In general, the more significant an issue, the greater the need for community engagement.
- 6. *Appendix 2* of this policy sets out how the criteria will be used to assess significance.

ENGAGEMENT



Engagement provides an opportunity for the public to express a view on the decision or proposal being considered by the Council. The community views expressed through an engagement process will be considered and taken into account, along with other information such as costs and benefits, legislative requirements and technical advice.

When the Council will engage

1. There are situations where Council is required to undertake a special consultative procedure as set out in Section 83 of the Local Government Act 2002 or where Council will carry out consultation in accordance with or giving effect to Section 82 of the LGA 2002 on certain matters (regardless of whether they are considered significant as part of this policy).
2. In other engagement processes, however, there are no explicit statutory or legal rules constraining or defining community engagement processes. The LGA 2002 has given local authorities the ability to determine this as appropriate for their communities.
3. In some cases, including where a decision is close to, but does not exceed, the significance test under this policy, the Council may decide to consult or undertake some other form of engagement on the matter.
4. The Engagement Guide (refer to *Appendix 2*) identifies the form of engagement Council may use to respond to some decisions. It also provides examples of types of issues and how and when communities could expect to be engaged in the decision-making process.

Principles of engagement

When engagement takes place, other than simply providing information, we will:

- Seek to hear from everyone affected by a decision;
- Ask for views early in the decision-making process so that there is enough time for feedback to be provided and for this to be considered properly;
- Listen and consider views in an open and honest way;
- Respect everyone’s point of view;
- Provide information that is clear and easy to understand;
- Consider different ways in which the community can share views with us; and
- Ensure that the engagement process is efficient and cost effective.

Council will also take into consideration that the community can feel ‘over consulted’.

Council will ensure that, when conducting any engagement or consultation process in relation to a significant decision, it will provide clear information on:

- What is being proposed
- Why it is being proposed
- What options we have
- What the impacts are (if any)
- How you can have a say
- The timeframes
- How we will communicate the outcome to you

In addition we may add – if we know:

- What our preferred option is
- Any costs and rating impact

Engagement with Māori

Council acknowledges its unique relationship with Māori and will support this through:

- Establishing and maintaining processes to provide opportunities for Māori to contribute to decision-making;
- Taking into account the relationship Māori have with their ancestral land, water, sites, waahi tapu, and other taonga, when a significant decision relates to land or a body of water;
- Building ongoing relationships with Māori to enable early engagement in the development of appropriate plans and policies.

When Council may not engage

There are times when it is not appropriate or possible to engage with the community on certain matters.

Examples of this include where Council:

- Has determined the matter is not of a nature or significance that requires consultation (s82(4)(c) LGA 2002).
- Already has a sound understanding of the views and preferences of the persons likely to be affected by or interested in the matter (s82(4)(d) LGA 2002).
- Is maintaining confidentiality or commercial sensitivity (s82(4)(d) LGA 2002).
- Has determined the cost of consultation as outweighing the benefits of it (s82(4)(e) LGA 2002).
- Is acting with urgency in a crisis (for example, under the Civil Defence Emergency Management Act 2002).
- Has a clear direction on a strategy or plan as part of its business as usual operations, and has already made up its mind about an issue, therefore cannot carry out meaningful engagement.
- Has consulted on the issue in the last 24 months.

Where the above listed circumstances apply and consultation is not to be undertaken, the Council is still required to give consideration to the views and preferences of persons likely to be affected by, or to have an interest in, the matter (s78(1) LGA 2002). The LGA 2002 requires that this consideration be in proportion to the significance of the matters affected by the decision (s79(1)).

RELEVANT LEGISLATION AND REFERENCES

- Local Government Act 2002
- Privacy Act 1993
- Local Government Official Information and Meetings Act 1987
- Civil Defence Emergency Management Act 2002
- Stratford District Council Communication and Engagement Strategy

APPENDIX 1 - STRATEGIC ASSETS

Section 5 of the Local Government Act 2002 states:

- a) any asset or group of assets listed in accordance with section 76AA(3) by the local authority; and
- b) any land or building owned by the local authority and required to maintain the local authority's capacity to provide affordable housing as part of its social policy; and
- c) any equity securities held by the local authority in—
 - (i) a port company within the meaning of the Port Companies Act 1988;
 - (ii) an airport company within the meaning of the Airport Authorities Act 1966

In respect to “strategic assets”, a key consideration is whether the assets are essential to the continued delivery of an “outcome” that Council considers important for the well-being of the community.

Decisions to transfer ownership or control of a strategic asset to or from Council or to construct, replace or abandon a strategic asset cannot be made unless they are first included in the Long Term Plan.

For the purpose of section 76AA(3) of the LGA 2002, Council considers the following assets to be strategic assets:

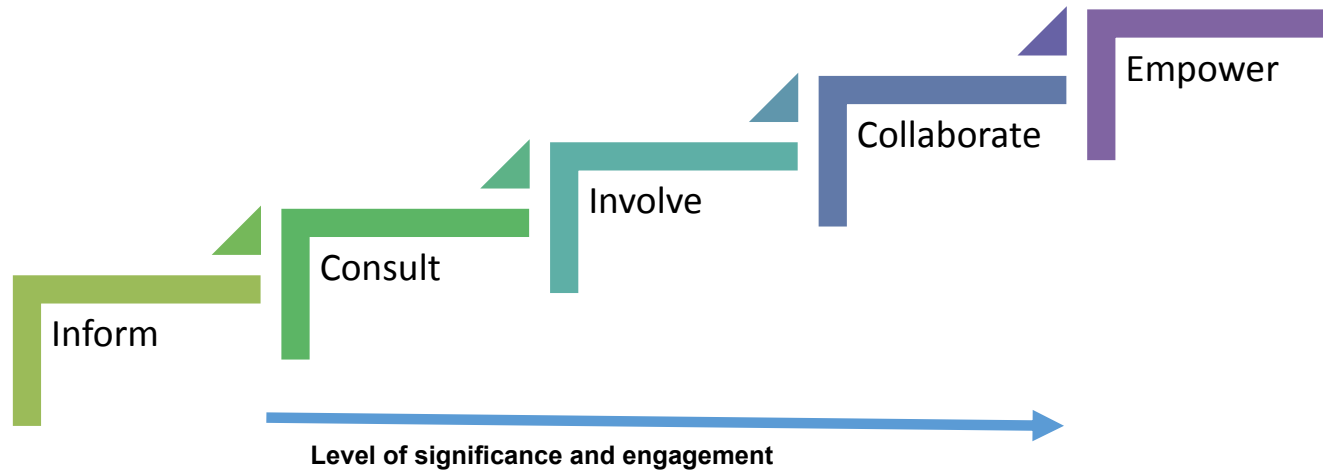
- The roading network, footpath, streetlights and parking
- Water supply schemes
- Wastewater scheme
- Reserves listed and managed under the Reserves Act
- Stormwater network
- Housing for the Elderly
- Swimming pool
- Library
- War Memorial Centre
- Cemeteries
- Percy Thomson Trust

APPENDIX 2 – ENGAGEMENT GUIDE

The International Association for Public Participation (IAP2) Spectrum demonstrates the possible types of engagement Council can have with the community. This model also shows the increasing level of public impact as you progress through the spectrum from left to right - 'inform' through to 'empower'. In simply 'informing' stakeholders, there is no expectation of receiving feedback and consequently there is a low level of public impact. At the other end of the spectrum, 'empowering' stakeholders to make decisions implies an increase in expectations and therefore an increased level of public impact.

Differing levels of engagement may be required during the varying phases of decision-making on an issue, and for different stakeholders. You can see more on this model in Council's Communication and Engagement Strategy.

It will not always be appropriate or practicable to conduct processes at the 'collaborate' or 'empower' end of this spectrum. Many minor issues will not warrant such an involved approach. Time and money may also limit what is possible on some occasions.



Level of Significance	Low	Moderate	High		
Key Considerations	<ul style="list-style-type: none"> Affects individuals Has very little public interest Low consequences for the district Low impact on Council being able to perform its role Expenditure incurred is less than a set percentage of the budgeted annual total expenditure Unbudgeted expenditure is less than a set percentage of the annual total expenditure 	<ul style="list-style-type: none"> Affects sub-group of the community Has moderate public interest Moderate consequences for the district Moderate impact on Council being able to perform its role Expenditure incurred is more than a set percentage of the budgeted annual total expenditure Unbudgeted expenditure is more than a set percentage of the annual total expenditure Moderately difficult to reverse Flows from a prior decision but with some notable variations 	<ul style="list-style-type: none"> Affects a wide range of people Has high public interest Large consequences for the district Large impact on the Council being able to perform its role Expenditure incurred is more than a set percentage of the budgeted annual total expenditure Unbudgeted expenditure is more than a set percentage of the annual total expenditure. Highly difficult to reverse Does not have a strong and logical flow from a prior decision 		
Depending on the level of significance, Council will apply one of the below engagement processes. For example: A decision of high significance could be anywhere between Consult and Empower.					
Level of Engagement	Inform	Consult	Involve	Collaborate	Empower
What does it involve	One-way communication providing balanced and objective information to assist understanding about something that is going to happen or has happened.	Two-way communication designed to obtain public feedback about ideas on rationale, alternatives and proposals to inform decision making.	Participatory process designed to help identify issues and views to ensure that concerns and aspirations are understood and considered prior to decision-making.	Working together to develop understanding of all issues and interests to work out alternatives and identify preferred solutions.	The final decision making is in the hands of the public. Under the LGA 2002, the Mayor and Councillors are elected to make decisions on behalf of their constituents.
Types of issues Council may use this for	Water Restrictions	Rate Remission Policy	District Plan	Community or Economic Development Strategy	Election voting systems (MMP, STV or first past the post)
Tools Council may use	Website Social Media Flyer Public Notices	Formal submissions Hearings User Focus groups On-line surveys	Community workshops Focus groups	External working groups (involving community experts)	Binding referendum Local body elections
When the community can expect to be involved	This process could mean Council would generally advise the community once a decision is made.	This process could mean Council would advise the community once a draft decision is made and may provide the community with up to four weeks to participate and respond.	This process could mean Council would generally provide the community with a greater lead in time to allow them time to be involved in the process.	Council would generally involve the community at the start to scope the issue, again after information has been collected and again when options are being considered.	Council would generally provide the community with a greater lead in time to allow them time to be involved in the process, e.g. typically a month or more.

VARIATION BETWEEN LTP AND ASSESSMENT OF WATER AND SANITARY SERVICES AND SOLID WASTE PLANS

Section 125 of the Local Government Act 2002 requires the Council to, 'from time to time, assess the provision, within its district, of Water Services and other Sanitary Services'. The most recent assessment undertaken was in 2018. The water and sanitary services assessed are:

- Water Supply;
- Wastewater - Sewage collection, treatment and disposal;
- Stormwater Drainage;
- Solid Waste - Refuse collection and disposal;
- Cemeteries; and
- Public Toilets.

The overall description in Council's *Assessment of Water and Sanitary Services 2018* remains correct. While no significant changes have occurred since 2018, a number of actions are being considered. These additional recommended actions are indicated below as '2021 Recommended Actions', where appropriate.

No actions are recommended for the Stormwater service.

2018 Recommended Actions	Response to date	2021 Recommended Actions	Update
1. WATER SUPPLY			
Scope options to secure access to additional surface and/or ground water for the Stratford community within the next 10 years.	Feasibility Study to commence in 2021 as part of the 2021-2031 LTP projects	None	N/A
2. WASTEWATER			
Continue to address ground water infiltration into the wastewater reticulation within the Stratford community.	Ongoing - as part of Council's annual maintenance/rehabilitation programme of works.	Monitor the impacts of septic tank discharges from the Midhirst residential areas in the streams, due to a high concentration of septic tanks in Midhirst.	To commence from July 2021
Continue to extend the wastewater reticulation to areas of medium to high density housing within the Stratford community.	Ongoing – as and when required	None	N/A
Review the proposed new District Plan to ensure section sizes are suitable for septic tank usage.	District Plan review ongoing	None	N/A

3. SOLID WASTE			
Review Council's Solid Waste By-law to allow data collection from private contractors.	Bylaw reviewed and adopted.		
Review refuse/recycling needs for the Whangamomona community.	Preliminary reviews commenced, final review expected to be completed by December 2021	None	N/A
4. CEMETERIES			
Complete the study currently on hold to identify the feasibility of re-opening the existing Whangamomona cemetery.	Ongoing, to be completed by December 2022.	Commence the feasibility study to extend the capacity of the Stratford Cemetery – due in the next few years	Ongoing
5. PUBLIC TOILETS			
Install signage at Midhirst notifying travellers that there are public toilet facilities 5km down the road in Stratford. Once in place, monitor signage at Midhirst to identify its effectiveness.	To be programmed for completion by July 2022. Monitoring to commence immediately after.	None	N/A
Undertake a study to evaluate the need for toilet facilities on State Highway 43 at or in the vicinity of Toko.	Preliminary reviews commenced, study to completed by December 2022	None	N/A
Commence collecting usage data from Council toilet facilities with data collection technology to identify public toilet facility requirements.	Ongoing	None	N/A

DISCLOSURE STATEMENT

For the period commencing 1 July 2021.

What is the purpose of this statement?

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

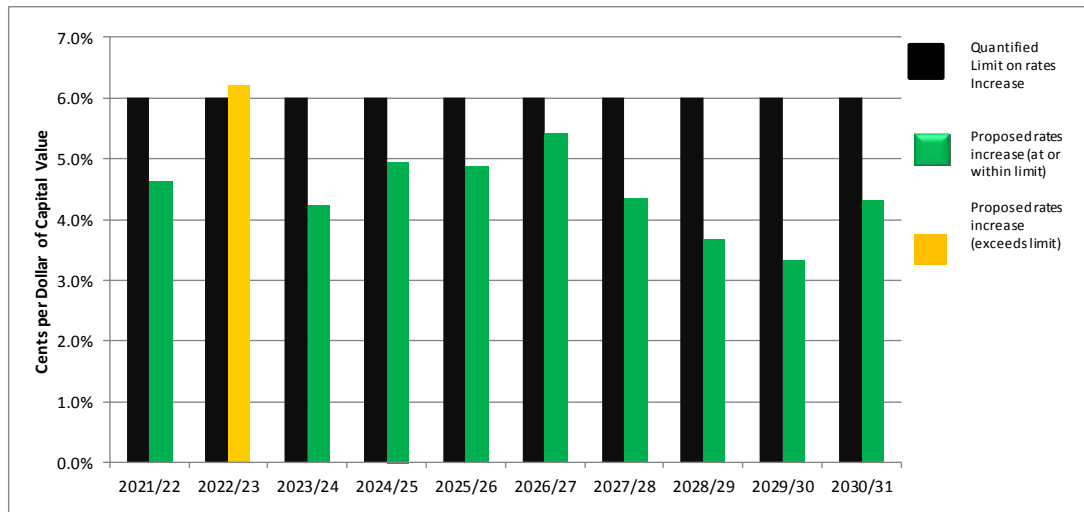
The council is required to include this statement in its long-term plan in accordance with the Local Government (Financial Reporting and Prudence) Regulations 2014 (the **regulations**). Refer to the regulations for more information, including definitions of some of the terms used in this statement. These can be viewed on www.legislation.govt.nz under Local Government (Financial Reporting and Prudence) Regulations 2014.

Rates affordability benchmark

The council meets the rates affordability benchmark if its planned rates increases equal or are less than each quantified limit on rates increases.

Rates (increases) affordability

The following graph compares the council’s planned rates increases with a quantified limit on rates increases contained in the financial strategy included in this long-term plan. The quantified limit is 6.0%.



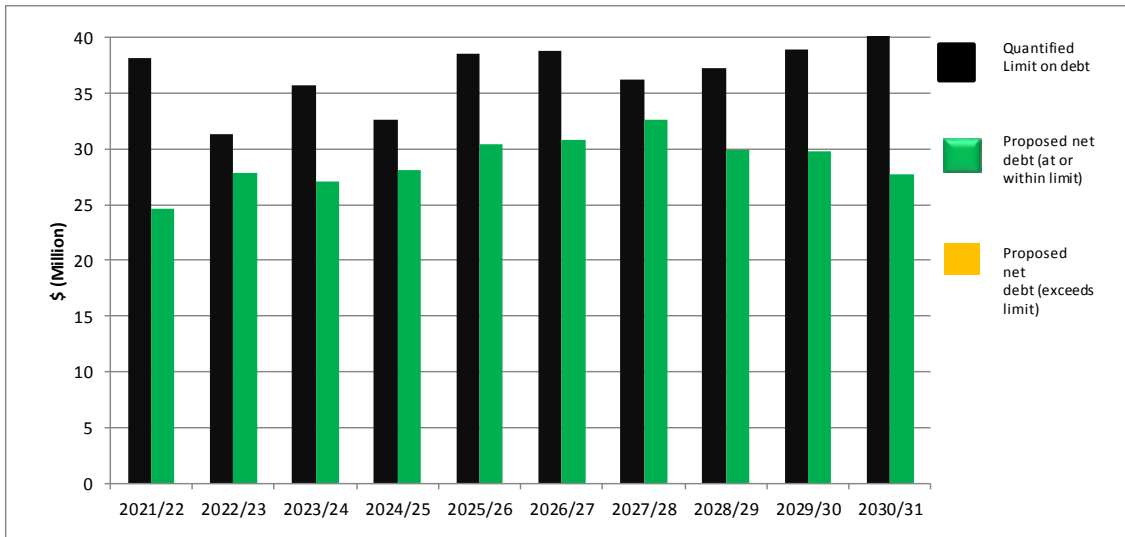
Council has exceeded the rates (increases) limit in year 2 of the Long Term Plan. In 2022/23, Council expects to have completed the new swimming pool, and the resulting increase in depreciation and interest costs just for the pool contributes to 53% of the rates increase. The Civic Amenities and Economic Development Activities also contribute significantly to the rates increase in year 2, as new service level initiatives are introduced with the town centre strategy development.

Debt affordability benchmark

The council meets the debt affordability benchmark if its planned borrowing is within each quantified limit on borrowing.

The formula used for the Debt Affordability benchmark in the Annual Report will change, and has been altered in the Long Term Plan to take additional financial assets into consideration, specifically the new loan (December 2020) to the Stratford Agricultural and Pastoral Association. This is now net debt / operating revenue, where net debt equals total debt less financial assets.

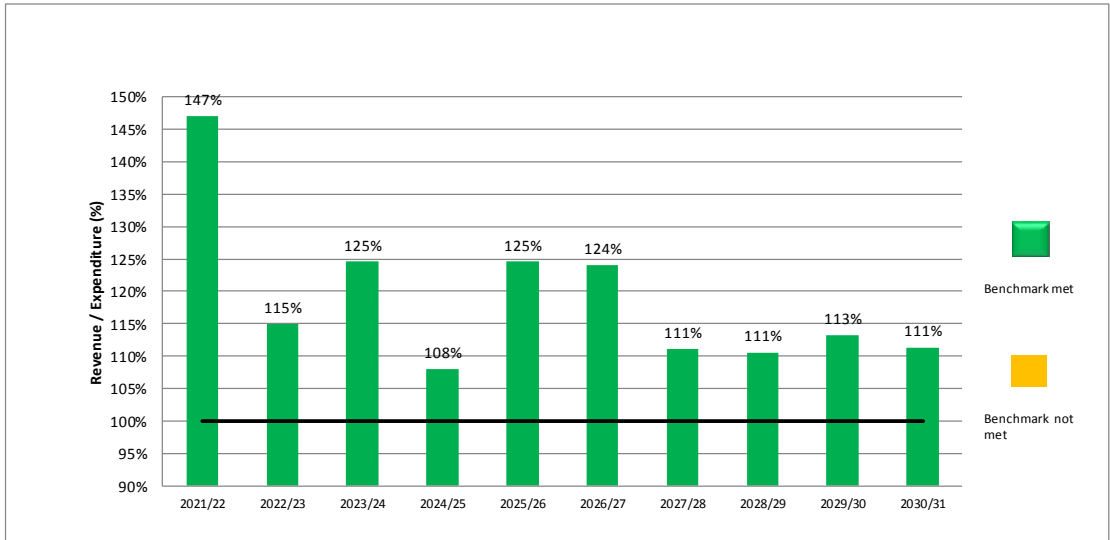
The following graph compares the council's planned debt with a quantified limit on borrowing contained in the financial strategy included in this long term plan. The quantified limit is that net debt (total borrowings minus cash holdings) is capped at below 130% of annual total revenue.



Net debt is within the quantified debt limits over the 10 years of the long term plan.

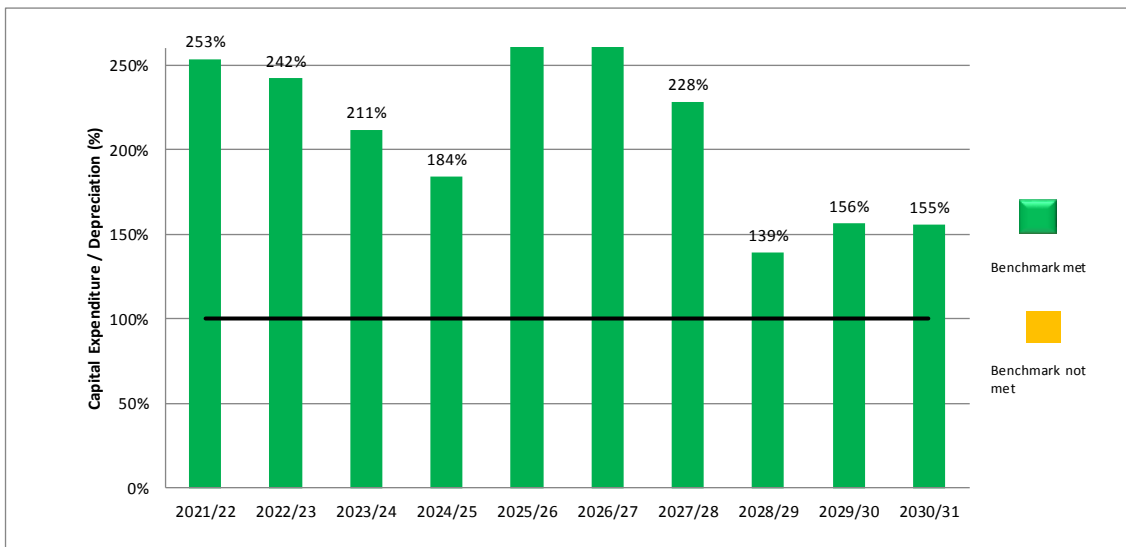
Balanced budget benchmark

The following graph displays the council's planned revenue (excluding development contributions, financial contributions, vested assets and revaluations of property, plant or equipment) as a proportion of planned operating expenses (excluding losses on revaluations of property, plant or equipment). The council meets the balanced budget benchmark if its planned revenue equals or is greater than its planned operating expenses, as is budgeted for over the next 10 years of the long term plan.



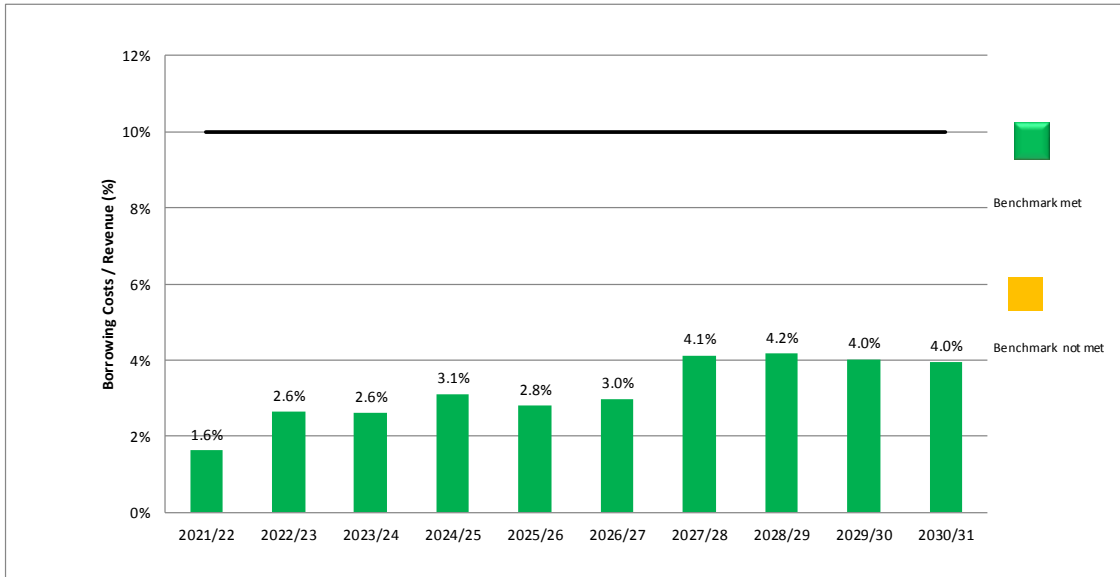
Essential services benchmark

The following graph displays the council's planned capital expenditure on network services as a proportion of expected depreciation on network services. The council meets the essential services benchmark if its planned capital expenditure on network services equals or is greater than expected depreciation on network services, as is budgeted for over the next 10 years of the long term plan.



Debt servicing benchmark

The following graph displays the council's planned borrowing costs as a proportion of planned revenue (excluding development contributions, financial contributions, vested assets and revaluations of property, plant, or equipment). Council meets the debt servicing benchmark if its planned borrowing costs equal, or are less than, 10 percent of its planned revenue, as is budgeted for over the next 10 years of the long term plan.



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



THE STRATFORD DISTRICT COUNCIL

INFRASTRUCTURE STRATEGY

2021 - 2051

MARCH 2021

DOCUMENT QUALITY ASSURANCE

	NAME	DATE
Prepared By	Victoria Araba – Director, Assets	January 2021
Approved By	Sven Hanne - Chief Executive	February 2021

DOCUMENT CONTROL

VERSION	DATE	DESCRIPTION	UPDATED BY
1	February 2021	First Audit Reviews incorporated	Victoria Araba
2	March 2021	Final Audit Reviews incorporated	Victoria Araba
3	June 2021	Final Audit Reviews incorporated	Victoria Araba



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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 a least 30 consecutive years.

The Infrastructure Strategy (IS) 2021-2051 is a significant infrastructure strategy developed by the Stratford District Council ('the Council') spanning the 30-year period between 2021 and 2051. The IS has been prepared along with the LTP 2021-2051, 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.

It presents an overview of how the Council will manage its core infrastructure assets over the 30-year planning horizon. The IS 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 vibrant, resilient, and connected community – in the 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.

The Council’s **Community Outcomes** have been identified in workshops with Elected Members and reviewed 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
Vibrant community	<ul style="list-style-type: none"> We celebrate and embrace our community's cultures and traditions We tell our unique story We will develop strong relationships with iwi, hapu, and marae 	√	√	√	√
Sustainable environment	<ul style="list-style-type: none"> Our natural resources can be enjoyed now and by future generations. We are committed to working towards zero waste We have well planned and resilient infrastructure that meets the current and future needs of the district We strive to understand and support Te Ao Māori values and principles 	√	√	√	√
Connected communities	<ul style="list-style-type: none"> Our neighbourhoods are safe and supported We enable positive healthy lifestyles, through access to health, social and recreation services We have a strong sense of belonging We value opportunities to be involved and work together as a community 	√	√	√	√
Enabling economy	<ul style="list-style-type: none"> We are a welcoming and business friendly District We encourage a strong and diverse local economy We promote opportunities to visit, live and invest in the district We support economic opportunities for Māori 	√	√	√	√



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 1,188 (Statistics NZ 2013) 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 150 people live in and around Whangamomona.

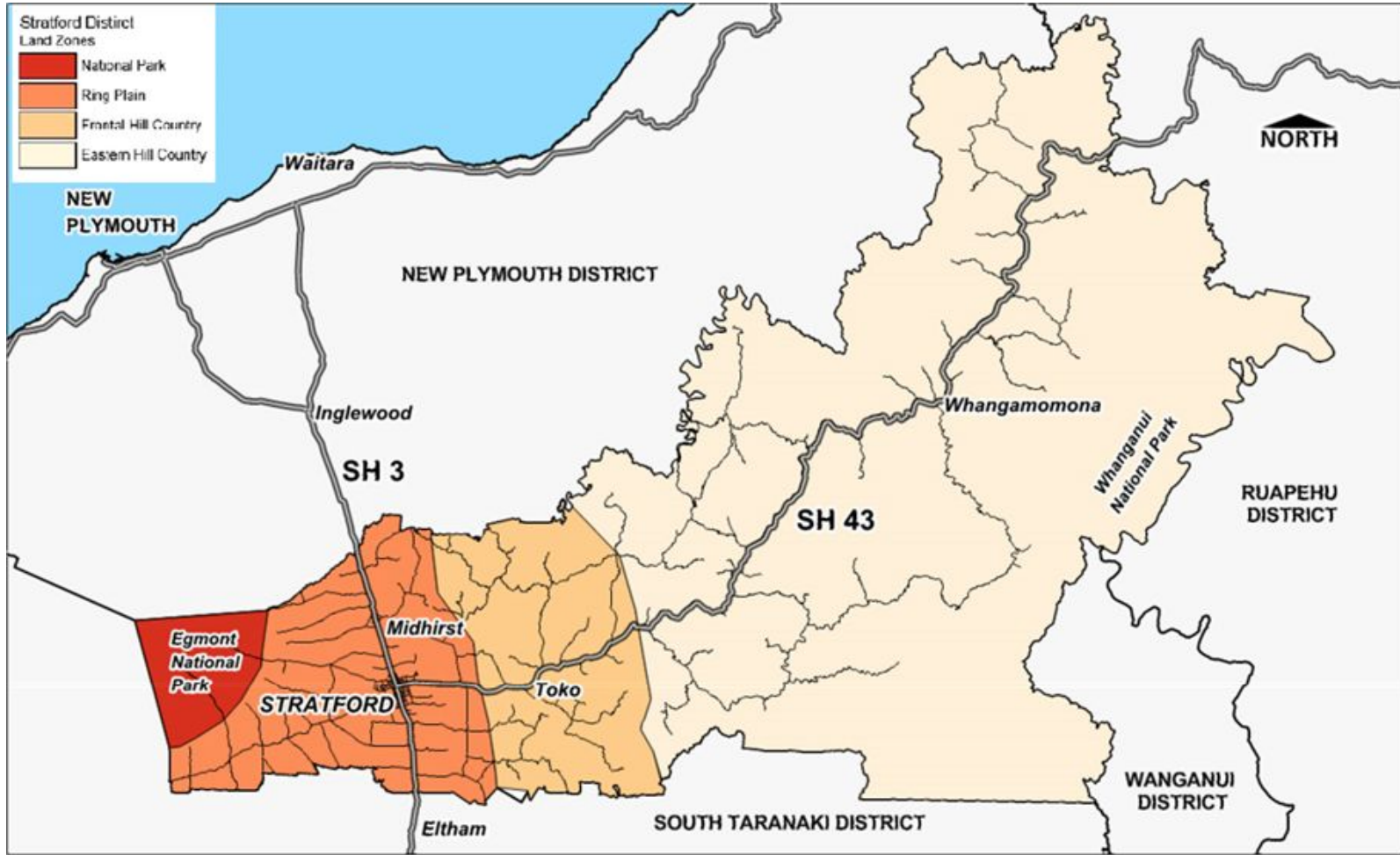


Figure 1 - The Stratford District 2020



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 if 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.

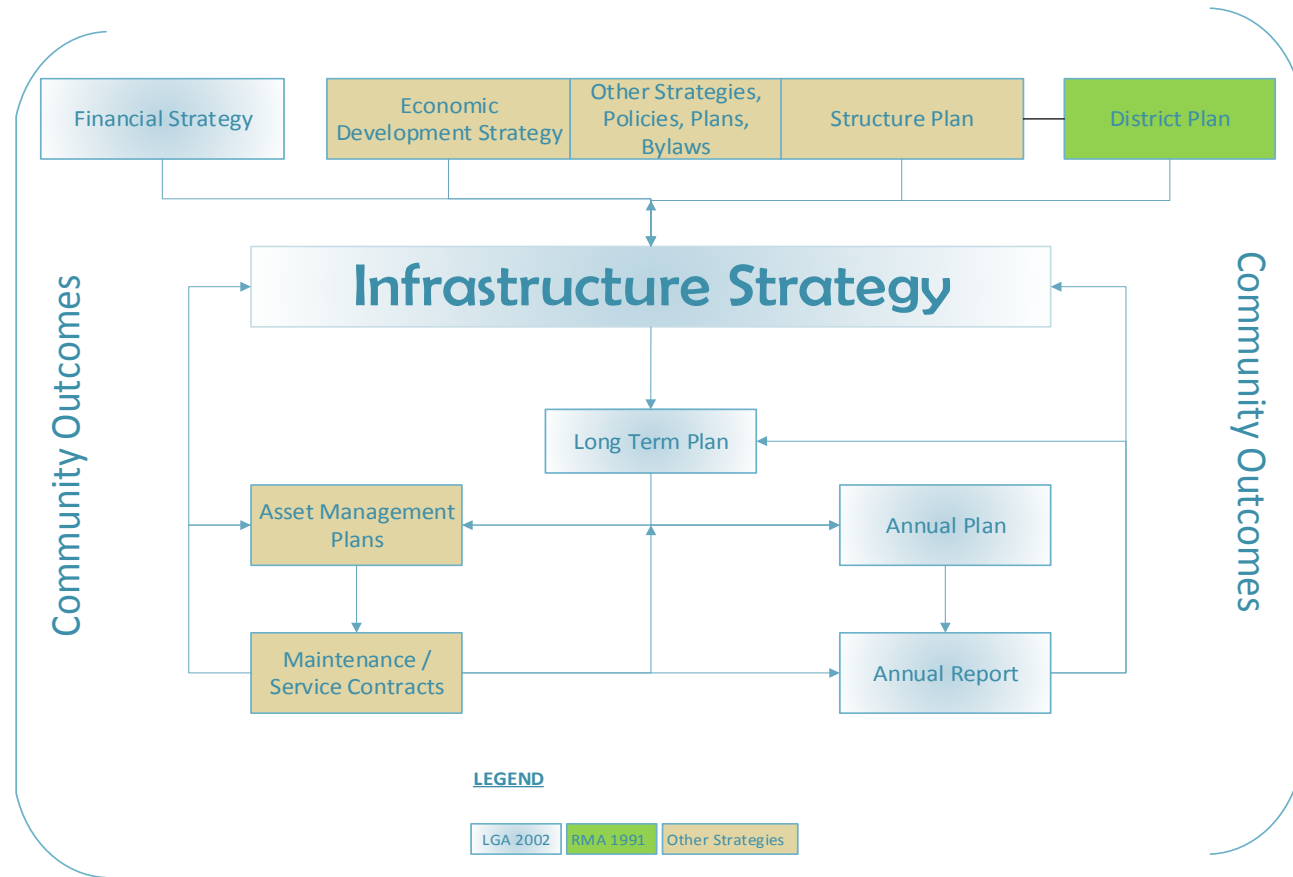


Figure 2 – Legislative and Strategic Context



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

Data obtained in the 2019 Infometrics report advises that the Stratford District population was 9,860 in 2019 and has had a growth of 1.3% from the previous year. The source of the growth was due to:

- 78% natural increase; and

- 22% due to net migration.
- Population growth has averaged 0.2% in the last 20 years, and averaged 0.7% in the last 10 years. In the last 3 years population growth has increased annually by 0.8% on average. An annual average population growth of 0.5% is anticipated over the next 8 years, centred around the urban area and mostly as a result of births. The average age of Stratford residents is expected to increase over the next 30 years from 40 to 42 years. 580 residents (5% of the district population) are aged 80+. Maori make up 13% of district population - 48% of which are under the age of 20.

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 measureable 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% (Dairy Farming making up 16% of this) of district GDP, and the Electricity and Gas Supply contributing 16%. 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 2% of Stratford District's GDP. Potential growth opportunities are:

- Walking and Cycling;
- Forgotten Highway; and
- Taranaki Mouna.

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 30-year Structure Plan to identify key growth areas in Stratford in addition to a review of its District. The core infrastructure assets will be planned to service these areas accordingly. Given the proximity and centrality to key employment generators and tourist areas in the region, the creation of new and affordable residential lots is expected to support the growth forecast for the Town.



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. Council may yet lead another venture such as this.

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. The Council is currently undertaking engagement with all the Iwi groups in the Stratford District, including;

- Ngaruahine Iwi Authority;
- Te Runanga o Ngāti Ruanui Trust;
- Ngaa Rauru Kiiitahi;
- Te Runanga o Ngāti Mutunga;
- Ngāti Maru Wharanui Pukehou Trust
- Te Atiawa Iwi Authority
- Te Runanga o Ngāti Tama.

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 is the 3-Waters Reform through new legislations including:

- Taumata Arowai – Water Services Regulator Act 2020; and
- Service Delivery – the Water Services Bill.

The Three Waters Reform

The Water Services Bill is a companion to the *Taumata Arowai - the Water Services Regulator Act 2020* which was passed earlier in the year, and provides the new *Drinking Water Regulator - Taumata Arowai* with significant new powers.

The Bill is a part of a broader Three Waters reform programme. It proposes a new regulatory regime for managing drinking water supply. The obligations on drinking water suppliers proposed by the Bill are more onerous than those under the existing Health Act regime.

The Bill will replace the existing regime set out in Part 2A of the Health Act 1956 and will replace it

with a new regulatory regime that applies to all drinking water suppliers.

The Council signed a Memorandum of Understanding (MoU) with central government to work together to identify approaches that consider the design features of the 3 waters reform and is participating in the exploration of future service delivery options. The central government expects to create new water service delivery entities that are:

- of significant scale (most likely multi-regional) to enable benefits from aggregation to be achieved over the medium to long-term;
- asset owning entities, with balance sheet separation to support improved access to capital, alternative funding instruments and improved balance sheet strength; and
- structured as statutory entities, with competency-based boards;

The Council expects to make a decision in late 2021, to either stay with the new water service delivery entity or opt out. Any decision to participate is likely to be given effect to at some point in the 2023/4 financial year.

Reference to the Government’s reform strategy and timeline, including highlighting when it is proposed that there would be further engagement and consultation with communities is available at <https://www.dia.govt.nz/Three-Waters-Reform-Programme>



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 30 June 2018, including the associated Optimised Replacement Cost (ORC), is provided below.

Wastewater Assets

The Council's wastewater assets only cover the Stratford urban area.

Asset Group	Quantity
Reticulation	55.256 km
Point and Plant	3,348 No.
Total ORC	\$8,204,118

Road Assets

The Council Roading assets include all land transport infrastructure assets including walking and cycling facilities.

Asset Group	Quantity
Sealed Roads	393 km
Unsealed Roads	207 km
Footpaths	68 km
Bridges/Large culverts	157 No.
Culverts	2950 No.
Tunnels	5 No.
Retaining Walls	250 No.
Signs	4802 No.
Markings	2,252 No.
Guard Rails	828 No.
Streetlights	755 No.
Surface Water Channels	747 km
Total ORC	\$199,683,860

Water Supply Assets

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.

Asset Group	Quantity
Reticulation	85.272 km
Fittings	9,273 No.
Treatment	108 No.
Total ORC	\$14,534,675

Stormwater Assets

Asset Group	Quantity
Reticulation (pipes)	19.8 km
Points – Inlets, Outlets, etc.	Varies.
Total ORC	\$5,979,266

Data for the roading and 3-Waters infrastructure assets are held in the RAMM and AssetFinda databases respectively. More details are provided in the respective AMPs.



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.

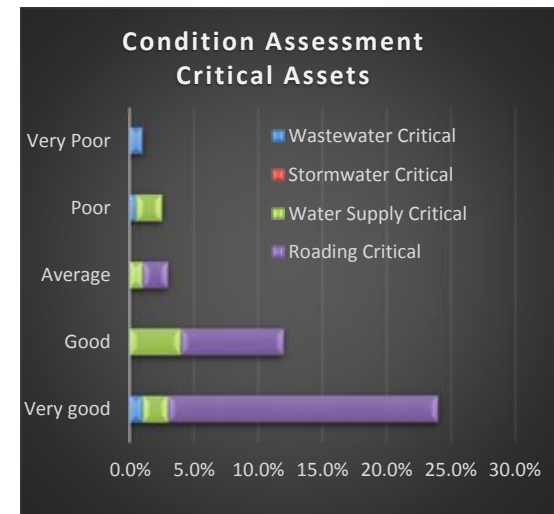
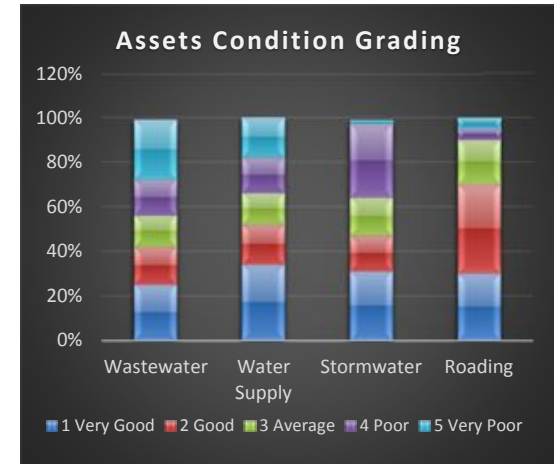
The Stratford District Council identifies the condition of its infrastructure assets by a combination of the following, based on risk and asset criticality, with higher risk assets inspected and assessed more rigorously:

- 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 is able to 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.

		Data Confidence Level				
		Highly Reliable	Reliable	Uncertain	Very Uncertain	Unknown
Wastewater	Critical		✓			
	Non-Critical		✓	✓		
	TOTAL		✓	✓		
Stormwater	Critical					
	Non-Critical			✓		
	TOTAL			✓		
Water Supply	Critical		✓			
	Non-Critical		✓	✓		
	TOTAL		✓	✓		
Roading	Critical	✓	✓			
	Non-Critical		✓	✓		
	TOTAL		✓			

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*.



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.

Rating	Description
1	Critical with no redundancy - Failure of equipment compromises H&S directly failure to supply drinking water to hospital)

Rating	Description
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

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	Roading, Water Supply assets.
2	Wastewater (Sewage).
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 only 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 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:

- Natural Disasters/Climate Change -
 - Resilience
- Financial Issues:
 - Limited Resources, Funding Assistance and Subsidies;
 - Financial Uncertainty;
- Operating Issues:
 - Legislative Changes;



- *Levels of Service Increase*
- Strategic Issues:
 - *Renewal of Aging Assets;*
 - *Growth and Demand changes*

Significant Issue 1:

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 2:

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 heavily 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 61 % Funding Assistance rate (FAR) for all Rooding Activities.

Our ability to continue to finance our projects, either by loan or otherwise, hinges on:

- The number of rateable properties;
- The amount to be collected via rates from our ratepayers;
- Any alternative systems that may be included to replace or supplement the existing funding inadequacies.

Funding alternatives are as per Council’s *Revenue and Financing Policy* (Section 16).

Significant Issue 3:

Operating Issues - Legislative Changes, Levels of Service increase

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, including
 - Taumata Arowai – Water Services Regulator Act 2020; and
 - Service Delivery – the Water Services Bill; and
- The *National Policy Statement for Freshwater* (FWNPS) 2020; and
- The Resource Management Act Reform into three new pieces of legislation being the:
 - Natural and Built Environment Act;
 - Strategic Planning Act; and
 - Climate Change Adaptation Act.

The Council is anticipating further changes in legislation which will increase the overall cost of asset management and core services delivery, while also being cognisant of the possibility of the 3-Waters activities being removed from Council responsibilities and being aggregated into larger regional or multi-regional entities.

Significant Issue 4

Strategic Issues - Renewal of Aging Assets, Growth and Demand Changes

All Council’s assets are aging. Many aging assets are due for replacement at approximately the same period. The implication of this is that burden of the cost of renewal or replacement of these assets will fall on the people 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 future generations. 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. Examples of assets due for replacement at the same period are Bridges and underground pipe network.

There are multi-faceted impacts of aging population on our district. The Council considers that its infrastructure assets support the social demands of the current state; however, an increase in the aging population will require that the Council improves levels of service it currently delivers. Footpaths, for example, will require widening across the district to accommodate mobility scooters, etc.



8. Significant Assumptions - Risks, Uncertainties, Impacts and Mitigation

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 61 % for all works categories.</p>	<p>Council revenue and reserves do not cover expenditure.</p> <p>The predicted rate take is not realised.</p> <p>Sources of funds are not realised.</p> <p>NZTA funding assistance reduction</p>	<p>Medium to High</p>	<p>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.</p> <p>Operating, maintenance, renewal and level of service improvement budgets are affected.</p> <p>Planned capital, maintenance and renewal works deferred or cancelled.</p> <p>Asset ownership may need to be reviewed.</p> <p>Potential social, environmental and public health implications as a result of reduced service levels.</p>	<p>Levels of revenue from user charges have been set at realistic levels in accordance with the ratios outlined in the Revenue and Financing Policy.</p> <p>There is a concentration of risk associated with a small number of industrial consumers for some revenue streams (e.g., extraordinary water charges).</p> <p>Regular liaison is maintained with these consumers.</p> <p>Funding for projects and assets is considered before the commencement of each project or asset.</p> <p>The rating base is reviewed annually when determining the rates for the year.</p> <p>Any changes to NZTA funding have historically been communicated well in advance</p>
<p>Cost</p> <p>Costs will remain stable over the entire period of the Infrastructure Strategy</p>	<p>Costs are higher or lower than anticipated.</p>	<p>Low</p>	<p>Variability of prices, such as for oil, could cause variability in costs.</p> <p>Higher cost of project delivery</p>	<p>The Council and management will review its budget annually through the LTP/Annual Planning process and may adjust work programmes/budgets where necessary.</p>
<p>Capital Expenditure Do-ability</p> <p>Costs will remain stable over the entire</p>	<p>Costs fluctuate significantly at any</p>	<p>Medium to</p>	<p>Price fluctuation hinder the completion</p>	<p>Capital budget costs are inflated over the entire</p>



Significant Assumptions	Risk	Risk and Uncertainty Assessment	Potential Impacts and Implications	Mitigation / Control Description
period of the Infrastructure Strategy	time over the strategy period.	High	of entire capital projects Service disruption or reduced levels of service as a result of non-completion of projects	strategy period.
<p>Inflation Rates</p> <p>The inflation rates remain as indicated in financial tables.</p>	Inflation rates differ from those assumed.	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	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 were 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; • 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 were determined using</p>	<p>Those assets wear out earlier or later than estimated.</p> <p>That the useful asset life information held is incomplete or inaccurate</p> <p>That Council activities change, resulting in decisions not to replace existing assets.</p>	Low	<p>The financial effect of uncertainty is likely to be Immaterial.</p> <p>Depreciation and interest costs would increase if capital expenditure was required earlier than anticipated.</p> <p>Subsequent depreciation calculations will result in incorrect revenue setting, resulting in incorrect rates collection and leading to insufficient funds.</p>	<p>Reprioritisation of capital projects</p> <p>Update useful life information of infrastructure assets regularly</p> <p>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.</p>



Significant Assumptions	Risk	Risk and Uncertainty Assessment	Potential Impacts and Implications	Mitigation / Control Description
latest contracts, construction projects and supplier information.				
<p>Resource Consent</p> <p>Renewed resource consents will have similar conditions as the expiring resource consents and will not include significant cost triggers.</p>	New resource consents to replace expiring consents include significant cost triggers.	Medium	Capital, Operating, maintenance and renewal budgets are affected. Council unable to meet resource consent conditions	The conditions imposed on new consents are dependent upon the legislative environment and environmental standards and expectations that exist at that time.
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>	There are significant increases in customer expectations regarding demand for services and/or the level of service provided.	Low	<p>Infrastructure and service provision do not meet customer and stakeholder needs and expectations.</p> <p>Maintenance, renewal/replacement, and performance monitoring requirements increase.</p> <p>Customer and stakeholder needs are not met.</p> <p>Customer confidence is eroded.</p>	<p>Regular reviews of Community expectations against levels of service, via customer surveys as well as feedback received.</p> <p>Minor changes may be made to service levels where budget, contracts and resources allow. These will generally occur within existing budgets.</p> <p>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>
<p>Legislation</p> <p>It is assumed that there will be no significant legislative changes that affect infrastructure and service delivery.</p>	There are significant changes in legislation that require a different and/or higher level of service delivery, maintenance or performance	Medium	<p>The ability to meet Levels of Service requirements will be altered.</p> <p>Maintenance and renewal planning and funding requirements will be increased</p>	<p>Current infrastructure and service provision meets good practice and will be able to adapt within reasonable timeframes.</p> <p>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>



Significant Assumptions	Risk	Risk and Uncertainty Assessment	Potential Impacts and Implications	Mitigation / Control Description
	standard.			
<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 renewal during the ten year period will be renewed accordingly.</p>	Conditions of resource consents are altered significantly.	Low	<p>Council is unable to renew existing resource consents upon expiry.</p> <p>Breach of Consent conditions</p>	<p>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.</p> <p>Monitoring of compliance with existing resource consent conditions will provide a record of compliance for future processes.</p> <p>The renewal of consents is dependent upon the legislative and environmental standards and expectations that exist at that time.</p>
3. STRATEGIC ASSUMPTIONS				
<p>Population Growth</p> <p>The current population is projected to increase based on an assumption of medium growth by Infometrics Model 2020.</p> <p>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.</p>	That growth is higher than projected thereby putting pressure on Council to provide additional infrastructure and services.	Medium - High	<p>Accelerated infrastructure deterioration rate;</p> <p>Increased maintenance and renewal/ replacement needs;</p> <p>Maintenance and renewal/replacement requirements exceeds current programme of works and funding allocations;</p> <p>Compromised ability to meet Levels of Service requirements.</p>	<p>Council will continue to monitor population change in the District. Generally, small increases in population can be managed within the existing level of service.</p> <p>Declines in population will not necessarily reflect lower number of ratepayers as the number of people per household is declining but will impact affordability.</p> <p>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.</p>
<p>Asset Management Plans</p> <p>AMPs are complete; they include</p>	Asset Management	Low - Medium	Current Levels of Service are not	Significant investment made in asset management



Significant Assumptions	Risk	Risk and Uncertainty Assessment	Potential Impacts and Implications	Mitigation / Control Description
<p>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>Plans are incomplete. Condition ratings and life cycle demand assumptions are erroneous.</p> <p>Asset Management Plans are not peer reviewed.</p>		<p>clearly defined.</p> <p>Improvement planning is not adequately tracked and/or resources and time needed is not adequately allocated.</p> <p>Misalignment between projected and actual budgets</p> <p>AMPs present a weak business case for investment.</p> <p>AM improvement is inhibited.</p>	<p>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 on the plan.</p> <p>There are no substantial asset acquisitions that will impact significantly on the plan.</p>	<p>Policy changes result in substantial asset disposal.</p> <p>Policy changes result in substantial asset acquisition.</p>	<p>Low</p> <p>Low - Medium</p>	<p>Maintenance and renewal planning and funding requirements will be reduced.</p> <p>Maintenance and renewal planning and funding requirements will be increased</p>	<p>Regular review of levels of service, population growth and legislative environments, which would be the most likely drivers of asset disposal and/or acquisition.</p>
<p>Programming of Works</p> <p>The recommended programme of works will be carried out.</p>	<p>The recommended programmed work is not carried out.</p>	<p>Low</p>	<p>Identified problems/opportunities are not responded to.</p> <p>The rate of deterioration to infrastructure is accelerated.</p>	<p>On-going monitoring of work programmes.</p> <p>Identification of root-cause of delays / failure to deliver.</p>



Significant Assumptions	Risk	Risk and Uncertainty Assessment	Potential Impacts and Implications	Mitigation / Control Description
			Compromised ability to meet agreed LoS.	
<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	<p>Loss of institutional knowledge</p> <p>Inadequate Operating management of infrastructure and/or delivery of service.</p> <p>Demand on Council activities not being met by Council staff.</p> <p>Negative impacts on customer service and reputational damage.</p>	<p>Active training and recruitment programmes ensuring suitably qualified staff</p> <p>Strong relationships with key contractors and suppliers are maintained to ensure availability and competency of critical resources</p>
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	<p>Suitably qualified and skilled staff</p> <p>Appropriate technology used to control consent conditions;</p> <p>On-going consultation with regulators</p>
<p>Water Supply Contamination</p> <p>Water quality will be maintained</p>	Water contamination occurs	Low - Medium	<p>Breach of Resource Consent Conditions</p> <p>Public health and safety impacts</p> <p>Negative publicity eroding public opinion.</p> <p>Unexpected financial costs.</p> <p>Unexpected legal implication for Council.</p>	<p>Implement regular and systematic routine testing of raw and treated water including for a range of heavy metals.</p> <p>Suitably qualified and skilled staff</p> <p>Appropriate technology used to control consent conditions;</p> <p>On-going consultation with regulators</p>



Significant Assumptions	Risk	Risk and Uncertainty Assessment	Potential Impacts and Implications	Mitigation / Control Description
<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>	<p>Operations and services are disrupted</p> <p>Compromised Asset and public safety</p> <p>Substandard completed works</p> <p>Negative publicity eroding public opinion.</p> <p>Unexpected financial costs.</p> <p>Unexpected legal implication for Council.</p>	<p>Regular monitoring of and interaction with engaged contactors to ensure acceptable performance.</p> <p>Healthy contracting environment within the district and region that allows for substitution of any one contractor- if significant issues experienced.</p>
<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>	<p>Provision of service is disrupted.</p> <p>Structural integrity of infrastructure is compromised.</p> <p>Public safety is compromised.</p> <p>Recovery from a major event is inhibited.</p>	<p>Infrastructure resilience incorporated into design, planning and maintenance of assets.</p> <p>High-level planning on a regional basis with mutual support during events.</p> <p>Contractual arrangements to ensure resource availability.</p>
<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>	<p>Low - medium</p>	<p>Provision of service is disrupted.</p> <p>Operation and maintenance of infrastructure is compromised.</p> <p>Public safety is compromised.</p>	<p>Staff, being essential workers are set up to operate remotely. Others are able to continue operating essential services, with minor disruption to service levels.</p> <p>Infrastructure resilience incorporated into design, planning and maintenance of assets.</p> <p>High-level planning on a regional basis with mutual support during events.</p> <p>Contractual arrangements to ensure resource</p>



Significant Assumptions	Risk	Risk and Uncertainty Assessment	Potential Impacts and Implications	Mitigation / Control Description
				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 or less severe than expected.</p>	<p>Low – medium</p>	<p>Unrealised effects of climate change are likely to create additional costs to mitigate their impacts, such as improving protection of critical infrastructure.</p> <p>More severe weather events resulting from climate change may increase damage to infrastructure and place pressure on Council finances.</p>	<p>Council activities will build appropriate mitigation responses into infrastructure development.</p> <p>The Council will continue to monitor Climate change science and the response of central government and adapt its response where required.</p>
<p>Further details on the significant assumptions are provided in the <i>Council Profile and Significant Forecasting Assumptions – Long Term Plan 2021-2031</i>, underpinning the Council's <i>Financial Strategy 2021-2031</i></p>				



9. Risk Management

The management of risks 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 a number of 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 the deliver LoS;

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

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.

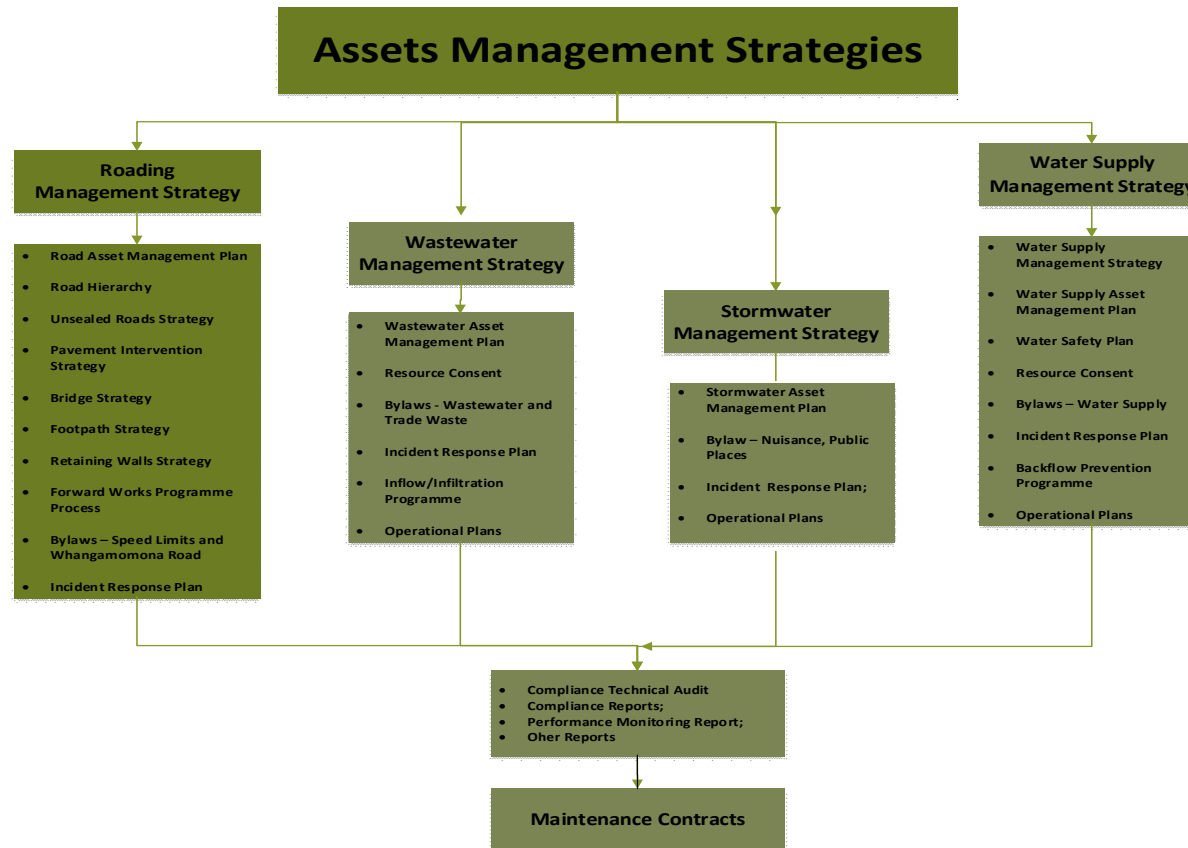


Figure 3: Asset Management Strategies



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
Roading	A ‘General Roading Maintenance, Resurfacing, Rehabilitation and Road Marking Contract’ which 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.	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.
	SDC has a contract for the inspection, reporting, maintenance and upgrading of all street lighting assets owned and/or maintained by the Stratford District Council. The Contract covers an initial period of three years with the option of two 12-month extensions on satisfactory completion of the initial period. This contract was signed in 2016.	SDC has a contract for the inspection, reporting, maintenance and upgrading of all street lighting assets owned and/or maintained by the Stratford District Council. The Contract covers an initial period of three years with the option of two 12-month extensions on satisfactory completion of the initial period.
Wastewater (for Stratford)	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.	SDC’s Engineering staff are responsible for the operation of both the treatment plant (oxidation ponds) and the pump stations.
Water Supply (Stratford , Midhirst and Toko)		SDC’s Engineering staff are responsible for the operation of all three water treatment plants (WTP). The operation of our I & E is as part of a signed shared agreement.
Stormwater		Stormwater system is reticulation only with no need for treatment plant Operating management.



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 project will address the lack of a crossing over the Patea River in the Stratford Urban area to the west of State Highway 3. Once completed, this link road will provide an alternative crossing to the residents in this western urban area of Stratford, should the bridge over the Patea River on SH3 be closed in an emergency, roadworks, and for planned street events (Christmas Parade, 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.

This link road will also provide the opportunity to develop an area of land locally known as “50 acre wood”, which is currently land-locked. Also, 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 Initiatives

The purpose of the *draft* Walking and Cycling Strategy 2020-2050, currently being reviewed by Elected Members, is to provide a framework to increase walking and cycling participation and safety in the Stratford District and to develop walking and cycling opportunities for tourism.

The walking and cycling initiatives are as identified in the 30-year draft 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. The programme and budget for implementation is as per the attached tables, commencing from Year 1 of the LTP.

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 (2031). There are a further 14 bridges



to be replaced in Years 11 – 20, and a further 36 bridges in Years 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 \$16.5 M.

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

Footpath Replacement

With an increasing number of elderly residents using mobility scooters, the majority of the footpaths within the district are of insufficient width to accommodate pedestrian/mobility scooter use. Of the 63km of footpaths within the district, 49km are less than 1.5m in width. In order 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. Based on current contract rates, the Council will be able to replace over 2 km of footpaths per year, over a 25 year period.

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.

Whangamomona Road Upgrade/Bylaw

Whangamomona Road is a popular tourist attraction and nationally recognised 4x4 club trail route. With the regional economic development strategy Tapuae Roa – Make Way for Taranaki" referring to this attraction, the existing road requires improvement to improve visitor experience. With the Republic of Whangamomona attracting a unique tourist opportunity for overseas visitors, this road is an important link to Aotuhia Station and the Bridge to Somewhere.

The Council has resolved to upgrade this road to a reasonable condition, and will commission a new Bylaw to define the levels of service and detail the

responsibilities of road users on the road. The budget and timeframe for completion is as per attached tables.

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. The budget for this programme is as per attached tables.

2nd Trunk Main

Given growth and increased demand anticipated in the district, the second truck main will serve to accommodate that demand and reduce the pressure in the existing infrastructure. This critical asset is proposed for implemented in Years 1 and 2, at an estimated budget of \$2.849 M.

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 2 days of water supply in the current reservoirs would be available, 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 also process water for industry in Stratford. The continuity of clean and safe water also gives confidence to existing and new industries.

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. This will be carried out in Year 3 of the LTP, budget as per attached tables.

Backflow Prevention

The implementation of a Backflow Prevention programme is driven by both the Health Act and

the Building Code. Hence, the programme is managed by officers of both Waters Services and Building Compliance. The enforcement and monitoring of backflow prevention is an essential activity for Water Services for ensuring the protection of public health.

The Council’s Water Supply Bylaw (2019) was adopted by Council in August 2019. Section 18 of the Bylaw requires a backflow prevention device be installed where there is a risk of contamination entering the potable water supply through backflow or syphoning.

Council has adopted Water New Zealand’s backflow hazard criteria and are applying it to industries within the Stratford District which are connected to the potable water supply. Inspections of industrial sites have commenced and backflow prevention requirements are being actioned, the process is ongoing.

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

The Council is currently going through a process of renewing its Water Take consent for Toko Township. This consent expires in June 2021.



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 and is undertaking a review of the Iwi Management Plan with a view to understanding and achieving its requirements. The Plan requires that water efficiency measures such as metering of water use, which Council is well on its way to implementing – see **Water Metering** section above.

The Council has recently completed the metering of all properties on Council water supply in Midhurst, and we continue to monitor our water loss, which has reduced drastically over the years. Since the installation of the Universal Metering, there has been a considerable drop in the demand for water in Midhurst, with an initial water loss drop of approximately 30% in the first month. The Council has received a letter of support from the District Health Board towards the application. The resource consent process is on-going. The budget for this project is as per attached Tables.

Resource Consent – Wastewater

There are 2 parts to this; the implementation of the current consent and the renewal of the existing consent come 2034.

With the receipt of our new Wastewater Discharge Consent issued in April 2020 with an expiry date of 2034, the Council has programmed to implement the required system upgrade at the set time per the consent condition. The Council will also continue to monitor the performance of the wastewater oxidation pond and provide feedback to the key affected parties on a regular basis. The first stakeholder meeting involving Iwi and Fish & Game was held in August 2020; annual meetings will be held, as a requirement of the resource consent, to discuss performance progress. Intermittent meetings will be held where issues arise to ensure they are addressed promptly.

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.

The changes to the national policy statement 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 needs to make an investment in an appropriately sized and suitably location land for this purpose. This investment will be required prior to the expiry of the current consent in 2034. The budget for this 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.

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.

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.

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.

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 will commission 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 is programmed for Year 2 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 commences from Year 1, 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 is 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 (\$)		Total Estimated Budget (\$)
			Year of Implementation		
			1-10	11-30	
Roading	1	Brecon Road extension	13,024	-	13,024
	2	Walking and cycling Initiatives	3,824	6,486	10,310
	3	Whangamomona Road Upgrade	531	778	1,309
	4	Bridge and Retaining Walls Replacement	6,228	17,512	23,740
	5	Culvert LOS and Drainage Improvements	7,640	22,052	29,692
	6	Footpath Extensions	-	2,594	2,594
	7	Footpath Replacement	1,943	5,578	7,521
	8	Road Renewals	37,866	149,177	187,043
	Total		71,056	204,178	275,234
Water	9	Universal Water Metering	2,495	-	2,495
	10	2nd Trunk Main	2,912	-	2,912
	11	Emergency Water Supply / Additional Storage / Zoning	4,268	-	4,268
	12	Water Rider Mains	206	839	1,045
	13	Water Supply Infrastructure Renewals	4,999	12,730	17,729
	14	Water Supply Resource Consent - Renewal	310	787	1,096
	Total		15,190	14,356	29,546
Wastewater	15	Wastewater Resource Consent Implementation and Renewal	726	27,532	28,259
	16	Wastewater Pipework Capacity Increase plus campervan drainage	1,200	3,933	5,133
	17	Wastewater Network Planning and Modelling	52	229	281
	18	Oxidation Pond desludging	656	1,246	1,901
	19	Wastewater Reticulation Renewal	1,190	3,933	5,123
	20	Inflow/Infiltration Programme	2,417	7,211	9,628
	Total		6,241	44,085	50,326
Stormwater	21	Stormwater Network Planning and Modelling	31	229	260
	22	Silt Retention Lake Bypass	265	918	1,183
	23	Stormwater Pipework Capacity Increase	1,548	4,917	6,464
	24	Stormwater Safety Improvements	1,346	3,737	5,082
	25	Stormwater Infrastructure Renewals	769	2,174	2,943
	Total		3,959	11,974	15,933
		GRAND TOTAL	96,445	274,593	371,038



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 (9) of the Resource Management Act (RMA) 1991

Investment Funding Strategy

The Stratford District Council’s Investment Funding Strategy (IFS) incorporates its *Funding Impact Statement (FIS)* and sets out how the Council plans to finance its overall operations to meet its objectives now and in the future. Future-Proofing the delivery of services is a key objective of this strategy.

This IFS provides the long term financial forecasting for all the core assets and activities maintained and delivered by the Council, and presents the funding sources determined for each of these to ensure a sustainable long-term approach to planning, asset management and service delivery.

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; and/or
- Subsidies.

Given the present funding regime, the Council anticipates that the Rooding Activity projects will continue to be 61 % funded by NZTA. The Council expects that all Level of Service Improvement projects for all the Three-Waters Activities will be funded 100% from Loans; Renewal or Replacement projects will be equally funded from Loans and Reserves.

While the cost of capital projects driven by growth or led by a private Developer is borne by the Developer, any Council-led projects in support of growth will be accounted for within the particular project budget. A summary of Council’s Capital Investment funding is shown in below.



17. 30-Year Capital Expenditure Estimates

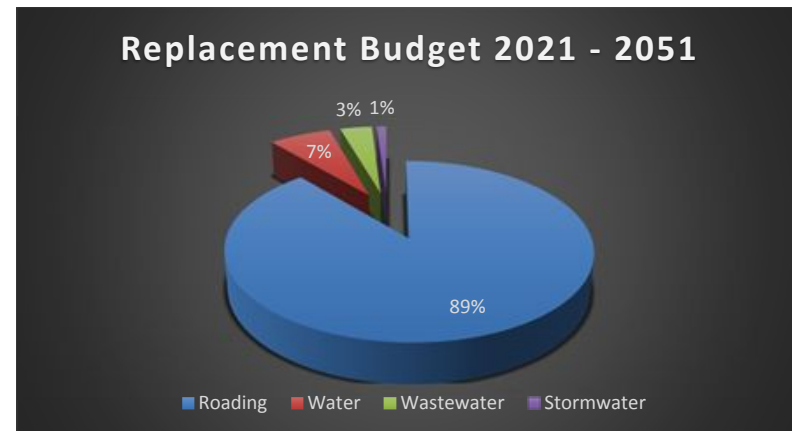
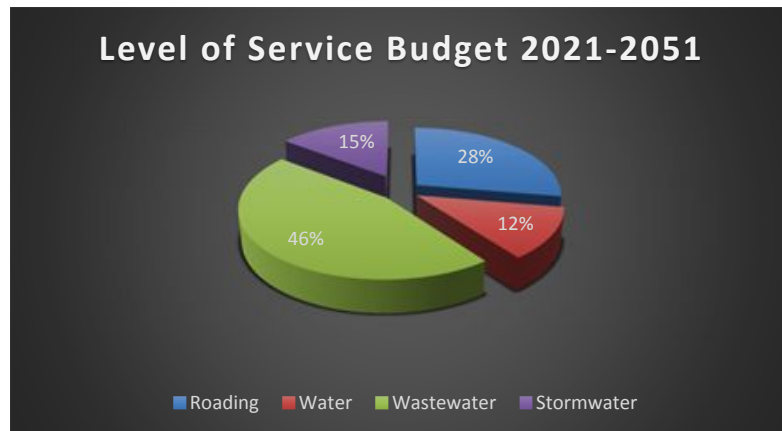
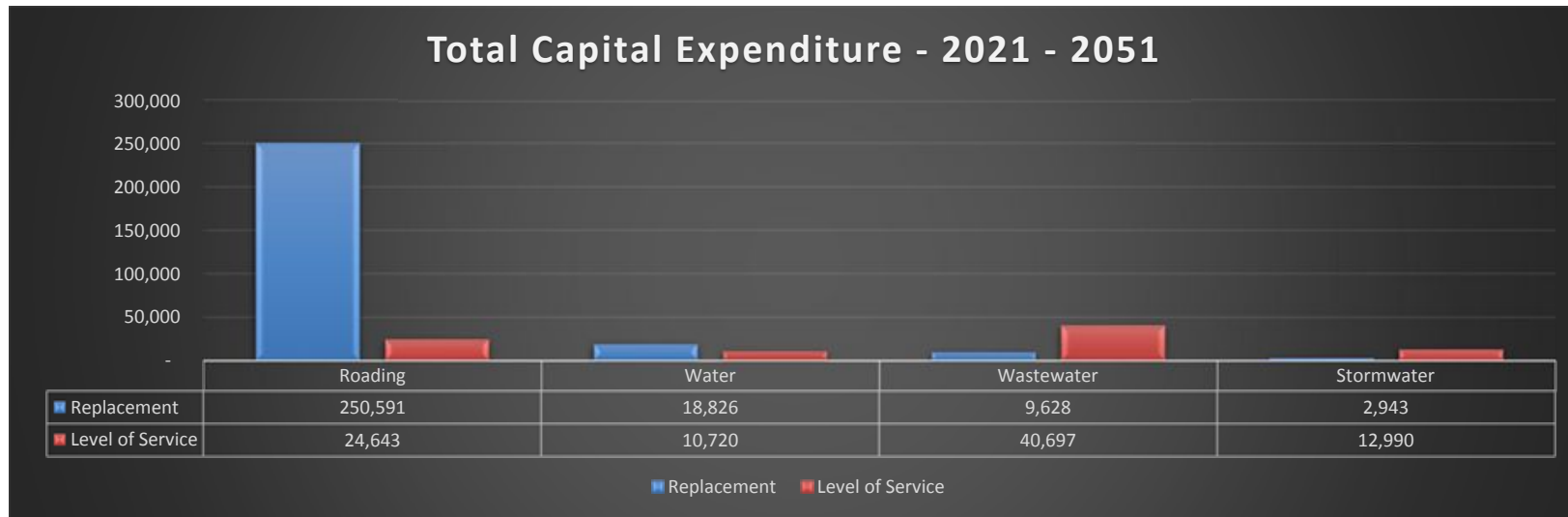
The Council’s total projected 30-year Capital and Operating Expenditure Estimates are presented separately in the Tables and Charts below. The Capital and Operating Expenditure Estimate Tables and Charts - by Asset group - are presented in the Appendices.

The figures in Years 1 – 10 are as per the 2021-2031 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
	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031-36	2036-41	2041-46	2046-51	\$000
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Roading															
Level of Service Improvement	350	619	1,221	929	7,028	5,554	417	306	630	324	1,816	1,816	1,816	1,816	24,643
Replacements	5,413	4,983	4,920	4,983	4,977	5,085	5,436	5,446	5,983	6,452	44,364	47,607	50,850	54,093	250,591
Stormwater															
Level of Service Improvement	252	292	533	275	283	291	300	310	321	331	2,524	2,032	2,950	2,294	12,990
Replacements	53	55	56	167	59	61	63	65	67	122	590	524	629	430	2,943
Water Supply															
Level of Service Improvement	1,780	1,904	369	673	390	401	4,289	37	38	-	210	170	197	262	10,720
Replacements	695	812	510	414	443	496	452	486	502	498	4,117	2,766	3,645	2,989	18,826
Wastewater															
Level of Service Improvement	800	362	381	273	281	288	238	184	178	838	29,597	2,819	2,098	2,360	40,697
Replacements	213	252	258	200	228	211	218	262	271	305	1,639	1,639	1,967	1,967	9,628
TOTAL	9,556	9,280	8,247	7,914	13,690	12,387	11,413	7,097	7,991	8,871	84,857	59,374	64,151	66,211	371,038

Key Assumptions:

1. Capital expenditure Figures in Years 1 – 10 are as per the 2021-2031 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.



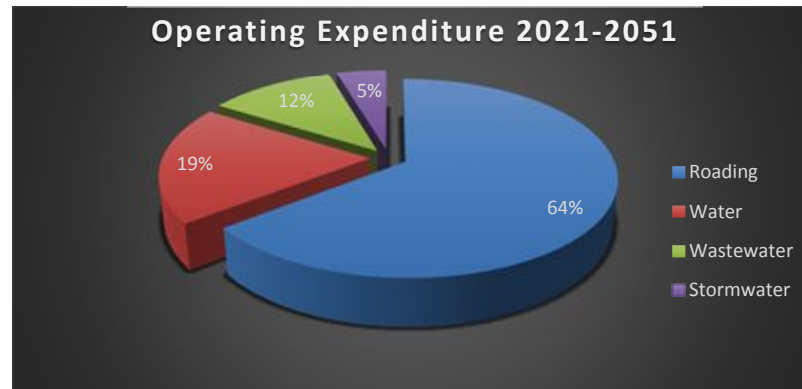


18. 30-Year Operating Expenditure Estimates

Year	1 2021/22	2 2022/23	3 2023/24	4 2024/25	5 2025/26	6 2026/27	7 2027/28	8 2028/29	9 2029/30	10 2030/31	11-15 2031-36	16-20 2036-41	21-25 2041-46	26-30 2046-51	Total
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Roading	6,413	6,448	6,498	7,070	7,234	7,528	8,072	8,191	8,314	8,839	45,000	45,250	45,500	45,750	256,107
Water Supply	1,815	1,835	1,969	2,025	2,083	2,149	2,319	2,495	2,510	2,608	13,500	13,750	14,000	14,250	77,308
Stormwater	356	366	386	430	446	464	510	527	543	589	3,000	3,250	3,500	3,750	18,117
Wastewater	1,045	1,059	1,097	1,187	1,196	1,233	1,334	1,338	1,363	1,473	8,000	8,250	8,500	8,750	45,825
TOTAL	9,630	9,710	9,953	10,716	10,964	11,380	12,242	12,559	12,739	13,519	69,500	70,500	71,500	72,500	397,357

Key Assumptions:

1. Operating expenditure Figures in Years 1 – 10 are as per the 2021-2031 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. 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: Roading

Significant Issues and Options

The Significant Infrastructural Issues for the Roading Activity are detailed in the Roading Asset Management Plan and summarised below.

- Increasing heavy commercial vehicle use and forestry activity is impacting on the Roading network;
- The geology, geography, environmental conditions (i.e. waterways) combined with poor drainage control to adequately with 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 who are on fixed incomes (pensions); and
- 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 Roading Activity.

Issue 1: Increase in HCV's and forestry activity, 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 2: 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. • Consider the option of replacing large diameter culverts with bridges to meet the New Environmental Standards requirements for fish passage.
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 3: 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
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 4: 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.

Response Options	Implications of options
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
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 5 - Replacement of aging bridges and retaining walls

Response Options	Implications of Options
There are 46 bridges for replacement between Year 30-40; Many bridges are currently single lane.	<ul style="list-style-type: none"> • No firm cost estimate - Increase annual budget by \$400k in years 21-30 per • 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	<ul style="list-style-type: none"> • Replacement of retaining walls in poor condition to



Response Options	Implications of Options
walls have been identified.	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 6 - Maintaining levels of service with an increase in the population who are on fixed incomes (pensions)

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	<ul style="list-style-type: none"> Provides affordable services

Response Options	Implications of Options
household rates Increase the population of Stratford	<ul style="list-style-type: none"> Bigger rating base to raise revenue

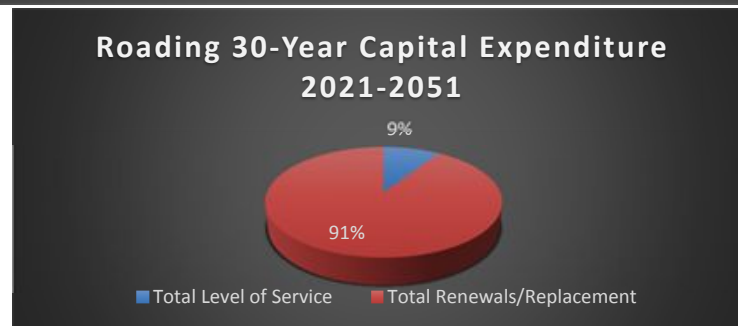
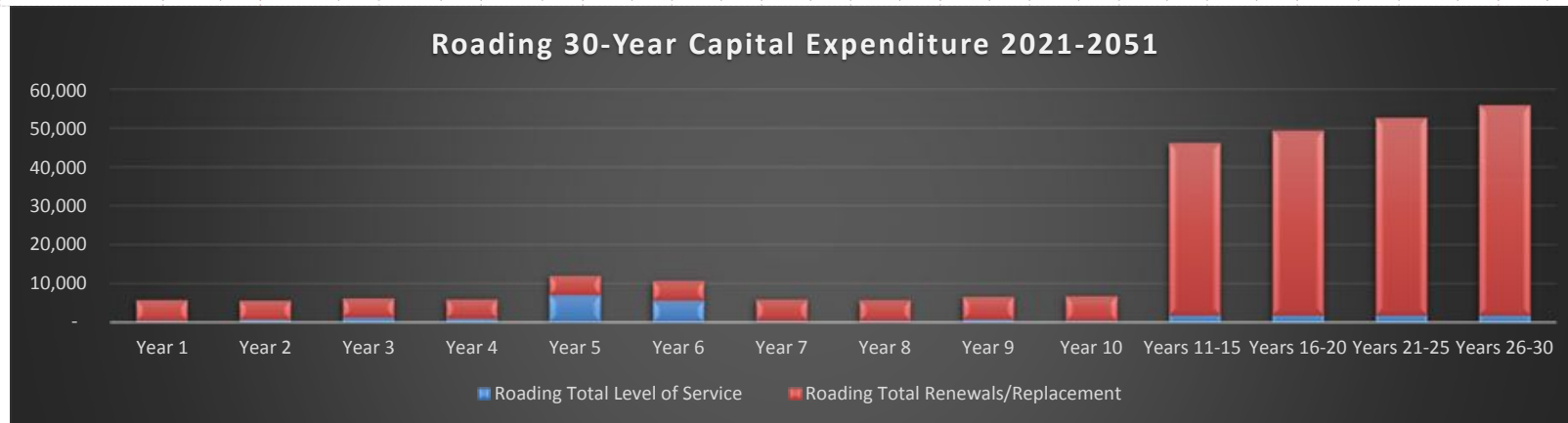
Issue 7 - The future of Whangamomona Rd as a tourist destination.

Response Options	Implications of Options
Investment required to improve the condition of Whangamomona Road	<ul style="list-style-type: none"> Develop a Business Case based on the economic wealth generated by the use of the road to secure funding from NZTA Where are funds sourced for the improvements, community grants, NZTA? - Estimated to be \$500,000 to upgrade the road
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



30 -Year Capital Expenditure – Rooding

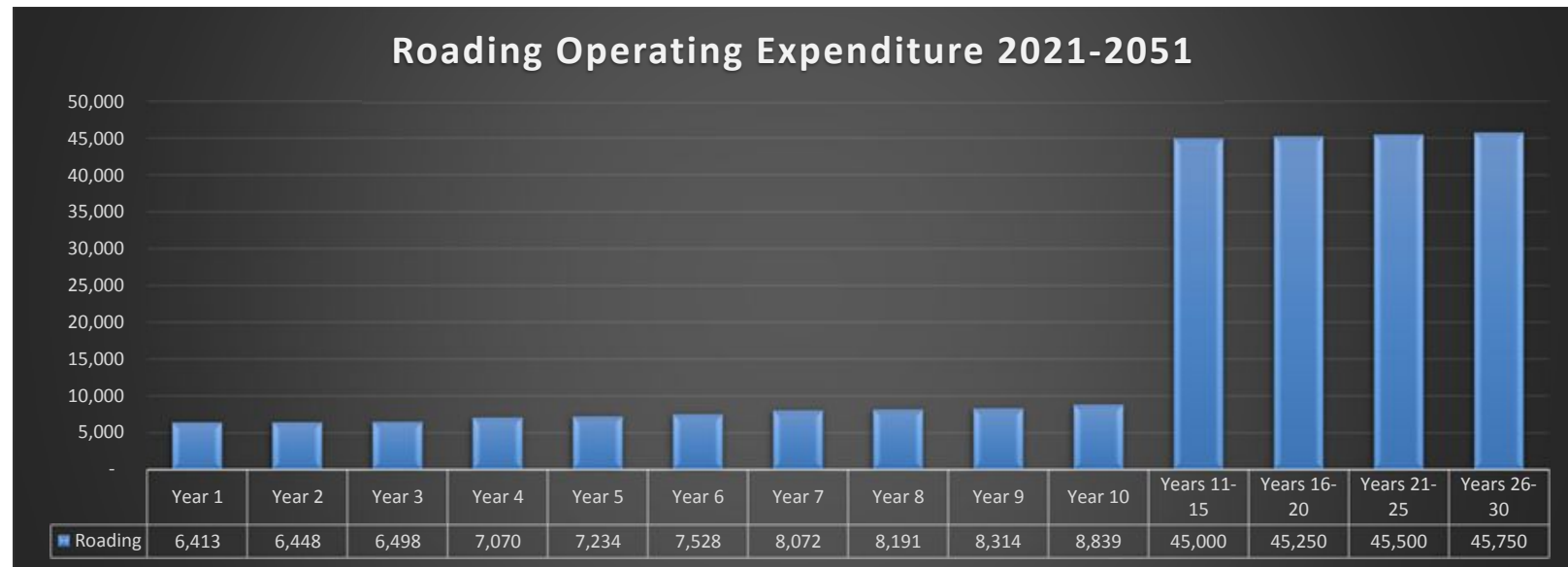
	1	2	3	4	5	6	7	8	9	10	11-15	16-20	21-25	26-30	Total
Year	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031-36	2036-41	2041-46	2046-51	
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Level of Service Improvement	350	619	1,221	929	7,028	5,554	417	306	630	324	1,816	1,816	1,816	1,816	24,643
Replacements	5,413	4,983	4,920	4,983	4,977	5,085	5,436	5,446	5,983	6,452	44,364	47,607	50,850	54,093	250,591





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
	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031-36	2036-41	2041-46	2046-51	
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Roothing	6,413	6,448	6,498	7,070	7,234	7,528	8,072	8,191	8,314	8,839	45,000	45,250	45,500	45,750	256,107





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 Use Efficiency and Conservation;
- Emergency Water Supply
- Alternative Water Supply;
- Backflow Prevention;
- Improvement in the reticulation system; and
- Resource Consent renewal

The options for addressing these significant infrastructural issues drive the Long-term financial forecast for the Water Supply Activity.

Issue 1: Water Use Efficiency and Conservation

Response Options	Implications of options
Implement Universal Water metering including electronic water meter reading to all properties in the district connected to the Council's water reticulation system.	<p>This project primarily for water conservation purposes. It is driven primarily by, and therefore, if implemented, will support the following matters:</p> <ul style="list-style-type: none"> • Compliance with council's water take resource consent; • the Department of Internal Affairs (DIA) benchloss requirements; • 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.

Issue 2: Emergency Water Supply

Response Options	Implications of options
Construct a new water 4,500m ³ reservoir	<p>This project is primarily for additional water storage at the Stratford Water Treatment Plant. It is driven primarily by, and therefore, if implemented, will support the following matters:</p> <ul style="list-style-type: none"> • Resilience in providing 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 also process water for industry in Stratford; and • To support growth – planned or unplanned. The continuity of clean and safe water also gives confidence to existing and new industries which Council contuse to encourage to the district.

Issue 3: 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. 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 4: 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. 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 5: 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

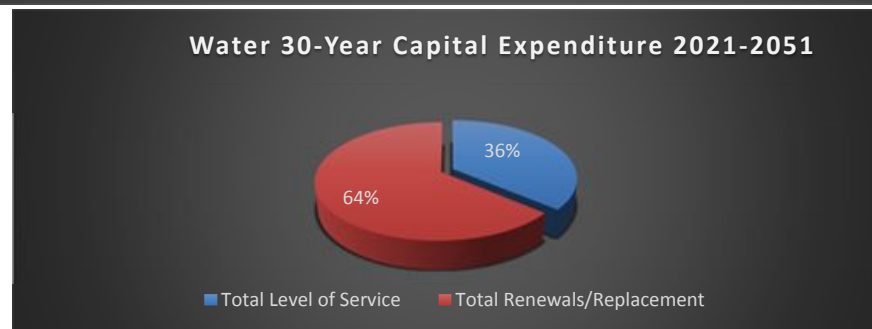
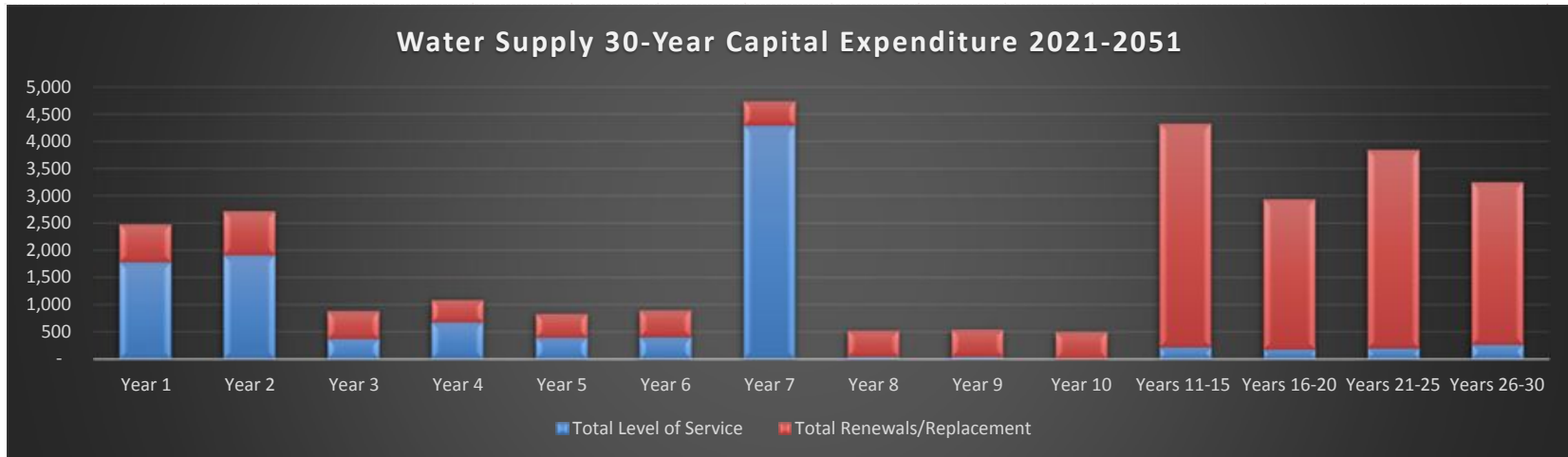
Issue 6: Resource Consent renewal

Response Options	Implications of options
Undertake to renew the Expiring Resource Consent to take water from the Te Popo Stream at Midhirst. This consent expires 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 form the Taranaki Regional Council, which expires in June.</p> <p>This process is has already commenced and it is expected to take 12 to 18 months to complete. The Council is already in talks with key Stakeholders and affected parties. Supporting documentation will need to be commissioned and submitted to the TRC for the renewal of this consent, In the meantime, The Council can continue to operate under the expiring consent as a renewal application was submitted at least 6 months to the consent expiry.</p> <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.</p>



30-Year Capital Expenditure – Water

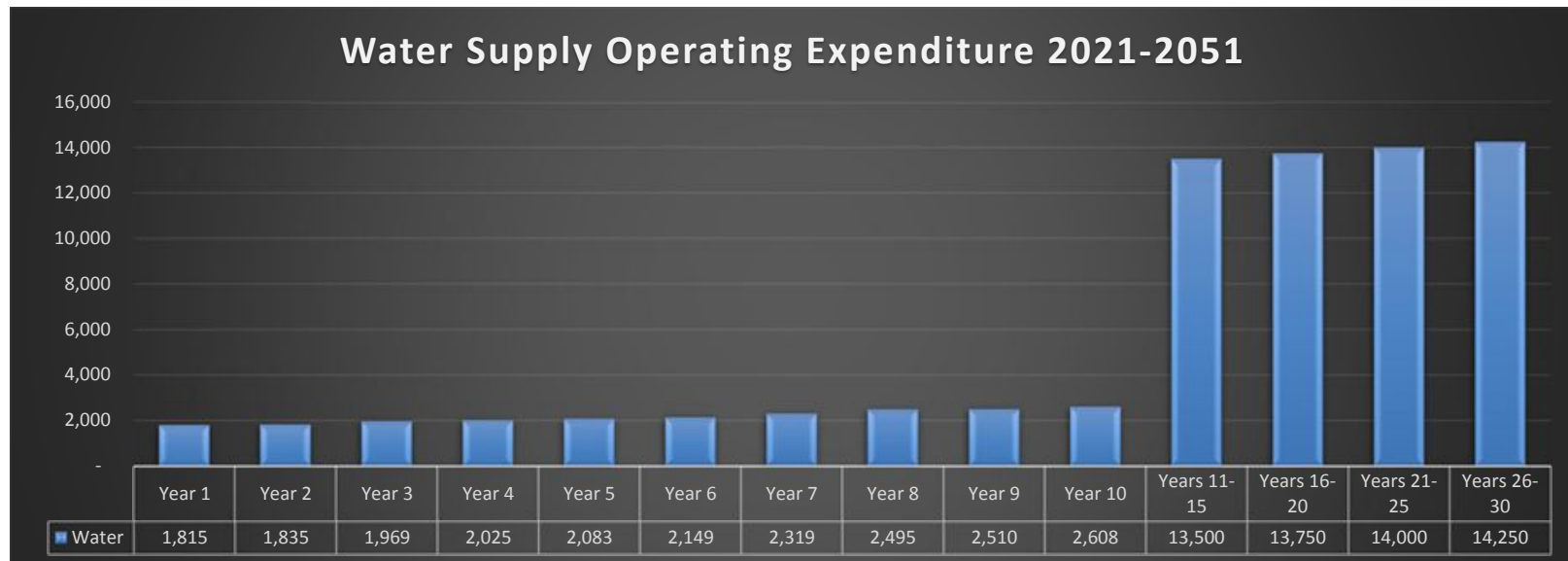
Water Supply	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031-36	2036-41	2041-46	2046-51	Total
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Level of Service Improvement	1,780	1,841	369	673	390	401	4,289	37	38	-	210	170	197	262	10,657
Replacements	695	812	510	414	443	496	452	486	502	498	4,117	2,766	3,645	2,989	18,826





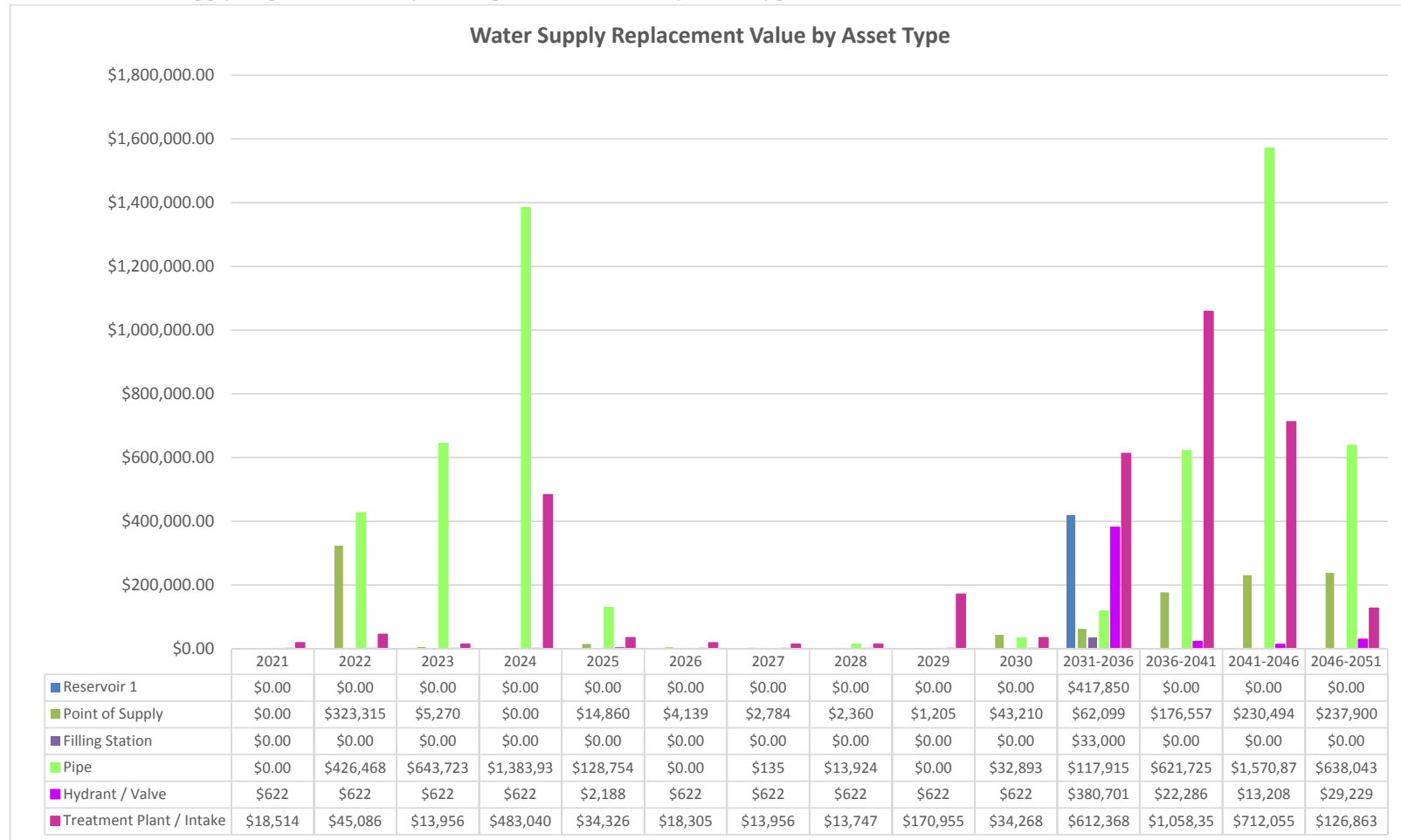
30-Year Operating Expenditure – Water

Year	1	2	3	4	5	6	7	8	9	10	11-15	16-20	21-25	26-30	Total
	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031-36	2036-41	2041-46	2046-51	
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Water Supply	1,815	1,835	1,969	2,025	2,083	2,149	2,319	2,495	2,510	2,608	13,500	13,750	14,000	14,250	77,308





30-Year Water Supply Replacement Profile – Replacement Value By Asset Type

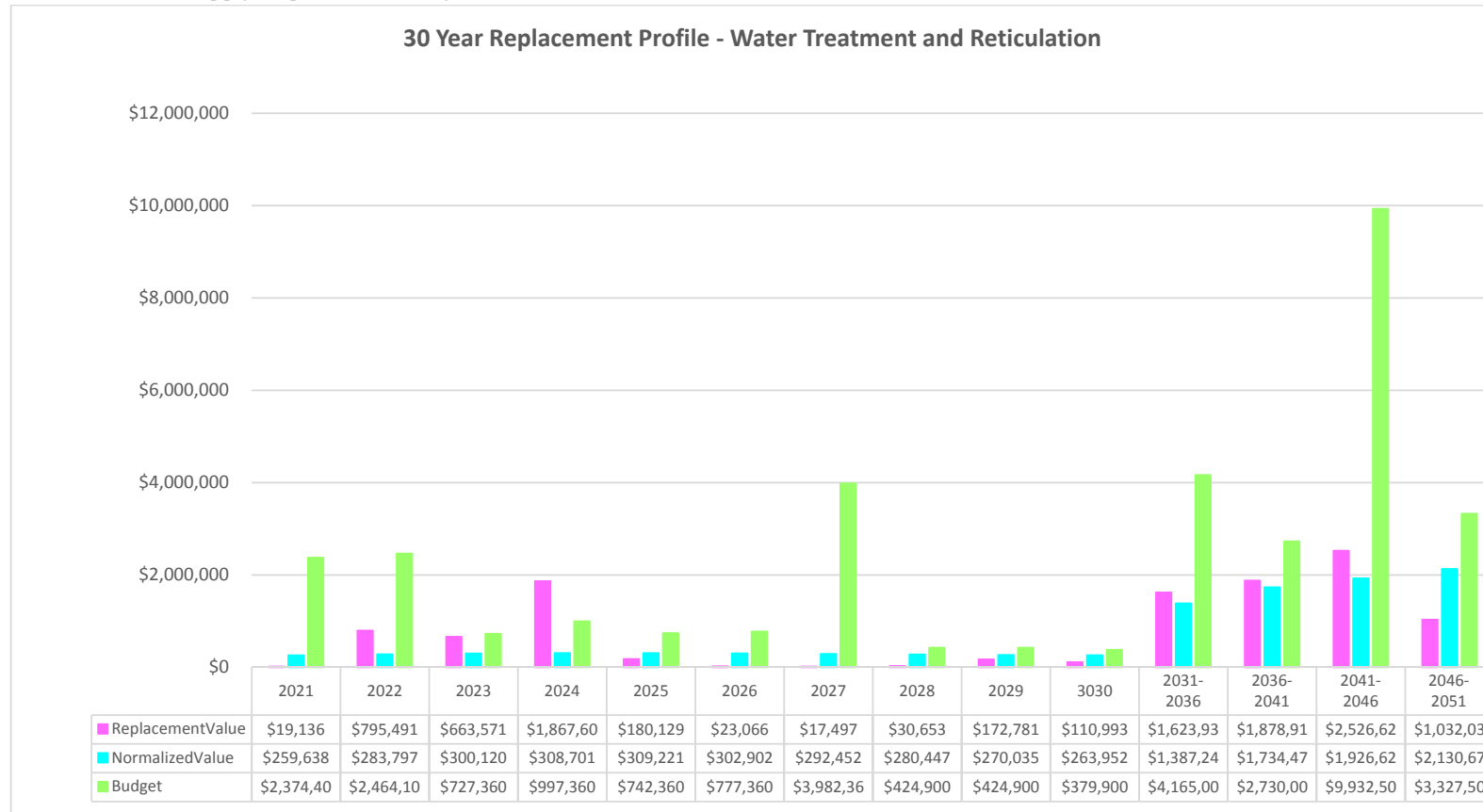


Legend:

Replacement value: The total amount to spend on replacement based on Council's Asset Management System data



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 Implementation;
- Trade Waste Implementation;
- Reticulation overload due to inflow/infiltration;
- Pipework Capacity Issues; and
- Network Planning and Modelling

The options for addressing these significant infrastructural issues drive the Long-term financial forecast for the Rooding Activity.

Issue 1: Resource Consent Implementation

Response Options	Implications of options
Implement all necessary measures to achieve 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>With the receipt of our new Wastewater Discharge Consent issued in April 2020, the Council has programmed to implement the required system upgrade at the set time per the consent condition. The Council will also continue to monitor the performance of the wastewater oxidation pond and provide feedback to the key affected parties on a regular basis. The first stakeholder meeting involving Iwi and Fish & Game was held in August 2020; annual meetings will be held, as a requirement of the resource consent, to discuss performance progress. Intermittent meetings will be held where issues arise to ensure they are addressed promptly.</p>

Issue 2: Trade Waste Bylaw Implementation

Response Options	Implications of options
Implementation of the Trade Waste Bylaw	<p>This project is to ensure the implementation of the Councils newly adopted Trade Waste Bylaw.</p> <p>Stratford District Council's Trade Waste Bylaw 2020 (TWB) was adopted by Council in July 2020; Council undertook to employ a part time Trade Waste Officer in August 2020 to investigate trade waste discharges within the district and enforce the provisions of the TWB. Following subsequent amendments, the final Trade Waste Bylaw was adopted in October 2020.</p> <p>The successful implementation of this bylaw will ensure that trade wastes are appropriately disposed of, costs lie where they fall and the quality of resulting treated wastes discharging into the receiving environment meets the conditions of our resource consent and requirements of the NES-FW.</p>

Issue 3: 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 sew	<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 treatment plant.</p>



Response Options	Implications of options
	<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 increases the available reticulation capacity during rainfall events.</p>

Issue 4: Pipework Capacity Issues

Response Options	Implications of options
<p>Programme the implementation of pipework capacity increase to support growth.</p>	<p>This programme is to address under-capacity of pipe network to support growth, residential infill and other intense land-use activities.</p> <p>There have been new residential subdivisions and developments, urban infill and other growth-related pressures created in both our wastewater and stormwater networks. The consequence of this is that some pipes are requiring upgrades in capacity to accommodate the increased flow.</p>

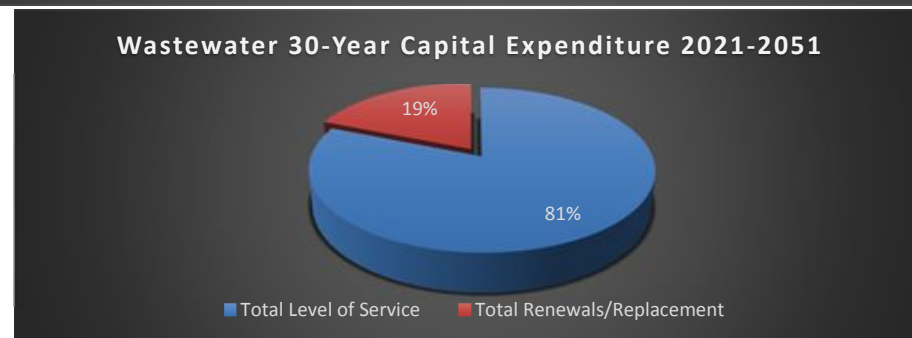
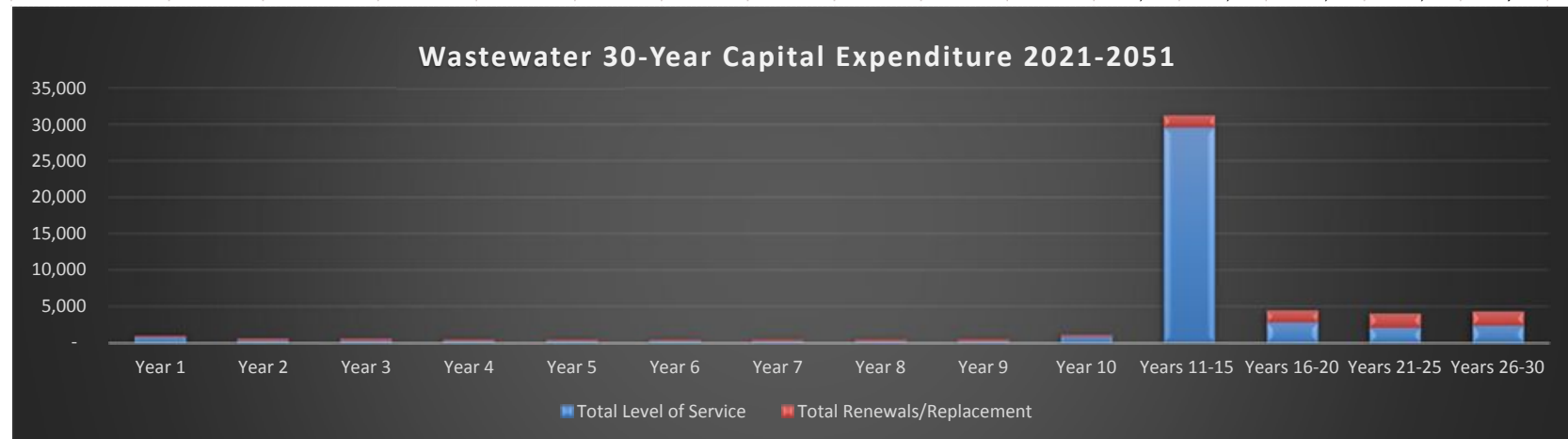
Issue 5: Network Planning and Modelling

Response Options	Implications of options
<p>Full review and calibration of the existing Wastewater model</p>	<p>To accommodate growth and increased demand, Council has programmed to increase pipe capacity to cater for high flows. While officers are aware of some pipes within the network requiring increased capacity, the Council is will commission a network modelling project on our stormwater network to reveal how our network systems are behaving.</p> <p>This modelling project will comprise:</p> <ul style="list-style-type: none"> • the evaluation of network capacity; • the identification of inflow and infiltration into the pipe network; • 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. <p>The existing model is over 10 years old and needs updating in the near future to provide accurate information on where Council should undertake network upgrades and renewals.</p>



30 -Year Capital Expenditure- Wastewater

	1	2	3	4	5	6	7	8	9	10	11-15	16-20	21-25	26-30	Total
Year	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031-36	2036-41	2041-46	2046-51	\$000
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Level of Service Improvement	800	362	381	273	281	288	238	184	178	838	29,597	2,819	2,098	2,360	40,697
Replacements	213	252	258	200	228	211	218	262	271	305	1,639	1,639	1,967	1,967	9,628





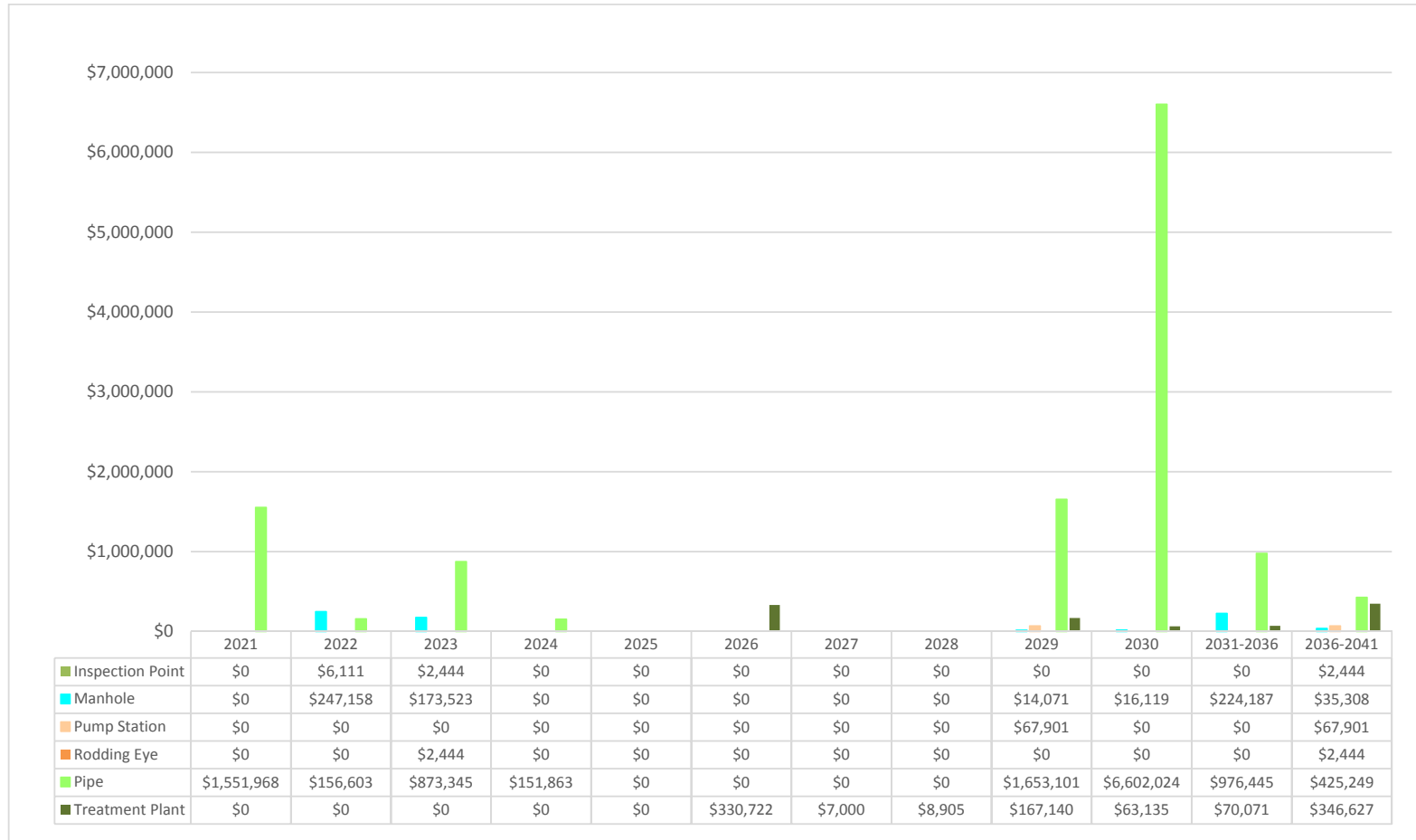
30 -Year Operating Expenditure - Wastewater

Year	1	2	3	4	5	6	7	8	9	10	11-15	16-20	21-25	26-30	Total
	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031-36	2036-41	2041-46	2046-51	
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Wastewater	1,045	1,059	1,097	1,187	1,196	1,233	1,334	1,338	1,363	1,473	8,000	8,250	8,500	8,750	45,825





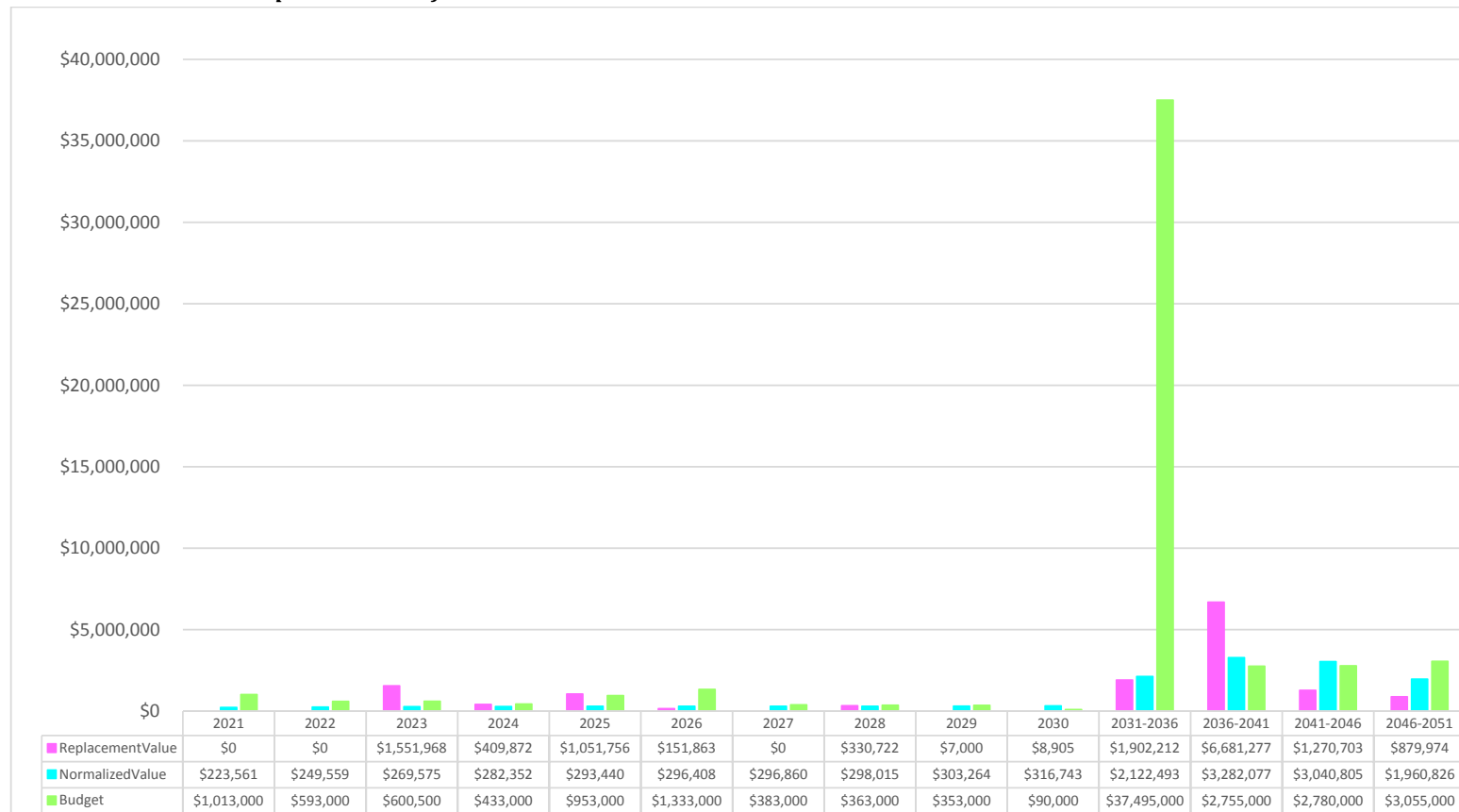
30 -Year Wastewater Replacement Profile – Replacement Value By Asset by Type



Legend:
 Replacement value: The total amount to spend on replacement based on Council's Asset Management System data



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

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 Wastewater 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 will commission a network modelling project on our stormwater network to reveal how our network systems are behaving.</p> <p>This modelling project will comprise</p> <ul style="list-style-type: none"> • 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.</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	<p>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.</p>

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	<p>Should improve stormwater management in the existing network</p>



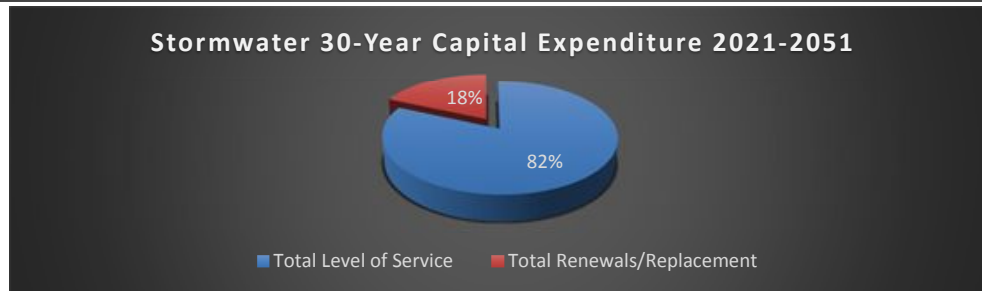
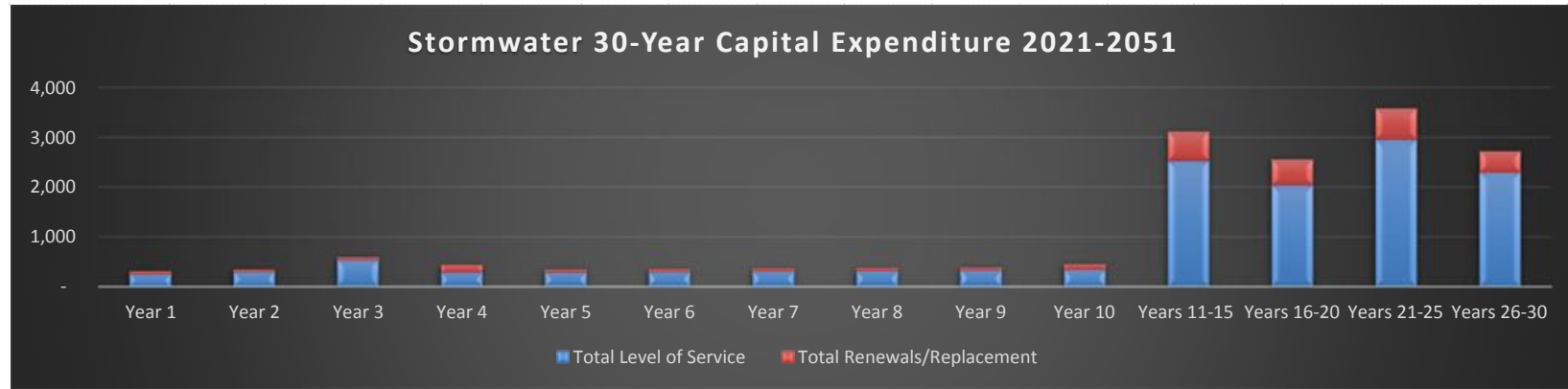
Issue 5: Replacement of stormwater tunnels

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



30-Year Capital Expenditure - Stormwater

Year	1	2	3	4	5	6	7	8	9	10	11-15	16-20	21-25	26-30	Total
	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031-36	2036-41	2041-46	2046-51	
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Level of Service Improvement	252	292	533	275	283	291	300	310	321	331	2,524	2,032	2,950	2,294	12,990
Replacements	53	55	56	167	59	61	63	65	67	122	590	524	629	430	2,943





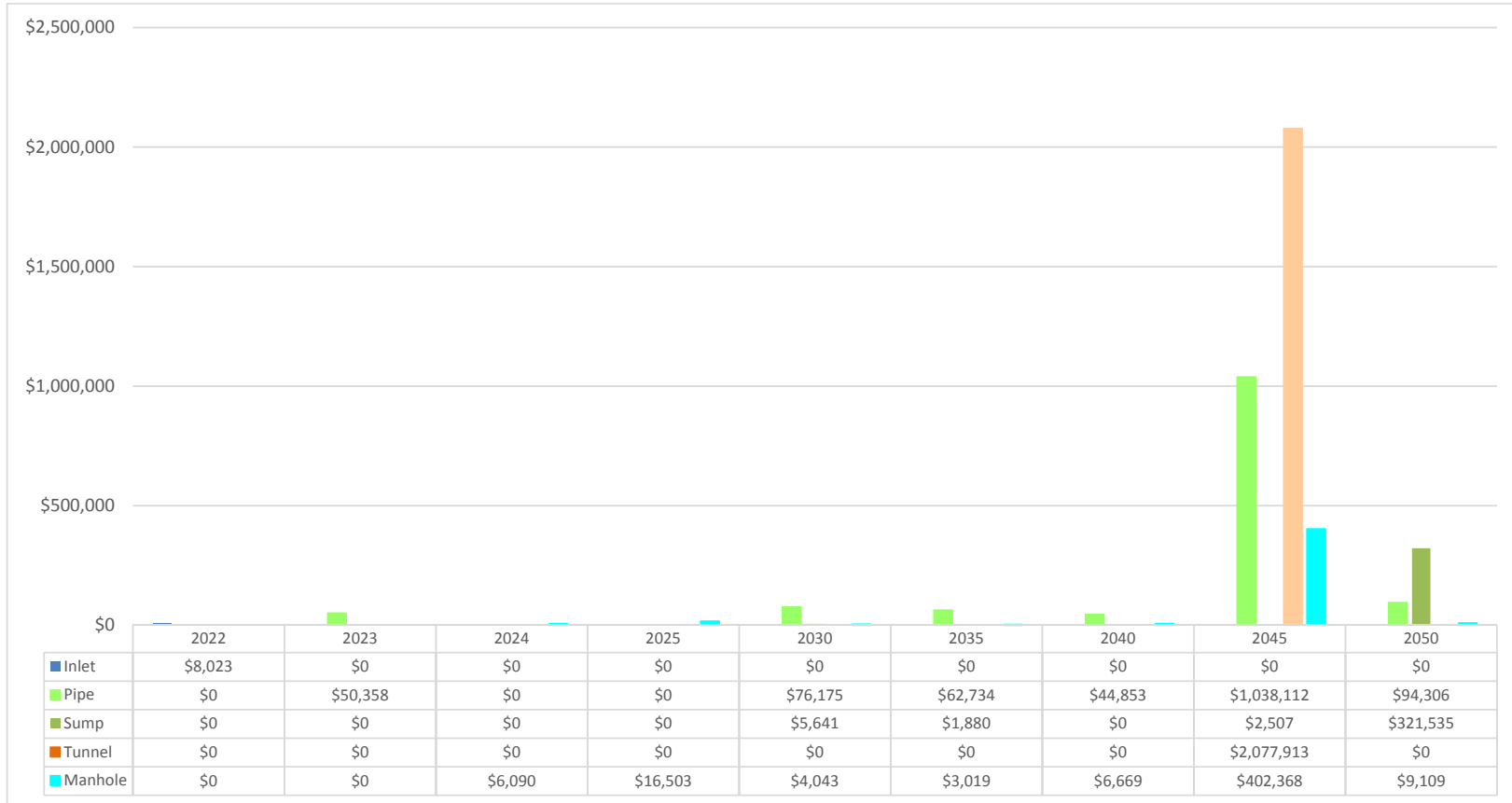
30 -Year Operating Expenditure – Stormwater

Year	1	2	3	4	5	6	7	8	9	10	11-15	16-20	21-25	26-30	Total
	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031-36	2036-41	2041-46	2046-51	
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Stormwater	363	381	405	448	469	491	515	534	553	581	3,000	3,250	3,500	3,750	18,241





30-Year Stormwater Replacement Profile - Replacement Value by Asset Type

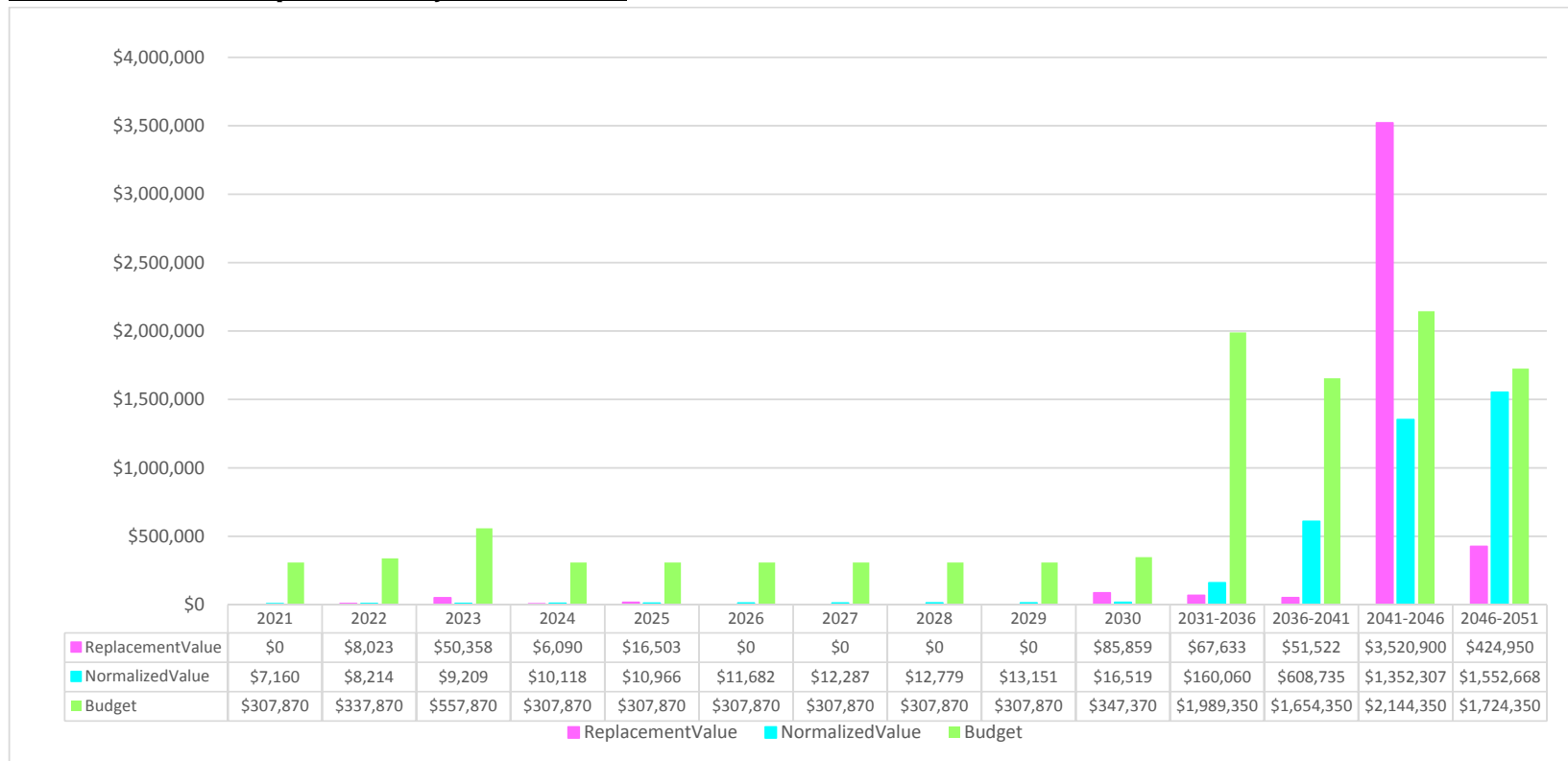


Legend:

Replacement value: The total amount to spend on replacement based on Council's Asset Management System data;



30 -Year Stormwater Replacement Profile - 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



Fees and Charges



Long Term Plan 2021-31

Fees and Charges 2021/22

ABANDONED VEHICLES

Towage	At Cost	
Inspection	\$230.00	Fixed fee, includes inspection and administration
Storage of vehicle	At Cost	

AERODROME

Private Casual Users

Landing Fee per day	\$10.00	
Landing Fee per annum	\$450.00	
Touch and Go (up to five)	\$10.00	
Microlight	\$8.00	
NOTAMS (Notice to Airmen)	\$60.00	Per NOTAMS

Stratford Aeroclub owned Planes

Annual Landing Fee including Touch and Go's	\$200.00	
Microlight	\$4.00	
NOTAMS (Notice to Airmen)	\$40.00	Per NOTAMS

Commercial Users

Landing Fee per landing (up to maximum of \$60per day)	\$20.00	
Landing Fee annual	\$1,200.00	

- NOTAMS will be charged based on each NOTAMS. A NOTAM is put in place when the runways are closed to all air traffic. I.e. Open days or drone flying by private users.
- An Administration fee of \$20 per invoice per month will be charged if the invoice remains unpaid 30 days after the invoice due date.
- A \$5.00 Account Processing fee will be charged per invoice.
- The first Touch and Go in a set of up to 5 incurs one landing charge. Touch and Go's will be charged per landing if each landing is 20 minutes apart. If over 20 minutes this will incur another landing fee.

BUILDING

Processing of a Building Consent (Including the Project Information Memorandum through to the issue of a building consent, unless otherwise specified, inspections required following the issue of the consent are an additional fee.)

Project Information Memorandum (when requested separate from a Building Consent)	\$280.00	Base fee plus cost recovery for staff time as per staff charge out rates, and all direct disbursements
Fee for ALL manual/hardcopy applications (this fee will be charged on ALL Building applications not submitted via the <u>online portal</u>)	\$50.00	Fixed fee
Provision of a Record of Title	\$20.00	Fixed fee
Recording of Exempt Building Work	\$50.00	Fixed fee
Building Consent data		
• Per month	\$30.00	Fixed fee
• One year	\$120.00	Fixed fee
<u>Section 73</u> notification of building on land subject to natural hazards.	\$145.00	Fixed fee
<u>Section 77</u> certification of building on land over two or more allotments.	\$320.00	Fixed fee (includes LINZ fixed fee of \$176.00, pursuant to <u>Section 75</u>).

<p>New residential dwelling (house/townhouse/apartment) <i>Includes flat-pack styles</i> New buildings – commercial/retail Cow sheds/milking sheds</p>	<p>\$1,750.00</p>	<p>Base fee plus cost recovery for staff time as per staff charge out rates, and all direct disbursements. Buildings with a value over \$20,000 will also be subject to:</p> <ul style="list-style-type: none"> • Building Research Association of NZ (BRANZ) <u>levy</u>. • Ministry of Business, Innovation and Employment levy.
<p>Relocated buildings</p>	<p>\$820.00</p>	<p>Base fee. Buildings with a value over \$20,000 will also be subject to:</p> <ul style="list-style-type: none"> • Building Research Association of NZ (BRANZ) <u>levy</u>. • Ministry of Business, Innovation and Employment levy.
<p>Residential or commercial alterations/ additions ⇨ UNDER \$20,000 in value</p>	<p>\$820.00</p>	<p>Base fee plus cost recovery for staff time as per staff charge out rates, and all direct disbursements.</p>
<p>Residential or commercial alterations/ additions ⇨ OVER \$20,000 in value</p>	<p>\$1,400.00</p>	<p>Base fee plus cost recovery for staff time as per staff charge out rates, and all direct disbursements. Buildings with a value over \$20,000 will also be subject to:</p> <ul style="list-style-type: none"> • Building Research Association of NZ (BRANZ) <u>levy</u>. • Ministry of Business, Innovation and Employment levy.
<p>Accessory buildings – residential (garages/carports)</p>	<p>\$750.00</p>	<p>Base fee plus cost recovery for staff time as per staff charge out rates, and all direct disbursements. Buildings with a value over \$20,000 will also be subject to:</p> <ul style="list-style-type: none"> • Building Research Association of NZ (BRANZ) <u>levy</u>. • Ministry of Business, Innovation and Employment levy.
<p>Pole sheds – residential or commercial</p>	<p>\$750.00</p>	<p>Base fee plus cost recovery for staff time as per staff charge out rates, and all direct disbursements. Buildings with a value over \$20,000 will also be subject to:</p> <ul style="list-style-type: none"> • Building Research Association of NZ (BRANZ) <u>levy</u>. • Ministry of Business, Innovation and Employment levy.

Pole sheds – residential or commercial – where the application is submitted under a <u>Producer Statement</u>	\$350.00	Base fee plus cost recovery for staff time as per staff charge out rates, and all direct disbursements. Buildings with a value over \$20,000 will also be subject to: <ul style="list-style-type: none"> • Building Research Association of NZ (BRANZ) <u>levy</u>. • Ministry of Business, Innovation and Employment levy.
Fireplaces: Inbuilt/free-standing	\$450.00	Fixed fee, including administration and inspection/s.
Inbuilt/free-standing (dry or with wetback) – where the application is submitted under a <u>Producer Statement</u>	\$350.00	
Insulation of exterior walls	\$450.00	Fixed fee.
Sewage and drainage	\$450.00	Fixed fee, including administration and inspection/s.
Tents/marquees (established or in use for a minimum of 5 days)	\$350.00	Fixed fee.
Amusement devices: Pursuant to the <u>Amusement Devices Regulations 1978</u> Inspection fee for –		
• One device for first seven days (or part thereof).	\$11.50	Per device.
• Each additional device operated by the same owner for the first seven days (or part thereof).	\$2.30	Per device.
• Each further period of seven days (or part thereof).	\$1.15	Per device.
Pool Inspections: New pool (as a stand-alone Building Consent application)	\$300.00	Fixed fee.
Inspection (required 3-yearly)	\$130.00	Per inspection.
Re-inspection (if non-compliance identified)	\$95.00	Per inspection.
Spa pool exemption application	\$130.00	Per exemption (for the life of the pool).
Inspections: Inspections and re-inspections	\$95.00	Per inspection
Final inspection before issue of Code Compliance Certificate	\$245.00	
<u>Certificate of Acceptance</u>	\$1,500.00	Base fee plus cost recovery for staff time as per staff charge out rates, and all direct disbursements. Buildings with a value over \$20,000 will also be subject to: <ul style="list-style-type: none"> • Building Research Association of NZ (BRANZ) <u>levy</u>. • Ministry of Business, Innovation and Employment levy.
Notice to Fix - Dangerous/Insanitary Notification Building Consent Amendment	\$300.00 At cost	Fixed fee. As per staff charge out rates
Building Consent Extension, Exemption	\$110.00	Fixed fee.
Levies Building Research Levy MBIE (Formerly DBH) Levy – Certificates and Miscellaneous Notices		As required by statute As required by statute

Certificate of Public Use

- Altered Buildings \$85.00 Fixed fee.
- New Buildings \$145.00 Fixed fee.

Compliance Schedules

New building (requiring Building Consent)	\$265.00	Base fee. A \$75 fee per <u>Specified System</u> also applies.
Existing building (may or may not require Building Consent)	\$550.00	Base fee. A \$75 fee per <u>Specified System</u> also applies.
Amendment to Compliance Schedule	\$120.00	Base fee. A \$75 fee per <u>Specified System</u> also applies.

Building Warrant of Fitness (BWof)

Site audit and findings report	\$125.00	Fixed fee.
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Independently Qualified Persons (IQP's)

Application	\$265.00	Fixed fee.
Renewal	\$145.00	Fixed fee.
Amendment	\$50.00	

The following building works are exempt from all consent application and inspection fees required for the installation/construction of those works:

- *Power generation where the generated power is for use only on the same property*
- *Solar hot water heating (the exemption includes all plumbing inspections)*
- *Plumbing and drainage systems allowing for the use of recycled water (the exemption includes all plumbing and drainage inspections)*

Street Damage

Inspection	\$170.00	Per inspection
Refundable Bond:		
• New Construction	\$2,500.00	
• Demolition/relocation of existing building	\$3,000.00	
Repairs of Street Damages		At cost

Vehicle Crossing

Refundable bond - new development on existing section with sub-standard crossing	\$1,000.00	
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Bonds held by Council do not accrue interest.

BYLAWS

All licences and certificates as required under Council bylaw*	\$230.00	
Call Out Fee (in breach of bylaw, charged to offender)	\$300.00	
Release of Impounded Stereo	\$150.00	
Release of Impounded wheeled device, e.g Skateboard or Cycle	\$50.00	
Permit for Stands and Stalls in a Public Place (Bylaw 314)	\$20.00	Per stand or stall per day with a minimum fee of \$60.00

* Excludes licences under:

- *the Tattoo and Beauty Parlour Bylaw, see Health Licences;*
- *Solid Waste, see Refuse (Solid Waste);*
- *Trade Waste, see Trade Waste;*
- *Water Supply Bylaw, see Water Supply Bylaw Charges.*

*Also excludes licenses under the Trade Waste

** Excludes not for profit organisations and community groups. See Health Licences section for Mobile and Travelling Shops.

CEMETERY

Plot purchase

- Adult (16+ years) \$2,200.00
- Child (2 – 15 years) \$1,500.00
- Infant (under 2 years) \$1,000.00
- Ashes plot \$1,000.00
- RSA plot no charge
- Memorial Wall \$180.00

Interments (includes grave digging)

- Adult (16+ years) \$1,500.00
- Child (2 - 15 years) \$1,100.00
- Infant (under 2 years) \$800.00
- Stillborn \$550.00
- Ashes \$450.00

Miscellaneous Charges

- Bond for damage (Private Users) as per clause 19.4 of Cemeteries Bylaw \$300.00 Damage in excess of bond will be charged at cost

Notes (Cemetery)

- *Weekends/Public Holidays Fees are included in above charges.*
- *Administration and Permit Fees are included in above charges.*
- *Disinterment and Reinterment are the same as interment charges above.*
- *Extra Depth is included in above charges.*
- *Services Cemetery fees are the same as the adult interment charge above.*
- *Services Cemetery Purchase of Plot is free as per Stratford Borough Council decision at meeting on 16 July 1917.*
- *Memorial Wall Plaque - Permanite material, size 290mm x 190mm*

DOG AND ANIMAL CONTROL

Registration Fees

	Discounted Fee if paid by the due date (per dog)	Standard Fee if paid on or after the due date (per dog)
Rural dog (for every dog up to and including first three dogs)	\$45.00	\$60.00
Rural dog (for every dog after first three dogs)	\$35.00	\$45.00
General Dog Owner	\$145.00	\$185.00
Good Dog Owner (refer Dog Control Policy)	\$115.00	\$150.00
Select Dog Owner (refer Dog Control Policy)	\$60.00	\$80.00

Urban Multiple Dog Licence

- Application \$60.00
- Annual Renewal \$30.00

Micro chipping

At cost

Replacement Tag

\$5.00

Impounding Fees

Dogs:

- Registered dog, 1st Impounding \$150.00
- Registered dog, subsequent Impounding \$250.00
- Unregistered dog \$300.00 Plus registration
- Unregistered dog under 3 months \$150.00 Plus registration
- After hours pound release fee \$60.00 Requires payment of all applicable fees (impounding, sustenance & after hours release) at the Library or Pool during opening hours prior to release

- Sustenance fee per dog \$10.00 Per day
- Destruction At cost
- Re-housing fee \$50.00

Other animals:

- Stock, excluding sheep and goats \$50.00
- Sheep and goats \$15.00
- Sustenance fee per animal (all stock) \$10.00 Per day
- Advertising At cost
- Droving As per staff charge out rates or cost if provided by contractor
- Call Out Fee As per staff charge out rates
- Transporting of Stock At cost

Notes

- *The criteria for these categories are given within the Stratford District Council Dog Control Policy.*
- *Any application to be a Select Dog Owner must be made before 30 April 2021.*
- *Infringements may be issued for all outstanding registrations after 1 October 2021.*

HEALTH LICENCES**Health Act Registrations and Annual Renewals**

- Hairdressers \$230.00 Annual fee
- Offensive Trade \$400.00 Annual fee
- Funeral Directors \$230.00 Annual fee
- Camping Ground \$230.00 Annual fee
- Sale yards \$230.00 Annual fee
- Complaint driven investigation \$170.00 Per hour

Food Act 2014

- Application for registration of a food control plan \$460.00 Fixed fee (includes up to 2 hours processing time)
- Renewal of registration \$315.00 Fixed fee (includes up to 1 hour processing time)
- Transfer of registration \$400.00
- Initial verification visit including follow up remedial action \$400.00 Fixed fee plus disbursements at cost.
- Monitoring for food safety and suitability and subsequent verifications \$170.00 Per hour, plus disbursements at cost.
- Complaint driven investigation \$170.00 Per hour
- Application for review of improvement notice \$170.00 Per hour
- Application for second sites and other amendments \$170.00 Per hour

Mobile and Travelling Shop Bylaw

- Licence for mobile and travelling shop as per the Mobile and Travelling Shop Bylaw \$60.00 Per day up to a maximum of \$500.00 per annum
- Complaint driven investigation \$170.00 Per hour

Tattoo and Beauty Parlour Bylaw

- Application for registration of a High Risk Activity \$375.00 Fixed fee (includes up to 1.5 hours processing time and annual inspection)
- Renewal of registration \$250.00 Fixed fee (includes up to 1 hour processing time and annual inspection)
- Transfer of registration \$375.00 Fixed fee
- Complaint driven investigation \$170.00 Per hour

HOUSING FOR THE ELDERLY

- Unit with neither conservatory, carport nor rear porch \$135.00 Per week

- Unit with one of either conservatory, carport or rear porch \$140.00 Per week
- Unit with two of either conservatory, carport or rear porch \$145.00 Per week
- Unit with conservatory, carport and rear porch \$150.00 Per week

LAND INFORMATION MEMORANDUM

Standard Application (Processed within 10 working days)

- residential \$350.00
- commercial \$500.00

Urgent Application (Residential/Rural/Rural Residential Processed within two working days, Commercial within 5 working days)

- residential \$600.00
- commercial \$800.00

Property File Information

- Electronic data (USB storage device) \$25.00 Per property file (plus \$4.00 postage fee if required)
- Property File by Email or OneDrive \$20.00 Per property file

When requesting Property information; the information included is based on a search of Council records only. There may be other information relating to the land which is unknown to the Council. Council records may not show illegal or unauthorised building works on the property. The applicant is solely responsible for ensuring that the land is suitable for a particular purpose.

LIBRARY

Fees

- Inter-loaning a Book (between libraries in NZ) \$10.00 Per item
- DVD Rental \$3.00 Per week
- Membership Card Replacement Fee \$6.00 Per card

Overdue Fines

- DVDs \$0.50 Per day overdue

With a grace period of 3 days before fine for total overdue days is imposed

Replacement books, DVDs At cost

Laminating:

- A4 \$2.00 Per page
- A3 \$4.00 Per page

Scanning:

- Self Service No charge
- Staff assisted or to a borrowed library USB \$1.00 Per 10 pages or part thereof

Photocopying/Printouts/Facsimile

As per Photocopying, Printing & Facsimile charges

3D Printing

\$0.20 Per gram material, plus \$2.00 setup fee

Programmes & Events

Kowhai Room Hire

\$5.00 Per hour

The Kowhai Room hire fee will be waived for non-profit community groups

MISCELLANEOUS

Debt Collection

Referral to debt management agency 10% Of invoice outstanding

PARKING

Parking Infringement*

Exceeding restricted parking time limit:	
• Up to 30 minutes	\$12.00
• 30 minutes to 1 hour	\$15.00
• 1 hour to 2 hours	\$21.00
• 2 hours to 4 hours	\$30.00
• Over 4 hours	\$42.00

Parking Offences*

• Parked on or within 6m of an intersection	\$60.00
• Parked on or near a pedestrian crossing	\$60.00
• Parked on broken yellow lines	\$60.00
• Double parking	\$60.00
• Inconsiderate parking	\$60.00
• Parked on a clear way	\$60.00
• Parked on a bus only lane	\$60.00
• All other Parking Offences	\$40.00

Temporary “No Parking” Signs Application

• Fee	\$15.00
• Refundable deposit	\$20.00

**These penalties have been set by Council as being the maximum allowable, pursuant to Schedule 2 of the Land Transport Act 1998.*

PHOTOCOPYING, PRINTING & FACSIMILE

Photocopying & Printing

• A4 Black and White	\$0.30	Per page
• A4 Black and White (double sided)	\$0.40	Per page
• A4 Coloured	\$0.50	Per page
• A4 Coloured (double sided)	\$0.70	Per page
• A3 Black and White	\$0.50	Per page
• A3 Black and White (double sided)	\$1.00	Per page
• A3 Coloured	\$1.00	Per page
• A3 Coloured (double sided)	\$2.00	Per page

Facsimile

• National, first page	\$2.50	
• National, each subsequent page	\$0.50	
• International, first page	\$5.00	
• International, each subsequent page	\$1.50	
• Received Faxes	\$1.00	Per page

PUBLICATIONS

• Annual Plan	\$20.00
• Long Term Plan (LTP)	\$40.00
• Annual Report	\$20.00
• Bylaws	\$20.00
• District Plan (excluding planning maps)	\$70.00
• Planning Maps	\$70.00

REFUSE (SOLID WASTE)

Bylaws

• Licensing - Application Fee for Commercial Waste Collectors and Waste Disposal Operators	\$50.00
• Removal of Trade Refuse (Clause 13.4 of Solid Waste Management and Minimisation Bylaw)	At cost
• Application Fee for Event Waste Management and Minimisation Plan (EWMMP) Approval	\$100.00

Replacement Receptacles

- Recycling crate \$40.00 Per crate
- Wheelaway bin \$128.00 Per bin

Transfer Station

	Bag (50 ltr)	Car Boot	Car Other	Drum (200 ltr)	Small Trailer & Utes (no cage)	Tandem Trailer (no cage)	All Other (per m ³)
Green Waste	NA	\$5.00	\$8.00	\$8.00	\$10.00	\$38.00	\$18.00
Recyclables	Free	Free	Free	Free	Free	Free	Free
Clean Construction & Demolition	NA	\$8.00	\$10.00	\$10.00	\$15.00	\$35.00	\$25.00
Scrap Metal	NA	\$15.00	\$20.00	\$20.00	\$25.00	\$50.00	\$50.00
General Refuse	\$3.00	\$15.00	\$20.00	\$20.00	\$25.00	\$85.00	\$50.00

Refuse containing more than 25% demolition material (bricks, concrete etc) will be double standard rate. Council reserves the right to charge in proportion of the units above, i.e. ¼ car boot, ½ bag.

Miscellaneous

- Whiteware \$10.00 Per unit
- TV \$20.00 Per unit
- Stereo, Computer \$10.00 Per unit

First Year Service Fee for refuse collection Pro rata amount of applicable targeted rate equivalent.*

**A service charge will apply from the first month following connection with the same conditions that would apply to the owner as if they were a ratepayer for that year.*

RESOURCE MANAGEMENT

Resource Consents

- Notified (full) \$4,000.00 Deposit with full cost recovery
- Notified (limited) \$1,200.00 Deposit with full cost recovery
- Controlled (Non Notified) other than boundary adjustments \$1,200.00 Base fee plus cost recovery for staff time as per staff charge out rates, and all direct disbursements
- Controlled (Non Notified) relocated buildings \$900.00 Base fee plus cost recovery for staff time as per staff charge out rates, and all direct disbursements
- Boundary adjustments (Non notified), no creation of new or additional title \$850.00 Base fee plus cost recovery for staff time as per staff charge out rates, and all direct disbursements
- Limited Discretionary (Non Notified) \$1,200.00 Base fee plus cost recovery for staff time as per staff charge out rates, and all direct disbursements
- Discretionary (Non Notified, including variations to consent) \$900.00 Base fee plus cost recovery for staff time as per staff charge out rates, and all direct disbursements
- Discretionary (Non Notified) for performance standard non-conformance, or signs \$1,200 Base fee plus cost recovery for staff time as per staff charge out rates, and all direct disbursements
- Non Complying (Non Notified) \$1,200 Base fee plus cost recovery for staff time as per staff charge out rates, and all direct disbursements
- Deemed Permitted/Boundary Activity \$500 Base fee plus cost recovery for staff time as per staff charge out rates, and all direct disbursements
- Fast Track Consents \$500 Fixed Fee in addition to controlled resource consent application fee.
- Compliance Certificate \$500 Base fee plus cost recovery for staff time as per staff charge out rates, and all direct disbursements
- Bond agreement under S222 \$350.00 Base fee plus cost recovery for staff time as per staff charge out rates, and all direct disbursements

- S224 Certificate (including survey plan approval)
 - No inspection for conditions \$230.00 Base fee plus cost recovery for staff time as per staff charge out rates, and all direct disbursements
 - Inspection for conditions \$400.00 Fixed Fee
- Certificate under Section 223 only no charge
- Road Access Certificate (Section 321 of Local Government Act) \$230.00 Fixed Fee
- Consultation with District Land Registrar \$145.00 Fixed Fee
- Change to Conditions of Consent (Non-notified) \$900.00 Base fee plus cost recovery for staff time as per staff charge out rates, and all direct disbursements
- Change to Conditions of Consent (Notified) \$1,200.00 Deposit with full cost recovery

Miscellaneous

- Request for Plan Change \$4,000.00 Deposit with full cost recovery
- Request for Designation or Heritage Order or removal/variation of Designation \$1,000.00 Deposit with full cost recovery
- Planning, Compliance, or similar Certificates \$250.00 Base fee plus cost recovery for staff time as per staff charge out rates, and all direct disbursements
- Monitoring of Resource Consent Conditions At cost As per staff charge out rates
- Attendance to Noise Complaints (Charged to Offender) \$300.00 Per call out
- Joint Hearings with Other Authorities At cost As per staff charge out rates with deposits As required by either Taranaki Regional Council or Horizons Regional Council
- Seizure, impounding, transporting and storage pursuant to S.328 of the Resource Management Act \$300.00

The following activities are exempt from all consent application, processing and monitoring fees:

- *The alteration, but not demolition, of any heritage structure listed in Appendix 6 of the Stratford District Plan*
- *Work to maintain or enhance indigenous fauna or flora in protected areas listed in Appendix 9 of the Stratford District Plan*

Any costs incurred from third parties in relation to any of the above applications will be on-charged to the applicant at cost.

Bonds held by Council do not accrue interest.

ROADING**Road Closure**

- Application, including \$520.00
 - Traffic Management Plan
 - Advertising (Up to \$200. Actual cost will be charged if it exceeds \$200)
 - Inspection
- Additional Inspection At cost As per staff charge out rates
- Emergency Road Closure over 4 hours At cost

Fallen Trees

- Clearing of privately owned fallen trees on road reserve At cost Applies to costs greater than \$500.00

Temporary Obstruction Permit

- Application, including \$300.00
 - Traffic Management Plan
 - Inspection
- Additional Inspection At cost As per staff charge out rates

Traffic Management Plan

- Generic Traffic Management Plan \$500.00

- Site Specific Traffic Management Plan \$200.00

Corridor Access Request (CAR)

CAR application for:

- Excavation >10m² in any CAR in carriageway \$400.00
- Excavation <10m² in berm \$80.00
- CAR additional inspection \$170.00

Overweight Permit (set by statute, specified route)

- Single or multiple trip overweight permit \$20.91 Plus disbursements
- Continuous overweight permit \$62.73 Plus disbursements
- Renewal of a continuous overweight permit \$10.45 Plus disbursements
- Over dimension permit \$32.20 Plus disbursements
- HPMV permit \$62.73 Plus disbursements
- Specialist vehicle permit \$62.73 Plus disbursements

There is an additional fee of \$10.45 for overweight, HPMV or specialist vehicle permit applications if there are fewer than three working days available for processing.

Overweight Permits – District wide

- Generic Overweight Permit – valid for two years \$180.00
Note: Issued when an area wide permit is required to cover Stratford District Council defined roads. Permit outlines roads to be used, bridges to be crossed, bridges which are prohibited.
- Individual Overweight Permit – single trip only \$120.00
Note: Issued when an area wide permit is required to cover Stratford District Council defined roads. Permit outlines roads to be used, bridges to be crossed, bridges which are prohibited.
- Inspections (per hour) \$200.00

Licence to Occupy (Berm or Unused legal road)

- Application fee \$260.00
- Rental 5.75% Of land value per annum

Street Event

- Refundable bond for damages \$2,000.00
- Damages At cost

Other

- Damage to Street Furniture At cost
- Application for Road Stopping (LGA, 2002) \$500.00
- Application for Petrochemical pipeline in the road reserve \$750.00
- Application for Stock Underpass \$200.00

Vehicle Crossing

Vehicle Crossing Application fee \$205.00

Bonds held by Council do not accrue interest.

SALE OF ALCOHOL

Fee must be confirmed with the Liquor Licensing Inspector prior to lodging an application

On, Off and Club Licences Application Fees and Annual Fees:

Total risk rating of premises	Fees Category	Application fee	Annual fee
0-2	Very low	\$368.00	\$161.00
3-5	Low	\$609.50	\$391.00
6-15	Medium	\$816.50	\$632.50
16-25	High	\$1,023.50	\$1,035.00
26 plus	Very high	\$1,207.50	\$1,437.50

Special licence fees

Class 1 1 large event (400 people) <u>or</u> more than 3 medium events (100 to 400 people) <u>or</u> more than 12 small events (fewer than 100 people)	\$575.00
Class 2 3 to 12 small events (fewer than 100 people) <u>or</u> 1 to 3 medium events (100 to 400 people)	\$207.00
Class 3 1 or 2 small events (fewer than 100 people)	\$63.25

Manager's Certificates (new or renewal) \$316.25
Fee set by regulation in accordance with the Sale and Supply of Alcohol (Fees) Regulations 2013

Other Fees

- Temporary Authority \$296.70
- Temporary Licence \$296.70
- Extract from Register \$50.00
- Compliance Certificate (RMA/Building) \$50.00
- Website Advertising Fee \$50.00

Gambling Consent Fee

- Application Fee \$230.00

SPORTS GROUNDS/PARKS AND RESERVES

Sportsgrounds – seasonal use

- Cricket (per oval) \$420.00
- Rugby (per field Page Street) \$420.00
- Rugby (per field Victoria Park no 1 and no 2) \$770.00
- Football (per field) \$420.00
- Croquet (Victoria Park greens) \$420.00
- Netball (King Edward Park hard courts) \$770.00
- Tennis (King Edward Park hard courts) \$770.00
- Other codes (per field Victoria Park) \$770.00
- Other codes (per field elsewhere) \$420.00

Sportsgrounds – casual use

- Per field, per hour or part thereof (without lights) \$10.00
- Per field, per hour or part thereof (with lights) \$15.00

Sportsgrounds/Parks and Reserves – other events

- Major event (public event) per day or part thereof \$155.00
 - Minor event (private event) per day or part thereof \$78.00
 - Refundable bond for damage to grounds
- Determined by Council Officer upon initial assessment of application.

Page Street sports amenities building

- Seasonal use \$420.00
- Casual use per day or part thereof \$26.00

STAFF CHARGE OUT RATES

Charge out rates are as follows:

- Management \$210.00 Per hour or part thereof
- Technical \$170.00 Per hour or part thereof
- Research (includes LGOIMA, Cemetery enquiries) \$170.00 First 30 minutes free
- Administration \$120.00 Per hour or part thereof
- Vehicle Charge (Mileage) \$0.77 Per km

STORMWATER CONNECTION

- Application Fee \$205.00
- Connection Fee Property owner to engage suitably qualified contractor

SWIMMING POOL COMPLEX

Casual Use

Pool Entry

- Adult \$4.70 Per entry
- Child/Senior/Green Prescription \$3.70 Per entry
- Caregiver/Parent Supervising Child under 8 year of age free Per entry
- Spectator free Per entry

Pool entry for swim lessons provided by external providers \$4.00 Per entry

Group Fitness/Aquarobics/Adult Lessons

- Adult \$8.00 Per session
- Child/Senior/Green Prescription \$6.50 Per session

Concession (x 10) - Valid for 6 months

Pool Entry

- Adult \$43.00
- Child/Senior/Green Prescription \$35.00

Pool entry for swim lessons provided by external providers \$38.00

Group Fitness/Aquarobics/Adult Lessons

- Adult \$70.00
- Child/Senior/Green Prescription \$55.00

Short Term Membership

Client pays a lump sum up front. No cancellations. Membership can be suspended for a maximum of one month with medical certificate.

3 month

Group Fitness/Aquarobics/Adult Lessons

- Adult \$175.00
- Child/Senior/Green Prescription \$135.00

Pool Entry

- Adult \$156.00
- Child/Senior/Green Prescription \$130.00

Pool entry for swim lessons provided by external providers

Per Term

- 1 x lesson per week \$31.00
- 2 x lessons per week \$62.00
- 3 x lessons per week \$120.90
- 4 x lessons per week \$161.20
- Unlimited lessons per week \$201.50

12 Month Membership

Client pays a lump sum up front. No cancellations. Membership can be suspended for a maximum of one month with medical certificate.

Group Fitness/Aquarobics/Adult Lessons

- Adult \$585.00
- Child/Senior/Green Prescription \$420.00

Pool Entry

- Adult \$546.00
- Child/Senior/Green Prescription \$390.00

Pool entry for swim lessons provided by external providers

- 1 x lesson per week \$100.00 40 weeks
- 2 x lessons per week \$200.00 40 weeks
- 3 x lessons per week \$390.00 47 weeks
- 4 x lessons per week \$520.00 47 weeks
- Unlimited lessons per week \$650.00 47 weeks

Miscellaneous

- School Groups \$1.50 Per pupil
- Instructor Hire – school group \$35.00 Per hour
- Big Inflatable \$110.00 Per event (maximum 3 hours)
- Instructor \$70.00 Per hour
- Use of showers (only) \$3.00 Per entry

Private Hire (includes entry fee)

- Pool Complex - exclusive use \$120.00 Per hour

Party Hire (includes entry fee)

- Party Hire (non-exclusive use of facility for up to 20 children, includes one instructor) \$140.00 For 2 hour period
- Party Hire add-on, extra hour \$60.00 Per extra hour
- Party Hire add-on, extra children up to 20, includes additional instructor \$120.00 For 2 hour period
- Party Hire add-on, extra children, extra hour \$50.00 Per extra hour

Upon completion of party, standard entry fees apply for any children or adults wanting to stay on.

Private Lessons (includes entry fee)

- Half an Hour lesson - One on one \$35.00 Per lesson
- One Hour lesson - One on one \$70.00 Per lesson
- Half an hour lesson - Two students to one instructor \$50.00 Per lesson
- One hour lesson - Two students to one instructor \$100.00 Per lesson

TRADE WASTE

The compliance monitoring fee component is based on the number of sampling events specified in a discharger's trade waste consent multiplied by the charge specified.

Annual License for Conditional Activity Consents

- Administration fee (includes up to 3 hours officer time) \$302.40 First fee pro-rata during year
- Inspection fee (includes up to 1.5 hours officer time) \$194.40
- Total base fee* (administration and inspection) \$496.80
- Sampling event \$239.40 Per event

Consent Application for Temporary Discharge

Consents

- Administration fee (includes up to 1.5 hours officer time) \$151.20
- Inspection fee (includes up to 1 hour officer time) \$144.00
- Total base fee* (administration and inspection) \$295.20

Consent Application for Conditional Activity Consent

- Administration fee (includes up to 5 hours officer time) \$504.00
- Inspection fee (includes up to 5.5 hours officer time) \$597.60
- Total base fee* (administration and inspection) \$1102.50
- Renewal fee (includes up to 3 hours officer time) \$302.40

- Technical charge for officer time above base fee (includes technical officers and monitoring officers) As per staff charge out rates
- Manager/external technical charge for officer time \$134.10

Non-compliance Re-inspection Fee

- Administration fee (includes up to 3 hours officer time) \$302.40
- Inspection fee (includes 1.5 hours officer time) \$194.40
- Total base fee* (administration and inspection) \$496.80
- Sampling event \$239.40 Per event

Other Charges

- Volume \$0.97 Per m³
- Suspended solids (SS) \$0.85 Per kg
- Biochemical Oxygen Demand (BOD) \$2.22 Per kg
- Copper \$210.43 Per kg
- Nickel \$352.00 Per kg
- Zinc \$70.02 Per kg

In addition to the base fees the discharger will be charged for the cost of treating their effluent (BOD, SS, volume and toxic pollutants) as per the scale of trade waste charges, and the cost of any laboratory expenses incurred in characterising the waste. If the discharge is made into the wet well at the wastewater treatment plant, a handling fee is also charged.

**Base fee: the base fee is non-refundable except in accordance with the refund criteria. It is set at a level to cover a straight forward application with no external inputs or other case-specific costs. This fee will cover the receipt and issue of the application and initial inspection, and includes the number of hours of technical input specified. In some cases the base fee will be exceeded. Matters that could cause the base fee to be exceeded include external or specialist inputs, amendments or additional information or application complexity. Any additional costs over and above the base fee will be invoiced to the applicant.*

VENUE HIRE (OTHER)**Centennial Rest Rooms**

- Meeting Room without kitchen \$18.00 Per hour or part thereof
- Meeting Room with kitchen \$22.00 Per hour or part thereof
- Institute Room without kitchen \$24.00 Per hour or part thereof
- Institute Room with kitchen \$28.00 Per hour or part thereof
- Refundable bond (when food and/or alcohol is to be served) \$300.00
- Stratford Women's Club hireage \$5,000.00 Per annum

War Memorial Centre

- Stadium \$30.00 Per hour for 1-24 hours
\$26.00 Per hour for 24+ hours
- Function Facility (with kitchen) \$28.00 Per hour for 1-24 hours
\$24.00 Per hour for 24+ hours
- Function Facility (without kitchen) \$24.00 Per hour for 1-24 hours
\$20.00 Per hour for 24+ hours
- TSB Chambers \$20.00 Per hour for 1-24 hours
\$16.00 Per hour for 24+ hours
- Projector \$25.00 Per hire
- Piano \$15.00 Per hire
- Refundable bond (when food and/or alcohol is to be served) \$300.00

This includes hall-hirer insurance, if not already covered by insurance.

WASTEWATER**Bulk Discharge**

- Tanker Load less than 2m³ \$100.00 Use of bulk discharge point requires prior Council approval in writing.
- Tanker Load between 2m³ - 4m³ \$200.00
- Tanker Load between 4m³ - 6m³ \$300.00
- Tanker Load over 6m³ \$400.00
- Dump Station Clean up Fee At Cost

New Wastewater Connection

- Application fee \$205.00
- Connection Fee Property owner to engage suitably qualified contractor
- First Year Service Fee Pro rata amount of applicable targeted rate equivalent.*
- Reconnection Fee At cost

WATER SUPPLY

Bulk Supply (Tanker Load) \$5.00 Per cubic metre

New Water Connection

- Application fee \$205.00
- Connection Fee n/a Property owner to engage suitably qualified contractor
- Reconnection Fee At cost
- First Year Service Fee Pro rata amount of applicable targeted rate equivalent.*

**A service charge will apply from the first month following connection with the same conditions that would apply to the owner as if they were a ratepayer for that year.*

Water Supply Bylaw Charges

- Costs incurred in remedying breach of Water Bylaw At cost
- Tampering/Interfering with Council equipment At cost
- Unauthorised water abstraction from Council supply At cost
- Correcting contamination of water supply At cost
- Repair of private water assets At cost
- Install backflow protection device At cost



Parks, Reserves and Cemeteries
Asset Management Plan 2021-2031



TE KAUNIHERA A ROHE O
WHAKAAHURANGI
STRATFORD
DISTRICT COUNCIL

Long Term Plan 2021-31

DOCUMENT QUALITY ASSURANCE

	NAME/ROLE	DATE
Prepared By	Louise Campbell, Asset Management Coordinator Melanie McBain, Parks and Reserves Asset Officer	May 2021
Reviewed By	Victoria Araba, Director Assets	June 2021
Approved By	Sven Hanne, Chief Executive	

DOCUMENT CONTROL

VERSION	DATE	DESCRIPTION	UPDATED BY
1.0	February 2021	Audit Reviews incorporated	Victoria Araba
2.0	March 2021	2nd Audit Reviews incorporated	Victoria Araba
3.0	May 2021	LTP Reviews incorporated	Victoria Araba

**THE PARKS, RESERVES AND
CEMETERIES
ASSET MANAGEMENT PLAN
(PRCAMP)

2021-2031**

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EXECUTIVE SUMMARY

Executive Summary

The Stratford District

The Stratford District is a land locked area encompassing 2170km² located in the heart of Taranaki. The district is adjacent to the New Plymouth and South Taranaki districts in the Taranaki region and the Ruapehu and Whanganui Districts in the Horizons Regional Council. Within the district there are four distinct geographical areas:

- The alpine and bush environment of Egmont National Park;
- The ring plain around Mt Taranaki;
- Hill country located between the ring plain and the eastern hill country; and
- Eastern hill country to the boundary with Ruapehu District Council.

The district's rural landscape supports large farming, forestry and Department of Conservation reserves. Stratford is a growing tourist destination owing to key attractions such as the Egmont National Park, the Manganui Ski Field, Forgotten World Highway (SH43), Dawson and Mt Damper Falls. Three main townships make up the Stratford District: Stratford; Midhirst and Toko.

The Parks, Reserves and Cemeteries Activity Management Plan

The Parks, Reserves and Cemeteries Activity Management Plan (PRCAMP) describes the planning, engineering, financial and technical strategies and practices employed in the delivery of Council's obligations for the provision of parks, reserves and cemeteries. Activities include the operation, maintenance and development of Council's parks, reserves and cemeteries. The PRCAMP identifies the local, regional and central government strategic and legislative drivers for the provision of service throughout the District.

Based on forecasted growth and demand for the service, the PRCAMP sets out how the provision of the facilities will be managed over their lifecycle (to ensure the optimal delivery of the service within the financial constraints set by the Council in its Long Term Plan (LTP) 2021-2031). The level of service to be delivered is determined by the priorities and performance measures set by both the central government and Council.

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

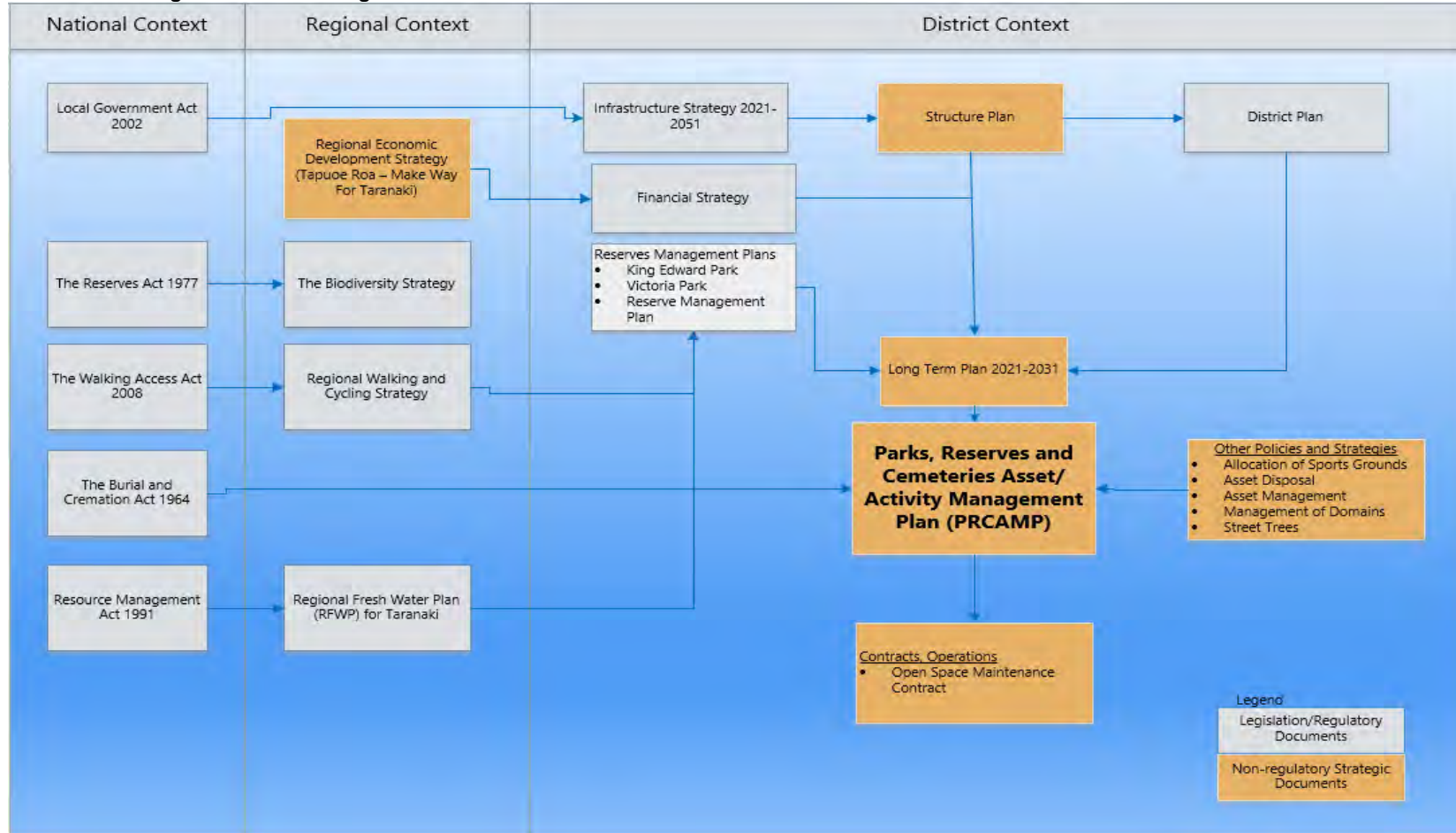
The Strategic and Legislative Context

The Strategic and Legislative Context for the PRCAMP is as per the framework below.

The key central, regional and local government drivers are:

- The Reserves Act 1977;
- The Local Government Act 2002;
- The Resource Management Act 1991;
- The Regional Economic Development Strategy;
- The Long Term Plan 2018 – 2028 (LTP); and
- Reserve Management Plans

The PRCAMP Legislative and Strategic Context



Executive Summary

Our Community Outcomes

The Council's vision for the 2021-2031 Long Term Plan (LTP) is 'a *progressive, prosperous district where communities are celebrated*'. The Council's identified *Community Outcomes* to achieve the vision are:

- Vibrant community
- Sustainable environment
- Connected communities
- Enabling Economy

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

Community Outcomes		Parks, Reserves and Cemeteries Activity Contribution
Vibrant community	<p>We celebrate and embrace our community's cultures and traditions.</p> <p>We tell our unique story.</p> <p>We will develop strong relationships with iwi, hapu and marae.</p>	<ul style="list-style-type: none"> • Maintaining an attractive and biodiverse natural environment within urban areas; • Providing a range of accessible, safe and healthy recreational facilities and opportunities through the provision of sportsfields, walkways and playgrounds. • Maintaining parks, reserves and cemeteries in a sustainable manner for the future generation; • Ensuring parks, reserves and cemeteries are well maintained and accessible to all. • Delivering on the agreed level of service • Funding capital works which offer value for money for current and future generations of Stratford District ratepayers and ensures the financial security of Council is not compromised.
Sustainable environment	<p>Our natural resources can be enjoyed now and by future generations.</p> <p>We are committed to working towards zero waste.</p> <p>We have well planned and resilient infrastructure that meets the current and future needs of the district.</p> <p>We strive to understand and support Te Ao Māori values and principles.</p>	
Connected communities	<p>Our neighbourhoods are safe and supported</p> <p>We enable positive healthy lifestyles, through access to health, social and recreation services</p> <p>We have a strong sense of belonging</p> <p>We value opportunities to be involved and work together as a community</p>	
Enabling economy	<p>We are a welcoming and business friendly District</p> <p>We encourage a strong and diverse local economy</p> <p>We promote opportunities to visit, live and invest in the district</p> <p>We support economic opportunities for Māori</p>	

Executive Summary

Our Problems and Benefits Statements

The Council has identified key problems to be addressed in the coming years. Projects have also been highlighted alongside statements of their benefits, which outline how identified problems will be solved. A summary of our *Problem and Benefit Statements* along with projects identified to deliver the benefits, are provided in the Table below.

Problem Statements	Project	Benefit Statements
Unsafe children's playground	Adrian Street Fort Demolition	<ul style="list-style-type: none"> • Improve community levels of service; • Keeping the playground compliant; • Keeping the community safe
Road safety and visibility	Broadway Roundabout Gardens Upgrade	<ul style="list-style-type: none"> • Improve community levels of service; • Improve safety on key entry points; • Ensuring traffic, pedestrians and contractors are safe
Aging and disintegrating entrance paths	Kopuatama Cemetery Entrance Upgrade	<ul style="list-style-type: none"> • Improve community levels of service; • Cemetery entrance will be appealing; • Keep visitors safe from hazards
Aging and disintegrating entrance paths	Midhirst Old Cemetery Pathway Upgrade	<ul style="list-style-type: none"> • Improve community levels of service; • Historic cemetery entrance will be appealing; • Keep visitors safe from hazards
Trees of Significance not appreciated and accentuated and lost within the park	King Edward Park Pathway to Trees of Significance	<ul style="list-style-type: none"> • Improve community levels of service; • Encourage more recreation in community; • Attract more visitors to King Edward Park
Increased tourism through Whangamomona	Whangamomona Camp Ground Septic Tank Replacement	<ul style="list-style-type: none"> • Improve community levels of service; • Provide quality infrastructure to community; • Ensure community manages increase in tourists

Executive Summary

Our Levels of Service and Performance Measures

Stratford District Council provides parks, reserves, and cemeteries to benefit the community's physical, social and personal quality of life. To ensure these expectations and requirements are met, the Stratford District Council undertakes performance monitoring of the activities and services it provides.

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

	Level of Service Category	Performance Measure	Outcome Category
1.	Complaints/Requests for Service	The number of complaints and requests for service.	Council measure
2.	Customer Satisfaction	Percentage of residents satisfied with: <ul style="list-style-type: none"> • Parks >80%; • Sportsfields >80%; • Cemeteries >80%. 	Council measure
3.	NZSS Compliance - Playgrounds	All playgrounds meet NZ Safety Standards	Council measure
4.	NZSS Compliance - Footbridges	All footbridges meet NZ Safety Standards	Council measure

Executive Summary

Our Programme Business Case

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

Work Category	Identified Projects	Performance Measures			
		Complaints/ Request for Service	Customer Satisfaction	NZSS Compliance – Playground	NZSS Compliance – Footbridges
Operations/ Maintenance	Normal Scheduled Maintenance / Operations	✓	✓	✓	✓
	Berm extensions, Kopuatama Cemetery		✓		
	Repaint fences, sheds Kopuatama Cemetery		✓		
	Re-level runway and maintenance, Aerodrome		✓		
	Re-paint grandstand, Victoria Park		✓		
	Clean Memorial Gates, Victoria Park		✓		
	Clean Memorial Gates, King Edward Park		✓		
Renewal/ Replacement	Garden replanting		✓		
	Street tree replacements		✓		
	Heritage trail sign replacements		✓		
Level of Service Improvements	Continued Park and Walkway development	✓	✓		
	Develop children's bike park		✓		
	Adrian Street Demolition		✓	✓	
	Broadway Roundabouts Garden Upgrade		✓		
	Kopuatama Cemetery Upgrade		✓		
	Midhirst Old Cemetery Pathway Upgrade		✓		
	King Edward Park Pathway to Trees of Significance		✓		
	Whangamomona Camp Ground Septic Tank		✓		

Executive Summary

Funding Our Investment Strategy

The Council's Investment Strategy covers how the Stratford District Council plans to deliver on the services it offers whilst achieving value for money, with a key focus on future-proofing Council's assets.

The Council has determined that capital projects to manage the Parks, Reserves and Cemeteries for the next 10 years - including Renewal/Replacement projects and Level of Service Improvements - will be funded as per the Revenue and Financing Policy, through one or a combination of the following sources:

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

Generally, the Council expects that:

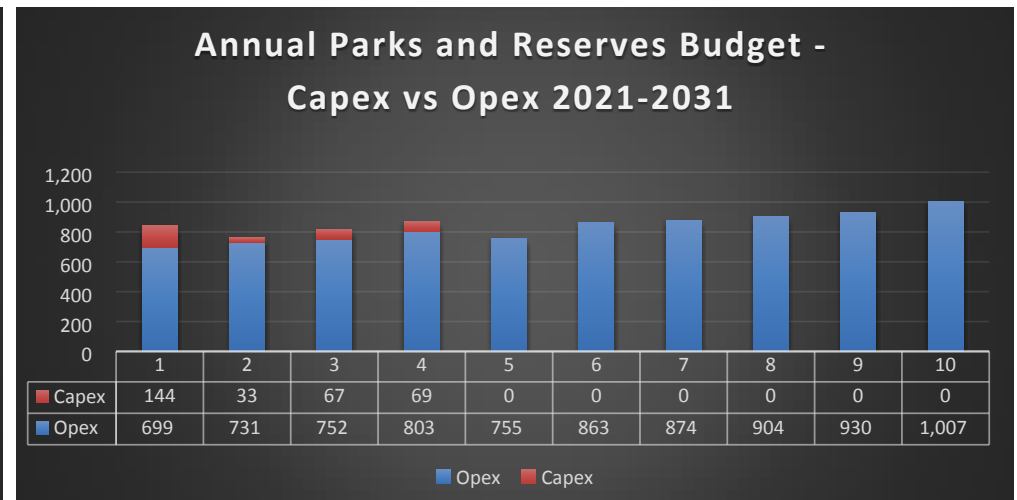
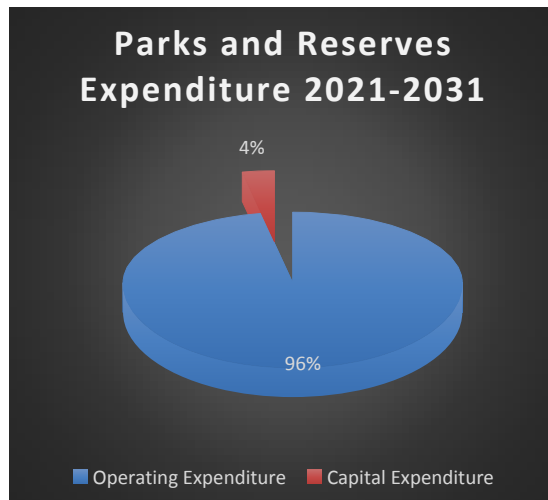
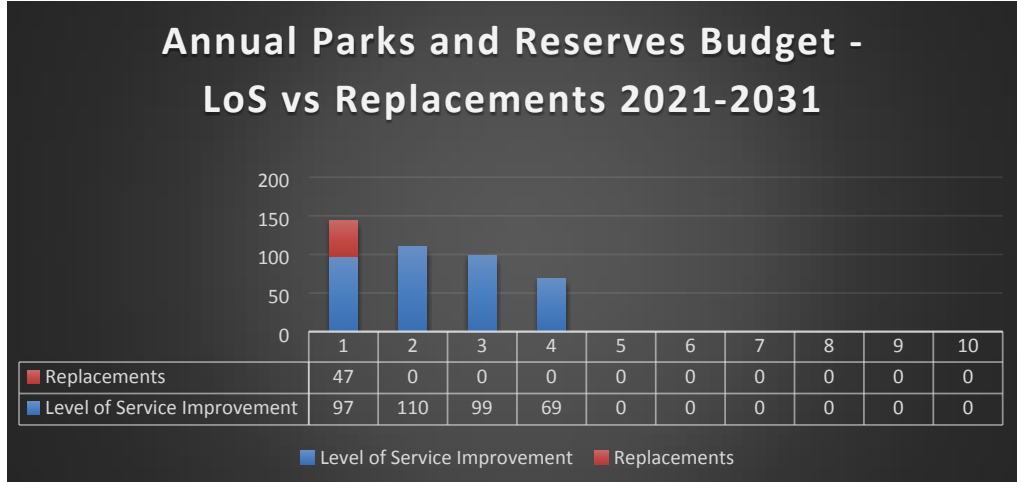
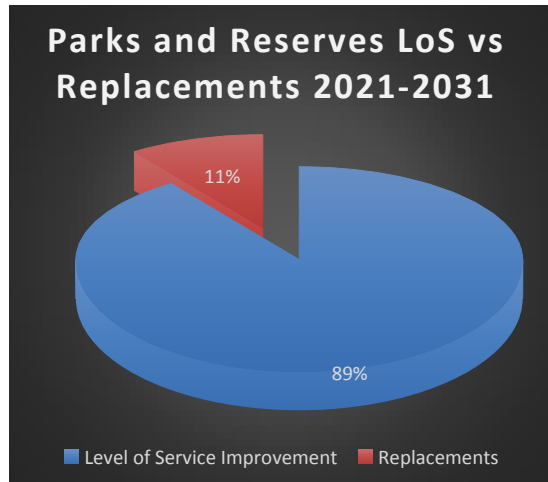
- Renewal or Replacement projects will be equally funded from Loans and Reserves;
- Level of Service Improvements projects will be funded from a combination of loans and alternative funding sources. Where appropriate, the Council submits funding requests to the *TSB Community Trust (TSB)* and the *Taranaki Electricity Trust (TET)*. The Council also applies to the *Ministry of Business, Innovation and Employment (MBIE)* for tourism grants and initiatives.
- Operations and Maintenance activities will be funded through Rates.

A summary of Council's Capital Investment funding Strategy over a 10-year period is shown in the Table below. Our total Expenditure projection is provided in Section 9 of the PRCAMP; Total expenditure split for this activity is provided in the figures below.

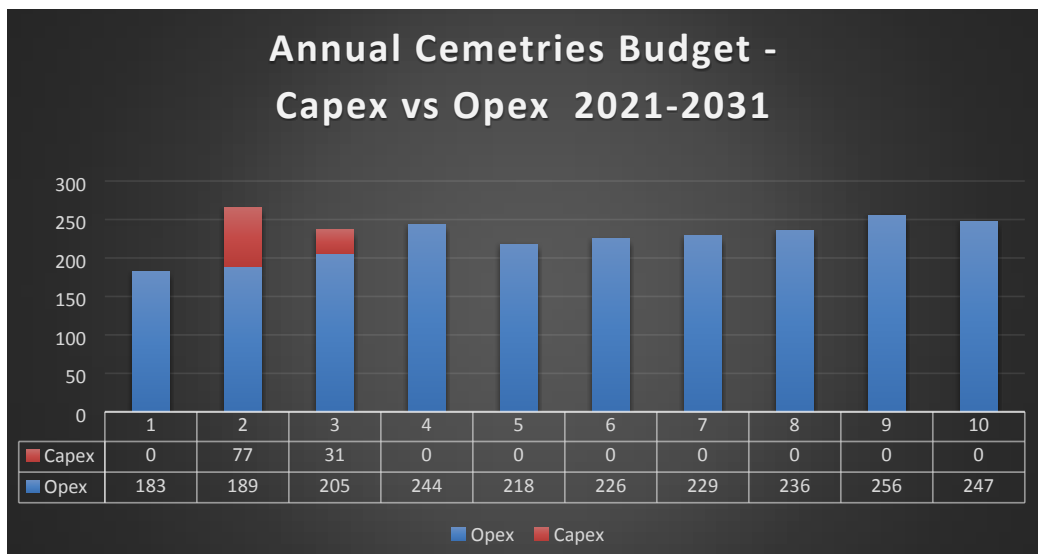
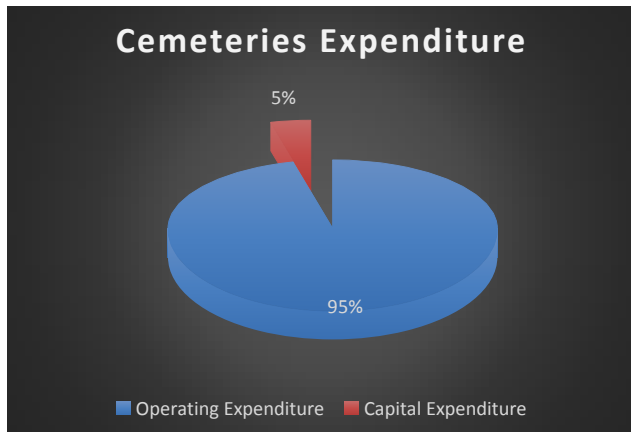
Our 10 –Year Capital Expenditure Projection

Asset Group	10 –Year Capital Expenditure Projection ('000)										
	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	Total
Meet Additional Demand	1,200	1,025	1,049	0	0	0	0	0	0	0	3,274
Level of Service Improvement	17,335	1,112	608	606	442	171	64	63	2,454	68	22,923
Replacements	114	6	59	114	7	7	7	7	17	8	346

Executive Summary



Executive Summary



1.0 Introduction

Introduction

1.0: INTRODUCTION

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1.1. PURPOSE OF THE PLAN

The Parks, Reserves and Cemeteries Activity Management Plan 2021-2031 ('the PRCAMP') is a 10 Year Strategic Plan for the Stratford District Council ('the Council') which details how the Council will manage the Parks, Reserves, and Cemeteries activities, assets, and services in an efficient, safe, reliable, and sustainable manner to provide value for money for our customers and investors.

The PRCAMP informs the development of the Council's 2021-2031 Long Term Plan (LTP). It shows how the Council will prioritise and address key District park, reserve and cemetery issues, in the face of competing projects and constrained resources. The prioritisation of competing projects is necessary to deliver on Community Outcomes, the agreed Levels of Service (LoS), and also meet legislative objectives and requirements. The PRCAMP proposes work programmes that deliver good value for money for our investment partners. This is achieved by doing the right things, in the right places, at the right times and for the right price.

The audience for this plan includes our parks, reserves and cemeteries customers, ratepayers, residents, stakeholders, Council representatives, Council staff, contractors, consultants, developers, and members of the public who will take an interest in the future of levels of service the Council will be offering.

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

1.2. THE STRATFORD DISTRICT

1.2.1 DISTRICT HISTORY

Initial settlements in the Stratford District were small Maori villages in the forested hills which were used as places of refuge in times of war, and for seasonal activities.

While New Plymouth and other coastal regions of Taranaki were settled by Europeans in the 1840s, the densely-forested inland Taranaki areas remained relatively isolated until the land wars of the 1860s. Following those wars, the land of Stratford District was both compulsorily purchased and freely sold.

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

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

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

1.2.2 DISTRICT GEOGRAPHY

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

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

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

1.2.3 DISTRICT MAIN COMMUNITIES

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

Stratford (Māori: Whakaahurangi) is the main town in the Stratford District. It is located on the banks of the Patea River roughly 48 km south-east of New Plymouth and 30 km north of Hawera at the junction of State Highways 3 and 43. Stratford is near the geographic centre of the Taranaki region and the largest settlement of the Stratford District with an estimated population of 6690. 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 1,188 (Statistics NZ 2013) 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 150 people live in and around Whangamomona (Statistics NZ 2013).

Introduction

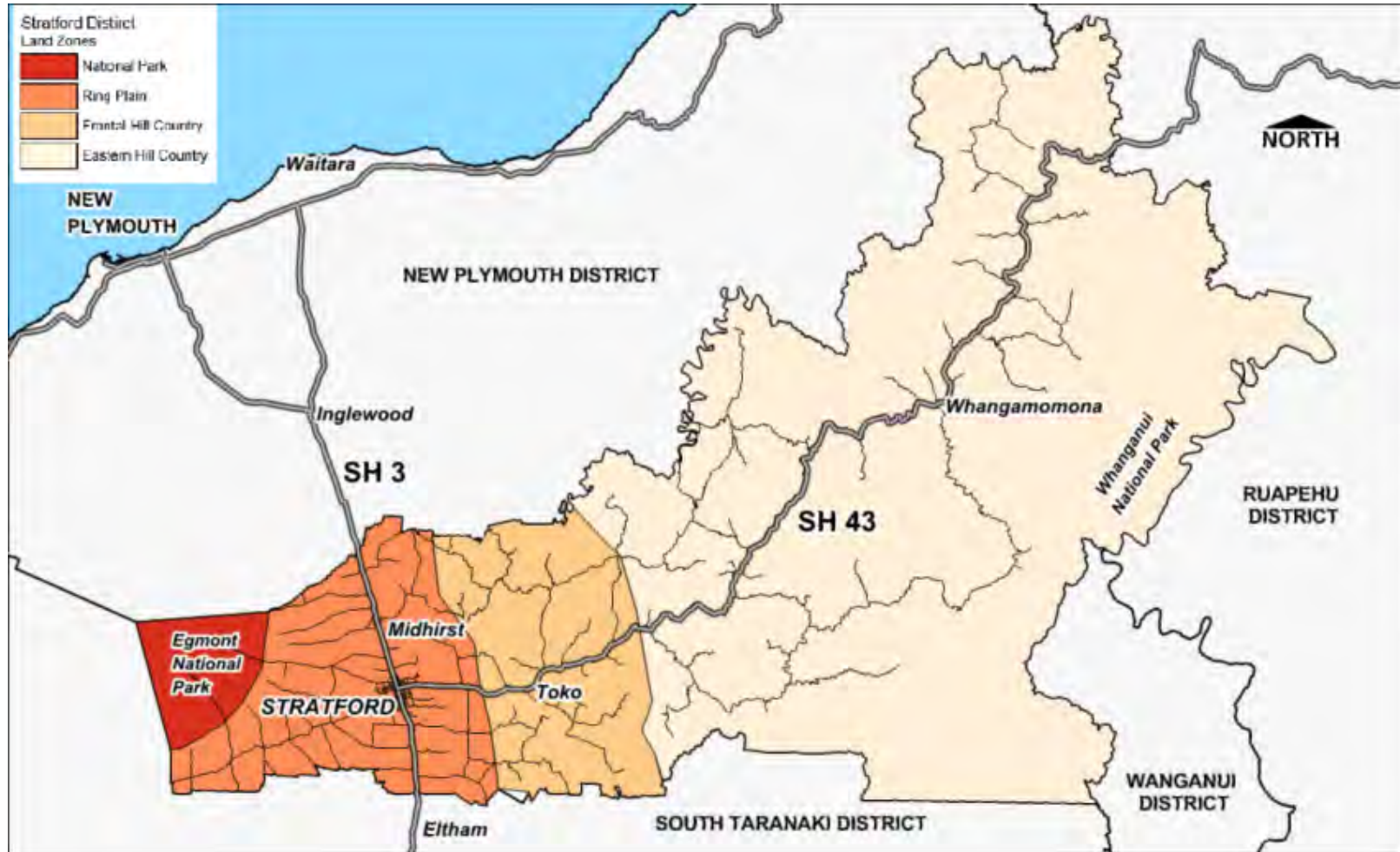


Figure 1 - The Stratford District 2020

1.3. OUR MISSION, VISION AND VALUES

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

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

The Stratford District Council's Mission Statement is

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

The Stratford District Council's Vision Statement is

'A progressive, prosperous district where communities are celebrated'

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

Integrity: *Be loyal to the organisation and trustworthy, honest and courteous with everyone we deal with.*

Teamwork: *Work together in the same direction, assist each other and have respect for others. Maintain a positive attitude and encourage teamwork.*

Excellence: *Be effective in everything we do using our experience and knowledge. Do the right thing at the right time. Be efficient by being cost effective and ensure prudent management of public money and assets.*

Pride: *Take pride in our performance and our organisation.*

Commitment: *Have commitment and respect for each other, our business and our customers.*

Innovation: *Examine alternatives, challenge the obvious and have a flexible attitude.*

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

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

The structure for each Management Team is provided in Figures 2 and 3.

Introduction

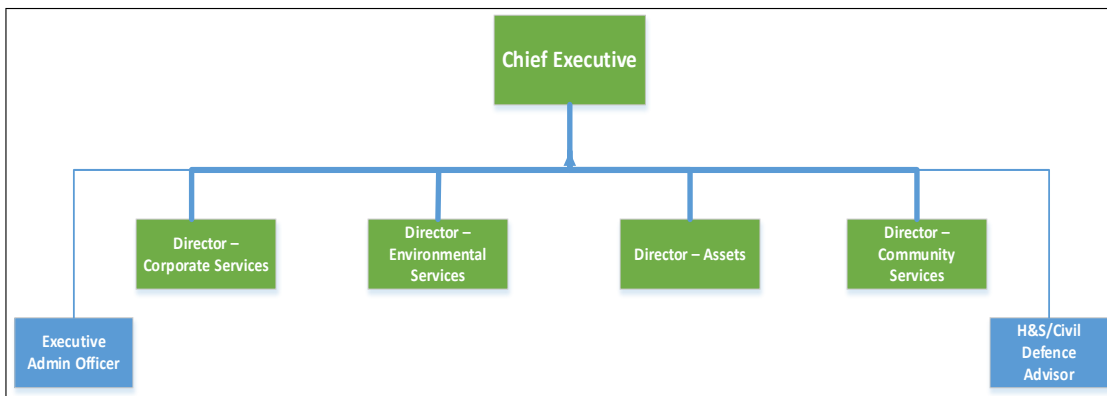


Figure 2 - The Executive Management Team

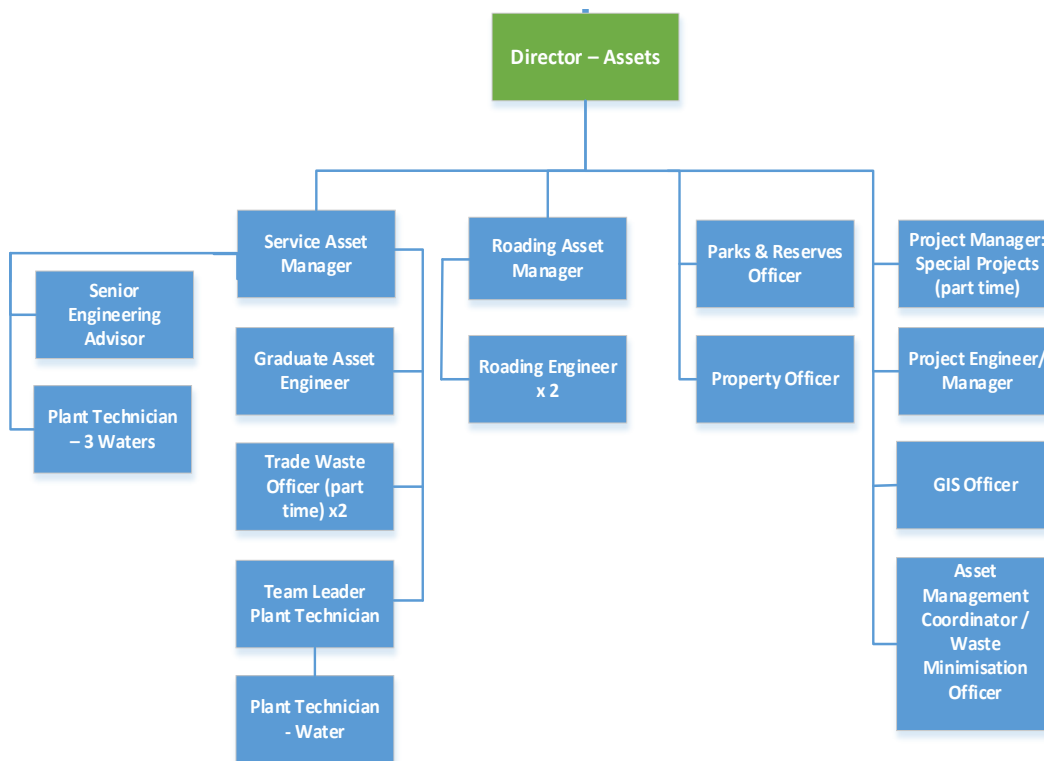


Figure 3 - The Assets Department

1.4. THE PARKS, RESERVES AND CEMETERY ACTIVITY

The Parks, Reserves and Cemetery Activity encompasses the planning, provision, operation, maintenance and renewal of Council's parks, reserves and cemeteries assets - excluding buildings that are included in the Property Activity Management Plan.

The Parks, Reserves and Cemeteries Asset Activities fall under Council's assets department led by the Director of Assets. The structure for each Management Team is provided in Figures 2 and 3.

Stratford District Council provides a range of active and passive recreation areas and open green spaces. These include major parks such as King Edward Park, neighbourhood reserves, playgrounds, sportsfields, esplanade reserves, walkways and cemeteries throughout the District.

The objectives of the Parks, Reserves and Cemetery Activity are to:

- Provide an attractive and functional network of parks, reserves and cemeteries that satisfies community social and recreational needs.
- Provide appropriate, safe, accessible and exciting outdoor areas that inspire people to undertake appropriate passive and active recreational activities.
- Plan for, and forecast, the cost effective investment for the future provision of parks, reserves and cemeteries and to anticipate demand trends that may effect this investment.
- Maintain adequate management systems for all matters relating to parks, reserves and cemeteries that ensures that the network is maintained to meet adequate service and safety standards; and
- Provide for informed community consultation on all matters with regard to the parks, reserves, and cemeteries network.

1.5. THE IMPORTANCE OF THE PARKS, RESERVES, AND CEMETERIES ACTIVITY

Access to a range of active and passive recreation services benefits the community's physical, social and personal quality of life.

The Parks, Reserves and Cemeteries Activity is important to the Stratford District community because it provides a sense of belonging and pride through the provision of comprehensive social, recreational and cultural facilities that are accessible to all.

By meeting its goals and objectives the Parks, Reserves and Cemeteries Activity contributes to Council's community outcomes as shown in Table 1.

Table 1 - Parks, Reserves and Cemeteries Activity Contribution to Community Outcomes

Community Outcomes		Parks, Reserves and Cemeteries Activity Contribution
Vibrant community	<ul style="list-style-type: none"> We celebrate and embrace our community's cultures and traditions. We tell our unique story. We will develop strong relationships with iwi, hapu and marae. 	<ul style="list-style-type: none"> Maintaining an attractive and biodiverse natural environment within urban areas; Providing a range of accessible, safe and healthy recreational facilities and opportunities through the provision of sportsfields, walkways and playgrounds. Maintaining parks, reserves and cemeteries in a sustainable manner for the future generation; Ensuring parks, reserves and cemeteries are well maintained and accessible to all. Delivering on the agreed level of service Funding capital works which offer value for money for current and future generations of Stratford District ratepayers and ensures the financial security of Council is not compromised.
Sustainable environment	<ul style="list-style-type: none"> Our natural resources can be enjoyed now and by future generations. We are committed to working towards zero waste. We have well planned and resilient infrastructure that meets the current and future needs of the district. We strive to understand and support Te Ao Māori values and principles. 	
Connected communities	<ul style="list-style-type: none"> Our neighbourhoods are safe and supported We enable positive healthy lifestyles, through access to health, social and recreation services We have a strong sense of belonging We value opportunities to be involved and work together as a community 	
Enabling economy	<ul style="list-style-type: none"> We are a welcoming and business friendly District We encourage a strong and diverse local economy We promote opportunities to visit, live and invest in the district We support economic opportunities for Māori 	

1.6. OUR PARTNERS, CUSTOMERS AND KEY STAKEHOLDERS

The Parks, Reserves and Cemeteries Activity exists to meet the needs and requirements of customers, partners and key stakeholders.

Our key partners are those groups or organisations that we are aligned with as owners of the open space issues in our region and district. Our customers are individuals, groups or organisations that either directly or indirectly use services provided by the Parks, Reserves and Cemeteries Activity. Our key stakeholders are individuals, groups or organisations who may or may not be customers of the activity directly but have an interest in how it is managed and operated.

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

Table 2 – Partners, Customers and Stakeholders

Customers, Partners and Stakeholders	Involvement
Taranaki Regional Council	Regulatory body with whom we have strategic alignment.
Utility Owners	New Zealand Utilities Advisory Group (NZUAG) requirements for co-ordinating networks.
Sport Taranaki	To support active sport and recreation in Stratford.
Department of Conservation (DOC)	Providing advice and consent to various activities relative to parks and reserves.
Walking Access Commission	Providing advice and helps negotiate, establish, maintain, and improve public access to the outdoors.
Local Iwi	Liaise mainly in relation to significant projects that may impact on local Maori.
TEMO/Civil Defence	In the event of a Civil Defence emergency they provide advice and work alongside emergency services, lifeline utilities and government departments.
Police/Emergency Services	Liaison with Council in the event of damage to parks, reserves or cemeteries, or injury to those when they were within these open spaces.
Audit New Zealand	Performance monitoring
Contractors; Local community and recreational groups; Ratepayers Associations; The General public; Schools; Lessees; Tourists and Visitors	Liaison with Council in relation to the use, maintenance and management of the assets.

1.6.1 THE CUSTOMER CHARTER

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

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

1.6.2 SIGNIFICANCE AND ENGAGEMENT POLICY

The Stratford District Council uses its Significance and Engagement Policy in its decision-making to determine the level of community engagement needed for an issue or proposal, to gain a clearer understanding of community views and preferences and the ways the community can influence and participate in the decision-making of the Council.

2.0

Legislative and Strategic Context

Legislative and Strategic Context

2.0: LEGISLATIVE AND STRATEGIC CONTEXT

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Legislative and Strategic Context

2.1. OVERVIEW

This section presents the legislative and strategic context of the Parks, Reserves and Cemeteries AMP at the national, regional and district levels.

2.2. NATIONAL CONTEXT

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

- The Reserves Act 1977
- The Local Government Act 2002
- The Resource Management Act 1991
- The Burial and Cremation Act 1964
- The Walking Access Act 2008
- Public Works Act 1981
- The Building Act 2004
- Fencing Act 1978
- Conservation Act 1987
- Property Law Act 2007

2.2.1 THE RESERVES ACT 1977

The [Reserves Act 1977](#) provides for the protection and management of land held in public ownership for reserve purposes, for the benefit and enjoyment of the public. These areas include those of recreational, environmental, amenity, natural, scenic, historic, cultural, community, and other values. The basis of management under the act is the classification of reserves and the preparation of their management plans. This Act sets out how reserves are to be managed, with the emphasis being on protection. Whereas the LGA 2002 enables and directs administrative processes, the Reserves Act provides specific powers.

2.2.2 THE LOCAL GOVERNMENT ACT 2002

The [Local Government Act 2002](#) defines the purpose of local government to be: *“to meet the current and future needs of communities for good quality local infrastructure, local public services, and the performance of regulatory functions in a way that is most cost-effective for households and businesses.”*. The LGA includes the principles that require Council to:

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

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

The LGA in Section 125 requires the Council to *‘from time to time’* complete assessments of water and sanitary services for communities throughout their districts. The purpose of the assessment is to determine, from a public health perspective, the adequacy of water and sanitary services available to communities. In making such an assessment the following matters need to be considered:

- (a) the health risks arising from any absence or deficiency in water or other sanitary services;
- (b) the quality of services available to communities within the district;
- (c) the current and estimated future demands for such services;
- (d) the extent to which drinking solid waste meets applicable regulatory standards; and

Legislative and Strategic Context

- (e) the actual or potential consequences of stormwater, waste or sewage discharges within the district.

The Council commenced a review of its *Assessment of Water and Sanitary Services and Solid Waste* in 2016.

2.2.3 THE RESOURCE MANAGEMENT ACT 1991

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

2.2.4 THE BURIAL AND CREMATION ACT 1964

The [Burial and Cremation Act 1964](#) sets the framework and provides scope for Stratford District Council to meet the community needs and expectations of the community at the time of someone's passing through its Parks, Reserves and Cemeteries Activity Management Plan. In addition to the immediate need for a burial or interment of ashes, it ensures that these open community spaces are comfortable for those who visit.

2.2.5 THE WALKING ACCESS ACT 2008

The Walking Access Act 2008 established the Walking Access Commission and provides a mechanism for the development of walking access opportunities throughout the country over both public and private land. It provides a facility for Council to seek central government support for the establishment and promotion of walkways in the district.

2.3. REGIONAL CONTEXT

At a regional level the development of this AMP is influenced to a degree by a number of plans and strategies developed by the Taranaki Regional Council and others.

2.3.1 THE REGIONAL ECONOMIC DEVELOPMENT STRATEGY 2017

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

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

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

2.3.2 THE REGIONAL FRESH WATER PLAN

Many of the district's parks, reserves and cemeteries abut or are bisected by waterways including the Patea River and its tributaries. New Government freshwater regulations came into force on September 3, 2020. These include rules and obligations around activities on land that may affect water. The Regional Fresh Water Plan prepared by TRC identifies important issues derived from environmental monitoring of Taranaki's fresh water resources and contains regional rules putting activities that impact on these resources into permitted, controlled, discretionary and prohibited categories.

Legislative and Strategic Context

2.3.3 THE TARANAKI REGIONAL COUNCIL BIODIVERSITY STRATEGY 2018-2038

A number of the district's parks, reserves and cemeteries contain areas of remnant bush and potentially some regionally significant native ecosystems containing biodiversity values requiring protection from invasive plant and animal pests. TRC has developed a biodiversity strategy to guide the identification of key native ecosystems within the region and the development of Biodiversity Plans in conjunction with the relevant land owners. Such a plan has been developed for King Edward Park that will sit alongside this plan as a management and maintenance guide.

2.3.4 WALKING AND CYCLING STRATEGY (DRAFT)

This strategy is designed to promote walking and cycling in the region and aims to identify current and future walking and cycling opportunities as part of a regionally integrated network.

2.4. DISTRICT CONTEXT

The Parks, Reserves and Cemeteries AMP feeds, and in turn is fed into, a number of district strategies and forms a critical part of the planning framework, as shown in Figure 4. Table 3 provides a description of the District Strategic Drivers for the PRCAMP, and how they influence or relate to the PRCAMP.

2.4.1 THE LONG TERM PLAN (LTP) 2021-2031

The Long Term Plan (LTP) 2021-2031 is a regulatory document pursuant to Section 93 of the Local Government Act 2002 Amendment Act 2014 that:

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

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

2.4.2 THE DISTRICT PLAN

Developed in compliance with the requirements of the Resource Management Act 1991(RMA), the District Plan specifies land use policies and controls aiming to mitigate the detrimental environmental effects of new developments.

2.4.3 THE ANNUAL PLAN

The Annual Plan is a regulatory document prepared pursuant to Section 95 of the Local Government Act 2002 Amendment Act 2014. On an annual basis it updates information reported on within the LTP including its objectives, intended activities, performance, income and expenditure, and shows how that year of the LTP will be funded.

Legislative and Strategic Context

2.4.4 RESERVES MANAGEMENT PLANS

These are regulatory documents pursuant to the Reserves Act 1977. They present the objectives and policies relative to the management of reserves and through which development proposals can be critically and effectively assessed. Currently there are three plans as follows:

- Victoria Park Reserve Management Plan
- King Edward Park Reserve Management Plan
- Reserves Management Plan

This AMP sits alongside these management plans and mirror those objectives and policies.

Table 3 - District Strategic Drivers

Strategies/ Plans/ Documents	Description	Review Frequency	Relationship to the Activity Management Plan
Communication and Engagement Strategy	Developed in compliance with Section 76AA of the Local Government Act 2002 to set out Council's approach to communicating and engaging with the community.	Ten yearly	Provides a framework for communication and engagement
Financial Strategy	Developed to provide a financial framework for Council debt and rate levels and limits - future proof Council owned and operated assets.	Ten yearly	Provides financial framework for asset management and activity budgeting and expenditure.
Significance and Engagement Policy	Developed in compliance with Section 76AA of the LGA 2002, to set out Councils approach to: <ul style="list-style-type: none"> • The assessment of significance during decision-making. It provides direction on the consideration of community views and the level of community engagement that might be desirable to enable Council to develop a clearer understanding of community views and preferences on an issue or proposal. • Community engagement and the ways the community can influence and participate in the decision-making of the Council. 	Three yearly	Determines level of engagement required for asset management planning activities/projects
Procurement Policy	The purpose of this policy is to ensure Council, when procuring goods, works or services; <ul style="list-style-type: none"> • achieves the right outcomes and value for money; • manages risk while allowing staff to exercise business judgement and be innovative; • demonstrates fairness; • reflects best management practice; and • has a local procurement policy applying to works with a monetary value up to a limit prescribed by Council. 	Three yearly	Provides the framework for the purchasing of goods, works and services for Stratford District Council

Legislative and Strategic Context

Strategies/ Plans/ Documents	Description	Review Frequency	Relationship to the Activity Management Plan
Annual Plan (AP)	<p>A regulatory document pursuant to Section 95 of the Local Government Act 2002.</p> <p>The Annual Plan updates information reported on within the LTP including its objectives, intended activities, performance, income and expenditure and shows how that year of the LTP will be funded.</p>	Annually	Determines annual KPI targets for performance monitoring
Annual Report (AR)	Reports Council's performance for the previous year.	Annually	Reports on annual KPI targets that are determined by the Annual Plan
Assessment of Water and Sanitary Services	<p>Undertaken in compliance with Section 125 of the Local Government Act 2002 as part of Council meeting its obligation under the Health Act 1956 to improve, promote, and protect public health within its district.</p> <p>This assessment includes an analysis of the quality and quantity of existing cemeteries.</p>	Ten yearly	Identified issues and required actions feed into the AMP in respect of cemeteries
<p>Other Council Policies, By-laws, etc</p> <p>BYLAWS:</p> <ul style="list-style-type: none"> • Cemeteries Bylaw 2020 • Parks and Reserves Bylaw 2020 • Control of Dogs Bylaw 2020 <p>POLICIES:</p> <ul style="list-style-type: none"> • Allocation and Use of Sports Grounds • Licence to Occupy (Draft) • Occupation of unused road reserve (Draft) • Significance and Engagement Policy 	The tools that guide and direct Council activities (see Appendix 2)	As applicable	Support asset management planning and good practice.

Legislative and Strategic Context

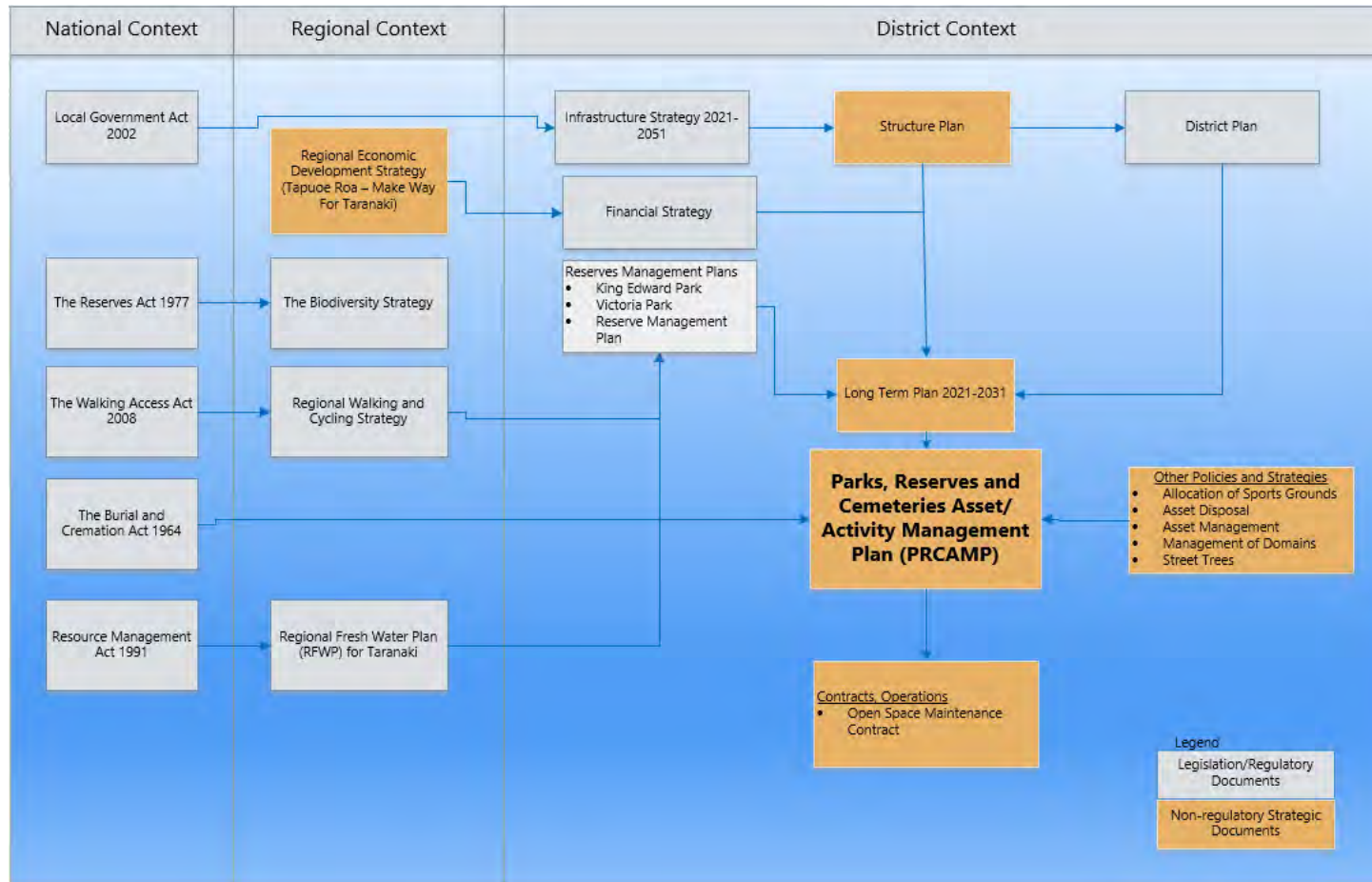


Figure 4 – Strategic and Legislative Framework

3.0

Asset Information

Asset Information

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Asset Information

3.1. ASSET OVERVIEW

The Stratford District Council owns and manages parks, reserves, and cemeteries within the Stratford District. The Council's parks, reserves and cemeteries portfolio contains urban parks, urban and rural neighbourhoods and other reserves, sportsgrounds, rural domains, walkways and cemeteries, both operational and closed. The infrastructure within this portfolio is comprised of a myriad of facilities including paths, footbridges, signs, fencing, playground equipment, car parks and a wide variety of park furniture. Buildings owned by Council and built on parks, reserves or cemeteries such as grandstands, sports stadiums, and toilet blocks are included in the Property AMP.

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

3.2. ASSET VALUATION

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

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

The asset valuations contained in Table 4 were carried out by Telfer Young (Taranaki) as at 31 December 2019. Note that:

- **Replacement Cost (RC)** is the cost of the modern equivalent asset that replicates the existing asset most efficiently
- **Optimised Depreciated Replacement Cost (ODRC)** is the optimised replacement cost after deducting an allowance for wear or consumption to reflect the remaining or economic service life of an asset
- **Annual Depreciation (AD)** is the systematic allocation of an amount over an asset over its useful life
- They do not include land value that is not depreciated

3.3. USEFUL LIFE

Useful life (Baselife) refers to either;

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

Useful lives are expressed as years. The useful lives of the park, reserve and cemetery assets have been estimated as 6 - 108 years. The **Remaining useful life** is based on age of the assets relative to their estimated useful life.

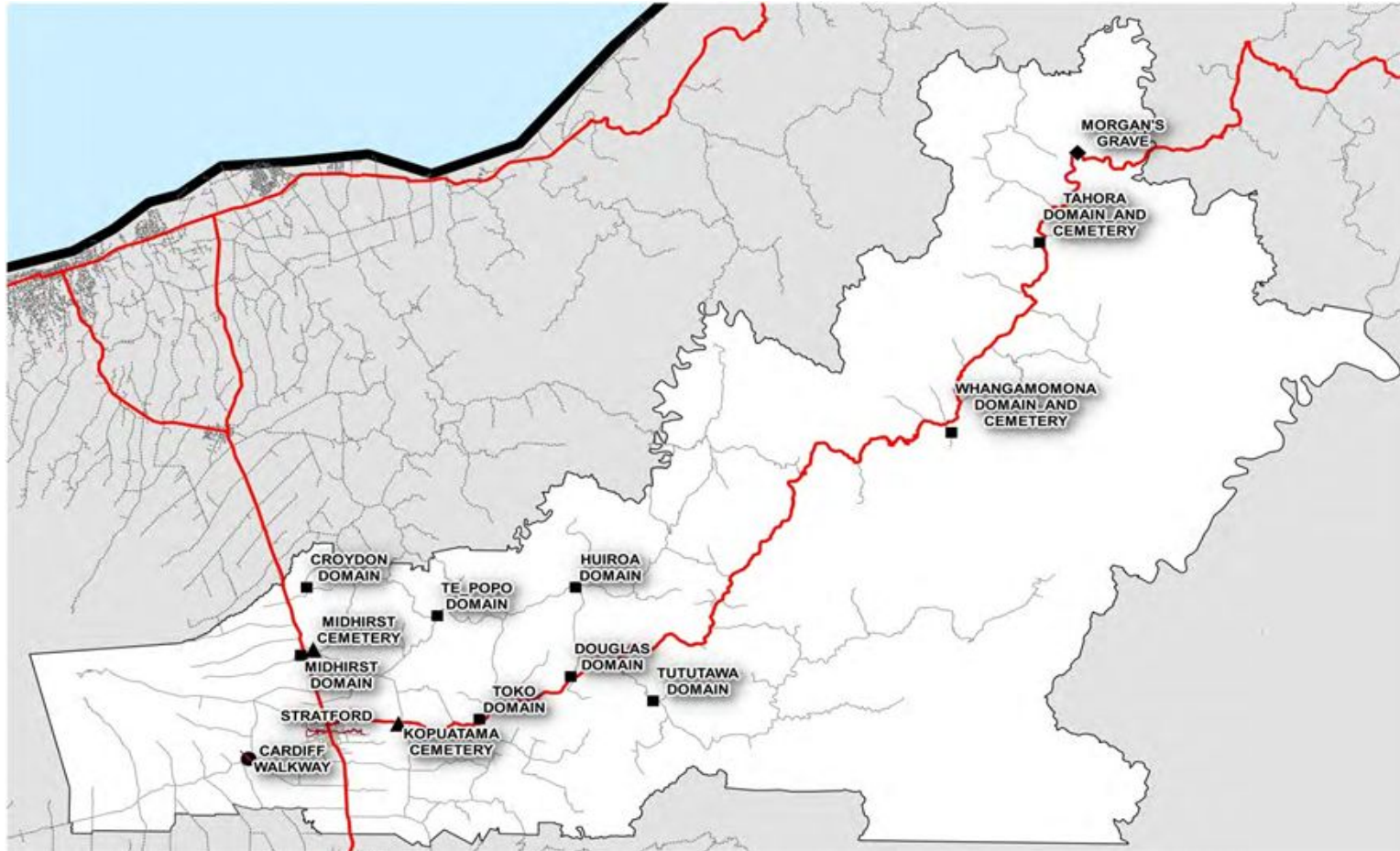


Figure 5 - Principal Rural Reserves and Cemeteries

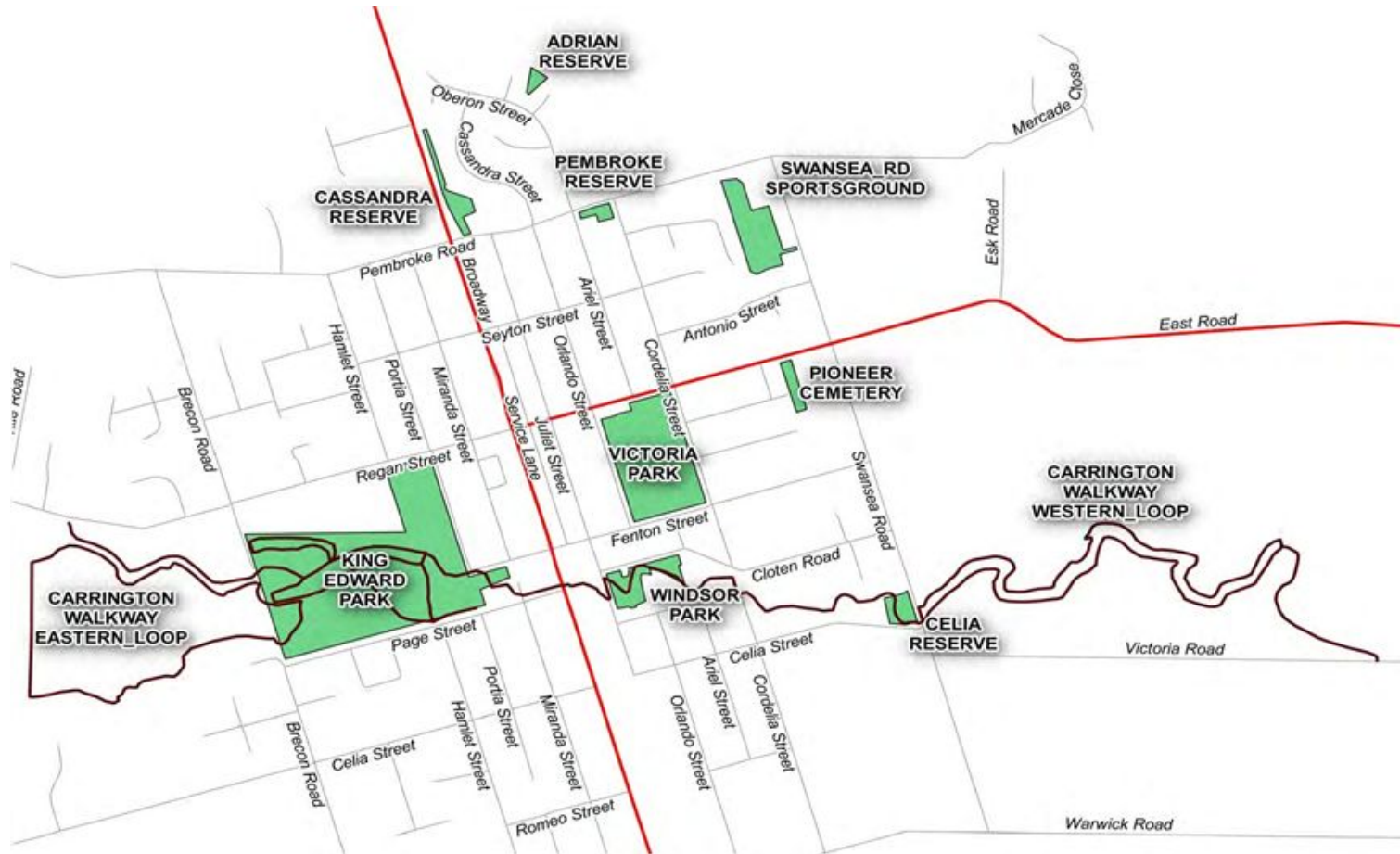


Figure 6 - Principal Urban Reserves and Cemeteries

Asset Information

Table 4 - Asset Valuation Summary– Stratford District Council Valuation Report

Asset Group	Description	Useful Life (yrs)	Remaining Useful Life (yrs)	Values (\$)		
				RC	ODRC	AD
Parks	King Edward Park	50	7	1,860,700	897,700	128,242
	Victoria Park	50	28	2,076,300	1,061,400	37,907
	Part Windsor Park	106	7	23,400	1,500	214
	Part Windsor Park	100	31	2,400	700	22
Total				3,962,800	1,961,300	166,385
Neighbourhood Reserves	Adrian Reserve	50	9	20,500	3,690	410
	Part Cassandra Reserve	50	16	14,600	4,672	292
	Celia Reserve	50	6	0	0	0
	Part Pembroke Reserve	100	24	8,000	1,900	79
	Part Pembroke Reserve	68	10	5,300	800	80
Total				48,400	11,062	861
Sportsgrounds	Swansea Sportsground	50	17	170,600	58,000	3,411
Total				170,600	58,000	3,411
Pedestrian Precinct	Prospero Place	50	16	84,900	27,100	1,693
Total				84,900	27,100	1,693
Rural Domains	Part Midhirst Domain	40	6	3,600	540	90
	Part Midhurst Domain	50	26	18,900	9,800	376
	Tahora Domain	50	11	25,100	5,500	500
	Croydon Domain	0	0	0	0	0
	Whangamomona Domain	110	10	932,800	156,000	15,600
	Douglas Domain	100	26	652,300	140,061	5,386
	Te Popo Domain	111	7	158,600	18,500	2,642
	Huiroa Domain	56	7	30,100	3,763	537
	Toko Domain	56	7	14,400	1,800	257

Asset Information

Asset Group	Description	Useful Life (yrs)	Remaining Useful Life (yrs)	Values (\$)		
				RC	ODRC	AD
	Part Tututawa Domain	100	6	200,400	20,444	3,407
	Part Tututawa Domain	56	7	14,800	1,851	264
	Part Tututawa Domain	68	10	17,100	1,760	176
Total				2,068,100	360,019	29,235
Misc. Reserves	Kohuratahi Pound Reserve	70	26	26,600	3,420	131
	Prospect Road Cemetery Reserve	66	7	2,000	200	28
	Page Street extension Esplanade Reserve	56	7	5,900	700	100
	Elizabeth Grove Esplanade Reserve	66	7	2,100	200	28
	Beautification Areas	50	14	44,000	9,680	691
	Midsummer Esplanade Reserve	100	100	16,305	16,305	163
Total				96,905	30,505	1,141
Cemeteries	Part Midhirst Cemetery	56	7	4,800	600	85
	Part Midhirst Cemetery	100	75	40,800	27,945	372
	Tahora Cemetery	100	79	13,000	6,100	77
	Whangamomona Cemetery	100	79	18,400	7,500	95
	Waipuku Cemetery	50	26	9,200	4,800	184
	Kopuatama Cemetery	70	14	233,900	36,759	2,625
	Pioneer Cemetery	100	61	92,300	45,700	749
Total				412,400	129,404	4,187
Walkways	Carrington Walkway	50	21	629,500	225,000	10,714
Total				629,500	225,000	10,714
Grand Total				7,473,605	2,802,390	217,627

Asset Information

3.4. ASSET INFORMATION SYSTEM

The Stratford District Council uses AssetFinda to support management of the Parks, Reserves and Cemeteries Activity. Data on infrastructure assets is collected during inspections and monitoring using a paper based method.

All data collected in relation to the Parks, Reserves and Cemeteries activity infrastructure is entered into Assetfinda by the GIS Officer.

3.5. INFRASTRUCTURE ASSETS

Table 5 presents a summary of the Parks, Reserves and Cemetery Assets owned by Council.

Table 5 – Summary of Parks, Reserves and Cemeteries Assets owned by SDC

Asset Category	Number	Asset Name	Asset Description
Parks	3	<ul style="list-style-type: none"> • King Edward Park • Victoria Park • Windsor Park 	<ul style="list-style-type: none"> • Paths, sportsgrounds, footbridges, retaining walls, trees, gardens, lawns, signs, playground equipment, fencing, gates, park furniture, car parks, rubbish bins, Children's bike park, half basketball court, pump track
Walkways	2	<ul style="list-style-type: none"> • Carrington Walkway • Cardiff Walkway 	<ul style="list-style-type: none"> • Paths, footbridges, retaining walls, signs, fencing, gates, viewing platform
Pedestrian Precinct	1	<ul style="list-style-type: none"> • Prospero Place 	<ul style="list-style-type: none"> • Paving, canopy, signs, urban furniture, trees, gardens, lawns, statue, rubbish bins
Sportsground	1	<ul style="list-style-type: none"> • Swansea Sports Ground • Victoria Park • King Edward Park 	<ul style="list-style-type: none"> • Car park, fencing, turf, courts
Discovery Trail	1	<ul style="list-style-type: none"> • Discovery Trail 	<ul style="list-style-type: none"> • Children's bike park, half basketball court, pump track, interactive fixtures, trees of significance pathway
Neighbourhood Reserves	4	<ul style="list-style-type: none"> • Adrian Reserve • Cassandra Reserve • Celia Reserve • Pembroke Reserve 	<ul style="list-style-type: none"> • Trees, gardens, lawns, playground equipment, fencing, gates, rubbish bins
Rural Domains	11	<ul style="list-style-type: none"> • Croydon Domain; • Douglas Domain; • Huiroa Domain; • Midhirst Domain; • Tahora Domain; • Te Popo Domain • Toko Domain • Tututawa Domain • Whangamomona Domain 	<ul style="list-style-type: none"> • Pavilions, swimming pools, fencing, gates, trees, gardens, lawns, playground equipment, retaining walls, rubbish bins
Operating Cemeteries	2	<ul style="list-style-type: none"> • Kopuatama Cemetery • Midhirst Cemetery 	<ul style="list-style-type: none"> • Fencing, gates, water tank, berms, trees, gardens, lawns, signs, seats, rubbish bins
Closed Cemeteries	5	<ul style="list-style-type: none"> • Midhirst • Pioneer • Whangamomona • Tahora • Waipuku 	<ul style="list-style-type: none"> • Fencing, gates, trees

Asset Information

3.5.1 PARKS

Stratford District boasts three urban parks, namely King Edward Park, Victoria Park and Windsor Park, all of which are situated within the Stratford Township.

King Edward Park

King Edward Park is the largest park in Stratford covering just over 20 hectares in area. It is bisected by the Patea River and contains a mix of native and exotic bush, walking tracks, passive recreation areas, a holiday park and various sporting facilities.

The bush tracks form part of the Carrington Walkway and include the Three Bridges Trail and the Clemow Walk. The principal passive recreation area is the McCullough Rhododendron Dell that incorporates a small lake and provides a venue for annual outdoor concerts. Sporting facilities include the Page and Portia Street sports fields, the TSB Pool Complex, an international synthetic hockey turf, an indoor sports stadium and synthetic and hard netball and tennis courts.

The Stratford Holiday Park is located in the south west corner of the park. The built assets are privately owned and it is operated under a long-term ground lease.

The Stratford District Council regularly undertakes inspections of King Edward Park. Inspections identifies that the park is generally in average to excellent condition. Any issues identified through inspections are considered manageable through the current maintenance contract.

Table 6 - King Edward Park Information

Item	Description
Location	Stratford Township
Legal Description	Lots 1 and 2 DP 494685, Sections 125 and 126 Block I Ngaere Survey District and Sections 470 – 484, 508 – 518, 781, 858, 935, 936, 1024, 1036 – 1038 Town of Stratford
Area	20.7446 hectares
Computer Freehold Registers	495617, 724597, 724598
Status	Recreational Reserve
Zone	Protected area
Primary Use	Passive recreation and organised sports

Asset Information



Figure 7 - King Edward Park

Victoria Park

Victoria Park is the second largest park in Stratford covering almost 7 hectares. It is primarily an active sports venue comprising of rugby and cricket sports fields, croquet greens, a skate park and a children's playground. In 2020, the Council received Provisional Growth Funding for the creation of a bike park, exercise trail, pump track and a half basketball court. Figure 8 is the old map of Victoria Park with the insert of the additions completed in 2020. In the centre of the park is a lake surrounded by mature trees. The lake's prime function is as a stormwater detention pond, however it provides an attractive visual aspect to the park.

The Stratford District Council regularly undertakes inspections of Victoria Park. Inspections identifies that the park is generally in excellent condition. Any issues identified through inspections are considered manageable through the current maintenance contract.

Table 7 - Victoria Park Information

Item	Description
Location	Stratford Township
Legal Description	Sections 24-38, 67-81, 111-124, 151-163 and 1039, and Part Section 150 Town of Stratford
Area	6.9108 hectares
Computer Freehold Register	495616
Status	Recreational Reserve
Zone	Protected Area
Primary Use	Organised and casual sports

Asset Information



Figure 8 – Old Victoria Park Map with insert of additions

Windsor Park

Windsor Park occupies approximately 1.5 hectares of land and provides passive recreation opportunities. The Patea River runs through the park, as does the Carrington Walkway and the park also includes the Thomson Arboretum, a native flora display owned by the Percy Thomson Trust, a Council-controlled organisation.

The Stratford District Council regularly undertakes inspections of Windsor Park. Inspections identifies that the park is generally in good to excellent condition. Any issues identified through inspections are considered manageable through the current maintenance contract.

Table 8 - Windsor Park Information

Item	Description
Location	Stratford Township
Legal Description	Sections 1 and 2 SO 13586, Lot 2 DP 17730, Sections 1034, 1069 and 1070 Town of Stratford
Area	1.4676 hectares
Computer Freehold Registers	64068, 64069, 209042, 237846, TN243/2, TNC3/483
Status	Recreational Reserve
Zone	Protected Area
Primary Use	Passive recreation

Asset Information



Figure 9 - Windsor Park

3.5.2 WALKWAYS

Stratford currently has two formal walkways, the Carrington Walkway that runs through Stratford Township for approximately 12 kilometres and the three kilometre long Cardiff Walkway on the western outskirts of the township.

Carrington Walkway generally follows the Patea River through town and incorporates a number of off-shoot and loop tracks, running through park land, privately owned farm land by virtue of an easement, residential and commercial areas on esplanade reserves, and the Council oxidation pond land. It is metalled in parts, sealed where it utilises footpaths and incorporates a number of small river-side picnic areas. The contour is easy to moderate and it is popular with walkers, joggers and, in some places, cyclists.

Cardiff Walkway follows both sides of the Waingongoro River, crossing over via a swingbridge at the halfway mark and incorporates a short off-shoot track to a viewing platform. It runs through privately owned farm land by virtue of an easement and has a moderate to strenuous contour.

Stratford District Council regular undertakes inspections of both walkways. Inspections identified that these are generally in good to excellent condition. Any issues identified through inspections are considered manageable through the current maintenance contract.

3.5.3 PEDESTRIAN PRECINCT

Stratford's CBD boasts a pedestrian precinct off the main street of Broadway. Named Prospero Place, it is 90 metres long and links Broadway with Miranda Street and provides a pleasant open space for office workers, shoppers, visitors and others.

It is surrounded by the library and the Percy Thomson Complex incorporating an art gallery, a café and the I-Site, is covered by a canopy to provide shelter from the rain and incorporates seating and a lawn area. It is used for the occasional street market, children's fun events and the site of the annual Christmas tree display.

Asset Information

Stratford District Council regularly undertakes inspections of Prospero Place. Inspections identified that it is generally in excellent condition. Any issues identified through inspections are considered manageable through the current maintenance contract.

Table 9 - Pedestrian Precinct Information

Item	Description
Location	Stratford Township
Legal Description	Lot 2 DP 314031
Area	832 square metres
Computer Freehold Register	243999
Status	Local Purpose (Accessway) Reserve
Zone	Business
Primary Use	Pedestrian link and open passive recreation space

3.5.4 SPORTS GROUND

While King Edward and Victoria Parks provide the bulk of the town's sporting facilities, there is also one dedicated sportsground, Swansea Sportsground, which provides playing fields for football (soccer).

Stratford District Council undertakes regular inspections of Swansea Sportsground. Inspections identify that it is generally in good to excellent condition. Any issues identified through inspections are considered manageable through the current maintenance contract.

Table 10 - Swansea Sports Ground Information

Item	Description
Location	Swansea Rd, Stratford
Legal Description	Lot 2 DP 371852
Area	2.4061 hectares
Computer Freehold Register	290480
Status	Fee simple
Zone	Protected Area
Primary Use	Organised sport

Asset Information



Figure 10 - Swansea Sportsground

Asset Information

3.5.5 DISCOVERY TRAIL



Figure 11 - Stratford Discovery Trail Map

Stratford District has a varied and interesting history and is a playground for literacy lovers with its Shakespearean identity. Stratford offers the best access points to Te Papakura o Taranaki and is the gateway to the Forgotten World Highway and the famous Republic of Whangamomona. The Discovery Trail was developed to provide a walkway around the Stratford township that highlights key icons and attractions and will enable residents and visitors to discover the hidden treasures of Stratford.

3.5.6 NEIGHBOURHOOD RESERVES

Stratford has four urban neighbourhood reserves within the township. These generally serve a particular residential neighbourhood, providing a place for families to enjoy a variety of informal activities.

- Adrian Reserve provides a children’s playground and open grassed area for informal activities. These areas only occupy approximately 20% of the reserve area, the balance being grazed pending any further development.
- Cassandra Reserve is an elongated grassed area for informal activities and is popular with dog owners as an off-leash area. The reserve also occupies adjacent railway land under a lease from Kiwi Rail.
- Celia Reserve is bisected by both the Patea River and the Carrington Walkway and provides grassed open space areas beside the river for informal activities.
- Pembroke Reserve is largely undeveloped at present and is generally bush covered. It provides a pleasant visual aspect to the neighbourhood and has a short path through it for strollers.

Asset Information

Stratford District Council undertakes regular inspections of its neighbourhood reserves. Inspections identify that these are generally in good to excellent condition. Any issues identified through inspections are considered manageable through the current maintenance contract.

Table 11 - Adrian Reserve Information

Item	Description
Location	Stratford Township
Legal Description	Lot 6 DP 11195 and Part Lot 29 DP 11474
Area	1.6087 hectares
Computer Freehold Registers	TND1/756, TNH2/627
Status	Fee simple
Zone	Protected Area
Primary Use	Passive recreation and grazing

Table 12 - Cassandra Reserve Information

Item	Description
Location	Stratford Township
Legal Description	Lot 7 DP 12482, Lot 30DP 11843, Lots 5 and 6 DP 12482
Area	6394 square metres
Computer Freehold Registers	TNE2/1209, TNE2/1210
Status	Esplanade Reserve and Fee simple
Zone	Residential
Primary Use	Passive recreation

Table 13 - Celia Reserve Information

Item	Description
Location	Stratford Township
Legal Description	Part Lot 3 DP 307658 and Part Lot 3 DP 14128
Area	6930 square metres
Computer Freehold Registers	TNH1?972, 31360
Status	Esplanade Reserve
Zone	Protected Area
Primary Use	Passive recreation

Asset Information

Table 14 - Pembroke Reserve Information

Item	Description
Location	Stratford Township
Legal Description	Sections 1, 2 and 44 Town of Stratford
Area	2960 square metres
Computer Freehold Register	TNA1/1172
Status	Municipal Reserve
Zone	Residential
Primary Use	Passive recreation

3.5.7 RURAL DOMAINS

There are currently nine rural domains within the Stratford District, all of which are subject to the Reserves Act 1977. Six are managed and maintained by Council-appointed management committees, one is simply grazed for maintenance purposes and one is leased to a sports club.

Croydon Domain (leased), Douglas Domain, Huiroa Domain, Te Popo Domain, Tututawa Domain and Whangamomona Domain all have Council-owned buildings on them that are maintained by the management committees or lessee as the case may be. Midhirst Domain and Toko Domain have sports clubhouses on them that are owned and maintained by individual sports clubs that are also the appointed management committees. Tahora Domain, is vacant land and is grazed for maintenance purposes.

Stratford District Council undertakes regular inspections of these domains. Inspections identify that they are generally in good to excellent condition. Any issues identified through inspections are taken up with the respective management committees or lessee and resolved through negotiation. Remedial work is the responsibility of these parties although Council does assist financially from time to time.

Table 15 - Croydon Domain Information

Item	Description
Location	Croydon Road, Croydon
Legal Description	Lot 1 DP 5084
Area	4262 square metres
Computer Freehold Register	495609
Status	Recreation Reserve
Zone	Protected Area
Primary Use	Leased to Taranaki Off-Road Racing Club for use in conjunction with adjacent track

Asset Information

Table 16 - Douglas Domain Information

Item	Description
Location	State Highway 43, Douglas
Area	3.3296 hectares
Legal Description	Lots 1 and 2 DP 7090
Computer Freehold Register	TN175/85
Status	Recreation Reserve
Zone	Protected Area
Primary Use	Grazing

Table 17 - Huiroa Domain Information

Item	Description
Location	Makuri Road, Huiroa
Area	6.6607 hectares
Legal Description	Block IV Town of Huiroa, Sections 3, 8 – 15 and 17 Block III Town of Huiroa , Sections 4, 6, 7 and 16 Block III Town of Huiroa, Section 1 Block V Town of Huiroa
Computer Freehold Register	520271, 526851, TN93/234, TN134/203
Status	Recreation Reserve and Fee simple
Zone	Protected Area
Primary Use	Grazing, bush preservation and public hall site

Table 18 - Midhirst Domain Information

Item	Description
Location	Lombard Street and Egmont Streets, Midhirst
Area	3.4511 hectares
Legal Description	Sec 131 Manganui District and Lot 10 Blk V DP 20
Computer Freehold Register	495619, TNK4/412
Status	Recreation Reserve and Fee simple
Zone	Protected Area
Primary Use	Sportsgrounds and grazing

Asset Information

Table 19 - Tahora Domain Information

Item	Description
Location	State Highway 43, Tahora
Area	3.0236 hectares
Legal Description	Section 17 Block VI Pouatu Survey District and Sections 44, 46, 47, 48 and 65 and Part Section 45 Tahora Township.
Computer Freehold Register	499187
Status	Recreation Reserve
Zone	Protected Area
Primary Use	Grazing and bush preservation

Table 20 - Te Popo Domain Information

Item	Description
Location	629 Stanley Rd, Te Popo
Area	1.3987 hectares
Legal Description	Sec 22 Blk XI Huiroa Survey District
Computer Freehold Register	501565
Status	Recreation Reserve
Zone	Protected Area
Primary Use	Grazing and public hall site

Table 21 - Toko Domain Information

Item	Description
Location	Domain Road, Toko
Area	3.1630 hectares
Legal Description	Lot 1 DP 484146 and Secs 49 & 51 Blk III Ngaere Survey District
Computer Freehold Register	498452, 685435
Status	Recreation Reserve and Fee simple
Zone	Protected Area and Rural
Primary Use	Sportsground

Asset Information

Table 22 - Tututawa Domain Information

Item	Description
Location	Mangaotuku Road, Tututawa
Area	7.5854 hectares
Legal Description	Section 21 and Section 43-44, 47 Mangaehu Village
Computer Freehold Register	495637
Status	Recreation Reserve
Zone	Protected Area
Primary Use	Grazing and public hall site

Table 23 - Whangamomona Domain Information

Item	Description
Location	Whangamomona Road, Whangamomona
Area	2.9400 hectares
Legal Description	Section 17 Whangamomona Suburban, Section 47 Block 1V Town of Whangamomona and Sections 25 and 26 Block 1 Mahoe Survey District.
Computer Freehold Register	497339, 526852
Status	Recreation Reserve
Zone	Protected Area and Rural
Primary Use	Campground, sportsground, grazing

3.5.8 MISCELLANEOUS RESERVES

Council currently owns or has vested control of 28 miscellaneous reserves throughout the District. These comprise:

- Fifteen esplanade reserves, created for riparian protection and/or public access on the subdivision of surrounding titles. A number of these reserves form parts of the Carrington Walkway and are managed accordingly by Council whereas others, particularly in rural areas, are simply grazed in with the adjoining properties. Built assets are limited to some fencing and items such as boardwalks, steps or footbridges in respect of the walkway.
- Eight historical cemetery, stock resting places, gravel extraction or animal pound reserves created by the Crown in the early days of the colony and vested in Council for control and management purposes. In terms of management, all of these are grazed by adjoining owners and built assets generally non-existent.
- Five "beautification areas" that are not formally reserved subject to the Reserves Act 1977 but are held for their named purpose and treated as reserves. Managed by Council, their built assets are limited to gardens, trees and lawn areas with some fencing on boundaries.

Stratford District Council undertakes inspections of its miscellaneous reserves, frequently in terms of those managed by Council, annually in respect of those managed by grazing tenants. Condition varies according to its use and any issues identified through inspections are considered manageable either through the current maintenance contract or by negotiation with tenants.

Asset Information

3.5.9 CEMETERIES

Operating Cemeteries

Stratford District Council owns and manages two operational cemeteries, one in Midhirst and one on the outskirts of Stratford (Kopuatama). Kopuatama is the District’s principal cemetery, serving all the outlying areas as well as Stratford township while Midhirst is a historical cemetery but still operates primarily for the benefit of Midhirst residents.

Table 24 - Kopuatama Cemetery Information

Item	Description
Location	State Highway 43 - 4.0 kilometres east of Stratford.
Area	4.8562 hectares.
Legal Description	Section 113 Block II Ngaere Survey District
Gazette reference	NZ Gaz 1902 p 627
Status	Cemetery
Zone	Rural, designated Cemetery

Kopuatama is the principal operating cemetery for the Stratford District (Figure 12). The first burial was recorded in July 1906 and the cemetery was designated as a lawn cemetery in the 1950’s. The cemetery has three Services areas for returned services personal. The original Soldiers’ Block is just inside the main gate, and no longer available for interments. The new Returned Services area is located at the far end of the cemetery, in a direct line from the main gate.

The proposed extension to this cemetery is the property located to the west of the site as highlighted in Figure 13. This is to be able to provide services to the community for future years.

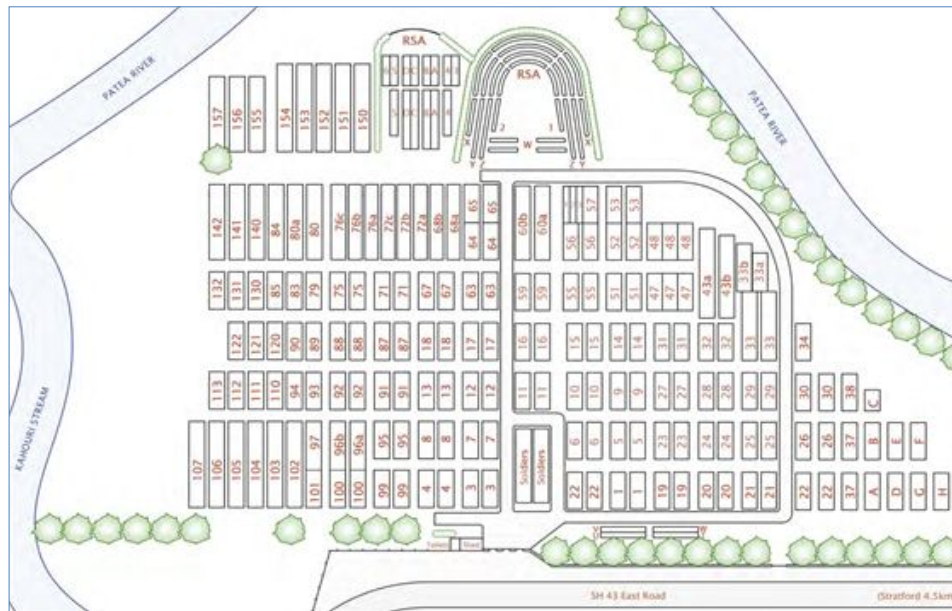


Figure 12 - Layout of Kopuatama Cemetery Stratford

Asset Information



Figure 13 - Proposed extension to the west of existing Kopuatama Cemetery

Table 25 - Midhirst Cemetery Information

Item	Description
Location	Corner Kent Terrace and Beaconsfield Road, Midhirst – 5km north of Stratford.
Area	1290 square metres.
Legal Description	Part Section 3 Block XIII Huiroa Survey District
Gazette reference	NZ Gaz 1916 p 801
Status	Cemetery
Zone	Protected Area, designated Cemetery

Midhirst Cemetery is the current operating cemetery for the Midhirst township. The portion on the eastern side of the dividing creek was closed in 1996 and a memorial wall erected to record the names of those buried therein.

Stratford District Council undertakes regular inspections of its operating cemeteries. Inspections identify that these are generally in good to excellent condition. Any issues identified through inspections are considered manageable through the current maintenance contract.

Asset Information

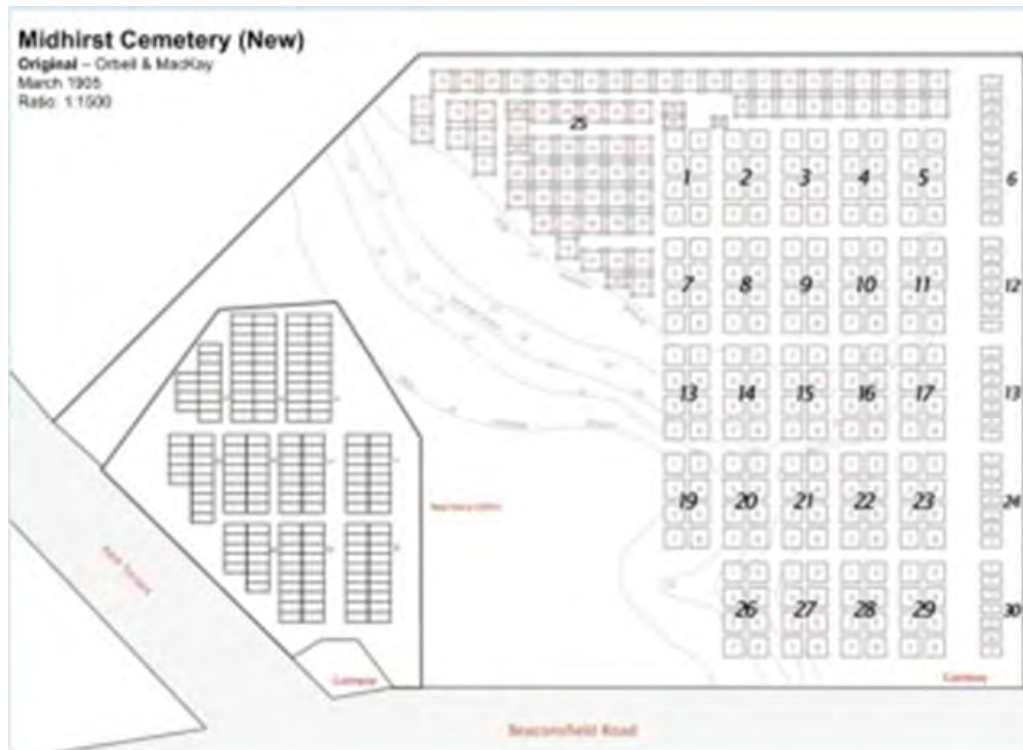


Figure 14 - Layout of Midhirst Cemetery

Closed Cemeteries

The five closed cemeteries in the Stratford District are described below.

Table 26 - Waipuku Cemetery Information

Item	Description
Location	State Highway 3 – 9.7kms north of Stratford
Area	1.2013 hectares.
Legal Description	Sections 46, 48, 50, 52 and 53 Town of Waipuku
Gazette reference	NZ Gaz 1939 p 2045
Status	Closed Cemetery
Zone	Rural, designated Cemetery

In terms of maintenance, this closed cemetery is grazed by the surrounding land owner. While it has legal access off State Highway 3, there is no physical access other than over the surrounding farm.

Asset Information

Table 27 - Midhirst Cemetery (old) Information

Item	Description
Location	Beaconsfield Road, 5km north of Stratford
Area	6804 square metres.
Legal Description	Part Section 3 Block XIII Huiroa Survey District
Gazette reference	NZ Gaz 1994 p 1390
Status	Closed Cemetery
Zone	Rural, designated Cemetery

The area around the fenced grave sites is maintained by Council through the Open Space Maintenance contract while the balance between the closed and operating cemeteries is leased for grazing purposes.

Table 28 - Pioneer Cemetery Information

Item	Description
Location	Regan Street East, Stratford
Area	4836 square metres
Legal Description	Lot 3 DP 1805
Gazette reference	NZ Gaz 1984 p 2930
Status	Closed Cemetery
Zone	Protected Area, designated Cemetery

Pioneer Cemetery is maintained by Council through the Open Space Maintenance contract. The majority of headstones have been removed due to their dilapidated condition and the cemetery has been converted into a park-like setting and maintained accordingly.

Table 29 - Whangamomona Cemetery Information

Item	Description
Location	63km east of Stratford on Whangamomona Road.
Area	8321 square metres.
Legal Description	Section 24 Block I Mahoe Survey District
Gazette reference	NZ Gaz 1994 p 1390
Status	Closed Cemetery
Zone	Rural, designated Cemetery

In terms of maintenance, the two fenced-in areas containing headstones (one Catholic, one Protestant) are maintained by Council through the Open Space Maintenance contract while the balance of the cemetery is leased for grazing purposes.

Asset Information

Table 30 - Tahora Cemetery Information

Item	Description
Location	80km east of Stratford on State Highway 43
Area	1.2280 hectares.
Legal Description	Section 64 Tahora Suburban
Gazette reference	NZ Gaz 1994 p 1390
Status	Closed Cemetery
Zone	Protected Area, designated Cemetery

In terms of maintenance, this closed cemetery is grazed by the surrounding land owner.

Stratford District Council undertakes regular inspections of its closed cemeteries. Inspections identify that these are generally in average to excellent condition. Any issues identified through inspections are considered manageable either through the current maintenance contract or in discussion with the respective grazing tenants.

3.6. ASSET MANAGEMENT MATURITY ASSESSMENT

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

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

The Asset Management Maturity Index assessment in Table 31 below provides a snapshot of where the Council is at in its asset management practices and in particular, emphasizes that seeking advanced practice in all areas may not be the best solution across activities, as this depends on the scale and type of assets being managed.

Table 31 - Parks, Reserves and Cemeteries Asset Management Maturity Index Assessment

	Asset Management Disciplines	Maturity Index	Maturity Description	What we do
1	Strategic Direction	Intermediate	<ul style="list-style-type: none"> • Asset Management System scope is defined and documented. 	<ul style="list-style-type: none"> • The Council has adopted an Asset Management Policy to provide the overall direction for asset management in the district. • Scope is also refined as a consequence of our Early Conversation discussions with Elected Members, which inform the LTP, and also during our regular workshops to define Strategic Direction for the Council.
2	Defining Level of service	Intermediate to Advanced	<ul style="list-style-type: none"> • Level of service and cost relationship understood. 	<ul style="list-style-type: none"> • Existing levels of service are generally maintained however, can be re-defined as result of either legislative requirements or through customer feedback

Asset Information

	Asset Management Disciplines	Maturity Index	Maturity Description	What we do
			<ul style="list-style-type: none"> • Customers are consulted on significant service levels and options. • Customer communications plan in place. • Levels of service are integral to decision making and business planning. 	<ul style="list-style-type: none"> • Enabling customers to assess customer values such as accessibility, quality, safety, and sustainability through LOS • This will part of the LTP consultation process and customer satisfaction surveys completed by customers on an annual basis • LOS performance targets are measured through monthly, annual and bi-annual reporting
3	Forecasting future demands	Core to Intermediate	<ul style="list-style-type: none"> • Risk associated with demand change broadly understood and documented. • Demand management considered as an alternative to major project development. 	<ul style="list-style-type: none"> • We have a broad understanding of the issues facing SDC. These are included in the AMP as “Problem Statements” • Forecasting is based on population and economic growth statistics in addition to regulatory changes at the central government level • Demand Management is being associated with population growth, signalling demand on all open spaces and a focus on cemetery sites to meet future needs
4	Collecting Asset Information	Intermediate	<ul style="list-style-type: none"> • A reliable register of physical, financial and risk attributes recorded in an information system with data analysis and reporting functionality. Systematic and documented data collection process in place. 	<ul style="list-style-type: none"> • Data is collected, updated and validated on an ongoing basis, particularly when new assets are being installed and maintenance occurs on existing assets • Regular maintenance/inspections occur on all open spaces and are then documented in monthly reports, ensuring data can be correlated
5	Monitoring Asset Performance and Condition	Core	<ul style="list-style-type: none"> • Condition and performance information is suitable to be used to plan maintenance and renewals to meet over the short term. 	<ul style="list-style-type: none"> • The condition and physical integrity of an open space asset (e.g. playground equipment) is deduced based on the age, material type and analysis of collected statistical data • The performance, being a measure of whether the asset is delivering level of service requirements, is monitored during routine inspections and asset upgrades

Asset Information

3.7. ASSESSMENT OF ASSET CONDITION

Asset condition is a measure of an asset's physical integrity. Knowing the condition of an asset enables more accurate prediction of asset development, maintenance and renewal/replacement requirements. The Stratford District Council identifies the condition of parks, reserves, and cemetery infrastructure assets by the age of the asset, through visual targeted inspections, (including sampling), and maintenance monitoring.

Targeted inspections are carried out on asset components that are considered critical to Council and the community, have the potential to impact on public health and safety; or where there is a specific requirement, for example to meet regulatory requirements or for asset acquisition, disposal, or justification.

Targeted inspections of Parks, Reserves and Cemeteries are carried out by Council staff, the Maintenance Contractor, or specialist consultants to identify the condition of specific asset components at intervals specified by the Asset Manager or upon request.

To identify the general condition of its Parks, Reserves and Cemeteries assets Stratford District Council undertakes the following targeted inspections:

- Buildings – annually by the Maintenance Contractor and/or Council staff;
- Playground equipment – monthly by the Maintenance Contractor and annually by an Engineering Consultant;
- Cemeteries – annually by the Contractor
- Footbridges – annually by an Engineering Consultant
- Street Trees – annually, bi-annually, tri-annually by the Contractor depending on tree species
- Carparks – annually by the Council Roading Engineer
- Other structures annually by the Maintenance Contractor.

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

- Grass maintenance;
- Garden planting and tree maintenance;
- Walkway and cycle trail maintenance;
- Litter Control;
- General maintenance of structures and other civic amenities.

Condition Grading

Visual targeted inspections (including sampling), and maintenance monitoring provide both qualitative descriptions and quantitative grading of asset component condition. Condition grading supports the development, maintenance, and renewal/replacement of an asset by enabling more accurate prioritisation of forward works programmes.

The International Infrastructure Manual (2011) provides guidance on assessing the condition of assets and approaches to grading the condition. In line with this, Stratford District Council has developed a condition grading system to support identifying the condition of assets at the group level. Using the system assets are ranked from 1-5 as illustrated below.

Asset Information

Table 32 - Condition Grading System

Grade	Condition	Description	Proportion of network (%)
1	Very Good	Asset in structurally sound and excellent physical condition. No work required	60%
2	Good	Asset in structurally sound and acceptable physical condition. Minor work required (if any)	35%
3	Fair	Asset is structurally sound but shows deterioration. Moderate work required to return asset to agreed level of service	5%
4	Poor	Asset failure likely in the short term. Significant work required now to return asset to agreed level of service	0%
5	Very Poor	Asset has failed/is about to fail. Renewal/Replacement required urgently	0%

3.8. DATA ACCURACY AND CONFIDENCE

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

To ensure accurate asset data is entered into the asset management system, Stratford District Council has put in place the *Inspection Data Management Process* (Table 33) for managing targeted visual inspection data. Also, to determine the level of confidence Council has in targeted inspection data, the Stratford District Council has put in the *Data Confidence Grading System* in Table 34. An assessment of Council's confidence in the asset data is provided in Table 35.

Table 33 - Inspection Data Management Process

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

Asset Information

Table 34 - Data Confidence Grading System

Grade	Confidence Level	Description
1	Highly Reliable	Data based on sound records, procedures, investigations and analysis which is properly documented and recognised as the best method of assessment. Dataset is complete and estimated to be accurate +- 2%
2	Reliable	Data based on sound records, procedures, investigations and analysis which is properly documented but has minor shortcomings. Dataset is complete and estimated to be accurate +- 10%
3	Uncertain	Data based on sound records, procedures, investigations and analysis which is incomplete or unsupported, or extrapolation from a limited sample for which grade A or B data is available. Dataset substantially complete but up to 50% extrapolated data and estimated to be accurate +- 25%
4	Very Uncertain	Data based on unconfirmed verbal reports and/or cursory inspection and analysis. Dataset may not be fully complete and most data is estimated or extrapolated and estimated to be accurate +- 40%
5	Unknown	None or very little data held- 0%

Table 35 – Asset Data Grading by Asset Group

Asset Group	Grade	Confidence Level
Parks	2	Reliable
Walkways	2	Reliable
Pedestrian Precinct	2	Reliable
Sportsground	2	Reliable
Discovery Trail	1	Highly Reliable
Neighbourhood Reserves	2	Reliable
Rural Domains	2	Reliable
Miscellaneous Reserves	2	Reliable
Operating Cemeteries	3	Uncertain
Closed Cemeteries	3	Uncertain

Asset Information

3.9. IMPROVEMENT PLAN

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

Table 36 - Actions Identified for Improving Management of the Asset

Sub Section	Task	Due Date
3.5.7	<p>Inspection of Domains</p> <p>Yearly on-site inspections will occur to ensure that all Reserves are managed and maintained in accordance with their Management Agreements.</p>	Ongoing
3.7	<p>Formally record asset condition data</p> <p>While asset condition is regularly monitored and in some cases contained in formal reports there is currently no system for recording condition data and maintenance work carried out as a result of findings.</p>	Ongoing

4.0

Future Growth and Demand

Future Growth and Demand

4.0: FUTURE GROWTH AND DEMAND

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Future Growth and Demand

4.1. OVERVIEW

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

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

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

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

Stratford District Council is committed to planning for the changing needs of its community. As part of this commitment Council utilises demand forecasting in all asset management planning. Information on future growth forecast has been supplied by Infometrics NZ.

4.2. DEMAND FORECASTING

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

As part of the planning process Council considers:

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

Key Information gathered during the forecasting process includes:

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

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

4.3. DEMAND DRIVERS AND IMPACTS

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

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

Future Growth and Demand

4.3.1 POPULATION

Under the medium population growth scenario projected by the Infometrics Model, the Taranaki region’s population is expected to grow to over 145,100 by 2051. Under a high growth scenario, higher levels of net migration would lead to a regional population of 163,100 by 2051, while the low growth scenario results in the population growing to approximately 129,000 residents by 2035, and then remaining relatively static at that level until 2051.

For the Stratford District, the forecast under the High growth scenario is to increase from above 10,000 in 2021 to just under 12,000 in 2051. This is equivalent to just under 0.7% increase per annum, an estimated total increase of approximately 18% over these 30 years. Under the low growth scenario, the forecast is to decline from above 10,000 in 2030, to just above 9,000 in 2051

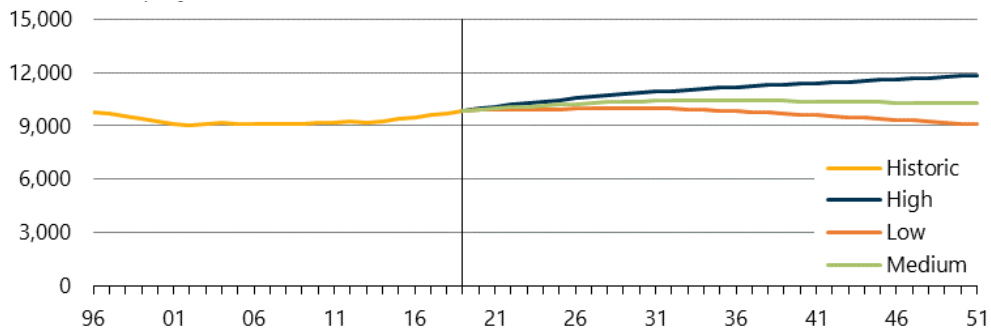


Figure 15 - Stratford District Total Population Projections

Population distribution

Currently, there are 1,250 Maori population – 48% are under 20. Maori make up 13% of district population. Population growth has averaged 0.2% in the last 20 years, and averaged 0.7% in the last 10 years, however, in the last 3 years population growth has increased annually by 0.8% on average.

Population 2019 Infometrics data shows that Stratford district is approximately 9,860 – a growth of 1.3% from previous year. The source of growth was 78% due to natural increase and 22% due to net migration. We are anticipating an annual average population growth of 0.5% over the next eight years, centered around the urban area and mostly as a result of births.

The district’s Population Age Structure and Projection is shown in Figure 16; Components of Population Change in Figure 17 and the Population Geographic Distribution in Figure 18.

Elderly Population

The average age of Stratford residents is expected to increase over the next 30 years from 40 to 42 years. 580 residents (5% of the district population) are aged 80+.

With a rising older population and a potentially declining older working population Stratford District Council and the Parks, Reserves and Cemeteries Activity will need to consider the services it delivers and the infrastructure required to deliver these services.

For a clearer picture of the impacts on infrastructure and the demand for services, further assessment is necessary. The cost of this assessment will need to be weighed against the benefits of embarking on the project.

Future Growth and Demand

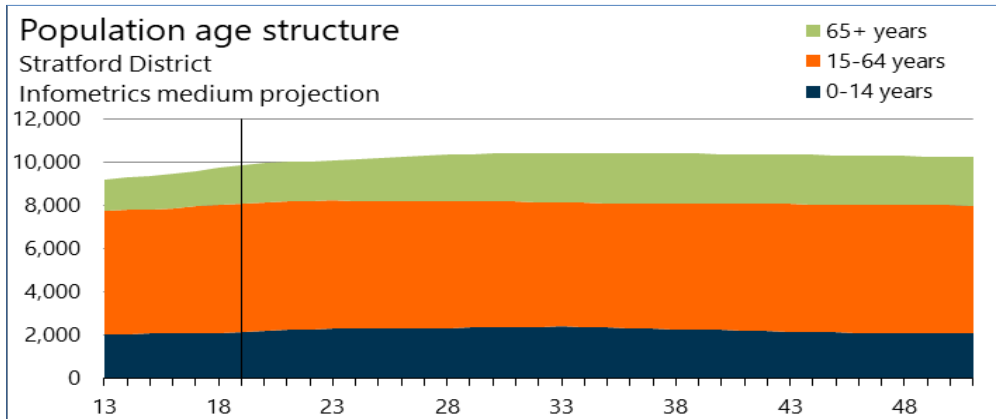


Figure 16 - Stratford District's Population Age Structure



Figure 17 – Components of population change

The following is the percentage of population living in the different areas of Stratford (of 217,000ha).

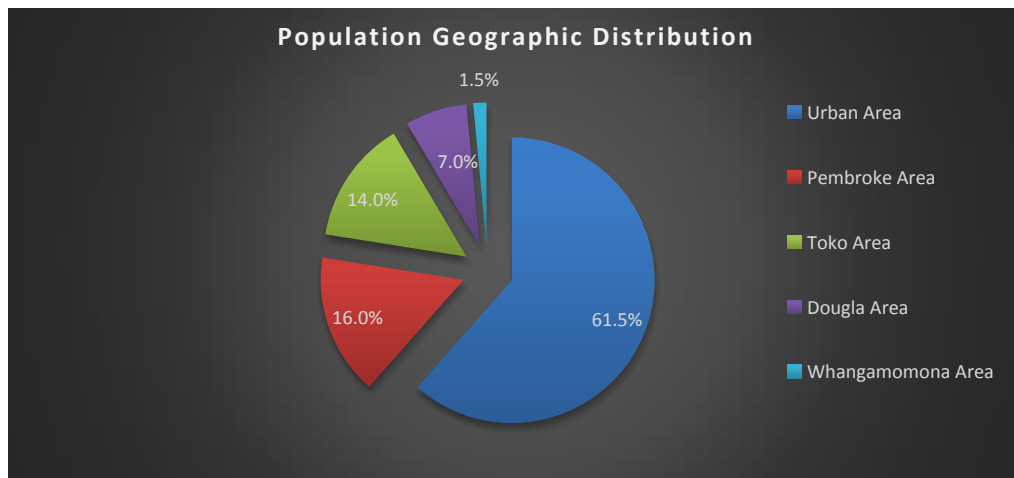


Figure 18 - Current Population Geographic Distribution

Future Growth and Demand

4.3.2 ECONOMIC DEVELOPMENT

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

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

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

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

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

Economic History and Forecast

According to the Infometrics Model, GDP growth is static to low, and generally under the national average – except for 2009 and 2012 where there were spikes in the district's GDP compared to the rest of the country.

The two biggest contributing industries in Stratford are the Agriculture and Forestry sector contributing 27% (Dairy Farming making up 16% of this) of district GDP, and the Electricity and Gas Supply contributing 16%. Stratford has the region's largest electricity generation site at Contact's 575MW gas powered plant – it is considered a nationally significant generation site.

In 2019, there were 3,462 filled jobs in the Stratford District. The district unemployment rate was 4.4%, compared to the regional unemployment rate of 5.0% and national unemployment rate of 4.3%. Employment growth lags behind the rest of the country (2018 Stratford: 1.5%, National: 3.0%), although it did spike above the national average in 2009.

In terms of industry employment the top five employing industries in 2019 were:

- Education and Training 11%
- Dairy farming 9%
- Health Care and Social Assistance 7%
- Accommodation and Food Services 6%
- Supermarket and Specialised Food Retailing 6%

The biggest increase in jobs in Stratford since 2017 has been in the house construction (building) sector, and in primary education. Stratford generally has a higher rate of self-employment than the national average at 19%, compared to 17% nationally. Stratford also has a higher productivity rating per employee. In 2018, GDP per employee came to \$120,631, compared to the national average of \$97,174.

The 10-year and 30-year GDP and Employment forecast are provided in Figures 19-21.

Future Growth and Demand

	GDP level (\$m, 2010 prices)			Annual % change	
	2005	2018	2031	05-18	18-31
New Plymouth	3,908	5,349	6,074	2.4%	1.0%
South Taranaki	1,869	1,948	2,080	0.3%	0.5%
Stratford	415	414	459	0.0%	0.8%
Taranaki	6,192	7,712	8,613	1.7%	0.9%

Figure 19 - GDP Growth 2005-2031

The Infometrics data above shows minimal change in GDP growth from 2018 to 2031

	Employment level			Annual % change	
	2005	2018	2031	05-18	18-31
New Plymouth	33,926	40,748	47,261	1.4%	1.1%
South Taranaki	13,959	13,952	15,256	0.0%	0.7%
Stratford	3,637	3,434	3,639	-0.4%	0.4%
Taranaki	51,522	58,134	66,157	0.9%	1.0%

Figure 20 - Employment levels in the region

Employment was expected to increase over the period to 2031, however the impact of Covid-19 has changed these figures

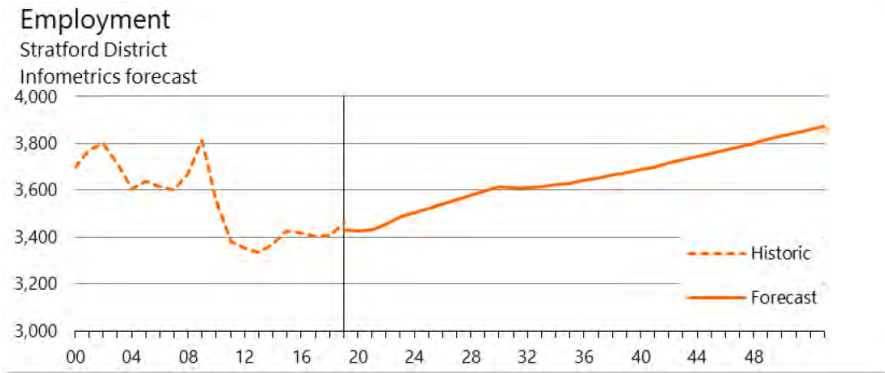


Figure 21 - Employment Forecast for Stratford

Employment is expected to increase slightly over the next 10-30 years

CLIMATE CHANGE

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

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

- Changes in temperature
- Projected changes in rainfall
- Extreme weather events

Future Growth and Demand

- Decreased frost risk
- Increased frequency of high temperatures
- Increased frequency of extreme daily rainfalls
- Higher snow lines and possible reduced snow coverage
- Possible increase in strong winds
- An increase in average sea level.

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

Extreme weather events and heavy rainfall would see increases in flooding, landslides, avalanches and mudslides during heavy rainfall events while on the flip side a lack of rain during summer months could see prolonged periods of drought. Both extremes place increased pressure on government, private flood insurance schemes, and disaster relief.

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

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

4.3.3 TOURISM

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

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

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

4.3.4 THE (DRAFT) STRUCTURE PLAN FOR STRATFORD

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

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

Future Growth and Demand

4.3.5 REGULATORY CHANGES

The SDC regularly reviews regulatory changes that may or will affect the SDC parks, reserves and cemeteries services. This primarily includes updates to resource consents and changes to legislation and standards. There are no immediate concerns of regulatory changes at the time of writing this AMP, however there is an expectation that the legislation, standards and guidelines related to these services will be reviewed and updated in the future as general reviews are done.

4.3.6 CUSTOMER NEEDS AND EXPECTATIONS

Council has indicated a desire to promote growth in Stratford by developing new residential subdivisions. Inherently, this will have an effect on the Stratford parks, reserves and cemeteries services whereby demand in these areas will increase. To manage this, the maintenance programme will continue under the Open Space Maintenance Contract

4.4 IMPROVEMENT PLAN

Table 37 Future Growth Improvement Plan

Sub Section	Task	Due Date
4.3.1	Further assessment needed to assess the impacts of growth demands on the adequacy of the existing Parks, Reserves and Cemeteries assets and activities.	On-going

5.0

Level of Service Performance

Level of Service Performance

5.0: LEVELS OF SERVICE PERFORMANCE

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Level of Service Performance

5.1. OVERVIEW

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

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

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

The Levels of Service section details legislative and regulatory requirements affecting the operation, management and Levels of Service for the Parks, Reserves and Cemeteries. This section:

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

5.2. LEVEL OF SERVICE DEVELOPMENT/REVIEW PROCESS

LoS review is an ongoing process which can be triggered by a variety of drivers. The development and review of the LoS will be undertaken following the process diagram in Figure 22 (Source: IIMM (2015)).

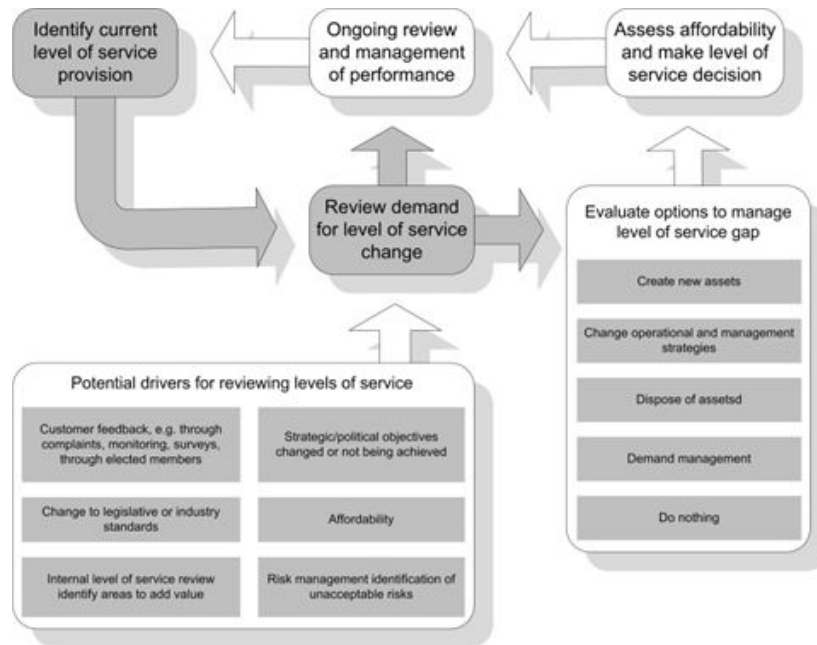


Figure 22 - Level of Service Review Process

Level of Service Performance

5.3. PERFORMANCE MONITORING AND REPORTING

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

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

The monitoring of the LoS is done through the Customer Satisfaction Survey and Compliance with the NZ Safety Standards for playgrounds and foot bridges.

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

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

5.4. CURRENT PERFORMANCE

Stratford District Council provides parks, reserves and cemeteries to benefit the community's physical, social and personal quality of life. To ensure these expectations and requirements are met Stratford District Council undertakes performance monitoring of the parks activity and services it provides.

Performance monitoring is undertaken through the use of performance measures and key performance indicators (KPIs). Our current performance is monitored through the internal performance measures presented in the Table below. These performance measures were determined by Council to inform the community about how well the Council is delivering on Levels of Service and the performance of the activity assets.

Table 38 - Internal Performance Measures

	Level of Service Category	Performance Measure
1.	Complaints/Requests for Service	The number of complaints and requests for service; <40.
2.	Customer Satisfaction	Percentage of residents satisfied with: <ul style="list-style-type: none"> • Parks >80%; • Sportsfields >80%; • Cemeteries >80%.
3.	NZSS Compliance - Playgrounds	All playgrounds meet NZ Safety Standards
4.	NZSS Compliance - Footbridges	All footbridges meet NZ Safety Standards

Level of Service Performance

5.4.1 COMPLAINTS/REQUESTS FOR SERVICE

The performance targets the number of complaints and requests for service. In 2018/19 there were 106 complaints and requests for service in relation to parks, sportsfields and cemeteries. This is a very large increase on the previous year due to a large number (41) of the complaints and requests related to berm trees that were causing issues by restricting vision from driveways or the roadside. Public toilets (18) were also an issue due to blockages, vandalism and graffiti. In 2019/2020 the target was met.

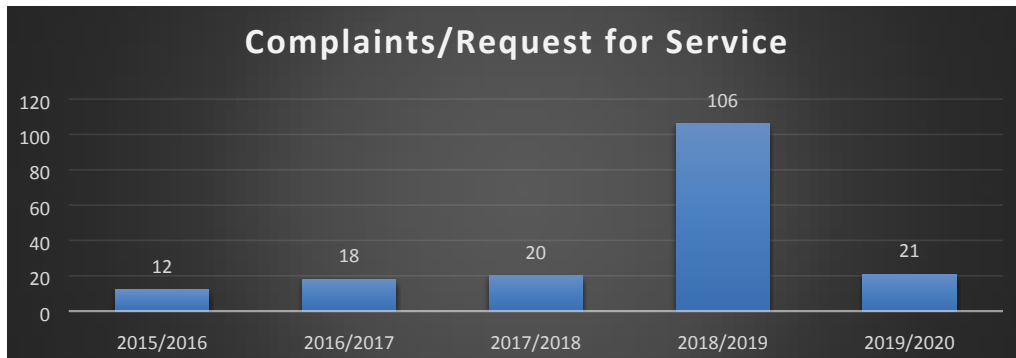


Figure 23 - Complaints/Requests for Service

5.4.2 CUSTOMER SATISFACTION

This is a measure introduced with the 2015-2025 Long Term Plan. The performance targets the percentage of residents satisfied with parks, sportsfields, and cemeteries. The targets are as per Table 16 above. In 2019/20, the Parks and Sportsfields achieved the Level of Service requirements for customer satisfaction. The cemeteries was not achieved. The percentage of people satisfied with parks, sportsfields and cemeteries were:

- 95% for parks;
- 94% for sportsfields; and
- 81% for cemeteries.



Figure 24 - Customer Satisfaction – Annual Report

Level of Service Performance

5.4.3 NEW ZEALAND SAFETY STANDARDS

This is a performance target required by the New Zealand Safety Standards (NZSS). It requires all playgrounds and footbridges to meet the specified safety standards.

All playgrounds and footbridges managed by Stratford District Council are 100% compliant with the relevant NZSS requirements.

5.5. DESIRED PERFORMANCE

A summary of the Council's targets/desired performance levels are presented in Table 39. This desire stems from the Council's resolve to maintain its agreed level of service and strengthen the community's confidence in the Council's ability to deliver excellent services to the community.

The Council will take into account its Customer Charter in its provision quality service to all our customers. Council will rate its performance against the key performance indicators (KPI's) or targets as per Table 40 below.

Table 39 - Performance Rating Index

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

Levels of Service Performance

Table 40 - Performance Measures – Targets and Trends

Level of Service	Performance Measure	Outcome Category	Trend			Current	Target				How Measured
			2017/18	2018/19	2019/20	2020/21	Year 1 2021/22	Year 2 2022/23	Year 3 2023/24	Years 4-10 2024-2031	
Number of complaints and requests for service	Number of complaints and request for service to be <40	Council Measure	20	106	21	<40	<40	<40	<40	<40	Reporting against corporate CRM system.
Customer Satisfaction	Percentage of Stratford residents satisfied with:										Annual Residents Survey
	• Parks;	Council Measure	96.8%	94.1%	95%	>80%	>80%	>80%	>80%	>80%	
	• Sportsfields; and	Council Measure	92.8%	95.9%	94%	>80%	>80%	>80%	>80%	>80%	
	• Cemeteries.	Council Measure	80.9%	78%	81%	>80%	>80%	>80%	>80%	>80%	
NZSS Compliance	All playgrounds meet NZ Safety Standards.	Council Measure	No result (Biennial review)	100%	No result (Biennial review)	100%	No result (Biennial review)	100%	No result (Biennial review)	100%	Biennial playground inspection report and records provided from weekly and quarterly compliance checks by contractor.
NZSS Compliance	All foot bridges meet NZ Safety standards.	Council Measure	100%	100%	No result (Biennial review)	100%	No result (Biennial review)	100%	No result (Biennial review)	100%	Biennial bridge inspection Report

6.0 Strategic Assessment

Strategic Assessment

6.0: STRATEGIC ASSESSMENT

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Strategic Assessment

6.1. OVERVIEW

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

6.2. OUR BUSINESS CASE

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

6.3. OUR PROBLEM STATEMENTS

Between July and September 2020, Council staff prepared and presented *Early Conversation* papers for discussion with the elected members as part of the Long Term Plan (LTP) process. The purpose of these early conversations was to ask elected members for direction regarding some capital projects being proposed in the 2021-2031 LTP.

The early conversations with the elected members identified:

- Problems and items for improvement in the delivery of our parks and reserves activity;
- Future proofing objectives in addition to Council Community Outcomes;
- Options for addressing the identified problems; and
- An assessment of each option against Council outcomes and the identified future proofing objectives;
- Risks and opportunities associated with each option and
- Preferred options to address each problem area.

The elected members considered the information and provided the necessary direction - in some cases modifying the preferred option. The outcomes of these conversations provided a 10-year plan for implementation of the preferred options for each problem area identified.

The Elected Members considered the information and provided the necessary direction - in some cases modifying the preferred option. The outcomes of these conversations provided a 10-year plan for implementation of the Preferred Options for each Problem area identified. The 6 main problems/issues identified and *workshopped* as part of the Early Conversations are in Table 41.

Table 41 - Early Conversations Workshopped

Early Conversations Workshopped	Content Manager Document Reference
Adrian Street Fort Demolition	D20/8076
Broadway Roundabout Gardens Upgrade	D20/17458
Kopuatama Cemetery Entrance Upgrade	D20/17459
Midhirst Old Cemetery Pathway Upgrade	D20/17461
King Edward Park Pathway to Trees of Significance	D20/17463
Whangamomona Camp Ground Septic Tank Replacement	D20/19679

Strategic Assessment

6.3.1 ADRIAN STREET FORT DEMOLITION

The demolition of the Adrian Street playground fort has been a key discussion since its non-compliance with NZ Safety standards inspection. There is no on-going maintenance and no bark underneath the fort to provide adequate protection if falls occur. The fort is not assessed against the NZ building standards, or for structural integrity, however, it is assessed against the NZS 5828:2015 for playground equipment. Current issues with the fort are:

- No protection against falling; and
- The height of the rails and distance of the stairs have neck and head entrapment gaps.

The key driver for the proposed fort project is public safety.



Figure 25 - Adrian Street Fort

6.3.2 BROADWAY ROUNDABOUT GARDENS UPGRADE

The Broadway Roundabout Gardens are located at the two roundabouts on Broadway. The addition of the new gardens and hedging to the roundabouts in 2015, is aesthetically pleasing and valued, however, there is need to consider the future maintenance options while balancing safety at these key entry intersections.

These roundabouts are aging and plants within them growing at a fast rate. Currently, our contractors are completing regular monthly maintenance at the gardens including weeding and trimming of hedges. This programmed maintenance is expected to increase in frequency as the plants mature. As contractors continue to prune back the gardens, the faster they grow and the more unattractive they become – this is due to the woody part growing more and being seen more, rather than the greenery of the gardens.

There have also been numerous CRMS (Customer Request Management System) complaints since 2015 in regards to the height of the roundabouts and people also complaining to the contractors, while the contractors are on-site.



Figure 26 - Broadway Roundabouts

Strategic Assessment

6.3.3 KOPUATAMA CEMETERY ENTRANCE UPGRADE

Kopuatama Cemetery is one of our key community assets. While the continuation of berm installations and ground maintenance continues, there are no projects to ensure the cemetery appearance develops and matures. The construction of the Wall of Remembrance in 2015, aesthetically added to the cemetery and has given families another option to remember their loved ones, who have passed away. As there are limited options regarding cemetery renovations, not much else can occur, aside from on-going maintenance.

The cemetery entrance paths are aging and disintegrating in parts and on-going maintenance costs will increase over the next few years. As contractors, funeral processions and public utilise these entrances, the more worn and unattractive they become.



Figure 27 - Kopuatama Cemetery

6.3.4 MIDHIRST OLD CEMETERY PATHWAY UPGRADE

Midhirst Closed Cemetery is one of our key historical community assets. While the continuation of ground and tree maintenance continues, there are no projects to ensure the cemetery's appearance endures. As it is up to families to maintain and make necessary repairs to their loved ones headstones, due to the age of the cemetery this rarely occurs. Therefore, it is up to our contractors to keep the cemetery as well maintained as possible and as there are limited options regarding cemetery renovations, not much else can occur, aside from on-going maintenance.

The cemetery paths are aging and disintegrating in parts and on-going maintenance costs will increase over the next few years. As with age and public and contractor utilisation these entrances become more worn and unattractive. There was no maintenance programme adopted for Midhirst Closed Cemetery in the 2018-2028 LTP.



Figure 28 - Midhirst Old Cemetery

Strategic Assessment

6.3.5 KING EDWARD PARK PATHWAY TO TREES OF SIGNIFICANCE

It is expected that the walkway through the Trees of Significance within the Discovery Trail at King Edward Park (KEP) will become one of our town centre's key attractions.

While the garden and tree maintenance at the KEP continues, there is need to accentuate the trees of significance within one of Stratford's most popular walking tracks. The addition of accessible paths and clearance around the trees can highlight this walkway's trees of significance.

If the trees of significance are not accentuated, they may never be appreciated as they will be lost within the park. This is lost opportunity for Stratford to showcase one of its many attraction sites to the community and tourists alike. It is expected that the trees will be signposted along with key information including historical uses about each tree. This will present an important avenue for both the young and older generation alike.

The circle in Figure 29 shows the existing location of these trees of significance.



Figure 29 - Trees of Significance

6.3.6 WHANGAMOMONA CAMP GROUND SEPTIC TANK REPLACEMENT

Whangamomona Camp Ground, owned by the Council, is managed by the Whangamomona Domain Committee which also manages the Camp Ground. This camp ground requires a replacement septic system to continue to support the continued running of the camp ground.

With the imminent sealing of the last section of SH43, tourism traffic through Whangamomona is likely to increase leading to more pressure on the current system. This project links directly to the community outcome vision of affordable quality services and infrastructure in meeting the current and future needs of the Whangamomona community by providing good quality infrastructure.



Figure 30 - Whangamomona Septic Tank and Fat Build Up

Strategic Assessment

6.4. OUR BENEFIT STATEMENTS

The Council has identified projects, as described in Section 6.3, to address the problems at the agreed level of service to the community. The benefits of implementing these projects are presented in Table 42 below and include:

- Improved community levels of service;
- Support for community recreation services;
- Support for children's recreation;
- Encouragement of more active modes of transport in children.

Table 42 - Summary of Problem and Benefit Statements

Problem Statements	Project	Benefit Statements
Unsafe children's playground	Adrian Street Fort Demolition	<ul style="list-style-type: none"> • Improve community levels of service; • Keeping the playground compliant; • Keeping the community safe
Road safety and visibility	Broadway Roundabout Gardens Upgrade	<ul style="list-style-type: none"> • Improve community levels of service; • Improve safety on key entry points; • Ensuring traffic, pedestrians and contractors are safe
Aging and disintegrating entrance paths	Kopuatama Cemetery Entrance Upgrade	<ul style="list-style-type: none"> • Improve community levels of service; • Cemetery entrance will be appealing; • Keep visitors safe from hazards
Aging and disintegrating entrance paths	Midhirst Old Cemetery Pathway Upgrade	<ul style="list-style-type: none"> • Improve community levels of service; • Historic cemetery entrance will be appealing; • Keep visitors safe from hazards
Trees of Significance not appreciated and accentuated and lost within the park	King Edward Park Pathway to Trees of Significance	<ul style="list-style-type: none"> • Improve community levels of service; • Encourage more recreation in community; • Attract more visitors to King Edward Park
Increased tourism through Whangamomona	Whangamomona Camp Ground Septic Tank Replacement	<ul style="list-style-type: none"> • Improve community levels of service; • Provide quality infrastructure to community; • Ensure community manages increase in tourists

7.0 Lifecycle Management

Lifecycle Management

7.0: LIFECYCLE MANAGEMENT

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Lifecycle Management

OVERVIEW

Lifecycle Asset Management focuses on management options and strategies to minimise risks to assets, and any potential risk of assets.

It considers all relevant consequences from initial planning through to renewal, replacement, disposal or rationalisation of assets.

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

- Physical characteristics
- Operating environment
- Customer requirements

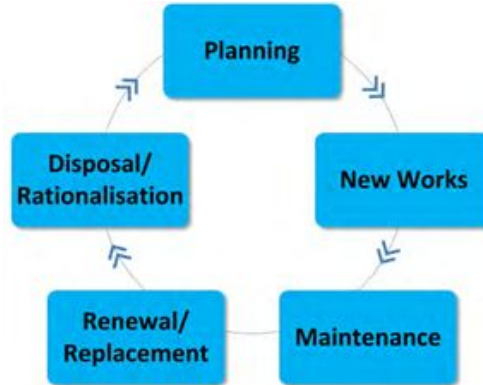


Figure 31 - Lifecycle Asset Management

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

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

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

This section presents a detailed plan of prioritised work over a 10-year planning period in response to the problem and benefit statements highlighted in Section 6 of this plan. It presents Council's practices and projects to maintain the parks and reserves assets over the lifecycle through Council's:

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

7.2. PROCUREMENT POLICY

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

- achieves the right outcomes and value for money;
- manages risk effectively;
- allows council officers to exercise business judgement by enabling flexibility and fluid, innovative approaches to procurement;
- demonstrates fairness;
- has health and safety risk management at the forefront.
- Reflects best management practice; and
- Has a local procurement policy applying to works with a monetary value up to a limit prescribed by Council.

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

Lifecycle Management

7.3. MANAGEMENT STRATEGIES

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

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

These strategies and policies are presented in Figure 32.

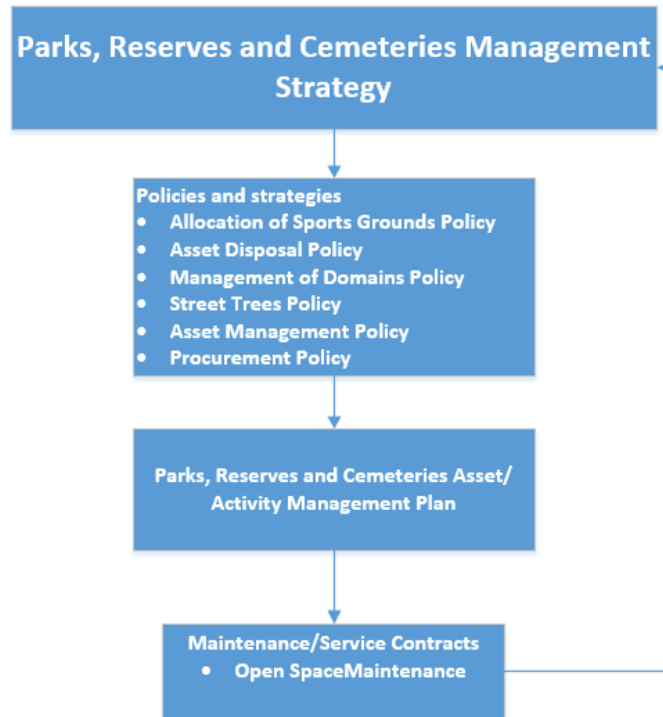


Figure 32 – Parks Reserves and Cemeteries Asset Management Strategies

7.4. CONTRACTUAL ARRANGEMENTS

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

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

The Council has an Open Space Maintenance Contract with Downer New Zealand Limited for the provision of ongoing grounds and structure maintenance services of the Council's parks, reserves, cemeteries, walkways, civic amenities. This Contract requires the Contractor to provide not only physical works but also a degree of professional services for significant aspects of the work and includes sexton duties at the two operating cemeteries.

The contract is for an initial period of three years from 1 July 2019 which will expire on 30 June 2022 but incorporated two 2 year roll-over periods in the event Council is satisfied with the contractor's performance.

Lifecycle Management

7.5. PROGRAMME BUSINESS CASE

The programme business case details how the problems identified in the previous sections will be addressed. This is presented in Table 43 below and shows the identified projects necessary to achieve our internal measures, as per Section 5 of this report.

The identified projects are grouped under three main categories of:

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

The prioritisation of planned maintenance, renewal/replacement and capital projects is based on:

- Level of Service requirements;
- Criticality and risk assessment associated with investment levels that potentially change the level of service;
- Age and condition of the infrastructure;
- Budgetary constraints;
- Growth – required by and supporting population and economic growth.

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

Table 43 –Identified Projects and Performance Measures

Work Category	Identified Projects	Performance Measures			
		Complaints/ Request for Service	Customer Satisfaction	NZSS Compliance _ Playground	NZSS Compliance _ Footbridges
Operations/ Maintenance	Normal Scheduled Maintenance / Operations	✓	✓	✓	✓
	Berm extensions, Kopuatama Cemetery		✓		
	Repaint fences, sheds Kopuatama Cemetery		✓		
	Re-level runway and maintenance, Aerodrome		✓		
	Re-paint grandstand, Victoria Park		✓		
	Clean Memorial Gates, Victoria Park		✓		
	Clean Memorial Gates, King Edward Park		✓		
Renewal/ Replacement	Garden replanting		✓		
	Street tree replacements		✓		
	Heritage trail sign replacements		✓		

Lifecycle Management

Work Category	Identified Projects	Performance Measures			
		Complaints/ Request for Service	Customer Satisfaction	NZSS Compliance _ Playground	NZSS Compliance _ Footbridges
Level of Service Improvements	Continued Park and Walkway development	✓	✓		
	Develop children's bike park		✓		
	Adrian Street Demolition		✓	✓	
	Broadway Roundabouts Garden Upgrade		✓		
	Kopuatama Cemetery Upgrade		✓		
	Midhirst Old Cemetery Pathway Upgrade		✓		
	King Edward Park Pathway to Trees of Significance		✓		
	Whangamomona Camp Ground Septic Tank		✓		

7.5.1 OPERATIONS AND MAINTENANCE

Operation and maintenance strategies cover policies that determine how the asset will be operated and maintained on a day-to-day basis to consistently achieve optimum use. A key element of asset management planning is determining the most cost-effective blend of planned and unplanned maintenance. Operating budgets are detailed in the Investment Funding Strategy Section of this document.

The operation and maintenance of assets is undertaken through:

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

The previous expenditure figures for operations and maintenance, as detailed in the Annual Plan, are presented in Figure 33. The planned works are presented in Table 44 below.

Lifecycle Management

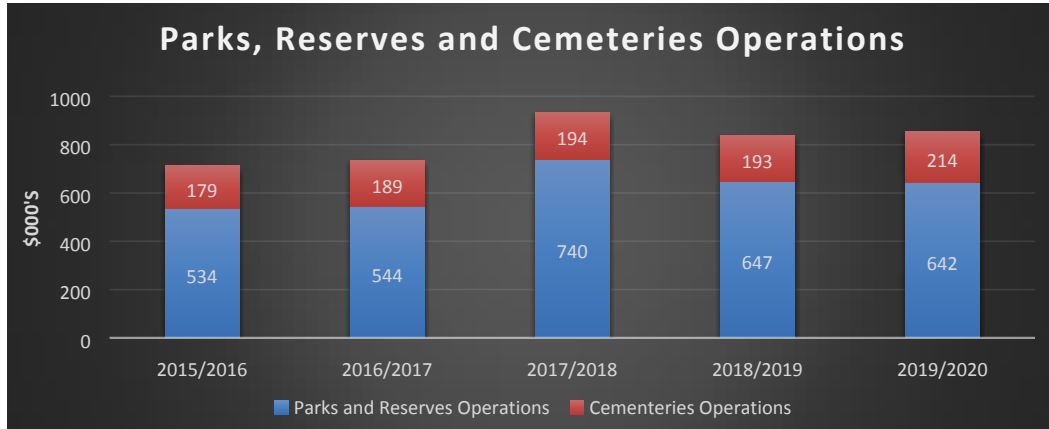


Figure 33 - Parks, Reserves and Cemeteries Expenditure Trends

Table 44 - Planned Operation and Maintenance Works

Project	2021/22	2022/23	2023/24	2024-2031
Project 1 – Berm Extensions, Kopuatama Cemetery	\$5,212	\$5,125	\$5,243	\$40,074

Problem Statement Berm extensions required to meet ongoing demand for burial plots

Benefits of investment Assists Council in meeting obligation to provide sufficient options for burial of deceased persons

Consequences of non-investment. Risk of inability to meet demand as it arises

Project	2021/22	2022/23	2023/24	2024-2031
Project 2 – Repaint fences/sheds, Kopuatama Cemetery				\$11,948

Problem Statement General wear and tear

Benefits of investment Preservation of building and structure components

Consequences of non-investment Continued deterioration of building components leading to full replacement

Project	2021/22	2022/23	2023/24	2024-2031
Project 3 – Re-level runway and maintenance, Aerodrome	\$5,000	\$4,920	\$5,243	\$40,074

Problem Statement General concern with upkeep of runway

Benefits of investment Preservation of runway and surrounding areas

Consequences of non-investment Continued deterioration of runway, causing issues for aircrafts

Lifecycle Management

Project	2021/22	2022/23	2023/24	2024-2031
Project 4 – Re-paint Grandstand, Victoria Park				\$78,144

Problem Statement General wear and tear

Benefits of investment Preservation of building components

Consequences of non-investment Continued deterioration of building components leading to full replacement

Project	2021/22	2022/23	2023/24	2024-2031
Project 5 – Clean Memorial Gates, Victoria Park		\$2,050		\$4,681

Problem Statement General wear and tear of historical structure

Benefits of investment Preservation of historic gates

Consequences of non-investment Continued deterioration of gates leading to replacement

Project	2021/22	2022/23	2023/24	2024-2031
Project 6 – Clean Memorial Gates, King Edward Park		\$2,050		\$4,681

Problem Statement General wear and tear of historical structure

Benefits of investment Preservation of historic gates

Consequences of non-investment Continued deterioration of gates leading to replacement

7.5.2 RENEWAL/REPLACEMENT

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

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

The previous expenditure figures for assets renewal/replacement, as detailed in the Annual Plan, are presented in Figure 34. The planned works are presented in Table 46 below.

Lifecycle Management

Table 45 - Renewal Justifications

Justification	Description
Asset Performance	<p>Assets fail to meet Level of Service requirements. This is identified through monitoring of asset reliability, capacity and efficiency during operation and planned maintenance inspections. Indicators of non-performing assets include:</p> <ul style="list-style-type: none"> • Structural failure • Repeated asset failure (breaks, faults) • Ineffective and/or uneconomic operation • Unsafe conditions for the public
Economics	<p>Assets are uneconomic to continue repairing them. (I.e. the annual cost of repairs exceeds the annualised cost of its renewal). Economic considerations include:</p> <ul style="list-style-type: none"> • Co-ordination of renewal works with other planned works such as asset component reconstruction. • Development of new technology, which may reduce the direct and social costs of alternative service delivery methods or repair works
Risk	<p>The risk of failure and associated environmental, public health, financial or social impact justifies proactive action (e.g. probable extent of property damage, health and safety risk). Where such assets are identified (critical assets), proactive inspection is undertaken to determine asset condition at a frequency appropriate to the risk and rate of asset decay.</p>
Life Cycle	<p>Assets have reached the end of their useful life.</p>

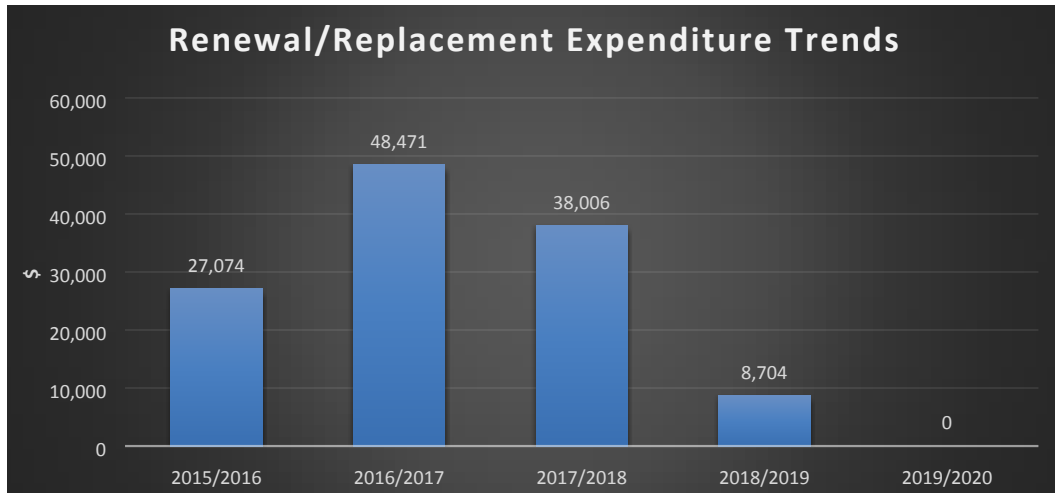


Figure 34 - Renewal/Replacement Expenditure Trends

Lifecycle Management

Table 46 - Planned Renewal/Replacement Works

Project	2021/22	2022/23	2023/24	2024-2031
Project 1 – Garden Replantings		\$40,928		
Problem Statement	Garden plants either simply die or are damaged or stolen over time, requiring replacement			
Benefits of investment	Maintain attractive appearance of town gardens			
Consequences of non-investment	Deterioration of town appearance			
Project 2 – Street tree replacements		\$40,928		
Problem Statement	Street trees simply die or are damaged over time or stolen as early planting, requiring replacement			
Benefits of investment	Maintain attractive appearance of town landscape and improve environment			
Consequences of non-investment	Deterioration of town appearance			

7.5.3 LEVEL OF SERVICE IMPROVEMENTS

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

The previous expenditure figures for level of service improvements, as detailed in the Annual Plan, are presented in Figure 35. The planned works are presented in Table 47 below.

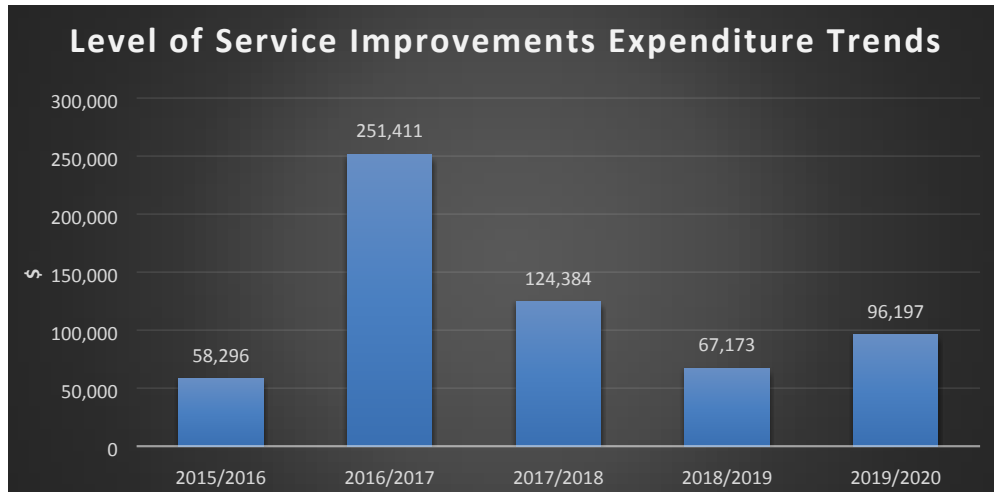


Figure 35 – Levels of Service Expenditure Trends

Lifecycle Management

Table 47 - Planned level of Service Improvement Works

Project	2021/22	2022/23	2023/24	2024-2031
Project 1 – Continued Park and Walkway development		\$16,810	\$35,232	\$36,757

Problem Statement Some parks and walkways are under developed and thus under utilised

Benefits of investment Increased usage of asset and improved safety

Consequences of non-investment Park and walkway assets unused or used in an unsafe condition

Project 2 – Develop children’s bike park	\$521,200			
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Problem Statement Parents are obliged to travel some distance for their children to learn to ride in a safe and structured environment

Benefits of investment Children will be able to learn traffic safety and to ride in a convenient location and safe environment

Consequences of non-investment Parents will be obliged to continue to travel or allow their children to learn to ride on the streets or in other less safe environments

Project 3 – Adrian Street Demolition	\$2,000			
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Problem Statement Fort is non-compliant with NZ Safety Standards

Benefits of investment Assists Council in meeting obligation to keep community safe within council owned areas

Consequences of non-investment Risk of injury to members of the public

Project 4 – Broadway Roundabouts Garden Upgrade	\$60,000			
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Problem Statement Roundabouts are ageing and risk to contractors while completing maintenance

Benefits of investment Removal of gardens will minimise maintenance and balance safety at key entry points

Consequences of non-investment Risk of injury to traffic users, pedestrians or contractors

Project 5 – Kopuatama Cemetery Upgrade		\$76,875		
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Problem Statement Pathways are disintegrating becoming unattractive and damaged

Benefits of investment Creating an appealing cemetery entrance, in conjunction with other cemetery renovations

Consequences of non-investment Maintenance costs will increase and the paths will become trip hazards

Lifecycle Management

Project 6 – Midhirst Old Cemetery Pathway Upgrade				\$31,457	
Problem Statement	Cemetery paths are ageing and disintegrating with no future maintenance programme				
Benefits of investment	To ensure this historical cemetery has a well-maintained entrance for visitors				
Consequences of non-investment	The paths will fall into further disrepair, creating more trip hazards				
Project 7 – King Edward Park Pathway to Trees of Significance		\$35,000			
Problem Statement	By not providing accessible paths to the trees of significance, the trees will never be seen				
Benefits of investment	The pathways will accentuate the trees of significance within one of Stratford's most popular walking tracks				
Consequences of non-investment	The trees of significance won't be appreciated as they are hidden away from walkway tracks				
Project 8 – Whangamomona Camp Ground Septic Tank Replacement		\$47,000			
Problem Statement	Increase in visitors to Whangamomona leading to more pressure on current septic tank				
Benefits of investment	To provide quality service, infrastructure and future needs to the community				
Consequences of non-investment	Closure to the campground may need to be considered				
Project 9 – Exercise Fitness Trail – Grant Funded			\$16,810	\$35,232	\$36,757
Problem Statement	Not providing recreational space for community and visitors of all ages				
Benefits of investment	To provide free exercise equipment for the entire community and visitors of all ages				
Consequences of non-investment	Space will only be utilised by younger age groups				

7.6. DISPOSAL STRATEGY

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

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

Lifecycle Management

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

At this time, the Stratford District Council has no plans to dispose of any Parks, Reserves and Cemeteries assets other than those that become obsolete as a result of renewal or upgrading works.

8.0 Risk Management

Risk Management

8.0: RISK MANAGEMENT

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Risk Management

8.1. OVERVIEW

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

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

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

8.2. RISK MANAGEMENT FRAMEWORK

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

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

The potential risks identified for the Property assets under these six broad categories are described in detail in [Appendix 1](#).

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

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

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

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

Risk Management

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

8.3. RISK ASSESSMENT PROCESS

The Stratford District Council's Risk Management Process in Figure 36 identifies risk management strategies to minimise risks associated with the provision of services. It is designed to ensure that:

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

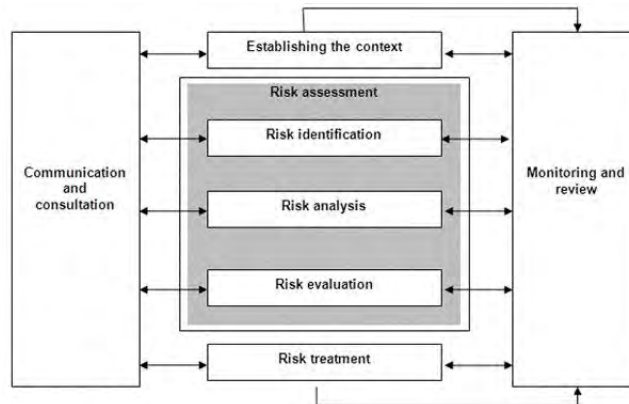


Figure 36 - Risk Management Process

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

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

Figure 37 - The Risk Matrix – Sourced from Vault, the Council's risk software

8.4. POTENTIAL RISKS

The Stratford District Council has made a number of risk assumptions¹ under the six broad risk areas of Compliance and Legislation, Data Information, Financial, Health and Safety Wellbeing, Operational, & Reputational and Conduct. These are presented in [Appendix 1](#).

¹ statements that are presumed to be true without concrete evidence to support them

Risk Management

8.5 TOP TEN RISKS

The Stratford District Council has identified the top ten Parks, Reserves and Cemeteries risks from the 6 categories in the Risk Management Framework ([Appendix 1](#)) in Table 48.

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

Table 48 - Top Ten Identified Parks, Reserves and Cemeteries Risks

	Risk Subject	Risk Descriptions	Risk Score Raw	Control Description	Residual Risk Score	
1.	Compliance and Legislation	Property and Parks - Non-Compliance	8 High	If Council does not comply with its obligations under legislation (eg. Resource Management Act 1991, Building Act 2004, Health and Safety at Work Act 2015) then administrative fines and penalties may result, and reputational damage.	Ensure maintenance contractor and Council staff members are trained and up to date with all legislative requirements impacting on property and park assets. Ensure maintenance contracts have robust out-clauses that cover a range of situations where non-compliance or unsatisfactory work is identified. Council has secured public liability insurance and statutory liability insurance.	4 Moderate
2.	Compliance and Legislation	Activity Management Plans	6 High	If AMPs are incomplete then capital programmes, condition of assets, life cycle management will not be realised	AMPs are reviewed every 3 years to address current problems and issues at the time in order to develop work programmes for the next 3 years	4 High
3.	Financial	Significant Population Reduction	5 High	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.	Ensure variable costs are clearly identifiable, and therefore able to be isolated and adjusted if ratepayer base reduced.	4 High
4.	Financial	New Regulations require Significant Investment	6 High	If new environmental regulations or legislation imposed on councils requires a significant increase in capital expenditure, then the ability to finance investment could be compromised and rates increases could breach limits.	Work within approved budgetary constraints and achieve cost efficiencies regularly so that council can weather any necessary investment in order to be compliant with changing legislative environment.	4 High

Risk Management

	Risk Subject	Risk Descriptions	Risk Score Raw	Control Description	Residual Risk Score
5. Health and Safety Wellbeing	Armed Robbery	If there is an armed robbery at any of council's services centres, then there is the potential for death or serious harm.	8 High	Establish emergency procedures, including use of panic buttons. Security cameras in place. Ensure staff are trained to deal with potential threat. Design / limit access to building so that threats are minimised.	4 High
6. Operational	Natural Disaster - Response preparedness	If a Natural Disaster causes significant damage to infrastructure then community welfare may be severely compromised, putting peoples lives at risk, and staff may be unable to access systems to carry out their day to day duties and functions.	15 Very High	Civil Defence Emergency Management plans are in place. Procedures following an emergency event are widely known by a number of staff due to Civil Defence Foundational training being rolled out to majority of council staff. Business Continuity Plans need to be in place and practiced regularly for all activities.	12 Very High
7. Operational	Disease Outbreak	If there is a human disease outbreak in the district, then this could impact staff and contractors staff and the community access to healthcare is limited so it could result in population decline.	5 High	Health and Safety Advisor to keep aware of any public health notifications of disease outbreaks. Ensure there is a plan to respond to any notifications. Civil Defence covers infectious human disease pandemics and will take responsibility for local management. Follow Ministry of Health's NZ Influenza Pandemic Action Plan.	4High
8. Operational	Critical Asset Failure	If a critical property asset fails, then unexpected financial burden may arise and there could be significant disadvantage and risk to the community.	15 Very High	Conduct 2 yearly Asset Criticality Review. Ensure there are established Civil Defence Emergency Management response procedures in relation to fixing critical assets in an emergency event. Management practices and staff training, retention to ensure appropriate skill level in critical asset maintenance. Consider suitable alternative routes to maintain access.	4 High
	Government Policy Impacting on Local Government	If Government Policy significantly changes the services Council delivers or the way they are delivered, then this could put financial pressure on the district to fund investment in changes, or	12 Very High	Where a policy change may have a significant impact Council can make a submission regarding the change. Council officers and elected members need to keep up to date with policy, and	8 High

Risk Management

	Risk Subject	Risk Descriptions	Risk Score Raw	Control Description	Residual Risk Score
9.	Operational	it may mean previous investment has become redundant.		anticipate potential impacts of legislative changes and respond strategically, This could include joint collaboration with business and other councils, accessing alternative funding sources, or obtaining legal or professional advice.	
10.	Reputational And Conduct	Elected members make significant decisions in relation to the Long Term Plan budget setting. This has an impact on the Property Activity Management Plan and the work programmes that are developed throughout the 3 year period. This could have an impact on the levels of service for the community.	12 Very High	Relies on the accuracy and quality of the advice given by staff to elected members -	4 High

8.6 RISK RESPONSE

The Stratford District Council has a suite of response strategies for the potential risks identified above, They include avoiding, exploiting, transferring/sharing, reducing or accepting the risk. These response strategies are summarised in Table 49 below.

Table 49 - Risk Response Strategies and Definitions

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

Risk Management

8.7 SIGNIFICANT NEGATIVE EFFECTS

The provision of parks, reserves and cemeteries do not present any negative impacts.

8.8 CRITICALITY

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

Parks, Reserves and Cemeteries assets are considered critical by Stratford District Council because they provide space which can be utilised for civil defence emergency related activities, e.g. tents for accommodation and operational purposes.

8.8.1 CRITICALITY EVALUATION

The Stratford District Council establishes criticality by using two rating levels - activity level and corporate level. **Activity level criticality** is based on the criticality criteria shown in Table 50 and Table 51 provides the **Activity Level Criticality Rating** with examples. **Corporate level criticality** ranks activities based on the criticality of the service the activity provides at corporate level as illustrated in Table 52 below.

Table 50 - Activity Level Criticality Criteria

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

Table 51 - Activity Level Criticality Rating and Examples

Rating ID	Rating	Description	Example
1	Very High	Critical, no redundancy - Failure of equipment compromises H&S directly (impact, explosion) or indirectly (failure to supply drinking water to hospital).	Operational Cemeteries
2	High	Critical, no redundancy - Failure of equipment does not compromise H&S but affects production or Level of Service	Sportsgrounds
3	Medium	Critical with redundancy - Failure of equipment does not compromise H&S but affects production or Level of Service	Victoria Park Playground and Skate Park
4	Low	Not critical, no redundancy - Failure of equipment has no effects on H&S and/or production/Level of Service but cost of repair/replacement is above \$100k	Rural Domains
5	Very Low	Not critical, no redundancy - Failure of equipment has no effects on H&S and/or production/LoS and cost of repair/replacement is below \$100k	Closed Cemeteries

Risk Management

Table 52 - Corporate Level Criticality

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

8.8.2 CRITICAL ASSETS

Critical assets are documented in the asset information management system (AssetFinda). The assets are shown in Table 53. The identified critical assets are ranked according to their functional criticality, activity and corporate level criticality.

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

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

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

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

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

Following the review we have undertaken the following:

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

The review also confirmed that the critical assets for the Parks, Reserves and Cemeteries activity are as follows:

Table 53 - List of Critical Park, Reserve, and Cemetery Assets

Activity Priority	Criticality Rating			Asset Description	Criticality Description
	Functional Criticality	Activity Level	Corporate Level		
1	2	1	2	Operational Cemeteries	Availability of burial sites essential for public health. In addition to the public health aspect, inability for a family to bury a family member in a timely fashion can have psychological effects.
2	10	2	5	Primary Sportsgrounds	These are limited in number, generally specialist in nature and have a high public profile. There would be a

Risk Management

Activity Priority	Criticality Rating			Asset Description	Criticality Description
	Functional Criticality	Activity Level	Corporate Level		
					significant impact on recreational activities if these are unavailable.
3	15	3	5	Victoria Park Playground and Skate Park	This is the district's largest and most popular playground. There would be an impact if these are unavailable but it would not be significant to the individual user although the number of users is high.
4	20	4	5	Primary Rural Domains	At times these can have reasonably high levels of use and the impact of unavailability would impact accordingly.
4	20	4	5	Secondary Sportsgrounds	Used primarily for training purposes. There would be impact on users if these were unavailable but other facilities are available.
4	20	4	5	Secondary Playgrounds	Impact would not be significant to the individual user; however, the number of users is high.
4	20	4	5	Walkways	Impact would not be significant to the individual user; however, the number of users is high.
5	25	5	5	Closed Cemeteries	Due to the age of these facilities and limited visitation the impact of unavailability would be minimal.
5	25	5	5	Secondary Rural Domains	Due to the minimal use of these reserves the impact of unavailability would be minimal.

8.9 EMERGENCY RESPONSE

8.9.1 CIVIL DEFENCE

The Taranaki Region operates a CDEM (Civil Defence Emergency Management) Group Office, called the Taranaki Emergency Management Office (TEMO). TEMO is a shared service between all four councils in Taranaki. In 2017 The Taranaki CDEM group agreed to a constituting agreement that outlined the separate roles of the Group Office (TEMO), Taranaki Regional Council, and the three district councils. Funding for this arrangement comes from the *'Uniform Annual General Charge; (UAGC) Rates*. The Stratford District Council has plans and resources in place to ensure it can;

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

Risk Management

8.9.2 FIRE

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

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

8.9.3 LIFELINES

Lifeline utilities are entities that provide essential infrastructure services to the community such as water, wastewater, transport, energy and telecommunications. These services support communities, enable business, and underpin the provision of public services. The Parks, Reserves and Cemeteries Activity is not a lifeline service as described in Part B of Schedule 1 of the Civil Defence Emergency Management Act 2002. However, they provide open space areas that would be used in an emergency situation which links it to activities which are considered lifeline services.

8.9.4 INCIDENT RESPONSE PLANS

Stratford District Council has an Incident Response Plan for this activity. The plan contains schedules and procedures for managing incidents and escalating events that affect the delivery of services. Incidents are ranked on a scale of 1 – 5 to determine response and control level. (See Table 54).

Table 54 - Incident Response Levels

Level	Action
Level 1	<ul style="list-style-type: none"> Contractor actions and informs Stratford District Council after event
Level 2	<ul style="list-style-type: none"> Contractor actions and accepts direction from Stratford District Council
Level 3	<ul style="list-style-type: none"> Decision making by Stratford District Council, Parks and Property Manager
Level 4	<ul style="list-style-type: none"> Decision making solely by Stratford District Council, Parks and Property Manager and Director Assets
Level 5	<ul style="list-style-type: none"> Decision making in consultation with Group Controller Civil Defence Emergency Management Group (CDEM)

Risk Management

8.10 RISK INSURANCE

The Local Government Act 2002 requires that from 2014 details of insurance of assets are to be included. This information is included in the following table. Insurance Arrangements as at 30 June 2020 are as follows:

Figure 38 - Asset Insurance Valuations

	CARRYING VALUE (as at 30 June 2020) \$000
ASSETS FROM STATEMENT OF FINANCIAL POSITION	
Property, plant and equipment	328,554
Investment property	168
Total	328,722
LESS	
Land component of operational assets	-8,998
Land under roads	-54,384
Land – restricted assets	-8912
Total	-72,294
NET NON-FINANCIAL ASSETS (EXCLUDING LAND)	256,428

	INSURED VALUE (as at 30 June 2020) \$000	
INSURANCE ARRANGEMENTS		
Material damage cover for buildings, plant, contents	-51,317	Subject to various deductibles including \$5k for most claims except for earthquake or volcanic eruption where deductible is 5% of sum insured or 10% for pre 1935 buildings.
Motor vehicle insurance cover (including leased vehicles)	-183	Insured for market value – carrying value assumed for this purpose.
RISK SHARING ARRANGEMENTS		
Cover for infrastructure assets as a member of LAPP	-22,100	Sum equates 40% of the ORV value of scheduled assets. A deductible of \$150,000 applied. It is anticipated (though cannot be guaranteed) that under the terms contained in the Guide to Civil Defence Emergency Management Plan central government may fund 60% of the qualifying cost of reinstating essential infrastructure with a deductible of \$150,000
Central Government assistance		
Council arrangements for covering deductibles and/or uninsured assets	73,600	
SUM NOT SPECIALLY INSURED	182,828	Note the 60% of the ORV of infrastructure assets which may be funded by central government equates \$33.1m.

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

Risk Management

8.11 PUBLIC HEALTH

As described in Section 2 of this plan, the Stratford District Council undertook an assessment of water and sanitary services in 2021. In relation to cemetery services currently provided by Stratford District Council the assessment concluded:

- | | |
|-----------------------|--|
| Kopuatama Cemetery | <ul style="list-style-type: none"> • The cemetery meets required Levels of Service. • The cemetery has enough room for approximately a further 684. • Stratford District Council has made provision for operating a cemetery into the future. • There are no public health issues identified at this time. |
| Midhurst New Cemetery | <ul style="list-style-type: none"> • The cemetery meets required Levels of Service. • The cemetery has sufficient capacity to meet future demand. • There are no public health issues through absence of service identified at this time. |

The Action for the 2018 and 2021 Assessments are for the Council to:

- *Complete the study currently on hold to identify the feasibility of re-opening the existing Whangamomona cemetery;*
- *Commence the feasibility study to extend the capacity of the Stratford Cemetery due in the next few years*

In relation to areas of the District where there is no cemetery the assessment found no evidence of any risk to public health.

8.12 HEALTH AND SAFETY

8.12.1 HEALTH AND SAFETY ADVISOR

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

8.12.2 HEALTH AND SAFETY POLICY

In 2016 Stratford District Council reviewed and updated its Health and Safety Policy to better reflect legislative requirements. This was to reinforce its commitment to the philosophy that the health and safety of its employees, volunteers, contractors and subcontractors is of prime importance. SDC is committed to ensuring its operations are conducted in a safe and efficient manner that will not incur injury to personnel or damage to the environment.

8.12.3 INCIDENT/ACCIDENT REPORTING

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

9.0

Investment Funding Strategy

Investment Funding Summary

9.0: INVESTMENT FUNDING STRATEGY

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Investment Funding Summary

9.1 OVERVIEW

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

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

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

9.2 FINANCIAL STANDARDS

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

9.3 FUNDING AND FINANCIAL POLICIES

The Local Government Act 2002 in Section 102 requires that the Stratford District Council '*must, in order to provide predictability and certainty about sources and levels of funding, adopt the funding and financial policies listed*' below:

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

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

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

9.3.1 REVENUE AND FINANCING POLICY

The *Revenue and Financing Policy* sets out Stratford District Council's policies in respect of the funding for capital and operating expenditure. The current policy was reviewed in December 2017. The funding sources are detailed in the LTP 2021-2031 and include general and targeted rates, borrowing, grants and subsidies, etc.

9.3.2 TREASURY MANAGEMENT POLICY

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

Investment Funding Summary

9.3.3 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 (9) of the *Resource Management Act (RMA) 1991*.

9.4 FUNDING OUR INVESTMENT STRATEGY

The Council's Investment Strategy covers how the Stratford District Council plans to deliver on the services it offers whilst achieving value for money, with a key focus on future-proofing Council's assets.

The Council has determined that capital projects to manage the Parks, Reserves and Cemeteries for the next 10 years - including Renewal/Replacement projects and Level of Service Improvements - will be funded as per the Revenue and Financing Policy, through one or a combination of the following sources:

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

Generally, the Council expects that:

- Renewal or Replacement projects will be equally funded from Loans and Reserves;
- Level of Service Improvements projects will be funded from a combination of loans and alternative funding sources. Where appropriate, the Council submits funding requests to the *TSB Community Trust (TSB)* and the *Taranaki Electricity Trust (TET)*. The Council also applies to the *Ministry of Business, Innovation and Employment (MBIE)* for tourism grants and initiatives.
- Operations and Maintenance activities will be funded through Rates.

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

A summary of Council's Investment Funding Strategy is shown in Figures 39 and 40. Tables 55 to 57 provide the financial projections for the activities.

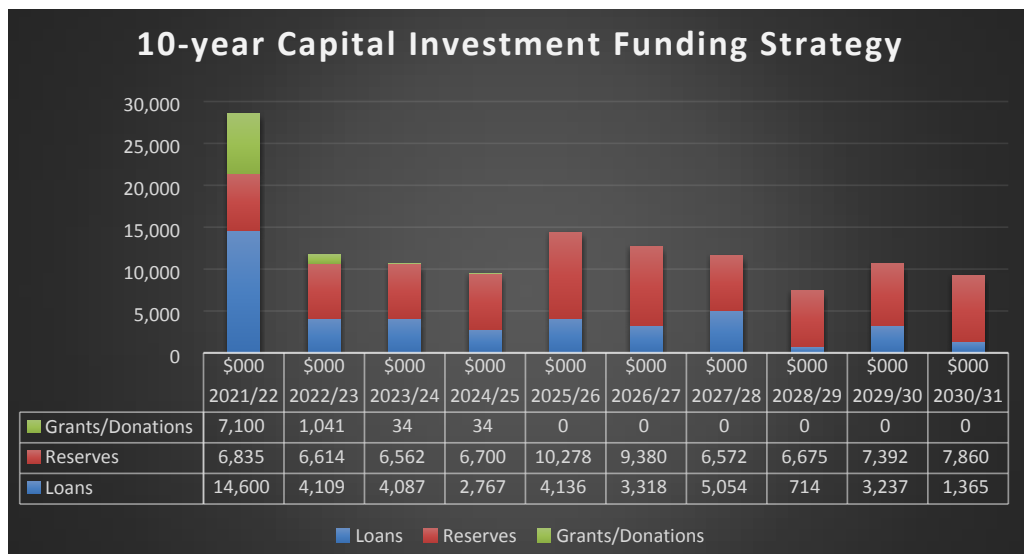


Figure 39 – All Assets Capital Investment Funding Strategy

Investment Funding Summary

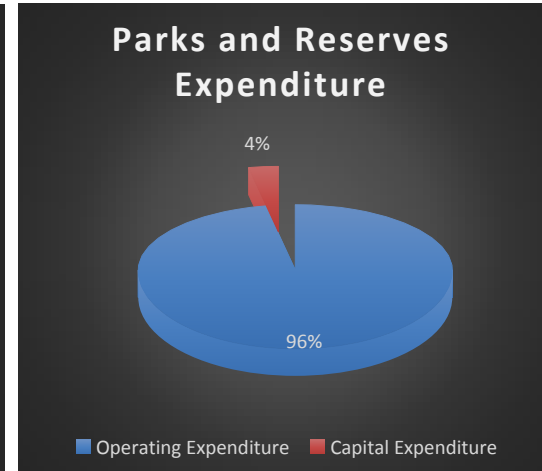
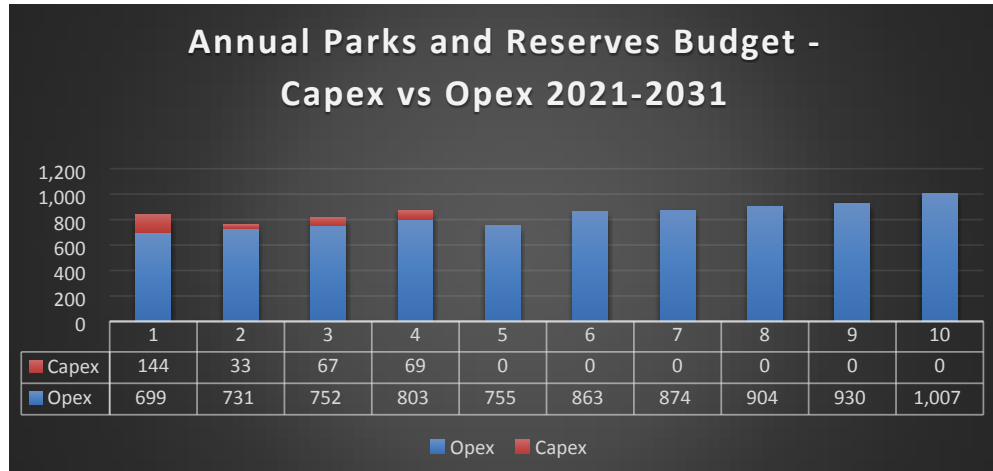


Figure 40: Parks and Reserves Expenditure Split – Operating vs Capital

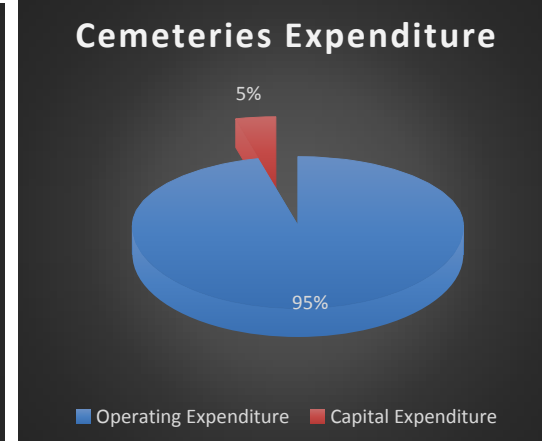
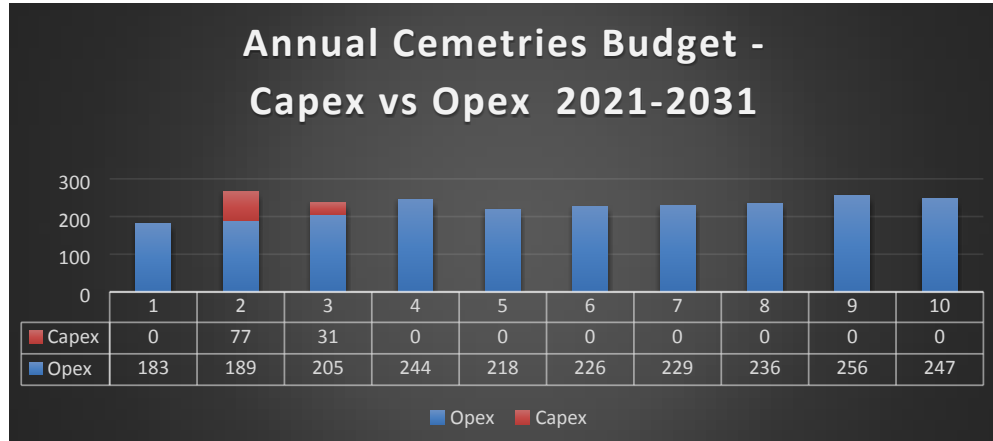


Figure 41 - Cemeteries Expenditure Split – Operating vs Capital

Investment Funding Summary

9.5 RELIABILITY OF OUR INVESTMENT STRATEGY

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

- The Council attracts revenue from *Fees and Charges*, however; the main funding source is Rates. Rates will be confirmed for the 2021-2024 period via the appropriate processes for inclusion in the LTP 2021-2031. Once adopted, the rates in the LTP 2021-2031 will constitute a reliable funding source for the delivery of the parks, reserves and cemetery services; and
- The Council is confident in its ability to raise funds within our financial strategy limits, and is reasonably certain that it would secure loans at affordable interest rate throughout this period.

Investment Funding Summary

9.6 FINANCIAL STATEMENTS AND PROJECTIONS

Table 55 - All Asset Capital Expenditure Projection

	Forecast	Projection								
	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
<u>Roading</u>										
Level of Service Improvement	350	619	1,221	929	7,028	5,554	417	306	630	324
Replacements	5,413	4,983	4,920	4,983	4,977	5,085	5,436	5,446	5,983	6,452
<u>Stormwater</u>										
Level of Service Improvement	252	292	533	275	283	291	300	310	321	331
Replacements	53	55	56	167	59	61	63	65	67	122
<u>Water Supply</u>										
Level of Service Improvement	1,780	1,904	369	673	390	401	4,289	37	38	0
Replacements	695	812	510	414	443	496	452	486	502	498
<u>Solid Waste</u>										
Level of Service Improvement	0	0	0	0	0	0	0	0	0	0
Replacements	0	10	0	11	0	11	0	12	14	12
<u>Wastewater (Sewerage)</u>										
Level of Service Improvement	800	362	380	273	281	288	238	184	178	839
Replacements	213	252	258	200	228	211	218	262	271	305
<u>Parks & Reserves</u>										
Level of Service Improvement	97	110	99	69	0	0	0	0	0	0
Replacements	47	0	0	0	0	0	0	0	0	0
<u>Property</u>										
Meet Additional Demand	1,200	1,025	1,049	0	0	0	0	0	0	0
Level of Service Improvement	17,335	1,112	609	607	442	171	64	63	2,454	68
Replacements	114	6	59	114	7	7	7	7	17	8
<u>Administration</u>										
Replacements	186	222	621	788	276	121	142	210	153	266
<u>TOTAL PROJECTS (excl GST)</u>										
	28,535	11,764	10,683	9,501	14,414	12,698	11,626	7,389	10,629	9,225
<u>FUNDING</u>										
Loans	14,600	4,109	4,087	2,767	4,136	3,318	5,054	714	3,237	1,365
Section sales	0	0	0	0	0	0	0	0	0	0
Cash from Investments	0	0	0	0	0	0	0	0	0	0
Reserves	6,835	6,614	6,562	6,700	10,278	9,380	6,572	6,675	7,392	7,860
Grants/Donations	7,100	1,041	34	34	0	0	0	0	0	0
Rates	0	0	0	0	0	0	0	0	0	0
NZTA Financial Assistance	0	0	0	0	0	0	0	0	0	0
<u>TOTAL (excl GST)</u>										
	28,535	11,764	10,682	9,501	14,414	12,698	11,626	7,389	10,629	9,225

Investment Funding Summary

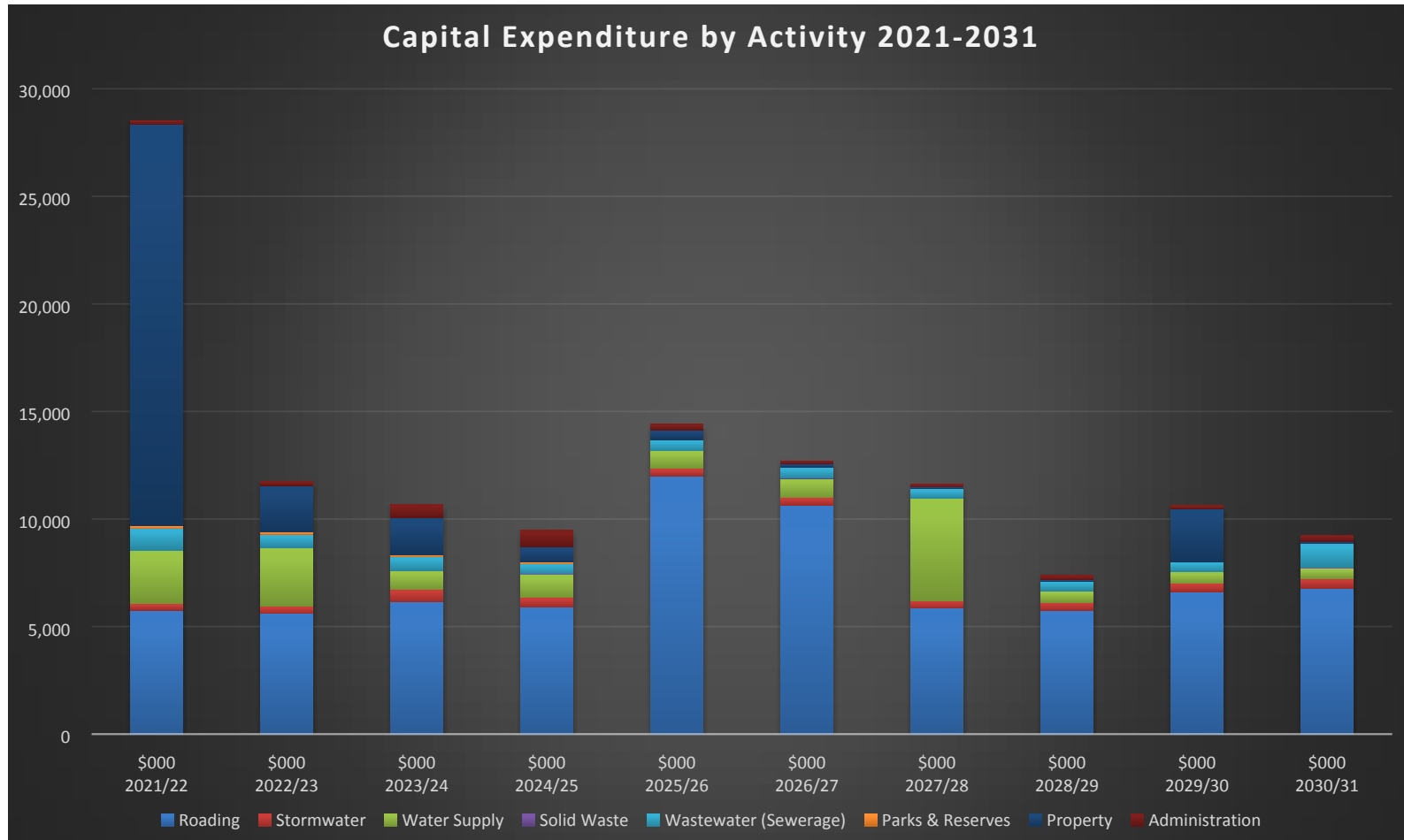


Figure 42 Capital Expenditure by Activity - All Assets

Investment Funding Summary

Table 56 - Parks and Reserves Total Expenditure and Funding Projection

Budget 2017/18 \$000	Parks and Reserves	Forecast	Projection								
		2021/22 \$000	2022/23 \$000	2023/24 \$000	2024/25 \$000	2025/26 \$000	2026/27 \$000	2027/28 \$000	2028/29 \$000	2029/30 \$000	2030/31 \$000
778	Operating Expenditure	699	731	752	803	755	863	874	904	930	1,007
9	Revenue	9	9	9	10	10	10	10	10	11	11
769	Net Cost of Service	690	722	743	793	745	853	864	893	920	996
EXPENDITURE											
498	Operating Costs	468	487	498	544	533	582	594	612	630	708
6	Interest	6	7	8	9	9	9	10	10	9	9
144	Depreciation	93	102	104	107	118	118	118	127	127	127
130	Allocated Overheads	131	135	143	142	95	154	152	155	164	162
778	Total Operating Expenditure	699	731	752	803	755	863	874	904	930	1,007
9	Principal Loan Repayments	12	13	14	15	15	14	14	13	12	12
680	Capital Expenditure	144	33	67	69	0	0	0	0	0	0
1,467	Total Expenditure	854	778	833	886	770	877	888	917	943	1,019
FUNDED BY:											
9	Charges for Services	9	9	9	10	10	10	10	10	11	11
9	Revenue	9	9	9	10	10	10	10	10	11	11
777	General Rates	693	726	746	796	748	856	867	896	923	1,000
0	UAGC	0	0	0	0	0	0	0	0	0	0
0	Targeted Rates	0	0	0	0	0	0	0	0	0	0
626	Grants and Donations	0	16	34	34	0	0	0	0	0	0
0	Transfer (to) from Reserves	0	0	0	0	0	0	0	0	0	0
(10)	Transfer (to) Turf Replacement Reserve	(10)	(10)	(10)	(10)	(10)	(10)	(10)	(10)	(10)	(10)
0	Depreciation funded from Reserves	0	0	0	0	0	0	0	0	0	0
54	Loan Funding - Capital	97	16	34	34	0	0	0	0	0	0
9	Transfer from Reserves	59	13	14	15	15	14	14	13	12	12
2	Other Funding	7	7	7	7	7	7	7	7	6	6
1,467	Total Funding	854	778	833	886	770	877	888	917	943	1,019

Investment Funding Summary

Table 57 - Cemeteries Total Expenditure and Funding Projection

Budget 2017/18 \$000	Cemeteries	Forecast	Projection									
		2021/22 \$000	2022/23 \$000	2023/24 \$000	2024/25 \$000	2025/26 \$000	2026/27 \$000	2027/28 \$000	2028/29 \$000	2029/30 \$000	2030/31 \$000	
180	Operating Expenditure	183	189	205	244	218	226	229	236	256	247	
85	Revenue	92	95	97	99	101	103	106	108	110	113	
95	Net Cost of Service	90	94	108	145	117	122	123	128	145	134	
EXPENDITURE												
113	Operating Costs	118	121	125	161	132	136	140	144	160	152	
0	Interest	0	1	2	3	2	2	3	3	3	2	
9	Depreciation	7	7	15	18	19	19	19	20	20	20	
58	Allocated Overheads	58	60	64	63	64	68	67	69	73	72	
180	Total Operating Expenditure	183	189	205	244	218	226	229	236	256	247	
0	Principal Loan Repayments	0	2	4	4	4	4	4	4	3	3	
0	Capital Expenditure	0	77	31	0	0	0	0	0	0	0	
180	Total Expenditure	183	267	240	248	222	230	232	239	259	250	
FUNDED BY:												
85	Charges for Services	92	95	97	99	101	103	106	108	110	113	
85	Revenue	92	95	97	99	101	103	106	108	110	113	
94	General Rates	87	92	108	146	118	124	125	129	146	138	
0	UAGC	0	0	0	0	0	0	0	0	0	0	
0	Transfers (to) from Reserves	0	0	0	0	0	0	0	0	0	0	
0	Transfer from Reserves	0	0	0	0	0	0	0	0	0	0	
180	Total Funding	183	267	240	248	222	230	232	239	259	250	

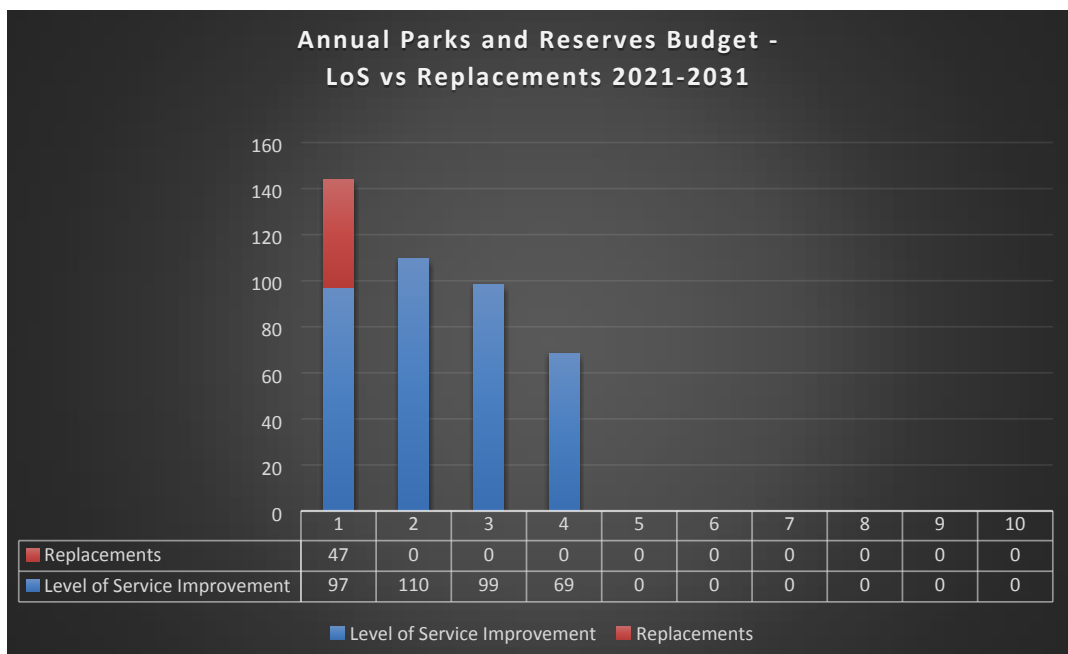
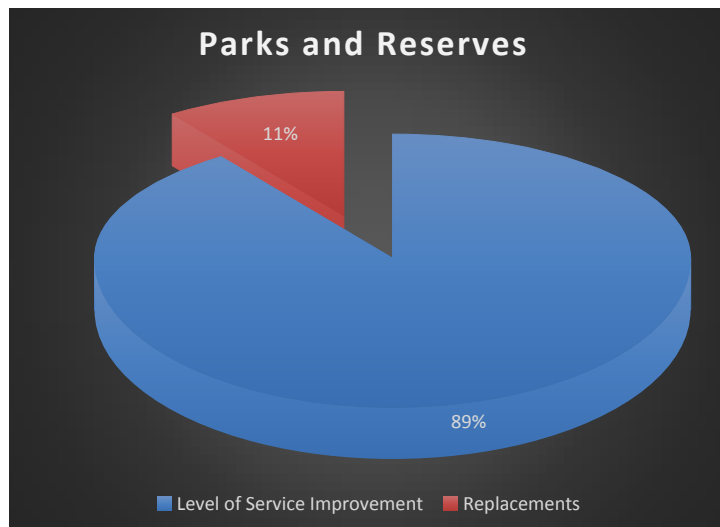


Figure 43: 10-year Capital Expenditure Budget – Parks and Reserves

10.0

Asset Management Practices and Improvement Plan

Asset Management Practices and Improvement Plan

10.0: ASSET MANAGEMENT PRACTICES AND IMPROVEMENT PLAN

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Asset Management Practices and Improvement Plan

10.1 OVERVIEW

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

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



Figure 44 - Asset Management Improvement Process

10.2 ASSET MANAGEMENT PRACTICES

10.2.1 ASSET MANAGEMENT POLICY

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

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

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

10.2.2 ASSET MANAGEMENT GOALS AND OBJECTIVES

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

- Provide for good quality infrastructure and local public services that are efficient, effective and appropriate for current and future generations.
- Meet the foreseeable needs of the community.
- Ensure that assets are planned for, created, replaced and disposed of in accordance with Council priorities as determined in the Long Term Plan.
- Ensure all legal delegations are met.
- 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.
- Ensure assets are managed to meet agreed customer levels of service.
- Ensure assets are managed and delivered in accordance with the strategies stated in the Activity Management Plans.
- Ensure data collection systems are in place to collect, store, maintain and use for prudent management of Council owned assets.

Asset Management Practices and Improvement Plan

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

- 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 developments 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 is in place 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.
- The design, construction and maintenance of assets are ensured, so far as is reasonably practical, without risk to the health or safety of any person.

10.2.3 ACTIVITY MANAGEMENT PLAN DEVELOPMENT

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

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

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

The review process considers the overall impact of the planned programme to deliver the defined levels of service through the ongoing development of the AMP. This review/AMP development process moderates competing priorities within the context of community affordability and may result in some projects being deferred or budgets being re-prioritised. Figure 42 below shows a graphical display of the AMP development process.

10.2.4 ASSET MANAGEMENT MATURITY

The five levels of activity management plan maturity are shown in Figure 43 and are; Aware, Basic, Core, Intermediate, and Advanced. We have assessed that our asset management system maturity is predominantly at the 'core' level. It is largely based on the long-term knowledge of the asset management team. It contains asset data that has been collected over time and held in asset management information systems.

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

Our target is to develop our asset management practices and processes to an 'intermediate' level of maturity where appropriate. The Council is in the process of assessing our asset management maturity level to identify areas for improvement. The Council is considering options for undertaking a formal assessment of our asset management maturity.

Asset Management Practices and Improvement Plan

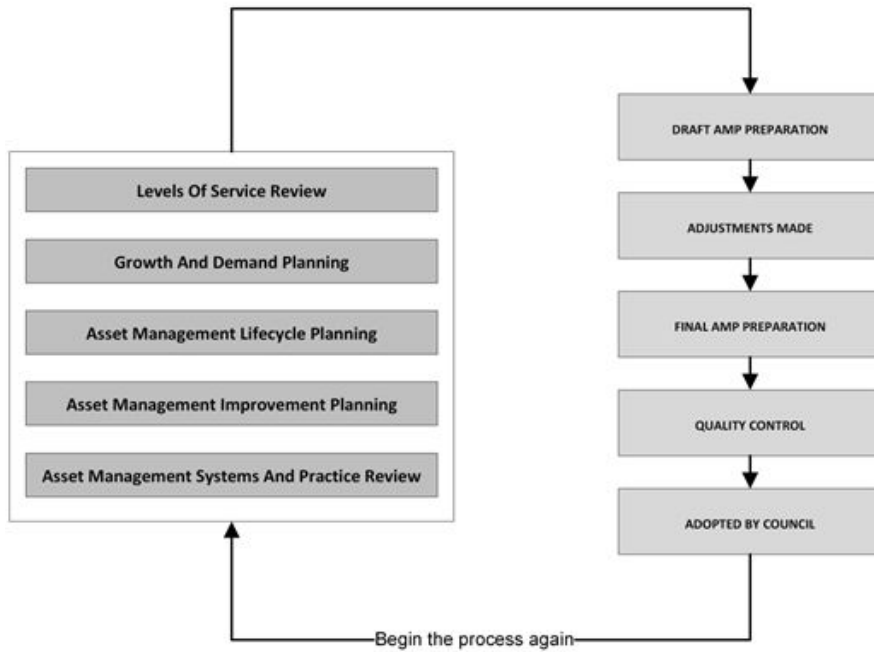


Figure 45 - Activity Management Plan Development Process



Figure 46 - Asset Management System Maturity Index

Asset Management Improvement Plan and Monitoring

10.3 ASSET MANAGEMENT IMPROVEMENT PLAN

The Table below identifies asset management improvements made for this Activity since 2015 and lists future improvement actions.

Table 58 - Asset Management Improvement Plan

Asset Management Practice Area	Improvement/s Made	Date in Place	Future Improvements	Section Identified	Responsibility	Due Date
Parks and Reserves Bylaw	New Parks and Reserves Bylaw and Cemeteries Bylaw created	2020	Review of the Parks and Reserves Bylaw and the Cemeteries to ensure effective management, regulation and protection of the parks and reserves	2.4	Parks, Reserves & Cemeteries Officer Director, Assets	Ongoing
Asset Register Data	Process for verifying data accuracy now in place and documented in Activity Management Plan.	2016	Verifying existing data held in AssetFinda against hard copy inspection forms and contractor reports	3.4	Parks, Reserves & Cemeteries Officer Director, Assets	Ongoing
Asset Condition	Condition Grading System now in place and documented in Activity Management Plans.	2016	Continue to use information collected from maintenance tasks to update asset condition data	3.6	Parks, Reserves & Cemeteries Officer	Ongoing
Asset Information		2016	Inspection of Domains Yearly on-site inspections will occur to ensure that all Reserves are managed and maintained in accordance with their Management Agreements.	3.5.7	Parks, Reserves & Cemeteries Officer	Ongoing
Future Growth and Demand	Enable identification of areas that are likely to experience significant pressures and plan accordingly.	2016	Further assessment needed to assess the impacts of growth demands on the adequacy of the existing Parks, Reserves and Cemeteries assets and activities.	4.3.1	Parks, Reserves & Cemeteries Officer Director, Assets	Ongoing

Asset Management Improvement Plan and Monitoring

Asset Management Practice Area	Improvement/s Made	Date in Place	Future Improvements	Section Identified	Responsibility	Due Date
Levels of Service and Performance Management	Department of Internal Affairs (DIA) Mandatory Performance Measures in place.	2015-2017	Reviewed annually to ensure they are still relative	5.4	Parks, Reserves & Cemeteries Officer Director, Assets	Ongoing
Capital Works Planning	Capital projects are proposed for each Long Term Plan review	2015	Every 3 years Early Conversation papers are prepared and presented to Elected Members for direction on proposed projects	6.3	Parks, Reserves & Cemeteries Officer Director, Assets	Ongoing
Management Systems	Management Strategies are in place for the overall management of the infrastructure	2015	Strategies are prepared and reviewed as required	7.3	Parks, Reserves & Cemeteries Officer Director, Assets	Ongoing
Operational Planning	Determines how the asset will be operated and maintained on a day-to-day basis	2015	Planned works are considered annually	7.5.1	Parks, Reserves & Cemeteries Officer	Ongoing
Risk Management	AMP risks now aligned with the Corporate risks	2020	Continuous review of the risks for Parks, Reserves and Cemeteries	8.5	Parks, Reserves & Cemeteries Officer	Ongoing
Risk Management - Public Health	Water and Sanitary Services Assessment has been reviewed.	2021	Review Council's Water and Sanitary Services Assessment to ensure the cemeteries capacity for internments is sufficient for the future	8.11	Parks, Reserves & Cemeteries Officer	Ongoing
Financial and Funding Strategies	SDC has adopted all the relevant funding and financial policies required.	2015	The policies are renewed as required	9.3	Parks, Reserves & Cemeteries Officer Director, Assets	Ongoing

Asset Management Improvement Plan and Monitoring

Asset Management Practice Area	Improvement/s Made	Date in Place	Future Improvements	Section Identified	Responsibility	Due Date
AM Plans	Document template updated to better reflect IIMM, Audit requirements. Draft documents saved to TRIM to enable direct contribution from Asset Managers.	2020	Ongoing and the AMP's next review is due 2023	10.2.3	Parks, Reserves & Cemeteries Officer Asset Management Coordinator	Ongoing
AM Policy Development	Asset Management Policy developed and adopted by Council on 26/01/2016	2016	Review completed May 2020. Next review due May 2023	10.2.1	Parks, Reserves & Cemeteries Officer Director, Assets	2023

APPENDICES

Appendix 1 - Parks, Reserves and Cemeteries Risk Assessment

Appendix 2 - Parks, Reserves and Cemeteries Operational Documents

Appendix 1 - Parks, Reserves and Cemeteries Risk Assessment

COMPLIANCE AND LEGISLATION RISKS

1. Compliance and Legislation Risk Assessment				
Risk Subject	Risk Description	Risk Score Raw	Control Description	Residual Risk Score
Legislation Changes	If changes to legislation or case law occur and are not implemented by staff, then council may be acting illegally and in breach of legislation.	4 High	Regular review and update Legislative Compliance Register. Staff training and attending relevant industry conferences. Regular policy review to ensure policies and procedures are in line with legislation changes.	2 Moderate
Incorrect Planning Advice	If Council provides wrong advice on LIM's in relation to projects/programmes, then it could be subject to a judicial review or similar form of dispute process involving legal costs, possible fines, and reputational damage.	3 Moderate	Quality assurance. Resourcing and ongoing training of competent staff. Low tolerance for poor quality documentation from consent applicants. Good quality legal counsel. Council has professional indemnity, public liability, and statutory liability insurance. Review of 30 year Infrastructure Strategy.	1 Low
Statutory Reporting Commitment	If Council does not meet statutory commitments then it may be acting illegally and receive attention from Ministry which could result in financial penalty and council functions being removed.	3 Moderate	Quality assurance. Resourcing levels maintained. Schedule of dates and commitments is regularly maintained and updated by the Property Manager. Regular review and update of Legislative Compliance Register.	1 Low
Bylaws and Policies	If Council fails to keep Policies and Bylaws up to date, then the Policies will become irrelevant and Bylaws may become unenforceable and council could be acting illegally.	8 High	Quality assurance, Resourcing levels maintained, Regular Policy Schedule review by CEO. Regular review of Bylaw timetable maintained in Content Manager.	3 Moderate
Issue Regulatory Licence or Decision	Food/Health, Alcohol, Parking - IF Council issues a licence or decision that is not consistent with legislation, policy or bylaws, THEN Council may be subject to a judicial review or a similar form of dispute process.	3 Moderate	Quality assurance, Ongoing training around the changes in legislation. Keep bylaws and policies up to date with legislation.	1 Low
Property and Parks - Non-Compliance	If Council does not comply with its obligations under	8 High	Ensure maintenance contractor and Council	4 Moderate

1. Compliance and Legislation Risk Assessment				
Risk Subject	Risk Description	Risk Score Raw	Control Description	Residual Risk Score
TOP TEN RISK	legislation (eg. Resource Management Act 1991, Building Act 2004, Health and Safety at Work Act 2015) then administrative fines and penalties may result, and reputational damage.		staff members are trained and up to date with all legislative requirements impacting on property and park assets. Ensure maintenance contracts have robust out-clauses that cover a range of situations where non-compliance or unsatisfactory work is identified. Council has secured public liability insurance and statutory liability insurance.	
Annual Report Adoption and Publication	If the Council's Annual Report is not adopted by 31 October and made publically available by 30 November, then there will be additional audit scrutiny and reputational damage within local government. Loss of community trust - the community is unable to assess Council performance in a timely manner.	2 Moderate	Set annual report timetable to ensure statutory deadline is met. Good project management by key staff. Keep updated of possible changes to legislation and plan accordingly. Good communication to all staff, and establish rapport with Audit NZ and respond in a timely manner to all queries.	1 Low
LTP/Annual Plan	If LTP/Annual Plan is not adopted by 30 June then council cannot set rates, statutory breach reported to Minister, unable to commence service delivery, additional audit scrutiny	8 High	Set a timetable to ensure statutory deadline is met. Good project management. Good quality data is provided. Keep abreast of possible changes to legislation and plan accordingly. Good communication to all staff and liaison with Audit NZ.	1 Low
Activity Management Plans TOP TEN RISK	If AMPs are incomplete then capital programmes, condition of assets, life cycle management will not be realised.	6 High	AMPs are reviewed every 3 years to address the current problems and issues at the time in order to develop work programmes for the next 3 years.	4 High

DATA AND INFORMATION RISKS

2. Data and Information Risk Assessment				
Risk Subject	Risk Description	Risk Score Raw	Control Description	Residual Risk Score
Systems Down - Natural Disaster	If there is a natural disaster then systems may be down temporarily, reduction in worker productivity, unable	8 High	Backups done daily and stored off-site. Most critical data is in the cloud, data centre is	3 Moderate

2. Data and Information Risk Assessment				
Risk Subject	Risk Description	Risk Score Raw	Control Description	Residual Risk Score
	to respond to customers, data unavailable, potential permanent loss of data.		overseas so workers can access system remotely from anywhere. Civil Defence will make hardware available for emergency response.	
Server Failure	If the server failed then systems down, data unavailable, potential data loss	12 Very High	Restore from backup, backups stored off-site. Fail-over for Melbourne data centre replicates to Sydney data centre.	3 Moderate
Cyber Attack	If the systems are compromised and subject to a cyber attack, then system downtime, loss of data, ransoms may be demanded, potential privacy breach, reputational damage, and potential loss of funds.	16 Very High	Council have several security measures in place such as enterprise grade firewalls, email filtering, backups, antivirus and device management. If a breach was detected Council would activate the insurance policy and engage an IT security company resource to assist with recovery.	3 Moderate
Communication to Data Centre	If there is a loss of communication to the Data Centre (due to IT failure, power failure, or other damage to link) then systems downtime will cause temporary disruption. Council staff will be unable to access data and complete work and respond to customers satisfactorily.	4 High	Can access private link or an internet link - reroute the traffic. Backup generator if power supply lost.	3 Moderate
Uncontrolled access to Physical and Digital Records	If there is uncontrolled or unauthorised access to archives, then records/ files could go missing, privacy breached, possible legislative breaches.	2 Moderate	Access to physical archives is limited to IM Specialist and IT Manager, door is locked at all other times. Digital records must be stored in IT approved repositories, with access restricted where necessary. Electronic access is restricted to staff who have a SDC login and have also been granted the relevant security permissions to access applications relevant to their job role.	1 Low
Records Handling	If hard copy protected records are handled in a way that could cause damage, degradation or disorganisation, then this could lead to loss of protected records, non-	1 Low	Access to archives is limited to trained staff. Ensure the Information Management Specialist is fully trained in all areas of protected records management.	1 Low

2. Data and Information Risk Assessment				
Risk Subject	Risk Description	Risk Score Raw	Control Description	Residual Risk Score
	compliance with legislation and potential financial penalties.		Maintain a register of archived records, and a process by which records will be archived. Storage area must be restricted and temperature controlled.	
Unapproved online platforms used	If unapproved online platforms are used for Council business, then Council sensitive information and individual private details could be hacked and made available publically.	3 Moderate	All Council information should only be stored on platforms that are approved by IT and gone through proper procedures and checks by IT.	1 Low

FINANCIAL RISKS

3. Financial Risk Assessment				
Risk Subject	Risk Description	Risk Score Raw	Control Description	Residual Risk Score
Asset Disposal/ Acquisition	Policy changes result in substantial asset disposal occurs.	1 Low	Officers will require approval from Council for disposal/acquisition of assets.	1 Low
Accessing Funding	If the AMP is incorrect or not developed, then the maintenance funding will be insufficient to provide the levels of service and the Council may miss out on funding and Council has to fully fund projects	3 Moderate	Ensure funding assessments are carried out by sufficiently experienced personnel and business cases are written for funding (AMP). A system should be established to regularly monitor all available funding for council projects.	1 Low
Internal Financial Controls	If internal financial controls are compromised and ineffective, then possible fraud, budget will blowout and there may be a delayed service	6 High	Good quality controls. Implement annual external and internal audit recommendations. Adhere to Procurement and Delegations Policy. Communications of internal controls to all staff. Recommend internal audit programme every year by independent contractor.	1 Low
Procurement contracts	IF procurement contracts entered into are not cost-effective and do not comply with Council's Procurement Policies THEN council projects could go over budget and council procurement could be subject to industry, media, legal scrutiny.	6 High	Ensure procurement policy and procurement manual are appropriate, comply with legislation and good practice, and followed by all staff and significant contracts are reviewed by an independent professional.	1 Low
Population Growth	That growth is higher than projected thereby putting pressure on Council to	3 Moderate	Increase the level of funding by possible rates increase and other	2 Moderate

3. Financial Risk Assessment				
Risk Subject	Risk Description	Risk Score Raw	Control Description	Residual Risk Score
	provide additional infrastructure and services.		sources of income through fees and charges and adjustment in levels of service.	
Significant Population Reduction TOP TEN RISK	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.	5 High	Ensure variable costs are clearly identifiable, and therefore able to be isolated and adjusted if ratepayer base reduced.	4 Moderate
New Regulations require Significant Investment TOP TEN RISK	If new environmental regulations or legislation imposed on councils requires a significant increase in capital expenditure, then the ability to finance investment could be compromised and rates increases could breach limits.	6 High	Work within approved budgetary constraints and achieve cost efficiencies regularly so that council can weather any necessary investment in order to be compliant with changing legislative environment.	4 High
Theft by Contractors	If contractors have unrestricted access to council property and/or information, then there is an opportunity for theft and consequently loss of Council assets.	4 Moderate	All contractors must go through a pre-qualification process. Visitors to Council buildings must sign in. Access to the building has now been restricted with the use of fobs. Protected records are stored in a safe or locked storage room.	2 Moderate
Inadequate financial provision to fund asset replacement	If there is inadequate financial provision in reserves to fund the replacement of assets, then the Council may have to borrow more than expected, or asset replacement may need to be delayed which may affect service level performance.	3 Moderate	Ensure annual depreciation is based on accurate fixed asset values (replacement cost) and accurate useful lives. Assets should not, unless necessary, be replaced before the end of their useful life.	1 Low
Bribery and Corruption	Perceived Bribery or Corruption from Property contractors,	4 High	Ensure Staff code of conduct is current and regularly reviewed.	3 Moderate
Management Override of Internal Controls	If a Manager uses their unique position to override internal controls, then the financial statements may be incorrect and potential fraud may result.	4 High	Audit and Risk Committee oversight. Internal and External audits annually. Fraud Policy awareness training. Regular review of policies to ensure in line with best practice. SLT to undergo ethics training. Full reference checking of at least one recent, direct manager (particularly for financial	3 Moderate

3. Financial Risk Assessment				
Risk Subject	Risk Description	Risk Score Raw	Control Description	Residual Risk Score
			and management roles). Zero tolerance for any bullying type behaviour.	
Revenue Increasing age demographic on fixed income, how does SDC meet the cost of providing the level of services into the future?	High number of elderly on fixed income pensions. Could affect future levels of service for Property due to cost fluctuations within contractual arrangements	2 Moderate	Factor in to budgets reasonable and sustainable rates increases. Review fees and charges.	3 Moderate

HEALTH AND SAFETY WELLBEING RISKS

4. Health and Safety Wellbeing Risk Assessment				
Risk Subject	Risk Descriptions	Risk Score Raw	Control Description	Residual Risk Score
Public Events	If health and safety accidents or incidents occur during events then increased costs can occur to the events, reputation is damaged	4 High	Health and Safety plans are established well in advance to an event being planned. Physical hazards and risks are eliminated Hazard Identification records are kept. Events do not proceed without correct Health and Safety sign off. Good communication to all staff	2 Moderate
Abusive Customers	If abusive customers come into any of the Council's service centres, then there is the risk that council staff or the general public could be harmed or exposed to violence.	4 High	Staff have personal alert alarms if in danger, customer service training and policies on how to deal with situations so they do not escalate..	2 Moderate
Lone Worker	If a staff member is seriously injured or killed during field inspections/site visits, then possible health and safety breaches, death or serious injury.	12 Very High	Quality assurance, Ongoing training/awareness of HSE requirements and responsibilities, Better use of council data/knowledge base on dangerous or insanitary sites before staff member deploys to site, Use of GPS tracking, mobile phone tracking. Compliance officers to wear body cameras when on duty.	3 Moderate
Animal Welfare	If an animal that has been impounded is injured or dies due to maltreatment, or animals are mistreated on the council farm then this could result in animal	3 Moderate	Quality assurance, Ongoing training/awareness of HSE requirements and responsibilities, Vet Care/Assessments.	2 Moderate

4. Health and Safety Wellbeing Risk Assessment				
Risk Subject	Risk Descriptions	Risk Score Raw	Control Description	Residual Risk Score
	welfare agency scrutiny and possible fines.		Ensure notification is given to new animals being impounded so that compliance officer ensures the animals are being cared for and regularly fed and have access to water. Monthly farm meetings to bring up any animal welfare issues. Property Manager to regularly visit farm and make visual assessment of cow welfare.	
Council Vehicle accident	If a staff member has an accident in a council vehicle, then this could result in possible death or serious injury and damage to motor vehicle asset.	4 High	All staff must have a full drivers licence, all staff are aware of procedures if there is an accident. Staff driver training to be provided to regular drivers. GPS and mobile phone tracking.	3 Moderate
Staff under Stress	If staff are affected by personal issues or by work pressures and experiencing high levels of stress, then work performance may decline and/or fatigue, illness, unsafe work practices may result.	5 High	Managers are responsible for being aware of the wellbeing of their direct reports. There are various options available for relieving the pressure of staff who are overworked including increasing staff or reallocating work. Ensure access to EAP service is widely known and communicated to all staff. Ensure all staff have a backup option available so they can take annual leave for at least a week at a time.	3 Moderate
Exposure to Hazardous Substances	If staff are affected by exposure to hazardous substances eg chemicals, liquids, fumes and other toxic substances then there are possible risks to staff health and wellbeing.	6 High	All hazardous substances are correctly labelled and stored according to best practice safety procedures and guidelines. Training is mandatory for all staff working with hazardous substances. Use appropriate PPE gear at all times in the vicinity of the hazardous substances. Regular health checks for staff.	3 Moderate
Playground Equipment Failure	If Playground equipment, or other recreational equipment fails then a member of the public could	8 High	Biennial playground inspection report and quarterly compliance checks by contractor to	3 Moderate

4. Health and Safety Wellbeing Risk Assessment				
Risk Subject	Risk Descriptions	Risk Score Raw	Control Description	Residual Risk Score
	be seriously injured or killed.		bring any issues to attention of council staff.	
Swimming Pool Accident	If a member of the public has an accident in the water or a medical emergency at the Stratford Pool, then this could result in possible death or serious injury.	4 High	Training and qualifications are mandatory for lifeguards, children and elderly are monitored by lifeguard/s at all times. More staff brought on at busier periods.	3 Moderate
Workplace Bullying or Harassment	If Bullying and harassment in the workplace occurs then it can have an impact on the health and wellbeing of staff subject to the bullying and other staff witnessing the behaviour. This may impact on staff productivity and the ability of Council to attract good quality candidates.	4 High	Top down culture against bullying and harassment of any kind, policy is followed through by management, staff are aware of the reporting process. The reporting process to deal with bullying and harassment is fair, transparent, confidential and dealt with in a timely manner.	3 Moderate
Asbestos Related Work	If council buildings are contaminated with asbestos, then there is the possibility of asbestos exposure to staff and the public and increased risk of asbestosis and other lung and pleural disorders.	4 Moderate	Asbestos protocols need to be developed in line with the asbestos regulations. Community needs to be made aware of Asbestos disposal guidelines. Staff involved in building compliance or construction work should be appropriately trained in handling of asbestos materials. Contractors will have their own protocols for handling and disposing of asbestos products.	2 Moderate
Dog Attack	If a dog attacks a member of the public and the dog control team have been slow or negligent in responding to complaints, then the council may be liable for costs, and the public safety may be compromised.	4 High	Compliance officer to respond immediately to dog complaints. Ensure all dogs in the district are registered and the dog bylaw is complied with. Dogs are microchipped. Ensure dog pound is secure and access is restricted.	1 Low
Muscular discomfort - Ergonomics	If muscular pain or discomfort or eye strain occurs as a result of the work environment and setting, then this will impact on staff health and wellbeing and long term comfort at work.	2 Moderate	Apply ACC Habit At Work guidelines. Workstation assessments should be carried out to reduce the likelihood of onset of long term discomfort and pain conditions.	1 Low
Armed Robbery TOP TEN RISK	If there is an armed robbery at any of council's services	8 High	Establish emergency procedures, including	4 Moderate

4. Health and Safety Wellbeing Risk Assessment				
Risk Subject	Risk Descriptions	Risk Score Raw	Control Description	Residual Risk Score
	centres, then there is the potential for death or serious harm.		use of panic buttons. Security cameras in place. Ensure staff are trained to deal with potential threat. Design / limit access to building so that threats are minimised.	
Employee Substance Abuse	If staff are affected by drugs or alcohol while at work, then there is an increased risk of an accident or injury, property damage, and reduced work performance.	8 High	Ensure staff are aware of drug and alcohol policy. Initial drug testing done prior to employment to filter out regular users. Utilise EAP.	2 Moderate
Dangerous Roads due to weather events	If there are dangerous road conditions that are not managed and communicated to the contractors there is the potential for car accidents and possible road fatalities.	2 Moderate	Ensure communication with contractors around potential weather events that may cause damage to the roads.	1 Low
Fatigue Management	If Fatigue affects an employee, as a result of working extraordinary hours, then the employee may have limited functionality which could result in personal injury or injury to others. It could also lead to stress and long term mental illness if it is reoccurring and could mean Council is in breach of the Health and Safety Act.	3 Moderate	Ensure employees take regular, quality rest breaks during the working day, in line with the Employment Relations Act (HR Policy requires this). Ensure all staff know their responsibilities in terms of managing fatigue. Ensure shift workers rostered times are manageable. The Vehicle Use Policy has limits on driving a Council vehicle after exceeding max number of work hours. Contractor fatigue management to be reported and monitored through regular contractor meetings.	1 Low
Environmental Liability	Noncompliance with Resource Consent Conditions	2 Moderate	Contractors to produce an environmental management plan as part of their contract conditions.	2 Moderate

OPERATIONAL RISKS

5. Operational Risk Assessment				
Risk Subject	Risk Descriptions	Risk Score Raw	Control Description	Residual Risk Score
Road Closures – unplanned	If there are un-planned road closures due to collapse of culvert/bridges/landslides,	4 High	Coordination between services around alternative routes into	3 Moderate

5. Operational Risk Assessment				
Risk Subject	Risk Descriptions	Risk Score Raw	Control Description	Residual Risk Score
	then access to reserves, parks and cemeteries for contractors could be affected		reserves, parks and cemeteries.	
Contractor - Damage to Property	If maintenance contractor damages council or private property while carrying out contracted work, then council could be liable for damages and additional expenditure.	4 High	Stringent Operational procedures: Daily reporting of compliance. Regular liaison with contractor and regulators to monitor performance to ensure compliance. Contractor pre-approval process. Council has material damage insurance policy, excess \$5k. The contracts require third party public liability insurance to indemnify Council for damages.	3 Moderate
Staff	Staff leaving results in staff skill levels falling below the standard required. Staffing levels are unable to be adequately maintained	2 Low	Staff will have to manage until the positions can be filled, or secondment of consultants which could prove costly.	2 Low
Attracting Qualified Staff	If Council is unable to attract suitably qualified personnel, then services may become under threat and may cease.	4 High	Internal training and succession planning programs. Ensure market wages are offered for all high demand positions. Recruit off shore option should be available for high-demand positions. Make greater use of consultants if necessary and/or shared services with neighbouring Councils.	2 Moderate
Maintenance Contractor fails to deliver	If a maintenance contractor fails to deliver contractual service necessitating termination of contract and re-tendering, then assets may become under threat, unreliable, or unable to meet community needs.	8 High	Careful assessment of tender to ensure contract price viable for contractor to deliver level of service. Regular liaison with contractor to monitor performance and ensure compliance. Contractor pre-approval process must not be bypassed.	3 Moderate
Property design/construction information	If Council does not have adequate information on original design or construction of asset, then there is a greater potential for failure of future work, potential of increased costs	3 Moderate	Carry out regular condition assessment of assets. Reassess use of asset or redesign to suit.	1 Low

5. Operational Risk Assessment				
Risk Subject	Risk Descriptions	Risk Score Raw	Control Description	Residual Risk Score
	and unsafe future construction.			
Key Person risk	If a key person in the organisation could not work for a significant period of time then this could affect council's ability to perform core functions and duties.	4 High	Ensure Promapp is up to date with all staff day to day processes, if known absence ahead of time ensure an appropriate training plan in place. Make use of local consultants where appropriate. Connect with colleagues from neighbouring three councils to share resource if needed.	2 Moderate
Natural Disaster - Response preparedness TOP TEN RISK	If a Natural Disaster causes significant damage to infrastructure then community welfare may be severely compromised, putting peoples lives at risk, and staff may be unable to access systems to carry out their day to day duties and functions.	15 Very High	Civil Defence Emergency Management plans are in place. Procedures following an emergency event are widely known by a number of staff due to Civil Defence Foundational training being rolled out to majority of council staff. Business Continuity Plans need to be in place and practiced regularly for all activities.	12 Very High
Disease Outbreak TOP TEN RISK	If there is a human disease outbreak in the district, then this could impact staff and contractors' staff and the community access to healthcare is limited so it could result in population decline.	5 High	Health and Safety Advisor to keep aware of any public health notifications of disease outbreaks. Ensure there is a plan to respond to any notifications. Civil Defence covers infectious human disease pandemics and will take responsibility for local management. Follow Ministry of Health's NZ Influenza Pandemic Action Plan.	4 Moderate
Biosecurity threat risk	If there is a biosecurity threat to animals, or plant life then this could affect the economic wellbeing of the district and the ability of council to financially meet community needs.	4 High	Ensure council takes a proactive approach to working with Biosecurity NZ, MPI, TRC and the community where a threat is identified.	2 Moderate
Critical Asset Failure TOP TEN RISK	If a critical property asset fails, then unexpected financial burden may arise and there could be	15 Very High	Conduct 2 yearly Asset Criticality Review. Ensure there are established Civil	4 High

5. Operational Risk Assessment				
Risk Subject	Risk Descriptions	Risk Score Raw	Control Description	Residual Risk Score
	significant disadvantage and risk to the community.		Defence Emergency Management response procedures in relation to fixing critical assets in an emergency event. Management practices and staff training, retention to ensure appropriate skill level in critical asset maintenance. Consider suitable alternative routes to maintain access.	
Heavy/Extreme Rainfall incidents	If the Stratford District experiences heavy rainfall continually over a period then roads may flood, restricting accessibility, landslips and mudslides may restrict road access and cause property damage, productive land areas may flood reducing functions,	8 High	Activity Management Plans and to document critical asset areas and response timeframes in the event of heavy rainfall incidents.	3 Moderate
Government Policy Impacting on Local Government TOP TEN RISK	If Government Policy significantly changes the services Council delivers or the way they are delivered, then this could put financial pressure on the district to fund investment in changes, or it may mean previous investment has become redundant.	12 Very High	Where a policy change may have a significant impact Council can make a submission regarding the change. Council officers and elected members need to keep up to date with policy, and anticipate potential impacts of legislative changes and respond strategically, This could include joint collaboration with business and other councils, accessing alternative funding sources, or obtaining legal or professional advice.	8 High
Levels of Service	There are significant increases in customer expectations regarding demand for services and/or the level of service provided	1 Low	To manage expectations around the levels of service which could include being transparent about the levels of service that we can afford.	1 Low
Programming of Works	The approved programme of works is not carried out within agreed timeframes.	1 Low	In the event of an extreme rainfall event, a programme can be deferred following discussions between SDC and the Contractor. Hold regular meetings	1 Low

5. Operational Risk Assessment				
Risk Subject	Risk Descriptions	Risk Score Raw	Control Description	Residual Risk Score
			to discuss contractors' performance and ability to deliver the agreed programme. Increasing resources via sub-contractors or additional staff. We could mutually agree to defer some of the programme to later in the year.	
Consents	The contractor not undertaking the work in accordance with the resource consent conditions. Council can be fined by the Regional Council for breach of conditions.	1 Low	Not negotiable - Consent conditions must be abided by otherwise the consent will be breached. Contractor needs to submit to the Regional Council a methodology about how they are going to undertake the works.	1 Low

REPUTATIONAL AND CONDUCT RISKS

6. Reputational and Conduct Risk Assessment				
Risk Subject	Risk Descriptions	Risk Score Raw	Control Description	Residual Risk Score
Solvency of Contractor	If Council engage a contractor that could potentially be insolvent the risk to Council is that they abandon the contract.	12 Very High	Conduct the due diligence process for all contractors.	3 Moderate
Release of incorrect or confidential information	If incorrect or confidential information was given out through social media, media releases, staff actions at the services desks, LGOIMA requests, council meetings, and/or functions THEN risk of damaged reputation, ratepayer distrust and actions from Local Government ministry and/or Privacy Commissioner.	12 Very High	All Media releases are to be checked off by Dir – Community Services, and signed off by CEO or Mayor. Social Media Policy in place for clear guidance of social media use. Front counter training needs and communication guidelines established - a resource centre (knowledge base) maintained for FAQ's from public. Consider implementing a Privacy Impact	2 Moderate

6. Reputational and Conduct Risk Assessment				
Risk Subject	Risk Descriptions	Risk Score Raw	Control Description	Residual Risk Score
			Assessment for how council handles personal information.	
Online Passwords	If online passwords are shared or used inappropriately, then there is the risk that staff can access or hack Council owned systems and release sensitive information.	4 High	Ensure that where a staff member leaves and they have access to logins accessible online that the passwords are changed and access ceases. Limit use of online accounts.	2 Moderate
Contractor Damage or Breach	If Council and/or council contractors are found to be liable for public/environmental damage, or any actions that are unsafe or non-compliant with legislation and applicable policies and standards, then fines, possible injury, long-term damage, reputational damage could result.	12 Very High	Appropriate procedures and guidelines are in place to monitor contractor actions and our own including health and safety audits, contractor meetings/KPI's. The Council requires all physical works contractors to go through a thorough health and safety pre-qualification process and become approved before commencing any physical work. All relevant staff are kept up to date with pre-approved contractors register. Mini audits and random checks should be built into contracts. Contractor public liability insurance required for all major contracts.	3 Moderate
CCO and other Out-sourced Functions	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	4 High	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	3 Moderate

6. Reputational and Conduct Risk Assessment				
Risk Subject	Risk Descriptions	Risk Score Raw	Control Description	Residual Risk Score
	health implications.		prepared annually, separate to the Annual Plan, which contains all other council operations.	
Elected Members Communication	If elected members disclose commercially sensitive or confidential information to the public, then this could damage the reputation and public trust of elected members and council staff.	6 High	Ensure elected members have a good awareness and understanding of the SDC Code of Conduct. Induction for new councillors should be thorough and cover communication with the public, in private, and at Council meetings.	3 Moderate
Elected Members - Decision Making TOP TEN RISK	Elected members make significant decisions in relation to the Long Term Plan budget setting. This has an impact on the Property Activity Management Plan and the work programmes that are developed throughout the 3 year period. This could have an impact on the levels of service for the community.	12 Very High	Relies on the accuracy and quality of the advice given by staff to elected members -	4 High
Council employees abuse members of the public	If Council employees, during the course of their Council duties abuse members of the public, then the Council may suffer significant reputational damage and potentially be taken to court.	8 High	Refer to the Staff Code of Conduct.	4 Moderate

Appendix 2 - Parks, Reserves and Cemeteries Operational Documents

Consents	Commencement Date	Expiry Date	CM Reference
NIL			
Policies	Commencement Date	Review Date	CM Reference
Allocation and Use of Sports Grounds	11/12/2018	2021/2022	D18/35501
Asset Management	26/05/2020	2023/2024	D20/4330
Street Trees	2/08/2016	2020/2021	D16/8890
Management of Domains	11/12/2018	2021/2022	D18/35508
Procurement Policy	11/06/2019	2022/2023	D18/29563(v3)
Bylaws	Commencement Date	Review Date	CM Reference
Cemeteries Bylaw	1/02/2020	2029/2030	D20/1919
Parks and Reserves Bylaw	1/02/2020	2029/2030	D20/1921
Public Places and Nuisances Bylaw (draft)			D20/1850
Strategies	Commencement Date	Review Date	CM Reference
Infrastructure Strategy 2021-2051	1/02/2021	2050/2051	D21/2700
Contracts	Commencement Date	Review Date	CM Reference
Open Space Maintenance Contract	1/07/2019	1/06/2022	D19/5521



Solid Waste

Asset Management Plan 2021-2031



TE KAUNIHERA Ā ROHE O
WHAKAAHURANGI
STRATFORD
DISTRICT COUNCIL

Long Term Plan 2021-31

DOCUMENT QUALITY ASSURANCE

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Approved By	Sven Hanne, Chief Executive	

DOCUMENT CONTROL

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THE SOLID WASTE ACTIVITY MANAGEMENT PLAN (SWAMP)

2021-2031

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EXECUTIVE SUMMARY

Executive Summary

The Stratford District

The Stratford District is a land locked area encompassing 2170km² located in the heart of Taranaki. The district is adjacent to the New Plymouth and South Taranaki districts in the Taranaki region and the Ruapehu and Whanganui Districts in the Horizons Regional Council. Within the district there are four distinct geographical areas:

- The alpine and bush environment of Egmont National Park;
- The ring plain around Mt Taranaki;
- Hill country located between the ring plain and the eastern hill country; and
- Eastern hill country to the boundary with Ruapehu District Council.

The rural landscape supports large farming, forestry and Department of Conservation reserves. Stratford is a growing tourist destination owing to key attractions such as the Egmont National Park, the Manganui Ski Field, Forgotten World Highway (SH43), Whangamomona, Dawson and Mt Damper Falls. Three main townships make up the Stratford District. They are: Stratford; Midhurst and Toko.

The Solid Waste Activity Management Plan

The purpose of the Solid Waste Asset Management Plan (SWAMP) is to describe the strategies and practices that Stratford District Council uses to meet its strategic obligations to provide a level of service for solid waste service users in a way that is cost effective for households.

Based on forecasted growth and demand for the service, the SWAMP sets out how the provision of the services will be managed over its lifecycle to ensure the optimal delivery within the financial constraints set by the Council in its Long Term Plan (LTP) 2021-2031 and the Infrastructure Strategy (IS) 2021-2051. The levels of service to be delivered are as per the priorities and performance measures set by both the Council priorities; Regional Council resource consent conditions and Central Government initiatives and performance measures.

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

The Strategic and Legislative Context

The Strategic and Legislative Context for the SWAMP is as per the framework below.

The key central, regional and local government drivers include the:

- The Local Government Act 2002 (and amendments);
- Waste Minimisation Act 2008;
- The New Zealand Waste Strategy 2010;
- The Resource Management Act;
- Health and Safety at Work Act 2015;
- The Regional Economic Development Strategy;
- Waste Management and Minimisation Plan 2018
- Waste Levy Consultation 2020

Our Community Outcomes

The Council's vision for the 2021-2031 Long Term Plan (LTP) is 'a *progressive, prosperous district where communities are celebrated*'. The Council's identified *Community Outcomes* to achieve the vision are:

- Vibrant community;
- Sustainable environment;
- Connected communities; and
- Enabling economy.

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

Our Problem and Benefit Statements

The Council has identified key problems to be addressed in the coming years. Projects have also been highlighted alongside statements of their benefits, which outline how identified problems will be solved.

A summary of our *Problem and Benefit Statements* along with projects identified to deliver the benefits, are provided in the Table below.

Table 1 - Problem and Benefit Statements

Problem Statements	Identified Projects	Benefit Statements
<p>Problem Statement 1</p> <ul style="list-style-type: none"> • Improving Waste diversion from landfill via the introduction of an organic waste collection 	<ul style="list-style-type: none"> • Procurement of a <i>Resource Educator</i> for community education on the efficient management and minimisation of waste. • 	<p>The benefits include:</p> <ul style="list-style-type: none"> • Reduction of waste to the landfill by improved education for the district's communities. • Reduction of transportation to Bonny Glen from South Taranaki, less emissions.
<p>Problem Statement 2</p> <ul style="list-style-type: none"> • Reduce the volume of kerbside collection waste per household going to landfill. Stratford is the highest out of the 3 Councils in the region 	<ul style="list-style-type: none"> • Procurement of a <i>Resource Educator</i> for community education on the efficient management and minimisation of waste 	<p>The benefits include:</p> <ul style="list-style-type: none"> • Reduction of waste to the landfill by improved education for the district's communities. • Reduction of transportation to Bonny Glen from South Taranaki, less emissions.
<p>Problem Statement 3</p> <ul style="list-style-type: none"> • Increase the amount of kerbside collection waste diverted to recycling in the district 	<ul style="list-style-type: none"> • More education and communication to the residents regarding what can be recycled • Provide another kerbside collection service to enable another option for people to divert waste from the landfill 	<p>The benefits include:</p> <ul style="list-style-type: none"> • Reduction of waste to the landfill by improved education for the district's communities. • Reduction of transportation to Bonny Glen from South Taranaki, less emissions.
<p>Problem Statement 4</p> <ul style="list-style-type: none"> • Reduce the contamination of kerbside recycling delivered to the MRF 	<ul style="list-style-type: none"> • More education and communication to the residents regarding correct recycling • Recycling bin audits and if three strikes of contamination, the service is suspended for 3 months 	<p>The main benefit is:</p> <ul style="list-style-type: none"> • More efficient handling of the recycling at the MRF and better end product for selling

Our Levels of Service Performance Measures

In 2013, the central government introduced a range of mandatory, non-financial performance measures (DIA measures) to provide for a national standardisation of key performance indicators. The Council monitors its performance through the use of these DIA measures, in addition to 'Internal' performance measures set by the Council. The targets for these measures have been developed by the Council and they measure how well the Council is delivering on Levels of Service (LoS) and the performance of each activity / asset. A summary of the LoS performance measures is provided below. A snapshot of Council's performance trends and targets is detailed in Section 6 of this SWAMP.

Table 2 - Our Level of Service Performance Measures

	Level of Service	Performance Measure	Outcome Category
1.	The levels of waste generated are reducing	Waste to landfill per household (municipal kerbside collection only) <700kg	Council Measure
2.		Percentage (by weight) of council controlled waste stream that is recycled (municipal kerbside collection only) >25%	Council Measure
3.	The waste collection service meets the needs of the community	Percentage of customers satisfied with the service provided >90%	Council Measure

Our Programme Business Case

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

Table 3 - Identified Projects and Performance Measures

Work Category	Identified Projects	Performance Measures	
		Quantity	Customer Satisfaction
Operations	Procurement of a Resource Educator, an 0.5 FTE in-house resource, to provide additional community education of the efficient management and minimisation of waste, particularly around diversion of organic waste from landfill and recycling waste for the overall benefit of reducing total waste to landfill.	√	√
Level of Service Improvements	Increase level of service with the introduction of food waste and Greenwaste collections or:	√	√
	Invest in a new regional composting facility in South Taranaki	√	√

Funding Our Investment Strategy

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

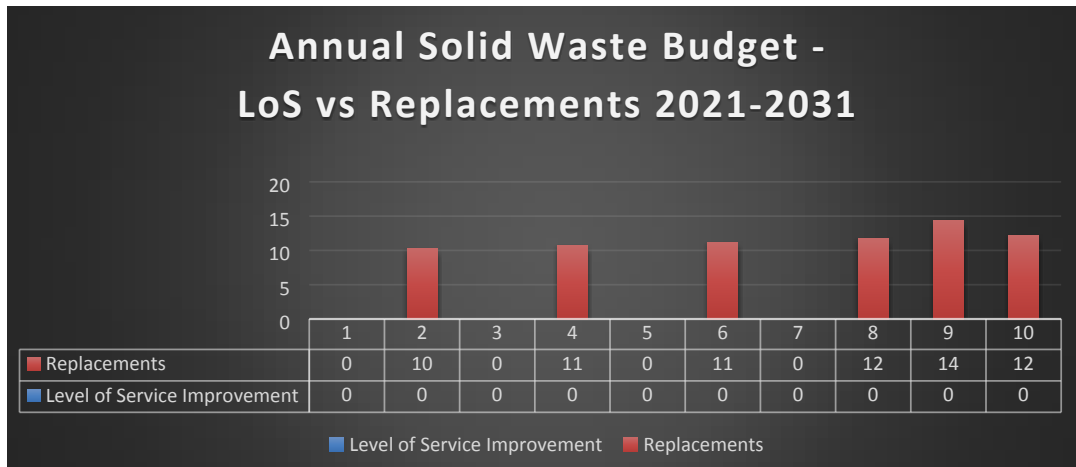
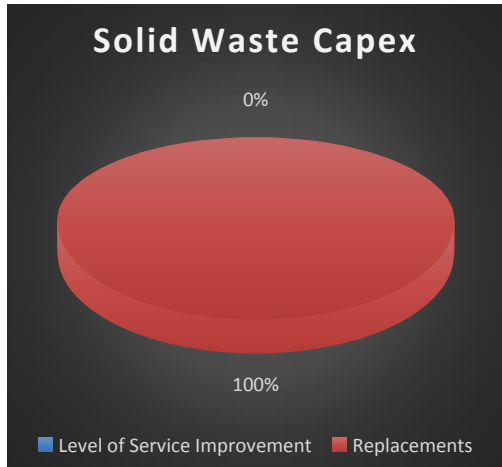
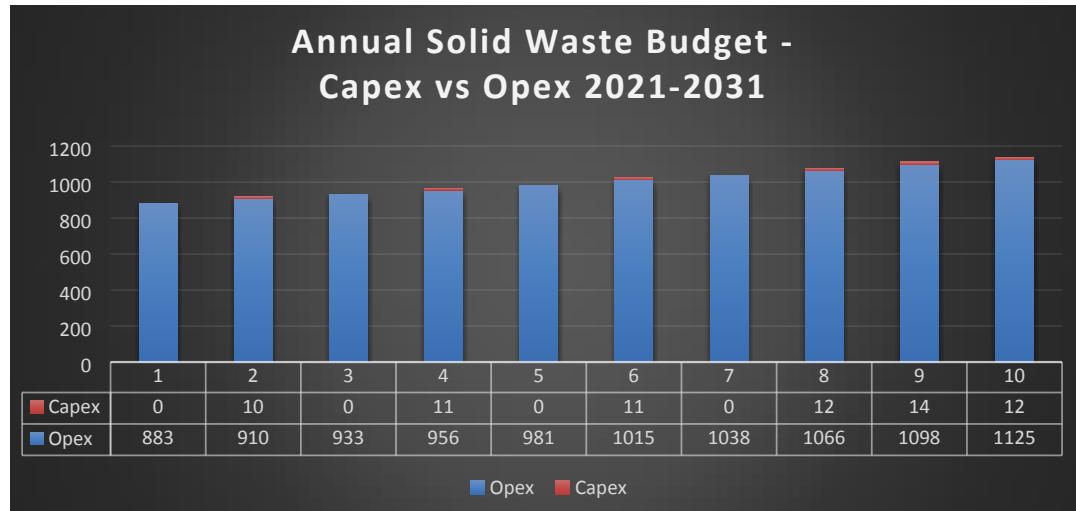
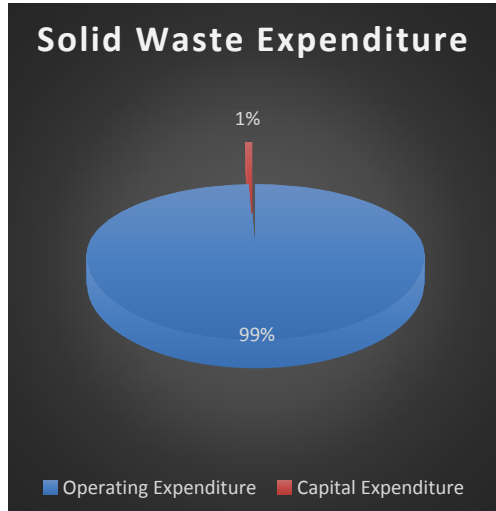
- Loans;
- Reserves; and/or
- Subsidies/ Grants by other Partners.

Generally, the Council expects that:

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

Table 4 - 10-Year Capital and Operational Solid Waste Expenditure Projection

Budget 2020/21 \$000	SOLID WASTE	Forecast	Projection								
		2021/22 \$000	2022/23 \$000	2023/24 \$000	2024/25 \$000	2025/26 \$000	2026/27 \$000	2027/28 \$000	2028/29 \$000	2029/30 \$000	2030/31 \$000
858	Operating Expenditure	883	910	933	956	981	1,015	1,038	1,066	1,098	1,125
83	Revenue	108	110	111	113	115	117	119	121	123	125
776	Net Cost of Service	776	800	822	843	866	898	919	945	975	1,000
EXPENDITURE											
671	Operating Costs	682	704	722	741	761	789	809	831	857	883
25	Interest	20	19	18	20	19	18	21	20	20	19
31	Depreciation	30	31	31	31	33	33	33	35	35	35
132	Allocated Overheads	152	156	162	164	168	175	176	179	186	188
858	Total Operating Expenditure	883	910	933	956	981	1,015	1,038	1,066	1,098	1,125
12	Landfill Aftercare Expenditure	7	7	7	7	7	7	3	0	0	0
38	Principal Loan Repayments	36	35	33	32	31	30	28	27	26	25
21	Capital Expenditure	0	10	0	11	0	11	0	12	14	12
928	Total Expenditure	926	962	974	1,006	1,019	1,063	1,070	1,105	1,138	1,162
FUNDED BY:											
83	Charges for Services	108	110	111	113	115	117	119	121	123	125
83	Revenue	108	110	111	113	115	117	119	121	123	125
696	Targeted Rates	756	780	801	820	844	875	891	913	943	968
19	UAGC	19	20	20	21	22	22	23	24	24	25
0	Loan Funding - Capital	0	0	0	0	0	0	0	0	0	0
129	Transfer from Reserves	36	45	33	43	31	41	28	39	41	37
2	Other Funding	8	8	7	8	8	8	8	8	7	6
928	Total Funding	926	962	974	1,006	1,019	1,063	1,070	1,105	1,138	1,162



1.0 Introduction

Introduction

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Introduction

1.1 PURPOSE OF THIS PLAN

The Solid Waste Asset Management Plan 2021-2031 ('the SWAMP') is a 10 Year Strategic Plan for the Stratford District Council ('the Council'). It details how the Council will manage the Solid Waste activity and services in an efficient, safe, reliable and sustainable manner to provide value for money our customers and investors.

The plan informs the development of the Council 2021-2031 Long Term Plan ('the LTP'). It shows how the Council will prioritise and address key solid waste issues, in the face of competing projects and constrained resources. The prioritisation of competing projects is necessary to deliver on Community Outcomes, the agreed Levels of Service (LoS) and also meet legislative objectives and requirements. The SWAMP proposes work programmes that deliver good value for money for our investment partners. This is achieved by doing the right things, in the right places, at the right times, for the right price and in the right ways.

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

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

The Stratford District Council's Asset Management Policy requires the Asset Management Plans to be peer reviewed by an external reviewer, before the document is formally presented to Council for adoption.

1.2 THE STRATFORD DISTRICT

1.2.1 DISTRICT HISTORY

Initial settlements in the Stratford District were small Maori villages in the forested hills which were used as places of refuge in times of war, and for seasonal activities.

While New Plymouth and other coastal regions of Taranaki were settled by Europeans in the 1840s, the densely-forested inland Taranaki areas remained relatively isolated until the land wars of the 1860s. Following those wars, the land of Stratford District was both compulsorily purchased and freely sold.

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

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

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

Introduction

1.2.2 DISTRICT GEOGRAPHY

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

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

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

1.2.3 DISTRICT COMMUNITIES

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

Stratford

Stratford (Māori: Whakaahurangi) is the main town in the Stratford District. It is located on the banks of the Patea River roughly 48 km south-east of New Plymouth and 30 km north of Hawera at the junction of State Highways 3 and 43. Stratford is near the geographic centre of the Taranaki region and the largest settlement of the Stratford District with an estimated population of 6,690. 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

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 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.

The Toko Township

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 1,188 people live in or around Toko. This includes people living in the settlement and those living in the surrounding rural areas.

Whangamomona

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 150 people live in and around Whangamomona (Statistics NZ 2013).

Introduction

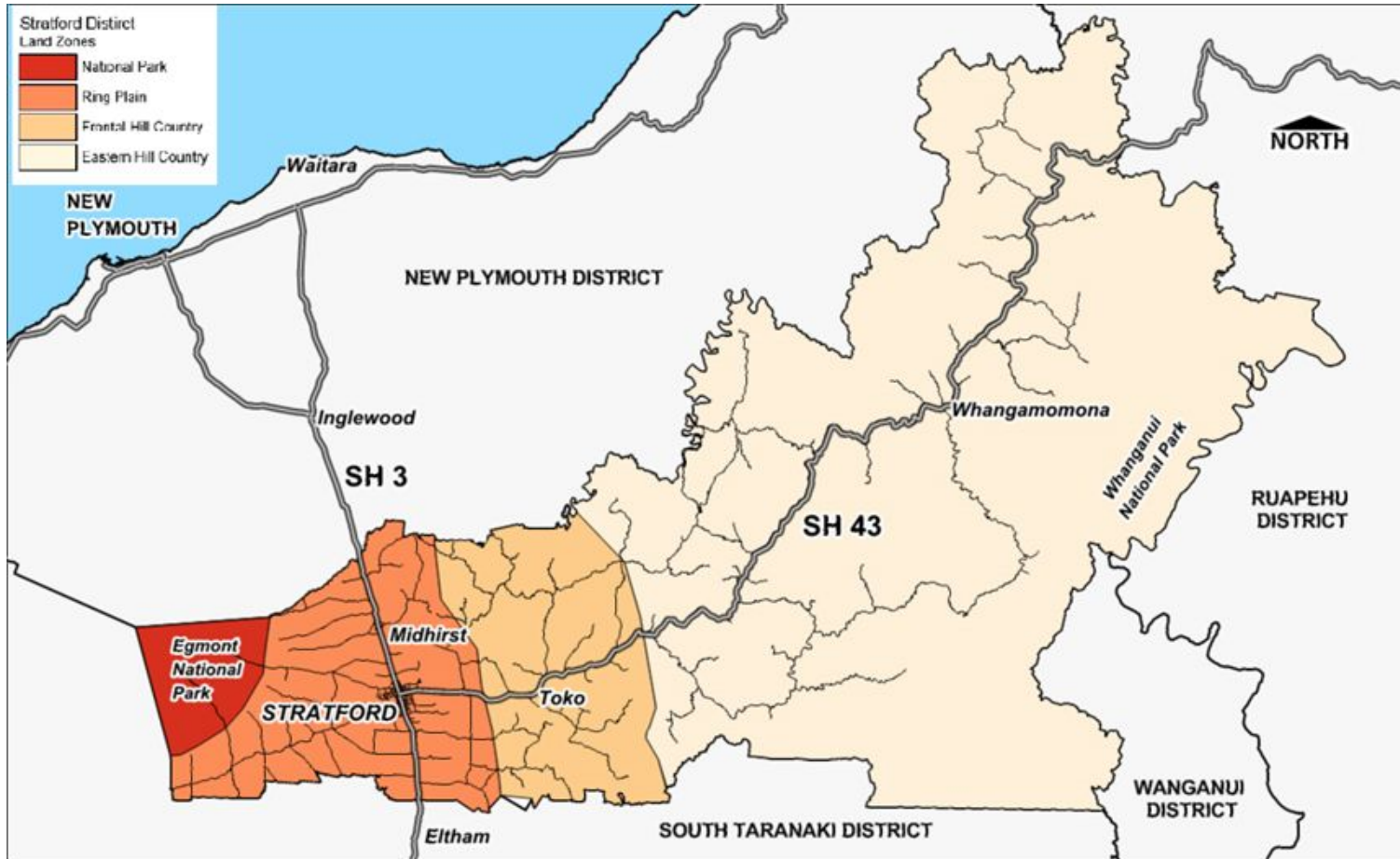


Figure 1 - The Stratford District 2020

Introduction

1.3 OUR MISSION, VISION AND VALUES

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

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

The Stratford District Council's Mission Statement is

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

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

'A progressive, prosperous district where communities are celebrated'

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

Integrity: *Be loyal to the organisation and trustworthy, honest and courteous with everyone we deal with.*

Teamwork: *Work together in the same direction, assist each other and have respect for others. Maintain a positive attitude and encourage teamwork.*

Excellence: *Be effective in everything we do using our experience and knowledge. Do the right thing at the right time. Be efficient by being cost effective and ensure prudent management of public money and assets.*

Pride: *Take pride in our performance and our organisation.*

Commitment: *Have commitment and respect for each other, our business and our customers.*

Innovation: *Examine alternatives, challenge the obvious and have a flexible attitude.*

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

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

The structure for each Management Team is provided in Figures 2 and 3.

Introduction

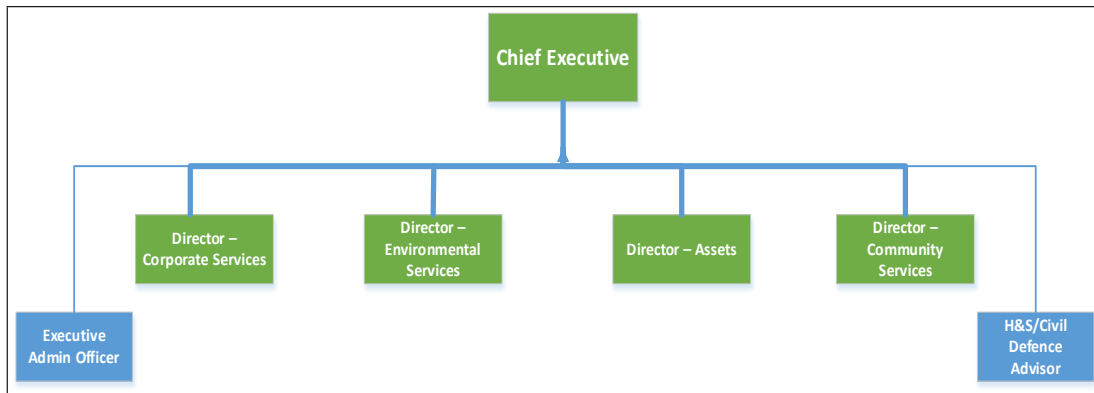


Figure 2 - The Executive Management Team

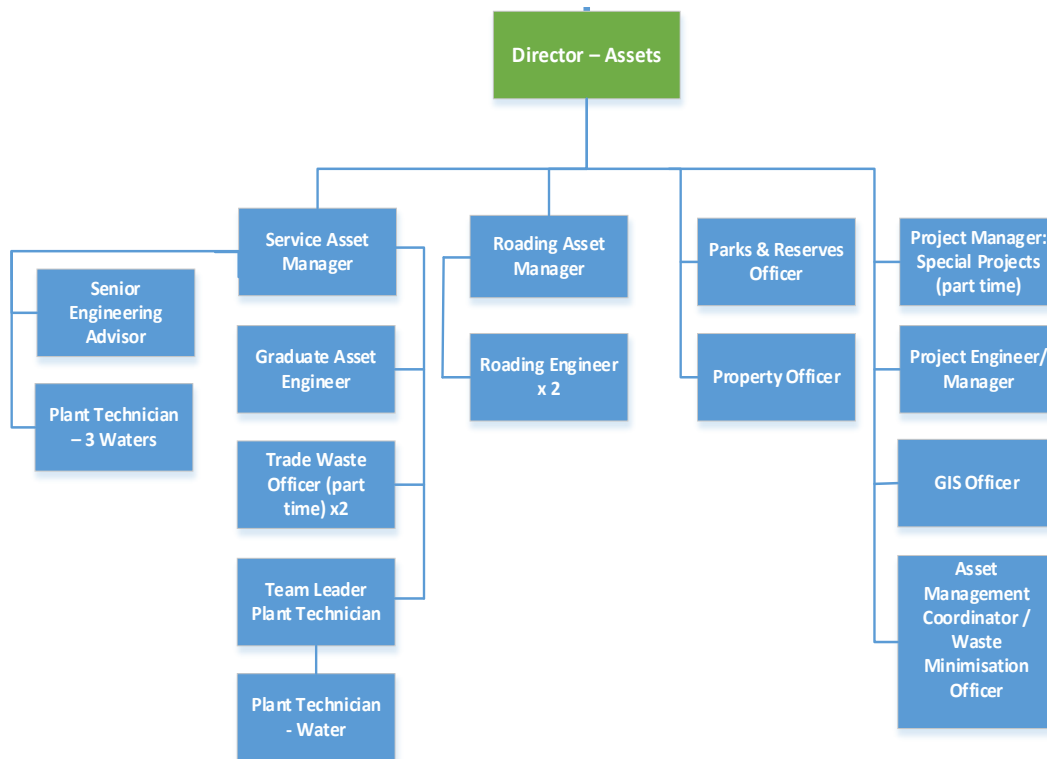


Figure 3 - Assets Department

Introduction

1.4 THE SOLID WASTE ACTIVITY

The Solid Waste activity encompasses the planning and provision of solid waste services and the operation, maintenance and renewal of all associated infrastructure.

The Council provides domestic refuse and recycling services to the households in the urban area of Stratford and Midhirst. In addition, it contracts out the operations of a transfer station in Stratford which allows for the disposal of general waste, recycling and green waste. All services are provided by a contractor with all recycling transported to the Materials Recovery Facility in New Plymouth, the general waste transported to the Hawera Transfer Station, consolidated with South Taranaki Districts general waste, then taken to the Bonny Glen landfill in the Rangitikei and the green waste transported to a composting facility in New Plymouth.

1.5 THE IMPORTANCE OF THE SOLID WASTE ACTIVITY

The Council provides the Solid Waste service to meet the needs and requirements of its customers and stakeholders. The goals and objectives of the Solid Waste Activity as per the LTP are to ensure that the:

- levels of waste generated are reducing; and
- waste collection services meet the needs of the community.

By meeting its goals and objectives, the Solid Waste activity contributes to the achievement of national, regional and district goals and objectives. The Solid Waste activity goals and objectives contribute to the community outcomes presented in Table 5.

Table 5 - Solid Waste Contribution to Community Outcomes

Community Outcomes		Solid Waste Activity Contribution
Vibrant community	We celebrate and embrace our community's cultures and traditions. We tell our unique story. We will develop strong relationships with iwi, hapu and marae.	<ul style="list-style-type: none"> • Minimise residual waste disposed of to landfill by providing kerbside collection of refuse and recyclable products within urban areas. • Promote and provide methods of separating recycling from general waste. • To manage the refuse transfer station and recycling centre at Stratford in an environmentally and economically sustainable manner. • To ensure the environmental disposal of residual solid waste is in accordance with Ministry for the Environment guidelines. • To manage the closure and re-instatement of closed sites to a state suitable for appropriate alternative land use.
Sustainable environment	Our natural resources can be enjoyed now and by future generations. We are committed to working towards zero waste. We have well planned and resilient infrastructure that meets the current and future needs of the district. We strive to understand and support Te Ao Māori values and principles.	
Connected communities	Our neighbourhoods are safe and supported We enable positive healthy lifestyles, through access to health, social and recreation services We have a strong sense of belonging We value opportunities to be involved and work together as a community	
Enabling economy	We are a welcoming and business friendly District We encourage a strong and diverse local economy We promote opportunities to visit, live and invest in the district We support economic opportunities for Māori	

Introduction

1.6 OUR CUSTOMERS, PARTNERS AND KEY STAKEHOLDERS

The Solid Waste activity exists to meet the needs and requirements of our customers, partners and key stakeholders. These groups help us focus our strategic planning on the right things. They have information and knowledge that helps us make more informed decisions. Table 6 shows how our partners, customers and key stakeholders are involved in our planning activity.

Table 6 - List of Partners, Customers and Stakeholders

Customers	Involvement
Home Owners and Occupiers; Education facilities and community groups; Tourists and Visitors; etc	These customers use services provided by the Solid Waste activity to manage their general waste and recycling.
Partners and Stakeholders	Involvement
South Taranaki District Council New Plymouth District Council	Neighbouring District Councils that we work closely with to align regional education campaigns. Current contract with South Taranaki District Council for consolidation of general waste at Hawera Transfer Station. Regional Collaboration on the Solid Waste Contract.
Taranaki Regional Council	Administers and enforces effective resource management in the Taranaki region. Applications from SDC are processed through TRC.
Audit New Zealand	Carries out annual audits of Council on the Auditor-General's behalf to give ratepayers assurance that Council is appropriately reporting on how they spend public money and on the services they have provided.
Other Government agencies; Ratepayers Associations; Iwi groups	These groups liaise with Council in relation to solid waste services.
TEMO/Civil Defence	In the event of a Civil Defence emergency they provide advice and work alongside emergency services, lifeline utilities and government departments.
Local Iwi; Environmental groups	Affected parties to Council's resource consent applications.
Emergency services (fire service)	Provides information to Council of callouts required municipal water supply usage. Allows Council to monitor water usage more accurately.
Elected Members; Committees; Management and Staff	CEO, Key internal stakeholders responsible for the management and operation of the solid waste activity.

Introduction

1.6.1 THE CUSTOMER CHARTER

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

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

1.6.2 SIGNIFICANCE AND ENGAGEMENT POLICY

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

2.0

Legislative and Strategic Context

Legislative and Strategic Context

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Legislative and Strategic Context

2.1 OVERVIEW

This section describes the legislative and strategic context of the SWAMP at the national, regional and district levels. The legislative and strategic framework for the SWAMP is presented in Figure 5.

2.2 NATIONAL CONTEXT

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

- The Local Government Act 2002 and Local Government (Rating) Act 2002
- Waste Minimisation Act 2008;
- The New Zealand Waste Strategy 2010;
- The Resource Management Act 1991;
- Health and Safety at Work Act 2015;
- Waste Levy Consultation 2021

2.2.1 THE LOCAL GOVERNMENT ACT 2002

The Local Government Act 2002 defines the purpose of local government to be:

“to meet the current and future needs of communities for good quality local infrastructure, local public services, and the performance of regulatory functions in a way that is most cost-effective for households and businesses.” The LGA outlines the responsibilities of local authorities and the decision-making process for activities undertaken on behalf of their community, primarily through the requirement to adopt a Long Term Plan. The LGA includes the principles that require Council to:

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

The purpose of the LGA Rating Act 2002 is to promote the purpose of local government set out in the Local Government Act 2002 by:

- providing local authorities with flexible powers to set, assess, and collect rates to fund local government activities;
- ensuring that rates are set in accordance with decisions that are made in a transparent and consultative manner;
- providing for processes and information to enable ratepayers to identify and understand their liability for rates.

The LGA in Section 125 requires the Council to *‘from time to time’* complete assessments of water and sanitary services for communities throughout their districts. The purpose of the assessment is to determine, from a public health perspective, the adequacy of water and sanitary services available to communities. In making such an assessment the following matters need to be considered:

- (a) the health risks arising from any absence or deficiency in water or other sanitary services;
- (b) the quality of services available to communities within the district;
- (c) the current and estimated future demands for such services;
- (d) the extent to which drinking solid waste meets applicable regulatory standards; and
- (e) the actual or potential consequences of stormwater, waste or sewage discharges within the district.

Legislative and Strategic Context

2.2.2 WASTE MINIMISATION ACT 2008

The *Waste Minimisation Act (WMA) 2008* came into force in two stages. Part 3 of the Act (except section 41) and section 62 came into force on 1 July 2009. The WMA requires that the Council encourages waste minimisation and decrease waste disposal in order to;

- Protect the environment from harm; and
- Provide environmental, social, economic, and cultural benefits

The *Climate Change (Waste) Regulations 2010* came into force on 1 January 2011. Under the regulations, emissions from the gross tonnage and diverted tonnage of each class of waste disposed of at each disposal facility must be calculated and recorded annually. The regulations detail the formula that must be used to calculate annual emissions for each class of waste disposed.

Although the Council provides refuse and recycling transfer rather than disposal, the regulations requires the Council to increase its recycling efforts and reduce emission generating waste such as, green waste going into wheelie bins and ending up in the regional landfill.

2.2.3 THE NEW ZEALAND WASTE STRATEGY 2010

The New Zealand Waste Strategy: Reducing Harm, improving efficiency sets out the Government's high-level strategic direction for waste management and minimisation in New Zealand. This has two goals which provide direction to central and local government, businesses (including the waste industry) and communities on where to focus their efforts to manage waste. These goals are:

- reduce the harmful effects of waste
- improve the efficiency of resource use.

2.2.4 THE RESOURCE MANAGEMENT ACT 1991

The Resource Management Act 1991 (RMA) promotes the sustainable management of natural and physical resources such as land, air and water and is considered New Zealand's principal legislation for environmental management.

The disposal of solid waste in the regional landfills, and associated effects, are regulated by the RMA. These effected, if not avoided, remedied or mitigated, have implications on both ground and surface water.

2.2.5 HEALTH AND SAFETY AT WORK 2015

The main purpose of the Health and Safety at Work 2015 is to provide a balanced framework to secure the health and safety of workers and workplaces by:

- protecting workers and other persons against harm to their health, safety and welfare by eliminating or minimising risks arising from work or from prescribed high-risk plant; and
- providing for fair and effective workplace representation, consultation, co-operation and resolution of issues in relation to work health and safety; and
- encouraging unions and employer organisations to take a constructive role in promoting improvements in work health and safety practices, and assisting PCBUs and workers to achieve a healthier and safer working environment; and
- promoting the provision of advice, information, education and training in relation to work health and safety; and
- securing compliance with this Act through effective and appropriate compliance and enforcement measures; and
- ensuring appropriate scrutiny and review of actions taken by persons performing functions or exercising powers under this Act; and
- providing a framework for continuous improvement and progressively higher standards of work health and safety.

Legislative and Strategic Context

2.2.6 WASTE LEVY CONSULTATION 2021

The Government has confirmed its plans to increase and expand the national waste disposal levy to divert more material from landfill. It will use the revenue gathered from the waste disposal levy for resource recovery and waste minimisation.

The plan includes the following:

- Progressively increasing over four years the levy rate for landfills that take household waste from the current \$10 per tonne – set in 2009 – to \$60 per tonne.
- Expanding the waste levy to cover additional landfill types, including construction and demolition fills. At present the waste levy only applies to municipal landfills that take household waste, with no levy on the remaining almost 90 percent of landfills throughout the country.
- Collecting better data about the waste we are creating, and how we are disposing of it, so our waste can be better managed.
- Investing the additional revenue from the waste levy in initiatives that support waste reduction, such as building New Zealand-based recycling infrastructure. This includes helping businesses such as Green Gorilla, which takes construction, commercial and industrial waste materials and re-purposes them so they are not thrown away.

The current plan is to phase in the changes over four years as outlined in the table below.

Figure 4 - Government Planned increase on the Waste Disposal Levy

LANDFILL CLASS	1 JULY 2021	1 JULY 2022	1 JULY 2023	1 JULY 2024
Municipal landfill (class 1)	\$20	\$30	\$50	\$60
Construction and demolition fill (class 2)		\$20	\$20	\$30
Managed fill (class 3)			\$10	\$10
Controlled fill (class 4)			\$10	\$10

Legislative and Strategic Context

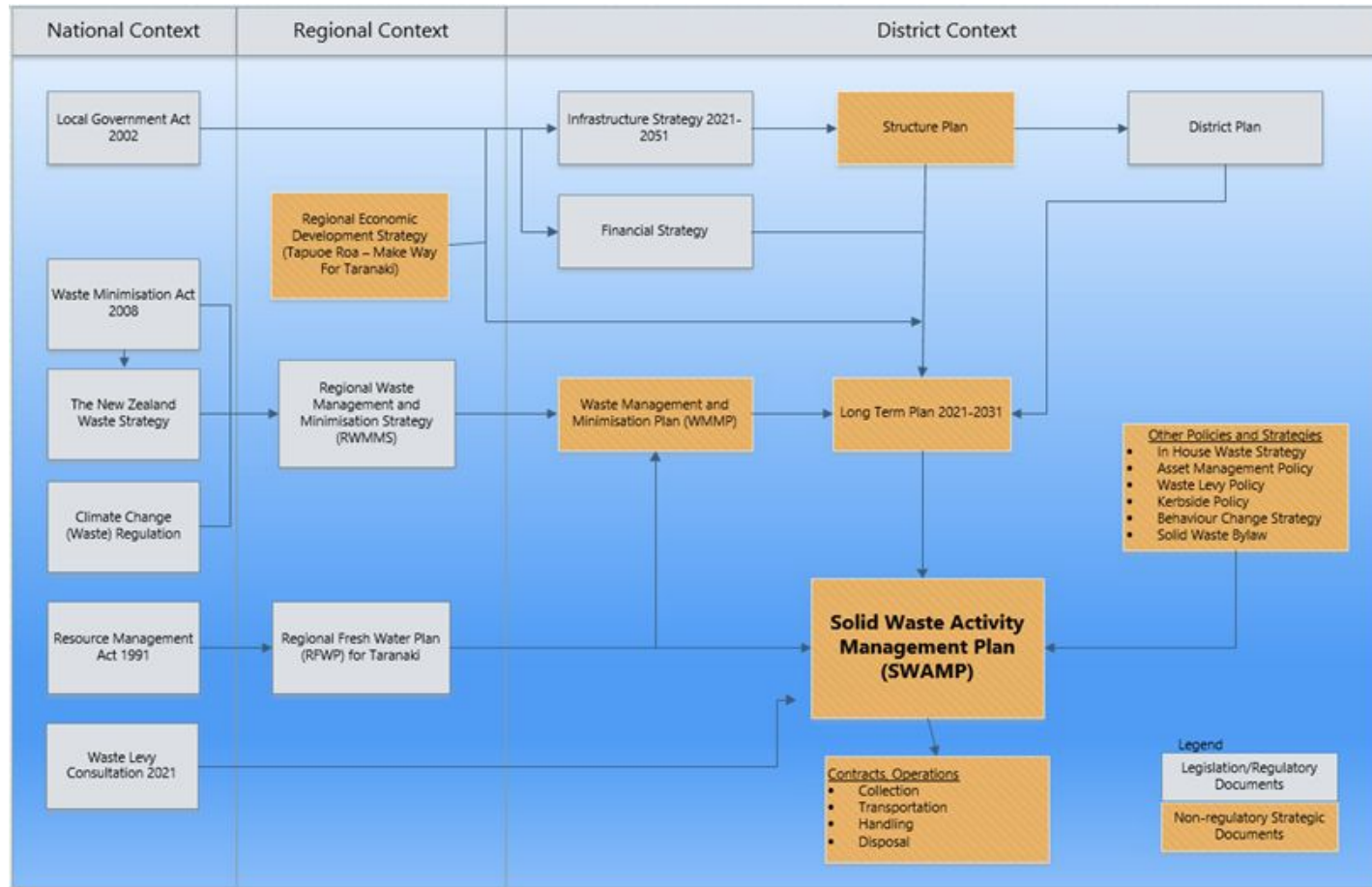


Figure 5 - Strategic and Legislative Framework (SWAMP)

Legislative and Strategic Context

2.3 REGIONAL CONTEXT

There are 2 regional strategies that drive the Solid Waste level of service and (LoS) and influence the operation and management of the Solid Waste Assets. The relevant strategies are listed below;

2.3.1 WASTE MANAGEMENT AND MINIMISATION STRATEGY FOR TARANAKI 2016

The *Waste Management and Minimisation Strategy for Taranaki 2016* was adopted by the Taranaki Solid Waste Committee in 2011 and an interim review undertaken in August 2016.

The strategy sets out the strategic framework for effective management of wastes in the Taranaki region over the next 10 years. Under the Strategy, Council is required to;

- Minimise inefficient use of resources
- Avoid, remedy or mitigate the harmful environmental and health effects of waste disposal
- Ensure compliance with the Waste Minimisation Act with regard to the various obligations and functions of the region's three territorial authorities and the Regional Council
- Promote the hierarchy of reducing the generation, enhancing the recovery, reuse and recycling, and ensuring the safe ultimate disposal of wastes
- Give effect to the two national goals set out in the New Zealand Waste Strategy.

2.3.2 REGIONAL ECONOMIC DEVELOPMENT STRATEGY - TAPUAE ROA - MAKE WAY FOR TARANAKI

The main regional strategy that drives the provision of solid waste in Stratford is the Regional Economic Development Strategy – Tapuae Roa. The Strategy was developed by the four local authorities of the Taranaki region in association with Venture Taranaki and the Ministry of Business, Innovation and Employment (MBIE). The strategy sets a direction for economic development and identifies priorities and measureable goals for the region as a whole. It is anticipated that the Strategy will enable and support economic growth and development in the Stratford District.

While economic growth for the Stratford District is desirable, Council is aware that growth can have an impact on infrastructure and the services delivered by that infrastructure. Anticipated impacts of the Regional Economic Development Strategy and any resulting growth on the solid waste activity and infrastructure are expected to include.

2.4 DISTRICT CONTEXT

The SWAMP feeds, and in turn is fed into, a number of district strategies. The SWAMP forms a critical part of the planning framework, as shown in Figure 5. Table 7 provides a description of the District Strategic Drivers for the SWAMP, and how they influence or relate to the SWAMP. The key district drivers are provided in more detail below.

2.4.1 THE LONG TERM PLAN (LTP) 2021-2031

The Long Term Plan (LTP) 2021-2031 is a regulatory document pursuant to Section 93 of the Local Government Act 2002 Amendment Act 2014 that:

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

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

Legislative and Strategic Context

2.4.2 THE ANNUAL PLAN

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

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

2.4.3 THE WASTE MANAGEMENT AND MINIMISATION PLAN 2018 (WMMP)

This plan addresses all waste and diverted material in the Stratford District, with the exception of some liquid and gas wastes that are more effectively managed through other policies. The WMMP presents a plan of action for 5 years for the management and minimisation of waste in the Stratford District and the Council's vision, objectives and targets and details how the Council will fund and deliver the action plan.

2.4.4 KERBSIDE COLLECTION POLICY

This policy provides a framework that enables a fair and consistent approach to the collection of kerbside bins, which include general waste and recycling bins as well as glass crates. It specifies the roles and responsibilities of Council and residents and encourages correct recycling behaviour in the district towards reducing contamination in our waste stream.

2.4.5 WASTE LEVY ALLOCATION POLICY (DRAFT)

This policy will apply to the portion of spending under section 5.3 of the Waste Management and Minimisation Plan that is funded by our waste levy allocation, received under Section 31 of the Waste Minimisation Act 2008.

2.4.6 SOLID WASTE MANAGEMENT AND MINIMISATION BYLAW 2020

This bylaw came into force on 1 June 2020 and its purpose is to regulate the management and minimisation of solid waste in the Stratford District by contributing to:

- a) The promotion of effective and efficient waste management, reduction and minimisation practices in the Stratford District
- b) The implementation of the Council's Waste Management and Minimisation Plan
- c) The implementation of the purpose of the Waste Minimisation Act
- d) The regulation of refuse collection and disposal, including recycling, ownership of the waste stream, refuse storage and waste management.
- e) The definition of rules governing waste collection and the responsibilities of customers who use the council's solid waste services.
- f) The protection of the health and safety of waste collectors, waste operators and the public.
- g) The regulation of litter and nuisance in public places.

Legislative and Strategic Context

Table 7 - District Strategic Drivers

Strategies/ Plans/ Documents	Description	Review Frequency	Relationship to the Activity Management Plan
Infrastructure Strategy	Presents an overview of how the Council will manage its core infrastructure assets over the 30 year planning horizon.	Three yearly	Support asset management planning and good practice.
Financial Strategy	Developed to provide a financial framework for Council debt and rate levels and limits - future proof Council owned and operated assets.	Ten yearly	Provides financial framework for asset management and activity budgeting and expenditure.
District Plan	Developed in compliance with the requirements of the Resource Management Act 1991(RMA).	Ten yearly	Specifies land use policies aiming to mitigate and control the detrimental environmental effects of new developments.
Regional Economic Development Strategy	Sets the direction for economic development and identifies priorities and measurable goals.	Three yearly	Support asset management planning and good practice.
Structure Plan	Provide a long term planning framework for the future development and redevelopment of the Stratford District. The plan will set out in broad terms, the layout of land uses, key infrastructure and transport links.	Unknown at this stage	Support asset management planning.
Annual Report (AR)	Reports Council's performance for the previous year.	Annually	Provides annual KPI targets that are reported in the Annual Report.
Assessment of Solid waste and Sanitary Services	Undertaken in compliance with Section 125 of the Local Government Act 2002 as part of Council meeting its obligation under the Health Act 1956 to improve, promote, and protect public health within its district.	Ten yearly	Identified issues and required actions feed into the relevant AMP
Other Council Policies, By-laws.	The tools that guide and direct Council activities. (See Appendix 2)	As applicable	Support asset management planning and good practice.

3.0

Asset Information

Asset Information

3.0: ASSET INFORMATION

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Asset Information

3.1 OUR SOLID WASTE INFRASTRUCTURE

The Stratford District Council operates a weekly general waste collection and alternating fortnightly co-mingled recycling and glass bottle collection for the Stratford and Midhirst urban areas.

For the recycling collection, the town is separated into two areas, A and B, as in Figure 6. The Council also owns a refuse transfer station situated at Cordelia Street in Stratford.

This transfer station is managed under the Property Portfolio.

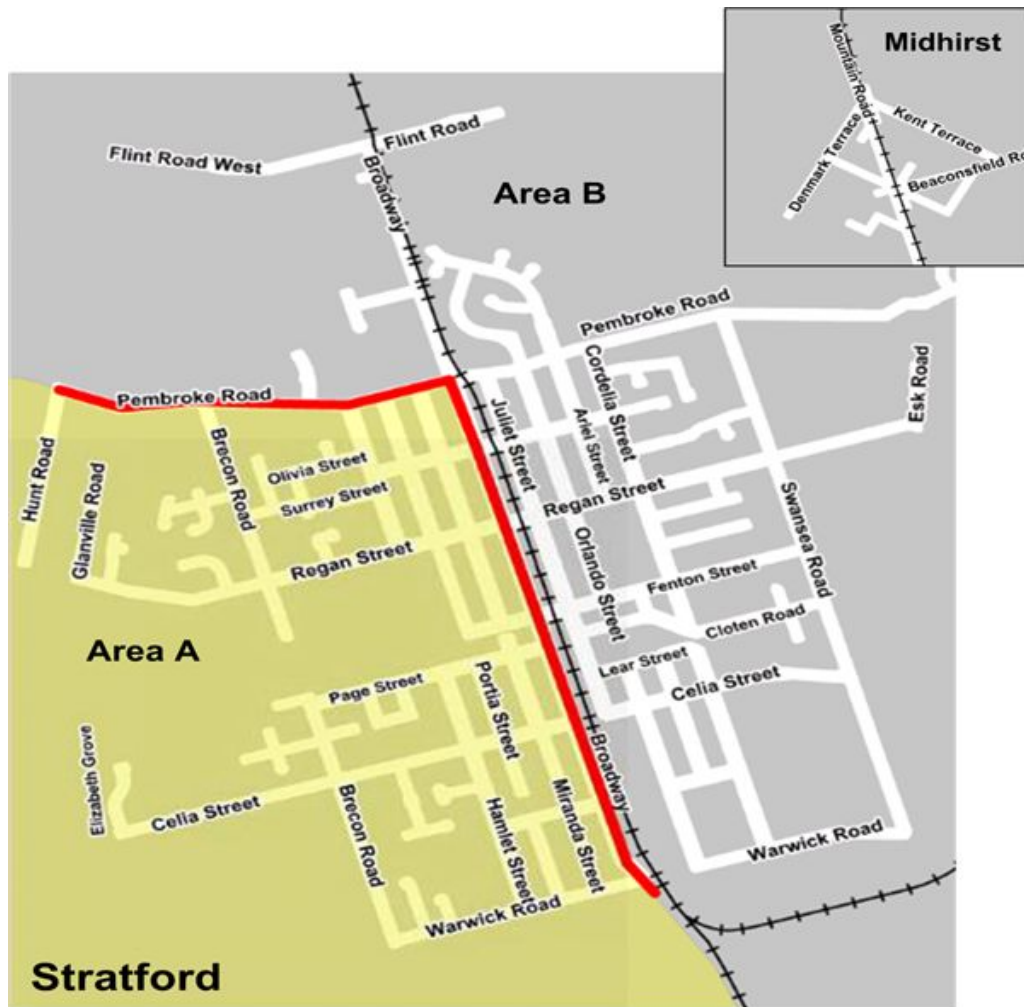


Figure 6 - Map of Stratford District Solid Waste Infrastructure and Services

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

Asset Information

3.2 ASSET VALUATION

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

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

The Solid Waste infrastructure has been re-valued by Telfer Young (Taranaki) Limited, Independent Valuers as at 1 January 2020. The Council does not depreciate the collection receptacles (Wheelie bins and crates). These are replaced as and when required using the operations budget. Note that:

- **Replacement Cost (RC)** is the cost of the modern equivalent asset that replicates the existing asset most efficiently
- **Optimised Depreciated Replacement Cost (ODRC)** is the optimised replacement cost after deducting an allowance for wear or consumption to reflect the remaining or economic service life of an asset
- **Annual Depreciation (AD)** is the systematic allocation of an amount over an asset over its useful life
- They do not include land value that is not depreciated

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

- Land
- Buildings

Financial Reporting Standards (PBE IPSAS 17) apply to all SDC solid waste infrastructure assets considered in the Telfer Young (Taranaki) Limited valuation for the general purpose of financial reports.

3.3 USEFUL LIFE

Useful life (or Base Life) refers to either;

- The period over which an asset or component is expected to be available for use by an entity, or
- The number of production or similar units expected to be obtained from the asset or component by the entity.

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

3.4 ASSET INFORMATION SYSTEM

The Stratford District Council uses spreadsheets held by the Asset Manager to support management of the Solid Waste Activity.

Data on infrastructure assets (only the Transfer Station) is collected during inspections and monitoring using both paper based and electronic methods. All data collected in relation to the Solid activity infrastructure is stored in TRIM.

Asset Information

3.5 THE SOLID WASTE ACTIVITY

The solid waste activity assets comprise:

- Wheelie Bins and crates;
- Landfills

Asset details are provided below.

3.5.1 WHEELIE BINS

The Council provides domestic refuse and recycling services to all designated urban collection areas in the Stratford District. The bins provided by the Council are:

- 120 litre red lid general waste bin
- 240 litre yellow or green lid recycling bin
- 60 litre blue glass crate

All bins are collected on Mondays;

- General rubbish weekly;
- Recycling and glass fortnightly –one week glass, one week recycling.

When the wheelie bins have exceeded their useful life expectations the Council’s annual replacement programme ensures to maintain the bins at an excellent level.

3.5.2 LANDFILLS

The Council manages 3 closed landfills in the district:

- The Stratford Closed Landfill;
- The Huiroa Closed Landfill; and
- The Pukengahu Closed Landfill.

The Stratford Closed Landfill, located on Victoria Road in Stratford, was closed to the public and commercial disposers in 2002. Contaminants from this closed landfill are treated in the adjacent wastewater oxidation ponds. In March 2004 Council cleared a site on top of the landfill and created a ‘bunded’ area for the purpose of oxidation pond sludge de-watering. This de-watering process continued through to early 2006 and the sludge was then covered and capped and the site reinstated. There has been no discharge of refuse to the landfill since 2006.

Figure 7 - Location of the Stratford Closed Landfill



The Huiroa Closed Landfill is sited within an elbow of the Douglas Road. The dump was an uncontrolled roadside landfill used by local residents to dispose of domestic waste. The site was closed in 1991 and reinstated by Council.

Asset Information

Figure 8 - Location of Huiroa Closed Landfill



The **Pukengahu Closed Landfill** site is situated in a small gully off Wingrove Road. At the base of the gully is a small wetland area which is fed by a spring which is culverted beneath the road and into a small unnamed stream. The dump site was unmanaged but was mostly used for the discharge of domestic waste by local residents. It was closed in 1991 and the site was reinstated by the Council.

Figure 9 - Location of the Pukengahu Closed Landfill



Asset Information

3.5.3 EMERGENCY TEMPORARY DISPOSAL SITE

In the event of an emergency and the solid waste is not able to be removed from the district, Stratford has sites available for the temporary disposal of general waste. These sites are able to be set up within 2 days. All rubbish will need to be removed once transportation is available and the site returned to its original state.

3.6 ASSET MATURITY INDEX ASSESSMENT

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

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

The Asset Management Maturity Index assessment in Table 8 below provides a snapshot of where the Council is at in its asset management practices and in particular, emphasizes that seeking advanced practice in all areas may not be the best solution across activities, as this depends on the scale and type of assets being managed.

Table 8 - Asset Maturity Index Assessment

	Asset Management Disciplines	Maturity Index	Maturity Description	What we do
1	Strategic Direction	Intermediate	<ul style="list-style-type: none"> • AM System scope is defined and documented. 	<ul style="list-style-type: none"> • The Council has adopted an Asset Management Policy to provide the overall direction for asset management in the district. • Scope is also refined as a consequence of our Early Conversation discussions with Elected Members, which inform the LTP, and also during our regular workshops to define Strategic Direction for the Council.
2	Defining Level of service	Intermediate to Advanced	<ul style="list-style-type: none"> • Level of service and cost relationship understood. • Customers are consulted on significant service levels and options. • Customer communication s plan in place. • Levels of service are integral to decision making and business planning. 	<ul style="list-style-type: none"> • As part of the LTP process if there are significant changes to the LOS provided or stated in the AMP, these will be captured as part of the LTP planning. • Existing levels of service are generally maintained, however, can be re-defined as a result of either legislative requirements; customer feedback or in response to new technology. Re-definition is done as an outcome of our discussions with Elected Members, either prior to the LTP year or as and when required during the year. • The LOS are defined in the AMPs for each work activity. • There have been no changes to the LOS in the previous 3 years.
3	Forecasting future demands	Core to Intermediate	<ul style="list-style-type: none"> • Risk associated with demand change 	<ul style="list-style-type: none"> • We have a broad understanding of the issues for each work activity and these are documented in the AMP as "Problem Statements".

Asset Information

	Asset Management Disciplines	Management	Maturity Index	Maturity Description	What we do
				broadly understood and documented. <ul style="list-style-type: none"> • Demand management considered as an alternative to major project development. 	<ul style="list-style-type: none"> • Forecasting is based on population and economic growth statistics in addition to regulatory changes at the central government level. • Demand Management has been used in the solid waste activities, enforced by the Solid Waste Management and Minimisation Bylaw and the SDC Waste Management and Minimisation Plan. Our resource consents also support our demand management initiatives. DM initiatives employed include: <ul style="list-style-type: none"> • Kerbside collection for general waste, recycling and glass. • Regular monitoring of the closed landfills. • Education programmes on correct recycling and reducing waste to landfill. • Event Waste Minimisation Plans.
4	Collecting Information	Asset	Intermediate	<ul style="list-style-type: none"> • A reliable register of physical, financial and risk attributes recorded in an information system with data analysis and reporting functionality. Systematic and documented data collection process in place. 	<ul style="list-style-type: none"> • The Stratford District Council uses spreadsheets held by the Asset Manager to support management of the Solid Waste Activity. • Data on infrastructure assets (only the Transfer Station) is collected during inspections and monitored using both paper based and electronic methods. All data collected in relation to the Solid activity infrastructure is stored in TRIM. • The closed landfills are monitored 6 monthly with onsite inspections as required by the resource consents.
5	Monitoring Performance and Condition	Asset and	Core	<ul style="list-style-type: none"> • Condition and performance information is suitable to be used to plan maintenance and renewals to meet over the short term. 	<ul style="list-style-type: none"> • The condition - physical integrity - of an asset is deduced based on the age, material type and analysis of collected statistical data. • The performance, being a measure of whether the asset is delivering level of service requirements – is monitored during routine inspections and asset upgrade.

3.7 ASSESSMENT OF ASSET CONDITION

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

Targeted inspections are carried out on asset components that are considered critical to Council and the community, have the potential to impact on public health and safety; or where there is a specific

Asset Information

requirement, for example to meet regulatory requirements or for asset acquisition, disposal, or justification.

Targeted inspections of solid waste infrastructure assets are carried out by Council staff, the Operations Contractor, or a specialist consultant to identify the condition of specific asset components at intervals specified by the Asset Manager or upon request.

To identify the general condition of its assets Stratford District Council undertakes the following targeted inspections:

- Closed landfills – 6 monthly by staff or contractors, annual environmental monitoring by TRC

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

3.8 DATA ACCURACY AND CONFIDENCE

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

Given the limited asset portfolio of the Solid Waste Infrastructure, a simple system is sufficient to ensure that the state of the activity is in an acceptable condition, to deliver the required level of service. Therefore, the Council does not require any sophisticated grading system, as developed for other asset groups, to ensure data accuracy and confidence.

4.0

Future Growth and Demand

Future Growth and Demand

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Future Growth and Demand

4.1 OVERVIEW

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

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

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

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

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

4.2 DEMAND FORECASTING

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

As part of the planning process Council considers:

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

Key Information gathered during the forecasting process includes:

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

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

4.3 DEMAND DRIVERS AND IMPACTS

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

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

Future Growth and Demand

4.3.1 POPULATION

Under the medium population growth scenario projected by the Infometrics Model, the Taranaki region’s population is expected to grow to over 145,100 by 2051. Under a high growth scenario, higher levels of net migration would lead to a regional population of 163,100 by 2051, while the low growth scenario results in the population growing to approximately 129,000 residents by 2035, and then remaining relatively static at that level until 2051.

For the Stratford District, the forecast under the High growth scenario is to increase from above 10,000 in 2021 to just under 12,000 in 2051. This is equivalent to just under 0.7% increase per annum, an estimated total increase of approximately 18% over these 30 years. Under the low growth scenario, the forecast is to decline from above 10,000 in 2030, to just above 9,000 in 2051

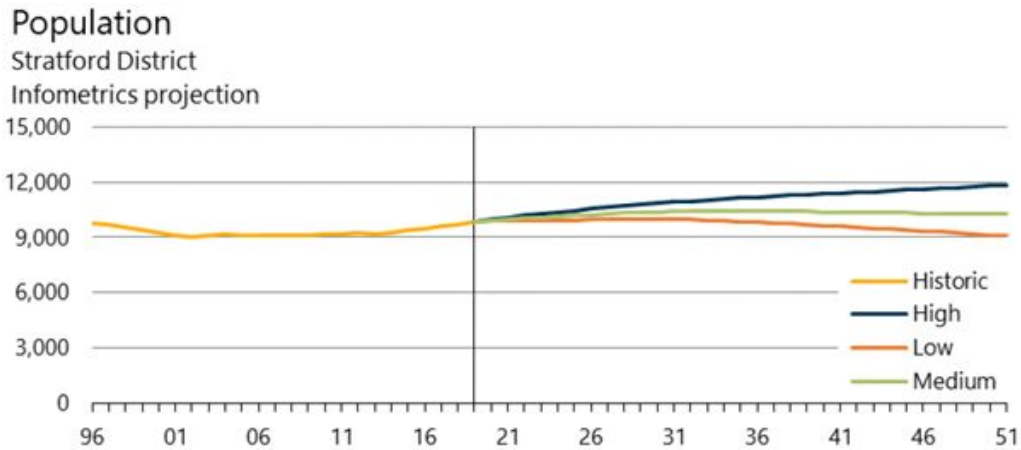


Figure 10 - Stratford District Infometrics projection of population change

Population distribution

Currently, there are 1,250 Maori population – 48% are under 20. Maori make up 13% of district population. Population growth has averaged 0.2% in the last 20 years, and averaged 0.7% in the last 10 years, however, in the last 3 years population growth has increased annually by 0.8% on average.

Population 2019 Infometrics data shows that Stratford district is approximately 9,860 – a growth of 1.3% from previous year. The source of growth was 78% due to natural increase and 22% due to net migration. We are anticipating an annual average population growth of 0.5% over the next eight years, centered around the urban area and mostly as a result of births.

The district’s Population Age Structure and Projection is shown in Figure 11; Components of Population Change in Figure 12 and the Population Geographic Distribution in Figure 13.

Elderly Population

The average age of Stratford residents is expected to increase over the next 30 years from 40 to 42 years. 580 residents (5% of the district population) are aged 80+.

With a rising older population and a potentially declining older working population Stratford District Council and the Water Supply Activity will need to consider the services it delivers and the infrastructure required to deliver these services.

For a clearer picture of the impacts on infrastructure and the demand for services, further assessment is necessary. The cost of this assessment will need to be weighed against the benefits of embarking on the project.

Future Growth and Demand

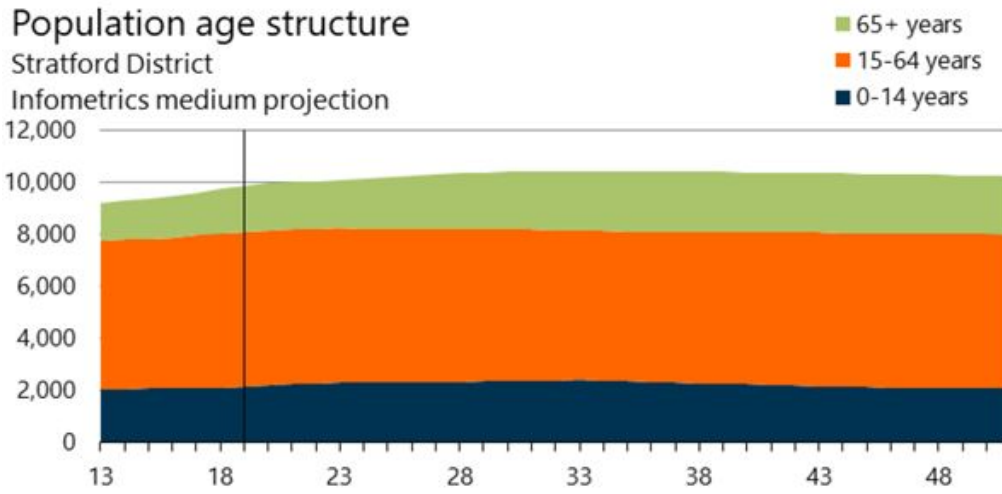


Figure 11 - Stratford District's Population Age Structure

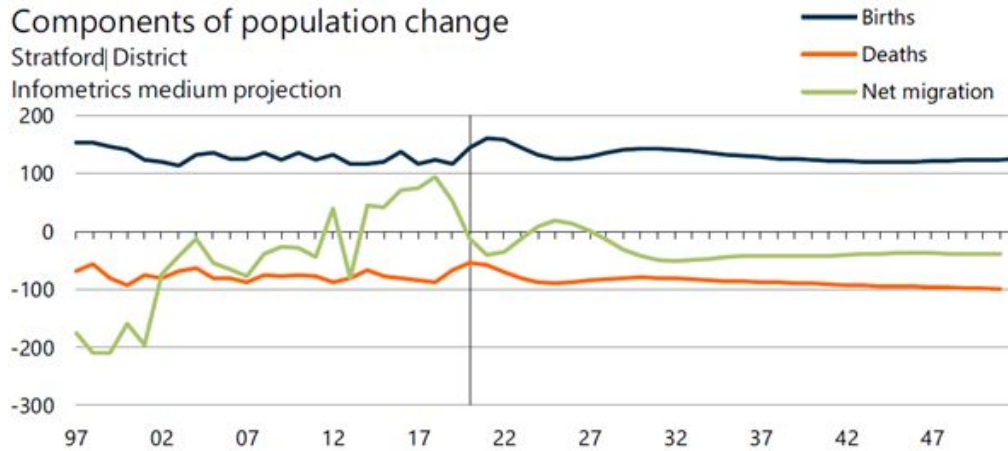


Figure 12 - Components of Population Change

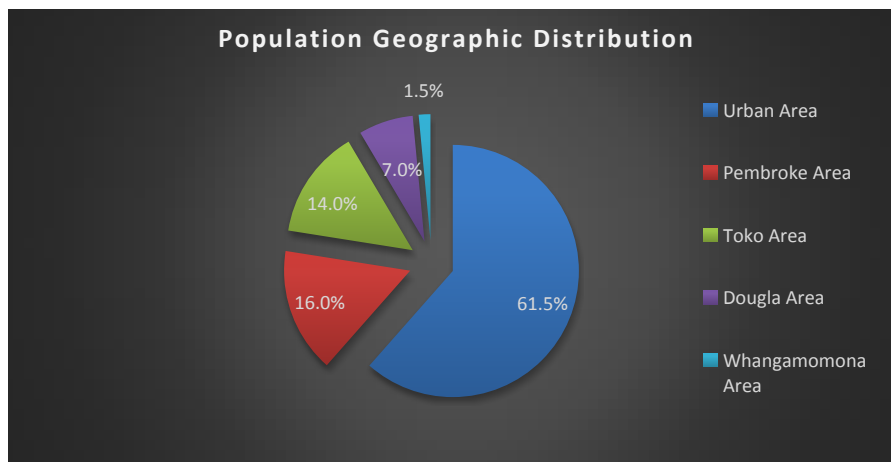


Figure 13 - Current Population Geographic Distribution

Future Growth and Demand

4.3.2 ECONOMIC DEVELOPMENT

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

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

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

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

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

Economic History and Forecast

According to the Infometrics Model, GDP growth is static to low, and generally under the national average – except for 2009 and 2012 where there were spikes in the district’s GDP compared to the rest of the country.

The two biggest contributing industries in Stratford are the Agriculture and Forestry sector contributing 27% (Dairy Farming making up 16% of this) of district GDP, and the Electricity and Gas Supply contributing 16%. Stratford has the region’s largest electricity generation site at Contact’s 575MW gas powered plant – it is considered a nationally significant generation site.

In 2019, there were 3,462 filled jobs in the Stratford District. The district unemployment rate was 4.4%, compared to the regional unemployment rate of 5.0% and national unemployment rate of 4.3%. Employment growth lags behind the rest of the country (2018 Stratford: 1.5%, National: 3.0%), although it did spike above the national average in 2009.

In terms of industry employment the top five employing industries in 2019 were:

- Education and Training 11%
- Dairy farming 9%
- Health Care and Social Assistance 7%
- Accommodation and Food Services 6%
- Supermarket and Specialised Food Retailing 6%

The biggest increase in jobs in Stratford since 2017 has been in the house construction (building) sector, and in primary education. Stratford generally has a higher rate of self-employment than the national average at 19%, compared to 17% nationally. Stratford also has a higher productivity rating per employee. In 2018, GDP per employee came to \$120,631, compared to the national average of \$97,174.

The 10-year and 30-year GDP and Employment forecast are provided in Figures 14 – 16.

Future Growth and Demand

	GDP level (\$m, 2010 prices)			Annual % change	
	2005	2018	2031	05-18	18-31
New Plymouth	3,908	5,349	6,074	2.4%	1.0%
South Taranaki	1,869	1,948	2,080	0.3%	0.5%
Stratford	415	414	459	0.0%	0.8%
Taranaki	6,192	7,712	8,613	1.7%	0.9%

Figure 14 - GDP Growth 2005-2031

The Infometrics data above shows minimal change in GDP growth from 2018 to 2031

	Employment level			Annual % change	
	2005	2018	2031	05-18	18-31
New Plymouth	33,926	40,748	47,261	1.4%	1.1%
South Taranaki	13,959	13,952	15,256	0.0%	0.7%
Stratford	3,637	3,434	3,639	-0.4%	0.4%
Taranaki	51,522	58,134	66,157	0.9%	1.0%

Figure 15 - Regional Employment Levels

Employment was expected to increase over the period to 2031, however the impact of Covid-19 has changed these figures

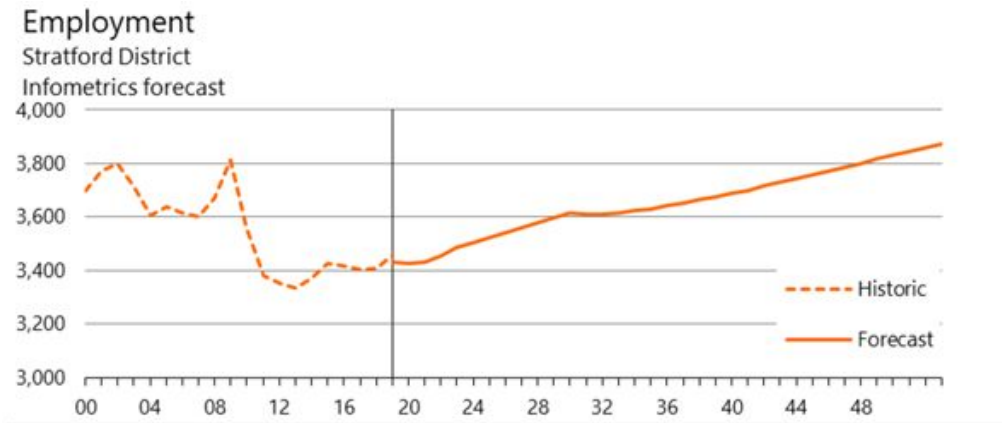


Figure 16 - Employment Forecast for Stratford

Employment is expected to increase slightly over the next 10-30 years

Future Growth and Demand

4.3.3 CLIMATE CHANGE

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

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

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

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

Extreme weather events and heavy rainfall would see increases in flooding, landslides, avalanches and mudslides during heavy rainfall events while on the flip side a lack of rain during summer months could see prolonged periods of drought. Both extremes place increased pressure on government, private flood insurance schemes, and disaster relief.

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

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

4.3.4 TOURISM

The Visitor Sector Action Plan is one of six action plans developed as part of the "Make Way for Taranaki" Regional Development Strategy.

The action plan describes the current regional sector dynamic, growth objectives, challenges, opportunities and the actions required to achieve sector growth. It is anticipated that the Visitor Sector Action Plan will enable and support growth in the Stratford District Visitor Sector.

Council welcomes the Stratford District being seen as a visitor destination but is mindful that increases in visitor numbers may have an impact on infrastructure and the services it provides.

4.3.5 THE (DRAFT) STRUCTURE PLAN FOR STRATFORD

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

The Plan will identify key growth areas in Stratford, in addition to areas that lend themselves to in-filling. Roading, Solid Waste Services, Water and Wastewater infrastructure will be planned to service these areas accordingly. Given its proximity and centrality to key employment generators and tourist areas in the New Plymouth and South Taranaki District, the creation of new and affordable residential lots is expected to support the growth forecast for the town. To facilitate this strategy, the Stratford District Council has led the creation of a quality and affordable subdivision to jumpstart the growth process and facilitate the development of quality affordable homes to the community. The uptake of

Future Growth and Demand

the newly created lots was quick and has attracted homeowners from all parts of the Taranaki region as well as nationally.

4.3.6 REGULATORY CHANGES

The SDC regularly reviews regulatory changes that may or will affect the SDC solid waste service. This primarily includes updates to resource consents and there are no immediate concerns of regulatory changes at the time of writing this AMP.

4.3.7 CUSTOMER NEEDS AND EXPECTATIONS

Council has indicated a desire to promote growth in Stratford by developing new residential subdivisions with sections serviced by municipal solid waste services, water supply and wastewater schemes. Inherently, this will have an effect on the Stratford solid waste services whereby the demand for disposal and recycling of waste in these areas will increase. The increase to the services is easily managed within the existing solid waste contract with a small increase in the number of kerbside collections required. There will be minimal impact on the transfer station service.

4.4 IMPROVEMENT PLAN

Table 9 - Future Growth Improvement Plan

Sub Section	Task	Due Date
4.3.1	Further assessment needed to assess the impacts of growth demands on the adequacy of the existing solid waste services.	On-going

Strategic Assessment

5.0 Strategic Assessment

Strategic Assessment

5.0: STRATEGIC ASSESSMENT

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Strategic Assessment

5.1 OVERVIEW

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

5.2 BUSINESS CASE

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

5.3 PROBLEM STATEMENTS

Between June and September 2020, Council staff prepared and presented *Early Conversation papers*¹ for discussion with the Elected Members as part of the Long Term Plan (LTP) process. The purpose of these early conversations was to ask elected members for direction regarding some capital projects being proposed in the 2021-2031 LTP.

The Early Conversations with the Elected Members identified:

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

Our Elected Members considered the information and provided the necessary direction - in some cases modifying the preferred option. The outcomes of these conversations provided a 10-year plan for implementation of the Preferred Options for each Problem area identified. The main Problem Statement identified and *workshopped* as part of the Early Conversation was:

- Improving Waste diversion from landfill via the introduction of an organic waste collection.
This project was to essentially introduce a fortnightly kerbside combined food and greenwaste collection service for all current waste and recycling service users.

While this initiative was one of the key projects in the Long Term Plan (LTP) Consultation document, the outcome of the LTP submissions and Hearing was to defer it. A key reason was the lack of clarity around the final destination on of the diverted waste. In its place, the Council has opted to increase education an advocacy around waste minimisation and individual waste diversion, i.e., composting, etc.

Other key problems are:

- Reduce the volume of kerbside collection waste per household going to landfill;
- Increase the amount of kerbside collection waste diverted to recycling in the district; and
- Reduce the contamination of kerbside recycling delivered to the MRF.

¹ *Early Conversation Papers D20/9918 and D20/33527*

Strategic Assessment

5.4 OUR BENEFIT STATEMENTS

A summary of our Problems and key Benefit Statements are described in Table 10 below.

Table 10 - Problems, Projects and Benefit Statements

Problem Statements	Identified Projects	Benefit Statements
<p>Problem Statement 1</p> <ul style="list-style-type: none"> Improving Waste diversion from landfill via the introduction of an organic waste collection 	<ul style="list-style-type: none"> Procurement of a <i>Resource Educator</i> for community education on the efficient management and minimisation of waste. 	<p>The benefits include:</p> <ul style="list-style-type: none"> Reduction of waste to the landfill by improved education for the district's communities. Reduction of transportation to Bonny Glen from South Taranaki, less emissions.
<p>Problem Statement 2</p> <ul style="list-style-type: none"> Reduce the volume of kerbside collection waste per household going to landfill. Stratford is the highest out of the 3 Councils in the region 	<ul style="list-style-type: none"> Procurement of a <i>Resource Educator</i> for community education on the efficient management and minimisation of waste 	<p>The benefits include:</p> <ul style="list-style-type: none"> Reduction of waste to the landfill by improved education for the district's communities. Reduction of transportation to Bonny Glen from South Taranaki, less emissions.
<p>Problem Statement 3</p> <ul style="list-style-type: none"> Increase the amount of kerbside collection waste diverted to recycling in the district 	<ul style="list-style-type: none"> More education and communication to the residents regarding what can be recycled Provide another kerbside collection service to enable another option for people to divert waste from the landfill 	<p>The benefits include:</p> <ul style="list-style-type: none"> Reduction of waste to the landfill by improved education for the district's communities. Reduction of transportation to Bonny Glen from South Taranaki, less emissions.
<p>Problem Statement 4</p> <ul style="list-style-type: none"> Reduce the contamination of kerbside recycling delivered to the MRF 	<ul style="list-style-type: none"> More education and communication to the residents regarding correct recycling Recycling bin audits and if three strikes of contamination, the service is suspended for 3 months 	<p>The main benefit is:</p> <ul style="list-style-type: none"> More efficient handling of the recycling at the MRF and better end product for selling

Strategic Assessment

6.0 Levels of Service Performance

Levels of Service Performance

6.0 LEVELS OF SERVICE PERFORMANCE

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Levels of Service Performance

6.1 OVERVIEW

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

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

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

The Levels of Service section details legislative and regulatory requirements affecting the operation, management and Levels of Service for the solid waste activity.

This section:

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

6.2 LEVEL OF SERVICE DEVELOPMENT/REVIEW PROCESS

LoS review is an on-going process which can be triggered by a variety of drivers. The development and review of the LoS will be undertaken following the process diagram in Figure 17 (Source: IIMM (2015)).

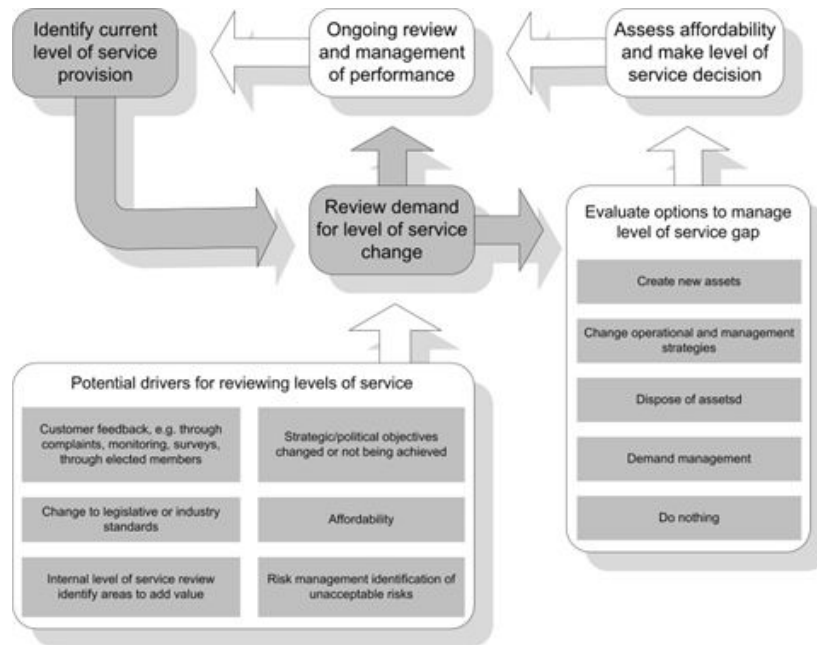


Figure 17 - Level of Service Review Process

Levels of Service Performance

6.3 PERFORMANCE MONITORING AND REPORTING

The Stratford District Council has committed to provide a solid waste service that meets LoS expectations and regulatory requirements. To ensure these expectations and requirements are met, the Stratford District Council undertakes performance monitoring of solid waste activities and infrastructure through the use of performance measures and key performance indicators (KPIs).

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

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

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

6.4 CURRENT PERFORMANCE

Stratford District Council provides services for the benefit of the community. To ensure these expectations and requirements are met, Stratford District Council undertakes performance monitoring of the solid waste activity and services it provides.

Performance monitoring is undertaken through the use of performance measures and key performance indicators (KPIs). Our current performance is monitored through the internal performance measures presented in Table 10 below. These performance measures were determined by Council to inform the community about how well the Council is delivering on Levels of Service and the performance of the activity assets.

Table 11 - Internal Performance Measures

	Level of Service Category	Performance Measure
1.	Quantity	Waste to landfill per household (municipal kerbside collection only). Target - <700kg
2.		Percentage (by weight) of council controlled waste stream that is recycled (municipal kerbside collection only). Target - >20%
3.	Customer Satisfaction	Percentage of customers satisfied with the service provided. Target - >90%

6.4.1 WASTE TO LANDFILL

The performance measure target for the amount of waste to landfill per household (municipal kerbside collection only) for 2021/2022 (as stated in the 2021-2031 Long Term Plan) is <700kg.

Levels of Service Performance

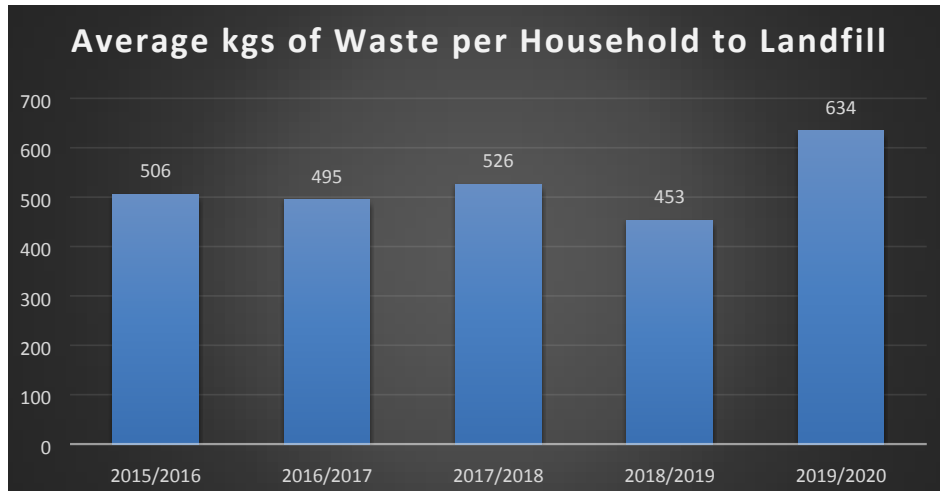


Figure 18 - Waste to Landfill - Annual Report

In 2019/20 there was an average of 634kg of waste per household collected by kerbside collection and transferred to landfill. Overall the waste generated is reducing, however the 2019/2020 result is significantly greater than the previous year due to the Materials Recovery Facility not operating through Covid-19 Alert Levels 4 and 3. Albeit the result still meets the target.

6.4.2 RECYCLING

The performance measure target for the percentage (by weight) of the council controlled waste stream that is recycled (municipal kerbside collection only) for 2021/2022 (as stated in the 2021-2031 Long Term Plan) is now >20 %. This level was reduced due to the change in plastics in August 2020 meaning there was a reduction in what plastics can be recycled. Prior to August 2020 plastics with the number 1 through to 7 could be sent for recycling. There is no market for plastics 3, 4, 6 & 7 so as at August 2020 these plastics must be landfill translating to a reduction in what can be sent to the Materials Recovery Facility and increasing what is sent to landfill.

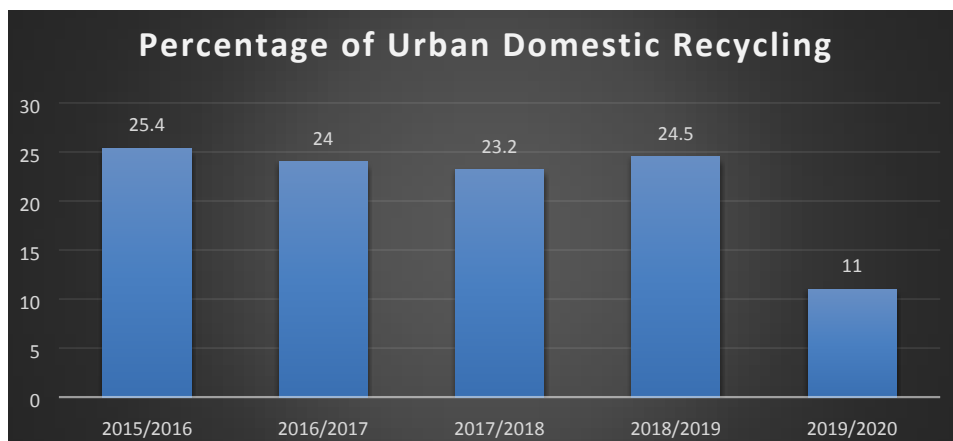


Figure 19 - Recycling - Annual Report

In 2019/20 the percentage (by weight) of council controlled waste stream that is recycled (municipal kerbside collection only) was 11%. This was a significant decrease due to the Materials Recovery Facility closing for 2 months during Covid-19 Alert Levels 4 and 3 and all recycling that was presented at kerbside or the transfer station was sent to landfill.

Levels of Service Performance

Since 2016/2017, every year the total amount of recyclables collected at the kerbside fell short of the desired 25% by weight. This is largely due to the lighter nature of most recyclables as well as many ratepayers still using the free recycling drop-off for larger items (particularly cardboard) at the transfer station.

6.4.3 CUSTOMER SATISFACTION

The performance target for the percentage of customers satisfied with the service provided for 2021/2022 (as stated in the 2021-2031 Long Term Plan) is >90%.

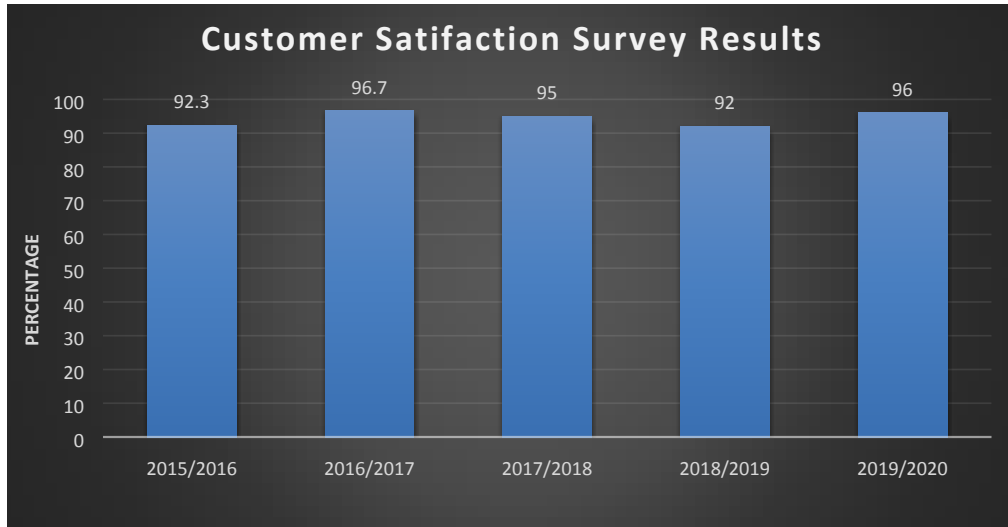


Figure 20 - Customer Satisfaction - Annual Report

In 2019/2020 the percentage of customers satisfied with the service provided was 96%. The solid waste activity has consistently achieved Level of Service requirements for customer satisfaction.

6.5 DESIRED PERFORMANCE

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

6.5.1 PERFORMANCE MEASURES AND KPIS

The rating of our performance against the key performance indicators (KPI's) or targets is as per Table 12 below.

Levels of Service Performance

Table 12 - Performance Rating Index

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

6.6 ACTIVITY MANAGEMENT IMPROVEMENT PLAN

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

Table 13 - Levels of Service Improvement Plan

Sub Section	Task	Due Date
6.4	Create and provide effective initiatives and an education plan around reducing waste to landfill by getting the community to “think before they buy” certain products in packaging that is not recyclable or compostable.	Ongoing
6.4	Review and select suitable information sources to accurately calculate the demand management performance measure for future years.	2024

Levels of Service Performance

Table 14 - Performance Measures as at 01 July 2021

Performance Measure		Outcome Category	Trend		Current	Target					How Measured
			2017/18	2018/19	2019/20	2020/2021	Year 1 2021/22	Year 2 2022/23	Year 3 2023/24	Years 4-10 2024-2031	
Quantity	Waste to landfill per household (municipal kerbside collection only).	Council Measure	526kg	453kg	634kg	<700kg	<600kg	<600kg	<600kg	<600kg	Landfill invoices & transactions.
	Percentage (by weight) of council controlled waste stream that is recycled (municipal kerbside collection only).	Council Measure	23.2%	24.5%	11%	>25%	>20%	>20%	>20%	>20%	Recycling facility invoices & transactions.
Customer Satisfaction	Percentage of customers satisfied with the service provided.	Council Measure	96.7%%	96.7%	96%	>90%	>80%	>80%	>80%	>80%	Annual Residents Survey

7.0

Lifecycle Management

Lifecycle Management

7.0: LIFECYCLE MANAGEMENT

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Lifecycle Management

OVERVIEW

Lifecycle Asset Management focuses on management options and strategies to minimise risks to assets, and any potential risk of assets.

It considers all relevant consequences from initial planning through to renewal, replacement, disposal or rationalisation of assets.

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

- Physical characteristics;
- Operating environment;
- Customer requirements.

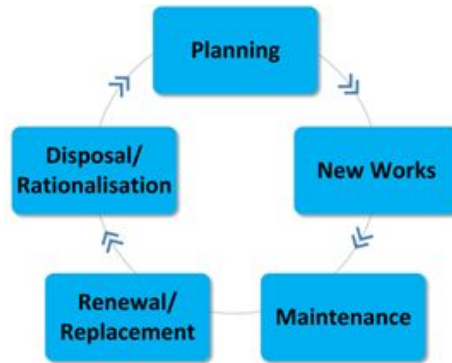


Figure 21 - Lifecycle Asset Management

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

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

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

This section presents a detailed plan of prioritised work over a 10-year planning period. It presents Council's practices and projects to maintain the solid waste assets over its lifecycle through Council's:

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

At the time of writing this SWAMP, the costs and financial projections were accurate, however changes are expected upon finalisation of the LTP 2021/2031.

7.2 PROCUREMENT POLICY

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

- Achieves the right outcomes and value for money;
- Manages risk effectively;
- Allows council officers to exercise business judgement by enabling flexibility and fluid, innovative approaches to procurement;
- Demonstrates fairness; and
- Has health and safety risk management at the forefront.

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

7.3 MANAGEMENT STRATEGIES

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

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



Figure 22 – Solid Waste Management Strategies

7.4 CONTRACTUAL ARRANGEMENTS

Stratford District Council holds 5 contracts in the solid waste space. They are as follows:

	Contractor	Contract
1	EnviroWaste Limited (Regional Contract)	Kerbside Collection
2	EnviroWaste Limited (Regional Contract)	Transfer Station Operations
3	South Taranaki District Council	Consolidation of Waste
4	EnviroWaste Limited (Regional Contract)	Transportation to Bonny Glen
5	Mid-West Disposals (Regional Contract)	Waste Disposal to Landfill at Bonny Glen

Stratford District Council does not have any ongoing contracts to supply repairs/maintenance services for the solid waste infrastructure, however there is a contractual arrangement with CityCare to deliver replacement bins when required.

Lifecycle Management

Stratford has a contractual arrangement with EnviroWaste NZ to deliver refuse services to the Stratford and Midhirst communities.

The services delivered are limited to the following:

- Weekly Refuse collection, transportation and disposal
- Fortnightly recycling collection, transportation and disposal
- Supply operator for transfer station
- Collection, transportation and disposal of materials from the transfer station

7.5 PROGRAMME BUSINESS CASE

The prioritisation of planned maintenance, renewal/replacement and capital projects, is based on:

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

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

Table 15 – Identified Projects and Performance Measures

Work Category	Identified Projects	Performance Measures	
		Quantity	Customer Satisfaction
Levels of Service Improvements	Increase level of service with the introduction of food waste and Greenwaste collections or:	√	√
	Invest in a new regional composting facility in South Taranaki	√	√
Operations	Procurement of a Resource Educator, an 0.5 FTE in-house resource, to provide additional community education of the efficient management and minimisation of waste, particularly around diversion of organic waste from landfill and recycling waste for the overall benefit of reducing total waste to landfill.	√	√

7.5.1 OPERATION AND MAINTENANCE

Operation and Maintenance strategies cover policies that determine how the activity will be operated and maintained on a day-to-day basis to consistently achieve optimum use. A key element of activity management planning is determining the most cost-effective blend of planned and unplanned maintenance (ready response). Operating budgets are detailed in the Financial Forecasts Section of this document.

The operation and maintenance of activities is undertaken through:

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

The previous expenditure figures for operations and maintenance, as detailed in the Annual Plan, are presented in Figure 23.

Lifecycle Management

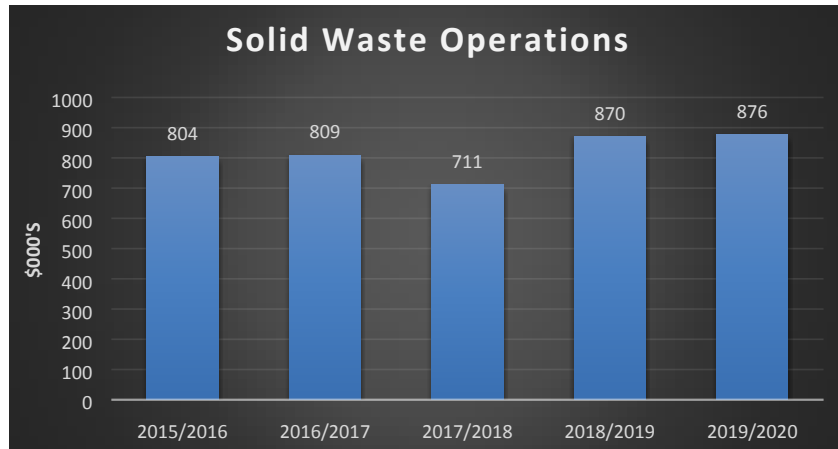


Figure 23 - Operation and Maintenance Expenditure Trends

7.5.2 RENEWAL/REPLACEMENT

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

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

The previous expenditure figures for assets renewal/replacement, as detailed in the Annual Plan, are presented in Figure 24.

The Transfer Station building is now being managed under the Property portfolio however budget has been allowed for maintenance under the Solid Waste Activity. See Table 15.

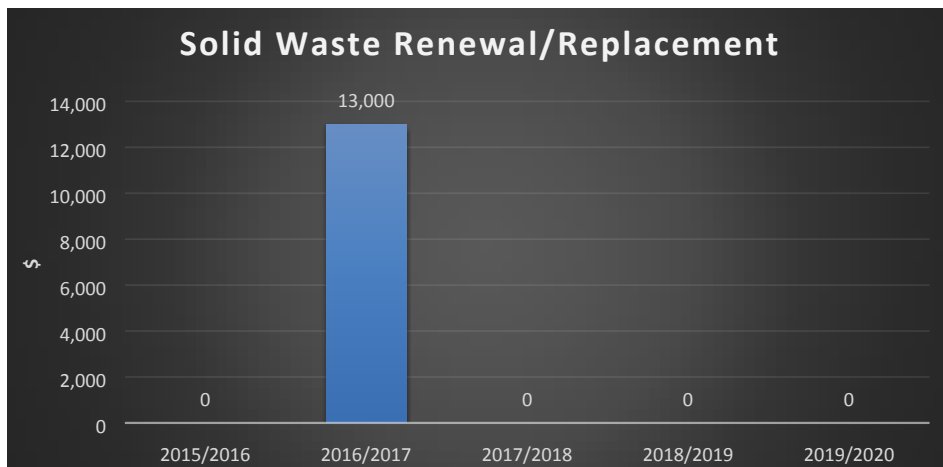


Figure 24 - Solid Waste Replacement/Renewals Expenditure

Lifecycle Management

Table 16 - Renewal/Replacement

Project	2021/22	2022/23	2023/24	2024-31
Transfer Station Building Renewals		\$10,000		\$60,100

Problem Statement Building falls below an acceptable standard.

Benefits of investment Project will assist the Council providing an adequate service to the community.

Consequences of non-investment Levels of Service will reduce in time resulting in higher maintenance costs.

7.6 LEVEL OF SERVICE IMPROVEMENTS

The Stratford District Council is having early conversations around services to enable further waste diversion from landfill. The LTP 2021-2031 projects are:

- Introduction of Food and Greenwaste Collection; and/or
- Investment into a regional composting facility in South Taranaki

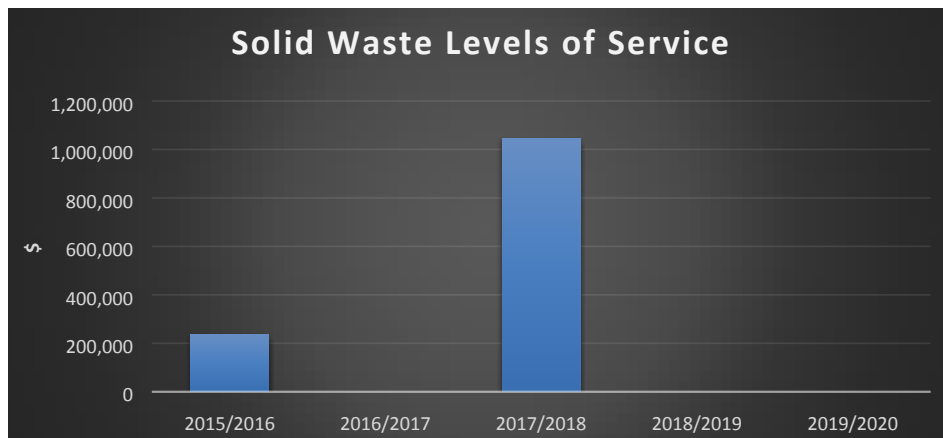


Figure 25 - Levels of Service Improvements Expenditure

7.7 DISPOSAL STRATEGY

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

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

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

Lifecycle Management

While there are assets that fit under one or more of the above criteria, the Local Government Act provides clear instances when assets can be disposed of. At this time, the Stratford District Council has no plans to dispose of any solid waste assets other than those that become obsolete as a result of renewal or upgrading works.

7.8 LIFECYCLE MANAGEMENT IMPROVEMENT PLAN

Sub Section	Task	Due Date
7.6	Introduction of a food and greenwaste collection in Stratford's Kerbside <ul style="list-style-type: none"> • Increase levels of service in kerbside collection service of food and greenwaste collections to reduce the waste to landfill. 	From 2025

8.0 RISK MANAGEMENT

Risk Management

8.0: RISK MANAGEMENT

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Risk Management

8.1 OVERVIEW

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

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

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

8.2 RISK MANAGEMENT FRAMEWORK

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

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

The potential risks identified for the Solid Waste activity under these six categories are described in detail in this report.

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

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

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

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

Risk Management

8.3 RISK ASSESSMENT PROCESS

The Stratford District Council's Risk Management Process in Figure 26 identifies risk management strategies to minimise risks associated with the provision of services. It is designed to ensure that:

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

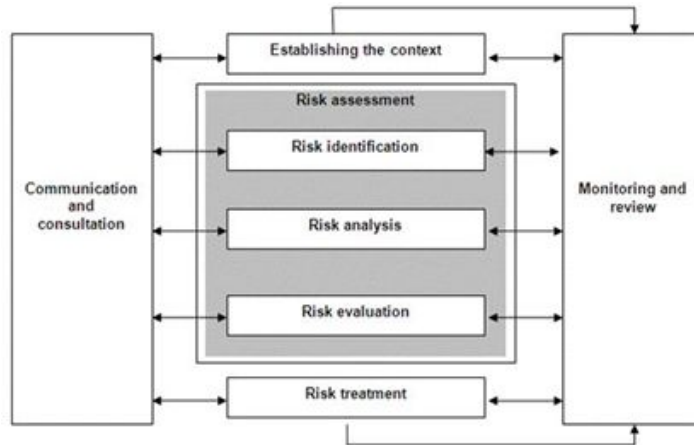


Figure 26 - Risk Management Process

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

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

Figure 27 - The Risk Matrix, sourced from the Council's Vault system

8.4 POTENTIAL RISKS

The Stratford District Council has made a number of risk assumptions² under the six broad risk areas of Compliance and Legislation, Data Information, Financial, Health and Safety Wellbeing, Operational, & Reputational and Conduct. These are presented in [Appendix 1](#).

² statements that are presumed to be true without concrete evidence to support them

Risk Management

8.5 TOP TEN RISKS FOR THE SOLID WASTE ACTIVITY

The Stratford District Council has identified the following top ten Solid Waste risks from the 6 categories in the Risk Management Framework ([#Appendix1](#)) in Table 16.

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

Table 17 – Top Ten Identified Solid Waste Risks

	Risk Subject	Risk Descriptions	Risk Score Raw	Control Description	Residual Risk Score
1.	Activity Management Plans	If AMPs are incomplete then capital programmes, condition of assets, life cycle management will not be realised	6 High	AMPs are reviewed every 3 years to address current problems and issues at the time in order to develop work programmes for the next 3 years	4 High
2.	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.	5 High	Ensure variable costs are clearly identifiable, and therefore able to be isolated and adjusted if ratepayer base reduced.	4 Moderate
3.	New Regulations require Significant Investment	If new environmental regulations or legislation imposed on councils requires a significant increase in capital expenditure, then the ability to finance investment could be compromised and rates increases could breach limits.	6 High	Work within approved budgetary constraints and achieve cost efficiencies regularly so that council can weather any necessary investment in order to be compliant with changing legislative environment.	4 High
4.	Natural Disaster - Response preparedness	If a Natural Disaster causes significant damage to infrastructure then community welfare may be severely compromised, putting peoples lives at risk, and staff may be unable to access systems to carry out their day to day duties and functions.	15 Very High	Civil Defence Emergency Management plans are in place. Procedures following an emergency event are widely known by a number of staff due to Civil Defence Foundational training being rolled out to majority of council staff. Business Continuity Plans need to be in place and practiced regularly for all activities.	12 Very High
5.	Disease Outbreak	If there is a human disease outbreak in the district, then this could impact staff and contractors' staff and the community access to healthcare is limited so it could result in population decline.	5 High	Health and Safety Advisor to keep aware of any public health notifications of disease outbreaks. Ensure there is a plan to respond to any notifications. Civil Defence covers infectious human disease pandemics	4 High

Risk Management

	Risk Subject	Risk Descriptions	Risk Score Raw	Control Description	Residual Risk Score
				and will take responsibility for local management. Follow Ministry of Health's NZ Influenza Pandemic Action Plan.	
6.	Critical Asset Failure	If a critical property asset fails, then unexpected financial burden may arise and there could be significant disadvantage and risk to the community.	15 Very High	Conduct 2 yearly Asset Criticality Review. Ensure there are established Civil Defence Emergency Management response procedures in relation to fixing critical assets in an emergency event. Management practices and staff training, retention to ensure appropriate skill level in critical asset maintenance. Consider suitable alternative routes to maintain access.	4 High
7.	Government Policy Impacting on Local Government	If Government Policy significantly changes the services Council delivers or the way they are delivered, then this could put financial pressure on the district to fund investment in changes, or it may mean previous investment has become redundant.	12 Very High	Where a policy change may have a significant impact Council can make a submission regarding the change. Council officers and elected members need to keep up to date with policy, and anticipate potential impacts of legislative changes and respond strategically, This could include joint collaboration with business and other councils, accessing alternative funding sources, or obtaining legal or professional advice.	8 High
8.	Solvency of Contractor	If Council engage a contractor that could potentially be insolvent the risk to Council is that they abandon the contract.	12 Very High	Conduct the due diligence process for all contractors.	8 High
9.	Elected Members - Decision Making	Elected members make significant decisions in relation to the Long Term Plan budget setting. This has an impact on the Property Activity Management Plan and the work programmes that are developed throughout the 3 year period. This could have an impact on the levels of service for the community.	12 Very High	Relies on the accuracy and quality of the advice given by staff to elected members -	4 Moderate
10.	Council employees abuse members of the public	If Council employees, during the course of their Council duties abuse members of the public, then the Council may suffer significant reputational damage and potentially be taken to court.	8 High	Refer to the Staff Code of Conduct.	4 Moderate

Risk Management

8.6 RISK RESPONSE

The Stratford District Council has a suite of response strategies for the potential risks identified in [Appendix 1](#). They include avoiding, exploiting, transferring/sharing, reducing or accepting the risk. These response strategies are summarised in Table 17 below.

Table 18 - Risk Response Strategies and Definitions

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

8.7 SIGNIFICANT ADVERSE EFFECTS

Solid waste, if not managed appropriately, i.e. through non-collection of waste bins, can have significant adverse effects on public health. These effects are appropriately mitigated through the enforcement of the efficient delivery of our contract services to the public.

8.8 CRITICALITY

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

Solid waste assets are considered critical by Stratford District Council.

8.8.1 CRITICALITY EVALUATION

The Stratford District Council establishes criticality by using two rating levels - activity level and corporate level. **Activity level criticality** is based on the criticality criteria shown in Table 18; Table 19 provides the activity level criticality rating with examples. **Corporate level criticality** ranks activities based on the criticality of the service the activity provides at the corporate level as illustrated in Table 20 below.

Table 19 - Activity Level Criticality Criteria

Customers affected	Number of customers affected by asset failure.
Redundancy	Ability to replace or circumvent the failed asset.

Risk Management

Health and Safety	Direct or indirect impact of asset failure on the health of safety of individuals or the community.
Cost of failure	Cost to repair/ replace the asset including cost of temporary service provision.

Table 20 - Activity Level Criticality Rating

Rating ID	Rating	Description
1	Very High	Critical, no redundancy - Failure of equipment compromises H&S directly (impact, explosion) or indirectly (failure to supply drinking water to hospital).
2	High	Critical, no redundancy - Failure of equipment does not compromise H&S but affects production or Level of Service
3	Medium	Critical with redundancy - Failure of equipment does not compromise H&S but affects production or Level of Service
4	Low	Not critical, no redundancy - Failure of equipment has no effects on H&S and/or production/Level of Service but cost of repair/replacement is above \$100k
5	Very Low	Not critical, no redundancy - Failure of equipment has no effects on H&S and/or production/LoS and cost of repair/replacement is below \$100k

Corporate level criticality ranks activities based on the criticality of the service the activity provides at the corporate level as illustrated below in Table 14.

Table 21 - Corporate Level Criticality

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

8.8.2 CRITICAL ASSETS

The AssetFinda database holds a record of the critical solid waste assets. The assets are shown in Table 21. The identified critical assets are ranked according to their functional criticality.

Functional Criticality is a product of the Activity Criticality and Corporate Criticality (i.e. Functional Criticality = Activity Criticality x Corporate Criticality). The functional criticality ranking ranks assets from 1 to 5, with 1 being the highest score (the most critical) and 5 being the lowest (least critical).

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

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

Risk Management

Following the review we have undertaken the following:

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

Critical assets have been prioritised at the activity level and added to the asset register (AssetFinda).

Table 22 - List of Critical Solid Waste Assets

Criticality Rating				Asset Description	Criticality Description
Activity Priority	Functional Criticality	Activity Level	Corporate Level		
1	3	1	3	Landfill Encasement	Breach of closed landfill encasement resulting in buried waste escaping into a waterway causing downstream health and environmental issues
2	6	2	3	Kerbside Collection	Prolonged disruption to collection service resulting in significant costs and environmental issue due to refuse in the street.
3	9	3	3	Regional Landfill	Lack of access to a regional landfill resulting in the need to use out of region site, resulting in severe service disruptions and significant transport costs.
4	9	3	3	Transfer Station	Prolonged Transfer Station closure resulting in significant public complaint, a marked increase in fly tipping. Small commercial users disproportionately affected.
5	15	5	3	Wheelie Bins	Large scale failure of wheelie bins resulting in alternative receptacles being used, causing significant additional costs and public complaints

8.9 EMERGENCY RESPONSE

8.9.1 CIVIL DEFENCE

The Taranaki Region operates a CDEM (Civil Defence Emergency Management) Group Office, called the Taranaki Emergency Management Office (TEMO). TEMO is a shared service between all four councils in Taranaki. In 2017 The Taranaki CDEM group agreed to a constituting agreement that outlined the separate roles of the Group Office (TEMO), Taranaki Regional Council, and the three district councils. Funding for this arrangement comes from the *'Uniform Annual General Charge; (UAGC) Rates*.

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

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

Risk Management

8.9.2 LIFELINES

Lifeline utilities are entities that provide essential infrastructure services to the community such as solid waste, wastewater, transport, energy and telecommunications. These services support communities, enable business, and underpin the provision of public services.

The solid waste activity is a lifeline service as described in Part B of Schedule 1 of the Civil Defence Emergency Management Act (CDEMA) 2002.

8.9.3 INCIDENT RESPONSE PLANS

Stratford District Council has an Incident Response Plan for the solid waste activity. The plan contains schedules and procedures for managing incidents and escalating events that affect the delivery of services. Incidents are ranked on a scale of 1 – 5 to determine response and control level.

Level	Action
Level 1	<ul style="list-style-type: none"> Contractor actions and informs Stratford District Council after event
Level 2	<ul style="list-style-type: none"> Contractor actions and accepts direction from Stratford District Council
Level 3	<ul style="list-style-type: none"> Decision making by Stratford District Council, Asset Services Manager
Level 4	<ul style="list-style-type: none"> Decision making solely by Stratford District Council, Asset Services Manager and Director Assets
Level 5	<ul style="list-style-type: none"> Decision making in consultation with Group Controller Civil Defence Emergency Management Group (CDEM)

Risk Management

8.10 RISK INSURANCE

The Local Government Act 2002 requires that from 2014 details of insurance of assets be included. This information is included in the following table. Insurance arrangements as at 30 June 2020 are as follows:

Figure 28 - Asset Insurance Valuations

	CARRYING VALUE (as at 30 June 2020) \$000
ASSETS FROM STATEMENT OF FINANCIAL POSITION	
Property, plant and equipment	328,554
Investment property	168
Total	328,722
LESS	
Land component of operational assets	-8,998
Land under roads	-54,384
Land – restricted assets	-8912
Total	-72,294
NET NON-FINANCIAL ASSETS (EXCLUDING LAND)	256,428

	INSURED VALUE (as at 30 June 2020) \$000	
INSURANCE ARRANGEMENTS		
Material damage cover for buildings, plant, contents	-51,317	Subject to various deductibles including \$5k for most claims except for earthquake or volcanic eruption where deductible is 5% of sum insured or 10% for pre 1935 buildings.
Motor vehicle insurance cover (including leased vehicles)	-183	Insured for market value – carrying value assumed for this purpose.
RISK SHARING ARRANGEMENTS		
Cover for infrastructure assets as a member of LAPP	-22,100	Sum equates 40% of the ORV value of scheduled assets. A deductible of \$150,000 applied. It is anticipated (though cannot be guaranteed) that under the terms contained in the Guide to Civil Defence Emergency Management Plan central government may fund 60% of the qualifying cost of reinstating essential infrastructure with a deductible of \$150,000
Central Government assistance		
Council arrangements for covering deductibles and/or uninsured assets	73,600	
SUM NOT SPECIALLY INSURED	182,828	Note the 60% of the ORV of infrastructure assets which may be funded by central government equates \$33.1m.

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

Risk Management

8.11 PUBLIC HEALTH

In 2021 Stratford District Council undertook an assessment of its solid waste and sanitary services.

The purpose of the assessment is to determine, from a public health perspective, the adequacy of solid waste and sanitary services available to communities.

For the solid waste activity the assessment focused on:

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

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

- Stratford District Council is prepared to adequately meet increased demand for its service.
- No public health issues have been identified at this time.

No new actions were identified, however, the following Actions from the 2018 Assessment still apply:

- Review Council's Solid Waste By-law to allow data collection from private contractors.
- Review refuse/recycling needs for the Whangamomona community.

In relation to areas of the District where Council does not provide solid waste services the assessment concluded:

- There are no public health issues to address at this time;
- Council has no knowledge of any demand for a refuse service to rural halls;
- There is a lack of data in relation to the quality or composition of solid waste generated in this area;
- There is a lack of data in relation to the quantities of solid waste generated in this area.

Actions identified through the assessment in relation to solid waste services are a review of Council's Solid Waste By-law to allow data collection from private contractors.

8.12 HEALTH AND SAFETY

8.12.1 HEALTH AND SAFETY ADVISOR

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

8.12.2 HEALTH AND SAFETY POLICY

In 2016 Stratford District Council reviewed and updated its Health and Safety Policy to better reflect legislative requirements, reinforcing its commitment to the philosophy that the health and safety of its employees, volunteers, contractors and subcontractors is of prime importance. SDC is committed to ensuring its operations are conducted in a safe and efficient manner that will not incur injury to personnel or damage to the environment.

8.12.3 INCIDENT/ACCIDENT REPORTING

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

9.0

Investment Funding Strategy

Investment Funding Strategy

9.0: INVESTMENT FUNDING STRATEGY

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Investment Funding Strategy

9.1 OVERVIEW

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

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

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

9.2 FINANCIAL STANDARDS

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

9.3 FUNDING AND FINANCIAL POLICIES

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

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

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

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

9.3.1 REVENUE AND FINANCING POLICY

The *Revenue and Financing Policy* sets out Stratford District Council's policies in respect of the funding for capital and operating expenditure. The current policy was reviewed in December 2017. The funding sources are detailed in the LTP 2021-2031 and include general and targeted rates, borrowing, grants and subsidies, etc.

9.3.2 TREASURY MANAGEMENT POLICY

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

Investment Funding Strategy

9.3.3 DEVELOPMENT AND FINANCIAL POLICY

The Council's *Development and Financial Contribution Policy* is consistent with the purpose as set out in Section 106 of the LGA. The Council does not require *Development Contributions*, however, the *Financial Contributions Policy* meets the requirement as set out in Section 108 (9) of the *Resource Management Act (RMA) 1991*.

9.4 FUNDING OUR INVESTMENT STRATEGY

The Council's Investment Strategy covers how the Stratford District Council plans to deliver on the services it offers whilst achieving value for money, with a key focus on future-proofing Council's assets.

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

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

Generally, the Council expects that:

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

The Council is very pro-active in seeking alternate funding sources. Where appropriate, the Council submits funding requests to the *TSB Community Trust (TSB)* and the *Taranaki Electricity Trust (TET)*.

A summary of Council's Capital Investment Funding Strategy is shown in Figures 29 - 31 and Tables 24 - 25.

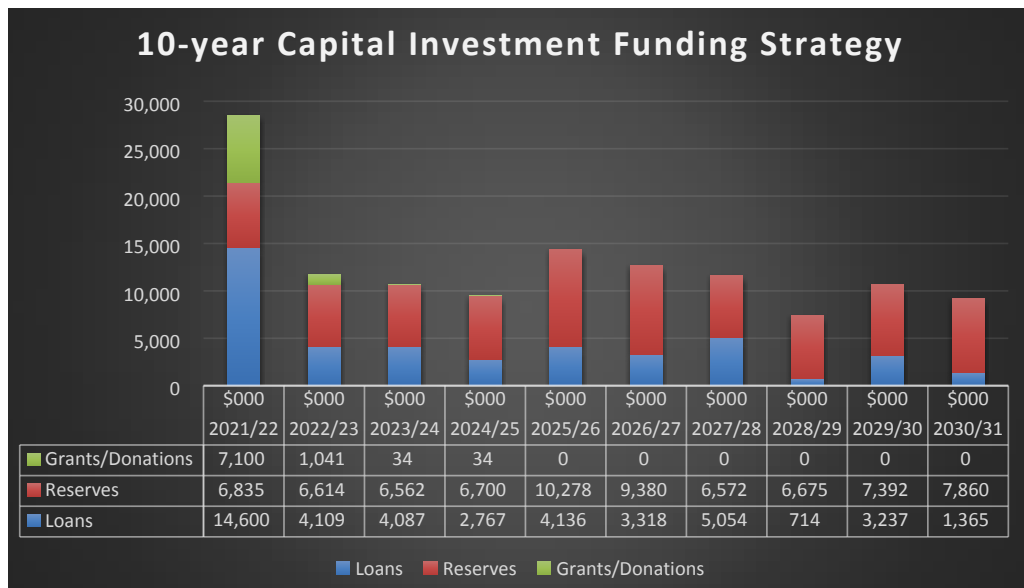


Figure 29 – All Assets Capital Investment Funding Strategy

Investment Funding Strategy

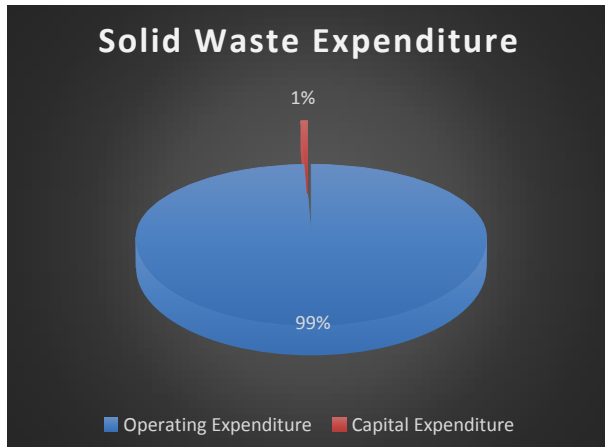


Figure 30- Total Expenditure - Capital vs Operating

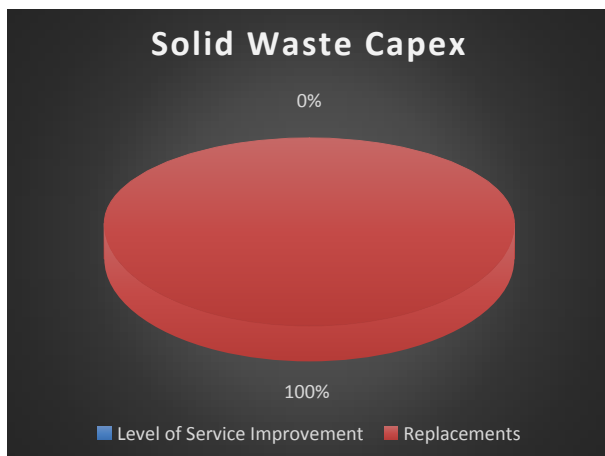


Figure 31 - Solid Waste Capital Investment Split - Los vs Replacement

9.5 RELIABILITY OF OUR INVESTMENT STRATEGY

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

- The Council's funding source is largely from rates. Rates will be confirmed for the 2021-2024 period via the appropriate processes for inclusion in the LTP 2021-2031. Once adopted, the rates in the LTP 2021-2031 will constitute a reliable funding source for the delivery of solid waste activities;
- The Council is confident in its ability to raise funds within our financial strategy limits, and is reasonably certain that it would secure loans at an affordable interest rates throughout this period.
- The Council relies on *Fees and Charges* or *Development Contributions* to deliver solid waste services. Any new demand for new assets or services to be vested to Council will generally be funded by the direct beneficiary of the assets/service.

Investment Funding Strategy

9.6 FINANCIAL STATEMENTS AND PROJECTIONS

Table 23 - Capital Expenditure Projection

	Forecast	Projection								
	2021/22 \$000	2022/23 \$000	2023/24 \$000	2024/25 \$000	2025/26 \$000	2026/27 \$000	2027/28 \$000	2028/29 \$000	2029/30 \$000	2030/31 \$000
Roading										
Level of Service Improvement	350	619	1,221	929	7,028	5,554	417	306	630	324
Replacements	5,413	4,983	4,920	4,983	4,977	5,085	5,436	5,446	5,983	6,452
Stormwater										
Level of Service Improvement	252	292	533	275	283	291	300	310	321	331
Replacements	53	55	56	167	59	61	63	65	67	122
Water Supply										
Level of Service Improvement	1,780	1,904	369	673	390	401	4,289	37	38	0
Replacements	695	812	510	414	443	496	452	486	502	498
Solid Waste										
Level of Service Improvement	0	0	0	0	0	0	0	0	0	0
Replacements	0	10	0	11	0	11	0	12	14	12
Wastewater (Sewerage)										
Level of Service Improvement	800	362	380	273	281	288	238	184	178	839
Replacements	213	252	258	200	228	211	218	262	271	305
Parks & Reserves										
Level of Service Improvement	97	110	99	69	0	0	0	0	0	0
Replacements	47	0	0	0	0	0	0	0	0	0
Property										
Meet Additional Demand	1,200	1,025	1,049	0	0	0	0	0	0	0
Level of Service Improvement	17,335	1,112	609	607	442	171	64	63	2,454	68
Replacements	114	6	59	114	7	7	7	7	17	8
Administration										
Replacements	186	222	621	788	276	121	142	210	153	266
TOTAL PROJECTS (excl GST)	28,535	11,764	10,683	9,501	14,414	12,698	11,626	7,389	10,629	9,225
FUNDING										
Loans	14,600	4,109	4,087	2,767	4,136	3,318	5,054	714	3,237	1,365
Section sales	0	0	0	0	0	0	0	0	0	0
Cash from Investments	0	0	0	0	0	0	0	0	0	0
Reserves	6,835	6,614	6,562	6,700	10,278	9,380	6,572	6,675	7,392	7,860
Grants/Donations	7,100	1,041	34	34	0	0	0	0	0	0
Rates	0	0	0	0	0	0	0	0	0	0
NZTA Financial Assistance	0	0	0	0	0	0	0	0	0	0
TOTAL (excl GST)	28,535	11,764	10,682	9,501	14,414	12,698	11,626	7,389	10,629	9,225

Investment Funding Strategy

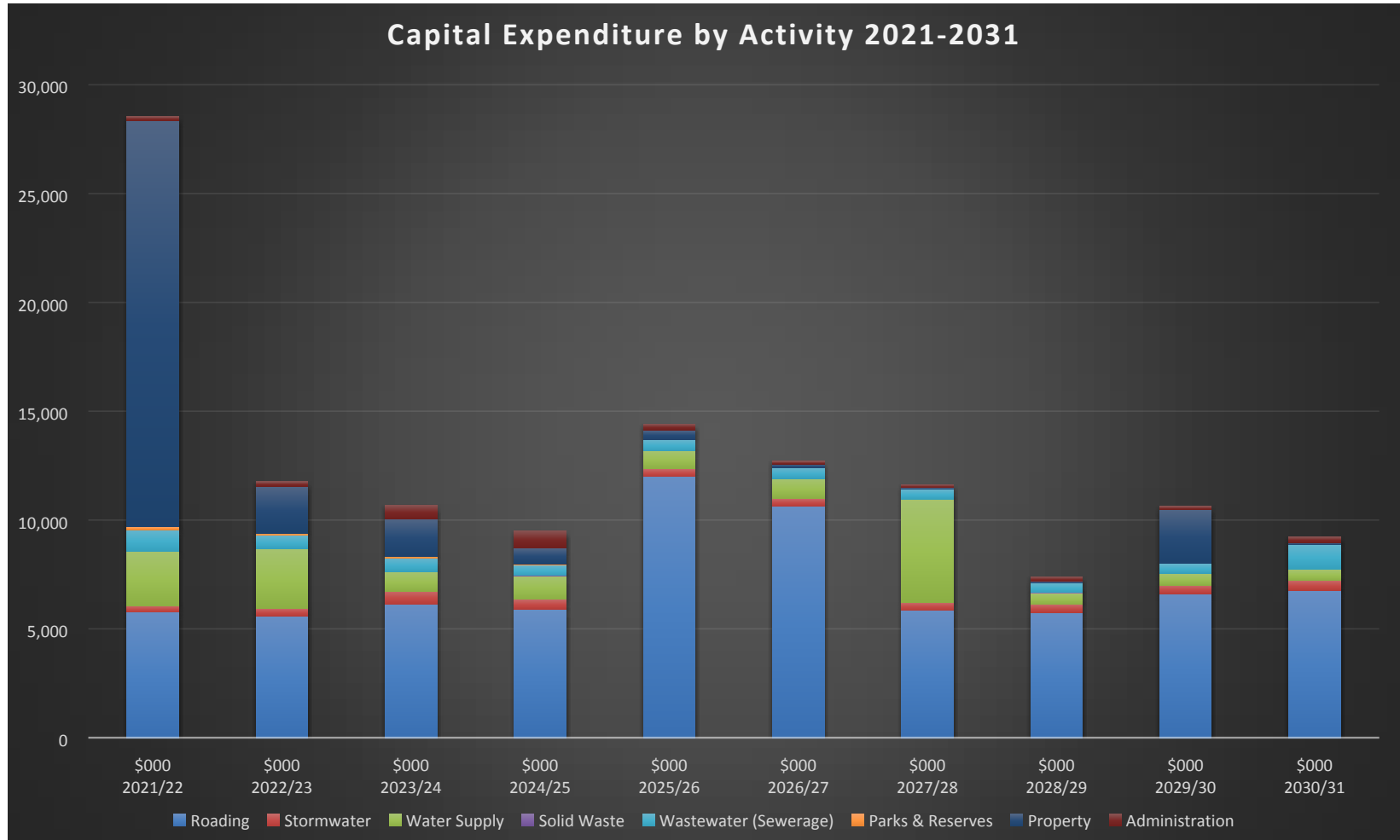


Figure 32 - Capital Expenditure by Activity - All Assets

Investment Funding Strategy

Table 24 - Solid Waste Activity Expenditure and Funding Projection

Budget 2020/21 \$000	SOLID WASTE	Forecast 2021/22 \$000	Projection								
			2022/23 \$000	2023/24 \$000	2024/25 \$000	2025/26 \$000	2026/27 \$000	2027/28 \$000	2028/29 \$000	2029/30 \$000	2030/31 \$000
858	Operating Expenditure	883	910	933	956	981	1,015	1,038	1,066	1,098	1,125
83	Revenue	108	110	111	113	115	117	119	121	123	125
776	Net Cost of Service	776	800	822	843	866	898	919	945	975	1,000
<u>EXPENDITURE</u>											
671	Operating Costs	682	704	722	741	761	789	809	831	857	883
25	Interest	20	19	18	20	19	18	21	20	20	19
31	Depreciation	30	31	31	31	33	33	33	35	35	35
132	Allocated Overheads	152	156	162	164	168	175	176	179	186	188
858	Total Operating Expenditure	883	910	933	956	981	1,015	1,038	1,066	1,098	1,125
12	Landfill Aftercare Expenditure	7	7	7	7	7	7	3	0	0	0
38	Principal Loan Repayments	36	35	33	32	31	30	28	27	26	25
21	Capital Expenditure	0	10	0	11	0	11	0	12	14	12
928	Total Expenditure	926	962	974	1,006	1,019	1,063	1,070	1,105	1,138	1,162
<u>FUNDED BY:</u>											
83	Charges for Services	108	110	111	113	115	117	119	121	123	125
83	Revenue	108	110	111	113	115	117	119	121	123	125
696	Targeted Rates	756	780	801	820	844	875	891	913	943	968
19	UAGC	19	20	20	21	22	22	23	24	24	25
0	Loan Funding - Capital	0	0	0	0	0	0	0	0	0	0
129	Transfer from Reserves	36	45	33	43	31	41	28	39	41	37
2	Other Funding	8	8	7	8	8	8	8	8	7	6
928	Total Funding	926	962	974	1,006	1,019	1,063	1,070	1,105	1,138	1,162

Investment Funding Strategy

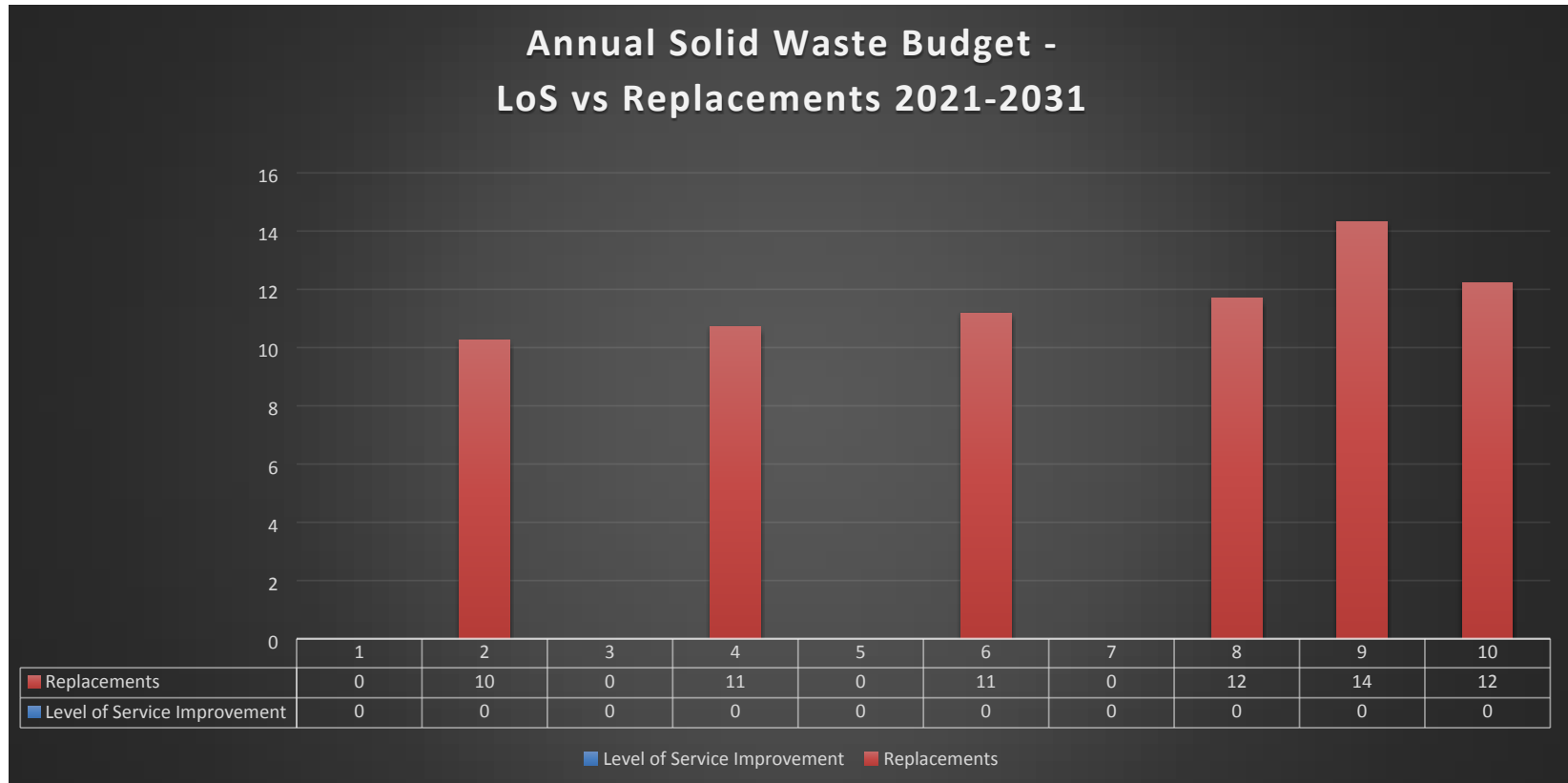


Figure 33 - 10-year Capital Expenditure Budget - Solid Waste

10.0

Asset Management Practices and Improvement Plan

Asset Management Practices and Improvement Plan

10.0: ASSET MANAGEMENT PRACTICES AND IMPROVEMENT PLAN

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Asset Management Practices and Improvement Plan

OVERVIEW

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

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



Figure 34 - Asset Management Improvement Process

10.2 ASSET MANAGEMENT PRACTICES

10.2.1 ASSET MANAGEMENT POLICY

The Stratford District Council developed and adopted its inaugural Asset Management Policy in 2016 and completed a review in 2020. The Policy establishes the first level of Council's asset management framework for managing infrastructure assets in a structured, coordinated, and financially sustainable manner. The objectives of this Policy are 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 will manage the District's assets and related activities in a safe, cost-effective and sustainable manner to deliver agreed Levels of Service to current and future generations.
- Confirm a coordinated process for each asset/activity area that links their contribution to the Community Outcomes with specific Levels of Service performance requirements and desired improvement priorities and strategies.

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

10.2.2 ASSET MANAGEMENT GOALS AND OBJECTIVES

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

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

- Asset management goals and objectives are aligned with corporate objectives and community outcomes.
- Affordable and financially sustainable AMPs are developed to industry standard appropriate for the scale of assets and associated risks being managed.
- AMPs reflect the priorities of the Council and are used to drive the day to day management of assets and the associated services;
- Capital, operation and maintenance, and renewal/replacement works are aligned with asset management objectives.
- Sustainability and sustainable development are considered in the selection of options for asset development and service delivery.
- Asset management strategies are established through the use of optimised lifecycle management and costing principles.
- Funding is allocated for the appropriate level of maintenance for assets to deliver the required LoS.

Asset Management Practices and Improvement Plan

- Accurate, up to date asset data is collected for analysis and use throughout asset management planning processes.
- A strategic management approach is taken to improvement planning, asset management plan development and implementing improvement practices.
- Growth and demand forecasting will be integrated as part of all asset management planning to meet current and future needs of the community.
- Risk management will be integrated as part of all asset management planning to recognise the risks associated with the delivery of agreed LoS and manage them appropriately;
- Design, construction and maintenance of assets, so far as reasonably practical, are without risk to the health or safety of any person.

The Asset Management goals and objectives for Stratford District Council are to:

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

10.2.3 ACTIVITY MANAGEMENT PLAN DEVELOPMENT

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

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

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

The review process considers the overall impact of the planned programme to deliver the defined levels of service through the ongoing development of the AMP. This review/AMP development process moderates competing priorities within the context of community affordability and may result in some projects being deferred or budgets being re-prioritised. Figure 33 below shows a graphical display of the AMP development process.

10.2.4 ASSET MANAGEMENT MATURITY

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

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

Our target is to develop our asset management practices and processes to an intermediate level of maturity where appropriate. The Council is in the process of assessing our asset management maturity level to identify areas for improvement. The Council is considering options for undertaking a formal assessment of our asset management maturity. The five levels of activity management plan maturity are shown in Figure 34 and are: Aware, Basic, Core, Intermediate, and Advanced.

Asset Management Practices and Improvement Plan

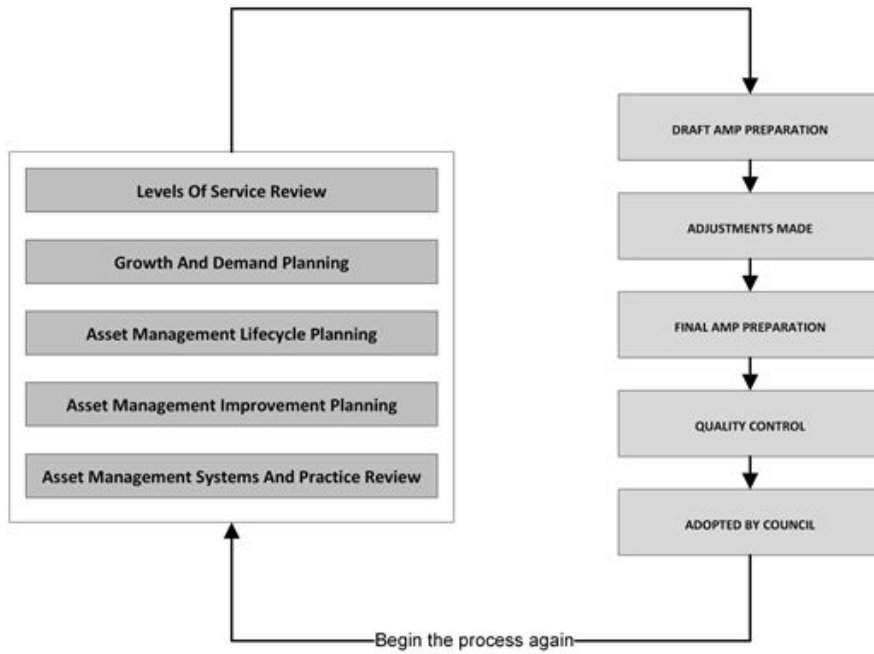


Figure 35 - Activity Management Plan Development Process



Figure 36 - Asset Management System Maturity Index

Asset Management Practices and Improvement Plan

10.3 CURRENT AND FUTURE IMPROVEMENTS

Table 25 - Current and Future Improvement Plans

Asset Management Practice Area	Improvement/s Made	Date in Place	Future Improvements	Section Identified	Responsibility	Due Date
Future demand and growth	Consideration around future demand on the solid waste infrastructure	2016	Further assessment needed to assess the impacts of growth demands on the adequacy of the existing solid waste services	4.3.1	Services Asset Manager Director, Assets	ongoing
Levels of Service and Performance Management	Education initiatives being considered and put in place for behaviour change	2016	Create and provide effective initiatives and an education plan around reducing waste to landfill by getting the community to “think before they buy” certain products in packaging that is not recyclable or compostable	6.4	Asset Management Coordinator	Ongoing
Levels of Service and Performance Management	Mandatory Performance Measures in place.	2015-2017	Review and select suitable information sources to accurately calculate the demand management performance measure for future years	6.4	Services Asset Manager Director, Assets	2024
Lifecycle Management		2024	Introduction of a food and greenwaste collection in Stratford’s Kerbside Increase levels of service in kerbside collection service of food and greenwaste collections to reduce the waste to landfill	7.6	Services Asset Manager Director, Assets Asset Management Coordinator	2024
Risk Management – Public Health	New Solid Waste Management and Minimisation Bylaw created	2019	Review Council’s Solid Waste By-law to allow data collection from private contractors. Review refuse/recycling needs for the	8.11	Services Asset Manager Director, Assets	

Asset Management Practices and Improvement Plan

Asset Management Practice Area	Improvement/s Made	Date in Place	Future Improvements	Section Identified	Responsibility	Due Date
			Whangamomona community.		Asset Management Coordinator	
AM Policy Development	Asset Management Policy developed and adopted by Council on 26/01/2016	2016	Review completed May 2020	10.2.1	Services Asset Manager Director, Assets	2024
AM Teams	Document template updated to better reflect IIMM, Audit. Draft documents saved to TRIM to enable direct contribution from Asset Managers.	2020			Services Asset Manager Director, Assets	Ongoing

Appendices

APPENDICES

- Appendix 1 - Solid Waste Risk Assessment**
- Appendix 2 - Solid Waste Operational Documents**

APPENDIX 1 - SOLID WASTE RISK ASSESSMENT**COMPLIANCE AND LEGISLATION RISKS**

1. Compliance and Legislation Risk Assessment				
Risk Subject	Risk Description	Risk Score Raw	Control Description	Residual Risk Score
Legislation Changes	If changes to legislation or Government Policy occur and are not implemented by staff, then council may be acting illegally and in breach of legislation.	4 High	<ul style="list-style-type: none"> Regular review and update Legislative Compliance Register Staff training and attending relevant industry conferences Regular policy review to ensure policies and procedures are in line with legislation changes. 	2 Moderate
Incorrect Planning Advice	If Council provides wrong advice on licences or projects/programmes, then it could be subject to a judicial review or similar form of dispute process involving legal costs, possible fines, and reputational damage.	3 Moderate	<ul style="list-style-type: none"> Complete quality assurance Resourcing and ongoing training of competent staff Low tolerance for poor quality documentation from licence applicants Good quality legal counsel Council has professional indemnity, public liability, and statutory liability insurance Review of Bylaw, Waste Management and Minimisation Plan and Policies 	1 Low
Statutory Reporting Commitment	If Council does not meet statutory commitments (eg for reporting to Ministry for the Environment) then it may be acting illegally and receive attention from the Ministry which could result in financial penalty and Council functions being removed, or elected members being replaced	3 Moderate	<ul style="list-style-type: none"> Complete quality assurance Resourcing levels maintained Schedule of dates and commitments is regularly maintained and updated Regular review and update of Legislative Compliance Register 	1 Low
Bylaws and Policies TOP 10 RISK	If Council fails to keep Policies and Bylaws up to date, then the Policies will become irrelevant and Bylaws may become unenforceable and council could be acting illegally.	8 High	<ul style="list-style-type: none"> Complete quality assurance Resourcing levels maintained Regular Policy Schedule review by CEO Regular review of Bylaw timetable maintained in Content Manager 	3 Moderate
Issue Regulatory Licence or Decision	If Council issues a licence for the collection or disposal of solid waste or makes a decision that is not consistent with legislation, policy or bylaws, then Council may be subject to a judicial review or a similar form of dispute process.	3 Moderate	<ul style="list-style-type: none"> Complete quality assurance Ongoing training around the changes in legislation Keep bylaws and policies up to date with legislation 	1 Low

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Activity Management Plans	If AMPs are incomplete then capital programmes, condition of assets, life cycle management will not be realised.	6 High	<ul style="list-style-type: none"> Review the AMP every 3 years to address the current problems and issues at the time in order to develop work programmes for the next 3 years. 	4 High
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DATA AND INFORMATION RISKS

2. Data and Information Risk Assessment				
Risk Subject	Risk Description	Risk Score Raw	Control Description	Residual Risk Score
Systems Down – Natural Disaster	If there was a natural disaster then systems may be down temporarily, reduction in worker productivity, unable to respond to customers, data unavailable, potential loss of data	8 High	<ul style="list-style-type: none"> Backups done daily and stored off-site. Most critical data is in the cloud, data centre is overseas so workers can access system remotely from anywhere. Civil Defence will make hardware available for emergency response 	3 Moderate
Server Failure TOP 10 RISK	If the server failed then systems down, data unavailable, potential data loss	12 Very High	<ul style="list-style-type: none"> Restore from backup, backups stored off-site. Fail-over for Melbourne data centre replicates to Sydney data centre. 	3 Moderate

FINANCIAL RISKS

3. Financial Risk Assessment				
Risk Subject	Risk Description	Risk Score Raw	Control Description	Residual Risk Score
Asset Disposal/ Acquisition	Policy changes result in substantial asset disposal.	1 Low	<ul style="list-style-type: none"> Officers will require approval from Council for disposal/acquisition of assets. 	1 Low
Accessing Funding	If the AMP is incorrect or not developed, then the maintenance funding will be insufficient to provide the levels of service.	3 Moderate	<ul style="list-style-type: none"> Ensure funding assessments are carried out by sufficiently experienced personnel and strong business cases are made for funding A system should be established to regularly monitor all available funding for Council projects. 	1 Low
Internal Financial Controls	If internal financial controls are compromised and ineffective, then possible fraud, budget blowout, delayed service	6 High	<ul style="list-style-type: none"> Good quality controls Implement annual external and internal audit recommendations Adhere to Procurement and Delegations Policy Communications of internal controls to all staff Recommend internal audit programme every year by independent contractor. 	1 Low
Procurement contracts	If procurement contracts entered into are not cost-effective and do not comply with Council's	6 High	<ul style="list-style-type: none"> Ensure Procurement Strategy, the procurement policy and procurement manual are appropriate, comply with 	1 Low

Appendices

	Procurement Policies then Council projects could go over budget and Council procurement could be subject to industry, media or legal scrutiny.		<p>legislation and good practice, and followed by all staff and significant contracts are reviewed by a tender evaluation team.</p> <ul style="list-style-type: none"> • Ensure the staff follow the Contract and Procurement Process in PROMAPP 	
New Regulations require Significant Investment	If new environmental regulations or legislation imposed on councils requires a significant increase in capital expenditure, then depending on what the regulations are could mean we would need to adjust the programme of works in order to meet the new regulations.	6 High	<ul style="list-style-type: none"> • Work within approved budgetary constraints • Achieve cost efficiencies regularly so that Council can weather any necessary investment in order to be compliant with changing legislative environment 	4 High
Theft by Contractors	If Contractors have unrestricted access to Council property and/or information, then there is the opportunity for theft and consequently loss of Council assets.	4 Moderate	<ul style="list-style-type: none"> • All Contractors must go through a pre-qualification process. Visitors to Council buildings must sign in. 	2 Moderate
Inadequate financial provision to fund asset replacement	If there is inadequate financial provision in reserves to fund the replacement of assets, then the Council may have to borrow more than expected, or asset replacement may need to be delayed which may affect service level performance.	3 Moderate	<ul style="list-style-type: none"> • Ensure annual depreciation is based on accurate fixed asset values (replacement cost) and accurate useful lives • Assets should not, unless necessary, be replaced before the end of their useful life. 	1 Low
Bribery and Corruption	Perceived Bribery or Corruption from Solid Waste contractors,	4 High	<ul style="list-style-type: none"> • Ensure Staff code of conduct is current and regularly reviewed. 	3 Moderate
Management override of internal controls	If a Manager uses their unique position to override internal controls, then the financial statements may be incorrect and potential fraud may result	4 High	<ul style="list-style-type: none"> • Audit and Risk Committee oversight • Annual internal and external audits • Fraud Policy awareness • Regular reviews of policies to ensure in line with best practice • SLT to undergo ethics training • Full reference checking • Zero tolerance for bullying type behaviour 	3 Moderate

HEALTH AND SAFETY WELLBEING RISKS

4. Health and Safety Wellbeing Risk Assessment				
Risk Subject	Risk Descriptions	Risk Score Raw	Control Description	Residual Risk Score
Public Events	If health and safety accidents or incidents occur during events then increased costs can occur to the events, reputation is damaged	4 High	<ul style="list-style-type: none"> Health and Safety plans are established well in advance to an event being planned Physical hazards and risks are eliminated Hazard Identification records are kept Events do not proceed without correct Health and Safety sign off Good communication to all staff 	2 Moderate
Abusive Customers	If abusive customers come into any of the Council's service centres, then there is the risk that council staff or the general public could be harmed or exposed to violence.	4 High	<ul style="list-style-type: none"> Staff have personal alert alarms if in danger, customer service training and policies on how to deal with situations so they do not escalate 	2 Moderate
Lone Worker TOP 10 RISK	If a staff member is seriously injured or killed during field inspections/site visits, then possible health and safety breaches, death or serious injury.	12 Very High	<ul style="list-style-type: none"> Complete quality assurance, Ongoing training/awareness of HSE requirements and responsibilities Better use of council data/knowledge base on dangerous or insanitary sites before staff member deploys to site Use of GPS tracking, mobile phone tracking 	3 Moderate
Council Vehicle accident	If a staff member has an accident in a council vehicle, then this could result in possible death or serious injury and damage to motor vehicle asset.	4 High	<ul style="list-style-type: none"> All staff must have a full drivers licence and all staff are aware of procedures if there is an accident Staff driver training to be provided to regular drivers GPS and mobile phone tracking. 	3 Moderate
Staff under Stress	If staff are affected by personal issues or by work pressures and experiencing high levels of stress, then work performance may decline and/or fatigue, illness, unsafe work practices may result.	5 High	<ul style="list-style-type: none"> Managers are responsible for being aware of the wellbeing of their direct reports There are various options available for relieving the pressure of staff who are overworked including increasing staff or reallocating work Ensure access to EAP service is widely known and communicated to all staff Ensure all staff have a backup option available so they can take annual leave for at least a week at a time 	3 Moderate
Environmental Liability	Noncompliance with Resource Consent Conditions	2 Moderate	<ul style="list-style-type: none"> Contractors to produce an environmental management plan as part of their contract conditions 	2 Moderate

OPERATIONAL RISKS

5. Operational Risk Assessment				
Risk Subject	Risk Descriptions	Risk Score Raw	Control Description	Residual Risk Score
Maintenance Contractor fails to deliver	If a maintenance contractor fails to deliver contractual service necessitating termination of contract and re-tendering, then assets may become under threat, unreliable, or unable to meet community needs.	4 High	<ul style="list-style-type: none"> Careful assessment of tender to ensure contract price viable for contractor to deliver level of service Regular liaison with contractor to monitor performance and ensure compliance Contractor pre-approval process must not be bypassed 	3 Moderate
Key Person risk	If a key person in the organisation could not work for a significant period of time then this could affect Council's ability to perform core functions and duties.	4 High	<ul style="list-style-type: none"> Ensure PROMAPP is up to date with all staff day to day processes If known absence ahead of time ensure an appropriate training plan in place Make use of local consultants where appropriate Connect with colleagues from neighbouring three councils to share resource if needed 	2 Moderate
Natural Disaster - Response preparedness TOP 10 RISK	If a Natural Disaster causes significant damage to infrastructure then community welfare may be severely compromised, putting peoples lives at risk, and staff may be unable to access systems to carry out their day to day duties and functions	15 Very High	<ul style="list-style-type: none"> Civil Defence Emergency Management plans are in place Procedures following an emergency event are widely known by a number of staff due to Civil Defence Foundational training being rolled out to majority of council staff Business Continuity Plans need to be in place and practiced regularly for all activities 	12 Very High
Disease Outbreak/ Pandemic	If there is a human disease outbreak in the district, then this could impact staff and contractors staff available to deliver service	5 High	<ul style="list-style-type: none"> Health and Safety Advisor to keep aware of any public health notifications of disease outbreaks Ensure there is a plan to respond to any notifications Civil Defence covers infectious human disease pandemics and will take responsibility for local management 	4 Moderate
Government Policy Impacting on Local Government TOP 10 RISK	If Government Policy significantly changes the services Council delivers or the way they are delivered, then this could put financial pressure on the district to fund investment in changes, or it may mean previous investment has become redundant.	12 Very High	<ul style="list-style-type: none"> Where a policy change may have a significant impact Council can make a submission regarding the change Council officers and elected members need to keep up to date with policy, and anticipate potential impacts of legislative changes and respond strategically This could include joint collaboration with business and 	8 High

Appendices

			other councils, accessing alternative funding sources, or obtaining legal or professional advice	
Levels of Service	There are significant increases in customer expectations regarding demand for services and/or the level of service provided	1 Low	<ul style="list-style-type: none"> To manage expectations around the levels of service which could include being transparent about the levels of service that we can afford 	1 Low
Programming of Works	The approved programme of works is not carried out within agreed timeframes.	1 Low	<ul style="list-style-type: none"> Hold regular meetings to discuss contractors performance and ability to deliver the agreed programme Increasing resources via sub-contractors or additional staff 	1 Low
Consents	The Council does not undertake the work in accordance with the resource consent conditions. Council can be fined by the Regional Council for breach of conditions.	1 Low	<ul style="list-style-type: none"> Not negotiable - Consent conditions must be abided by otherwise the consent will be breached Council needs to submit to the Regional Council a methodology about how they are going to undertake the works. 	1 Low

REPUTATIONAL AND CONDUCT RISKS

6. Reputational and Conduct Risk Assessment				
Risk Subject	Risk Descriptions	Risk Score Raw	Control Description	Residual Risk Score
Release of incorrect or confidential information TOP 10 RISK	If incorrect or confidential information was given out through social media, media releases, staff actions at the services desks, LGOIMA requests, council meetings, and/or functions then risk of damaged reputation, ratepayer distrust and actions from Local Government ministry and/or Privacy Commissioner.	12 Very High	<ul style="list-style-type: none"> All Media releases are to be checked off by Dir – Community Services, and signed off by CEO or Mayor Social Media Policy in place for clear guidance of social media use 	2 Moderate
Solvency of Contractor TOP 10 RISK	If Council engage a contractor that could potentially be insolvent the risk to Council is that they abandon the contract.	12 Very High	<ul style="list-style-type: none"> Conduct the due diligence process for all contractors 	3 Moderate
Contractor Damage or Breach TOP 10 RISK	If Council and/or Council contractors are found to be liable for public/environmental damage, or any actions that are unsafe or non-compliant with legislation and applicable policies and standards, then fines, possible injury, long-term damage, reputational damage could result.	12 Very High	<ul style="list-style-type: none"> Appropriate procedures and guidelines are in place to monitor contractor actions and our own including health and safety audits, contractor meetings/KPI's The Council requires all physical works contractors to go through a thorough health and safety pre-qualification process and become approved before commencing any physical work All relevant staff are kept up to date with pre-approved contractors register 	3 Moderate

Appendices

			<ul style="list-style-type: none"> • Mini audits and random checks should be built into contracts • Contractor public liability insurance required for all major contracts. 	
Elected Members - Decision Making TOP 10 RISK	Elected members make significant decisions in relation to the Long Term Plan budget setting. This has an impact on the Solid Waste Activity Management Plan and the work programmes that are developed throughout the 3 year period. This could have an impact on the levels of service for the community.	12 Very High	<ul style="list-style-type: none"> • Relies on the accuracy and quality of the advice given by staff to elected members. • Council has a Professional Indemnity insurance policy for all elected members and independent committee members. 	4 Moderate
Council employees/contractors abuse members of the public TOP 10 RISK	If Council employees, during the course of their Council duties abuse members of the public., then the Council may suffer significant reputational damage and potentially be taken to court.	8 High	<ul style="list-style-type: none"> • Refer to the Staff Code of Conduct. 	4 Moderate

Appendices

APPENDIX 2 - SOLID WASTE OPERATIONAL DOCUMENTS

Consents	Commencement Date	Expiry Date	CM Reference
3890-3 Discharge to land (closed Huiroa landfill)	16/06/2016	1/06/2034	D17/20441
3889-3 Discharge into Land and groundwater (closed Stratford landfill)	6/12/2010	1/06/2028	D17/20467
3891-3.0 Discharge into unnamed tributary of the Waihapā Stream (closed Pukengāhu landfill)	14/06/2016	1/06/2034	D17/20472
Policies	Commencement Date	Review Date	CM Reference
Asset Management	26/05/2020	2023/2024	D20/4330
Kerbside Collection Policy	12/03/2019	2021/2022	D19/6770
Trade Waste Policy	11/06/2019	2021/2022	D19/13626
Procurement Policy	11/06/2019	2022/2023	D18/29563(v3)
Bylaws	Commencement Date	Review Date	CM Reference
Solid Waste Management and Minimisation Bylaw	1/07/2020	2029/2030	D20/4166
Trade Waste Bylaw	1/07/2020	2029/2030	D20/33683
Strategies	Commencement Date	Review Date	CM Reference
Infrastructure Strategy 2021-2051	1/02/2021	2050/2051	D21/2700
Regional Behavioural Strategy (Draft)			
Contracts	Commencement Date	Review Date	CM Reference
Regional Kerbside Refuse Collection (Contract 15/SW01)	5/08/2019	1/07/2024	D19/5124
Regional Waste Transport Services (Contract No 1444)	1/08/2019	1/07/2024	D19/23635
Solid Waste Disposal Agreement (Bonny Glen) (Contract No 1443)	1/08/2019	1/07/2024	D19/4637
Solid Waste Consolidation Agreement with STDC (1450)	1/08/2019	1/09/2024	D19/31774



Stormwater

Asset Management Plan 2021-2031



Long Term Plan 2021-31

DOCUMENT QUALITY ASSURANCE

	NAME/ROLE	DATE
Prepared By	Louise Campbell, Asset Management Coordinator Mike Oien, Services Asset Manager	May 2021
Reviewed By	Victoria Araba, Director Assets	
Approved By	Sven Hanne, Chief Executive	

DOCUMENT CONTROL

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3.0	May 2021	LTP Reviews incorporated	Victoria Araba

**THE STORMWATER
ASSET MANAGEMENT PLAN
(SAMP)
2021-2031**

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EXECUTIVE SUMMARY

Executive Summary

The Stratford District

The Stratford District is a land locked area encompassing 2170km² located in the heart of Taranaki. The district is adjacent to the New Plymouth and South Taranaki districts in the Taranaki region and the Ruapehu and Whanganui Districts in the Horizons Regional Council. Within the district there are four distinct geographical areas:

- The alpine and bush environment of Egmont National Park;
- The ring plain around Mt Taranaki;
- Hill country located between the ring plain and the eastern hill country; and
- Eastern hill country to the boundary with Ruapehu District Council.

The district's rural landscape supports large farming, forestry and Department of Conservation reserves. Stratford is a growing tourist destination owing to key attractions such as the Egmont National Park, the Manganui Ski Field, Forgotten World Highway (SH43), Dawson and Mt Damper Falls. Three main townships make up the Stratford District: Stratford; Midhirst and Toko.

The Stormwater Asset and Activity Management Plan

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

Based on forecasted growth and demand for the service, the SAMP sets out how the stormwater service will be managed over its lifecycle to ensure the optimal delivery of the service within the financial constraints set by the Council in its Long Term Plan (LTP) 2021-2031. The level of service to be delivered is determined by the priorities and performance measures set by both central government and Council.

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

The Strategic and Legislative Context

The Strategic and Legislative Context for the SAMP is as per the framework below.

The key central, regional and local government drivers include the:

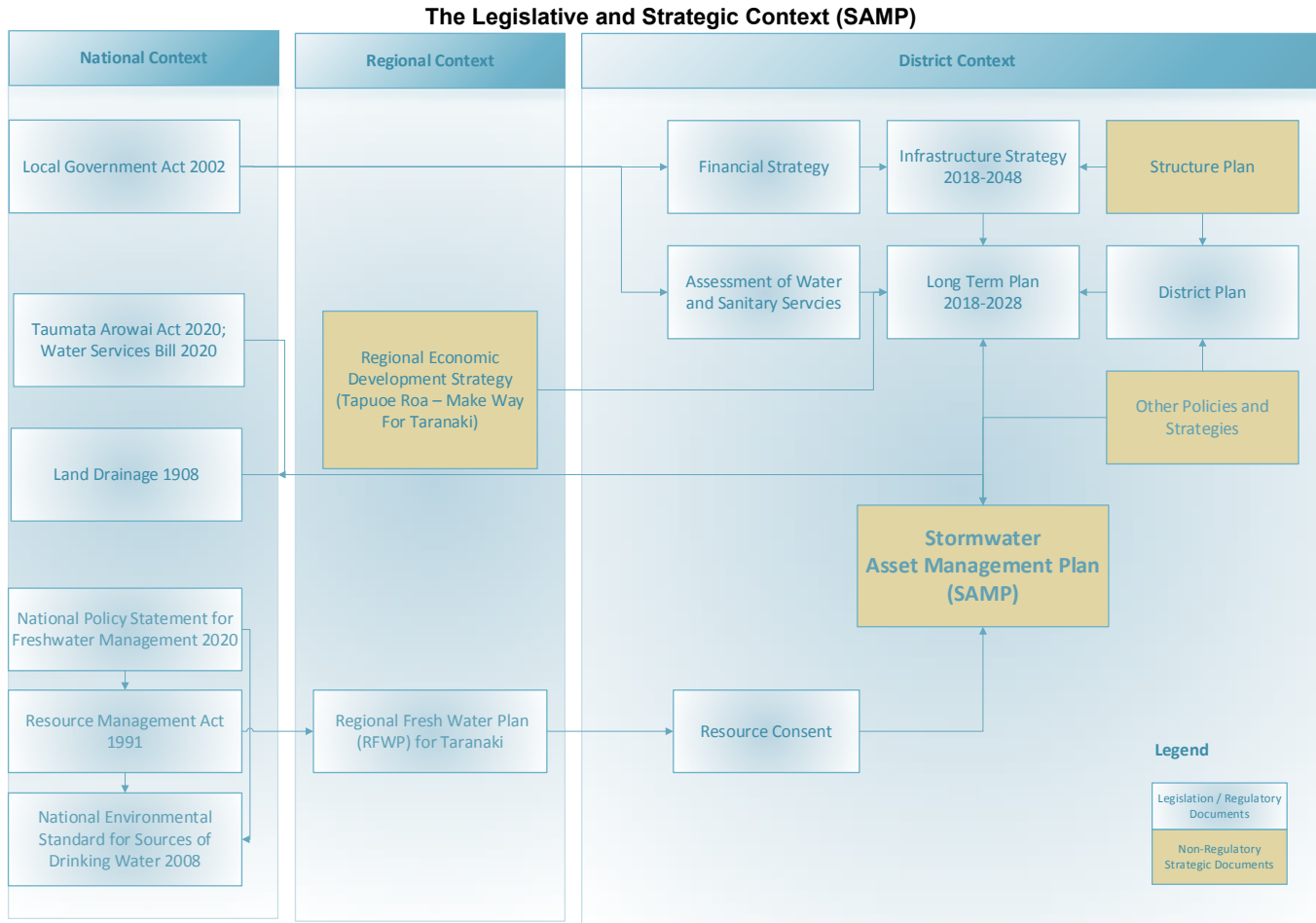
- The Local Government Act (LGA)2002 (and amendments);
- The National Policy statement for Freshwater Management (FVNPS)
- The Resource Management Act (RMA);
- The National Environmental Standards for Sources of Human Drinking Water.

Our Community Outcomes

The Council's vision for the 2021-2031 Long Term Plan (LTP) is '*a vibrant, resilient, and connected community – in the heart of Taranaki*'. The Council's identified *Community Outcomes* to achieve the vision are:

- Vibrant community;
- Sustainable environment;
- Connected communities; and
- Enabling economy

Executive Summary



Executive Summary

Our Problem and Benefit Statements

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

Summary of Problem and Benefit Statements

Problem Statements	Preferred Option / Project	Benefit Statements
Problem Statement 1: Network Planning and Modelling	Commission a new Wastewater model	<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 will commission a network modelling project on our stormwater network to reveal how our network systems are behaving.</p> <p>This modelling project will comprise</p> <ul style="list-style-type: none"> 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.</p>
Problem Statement 2: Pipework Capacity Issues	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>
Problem Statement 3: Stormwater Safety Improvements	Conduct an inlet structure study, and its implementation, to ascertain the extent of potential upgrades required to meet public safety requirements	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.
Problem Statement 4: Climate change	Create a catchment management plan to support upgrade of existing assets to accommodate a 1 in 100 year storm event	Should improve stormwater management in the existing network
Problem Statement 5: Replacement of stormwater tunnels	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

Executive Summary

Our Levels of Service and Performance Measures

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

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

Our Level of Service Performance Measures

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

Executive Summary

Our Programme Business Case

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

Work Category	Identified Projects	Performance Outcomes			
		System Adequacy	Discharge Compliance	Response Times	Customer Satisfaction
Renewal/ Replacement	Stormwater reticulation renewals	✓		✓	✓
	Inlet screen renewals	✓			✓
	Desilt ponds	✓	✓		
Level of Service Improvements	Reticulation capacity increase	✓	✓	✓	✓
	Modelling	✓	✓	✓	✓
	Manhole lid safety screens	✓	✓		✓
	Victoria Lake by-pass	✓	✓	✓	✓

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

Funding Our Investment Strategy

The Council's Investment Strategy covers how the Stratford District Council plans to deliver on the services it offers whilst achieving value for money, with a key focus on future-proofing Council's assets.

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

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

The Council expects that:

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

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

Executive Summary

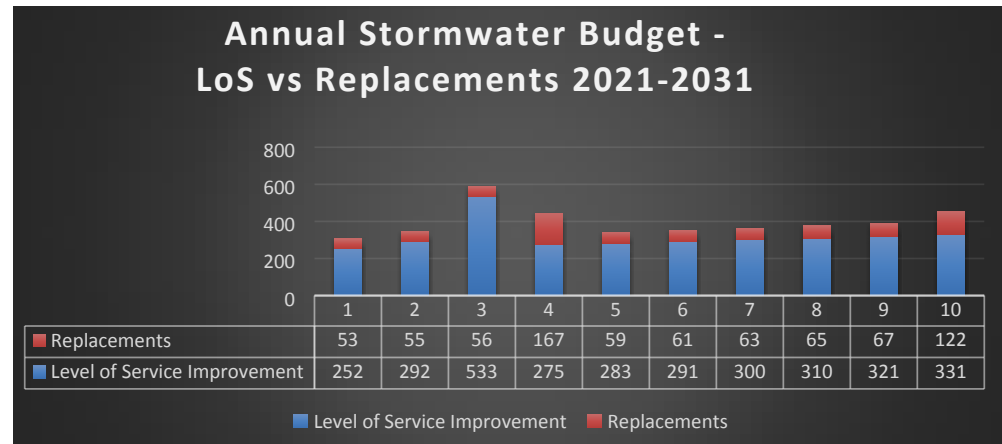
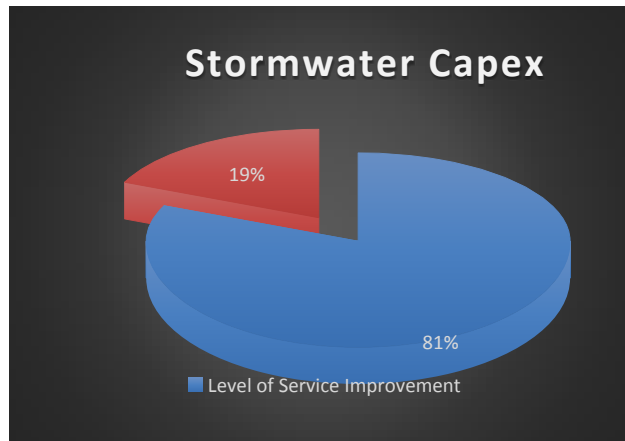
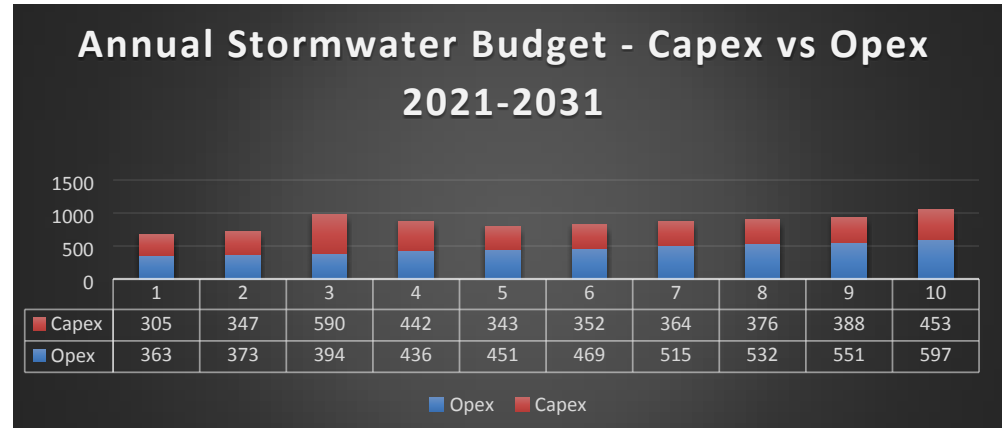
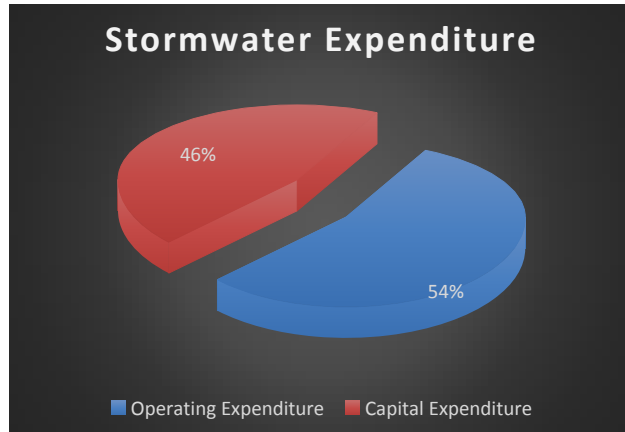
Our 10-year Operating and Capital Expenditure for Stormwater

Budget 2020/21 \$000	STORMWATER	Forecast 2021/22 \$000	Projection								
			2022/23 \$000	2023/24 \$000	2024/25 \$000	2025/26 \$000	2026/27 \$000	2027/28 \$000	2028/29 \$000	2029/30 \$000	2030/31 \$000

328	Operating Expenditure	363	373	394	436	451	469	515	532	551	597
0	Revenue	0	0	0	0	0	0	0	0	0	0
328	Net Cost of Service	363	373	394	436	451	469	515	532	551	597

EXPENDITURE											
61	Operating Costs	63	59	61	62	64	66	68	69	71	73
18	Interest	22	27	35	49	54	59	77	83	89	95
141	Depreciation	146	151	157	182	187	193	218	224	230	264
107	Allocated Overheads	132	136	140	143	146	151	153	156	161	164
328	Total Operating Expenditure	363	373	394	436	451	469	515	532	551	597
27	Principal Loan Repayments	41	50	64	78	86	94	102	110	119	127
292	Capital Expenditure	305	347	590	442	343	352	364	376	388	453
647	Total Expenditure	709	770	1,048	956	880	915	981	1,018	1,058	1,176
FUNDED BY:											
0	Revenue	0	0	0	0	0	0	0	0	0	0
0	General Rates	(0)	(0)	0	0	(0)	(0)	(0)	0	0	(0)
326	UAGC	356	367	387	429	444	462	508	526	545	591
0	Targeted Rates	0	0	0	0	0	0	0	0	0	0
85	Transfer from Reserves	94	105	121	245	146	155	165	176	186	249
0	Depreciation funded from Reserves	0	0	0	0	0	0	0	0	0	0
234	Loan Funding - Capital	252	292	533	275	283	291	300	310	321	331
2	Grants/Other Funding - Capital	0	0	0	0	0	0	0	0	0	0
1	Other Funding	7	7	6	7	7	7	7	7	6	5
647	Total Funding	709	770	1,048	956	880	915	981	1,018	1,058	1,176

Executive Summary



1.0 Introduction

Introduction

1.0: INTRODUCTION

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Introduction

1.1. PURPOSE OF THIS PLAN

The Stormwater Asset Management Plan (SAMP) is a 10 year plan for the Stratford District Council ('the Council') which details how the Council will manage the stormwater activity and assets in an efficient, safe, reliable and sustainable manner to provide value for money to our customers and investors.

The SAMP informs the development of the Council 2021-2031 Long Term Plan ('the LTP'). It shows how the Council will prioritise and address key stormwater issues facing our District, in the face of competing projects and constrained resources. The prioritisation of competing projects is necessary to deliver on Community Outcomes, the agreed Levels of Service (LoS) and also meet legislative objectives and requirements. The SAMP proposes work programmes that deliver good value for money for our investment partners. This is achieved by doing the right things, in the right places, at the right times and for the right price.

The audience for this plan includes our stormwater customers, ratepayers, residents, stakeholders, Council representatives, Council staff, contractors, consultants, developers and members of the public who will take an interest in the future of levels of service the Council will be offering.

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

1.2. THE STRATFORD DISTRICT

1.2.1 DISTRICT HISTORY

Initial settlements in the Stratford District were small Maori villages in the forested hills which were used as places of refuge in times of war, and for seasonal activities.

While New Plymouth and other coastal regions of Taranaki were settled by Europeans in the 1840s, the densely-forested inland Taranaki areas remained relatively isolated until the land wars of the 1860s. Following those wars, the land of Stratford District was both compulsorily purchased and freely sold.

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

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

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

1.2.2 DISTRICT GEOGRAPHY

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

Introduction

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

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

1.2.3 DISTRICT COMMUNITIES

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

Stratford (Māori: Whakaahurangi) is the main town in the Stratford District. It is located on the banks of the Patea River roughly 48 km south-east of New Plymouth and 30 km north of Hawera at the junction of State Highways 3 and 43. Stratford is near the geographic centre of the Taranaki region and the largest settlement of the Stratford District with an estimated population of 5,466 (Statistics NZ 2013). 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 1,188 (Statistics NZ 2013) 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 150 people live in and around Whangamomona (Statistics NZ 2013).

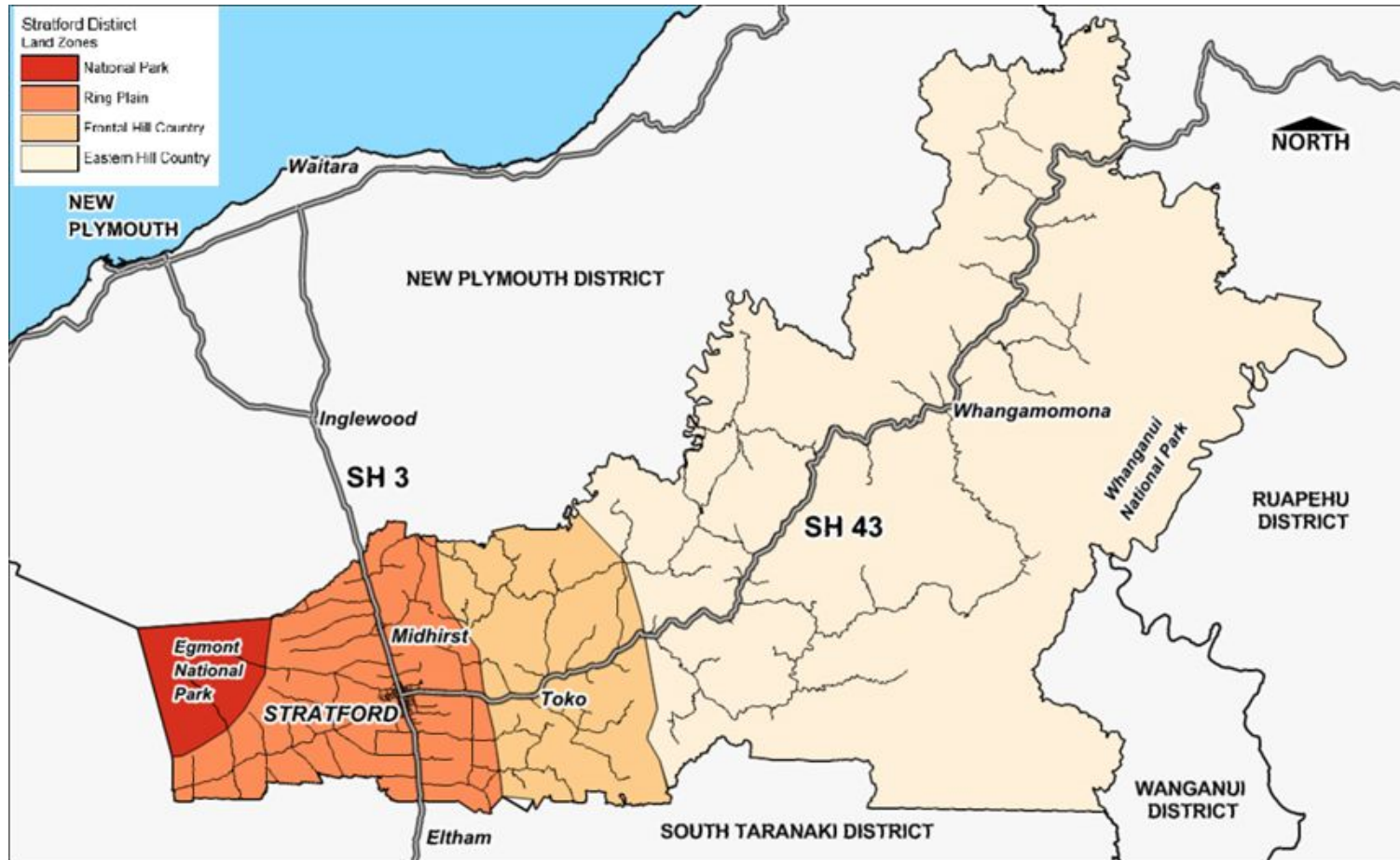


Figure 1 - Stratford District 2020

Introduction

1.3. OUR MISSION, VISION AND VALUES

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

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

The Stratford District Council's Mission Statement is

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

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

'A vibrant, resilient, and connected community – in the heart of Taranaki'

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

Integrity: *Be loyal to the organisation and trustworthy, honest and courteous with everyone we deal with.*

Teamwork: *Work together in the same direction, assist each other and have respect for others. Maintain a positive attitude and encourage teamwork.*

Excellence: *Be effective in everything we do using our experience and knowledge. Do the right thing at the right time. Be efficient by being cost effective and ensure prudent management of public money and assets.*

Pride: *Take pride in our performance and our organisation.*

Commitment: *Have commitment and respect for each other, our business and our customers.*

Innovation: *Examine alternatives, challenge the obvious and have a flexible attitude.*

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

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

The structure for each Management Team is provided in Figures 2 and 3.

Introduction

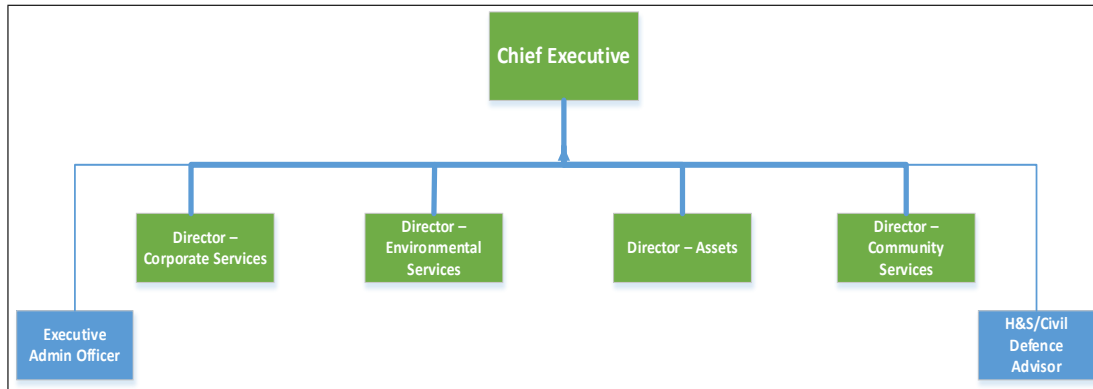


Figure 2 - The Executive Management Team

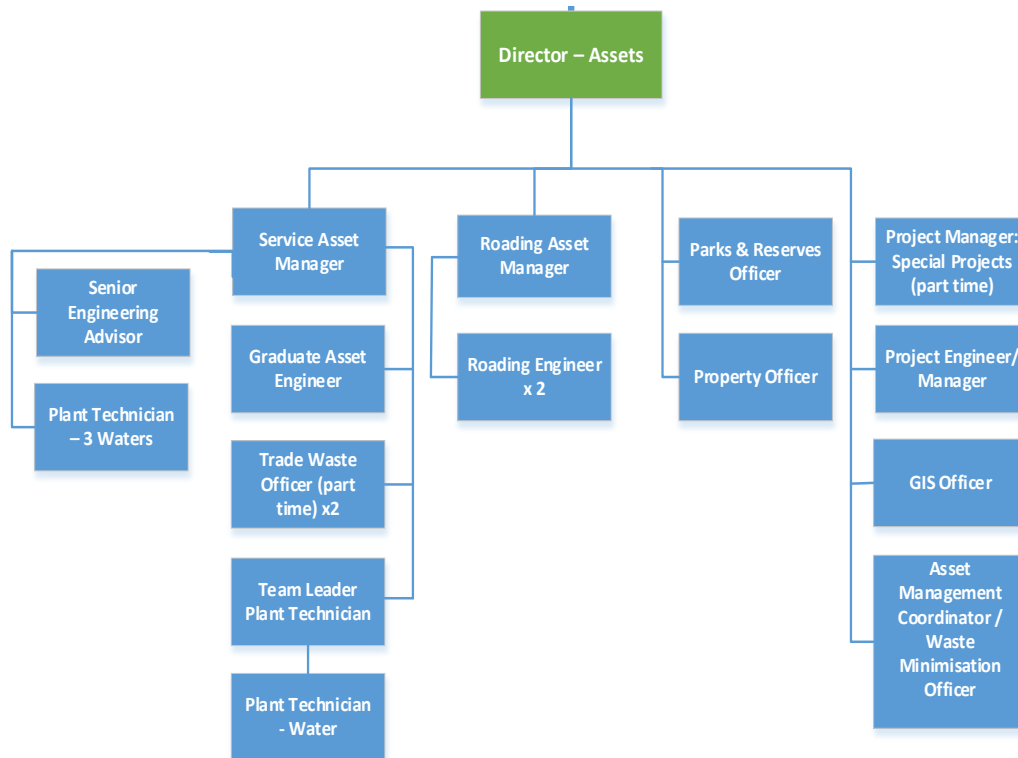


Figure 3 - Assets Department

Introduction

1.4. THE STORMWATER ACTIVITY

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

1.5. THE IMPORTANCE OF THE STORMWATER ACTIVITY

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

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

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

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

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

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

Table 1 - Community Outcomes

Community Outcomes		Stormwater Activity Contribution
Vibrant community	<p>We celebrate and embrace our community's cultures and traditions.</p> <p>We tell our unique story.</p> <p>We will develop strong relationships with iwi, hapu and marae.</p>	<ul style="list-style-type: none"> • Maintaining the stormwater infrastructure in a sustainable and efficient manner for the future. • Delivering on the agreed level of service. • Funding capital works which offer value for money for current and future generations of Stratford District ratepayers and ensures the financial security of Council is not compromised.
Sustainable environment	<p>Our natural resources can be enjoyed now and by future generations.</p> <p>We are committed to working towards zero waste.</p> <p>We have well planned and resilient infrastructure that meets the current and future needs of the district.</p> <p>We strive to understand and support Te Ao Māori values and principles.</p>	
Connected communities	<p>Our neighbourhoods are safe and supported</p> <p>We enable positive healthy lifestyles, through access to health, social and recreation services</p> <p>We have a strong sense of belonging</p> <p>We value opportunities to be involved and work together as a community</p>	
Enabling economy	<p>We are a welcoming and business friendly District</p> <p>We encourage a strong and diverse local economy</p> <p>We promote opportunities to visit, live and invest in the district</p> <p>We support economic opportunities for Māori</p>	

Introduction

1.6. OUR CUSTOMERS, PARTNERS AND KEY STAKEHOLDERS

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

Table 2 - Customers, Partners and Key Stakeholders

Customers, Partners and Stakeholders	Involvement
Home Owners and Occupiers; Businesses and Organisations;	These customers realise the benefits provided by the Stormwater activity.
Taranaki Regional Council	Administers and enforces effective resource management in the Taranaki region. Applications from SDC are processed through TRC.
Audit New Zealand	Carries out annual audits of Council on the Auditor-General's behalf to give ratepayers assurance that Council is appropriately reporting on how they spend public money and on the services they have provided.
Other Government agencies; Ratepayers Associations; Iwi groups	These groups liaise with Council in relation to stormwater services.
Utility Owners	New Zealand Utilities Advisory Group (NZUAG) requirements for co-ordinating networks.
Local Iwi; Environmental groups	Affected parties to Council's resource consents
TEMO/Civil Defence	In the event of a Civil Defence emergency they provide advice and work alongside emergency services, lifeline utilities and government departments.
Elected Members; Committees; CEO, Management and Staff	Key internal stakeholders responsible for the management and operation of the stormwater system.

1.6.1 THE CUSTOMER CHARTER

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

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

1.6.2 SIGNIFICANCE AND ENGAGEMENT POLICY

The Stratford District Council uses its [Significance and Engagement Policy](#) in its decision-making to determine the level of community engagement needed for an issue or proposal, to gain a clearer understanding of community views and preferences and the ways the community can influence and participate in the decision-making of the Council.

2.0

Legislative and Strategic Context

Legislative and Strategic Context

2.0: LEGISLATIVE AND STRATEGIC CONTEXT

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Legislative and Strategic Context

2.1. OVERVIEW

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

2.2. NATIONAL DRIVERS

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

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

2.2.1 THE LOCAL GOVERNMENT ACT 2002 AND AMENDMENTS

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

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

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

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

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

The LGA in Section 125, requires the Council to *‘from time to time’* complete assessments of water and sanitary services for communities throughout their districts. The purpose of the assessment is to determine, from a public health perspective, the adequacy of water and sanitary services available to communities. In making such an assessment the following matters need to be considered:

- (a) the health risks arising from any absence or deficiency in water or other sanitary services;
- (b) the quality of services available to communities within the district;
- (c) the current and estimated future demands for such services;
- (d) the extent to which drinking water meets applicable regulatory standards; and
- (e) the actual or potential consequences of stormwater or sewage discharges within the district.

An assessment of water and sanitary services was undertaken by the Stratford District Council in 2011.

Legislative and Strategic Context

2.2.2 THE NATIONAL POLICY STATEMENT FOR FRESHWATER MANAGEMENT

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

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

2.2.3 THE RESOURCE MANAGEMENT ACT 1991

The Resource Management Act 1991 (RMA) promotes the sustainable management of natural and physical resources such as land, air and water and is considered New Zealand's principal legislation for environmental management. The RMA regulates the discharge of wastes into the environment particularly to water and land.

The purpose of the National Planning Standards have been introduced as part of the 2017 amendments to the Resource Management Act 1991. The development of the National Planning Standards is enabled by sections 58B–58J of the RMA and is to improve consistency in plan and policy statement structure, format and content so they are easier to prepare, understand, compare and comply with. The Standards also support implementation of national policy statements and help people observe the procedural principles of the Resource Management Act 1991 (RMA).

Legislative and Strategic Context

RMA Reform

The RMA is currently undergoing a reform into 3 pieces of legislations being the:

- Natural and Built Environments Act;
- Strategic Planning Act; and
- Climate Change Adaptation Act.

The reform is based on the findings of the comprehensive review of the resource management system which were released last year. These pieces of legislations are currently before Parliament and it is expected that they will be passed by the end of 2022.

The *Natural and Built Environments Act* is the core piece of legislation to replace the RMA. The purpose of this Act is to enhance the quality of the environment to support the wellbeing of present and future generations. Under the Act, central government's proposed new National Planning Framework will provide a set of mandatory national policies and standards on specified aspects of the new system. These will include environmental natural limits, outcomes and targets. This would be achieved by:

- promoting positive outcomes for both the natural and built environments;
- ensuring that use, development and protection of resources only occur within prescribed environmental limits; and
- ensuring adverse effects of activities on the environment are avoided, remedied or mitigated.

The *Strategic Planning Act* provides a strategic and long-term approach to how we plan for using land and the coastal marine area. The regional strategies would enable more efficient land and development markets to improve housing supply, affordability and choice, and climate change mitigation and adaptation.

Long-term spatial strategies in each region would be developed to identify areas that:

- will be suitable for development;
- need to be protected or improved;
- will need new infrastructure and other social needs; and
- are vulnerable to climate change effects and natural hazards such as earthquakes.

The *Climate Change Adaptation Act* would support New Zealand's response to the effects of climate change. It would address the complex legal and technical issues associated with managed retreat and funding and financing adaptation.

2.2.4 LAND DRAINAGE ACT 1908

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

2.2.5 TAUMATA AROWAI - THE WATER SERVICES REGULATOR ACT 2020

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

A complementary Bill, *the Water Services Bill*, is now before Parliament. This Bill is anticipated to be introduced in the second half of 2021, dependent on the election outcome and the post-election Parliamentary timetable. Once passed, Taumata Arowai will become Aotearoa's dedicated regulator of the three waters: Drinking water, wastewater and stormwater. Until then, the Ministry of Health remains the regulator of drinking water.

Legislative and Strategic Context

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

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

When Taumata Arowai is fully functionally, its role in essence will be to:

- Oversee and administer an expanded and strengthened drinking-water regulatory system, to ensure all New Zealand communities have access to safe drinking water. That includes holding suppliers to account, if need be; and
- Oversee from a national perspective the environmental performance of waste water and storm water networks. (Regional councils will remain the primary regulators of waste water and storm water).

2.2.6 THE WATER SERVICES BILL 2020

While the Taumata Arowai Act was passed in July 2020, Taumata Arowai will not become fully operational until enactment of the Water Services Bill, projected to in the second half of 2021.

The Water Services Bill proposes to repeal Part 2A of the Health Act 1956 and replace it with a standalone Act to regulate drinking water. The Bill received its first reading on Tuesday 8 December 2020 and has been referred to the Health Select Committee for consideration. The Bill is a companion to the Taumata Arowai - the Water Services Regulator Act 2020, which was passed earlier in the year.

Essentially, the Water Services Bill 2020 is a part of a broader Three Waters reform programme by central government. It proposes a new regulatory regime for managing drinking water supply. The obligations on drinking water suppliers proposed by the Bill are more onerous than those under the existing Health Act regime.

Until Taumata Arowai is fully operational, the Ministry of Health will remain the regulator for drinking water safety. The Water services Bill contains all of the details of the new drinking water regulatory system, and provisions relating to source water protection and Taumata Arowai's wastewater and stormwater functions.

2.2.7 THE THREE WATERS REFORM

The Council signed a Memorandum of Understanding (MoU) with central government to work together to identify approaches that consider the design features of the 3 waters reform and is participating in the exploration of future service delivery options. The central government expects to create new water service delivery entities that are:

- of significant scale (most likely multi-regional) to enable benefits from aggregation to be achieved over the medium to long-term;

Legislative and Strategic Context

- asset owning entities, with balance sheet separation to support improved access to capital, alternative funding instruments and improved balance sheet strength; and
- structured as statutory entities, with competency-based boards;

The Council expects to make a decision in late 2021, to either stay with the new water service delivery entity or opt out. Any decision to participate is likely to be given effect to at some point in the 2023/4 financial year.

Reference to the Government's reform strategy and timeline, including highlighting when it is proposed that there would be further engagement and consultation with communities is available at <https://www.dia.govt.nz/Three-Waters-Reform-Programme>.

2.2.8 CIVIL DEFENCE EMERGENCY MANAGEMENT ACT 2002

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

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

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

The Civil Defence Emergency Management Act 2002 establishes to:

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

2.3 REGIONAL CONTEXT

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

2.3.1 THE REGIONAL FRESH WATER PLAN FOR TARANAKI (RFP)

The Regional Fresh Water Plan promotes sustainable management of the region's freshwater resources by applying rules and conditions to various activities. This Plan is currently under review.

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

2.3.2 THE REGIONAL ECONOMIC DEVELOPMENT STRATEGY 2017

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

Legislative and Strategic Context

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

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

2.4 DISTRICT CONTEXT

The Stormwater Asset Management Plan feeds, and in turn is fed into, a number of district strategies. The SAMP forms a critical part of the planning framework, as shown in Figure 4. Table 3 provides a description of the District Strategic Drivers for the SAMP, and how they influence or relate to the SAMP. The key district drivers are provided in more detail below.

2.4.1 THE LONG TERM PLAN (LTP) 2021-2031

The Long Term Plan (LTP) 2021-2031 is a regulatory document pursuant to Section 93 of the Local Government Act 2002 Amendment Act 2014 that:

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

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

2.4.2 THE INFRASTRUCTURE STRATEGY 2021 - 2031

The Infrastructure Strategy (IS) is a regulatory document pursuant to Section 101B of the Local Government Act 2002 Amendment Act 2014 for the purpose of:

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

The IS identified issues/opportunities from the 30 year strategy inform the relevant AMP and is reviewed every 3 years.

Like the LTP, the IS provides the direction and strategies that drive the SAMP but in this case, the planning period primarily focussed on is for 10-30 years. The IS is a strategic document that allows Council to make informed decisions and place Council in a better position to understand and plan for major infrastructure investments.

2.4.3 THE DISTRICT PLAN

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

2.4.4 THE ANNUAL PLAN

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

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

Legislative and Strategic Context

Table 3 - District Strategic Drivers

Strategies/ Plans/ Documents	Description	Review Frequency	Relationship to the Asset Management Plan
Communication and Engagement Strategy	Developed in compliance with Section 76AA of the Local Government Act 2002 to set out Council’s approach to communicating and engaging with the community.	Ten yearly	Provides a framework for communication and engagement
Financial Strategy	Developed to provide a financial framework for Council debt and rate levels and limits - future proof Council owned and operated assets.	Ten yearly	Provides financial framework for asset management and activity budgeting and expenditure.
Economic Development Strategy	Sets the direction for economic development and identifies priorities and measurable goals.	Three yearly	Support asset management planning and good practice.
Structure Plan	Provide a long term planning framework for the future development and redevelopment of the Stratford District. The plan will set out in broad terms, the layout of land uses, key infrastructure and transport links.	Unknown at this stage	Support asset management planning.
Significance and Engagement Policy	Developed in compliance with Section 76AA to set out Councils approach to: <ul style="list-style-type: none"> ▶ The assessment of significance during decision-making. It provides direction on the consideration of community views and the level of community engagement that might be desirable to enable Council to develop a clearer understanding of community views and preferences on an issue or proposal. ▶ Regarding community engagement and the ways the community can influence and participate in the decision-making of the Council. 	Three yearly	Determines level of engagement required for asset management planning activities/projects
Procurement Policy	The purpose of this policy is to ensure Council, when procuring goods, works or services; <ul style="list-style-type: none"> • achieves the right outcomes and value for money; • manages risk while allowing staff to exercise business judgement and be innovative; • demonstrates fairness; • reflects best management practice; and has a local procurement policy applying to works with a monetary value up to a limit prescribed by Council.	Three yearly	Provides the framework for the purchasing of goods, works and services for Stratford District Council
Annual Plan (AP)	A regulatory document pursuant to Section 95 of the Local Government Act 2002. The Annual Plan updates information reported on within the LTP including its objectives, intended activities, performance, income and expenditure and shows how that year of the LTP will be funded.	Annually	Determines annual KPI targets for performance monitoring
Annual Report (AR)	Reports Council’s performance for the previous year.	Annually	Provides annual KPI targets that are reported in the Annual Report.
Assessment of Water and Sanitary Services	Undertaken in compliance with Section 125 of the Local Government Act 2002 as part of Council meeting its obligation under the Health Act 1956 to improve, promote, and protect public health within its district.	Ten yearly	Identified issues and required actions feed into the relevant AMP
Other Council Policies, Bylaws	The tools that guide and direct Council activities (see Appendix 2)	As applicable	Support asset management planning and good practice.

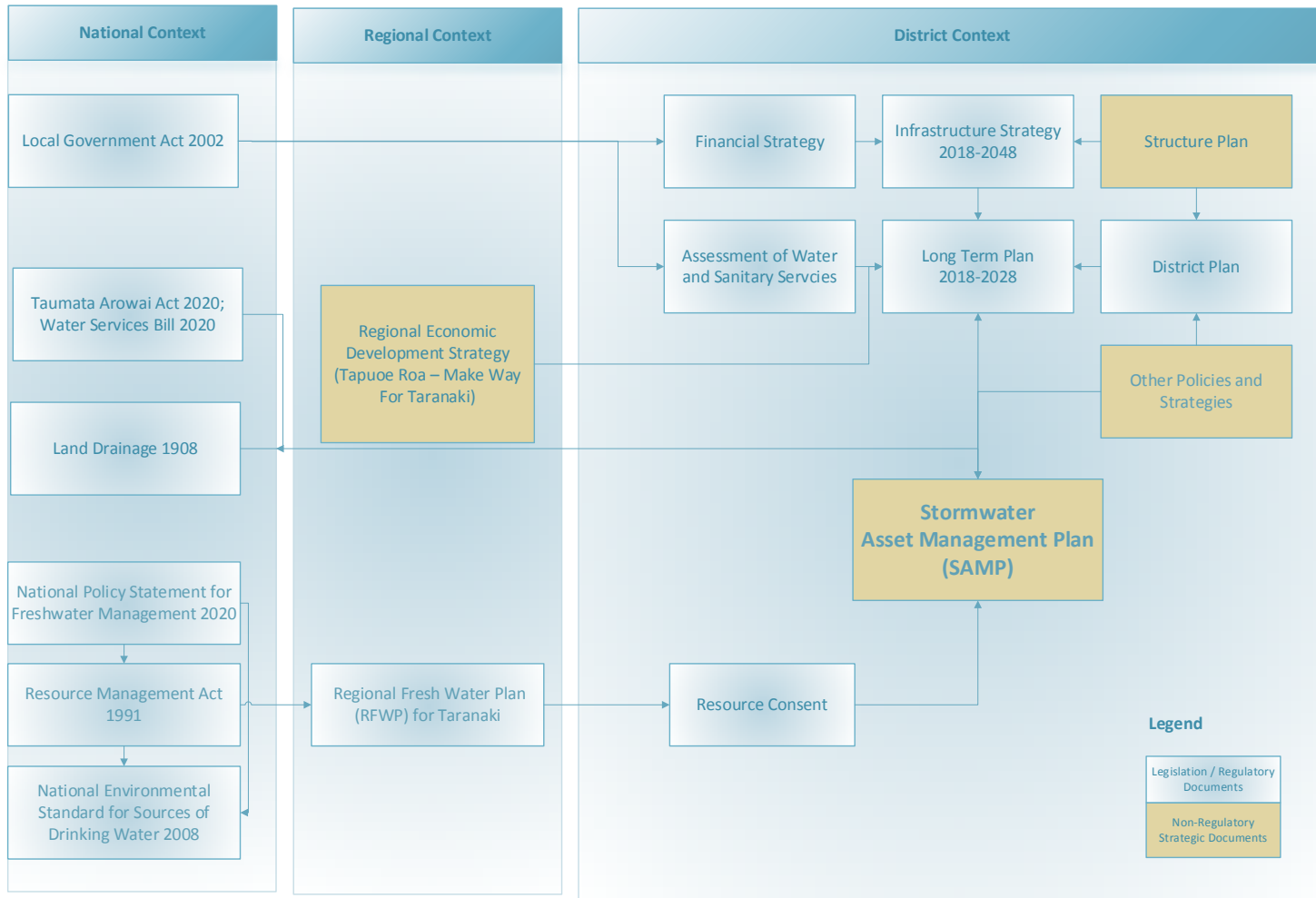


Figure 4 - Legislative and Strategic Framework (SAMP)

3.0

Asset Information

Asset Information

3.0: ASSET INFORMATION

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Asset Information

3.1 ASSET OVERVIEW

The Stratford District Council manages around 6.7km of stormwater pipes, and 1.9km of open channels/drains in the Stratford urban area. Council is also responsible for approximately 70 metres of 450mm culvert in Midhirst.

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

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

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

3.2 ASSET VALUATION

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

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

The asset valuations contained in Table 4 were carried out by Infrastructure Associates Ltd as at 01 July 2018.

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

Financial Reporting Standards (PBE IPSAS 17) applies to all SDC water infrastructure assets considered in the Infrastructure Associates Ltd re-valuation for the general purpose of financial reports.

Asset Information

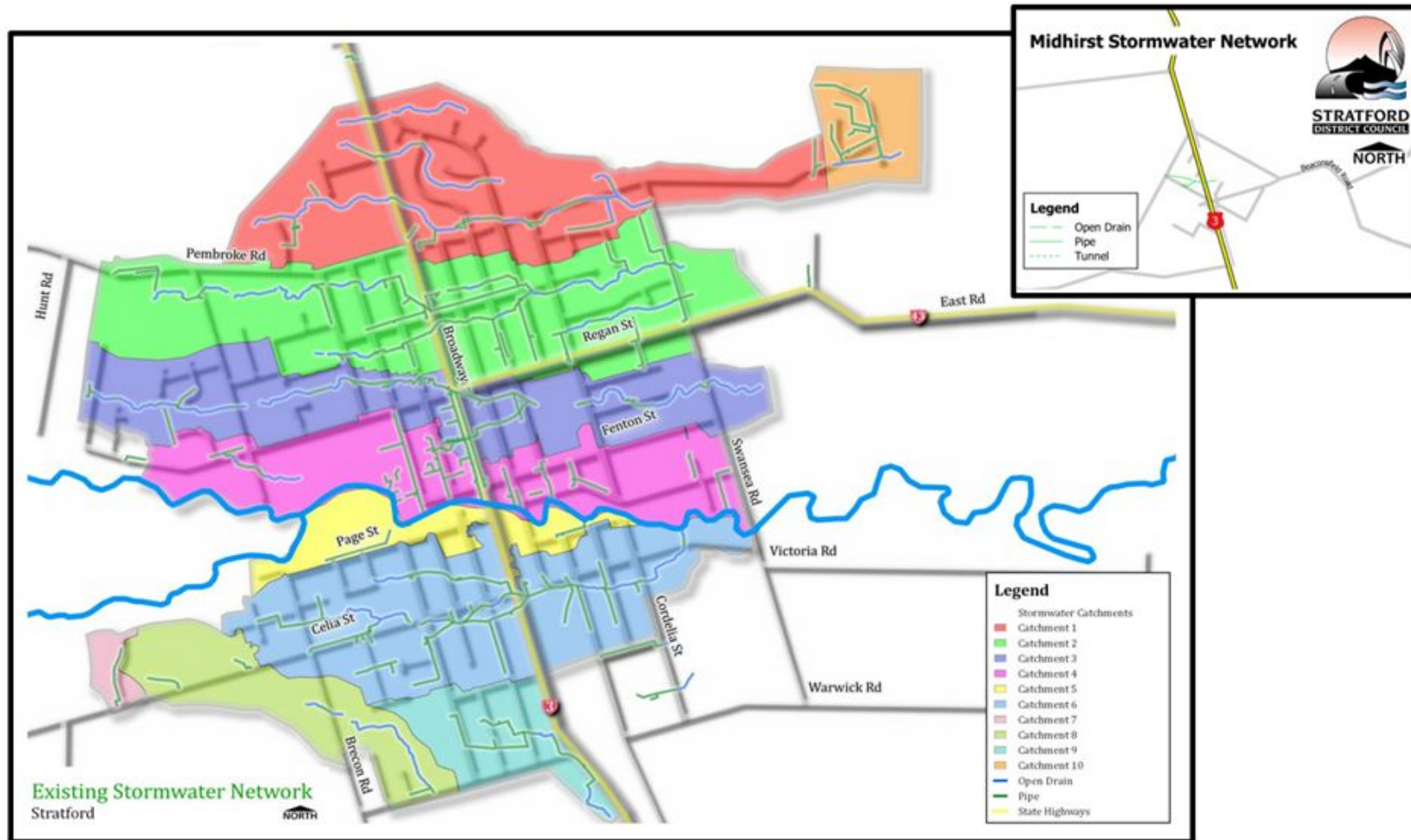


Figure 5 - Stratford Urban and Midhirst Stormwater Network

Asset Information

Table 4 –Stormwater Asset Valuation Summary

Asset Group	Asset Component	Size (mm)	Quantity	Useful Life (yrs.)	Remaining Useful Life (yrs.)	Values (\$)		
						RC	ODRC	AD
Pipes	Culvert	225mm	5,042	20-80	46	1,158,325	553,753	11,805
	Culvert	250mm	233	20-80	68	53,548	36,581	535
	Culvert	300mm	4,707	20-80	72	1,204,727	886,955	12,260
	Culvert	375mm	1,529	20-80	67	493,488	356,040	5,292
	Culvert	450mm	1,275	20-80	57	459,420	269,196	4,693
	Culvert	525mm	810	20-80	64	338,300	241,530	3,728
	Culvert	600mm	1,091	20-80	60	572,416	346,850	5,734
	Culvert	750mm	308	20-80	75	190,013	147,406	1,952
	Culvert	900mm	2,738	20-80	39	2,672,942	925,599	23,309
	Culvert	1050mm	313	20-80	74	255,704	198,209	2,651
	Culvert	1200mm	737	20-80	74	785,235	586,922	7,901
	Culvert	1350mm	106	20-80	80	188,045	183,657	1,880
	Culvert	1500mm	152	20-80	75	209,973	158,045	2,100
	Culvert	Unknown	783	20-80	40	232,990	94,222	2,330
Total Pipes			19,822			8,815,124	4,984,965	86,170
Point	Manholes and Sumps	Varies		20-80	69	1,437,641	994,301	14,383
Total Point						1,437,641	994,301	14,383
Total Stormwater						10,252,765	5,979,266	100,553
Note: Stormwater Asset Valuation Summary as at 01 July 2018 – Infrastructure Associates Ltd Asset Valuation Report								

Asset Information

3.3 USEFUL LIFE

Useful life (Base life) refers to either;

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

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

3.4 ASSET INFORMATION SYSTEM

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

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

3.5 THE STORMWATER INFRASTRUCTURE ASSETS

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

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

3.6 ASSET MANAGEMENT MATURITY ASSESSMENT

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

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

The Asset Management Maturity Index assessment in Table 5 below provides a snapshot of where the Council is at in its asset management practices and in particular, emphasizes that seeking advanced practice in all areas may not be the best solution across activities, as this depends on the scale and type of assets being managed.

Table 5: 3-Waters Asset Management Maturity Index Assessment

	Asset Management Disciplines	Maturity Index	Maturity Description	What we do
1	Strategic Direction	Intermediate	<ul style="list-style-type: none"> • AM System scope is defined and documented. 	<ul style="list-style-type: none"> • The Council has adopted an Asset Management Policy to provide the overall direction for asset management in the district. • Scope is also refined as a consequence of

Asset Information

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

Asset Information

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

3.7 ASSESSMENT OF ASSET CONDITION

Asset condition is a measure of an asset’s physical integrity, while asset performance is a measure of whether the asset is delivering level of service requirements. Knowing the condition of an asset enables more accurate prediction of asset development, maintenance and renewal/replacement requirements. The Stratford District Council identifies the condition of stormwater infrastructure assets by the age of the asset, through visual targeted inspections (including sampling) and maintenance monitoring.

Generally, the Council takes a risk-based approach to monitoring the condition of assets and conducts condition assessments of its critical assets. Where assets have low risk because they are in the first half of their life, condition monitoring is low. If the consequences of running an asset through to failure are high, the Council, through a more intensive monitoring regime and targeted inspections, hold more information on the asset condition. The Council has no backlog or deferred maintenance in its work programme.

Targeted inspections are carried out on asset components that are considered critical to Council and the community, have the potential to impact on public health and safety; or where there is a specific requirement, for example to meet regulatory requirements or for asset acquisition, disposal, or justification.

Targeted inspections of stormwater infrastructure assets are carried out by Council staff, the Maintenance Contractor, or specialist Consultant to identify the condition of specific asset components at intervals specified by the Asset Manager or upon request. To identify the general condition of its stormwater assets Stratford District Council undertakes the underground reticulation inspections, carried out by the Contractor during works or as issues are identified.

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

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

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

Asset Information

The International Infrastructure Management Manual (2011) provides guidance on assessing the condition of assets and approaches to grading the condition. In line with this Stratford District Council has developed a condition grading system to support identifying the condition of assets at the group level. Using the system, the assumed condition of assets are ranked from 1-5 as illustrated in Table 6 below. In the last 3 years new stormwater assets were installed. 33 sections have been added to the stormwater infrastructure with the creation of the new subdivision on Pembroke Road.

Table 6 - Condition Grading System

Grade	Condition	Description	Expected Proportion of network (%)
1	Very Good	Asset in structurally sound and excellent physical condition. No work required	31%
2	Good	Asset in structurally sound and acceptable physical condition. Minor work required (if any)	16%
3	Average	Asset is structurally sound but shows deterioration. Moderate work required to return asset to agreed level of service	17%
4	Poor	Asset failure likely in the short term. Significant work required now to return asset to agreed level of service	33%
5	Very Poor	Asset has failed/is about to fail. Renewal/Replacement required Urgently	2%

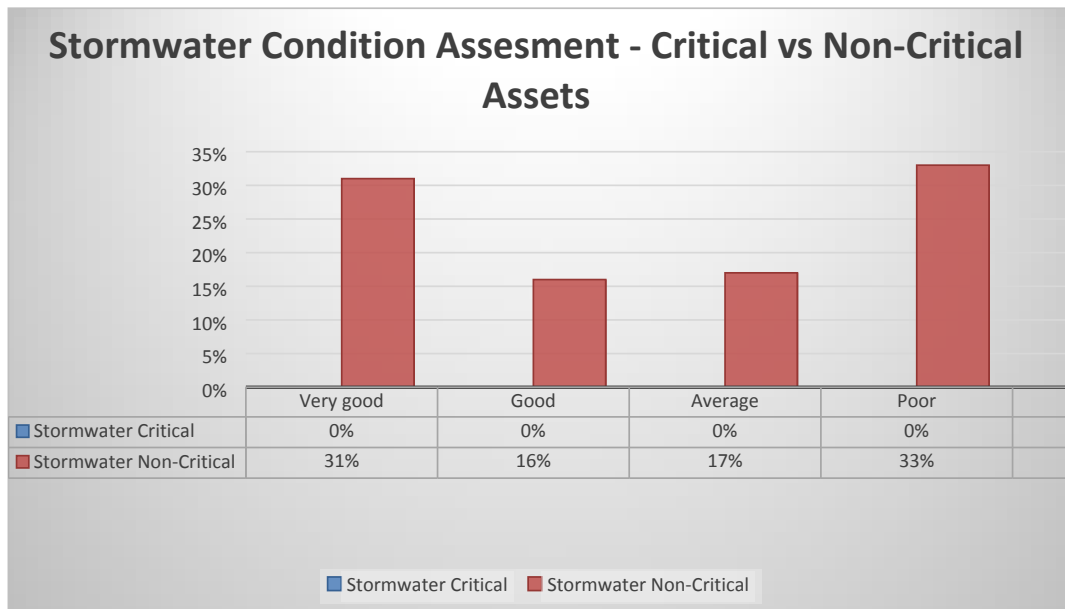


Figure 6: Stormwater Condition Assessment - Critical vs Non-Critical Assets

Asset Information

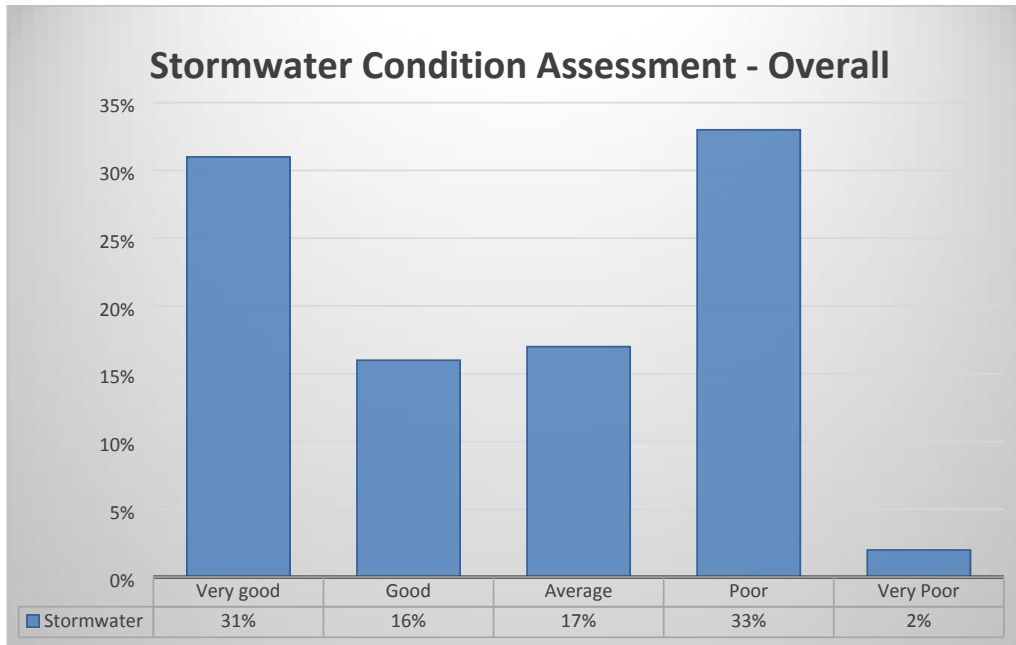


Figure 7: Stormwater Condition Assessment - Overall

3.7 DATA ACCURACY AND CONFIDENCE

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

To ensure accurate asset data is entered into the asset management system Stratford District Council has put in place the *Inspection Data Management Process* for managing targeted visual inspection data. Also, to determine the Council's level of confidence in targeted inspection data, the Stratford District Council has implemented the *Data Confidence Grading System* in Table 8. Asset Grading by asset group is provided in Table 9.

Table 7 - Inspection Data Management Process

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

Asset Information

Table 8 - Data Confidence Grading System

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

Table 9: Asset Grading by Asset Group

Asset Group	Key Confidence Attributes Percentage (%)				Average	Assessed Confidence Level	Confidence Grading
	Location	Diameter /size	Material	Age			
Pipes	80	60	70	80	72.5	Very Uncertain	4
Points	85	60	70	85	75	Uncertain	3
OVERALL ASSESSMENT	Reliable to Uncertain						

3.8 ASSET MANAGEMENT IMPROVEMENT PLAN ITEMS

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

Table 10 - Asset Management Improvement Plan Items

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

4.0

Future Growth and Demand

Future Growth and Demand

4.0: FUTURE GROWTH AND DEMAND

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Future Growth and Demand

4.1 OVERVIEW

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

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

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

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

Stratford District Council is committed to planning for the changing needs of its community. As part of this commitment Council utilises demand forecasting in all asset management planning. Information on future growth forecast has been supplied by Infometrics NZ.

4.2 DEMAND FORECASTING

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

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

Key Information gathered during the forecasting process includes:

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

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

4.3 DEMAND DRIVERS AND IMPACTS

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

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

Future Growth and Demand

4.3.1 POPULATION

Under the medium population growth scenario projected by the Infometrics Model, the Taranaki region’s population is expected to grow to over 145,100 by 2051. Under a high growth scenario, higher levels of net migration would lead to a regional population of 163,100 by 2051, while the low growth scenario results in the population growing to approximately 129,000 residents by 2035, and then remaining relatively static at that level until 2051.

For the Stratford District, the forecast under the High growth scenario is to increase from above 10,000 in 2021 to just under 12,000 in 2051. This is equivalent to just under 0.7% increase per annum, an estimated total increase of approximately 18% over these 30 years. Under the low growth scenario, the forecast is to decline from above 10,000 in 2030, to just above 9,000 in 2051

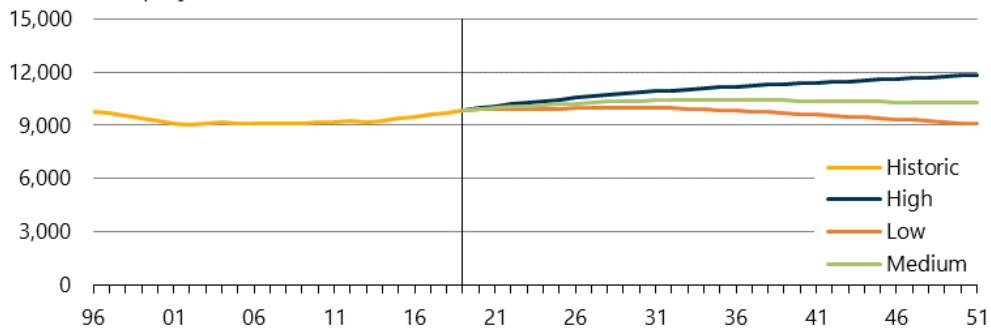


Figure 8 - Stratford District Infometrics projection of population change

Population distribution

Currently, there are 1,250 Maori population – 48% are under 20. Maori make up 13% of district population. Population growth has averaged 0.2% in the last 20 years, and averaged 0.7% in the last 10 years, however, in the last 3 years population growth has increased annually by 0.8% on average.

Population 2019 Infometrics data shows that Stratford district is approximately 9,860 – a growth of 1.3% from previous year. The source of growth was 78% due to natural increase and 22% due to net migration. We are anticipating an annual average population growth of 0.5% over the next eight years, centered around the urban area and mostly as a result of births.

The district’s Population Age Structure and Projection is shown in Figure 9; Components of Population Change in Figure 10 and the Population Geographic Distribution in Figure 11.

Elderly Population

The average age of Stratford residents is expected to increase over the next 30 years from 40 to 42 years. 580 residents (5% of the district population) are aged 80+.

With a rising older population and a potentially declining older working population Stratford District Council and the Water Supply Activity will need to consider the services it delivers and the infrastructure required to deliver these services.

For a clearer picture of the impacts on infrastructure and the demand for services, further assessment is necessary. The cost of this assessment will need to be weighed against the benefits of embarking on the project.

Future Growth and Demand

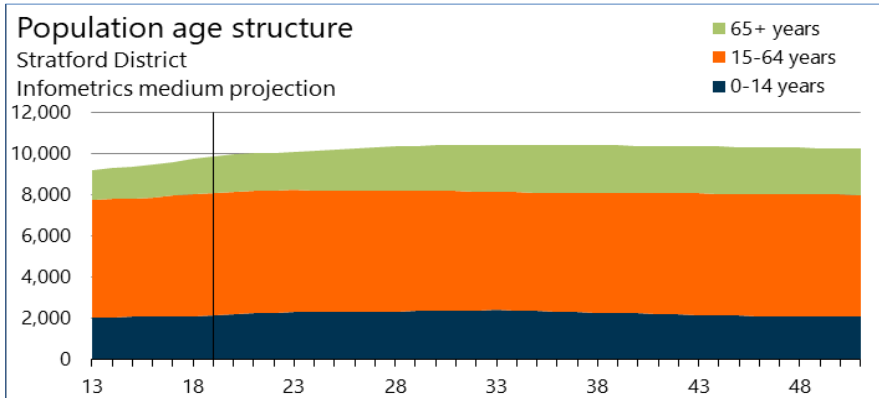


Figure 9 - Stratford District's Population Age Structure

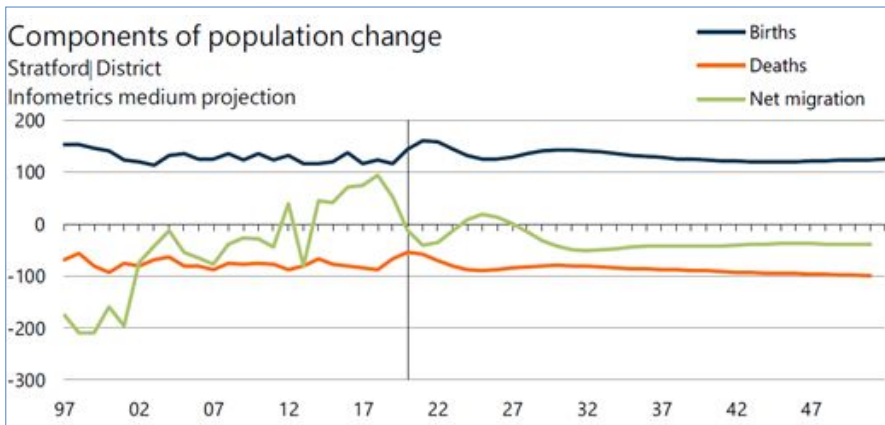


Figure 10 - Components of Population Change

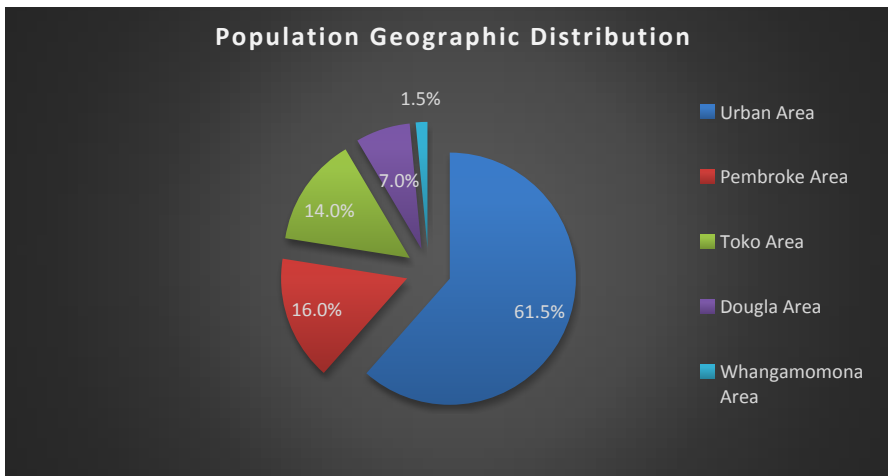


Figure 11 – Current Population Geographic Distribution

Future Growth and Demand

4.3.2 ECONOMIC DEVELOPMENT

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

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

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

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

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

Economic History and Forecast

According to the Infometrics Model, GDP growth is static to low, and generally under the national average – except for 2009 and 2012 where there were spikes in the district's GDP compared to the rest of the country.

The two biggest contributing industries in Stratford are the Agriculture and Forestry sector contributing 27% (Dairy Farming making up 16% of this) of district GDP, and the Electricity and Gas Supply contributing 16%. Stratford has the region's largest electricity generation site at Contact's 575MW gas powered plant – it is considered a nationally significant generation site.

In 2019, there were 3,462 filled jobs in the Stratford District. The district unemployment rate was 4.4%, compared to the regional unemployment rate of 5.0% and national unemployment rate of 4.3%. Employment growth lags behind the rest of the country (2018 Stratford: 1.5%, National: 3.0%), although it did spike above the national average in 2009.

In terms of industry employment the top five employing industries in 2019 were:

- Education and Training 11%
- Dairy farming 9%
- Health Care and Social Assistance 7%
- Accommodation and Food Services 6%
- Supermarket and Specialised Food Retailing 6%

The biggest increase in jobs in Stratford since 2017 has been in the house construction (building) sector, and in primary education. Stratford generally has a higher rate of self-employment than the national average at 19%, compared to 17% nationally. Stratford also has a higher productivity rating per employee. In 2018, GDP per employee came to \$120,631, compared to the national average of \$97,174.

The 10-year and 30-year GDP and Employment forecast are provided in Tables 11 and 12.

Future Growth and Demand

Table 11: GDP Growth 2005-2031

	GDP level (\$m, 2010 prices)			Annual % change	
	2005	2018	2031	05-18	18-31
New Plymouth	3,908	5,349	6,074	2.4%	1.0%
South Taranaki	1,869	1,948	2,080	0.3%	0.5%
Stratford	415	414	459	0.0%	0.8%
Taranaki	6,192	7,712	8,613	1.7%	0.9%

The Infometrics data above shows minimal change in GDP growth from 2018 to 2031

Table 12: Employment Levels in the Region

	Employment level			Annual % change	
	2005	2018	2031	05-18	18-31
New Plymouth	33,926	40,748	47,261	1.4%	1.1%
South Taranaki	13,959	13,952	15,256	0.0%	0.7%
Stratford	3,637	3,434	3,639	-0.4%	0.4%
Taranaki	51,522	58,134	66,157	0.9%	1.0%

Employment was expected to increase over the period to 2031, however the impact of Covid-19 has changed these figures

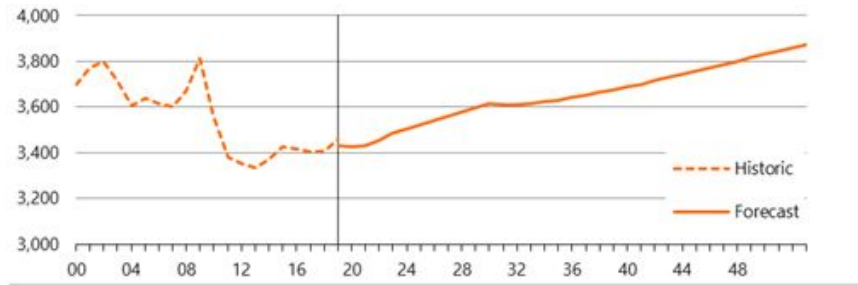


Figure 12 - Employment Forecast for Stratford

Employment is expected to increase slightly over the next 10-30 years

4.3.3 CLIMATE CHANGE

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

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

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

Future Growth and Demand

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

Extreme weather events and heavy rainfall would see increases in flooding, landslides, avalanches and mudslides during heavy rainfall events while on the flip side a lack of rain during summer months could see prolonged periods of drought. Both extremes place increased pressure on government, private flood insurance schemes, and disaster relief.

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

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

4.3.4 TOURISM

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

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

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

4.3.5 THE (DRAFT) STRUCTURE PLAN FOR STRATFORD

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

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

4.3.6 REGULATORY CHANGES

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

Future Growth and Demand

4.3.7 CUSTOMER NEEDS AND EXPECTATIONS

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

4.4 IMPROVEMENT PLAN

Table 13 - Future Growth Improvement Plan

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

5.0

Levels of Service Performance

Levels of Service Performance

5.0: LEVELS OF SERVICE PERFORMANCE

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Levels of Service Performance

5.1 OVERVIEW

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

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

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

The Levels of Service section details legislative and regulatory requirements affecting the operation, management and Levels of Service for the stormwater assets.

This section:

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

5.2 LEVEL OF SERVICE DEVELOPMENT/REVIEW PROCESS

LoS review is an on-going process which can be triggered by a variety of drivers. The development and review of the LoS will be undertaken following the process diagram in Figure 13 (*Source: IIMM (2015)*).

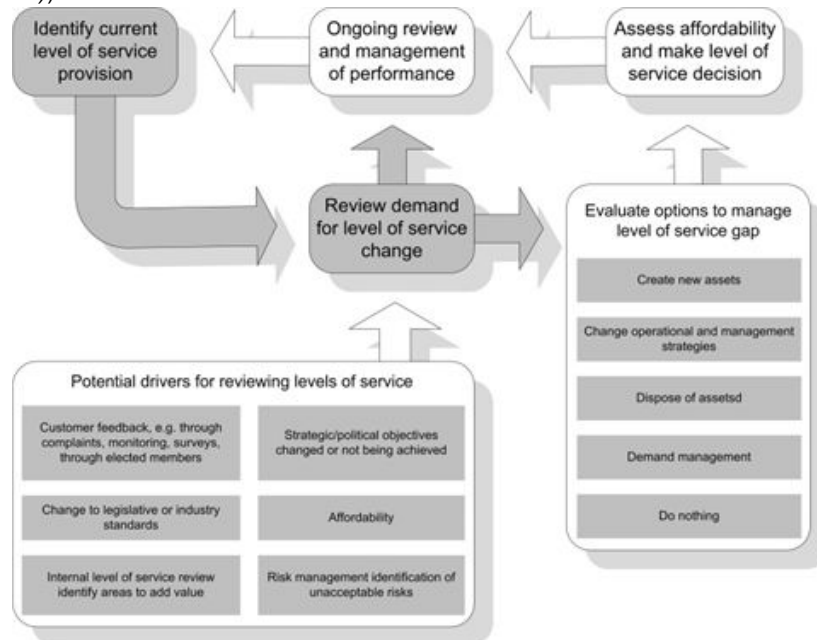


Figure 13 - LoS Development/Review Process

Levels of Service Performance

5.3 PERFORMANCE MONITORING AND REPORTING

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

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

The monitoring of the LoS is done through the Customer Satisfaction Survey and the Discharge Compliance with the territory authority's resource consents from its stormwater system.

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

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

5.4 CURRENT PERFORMANCE

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

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

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

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

- DIA performance measures
- Internal performance measures

The DIA Performance Measures: Since 2014 all local authorities have been required to comply with a standard set of performance measures. The performance measures are intended to provide information that will enable the public to contribute to discussions on future levels of service and participate more easily and effectively in decision-making processes. While these measures, provided in Table 14, are set by the DIA, the targets and response times are set by SDC.

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

Levels of Service Performance

Table 14- Performance Measures

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

5.4.1 SYSTEM ADEQUACY

These are new measures introduced with the 2015-2025 Long Term Plan. The performance measure targets for system adequacy for 2020/2021 are:

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

In 2019/2020 there were no flooding events that met the measurement criteria recorded by Council in the district that affected buildings in the central business zone or any habitable buildings. The stormwater system achieved Level of Service requirements for system adequacy.

Table 15 - System Adequacy - Annual Report

Category	Year	
	2018/2019	2019/2020
Flooding Events	0	0
Floors Affected	0	0
Buildings in CBD Affected	0	0

Levels of Service Performance

5.4.2 DISCHARGE COMPLIANCE

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

5.4.3 RESPONSE TIMES

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

In 2019/20 there were no flooding events that met the measurement criteria recorded by Council in the district.

5.4.4 CUSTOMER SATISFACTION

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

In 2019/20 there were no complaints received.

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

5.5 DESIRED PERFORMANCE

A summary of the Council’s targets/ desired performance levels are presented in Table 16. This desire stems from the Council’s resolve to maintain its delivery of the agreed levels of service and strengthen the community’s confidence in the Council’s ability to deliver excellent Water Service to the users

The Council will take into account its Customer Charter in its provision quality service to all our customers. Council will rate its performance against the key performance indicators (KPI’s) or targets as per Table 17 below.

Table 16 - Performance Rating Index

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

Levels of Service Performance

Table 17 - Performance Measures

Level of Service	Performance Measure	Outcome Category	Trend			Current	Target				How Measured
			2017/18	2018/19	2019/20	2020/21	Year 1 2021/22	Year 2 2022/23	Year 3 2023/24	Years 4 - 10 2024 - 2031	
System Adequacy	Number of flooding events	DIA Measure	Ach - 0	Ach - 0	Ach - 0	0	0	0	0	0	Reporting against corporate CRM system. Note: specific category to be set up for flooding – to separate between residential & commercial buildings and include count of habitable floors flooded (residential only).
	Number of habitable floors affected. Expressed per 1000 properties connected to the territorial authority's stormwater system.		Ach - 0	Ach - 0	Ach - 0	0	0	0	0	0	
	Number of buildings in the central business zone affected by flooding.		Ach - 0	Ach - 0	Ach - 0	0	0	0	0	0	
Discharge Compliance	Compliance with Discharge Consents	DIA Measure	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	Consent & compliance documentation
Response Times	Response Time	DIA Measure	0	0	Ach - 0	1 hour	1 hour	1 hour	1 hour	1 hour	Work order tracking/reporting through Council's Infrastructure asset management system.
Customer Satisfaction	Number of Complaints received expressed per 1000 properties connected to the stormwater system		Not Recorded	Not Recorded	Ach - 0	<8	<8	<8	<8	<8	Reporting against corporate CRM system.

6.0

Strategic Assessment

Strategic Assessment

6.0: STRATEGIC ASSESSMENT

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Strategic Assessment

6.1 OVERVIEW

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

6.2 OUR BUSINESS CASE

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

6.3 PROBLEM STATEMENTS

Between July and September 2020, Council staff prepared and presented *Early Conversation* papers for discussion with the Elected Members as part of the Long Term Plan (LTP) process. The purpose of these early conversations was to ask elected members for direction regarding some capital projects being proposed in the 2021-2031 LTP.

The Early Conversations with the Elected Members identified:

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

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

The main problems identified and *workshopped* as part of the Early Conversations¹ are:

- Stormwater Network Modelling
- Network Capacity Increase

6.3.1 NETWORK PLANNING AND MODELLING

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

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

Stormwater modelling will reveal the areas for improvement in the network from which priority areas can be programmed for improvement. Council Officers have estimated the cost of modelling at \$35,000.

¹ D21/11168

Strategic Assessment

6.3.2 NETWORK CAPACITY INCREASE

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

Council Officers are already aware of some pipes within the network requiring increased capacity, the Stormwater network modelling above will also help to identify priority areas for upgrades in the stormwater network. Council Officers are proposing a budget of \$90,000 to address this issue over the next 3 years.

6.3.3 STORMWATER SAFETY IMPROVEMENT

The Council's programme for stormwater safety improvements will continue through the LTP planning period. Safety improvements consist of inlet and outlet safety screening for stormwater manholes. The improvement programme commences from Year 1

6.3.4 CLIMATE CHANGE SEE ANNUAL REPORT

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

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

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

6.3.5 REPLACEMENT OF STORMWATER TUNNELS

As part of our on-going renewal programme, the Council proposes to continue the re-routing of larger waterways/pipeline/tunnels to be more accessible and within public land or easements

6.4 OUR BENEFIT STATEMENTS

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

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

Strategic Assessment

Table 18- Problems, Projects and Benefit Statements

Problem Statements	Preferred Option / Project	Benefit Statements
<p>Problem Statement 1: Network Planning and Modelling</p>	<p>Commission a new Wastewater model</p>	<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 will commission a network modelling project on our stormwater network to reveal how our network systems are behaving.</p> <p>This modelling project will comprise</p> <ul style="list-style-type: none"> • 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.</p>
<p>Problem Statement 2: Pipework Capacity Issues</p>	<p>Programme the implementation of pipework capacity increase to support growth.</p>	<p>This programme is to address under-capacity of pipe network to support growth, residential infill and other intense land-use activities.</p> <p>There have been new residential subdivisions and developments, urban infill and other growth-related pressures created in both our wastewater and stormwater networks. The consequence of this is that some pipes are requiring upgrades in capacity to accommodate the increased flow.</p>
<p>Problem Statement 3: Stormwater Safety Improvements</p>	<p>Conduct an inlet structure study, and its implementation, to ascertain the extent of potential upgrades required to meet public safety requirements</p>	<p>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.</p>
<p>Problem Statement 4: Climate change</p>	<p>Create a catchment management plan to support upgrade of existing assets to accommodate a 1 in 100 year storm event</p>	<p>Should improve stormwater management in the existing network</p>
<p>Problem Statement 5: Replacement of stormwater tunnels</p>	<p>Consider rerouting of larger waterways/pipeline/tunnels to be more accessible and within public land or easements</p>	<p>Properties currently connected to existing infrastructure will need to be accounted for in any new design route</p>

7.0 Lifecycle Management

Lifecycle Management

7.0: LIFECYCLE MANAGEMENT

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Lifecycle Management

7.1 OVERVIEW

Lifecycle Asset Management focuses on management options and strategies to minimise risks to assets, and any potential risk of assets.

It considers all relevant consequences from initial planning through to renewal, replacement, disposal or rationalisation of assets.

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

- Physical characteristics
- Operating environment
- Customer requirements

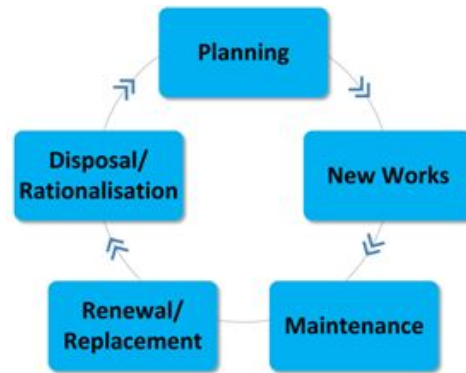


Figure 14 - Lifecycle Asset Management

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

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

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

This section presents a detailed plan of prioritised work over a 10-year planning period in response to the problem and benefit statements highlighted in Section 6 of this AMP. It presents Council's practices and projects to maintain the stormwater assets over its lifecycle through Council's:

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

7.2 PROCUREMENT POLICY

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

- achieves the right outcomes and value for money;
- manages risk effectively;
- allows council officers to exercise business judgement by enabling flexibility and fluid, innovative approaches to procurement;
- demonstrates fairness;
- has health and safety risk management at the forefront.
- Reflects best management practice; and
- Has a local procurement policy applying to works with a monetary value up to a limit prescribed by Council.

Lifecycle Management

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

7.3 MANAGEMENT STRATEGIES

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

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

These strategies as presented in Figure 15, are either under review or currently being prepared.

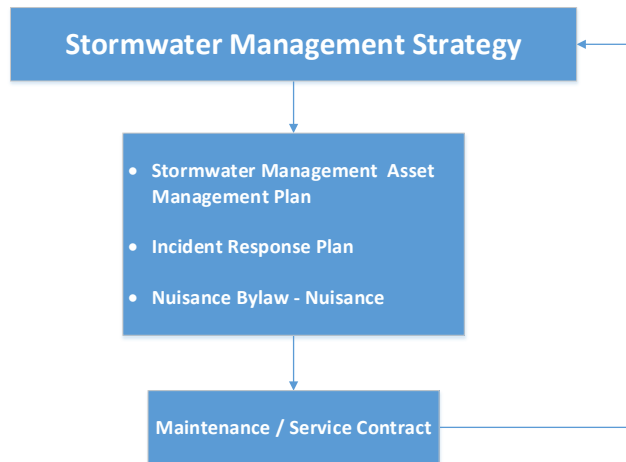


Figure 15 – Stormwater Asset Management Strategies

7.4 CONTRACTUAL ARRANGEMENTS

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

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

The Council has a 3 Waters Maintenance Contract with Citycare for the provision of ongoing maintenance services of the Council's stormwater services. This Contract requires the Contractor to provide not only physical works but also a degree of professional services for significant aspects of the work.

The contract is for an initial period of three years from 1 July 2019 which will expire on 30 June 2022 but incorporated two 2 year roll-over periods in the event Council is satisfied with the contractor's performance.

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

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

Lifecycle Management

7.5 PROGRAMME BUSINESS CASE

The programme business case details how the problems identified in the previous sections will be addressed. This is presented in Table 19 below and shows the identified projects that are proposed to address the identified problems presented in Section 6 of this report and achieve the DIA and Internal/Other performance measures as per Section 5.

The identified projects are grouped under three main categories of:

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

The prioritisation of planned maintenance, renewal/replacement and capital projects is based:

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

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

Table 19 - Identified Projects and Performance Measures

Work Category	Identified Projects	Performance Outcomes			
		System Adequacy	Discharge Compliance	Response Times	Customer Satisfaction
Renewal/ Replacement	Stormwater reticulation renewals	✓		✓	✓
	Inlet screen renewals	✓			✓
	Desilt ponds	✓	✓		
Level of Service Improvements	Reticulation capacity increase	✓	✓	✓	✓
	Modelling	✓	✓	✓	✓
	Manhole lid safety screens	✓	✓		✓
	Victoria Lake by-pass	✓	✓	✓	✓

7.5.1 OPERATIONS AND MAINTENANCE

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

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

The operation and maintenance of assets is undertaken through:

Lifecycle Management

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

The previous expenditure figures for operations and maintenance, as detailed in the Annual Plan, are presented in Figure 16. The planned works are presented in Table 20 below.

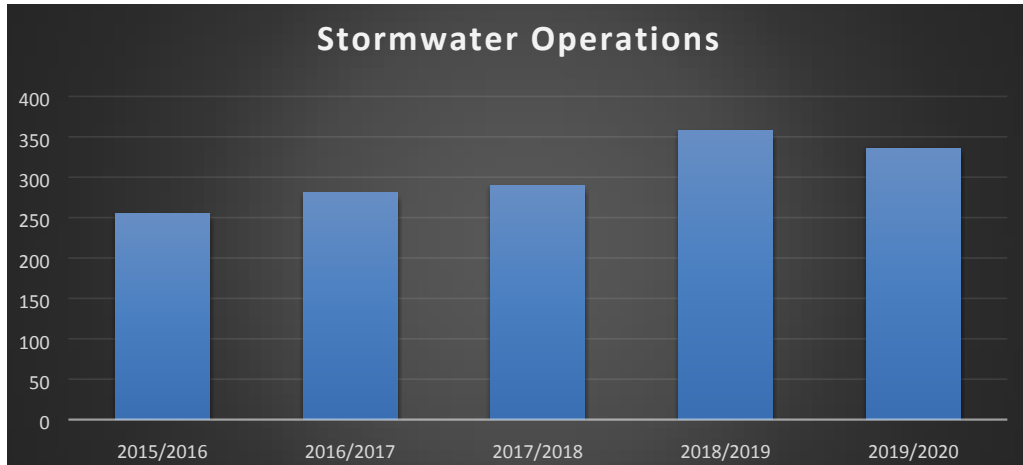


Figure 16 - Stormwater Operating Expenditure – Annual Report

7.5.2 RENEWAL/REPLACEMENT

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

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

The previous expenditure figures for assets renewal / replacement, as detailed in the Annual Plan, are presented in Figure 17. The planned works are presented in Table 21 below.

Lifecycle Management

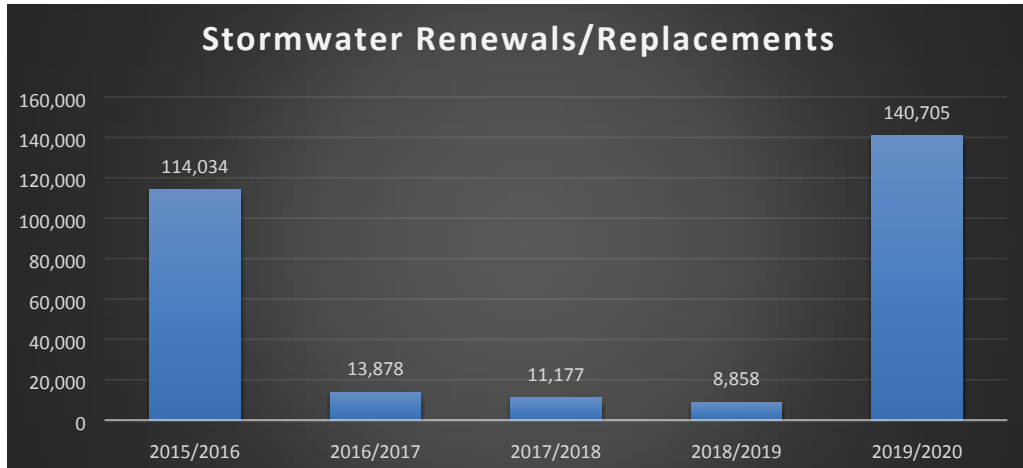


Figure 17 - Stormwater Replacement/Renewals - Annual Report

Table 20 - Planned Renewal /Replacement Works

Project	2021/22	2022/23	2023/24	2024-2031
Stormwater reticulation renewals	\$53,000	\$55,000	\$56,000	\$605,000

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

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

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

Project	2021/22	2022/23	2023/24	2024-2031
Safety Improvements				\$96,000

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

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

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

Lifecycle Management

Project	2021/22	2022/23	2023/24	2024-2031
Silt Retention Victoria Park				\$65,400

Problem Statement	Some stormwater pond silt levels are becoming too high for the pond to be effective in reducing suspended solids before discharge into down stream water bodies.
Benefits of investment	Project will assist Council in maintaining adequate LoS performance in future.
Consequences of non-investment	Continued settling of silt in the ponds causing the capacity of the ponds to be reduced.

7.5.3 LEVEL OF SERVICE IMPROVEMENTS

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

The previous expenditure figures for level of service improvements, as detailed in the Annual Plan, are presented in Figure 18; the planned works are presented in Table 22 below.

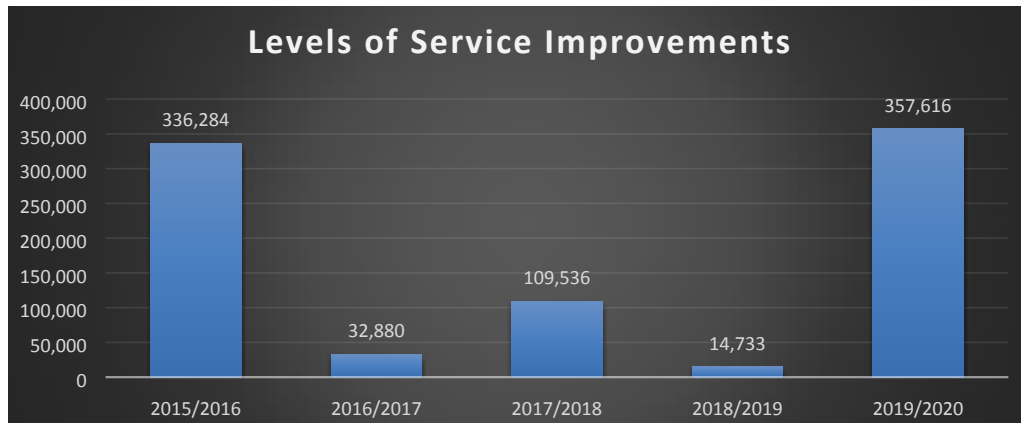


Figure 18 - Stormwater Levels of Service Improvements - Annual Report

Table 21 - Planned Level of Service Improvement Works

Project	2021/22	2022/23	2023/24	2024-2031
Reticulation capacity increase	\$135,000	\$139,700	\$143,300	\$1,129,885

Problem Statement	Some existing infrastructure is known to be under capacity
Benefits of investment	Project will assist Council in upgrading the infrastructure to increase the capacity for stormwater assets.
Consequences of non-investment	Risk of flooding during more extreme events remains.

Lifecycle Management

Project	2021/22	2022/23	2023/24	2024-2031
Modelling		\$31,000		

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

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

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

Project	2021/22	2022/23	2023/24	2024-2031
Silt retention lake by-pass line			\$265,400	

Problem Statement This is linked to the lake desilting project so that problem statement applies too. Stormwater flows will still need to be accounted for during the de silting project.

Benefits of investment Project will assist Council in ensuring stormwater flows during the desilting project are still able to flow downstream.

Consequences of non-investment Risk of desilting project being unsuccessful due to stormwater flows being present during project.

Project	2021/22	2022/23	2023/24	2024-2031
Safety improvements	\$117,300	\$121,400	\$124,600	\$982,330

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

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

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

7.6 DISPOSAL STRATEGY

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

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

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

Lifecycle Management

While there are assets that fit under one or more of the above criteria, the Local Government Act provides clear instances when assets can be disposed of. At this time, the Stratford District Council has no plans to dispose of any stormwater assets other than those that become obsolete as a result of renewal or upgrading works.

7.7 IMPROVEMENT PLAN

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

Table 22 - Lifecycle Improvement Plan

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

8.0

Risk Management

Risk Management

8.0: RISK MANAGEMENT

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Risk Management

8.1 OVERVIEW

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

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

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

8.2 RISK MANAGEMENT FRAMEWORK

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

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

The potential risks identified for the Stormwater assets and activity under these six broad categories are described in detail in this report.

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

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

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

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

Risk Management

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

8.3 RISK ASSESSMENT PROCESS

The Stratford District Council's Risk Management Process in Figure 19 identifies risk management strategies to minimise risks associated with the provision of services. It is designed to ensure that:

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

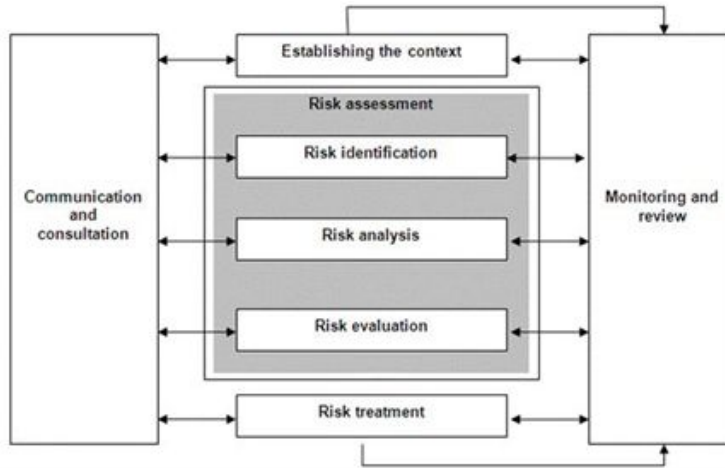


Figure 19 - Risk Management Process

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

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

Figure 20 - The Risk Matrix - sourced from Vault, the Council's risk software

Risk Management

8.4 POTENTIAL RISKS

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

8.5 TOP TEN RISKS FOR THE WASTEWATER ASSETS AND ACTIVITY

The Stratford District Council has identified the following top ten Wastewater risks from the 6 categories in the Risk Management Framework ([Appendix 1](#)) in Table 24.

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

Table 23 – Top Ten Identified Storm Water Risks

	Risk Subject	Risk Description	Risk Score Raw	Control Description	Residual Risk Score
Compliance and Legislation					
1	Bylaws and Policies	IF Council fails to keep Policies and Bylaws up to date, THEN the Policies and Bylaws may become unenforceable and irrelevant, and council could be acting illegally, or the policy is not fit for purpose.	8 High	<ul style="list-style-type: none"> Quality assurance, Resourcing levels maintained Regular Policy Schedule review by CEO. Regular review of Bylaw timetable maintained in Content Manager. 	3 Moderate
Data and Information					
2	Systems Down - Natural Disaster/Pandemic	IF there is a natural disaster THEN systems may be down temporarily, reduction in worker productivity, unable to respond to customers, data unavailable, potential permanent loss of data.	8 High	<ul style="list-style-type: none"> Backups done daily and stored off-site. Most critical data is in the cloud, data centre is overseas so workers can access system remotely from anywhere. Civil Defence will make hardware available for emergency response. 	3 Moderate
3	Server Failure	IF the server failed THEN systems down, data unavailable, potential data loss	12 Very High	<ul style="list-style-type: none"> Restore from backup, backups stored off-site. Fail-over for Melbourne data centre replicates to Sydney data centre. 	3 Moderate
Health and Safety					
4	Lone Worker	IF a staff member is seriously injured or killed during field inspections/site visits, THEN possible health		<ul style="list-style-type: none"> Quality assurance, Ongoing training/awareness of HSE requirements and responsibilities, 	1 Low

Risk Management

	Risk Subject	Risk Description	Risk Score Raw	Control Description	Residual Risk Score
		and safety breaches, death or serious injury.	12 Very High	<ul style="list-style-type: none"> Better use of council data/knowledge base on dangerous or insanitary sites before staff member deploys to site, Use of GPS tracking, mobile phone tracking. Compliance officers to wear body cameras when on duty. 	
5	Employee Substance Abuse	IF staff are affected by drugs or alcohol while at work, THEN there is an increased risk of an accident or injury, property damage, and reduced work performance.	8 High	<ul style="list-style-type: none"> Ensure staff are aware of drug and alcohol policy. Initial drug testing done prior to employment to filter out regular users. Utilise EAP. 	2 Moderate
Operational					
6	Attracting Qualified Staff	IF Council is unable to attract suitably qualified personnel, THEN services may become under threat and may cease.	6 High	<ul style="list-style-type: none"> Internal training and succession planning programs. Ensure market wages are offered for all high demand positions. Recruit off shore option should be available for high-demand positions. Make greater use of consultants if necessary and/or shared services with neighbouring Councils. Make Stratford District Council a great place to work - measure staff engagement and respond to any issues expediently. 	2 Moderate
7	Maintenance Contractor fails to deliver	IF maintenance contractor fails to deliver contractual service necessitating termination of contract and re-tendering, THEN assets may become under threat, unreliable, or unable to meet community needs.	8 High	<ul style="list-style-type: none"> Careful assessment of tender to ensure contract price viable for contractor to deliver level of service. Regular liaison with contractor to monitor performance and ensure compliance. Contractor pre-approval process must not be bypassed. 	3 Moderate
8	Natural Disaster or Fire - Response	IF a Natural Disaster or Fire causes significant damage to infrastructure		<ul style="list-style-type: none"> Civil Defence Emergency Management plans are in place. 	12 Very High

Risk Management

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

Risk Management

8.6 RISK RESPONSE

The Stratford District Council has a suite of response strategies for the potential risks identified above. They include avoiding, exploiting, transferring/sharing, reducing or accepting the risk. These response strategies are summarised in Table 25 below.

Table 24 - Risk Response Strategies and Definitions

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

8.7 SIGNIFICANT ADVERSE EFFECTS

8.7.1 HEALTH

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

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

8.7.2 ENVIRONMENT

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

8.8 CRITICALITY

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

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

Risk Management

8.8.1 CRITICALITY EVALUATION

Stratford District Council establishes criticality by using two rating levels - activity level and corporate level. **Activity level criticality** is based on the criticality criteria shown in Table 26; Table 27 provides the Activity Level Criticality Rating with examples. **Corporate level criticality** ranks activities based on the criticality of the service the activity provides at the corporate level as illustrated in Table 28 below.

Table 25 - Activity Level Criticality Criteria

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

Table 26 - Activity Level Criticality and Examples

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

Table 27 - Corporate Level Criticality

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

Risk Management

8.8.2 IDENTIFIED CRITICAL ASSETS

The AssetFinda database holds a record of the critical stormwater assets. The assets are shown in Table 29. The identified critical assets are ranked according to their functional criticality.

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

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

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

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

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

Following the review we have undertaken the following:

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

Critical assets have been prioritised at the Activity level and added to the asset register (AssetFinda).

Table 28 - List of Critical Stormwater Assets

Activity Priority	Criticality Rating			Asset Description	Criticality Description
	Functional Criticality	Activity Level Criticality	Corporate Level Criticality		
1	6	2	3	Stormwater network serving Broadway Northern Roundabout	Disruption directly affecting major traffic thoroughfare and a number of commercial premises. The event resulting in some immediate health & safety issue a significant Council costs and some high cost to the commercial sector.
2	6	2	3	Stormwater network on Broadway in CBD	Disruption directly affecting major traffic thoroughfare and a significant number of commercial premises. The event resulting in health & safety issue and significant costs to the commercial premises and Councils
3	9	3	3	Stormwater network on Broadway at St Mary's School	Disruption directly affecting major traffic thoroughfare causing severe disruptions due to the length of bypass. The event resulting in some health & safety issues and high financial costs.
4	9	3	3	Stormwater network on Celia Street	Disruption directly affecting major traffic thoroughfare. The event resulting in some health & safety issues and high financial costs.

Risk Management

8.9 EMERGENCY RESPONSE

8.9.1 CIVIL DEFENCE

The Taranaki Region operates a CDEM (Civil Defence Emergency Management) Group Office, called the Taranaki Emergency Management Office (TEMO). TEMO is a shared service between all four councils in Taranaki. In 2017 The Taranaki CDEM group agreed to a constituting agreement that outlined the separate roles of the Group Office (TEMO), Taranaki Regional Council, and the three district councils. Funding for this arrangement comes from the *'Uniform Annual General Charge; (UAGC) Rates*.

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

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

8.9.2 FIRE

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

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

8.9.3 LIFELINES

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

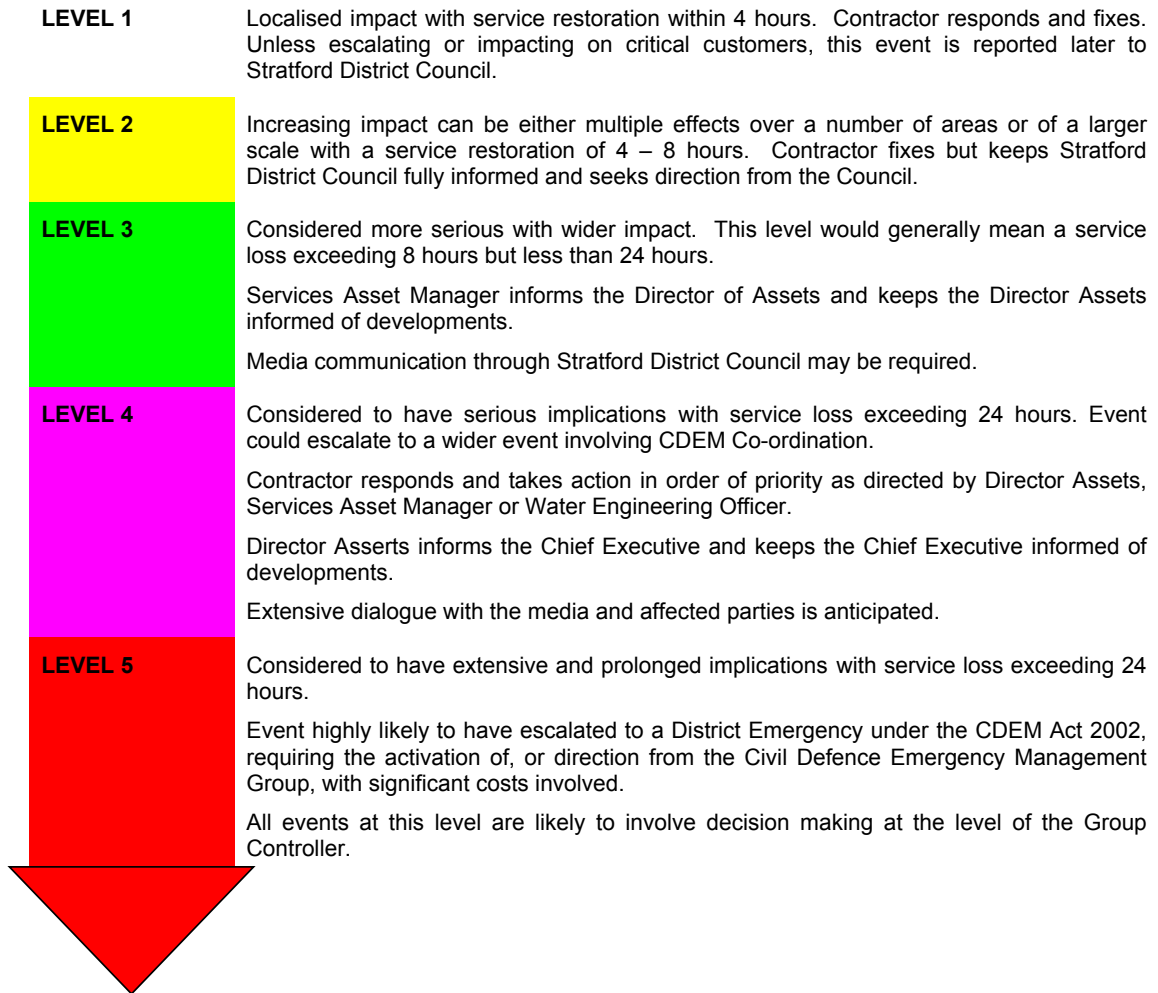
8.9.4 INCIDENT RESPONSE PLANS

Stratford District Council has an Incident Response Plan² for the Stormwater Activity. The plan contains schedules and procedures for managing incidents and escalating events that affect the delivery of services. Incidents are ranked on a scale of 1 – 5 to determine response and control level. See Figure 21.

² D17/26535

Risk Management

Figure 21 - Incident Response Plan Intervention Levels



Risk Management

8.10 RISK INSURANCE

The Local Government Act 2002 requires that from 2014 details of insurance of assets be included. This information is included in the following table. Insurance Arrangements as at 30 June 2020 are as follows:

Figure 22 - Asset Insurance Valuations

	CARRYING VALUE (as at 30 June 2020) \$000
ASSETS FROM STATEMENT OF FINANCIAL POSITION	
Property, plant and equipment	328,554
Investment property	168
Total	328,722
LESS	
Land component of operational assets	-8,998
Land under roads	-54,384
Land – restricted assets	-8912
Total	-72,294
NET NON-FINANCIAL ASSETS (EXCLUDING LAND)	256,428

	INSURED VALUE (as at 30 June 2020) \$000	
INSURANCE ARRANGEMENTS		
Material damage cover for buildings, plant, contents	-51,317	Subject to various deductibles including \$5k for most claims except for earthquake or volcanic eruption where deductible is 5% of sum insured or 10% for pre 1935 buildings.
Motor vehicle insurance cover (including leased vehicles)	-183	Insured for market value – carrying value assumed for this purpose.
RISK SHARING ARRANGEMENTS		
Cover for infrastructure assets as a member of LAPP	-22,100	Sum equates 40% of the ORV value of scheduled assets. A deductible of \$150,000 applied. It is anticipated (though cannot be guaranteed) that under the terms contained in the Guide to Civil Defence Emergency Management Plan central government may fund 60% of the qualifying cost of reinstating essential infrastructure with a deductible of \$150,000
Central Government assistance		
Council arrangements for covering deductibles and/or uninsured assets	73,600	
SUM NOT SPECIALLY INSURED	182,828	Note the 60% of the ORV of infrastructure assets which may be funded by central government equates \$33.1m.

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

Risk Management

8.11 PUBLIC HEALTH

8.11.1 ASSESSMENT OF WATER AND SANITARY SERVICES

In 2016 Stratford District Council undertook its second assessment of water and sanitary services. The purpose of the assessment is to determine, from a public health perspective, the adequacy of water and sanitary services available to communities.

For the Stormwater activity the assessment focused on:

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

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

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

No actions identified in the 2021 Sanitary Assessment.

8.12 HEALTH AND SAFETY

8.12.1 HEALTH AND SAFETY ADVISOR

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

8.12.2 HEALTH AND SAFETY POLICY

In 2016 Stratford District Council reviewed and updated its Health and Safety Policy to better reflect legislative requirements reinforce its commitment to the philosophy that the health and safety of its employees, volunteers, contractors and subcontractors is of prime importance. SDC is committed to ensuring its operations are conducted in a safe and efficient manner that will not incur injury to personnel or damage to the environment.

8.12.3 INCIDENT/ACCIDENT REPORTING

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

Risk Management

8.13 IMPROVEMENT PLAN

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

Table 29 - Risk Management Improvement Plan

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

9.0

Investment Funding Strategy

Investment Funding Strategy

9.0: INVESTMENT FUNDING STRATEGY

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Investment Funding Strategy

9.1 OVERVIEW

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

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

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

9.2 FINANCIAL STANDARDS

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

9.3 FUNDING AND FINANCIAL POLICIES

The Local Government Act 2002 in Section 102 requires that the Stratford District Council *'must, in order to provide predictability and certainty about sources and levels of funding, adopt the funding and financial policies listed'* below:

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

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

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

9.3.1 REVENUE AND FINANCING POLICY

The *Revenue and Financing Policy* sets out Stratford District Council's policies in respect of the funding for capital and operating expenditure. The current policy was reviewed in December 2017. The funding sources are detailed in the LTP 2021-2031 and include general and targeted rates, borrowing, grants and subsidies, etc.

9.3.2 TREASURY MANAGEMENT POLICY

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

Investment Funding Strategy

9.3.3 DEVELOPMENT AND FINANCIAL POLICY

The Council's *Development and Financial Contribution Policy* is consistent with the purpose as set out in Section 106 of the LGA. The Council does not require *Development Contributions*, however, the *Financial Contributions Policy* meet the requirement as set out in Section 108 (9) of the *Resource Management Act (RMA) 1991*.

9.4 FUNDING OUR INVESTMENT STRATEGY

The Council's Investment Strategy covers how the Stratford District Council plans to deliver on the services it offers whilst achieving value for money, with a key focus on future-proofing Council's assets.

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

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

The Council expects that:

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

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

A summary of Council's Capital Investment Funding Strategy is shown in Figures 23 to 25. Tables 31 and 32 provide the financial projections for the stormwater activity.

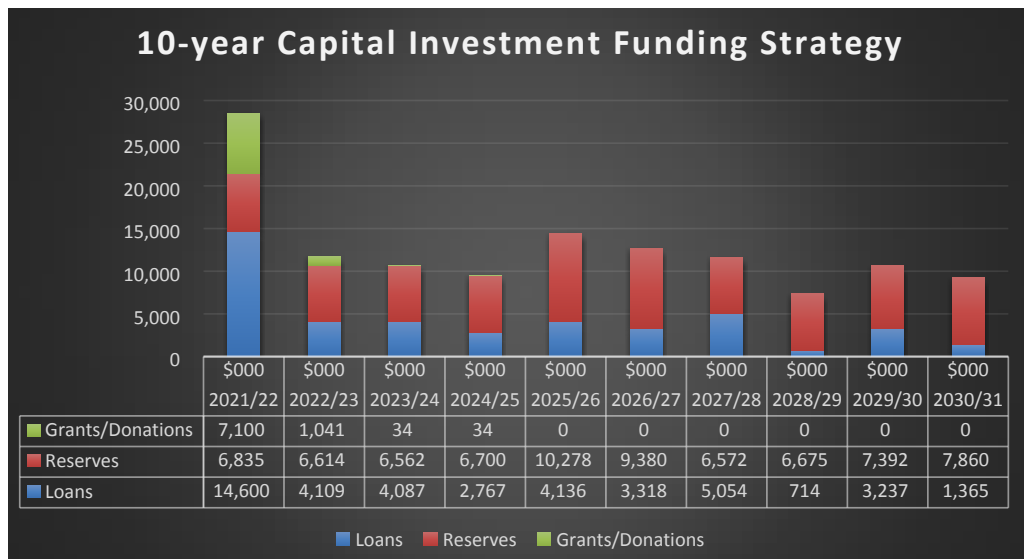


Figure 23 – All Assets Capital Investment Funding Strategy

Investment Funding Strategy

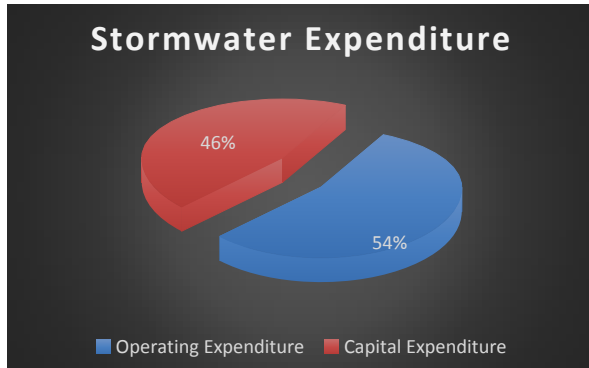


Figure 24- Stormwater Total Expenditure - Capital vs Operating Expenditure

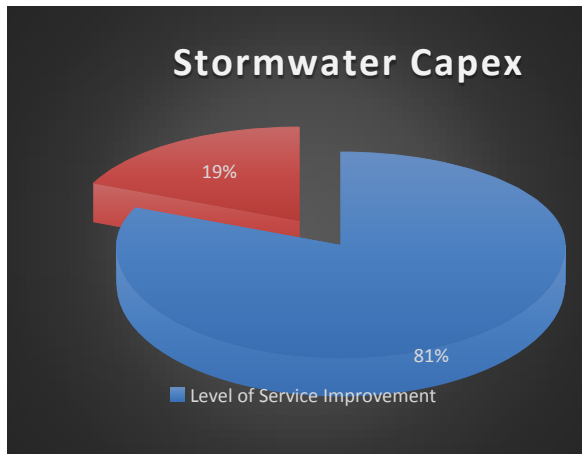


Figure 25 – Stormwater Capital Investment Split - Level of Service vs Replacement

9.5 RELIABILITY OF OUR INVESTMENT STRATEGY

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

- The Council's funding source is largely from rates. Rates will be confirmed for the 2021-2031 period via the appropriate processes for inclusion in the LTP 2021-2031. Once adopted, the rates in the LTP 2021-2031 will constitute a reliable funding source for the delivery of the Stormwater services;
- The Council's is confident in its ability to raise funds within our financial strategy limits, and is reasonably certain that it would secure loans at an affordable interest rates throughout this period; and
- The Council does not rely on *Fees and Charges* or *Development Contributions* to deliver Stormwater services. Any new demand for new assets to be vested in Council or services will generally be funded by the direct beneficiary of the assets/service.

Investment Funding Strategy

9.6 FINANCIAL STATEMENTS AND PROJECTIONS

Table 30 – All Asset Capital Expenditure Projection

	Forecast	Projection								
	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
<u>Roading</u>										
Level of Service Improvement	350	619	1,221	929	7,028	5,554	417	306	630	324
Replacements	5,413	4,983	4,920	4,983	4,977	5,085	5,436	5,446	5,983	6,452
<u>Stormwater</u>										
Level of Service Improvement	252	292	533	275	283	291	300	310	321	331
Replacements	53	55	56	167	59	61	63	65	67	122
<u>Water Supply</u>										
Level of Service Improvement	1,780	1,904	369	673	390	401	4,289	37	38	0
Replacements	695	812	510	414	443	496	452	486	502	498
<u>Solid Waste</u>										
Level of Service Improvement	0	0	0	0	0	0	0	0	0	0
Replacements	0	10	0	11	0	11	0	12	14	12
<u>Wastewater (Sewerage)</u>										
Level of Service Improvement	800	362	380	273	281	288	238	184	178	839
Replacements	213	252	258	200	228	211	218	262	271	305
<u>Parks & Reserves</u>										
Level of Service Improvement	97	110	99	69	0	0	0	0	0	0
Replacements	47	0	0	0	0	0	0	0	0	0
<u>Property</u>										
Meet Additional Demand	1,200	1,025	1,049	0	0	0	0	0	0	0
Level of Service Improvement	17,335	1,112	609	607	442	171	64	63	2,454	68
Replacements	114	6	59	114	7	7	7	7	17	8
<u>Administration</u>										
Replacements	186	222	621	788	276	121	142	210	153	266
<u>TOTAL PROJECTS (excl GST)</u>										
	28,535	11,764	10,683	9,501	14,414	12,698	11,626	7,389	10,629	9,225
<u>FUNDING</u>										
Loans	14,600	4,109	4,087	2,767	4,136	3,318	5,054	714	3,237	1,365
Section sales	0	0	0	0	0	0	0	0	0	0
Cash from Investments	0	0	0	0	0	0	0	0	0	0
Reserves	6,835	6,614	6,562	6,700	10,278	9,380	6,572	6,675	7,392	7,860
Grants/Donations	7,100	1,041	34	34	0	0	0	0	0	0
Rates	0	0	0	0	0	0	0	0	0	0
NZTA Financial Assistance	0	0	0	0	0	0	0	0	0	0
<u>TOTAL (excl GST)</u>										
	28,535	11,764	10,682	9,501	14,414	12,698	11,626	7,389	10,629	9,225

Investment Funding Strategy

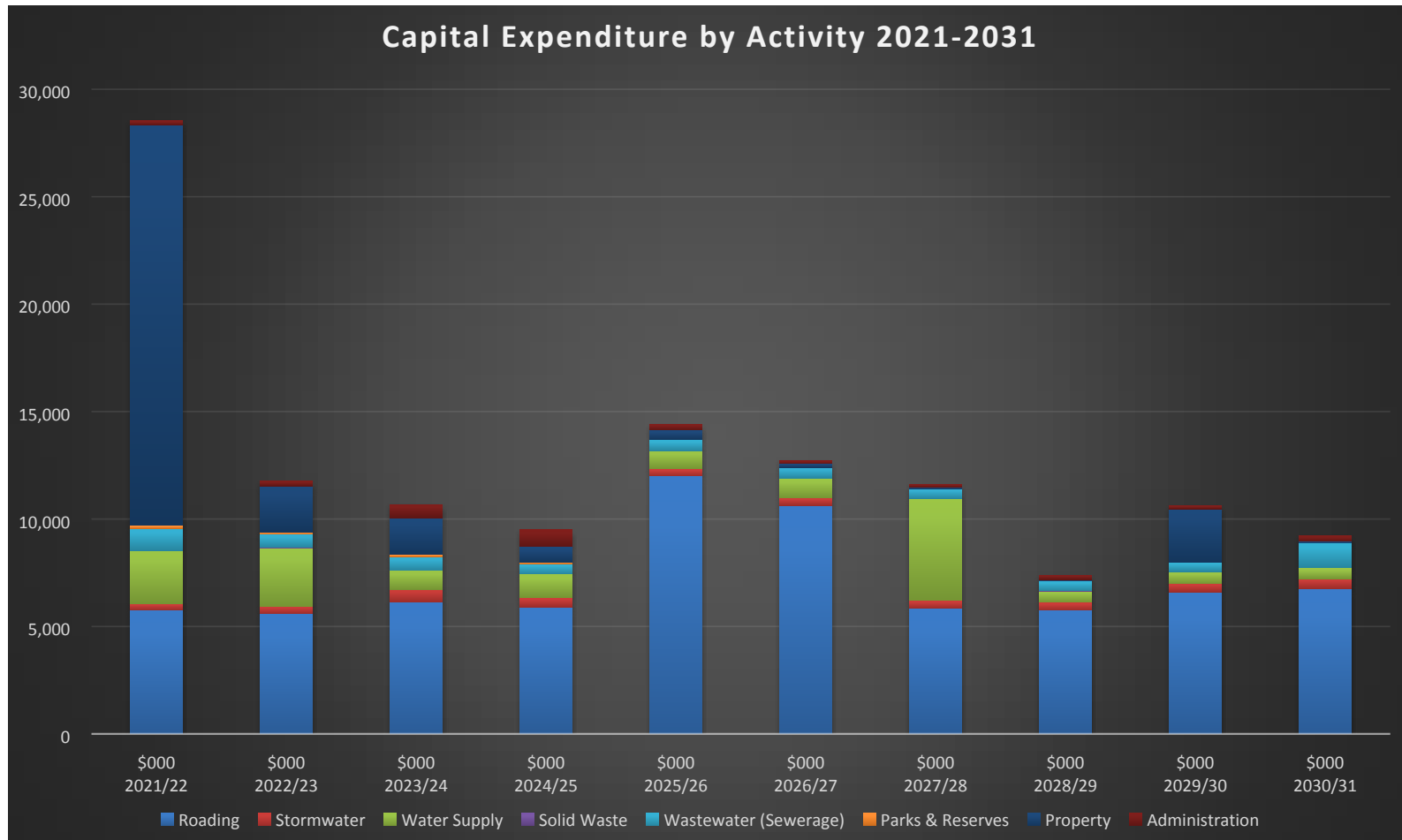


Figure 26 - Capital Expenditure by Activity - All Assets

Investment Funding Strategy

Table 31 – Stormwater Activity Expenditure and Funding Projection

Budget 2020/21 \$000	STORMWATER	Forecast	Projection								
		2021/22 \$000	2022/23 \$000	2023/24 \$000	2024/25 \$000	2025/26 \$000	2026/27 \$000	2027/28 \$000	2028/29 \$000	2029/30 \$000	2030/31 \$000
328	Operating Expenditure	363	373	394	436	451	469	515	532	551	597
0	Revenue	0	0	0	0	0	0	0	0	0	0
328	Net Cost of Service	363	373	394	436	451	469	515	532	551	597
EXPENDITURE											
61	Operating Costs	63	59	61	62	64	66	68	69	71	73
18	Interest	22	27	35	49	54	59	77	83	89	95
141	Depreciation	146	151	157	182	187	193	218	224	230	264
107	Allocated Overheads	132	136	140	143	146	151	153	156	161	164
328	Total Operating Expenditure	363	373	394	436	451	469	515	532	551	597
27	Principal Loan Repayments	41	50	64	78	86	94	102	110	119	127
292	Capital Expenditure	305	347	590	442	343	352	364	376	388	453
647	Total Expenditure	709	770	1,048	956	880	915	981	1,018	1,058	1,176
FUNDED BY:											
0	Revenue	0	0	0	0	0	0	0	0	0	0
0	General Rates	(0)	(0)	0	0	(0)	(0)	(0)	0	0	(0)
326	UAGC	356	367	387	429	444	462	508	526	545	591
0	Targeted Rates	0	0	0	0	0	0	0	0	0	0
85	Transfer from Reserves	94	105	121	245	146	155	165	176	186	249
0	Depreciation funded from Reserves	0	0	0	0	0	0	0	0	0	0
234	Loan Funding - Capital	252	292	533	275	283	291	300	310	321	331
2	Grants/Other Funding - Capital	0	0	0	0	0	0	0	0	0	0
1	Other Funding	7	7	6	7	7	7	7	7	6	5
647	Total Funding	709	770	1,048	956	880	915	981	1,018	1,058	1,176

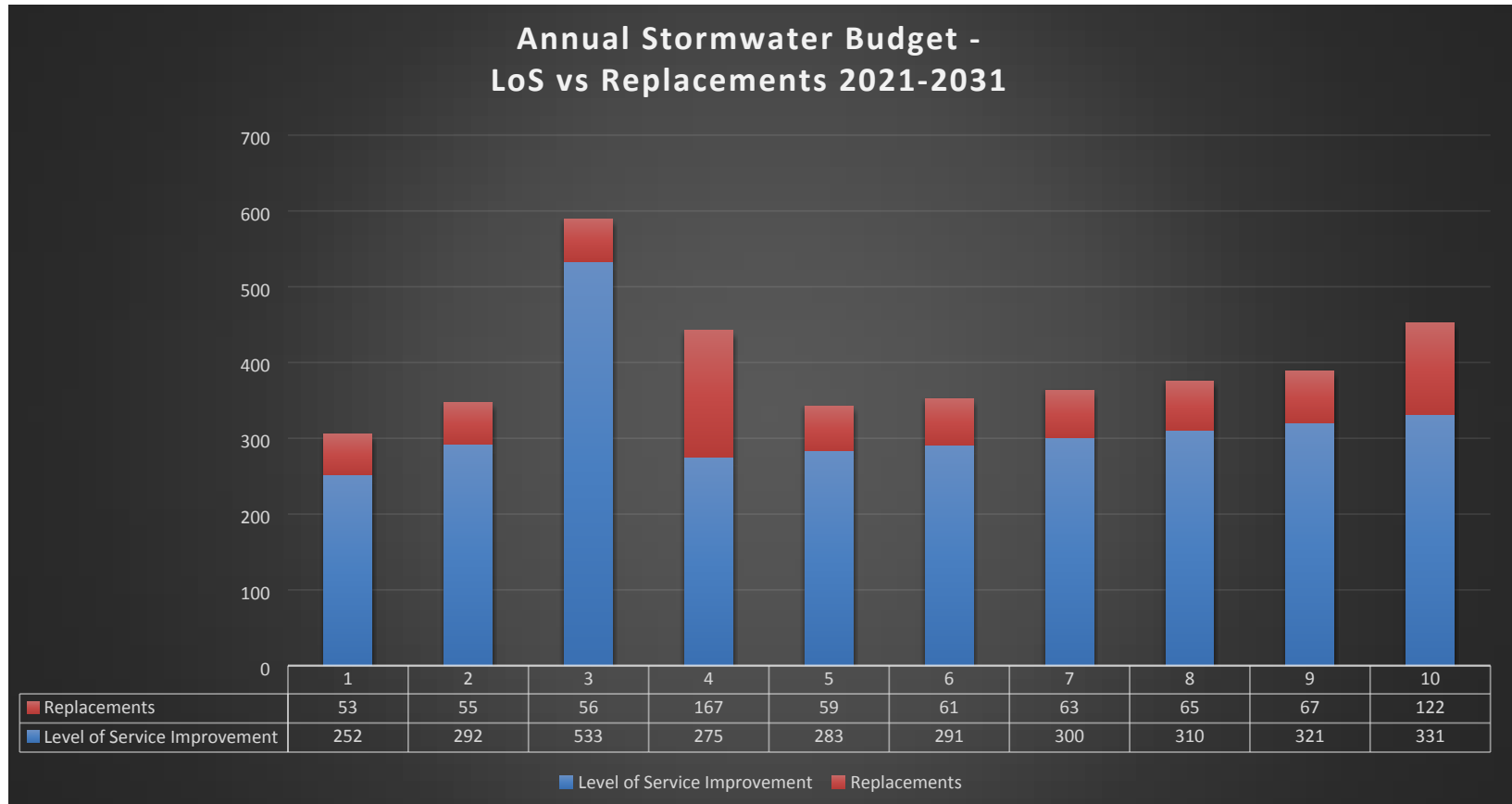


Figure 27 - Annual Stormwater Budget - LoS vs Replacements 2021-2031

10.0

Asset Management Practices and Improvement Plan

Asset Management Practices and Improvement Plan

10.0: ASSET MANAGEMENT PRACTICES AND IMPROVEMENT PLAN

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Asset Management Practices and Improvement Plan

10.1 OVERVIEW

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

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



Figure 28 - Asset Management Improvement Process

10.2 ASSET MANAGEMENT

10.2.1 ASSET MANAGEMENT POLICY

The Stratford District Council developed and adopted its inaugural Asset Management Policy 2016 and completed a review in 2020³. The Policy establishes the first level of Council’s asset management framework for managing infrastructure assets in a structured, coordinated, and financially sustainable manner.

The objective of this Policy is to:

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

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

10.2.2 ASSET MANAGEMENT GOALS AND OBJECTIVES

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

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

³ D20/4330

Asset Management Practices and Improvement Plan

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

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

- Asset management goals and objectives will be aligned with corporate objectives and community outcomes.
- Capital, operation and maintenance, and renewal/replacement works will be aligned with asset management objectives.
- Sustainable and suitable development will be considered in the options for asset development and service delivery.
- Optimal replacement/lifecycle asset management strategies will be developed.
- Asset replacement strategies will be established through the use of optimised lifecycle management and costing principles.
- Funding allocation for the appropriate level of maintenance in order for assets to deliver required Levels of Service.
- Growth and demand forecasting will be integrated as part of all asset management planning to meet current and future needs of the community.
- Ensure the design, construction and maintenance of assets, so far as reasonably practical, are without risk to the health or safety of any person.

10.2.3 ASSET MANAGEMENT PLAN DEVELOPMENT

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

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

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

The review process considers the overall impact of the planned programme to deliver the defined levels of service through the on-going development of the AMP. This review/AMP development process moderates competing priorities within the context of community affordability and may result in some projects being deferred or budgets being re-prioritised. Figure 27 below shows a graphical display of the AMP development process.

10.2.4 ASSET MANAGEMENT MATURITY

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

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

Asset Management Practices and Improvement Plan

Our target is to develop our asset management practices and processes to an Intermediate level of maturity where appropriate. The Council in the process of assessing our asset management maturity level to identify areas for improvement. The Council is considering options for undertaking a formal assessment of our asset management maturity. The five levels of asset management plan maturity are shown in Figure 28 and are Aware, Basic; Core; Intermediate and Advanced.

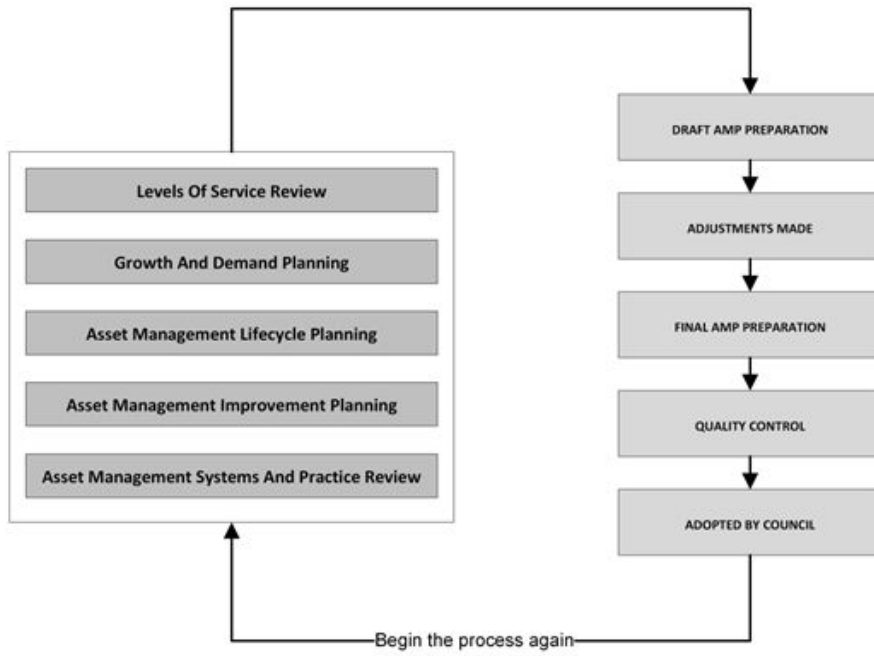


Figure 29 - Asset Management Plan Development Process

Asset Management Practices and Improvement Plan

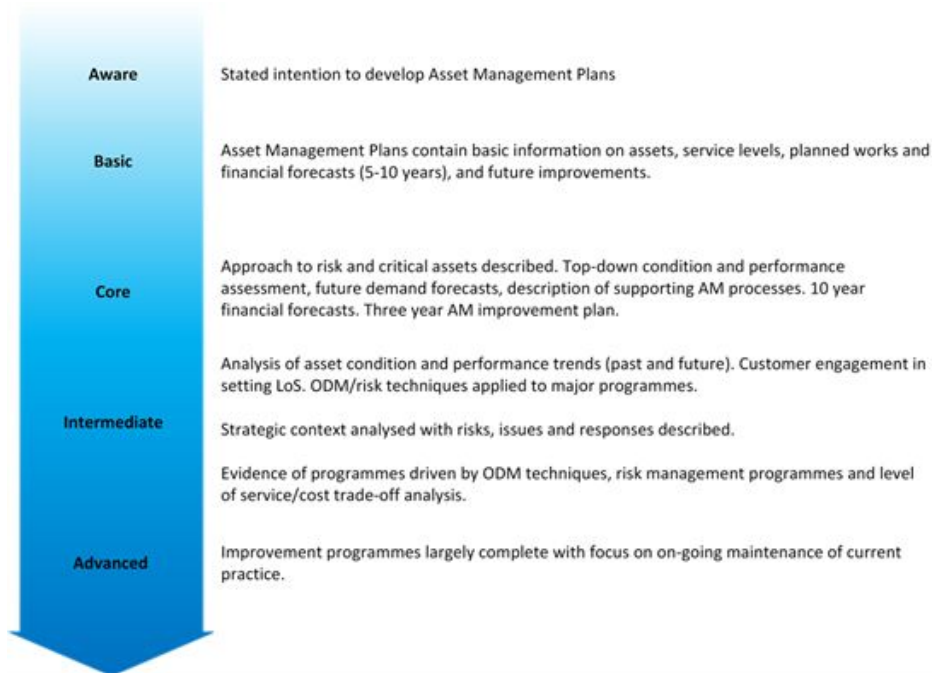


Figure 30 - Asset Management System Maturity Index

10.3 IMPROVEMENTS MADE AND FUTURE IMPROVEMENTS

Table 32 Improvements Made and Future Improvements

Asset Management Practice Area	Improvement/s Made	Date in Place	Future Improvements	Section Identified	Responsibility	Due Date
Asset Information	<p>Improve condition data accuracy and reliability Council's knowledge of the extent, location and condition of the stormwater reticulation system is currently not fully understood. This lack of knowledge hasn't allowed Council to accurately prepare a renewal/replacement program or in some cases, understand how Council performance against Levels of service is/is not attained. Therefore, improving condition data information is required</p>	2021		3.7	Services Asset Manager	Ongoing
Future Growth and Demand			Further assessment needed to assess the impacts of growth demands on the adequacy of the existing stormwater reticulation systems.	4.3.1	Services Asset Manager Director - Assets	Ongoing
Levels of Service and Performance Management	Department of Internal Affairs (DIA) Mandatory Performance Measures in place.	2015-2017	Reviewed annually to ensure they are still relative	5	Services Asset Manager Director - Assets	Ongoing
Lifecycle Management			Maximise AssetFinda capabilities for predictive modelling purposes	7.3	Services Asset Manager	Ongoing
Risk Assessment			<p>Infiltration of Groundwater Continue addressing ground water infiltration into the wastewater reticulation to ensure</p>	8.7	Services Asset Manager	On-going

Asset Management Practice Area	Improvement/s Made	Date in Place	Future Improvements	Section Identified	Responsibility	Due Date
			continued an efficient performance of critical asset		Director - Assets	
			<p>Trade Waste Implementation</p> <p>Continue to Implement the Trade Waste Bylaw to ensure all non-domestic wastes are identified and captured under the necessary conditions to avoid critical asset failure</p>	8.7	<p>Services Asset Manager</p> <p>Director - Assets</p>	On-going

APPENDICES

Appendix 1 Stormwater Risk Assessment

Appendix 2 Stormwater Operational Documents

Appendix 1 - Stormwater Risk Assessment

COMPLIANCE AND LEGISLATION RISKS

1. Compliance and Legislation Risk Assessment				
Risk Subject	Risk Description	Risk Score Raw	Control Description	Residual Risk Score
Legislation Changes	IF changes to legislation or case law occur and are not implemented by staff, THEN council may be acting illegally and in breach of legislation	1 Low Rare/ Important	<ul style="list-style-type: none"> Staff will implement the changes Regular review and update Legislative Compliance Register. Staff training and attending relevant industry conferences. Regular policy review to ensure policies and procedures are in line with legislation changes. Ensure maintenance contractor and staff are up to date with legislative requirements through regular updates of legislative compliance register Subscribe to regular email updates from local government and relevant industry bodies, Council list server to ensure staff are notified of legislative changes. 	1 Low Rare/ Important
Statutory Reporting Commitment	IF Council does not meet statutory commitments (eg for reporting to the national monitoring system) THEN it may be acting illegally and receive attention from Ministry which could result in financial penalty and council functions being removed, or elected members being replaced.	3 Moderate Unlikely/ Serious	<ul style="list-style-type: none"> Quality assurance. Resourcing levels maintained. Schedule of dates and commitments is regularly maintained and updated by Quality Assurance officer. Regular review and update of Legislative Compliance Register. 	1 Low Rare/ Serious
Bylaws and Policies TOP TEN RISK	IF Council fails to keep Policies and Bylaws up to date, THEN the Policies and Bylaws may become unenforceable and irrelevant, and council could be acting illegally, or the policy is not fit for purpose.	8 High Unlikely/ Major	<ul style="list-style-type: none"> Quality assurance, Resourcing levels maintained, Regular Policy Schedule review by CEO. Regular review of Bylaw timetable maintained in Content Manager. 	3 Moderate Unlikely/ Serious

DATA AND INFORMATION RISKS

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

FINANCIAL RISKS

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

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

HEALTH AND SAFETY WELLBEING RISKS

4. Health and Safety Wellbeing Risk Assessment				
Risk Subject	Risk Descriptions	Risk Score Raw	Control Description	Residual Risk Score
Public Events	If health and safety accidents or incidents occur during events then increased costs can occur to the events, reputation is damaged	4 High Possible/ Serious	<ul style="list-style-type: none"> Health and Safety plans are established well in advance to an event being planned Physical hazards and risks are eliminated Hazard Identification records are kept Events do not proceed without correct Health and Safety sign off Good communication to all staff 	2 Moderate Unlikely/ Important
Lone Worker TOP TEN RISK	If a staff member is seriously injured or killed during field inspections/site visits, then possible health and safety breaches, death or serious injury.	12 Very High Possible/ Major	<ul style="list-style-type: none"> Complete quality assurance. Ongoing training/awareness of HSE requirements and responsibilities Better use of council data/knowledge base on dangerous or insanitary sites before staff member deploys to site Use of GPS tracking, mobile phone tracking. Compliance officers to wear body cameras when on duty. 	1 Low Rare/ Important
Council Vehicle accident	If a staff member has an accident in a council vehicle, then this could result in possible death or serious injury and damage to motor vehicle asset.	4 High Possible/ Serious	<ul style="list-style-type: none"> All staff must have a full drivers licence and all staff are aware of procedures if there is an accident. Staff driver training to be provided to regular drivers. GPS and mobile phone tracking. 	3 Moderate Unlikely/ Serious
Staff under Stress	If staff are affected by personal issues or by work pressures and experiencing high levels of stress, then work performance may decline and/or fatigue, illness, unsafe work practices may result.	5 High Almost Certain/ Important	<ul style="list-style-type: none"> Managers are responsible for being aware of the wellbeing of their direct reports There are various options available for relieving the pressure of staff who are overworked including increasing staff or reallocating work Ensure access to EAP service is widely known and communicated to all staff Ensure all staff have a backup option available so they can take annual leave for at least a week at a time 	3 Moderate Possible/ Important
Exposure to Hazardous Substances	IF staff are affected by exposure to hazardous substances eg chemicals, liquids, fumes and other toxic substances THEN there are possible risks to staff health and wellbeing.	4 High Possible/ Serious	<ul style="list-style-type: none"> Staff are up to date with relevant immunisations. Training is mandatory for all staff working with hazardous substances. 	3 Moderate Unlikely/ Serious

4. Health and Safety Wellbeing Risk Assessment				
Risk Subject	Risk Descriptions	Risk Score Raw	Control Description	Residual Risk Score
			<ul style="list-style-type: none"> Use appropriate PPE gear at all times in the vicinity of the hazardous substances. Regular health checks for staff. Regular testing of hazardous substances and chemicals LABELLING and STORAGE be carried out RANDOMLY. The Stratford Water Treatment Plant has site licences for the storage of chemicals, these must be kept up to date. Fire extinguishers are on site, all signage is current and covers off on all of the chemicals held on site, labels are all correct and current. We currently have 5 authorised handlers. Ixom also do site audits when their representative is in the immediate area. 	
Workplace Bullying or Harassment	IF Bullying and harassment in the workplace occurs THEN it can have an impact on the health and wellbeing of staff subject to the bullying and other staff witnessing the behaviour. This may impact on staff productivity and the ability of Council to attract good quality candidates.	4 High Possible/ Serious	<ul style="list-style-type: none"> Top down culture against bullying and harassment of any kind, policy is followed through by management, staff are aware of the reporting process. The reporting process to deal with bullying and harassment is fair, transparent, confidential and dealt with in a timely manner. 	3 Moderate Unlikely/ Serious
Asbestos Related Work	IF council buildings are contaminated with asbestos, THEN there is the possibility of asbestos exposure to staff and the public and increased risk of asbestosis and other lung and pleural disorders.	2 Moderate Unlikely/ Important	<ul style="list-style-type: none"> Asbestos protocols need to be developed in line with the asbestos regulations. Contractor needs to be made aware of Asbestos disposal guidelines. 	2 Moderate Unlikely/ Important
Muscular discomfort - Ergonomics	IF muscular pain or discomfort or eye strain occurs as a result of the work environment and setting, THEN this will impact on staff health and wellbeing and long term comfort at work.	2 Moderate Likely/ Minor	<ul style="list-style-type: none"> Apply ACC Habit At Work guidelines. Workstation assessments should be carried out to reduce the likelihood of onset of long term discomfort and pain conditions. 	1 Low Possible/ Minor
Armed Robbery	IF there is an armed robbery at any of council's services centres, THEN there is the potential for	1 Low	<ul style="list-style-type: none"> Establish emergency procedures, including use of panic buttons. 	1 Low

4. Health and Safety Wellbeing Risk Assessment				
Risk Subject	Risk Descriptions	Risk Score Raw	Control Description	Residual Risk Score
	death or serious harm.	Rare/ Serious	<ul style="list-style-type: none"> Security cameras in place. Ensure staff are trained to deal with potential threat. Design / limit access to building so that threats are minimised. 	Rare/ Serious
Employee Substance Abuse TOP TEN RISK	IF staff are affected by drugs or alcohol while at work, THEN there is an increased risk of an accident or injury, property damage, and reduced work performance.	8 High Unlikely/ Major	<ul style="list-style-type: none"> Ensure staff are aware of drug and alcohol policy. Initial drug testing done prior to employment to filter out regular users. Utilise EAP. 	2 Moderate Unlikely/ Important
Fatigue Management	IF Fatigue affects an employee, as a result of working extraordinary hours, THEN the employee may have limited functionality which could result in personal injury or injury to others. It could also lead to stress and long term mental illness if it is reoccurring and could mean Council is in breach of the Health and Safety Act.	3 Moderate Possible/ Important	<ul style="list-style-type: none"> Ensure employees take regular, quality rest breaks during the working day, in line with the Employment Relations Act (HR Policy requires this). Ensure all staff know their responsibilities in terms of managing fatigue. Ensure shift workers rostered times are manageable. The Vehicle Use Policy has limits on driving a Council vehicle after exceeding max number of work hours. Contractor fatigue management to be reported and monitored through regular contractor meetings. 	1 Low Rare/ Minor

OPERATIONAL RISKS

5. Operational Risk Assessment				
Risk Subject	Risk Descriptions	Risk Score Raw	Control Description	Residual Risk Score
Contractor - Damage to Property	IF maintenance contractor damages council or private property while carrying out contracted work, THEN council could be liable for damages and additional expenditure.	4 High Possible/ Serious	<ul style="list-style-type: none"> Stringent Operational procedures: Daily reporting of compliance. Regular liaison with contractor and regulators to monitor performance to ensure compliance. 	3 Moderate Possible/ Important

5. Operational Risk Assessment				
Risk Subject	Risk Descriptions	Risk Score Raw	Control Description	Residual Risk Score
			<ul style="list-style-type: none"> Contractor pre-approval process. Council has material damage insurance policy. 	
Other Contractors in Network Corridor	IF work by others in Network Corridor results in damage to components of the 3 waters infrastructure THEN services to the public may cease or become unreliable or compromised.	3 Moderate Possible/ Important	<ul style="list-style-type: none"> Co-ordination between services before major projects begin. Ensure all works have Corridor Access Requests. 	1 Low Rare/ Important
Attracting Qualified Staff TOP TEN RISK	IF Council is unable to attract suitably qualified personnel, THEN services may become under threat and may cease.	6 High Likely/ Serious	<ul style="list-style-type: none"> Internal training and succession planning programs. Ensure market wages are offered for all high demand positions. Recruit off shore option should be available for high-demand positions. Make greater use of consultants if necessary and/or shared services with neighbouring Councils. Make Stratford District Council a great place to work - measure staff engagement and respond to any issues expediently. 	2 Moderate Unlikely/ Important
Maintenance Contractor fails to deliver TOP TEN RISK	If a maintenance contractor fails to deliver contractual service necessitating termination of contract and re-tendering, then assets may become under threat, unreliable, or unable to meet community needs.	8 High Unlikely/ Major	<ul style="list-style-type: none"> Careful assessment of tender to ensure contract price viable for contractor to deliver level of service Regular liaison with contractor to monitor performance and ensure compliance Contractor pre-approval process must not be bypassed 	3 Moderate Unlikely/ Serious
Key Person risk	If a key person in the organisation could not work for a significant period of time then this could affect Council's ability to perform core functions and duties.	3 Moderate Possible/ Important	<ul style="list-style-type: none"> Ensure PROMAPP is up to date with all staff day to day processes If known absence ahead of time ensure an appropriate training plan in place Make use of local consultants where appropriate Connect with colleagues from neighbouring three councils to share resource if needed 	1 Low Possible/ Minor
Natural Disaster or Fire - Response preparedness	IF a Natural Disaster or Fire causes significant damage to infrastructure and buildings THEN community welfare may be severely	12 Very High	<ul style="list-style-type: none"> Civil Defence Emergency Management plans are in place. 	12 Very High

5. Operational Risk Assessment				
Risk Subject	Risk Descriptions	Risk Score Raw	Control Description	Residual Risk Score
TOP TEN RISK	compromised, putting peoples lives at risk, and staff may be unable to access systems to carry out their day to day duties and functions.	Possible/ Major	<ul style="list-style-type: none"> Procedures following an emergency event are widely known by a number of staff due to Civil Defence Foundational training being rolled out to majority of council staff. Business Continuity Plans need to be in place and practiced regularly for all activities - Directors responsible for having a plan in place for each of their departments to ensure core functions can continue to be delivered. 	Possible/ Major
Disease Outbreak/ Pandemic	If there is a human disease outbreak in the district, then this could impact staff and contractors staff available to deliver service	5 High Rare/ Catastrophic	<ul style="list-style-type: none"> Health and Safety Advisor to keep aware of any public health notifications of disease outbreaks Ensure there is a plan to respond to any notifications Civil Defence covers infectious human disease pandemics and will take responsibility for local management 	1 Low Rare/ Serious
Biosecurity threat risk	IF there is a biosecurity threat to animals, or plant life THEN this could affect the economic wellbeing of the district and the ability of council to financially meet community needs.	4 High Possible/ Serious	<ul style="list-style-type: none"> Ensure council takes a proactive approach to working with Biosecurity NZ, MPI, TRC and the community where a threat is identified. 	2 Moderate Unlikely/ Important
Critical Asset Failure TOP TEN RISK	IF a critical asset (water treatment plants, stormwater, wastewater, reticulation, roading) failed, THEN unexpected financial burden may arise and there could be significant disadvantage and risk to the community.	12 Very High Possible/ Major	<ul style="list-style-type: none"> Conduct 2 yearly Asset Criticality Review. Ensure there are established Civil Defence Emergency Management response procedures in relation to fixing critical assets in an emergency event. Management practices and staff training, retention to ensure appropriate skill level in critical asset maintenance. 	4 High Possible/ Serious
Heavy/Extreme Rainfall incidents	IF the Stratford District experiences heavy rainfall continually over a period THEN roads may flood, restricting accessibility, landslips and mudslides may restrict road access and cause property damage, productive land areas may flood reducing functions, Stormwater, Wastewater and Water Supply assets may fail from overburdening, and overflows from Wastewater	4 Moderate Likely/ Important	<ul style="list-style-type: none"> Asset Management Plans and Incident Control Response Plans to document critical asset areas and response plan in the event of heavy rainfall incidents. 	2 Moderate Likely/ Minor

5. Operational Risk Assessment				
Risk Subject	Risk Descriptions	Risk Score Raw	Control Description	Residual Risk Score
	system may result in untreated water entering the Patea River.			
Government Policy Impacting on Local Government TOP TEN RISK	If Government Policy significantly changes the services Council delivers or the way they are delivered, then this could put financial pressure on the district to fund investment in changes, or it may mean previous investment has become redundant.	12 Very High Possible/ Major	<ul style="list-style-type: none"> Where a policy change may have a significant impact on the Council then we must ensure that the Council makes a submission challenging the change and suggesting alternative options. Council officers and elected members need to keep up to date with policy, and anticipate potential impacts of legislative changes and respond strategically. This could include joint collaboration with business and other councils, accessing alternative funding sources, or obtaining legal or professional advice 	12 Very High Possible/ Major
Consents	The Council does not undertake the work in accordance with the resource consent conditions. Council can be fined by the Regional Council for breach of conditions.	3 Moderate Possible/ Important	<ul style="list-style-type: none"> Not negotiable - Consent conditions must be abided by otherwise the consent will be breached Council needs to submit to the Regional Council a methodology about how they are going to undertake the works. 	2 Moderate Unlikely/ Important

REPUTATIONAL AND CONDUCT RISKS

6. Reputational and Conduct Risk Assessment				
Risk Subject	Risk Descriptions	Risk Score Raw	Control Description	Residual Risk Score
Online Passwords	IF online passwords are shared or used inappropriately, THEN there is the risk that staff can access or hack Council owned systems and release sensitive information.	3 Moderate Possible/ Important	<ul style="list-style-type: none"> Ensure that where a staff member leaves and they have access to logins accessible online that the passwords are changed and access ceases. Limit use of online accounts. 	2 Moderate Unlikely/ Important
Contractor Damage or Breach	If Council and/or Council contractors are found to be liable for public/environmental damage, or any actions that are unsafe or non-compliant with legislation and applicable policies and standards,	4 High Possible/ Serious	<ul style="list-style-type: none"> Appropriate procedures and guidelines are in place to monitor contractor actions and our own including health and safety audits, contractor meetings/KPI's The Council requires all physical works contractors to 	3 Moderate Unlikely/ Serious

	then fines, possible injury, long-term damage, reputational damage could result.		<p>go through a thorough health and safety pre-qualification process and become approved before commencing any physical work</p> <ul style="list-style-type: none"> • All relevant staff are kept up to date with pre-approved contractors register • Mini audits and random checks should be built into contracts • Contractor public liability insurance required for all major contracts. 	
Council employees/ contractors abuse members of the public	If Council employees, during the course of their Council duties abuse members of the public., then the Council may suffer significant reputational damage and potentially be taken to court.	4 High Possible/ Serious	<ul style="list-style-type: none"> • All staff in a public facing role, particularly where they must deal with children, must be police vetted before they commence work. • Exception is where the role is urgent and requires immediate start - in these situations the employee should not be left alone at any time until a satisfactory police report has been received 	3 Moderate Unlikely/ Serious

Appendix 2 - Stormwater Operational Documents

Consents	Commencement Date	Expiry Date	CM Reference
10901-1.0 - Discharge stormwater Aquatic Centre Portia Street	DRAFT		
Policies			
Asset Management Procurement Policy	26/05/2020 11/06/2019	2023/2024 2022/2023	D20/4330 D18/29563(v3)
Bylaws			
Nil			
Strategies			
Infrastructure Strategy 2021-2051	1/02/2021	2050/2051	D21/2700
Contracts			
Three Water Maintenance Contract (1434)	1/07/2019	30/06/2022	D19/14719



Wastewater

Asset Management Plan 2021-2031



Long Term Plan 2021-31

DOCUMENT QUALITY ASSURANCE

	NAME/ROLE	DATE
Prepared By	Louise Campbell, Asset Management Coordinator; Mike Oien, Services Asset Manager	May 2021
Reviewed By	Victoria Araba, Director Assets	
Approved By	Sven Hanne, Chief Executive	

DOCUMENT CONTROL

VERSION	DATE	DESCRIPTION	UPDATED BY
1.0	February 2021	Audit Reviews incorporated	Victoria Araba
2.0	March 2021	2nd Audit Reviews incorporated	Victoria Araba
3.0	May 2021	LTP Reviews incorporated	Victoria Araba

The Wastewater Asset Management Plan (WWAMP)

2021-2031

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Executive Summary

Executive Summary

The Stratford District

The Stratford District is a land locked area encompassing 2170km² located in the heart of Taranaki. The district is adjacent to the New Plymouth and South Taranaki districts in the Taranaki region and the Ruapehu and Whanganui Districts in the Horizons Regional Council. Within the district there are four distinct geographical areas:

- The alpine and bush environment of Egmont National Park;
- The ring plain around Mt Taranaki;
- Hill country located between the ring plain and the eastern hill country; and
- Eastern hill country to the boundary with Ruapehu District Council.

The district's rural landscape supports large farming, forestry and Department of Conservation reserves. Stratford is a growing tourist destination owing to key attractions such as the Egmont National Park, the Manganui Ski Field, Forgotten World Highway (SH43), Dawson and Mt Damper Falls. Three main townships make up the Stratford District: Stratford; Midhirst and Toko.

The Wastewater Asset Management Plan

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

Based on forecasted growth and demand for service, the WWAMP sets out how the wastewater service will be managed over its lifecycle to ensure the optimal delivery of the service with the financial constraints set by the Council in its Long Term Plan (LTP) 2021-2031 and the Infrastructure Strategy (IS) 2021-2051. The levels of service to be delivered are as per the priorities and performance measures set by both the Council priorities; Regional Council resource consent conditions and Central Government initiatives and performance measures.

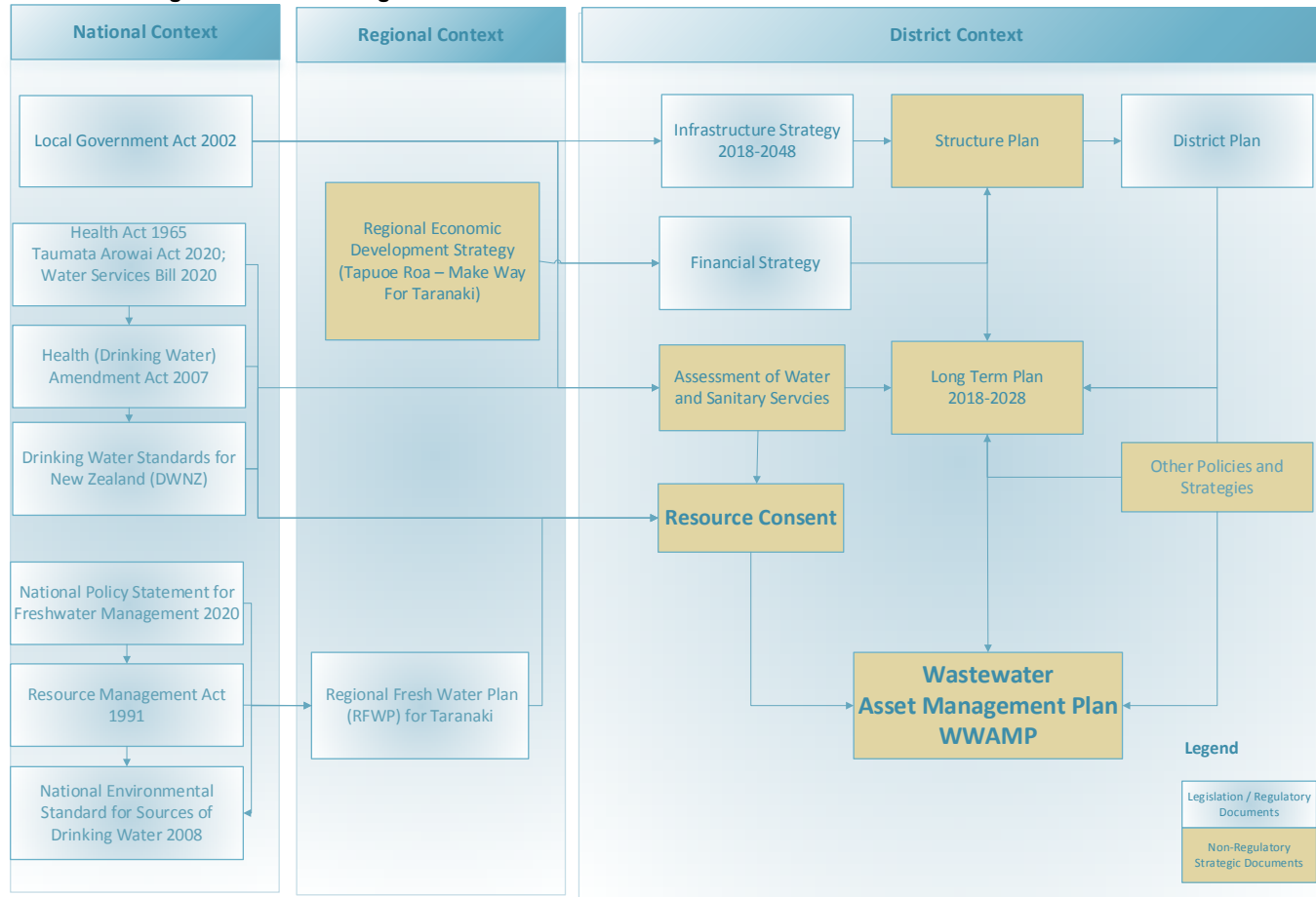
The WWAMP is a living document and is used to inform the Council's Long Term Plan and relevant reserve management plans. The AMP details Council owned assets and is used for communicating complex asset management information/strategies with stakeholders, elected members, service managers and other interested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

The Strategic and Legislative Context

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

- The Local Government Act 2002 (LGA);
- The Health Act 1956;
- The National Policy Statement for Freshwater 2020 (FVNPS);
- The Resource Management Act 1991 (RMA);
- The Regional Fresh Water Plan for Taranaki (RFP);
- The Infrastructure Strategy 2021 – 2051 (IS); and
- The Long Term Plan 2021- 2031 (LTP)

The WWAMP Legislative and Strategic Context



Executive Summary

Our Community Outcomes

The Council's vision for the 2021-2031 Long Term Plan (LTP) is 'a vibrant, resilient, and connected community – in the heart of Taranaki'. The Council's identified *Community Outcomes* to achieve the vision are:

- Vibrant community;
- Sustainable environment;
- Connected communities; and
- Enabling economy

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

Our Problems and Benefits Statements

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

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

Our Problem and Benefit Statements

Problem Statements	Preferred Option	Benefit Statements
Problem Statement 1 Resource Consent Implementation	Implement all necessary measures to achieve 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>With the receipt of our new Wastewater Discharge Consent issued in April 2020, the Council has programmed to implement the required system upgrade at the set time per the consent condition. The Council will also continue to monitor the performance of the wastewater oxidation pond and provide feedback to the key affected parties on a regular basis. The first stakeholder meeting involving Iwi and Fish & Game was held in August 2020; annual meetings will be held, as a requirement of the resource consent, to discuss performance progress. Intermittent meetings will be held where issues arise to ensure they are addressed promptly.</p>
Problem Statement 2 Trade Waste Bylaw Implementation	Implementation of the Trade Waste Bylaw	<p>This project is to ensure the implementation of the Council's newly adopted Trade Waste Bylaw.</p> <p>Stratford District Council's Trade Waste Bylaw 2020 (TWB) was adopted by Council in July 2020; Council undertook to employ a part time Trade Waste Officer in August 2020 to investigate trade waste discharges within the district and enforce the provisions of the TWB. Following subsequent amendments, the final Trade Waste Bylaw was adopted in October 2020.</p> <p>The successful implementation of this bylaw will ensure that trade wastes are appropriately disposed of, costs lie where they fall and the quality of resulting treated wastes discharging into the receiving environment meets the conditions of our resource consent and requirements of the</p>

Executive Summary

Problem Statements	Preferred Option	Benefit Statements
		NES-FW.
<p>Problem Statement 3</p> <p>Reticulation overload due to inflow/infiltration</p>	<p>Implementation of Inflow/Infiltration programme, including inspections of private property to identify direct discharge of stormwater to sewerage system</p>	<p>This programme primarily to optimise reticulation capacity during rainfall events, by ensuring there is no inflow or infiltration of water into the wastewater reticulation system.</p> <p>The Inflow/Infiltration programme is a suite of interventions designed to minimise the inflow and infiltration of surface and groundwater into the wastewater pipe network. This is an important part of our annual network maintenance and renewal programme that ensures that only wastewater collected from households and businesses is transported to the 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 increases the available reticulation capacity during rainfall events.</p>
<p>Problem Statement 4</p> <p>Pipework Capacity Issues</p>	<p>Programme the implementation of pipework capacity increase to support growth.</p>	<p>This programme is to address under-capacity of pipe network to support growth, residential infill and other intense land-use activities.</p> <p>There have been new residential subdivisions and developments, urban infill and other growth-related pressures created in both our wastewater and stormwater networks. The consequence of this is that some pipes are requiring upgrades in capacity to accommodate the increased flow.</p>
<p>Problem Statement 5</p> <p>Network Planning and Modelling</p>	<p>Full review and calibration of the existing Wastewater model</p>	<p>To accommodate growth and increased demand, Council has programmed to increase pipe capacity to cater for high flows. While officers are aware of some pipes within the network requiring increased capacity, the Council is will commission a network modelling project on our stormwater network to reveal how our network systems are behaving.</p> <p>This modelling project will comprise:</p> <ul style="list-style-type: none"> • the evaluation of network capacity; • the identification of inflow and infiltration into the pipe network; • 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. <p>The existing model is over 10 years old and needs updating in the near future to provide accurate information on where Council should undertake network upgrades and renewals.</p>

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Our Levels of Service and Performance Measures

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

Our Levels of Service and Performance Measures

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

Executive Summary

Our Programme Business Case

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

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

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

Executive Summary

Funding Our Investment Strategy

The Council's Investment Strategy covers how the Stratford District Council plans to deliver on the services it offers whilst achieving value for money, with a key focus on future-proofing Council's assets.

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

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

Generally, the Council expects that:

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

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

Executive Summary

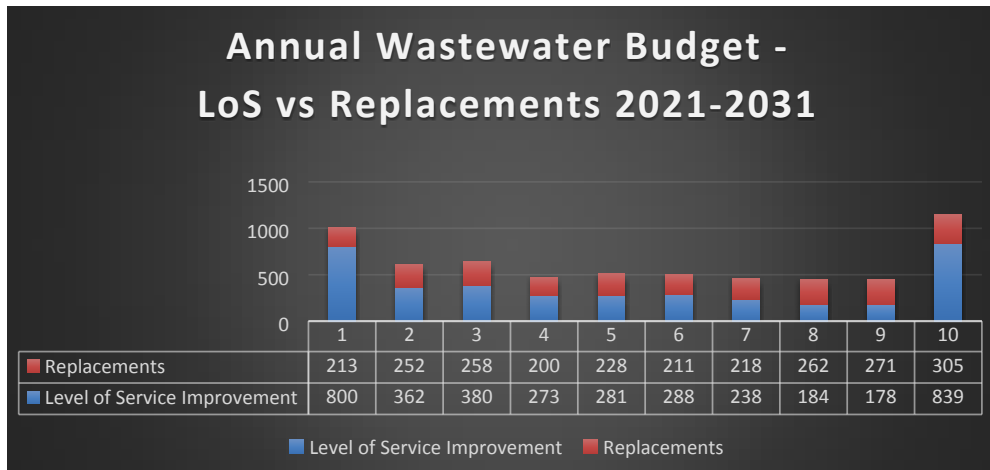
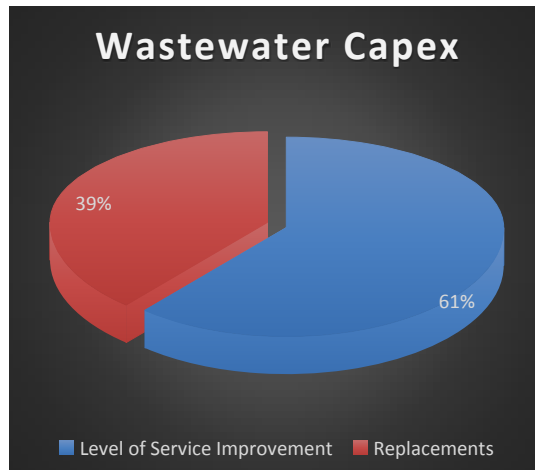
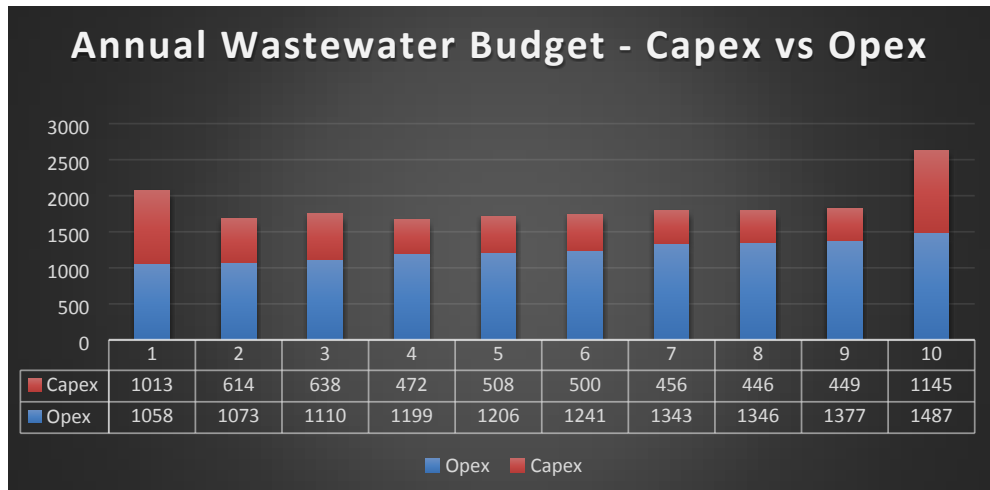
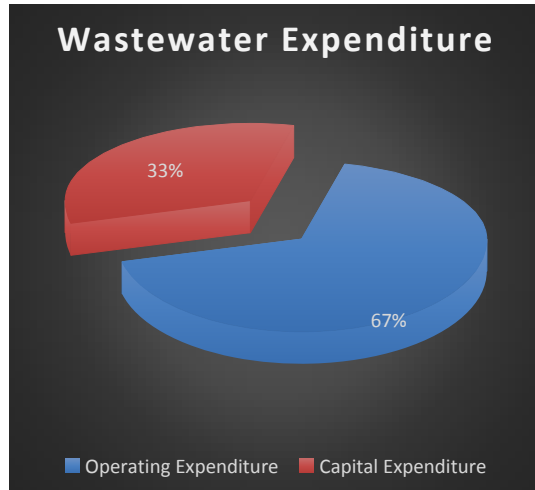
10 –Year Capital and Operating Expenditure Projection

Budget 2020/21	Wastewater	Forecast 2021/22	Projection								
			2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
\$000		\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000

993	Operating Expenditure	1,058	1,073	1,110	1,199	1,206	1,241	1,343	1,346	1,377	1,487
73	Revenue	73	75	77	78	80	82	83	85	87	89
920	Net Cost of Service	985	998	1,034	1,121	1,126	1,159	1,259	1,261	1,289	1,398

<u>EXPENDITURE</u>											
423	Operating Costs	452	428	439	472	461	473	508	497	510	547
59	Interest	42	53	59	72	76	81	101	103	104	115
300	Depreciation	311	331	340	380	387	394	440	446	451	510
211	Allocated Overheads	254	261	273	275	281	294	294	300	312	315
993	Total Operating Expenditure	1,058	1,073	1,110	1,199	1,206	1,241	1,343	1,346	1,377	1,487
91	Principal Loan Repayments	76	96	107	116	122	129	134	137	139	154
687	Capital Expenditure	1,013	614	638	472	508	500	456	446	449	1,145
1,771	Total Expenditure	2,147	1,783	1,855	1,787	1,836	1,869	1,933	1,930	1,965	2,785
<u>FUNDED BY:</u>											
73	Charges for Services	73	75	77	78	80	82	83	85	87	89
73	Revenue	73	75	77	78	80	82	83	85	87	89
881	Targeted Rates	936	985	1,021	1,107	1,112	1,146	1,245	1,248	1,278	1,387
36	Transfers (to) from Reserves	36	0	0	0	0	0	0	0	0	0
293	Transfer from Reserves	289	348	365	316	350	340	352	399	410	459
0	Depreciation funded from Reserves	0	0	0	0	0	0	0	0	0	0
485	Loan Funding - Capital	800	362	380	273	281	288	238	184	178	839
3	Other Funding	13	13	12	14	13	13	14	13	12	10
1,771	Total Funding	2,147	1,783	1,855	1,787	1,836	1,869	1,933	1,930	1,965	2,785

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1.0 Introduction

Introduction

1.0: Introduction

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Introduction

1.1. PURPOSE OF THE PLAN

The Wastewater Asset Management Plan 2021-2031 ('the WWAMP') is a 10 Year Strategic Plan for the Stratford District Council ('the Council'). It details how the Council will manage the Wastewater activity, assets and services in an efficient, safe, reliable and sustainable manner to provide value for money our customers and investors.

The WWAMP informs the development of the Council's 2021-2031 Long Term Plan ('the LTP'). It shows how the Council will prioritise and address key Wastewater issues, in the face of competing projects and constrained resources. The prioritisation of competing projects is necessary to deliver on Community Outcomes, the agreed Levels of Service (LoS) and also meet legislative objectives and requirements. The WWAMP proposes work programmes that deliver good value for money for our investment partners. This is achieved by doing the right things, in the right places, at the right times, for the right price and in the right ways.

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

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

The Stratford District Council's Asset Management Policy requires the Asset Management Plans to be peer reviewed by an external reviewer, before the document is formally presented to Council for adoption.

1.2. THE STRATFORD DISTRICT

1.2.1. DISTRICT HISTORY

Initial settlements in the Stratford District were small Maori villages in the forested hills which were used as places of refuge in times of war, and for seasonal activities.

While New Plymouth and other coastal regions of Taranaki were settled by Europeans in the 1840s, the densely-forested inland Taranaki areas remained relatively isolated until the land wars of the 1860s. Following those wars, the land of Stratford District was both compulsorily purchased and freely sold.

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

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

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

Introduction

1.2.2. DISTRICT GEOGRAPHY

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

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

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

1.2.3. DISTRICT MAIN COMMUNITIES

The Stratford District is home to many settlements, with the four main centres being Stratford, Midhirst, Toko and Whangamomona. A brief description of each town is summarised below.

Stratford

Stratford (Māori: Whakaahurangi) is the main town in the Stratford District. It is located on the banks of the Patea River roughly 48 km south-east of New Plymouth and 30 km north of Hawera at the junction of State Highways 3 and 43. Stratford is near the geographic centre of the Taranaki region and the largest settlement of the Stratford District with an estimated population of 6,690. 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

Midhirst is located approximately 4 km north of Stratford, on State Highway 3. Inglewood is 17 km (11 mi) north of Midhirst and New Plymouth is 35 km (22 mi) to the northwest. An estimated 234 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.

The Toko Township

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 1,188 people live in or around Toko. This includes people living in the settlement and those living in the surrounding rural areas.

Whangamomona

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 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 150 people live in and around Whangamomona (Statistics NZ 2013).

Introduction

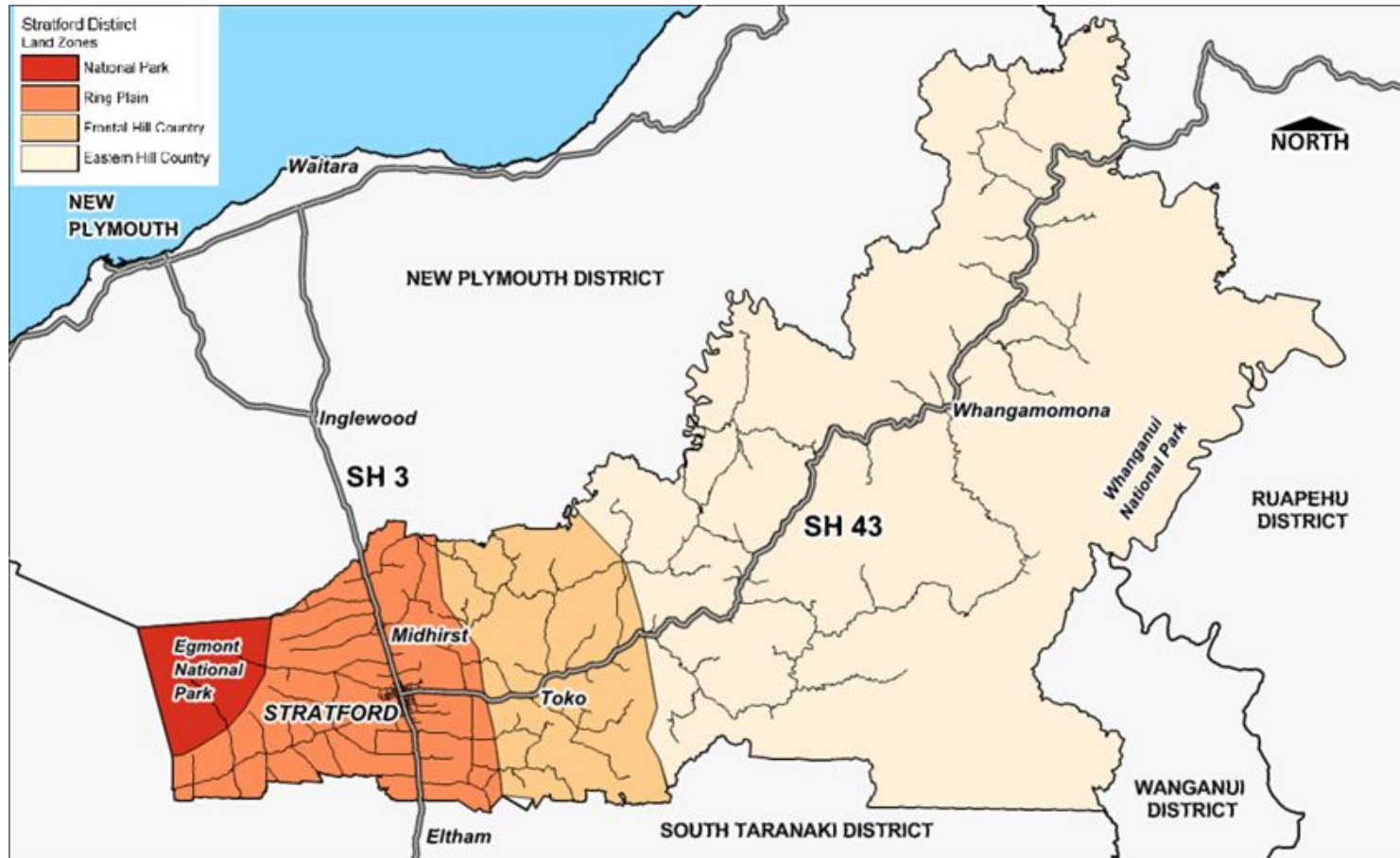


Figure 1 - The Stratford District 2020

Introduction

1.3. OUR MISSION, VISION AND VALUES

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

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

The Stratford District Council's Mission Statement is

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

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

'A vibrant, resilient, and connected community – in the heart of Taranaki'

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

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

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

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

The structure for each Management Team is provided in Figures 2 and 3.

Introduction

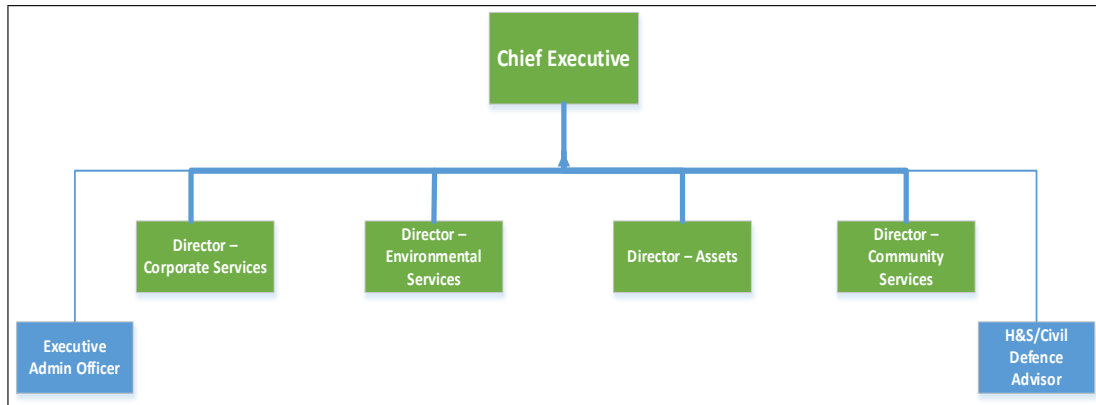


Figure 2 – The Executive Management Team

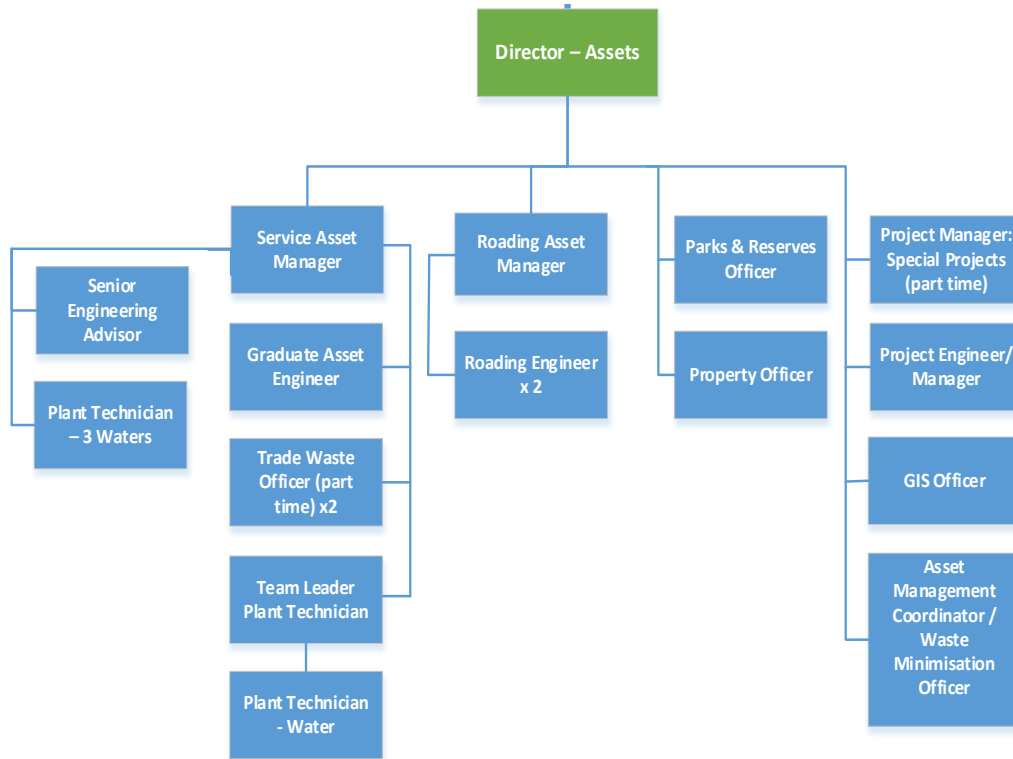


Figure 3 – The Assets Department

Introduction

1.4. THE WASTEWATER ACTIVITY

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

1.5. THE IMPORTANCE OF THE WASTEWATER ACTIVITY

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

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

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

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

Table 1- Wastewater Activity contribution to Community Outcomes

	Community Outcomes	Wastewater Activity Contribution
Vibrant community	<ul style="list-style-type: none"> • We celebrate and embrace our community's cultures and traditions. • We tell our unique story. • We will develop strong relationships with iwi, hapu and marae 	<ul style="list-style-type: none"> • Liaise with Iwi, other government agencies and community groups in relation to wastewater services. • By minimisation of risk to public health through the: <ul style="list-style-type: none"> ○ reduction of the risk of failure of pipe assets; ○ appropriate disposal of the treated wastewater into the receiving environment. • Ensuring the continued collection of wastewater in the Stratford community as per the agreed level of service. • Having an appropriate knowledge and actual state of the wastewater pipe network assets for optimal programming for maintenance and renewal / replacement. • Providing continued access to wastewater services. • Stratford will encourage developers to provide well planned developments that support the growth of the district. • Fund capital works which offer value for money for current and future generations of Stratford District ratepayers and ensures the financial security of Council is not compromised.
Sustainable environment	<ul style="list-style-type: none"> • Our natural resources can be enjoyed now and by future generations. • We are committed to working towards zero waste. • We have well planned and resilient infrastructure that meets the current and future needs of the district. • We strive to understand and support Te Ao Māori values and principles. 	
Connected communities	<ul style="list-style-type: none"> • Our neighbourhoods are safe and supported • We enable positive healthy lifestyles, through access to health, social and recreation services • We have a strong sense of belonging • We value opportunities to be involved and work together as a community 	
Enabling economy	<ul style="list-style-type: none"> • We are a welcoming and business friendly District • We encourage a strong and diverse local economy • We promote opportunities to visit, live and invest in the district • We support economic opportunities for Māori 	

Introduction

1.6. OUR PARTNERS, CUSTOMERS AND KEY STAKEHOLDERS

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

Table 2 – Partners, Customers and Stakeholders

Customers, Partners and Stakeholders	Involvement
Home Owners and Occupiers; Businesses and Organisations;	These customers realise the benefits provided by the wastewater activity.
Taranaki Regional Council	Administers and enforces effective resource management in the Taranaki region. Applications from SDC are processed through TRC.
Audit New Zealand	Carries out annual audits of Council on the Auditor-General's behalf to give ratepayers assurance that Council is appropriately reporting on how they spend public money and on the services they have provided.
Other Government agencies; Ratepayers Associations; Iwi groups	These groups liaise with Council in relation to wastewater services.
Utility Owners	New Zealand Utilities Advisory Group (NZUAG) requirements for co-ordinating networks.
Local Iwi; Environmental groups	Affected parties to Council's resource consents
TEMO/Civil Defence	In the event of a Civil Defence emergency they provide advice and work alongside emergency services, lifeline utilities and government departments.
Elected Members; Committees; CEO, Management and Staff	Key internal stakeholders responsible for the management and operation of the wastewater system.

1.6.1. THE CUSTOMER CHARTER

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

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

1.6.2. SIGNIFICANCE AND ENGAGEMENT POLICY

The Stratford District Council uses its [Significance and Engagement Policy](#) in its decision-making to determine the level of community engagement needed for an issue or proposal, to gain a clearer understanding of community views and preferences and the ways the community can influence and participate in the decision-making of the Council.

2.0

Legislative and Strategic Context

Legislative and Strategic Context

2.0: Legislative and Strategic Context

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2.1. OVERVIEW

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

2.2. NATIONAL CONTEXT

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

- The National Policy Statement for Freshwater Management 2020;
- The Resource Management Act;
- The Local Government Act 2002 (and amendments);
- The Health Act 1956 (and amendments);
- Taumata Arowai Act 2020;
- Water Services Bill 2020;
- Waste Minimisation Act 2008;
- New Zealand Waste Strategy 2002 (and amendments);
- Soil Conservation and Rivers Control Act 1941;
- Public Works Act 1981;
- Resource Management Act 1991 (and amendments);
- Climate Change Response Act 2002;
- Civil Defence Emergency Management Act 2002.

2.2.1. THE NATIONAL POLICY STATEMENT FOR FRESHWATER MANAGEMENT

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

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

Legislative and Strategic Context

- Monitoring and reporting annually on freshwater (including the data used); publish a synthesis report every five years containing a single ecosystem health score and respond to any deterioration.

2.2.2. THE RESOURCE MANAGEMENT ACT

The Resource Management Act 1991 (RMA) promotes the sustainable management of natural and physical resources such as land, air and water and is considered New Zealand's principal legislation for environmental management. The RMA regulates the discharge of wastes into the environment particularly to water and land.

The purpose of the National Planning Standards have been introduced as part of the 2017 amendments to the Resource Management Act 1991. The development of the National Planning Standards is enabled by sections 58B–58J of the RMA and is to improve consistency in plan and policy statement structure, format and content so they are easier to prepare, understand, compare and comply with. The Standards also support implementation of national policy statements and help people observe the procedural principles of the Resource Management Act 1991 (RMA).

The Stratford District Council holds Resource Consent 0196.5 for the discharge of treated wastewater into the Pate River. This consent was issued in April 2020 and expires in July 2034.

RMA Reform

The RMA is currently undergoing a reform into 3 pieces of legislations being the:

- Natural and Built Environments Act;
- Strategic Planning Act; and
- Climate Change Adaptation Act.

The reform is based on the findings of the comprehensive review of the resource management system which were released last year. These pieces of legislations are currently before Parliament and it is expected that they will be passed by the end of 2022.

The *Natural and Built Environments Act* is the core piece of legislation to replace the RMA. The purpose of this Act is to enhance the quality of the environment to support the wellbeing of present and future generations. Under the Act, central government's proposed new National Planning Framework will provide a set of mandatory national policies and standards on specified aspects of the new system. These will include environmental natural limits, outcomes and targets. This would be achieved by:

- promoting positive outcomes for both the natural and built environments;
- ensuring that use, development and protection of resources only occur within prescribed environmental limits; and
- ensuring adverse effects of activities on the environment are avoided, remedied or mitigated.

The *Strategic Planning Act* provides a strategic and long-term approach to how we plan for using land and the coastal marine area. The regional strategies would enable more efficient land and development markets to improve housing supply, affordability and choice, and climate change mitigation and adaptation.

Long-term spatial strategies in each region would be developed to identify areas that:

- will be suitable for development;
- need to be protected or improved;
- will need new infrastructure and other social needs; and
- are vulnerable to climate change effects and natural hazards such as earthquakes.

The *Climate Change Adaptation Act* would support New Zealand's response to the effects of climate change. It would address the complex legal and technical issues associated with managed retreat and funding and financing adaptation.

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2.2.3. THE LOCAL GOVERNMENT ACT 2002 AMENDMENT ACT 2019

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

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

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

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

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

The LGA in Section 125, requires the Council to ‘from time to time’ complete assessments of water and sanitary services for communities throughout their districts. The purpose of the assessment is to determine, from a public health perspective, the adequacy of water and sanitary services available to communities. In making such an assessment the following matters need to be considered:

- (a) the health risks arising from any absence or deficiency in water or other sanitary services;
- (b) the quality of services available to communities within the district;
- (c) the current and estimated future demands for such services;
- (d) the extent to which drinking water meets applicable regulatory standards; and
- (e) the actual or potential consequences of stormwater or sewage discharges within the district.

The Council commenced a review of its *Assessment of Water and Sanitary Services and Solid Waste* in 2016.

2.2.4. THE HEALTH ACT 1956

The Health Act 1956 aims to protect the health and safety of people and communities by promoting adequate supplies of safe and wholesome drinking water from all drinking-water supplies larger than 25 or more people.

The Health (Drinking Water) Amendment Act 2007 amended the Health Act 1956 to require all drinking-water suppliers providing water to more than 500 people to develop and start to implement a Public Health Risk Management Plan to guide the safe management of the supply before 2013. A Public Health Risk Management Plan is a tool to help suppliers identify, manage and minimise events that could cause water quality to deteriorate.

2.2.5. TAUMATA AROWAI - THE WATER SERVICES REGULATOR ACT 2020

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

A complementary Bill, *the Water Services Bill*, is now before Parliament. This Bill is anticipated to be introduced in the second half of 2021, dependent on the election outcome and the post-election Parliamentary timetable. Once passed, Taumata Arowai will become Aotearoa’s dedicated regulator

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of the three waters: Drinking water, wastewater and stormwater. Until then, the Ministry of Health remains the regulator of drinking water.

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

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

When Taumata Arowai is fully functionally, its role in essence will be to:

- Oversee and administer an expanded and strengthened drinking-water regulatory system, to ensure all New Zealand communities have access to safe drinking water. That includes holding suppliers to account, if need be; and
- Oversee from a national perspective the environmental performance of waste water and storm water networks. (Regional councils will remain the primary regulators of waste water and storm water).

2.2.6. THE WATER SERVICES BILL 2020

While the Taumata Arowai Act was passed in July 2020, Taumata Arowai will not become fully operational until enactment of the Water Services Bill, projected to in the second half of 2021.

The Water Services Bill proposes to repeal Part 2A of the Health Act 1956 and replace it with a standalone Act to regulate drinking water. The Bill received its first reading on Tuesday 8 December 2020 and has been referred to the Health Select Committee for consideration. The Bill is a companion to the Taumata Arowai - the Water Services Regulator Act 2020, which was passed earlier in the year.

Essentially, the Water Services Bill 2020 is a part of a broader Three Waters reform programme by central government. It proposes a new regulatory regime for managing drinking water supply. The obligations on drinking water suppliers proposed by the Bill are more onerous than those under the existing Health Act regime.

Until Taumata Arowai is fully operational, the Ministry of Health will remain the regulator for drinking water safety.

The Water services Bill contains all of the details of the new drinking water regulatory system, and provisions relating to source water protection and Taumata Arowai's wastewater and stormwater functions.

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2.2.7. THE THREE WATERS REFORM

The Council signed a Memorandum of Understanding (MoU) with central government to work together to identify approaches that consider the design features of the 3 waters reform and is participating in the exploration of future service delivery options. The central government expects to create new water service delivery entities that are:

- of significant scale (most likely multi-regional) to enable benefits from aggregation to be achieved over the medium to long-term;
- asset owning entities, with balance sheet separation to support improved access to capital, alternative funding instruments and improved balance sheet strength; and
- structured as statutory entities, with competency-based boards;

The Council expects to make a decision in late 2021, to either stay with the new water service delivery entity or opt out. Any decision to participate is likely to be given effect to at some point in the 2023/4 financial year.

Reference to the Government's reform strategy and timeline, including highlighting when it is proposed that there would be further engagement and consultation with communities is available at <https://www.dia.govt.nz/Three-Waters-Reform-Programme>

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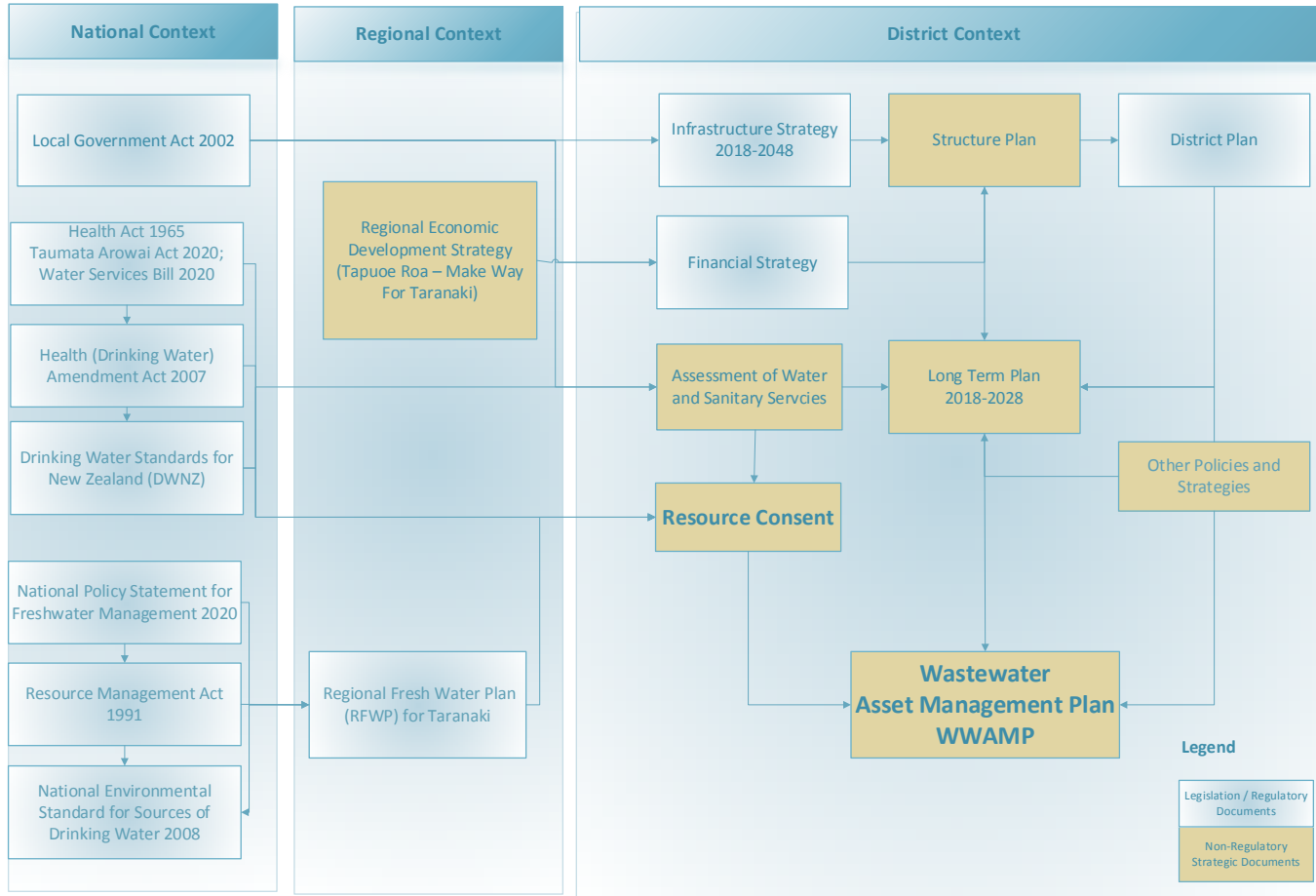


Figure 4 – Legislative and Strategic Context (WWAMP)

Legislative and Strategic Context

2.3. REGIONAL CONTEXT

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

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

The Regional Fresh Water Plan promotes sustainable management of the region's freshwater resources by applying rules and conditions to various activities. The Plan is currently under review.

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

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

2.3.2. THE REGIONAL ECONOMIC DEVELOPMENT STRATEGY - MAKE WAY FOR TARANAKI

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

While economic growth for the Stratford District is desirable, Council is aware that growth can have an impact on infrastructure and the services delivered by that infrastructure. Anticipated impacts of the Regional Economic Development Strategy and any resulting growth on the Wastewater activity and infrastructure are expected to include.

2.4. DISTRICT CONTEXT

The Wastewater Asset Management Plan feeds, and in turn is fed into, a number of district strategies. The WWAMP forms a critical part of the planning framework, as shown in Figure 4. This provides a description of the District Strategic Drivers for the WWAMP, and how they influence or relate to the WWAMP. The key district drivers are provided in more detail below.

2.4.1. THE LONG TERM PLAN (LTP) 2021-2031

The Long Term Plan (LTP) 2021-2031 is a regulatory document pursuant to Section 93 of the Local Government Act 2002 Amendment Act 2019 that:

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

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

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2.4.2. THE INFRASTRUCTURE STRATEGY 2021 - 2051

The Infrastructure Strategy (IS) is a regulatory document pursuant to Section 101B of the Local Government Act 2002 Amendment Act 2014 for the purpose of:

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

The IS identified issues/opportunities from the 30 year strategy inform the relevant AMP and is reviewed every 3 years.

Like the LTP, the IS provides the direction and strategies that drive the WWAMP but in this case, the planning period primarily focussed on is for 10-30 years. The IS is a strategic document that allows Council to make informed decisions and place Council in a better position to understand and plan for major infrastructure investments.

2.4.3. THE DISTRICT PLAN

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

2.4.4. THE ANNUAL PLAN

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

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

Table 3 - District Strategic Drivers

Strategies/ Plans/ Documents	Description	Review Frequency	Relationship to the Asset Management Plan
Financial Strategy	Developed to provide a financial framework for Council debt and rate levels and limits - future proof Council owned and operated assets.	Ten yearly	Provides financial framework for asset management and activity budgeting and expenditure.
Infrastructure Strategy	Prepared for the purposes of identifying significant issues over the period covered by the strategy and identifying the principal options for managing those issues and the implications of these options.	Three yearly	Provides a core infrastructure asset management framework over a 30-year planning horizon.
Economic Development Strategy	Sets the direction for economic development and identifies priorities and measurable goals.	Three yearly	Support asset management planning and good practice.
Structure Plan	Provide a long term planning framework for the future development and redevelopment of the Stratford District. The plan will set out in broad terms, the layout of land uses, key infrastructure and transport links.	Unknown at this stage	Support asset management planning.
Significance and Engagement Policy	Developed in compliance with Section 76AA to set out Councils approach to: <ul style="list-style-type: none"> • The assessment of significance during decision-making. It provides direction on the consideration of community views and the level of community 	Three yearly	Determines level of engagement required for asset management planning activities/projects

Legislative and Strategic Context

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

3.0

Asset Information

Asset Information

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Asset Information

3.1. ASSETS OVERVIEW

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

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

3.2. ASSET VALUATION

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

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

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

The following asset valuations presented in Table 4 was carried out by Infrastructure Associates Ltd as at 01 July 2018.

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

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

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

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

- Resource Consents
- As Built Plans

Financial Reporting Standards (PBE IPSAS 17) applies to all SDC wastewater infrastructure assets considered in the Infrastructure Associates re-valuation for the general purpose of financial reports.

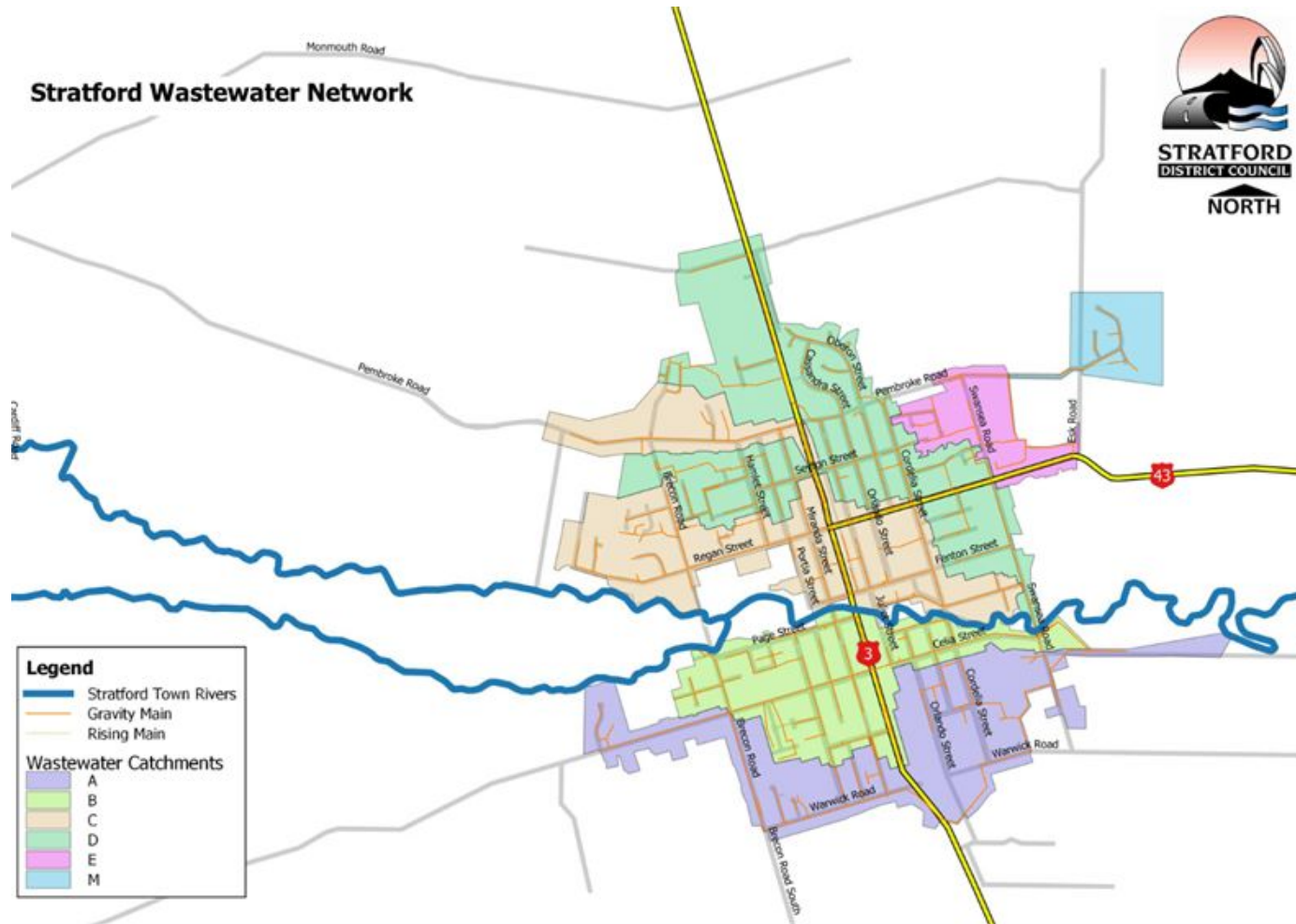


Figure 5 – Wastewater Area of Benefit in Stratford as at 01 July 2020

Asset Information

Table 4 –Wastewater Asset Valuation Summary –Infrastructure Associates Ltd Asset Valuation Report as at 1 July 2018

Asset Group	Asset Component	Size / length	Quantity	SDC Useful Life (yrs.)	Average Remaining Useful Life (yrs.)	Values		
						RC (\$)	ODRC (\$)	(AD (\$))
Pipes	Pipe	150mm	44,004	40-80	34	8,874,302	3,054,891	89,457
	Pipe	225mm	5,478	40-80	12	1,636,494	172,693	13,900
	Pipe	375mm	5,774	40-80	12	2,452,043	286,612	22,813
Total Pipes			55,256			12,962,839	3,514,196	126,170
Point and Plant	Service Connections	Varies	2,500	40-80	22	6,528,900	2,051,940	93,270
	Point	N/A	807	40-80	53	2,125,350	979,635	18,514
	Pump Stations	N/A	4	40-80	32	323,834	211,327	6,477
	Pre-treatment	N/A	6	40-80	24	282,488	197,102	8,075
	Treatment	N/A	7	40-80	33	1,922,729	1,049,809	31,718
	Post-treatment	N/A	24	40-80	67	231,141	200,109	2,979
Total Point and Plant						11,414,442	4,689,922	161,033
Total Wastewater						24,377,281	8,204,118	287,203

Asset Information

3.3. USEFUL LIFE

Useful life refers to either;

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

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

3.4. ASSET INFORMATION SYSTEM

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

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

3.5. THE WASTEWATER INFRASTRUCTURE ASSETS

The following constitute the wastewater infrastructure assets:

- Wastewater Reticulation system; and
- Wastewater Treatment System;

3.5.1. WASTEWATER RETICULATION SYSTEM

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

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

3.5.2. WASTEWATER TREATMENT SYSTEM

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

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

3.6. DRAINAGE CATCHMENTS

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

Asset Information

Table 5 - Pump Stations and Catchment Discharge Areas

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

3.7. ASSET MANAGEMENT MATURITY ASSESSMENT

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

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

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

Table 6: 3-Waters Asset Management Maturity Index Assessment

	Asset Management Disciplines	Maturity Index	Maturity Description	What we do
1	Strategic Direction	Intermediate	<ul style="list-style-type: none"> • AM System scope is defined and documented. 	<ul style="list-style-type: none"> • The Council has adopted an Asset Management Policy to provide the overall direction for asset management in the district. • Scope is also refined as a consequence of our Early Conversation discussions with Elected Members, which inform the LTP, and also during our regular workshops to define Strategic Direction for the Council.
2	Defining Level of service	Intermediate to Advanced	<ul style="list-style-type: none"> • Level of service and cost relationship 	<ul style="list-style-type: none"> • Again, existing levels of service is are generally maintained, however, can be re-defined as result of either legislative

Asset Information

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

Asset Information

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

3.8. ASSESSMENT OF ASSET CONDITION

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

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

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

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

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

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

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

Maintenance monitoring of wastewater assets includes:

- Oxidation Ponds
- Pump Stations
- Underground reticulation
- Manholes

Asset Information

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

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

Table 7 - Condition Grading System

Grade	Condition	Description	Indicative Network Assessment
1	Very Good	Asset in structurally sound and excellent physical condition. No work required	25%
2	Good	Asset in structurally sound and acceptable physical condition. Minor work required (if any)	17%
3	Average	Asset is structurally sound but shows deterioration. Moderate work required to return asset to agreed level of service	14%
4	Poor	Asset failure likely in the short term. Significant work required now to return asset to agreed level of service	16%
5	Very Poor	Asset has failed/is about to fail. Renewal/Replacement required Urgently	27%

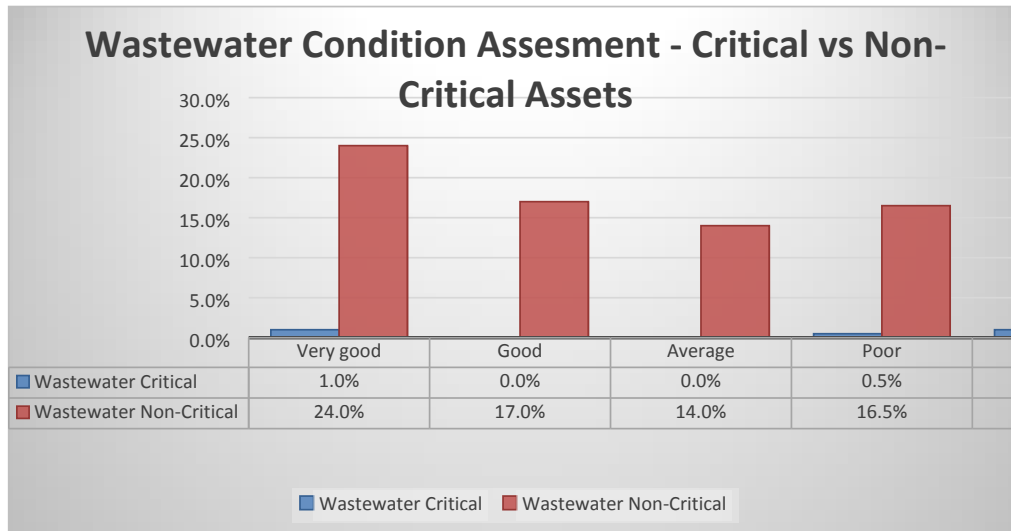


Figure 6: Wastewater Condition Assessment - Critical vs Non-Critical Assets

Asset Information

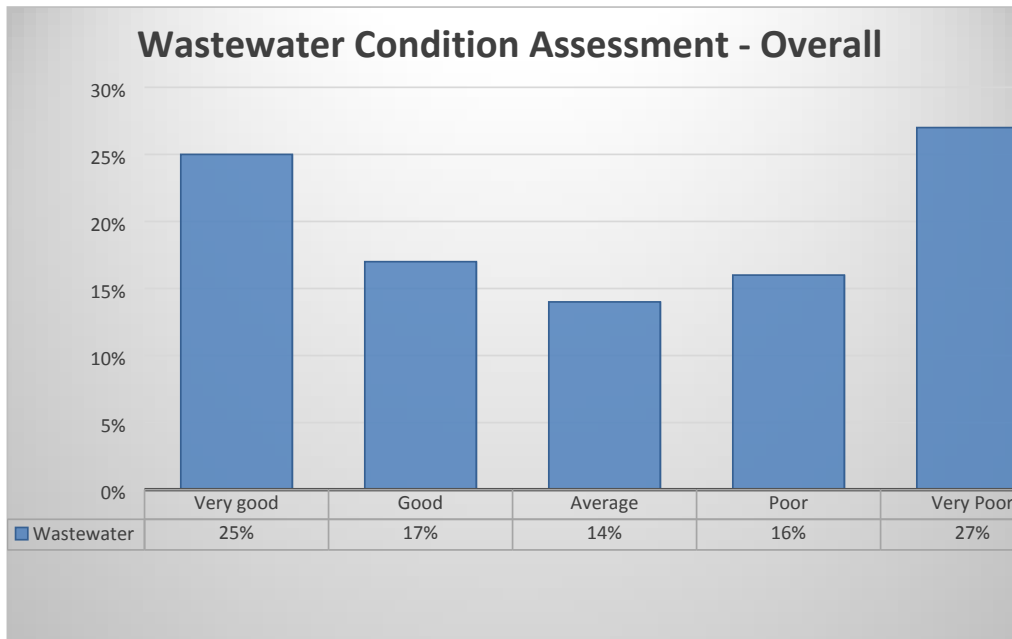


Figure 7: Wastewater Condition Assessment – Overall

3.9. DATA ACCURACY AND CONFIDENCE

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

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

Table 8 - Inspection Data Management Process

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

Asset Information

Table 9 - Data Confidence Grading System

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

Table 10: Asset Data Grading by Asset Group

Asset Group	Key Confidence Attributes Percentage (%)				Average	Assessed Confidence Level	Confidence Grading
	Location	Diameter /size	Material	Age			
Pipe	95	80	80	70	81.25	Uncertain	3
Service Connections	5	80	5	10	25	Unknown	5
Point	90	70	70	70	75	Uncertain	3
Pump Stations	100	70	70	70	77.5	Uncertain	3
Pre-treatment	90	90	90	90	90	Reliable	2
Treatment	90	90	90	90	90	Reliable	2
Post-treatment	90	90	90	90	90	Reliable	2
Critical Assets Assessment	Reliable						
Non-Critical Assets	Reliable to Uncertain						
OVERALL ASSESSMENT	Reliable to Uncertain						

Asset Information

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

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

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

3.10. IMPROVEMENT PLAN

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

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

4.0

Future Growth and Demand

Future Growth and Demand

4.0: Future Growth and Demand

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Future Growth and Demand

4.1. OVERVIEW

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

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

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

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

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

4.2. DEMAND FORECASTING

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

As part of the planning process Council considers:

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

Key Information gathered during the forecasting process includes:

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

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

4.3. DEMAND DRIVERS AND IMPACTS

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

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

Future Growth and Demand

4.3.1. POPULATION

Under the medium population growth scenario projected by the Infometrics Model, the Taranaki region’s population is expected to grow to over 145,100 by 2051. Under a high growth scenario, higher levels of net migration would lead to a regional population of 163,100 by 2051, while the low growth scenario results in the population growing to approximately 129,000 residents by 2035, and then remaining relatively static at that level until 2051.

For the Stratford District, the forecast under the High growth scenario is to increase from above 10,000 in 2021 to just under 12,000 in 2051. This is equivalent to just under 0.7% increase per annum, an estimated total increase of approximately 18% over these 30 years. Under the low growth scenario, the forecast is to decline from above 10,000 in 2030, to just above 9,000 in 2051

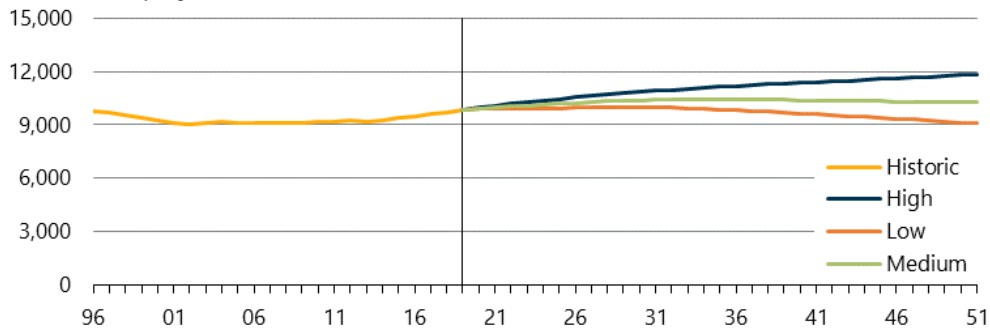


Figure 8 - Stratford District Infometrics projection of population change

Population distribution

Currently, there are 1,250 Maori population – 48% are under 20. Maori make up 13% of district population. Population growth has averaged 0.2% in the last 20 years, and averaged 0.7% in the last 10 years, however, in the last 3 years population growth has increased annually by 0.8% on average.

Population 2019 Infometrics data shows that Stratford district is approximately 9,860 – a growth of 1.3% from previous year. The source of growth was 78% due to natural increase and 22% due to net migration. We are anticipating an annual average population growth of 0.5% over the next eight years, centered around the urban area and mostly as a result of births.

The district’s Population Age Structure and Projection is shown in Figure 9; Components of Population Change in Figure 10 and the Population Geographic Distribution in Figure 11.

Elderly Population

The average age of Stratford residents is expected to increase over the next 30 years from 40 to 42 years. 580 residents (5% of the district population) are aged 80+.

With a rising older population and a potentially declining older working population Stratford District Council and the Water Supply Activity will need to consider the services it delivers and the infrastructure required to deliver these services.

For a clearer picture of the impacts on infrastructure and the demand for services, further assessment is necessary. The cost of this assessment will need to be weighed against the benefits of embarking on the project.

Future Growth and Demand

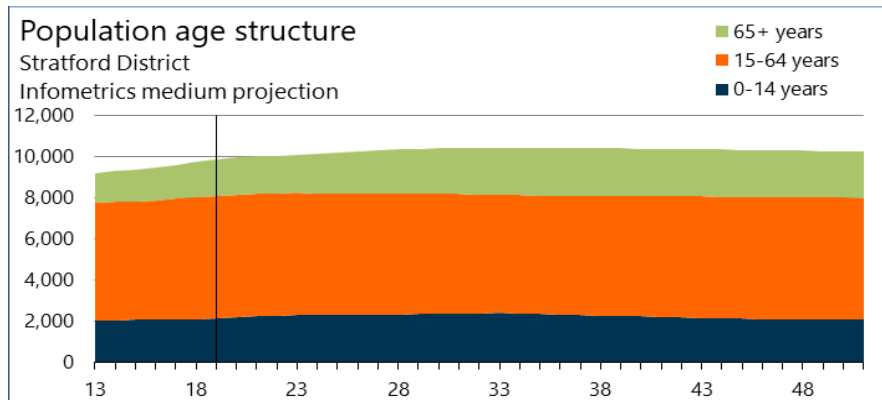


Figure 9 - Stratford District's Population Age Structure

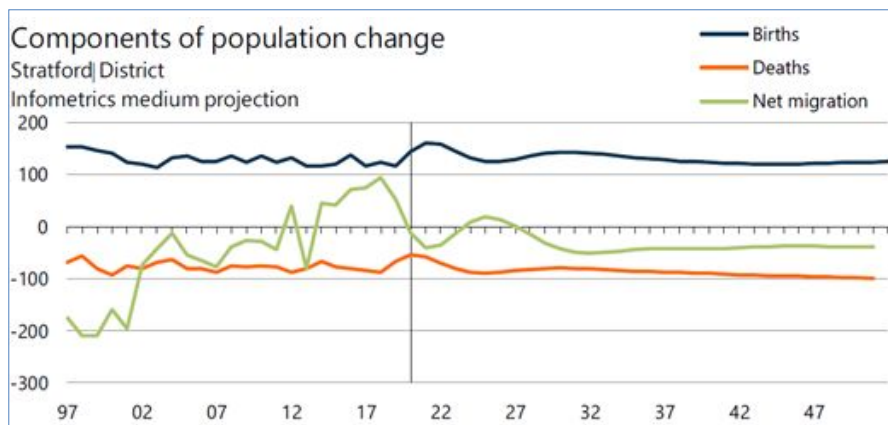


Figure 10 - Components of Population Change

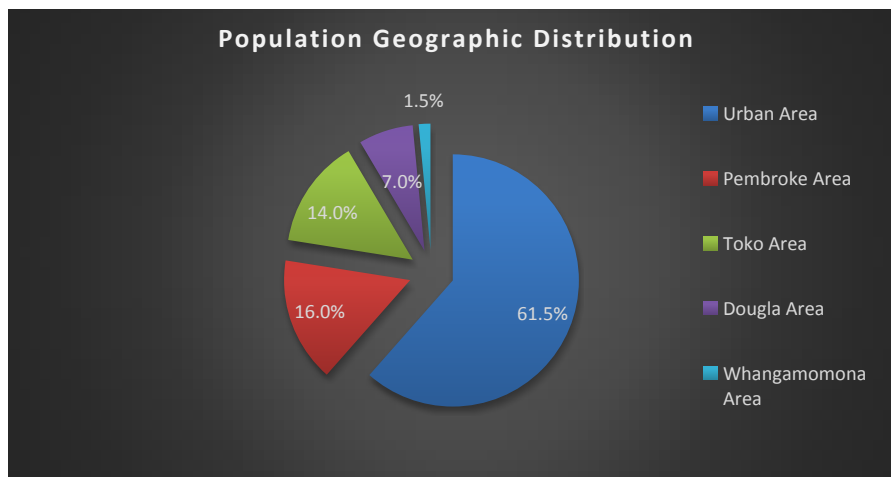


Figure 11 – Current Population Geographic Distribution

Future Growth and Demand

4.3.2. ECONOMIC DEVELOPMENT

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

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

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

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

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

Economic History and Forecast

According to the Infometrics Model, GDP growth is static to low, and generally under the national average – except for 2009 and 2012 where there were spikes in the district’s GDP compared to the rest of the country.

The two biggest contributing industries in Stratford are the Agriculture and Forestry sector contributing 27% (Dairy Farming making up 16% of this) of district GDP, and the Electricity and Gas Supply contributing 16%. Stratford has the region’s largest electricity generation site at Contact’s 575MW gas powered plant – it is considered a nationally significant generation site.

In 2019, there were 3,462 filled jobs in the Stratford District. The district unemployment rate was 4.4%, compared to the regional unemployment rate of 5.0% and national unemployment rate of 4.3%. Employment growth lags behind the rest of the country (2018 Stratford: 1.5%, National: 3.0%), although it did spike above the national average in 2009.

In terms of industry employment the top five employing industries in 2019 were:

- Education and Training 11%
- Dairy farming 9%
- Health Care and Social Assistance 7%
- Accommodation and Food Services 6%
- Supermarket and Specialised Food Retailing 6%

The biggest increase in jobs in Stratford since 2017 has been in the house construction (building) sector, and in primary education. Stratford generally has a higher rate of self-employment than the national average at 19%, compared to 17% nationally. Stratford also has a higher productivity rating per employee. In 2018, GDP per employee came to \$120,631, compared to the national average of \$97,174.

The 10-year and 30-year GDP and Employment forecast are provided in Figures 12 – 14.

Future Growth and Demand

	GDP level (\$m, 2010 prices)			Annual % change	
	2005	2018	2031	05-18	18-31
New Plymouth	3,908	5,349	6,074	2.4%	1.0%
South Taranaki	1,869	1,948	2,080	0.3%	0.5%
Stratford	415	414	459	0.0%	0.8%
Taranaki	6,192	7,712	8,613	1.7%	0.9%

Figure 12 GDP Growth 2005-2031

The Infometrics data above shows minimal change in GDP growth from 2018 to 2031

	Employment level			Annual % change	
	2005	2018	2031	05-18	18-31
New Plymouth	33,926	40,748	47,261	1.4%	1.1%
South Taranaki	13,959	13,952	15,256	0.0%	0.7%
Stratford	3,637	3,434	3,639	-0.4%	0.4%
Taranaki	51,522	58,134	66,157	0.9%	1.0%

Figure 13 - Employment Levels in the Region

Employment was expected to increase over the period to 2031, however the impact of Covid-19 has changed these figures

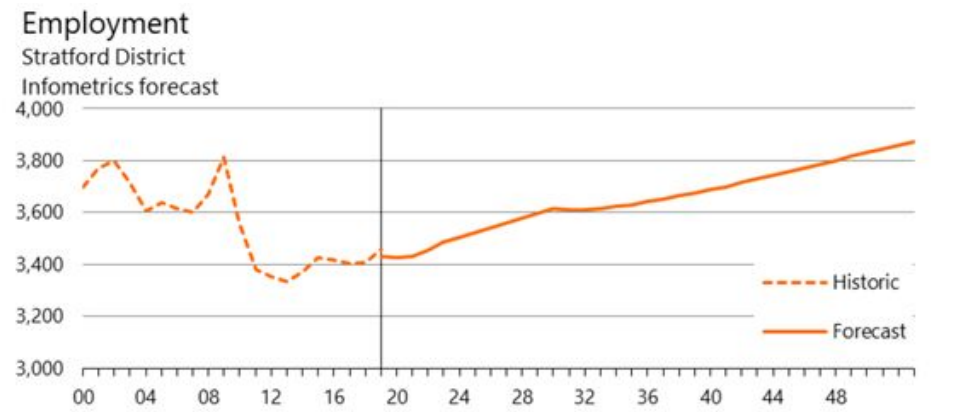


Figure 14 - Employment Forecast for Stratford

Employment is expected to increase slightly over the next 10-30 years

4.3.3. CLIMATE CHANGE

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

Future Growth and Demand

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

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

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

Extreme weather events and heavy rainfall would see increases in flooding, landslides, avalanches and mudslides during heavy rainfall events while on the flip side a lack of rain during summer months could see prolonged periods of drought. Both extremes place increased pressure on government, private flood insurance schemes, and disaster relief.

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

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

4.3.4. TOURISM

The Visitor Sector Action Plan is one of six action plans developed as part of the "Make Way for Taranaki" Regional Development Strategy.

The action plan describes the current regional sector dynamic, growth objectives, challenges, opportunities and the actions required to achieve sector growth. It is anticipated that the Visitor Sector Action Plan will enable and support growth in the Stratford District Visitor Sector.

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

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

4.3.5. THE (DRAFT) STRUCTURE PLAN FOR STRATFORD

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

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

Future Growth and Demand

4.3.6. REGULATORY CHANGES

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

4.3.7. CUSTOMER NEEDS AND EXPECTATIONS

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

4.4. IMPROVEMENT PLAN

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

Table 11 - Future Demands Improvement Plan

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

5.0

Level of Service Performance

Levels of Service Performance

5.0: Levels of Service Performance

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Levels of Service Performance

5.1. OVERVIEW

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

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

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

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

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

5.2. LEVEL OF SERVICE DEVELOPMENT/REVIEW PROCESS

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

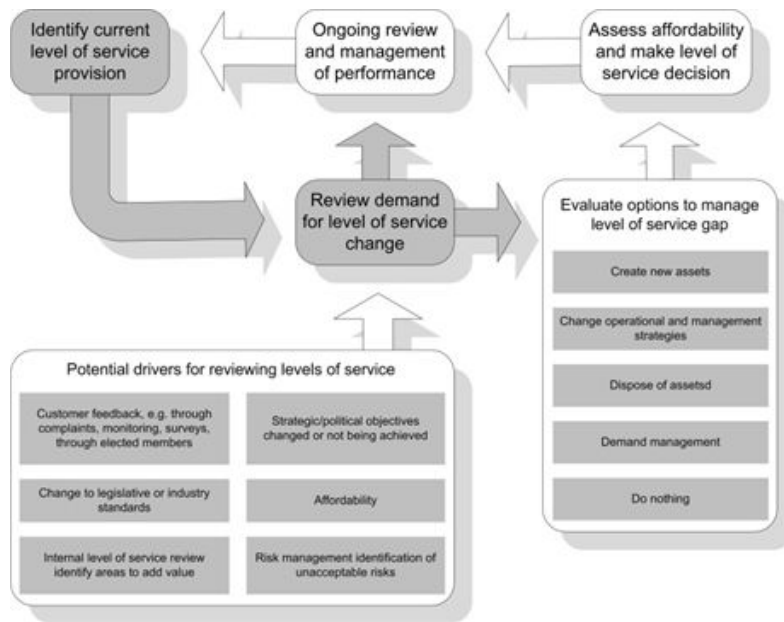


Figure 15 - Levels of Service Review Process

Levels of Service Performance

5.3. PERFORMANCE MONITORING AND REPORTING

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

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

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

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

5.4. CURRENT PERFORMANCE

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

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

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

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

5.4.1. SYSTEM ADEQUACY

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

This target is <5 per 1,000.

In 2019/2020, there were no dry weather overflows.

5.4.2. DISCHARGE COMPLIANCE

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

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

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

In 2019/2020, there were no compliance notices.

Levels of Service Performance

Table 12- DIA and Internal / Other Performance Measures

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

Levels of Service Performance

5.4.3. RESPONSE AND RESOLUTION TIMES

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

- **Attendance time** from the time that the territorial authority receives notification to the time that service personnel reach the site. This target is 1 hour. In 2019/2020 the median response time for attendance was 42 minutes. Although this is an increase on the previous year the Wastewater activity achieved Level of Service requirements for attendance to a fault.
- **Resolution time** from the time that the territorial authority receives notification to the time that service personnel confirm resolution of the blockage or other fault. This target is 8 hours. In 2019/2020 the median response time for resolution was 4 hours and 34 minutes.

5.4.4. CUSTOMER SATISFACTION

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

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

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

5.4.5. TRADE WASTE CONSENT PROCESSING

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

The performance measure target is 100%.

5.4.6. TRADE WASTE COMPLAINTS RESPONSE TIMES

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

The performance measure target is within 2 working days.

5.5. DESIRED PERFORMANCE

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

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

Levels of Service Performance

Table 13 - Performance Rating Index

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

5.6. IMPROVEMENT PLAN

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

Sub Section	Task	Due Date
5.4.2	Pursue an environmentally - friendly, cost-effective and sustainable solution in renewing the Resource Consent for the discharge of treated wastewater into the Patea River	June 2021
5.4.2	Continue to produce high quality discharges to the Patea River through environmentally - friendly, cost-effective and sustainable treatment measures in the oxidation pond.	On-going

Levels of Service

Table 14 - Performance Measures

Level of Service	Performance Measure	Outcome Category	Trends				Current	Target				How Measured
			2016/17	2017/18	2018/19	2019/20	2020/21	Year 1 2021/22	Year 2 2022/23	Year 3 2023/24	Years 4-10 2024-31	
System Adequacy	Dry weather sewerage overflows	DIA measure	Ach - 0	Ach - 1.59	Ach - 1.6	Ach - 0	<5	<5	<5	<5	<5	Reporting against corporate CRM system.
Discharge Compliance	Resource Consent Compliance <ul style="list-style-type: none"> • Abatement notices • Infringement notices • Enforcement orders; • Convictions, 	DIA measure	Ach - 0	Ach - 0	Ach - 0	Ach - 0	0	0	0	0	0	Consent & compliance documentation.
Response and Resolution Times	Sewerage overflows – Attendance Time	DIA measure	Ach 48 min	Not/A - 1 hr 50 min	Ach – 23 min	Ach 42min	1 hour	1 hour	1 hour	1 hour	1 hour	Work order tracking/reporting Council's asset management system.
	Sewerage overflows – Resolution Time	DIA measure	Ach 1 hr 55 min	Not/A 10 hr 22 min	Ach 2hr 50 min	Ach 4hr 34 min	8 hours	8 hours	8 hours	8 hours	8 hours	
Customer satisfaction	Complaints – <ul style="list-style-type: none"> • Sewage odour • Sewerage system faults • Sewerage system blockages, and • Response to issues with its sewerage system, 	DIA measure	Not/A - 6.1	Ach - 4.4	Not Recorded	Ach - 0	<5	<5	<5	<5	<5	Reporting against corporate CRM system.
Trade Waste complaints response times	Attendance time: from the time that Council receives notification to the time that a Trade Waste Officer arrives on site.	Council Measure	N/A	N/A	N/A	N/A	Within 2 working days	Within 2 working days	Within 2 working days	Within 2 working days	Within 2 working days	Work order tracking/reporting through Assetfinda
Trade Waste consent processing	Percentage of trade waste consent applications processed within 15 working days.	Council Measure	N/A	N/A	N/A	N/A	N/A	100 %	100 %	100 %	100 %	Authority
'Ach' – Achieved; Not /A – Not Achieved, N/A – Not Applicable												

6.0

Strategic Assessment

Strategic Assessment

6.0: Strategic Assessment

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Strategic Assessment

6.1. OVERVIEW

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

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

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

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

6.2. OUR BUSINESS CASE

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

Between June and September 2020, Council staff prepared and presented *Early Conversation papers*¹ for discussion with the Elected Members as part of the Long Term Plan (LTP) process. The purpose of these early conversations was to ask elected members for direction regarding some capital projects being proposed in the 2021-2031 LTP.

The Early Conversations with the Elected Members identified:

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

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

6.3. OUR PROBLEM STATEMENTS

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

- Resource Consent Implementation;
- Trade Waste Implementation;
- Reticulation overload due to inflow/infiltration;
- Pipework Capacity Issues; and
- Network Planning and Modelling

¹ D20/11169

Strategic Assessment

6.3.1. RESOURCE CONSENT IMPLEMENTATION

Condition 6 of our Wastewater Discharge consent states:

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

Between 2013/14 and 2019/20, the Council approved a budget of \$2.85 Million for the Wastewater oxidation pond upgrade, as part of the Resource Consent renewal requirements and to date, only \$750,000.00 has been spent. The treatment is in 2 stages:

- Stage 1 - Reducing the phosphorus concentration in the influent – this has been implemented and is being monitored; and
- Stage 2 – Reducing the nitrate concentration in the resulting discharge – using the Diatomix System

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

6.3.2. TRADE WASTE 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.

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.

6.3.3. INFLOW/INFILTRATION PROGRAMME

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

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

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

Strategic Assessment

6.3.4. PIPEWORK CAPACITY INCREASE

As described in 6.3.5 below, there have been new residential subdivisions and developments, urban infill and other growth-related pressures created in our wastewater network. The consequence of this is that some pipes are requiring upgrades in capacity to accommodate this increased wastewater flow.

6.3.5. NETWORK PLANNING AND MODELLING

With the new subdivision, urban infill and other growth areas springing up in Stratford, Council Officers are proposing to commission a network modelling project on our wastewater network. Network modelling will involve hydraulic analysis to reveal how our wastewater system is behaving. Hydraulic analysis will comprise the evaluation of capacity; identification of inflow and infiltration into the pipe network; identification of bottlenecks in the existing or proposed piping and plumbing works; and the design of improvements needed to accommodate growing demand for service and emergency response.

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

6.4. OUR BENEFIT STATEMENTS

The Council has identified projects to address the problems to delivering wastewater services in a safe and environmentally friendly manner and at the agreed level of service to the community. The projects identified are presented in Table 16 below and include:

Table 15 – Problems, Projects and Benefit Statements

Problem Statements	Preferred Option	Benefit Statements
Problem Statement 1 Resource Consent Implementation	Implement all necessary measures to achieve 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>With the receipt of our new Wastewater Discharge Consent issued in April 2020, the Council has programmed to implement the required system upgrade at the set time per the consent condition. The Council will also continue to monitor the performance of the wastewater oxidation pond and provide feedback to the key affected parties on a regular basis. The first stakeholder meeting involving Iwi and Fish & Game was held in August 2020; annual meetings will be held, as a requirement of the resource consent, to discuss performance progress. Intermittent meetings will be held where issues arise to ensure they are addressed promptly.</p>
Problem Statement 2 Trade Waste Bylaw Implementation	Implementation of the Trade Waste Bylaw	<p>This project is to ensure the implementation of the Council's newly adopted Trade Waste Bylaw.</p> <p>Stratford District Council's Trade Waste Bylaw 2020 (TWB) was adopted by Council in July 2020; Council undertook to employ a part time Trade Waste Officer in August 2020 to investigate trade waste discharges within the district and enforce the provisions of the TWB. Following subsequent amendments, the final Trade Waste Bylaw was adopted in October 2020.</p> <p>The successful implementation of this bylaw will ensure that</p>

Strategic Assessment

Problem Statements	Preferred Option	Benefit Statements
		trade wastes are appropriately disposed of, costs lie where they fall and the quality of resulting treated wastes discharging into the receiving environment meets the conditions of our resource consent and requirements of the NES-FW.
<p>Problem Statement 3</p> <p>Reticulation overload due to inflow/infiltration</p>	<p>Implementation of Inflow/Infiltration programme, including inspections of private property to identify direct discharge of stormwater to sewerage system</p>	<p>This programme primarily to optimise reticulation capacity during rainfall events, by ensuring there is no inflow or infiltration of water into the wastewater reticulation system.</p> <p>The Inflow/Infiltration programme is a suite of interventions designed to minimise the inflow and infiltration of surface and groundwater into the wastewater pipe network. This is an important part of our annual network maintenance and renewal programme that ensures that only wastewater collected from households and businesses is transported to the 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. The removal of stormwater increases the available reticulation capacity during rainfall events.</p>
<p>Problem Statement 4</p> <p>Pipework Capacity Issues</p>	<p>Programme the implementation of pipework capacity increase to support growth.</p>	<p>This programme is to address under-capacity of pipe network to support growth, residential infill and other intense land-use activities.</p> <p>There have been new residential subdivisions and developments, urban infill and other growth-related pressures created in both our wastewater and stormwater networks. The consequence of this is that some pipes are requiring upgrades in capacity to accommodate the increased flow.</p>
<p>Problem Statement 5</p> <p>Network Planning and Modelling</p>	<p>Full review and calibration of the existing Wastewater model</p>	<p>To accommodate growth and increased demand, Council has programmed to increase pipe capacity to cater for high flows. While officers are aware of some pipes within the network requiring increased capacity, the Council is will commission a network modelling project on our stormwater network to reveal how our network systems are behaving.</p> <p>This modelling project will comprise:</p> <ul style="list-style-type: none"> • the evaluation of network capacity; • the identification of inflow and infiltration into the pipe network; • 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. <p>The existing model is over 10 years old and needs updating in the near future to provide accurate information on where Council should undertake network upgrades and renewals.</p>

7.0

Lifecycle Management

Lifecycle Management

7.0: Lifecycle Management

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Lifecycle Management

OVERVIEW

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

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

- Physical characteristics
- Operating environment
- Customer requirements

Lifecycle Asset Management enables Stratford

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

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

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

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

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

7.2. PROCUREMENT POLICY

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

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

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



Figure 16 - Lifecycle Asset Management

Lifecycle Management

7.3. MANAGEMENT STRATEGIES

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

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

These strategies as presented in Figure 17, are either under review or currently being prepared and include a strategy for the Treatment and compliance with disposal standards required by the Resource Consent (0195-6).

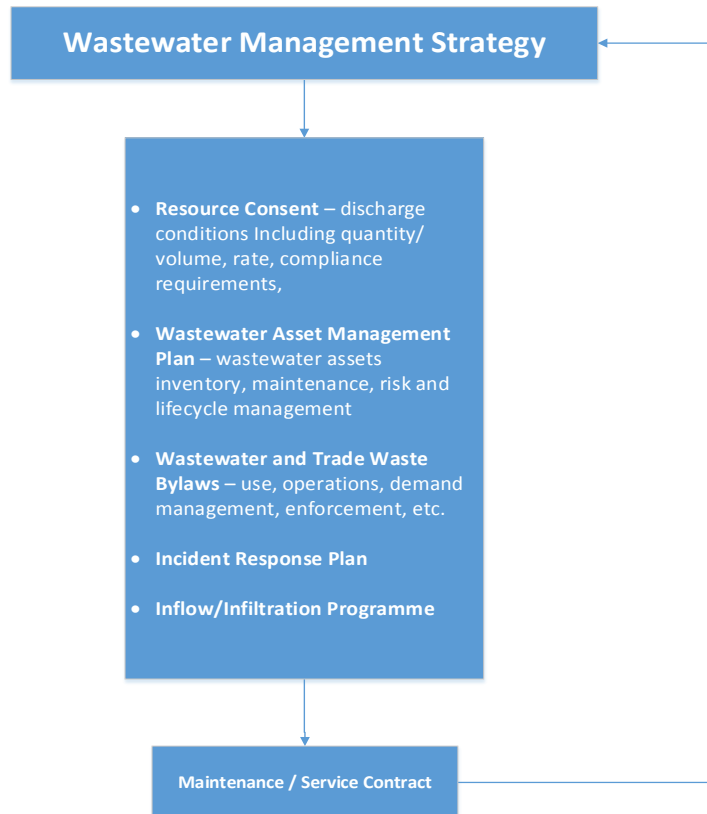


Figure 17 - Wastewater Asset Management Strategies

7.4. CONTRACTUAL ARRANGEMENTS

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

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

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

Lifecycle Management

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

The Council has a Services Maintenance Contract which covers an initial period of 3 years from 1 July 2019 and expires on 30 June 2022. It is a three year service delivery Contract with two rights of renewal of two years each for the continued operation and maintenance of the Stratford District Council's Water, Wastewater and Stormwater Services.

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

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

7.5. PROGRAMME BUSINESS CASE

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

The identified projects are grouped under three main categories of:

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

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

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

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

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

Lifecycle Management

Table 16 –Identified Projects and Performance Measures

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

Lifecycle Management

7.5.1. OPERATION AND MAINTENANCE

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

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

The operation and maintenance of assets is undertaken through:

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

The previous expenditure figures for operations and maintenance, as detailed in the Annual Plan, are presented in Figure 18. The planned works are presented in Table 18 below.

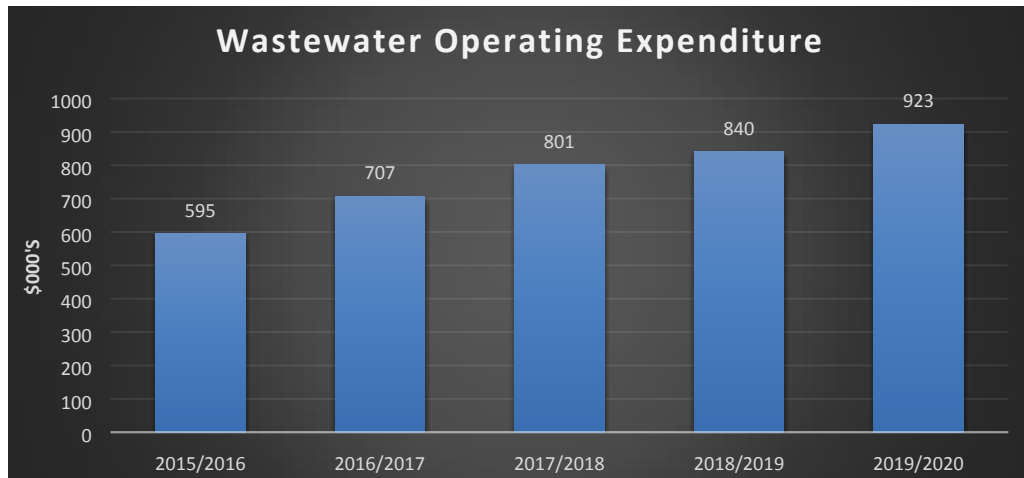


Figure 18 - Wastewater Operating Expenditure

Table 17 - Planned Operation and Maintenance Works

Project	2021/22	2022/23	2023/2024	2024-2031
Identify future treatment options (Operations)	0	0	0	0

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

Lifecycle Management

Infiltration monitoring (Operations)	- Smoke testing,	\$20,000			\$60,000
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Problem Statement LoS Performance (demand management) targets are currently difficult to attain. Resource consent conditions require a reduction in groundwater infiltration.

Benefits of investment Assists Council in reducing infiltration aiding in meeting demand management performance targets and resource consent conditions.

Consequences of non-investment Risk of continued non-performance against agreed LoS Performance, issuing of infringement notices, and/or non-renewal of resource consent.

7.5.2. RENEWAL/REPLACEMENT

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

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

The previous expenditure figures for assets renewal/replacement, as detailed in the Annual Plan, are presented in Figure 19. The planned works are presented in Table 19 below. A 10-year Replacement profile is presented in Figure 20.

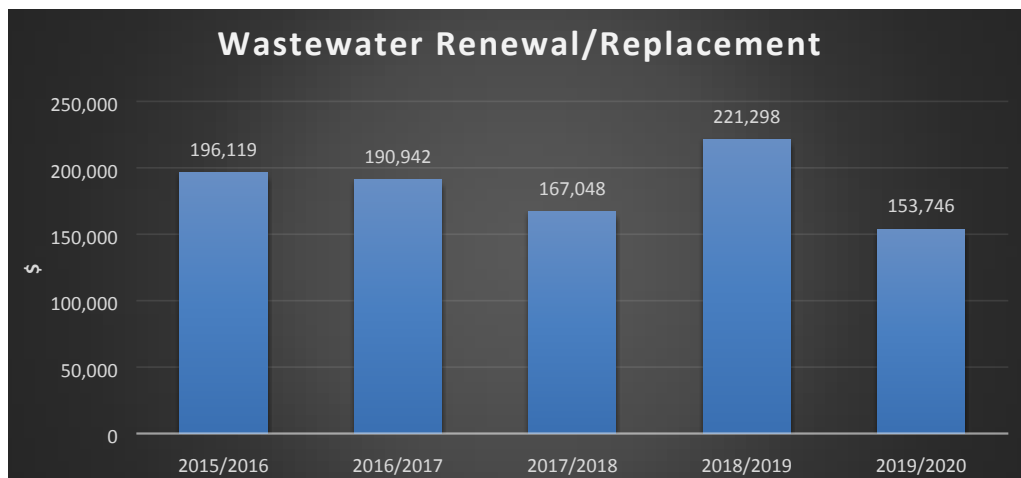


Figure 19 - Wastewater Renewal/Replacement History

Table 18 - Planned Renewal /Replacement Works

Project	2021/22	2022/23	2023/24	2024-2031
Reticulation Renewals	\$183,000	\$183,000	\$183,000	\$1,161,000
Pump station Renewals, including bulk discharge		\$30,000		\$20,000
Safety Renewals				\$10,000
Pumps and Electrics			\$30,000	
Camper Van Facility				\$10,000

Lifecycle Management

Routine Step/Aerate Renewals	\$30,000	\$30,000	\$30,000	\$210,000
Problem Statement	Aged network falls below an acceptable LoS Performance.			
Benefits of investment	Project will assist Council in maintaining adequate LoS performance in future.			
Consequences of non-investment	LoS performance will reduce in time resulting in higher maintenance costs			
De-sludge ponds (Renewals)				\$500,000
Problem Statement	Pond capacity fall below that required to achieve effective treatment.			
Benefits of investment	Enables ponds to achieved required LoS.			
Consequences of non-investment	Council will incur abatements notices.			

Lifecycle Management

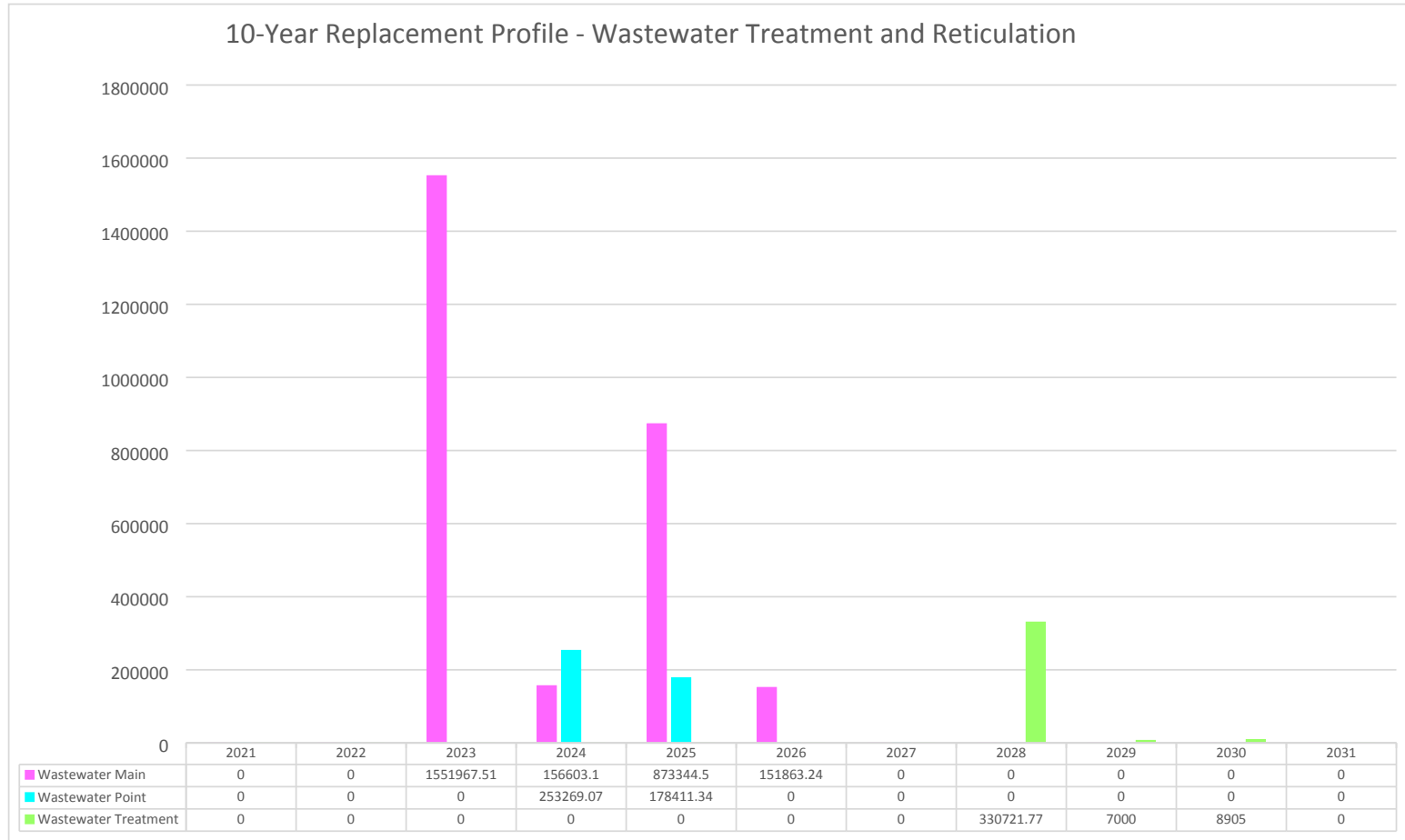


Figure 20 - 10-year Replacement Profile

Lifecycle Management

7.5.3. LEVEL OF SERVICE IMPROVEMENTS

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

The previous expenditure figures for assets renewal / replacement, as detailed in the Annual Plan, are presented in Figure 21. The planned works are presented in Table 20 below.

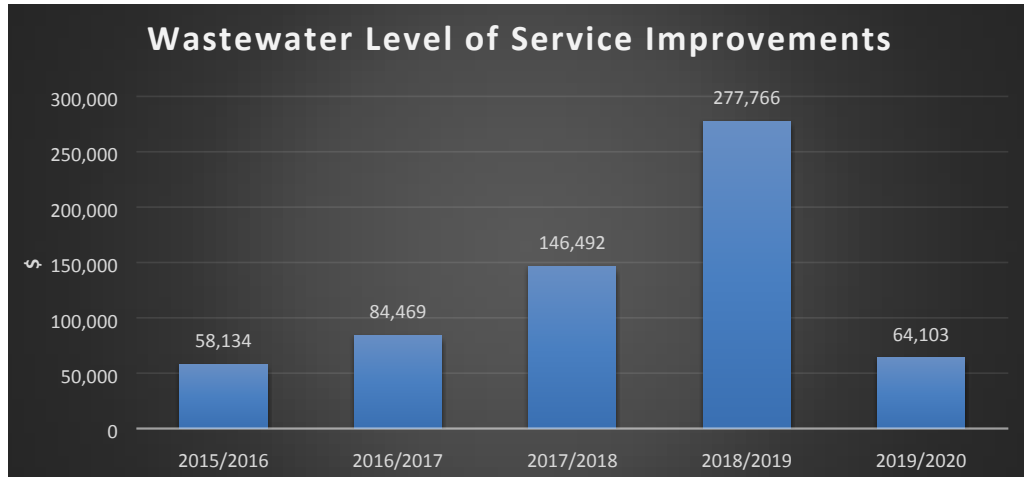


Figure 21 - Wastewater Levels of Service Improvements

Table 19 - Planned Level of Service Improvement Works

Project	2021/22	2022/23	2023/24	2024-2031
Reticulation capacity increase (Level of Service)	\$150,000	\$150,000	\$150,000	\$610,000
Problem Statement	Undersized network causing sewer overflows during adverse weather events.			
Benefits of investment	Project will assist Council in achieving adequate LoS performance.			
Consequences of non-investment	Overflow causes health problem that could results in infringement notice/fines			
Modelling (level of Service) including bulk discharge		\$50,000		
Problem Statement	To understand the network capacity , identification on inflow and infiltration points, identify bottlenecks, it is necessary to undertake the modelling of the wastewater network is necessary			
Benefits of investment	To facilitate network planning and accommodate anticipated growth			
Consequences of non-investment	Inability to support growth and extend services as and when required.			
Inflow and infiltration programme	\$150,000	\$150,000	\$150,000	\$610,000
Problem Statement	Reticulation overload due to inflow/infiltration of stormwater into the wastewater system			
Benefits of investment	To optimise reticulation capacity during rainfall events			
Consequences of non-investment	Overflow causes health problem that could results in infringement notice/fines			

Lifecycle Management

Diatomix to enhance the growth of good algae		\$500,000		
Problem Statement	To improve on the quality of discharge into the Patea River, particularly, the nitrogen and phosphorus concentration			
Benefits of investment	Achievement of resource consent conditions and positive impacts on ecology of the Patea River			
Consequences of non-investment	TRC Resource Consent requirements not complied with.			
Camper van facility drainage			\$7,500	\$10,000
Problem Statement	The need to improve on the drainage system where the camper van facility is located			
Benefits of investment	Project will assist Council in achieving adequate LoS performance.			
Consequences of non-investment	Adverse impacts on the environment			
Stage 2 treatment upgrade			\$50,000	\$150,000
Problem Statement	To improve on the quality of discharge into the Patea River, particularly, the nitrogen and phosphorus concentration			
Benefits of investment	Achievement of resource consent conditions and positive impacts on ecology of the Patea River			
Consequences of non-investment	TRC Resource Consent requirements not complied with.			

7.6. DISPOSAL STRATEGY

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

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

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

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

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

Lifecycle Management

7.7. IMPROVEMENT PLAN

Actions identified in this Section for improving management of the asset are as follows:

Table 20 - Improvement Plan

Sub Section	Task	Due Date
7.3	Maximise AssetFinda capabilities for predictive modelling purposes	On-going
7.5.1	Continue to undertake CCTV Condition Assessment the wastewater reticulation assets, to ascertain the useful and remaining lives of these assets	On-going

8.0

Risk Management

Risk Management

8.0: Risk Management

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Risk Management

8.1. OVERVIEW

Risk is the effect of uncertainty on objectives. Risk events are events which may compromise the delivery of the organisation's strategic objectives.

The main risk to asset management planning is the inability to deliver on agreed Levels of Service due to unplanned events and situations.

The Risk Management section highlights the Stratford District Council's risk management framework and process. It identifies significant negative effects and hazards linked to the activity and infrastructure assets. The section also identifies critical assets and our approach to emergency response and health and safety.

8.2. RISK MANAGEMENT STRATEGY

The Stratford District Council has prepared a *Corporate Risk Management Framework June 2018* which includes processes that identify, evaluate and manage all risks that may impact on the agreed Levels of Service to the Community. The purpose of this framework is to promote consistency and to describe the components of Stratford District Council's risk management system. The Council wide risk register allocates all council risks into the following 6 categories:

- Compliance and Legislation Risks;
- Data Information Risks;
- Financial
- Health and Safety Wellbeing
- Operational Risks
- Reputational and Conduct Risks;

The potential risks identified for the Wastewater assets and activities under these six categories are described in detail in this report.

The Council's risk management approach is underpinned by principles that will ensure the minimisation of risks for the principal asset systems through the non-achievement of critical business objectives and impact of system failure. The risk management principles are:

- Adds value by contributing to the achievement of Stratford District Council's objectives and improving performance;
- An integral part of the Stratford District Council's planning, processes, and decision making;
- Structured approach that is well-defined, transparent, and aligned with good practice;
- Responsive to change by monitoring, reviewing, and responding to the changing environment;
- Pragmatic by focusing on the most important risks and allowing informed risk taking;
- Explicitly addresses uncertainty based on best available information; and
- Continuous improvement as we get better at identifying and managing risks and opportunities.

The objectives of the Council's Risk Management framework are establish a systematic and structured approach to managing risks across the Stratford District Council and to embed risk management practices into business strategy, planning and core operations to ensure that key risks are proactively identified, managed and communicated. Benefits from applying effective risk management include:

- Improved achievement of the Council's strategic direction, objectives and priorities;
- Reduced risks – significant risks are identified and managed and early warning of problems and emerging risks are addressed, with appropriate design and operation of internal controls;
- Improved decisions – decisions are made after analysis of risk;
- Improved planning and resource allocation – risks are prioritised and included in business planning so that resources are better managed; and

Risk Management

- Increased accountability and transparency – clarity of key risks and the responsibility and accountability for their management.

8.3. RISK ASSESSMENT PROCESS

The Stratford District Council's Risk Management Process in Figure 22 identifies risk management strategies to minimise risks associated with the provision of services. It is designed to ensure that:

- All significant operational and organisational risks are understood and identified;
- The highest risks that should be addressed within a ten year planning horizon are identified;
- Risk reduction treatments which best meet business needs are applied; and
- Responsibilities for managing risks are allocated to specific staff and reporting regimes are specified.

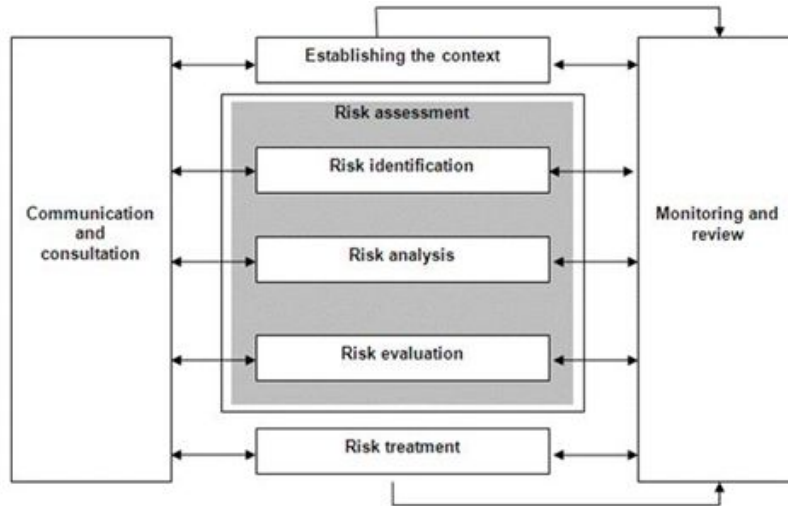


Figure 22 - Risk Management Process

A Risk Matrix allows for easy identification for the highest risks in the Council enabling appropriate resources to be allocated.

		Consequences				
		Minor	Important	Serious	Major	Catastrophic
Likelihood	Almost Certain	2- Moderate	5- High	7- High	20-Extreme	25-Extreme
	Likely	2- Moderate	4- Moderate	6- High	16-Very High	20-Extreme
	Possible	1-Low	3- Moderate	4- High	12-Very High	15-Very High
	Unlikely	1-Low	2- Moderate	3- Moderate	8- High	10-Very High
	Rare	1-Low	1-Low	1-Low	4- Moderate	5- High

Figure 23 - The Risk Matrix (Source: Council's Vault system)

Risk Management

8.4. POTENTIAL RISKS

The Stratford District Council has made a number of risk assumptions² under the six broad risk areas of Compliance and Legislation, Data Information, Financial, Health and Safety Wellbeing, Operational, & Reputational and Conduct. These are presented in [Appendix 1](#).

8.5 TOP TEN RISKS FOR THE WASTEWATER ASSETS AND ACTIVITY

The Stratford District Council has identified the following top ten Wastewater risks from the 6 categories in the Risk Management Framework ([Appendix 1](#)) in Table 18.

While *Compliance and Legislation*, *Financial and Reputation and Conduct Risks* impact on the achievement of the Organisation's high-level objectives and actions in the Long Term Plan, *Operational Risks* impact people, processes and technologies that support the business-as usual delivery of activities. The *Control Description* is a set of management intervention/ mitigation measures applied in response to risks, while *Residual Risk* is the resulting risk following the application of the mitigation measures.

Table 18 – Top Ten Identified Wastewater Risks

	Risk Subject	Risk Description	Risk Score Raw	Control Description	Residual Risk Score
1. Compliance and Legislation					
1.1	Legislation Changes	IF changes to legislation or case law occur and are not implemented by staff, THEN council may be acting illegally and in breach of legislation.	8 High	<ul style="list-style-type: none"> Staff will implement the changes Regular review and update Legislative Compliance Register. Staff training and attending relevant industry conferences. Regular policy review to ensure policies and procedures are in line with legislation changes. Ensure maintenance contractor and staff are up to date with legislative requirements through regular updates of legislative compliance register Subscribe to regular email updates from local government and relevant industry bodies, Council list server to ensure staff are notified of legislative changes. 	1 Low
1.4	Bylaws and Policies	IF Council fails to keep Policies and Bylaws up to date, THEN the Policies and Bylaws may become unenforceable and irrelevant, and council could be acting illegally, or the policy is not fit for purpose.	8 High	<ul style="list-style-type: none"> Quality assurance, Resourcing levels maintained Regular Policy Schedule review by CEO. Regular review of Bylaw timetable maintained in Content Manager. 	3 Moderate
2. Data and Information					

² statements that are presumed to be true without concrete evidence to support them

Risk Management

	Risk Subject	Risk Description	Risk Score Raw	Control Description	Residual Risk Score
2.1	Systems Down - Natural Disaster/Pandemic	IF there is a natural disaster THEN systems may be down temporarily, reduction in worker productivity, unable to respond to customers, data unavailable, potential permanent loss of data.	8 High	<ul style="list-style-type: none"> Backups done daily and stored off-site. Most critical data is in the cloud, data centre is overseas so workers can access system remotely from anywhere. Civil Defence will make hardware available for emergency response. 	3 Moderate
2.2	Server Failure	IF the server failed THEN systems down, data unavailable, potential data loss	12 Very High	<ul style="list-style-type: none"> Restore from backup, backups stored off-site. Fail-over for Melbourne data centre replicates to Sydney data centre. 	3 Moderate
4. Health and Safety					
4.1	Lone Worker	IF a staff member is seriously injured or killed during field inspections/site visits, THEN possible health and safety breaches, death or serious injury.	12 Very High	<ul style="list-style-type: none"> Quality assurance, Ongoing training/awareness of HSE requirements and responsibilities, Better use of council data/knowledge base on dangerous or insanitary sites before staff member deploys to site, Use of GPS tracking, mobile phone tracking. Compliance officers to wear body cameras when on duty. 	1 Low
4.9	Employee Substance Abuse	IF staff are affected by drugs or alcohol while at work, THEN there is an increased risk of an accident or injury, property damage, and reduced work performance.	8 High	<ul style="list-style-type: none"> Ensure staff are aware of drug and alcohol policy. Initial drug testing done prior to employment to filter out regular users. Utilise EAP. 	2 Moderate
5. Operational					
5.4	Maintenance Contractor fails to deliver	IF maintenance contractor fails to deliver contractual service necessitating termination of contract and re-tendering, THEN assets may become under threat, unreliable, or unable to meet community needs.	8 High	<ul style="list-style-type: none"> Careful assessment of tender to ensure contract price viable for contractor to deliver level of service. Regular liaison with contractor to monitor performance and ensure compliance. Contractor pre-approval process must not be bypassed. 	3 Moderate
5.6	Natural Disaster or Fire - Response preparedness	IF a Natural Disaster or Fire causes significant damage to infrastructure and buildings THEN community welfare may be severely compromised, putting		<ul style="list-style-type: none"> Civil Defence Emergency Management plans are in place. Procedures following an emergency event are widely known by a number of staff due to Civil Defence Foundational training being rolled out 	12 Very High

Risk Management

	Risk Subject	Risk Description	Risk Score Raw	Control Description	Residual Risk Score
		peoples lives at risk, and staff may be unable to access systems to carry out their day to day duties and functions.	12 Very high	to majority of council staff. <ul style="list-style-type: none"> Business Continuity Plans need to be in place and practiced regularly for all activities - Directors responsible for having a plan in place for each of their departments to ensure core functions can continue to be delivered. 	
5.9	Critical Asset Failure	IF a critical asset (water treatment plants, stormwater, wastewater, reticulation, roading) failed, THEN unexpected financial burden may arise and there could be significant disadvantage and risk to the community.	12 Very High	<ul style="list-style-type: none"> Conduct 2 yearly Asset Criticality Review. Ensure there are established Civil Defence Emergency Management response procedures in relation to fixing critical assets in an emergency event. Management practices and staff training, retention to ensure appropriate skill level in critical asset maintenance. 	4 High
5.11	Government Policy Impacting on Local Government	IF Government Policy significantly changes the services Council delivers or the way they are delivered, THEN this could put financial pressure on the district to fund investment in changes, or it may mean previous investment has become redundant.	12 Very High	<ul style="list-style-type: none"> Where a policy change may have a significant impact on the Council then we must ensure that the Council makes a submission challenging the change and suggesting alternative options. Council officers and elected members need to keep up to date with policy, and anticipate potential impacts of legislative changes and respond strategically, rather than being in a reactive position or being overly proactive. This could include joint collaboration with business and other councils, accessing alternative funding sources, or obtaining legal or professional advice. 	12 Very High

8.6 RISK RESPONSE

The Stratford District Council has a suite of response strategies for the potential risks identified above and in [Appendix 1](#), They include avoiding, exploiting, transferring/sharing, reducing or accepting the risk. These response strategies are summarised in Table 22.

Risk Management

Table 21 - Risk Response Strategies and Definitions

Response	Definitions
Avoid	To terminate exposure to a potential risk, generally the organisation needs to exit the activity which gives rise to the risk, or not start an activity which would give rise to the risk
Exploit	For risks which present an opportunity for Stratford District Council, a legitimate approach is to increase Stratford District Council's exposure to the risk; generally this would represent a situation where Stratford District Council can gain an advantage through their management of this risk.
Transfer/ Share	Risk transfer is getting another party to undertake the activity generating the risk, or getting another party to take on all or part of the risk itself.
Reduce	For risks which present a threat to Stratford District Council, but which cannot be avoided, the development of additional controls or mitigation strategies will reduce the likelihood or impact of the risk.
Accept	Accepting the risk by informed decision. This means continuing with the business activity/project as currently defined, aware of how much risk is being carried, monitoring changes in overall risk, and ensuring appropriate levels of contingency at the Stratford District Council level.

8.7 SIGNIFICANT ADVERSE EFFECTS

The Wastewater system has the potential to have a negative effect on public health, the environment, and cultural wellbeing if it fails to operate according to the required performance standards. As standards are improved, the system is upgraded to suit.

8.7.1 ENVIRONMENT

Wastewater discharge can have a significant negative effect on the environment, particularly on water quality and aquatic life if disposal standards are not met. Overflows from the wastewater system may occur during heavy rainfall which could adversely affect eco systems in the receiving environments.

The Council currently discharges treated wastewater into the Patea River from the Stratford Treatment Plant under Resource Consent 0196-5. The Taranaki Regional Council monitors the discharge of the treated wastewater. The Council will ensure compliance with the terms and standards of the Resource Consent to minimise the potential for such overflows.

8.7.2 PUBLIC HEALTH

Periodic failures in the system, such as discharge overflows in domestic reticulation systems and through street manholes, are of concern and are being addressed as a priority by Council.

8.7.3 CULTURE

There are cultural impacts associated with the continued disposal of treated wastewater into the Patea River. The Council is currently addressing these negative impacts as part of the resource consent renewal process.

8.7.4 SOCIAL

Odours from the wastewater system could be objectionable to neighbouring properties. In addition effects on the adjacent public walkway in close proximity to the treatment and discharge site.

Risk Management

8.8 CRITICALITY

Critical assets are defined as those assets that are likely to have more significant consequences than other assets if they fail. Failure of critical assets has the potential to have significant economic, social and environmental impacts for the community and Council.

Wastewater assets are considered critical by Stratford District Council.

8.8.1 CRITICALITY EVALUATION

The Stratford District Council establishes criticality by using two rating levels - activity level and corporate level.

Activity level criticality is based on the criticality criteria shown in Table 23; Table 24 provides the Activity Level Criticality Rating with examples. **Corporate level criticality** ranks activities based on the criticality of the service the activity provides at the corporate level as illustrated in Table 25 below.

Table 22 - Activity Level Criticality Criteria

Customers affected	Number of customers affected by asset failure.
Redundancy	Ability to replace or circumvent the failed asset.
Health and Safety	Direct or indirect impact of asset failure on the health of safety of individuals or the community.
Cost of failure	Cost to repair/ replace the asset including cost of temporary service provision.

Table 23 - Activity Level Criticality Rating and Examples

Rating ID	Rating	Description	Example
1	Very High	Critical, no redundancy - Failure of equipment compromises H&S directly (impact, explosion) or indirectly (failure to supply drinking water to hospital).	Oxidation Pond
2	High	Critical, no redundancy - Failure of equipment does not compromise H&S but affects production or Level of Service	Wastewater reticulation on Broadway in the CBD
3	Medium	Critical with redundancy - Failure of equipment does not compromise H&S but affects production or Level of Service	Trunk main on Swansea Rd at the Patea River
4	Low	Not critical, no redundancy - Failure of equipment has no effects on H&S and/or production/Level of Service but cost of repair/replacement is above \$100k	Trunk mains elsewhere
5	Very Low	Not critical, no redundancy - Failure of equipment has no effects on H&S and/or production/LoS and cost of repair/replacement is below \$100k	Oxidation Pond embankment

Corporate level criticality ranks activities based on the criticality of the service the activity provides at the corporate level as illustrated below in Table 25.

Risk Management

Table 24 - Corporate Level Criticality

Rating	Description
1	Roading, Water Supply assets.
2	Cemeteries. Wastewater (Sewage).
3	Solid Waste and Stormwater.
4	Property
5	Parks and Reserves

8.8.2 CRITICAL ASSETS

The AssetFinda database holds a record of the critical Wastewater assets. The identified critical assets are ranked according to their functional criticality.

Functional Criticality is a product of the Activity Criticality and Corporate Criticality, i.e.:

$$\text{Functional Criticality} = \text{Activity Criticality} \times \text{Corporate Criticality}$$

The functional criticality ranking ranks assets from 1 to 5, with 1 being the highest score (the most critical) and 5 being the lowest (least critical).

In 2017, Stratford District Council undertook an internal review of its critical assets. The review identified that there was a need to:

- Document the formula used for identifying criticality in the Asset Management Plans;
- Link criticality and critical assets to incident response; and
- Prioritise critical assets at the Activity level.

Following the review we have undertaken the following:

- Identified the formula used for identifying functional criticality. This formula is shown in the above paragraph in brackets.
- The linking of criticality and critical assets to incident response is currently being considered as part of reviewing our Incident Response Plans.

Critical assets have been prioritised at the Activity level and added to the asset register. These critical assets are listed in Table 26.

The review also confirmed that the critical assets for the Wastewater activity are as follows:

Risk Management

Table 25 - List of Critical Wastewater Assets

Criticality Rating				Asset Description	Criticality Description
Activity Priority	Functional Criticality	Activity Level	Corporate Level		
1	4	2	2	Oxidation Pond	Failure would allow a significant volume of raw sewage to escape into the Patea River placing public health at risk and cause significant impact on the environment for an extended length of the river. The event is likely to result in a prosecution by the Regional Council. The event would incur very high recovery costs and cause significant negative publicity and a loss of faith/good will by community.
2	4	2	2	Wastewater reticulation on Broadway in the CBD	Failure would allow raw sewage to flood shop basements in the CBD placing public health at risk and cause significant damage to commercial premises/stock, prolonged shop closures to clean up and reinstate. The failure would also cause severe disruption to SH 3 traffic while repair/replacement is undertaken. The event is likely to result in prosecution by the Regional Council. The event would incur very high recovery costs and cause significant negative publicity and a loss of faith/good will by community.
3	6	3	2	Trunk main on Swansea Rd over the Patea River	Failure would allow a large volume of raw sewage to escape into the Patea River causing severe public health issues and significant impact on the environment for an extended length of the river. The event is likely to result in prosecution by Regional Council. The event would incur very high recovery costs and cause significant negative publicity and a loss of faith/good will by community.
4	6	3	2	Trunk mains elsewhere	Failure would allow raw sewer overflows to several neighbouring properties placing public health at risk and potentially leading to prosecution by the Regional Council. The event would incur low to moderate costs and cause negative publicity and a loss of faith/good will by community.

Risk Management

8.9 EMERGENCY RESPONSE

8.9.1 CIVIL DEFENCE

The Taranaki Region operates a CDEM (Civil Defence Emergency Management) Group Office, called the Taranaki Emergency Management Office (TEMO). TEMO is a shared service between all four councils in Taranaki.

In 2017 The Taranaki CDEM group agreed to a constituting agreement that outlined the separate roles of the Group Office (TEMO), Taranaki Regional Council, and the three district councils. Funding for this arrangement comes from the *'Uniform Annual General Charge; (UAGC) Rates*.

The Stratford District Council has plans and resources in place to ensure it can;

- Reduce the risk of emergencies occurring;
- Be ready for an emergency;
- Respond to any emergency; and
- Recover from any emergency.

8.9.2 FIRE

Fire and Emergency New Zealand was established on 1 July 2017 and provides a single approach to improved fire management of urban and rural fires within the District. The District comprises of all lands, within the three Taranaki territorial local authority areas including those lands administered by the Department of Conservation (DOC).

8.9.3 LIFELINES

Lifeline utilities are entities that provide essential infrastructure services to the community such as water, wastewater, transport, energy and telecommunications. These services support communities, enable business, and underpin the provision of public services. The wastewater activity is a lifeline service as described in Part B of Schedule 1 of the Civil Defence Emergency Management Act (CDEMA) 2002.

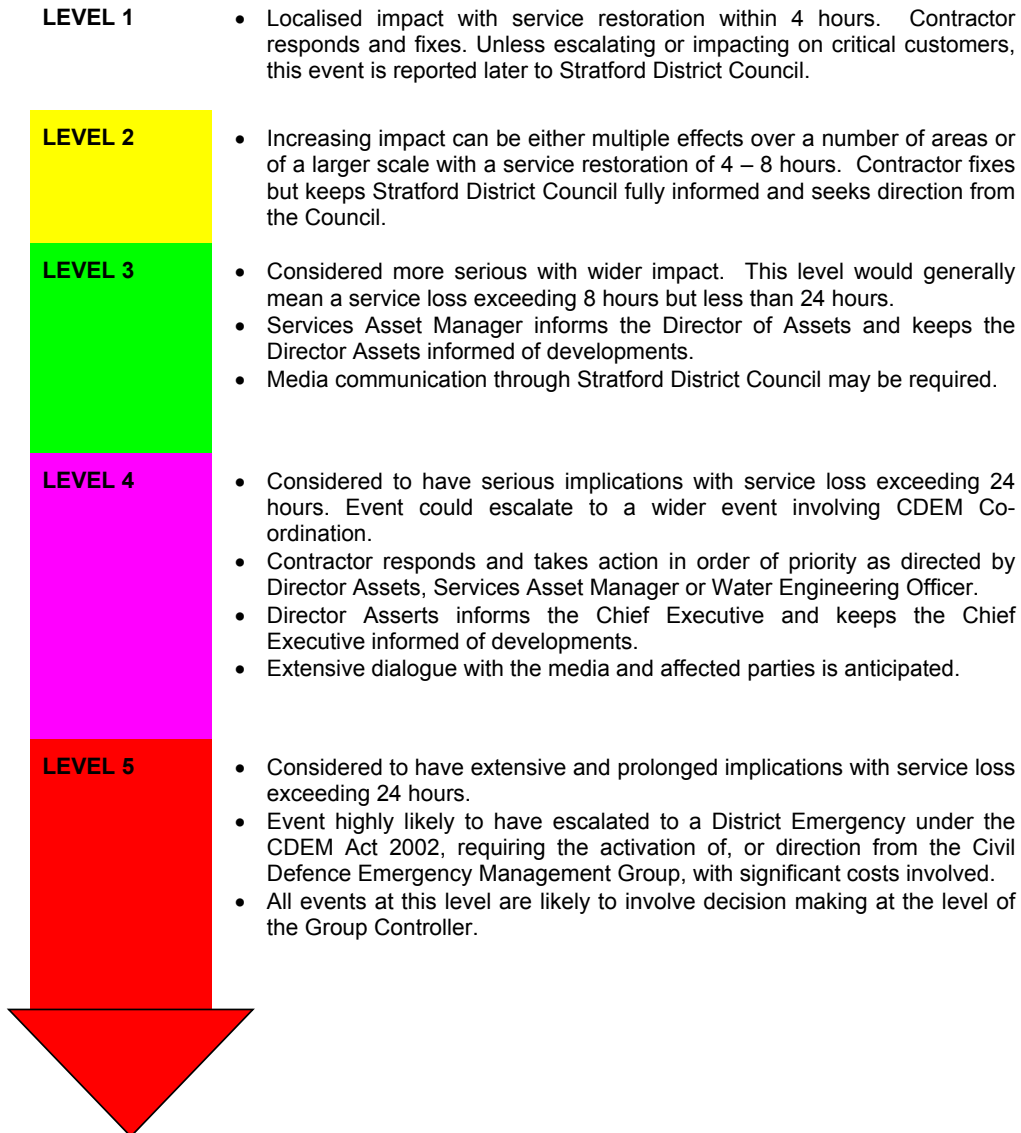
8.9.4 INCIDENT RESPONSE PLANS

Stratford District Council has an Incident Response Plan³ for the Wastewater activity. The plan contains schedules and procedures for managing incidents and escalating events that affect the delivery of services. Incidents are ranked on a scale of 1 – 5 to determine response and control level. See Figure 24.

³ D17/26535

Risk Management

Figure 24 - Incident Response Plan



Risk Management

8.10 RISK INSURANCE

The Local Government Act 2002 requires that from 2014 details of insurance of assets be included. This information is included in the following table. Insurance Arrangements as at 30 June 2020 are as follows:

Figure 25 - Asset Insurance Valuations

	CARRYING VALUE (as at 30 June 2020) \$000
ASSETS FROM STATEMENT OF FINANCIAL POSITION	
Property, plant and equipment	328,554
Investment property	168
Total	328,722
LESS	
Land component of operational assets	-8,998
Land under roads	-54,384
Land – restricted assets	-8912
Total	-72,294
NET NON-FINANCIAL ASSETS (EXCLUDING LAND)	256,428

	INSURED VALUE (as at 30 June 2020) \$000	
INSURANCE ARRANGEMENTS		
Material damage cover for buildings, plant, contents	-51,317	Subject to various deductibles including \$5k for most claims except for earthquake or volcanic eruption where deductible is 5% of sum insured or 10% for pre 1935 buildings.
Motor vehicle insurance cover (including leased vehicles)	-183	Insured for market value – carrying value assumed for this purpose.
RISK SHARING ARRANGEMENTS		
Cover for infrastructure assets as a member of LAPP	-22,100	Sum equates 40% of the ORV value of scheduled assets. A deductible of \$150,000 applied. It is anticipated (though cannot be guaranteed) that under the terms contained in the Guide to Civil Defence Emergency Management Plan central government may fund 60% of the qualifying cost of reinstating essential infrastructure with a deductible of \$150,000
Central Government assistance		
Council arrangements for covering deductibles and/or uninsured assets	73,600	
SUM NOT SPECIALLY INSURED	182,828	Note the 60% of the ORV of infrastructure assets which may be funded by central government equates \$33.1m.

The Council has no insurances relating to financial or intangible assets. The uninsured assets consist of the Roding Network, \$202m, which NZTA may assist with in the event of an emergency.

Risk Management

8.11 PUBLIC HEALTH

8.11.1 ASSESSMENT OF WATER AND SANITARY SERVICES

In 2021, Stratford District Council undertook its second assessment of water and sanitary services. The purpose of the assessment was to determine, from a public health perspective, the adequacy of water and sanitary services available to communities. For the Wastewater activity the assessment focused on:

- the health risks arising from any absence or deficiency;
- the quality of services available to communities within the district; and
- the current and estimated future demands for such services;

The assessment concluded that:

- The current system can be extended to meet increased demand provided hydraulic issues associated with inflow volumes and outflow ground water infiltration into the reticulation can be resolved;
- Planned works over the next 10 years to decrease stormwater infiltration is expected to reduce pressure on the network linked to hydraulic issues.

While no new actions were identify, the 201 Actions still apply and they are for Council to:

- *Continue to address ground water infiltration into the wastewater reticulation within the Stratford community; and*
- *Continue to extend the wastewater reticulation to areas of medium to high density housing within the Stratford community.*

In relation to areas of the District where Council does not provide wastewater services, the assessment concluded that:

- There are no public health issues at this time;
- Where there is further development intensive use of septic tank disposal systems has the potential to cause health issues;
- There is the potential for increased demand for service in Stratford;
- The use of individual septic tanks is expected to remain appropriate wastewater treatment system un-serviced areas;
- There is no increase in demand for service; and
- No public health issues have been identified at this time.

The only action required by Council is to ensure *the proposed District Plan provisions have required section sizes suitable for septic tank installation, disposal and reserve areas.*

8.12 HEALTH AND SAFETY

8.12.1 HEALTH AND SAFETY ADVISOR

Stratford District Council employs a Human Resource/Health and Safety Advisor. The Advisor is responsible for the ongoing development and management of our HSE environment and ensuring staff are adequately trained in all aspects of health and safety.

8.12.2 HEALTH AND SAFETY POLICY

In 2019 Stratford District Council reviewed and updated its Health and Safety Policy to better reflect legislative requirements reinforce its commitment to the philosophy that the health and safety of its employees, volunteers, contractors and subcontractors is of prime importance. SDC is committed to ensuring its operations are conducted in a safe and efficient manner that will not incur injury to personnel or damage to the environment.

Risk Management

8.12.3 INCIDENT/ACCIDENT REPORTING

In accordance with the Stratford District Council Health and Safety Policy all Council staff are required to report any accidents/incident. Accidents/incidents are reported via the Vault incident reporting system. Vault was integrated into Stratford District Council in 2016 as part of a joint initiative between Stratford District Council and South Taranaki District Council.

8.13 IMPROVEMENT PLAN

Actions identified in this Section for improving management of the asset are as follows:

Table 26 - Risk Management Improvement Plan

Sub Section	Task	Due Date
8.7.1	<p>Infiltration of Groundwater</p> <p>Continue addressing ground water infiltration into the wastewater reticulation to ensure continued an efficient performance of critical asset</p>	On-going
8.7.1	<p>Trade Waste Implementation</p> <p>Continue to Implement the Trade Waste Bylaw to ensure all non-domestic wastes are identified and captured under the necessary conditions to avoid critical asset failure</p>	On-going

9.0

Investment Funding Strategy

Investment Funding Strategy

9.0: Investment Funding Strategy

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Investment Funding Strategy

9.1 OVERVIEW

Our Investment Funding Strategy (IFS) incorporates our *Funding Impact Statement* and sets out how the Stratford District Council plans to finance its overall operations to meet its objectives now and in the future. A key objective of the strategy is the future-proofing of delivery of the Wastewater Activities.

This IFS provides the long term financial forecasting for all Wastewater Activities and projects described in this WWAMP. The IFS presents the funding sources determined for each of these to ensure a sustainable long-term approach to planning and asset management.

The historical cost for the Wastewater Activity by asset group is described in detail in the *Lifecycle Management* Section. This section presents the Council's Capital Investment Strategy for the Wastewater Activities for the next ten years and the financial standards and policies used in developing the strategy.

9.2 FINANCIAL STANDARDS

All prospective Financial Statements (financial statements) within this plan comply with the requirements of FRS 42 issued by the New Zealand Accounting Standards Board of the External Reporting Board (XRB), and the New Zealand equivalent of International Reporting Standard for Public Benefit Entities (NZ IFRS PEB), with Council designating itself as a Tier 2 public benefit entity for the purposes of compliance with these standards.

9.3 FUNDING AND FINANCIAL POLICIES

The Local Government Act in Section 102 requires that the Stratford District Council '*must, in order to provide predictability and certainty about sources and levels of funding, adopt the funding and financial policies listed*' below:

- A *Revenue and Financing Policy*; and
- A *Liability Management Policy*; and
- An *Investment Policy*; and
- A policy on *Development Contributions (CD) or Financial Contributions (FC)*; and
- A policy on the *Remission and Postponement of Rates on Maori freehold land*.

The Council may also adopt either or both the *Rates Remission Policy* and a *Rates Postponement Policy*.

The Council has adopted all the relevant funding and financial policies described below. These policies guide the funding and financial decisions relating to the management of the Council's Wastewater Assets.

9.3.1 REVENUE AND FINANCING POLICY

The *Revenue and Financing Policy* sets out Stratford District Council's policies in respect of the funding for capital and operating expenditure. The current policy was reviewed in December 2017 and is due for renewal in 2021. The funding sources are detailed in the LTP 2021-2031 and include general and targeted rates, borrowing, grants and subsidies, etc.

9.3.2 TREASURY MANAGEMENT POLICY

The Council's Treasury Management Policy incorporates the *Liability Management Policy* and the *Investment Policy* requirements of the LGA. It guides the Council to prudently manage its revenue, expenditure, assets, liabilities, reserves and investments, in the interest of the Council and district ratepayers. The current policy was reviewed in 2019.

Investment Funding Strategy

9.3.3 DEVELOPMENT AND FINANCIAL POLICY

The Council's *Development and Financial Contribution Policy* is consistent with the purpose as set out in Section 106 of the LGA. The Council does not require *Development Contributions*, however, the *Financial Contributions Policy* meet the requirement as set out in Section 108 (9) of the *Resource Management Act* (RMA) 1991.

9.4 FUNDING OUR INVESTMENT STRATEGY

Capital projects and activities carried out to maintain the Wastewater service, including Renewal or Replacement projects and Level of Service Improvements, for the next 10 years will be funded as per the Revenue and Financing Policy, through one or a combination of the following sources:

- Loans;
- Reserves; and/or
- Subsidies/ Grants by other Partners.

The Council expects that:

- All Level of Service Improvement projects for all the Three-Waters Activities will be funded 100% from Loans;
- Renewal or Replacement projects will be equally funded from Loans and Reserves; and
- While the cost of capital projects driven by growth and led by a private Developer will be borne by the Developer, any Council-led projects in support of growth will be accounted for within the particular project budget rather than by activity budgets.

The Council is very pro-active in seeking alternate funding sources. Where appropriate, the Council submits funding requests to the *TSB Community Trust (TSB)* and the *Taranaki Electricity Trust (TET)*. The Council also applies to the *Ministry of Business, Innovation and Employment (MBIE)* for tourism grants and initiatives

A summary of Council's Capital Investment Funding Strategy is shown in Figures 26 - 28. Tables 28 and 29 provides the financial projections for the wastewater activity.

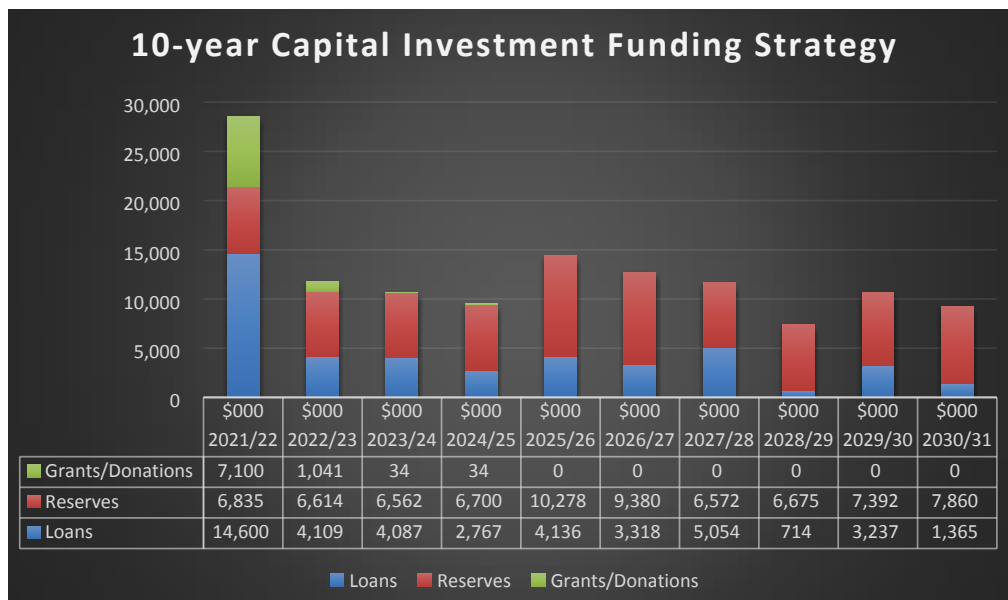


Figure 26 - All Assets Capital Investment Funding Strategy

Investment Funding Strategy

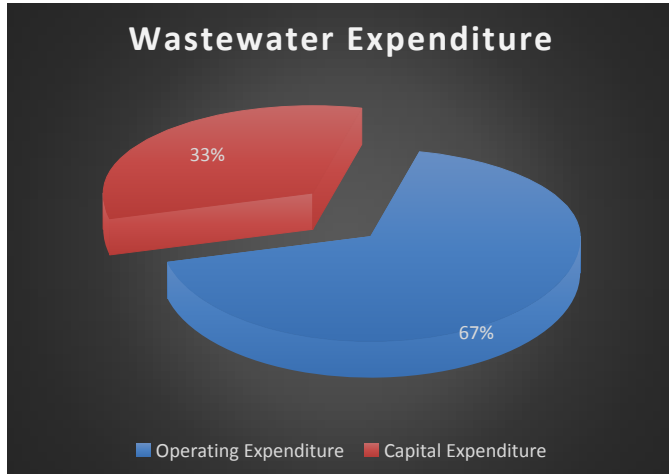


Figure 27 - Wastewater Expenditure - Capital vs Operating Expenditure

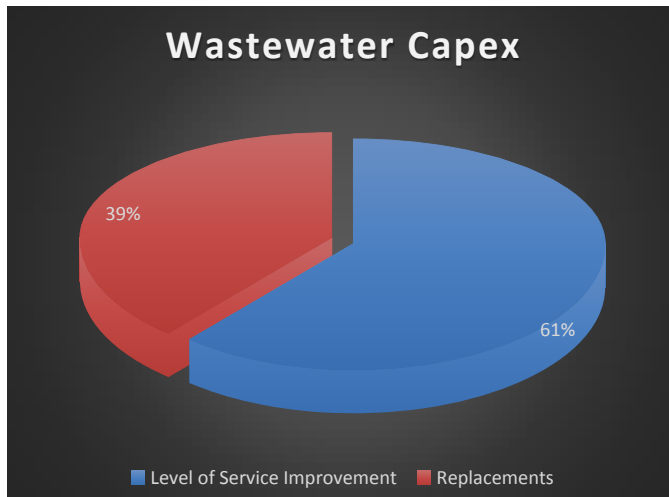


Figure 28 – Wastewater Capital Investment Split – Level of Service vs Replacement

9.5 RELIABILITY OF OUR INVESTMENT STRATEGY

The Council provides an assessment of the reliability of its Investment Funding Strategy below – overall, the forecast is considered a reliable estimate of the financial investment in the Wastewater Activity:

- The Council's funding source is largely from rates. Rates will be confirmed for the 2021-2024 period via the appropriate processes for inclusion in the LTP 2021-2031. Once adopted, the rates in the LTP 2021-2031 will constitute a reliable funding source for the delivery of Wastewater Activities;
- The Council is confident in its ability to raise funds within our financial strategy limits, and is reasonably certain that it would secure loans at an affordable interest rates throughout this period.
- The Council relies on *Fees and Charges* or *Development Contributions* to deliver wastewater services. Any new demand for new assets to be vested in Council or services will generally be funded by the direct beneficiary of the assets/service.

9.6 FINANCIAL STATEMENTS AND PROJECTIONS

Table 27 – All Asset Capital Expenditure Projection

	Forecast	Projection								
	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
<u>Roading</u>										
Level of Service Improvement	350	619	1,221	929	7,028	5,554	417	306	630	324
Replacements	5,413	4,983	4,920	4,983	4,977	5,085	5,436	5,446	5,983	6,452
<u>Stormwater</u>										
Level of Service Improvement	252	292	533	275	283	291	300	310	321	331
Replacements	53	55	56	167	59	61	63	65	67	122
<u>Water Supply</u>										
Level of Service Improvement	1,780	1,904	369	673	390	401	4,289	37	38	0
Replacements	695	812	510	414	443	496	452	486	502	498
<u>Solid Waste</u>										
Level of Service Improvement	0	0	0	0	0	0	0	0	0	0
Replacements	0	10	0	11	0	11	0	12	14	12
<u>Wastewater (Sewerage)</u>										
Level of Service Improvement	800	362	380	273	281	288	238	184	178	839
Replacements	213	252	258	200	228	211	218	262	271	305
<u>Parks & Reserves</u>										
Level of Service Improvement	97	110	99	69	0	0	0	0	0	0
Replacements	47	0	0	0	0	0	0	0	0	0
<u>Property</u>										
Meet Additional Demand	1,200	1,025	1,049	0	0	0	0	0	0	0
Level of Service Improvement	17,335	1,112	609	607	442	171	64	63	2,454	68
Replacements	114	6	59	114	7	7	7	7	17	8
<u>Administration</u>										
Replacements	186	222	621	788	276	121	142	210	153	266
<u>TOTAL PROJECTS (excl GST)</u>										
	28,535	11,764	10,683	9,501	14,414	12,698	11,626	7,389	10,629	9,225
<u>FUNDING</u>										
Loans	14,600	4,109	4,087	2,767	4,136	3,318	5,054	714	3,237	1,365
Section sales	0	0	0	0	0	0	0	0	0	0
Cash from Investments	0	0	0	0	0	0	0	0	0	0
Reserves	6,835	6,614	6,562	6,700	10,278	9,380	6,572	6,675	7,392	7,860
Grants/Donations	7,100	1,041	34	34	0	0	0	0	0	0
Rates	0	0	0	0	0	0	0	0	0	0
NZTA Financial Assistance	0	0	0	0	0	0	0	0	0	0
<u>TOTAL (excl GST)</u>										
	28,535	11,764	10,682	9,501	14,414	12,698	11,626	7,389	10,629	9,225

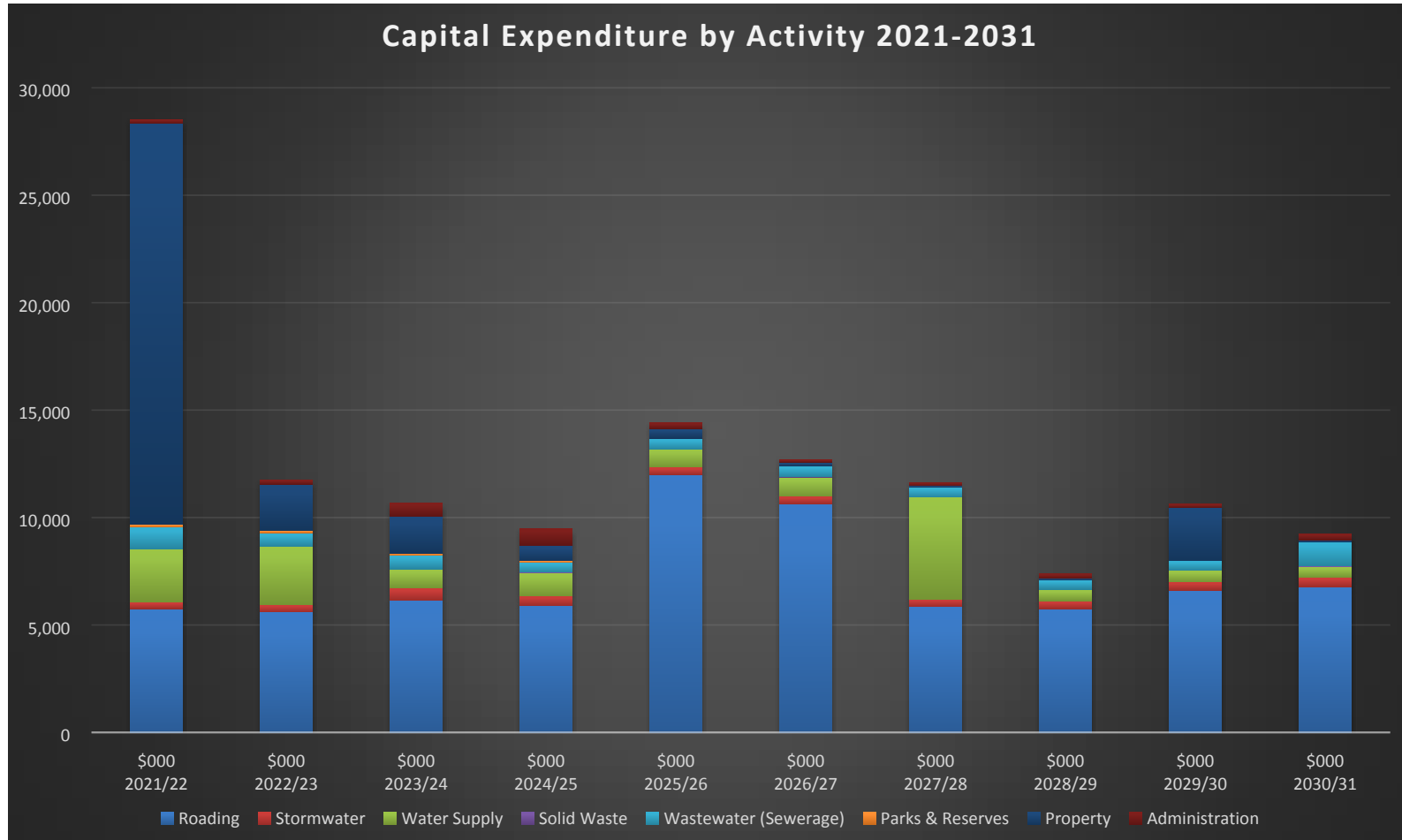


Figure 29 - Capital Expenditure by Activity - All Assets

Table 28 - Wastewater Activity Expenditure and Funding Projection

Budget 2020/21		Forecast 2021/22	Projection								
			2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
\$000		\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
993	Operating Expenditure	1,058	1,073	1,110	1,199	1,206	1,241	1,343	1,346	1,377	1,487
73	Revenue	73	75	77	78	80	82	83	85	87	89
920	Net Cost of Service	985	998	1,034	1,121	1,126	1,159	1,259	1,261	1,289	1,398
<u>EXPENDITURE</u>											
423	Operating Costs	452	428	439	472	461	473	508	497	510	547
59	Interest	42	53	59	72	76	81	101	103	104	115
300	Depreciation	311	331	340	380	387	394	440	446	451	510
211	Allocated Overheads	254	261	273	275	281	294	294	300	312	315
993	Total Operating Expenditure	1,058	1,073	1,110	1,199	1,206	1,241	1,343	1,346	1,377	1,487
91	Principal Loan Repayments	76	96	107	116	122	129	134	137	139	154
687	Capital Expenditure	1,013	614	638	472	508	500	456	446	449	1,145
1,771	Total Expenditure	2,147	1,783	1,855	1,787	1,836	1,869	1,933	1,930	1,965	2,785
<u>FUNDED BY:</u>											
73	Charges for Services	73	75	77	78	80	82	83	85	87	89
73	Revenue	73	75	77	78	80	82	83	85	87	89
881	Targeted Rates	936	985	1,021	1,107	1,112	1,146	1,245	1,248	1,278	1,387
36	Transfers (to) from Reserves	36	0	0	0	0	0	0	0	0	0
293	Transfer from Reserves	289	348	365	316	350	340	352	399	410	459
0	Depreciation funded from Reserves	0	0	0	0	0	0	0	0	0	0
485	Loan Funding - Capital	800	362	380	273	281	288	238	184	178	839
3	Other Funding	13	13	12	14	13	13	14	13	12	10
1,771	Total Funding	2,147	1,783	1,855	1,787	1,836	1,869	1,933	1,930	1,965	2,785

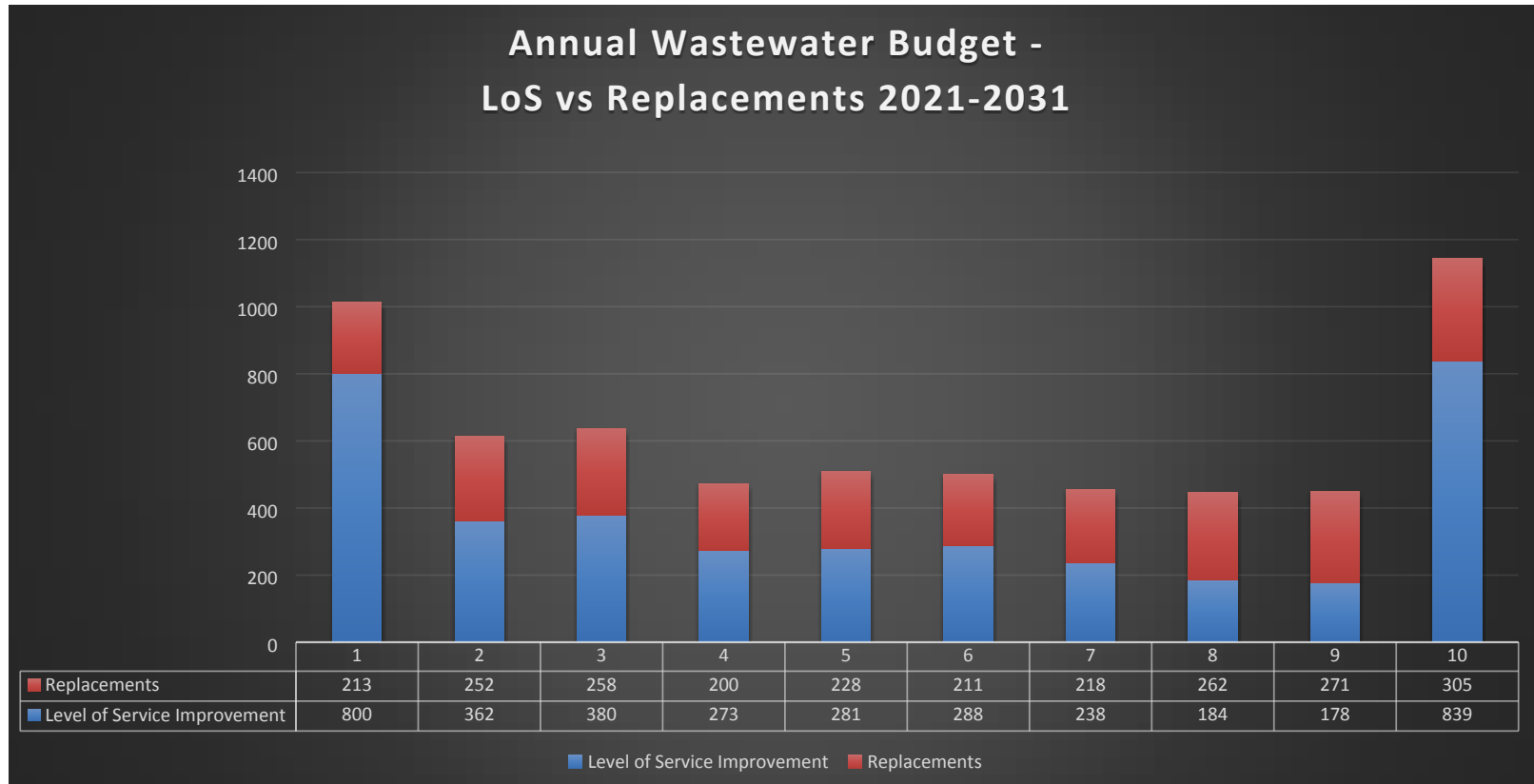


Figure 30 - 10 Year Capital Expenditure Budget - Wastewater

10.0

Asset Management Practices and Improvement Plan

Asset Management Practices and Improvement Plan

10.0: Asset Management Practices and Improvement Plan

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Asset Management Practices and Improvement Plan

10.1 OVERVIEW

Asset management improvement planning is a process. It enables Council to improve the way it manages infrastructure assets and the services they provide.

The Asset Management Practices and Improvement Plan section identifies the maturity of Stratford District Council asset management practices, improvements made since the last Asset Management Plan review and a plan for future asset management improvements resulting from areas for improvement identified in earlier Sections of this plan



Figure 31 - Asset Management Improvement Process

10.2 ASSET MANAGEMENT PRACTICES

10.2.1 ASSET MANAGEMENT POLICY

Stratford District Council developed and adopted its inaugural Asset Management Policy in 2016 and a review was completed in 2020. The Policy establishes the first level of Council’s asset management framework for managing infrastructure assets in a structured, coordinated, and financially sustainable manner. The objectives of this Policy are:

- Provide for a consistent approach to asset management planning within Council and ensure plans reflect the strategic direction of Council.
- Demonstrate to the community that Council recognises the critical importance of managing the District’s assets and related activities in an effective and sustainable manner in order to deliver appropriate Levels of Service to current and future generations.
- Confirm a coordinated process for each asset/activity area that links their contribution to the Community Outcomes with specific Levels of Service performance requirements and desired improvement priorities and strategies.

The Council’s Asset Management Policy can be viewed on the Stratford District Council website.

10.2.2 ASSET MANAGEMENT GOALS AND OBJECTIVES

The Council’s Asset Management goals and objectives are guided by the Asset Management Policy to drive best practice. The Asset Management goals and objectives for Stratford District Council are to:

- Provide for a consistent approach to asset management planning to ensure plans reflect the strategic direction of Council.
- Demonstrate to the community that Council will manage the District’s assets and related activities in a safe, cost-effective and sustainable manner to deliver agreed LoS to current and future generations.
- Confirm a coordinated process for each asset/activity area that links their contribution to the Community Outcomes with specific LoS performance requirements and desired improvement priorities and strategies.

The Council’s overarching principles for sound asset management are:

Asset Management Practices and Improvement Plan

- Asset management goals and objectives are aligned with corporate objectives and community outcomes.
- Affordable and financially sustainable AMPs are developed to industry standard appropriate for the scale of assets and associated risks being managed.
- AMPs reflect the priorities of the Council and are used to drive the day to day management of assets and the associated services;
- Capital, operation and maintenance, and renewal/replacement works are aligned with asset management objectives.
- Sustainability and sustainable development are considered in the selection of options for asset development and service delivery.
- Asset management strategies are established through the use of optimised lifecycle management and costing principles.
- Funding is allocated for the appropriate level of maintenance for assets to deliver the required LoS.
- Accurate, up to date asset data is collected for analysis and use throughout asset management planning processes.
- A strategic management approach is taken to improvement planning, asset management plan development and implementing improvement practices.
- Growth and demand forecasting will be integrated as part of all asset management planning to meet current and future needs of the community.
- Risk management will be integrated as part of all asset management planning to recognise the risks associated with the delivery of agreed LoS and manage them appropriately;
- Design, construction and maintenance of assets, so far as reasonably practical, are without risk to the health or safety of any person.

10.2.3 ASSET MANAGEMENT PLAN DEVELOPMENT

Planning processes tend to be circular with built in reviews. The AMP and LTP need to have regular review cycles so that they remain current and deal with issues at the time. An important function of the review cycle is to monitor performance against the goal levels of service and KPIs that were set some years before.

The AMPs are reviewed every three years in line with the 10 year long term planning cycle but work programmes can change annually. These changes can be brought about by outside pressure, weather events, budget constraints and new projects becoming apparent.

The ability to become responsive each year is through the annual planning process. The AMP details goals, levels of service, goals, KPIs and targets which contribute to Stratford's organisational vision for the district and community.

The review process considers the overall impact of the planned programme to deliver the defined levels of service through the on-going development of the AMP. This review/AMP development process moderates competing priorities within the context of community affordability and may result in some projects being deferred or budgets being re-prioritised. Figure 31 below shows a graphical display of the AMP development process.

10.2.4 ASSET MANAGEMENT MATURITY

We have assessed that our asset management system maturity is predominantly at the Core level. It is largely based on the long-term knowledge of the asset management team. It contains asset data that has been collected over time and held in asset management information systems.

Through continual improvement and development of asset management practices and processes it is our intention that the asset management plans progressively improve.

Our target is to develop our asset management practices and processes to an Intermediate level of maturity where appropriate. The Council in the process of assessing our asset management maturity level to identify areas for improvement. The Council is considering options for undertaking a formal

Asset Management Practices and Improvement Plan

assessment of our asset management maturity. The five levels of asset management plan maturity are shown in Figure 32 and are Aware, Basic; Core; Intermediate and Advanced.

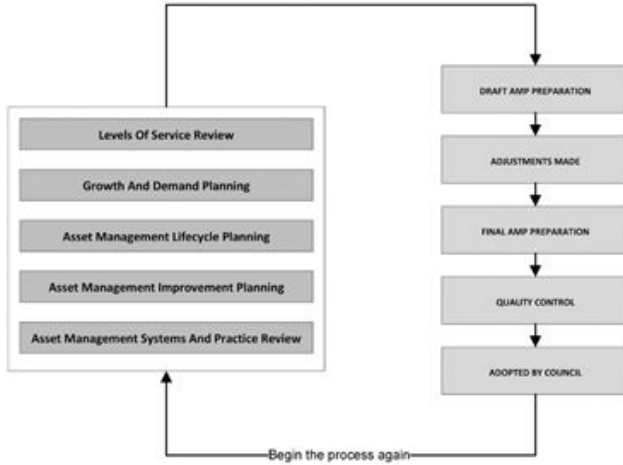


Figure 32 - Asset Management Plan Development Process



Figure 33 - Asset Management System Maturity Index

Asset Management Improvement Plan and Monitoring

10.3 ASSET MANAGEMENT IMPROVEMENT PLAN

Table 29 - Asset Management Improvement Plan

Asset Management Practice Area	Improvement/s Made	Date in Place	Future Improvements	Section Identified	Responsibility	Due Date
Asset Information	Information data Tablets fully integrated for Three Waters data collection and entry into AssetFinda.	2016	Update asset condition data Continue to use information collected from maintenance tasks to update asset condition data	3.7	Asset Services Manager Plant Engineer	On-going
	Asset Register Data Process for verifying data accuracy now in place and documented in Asset Management Plan.	2016	Improve condition data accuracy and reliability The issues related to condition data for <u>below ground</u> wastewater supply assets does not allow Council to accurately forecast remaining useful life. However, using the information collated from both 'scheduled' and 'reactive' maintenance (under the Services Maintenance Contract 2014), Council is able to update asset condition data regularly. Over time as maintenance and renewals are carried out, the condition information will improve. Therefore, the implementation of additional major projects to assist Council in improving condition data information is not required.	3.7	Asset Services Manager Plant Engineer	On-going
Future Growth and Demand	N/A	2018	Further analysis to determine how the impacts of growth and customer expectation will affect the structural integrity of an aging Wastewater Infrastructure network.	4.3	Director, Assets Asset Services Manager	On-going
	N/A	2018	Continue to use information collected from maintenance tasks to update asset condition data	4.3	Asset Services Manager Plant Engineer	On-going
Level of Service Performance	DIA Measures Department of Internal	2018	Resource Consent Pursue an environmentally - friendly, cost-effective and	5.4	Director, Assets Asset Services	On-going

Asset Management Improvement Plan and Monitoring

Asset Management Practice Area	Improvement/s Made	Date in Place	Future Improvements	Section Identified	Responsibility	Due Date
	Affairs (DIA) Mandatory Performance Measures in place.		sustainable solution in renewing the Resource Consent for the discharge of treated wastewater into the Patea River		Manager	
	N/A	N/A	Continue to produce high quality discharges to the Patea River through environmentally - friendly, cost-effective and sustainable treatment measures in the oxidation pond.	5.4	Director, Assets Asset Services Manager	On-going
Lifecycle Management	N/A	N/A	Optimise AssetFinda Capabilities Maximise AssetFinda capabilities for predictive modelling purposes	7.3	Asset Services Manager Plant Engineer	On-going
	N/A	N/A	Condition Assessment Continue to undertake CCTV Condition Assessment the wastewater reticulation assets, to ascertain the useful and remaining lives of these assets	7.5	Asset Services Manager Plant Engineer	On-going
Risk Management	N/A	N/A	Infiltration of Groundwater Continue addressing ground water infiltration into the wastewater reticulation to ensure continued an efficient performance of critical asset	8.7	Asset Services Manager Plant Engineer	On-going
	N/A	N/A	Trade Waste Implementation Continue to Implement the Trade Waste Bylaw to ensure all non-domestic wastes are identified and captured under the necessary conditions to avoid critical asset failure	8.7	Asset Services Manager Plant Engineer	On-going
AM practices and Improvement Plan	N/A	2018	Document Management Document template updated to better reflect IIMM, Audit and NZTA requirements.	10	Director, Assets Asset Services Manager	On-going

Asset Management Improvement Plan and Monitoring

Asset Management Practice Area	Improvement/s Made	Date in Place	Future Improvements	Section Identified	Responsibility	Due Date
			Draft documents saved to TRIM to enable direct contribution from Asset Managers.			
	AM Policy Development Asset Management Policy developed and adopted by Council.	2016	Review completed May 2020.	10	Director, Assets Asset Services Manager	Ongoing

Appendices

Appendices

- Appendix 1 - Wastewater Risk Assessment**
- Appendix 2 - Wastewater Operational Documents**

Appendices

Appendix 1 - Wastewater Risk Assessment

COMPLIANCE AND LEGISLATION RISKS

1. Compliance and Legislation Risk Assessment				
Risk Subject	Risk Description	Risk Score Raw	Control Description	Residual Risk Score
Legislation Changes TOP TEN RISK	IF changes to legislation or case law occur and are not implemented by staff, THEN council may be acting illegally and in breach of legislation	8 High Unlikely/ Major	<ul style="list-style-type: none"> Staff will implement the changes Regular review and update Legislative Compliance Register. Staff training and attending relevant industry conferences. Regular policy review to ensure policies and procedures are in line with legislation changes. Ensure maintenance contractor and staff are up to date with legislative requirements through regular updates of legislative compliance register Subscribe to regular email updates from local government and relevant industry bodies, Council list server to ensure staff are notified of legislative changes. 	1 Low Rare/ Serious
Incorrect Planning Advice	IF Council gives out wrong advice on LIM, or issues Resource Consent when it should not have, THEN it could be subject to a judicial review or similar form of dispute process involving legal costs, possible fines, and reputational damage.	3 Moderate Unlikely/ Serious	<ul style="list-style-type: none"> Quality assurance. Resourcing and ongoing training of competent staff. Low tolerance for poor quality documentation from consent applicants. Good quality legal counsel. Council has professional indemnity, public liability, and statutory liability insurance. 	1 Low Rare/ Serious
Statutory Reporting Commitment	IF Council does not meet statutory commitments (eg for reporting to the national monitoring system) THEN it may be acting illegally and receive attention from Ministry which could result in financial penalty and council functions being removed, or elected members being replaced.	3 Moderate Unlikely/ Serious	<ul style="list-style-type: none"> Quality assurance. Resourcing levels maintained. Schedule of dates and commitments is regularly maintained and updated by Quality Assurance officer. Regular review and update of Legislative Compliance Register. 	1 Low Rare/ Serious
Bylaws and Policies TOP TEN RISK	IF Council fails to keep Policies and Bylaws up to date, THEN the Policies and Bylaws may become unenforceable and irrelevant, and council could be acting illegally, or the policy is not fit for purpose.	8 High Unlikely/ Major	<ul style="list-style-type: none"> Quality assurance, Resourcing levels maintained. Regular Policy Schedule review by CEO. Regular review of Bylaw timetable maintained in Content Manager. 	3 Moderate Unlikely/ Serious

Appendices

DATA AND INFORMATION RISKS

2. Data and Information Risk Assessment				
Risk Subject	Risk Description	Risk Score Raw	Control Description	Residual Risk Score
Systems Down - Natural Disaster/Pandemic TOP TEN RISK	IF there is a natural disaster THEN systems may be down temporarily, reduction in worker productivity, unable to respond to customers, data unavailable, potential permanent loss of data.	8 High Unlikely/Major	<ul style="list-style-type: none"> • Backups done daily and stored off-site. • Most critical data is in the cloud, data centre is overseas so workers can access system remotely from anywhere. • Civil Defence will make hardware available for emergency response. 	3 Moderate Unlikely/Serious
Server Failure TOP TEN RISK	IF the server failed THEN systems down, data unavailable, potential data loss	12 Very High Possible/Major	<ul style="list-style-type: none"> • Restore from backup, backups stored off-site. • Fail-over for Melbourne data centre replicates to Sydney data centre. 	3 Moderate Unlikely/Serious
Records Handling	IF hard copy protected records are handled in a way that could cause damage, degradation or disorganisation, THEN this could lead to loss of protected records, non-compliance with legislation and potential financial penalties.	1 Low Rare/Important	<ul style="list-style-type: none"> • Access to archives is limited to trained staff. • Ensure the Information Management Specialist is fully trained in all areas of protected records management. • Maintain a register of archived records, and a process by which records will be archived. • Storage area must be restricted and temperature controlled. 	1 Low Rare/Important
Unapproved online platforms used	IF unapproved online platforms are used for Council business, THEN Council sensitive information and individual private details could be hacked and made available publically.	4 High Possible/Serious	<ul style="list-style-type: none"> • All Council information should only be stored on platforms that are approved by IT and gone through proper procedures and checks by IT. 	1 Low Rare/Serious

Appendices

FINANCIAL RISKS

3. Financial Risk Assessment				
Risk Subject	Risk Description	Risk Score Raw	Control Description	Residual Risk Score
Accessing Funding	IF incorrect assessment is made to determine required maintenance funding, all funding options are not sought, or insufficient funding is made available THEN Council may miss out on funding and Council has to fully fund projects.	3 Moderate Possible/ Important	<ul style="list-style-type: none"> Ensure funding assessments are carried out by sufficiently experienced personnel and strong cases are made for funding. A system should be established to regularly monitor all available funding for council projects. 	1 Low Rare/ Important
Internal Financial Controls	IF internal financial controls are compromised and ineffective, THEN possible fraud, budget blowout, delayed service	4 High Possible/ Serious	<ul style="list-style-type: none"> Good quality controls. Implement annual external and internal audit recommendations. Adhere to Procurement and Delegations Policy. Communications of internal controls to all staff. Recommend internal audit programme every year by independent contractor. 	1 Low Rare/ Serious
Procurement contracts	IF procurement contracts entered into are not cost-effective and do not comply with Council's Procurement Policies THEN council projects could go over budget and council procurement could be subject to industry, media, legal scrutiny.	6 High Likely/ Serious	<ul style="list-style-type: none"> Ensure procurement policy and procurement manual are appropriate, comply with legislation and good practice, and followed by all staff and significant contracts are reviewed by an independent professional. 	1 Low Rare/ Serious
Significant Population Reduction	IF there is a significant population reduction, resulting in loss of ratepayer base and reduction in property values - THEN this could result in higher rates for others and significant cost reductions may be required.	3 Moderate Unlikely/ Serious	<ul style="list-style-type: none"> Ensure variable costs are clearly identifiable, and therefore able to be isolated and adjusted if ratepayer base reduced. Council actions to align with council mission and vision to make Stratford a great place to live. 	3 Moderate Unlikely/ Serious
New Regulations require Significant Investment	IF new environmental regulations or legislation imposed on councils requires a significant increase in capital expenditure, THEN ability to finance investment could be compromised and rates increases could breach limits.	3 Moderate Possible/ Important	<ul style="list-style-type: none"> Attempt to keep debt and expenditure low and achieve cost efficiencies regularly so that council can weather any necessary investment in order to be compliant with changing legislative environment. 	1 Low Rare/ Serious
Theft by Contractors	IF contractors have unrestricted access to council property and/or information, THEN there is an opportunity for theft and consequently loss of	2 Moderate Unlikely/	<ul style="list-style-type: none"> All contractors must go through a pre-qualification process. Visitors to Council buildings must sign in. 	1 Low

Appendices

3. Financial Risk Assessment				
Risk Subject	Risk Description	Risk Score Raw	Control Description	Residual Risk Score
	Council assets.	Important	<ul style="list-style-type: none"> Access to the building has now been restricted with the use of fobs. Protected records are stored in a safe or locked storage room. 	Rare/ Serious
Inadequate financial provision to fund asset replacement	IF there is inadequate financial provision in reserves to fund the replacement of assets, THEN the Council may have to borrow more than expected, or asset replacement may need to be delayed which may affect service level performance.	3 Moderate Possible/ Important	<ul style="list-style-type: none"> Ensure annual depreciation is based on accurate fixed asset values (replacement cost) and accurate useful lives. Assets should not, unless necessary, be replaced before the end of their useful life. 	1 Low Rare/ Important
Bribery and Corruption	IF elected members or staff act in a way that is, or is perceived to be, influenced by Bribery or Corruption, THEN the Council's reputation could be damaged, there is potential for legal action against Council, increased scrutiny by the Office of the Auditor General. There is also the risk that Council could have lost financially, or in some other way, by entering into an unethical contract.	3 Moderate Unlikely/ Serious	<ul style="list-style-type: none"> Ensure HR Policy, Procurement Policy, Anti-Fraud and Corruption Policy and Elected Members' Code of Conduct cover these areas sufficiently and that guidance is given to all staff and elected members at least annually on conflicts of interest, and Policies are widely distributed within Council and made available to all staff, particularly new staff. The Fraud Policy includes a process for reporting any suspected instances of bribery and corruption - ensure this is widely available and all staff are aware of reporting process. 	1 Low Rare/ Serious
Management Override of Internal Controls	IF a Manager uses their unique position to override internal controls, THEN the financial statements may be incorrect and potential fraud may result.	4 High Possible/ Serious	<ul style="list-style-type: none"> Audit and Risk Committee oversight. Internal and External audits annually. Fraud Policy awareness training. Regular review of policies to ensure in line with best practice. SLT to undergo ethics training. Full reference checking of at least one recent, direct manager (particularly for financial and management roles). Zero tolerance for any bullying type behaviour. 	1 Low Possible/ Minor

Appendices

HEALTH AND SAFETY WELLBEING RISKS

4. Health and Safety Wellbeing Risk Assessment				
Risk Subject	Risk Descriptions	Risk Score Raw	Control Description	Residual Risk Score
Lone Worker TOP TEN RISK	If a staff member is seriously injured or killed during field inspections/site visits, then possible health and safety breaches, death or serious injury.	12 Very High Possible/ Major	<ul style="list-style-type: none"> • Complete quality assurance, Ongoing training/awareness of HSE requirements and responsibilities • Better use of council data/knowledge base on dangerous or insanitary sites before staff member deploys to site • Use of GPS tracking, mobile phone tracking 	3 Moderate Unlikely/ Serious
Council Vehicle accident	If a staff member has an accident in a council vehicle, then this could result in possible death or serious injury and damage to motor vehicle asset.	4 High Possible/ Serious	<ul style="list-style-type: none"> • All staff must have a full drivers licence and all staff are aware of procedures if there is an accident. • Staff driver training to be provided to regular drivers. • GPS and mobile phone tracking. 	3 Moderate Unlikely/ Serious
Staff under Stress	If staff are affected by personal issues or by work pressures and experiencing high levels of stress, then work performance may decline and/or fatigue, illness, unsafe work practices may result.	5 High Almost Certain/ Important	<ul style="list-style-type: none"> • Managers are responsible for being aware of the wellbeing of their direct reports • There are various options available for relieving the pressure of staff who are overworked including increasing staff or reallocating work • Ensure access to EAP service is widely known and communicated to all staff • Ensure all staff have a backup option available so they can take annual leave for at least a week at a time 	3 Moderate Possible/ Important
Exposure to Hazardous Substances	IF staff are affected by exposure to hazardous substances eg chemicals, liquids, fumes and other toxic substances THEN there are possible risks to staff health and wellbeing.	4 High Possible/ Serious	<ul style="list-style-type: none"> • Staff are up to date with relevant immunisations. • Training is mandatory for all staff working with hazardous substances. • Use appropriate PPE gear at all times in the vicinity of the hazardous substances. • Regular health checks for staff. • Regular testing of hazardous substances and chemicals LABELLING and STORAGE be carried out RANDOMLY. • The Stratford Water Treatment Plant has site licences for the storage of chemicals, these must be kept up to date. • Fire extinguishers are on site, all signage is current and covers off on all of the chemicals held on site, 	3 Moderate Unlikely/ Serious
Workplace Bullying or Harassment	IF Bullying and harassment in the workplace occurs THEN it can have an impact on the health and wellbeing of staff subject to the bullying and other staff witnessing the behaviour. This may impact	4 High Possible/ Serious	<ul style="list-style-type: none"> • Top down culture against bullying and harassment of any kind, policy is followed through by management, staff are aware of the reporting process. • The reporting process to deal with bullying and harassment is fair, transparent, and confidential and dealt with in a timely manner. 	3 Moderate Unlikely/ Serious

Appendices

4. Health and Safety Wellbeing Risk Assessment				
Risk Subject	Risk Descriptions	Risk Score Raw	Control Description	Residual Risk Score
	on staff productivity and the ability of Council to attract good quality candidates.			
Asbestos Related Work	IF council buildings are contaminated with asbestos, THEN there is the possibility of asbestos exposure to staff and the public and increased risk of asbestosis and other lung and pleural disorders.	4 Moderate Unlikely/ Important	<ul style="list-style-type: none"> • Asbestos protocols need to be developed in line with the asbestos regulations. • Community needs to be made aware of Asbestos disposal guidelines. • Staff involved in construction work should be appropriately trained in handling of asbestos materials. 	2 Moderate Unlikely/ Important
Muscular discomfort - Ergonomics	IF muscular pain or discomfort or eye strain occurs as a result of the work environment and setting, THEN this will impact on staff health and wellbeing and long term comfort at work.	2 Moderate Likely/ Minor	<ul style="list-style-type: none"> • Apply ACC Habit At Work guidelines. • Workstation assessments should be carried out to reduce the likelihood of onset of long term discomfort and pain conditions. 	1 Low Possible/ Minor
Armed Robbery	IF there is an armed robbery at any of council's services centres, THEN there is the potential for death or serious harm.	1 Low Rare/ Serious	<ul style="list-style-type: none"> • Establish emergency procedures, including use of panic buttons. • Security cameras in place. • Ensure staff are trained to deal with potential threat. • Design / limit access to building so that threats are minimised. 	1 Low Rare/ Serious
Employee Substance Abuse TOP TEN RISK	IF staff are affected by drugs or alcohol while at work, THEN there is an increased risk of an accident or injury, property damage, and reduced work performance.	8 High Unlikely/ Major	<ul style="list-style-type: none"> • Ensure staff are aware of drug and alcohol policy. • Initial drug testing done prior to employment to filter out regular users. • Utilise EAP. 	2 Moderate Unlikely/ Important
Fatigue Management	IF Fatigue affects an employee, as a result of working extraordinary hours, THEN the employee may have limited functionality which could result in personal injury or injury to others. It could also lead to stress and long term mental illness if it is reoccurring and could mean Council is in breach of the Health and Safety Act.	3 Moderate Possible/ Important	<ul style="list-style-type: none"> • Ensure employees take regular, quality rest breaks during the working day, in line with the Employment Relations Act (HR Policy requires this). • Ensure all staff know their responsibilities in terms of managing fatigue. • Ensure shift workers rostered times are manageable. • The Vehicle Use Policy has limits on driving a Council vehicle after exceeding max number of work hours. • Contractor fatigue management to be reported and monitored through regular contractor meetings. 	1 Low Rare/ Minor

Appendices

OPERATIONAL RISKS

5. Operational Risk Assessment				
Risk Subject	Risk Descriptions	Risk Score Raw	Control Description	Residual Risk Score
Contractor - Damage to Property	IF maintenance contractor damages council or private property while carrying out contracted work, THEN council could be liable for damages and additional expenditure.	4 High Possible/ Serious	<ul style="list-style-type: none"> • Stringent Operational procedures: • Daily reporting of compliance. • Regular liaison with contractor and regulators to monitor performance to ensure compliance. • Contractor pre-approval process. • Council has material damage insurance policy. 	3 Moderate Possible/ Important
Other Contractors in Network Corridor	IF work by others in Network Corridor results in damage to components of the 3 waters infrastructure THEN services to the public may cease or become unreliable or compromised.	4 Moderate Likely/ Important	<ul style="list-style-type: none"> • Co-ordination between services before major projects begin. • Ensure all works have Corridor Access Requests. 	1 Low Rare/ Important
Attracting Qualified Staff	IF Council is unable to attract suitably qualified personnel, THEN services may become under threat and may cease.	6 High Likely/ Serious	<ul style="list-style-type: none"> • Internal training and succession planning programs. • Ensure market wages are offered for all high demand positions. • Recruit off shore option should be available for high-demand positions. • Make greater use of consultants if necessary and/or shared services with neighbouring Councils. • Make Stratford District Council a great place to work - measure staff engagement and respond to any issues expediently. 	2 Moderate Unlikely/ Important
Maintenance Contractor fails to deliver TOP TEN RISK	If a maintenance contractor fails to deliver contractual service necessitating termination of contract and re-tendering, then assets may become under threat, unreliable, or unable to meet community needs.	8 High Unlikely/ Major	<ul style="list-style-type: none"> • Careful assessment of tender to ensure contract price viable for contractor to deliver level of service • Regular liaison with contractor to monitor performance and ensure compliance • Contractor pre-approval process must not be bypassed 	3 Moderate Unlikely/ Serious
Key Person risk	If a key person in the organisation could not work for a significant period of time then this could affect Council's ability to perform core functions and duties.	3 Moderate Possible/ Important	<ul style="list-style-type: none"> • Ensure PROMAPP is up to date with all staff day to day processes • If known absence ahead of time ensure an appropriate training plan in place • Make use of local consultants where appropriate • Connect with colleagues from neighbouring three councils to share 	1 Low Possible/ Minor

Appendices

5. Operational Risk Assessment				
Risk Subject	Risk Descriptions	Risk Score Raw	Control Description	Residual Risk Score
			resource if needed.	
Natural Disaster or Fire - Response preparedness TOP TEN RISK	IF a Natural Disaster or Fire causes significant damage to infrastructure and buildings THEN community welfare may be severely compromised, putting people's lives at risk, and staff may be unable to access systems to carry out their day to day duties and functions.	12 Very High Possible/ Major	<ul style="list-style-type: none"> Civil Defence Emergency Management plans are in place. Procedures following an emergency event are widely known by a number of staff due to Civil Defence Foundational training being rolled out to majority of council staff. Business Continuity Plans need to be in place and practiced regularly for all activities - Directors responsible for having a plan in place for each of their departments to ensure core functions can continue to be delivered. 	12 Very High Possible/ Major
Disease Outbreak/ Pandemic	If there is a human disease outbreak in the district, then this could impact staff and contractors staff available to deliver service	5 High Rare/ Catastrophic	<ul style="list-style-type: none"> Health and Safety Advisor to keep aware of any public health notifications of disease outbreaks Ensure there is a plan to respond to any notifications Civil Defence covers infectious human disease pandemics and will take responsibility for local management. Follow Ministry of Health's NZ Influenza Pandemic Action Plan. 	1 Low Rare/ Serious
Biosecurity threat risk	IF there is a biosecurity threat to animals, or plant life THEN this could affect the economic wellbeing of the district and the ability of council to financially meet community needs.	4 High Possible/ Serious	<ul style="list-style-type: none"> Ensure council takes a proactive approach to working with Biosecurity NZ, MPI, TRC and the community where a threat is identified. 	2 Moderate Unlikely/ Important
Critical Asset Failure TOP TEN RISK	IF a critical asset (water treatment plants, stormwater, wastewater, reticulation, roading) failed, THEN unexpected financial burden may arise and there could be significant disadvantage and risk to the community.	12 Very High Possible/ Major	<ul style="list-style-type: none"> Conduct 2 yearly Asset Criticality Review. Ensure there are established Civil Defence Emergency Management response procedures in relation to fixing critical assets in an emergency event. Management practices and staff training, retention to ensure appropriate skill level in critical asset maintenance. 	4 High Possible/ Serious

Appendices

5. Operational Risk Assessment				
Risk Subject	Risk Descriptions	Risk Score Raw	Control Description	Residual Risk Score
Heavy/Extreme Rainfall incidents	IF the Stratford District experiences heavy rainfall continually over a period THEN roads may flood, restricting accessibility, landslips and mudslides may restrict road access and cause property damage, productive land areas may flood reducing functions, Stormwater, Wastewater and Water Supply assets may fail from overburdening, and overflows from Wastewater system may result in untreated water entering the Patea River.	4 Moderate Likely/ Important	<ul style="list-style-type: none"> Asset Management Plans and Incident Control Response Plans to document critical asset areas and response plan in the event of heavy rainfall incidents. 	2 Moderate Likely/ Minor
Government Policy Impacting on Local Government TOP TEN RISK	If Government Policy significantly changes the services Council delivers or the way they are delivered, then this could put financial pressure on the district to fund investment in changes, or it may mean previous investment has become redundant.	12 Very High Possible/ Major	<ul style="list-style-type: none"> Where a policy change may have a significant impact on the Council then we must ensure that the Council makes a submission challenging the change and suggesting alternative options. Council officers and elected members need to keep up to date with policy, and anticipate potential impacts of legislative changes and respond strategically. This could include joint collaboration with business and other councils, accessing alternative funding sources, or obtaining legal or professional advice 	12 Very High Possible/ Major
Consents	The Council does not undertake the work in accordance with the resource consent conditions. Council can be fined by the Regional Council for breach of conditions.	3 Moderate Possible/ Important	<ul style="list-style-type: none"> Not negotiable - Consent conditions must be abided by otherwise the consent will be breached Council needs to submit to the Regional Council a methodology about how they are going to undertake the works. 	2 Moderate Unlikely/ Important

Appendices

REPUTATIONAL AND CONDUCT RISKS

6. Reputational and Conduct Risk Assessment				
Risk Subject	Risk Descriptions	Risk Score Raw	Control Description	Residual Risk Score
Online Passwords	IF online passwords are shared or used inappropriately, THEN there is the risk that staff can access or hack Council owned systems and release sensitive information.	3 Moderate Possible/ Important	<ul style="list-style-type: none"> • Ensure that where a staff member leaves and they have access to logins accessible online that the passwords are changed and access ceases. • Limit use of online accounts. 	2 Moderate Unlikely/ Important
Contractor Damage or Breach	If Council and/or Council contractors are found to be liable for public/environmental damage, or any actions that are unsafe or non-compliant with legislation and applicable policies and standards, then fines, possible injury, long-term damage, reputational damage could result.	4 High Possible/ Serious	<ul style="list-style-type: none"> • Appropriate procedures and guidelines are in place to monitor contractor actions and our own including health and safety audits, contractor meetings/KPI's • The Council requires all physical works contractors to go through a thorough health and safety pre-qualification process and become approved before commencing any physical work • All relevant staff are kept up to date with pre-approved contractors register • Mini audits and random checks should be built into contracts • Contractor public liability insurance required for all major contracts. 	3 Moderate Unlikely/ Serious
Council employees/ contractors abuse members of the public	If Council employees, during the course of their Council duties abuse members of the public,, then the Council may suffer significant reputational damage and potentially be taken to court.	4 High Possible/ Serious	<ul style="list-style-type: none"> • All staff in a public facing role, particularly where they must deal with children, must be police vetted before they commence work. • Exception is where the role is urgent and requires immediate start - in these situations the employee should not be left alone at any time until a satisfactory police report has been received 	3 Moderate Unlikely/ Serious

Appendices

Appendix 2 - Wastewater Operational Documents

Consents	Commencement Date	Expiry Date	CM Reference
0196-5.0 - Stratford Oxidation Pond Discharge to Patea River	1/05/2020	1/06/2034	D20/6149
Policies	Commencement Date	Review Date	CM Reference
Procurement Policy	11/06/2019	2022/2023	D18/29563(v3)
Asset Management	26/05/2020	2023/2024	D20/4330
Trade Waste Policy	11/06/2019	2021/2022	D19/13626
Bylaws	Commencement Date	Review Date	CM Reference
Wastewater Bylaw	1/07/2020	1/07/2030	D20/11525
Trade Waste Bylaw	1/07/2020	1/07/2030	D20/33703
Strategies	Commencement Date	Review Date	CM Reference
Infrastructure Strategy 2021-2051	1/02/2021	2050/2051	D21/2700
Contracts	Commencement Date	Review Date	CM Reference
3 Waters Maintenance Contract (1434)	1/07/2019	30/06/2022	D19/14719



Water Supply

Asset Management Plan 2021-2031



Long Term Plan 2021-31

DOCUMENT QUALITY ASSURANCE

	NAME/ROLE	DATE
Prepared By	Louise Campbell, Asset Management Coordinator; Mike Oien, Services Asset Manager	December 2020
Reviewed By	Victoria Araba, Director Assets	January 2021
Approved By	Sven Hanne, Chief Executive	March 2021

DOCUMENT CONTROL

VERSION	DATE	DESCRIPTION	UPDATED BY
1.0	February 2021	Audit Reviews incorporated	Victoria Araba
2.0	March 2021	2 nd Audit Reviews incorporated	Victoria Araba
3.0	May 2021	LTP Reviews incorporated	Victoria Araba

**THE WATER
ASSET MANAGEMENT PLAN (WAMP)
2021-2031**

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EXECUTIVE SUMMARY

Executive Summary

The Stratford District

The Stratford District is a land locked area encompassing 2170km² located in the heart of Taranaki. The district is adjacent to the New Plymouth and South Taranaki districts in the Taranaki region and the Ruapehu and Whanganui Districts in the Horizons Regional Council. Within the district there are four distinct geographical areas:

- The alpine and bush environment of Egmont National Park;
- The ring plain around Mt Taranaki;
- Hill country located between the ring plain and the eastern hill country; and
- Eastern hill country to the boundary with Ruapehu District Council.

The district's rural landscape supports large farming, forestry and Department of Conservation reserves. Stratford is a growing tourist destination owing to key attractions such as the Egmont National Park, the Manganui Ski Field, Forgotten World Highway (SH43), Whangamomona, Dawson and Mt Damper Falls. Three main townships make up the Stratford District. They are: Stratford; Midhirst and Toko.

The Water Asset Management Plan

The purpose of the Water Asset Management Plan (WAMP) is to describe the financial, engineering and technical strategies and practices that Stratford District Council uses to meet its strategic obligations to provide a level of service for water users in a way that is cost effective for households and businesses.

Based on forecasted growth and demand for the service, the WAMP sets out how the provision of the facilities will be managed over its lifecycle to ensure the optimal delivery of the service within the financial constraints set by the Council in its Long Term Plan (LTP) 2021-2031 and the Infrastructure Strategy (IS) 2021-2051. The levels of service to be delivered are as per the priorities and performance measures set by both the Council priorities; Regional Council resource consent conditions and Central Government initiatives and performance measures.

The WAMP is a living document reflecting Council's practice, central and local government requirements, policies and guidance. This WAMP is used to inform the Council's Long Term Plan and the Infrastructure Strategy. The AMP details Council owned assets and is used for communicating complex asset management information/strategies with stakeholders, elected members, service managers and other interested parties.

The Strategic and Legislative Context

The Strategic and Legislative Context for the WAMP is as per the framework below. The key central, regional and local government drivers include the:

- The Local Government Act 2002 (and amendments);
- The Health Act 1956 (and amendments);
- The National Policy statement for Freshwater Management 2020 (FWNPS);
- The Resource Management Act; and
- The National Environmental Standards for Sources of Human Drinking Water.

Our Community Outcomes

The Council's vision for the 2021-2031 Long Term Plan (LTP) is '*a vibrant, resilient, and connected community – in the heart of Taranaki*'. The Council's identified *Community Outcomes* to achieve the vision are:

- Vibrant community;
- Sustainable environment;
- Connected communities; and
- Enabling economy

Executive Summary

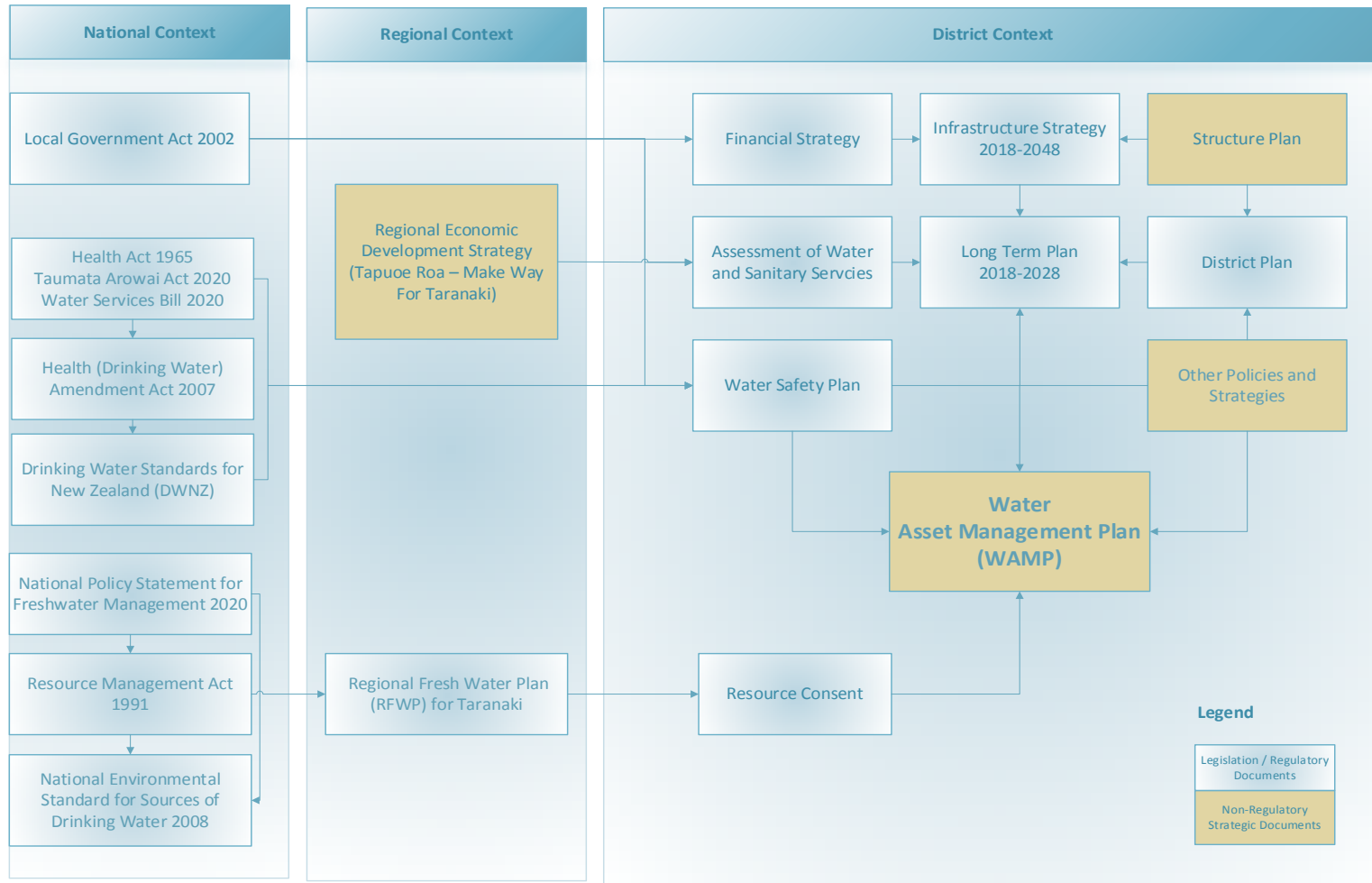


Figure 1 - Legislative and Strategic Context

Our Problem and Benefit Statements

The Council has identified key problems to be addressed in the coming years. Projects have also been highlighted alongside statements of their benefits, which outline how identified problems will be solved. A summary of our *Problem and Benefit Statements* along with projects identified to deliver the benefits, are provided in the Table below.

Table 1 - Problem and Benefit Statements

Problem Statements	Identified Projects	Benefit Statements
<p>Problem Statement 1 - Water Use Efficiency and Conservation</p> <ul style="list-style-type: none"> Fairness in water tariff system; High water consumption rates; Water leakages in the network; and Inefficiency in water distribution. 	<ul style="list-style-type: none"> Implement Universal Water metering including electronic water meter reading to all properties in the district connected to the Council's water reticulation system. 	<ul style="list-style-type: none"> The optimisation of water use and consumption to ensure and support spare capacity for future growth etc. Compliance with council's water take resource consent; Equity in water tariff system; and most importantly, Reduction in water loss and revenue through leakages and the achievement of Department of Internal Affairs (DIA) requirements; Extension of water assets life; Associated reduction in the costs and requirement for wastewater treatment systems to the Council; Effective identification of high water-use areas
<p>Problem Statement 2- Emergency Water Supply</p> <ul style="list-style-type: none"> Additional water storage at the Stratford Water Treatment Plant Capacity Issues; Criticality 	<ul style="list-style-type: none"> Construct a new water 4,500m³ Reservoir at the Water Treatment Plant 	<ul style="list-style-type: none"> Resilience in providing 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 also process water for industry in Stratford; and To support growth – planned or unplanned. The continuity of clean and safe water also gives confidence to existing and new industries which Council contuse to encourage to the district.
<p>Problem Statement 3 - Alternative Water Supply</p> <ul style="list-style-type: none"> Resilience; Criticality Water quantity and quality in the Patea River and Konini Stream 	<ul style="list-style-type: none"> Commission a feasibility report to explore the alternative water supply options available for the Patea River/Konini Stream Water Take 	<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
<p>Problem Statement 4 - Backflow Prevention</p> <ul style="list-style-type: none"> Drinking Water quality Public Health Risk Water Supply Bylaw Implementation 	<ul style="list-style-type: none"> Implementation of Backflow Prevention Programme 	<ul style="list-style-type: none"> Reduced risk of contamination as a result of backflow or syphoning Enhanced Public Health and Safety
<p>Problem Statement 5- Resource Consent Renewal</p> <ul style="list-style-type: none"> Criticality Water take and distribution; Public Health 	<ul style="list-style-type: none"> Renew the Expiring Resource Consent to take water from the Te Popo Stream at Midhirst. This consent expires in June 2021. 	<ul style="list-style-type: none"> 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 form the Taranaki Regional Council, which expires in June 2021. Continued water supply to Midhirst residents

Our Levels of Service Performance Measures

In 2013, the central government introduced a range of mandatory, non-financial performance measures (DIA measures) to provide for a national standardisation of key performance indicators.

The Council monitors its performance through the use of these DIA measures, in addition to 'Internal' performance measures set by the Council. The targets for these measures have been developed by the Council and they measure how well the Council is delivering on Levels of Service (LoS) and the performance of each activity / asset. A summary of the LoS performance measures is provided below. A snapshot of Council's performance trends and targets is detailed in Section 5 of this WAMP.

Table 2 - Our Level of Service Performance Measures

	Level of Service	Performance Measure	Outcome Category
1.	Drinking Water Standards	DWSNZ Bacterial compliance - Compliance with Part 4 of the Drinking-water standards (bacteria compliance criteria)	DIA measure
2.		DWSNZ Protozoal compliance - Compliance with Part 5 of the Drinking-water standards (protozoal compliance criteria)	DIA measure
3.	Maintenance of Reticulation	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) is <25%.	DIA measure
4.	Response Times	Urgent Response Times - The performance measure targets for the median response time for urgent attendance and resolution <ul style="list-style-type: none"> Attendance for urgent call-out – 1 hour Resolution for urgent call-out – 8 hours 	DIA measure
5.		Non-urgent Response Times – The performance measure targets for the median response time for non-urgent attendance and resolution <ul style="list-style-type: none"> Attendance non urgent call-out – 2 working days; Resolution non urgent call-out – 5 working days 	DIA measure
6.	Unplanned Disruptions	Unplanned Disruptions - The performance measure target for disruptions. <ul style="list-style-type: none"> Minor disruptions (between 5 and 50 connections affected) is <5; Major disruptions (more than 50 connections affected) it is <2. 	DIA measure
7.	Demand Management	Water Consumption - The performance measure target for the average consumption of drinking water per day per resident within the district (in litres) is <275L/resident/day.	DIA measure
8.	Customer Satisfaction	Number of complaints - The performance measure target for customer satisfaction is <32 per 1,000 complaints received for: <ul style="list-style-type: none"> Drinking Water Clarity; Drinking Water Taste; Drinking Water Odour; Drinking Water Pressure or Flow; Continuity of Supply; Council's response to any of these issues. 	DIA measure
9.	Water Pressure	Water Pressure - The performance measure target for 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) is 100%.	Customer Outcome
10.	NZFS Conditions	Fire Hydrants – The performance measure targets the percentage of hydrants meeting the NZFS Code of Practice conditions regarding supply is 100%.	Customer Outcome

Our Programme Business Case

The programme business case details how the problems identified in the previous sections will be addressed. This is presented in the Table below and shows how our identified projects address the identified problems and achieve the DIA and Internal/Other performance measures.

Table 3 - Identified Projects and Performance Measures

Work Category	Identified Projects	Performance Measures							
		DWSNZ Compliance	Water Loss	Response Times	Unplanned Disruptions	Demand Management	Customer Satisfaction	Water Pressure	NZFS Conditions
Operations/ Maintenance	Water conservation (calibrate mode)		✓			✓		✓	✓
	Water conservation (leak surveys)		✓			✓			
	Reservoir Clean	✓				✓			
Renewal/Replacement	Water reticulation renewals (hydrants, laterals, meters, and streetwork mains)		✓		✓				✓
	Pipe Bridges				✓				
	Toko Bore	✓			✓			✓	
	Reservoir Overflow								
	Treatment plants general infrastructure renewal				✓				
	Membrane module replacement	✓			✓				
Level of Service Improvements	Second Trunk Main	✓	✓	✓	✓	✓	✓	✓	✓
	Universal metering and electronic meter reading		✓			✓			
	Alternative Water Source								
	New reservoir at Stratford		✓			✓			
	Street-work mains (Riders)				✓		✓	✓	
	Midhirst Reservoirs		✓			✓			
	Installation of zoning valves		✓			✓			

Funding Our Investment Strategy

The Council's Investment Strategy covers how the Stratford District Council plans to deliver on the services it offers whilst achieving value for money, with a key focus on future-proofing Council's assets.

Capital projects and activities carried out to maintain the Water Supply service for the next 10 years - including Renewal/ Replacement projects and Level of Service Improvements - will be funded as per the Revenue and Financing Policy, through one or a combination of the following sources:

- Loans;
- Reserves; and/or
- Subsidies/ Grants by other Partners.

Generally, the Council expects that:

- Renewal or Replacement projects will be equally funded from Loans and Reserves;
- Operations and Maintenance activities will be funded through Rates; and
- Level of Service Improvements projects will be funded from loans and, where possible, any alternative funding source.

A summary of Council's Capital Investment funding Strategy over a 10-year period is shown in table 4 and figure 2 below.

Table 4: 10-Year Capital and Operational Expenditure Projection

Water Supply	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Capital Expenditure										
Level of Service Improvement	1780	1904	369	673	390	401	4289	37	38	0
Replacements	695	812	510	414	443	496	452	486	502	498
Total Capex	2475	2716	879	1088	833	897	4741	523	540	498
Operating Expenditure										
Total Opex	1836	1856	1991	2043	2097	2160	2331	2507	2531	2629
Grand Total	4311	4572	2870	3131	2930	3057	7072	3029	3071	3127

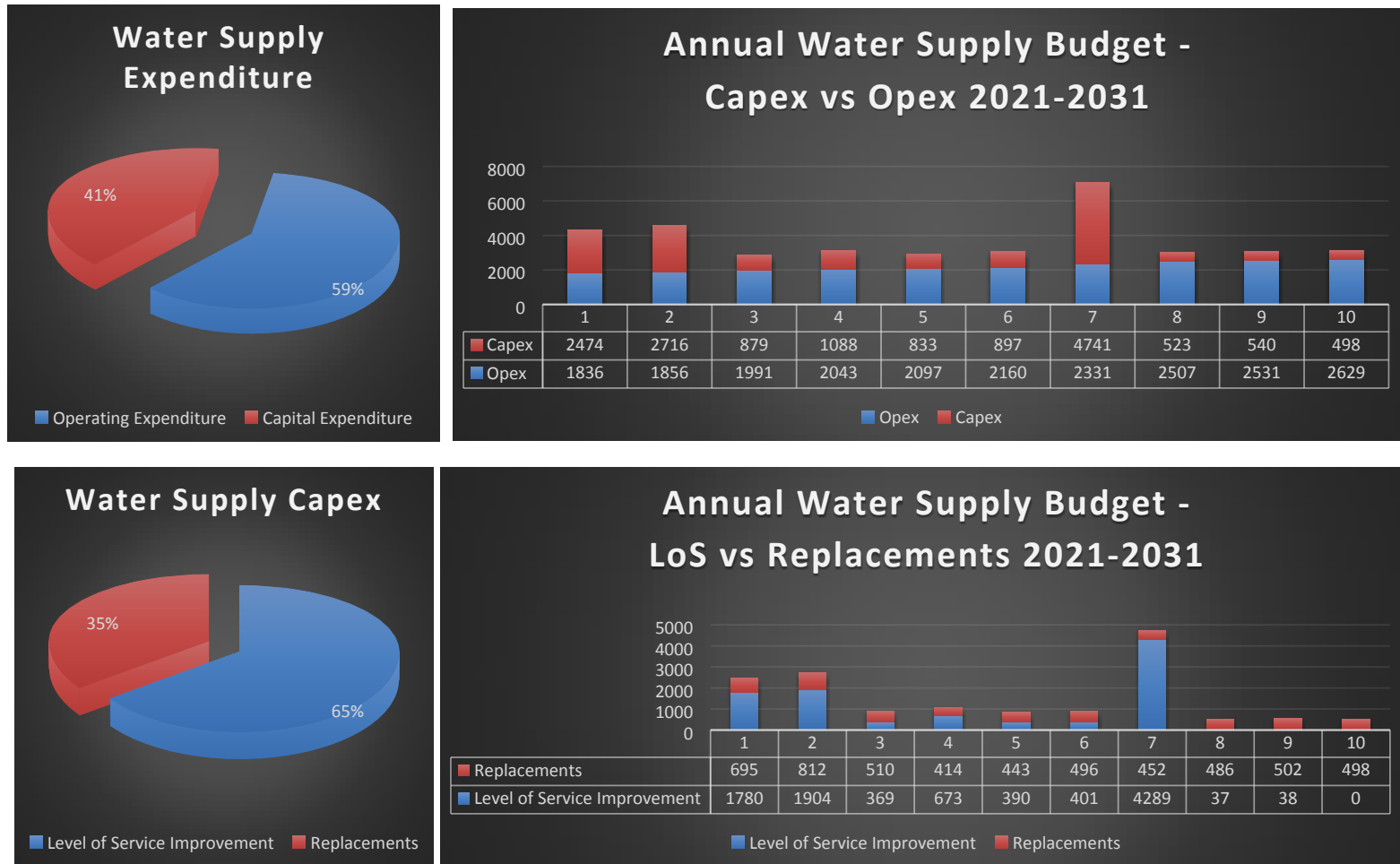


Figure 2 - 10 Year Expenditure Projection

1.0 Introduction

Introduction

1.0: INTRODUCTION

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Introduction

1.1. PURPOSE OF THIS PLAN

The Water Asset Management Plan 2021-2031 ('the WAMP') is a 10 Year Strategic Plan for the Stratford District Council ('the Council'). It details how the Council will manage the Water activity, assets and services in an efficient, safe, reliable and sustainable manner to provide value for money our customers and investors.

The plan informs the development of the Council 2021-2031 Long Term Plan ('the LTP'). It shows how the Council will prioritise and address key water issues, in the face of competing projects and constrained resources. The prioritisation of competing projects is necessary to deliver on Community Outcomes, the agreed Levels of Service (LoS) and also meet legislative objectives and requirements. The WAMP proposes work programmes that deliver good value for money for our investment partners. This is achieved by doing the right things, in the right places, at the right times, for the right price and in the right ways.

The audience for this plan includes our Investment Partners, Customers and Stakeholders, the Council representatives, Council staff, contractors, consultants, developers and members of the public who will take an interest in the future of levels of service the Council will be offering.

The WAMP is reviewed every three years in line with the long term planning process and in compliance with the Council's Asset Management Policy.

The Stratford District Council's Asset Management Policy requires the Asset Management Plans to be peer reviewed by an external reviewer, before the document is formally presented to Council for adoption.

1.2. THE STRATFORD DISTRICT

1.2.1. DISTRICT HISTORY

Initial settlements in the Stratford District were small Maori villages in the forested hills which were used as places of refuge in times of war, and for seasonal activities.

While New Plymouth and other coastal regions of Taranaki were settled by Europeans in the 1840s, the densely-forested inland Taranaki areas remained relatively isolated until the land wars of the 1860s. Following those wars, the land of Stratford District was both compulsorily purchased and freely sold.

The site for Stratford Township on the north bank of the Patea River was cleared in 1877 and was originally named Stratford-on-Patea. It was named after Stratford-Upon-Avon, Shakespeare's birthplace, and the streets were named after Shakespearean characters including Oberon, Cordelia, Juliet and Hamlet. By 1906 the population of Stratford numbered almost 6,000. Other towns throughout the district sprung up as the bush was cleared and new farming districts developed. Schools, hotels, stores and other community facilities were established, however, the Stratford Township remained the hub of the area.

From early on in the twentieth century there was rapid development of the dairy industry, with most communities having their own factory. Roads through the district were still relatively basic, which meant travelling any distance was difficult. As roads improved throughout the 20th century, communities in the district gradually began to lose their facilities. It was cheaper and easier to travel to larger towns for services than to maintain those services in smaller settlements.

The Forgotten World Highway (State Highway 43) links the towns of Stratford and Taumarunui and later became New Zealand's first heritage trail. It passes through the village of Whangamomona which was first settled in 1895, with no road or rail access. Today the village has approximately 150 full-time residents, a hotel, a handful of historic buildings and the odd goat.

Introduction

1.2.2. DISTRICT GEOGRAPHY

The Stratford District is one of three territorial authorities ('TA') in the Taranaki region, overlying of which is the administrative area of the Taranaki Regional Council. The far eastern portion of the Stratford District is also overlain by the administrative area of the Horizons (Manawatu/Wanganui) Regional Council. The political division between the two regional councils lies along the Whangamomona Saddle.

Mount Taranaki or Mount Egmont, and Egmont National Park, dominate the landscape of the District. In the past, successive eruptions of ash and natural erosion have created an "apron" or a "ring plain" around the base of the mountain. The fertile and generally free draining soils of this ring plain support intensive pastoral farming, especially dairying.

East of the ring plain lies the rolling topography of the frontal hill country and further east, the deeply dissected hill country. These hills are not volcanic but consist of sedimentary rocks (mudstone, sandstone and siltstone). Soil properties in the eastern hill country are closely linked to the differences in rock hardness and composition. Most are steepland soils, ie, are shallow soils which have developed on steep, relatively unstable slopes. (*Refer: Stratford District Plan 2014.*)

1.2.3. DISTRICT MAIN COMMUNITIES

The Stratford District is home to many settlements, with the four main centres being Stratford, Midhirst, Toko and Whangamomona.

Stratford

Stratford (Māori: Whakaahurangi) is the main town in the Stratford District. It is located on the banks of the Patea River roughly 48 km south-east of New Plymouth and 30 km north of Hawera at the junction of State Highways 3 and 43. Stratford is near the geographic centre of the Taranaki region and the largest settlement of the Stratford District with an estimated population of 6,690. 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

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.

The Toko Township

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 1,188 (Statistics NZ 2013) people live in or around Toko. This includes people living in the settlement and those living in the surrounding rural areas.

Whangamomona

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 150 people live in and around Whangamomona (Statistics NZ 2013).

Introduction

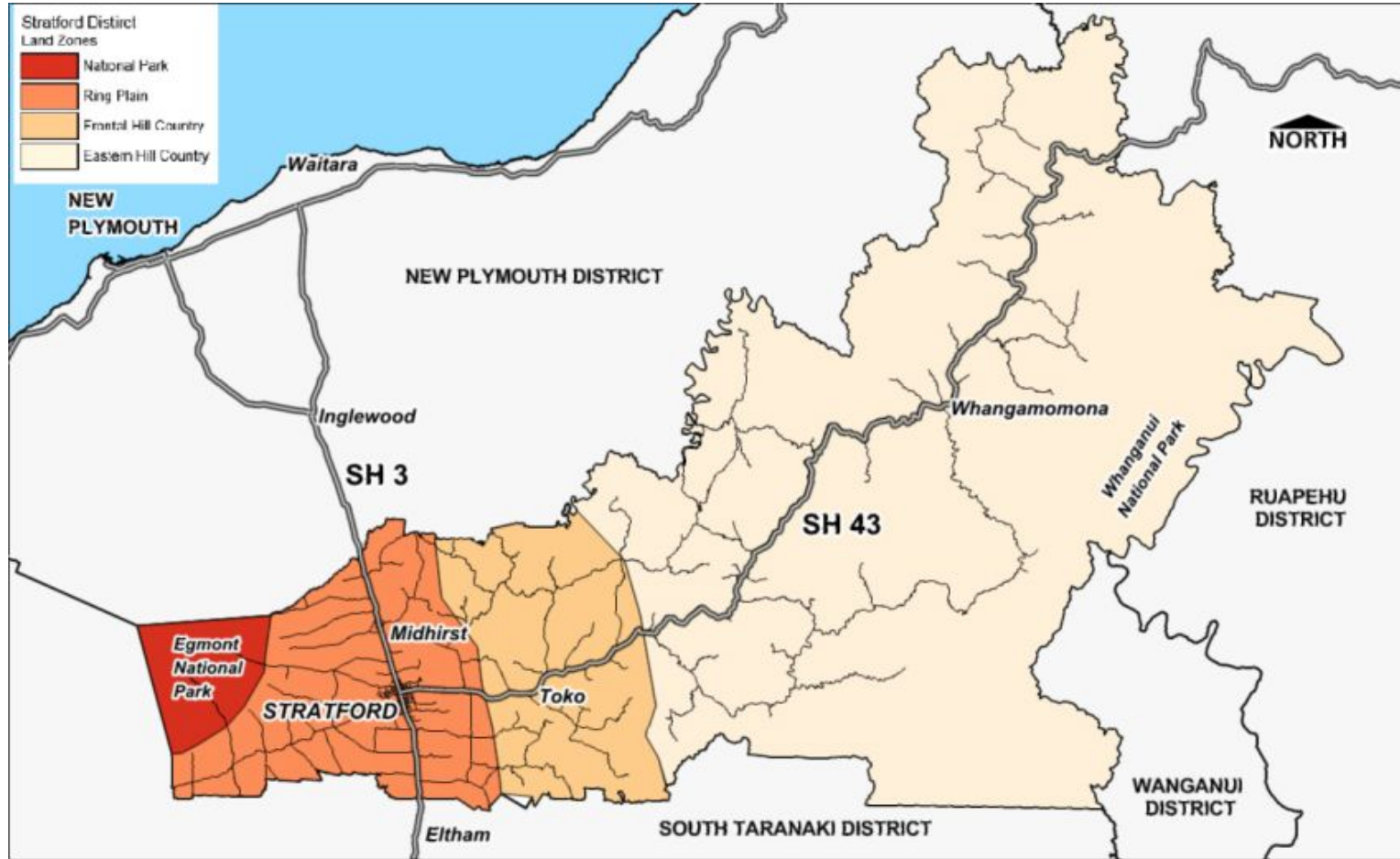


Figure 3 - The Stratford District 2020

Introduction

1.3. OUR MISSION, VISION AND VALUES

Stratford District Council is local territorial authority for the Stratford District. Council's role in accordance with the Local Government Act 2002 (LGA) is to:

- Enable democratic local decision-making and action by, and on behalf of, communities; and
- Promote the social, economic, environmental, and cultural well-being of communities in the present and for the future

The Stratford District Council's **Mission Statement** is:

'To serve the district and its communities through advocacy, promotion, services, facilities and positive leadership'

The Stratford District Council's **Vison Statement** is:

'A vibrant, resilient, and connected community – in the heart of Taranaki'

The Stratford District Council's **Values** are:

Integrity: *Be loyal to the organisation and trustworthy, honest and courteous with everyone we deal with.*

Teamwork: *Work together in the same direction, assist each other and have respect for others. Maintain a positive attitude and encourage teamwork.*

Excellence: *Be effective in everything we do using our experience and knowledge. Do the right thing at the right time. Be efficient by being cost effective and ensure prudent management of public money and assets.*

Pride: *Take pride in our performance and our organisation.*

Commitment: *Have commitment and respect for each other, our business and our customers.*

Innovation: *Examine alternatives, challenge the obvious and have a flexible attitude.*

The Stratford District Council carries out its duties under the LGA (2002) through two key Management Teams:

- The *Executive Management Team*, comprising the Senior Leaders of the Council and headed by the Chief Executive. This team sets the overall direction for delivery of Roading activities and services; and
- The *Assets Management Team*, comprising the operational and maintenance staff who carry out the direction set by the *Executive Management Team*.

The structure for each Management Team is provided in Figures 4 and 5.

Introduction

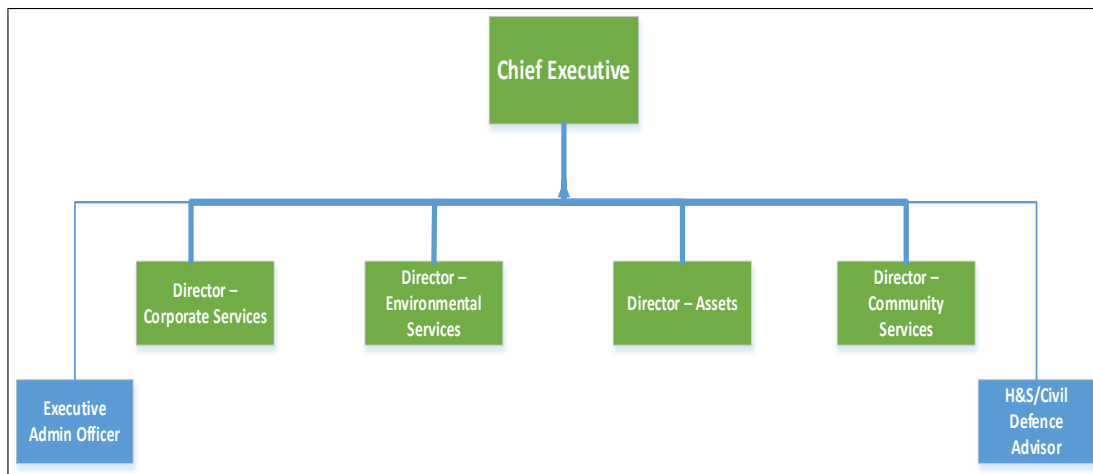


Figure 4 - The Executive Management Team

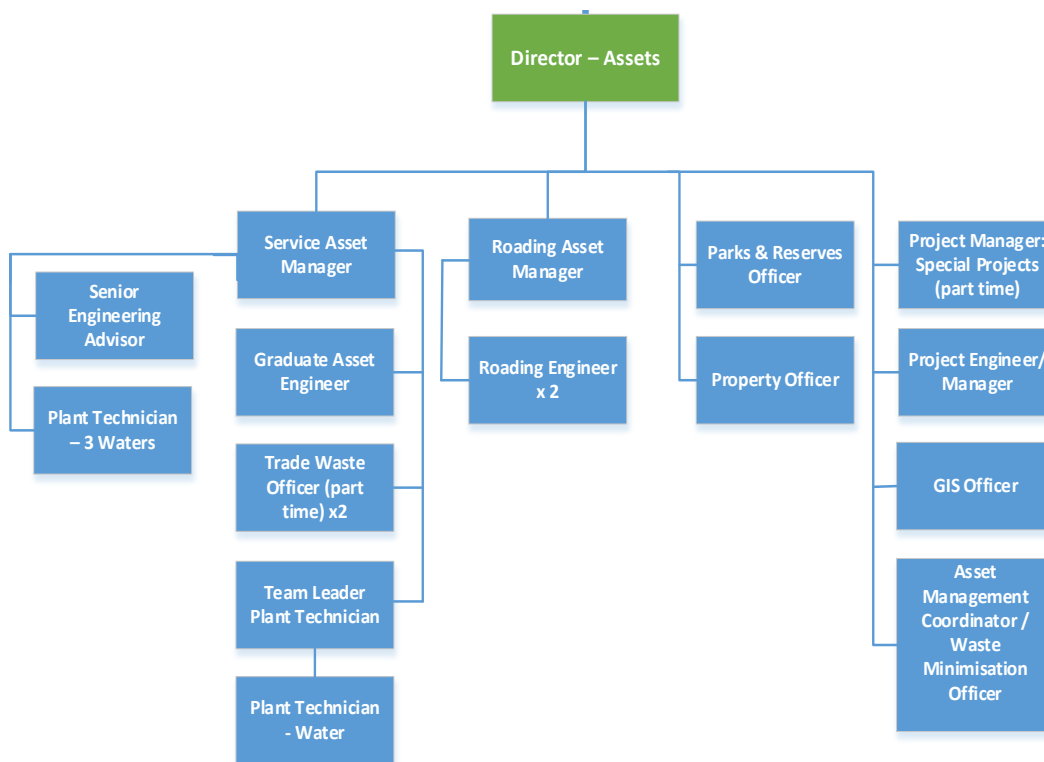


Figure 5 - Assets Department

Introduction

1.4. THE WATER SUPPLY ACTIVITY

The Water Supply activity encompasses the planning, provision, operation, maintenance and renewal of water treatment and reticulation systems, and all associated infrastructure.

The Stratford District Council operates three water supplies servicing the Stratford, Toko and Midhirst townships, with river fed sources for Stratford and Midhirst and a bore supply for Toko.

1.5. THE IMPORTANCE OF THE WATER SUPPLY ACTIVITY

A safe supply of drinking water is crucial to public health and the wellbeing of the community. As required under Part 2 of the Local Government Act 2002 and Part 2 of the Health Act 1956, Stratford District Council provides water supply infrastructure to provide all properties in the water supply zones with a potable and sustainable supply of treated water.

The Council provides the Water Supply service to meet the needs and requirements of its customers and stakeholders. The goals and objectives of the Water Supply activity are:

- Water is safe to drink;
- A reliable water supply is provided;
- Water has a pleasant taste and odour;
- Water flow and pressure is appropriate for its intended use; and
- Water supply meets firefighting requirements.

By meeting its goals and objectives the Water Supply activity contributes to the achievement of national, regional and district goals and objectives. Table 5 shows how the Water Supply Activity contributes to the Stratford District's Community Outcomes.

Table 5 - Water Supply Contribution to Community Outcomes

	Community Outcomes	Water Activity Contribution
Vibrant community	<ul style="list-style-type: none"> • We celebrate and embrace our community's cultures and traditions. • We tell our unique story. • We will develop strong relationships with iwi, hapu and marae. 	
Sustainable environment	<ul style="list-style-type: none"> • Our natural resources can be enjoyed now and by future generations. • We are committed to working towards zero waste. • We have well planned and resilient infrastructure that meets the current and future needs of the district. • We strive to understand and support Te Ao Māori values and principles. 	<ul style="list-style-type: none"> • Water is safe to drink; • A reliable water supply is provided; • Water has a pleasant taste and odour;
Connected communities	<ul style="list-style-type: none"> • Our neighbourhoods are safe and supported • We enable positive healthy lifestyles, through access to health, social and recreation services • We have a strong sense of belonging • We value opportunities to be involved and work together as a community 	<ul style="list-style-type: none"> • Water flow and pressure is appropriate for its intended use; and • Water supply meets firefighting requirements.
Enabling economy	<ul style="list-style-type: none"> • We are a welcoming and business friendly District • We encourage a strong and diverse local economy • We promote opportunities to visit, live and invest in the district • We support economic opportunities for Māori 	

Introduction

1.6. OUR CUSTOMERS, PARTNERS AND KEY STAKEHOLDERS

The Water Supply activity exists to meet the needs and requirements of our customers, partners and key stakeholders. These groups help us focus our strategic planning on the right things. They have information and knowledge that helps us make more informed decisions. Table 6 shows how our partners, customers and key stakeholders are involved in our planning activity.

Table 6 - Customers, Partners and Key Stakeholders

Customers	Involvement
Home Owners and Occupiers; Businesses and Organisations; Health and medical facilities; Education facilities and community groups; Tourists and Visitors; etc.	These customers use services provided by the Water Supply activity to get a supply of potable water for primarily domestic purposes (drinking and general sanitation). Other uses include commercial operations (including water tankers), tourists and firefighting.
Partners and Stakeholders	Involvement
New Plymouth District Council	Neighbouring water supplier with whom some operations and maintenance functions are contracted to (NPDC – instrumentation and electrical)
Taranaki Regional Council	Administers and enforces effective resource management in the Taranaki region. Applications from SDC are processed through TRC. TRC also supplies information of other applications that could affect existing water supplies to SDC.
Taranaki District Health Board	Primary regional regulatory authority for water supply potability (Drinking Water Assessors).
Audit New Zealand	Carries out annual audits of Council on the Auditor-General's behalf to give ratepayers assurance that Council is appropriately reporting on how they spend public money and on the services they have provided.
Other Government agencies; Ratepayers Associations; Iwi groups	These groups liaise with Council in relation to water supply services.
Utility Owners	New Zealand Utilities Advisory Group (NZUAG) requirements for co-ordinating networks.
Department of Conservation (DOC)	Key stakeholder for the protected portion of the Stratford raw water catchment. Offers Council opportunity for consultation when using pest control measures that have the potential to effect the water supply (i.e. 1080).
TEMO/Civil Defence	In the event of a Civil Defence emergency they provide advice and work alongside emergency services, lifeline utilities and government departments.
Venture Taranaki Tourism Network	Provides quarterly reports for tourism, economic growth, expenditure and trends within the district and region.
Local Iwi; Environmental groups	Affected parties to Council's resource consents
Emergency services (fire service)	Provides information to Council of callouts required municipal water supply usage. Allows Council to monitor water usage more accurately.
Elected Members; Committees; CEO, Management and Staff	Key internal stakeholders responsible for the management and operation of the Stratford, Midhirst and Toko water supplies.

Introduction

1.6.1. THE CUSTOMER CHARTER

Following an internal review an organisation-wide *Customer Charter* was developed and introduced in 2015. The Customer Charter states that Stratford District Council is dedicated to having commitment and respect for each other, our business and our customers. We will be honest, courteous and efficient and use our knowledge and experience to be effective by doing the right thing at the right time. We support a culture of innovation by examining alternatives, challenging the obvious and having a flexible attitude.

Our Customer Service Charter establishes a consistent customer service standard across all Council business, regardless of whether our customer is borrowing a book, going to the pool, or lodging a building consent. Our philosophy is to provide quality service to all our customers in line with the Service Standards stated in the Customer Charter.

1.6.2. THE SIGNIFICANCE AND ENGAGEMENT POLICY

The Stratford District Council uses its Significance and Engagement Policy in its decision-making to determine the level of community engagement needed for an issue or proposal, to gain a clearer understanding of community views and preferences and the ways the community can influence and participate in the decision-making of the Council.

2.0

Legislative and Strategic Context

Legislative and Strategic Context

2.0: LEGISLATIVE AND STRATEGIC CONTEXT

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Legislative and Strategic Context

2.1. OVERVIEW

This section describes the legislative and strategic context of the Water AMP at the national, regional and district levels. The legislative and Strategic framework for the WAMP is presented in Figure 6.

2.2. NATIONAL CONTEXT

There are a number of national legislative requirements that drive the Water Supply level of service (LoS) and influence the operation and management of the Water Supply Assets. While many are listed below; the key drivers are described in detail in the following section.

- The Local Government Act 2002 (and amendments);
- The Health Act 1956 (and amendments);
- Taumata Arowai Act 2020;
- Water Services Bill 2020;
- The National Policy statement for Freshwater Management (FWNPS) 2020;
- The Resource Management Act 1991;
- The National Environmental Standards for Sources of Human Drinking Water;
- Civil Defence Emergency Management Act 2002;
- New Zealand Firefighting Code of Practice;
- Public Works Act 1981;
- Electricity Act 1992;
- Health and Safety at Work Act 2015.

2.2.1. THE LOCAL GOVERNMENT ACT 2002 AMENDMENT ACT 2019

The Local Government Act 2002 Amendment Act 2019 amended the purpose of the Act to be: *"to provide for democratic and effective local government that recognises the diversity of New Zealand communities"*.

The purpose of the Local Government Act is now amended thus:

- *to enable democratic local decision-making and action by, and on behalf of, communities; and*
- *to promote the social, economic, environmental, and cultural well-being of communities in the present and for the future.*

The LGA outlines the responsibilities of local authorities and the decision-making process for activities undertaken on behalf of their community, primarily through the requirement to adopt a Long Term Plan. The LGA includes the principles that require Council to:

- make itself aware of community views;
- provide opportunities for Māori to participate in decision-making processes;
- collaborate and cooperate with other local authorities as appropriate; ensuring prudent stewardship of resources; and
- and take a sustainable development approach.

The LGA in Section 125, requires the Council to *'from time to time'* complete assessments of water and sanitary services for communities throughout their districts. The purpose of the assessment is to determine, from a public health perspective, the adequacy of water and sanitary services available to communities. In making such an assessment the following matters need to be considered:

- (a) the health risks arising from any absence or deficiency in water or other sanitary services;
- (b) the quality of services available to communities within the district;
- (c) the current and estimated future demands for such services;
- (d) the extent to which drinking water meets applicable regulatory standards; and
- (e) the actual or potential consequences of stormwater or sewage discharges within the district.

The Council is currently completing a review of its *Assessment of Water and Sanitary Services and Solid Waste*.

Legislative and Strategic Context

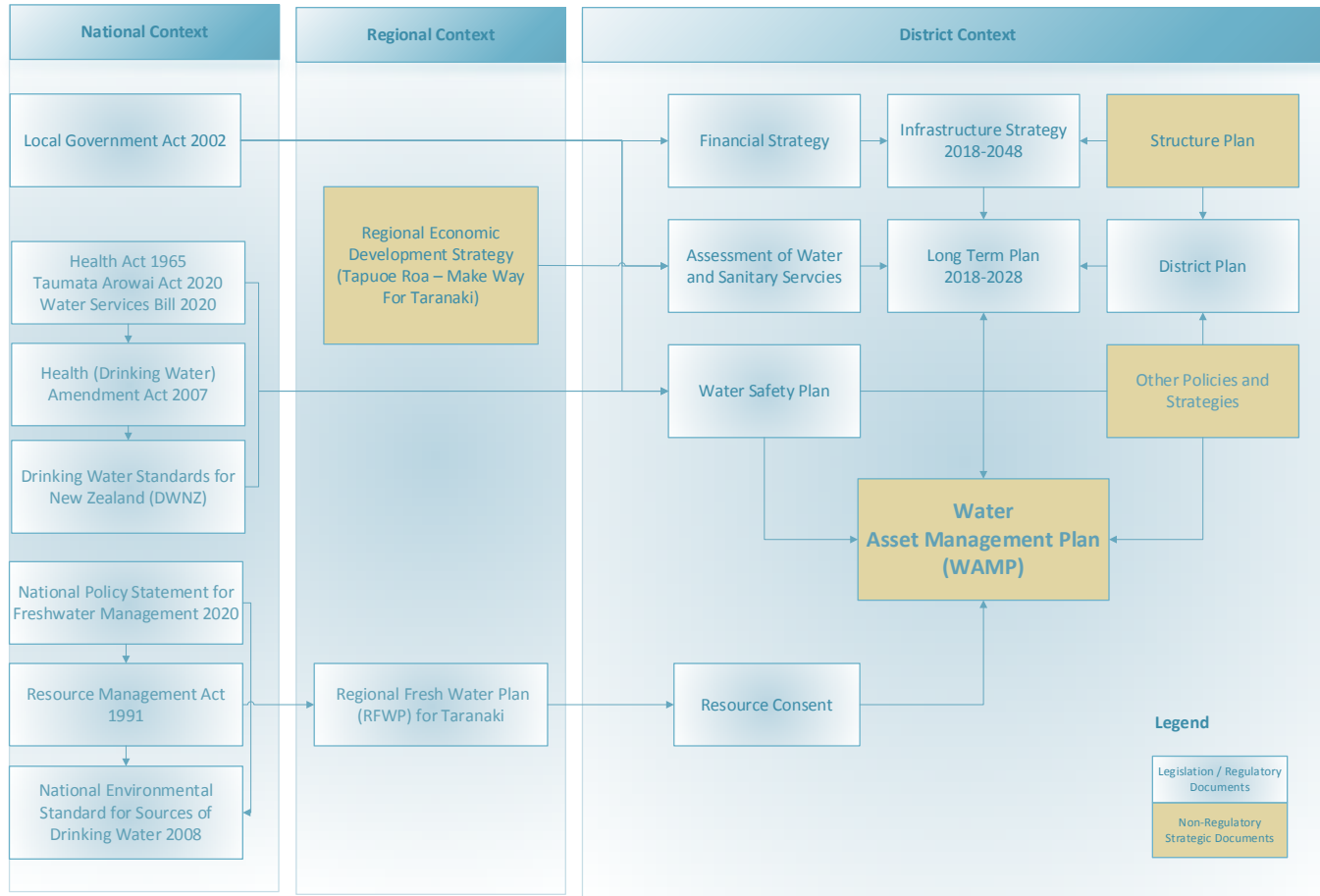


Figure 6 - Strategic and Legislative Framework

Legislative and Strategic Context

2.2.2. THE HEALTH ACT 1956

The Health Act 1956 aims to protect the health and safety of people and communities by promoting adequate supplies of safe and wholesome drinking water from all drinking-water supplies larger than 25 or more people.

The Health Act 1956 requires certain drinking-water suppliers to have and implement a *Water Safety Plan (WSP)*. A WSP documents a public health risk-based assessment and management process that aims to ensure a safe and secure supply of drinking-water for consumers, protecting public health. Water safety planning strengthens the focus on preventive measures across the whole drinking-water supply system, moving away from a reliance on after-the-event end-point water quality testing. It promotes a multi-barrier approach to managing risks, which safeguards against the failure of any one barrier. Water safety planning supports continuous improvement and guides day-to-day activities now and into the future.

According to the legislation, Council is considered a 'water supplier' and is required to complete a number of 'duties' (see Sections 69S-69ZJ). Some of these duties include:

- Ensuring the provision of drinking water
- Contributing to the protection of raw water sourced for drinking water
- Taking all practicable steps to comply with the drinking water standards
- Preparing and implementing a Water Safety Plan (formally a Public Health Management Plan) (Stratford water supply only)

The Drinking Water Standards for New Zealand 2005 (Revised 2008) (DWSNZ) provides requirements for drinking-water safety by specifying the:

- maximum amounts of substances, organisms, contaminants or residues that may be present in drinking-water
- criteria for demonstrating compliance with the DWSNZ; and
- remedial action(s) to be taken in the event of non-compliance with different aspects of the DWSNZ

The Council has been working towards compliance with the DWSNZ contained in the act since its passing into law and Council water supplies are expected to meet Health Act and DWSNZ compliance requirements in 2018.

Water Safety Plans have been prepared for the Stratford, Midhirst and Toko Water Supplies to identify and assess public health risks to the consumers of the drinking-water supply.

2.2.3. TAUMATA AROWAI - THE WATER SERVICES REGULATOR ACT 2020

The Water Services Regulator Act was passed in July 2020. It establishes Taumata Arowai as a Crown Agent and provides for its objectives, functions, operating principles, and governance arrangements, including the appointment of an independent Board and a Māori Advisory Group. It provides the new drinking water regulator - Taumata Arowai - with significant new powers to give effect to the Government's expectation that New Zealanders are "able to drink the water that comes out of the tap knowing that it is safe"

A complementary Bill, *the Water Services Bill*, is now before Parliament. This Bill is anticipated to be introduced in the second half of 2021, dependent on the election outcome and the post-election Parliamentary timetable. Once passed, Taumata Arowai will become Aotearoa's dedicated regulator of the three waters: Drinking water, wastewater and stormwater. Until then, the Ministry of Health remains the regulator of drinking water.

The establishment of Taumata Arowai is one three po (pillars) of the Government's Three Waters Reform programme, alongside the regulatory reforms outlined in the Water Services Bill, and the reforms to water delivery services. These reforms are intended to address issues and opportunities that were highlighted by the Government Inquiry into the Havelock North Drinking Water, and in the Government's Three Waters Review. The reforms are designed to:

Legislative and Strategic Context

- Provide clear leadership for drinking water regulation through a new, dedicated regulator;
- Significantly strengthen compliance, monitoring, and enforcement relating to drinking water regulation, and equip the new regulator with the powers and resources needed to build capability, support suppliers of all kinds to meet their regulatory obligations, and take a tougher, more consistent approach to enforcement where needed;
- Manage risks to drinking water safety and ensure source waters are protected;
- Ensure more people can access water that is safe to drink, by requiring all suppliers (except individual domestic self-suppliers) to be part of the regulatory system, and to provide safe drinking water on a consistent basis;
- Lift the environmental performance and transparency of wastewater and stormwater networks; and
- Improve national-level leadership, oversight, and support relating to wastewater and stormwater.

When Taumata Arowai is fully functionally, its role in essence will be to:

- Oversee and administer an expanded and strengthened drinking-water regulatory system, to ensure all New Zealand communities have access to safe drinking water. That includes holding suppliers to account, if need be; and
- Oversee from a national perspective the environmental performance of waste water and storm water networks. (Regional councils will remain the primary regulators of waste water and storm water).

2.2.4. THE WATER SERVICES BILL 2020

While the Taumata Arowai Act was passed in July 2020, Taumata Arowai will not become fully operational until enactment of the Water Services Bill, projected to in the second half of 2021.

The Water Services Bill proposes to repeal Part 2A of the Health Act 1956 and replace it with a standalone Act to regulate drinking water. The Bill received its first reading on Tuesday 8 December 2020 and has been referred to the Health Select Committee for consideration. The Bill is a companion to the Taumata Arowai - the Water Services Regulator Act 2020, which was passed earlier in the year.

Essentially, the Water Services Bill 2020 is a part of a broader Three Waters reform programme by central government. It proposes a new regulatory regime for managing drinking water supply. The obligations on drinking water suppliers proposed by the Bill are more onerous than those under the existing Health Act regime.

Until Taumata Arowai is fully operational, the Ministry of Health will remain the regulator for drinking water safety.

The Water services Bill contains all of the details of the new drinking water regulatory system, and provisions relating to source water protection and Taumata Arowai's wastewater and stormwater functions.

2.2.5. THE THREE WATERS REFORM

The Council signed a Memorandum of Understanding (MoU) with central government to work together to identify approaches that consider the design features of the 3 waters reform and is participating in the exploration of future service delivery options. The central government expects to create new water service delivery entities that are:

- of significant scale (most likely multi-regional) to enable benefits from aggregation to be achieved over the medium to long-term;
- asset owning entities, with balance sheet separation to support improved access to capital, alternative funding instruments and improved balance sheet strength; and
- structured as statutory entities, with competency-based boards;

Legislative and Strategic Context

The Council expects to make a decision in late 2021, to either stay with the new water service delivery entity or opt out. Any decision to participate is likely to be given effect to at some point in the 2023/4 financial year.

Reference to the Government's reform strategy and timeline, including highlighting when it is proposed that there would be further engagement and consultation with communities is available at <https://www.dia.govt.nz/Three-Waters-Reform-Programme>

2.2.6. THE NATIONAL POLICY STATEMENT FOR FRESHWATER MANAGEMENT 2020

The National Policy Statement for Freshwater Management 2020 sets out the objectives and policies for freshwater management under the Resource Management Act 1991. It comes into effect on 3 September 2020 and replaces the National Policy Statement for Freshwater Management 2014 (amended 2017). The new policy directions which are of relevance to, and have a direct impact on, how the Council manages its water and wastewater activities. The key requirements of the Freshwater NPS include:

- Managing freshwater in a way that 'gives effect' to Te Mana o te Wai through:
 - involving tangata whenua;
 - working with tangata whenua and communities to set out long-term visions in the regional policy statement and
 - prioritising the health and wellbeing of water bodies, then the essential needs of people, followed by other uses.
- Improving degraded water bodies, and maintaining or improving all others using bottom lines defined in the Freshwater NPS;
- An expanded national objectives framework:
 - two additional values - threatened species and mahinga kai - join ecosystem health and human health for recreation, as compulsory values
 - councils must develop plan objectives that describe the environmental outcome sought for all values (including an objective for each of the five individual components of ecosystem health)
 - new attributes, aimed specifically at providing for ecosystem health, include fish index of biotic integrity (IBI), sediment, macroinvertebrates (MCI and QMCI), dissolved oxygen, ecosystem metabolism and submerged plants in lakes; councils will have to develop action plans and/or set limits on resource use to achieve these attributes.
 - tougher national bottom lines for the ammonia and nitrate toxicity attributes to protect 95% of species from toxic effects (up from 80%)
- Identifying and working towards target outcomes for fish abundance, diversity and passage and address in-stream barriers to fish passage over time.
- Setting an aquatic life objective for fish and addressing in-stream barriers to fish passage over time.; and
- Monitoring and reporting annually on freshwater (including the data used); publish a synthesis report every five years containing a single ecosystem health score and respond to any deterioration.

2.2.7. THE RESOURCE MANAGEMENT ACT 1991

The Resource Management Act 1991 (RMA) promotes the sustainable management of natural and physical resources such as land, air and water and is considered New Zealand's principal legislation for environmental management.

The RMA regulates the volume, rate, timing of the taking of water from streams, rivers or bores, through the resource consent process. The Stratford District Council holds Resource Consent 0195-3 for the taking of water from the Patea and Konini Rivers for the Stratford Water Scheme, Resource Consent 1276-3 for the taking of water from the Te Popo stream for the Midhirst Water Scheme and Resource Consent 1337-3 for the taking of water from a bore for the Toko Water Scheme.

Legislative and Strategic Context

The Midhirst Resource Consent 1276-3 expires in June 2021. An application to renew this consent has been lodged with the Taranaki Regional Council. All Stakeholders, including Ngati Ruanui, Ngaruahine, Te Atiawa, Ngati Maru and Fish & Game NZ, have been engaged in early conversations and initial discussions.

RMA Reform

The RMA is currently undergoing a reform into 3 pieces of legislations being the:

- Natural and Built Environments Act;
- Strategic Planning Act; and
- Climate Change Adaptation Act.

The reform is based on the findings of the comprehensive review of the resource management system which were released last year. These pieces of legislations are currently before Parliament and it is expected that they will be passed by the end of 2022.

The *Natural and Built Environments Act* is the core piece of legislation to replace the RMA. The purpose of this Act is to enhance the quality of the environment to support the wellbeing of present and future generations. Under the Act, central government's proposed new National Planning Framework will provide a set of mandatory national policies and standards on specified aspects of the new system. These will include environmental natural limits, outcomes and targets. This would be achieved by:

- promoting positive outcomes for both the natural and built environments;
- ensuring that use, development and protection of resources only occur within prescribed environmental limits; and
- ensuring adverse effects of activities on the environment are avoided, remedied or mitigated.

The *Strategic Planning Act* provides a strategic and long-term approach to how we plan for using land and the coastal marine area. The regional strategies would enable more efficient land and development markets to improve housing supply, affordability and choice, and climate change mitigation and adaptation.

Long-term spatial strategies in each region would be developed to identify areas that:

- will be suitable for development;
- need to be protected or improved;
- will need new infrastructure and other social needs; and
- are vulnerable to climate change effects and natural hazards such as earthquakes.

The *Climate Change Adaptation Act* would support New Zealand's response to the effects of climate change. It would address the complex legal and technical issues associated with managed retreat and funding and financing adaptation.

2.2.8. THE NATIONAL ENVIRONMENTAL STANDARDS FOR SOURCES OF HUMAN DRINKING WATER 2007

The Resource Management (National Environmental Standard for Sources of Human Drinking Water) Regulations 2007 is a regulation made under the Resource Management Act (1991) that sets requirements for protecting sources of human drinking water from becoming contaminated.

The NES seeks to ensure that the effects of activities on drinking water sources are considered in decisions on resource consents and regional plans. Specifically, the NES ensures that water sources are protected by requiring the regional councils to:

- decline discharge or water permits that are likely to result in community drinking water becoming unsafe for human consumption following existing treatment ;
- be satisfied that permitted activities in regional plans will not result in community drinking water supplies being unsafe for human consumption following existing treatment
- place conditions on relevant resource consents that require notification of drinking water suppliers if significant unintended events occur (e.g., spills) that may adversely affect sources of human drinking water.

Legislative and Strategic Context

2.3. REGIONAL CONTEXT

2.3.1. THE REGIONAL FRESH WATER PLAN FOR TARANAKI (RFP)

The Regional Fresh Water Plan promotes sustainable management of the region's freshwater resources by applying rules and conditions to various activities. The Plan is currently under review.

The Plan identifies how the fresh water resources of the region (both surface water and groundwater) are to be managed. It does this by identifying important issues from state of the environment monitoring relating to the use, development and protection of the fresh water resources of Taranaki. Objectives, policies and methods are set out for addressing these issues. Ongoing state of the environment monitoring will enable the Taranaki Regional Council to assess the effectiveness of the Plan and review policy direction where necessary. In particular the Plan contains regional rules which categorise activities into different classes (permitted, controlled, discretionary or prohibited), with different standards, terms or conditions which apply to them, depending on the effects on the environment of that activity. Activities have been classified in this way to facilitate the processing of resource consents and to provide certainty for the community.

In relationship to this document the RFP supplies the framework for setting the conditions under which the Stratford Wastewater Treatment plant must operate to achieve the goals of the plan.

2.3.2. THE REGIONAL ECONOMIC DEVELOPMENT STRATEGY - MAKE WAY FOR TARANAKI

The Regional Economic Development Strategy - Make Way for Taranaki was developed by the four local authorities of the Taranaki region in association with Venture Taranaki and the Ministry of Business, Innovation and Employment (MBIE). The strategy sets a direction for economic development and identifies priorities and measureable goals for the region as a whole. It is anticipated that the Strategy will enable and support economic growth and development in the Stratford District.

While economic growth for the Stratford District is desirable, Council is aware that growth can have an impact on infrastructure and the services delivered by that infrastructure. Anticipated impacts of the Regional Economic Development Strategy and any resulting growth on the Wastewater activity and infrastructure are expected to include.

2.4. DISTRICT CONTEXT

The WAMP feeds, and in turn is fed into, a number of district strategies. The WAMP forms a critical part of the planning framework, as shown in Figure 6. Table 9 provides a description of the District Strategic Drivers for the WAMP, and how they influence or relate to the WAMP. The key district drivers are provided in more detail below.

2.4.1. THE LONG TERM PLAN (LTP) 2021-2031

The Long Term Plan (LTP) 2021-2031 is a regulatory document pursuant to Section 93 of the Local Government Act 2002 Amendment Act 2019 that:

- Describes the activities of Stratford District Council;
- Outlines Council's contribution to the community outcomes and describes how we will manage activities we are responsible for;
- Provides integrated decision making and co-ordination of resources; and
- Provides a long-term focus for Stratford District Council's decisions and activities

The LTP provides the direction and strategies that drive the WAMP. Programmes for Capital, Maintenance and Renewal works are linked to the LTP along with essential budgeting requirements. The LTP covers a planning period of 10 years and is reviewed three yearly.

Legislative and Strategic Context

2.4.2. THE INFRASTRUCTURE STRATEGY 2021 – 2051

The Infrastructure Strategy (IS) is a regulatory document pursuant to Section 101B of the Local Government Act 2002 Amendment Act 2019 for the purpose of:

- Identifying significant issues over the period covered by the strategy; and
- Identifying the principal options for managing those issues and the implications of these options.

The identified issues and opportunities from the 30 year strategy inform the relevant AMP and is reviewed every 3 years. Like the LTP, the IS provides the direction and strategies that drive the WAMP but in this case, the planning period primarily focussed on is for 10-30 years.

This strategic document allows Council to make informed decisions and place Council in a better position to understand and plan for major infrastructure investments.

2.4.3. THE DISTRICT PLAN

Developed in compliance with the requirements of the Resource Management Act 1991(RMA), the District Plan specifies land use policies aiming to mitigate and control the detrimental environmental effects of new developments. These areas of growth and development need to be accounted for within the WAMP through the use of water modelling reports, levels of service increase works and forward works programming.

2.4.4. THE ANNUAL PLAN

The Annual Plan is a regulatory document pursuant to Section 95 of the Local Government Act 2002 Amendment Act 2014. The Annual Plan is developed in compliance with section 95 of the LGA 2002 and updates information reported on within the Long Term Plan including its objectives, intended activities, performance, income and expenditure. The Annual Plan shows how that year of the Long Term Plan will be funded.

2.4.5. WATER SAFETY PLANS

Water Safety Plans (WSP) are undertaken in compliance with Section 69Z of the Health Act 1956 for the Stratford, Midhirst and Toko Water Supply. These plans identify risk-mitigating projects which feed into the WAMP and are reviewed every 5 years, as per table below.

Water Supply	Last Review	Next Review	Planned Review
Stratford	May 2020	May 2025	In progress – Completion by Feb 2021
Midhirst	January 2015	January 2020	Completion by April 2021
Toko	January 2016	January 2021	

It is noted that with the Three Waters Reform and the new water regulations, i.e. the Water Services Bill 2020 and its subsequent enactment, there may be a change to the requirements and review frequency of the Water Safety Plans.

Legislative and Strategic Context

Table 7 - District Strategic Drivers

Strategies/ Plans/ Documents	Description	Review Frequency	Relationship to the Asset Management Plan
Financial Strategy	Developed to provide a financial framework for Council debt and rate levels and limits - future proof Council owned and operated assets.	Ten yearly	Provides financial framework for asset management and activity budgeting and expenditure.
Infrastructure Strategy	Prepared for the purposes of identifying significant issues over the period covered by the strategy and identifying the principal options for managing those issues and the implications of these options.	Three yearly	Provides a core infrastructure asset management framework over a 30-year planning horizon.
Economic Development Strategy	Sets the direction for economic development and identifies priorities and measurable goals.	Three yearly	Support asset management planning and good practice.
Structure Plan	Provide a long term planning framework for the future development and redevelopment of the Stratford District. The plan will set out in broad terms, the layout of land uses, key infrastructure and transport links.	Unknown at this stage	Support asset management planning.
Significance and Engagement Policy	Developed in compliance with Section 76AA to set out Councils approach to: <ul style="list-style-type: none"> • The assessment of significance during decision-making. It provides direction on the consideration of community views and the level of community engagement that might be desirable to enable Council to develop a clearer understanding of community views and preferences on an issue or proposal. • Regarding community engagement and the ways the community can influence and participate in the decision-making of the Council. 	Three yearly	Determines level of engagement required for asset management planning activities/projects
Annual Report (AR)	Reports Council's performance for the previous year.	Annually	Provides annual KPI targets that are reported in the Annual Report.
Assessment of Water and Sanitary Services	Undertaken in compliance with Section 125 of the Local Government Act 2002 as part of Council meeting its obligation under the Health Act 1956 to improve, promote, and protect public health within its district.	Ten yearly	Identified issues and required actions feed into the relevant AMP
Other Council strategies, Policies, By-laws, Programmes, etc.	The tools that guide and direct Council activities (see Appendix 2) <ul style="list-style-type: none"> • Water Supply Strategy; • Water Supply Bylaw; • Policy on Water Supply to Rural Properties; • Backflow Prevention Programme; • Incident Response Plans 	As applicable	Support asset management planning and good practice.

3.0

Asset Information

Asset Information

3.0: ASSET INFORMATION

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Asset Information

3.1. ASSET OVERVIEW

The Stratford District Council owns and operates three urban water supplies servicing the Stratford, Midhirst and Toko communities respectively.

This section details the WAMP activity, the current asset valuation summary and provides details about infrastructure asset components. It identifies the general condition of assets and any issues/opportunities Council will need to consider. It highlights how asset condition is identified and Council's level of confidence in asset data.

3.2. ASSET VALUATION

The Local Government Act 2002, Section 111 requires that the local authorities comply with statement of "General Accepted Accounting Practice" that are prepared by the New Zealand Society of Accountants (ICANZ).

The Local Government (Financial Reporting and Prudence) Regulations 2014, Section 6 requires Local Authorities to disclose information about core assets in its annual report, including the local authority's most recent estimate of the replacement cost. The concept of intergenerational equity in the funding of infrastructure asset is included as one of the principles of financial management. Without accurate knowledge of serviceability of assets, local authorities will only be guessing when they attempt to spread the costs of infrastructure across present and future ratepayers.

As required under the LGA, the Council has its assets re-valued every three years by independent qualified valuers. Valuations will be undertaken more regularly if necessary to ensure no individual item of property, plant or equipment within a class has a carrying value that is materially different from its fair value.

The asset valuations contained in Table 9 were carried out by Infrastructure Associates. Please note that:

- **Replacement Cost (RC)** is the cost of constructing a new asset using present day technology and maintaining its original service potential.
- **Optimised Depreciated Replacement Cost (ODRC)** is the optimised replacement cost after deducting an allowance for wear or consumption to reflect the remaining or economic service life of an asset; and
- **Annual Depreciation (AD)** is the systematic allocation of an amount over an asset over its useful life

The Asset information and asset registers used for the re-valuation undertaken by Infrastructure Associates included:

- Network asset data provided from SDC (from AssetFinda database for the three waters);
- The information received has been discussed with the Asset Manager to ascertain the accuracy and completeness of the information.
- Unit rates and effective lives as agreed with SDC.

Asset information excluded from the re-valuation were:

- All land related to water infrastructure assets;
- Any assets not included in the asset registers supplied by SDC; and
- Abandoned assets

Financial Reporting Standards (PBE IPSAS 17) apply to all SDC water infrastructure assets considered in the re-valuation for the general purpose of financial reports.

Asset Information

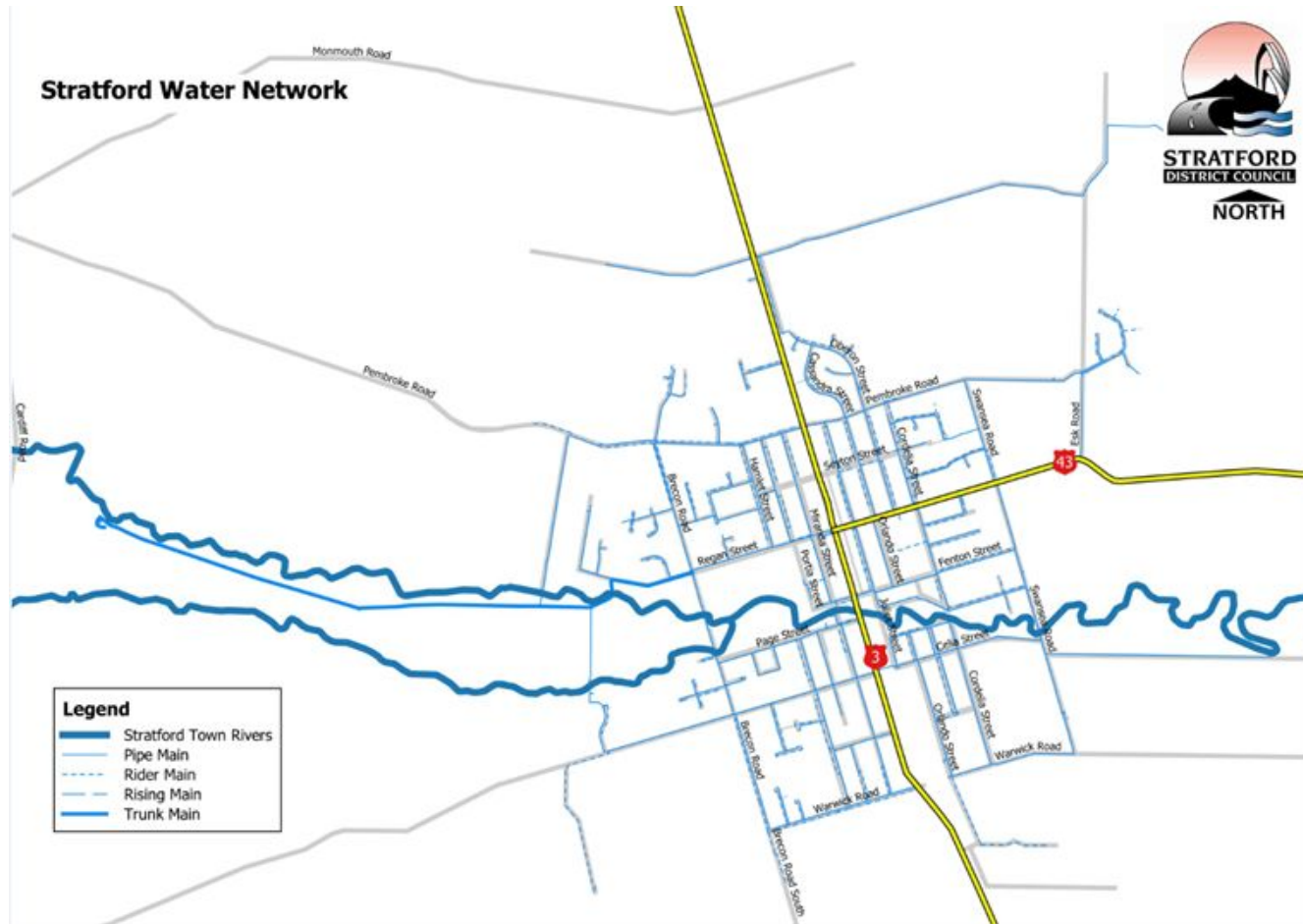


Figure 7 - Water Reticulation Area of Benefit Stratford

Asset Information

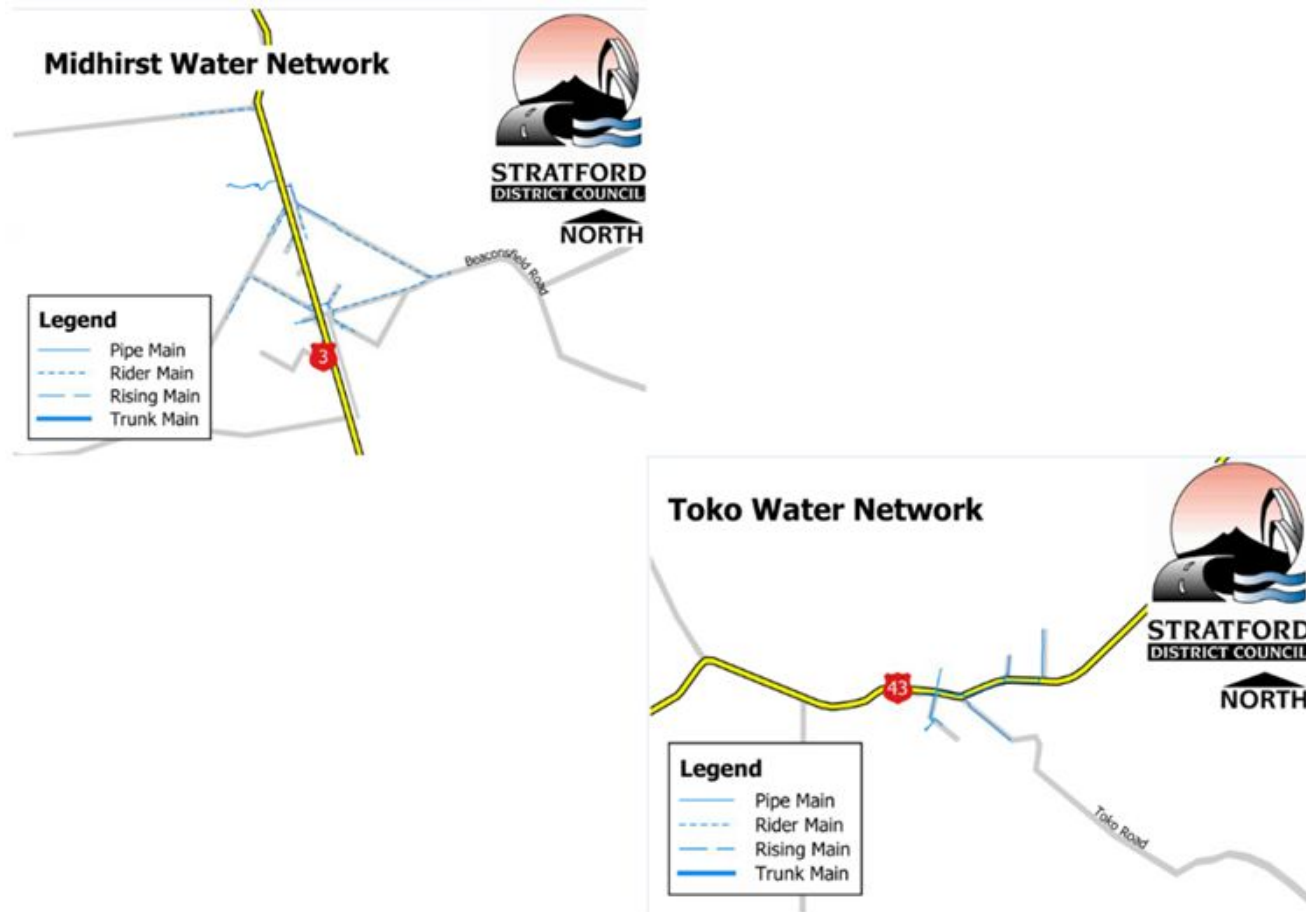


Figure 8 - Water Reticulation Area of Benefit Midhirst and Toko

Asset Information

Table 8 - Stratford Water Supply Asset Valuation Summary

Asset Group	Asset Description	Quantity	Unit	Useful Life (yrs.)	Remaining Useful Life (yrs.)	Values (\$)		
						RC	ODRC	AD
Pipes	Pipework	78,334	m	50-80	Unknown	12,170,006	6,707,398	126,859
Total Pipes						12,170,006	6,707,398	126,859
Fittings	Hydrants	420	No.	50-80	Unknown	1,096,855	763,208	14,624
	Valves	527	No.	50-80	Unknown	1,247,212	716,447	16,611
	Toby	1,460	No.	50-80	Unknown	914,457	334,475	12,331
	Service Connections	2,671	No.	50-80	Unknown	2,014,480	991,545	27,187
	Point of Supply	3,794	No.	50-80	Unknown	463,466	352,423	13,715
Total Fittings (8,872)						5,736,470	3,158,098	84,468
Treatment	Intakes	N/A	N/A	10-100	Unknown	811,355	462,167	10,172
	Ground Features	N/A	N/A	10-100	Unknown	288,744	256,787	4,970
	Infrastructure	N/A	N/A	10-100	Unknown	1,063,533	901,676	40,673
	Filtration	N/A	N/A	10-100	Unknown	433,672	260,203	43,367
	Storage	2	No.	10-100	Unknown	2,213,924	1,603,176	29,064
Total Treatment						4,811,228	3,484,009	128,246
Grand Total						22,717,704	13,349,505	339,573

Note: Asset Valuation Summary as at 01 July 2018 – Stratford District Council Three Waters Infrastructure Asset Valuation Report

Asset Information

Table 9 - Midhirst Water Supply Asset Valuation Summary

Asset Group	Asset Component	Quantity	Unit	SDC Useful Life (yrs.)	SDC Remaining Useful Life (yrs.)	Values (\$)		
						RC	ODRC	AD
Pipework/Point/Plant	Pipework	5,080	m	50-80	Unknown	587,328	389,330	5,915
	Point Assets	64	No.	50-80	Unknown	47,747	27,077	720
	intakes	3	No.	10-100	Unknown	19,070	12,644	1,428
	Plant Room	8	No.	10-100	Unknown	25,342	21,874	771
	Infrastructure	49	No.	10-100	Unknown	239,730	187,849	11,276
	Filtration	3	No.	10-100	Unknown	20,892	16,427	992
	Storage	3	No.	10-100	Unknown	422,300	144,672	8,413
	Point of Supply	143	No.	N/A	Unknown	15,069	11,025	431
	Service Connections	84	No.	Unknown	Unknown	65,431	43,000	800
Total Pipework/Point/Plant MIDHIRST						1,442,909	853,898	30,746
<i>Note: Asset Valuation Summary as at 01 July 2018— Stratford District Council Three Waters Infrastructure Asset Valuation Report</i>								

Asset Information

Table 10 - Toko Water Supply Asset Valuation Summary

Asset Group	Asset Component	Size	Quantity	Useful Life (yrs.)	Remaining Useful Life (yrs.)	Values		
						RC (\$)	ODRC (\$)	AD (\$)
Pipework/Point/Plant	Pipework	32-100	1858	50-80	Unknown	195,025	140,485	1,954
	Point Assets	N/A	N/A	N/A	Unknown	14,031	12,057	193
	Intakes	N/A	5	50-80	Unknown	47,739	8,219	743
	Plantroom	N/A	2	50-80	Unknown	1,776	1,162	157
	Infrastructure	N/A	26	50-80	Unknown	66,902	55,293	3,946
	Filtration	N/A	7	50-80	Unknown	42,785	38,991	1,473
	Storage	N/A	2	50-80	Unknown	41,785	39,289	696
	Point of Supply	N/A	88	50-80	Unknown	12,243	7,030	333
	Service Connections	N/A	22	N/A	Unknown	41,614	28,746	445
Total Pipework/Point/Plant TOKO						463,900	331,272	9,940
<i>Note: Asset Valuation Summary as at 01 July 2018— Stratford District Council Three Waters Infrastructure Asset Valuation Report</i>								

Asset Information

3.3. USEFUL LIFE

Useful life (or Base Life) refers to either;

- The period over which an asset or component is expected to be available for use by an entity, or
- The number of production or similar units expected to be obtained from the asset or component by the entity. *Refer: International Infrastructure Management Manual (2015)*

The asset Useful lives are expressed as years. The asset **Age** is based on construction dates. The *Remaining useful life* is based on age and useful life of the assets.

3.4. ASSET INFORMATION SYSTEM

The Stratford District Council uses a number of information systems to manage its water assets.

- General Asset Information is managed in the 'AssetFinda' system to support management of the Water Supply Activity. Data on infrastructure assets is collected during inspections and monitoring using both paper based and electronic methods. All data collected is entered into 'AssetFinda' directly by the maintenance contractor and followed up by the Engineering Officer and GIS Officer.
- Operational performance is managed in 'Water Outlook' and the reporting tools within the 'SCADA' system. 'Water Outlook' imports both continuous online data and manual sampling information from the 'SCADA' servers and assists management of the water supply activity by producing pre-formatted reports. These reports can be used to monitor compliance or operational parameters but is not typically used to operate the water supplies.
- Operational control is managed in the 'SCADA' control system for all three Council water supplies. This system receives the most up to date information from all supplies, allowing the operator to intervene and optimise the safe and reliable production of drinking water. Alarms are activated through the SCADA system allowing for a prompt response by the operator if necessary.

3.5. THE WATER SUPPLY SCHEMES

The Stratford District has three separate water supply schemes servicing the Stratford, Midhirst and Toko Townships, as described below.

All schemes are administered at the main Council office, operated and monitored by SDC and STDC staff, and share support services to minimise costs (SCADA, Water Outlook etc.). The management, maintenance and operation of all three water schemes are the responsibility of the Director Assets and Services Asset Manager.

3.5.1. THE STRATFORD WATER SUPPLY

Stratford District Council provides water to 2858 properties in the Stratford Township.

The main water source for Stratford is the Patea River, with a secondary intake from the Konini Stream used during periods when the Patea River flow rate reduces below consent limits. Raw water is extracted from the sources by means of weirs and gravity fed into a grit tank before being pumped to the treatment plant. Once at the treatment plant the raw water is fed through a hollow fibre membrane system, with coagulant added to assist filtration. Filtered water is then dosed with chlorine, caustic soda (for pH adjustment) and fluoride.

Treated water is pumped into two reservoirs (4500m³ and 4000m³) which have enough capacity to hold up to two days supply. From the reservoirs treated water is gravity fed to the reticulation system and distributed to properties connected to the supply.

Asset Information



Figure 9 - Stratford Water Treatment Plant Photos

The critical points for the Stratford water supply treatment process are shown in Figure 10, as taken from the *Stratford Water Safety Plan, 2019*.

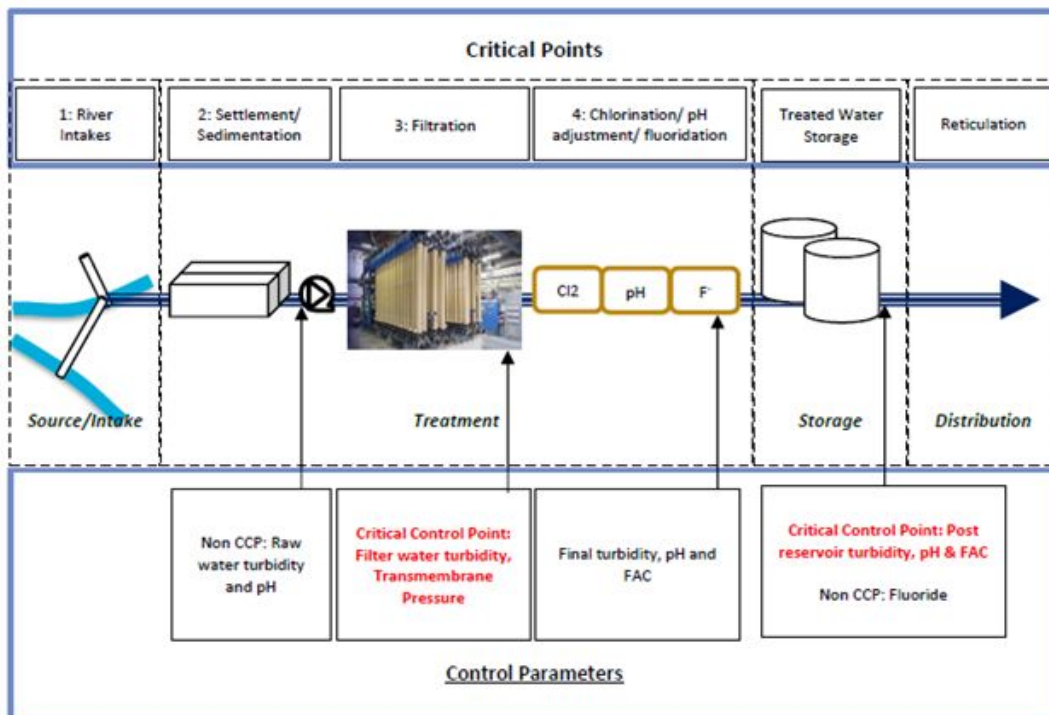


Figure 10 - Stratford Water Treatment Process

Asset Information

The Stratford water treatment plant building and one reservoir were constructed in 2013. Data in the asset management information system (AssetFinda) reports the condition of these assets as excellent. The condition of the original existing reservoir is identified as excellent due to a condition assessment and upgrades being completed during the 2015/2016 year. The condition of reticulation assets is recorded in AssetFinda with most of the data being reliable for asset management purposes. However as new data is collected it will be entered into 'AssetFinda' and the confidence of reticulation infrastructure condition will improve over time.

Due to its automation, the water treatment plant can be operated and monitored remotely. Currently a technician checks the system daily, however once Council is satisfied the system is functioning as expected the frequency of checks will be reduced. Any irregularities in plant operations are detected by the management system which alerts the technician.

3.5.2. THE MIDHIRST WATER SUPPLY

Stratford District Council provides water to 106 properties in the Midhirst town.

The water source for Midhirst water supply is the Te Popo Stream. Raw water is pumped through a small screen attached to a flexible hose from the stream to the treatment plant.

Once at the treatment plant a coagulant is added to assist filtration before the water is fed through two pressure sand filters. Following filtration the water is subjected to UV light to inactivate microbiological contaminants, then dosed with chlorine to maintain a sterile supply throughout the reticulation before being delivered to a reservoir. Filter backwashing is fully automated and occurs once fouling in the filters reaches a set pressure. Wastewater from the backwash is delivered to an underground soakage system.

Treated water is pumped into a 3,500m³ reservoir. The reservoir has enough capacity to hold up to five days supply of treated water. From the reservoir treated water is gravity fed back to the treatment plant where the chlorine levels are retested and adjusted (if required) before being pumped to the reticulation system and distributed to properties connected to the supply. The delivery pump is automated to maintain at least 450kPa within the reticulation system.



Figure 11 - Midhirst Water Plant Photos

The critical points for the Midhirst water supply treatment process are shown in Figure 12, as taken from the *Midhirst Water Safety Plan, 2014*.

Asset Information

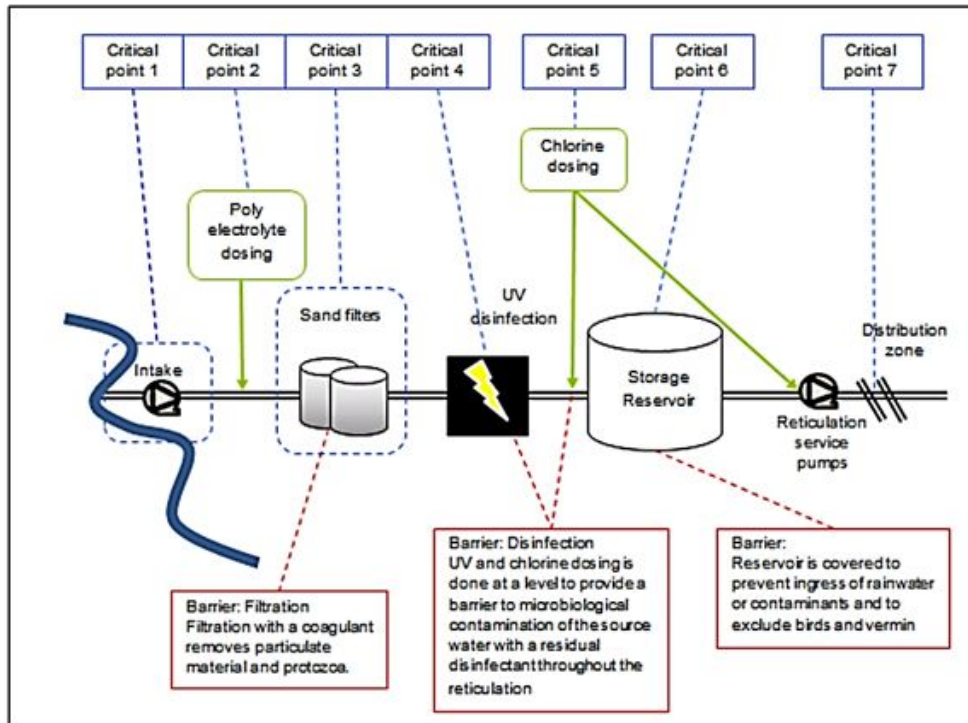


Figure 12 - Midhirst Water Treatment Process

The Midhirst water treatment plant (including building) was constructed in 2014. Data in the asset management information system (AssetFinda) identifies its condition as excellent while condition of the reservoir is identified as good. The condition of reticulation assets is recorded in AssetFinda with most of the data being reliable for asset management purposes. However as new data is collected it will be entered into 'AssetFinda' and the confidence of reticulation infrastructure condition will improve.

Due to its automation, the water treatment plant can be operated and monitored remotely. Currently a technician checks the system daily, however once Council is satisfied the system is functioning as expected the frequency of checks will be reduced. Any irregularities in plant operations are detected by the management system which alerts the technician.

3.5.3. THE TOKO WATER SUPPLY

Stratford District Council provides 33 properties in the Toko township.

The Toko drinking water supply abstracts water from a shallow bore next to the Manawawiri Stream. Raw water is drawn from the bore and dosed with an oxidising additive before being pumped through a fully pressurised treatment system consisting of two sand filters, a cartridge filter and UV disinfection. The water filter is backwashed once a week with wastewater from this processed discharged into a series of soak holes.

Treated water is pumped into one of two 22.5m³ reservoirs located 24m above the township. The reservoirs have enough capacity to hold up to one day's supply of treated water. Treated water is then gravity fed and distributed to properties connected to the supply.

Asset Information

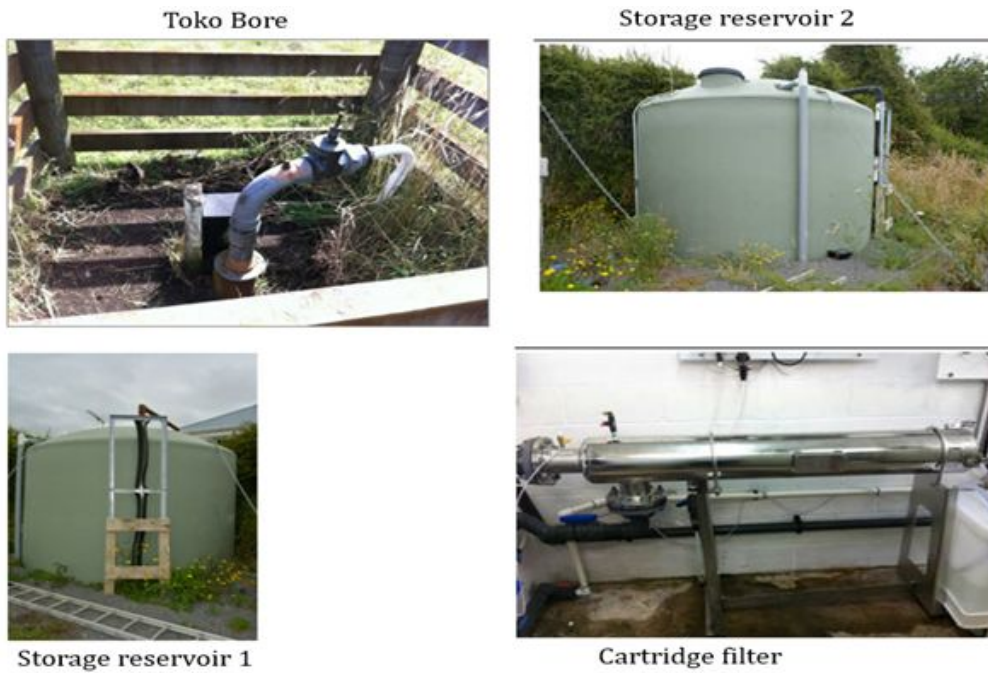


Figure 13 - Toko Bore and Plant Photos

The critical points for the Toko water supply treatment process are shown in Figure 14, as taken from the *Toko Water Safety Plan, 2016*.

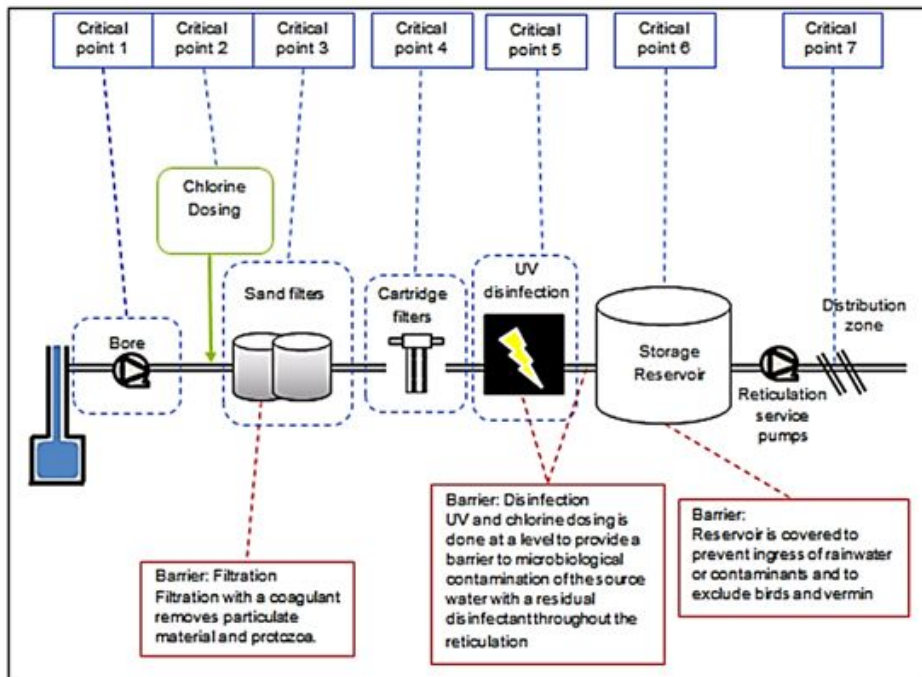


Figure 14 - Toko Water Treatment Process

Asset Information

The Toko water treatment plant was upgraded in 2015. Data in the asset management information system AssetFinda identifies its condition as excellent with Condition of the 2 storage tanks is also identified as excellent.

The condition of reticulation that distributes treated water to the community is largely unknown due to a lack of reliable data. As new data is collected it will be entered into 'AssetFinda' and the confidence of reticulation infrastructure condition will improve.

The Toko water treatment plant is semi-automated and monitored by on-site telemetry that transfers information to the Stratford Water Treatment Plant. Currently a technician checks the system daily, however once Council is satisfied the system is functioning as expected the frequency of checks will be reduced. Any irregularities in plant operations are detected by the management system which alerts the technician.

3.6. ASSET MANAGEMENT MATURITY ASSESSMENT

The Council has assessed its Asset Management maturity across 5 key disciplines of asset management practice including:

- Setting the Strategic Direction;
- Establishing Levels of services;
- Forecasting Future Demand;
- Collecting Asset Information; and
- Monitoring Asset Performance and Condition.

The Asset Management Maturity Index assessment in **Table 12** below provides a snapshot of where the Council is at in its asset management practices and in particular, emphasizes that seeking advanced practice in all areas may not be the best solution across activities, as this depends on the scale and type of assets being managed.

Table 11: 3-Waters Asset Management Maturity Index Assessment

	Asset Management Disciplines	Maturity Index	Maturity Description	What we do
1	Strategic Direction	Intermediate	<ul style="list-style-type: none"> • AM System scope is defined and documented. 	<ul style="list-style-type: none"> • The Council has adopted an Asset Management Policy to provide the overall direction for asset management in the district. • Scope is also refined as a consequence of our Early Conversation discussions with Elected Members, which inform the LTP, and also during our regular workshops to define Strategic Direction for the Council.
2	Defining Level of service	Intermediate to Advanced	<ul style="list-style-type: none"> • Level of service and cost relationship understood. • Customers are consulted on significant service levels and options. • Customer communications plan in place. • Levels of service are integral to decision making and business planning. 	<ul style="list-style-type: none"> • Again, existing levels of service is are generally maintained, however, can be re-defined as result of either legislative requirements; customer feedback or in response t new technology. Re-definition is done as an outcome of our discussions with Elected Members, either prior to the LTP year or as and when required during the year. • The LOS are defined in the AMPs for each work activity. • Redefined levels of service in previous years include: <ul style="list-style-type: none"> ○ Network Planning and modelling ○ Pipe work – increase the size; ○ New management of the trade waste discharges ○ Reduction in the wastewater pipe

Asset Information

	Asset Management Disciplines	Maturity Index	Maturity Description	What we do
				<ul style="list-style-type: none"> inflow/infiltration <ul style="list-style-type: none"> o Addition of new back flow devices; o More staff to implement higher LOS defined; o Universal metering; o Higher wastewater discharge quality;
3	Forecasting future demands	Core to Intermediate	<ul style="list-style-type: none"> • Risk associated with demand change broadly understood and documented. • Demand management considered as an alternative to major project development. 	<ul style="list-style-type: none"> • We have a broad understanding of the issues for each work activity and these are documented in the AMP as “Problem Statements”. • Forecasting is based on population and economic growth statistics in addition to regulatory changes at the central government level.. • Demand Management has been used in the water and wastewater activities, enforced by the Water Supply and Wastewater and Trade Waste Bylaws. Our resource consents also support our demand management initiatives. DM initiatives employed include: <ul style="list-style-type: none"> o Universal metering to encourage water conservation; and o New PRVs for flow and pressure managements;
4	Collecting Asset Information	Intermediate	<ul style="list-style-type: none"> • A reliable register of physical, financial and risk attributes recorded in an information system with data analysis and reporting functionality. Systematic and documented data collection process in place. 	<ul style="list-style-type: none"> • AssetFinda is the database for our 3-waters assets for recording the physical, financial and risk attributes. • Data is collected, updated and validated on an ongoing basis, particularly when new assets are being installed and maintenance occurs on existing assets.
5	Monitoring Asset Performance and Condition	Core	<ul style="list-style-type: none"> • Condition and performance information is suitable to be used to plan maintenance and renewals to meet over the short term. 	<ul style="list-style-type: none"> • The condition - physical integrity - of an asset is deduced based on the age, material type and analysis of collected statistical data. • The performance, being a measure of whether the asset is delivering level of service requirements – is monitored during routine inspections and asset upgrade.

Asset Information

3.7. ASSESSMENT OF ASSET CONDITION

Asset condition is a measure of an asset's physical integrity, while asset performance is a measure of whether the asset is delivering level of service requirements. Knowing the condition of an asset enables more accurate prediction of asset development, maintenance and renewal/replacement requirements. The Stratford District Council identifies the condition of Water Supply infrastructure assets by age and through visual targeted inspections, analysis of collected data, and through maintenance monitoring.

Generally, the Council takes a risk-based approach to monitoring the condition of assets and conducts condition assessments of its critical assets. Where assets have low risk because they are in the first half of their life, condition monitoring is low. If the consequences of running an asset through to failure are high, the Council, through a more intensive monitoring regime and targeted inspections, hold more information on the asset condition.

The Council has no backlog or deferred maintenance in its work programme.

Targeted inspections are carried out on asset components that are considered critical to Council and the community, have the potential to impact on public health and safety; or where there is a specific requirement, for example to meet regulatory requirements or for asset acquisition, disposal, or justification.

Targeted inspections of water supply infrastructure assets are carried out by Council staff, the Maintenance Contractor, or a specialist Consultant to identify the condition of specific asset components at intervals specified by the Asset Manager or upon request.

To identify the general condition of its water supply assets Stratford District Council undertakes the following targeted inspections:

- Buildings – annually by the Contractor
- Carparks – annually by the Council Roading Engineer
- Reservoirs – Detailed inspection (as part of reservoir clean) every 10 years by the Consultant
- Underground reticulation – by the Contractor during works or as issues are identified
- Underground reticulation – annual videoing of sample section
- Pipe Bridges – Detailed inspection as required by Consultant

Maintenance monitoring is carried out by the Contractor at intervals specified in the Maintenance Contract. Maintenance monitoring is carried out to identify the condition of infrastructure and any item(s) that needs attention or could affect the integrity of the asset and the service it provides. Maintenance monitoring of water supply includes:

- Underground reticulation
- Valves and hydrants
- Pipe Bridges
- Water Meters

Condition Grading: Visual targeted inspections (including sampling), and maintenance monitoring provide both qualitative descriptions and quantitative grading of asset component condition. Condition grading supports the development, maintenance, and renewal/replacement of an asset by enabling more accurate prioritisation of forward works programmes.

Both the New Zealand Infrastructure Asset Grading Guidelines (1999) and the National Asset Condition Grading Standards (2005) provide examples of standard condition grading schedules for infrastructure assets. In line with these the International Infrastructure Management Manual (IIMM) 2015 provides guidance on assessing the condition of assets and approaches to grading the condition.

The IIMM provides guidance on assessing the condition of assets and approaches to grading the condition. In line with this Stratford District Council has developed a condition grading system to support identifying the condition of assets at the group level. Using the system, the expected condition of assets is ranked from 1-5 as illustrated in Table 12 above.

In the last 3 years new water supply assets were installed. 33 sections have been added to the water supply infrastructure with the creation of the new subdivision on Pembroke Road.

Asset Information

Grade	Condition	Description	Indicative Network Assessment
1	Very Good	Asset in structurally sound and excellent physical condition. No work required	34%
2	Good	Asset in structurally sound and acceptable physical condition. Minor work required (if any)	18%
3	Fair	Asset is structurally sound but shows deterioration. Moderate work required to return asset to agreed level of service	14%
4	Poor	Asset failure likely in the short term. Significant work required now to return asset to agreed level of service	16%
5	Very Poor	Asset has failed/is about to fail. Renewal/Replacement required Urgently	18%

Table 12 - Condition Grading System

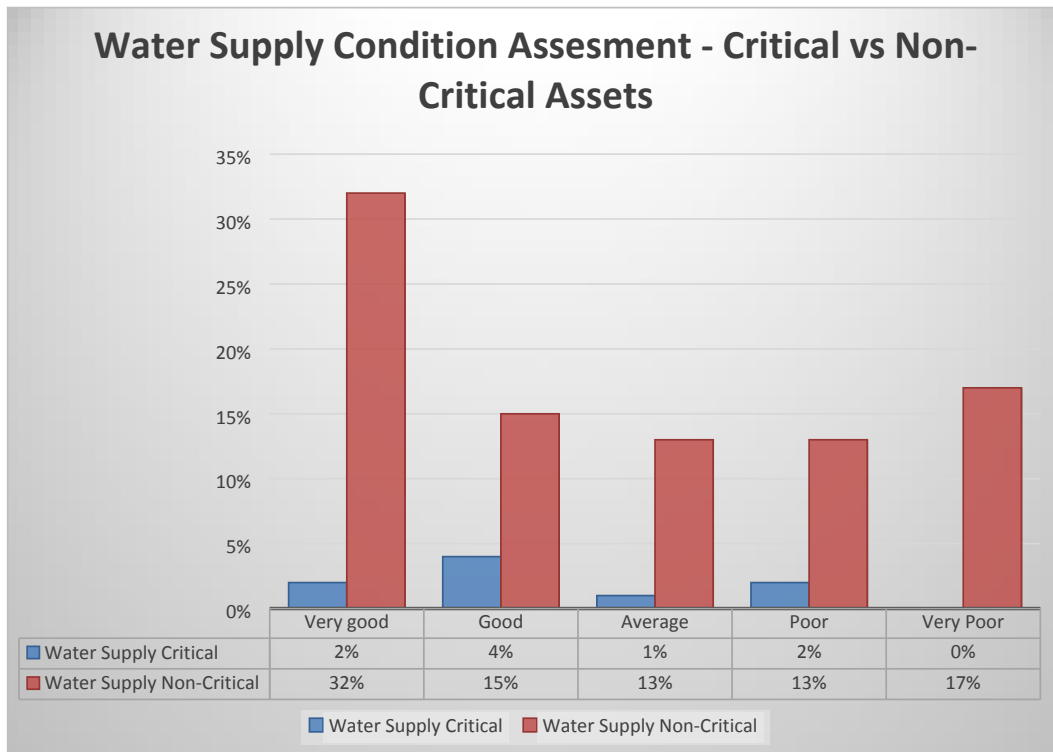


Figure 15: Water Supply Condition Assessment - Critical vs Non-Critical Assets

Asset Information

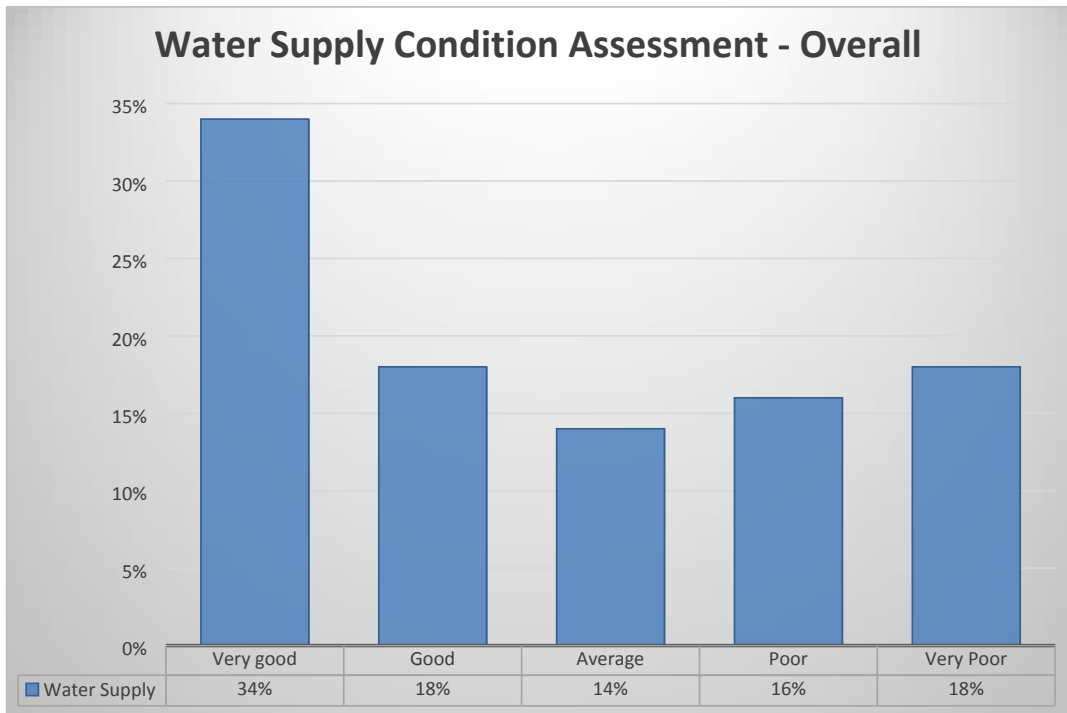


Figure 16: Water Supply Condition Assessment

3.8. DATA ACCURACY AND CONFIDENCE

The accuracy and currency of data is critical to effective asset management. Accurate data enables Council and the community to have confidence in decisions made about asset development, maintenance, and renewal/replacement.

To ensure accurate asset data is entered into the asset management system Stratford District Council has put in place the *Inspection Data Management Process* for managing targeted visual inspection data. Also, to determine the Council’s level of confidence in targeted inspection data.

The Stratford District Council has implemented the *Data Confidence Grading System* in Table 15. Asset Grading by asset group is provided in Table 16.

Step	Management process	Description
1	Collect Data	Data is collected and documented about asset and asset condition.
2	Hold Data	Where feasible data is stored in a temporary place until enough is gathered for sample auditing.
3	Audit a sample of Collected Data	Where applicable a sample of collected data is checked against the asset by authorised Council staff/Consultant – minimum 5%.
4	Enter Data into Asset Management System	Data is entered into the Asset Management System by the staff member responsible for the system.

Table 13 – Inspection Data Management Process

Asset Information

Grade	Confidence Level	Description
1	Highly Reliable	Data based on sound records, procedures, investigations and analysis which is properly documented and recognised as the best method of assessment. dataset is complete and estimated to be accurate +- 2%
2	Reliable	Data based on sound records, procedures, investigations and analysis which is properly documented but has minor shortcomings; for example the data is old, some documentation is missing and reliance is placed on unconfirmed reports or some extrapolation. dataset is complete and estimated to be accurate +- 10%
3	Uncertain	Data based on sound records, procedures, investigations and analysis which is incomplete or unsupported, or extrapolation from a limited sample for which grade A or B data is available. dataset substantially complete but up to 50% extrapolated data and estimated to be accurate +- 25%
4	Very Uncertain	Data based on unconfirmed verbal reports and/or cursory inspection and analysis. dataset may not be fully complete and most data is estimated or extrapolated and estimated to be accurate +- 40%
5	Unknown	None or very little data held

Table 14 – Data Confidence Grading System

Asset Group	Key Confidence Attributes Percentage (%)				Average	Assessed Confidence Level	Confidence Grading
	Location	Diameter /size	Material	Age			
All Scheme pipes	95	80	80	70	81	Uncertain	3
Service connections	43	43	43	43	43	Very Uncertain	4
Points	90	75	75	70	78	Reliable to Uncertain	2-3
Treatment Plants	95	95	85	85	90	Reliable	2
Critical Assets Assessment	Reliable						
Non-Critical Assets	Reliable to Uncertain						
OVERALL ASSESSMENT	Reliable to Uncertain						

Table 15 – Asset Confidence Grading by Asset Group

Asset Information

While Council's overall confidence around its data quality is '*Reliable to Uncertain*', the Council is confidence level for the 3-Waters is 'Reliable' for its critical assets and '*Reliable to Uncertain*' for non-critical assets. 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 and a summary of the *Data Confidence Levels*.

3.9 IMPROVEMENT PLAN

Actions identified in this Section for improving management of the asset are as follows:

Table 16 - Assets Improvement Plan

Sub Section	Task	Due Date
3.4	Asset Register Data AssetFinda and SCADA programmes maintained and kept up to date with information.	Ongoing
3.7	Information Systems Tablets fully integrated for Three Waters data collection and entry into AssetFinda.	Ongoing
3.7	Asset Condition Condition Grading System now in place and documented in Asset Management Plans. Condition inspection forms put in place for Council owned buildings.	Ongoing
3.7	Update asset condition data Continue to use information collected from maintenance tasks to update asset condition data.	Ongoing
3.7	Improve condition data accuracy and reliability The issues related to condition data for <u>below ground</u> water supply assets does not allow Council to accurately forecast remaining useful life. However, using the information collated from both 'scheduled' and 'reactive' maintenance (under the Services Maintenance Contract), Council is able to update asset condition data regularly. Over time as maintenance and renewals are carried out, the condition information will improve. Therefore, the implementation of additional major projects to assist Council in improving condition data information is not required.	Ongoing

4.0

Future Growth and Demand

Future Growth and Demand

4.0: FUTURE GROWTH AND DEMAND

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Future Growth and Demand

4.1. OVERVIEW

This section provides a description of population; economic growth trends forecasts and the demand drivers for the provision; development and sustainability of the Water Services to the community. It identifies the demand forecasting model used by the Council and highlights the factors that influence the demand for infrastructure and services and the associated impacts of each driver on the demand for the Water Services.

The demand for the provision of Water Supply services is generally determined by the degree to which customers use the service. The forecasting of future demand for services enables Stratford District Council to plan ahead and identify the best way to meet that demand.

Section 14 of the Local Government Act 2002 requires local authorities to take a sustainable development approach in conducting business. In doing this Stratford District Council must take into account;

- I. the social, economic, and cultural interests of people and communities; and
- II. the need to maintain and enhance the quality of the environment; and
- III. the reasonably foreseeable needs of future generations.

Stratford District Council is committed to planning for the changing needs of its community. As part of this commitment Council utilises demand forecasting in all asset management planning. Information on future growth forecast has been supplied by Infometrics NZ.

4.2. DEMAND FORECASTING

Demand forecasting enables Stratford District Council to identify areas that are likely to experience significant pressures, and plan accordingly. Currently, the Stratford District Council uses a “basic” model for demand forecasting. It is a combination of formal and informal techniques. Central to this is an understanding of how growth and future demand trends will impact on Levels of Service and desired community outcomes. As part of the planning process Council considers:

- the Asset use, demand, and capacity;
- the implementation and planning for quality and process improvements; and
- environmental impacts

Key Information gathered during the forecasting process includes:

- Historical data;
- Observed patterns and trends – use, demand, and popularity;
- Statistical estimates and projections;
- Commercial activity and anticipated business migration;
- Pending legislative changes.

From this, assumptions are formed about what could happen; enabling Council to better plan for the future needs of the community.

4.3. DEMAND DRIVERS AND IMPACTS

Demand drivers are the factors that influence demand for services or the infrastructure that provides those services. Future growth in the Stratford community can be attributed to a number of factors described in detail below, including:

- Population;
- Economic Development;
- Tourism;
- Regulatory Changes;
- Land Use Changes via the Structure Plan; and
- Changing Customer Needs and Expectations.

Future Growth and Demand

4.3.1. POPULATION

Under the medium population growth scenario projected by the Infometrics Model, the Taranaki region’s population is expected to grow to over 145,100 by 2051. Under a high growth scenario, higher levels of net migration would lead to a regional population of 163,100 by 2051, while the low growth scenario results in the population growing to approximately 129,000 residents by 2035, and then remaining relatively static at that level until 2051.

For the Stratford District, the forecast under the High growth scenario is to increase from above 10,000 in 2021 to just under 12,000 in 2051. This is equivalent to just under 0.7% increase per annum, an estimated total increase of approximately 18% over these 30 years. Under the low growth scenario, the forecast is to decline from above 10,000 in 2030, to just above 9,000 in 2051

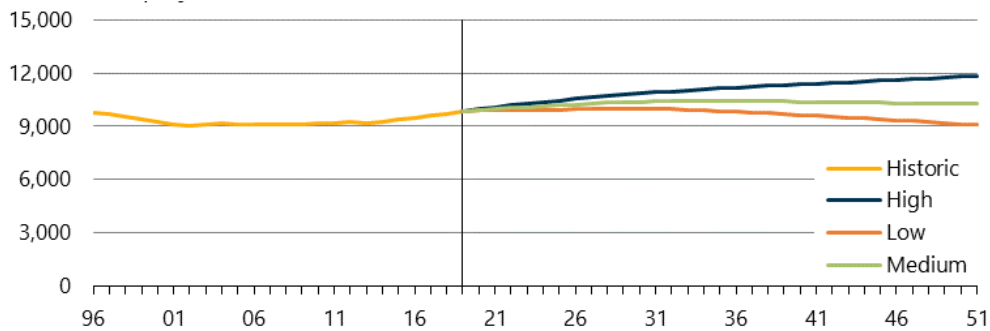


Figure 17 - Stratford District Infometrics projection of population change

Population distribution

Currently, there are 1,250 Maori population – 48% are under 20. Maori make up 13% of district population. Population growth has averaged 0.2% in the last 20 years, and averaged 0.7% in the last 10 years, however, in the last 3 years population growth has increased annually by 0.8% on average.

Population 2019 Infometrics data shows that Stratford district is approximately 9,860 – a growth of 1.3% from previous year. The source of growth was 78% due to natural increase and 22% due to net migration. We are anticipating an annual average population growth of 0.5% over the next eight years, centered around the urban area and mostly as a result of births.

The district’s Population Age Structure and Projection is shown in Figure 18; Components of Population Change in Figure 19 and the Population Geographic Distribution in Figure 20.

Elderly Population

The average age of Stratford residents is expected to increase over the next 30 years from 40 to 42 years. 580 residents (5% of the district population) are aged 80+.

With a rising older population and a potentially declining older working population Stratford District Council and the Water Supply Activity will need to consider the services it delivers and the infrastructure required to deliver these services.

For a clearer picture of the impacts on infrastructure and the demand for services, further assessment is necessary. The cost of this assessment will need to be weighed against the benefits of embarking on the project.

Future Growth and Demand

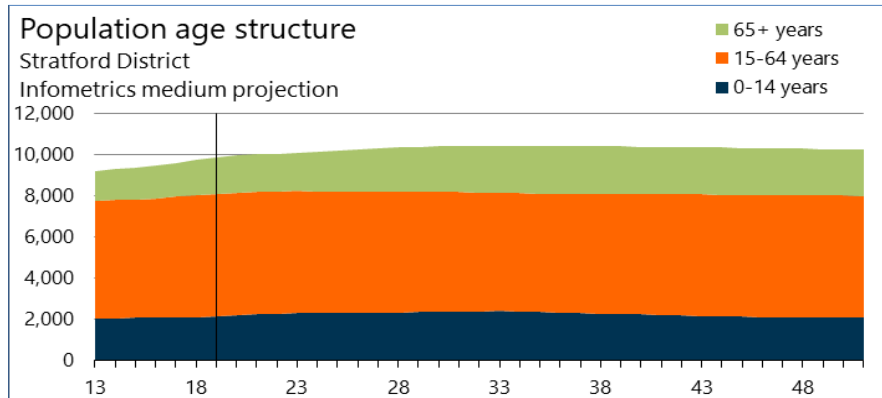


Figure 18 - Stratford District's Population Age Structure

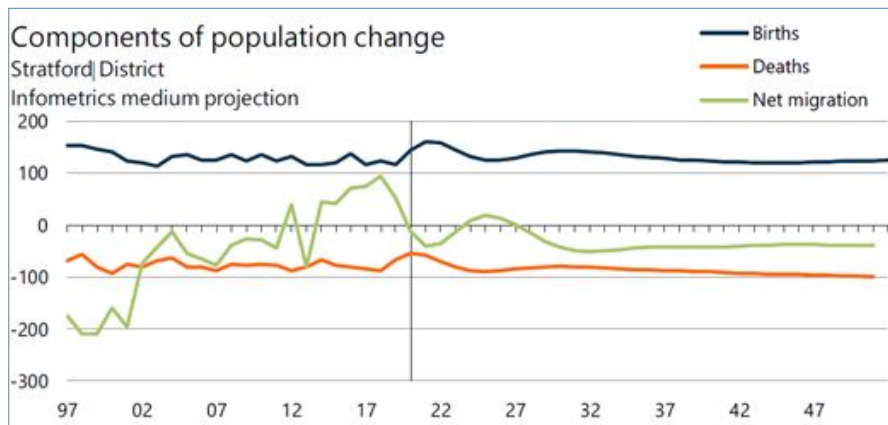


Figure 19 - Components of Population Change

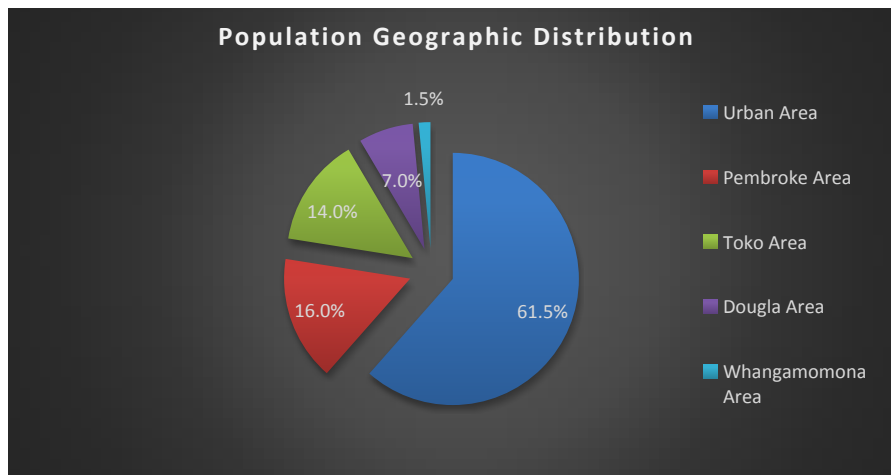


Figure 20 – Current Population Geographic Distribution

Future Growth and Demand

4.3.2. ECONOMIC DEVELOPMENT

The four local authorities of the Taranaki region in association with Venture Taranaki and the Ministry of Business, Innovation and Employment (MBIE) have developed a new regional Economic Development Strategy and Action Plan for Taranaki. The Taranaki Regional Economic Development Strategy became official in August 2017 and is known as “Tapuae Roa - Make Way for Taranaki”.

This strategy sets a direction for economic development and identifies priorities and measurable goals for the region as a whole. It is anticipated that the Strategy will enable and support economic growth and development in the Stratford District.

While economic growth for the Stratford District is desirable Council is aware that growth can have an impact on infrastructure and the services delivered by that infrastructure.

Anticipated impacts of the Regional Economic Development Strategy and any resulting growth on the Water Supply activity and infrastructure are expected to include:

- Increased demand for water services
- Increased pressure on existing infrastructure.
- Increased maintenance and renewal costs.

Economic History and Forecast

According to the Infometrics Model, GDP growth is static to low, and generally under the national average – except for 2009 and 2012 where there were spikes in the district’s GDP compared to the rest of the country.

The two biggest contributing industries in Stratford are the Agriculture and Forestry sector contributing 27% (Dairy Farming making up 16% of this) of district GDP, and the Electricity and Gas Supply contributing 16%. Stratford has the region’s largest electricity generation site at Contact’s 575MW gas powered plant – it is considered a nationally significant generation site.

In 2019, there were 3,462 filled jobs in the Stratford District. The district unemployment rate was 4.4%, compared to the regional unemployment rate of 5.0% and national unemployment rate of 4.3%. Employment growth lags behind the rest of the country (2018 Stratford: 1.5%, National: 3.0%), although it did spike above the national average in 2009.

In terms of industry employment the top five employing industries in 2019 were:

- Education and Training 11%
- Dairy farming 9%
- Health Care and Social Assistance 7%
- Accommodation and Food Services 6%
- Supermarket and Specialised Food Retailing 6%

The biggest increase in jobs in Stratford since 2017 has been in the house construction (building) sector, and in primary education. Stratford generally has a higher rate of self-employment than the national average at 19%, compared to 17% nationally. Stratford also has a higher productivity rating per employee. In 2018, GDP per employee came to \$120,631, compared to the national average of \$97,174.

The 10-year and 30-year GDP and Employment forecast are provided in Figures 21 – 23.

Future Growth and Demand

	GDP level (\$m, 2010 prices)			Annual % change	
	2005	2018	2031	05-18	18-31
New Plymouth	3,908	5,349	6,074	2.4%	1.0%
South Taranaki	1,869	1,948	2,080	0.3%	0.5%
Stratford	415	414	459	0.0%	0.8%
Taranaki	6,192	7,712	8,613	1.7%	0.9%

Figure 21 GDP Growth 2005-2031

The Infometrics data above shows minimal change in GDP growth from 2018 to 2031

	Employment level			Annual % change	
	2005	2018	2031	05-18	18-31
New Plymouth	33,926	40,748	47,261	1.4%	1.1%
South Taranaki	13,959	13,952	15,256	0.0%	0.7%
Stratford	3,637	3,434	3,639	-0.4%	0.4%
Taranaki	51,522	58,134	66,157	0.9%	1.0%

Figure 22 - Employment Levels in the Region

Employment was expected to increase over the period to 2031, however the impact of Covid-19 has changed these figures

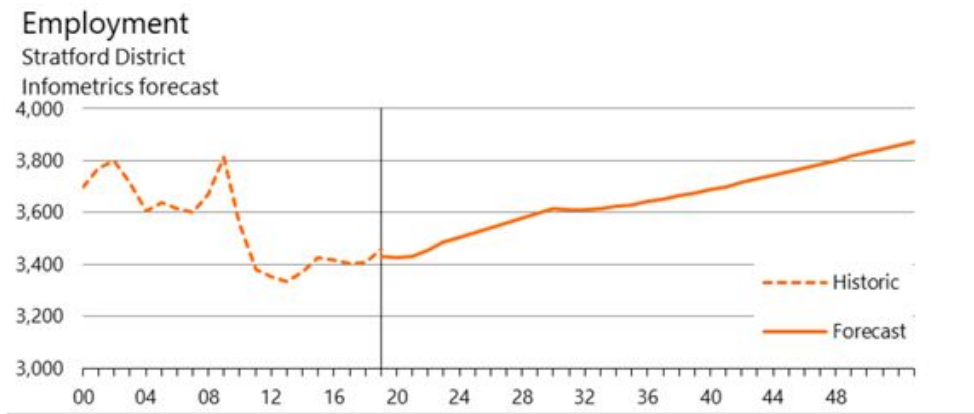


Figure 23 - Employment Forecast for Stratford

Employment is expected to increase slightly over the next 10-30 years

4.3.3. CLIMATE CHANGE

Scientific evidence indicates the earth's climate is changing because of increases in greenhouse gases caused by human activities.

Anticipated impacts for New Zealand over the next 100 years include:

Future Growth and Demand

- Changes in temperature
- Projected changes in rainfall
- Extreme weather events
- Decreased frost risk
- Increased frequency of high temperatures
- Increased frequency of extreme daily rainfalls
- Higher snow lines and possible reduced snow coverage
- Possible increase in strong winds
- An increase in average sea level.

At the regional and district level research indicates Taranaki could experience more extreme and varied rainfall patterns and severe weather events.

Extreme weather events and heavy rainfall would see increases in flooding, landslides, avalanches and mudslides during heavy rainfall events while on the flip side a lack of rain during summer months could see prolonged periods of drought. Both extremes place increased pressure on government, private flood insurance schemes, and disaster relief.

The Government's principal policy response to climate change is the New Zealand Emissions Trading Scheme (ETS). In various sectors (such as energy), the Government is also undertaking a range of other policies and measures that are contributing to reducing greenhouse gas emissions while achieving other policy goals.

Council responds to and plans for impacts of climate change as part of asset management practices by monitoring NIWA data in order to plan for and make adjustments to infrastructure where and when needed. Where adjustments are needed they are undertaken through New Works and/or Renewal/Replacement.

4.3.4. TOURISM

The Visitor Sector Action Plan is one of six action plans developed as part of the "Make Way for Taranaki" Regional Development Strategy. The action plan describes the current regional sector dynamic, growth objectives, challenges, opportunities and the actions required to achieve sector growth. It is anticipated that the Visitor Sector Action Plan will enable and support growth in the Stratford District Visitor Sector.

Council welcomes the Stratford District being seen as a visitor destination but is mindful that increases in visitor numbers may have an impact on infrastructure and the services it provides. Anticipated impacts of the Visitor Sector Action Plan and any increases in visitor numbers on the Water Supply Activity and infrastructure are expected to include:

- Increased demand for water services
- Increased pressure on existing infrastructure.
- Increased maintenance and renewal costs.

4.3.5. THE (DRAFT) STRUCTURE PLAN FOR STRATFORD

The SDC is currently undertaking a Structure Plan of the Stratford District, which is in response to an increased demand for residential development sites in Stratford. This 30 year Plan long term Strategy Plan will feed into the District Plan review and the Infrastructure Strategy, to ensure that the growth areas identified herein are duly catered for as and when required.

The Plan will identify key growth areas in Stratford, in addition to areas that lend themselves to in-filling. Roading, Solid Waste Services, Water and Wastewater infrastructure will be planned to service these areas accordingly. Given its proximity and centrality to key employment generators and tourist areas in the New Plymouth and South Taranaki District, the creation of new and affordable residential lots is expected to support the growth forecast for the town.

Future Growth and Demand

4.3.6. REGULATORY CHANGES

The SDC regularly reviews regulatory changes that may or will affect the SDC water supplies. This primarily includes updates to resource consents and changes to drinking water legislation and standards. There are no immediate concerns of regulatory changes at the time of writing this AMP, however there is an expectation that the legislation, standards and guidelines related to drinking water will be reviewed and updated in the near future. This is a direct result of the Havelock North inquiry and it is anticipated that SDC water supplies will be affected. It is too early to know what aspects of the inquiry will carry over into legislation/guidelines/standards.

4.3.7. CUSTOMER NEEDS AND EXPECTATIONS

Council has indicated a desire to promote growth in Stratford by developing new residential subdivisions with sections serviced by municipal water supply and wastewater schemes. Inherently, this will have an effect on the Stratford water supply whereby water demand in these areas will increase. To alleviate these effects on the network, the secondary trunk main could be utilised to supply directly to the growth areas where possible.

4.4. IMPROVEMENT PLAN

Table 17 - Future Growth Improvement Plan

Sub Section	Task	Due Date
4.3.1	Further assessment needed to assess the impacts of growth demands on the adequacy of the existing water reticulation system.	On-going

5.0

Levels of Service Performance

Levels of Service Performance

5.0: LEVELS OF SERVICE PERFORMANCE

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Levels of Service Performance

5.1. OVERVIEW

Levels of Service (LoS) define the form and quality of service that the Stratford District Council provides to the community. They are the balance between what the community wants and what the community is willing to pay for.

Through asset management planning, the relationship between the LoS and the cost of service is determined. Once determined, the relationship is evaluated in consultation with the community to define the agreed LoS, which are then used to:

- Inform customers of the proposed LoS;
- Develop AM strategies to the deliver LoS;
- Develop targets to measure performance;
- Identify and evaluate the costs and benefits of services offered; and
- Enable customers to assess customer values such as accessibility, quality, safety, and sustainability.

The Levels of Service section details legislative and regulatory requirements affecting the operation, management and Levels of Service for the Water Supply activity and infrastructure assets.

This section:

- Highlights the current LoS provided by the Stratford District Council;
- Defines the desired LoS for the future; and
- Outlines performance measures that will be used to monitor the delivery of the agreed LoS.

5.2. LEVEL OF SERVICE DEVELOPMENT/REVIEW PROCESS

LoS review is an on-going process which can be triggered by a variety of drivers. The development and review of the LoS will be undertaken following the process diagram in Figure 24 (Source: IIMM (2015)).

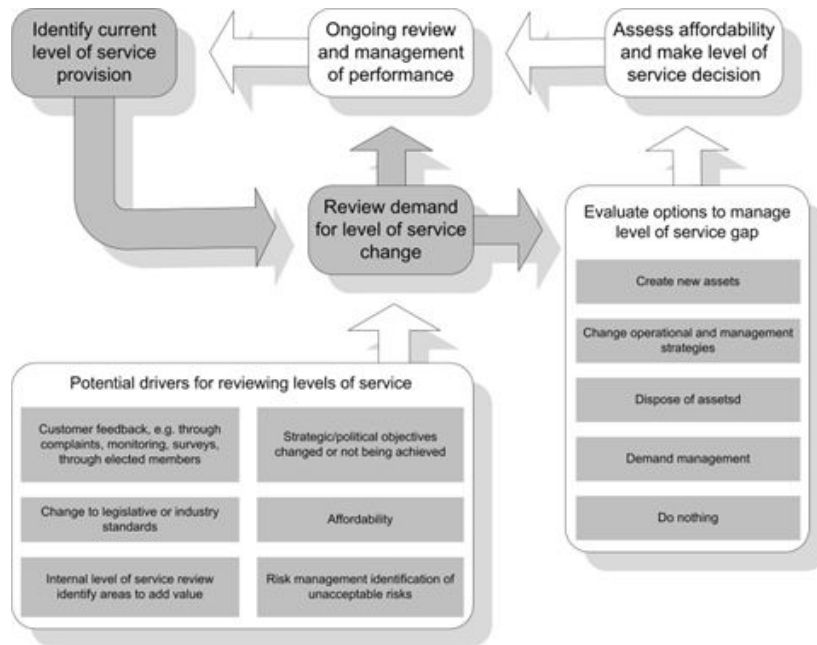


Figure 24 - Levels of Service Review Process

Levels of Service Performance

5.3. PERFORMANCE MONITORING AND REPORTING

The Stratford District Council has committed to provide a safe and well maintained water supply network that meets LoS expectations and regulatory requirements. To ensure these expectations and requirements are met, the Stratford District Council undertakes performance monitoring of water activities and infrastructure through the use of performance measures and key performance indicators (KPIs).

Performance measures and reporting enable Stratford District Council to identify how well it is delivering on the agreed LoS. KPIs enable Council to regularly measure actual performance against projected targets. By doing this we are able to identify trends, areas of achievement and areas for improvement to be identified.

The results of the performance monitoring are reported internally and externally through:

- monthly reports to Elected Members, also accessible to the public via the Council website; and
- the Long Term Plan, Annual Plan and Annual Report to our customers, key stakeholders and partners.

5.4. CURRENT PERFORMANCE

The Stratford District Council Water Supply infrastructure is required to provide all properties in the water supply zones with a constant, safe and sustainable supply of treated water. To ensure these expectations and requirements are met, the Council undertakes performance monitoring of the water activity and service it provides.

Performance monitoring is undertaken through the use of performance measures and key performance indicators (KPIs). Our current performance is monitored through the measures from two main sources:

- The Department for Internal Affairs (DIA) performance measures; and
- Internal performance measures

The DIA Performance Measures: Since 2014 all local authorities have been required to comply with a standard set of performance measures. The performance measures are intended to provide information that will enable the public to contribute to discussions on future levels of service and participate more easily and effectively in decision-making processes. While these measures, provided in Table 19, are set by the DIA, the targets and response times are set by SDC.

The Internal/Other Performance Measures: These are performance measures put in place by Council but are not considered mandatory. Council believes that including these performance measures allows the monitoring of items that add value to the customers of Council water supplies.

	Level of Service	Performance Measure	Outcome Category
1.	Drinking Water Standards	DWSNZ Bacterial compliance 100% Compliance with Part 4 of the Drinking-water standards (bacteria compliance criteria)	DIA measure
2.		DWSNZ Protozoal compliance 100% Compliance with Part 5 of the Drinking-water standards (protozoal compliance criteria)	DIA measure
3.	Maintenance of Reticulation	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) is <25%.	DIA measure
4.	Response	Urgent Response Times - The performance measure targets for	DIA measure

Levels of Service Performance

	Level of Service	Performance Measure	Outcome Category
	Times	the median response time for urgent attendance and resolution <ul style="list-style-type: none"> • Attendance for urgent call-out – 1 hour • Resolution for urgent call-out – 8 hours 	
5.		Non-urgent Response Times – The performance measure targets for the median response time for non-urgent attendance and resolution <ul style="list-style-type: none"> • Attendance non urgent call-out – 2 working days; • Resolution non urgent call-out – 5 working days 	DIA measure
6.	Customer Satisfaction	Number of complaints - The performance measure target for customer satisfaction is <32 per 1,000 complaints received for: <ul style="list-style-type: none"> • Drinking Water Clarity; • Drinking Water Taste; • Drinking Water Odour; • Drinking Water Pressure or Flow; • Continuity of Supply; • Council's response to any of these issues. 	DIA measure
7.	Demand Management	Water Consumption - The performance measure target for the average consumption of drinking water per day per resident within the district (in litres) is <275L/resident/day.	DIA measure

Table 18- DIA Performance Measures

	Level of Service	Performance Measure	Outcome Category
8.	Unplanned Disruptions	Unplanned Disruptions - The performance measure target for disruptions. <ul style="list-style-type: none"> • Minor disruptions (between 5 and 50 connections affected) is <5; • Major disruptions (more than 50 connections affected) it is <2. 	SDC measure
9.	Water Pressure	Water Pressure - The performance measure target for 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) is 100%.	SDC measure
10.	NZFS Conditions	Fire Hydrants – The performance measure targets the percentage of hydrants meeting the NZFS Code of Practice conditions regarding supply is 100%.	SDC measure

Table 19 - Internal / Other Performance Measures

5.4.1. DRINKING WATER STANDARDS (DWSNZ)

These are measures introduced with the 2015-2025 Long Term Plan in alignment with the DWSNZ coming into force. The measure requires compliance with part 4 and part 5 of the DWSNZ. The compliance performance measure target for 2019/2020 (as stated in the Long Term Plan) is 100% for all three water supplies.

Table 21, as per the Annual Report, presents performance targets for compliance with the DWSNZ standards which were met in 2019/20:

Levels of Service Performance

	2018/2019	2019/2020	Target
Part 4 - Bacterial compliance criteria			
Stratford	100%	100%	100%
Midhirst	100%	100%	100%
Toko	100%	100%	100%
Part 5- Protozoal compliance criteria			
Stratford	100%	100%	100%
Midhirst	100%	100%	100%
Toko	100%	100%	100%

Table 20 - Compliance with DWSNZ Parts 4 & 5

To assist in increasing/maintaining performance in futures years, Council has proposed some **potential projects** for the future during the development of the LTP 2021/2031 including:

- Ensuring the Council continues to meet the Protozoal Compliance Criteria;
- Membrane Module replacement;
- Alternative Water Supply

‘Improve DWSNZ (part 5) Compliance’ - During the 2019/2020 year, the DWSNZ Compliance (Part 5) performance target was achieved for all three water supplies. The Protozoal Compliance is a Taranaki Regional Council requirement and Stratford District Council has a S::can device which feeds light into the water which identifies bugs in the water. This device shuts off the water supply as soon as bugs are found meaning the water supply for the Stratford District is safe.

‘Membrane Module Replacement’

As discussed in previous sections, the Stratford water treatment plant was fully upgraded as a Membrane (Ultrafiltration) treatment plant in 2013. In order for this treatment system to remain effective in removing protozoa, the manufacturer recommends that the Membrane modules are replaced on a 10-yearly cycle. The filters have 10 year warranties and they are replaced under warranty or as required.

‘Alternative Water Source’

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, is currently the main source of water supply for the Stratford Township.

Inability to source water from the Patea River may arise as a result of severe drought, poisoning, natural disaster or other extreme weather/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 (including storage), cost evaluations and recommendations, etc.

5.4.2. MAINTENANCE OF THE RETICULATION SYSTEM

This is a measure introduced for the 2015-2025 Long Term Plan. The performance measure target for the percentage of real water loss from the local authority’s networked reticulation system is <25% and has been determined by Council as an appropriate figure (the description of the methodology used to

Levels of Service Performance

calculate this is available). As illustrated below in Table 22, the levels of real water loss have reduced from 2018/2019 and were achieved for Stratford Midhirst and Toko in 2019/2020.

	2018/2019	2019/2020	Target
Water Loss			
Stratford	21.5%	21.4%	<25%
Midhirst	39.1%	10.1%	<25%
Toko	16.7%	12.0%	<25%

Table 21 - Water Loss - Annual Report

5.4.3. RESPONSE TIMES

These are measures introduced with the 2015-2025 Long Term Plan. The performance measure targets for the median response time for urgent attendance and resolution and non-urgent attendance and resolution in 2018/2019 & 2019/2020 (as stated in the 2018-2021 Long Term Plan) are as detailed in Table 23:

Table 23 presents the median fault response time performance target for attendance and resolution of urgent and non-urgent call-outs. The result was 100 % achievement in 2019/2020.

	2018/2019	2019/2020	Target
Urgent Response Times			
Attendance (hrs:mins)	00:44	00:33	1:00
Resolution (hrs:mins)	3:26	2:41	8:00
Non-urgent Response Times			
Attendance (hrs:mins)	5:38	8:01	2 working days
Resolution (hrs:mins)	8:52	11:29	5 working days

Table 22 - Response Times; Urgent and Non-Urgent

Customer Satisfaction

This was a measure introduced for the 2015-2025 Long Term Plan. The performance measure target for customer satisfaction is <32 complaints per 1,000 residents /users received for:

- Drinking water clarity
- Drinking water taste
- Drinking water odour
- Drinking water pressure or flow
- Continuity of supply
- Council's response to any of these issues

This is limited to properties supplied within the water supply zones. As illustrated below the performance target for complaints was achieved in 2019/2020.

Table 23 - Number of Complaints

	2018/2019	2019/2020	Target
No of Complaints	Recording of complaints was not undertaken In accordance with DIA guidance	2.6	<32

Levels of Service Performance

5.4.4. DEMAND MANAGEMENT

This is a measure introduced for the 2015-2025 Long Term Plan. The performance measure target for the average consumption of drinking water per day per resident within the district (in litres) is <275L/resident/day.

As illustrated below although there was an increase in the amount of water consumed in 2018/2019, performance targets were achieved in 2019/2020, where residents are connected to a Stratford District Council water supply.

	2018/2019	2019/2020	Target
Water Consumption			
Stratford (L/person/day)	239.8	248.1	<275
Midhirst (L/person/day)	210.4	262.1	<275
Toko (L/person/day)	115.2	157.8	<275

Table 24 - Water Consumption

'Water Conservation'

Over the Long Term Plan 2018-2021 capital projects were completed. Universal metering was installed in 2020/2021 due to the flow meters returning questionable data. It is expected that these issues will be resolved as the data quality and confidence improves. The following Capital and Operational projects are planned.

- **Capital Projects:**
 - Installation of pressure reduction valves; and
 - Installation of zoning valves.
- **Operational Projects:**
 - Calibration of Water Model (5 yearly); and
 - Leak detection survey (biennial).

The implementation of the 'Water Conservation' project assists Council in achieving adequate LoS performance in future.

5.4.5. UNPLANNED DISRUPTIONS

This is a measure introduced for the 2015-2025 Long Term Plan. The performance measure target for minor disruptions (between 5 and 50 connections affected) is <5 and for major disruptions (more than 50 connections affected) it is <2 and have been determined by Council as appropriate figures after reviewing the water supply's historical performance.

As illustrated below, the performance targets for the minor unplanned disruptions were not achieved and the major unplanned disruptions was achieved in 2019/2020. The reason for not achieving the 2019/2020 target was the rollout of Ultrafast Broadband throughout Stratford resulting in contractors drilling through the ground hitting pipes as the accuracy of data on pipe location is within a range of 20 m. The targets for this measure have <6 and <3 respectively.

	2018/2019	2019/2020	Target
Unplanned Disruptions			
Minor	8	5	<5
Major	1	0	<2

Table 25 - Unplanned Disruptions

Levels of Service Performance

The Council had the following projects completed or underway, including the:

- Water reticulation renewals;
- Patea raw water main renewal; and
- Secondary trunk main.

'Water reticulation renewals'

Council currently has a water mains renewal programme targeting 'Everite' pipes in place, and as the renewals continue, the risk of unplanned disruptions reduces. Therefore, the continued implementation of the water mains renewal project will assist Council in achieving adequate LoS performance in future.

'Patea raw water main renewal'

Following the upgrade of the Stratford water treatment plant, condition assessment of other treatment assets has occurred. Recently, these assessments have found the existing Patea raw water main to be in a very poor condition. The raw water main is due to be renewed, hence, the implementation of the '*Patea raw water main renewal*' this project will assist Council in continuing to achieve adequate LoS performance in future.

'Secondary trunk main'

A major disruption or failure to the treated water trunk main could have major consequences for both residential and commercial customers of the Stratford water supply. Therefore, in order to prevent the effects of this type of disruption, Council has constructed a secondary trunk main. Additional benefits of a secondary trunk main with a new alignment and entry zone to the town reticulation (Pembroke Road) includes:

- Allowance to supply future growth areas
- More effective risk management in relation to major, extended disruptions
- Assistance with the shift towards reticulation zones

Therefore, the implementation of the Secondary trunk main project assists Council in achieving adequate LoS performance, allowance for future growth areas, and effective risk management.

5.4.6. WATER PRESSURE

The performance measure target for 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) is 100%.

As illustrated in Table 27, In 2019/2020 the water pressure was tested at 52 properties within the Stratford District. All properties tested had 100% water pressure and achieved Level of Service requirements for water pressure.

	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020
Pressure Achieved	☐	☐	X	☐	☐
Properties Tested	52	51	47	51	52

Table 26 - Water Pressure

Levels of Service Performance

5.4.7. NZFS CONDITIONS

The performance measure target for hydrants meeting the NZFS Code of Practice conditions regarding supply is 100%. As illustrated below performance targets for the number of hydrants meeting compliance requirements was achieved in 2019/2020.

	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020
Compliance with NZFSCOP	X (one failed test)	□	□	□	□
Properties Tested	35	30	30	31	31

Table 27 - Fire Hydrants

5.5. DESIRED PERFORMANCE

A summary of the Council's targets/ desired performance levels are presented in Table 31. This desire stems from the Council's resolve to maintain its delivery of the agreed levels of service and strengthen the community's confidence in the Council's ability to deliver excellent Water Service to the users

The Council will take into account its Customer Charter in its provision quality service to all our customers. Council will rate its performance against the key performance indicators (KPI's) or targets as per Table 29 below.

- Achieved** Required actions have been completed and the intended level of service has been achieved, or
Where a long-term level of service is targeted, the results for the year are in keeping with the required trend to achieve the intended level of service.
- Not Achieved** Not all of the required actions have been undertaken, or
The result for the year is less than the intended level of service, or
Where a long-term level of service is targeted, the results for the year are contrary to the required trend to achieve the intended level of service.
- Not Applicable** No action was required during the year.

Table 28 - Performance Rating Index

5.6. IMPROVEMENT PLAN

Actions identified in this Section for improving management of the asset are as follows:

Table 29 - Levels of Service Performance Improvement Plan

Sub Section	Task	Due Date
5.4.4	<p>Review the demand management performance measure calculation</p> <p>A review of the values and assumptions used for future calculations will need to be agreed upon. With the universal water metering being installed this will provide a more accurate measure for demand management.</p>	June 2024

Levels of Service Performance

Table 30 - Performance Measures - Trends and Targets

Level of Service	Performance Measure	Outcome Category	Trend			Current	Target				How Measured
			2017/18	2018/19	2019/20	2020/21	Year 1 2021/22	Year 2 2022/23	Year 3 2023/24	Years 4-10 2024-2031	
Drinking Water Standards	DWSNZ Part 4 - Bacterial compliance criteria	DIA Measure	Stratford – Ach - 100% Midhirst – Ach - 100% Toko – Ach - 100%	Stratford – Ach - 100% Midhirst – Ach - 100% Toko – Ach - 100%	Stratford – Ach - 100% Midhirst – Ach - 100% Toko – Ach - 100%	100% for all plants	100% for all plants	100% for all plants	100% for all plants	100% for all plants	Plant & reticulation performance records in water outlook. Includes water quality sampling programme records as well as any plant non-performances.
	DWSNZ Part 5 – Protozoal compliance criteria	DIA Measure	Stratford – Ach - 100% Midhirst – N/A Toko – N/A	Stratford – Ach - 100% Midhirst – Ach - 100% Toko – Ach - 100%	Stratford – Ach - 100% Midhirst – Ach - 100% Toko – Ach - 100%	100% for all plants	100% for all plants	100% for all plants	100% for all plants	100% for all plants	Plant & reticulation performance records in water outlook. Includes water quality sampling programme records as well as any plant non-performances.
Maintenance of reticulation	Water Loss	DIA Measure	Stratford – Ach - 12% Midhirst – Not/Ach - 36% Toko – Ach - 19%	Stratford – Ach - 21.5% Midhirst – Not Ach - 39.1% Toko – Ach - 16.7%	Stratford – Ach – 21.4% Midhirst – Ach – 10.1% Toko – Ach – 12.0%	<25%	<25%	<25%	<25%	<25%	Calculated annually as per NZWWA Water Loss Guidelines.

Levels of Service Performance

Level of Service	Performance Measure	Outcome Category	Trend			Current	Target				How Measured
			2017/18	2018/19	2019/20	2020/21	Year 1 2021/22	Year 2 2022/23	Year 3 2023/24	Years 4-10 2024-2031	
Response Times	Urgent Response - Attendance	DIA Measure	Ach – 37mins	Ach – 44mins	Ach – 33mins	1 hour	1 hour	1 hour	1 hour	1 hour	Work order tracking/reporting through Council's asset management system.
	Urgent Response - Resolution	DIA Measure	Ach – 4hrs 19min	Ach – 3hrs 26min	Ach – 2hrs 41min	8 hours	8 hours	8 hours	8 hours	8 hours	
	Non Urgent Response - Attendance	DIA Measure	Ach - 18hrs 56mins	Ach - 5hrs 38mins	Ach - 8hrs 1mins	2 working days	2 working days	2 working days	2 working days	2 working days	Work order tracking/reporting through Council's asset management system. Affected property numbers provided via GIS/Asset Management System
	Non Urgent Response - Resolution	DIA Measure	Ach - 23hrs 30mins	Ach - 8hrs 52mins	Ach - 11hrs 29mins	5 working days	5 working days	5 working days	5 working days	5 working days	
Customer Satisfaction	Total number of complaints received for: <ul style="list-style-type: none"> • Drinking water clarity • Drinking water taste • Drinking water odour • Drinking water pressure or flow • Continuity of supply • Council's response to any of these issues 	DIA Measure	Not recorded	Not recorded	Ach – 2.6 per 1000 connections	<32	<32	<32	<32	<32	Reporting against corporate CRM system.

Levels of Service Performance

Level of Service	Performance Measure	Outcome Category	Trend			Current	Target				How Measured
			2017/18	2018/19	2019/20	2020/21	Year 1 2021/22	Year 2 2022/23	Year 3 2023/24	Years 4-10 2024-2031	
	expressed per 1000 connections to council's networked reticulation system.										
Demand Management	Water Consumption in litres / day / resident (l/d/r)	DIA Measure	Stratford – Ach - 205 l/d/r Midhirst – Ach - 228 l/d/r Toko – Achieved 228 l/d/r	Stratford – Ach - 239.8 l/d/r Midhirst – Ach - 210.4 l/d/r Toko – Achieved 115.2 l/d/r	Stratford – Ach – 248.1 l/d/r Midhirst – Ach – 262.1 l/d/r Toko – Achieved 157.8 l/d/r	<275	<275	<275	<275	<275	Calculated from production records ex SCADA/Water Outlook, deducting commercial users as per water meter records as well as any other non-residential use and losses (as per bench loss), divided by number of residential connections and average number of residents per property.
Unplanned Disruptions	Minor	SDC Measure	Ach - 3	Not/Ach - 8	Not/Ach - 5	<5	<6	<6	<6	<6	Work order tracking/reporting through Council's asset management system. Affected property numbers provided via GIS/Asset Management System
	Major	SDC Measure	N/Ach - 2	Ach - 1	Ach - 0	<2	<3	<3	<3	<3	
Water Pressure	Water pressure at 50 properties within the water supply zone, including any that have complained	SDC Measure	N/Ach - 97.8%	Ach - 100%	Ach - 100%	100%	100%	100%	100%	100%	Pressure and flow to be measured at a minimum of 50 properties per annum. Test results recorded by handheld device directly into asset management

Levels of Service Performance

Level of Service	Performance Measure	Outcome Category	Trend			Current	Target				How Measured
			2017/18	2018/19	2019/20		2020/21	Year 1 2021/22	Year 2 2022/23	Year 3 2023/24	
	about pressure and or flow meets council specifications (flow>10l/min & pressure>350kpa). (Council Measure)										system against property's point of supply. Where test at tap inside property fails, test will be repeated at point of supply (toby/meter box) to isolate problems with private pipework from public network. Customer is advised if problem with internal plumbing.
Fire Hydrants	Fire hydrants meet NZFS Code of Practice conditions regarding supply. (Council Measure)	SDC Measure	Ach – 100%	Ach– 100%	Ach – 100%	100%	100%	100%	100%	100%	Flow & pressure testing carried out by council contractor and or NZ Fire Service to NZ Fire Fighting Code of Practice standards.
<p>Ach – Achieved; P/Ach - Partly Achieved; N/Ach - Not Achieved; N/A – Not Applicable</p>											

6.0

Strategic Assessment

Strategic Assessment

6.0: STRATEGIC ASSESSMENT

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Strategic Assessment

6.1. OVERVIEW

The ‘*Strategic Assessment*’ section presents an assessment of the need for investment against strategic outcomes. It defines the problems facing the Stratford District Council; highlights the investment projects necessary to address these problems and the benefits of each identified investment project.

6.2. BUSINESS CASE

Section 17A of the Local Government Act (LGA) 2002 requires the local authority to ‘*review the cost-effectiveness of current arrangements for meeting the needs of communities within its district or region for good quality local infrastructure, local public services and performance of regulatory functions*’.

6.3. PROBLEM STATEMENTS

Between June and September 2020, Council staff prepared and presented *Early Conversation papers*¹ for discussion with the Elected Members as part of the Long Term Plan (LTP) process. The purpose of these early conversations was to ask elected members for direction regarding some capital projects being proposed in the 2021-2031 LTP.

The Early Conversations with the Elected Members identified:

- Problems and items for improvement in the delivery of our Water Supply Activity;
- Future proofing Objectives in addition to Council Community Outcomes;
- Options for addressing the identified problems; and
- An assessment of each option against Council Outcomes and the identified future proofing objectives;
- Risks and Opportunities associated with each option and
- Preferred Options to address each Problem Area.

The Elected Members considered the information and provided the necessary direction - in some cases modifying the preferred option. The outcomes of these conversations provided a 10-year plan for implementation of the Preferred Options for each Problem area identified. The main problems identified and *workshopped* as part of the Early Conversations are:

- Water Use Efficiency and Conservation;
- Emergency Water Supply; and
- Alternative Water Supply.

6.3.1. WATER USE EFFICIENCY AND CONSERVATION

Universal Water Metering is considered a major option in addressing the water use efficiency and conservation issue, which is driven by many factors including:

- Resource Consent through the Regional Council as the issuing authority of our Resource Consent and via Iwi, as a key Affected Party to our consent renewals as documented in Iwi Management Plans.
- Minimisation of water loss - Bench loss, a key performance measure monitored by the Department of Internal Affairs (DIA) through System Adequacy;
- Spare capacity for future growth - with water metering comes more efficient use of existing water resources;
- Fairness in water tariff system - Inequality currently exists where a household uses more than its intended allocation of (250m³).

The key benefits in implementing universal water metering are provided in Table 32.

¹ *Early Conversation Papers D20/6956, D20/11163, D20/11166, D20/11169, D20/11813*

Strategic Assessment

6.3.2. EMERGENCY WATER SUPPLY

Resiliency analysis has identified approximately 2 days of water supply in the current reservoirs would be available if there were any incidents that rendered the raw water intake unusable. Council Officers have identified an additional 4,500m³ water reservoir to be the solution.

The reservoir will provide an additional day of water supply in the event of failure of the water intake and ensure critical clean, safe drinking water for residents, and also process water for industry in Stratford. The continuity of clean and safe water also gives confidence to existing industry, and new industries which Council are continuing to entice to the northern area of Stratford. The new reservoir will be located beside the existing town supply reservoirs.

6.3.3. PROVISION FOR AN ALTERNATIVE WATER SUPPLY SOURCE FOR STRATFORD

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, is currently the main source of water supply for the Stratford Township.

Inability to source water from the Patea River may arise as a result of severe drought, poisoning, natural disaster or other extreme weather/climatic event.

The recommendation has been made to commission a feasibility report for future proofing of water supply for Stratford.

6.4. OUR BENEFIT STATEMENTS

The Council has identified projects, as described in Section 6.3, to address the problems in delivering water supply services in a safe and environmentally friendly manner and at the agreed level of service to the community. The benefits of implementing these projects are presented in Table 32 below.

Table 31- Problems, Projects and Benefit Statements

Problem Statements	Identified Projects	Benefit Statements
<p>Problem Statement 1 - Water Use Efficiency and Conservation</p> <ul style="list-style-type: none"> • Fairness in water tariff system; • High water consumption rates; • Water leakages in the network; and • Inefficiency in water distribution. 	<p>Implement Universal Water metering including electronic water meter reading to all properties in the district connected to the Council's water reticulation system.</p>	<ul style="list-style-type: none"> • The optimisation of water use and consumption to ensure and support spare capacity for future growth etc. • Compliance with council's water take resource consent; • Equity in water tariff system; and most importantly, • Reduction in water loss and revenue through leakages and the achievement of Department of Internal Affairs (DIA) requirements; • Extension of water assets life; • Associated reduction in the costs and requirement for wastewater treatment systems to the Council; • Effective identification of high water-use areas
<p>Problem Statement 2- Emergency Water Supply</p> <ul style="list-style-type: none"> • Additional water storage at the Stratford Water Treatment Plant • Capacity Issues; • Criticality 	<p>Construct a new water 4,500m³ Reservoir at the Water Treatment Plant</p>	<ul style="list-style-type: none"> • Resilience in providing 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 also process water for industry in Stratford; and To support growth – planned or unplanned. The continuity of clean and safe water also gives confidence to existing and new industries which Council continue to encourage to the district.

Strategic Assessment

Problem Statements	Identified Projects	Benefit Statements
<p>Problem Statement 3 - Alternative Water Supply</p> <ul style="list-style-type: none"> • Resilience; • Criticality • Water quantity and quality in the Patea River and Konini Stream 	<p>Commission a feasibility report to explore the alternative water supply options available for the Patea River/Konini Stream Water Take</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
<p>Problem Statement 4 - Backflow Prevention</p> <ul style="list-style-type: none"> • Drinking Water quality • Public Health Risk • Water Supply Bylaw Implementation 	<ul style="list-style-type: none"> • Implementation of Backflow Prevention Programme 	<ul style="list-style-type: none"> • Reduced risk of contamination as a result of backflow or syphoning • Enhanced Public Health and Safety
<p>Problem Statement 5 - Resource Consent Renewal</p> <ul style="list-style-type: none"> • Criticality • Water take and distribution; • Public Health 	<ul style="list-style-type: none"> • Renew the Expiring Resource Consent to take water from the Te Popo Stream at Midhirst. This consent expires in June 2021. 	<ul style="list-style-type: none"> • 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 expires in June 2021. • Continued water supply to Midhirst residents

7.0 Lifecycle Management

Lifecycle Management

7.0: LIFECYCLE MANAGEMENT

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Lifecycle Management

7.1. OVERVIEW

Lifecycle Asset Management focuses on management options and strategies to minimise risks to assets, and any potential risk of assets. It considers all relevant consequences from initial planning through to renewal, replacement, disposal or rationalisation of assets.

Lifecycle Asset Management acknowledges that assets are always in a state of decay and their useful life is primarily influenced by;

- Physical characteristics
- Operating environment
- Customer requirements



Figure 25 - Lifecycle Asset Management

Lifecycle Asset Management enables Stratford District Council to identify issues, determine appropriate response options and identify strategies and programmes for response to identified issues/opportunities in order to deliver Levels of Service and achieve both asset and organisational goals and objectives.

The Lifecycle Asset Management section contains current Stratford District Council procurement and contractual arrangements and the prioritisation of works:

- That meets the short and long term needs of our community;
- That offers value for money; and
- In a sustainable manner to the least whole-of-life cost.

This section presents a detailed plan of prioritised work over a 10-year planning period in response to the problem and benefit statements highlighted in this AMP. It presents Council's practices and projects to maintain the water assets over its lifecycle through Council's:

- Procurement Policy;
- Management Strategies;
- Contractual Arrangements;
- Programme Business Case for the next 10 years;
- Disposal Strategy; and
- Planning for Improvement

At the time of writing this WAMP, the costs and financial projections were accurate; however changes are expected upon finalisation of the LTP 2021/2031.

7.2. PROCUREMENT POLICY

Procurement for the purpose of implementing projects identified in the work programmes are undertaken in accordance with the Council's Procurement Policy. The Council's Procurement Policy for the purpose of procuring goods works and services is aimed at ensuring that Council:

- Achieves the right outcomes and value for money;
- Manages risk while allowing staff to exercise business judgement and be innovative;
- Demonstrates fairness;
- Reflects best management practice; and
- Has a local procurement policy applying to works with a monetary value up to a limit prescribed by Council.

All personnel involved in procurement procedures are required to maintain the confidentiality of the process. The Council, as a public entity, must act fairly and consistently, in accordance with relevant legislation.

Lifecycle Management

7.3. MANAGEMENT STRATEGIES

The overall management of infrastructure will be driven through strategies aimed at:

- Complying with the legislative and strategic requirements;
- Meeting customer expectations and agreed levels of service; and
- Delivering value for money for ratepayers, funding partners and the Council.

These strategies as presented in Figure 26, are either under review or currently being developed.

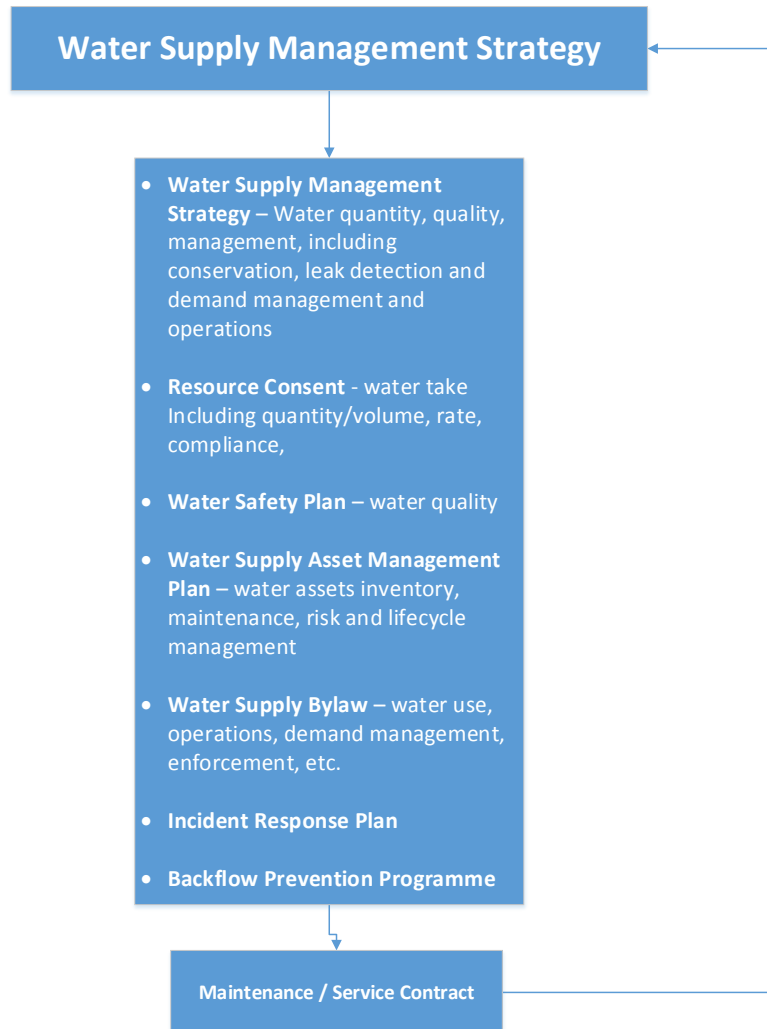


Figure 26 – Water Supply Asset Management Strategies

Lifecycle Management

7.4. CONTRACTUAL ARRANGEMENTS

The Stratford District Council has in place contractual agreements for the delivery of the agreed levels of service. Service is delivered through three main contractual agreements relating to:

- Physical Works;
- Treatment Plant Operations; and
- Maintenance Contracts

Physical Works are mainly covered by the Maintenance Contract. However, where it is not covered, this service is procured in accordance with Stratford District Council's Procurement Procedures.

The Council is responsible for the operation of all three treatment plants and has a Services Maintenance Contract which covers an initial period of 3 years from 1 July 2019 and expires on 30 June 2022. It is a three year service delivery Contract with two rights of renewal of two years each for the continued operation and maintenance of the Stratford District Council's Water Supply, Wastewater and Stormwater Services. The Contract was entered into in 2019 with its first renewal option in 2022.

7.5. PROGRAMME BUSINESS CASE

The programme business case details how the problems identified in the previous sections will be addressed. This is presented in Tables 33 below and shows the identified projects that are proposed to address the identified problems in presented in Section 6 of this report and achieve the DIA and Internal/Other performance measures as per Section 5.

The identified projects are grouped under three main categories of:

- Operations/Maintenance works;
- Renewal/Replacement works; and
- Level of Service Improvements.

The prioritisation of planned maintenance, renewal/replacement and capital projects is based on:

- Level of Service requirements;
- Criticality and risk assessment associated with investment levels that potentially change the level of service;
- Age and condition of the infrastructure; and
- Budgetary constraints.

These key outcomes have been considered for each activity at an asset group level.

7.5.1. OPERATION AND MAINTENANCE

Management strategies provide how the asset will be operated and maintained on a day-to-day basis to consistently achieve optimum use. A key element of asset management planning is determining the most cost-effective blend of planned and unplanned maintenance (ready response).

Operating budgets are detailed in the Financial Forecasts Section of this document.

The operation and maintenance of assets is undertaken through:

- **Routine Maintenance** - The Day to day maintenance which is required on an on-going basis and is budgeted for under the Services Maintenance Contracts as "key tasks" ;
- **Planned Maintenance** - Non day-to-day maintenance which is identified in advance and is incorporated into a maintenance budget for a certain time period; and
- **Ready Response** - Maintenance that is unexpected and necessary to continue operation of the service.

The previous expenditure figures for operations and maintenance, as detailed in the Annual Plan, are presented in Figure 27. The planned works are presented in Table 34 below.

Lifecycle Management

Table 32 –Identified Projects and Performance Measures

Work Category	Identified Projects	Performance Measures							
		DWSNZ Compliance	Water Loss	Response Times	Unplanned Disruptions	Demand Management	Customer Satisfaction	Water Pressure	NZFS Conditions
Operations/ Maintenance	Water conservation (calibrate mode)		✓			✓		✓	✓
	Water conservation (leak surveys)		✓			✓			
	Reservoir Clean	✓				✓			
Renewal/Replacement	Water reticulation renewals (hydrants, laterals, meters, and streetwork mains)		✓		✓				✓
	Pipe Bridges				✓				
	Toko Bore	✓			✓		✓		
	Reservoir Overflow								
	Treatment plants general infrastructure renewal				✓				
	Membrane module replacement	✓			✓				
Level of Service Improvements	Universal metering and electronic meter reading		✓			✓			
	Alternative Water Source								
	New reservoir at Stratford		✓			✓			
	Street-work mains (Riders)				✓		✓	✓	
	Midhirst Reservoirs		✓			✓			
	Installation of zoning valves		✓			✓			

Lifecycle Management

Table 33 - Planned Operation and Maintenance Works

Project	2021/22	2022/23	2023/24	2024-2031
Project - Water Conservation (Operational)				
- Calibration of Water Model	\$15,000			\$15,000
- Leak detection surveys (Stratford, Midhirst and Toko)	\$4,000	\$10,000		\$32,000

Problem Statement LoS Performance (demand management) targets are currently being met.
Resource consent conditions require some form of water conservation to be implemented.

Benefits of investment Assists Council in reducing water losses aiding in meeting demand management performance targets and resource consent conditions.

Consequences of non-investment Risk of continued non-performance against agreed LoS Performance, issuing of infringement notices, and/or non-renewal of resource consent to take water.

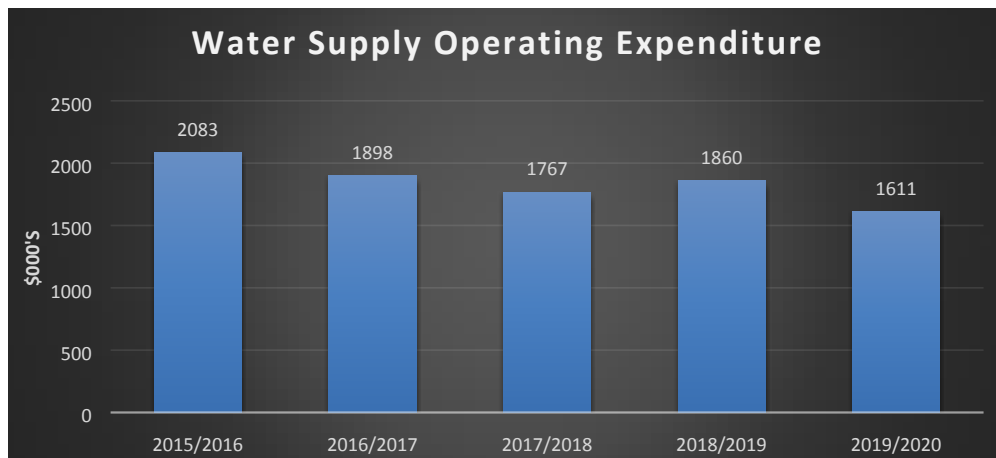


Figure 27 - Operation and Maintenance Expenditure Trends

7.5.2. RENEWAL/REPLACEMENT

Renewal is major work which does not increase the asset’s design capacity but restores, rehabilitates, replaces or renews an existing asset to its original capacity. Work over and above restoring an asset to its original capacity is new asset expenditure. Assets identified for renewal are typically:

- Near or beyond the end of their expected life
- Have known condition and / or performance deficiencies
- Have both known deficiencies and are of a critical nature

The previous expenditure figures for assets renewal / replacement, as detailed in the Annual Plan, are presented in Figure 28. The planned works are presented in Table 35 below.

A 10-year Replacement Profile is provided in Figure 29.

Lifecycle Management

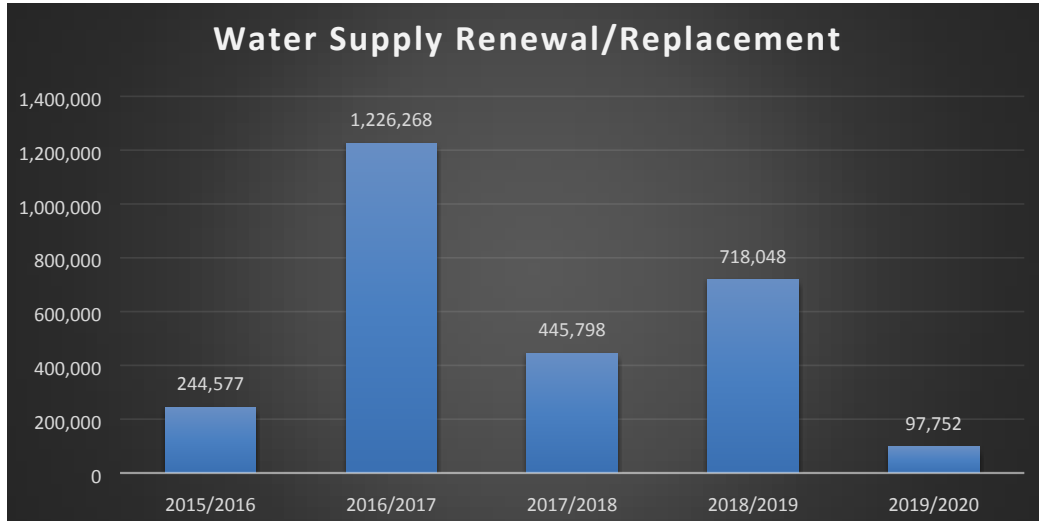


Figure 28 - Renewal/Replacement Expenditure Trends

Table 34 - Planned Renewal /Replacement Works

Project	2021/22	2022/23	2023/24	2024-2031
Membrane Module Replacement	\$150,000			

Problem Statement Performance of the membrane modules reduces over time and need to be replaced as per the manufacturer’s recommendations.

Benefits of investment Effective treatment for Protozoa continues at the Stratford water treatment plant.

Consequences of non-investment Risk of failure of the only treatment barrier for Protozoa with the requirements of Part 5 of the DWSNZ not met.

Project	2021/22	2022/23	2023/24	2024-2031
Water reticulation renewals				
- Hydrants	\$14,800	\$15,300	\$15,700	\$123,800
- Laterals	\$30,600	\$31,600	\$32,500	\$256,100
- Meters	\$50,000	\$51,700	\$53,100	\$4,184,000
- Mains	\$270,000	\$263,900	\$270,700	\$2,188,500

Problem Statement LoS Performance (unplanned disruptions) targets are currently not met.

Benefits of investment Project will assist Council in achieving adequate LoS performance in future.

Consequences of non-investment Risk of an increase in unplanned disruptions causing Council to not meet LoS Performance targets.

Project	2021/22	2022/23	2023/24	2024-2031
Reservoir cleaning (all reservoirs)	\$50,000	-	-	\$57,600

Problem Statement Preventative maintenance required to maintain acceptable LoS Performance (customer satisfaction).

Lifecycle Management

Benefits of investment Project will assist Council in maintaining adequate LoS performance in future.

Consequences of non-investment Risk of an increase in customer taste and odour complaints causing Council to not meet LoS Performance targets.

Project	2021/22	2022/23	2023/24	2024-2031
Toko new raw water source		\$134,500		

Problem Statement Raw water source quality issues currently experienced affecting plant performance and taste/odour complaints.

Benefits of investment Plant optimisation and a reduction in aesthetic issues for the Toko water supply.

Consequences of non-investment Risk of Council not meeting LoS Performance targets.

Project	2021/22	2022/23	2023/24	2024-2031
Reservoir overflow to pond		\$77,600		

Problem Statement The overflow of reservoir to the existing pond

Benefits of investment To ensure reservoir capacity is maintained

Consequences of non-investment Ineffective infrastructure and possible disruption to service

Project	2021/22	2022/23	2023/24	2024-2031
Pipe bridges		\$103,500		

Problem Statement As the pipe bridge comes to the end of its asset life, the Council has programmed for its renewal

Benefits of investment To ensure that the bridge continues to be fit for purpose.

Consequences of non-investment Bridge collapse due to lack of maintenance

Project	2021/22	2022/23	2023/24	2024-2031
Infrastructure general				
- Stratford				
- Midhirst	\$29,500	\$30,500	\$31,300	\$246,900
- Toko				

Problem Statement General infrastructure renewal are programmed for renewal as and when required.

Benefits of investment Continued delivery of service as the required level

Consequences of non-investment Loss of service, which potentially causes disruption to properties

Lifecycle Management

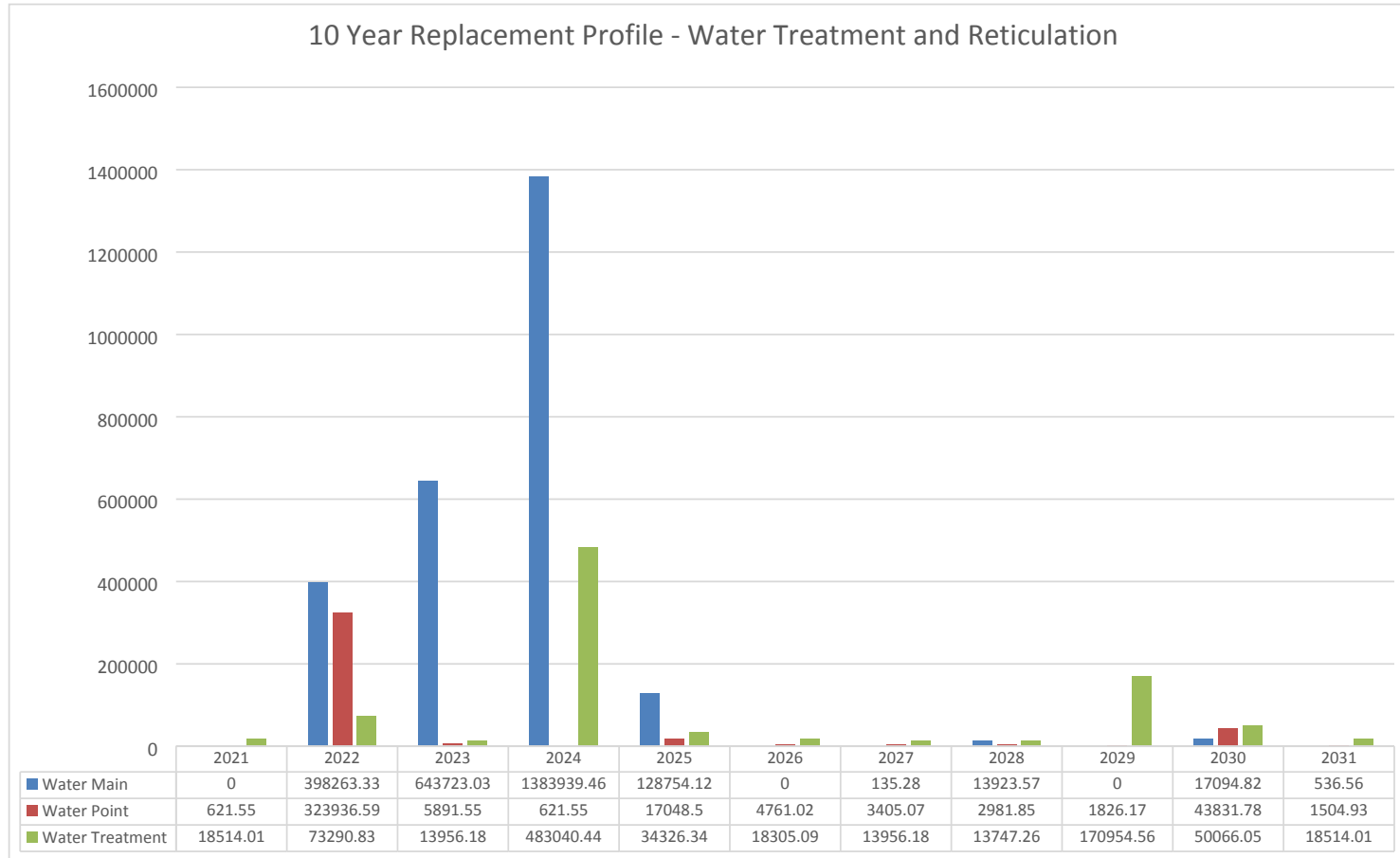


Figure 29 - 10-year Water Replacement Profile

Lifecycle Management

7.5.3. LEVEL OF SERVICE IMPROVEMENTS

The previous expenditure figures for level of service improvements, as detailed in the Annual Plan, are presented in Figure 30; the planned works are presented in Table 36 below.

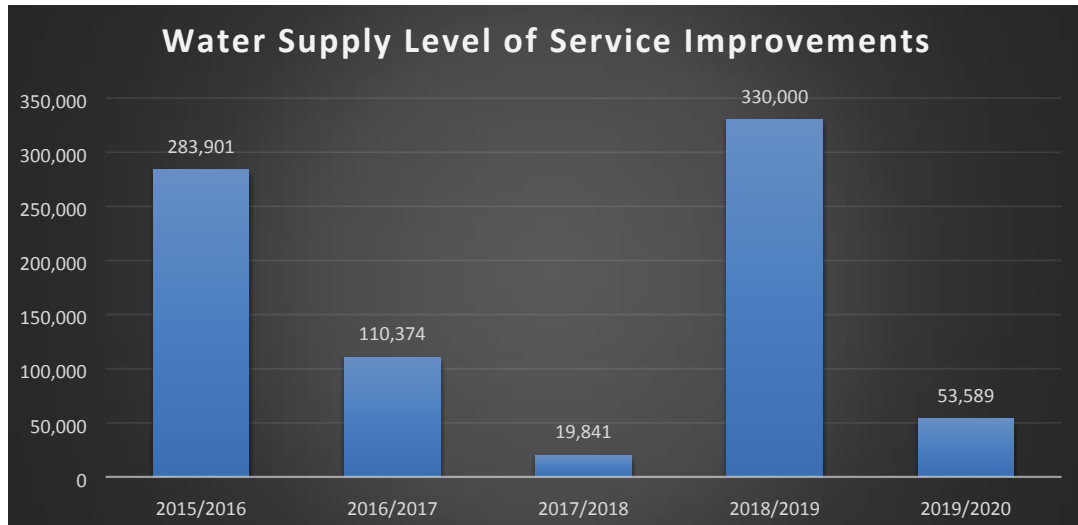


Figure 30 - Levels of Service Improvement Expenditure - Annual Report

Table 35 - Planned Level of Service Improvement Works

Project	2021/22	2022/23	2023/24	2024-2031
Water Conservation (Capital)				
- Water meter upgrade				
- Electronic water reading	\$349,500	\$361,400	\$337,100	\$1,147,000
- New meters to existing manifolds				
- Valves requiring manifolds and meters				

Problem Statement	LoS Performance (demand management) targets are currently difficult to attain. Resource consent (water permit) conditions require some form of water conservation to be implemented.
Benefits of investment	Assists Council in reducing water loses aiding in meeting demand management performance targets and resource consent conditions.
Consequences of non-investment	Risk of continued non-performance against agreed LoS Performance, issuing of infringement notices, and/or non-renewal of resource consent to take water.

Project	2021/22	2022/23	2023/24	2024-2031
Second trunk main				
- PGF funding	\$1,400,000	\$1,511,100		

Lifecycle Management

Problem Statement Total storage for water supply is around two days.

Benefits of investment Project will assist Council in maintaining adequate LoS performance in future by increasing the storage capacity of the water supply.

Project	2021/22	2022/23	2023/24	2024-2031
Midhirst reservoir upgrade				\$327,100

Problem Statement New building regulations require seismic related upgrades to the existing Midhirst reservoir. Council proposes to replace the existing reservoir with a compliant structure.

Benefits of investment Project will assist Council in maintaining adequate LoS performance in future by ensuring the security of the Midhirst water supply.

Consequences of non-investment Risk of Council not meeting LoS Performance (unplanned disruption) targets.

Project	2021/22	2022/23	2023/24	2024-2031
Streetwork ridermains renewals - Stratford		\$31,000	\$31,800	\$143,300

Problem Statement As rider mains come to the end of their asset lives, these are renewed and funded from reserves.

Benefits of investment To continue to perform at the required level of service

Consequences of non-investment Loss of water supply to affected properties.

Project	2021/22	2022/23	2023/24	2024-2031
Zoning	\$30,000			

Problem Statement The Council has identified the need for zoning and renewal or zone valves as and when necessary

Benefits of investment To ensure effective control of water and support water conservation and efficiency.

Consequences of non-investment Ineffective water control and possible disruption of supply to affected properties during water outages.

7.6. DISPOSAL STRATEGY

Disposal is the retirement or sale of assets whether surplus or replaced by new or improved systems. Assets may need to be disposed of for a number of reasons, particularly if they fall under some criteria, including those identified below:

- Underutilisation;
- Obsolescence;
- Cost Inefficiency;
- Policy change;
- Provision exceeds required Levels of Service;
- Service provided by other means (e.g. private sector involvement); and
- Potential risk of ownership (financial, environmental, legal, social).

As part of the lifecycle asset management process, Council considers the costs of asset disposal in the long-term financial forecasts. These costs are generally incorporated in the capital cost of Level of Service increases or asset renewals. While there are assets that fit under one or more of the above criteria, the Local Government Act provides clear instances when assets can be disposed of. At this

Lifecycle Management

time, the Stratford District Council has no plans to dispose of any Water assets other than those that become obsolete as a result of renewal or upgrading works.

7.7. IMPROVEMENT PLAN

Actions identified in this Section for improving management of the asset are as follows:

Table 36 Lifecycle Management Improvement Plan

Sub Section	Task	Due Date
7.3	Maximise AssetFinda capabilities for predictive modelling purposes	Ongoing

8.0

Risk Assessment

Risk Management

8.0: RISK MANAGEMENT

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Risk Management

8.1. OVERVIEW

Risk is the effect of uncertainty on objectives. Risk events are events which may compromise the delivery of the organisation's strategic objectives.

The main risk to asset management planning is the inability to deliver on agreed Levels of Service due to unplanned events and situations.

The Risk Management section highlights the Stratford District Council's risk management framework and process. It identifies significant negative effects and hazards linked to the activity and infrastructure assets. The section also identifies critical assets and our approach to emergency response and health and safety.

8.2. RISK MANAGEMENT FRAMEWORK

The Stratford District Council has prepared a *Corporate Risk Management Framework June 2018* which includes processes that identify, evaluate and manage all risks that may impact on the agreed Levels of Service to the Community. The purpose of this framework is to promote consistency and to describe the components of Stratford District Council's risk management system. The Council wide risk register allocates all council risks into the following 6 categories:

- Compliance and Legislation Risks;
- Data Information Risks;
- Financial
- Health and Safety Wellbeing
- Operational Risks
- Reputational and Conduct Risks;

The potential risks identified for the Solid Waste assets under these six categories are described in detail in this report.

The Council's risk management approach is underpinned by principles that will ensure the minimisation of risks for the principal asset systems through the non-achievement of critical business objectives and impact of system failure. The risk management principles are:

- Adds value by contributing to the achievement of Stratford District Council's objectives and improving performance;
- An integral part of the Stratford District Council's planning, processes, and decision making;
- Structured approach that is well-defined, transparent, and aligned with good practice;
- Responsive to change by monitoring, reviewing, and responding to the changing environment;
- Pragmatic by focusing on the most important risks and allowing informed risk taking;
- Explicitly addresses uncertainty based on best available information; and
- Continuous improvement as we get better at identifying and managing risks and opportunities.

The objectives of the Council's Risk Management framework are to establish a systematic and structured approach to managing risks across the Stratford District Council and to embed risk management practices into business strategy, planning and core operations to ensure that key risks are proactively identified, managed and communicated. Benefits from applying effective risk management include:

- Improved achievement of the Council's strategic direction, objectives and priorities;
- Reduced risks – significant risks are identified and managed and early warning of problems and emerging risks are addressed, with appropriate design and operation of internal controls;
- Improved decisions – decisions are made after analysis of risk;
- Improved planning and resource allocation – risks are prioritised and included in business planning so that resources are better managed; and
- Increased accountability and transparency – clarity of key risks and the responsibility and accountability for their management.

Risk Management

8.3. RISK ASSESSMENT PROCESS

The Stratford District Council's Risk Management Process in Figure 31 identifies risk management strategies to minimise risks associated with the provision of services. It is designed to ensure that:

- All significant operational and organisational risks are understood and identified;
- The highest risks that should be addressed within a ten year planning horizon are identified;
- Risk reduction treatments which best meet business needs are applied; and
- Responsibilities for managing risks are allocated to specific staff and reporting regimes are specified.

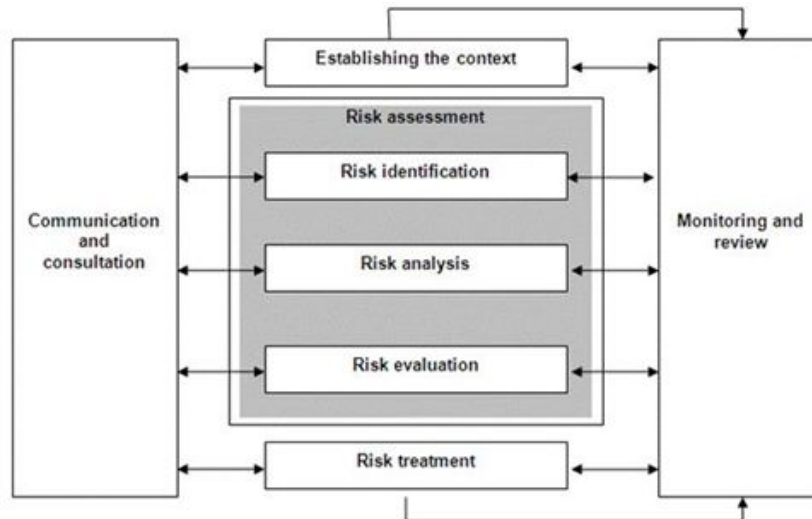


Figure 31 - Risk Management Process

A Risk Matrix allows for easy identification for the highest risks in the Council enabling appropriate resources to be allocated.

		Consequences				
		Minor	Important	Serious	Major	Catastrophic
Likelihood	Almost Certain	2- Moderate	5- High	7- High	20-Extreme	25-Extreme
	Likely	2- Moderate	4- Moderate	6- High	16-Very High	20-Extreme
	Possible	1-Low	3- Moderate	4- High	12-Very High	15-Very High
	Unlikely	1-Low	2- Moderate	3- Moderate	8- High	10-Very High
	Rare	1-Low	1-Low	1-Low	4- Moderate	5- High

Figure 32 - The Risk Matrix, sourced from the Council's Vault system

Risk Management

8.4. POTENTIAL RISKS

The Stratford District Council has made a number of risk assumptions² under the six broad risk areas of Compliance and Legislation, Data Information, Financial, Health and Safety Wellbeing, Operational, & Reputational and Conduct. These are presented in [Appendix 1](#)

8.4.1. TOP TEN RISKS

The Stratford District Council has identified the following top ten Water Supply risks from the 6 categories in the Risk Management Framework ([Appendix 1](#)) in Table 38

While *Compliance & Legislation; Financial & Reputation and Conduct Risks* impact on the achievement of the Organisation's high-level objectives and actions in the Long Term Plan, *Operational Risks* impact people, processes and technologies that support the business-as usual delivery of activities. The *Control Description* is a set of management intervention/ mitigation measures applied in response to risks, while *Residual Risk* is the resulting risk following the application of the mitigation measures.

Table 37 - Top 10 Identified Water Supply Risks

Risk No.	Risk Subject	Risk Description	Risk Score Raw	Control Description	Residual Risk Score
2. Data and Information					
2.2	Server Failure	IF the server failed THEN systems down, data unavailable, potential data loss	12 Very High	<ul style="list-style-type: none"> Restore from backup, backups stored off-site. Fail-over for Melbourne data centre replicates to Sydney data centre. 	3 Moderate
2.3	Cyber Attack	IF the systems are compromised and subject to a cyber-attack, THEN system downtime, loss of data, ransoms may be demanded, potential privacy breach, reputational damage, and potential loss of funds.	15 Very High	<ul style="list-style-type: none"> Council have several security measures in place such as enterprise grade firewalls, email filtering, backups, antivirus and device management. If a breach was detected Council would activate the insurance policy and engage an IT security company resource to assist with recovery. Further controls to be provided by IT suppliers Critical I&E changes limited to selected staff only 	3 Moderate
4. Health and Safety					
4.1	Lone Worker	IF a staff member is seriously injured or killed during field inspections/site visits, THEN possible health and safety breaches, death or serious injury.	12 Very High	<ul style="list-style-type: none"> Quality assurance, Ongoing training/awareness of HSE requirements and responsibilities, Better use of council data/knowledge base on dangerous or insanitary sites before staff member deploys to site, Use of GPS tracking, mobile phone tracking. Compliance officers to wear body cameras when on duty. 	3 Moderate
4.2	Water / Health Safety	IF Council doesn't adequately respond to a complaint and	12 Very High	<ul style="list-style-type: none"> Up to date compliance with the Drinking Water Standards. 	1 Low

² statements that are presumed to be true without concrete evidence to support them

Risk Management

Risk No.	Risk Subject	Risk Description	Risk Score Raw	Control Description	Residual Risk Score
		a member of the public falls ill or dies, THEN Council is at risk of legal proceedings under the Health Act.		<ul style="list-style-type: none"> Ongoing training/awareness of drinking water standards and HSE requirements and responsibilities. Ensure Water Supply bylaw is regularly reviewed. 	
4.5	Exposure to Hazardous Substances	IF staff are affected by exposure to hazardous substances e.g. chemicals, liquids, fumes and other toxic substances THEN there are possible risks to staff health and wellbeing.	8 High	<ul style="list-style-type: none"> The Stratford Water Treatment Plant has site licences for the storage of chemicals, these must be kept up to date. All hazardous substances are correctly labelled and stored according to best practice safety procedures and guidelines. Training is mandatory for all staff working with hazardous substances. Use appropriate PPE gear at all times in the vicinity of the hazardous substances. Regular health checks for staff. Regular testing of hazardous substances and chemicals LABELLING and STORAGE be carried out RANDOMLY. Fire extinguishers are on site, all signage is current and covers off on all of the chemicals held on site, labels are all correct and current. We currently have 5 authorised handlers. Ixom also do site audits when their representative is in the immediate area. 	4 Moderate
6	Water supply network is Contaminated	IF the Water supply network becomes contaminated THEN the public health is at risk and Council could be liable for financial penalties and will suffer reputational damage.	12 Very High	<ul style="list-style-type: none"> Backflow preventers have been installed for high risk properties (currently no programme to roll out across the district, due to cost and resource). Staff training in the use of chemicals. Water chlorination. 	4 High
Operational					
7	Maintenance Contractor fails to deliver	IF maintenance contractor fails to deliver contractual service necessitating termination of contract and re-tendering, THEN assets may become under threat, unreliable, or unable to meet community needs.	8 High	<ul style="list-style-type: none"> Careful assessment of tender to ensure contract price viable for contractor to deliver level of service. Regular liaison with contractor to monitor performance and ensure compliance. Contractor pre-approval process must not be bypassed. 	3 Moderate
8	Natural Disaster or Fire - Response preparedness	IF a Natural Disaster or Fire causes significant damage to infrastructure and buildings THEN		<ul style="list-style-type: none"> Civil Defence Emergency Management plans are in place. Procedures following an emergency event are widely known by a number of staff due to Civil Defence 	12 Very High

Risk Management

Risk No.	Risk Subject	Risk Description	Risk Score Raw	Control Description	Residual Risk Score
		community welfare may be severely compromised, putting people's lives at risk, and staff may be unable to access systems to carry out their day to day duties and functions.	12 Very high	<ul style="list-style-type: none"> Foundational training being rolled out to majority of council staff. Business Continuity Plans need to be in place and practiced regularly for all activities - Directors responsible for having a plan in place for each of their departments to ensure core functions can continue to be delivered. 	
9	Critical Asset Failure	IF a critical asset (water treatment plants, stormwater, wastewater, reticulation, roading) failed, THEN unexpected financial burden may arise and there could be significant disadvantage and risk to the community.	12 Very High	<ul style="list-style-type: none"> Conduct 2 yearly Asset Criticality Review. Ensure there are established Civil Defence Emergency Management response procedures in relation to fixing critical assets in an emergency event. Management practices and staff training, retention to ensure appropriate skill level in critical asset maintenance. 	4 High
10	Government Policy Impacting on Local Government	IF Government Policy significantly changes the services Council delivers or the way they are delivered, THEN this could put financial pressure on the district to fund investment in changes, or it may mean previous investment has become redundant.	12 Very High	<ul style="list-style-type: none"> Where a policy change may have a significant impact on the Council then we must ensure that the Council makes a submission challenging the change and suggesting alternative options. Council officers and elected members need to keep up to date with policy, and anticipate potential impacts of legislative changes and respond strategically, rather than being in a reactive position or being overly proactive. This could include joint collaboration with business and other councils, accessing alternative funding sources, or obtaining legal or professional advice. 	12 Very High

8.5. RISK RESPONSE

The Stratford District Council has a suite of response strategies for the potential risks identified above. They include avoiding, exploiting, transferring/sharing, reducing or accepting the risk. These response strategies are summarised in Table 39 below.

Table 38 - Risk Response Strategies and Definitions

Response	Definition
Avoid	To terminate exposure to a potential risk, generally the organisation needs to exit the activity which gives rise to the risk, or not start an activity which would give rise to the risk

Risk Management

Response	Definition
Exploit	For risks which present an opportunity for Stratford District Council, a legitimate approach is to increase Stratford District Council's exposure to the risk; generally this would represent a situation where Stratford District Council can gain an advantage through their management of this risk.
Transfer/ Share	Risk transfer is getting another party to undertake the activity generating the risk, or getting another party to take on all or part of the risk itself.
Reduce	For risks which present a threat to Stratford District Council, but which cannot be avoided, the development of additional controls or mitigation strategies will reduce the likelihood or impact of the risk.
Accept	Accepting the risk by informed decision. This means continuing with the business activity/project as currently defined, aware of how much risk is being carried, monitoring changes in overall risk, and ensuring appropriate levels of contingency at the Stratford District Council level.

8.6. SIGNIFICANT ADVERSE EFFECTS

The Water Supplies have the potential to have negative effects on public health if they fail to be maintained and operated according to required standards of performance. Therefore, over the last three years Council has created risk assessment documents referred to as Water Safety Plans which are comprehensive risk assessment documents. These plans are reviewed every 5 years.

8.7. CRITICALITY

Critical assets are defined as those assets that are likely to have more significant consequences than other assets if they fail. Failure of critical assets has the potential to have significant economic, social and environmental impacts for the community and Council.

Water Supply assets are considered critical by Stratford District Council because they are a lifeline utility that provides treated safe drinking water to the community.

8.7.1. CRITICALITY EVALUATION

The Stratford District Council establishes criticality by using two rating levels - activity level and corporate level.

Activity level criticality is based on the criticality criteria shown in Table 40; Table 41 provides the Activity Level Criticality Rating with examples. **Corporate level criticality** ranks activities based on the criticality of the service the activity provides at the corporate level as illustrated in Table 42 below.

Table 39 - Activity Level Criticality Criteria

Customers affected	Number of customers affected by asset failure.
Redundancy	Ability to replace or circumvent the failed asset.
Health and Safety	Direct or indirect impact of asset failure on the health of safety of individuals or the community.
Cost of failure	Cost to repair/ replace the asset including cost of temporary service provision.

Risk Management

Table 40 - Activity Level Criticality Rating and Examples

Rating ID	Rating	Description	Example
1	Very High	Critical, no redundancy - Failure of equipment compromises H&S directly (impact, explosion) or indirectly (failure to supply drinking water to hospital).	Stratford Trunk Main
2	High	Critical, no redundancy - Failure of equipment does not compromise H&S but affects production or Level of Service	Midhirst pipe bridge
3	Medium	Critical with redundancy - Failure of equipment does not compromise H&S but affects production or Level of Service	Stratford Water Treatment Plant
4	Low	Not critical, no redundancy - Failure of equipment has no effects on H&S and/or production/Level of Service but cost of repair/replacement is above \$100k	Loss of both Stratford Reservoirs
5	Very Low	Not critical, no redundancy - Failure of equipment has no effects on H&S and/or production/LoS and cost of repair/replacement is below \$100k	Stratford Patea Intakes

Corporate level criticality ranks activities based on the criticality of the service the activity provides at the corporate level as illustrated below in Table 41.

Table 41 - Corporate Level Criticality

Rating	Description
1	Roading, Water Supply assets.
2	Cemeteries, Wastewater (Sewage).
3	Solid Waste and Stormwater.
4	Property
5	Parks and Reserves

8.7.2. CRITICAL ASSETS

The AssetFinda database holds a record of the critical water supply assets. The assets are shown in Table 43. The identified critical assets are ranked according to their functional criticality.

Functional Criticality is a product of the Activity Criticality and Corporate Criticality (i.e. Functional Criticality = Activity Criticality x Corporate Criticality). The functional criticality ranking ranks assets from 1 to 5, with 1 being the highest score (the most critical) and 5 being the lowest (least critical).

In 2017, Stratford District Council undertook an internal review of its critical assets. The review identified that there was a need to:

- Document the formula used for identifying criticality in the Asset Management Plans;
- Link criticality and critical assets to incident response; and
- Prioritise critical assets at the Activity level.

Risk Management

Following the review we have undertaken the following:

- Identified the formula used for identifying functional criticality. This formula is shown in the above paragraph in brackets.
- The linking of criticality and critical assets to incident response is currently being considered as part of reviewing our Incident Response Plans. Refer: Section 7.8.4.

Critical assets have been prioritised at the Activity level and added to the asset register (AssetFinda). These critical assets are listed in Table 43.

Table 42 – Critical Water Assets

Activity Priority	Criticality Rating			Asset Description	Criticality Description
	Functional Criticality	Activity Level	Corporate Level		
1	1	1	1	Stratford Trunk Main	Failure would result in the total absence of water supply (2-3 days) causing major disruption to normal community operations - firefighting, drinking water and sanitary services. The event would incur very high recovery costs and could cause significant negative publicity and a loss of faith/good will by community.
2	2	2	1	Midhirst pipe bridge	Failure would result in the total absence of water supply (1-2 days) to the Midhirst community. The event would incur very high recovery costs and could cause significant negative publicity and a loss of faith/good will by community.
3	2	2	1	Stratford Water Treatment Plant	Prolonged failure (approx 4 days) would result in untreated water to be delivered to the community. The event would require a "Boil Water" notice to be issued to mitigate health risks. The event would incur low to medium costs and could cause extensive negative publicity (probably nationally) and a loss of faith/good will by community
4	3	3	1	Loss of both Stratford Reservoirs	Prolonged failure of both reservoirs would result in treated water being delivered directly from the treatment plant to the reticulation. The event would also result in fluctuating supply pressures, minimal firefighting and a slightly elevated health risk. The event would cause incur low to medium costs and could cause significant negative publicity and a loss of faith/good will by community.
5	4	4	1	Stratford Patea Intakes	Failure would necessitate all of the Stratford supply being extracted from the Konini intake which is only capable of delivering approximately 50% of the water required. The event would incur low to medium costs and result in severe water restrictions being introduced.

Risk Management

8.8. EMERGENCY RESPONSE

8.8.1. CIVIL DEFENCE

The Taranaki Region operates a CDEM (Civil Defence Emergency Management) Group Office, called the Taranaki Emergency Management Office (TEMO). TEMO is a shared service between all four councils in Taranaki. In 2017 The Taranaki CDEM group agreed to a constituting agreement that outlined the separate roles of the Group Office (TEMO), Taranaki Regional Council, and the three district councils. Funding for this arrangement comes from the *'Uniform Annual General Charge; (UAGC) Rates*.

The Stratford District Council has plans and resources in place to ensure it can;

- Reduce the risk of emergencies occurring;
- Be ready for an emergency;
- Respond to any emergency; and
- Recover from any emergency.

8.8.2. FIRE

Fire and Emergency New Zealand was established on 1 July 2017 and provides a single approach to improved fire management of urban and rural fires within the District. The District comprises of all lands, within the three Taranaki territorial local authority areas including those lands administered by the Department of Conservation (DOC).

8.8.3. LIFELINES

Lifeline utilities are entities that provide essential infrastructure services to the community such as water, wastewater, transport, energy and telecommunications. These services support communities, enable business, and underpin the provision of public services. The Water activity is a lifeline service as described in Part B of Schedule 1 of the Civil Defence Emergency Management Act (CDEMA) 2002.

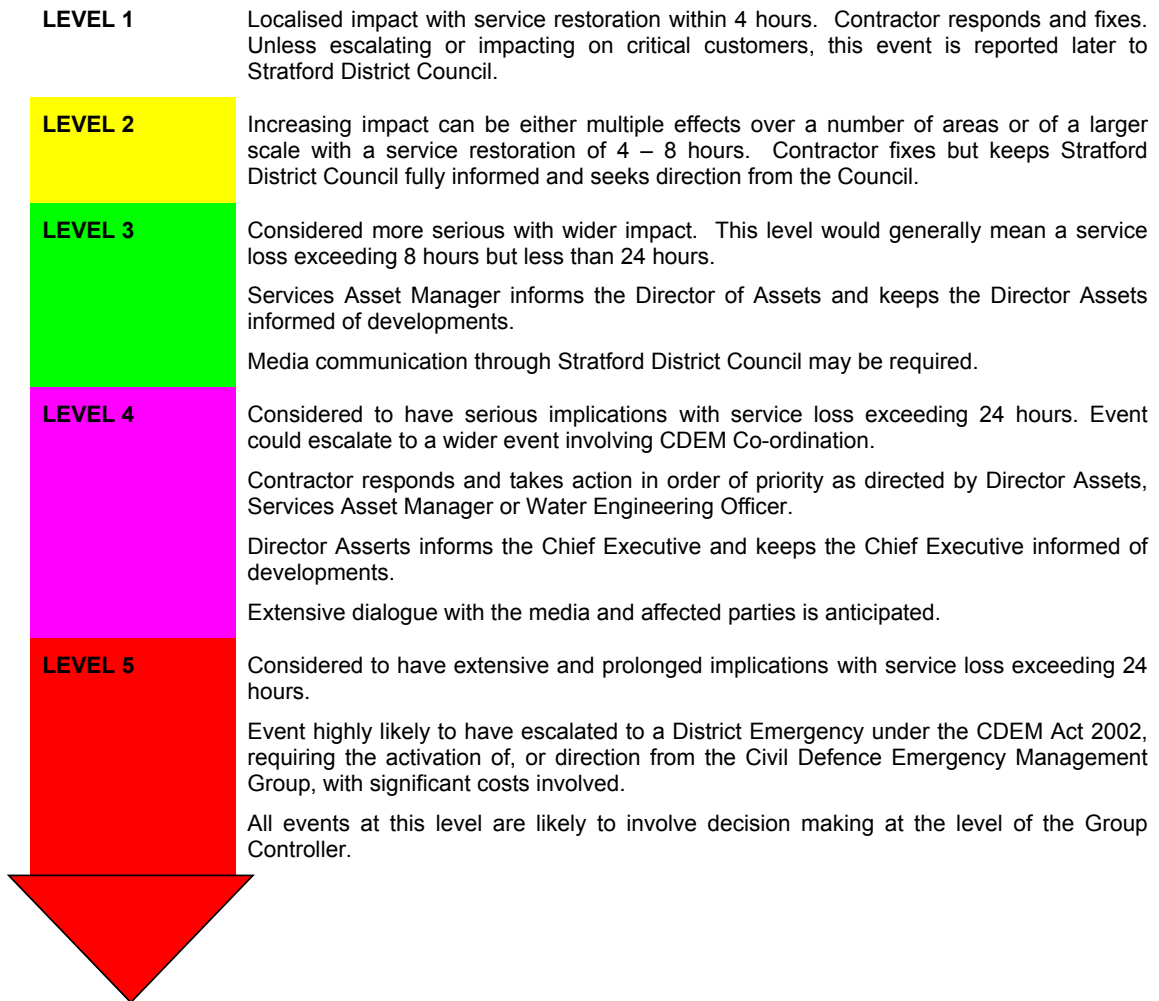
8.8.4. INCIDENT RESPONSE PLANS

Stratford District Council has an Incident Response Plan³ for the Water Activity. The plan contains schedules and procedures for managing incidents and escalating events that affect the delivery of services. Incidents are ranked on a scale of 1 – 5 to determine response and control level. See Figure 33.

³ D17/26535

Risk Management

Figure 33 - Incident Response Plan



Risk Management

8.9. RISK INSURANCE

The Local Government Act 2002 requires that from 2014 details of insurance of assets be included. This information is included in the following table. Insurance Arrangements as at 30 June 2020 are as follows:

Figure 34 - Asset Insurance Valuations

	CARRYING VALUE (as at 30 June 2020) \$000
ASSETS FROM STATEMENT OF FINANCIAL POSITION	
Property, plant and equipment	328,554
Investment property	168
Total	328,722
LESS	
Land component of operational assets	-8,998
Land under roads	-54,384
Land – restricted assets	-8912
Total	-72,294
NET NON-FINANCIAL ASSETS (EXCLUDING LAND)	256,428

	INSURED VALUE (as at 30 June 2020) \$000	
INSURANCE ARRANGEMENTS		
Material damage cover for buildings, plant, contents	-51,317	Subject to various deductibles including \$5k for most claims except for earthquake or volcanic eruption where deductible is 5% of sum insured or 10% for pre 1935 buildings.
Motor vehicle insurance cover (including leased vehicles)	-183	Insured for market value – carrying value assumed for this purpose.
RISK SHARING ARRANGEMENTS		
Cover for infrastructure assets as a member of LAPP	-22,100	Sum equates 40% of the ORV value of scheduled assets. A deductible of \$150,000 applied. It is anticipated (though cannot be guaranteed) that under the terms contained in the Guide to Civil Defence Emergency Management Plan central government may fund 60% of the qualifying cost of reinstating essential infrastructure with a deductible of \$150,000
Central Government assistance		
Council arrangements for covering deductibles and/or uninsured assets	73,600	
SUM NOT SPECIALLY INSURED	182,828	Note the 60% of the ORV of infrastructure assets which may be funded by central government equates \$33.1m.

Risk Management

The Council has no insurances relating to financial or intangible assets. The uninsured assets consist of the Roothing Network, \$202m, which NZTA may assist with in the event of an emergency.

- | | |
|-----------|--|
| Stratford | <ul style="list-style-type: none"> • The Stratford Water Treatment Plant is compliant with the DWSNZ. • Water abstraction is within resource consent limits. • Sufficient water supply to the Stratford community is not guaranteed past 2025. |
| Midhirst | <ul style="list-style-type: none"> • The Midhirst Water Treatment Plant is compliant with the DWSNZ. • Water abstraction is within resource consent limits. • The main limit to future provision of treated water for the Midhirst community is how much water Council is permitted to abstract from water sources. • No public health issues have been identified at this time. |
| Toko | <ul style="list-style-type: none"> • The Toko Water Treatment Plant is compliant with the DWSNZ. • Water abstraction is within resource consent limits. • No public health issues have been identified at this time. |

No actions were identified for Council in relation to its operating the water supply services.

8.10. PUBLIC HEALTH

8.10.1. ASSESSMENT OF WATER AND SANITARY SERVICES

As described in Section 2 of this report, the Stratford District Council undertook an assessment of its water and sanitary services in 2021. In relation to water supply services currently provided by Stratford District Council the assessment concluded that:

In relation to areas of the District where Council does not provide water supply services the assessment concluded:

- Roof/ground level tanks or bore are appropriate in low density areas.
- There are concerns related to cross-contamination in areas of semi high density due to the proximity of septic tanks and septic tank disposal.
- Medium to high intensity development on the periphery will increase the risk of water borne disease at properties that use bore supply waters and have a septic tank.
- It is unclear the exact number of properties on the Stratford, Midhirst and Toko town-ship periphery that currently self-supply. However due to their proximity to Council controlled supplies many of these properties are able, if they choose, to approach Council for connection to the supply closest to them.
- While the existing private supplies carry some risk of contamination, the cost of an alternative (treatment and chlorination) is beyond the means of individuals and small communities. Council does promote water quality initiatives such as First Flush Systems for roof supplies, however is unable to mandate their usage.
- Current private water supply methods appear adequate for the needs of the individual property owners.

No actions were required for Council in relation to un-serviced areas. However, the following action from the 2018 Assessment still applies:

“Scope options to secure access to additional surface and/or ground water for the Stratford community within the next 10 years”

Risk Management

8.10.2. WATER SAFETY PLANS

Stratford District Council is currently reviewing all three Water Safety Plans (WSP) for all Council water supplies.

The WSPs have been developed to aid Council in identifying potential events that present public health risks to the consumers of the drinking water supply. If the risks are not managed sufficiently, the WSP specifies an appropriate future improvement or contingency plan that will resolve or mitigate the effects of the risk. Council is committed to the WSP and to the future improvements to the supplies that have been identified in the WSPs. The current status and review dates of the WSPs are as follows:

Table 43 - Water Safety Plan Status

Water Supply	Last Review	Next Review Requirement	Council's Planned Review
Stratford	May 2020	May 2025	Completion by Feb 2021
Midhirst	January 2015	January 2020	Completion by April 2021
Toko	January 2016	January 2021	Completion by April 2021

New legislation is expected in the next year that may affect the review period requirements in the future.

8.11. HEALTH AND SAFETY

8.11.1. HEALTH AND SAFETY ADVISOR

Stratford District Council employs a Human Resource/Health and Safety Advisor. The Advisor is responsible for the ongoing development and management of our health and safety environment and ensuring staff are adequately trained in all aspects of health and safety.

8.11.2. HEALTH AND SAFETY POLICY

In 2019 Stratford District Council reviewed and updated its Health and Safety Policy to better reflect legislative requirements reinforce its commitment to the philosophy that the health and safety of its employees, volunteers, contractors and subcontractors is of prime importance. SDC is committed to ensuring its operations are conducted in a safe and efficient manner that will not incur injury to personnel or damage to the environment.

8.11.3. INCIDENT/ACCIDENT REPORTING

In accordance with the Stratford District Council Health and Safety Policy all Council staff are required to report any accidents/incident. Accidents/incidents are reported via the Vault incident reporting system. Vault was integrated into Stratford District Council in 2016 as part of a joint initiative between Stratford District Council and South Taranaki District Council.

9.0

Investment Funding Strategy

Investment Funding Strategy

9.0: INVESTMENT FUNDING STRATEGY

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Investment Funding Strategy

9.1. OVERVIEW

Our Investment Funding Strategy (IFS) incorporates our *Funding Impact Statement* and sets out how the Stratford District Council plans to finance its overall operations to meet its objectives now and in the future. A key objective of the strategy is the future-proofing of delivery of the Water Supply Activities.

This IFS provides the long term financial forecasting for all Water Supply Activities and projects described in this WAMP. The IFS presents the funding sources determined for each of these to ensure a sustainable long-term approach to planning and asset management.

The historical cost for the Activity by asset group is described in detail in the *Lifecycle Management* Section. This section presents the Council's Capital Investment Strategy for the Water Activity for the next ten years and the financial standards and policies used in developing the strategy.

9.2. FINANCIAL STANDARDS

All prospective Financial Statements (financial statements) within this plan comply with the requirements of FRS 42 issued by the New Zealand Accounting Standards Board of the External Reporting Board (XRB), and the New Zealand equivalent of International Reporting Standard for Public Benefit Entities (NZ IFRS PEB), with Council designating itself as a Tier 2 public benefit entity for the purposes of compliance with these standards.

9.3. FUNDING AND FINANCIAL POLICIES

The Local Government Act in Section 102 requires that the Stratford District Council *'must, in order to provide predictability and certainty about sources and levels of funding, adopt the funding and financial policies listed'* below:

- A *Revenue and Financing Policy*; and
- A *Liability Management Policy*; and
- An *Investment Policy*; and
- A policy on *Development Contributions (CD) or Financial Contributions (FC)*; and
- A policy on the *Remission and Postponement of Rates on Maori freehold land*.

The Council may also adopt either or both the *Rates Remission Policy* and a *Rates Postponement Policy*.

The Council has adopted all the relevant funding and financial policies described below. These policies guide the funding and financial decisions relating to the management of the Council's Water Supply Assets.

9.3.1. REVENUE AND FINANCING POLICY

The *Revenue and Financing Policy* sets out Stratford District Council's policies in respect of the funding for capital and operating expenditure. The current policy was reviewed in December 2017. The funding sources are detailed in the LTP 2021-2031 and include general and targeted rates, borrowing, grants and subsidies, etc.

9.3.2. TREASURY MANAGEMENT POLICY

The Council's Treasury Management Policy incorporates the *Liability Management Policy* and the *Investment Policy* requirements of the LGA. It guides the Council to prudently manage its revenue, expenditure, assets, liabilities, reserves and investments, in the interest of the Council and district ratepayers. The current policy was reviewed in 2019.

Investment Funding Strategy

9.3.3. DEVELOPMENT AND FINANCIAL POLICY

The Council's *Development and Financial Contribution Policy* is consistent with the purpose as set out in Section 106 of the LGA. The Council does not require *Development Contributions*, however, the *Financial Contributions Policy* meet the requirement as set out in Section 108 (9) of the *Resource Management Act (RMA)* 1991.

9.4. FUNDING OUR INVESTMENT STRATEGY

The Council's Investment Strategy covers how the Stratford District Council plans to deliver on the services it offers whilst achieving value for money, with a key focus on future-proofing Council's assets.

Capital projects and activities carried out to maintain the Water Supply service for the next 10 years - including Renewal/ Replacement projects and Level of Service Improvements - will be funded as per the Revenue and Financing Policy, through one or a combination of the following sources:

- Loans;
- Reserves; and/or
- Subsidies/ Grants by other Partners.

Generally, the Council expects that:

- Renewal or Replacement projects will be equally funded from Loans and Reserves;
- Operations and Maintenance activities will be funded through Rates; and
- Level of Service Improvements projects will be funded from loans and, where possible, any alternative funding source.

The Council is very pro-active in seeking alternate funding sources. Where appropriate, the Council submits funding requests to the *TSB Community Trust (TSB)* and the *Taranaki Electricity Trust (TET)*. The Council also applies to the *Ministry of Business, Innovation and Employment (MBIE)* for tourism grants and initiatives

A summary of Council's Capital Investment Funding Strategy is shown in Figures 35 - 40. Tables 45 – 46 provide the financial projections for the water activity.

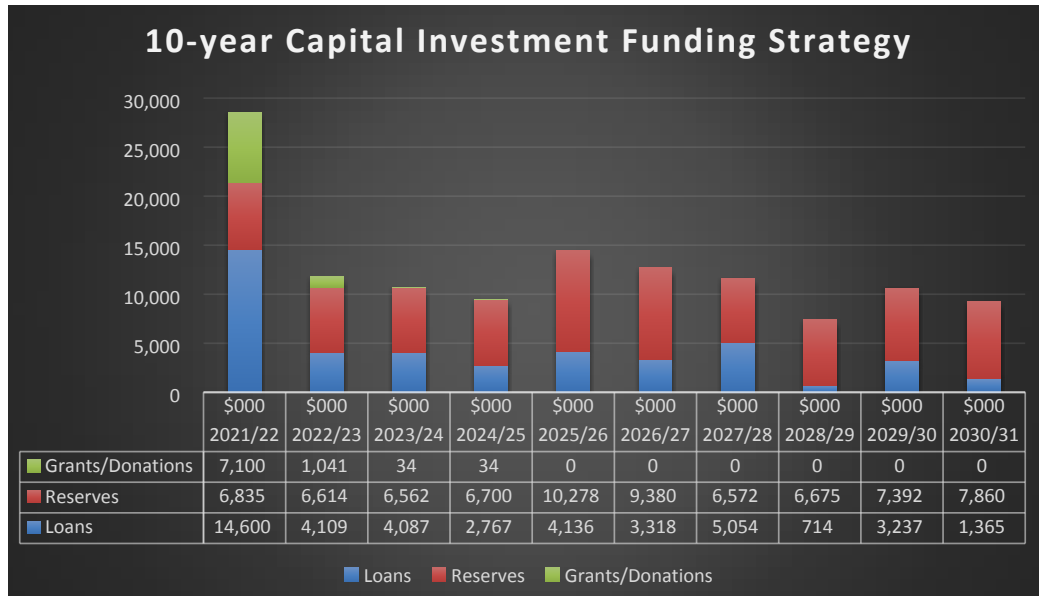


Figure 35 - All Assets Capital Investment Funding Strategy

Investment Funding Strategy

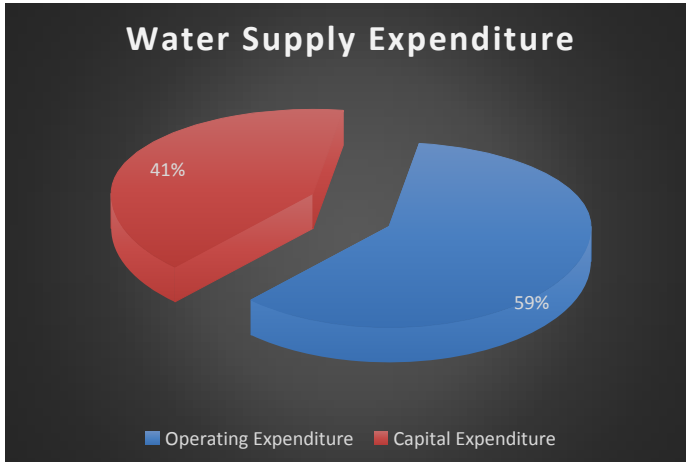


Figure 36 - Water Supply Total Expenditure - Capital vs Operating Expenditure

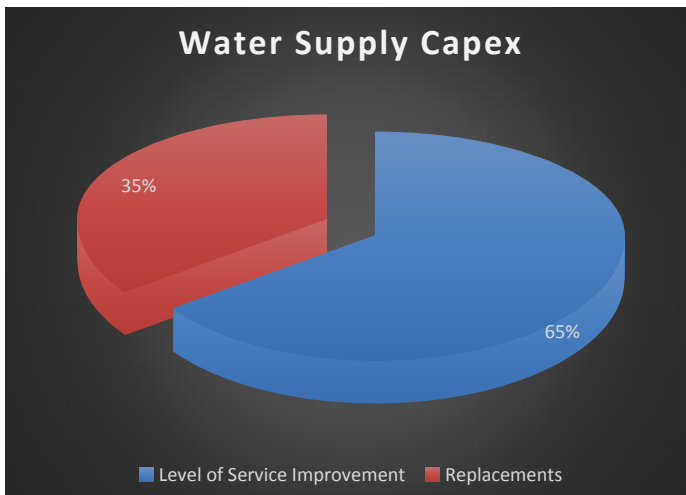


Figure 37 - Water Supply Capital Investment Split - LoS vs Replacement

9.5. RELIABILITY OF OUR INVESTMENT STRATEGY

The Council provides an assessment of the reliability of its Investment Funding Strategy below – overall, the forecast is considered a reliable estimate of the financial investment in the Water Supply Activity:

- The Council's funding source is largely from rates. Rates will be confirmed for the 2021-2024 period via the appropriate processes for inclusion in the LTP 2021-2031. Once adopted, the rates in the LTP 2021-2031 will constitute a reliable funding source for the delivery of the Water Supply services;
- The Council's is confident in its ability to raise funds within our financial strategy limits, and is reasonably certain that it would secure loans at an affordable interest rates throughout this period; and
- The Council does not rely on *Fees and Charges* or *Development Contributions* to deliver Water Supply services. Any new demand for new assets to be vested in Council or services will generally be funded by the direct beneficiary of the assets/service.

Investment Funding Strategy

9.6 FINANCIAL STATEMENTS AND PROJECTIONS

Table 44 - All Asset Capital Expenditure Projection

	Forecast	Projection								
	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
<u>Roading</u>										
Level of Service Improvement	350	619	1,221	929	7,028	5,554	417	306	630	324
Replacements	5,413	4,983	4,920	4,983	4,977	5,085	5,436	5,446	5,983	6,452
<u>Stormwater</u>										
Level of Service Improvement	252	292	533	275	283	291	300	310	321	331
Replacements	53	55	56	167	59	61	63	65	67	122
<u>Water Supply</u>										
Level of Service Improvement	1,780	1,904	369	673	390	401	4,289	37	38	0
Replacements	695	812	510	414	443	496	452	486	502	498
<u>Solid Waste</u>										
Level of Service Improvement	0	0	0	0	0	0	0	0	0	0
Replacements	0	10	0	11	0	11	0	12	14	12
<u>Wastewater (Sewerage)</u>										
Level of Service Improvement	800	362	380	273	281	288	238	184	178	839
Replacements	213	252	258	200	228	211	218	262	271	305
<u>Parks & Reserves</u>										
Level of Service Improvement	97	110	99	69	0	0	0	0	0	0
Replacements	47	0	0	0	0	0	0	0	0	0
<u>Property</u>										
Meet Additional Demand	1,200	1,025	1,049	0	0	0	0	0	0	0
Level of Service Improvement	17,335	1,112	609	607	442	171	64	63	2,454	68
Replacements	114	6	59	114	7	7	7	7	17	8
<u>Administration</u>										
Replacements	186	222	621	788	276	121	142	210	153	266
<u>TOTAL PROJECTS (excl GST)</u>										
	28,535	11,764	10,683	9,501	14,414	12,698	11,626	7,389	10,629	9,225
<u>FUNDING</u>										
Loans	14,600	4,109	4,087	2,767	4,136	3,318	5,054	714	3,237	1,365
Section sales	0	0	0	0	0	0	0	0	0	0
Cash from Investments	0	0	0	0	0	0	0	0	0	0
Reserves	6,835	6,614	6,562	6,700	10,278	9,380	6,572	6,675	7,392	7,860
Grants/Donations	7,100	1,041	34	34	0	0	0	0	0	0
Rates	0	0	0	0	0	0	0	0	0	0
NZTA Financial Assistance	0	0	0	0	0	0	0	0	0	0
<u>TOTAL (excl GST)</u>										
	28,535	11,764	10,682	9,501	14,414	12,698	11,626	7,389	10,629	9,225

Investment Funding Strategy

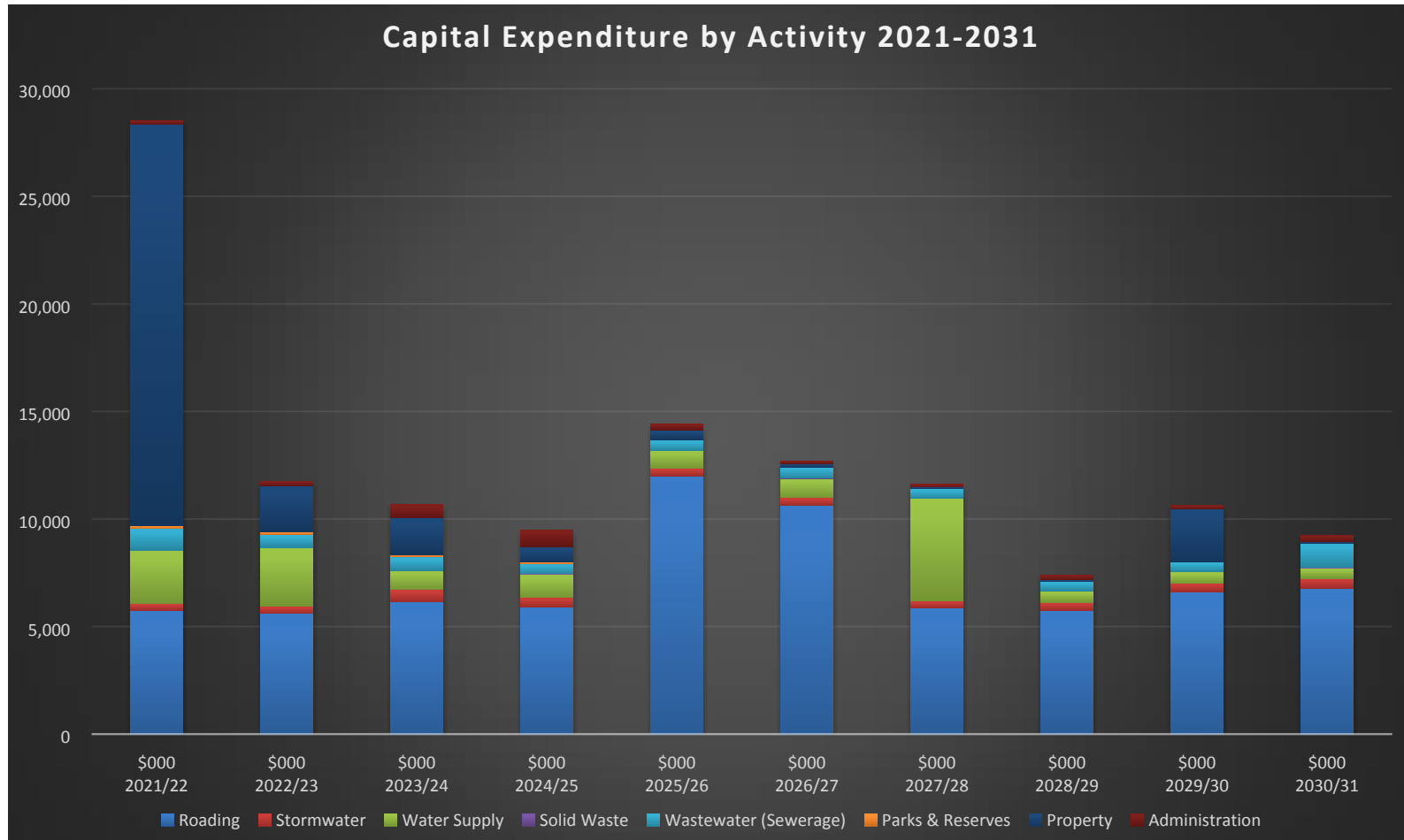


Figure 38 - Capital Expenditure by Activity - All Assets

Investment Funding Strategy

Table 45 – Water Activity Expenditure and Funding Projection

WATER SUPPLY

Budget 2020/21		Forecast	Projection								
		2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
\$000		\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
1,904	Operating Expenditure	1,836	1,856	1,991	2,043	2,097	2,160	2,331	2,507	2,531	2,629
445	Revenue	376	390	1,082	1,149	1,242	1,281	1,382	1,489	1,505	1,565
1,459	Net Cost of Service	1,460	1,466	910	894	855	879	949	1,018	1,026	1,064
<u>EXPENDITURE</u>											
860	Operating Costs	736	698	758	727	752	777	784	811	820	846
206	Interest	170	179	187	218	221	222	324	375	360	344
414	Depreciation	429	464	502	555	569	576	642	728	729	817
424	Allocated Overheads	501	515	544	543	555	586	580	593	623	622
1,904	Total Operating Expenditure	1,836	1,856	1,991	2,043	2,097	2,160	2,331	2,507	2,531	2,629
339	Principal Loan Repayments	336	355	373	384	393	396	478	548	531	514
1,001	Capital Expenditure	2,474	2,716	879	1,088	833	897	4,741	523	540	498
3,244	Total Expenditure	4,645	4,926	3,242	3,515	3,323	3,453	7,549	3,577	3,602	3,641
<u>FUNDED BY:</u>											
445	Charges for Services	376	390	1,082	1,149	1,242	1,281	1,382	1,489	1,505	1,565
445	Revenue	376	390	1,082	1,149	1,242	1,281	1,382	1,489	1,505	1,565
1,453	Targeted Rates	1,434	1,441	885	867	828	854	921	992	1,003	1,043
0	Transfer (to) from Reserves	0	0	0	0	0	0	0	0	0	0
339	Transfer from Reserves	930	1,063	776	798	836	892	930	1,034	1,033	1,012
0	Depreciation funded from Reserves	0	0	0	0	0	0	0	0	0	0
0	Cash From Investments	0	0	0	0	0	0	0	0	0	0
1,001	Loan Funding - Capital	480	982	475	673	390	401	4,289	37	38	0
0	Grants/Donations - Capital	1,400	1,025	0	0	0	0	0	0	0	0
6	Other Funding	25	25	25	27	26	25	28	25	23	21
3,244	Total Funding	4,645	4,926	3,242	3,515	3,323	3,453	7,549	3,577	3,602	3,641

Investment Funding Strategy

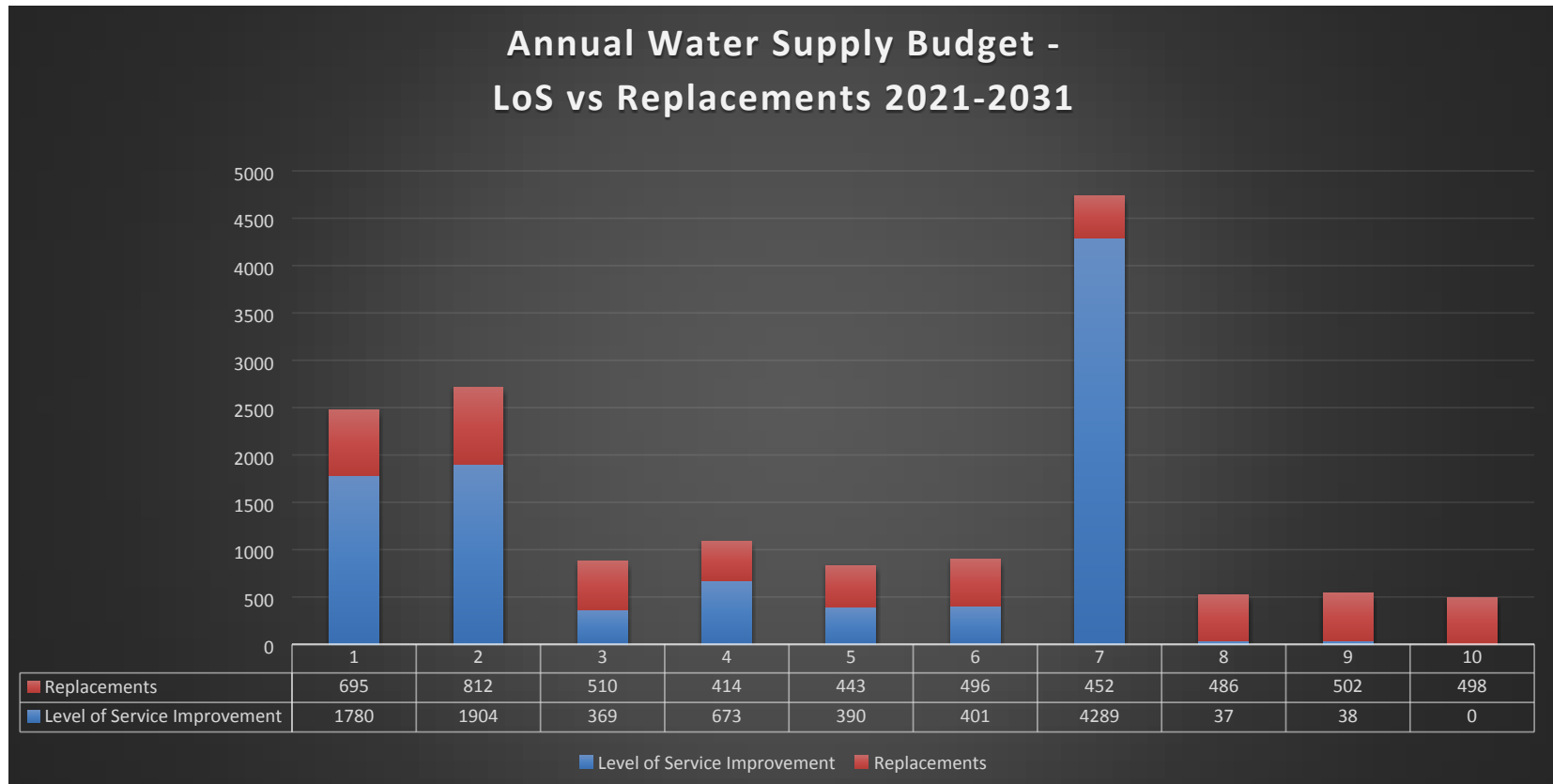


Figure 39 - 10-year Capital Expenditure Budget - Water Supply

10.0

Asset Management Practices and Improvement Plan

Asset Management Practices and Improvement Plan

10.0: ASSET MANAGEMENT PRACTICES AND IMPROVEMENT PLAN

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Asset Management Practices and Improvement Plan

10.1. OVERVIEW

Asset management improvement planning is a process. It enables Council to improve the way it manages infrastructure assets and the services they provide.

The Asset Management Practices and Improvement Plan section identifies the maturity of Stratford District Council asset management practices, improvements made since the last Asset Management Plan review and a plan for future asset management improvements resulting from areas for improvement identified in earlier Sections of this plan



Figure 40 - Asset Management Improvement Process

10.2. ASSET MANAGEMENT PRACTICES

10.2.1. ASSET MANAGEMENT POLICY

The Stratford District Council developed and adopted its inaugural Asset Management Policy in 2016 and a review was completed in 2020. The Policy establishes the first level of Council’s asset management framework for managing infrastructure assets in a structured, coordinated, and financially sustainable manner. The objectives of this Policy are:

- Provide for a consistent approach to asset management planning within Council and ensure plans reflect the strategic direction of Council.
- Demonstrate to the community that Council recognises the critical importance of managing the District’s assets and related activities in an effective and sustainable manner in order to deliver appropriate Levels of Service to current and future generations.
- Confirm a coordinated process for each asset/activity area that links their contribution to the Community Outcomes with specific Levels of Service performance requirements and desired improvement priorities and strategies.

The Council’s Asset Management Policy can be viewed on the Stratford District Council website.

10.2.2. ASSET MANAGEMENT PRINCIPLES, GOALS AND OBJECTIVES

The Council’s Asset Management principles, goals and objectives are guided by the Asset Management Policy to drive best practice.

The Council’s overarching principles for sound asset management are:

- Asset management goals and objectives are aligned with corporate objectives and community outcomes.
- Affordable and financially sustainable AMPs are developed to industry standard appropriate for the scale of assets and associated risks being managed.
- AMPs reflect the priorities of the Council and are used to drive the day to day management of assets and the associated services;
- Capital, operation and maintenance, and renewal/replacement works are aligned with asset management objectives.
- Sustainability and sustainable development are considered in the selection of options for asset development and service delivery.
- Asset management strategies are established through the use of optimised lifecycle management and costing principles.

Asset Management Practices and Improvement Plan

- Funding is allocated for the appropriate level of maintenance for assets to deliver the required LoS.
- Accurate, up to date asset data is collected for analysis and use throughout asset management planning processes.
- A strategic management approach is taken to improvement planning, asset management plan development and implementing improvement practices.
- Growth and demand forecasting will be integrated as part of all asset management planning to meet current and future needs of the community.
- Risk management will be integrated as part of all asset management planning to recognise the risks associated with the delivery of agreed LoS and manage them appropriately;
- Design, construction and maintenance of assets, so far as reasonably practical, are without risk to the health or safety of any person.

The Asset Management goals and objectives for Stratford District Council are to:

- Provide for a consistent approach to asset management planning to ensure plans reflect the strategic direction of Council.
- Demonstrate to the community that Council will manage the District's assets and related activities in a safe, cost-effective and sustainable manner to deliver agreed LoS to current and future generations.
- Confirm a coordinated process for each asset/activity area that links their contribution to the Community Outcomes with specific LoS performance requirements and desired improvement priorities and strategies.

10.2.3. ASSET MANAGEMENT PLAN DEVELOPMENT

Planning processes tend to be circular with built in reviews. The AMP and LTP need to have regular review cycles so that they remain current and deal with issues at the time. An important function of the review cycle is to monitor performance against the goal levels of service and KPIs that were set some years before.

The AMPs are reviewed every three years in line with the 10 year long term planning cycle but work programmes can change annually. These changes can be brought about by outside pressure, weather events, budget constraints and new projects becoming apparent.

The ability to become responsive each year is through the annual planning process. The AMP details goals, levels of service, goals, KPIs and targets which contribute to Stratford's organisational vision for the district and community.

The review process considers the overall impact of the planned programme to deliver the defined levels of service through the on-going development of the AMP. This review/AMP development process moderates competing priorities within the context of community affordability and may result in some projects being deferred or budgets being re-prioritised. Figure 42 below shows a graphical display of the AMP development process.

10.2.4. ASSET MANAGEMENT MATURITY

We have assessed that our asset management system maturity is predominantly at the Core level. It is largely based on the long-term knowledge of the asset management team. It contains asset data that has been collected over time and held in asset management information systems.

Through continual improvement and development of asset management practices and processes it is our intention that the asset management plans progressively improve.

Our target is to develop our asset management practices and processes to an Intermediate level of maturity where appropriate. The Council in the process of assessing our asset management maturity level to identify areas for improvement. The Council is considering options for undertaking a formal assessment of our asset management maturity. The five levels of asset management plan maturity are shown in Figure 43 and are Aware, Basic; Core; Intermediate and Advanced.

Asset Management Practices and Improvement Plan

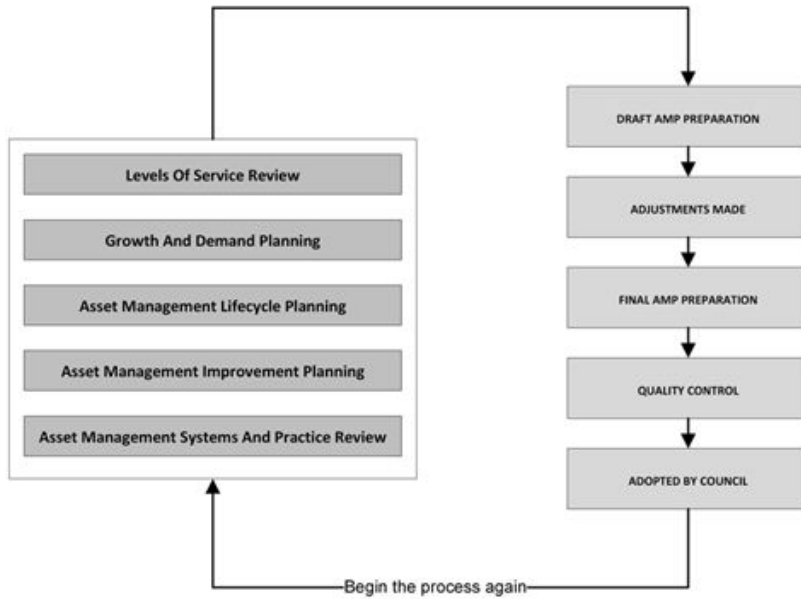


Figure 41 - Asset Management Plan Development Process

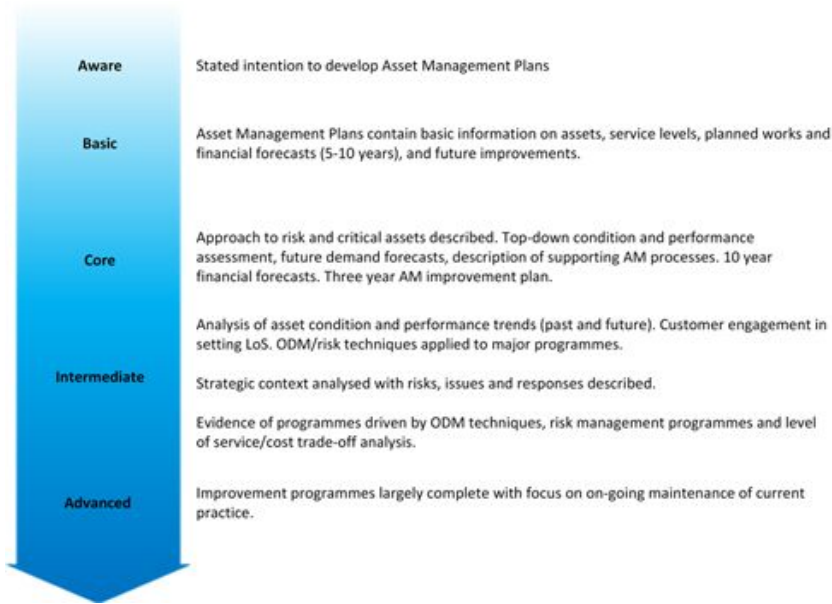


Figure 42 - Asset Management System Maturity Index

Asset Management Practices and Improvement Plan

10.3. CURRENT AND FUTURE IMPROVEMENTS

Table 46 – Current and Future Improvement Plans

Asset Management Practice Area	Current Improvement/s Made	Date in Place	Future Improvements	Section Identified	Responsibility	Due Date
Asset Information	Asset Register Data Process for verifying data accuracy now in place and documented in Asset Management Plan.	2016	AssetFinda and SCADA programmes will be maintained and kept up to date with information.	3.4	Services Asset Manager Director, Assets	Ongoing
Asset Information	Asset Condition Condition Grading System now in place and documented in Asset Management Plans. Condition inspection forms put in place for Council owned buildings	2016	Continue to use information collected from maintenance tasks to update asset condition data	3.7	Services Asset Manager	Ongoing
Asset Information	Information Systems Tablets fully integrated for Three Waters data collection and entry into AssetFinda.	2016	Ongoing discussions regarding the online meter readings	3.7	GIS Officer Services Asset Manager	Ongoing
Asset Information	Update asset condition data Continue to use information collected from maintenance tasks to update asset condition data	On-going	Targeted inspections of water supply infrastructure assets will continue to be carried out to gather asset condition data	3.7	Services Asset Manager	On-going
Asset Information	Improve condition data accuracy and reliability The issues related to condition data for below ground water supply assets does not allow Council to accurately forecast remaining useful life. However, using the information collated from both 'scheduled' and 'reactive' maintenance. Council is able to update asset condition data regularly. Over time as maintenance and renewals are carried out, the condition information will improve. Therefore, the implementation of additional major projects to assist	On-going	Same	3.7	Services Asset Manager	On-going

Asset Management Practices and Improvement Plan

Asset Management Practice Area	Current Improvement/s Made	Date in Place	Future Improvements	Section Identified	Responsibility	Due Date
	Council in improving condition data information is not required.					
Future Growth and Demand	Population Further assessment needed to assess the impacts of growth demands on the adequacy of the existing water reticulation system.	2018		4.3.1	Services Asset Manager Director, Assets	Ongoing
Levels of Service and Performance	Department of Internal Affairs (DIA) Mandatory Performance Measures in place.	2015-2017	Review suitable information sources to accurately calculate future demand management performance measure	5.3	Services Asset Manager Director, Assets	2024
Levels of Service and Performance	Review the demand management performance measure calculation A review of the values and assumptions used for future calculations will need to be agreed upon. With the universal water metering being installed this will provide a more accurate measure for demand management.	2018		5.4.4	Services Asset Manager Director, Assets	Ongoing
Lifecycle Management	Management Strategies Maximise AssetFinda capabilities for predictive modelling purposes	2021		7.3	Services Asset Manager Director, Assets	Ongoing
AM Policy Development	Asset Management Policy developed and adopted by Council.	2016	Reviewed in 2020 and due for further review 2023	10	Director, Assets	2023

APPENDICES

Appendix 1 - Water Supply Risk Register
Appendix 2 - Water Supply Operational Documents

APPENDIX 1 - WATER SUPPLY RISK ASSESSMENT

COMPLIANCE AND LEGISLATION RISKS

1. Compliance and Legislation Risk Assessment				
Risk Subject	Risk Description	Risk Score Raw	Control Description	Residual Risk Score
Legislation Changes	IF changes to legislation or case law occur and are not implemented by staff, THEN council may be acting illegally and in breach of legislation.	8High Unlikely/ Major	<ul style="list-style-type: none"> Staff will implement the changes Regular review and update Legislative Compliance Register. Staff training and attending relevant industry conferences. Regular policy review to ensure policies and procedures are in line with legislation changes. Ensure maintenance contractor and staff are up to date with legislative requirements through regular updates of legislative compliance register Subscribe to regular email updates from local government and relevant industry bodies, Council list server to ensure staff are notified of legislative changes. 	1 Low Unlikely/ Minor
Incorrect Planning Advice	IF Council gives out wrong advice on LIM, or issues Resource Consent when it should not have, THEN it could be subject to a judicial review or similar form of dispute process involving legal costs, possible fines, and reputational damage.	3 Moderate Unlikely/ Serious	<ul style="list-style-type: none"> Quality assurance. Resourcing and ongoing training of competent staff. Low tolerance for poor quality documentation from consent applicants. Good quality legal counsel. Council has professional indemnity, public liability, and statutory liability insurance. 	1 Low Rare/ Serious
Statutory Reporting Commitment	IF Council does not meet statutory commitments (eg for reporting to the national monitoring system) THEN it may be acting illegally and receive attention from Ministry which could result in financial penalty and council functions being removed, or elected members being replaced.	3 Moderate Unlikely/ Serious	<ul style="list-style-type: none"> Quality assurance. Resourcing levels maintained. Schedule of dates and commitments is regularly maintained and updated by Quality Assurance officer. Regular review and update of Legislative Compliance Register. 	1 Low Rare/ Serious

1. Compliance and Legislation Risk Assessment				
Risk Subject	Risk Description	Risk Score Raw	Control Description	Residual Risk Score
Bylaws and Policies	IF Council fails to keep Policies and Bylaws up to date, THEN the Policies and Bylaws may become unenforceable and irrelevant, and council could be acting illegally, or the policy is not fit for purpose.	8 High Unlikely/ Major	<ul style="list-style-type: none"> Quality assurance, Resourcing levels maintained Regular Policy Schedule review by CEO. Regular review of Bylaw timetable maintained in Content Manager. 	3 Moderate Unlikely/ Serious

DATA AND INFORMATION RISKS

2. Data and Information Risk Assessment				
Risk Subject	Risk Description	Risk Score Raw	Control Description	Residual Risk Score
Systems Down - Natural Disaster/Pandemic	IF there is a natural disaster THEN systems may be down temporarily, reduction in worker productivity, unable to respond to customers, data unavailable, potential permanent loss of data.	8 High Unlikely/Major	<ul style="list-style-type: none"> Backups done daily and stored off-site. Most critical data is in the cloud, data centre is overseas so workers can access system remotely from anywhere. Civil Defence will make hardware available for emergency response. Refer to up to date Water Safety Plans. 	3 Moderate Unlikely/ Serious
Server Failure TOP TEN RISK	IF the server failed THEN systems down, data unavailable, potential data loss	12 Very High Possible/ Major	<ul style="list-style-type: none"> Restore from backup, backups stored off-site. Fail-over for Melbourne data centre replicates to Sydney data centre. 	3 Moderate Unlikely/ Serious
Cyber Attack TOP TEN RISK	IF the systems are compromised and subject to a cyber-attack, THEN system downtime, loss of data, ransoms may be demanded, potential privacy breach, reputational damage, and potential loss of funds.	15 Very High Possible/ Catastrophic	<ul style="list-style-type: none"> Council have several security measures in place such as enterprise grade firewalls, email filtering, backups, antivirus and device management. If a breach was detected Council would activate the insurance policy and engage an IT security company resource to assist with recovery. Further controls to be provided by IT suppliers 	3 Moderate Possible/ Important

2. Data and Information Risk Assessment				
Risk Subject	Risk Description	Risk Score Raw	Control Description	Residual Risk Score
			<ul style="list-style-type: none"> Critical I&E changes limited to selected staff only 	
Communication to data centre	IF there is a loss of communication to the Data Centre (due to IT failure, power failure, or other damage to link) THEN systems downtime will cause temporary disruption. Council staff will be unable to access data and complete work and respond to customers satisfactorily.	4 High Possible/ Serious	<ul style="list-style-type: none"> Can access private link or an internet link - reroute the traffic. Backup generator if power supply lost. Refer to the Water Safety Plans (WSP) 	1 Low Rare/ Serious
Uncontrolled access to Physical and Digital Records	IF there is uncontrolled or unauthorised access to archives, THEN records/ files could go missing, privacy breached, possible legislative breaches.	2 Moderate Unlikely/ Important	<ul style="list-style-type: none"> Access to physical archives is limited to IM Specialist and IT Manager, door is locked at all other times. Digital records must be stored in IT approved repositories, with access restricted where necessary. Electronic access is restricted to staff who have a SDC login and have also been granted the relevant security permissions to access applications relevant to their job role. 	1 Low Rare/ Important
Records Handling	IF hard copy protected records are handled in a way that could cause damage, degradation or disorganisation, THEN this could lead to loss of protected records, non-compliance with legislation and potential financial penalties.	1 Low Rare/ Important	<ul style="list-style-type: none"> Access to archives is limited to trained staff. Ensure the Information Management Specialist is fully trained in all areas of protected records management. Maintain a register of archived records, and a process by which records will be archived. Storage area must be restricted and temperature controlled. 	1 Low Rare/ Important
Unapproved online platforms used	IF unapproved online platforms are used for Council business, THEN Council sensitive information and individual private details could be hacked and made available publically.	4 High Possible/ Serious	<ul style="list-style-type: none"> All Council information should only be stored on platforms that are approved by IT and gone through proper procedures and checks by IT. 	1 Low Rare/ Serious

FINANCIAL RISKS

3. Financial Risk Assessment				
Risk Subject	Risk Description	Risk Score Raw	Control Description	Residual Risk Score
Accessing Funding	IF incorrect assessment is made to determine required maintenance funding, all funding options are not sought, or insufficient funding is made available THEN Council may miss out on funding and Council has to fully fund projects.	4 High Possible/ Serious	<ul style="list-style-type: none"> Ensure funding assessments are carried out by sufficiently experienced personnel and strong cases are made for funding. A system should be established to regularly monitor all available funding for council projects. 	1 Low Rare/Minor
Internal Financial Controls	IF internal financial controls are compromised and ineffective, THEN possible fraud, budget blowout, delayed service	4 High Possible/ Serious	<ul style="list-style-type: none"> Good quality controls. Implement annual external and internal audit recommendations. Adhere to Procurement and Delegations Policy. Communications of internal controls to all staff. Recommend internal audit programme every year by independent contractor. 	1 Low Rare/ Serious
Procurement contracts	IF procurement contracts entered into are not cost-effective and do not comply with Council's Procurement Policies THEN council projects could go over budget and council procurement could be subject to industry, media, and legal scrutiny.	6 High Likely/ Serious	<ul style="list-style-type: none"> Ensure procurement policy and procurement manual are appropriate, comply with legislation and good practice, and followed by all staff and significant contracts are reviewed by an independent professional. 	1 Low Rare/ Serious
Significant Population Reduction	IF there is a significant population reduction, resulting in loss of ratepayer base and reduction in property values - THEN this could result in higher rates for others and significant cost reductions may be required.	8 High Unlikely/ Major	<ul style="list-style-type: none"> Ensure variable costs are clearly identifiable, and therefore able to be isolated and adjusted if ratepayer base reduced. Council actions to align with council mission and vision to make Stratford a great place to live. 	3 Moderate Unlikely/ Serious
New Regulations require Significant Investment	IF new environmental regulations or legislation imposed on councils requires a significant increase in capital expenditure, THEN ability to finance investment could be compromised and rates increases could breach limits.	8 High Unlikely/ Major	<ul style="list-style-type: none"> Attempt to keep debt and expenditure low and achieve cost efficiencies regularly so that council can weather any necessary investment in order to be compliant with changing legislative environment. 	3 Moderate Unlikely/ Serious
Theft by Contractors	IF contractors have unrestricted access to council property and/or information, THEN there is an opportunity for theft and consequently loss of Council assets.	2 Moderate Unlikely/ Important	<ul style="list-style-type: none"> All contractors must go through a pre-qualification process. Visitors to Council buildings must sign in. Access to the building has now been restricted with the 	1 Low Rare/ Important

3. Financial Risk Assessment				
Risk Subject	Risk Description	Risk Score Raw	Control Description	Residual Risk Score
			<ul style="list-style-type: none"> use of fobs. Protected records are stored in a safe or locked storage room. 	
Inadequate financial provision to fund asset replacement	IF there is inadequate financial provision in reserves to fund the replacement of assets, THEN the Council may have to borrow more than expected, or asset replacement may need to be delayed which may affect service level performance.	3 Moderate Possible/ Important	<ul style="list-style-type: none"> Ensure annual depreciation is based on accurate fixed asset values (replacement cost) and accurate useful lives. Assets should not, unless necessary, be replaced before the end of their useful life. 	1 Low Rare/ Important
Bribery and Corruption	IF elected members or staff act in a way that is, or is perceived to be, influenced by Bribery or Corruption, THEN the Council's reputation could be damaged, there is potential for legal action against Council, increased scrutiny by the Office of the Auditor General. There is also the risk that Council could have lost financially, or in some other way, by entering into an unethical contract.	3 Moderate Unlikely/ Serious	<ul style="list-style-type: none"> Ensure HR Policy, Procurement Policy, Anti-Fraud and Corruption Policy and Elected Members' Code of Conduct cover these areas sufficiently and that guidance is given to all staff and elected members at least annually on conflicts of interest, and Policies are widely distributed within Council and made available to all staff, particularly new staff. The Fraud Policy includes a process for reporting any suspected instances of bribery and corruption - ensure this is widely available and all staff are aware of reporting process. 	1 Low Rare/ Serious
Management Override of Internal Controls	IF a Manager uses their unique position to override internal controls, THEN the financial statements may be incorrect and potential fraud may result.	4 High Possible/ Serious	<ul style="list-style-type: none"> Audit and Risk Committee oversight. Internal and External audits annually. Internal and external audits annually. Fraud Policy awareness training. Regular review of policies to ensure in line with best practice. SLT to undergo ethics training. Full reference checking of at least one recent, direct manager (particularly for financial and management roles). Zero tolerance for any bullying type behaviour. 	1 Low Possible/ Major

HEALTH AND SAFETY WELLBEING RISKS

4. Health and Safety Wellbeing Risk Assessment				
Risk Subject	Risk Descriptions	Risk Score Raw	Control Description	Residual Risk Score
Lone Worker TOP TEN RISK	If a staff member is seriously injured or killed during field inspections/site visits, then possible health and safety breaches, death or serious injury.	12 Very High Possible/ Major	<ul style="list-style-type: none"> Complete quality assurance, Ongoing training/awareness of HSE requirements and responsibilities. Better use of council data/knowledge base on dangerous or insanitary sites before staff member deploys to site. Use of GPS tracking, mobile phone tracking. Compliance Officers to wear body cameras on duty. 	3 Moderate Unlikely/ Serious
Water / Health Safety TOP TEN RISK	IF Council doesn't adequately respond to a complaint and a member of the public falls ill or dies, THEN Council is at risk of legal proceedings under the Health Act.	12 Very High Possible/ Major	<ul style="list-style-type: none"> Up to date compliance with the Drinking Water Standards. Ongoing training/awareness of drinking water standards and HSE requirements and responsibilities. Ensure Water Supply bylaw is regularly reviewed. 	1 Low Rare/ Important
Council Vehicle accident	If a staff member has an accident in a council vehicle, then this could result in possible death or serious injury and damage to motor vehicle asset.	4 High Possible/ Serious	<ul style="list-style-type: none"> All staff must have a full drivers licence and all staff are aware of procedures if there is an accident. GPS and mobile phone tracking. 	3 Moderate Unlikely/ Serious
Staff under Stress	If staff are affected by personal issues or by work pressures and experiencing high levels of stress, then work performance may decline and/or fatigue, illness, unsafe work practices may result.	5 High Almost Certain/ Important	<ul style="list-style-type: none"> Managers are responsible for being aware of the wellbeing of their direct reports There are various options available for relieving the pressure of staff who are overworked including increasing staff or reallocating work Ensure access to EAP service is widely known and communicated to all staff Ensure all staff have a backup option available so they can take annual leave for at least a week at a time 	3 Moderate Possible/ Important
Exposure to Hazardous Substances TOP TEN RISK	IF staff are affected by exposure to hazardous substances eg chemicals, liquids, fumes and other toxic substances THEN there are possible risks to staff health and wellbeing.	8 High Unlikely/ Major	<ul style="list-style-type: none"> The Stratford Water Treatment Plant has site licences for the storage of chemicals, these must be kept up to date. All hazardous substances are correctly labelled and stored according to best practice safety procedures and guidelines. Training is mandatory for all staff working with 	4 Moderate Rare/ Major

4. Health and Safety Wellbeing Risk Assessment				
Risk Subject	Risk Descriptions	Risk Score Raw	Control Description	Residual Risk Score
			hazardous substances. <ul style="list-style-type: none"> • Use appropriate PPE gear at all times in the vicinity of the hazardous substances. • Regular health checks for staff. • Regular testing of hazardous substances and chemicals LABELLING and STORAGE be carried out RANDOMLY. • Fire extinguishers are on site, all signage is current and covers off on all of the chemicals held on site, and labels are all correct and current. • We currently have 5 authorised handlers. Ixom also do site audits when their representative is in the immediate area.. 	
Workplace Bullying or Harassment	IF Bullying and harassment in the workplace occurs THEN it can have an impact on the health and wellbeing of staff subject to the bullying and other staff witnessing the behaviour. This may impact on staff productivity and the ability of Council to attract good quality candidates.	4 High Possible/ Serious	<ul style="list-style-type: none"> • Top down culture against bullying and harassment of any kind, policy is followed through by management. • Staff are aware of the reporting process. • The reporting process to deal with bullying and harassment is fair, transparent, and confidential and dealt with in a timely manner. 	3 Moderate Unlikely/ Serious
Asbestos Related Work	IF council buildings are contaminated with asbestos, THEN there is the possibility of asbestos exposure to staff and the public and increased risk of asbestosis and other lung and pleural disorders.	4 Moderate Rare/ Major	<ul style="list-style-type: none"> • Asbestos protocols need to be developed in line with the asbestos regulations. • Staff need to be made aware of Asbestos disposal guidelines. Staff involved in construction work should be appropriately trained in handling of asbestos materials. 	2 Moderate Unlikely/ Important
Muscular discomfort - Ergonomics	IF muscular pain or discomfort or eye strain occurs as a result of the work environment and setting, THEN this will impact on staff health and wellbeing and long term comfort at work.	2 Moderate Likely/ Minor	<ul style="list-style-type: none"> • Apply ACC Habit At Work guidelines. • Workstation assessments should be carried out to reduce the likelihood of onset of long term discomfort and pain conditions. 	1 Low Possible/ Minor
Armed Robbery	IF there is an armed robbery at any of council's services centres, THEN there is the potential for	1 Low	<ul style="list-style-type: none"> • Establish emergency procedures, including use of 	1 Low

4. Health and Safety Wellbeing Risk Assessment				
Risk Subject	Risk Descriptions	Risk Score Raw	Control Description	Residual Risk Score
	death or serious harm.	Rare/ Serious	<ul style="list-style-type: none"> panic buttons. Security cameras in place. Ensure staff are trained to deal with potential threat. Design / limit access to building so that threats are minimised. 	Rare/ Serious
Employee Substance Abuse	IF staff are affected by drugs or alcohol while at work, THEN there is an increased risk of an accident or injury, property damage, and reduced work performance.	8 High Unlikely/ Major	<ul style="list-style-type: none"> Ensure staff are aware of drug and alcohol policy. Initial drug testing done prior to employment to filter out regular users. Utilise EAP. 	2 Moderate Unlikely/ Important
Water supply network is Contaminated TOP TEN RISK	IF the Water supply network becomes contaminated THEN the public health is at risk and Council could be liable for financial penalties and will suffer reputational damage.	12 Very High	<ul style="list-style-type: none"> Backflow preventers have been installed for high risk properties (currently no programme to roll out across the district, due to cost and resource). Staff training in the use of chemicals. Water chlorination. 	4 High Possible/ Serious
Fatigue Management	IF Fatigue affects an employee, as a result of working extraordinary hours, THEN the employee may have limited functionality which could result in personal injury or injury to others. It could also lead to stress and long term mental illness if it is reoccurring and could mean Council is in breach of the Health and Safety Act.	3 Moderate Possible/ Important	<ul style="list-style-type: none"> Ensure employees take regular, quality rest breaks during the working day, in line with the Employment Relations Act (HR Policy requires this). Ensure all staff know their responsibilities in terms of managing fatigue. Ensure shift workers rostered times are manageable. The Vehicle Use Policy has limits on driving a Council vehicle after exceeding max number of work hours. Contractor fatigue management to be reported and monitored through regular contractor meetings. 	1 Low Rare/ Minor

OPERATIONAL RISKS

5. Operational Risk Assessment				
Risk Subject	Risk Descriptions	Risk Score Raw	Control Description	Residual Risk Score
Contractor - Damage to Property	IF maintenance contractor damages council or private property while carrying out contracted work, THEN council could be liable for damages and additional expenditure.	4 High Possible/ Serious	<ul style="list-style-type: none"> Stringent Operational procedures: Daily reporting of compliance. Regular liaison with contractor and regulators to monitor performance to ensure compliance. Contractor pre-approval process. Council has material damage insurance policy. 	3 Moderate Possible/ Important
Other Contractors in Network Corridor	IF work by others in Network Corridor results in damage to components of the 3 waters infrastructure THEN services to the public may cease or become unreliable or compromised.	4 Moderate Likely/ Important	<ul style="list-style-type: none"> Co-ordination between services before major projects begin. Ensure all works have Corridor Access Requests. 	1 Low Rare/ Important
Attracting Qualified Staff	IF Council is unable to attract suitably qualified personnel, THEN services may become under threat and may cease.	6 High Likely/ Serious	<ul style="list-style-type: none"> Internal training and succession planning programs. Ensure market wages are offered for all high demand positions. Recruit off shore option should be available for high-demand positions. Make greater use of consultants if necessary and/or shared services with neighbouring Councils. Make Stratford District Council a great place to work - measure staff engagement and respond to any issues expediently. 	2 Moderate Unlikely/ Important
Maintenance Contractor fails to deliver TOP TEN RISK	If a maintenance contractor fails to deliver contractual service necessitating termination of contract and re-tendering, then assets may become under threat, unreliable, or unable to meet community needs.	8 High Unlikely/ Major	<ul style="list-style-type: none"> Careful assessment of tender to ensure contract price viable for contractor to deliver level of service Regular liaison with contractor to monitor performance and ensure compliance Contractor pre-approval process must not be bypassed 	3 Moderate Unlikely/ Serious
Key Person risk	If a key person in the organisation could not work for a significant period of time then this could affect Council's ability to perform core functions and duties.	3 Moderate Possible/ Important	<ul style="list-style-type: none"> Ensure PROMAPP is up to date with all staff day to day processes If known absence ahead of time ensure an appropriate training plan in place 	1 Low Possible/ Minor

5. Operational Risk Assessment				
Risk Subject	Risk Descriptions	Risk Score Raw	Control Description	Residual Risk Score
			<ul style="list-style-type: none"> • Make use of local consultants where appropriate • Connect with colleagues from neighbouring three councils to share resource if needed • 	
Natural Disaster or Fire - Response preparedness TOP TEN RISK	IF a Natural Disaster or Fire causes significant damage to infrastructure and buildings THEN community welfare may be severely compromised, putting peoples lives at risk, and staff may be unable to access systems to carry out their day to day duties and functions.	12 Very High Possible/ Major	<ul style="list-style-type: none"> • Civil Defence Emergency Management plans are in place. • Procedures following an emergency event are widely known by a number of staff due to Civil Defence • Foundational training being rolled out to majority of council staff. • Business Continuity Plans need to be in place and practiced regularly for all activities - Directors responsible for having a plan in place for each of their departments to ensure core functions can continue to be delivered. 	12 Very High Possible/ Major
Disease Outbreak/ Pandemic	If there is a human disease outbreak in the district, then this could impact staff and contractors staff available to deliver service	5 High Rare/ Catastrophic	<ul style="list-style-type: none"> • Health and Safety Advisor to keep aware of any public health notifications of disease outbreaks • Ensure there is a plan to respond to any notifications • Civil Defence covers infectious human disease pandemics and will take responsibility for local management 	1 Low Rare/ Serious
Biosecurity threat risk	IF there is a biosecurity threat to animals, or plant life THEN this could affect the economic wellbeing of the district and the ability of council to financially meet community needs.	4 High Possible/ Serious	<ul style="list-style-type: none"> • Ensure council takes a proactive approach to working with Biosecurity NZ, MPI, TRC and the community where a threat is identified. 	2 Moderate Unlikely/ Important
Critical Asset Failure TOP TEN RISK	IF a critical asset (water treatment plants, stormwater, wastewater, reticulation, roading) failed, THEN unexpected financial burden may arise and there could be significant disadvantage and risk to the community.	12 Very High Possible/ Major	<ul style="list-style-type: none"> • Conduct 2 yearly Asset Criticality Review. • Ensure there are established Civil Defence Emergency Management response procedures in relation to fixing critical assets in an emergency event. • Management practices and staff training, retention to ensure appropriate skill level in critical asset maintenance. 	4 High Possible/ Serious
Heavy/Extreme	IF the Stratford District experiences heavy rainfall	3 Moderate	<ul style="list-style-type: none"> • Asset Management Plans and Incident Control 	2 Moderate

5. Operational Risk Assessment				
Risk Subject	Risk Descriptions	Risk Score Raw	Control Description	Residual Risk Score
Rainfall incidents	continually over a period THEN roads may flood, restricting accessibility, landslips and mudslides may restrict road access and cause property damage, productive land areas may flood reducing functions, Stormwater, Wastewater and Water Supply assets may fail from overburdening, and overflows from Wastewater system may result in untreated water entering the Patea River.	Possible/ Important	Response Plans to document critical asset areas and response plan in the event of heavy rainfall incidents.	Unlikely/ Important
Terrorist Attack	IF a terrorist attack occurred in Stratford, THEN loss of life, property damage, and business discontinuity may result.	4 Moderate Rare/Minor	<ul style="list-style-type: none"> Develop Lockdown procedures for all Council public sites i.e. Library, I-Site, Council Office, TSB Pool. Be alert and aware of potential threats, work closely with Police and establish plan to minimize damage to people and property. 	4 Moderate Rare/ Minor
Government Policy Impacting on Local Government TOP TEN RISK	If Government Policy significantly changes the services Council delivers or the way they are delivered, then this could put financial pressure on the district to fund investment in changes, or it may mean previous investment has become redundant.	12 Very High Possible/ Major	<ul style="list-style-type: none"> Where a policy change may have a significant impact on the Council then we must ensure that the Council makes a submission challenging the change and suggesting alternative options. Council officers and elected members need to keep up to date with policy, and anticipate potential impacts of legislative changes and respond strategically. This could include joint collaboration with business and other councils, accessing alternative funding sources, or obtaining legal or professional advice 	12 Very High Possible/ Major
Consents	The Council does not undertake the work in accordance with the resource consent conditions. Council can be fined by the Regional Council for breach of conditions.	3 Moderate Possible/ Important	<ul style="list-style-type: none"> Not negotiable - Consent conditions must be abided by otherwise the consent will be breached Council needs to submit to the Regional Council a methodology about how they are going to undertake the works. 	2 Moderate Unlikely/ Important

REPUTATIONAL AND CONDUCT RISKS

6. Reputational and Conduct Risk Assessment				
Risk Subject	Risk Descriptions	Risk Score Raw	Control Description	Residual Risk Score
Online Passwords	IF online passwords are shared or used inappropriately, THEN there is the risk that staff can access or hack Council owned systems and release sensitive information.	3 Moderate Possible/ Important	<ul style="list-style-type: none"> Ensure that where a staff member leaves and they have access to logins accessible online that the passwords are changed and access ceases. Limit use of online accounts. 	3 Moderate Unlikely/ Serious
Contractor Damage or Breach	If Council and/or Council contractors are found to be liable for public/environmental damage, or any actions that are unsafe or non-compliant with legislation and applicable policies and standards, then fines, possible injury, long-term damage, reputational damage could result.	4 High Possible/ Serious	<ul style="list-style-type: none"> Appropriate procedures and guidelines are in place to monitor contractor actions and our own including health and safety audits, contractor meetings/KPI's The Council requires all physical works contractors to go through a thorough health and safety pre-qualification process and become approved before commencing any physical work All relevant staff are kept up to date with pre-approved contractors register Mini audits and random checks should be built into contracts Contractor public liability insurance required for all major contracts. 	3 Moderate Unlikely/ Serious
Council employees/ contractors abuse members of the public	If Council employees, during the course of their Council duties abuse members of the public., then the Council may suffer significant reputational damage and potentially be taken to court.	4 High Possible/ Serious	<ul style="list-style-type: none"> All staff in a public facing role, particularly where they must deal with children, must be police vetted before they commence work. Exception is where the role is urgent and requires immediate start - in these situations the employee should not be left alone at any time until a satisfactory police report has been received 	3 Moderate Unlikely/ Serious

APPENDIX 2 - WATER SUPPLY OPERATIONAL DOCUMENTS

Consents	Commencement Date	Expiry Date	CM Reference
1276-3 Te Popo Abstraction	24/05/2011	1/06/2021	D17/20428
6605-1.1 Toko Discharge from Water Treatment Plant	29/04/2005	1/06/2022	D17/20453
6549-1 Repair and maintain weir in Konini Stream	31/01/2005	1/06/2022	D17/20451
1337-3 Abstraction from Bore for Toko water supply	17/06/2005	1/06/2022	D17/20461
1331-3 Discharge to land via soak hole from Midhirst Water Treatment Plant	27/05/2016	1/06/2033	D17/20460
10056-1 Construct watermain bridge over Patea River	23/01/2015	1/06/2034	D17/20483
2452-3 To dam water in the Konini Stream with a 1 metre concrete weir for the Stratford town water supply	25/09/2017	1/06/2034	D17/24428
5353-2 To dam water in the Patea River with a 2.3 metre concrete weir for the Stratford town water supply	25/09/2017	1/06/2034	D17/24427
0068-4 Discharge to Patea River from Stratford Water Treatment Plant	24/06/2016	1/06/2034	D17/20419
0195-3 Patea & Konini Abstraction (Stratford Water Supply)	16/10/2017	1/06/2034	D17/24468
Policies	Commencement Date	Review Date	CM Reference
Asset Management	26/05/2020	2023/2024	D20/4330
Water Supply to Rural Properties	12/03/2019	2023/2024	D19/3406
Procurement Policy	11/06/2019	2022/2023	D18/29563(v3)
Bylaws	Commencement Date	Review Date	CM Reference
Water Supply Bylaw	1/08/2019	1/08/2029	D18/29919
Strategies	Commencement Date	Review Date	CM Reference
Infrastructure Strategy 2021-2051	1/02/2021	2050/2051	D21/2700
Contracts	Commencement Date	Review Date	CM Reference
3 Waters Maintenance Contract (1434)	1/07/2019	30/06/2022	D19/14719



Property

Asset Management Plan 2021-2031



Long Term Plan 2021-31

DOCUMENT QUALITY ASSURANCE

	NAME/ROLE	DATE
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Peer Reviewed By	Victoria Araba, Director Assets	June 2021
Approved By	Sven Hanne, Chief Executive	

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**THE PROPERTY
ASSET MANAGEMENT PLAN 2021-2031
(PAMP)**

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GLOSSARY OF ABBREVIATIONS

Abbreviation	Description
AM	Asset Management
AMP	Activity Management Plan
ANZ	Australia New Zealand
BC	Benefit Cost
BCA	Benefit Cost Analysis
BCR	Benefit Cost Ratio
BERL	Business and Economic Research Limited
BWoF	Building Warrant of Fitness
CBD	Central Business District
CCTV	Closed Circuit Television
CDEMG	Civil Defence Emergency Management Group
DIA	Department of Internal Affairs
DOC	Department of Conservation
ERFD	Emergency Rural Fire District
ETS	Emissions Trading Scheme
FTE	Full Time Equivalent
GDP	Gross Domestic Product
GIS	Geographic Information System
GPS	Government Policy Statement
H&S	Health and Safety
ID	Identification
IIMM	International Infrastructure Management Manual
ISP	Infrastructure Strategy Plan
IT	Information Technology
KPI	Key Performance Indicator
LED	Light Emitting Diode
LGA	Local Government Act
LINZ	Land Information New Zealand
LoS	Levels of Service
LTP	Long Term Plan
N/A	Not Applicable
NPDC	New Plymouth District Council
NZ	New Zealand
NZFS	New Zealand Fire Service
ODRC	Optimum Depreciated Replacement Cost
ODM	Optimum Decision Making
ORC	Optimum Replacement Cost
ORV	Optimum Replacement Value
RC	Replacement Cost
SDC	Stratford District Council
STDC	South Taranaki District Council
TRFA	Taranaki Rural Fire Authority
TRIM	Total Record Information Management
Wi-Fi	Wi-Fi is a term used to describe the wireless networking technology that allows computers and other devices to communicate over a wireless signal. The abbreviation is not an abbreviation as such.

Executive Summary

EXECUTIVE SUMMARY

Executive Summary

The Stratford District

The Stratford District is a land locked area encompassing 2,170km² located in the heart of Taranaki. The district is adjacent to the New Plymouth and South Taranaki districts in the Taranaki region and the Ruapehu and Whanganui districts within the Horizons Regional Council (HRC) region. Within the Stratford District are four distinct geographical areas:

- The alpine and bush environment of Egmont National Park;
- The ring plain around Mt Taranaki;
- 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 rural landscape supports large farming, forestry and Department of Conservation reserves. Stratford is a growing tourist destination, with attractions such as Egmont National Park, the Manganui Ski Field, Forgotten World Highway (SH43), Dawson and Mt Damper Falls to name a few. Three main townships that make up the Stratford District are: Stratford; Midhirst and Toko.

The Property Asset Management Plan

The PAMP describes the strategies and practices employed in the delivery of Council's obligations for the provision of Council properties at the agreed levels of service to the community. The PAMP identifies the local, regional and central government strategic and legislative drivers for the provision of service throughout the District.

Based on forecasted growth and demand for the service, the PAMP sets out how the provision of the facilities will be managed over its lifecycle to ensure the optimal delivery of the service within the financial constraints sets by the Council in its Long Term Plan (LTP) 2021-2031. The levels of service to be delivered are as per the priorities and performance measures set by both the Council priorities and central government initiatives and performance measures.

The PAMP is a living document and gives effect to both the LTP and relevant reserve management plans.

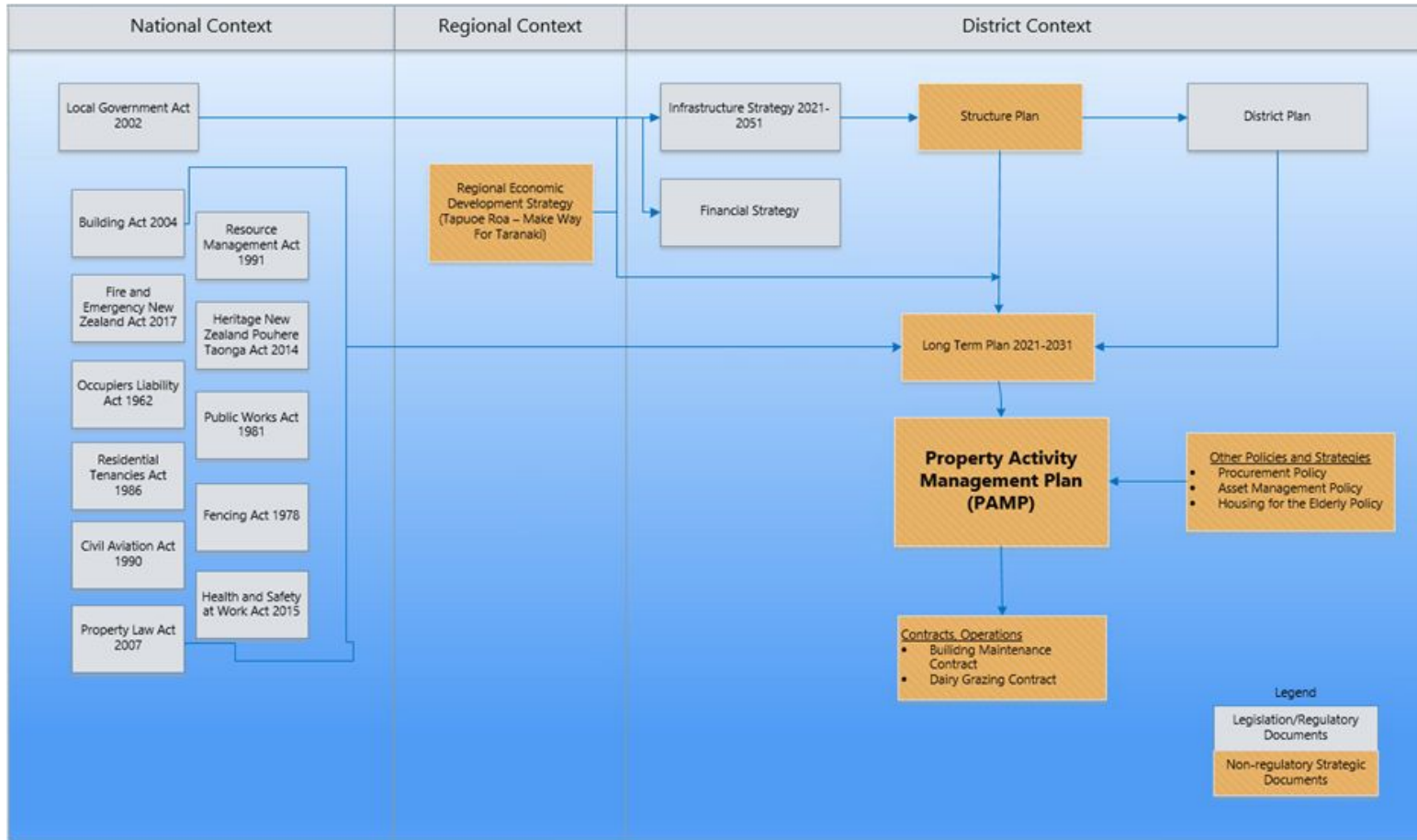
The Strategic and Legislative Context

The Strategic and Legislative Context for the PRCAMP is as per the framework below.

The key central, regional and local government drivers are:

- The Building Act 2004;
- The Local Government Act 2002;
- The Resource Management Act 1991;
- The Heritage New Zealand Pouhere Taonga Act 2014;
- The Fire and Emergency Department Act 2017;
- Occupiers Liability Act 1962
- Public Works Act 1981
- Residential Tenancies Act 1986
- Fencing Act 1978
- Civil Aviation Act 1990
- Health and Safety at Work Act 2015
- Property Law Act 2007

Property Asset Management Plan Legislative and Strategic Context



Executive Summary

Our Problems and Benefits Statements

The Council has identified key problems to be addressed in the coming years. Along with these, projects have been highlighted and statements of the benefits of implementing those projects in solving the identified problems. A summary of our *Problem and Benefit Statements* along with projects identified to deliver the benefits, are provided in the Table below.

Our Problems and Benefit Statements

Problem Statements	Project	Benefit Statements
TSB Pool Complex outdated and suffering from maintenance issues	New pool complex to be constructed. Council has approved funding for a newly located pool complex	<ul style="list-style-type: none"> Improve community levels of service; Support community recreation services; Mitigate ongoing maintenance issues
Earthquake Prone Council Buildings <ul style="list-style-type: none"> Bell Tower - A seismic assessment was completed for the Bell Tower in 2015. This reported an Initial Evaluation Procedure (IEP) rating of 30% - D 	Demolition of the Bell Tower	<ul style="list-style-type: none"> Maintain the agreed level of service Comply with The Building Act 2004; Ensure the Health and Safety of all the Stratford District community and incoming visitors
War Memorial Centre outdated and suffering from maintenance issues. <ul style="list-style-type: none"> Replace roof 	War Memorial Centre Upgrades	<ul style="list-style-type: none"> Improve community levels of service; Support community recreation services; Mitigate ongoing maintenance issues
Continual maintenance and upgrades relating to farm operations <ul style="list-style-type: none"> In-shed feed system Race maintenance 	Farm Upgrades	<ul style="list-style-type: none"> Maintain the agreed level of service Mitigate ongoing maintenance issues Improve functionality on farm Improve health and safety of farm staff, contractors and animals.
Miranda Street Office outdated and suffering from maintenance issues <ul style="list-style-type: none"> Replace roof Gradual replacement of flooring 	Miranda Street Office Upgrade	<ul style="list-style-type: none"> Improve community levels of service; Mitigate ongoing maintenance issues
Storage Shed outdated and unsafe. <ul style="list-style-type: none"> Demolition of existing building Building a new shed 	Dog pound Storage shed demolition and replacement	<ul style="list-style-type: none"> Consolidating all storage into one place Comply with Building Act 2004 Ensure Health and Safety of all staff and contractors
War Memorial Centre Carpark Lighting insufficient for area. Making unsafe for users. <ul style="list-style-type: none"> Replace all Sodium oxide lights with new LED lights and poles. 	Removal of all sodium oxide lights and poles and replace with new LED lights and 5m poles	<ul style="list-style-type: none"> Ensure the Health and Safety of all the Stratford District community and incoming visitors Improve community levels of service; Support community recreation services; Mitigate ongoing maintenance issues
Centennial Rest Rooms outdated and suffering from maintenance issues. <ul style="list-style-type: none"> Replace roof 	Centennial Rest Rooms Upgrade	<ul style="list-style-type: none"> Improve community levels of service; Support community recreation services; Mitigate ongoing maintenance issues

Executive Summary

Our Levels of Service and Performance

Stratford District Council provides property services at the agreed Level of Service (LoS). The performance monitoring of this activity is undertaken through the use of performance measures and key performance indicators (KPIs). Our current performance is monitored through our 'Internal performance measures' which were developed and targets set by the Council. These performance indicators measure how well the Council is delivering on Levels of Service and the performance of the activity assets. A summary of the LoS performance measures as set by the Council are provided below.

Our Level of Service Performance Measures

	Asset Category	Level of Service Category	Performance Measure
1.	TSB Pool Complex	Health and Safety	Number of reported accidents, possible accidents and similar incidents per annum - <80
2.		Compliance with NZS5826:2010 - Pool Water Quality Standards	All Pools meet NZ Pool Water Quality Standards. Target – 100%
3.		Usage/Admissions	Number of pool admissions per annum. Target - >55,000
4.		Customer Satisfaction	Percentage of pool users are satisfied with the pool. Target - > 80 %
5.	Aerodrome	Customer Satisfaction	A high level of satisfaction amongst the users with the condition and maintenance of the aerodrome - >70%
6.		Usage	Number of aircraft movements during the year. >4000. Numbers from Annual AIMM compliance reporting
7.	Centennial Library	Customer Satisfaction	% of library users satisfied with library services. Target – > 80 %
8.		Usage - Visit	Number of people visiting the library is measured. Target - > 90,000
9.		Usage – Wi-Fi	The number of visitors accessing the Wi-Fi service is measured. Target - > 15,000
10.		Usage – Network Session	The number of sessions accessing the People's Network is measured. Target - > 10,000
11.	Civic Amenities - Housing for the Elderly	Customer Satisfaction	Percentage of Customer satisfaction. Target - >89%
12.		Occupancy	Annual Occupancy rate. Target - >95%
13.	Civic Amenities - War Memorial Centre	Annual Bookings	Annual booking of War Memorial Centre. Target - >500
14.		Condition	Buildings legally requiring a Building WoF have a current Building WoF at all times. Target – 100%
15.	Civic Amenities - Centennial Restrooms	Annual Bookings	Annual booking of Centennial Restrooms Target - >200
16.		Condition	Buildings legally requiring a Building WoF have a current Building WoF at all times. Target – 100%
17.	Civic Amenities - Public Toilets	Customer Satisfaction	Percentage of Stratford District residents satisfied with overall level of service of toilets. Target - >75%
18.	Rental and Investment properties	Farm Milk Production	Milk production is maximised. Target > 150,000 kg / annum
		Customer Satisfaction	Number of complaints from tenants. Target - < 5
		The Council farm's Environmental Plan is reviewed annually	The farm's Environmental Plan is reviewed annually and a report is presented to the Farm and Aerodrome Committee

Executive Summary

Our Programme Business Case

The programme business case details how the problems identified in the previous sections will be addressed. This is presented in the Table below and shows how our identified projects address the identified problems and achieve our Internal/Council Performance Measures.

Our Identified Projects and Performance Measures

Work Category	Identified Projects	Performance Measures						
		Health and Safety	Compliance with NZSS Standards	Usage (Admissions, Visit, Wi-fi, Network Session)	Customer Satisfaction	Annual Bookings	Condition	Milk Production
Operations/ Maintenance	Miranda Street office-general maintenance				✓		✓	
	War Memorial Centre – general maintenance			✓	✓	✓	✓	
	Civic Amenities – general maintenance				✓		✓	
	Farm – general building maintenance						✓	
	Aerodrome – runway releveling	✓		✓	✓		✓	
	Housing for the Elderly – general maintenance			✓	✓		✓	
Renewal/ Replacement	Library - replacements				✓		✓	
	Miranda Street office – renewals/replacements				✓		✓	
	War Memorial Centre renewals			✓	✓	✓	✓	
	War Memorial Centre Carpark lights replacements	✓			✓		✓	
	Centennial restrooms - replacements	✓		✓	✓	✓	✓	
	Storage Shed Replacement	✓					✓	
	Farm - replacements	✓					✓	
	Housing for the Elderly - replacements	✓		✓	✓		✓	
Level of Service Improvements	TSB Pool – facility redevelopment		✓	✓	✓	✓	✓	
	Miranda Street office – install access control	✓						
	Farm - improvements	✓						✓
	Rental properties – demolition of disused buildings						✓	
	Housing for the Elderly - improvements	✓		✓	✓			

Executive Summary

Funding Our Investment Strategy

The Council's Investment Strategy covers how the Stratford District Council plans to deliver on the services it offers whilst achieving value for money, with a key focus on future-proofing Council's assets.

Capital projects and activities carried out to maintain the Property services, including Renewal or Replacement projects and Level of Service Improvements, for the next 10 years will be funded as per the Revenue and Financing Policy, through one or a combination of the following sources:

- Loans;
- Reserves; and/or
- Subsidies/ Grants by other Partners.

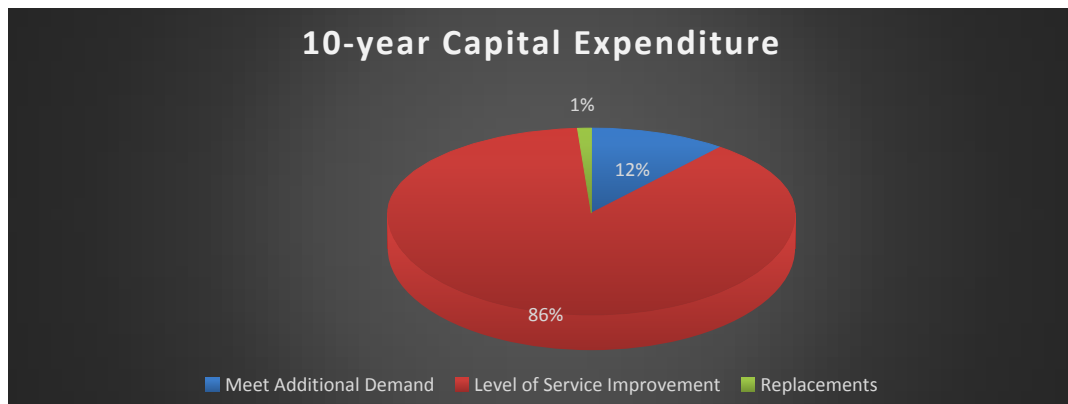
The Council expects that:

- Renewal or Replacement projects will be equally funded from Loans and Reserves;
- Level of Service Improvements projects for all the Properties will be funded from a combination of loans and alternative funding sources. Where appropriate, the Council submits funding requests to the *TSB Community Trust (TSB)* and the *Taranaki Electricity Trust (TET)*. The Council also applies to the *Ministry of Business, Innovation and Employment (MBIE)* for tourism grants and initiatives.

A key capital project is the provision of a replacement swimming pool in the 2020/21 financial year. A summary of Council's Capital Investment funding Strategy over a 10-year period is shown in the Figure and Table below.

Our 10 –Year Capital Expenditure Projection

10 –Year Capital Expenditure Projection ('000)											
Asset Group	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	Total
Meet Additional Demand	1,200	1,025	1,049	0	0	0	0	0	0	0	3,274
Level of Service Improvement	17,335	1,112	608	606	442	171	64	63	2,454	68	22,923
Replacements	114	6	59	114	7	7	7	7	17	8	346



1.0 Introduction

Introduction

1.0: INTRODUCTION

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Introduction

1.1 PURPOSE OF THE PLAN

The Property Asset Management Plan 2021-2031 ('the PAMP') is a 10 year plan. It details how Stratford District Council ('the Council') will manage the property activity and assets in an efficient, safe and sustainable manner to provide value for money to our customers and investors.

The plan informs the development of the Council 2021-2031 Long Term Plan ('the LTP'). It shows how the Council will prioritise and address key property issues facing our District in order to deliver on Community Outcomes and agreed Levels of Service (LoS) and also meet legislative requirements and objectives.

The audience for this plan includes our property customers, stakeholders, Stratford District Council representatives, Council staff, contractors, consultants, ratepayers and residents, who will take an interest in current and future levels of service the Stratford District Council will be providing in respect of its property assets.

The PAMP is reviewed every three years in line with the long term planning process. The Council's Asset Management Policy requires the Asset Management Plans to be peer reviewed by an external reviewer, before the document is formally presented to Council for adoption.

1.2 THE STRATFORD DISTRICT

1.2.1 DISTRICT HISTORY

Initial settlements in the Stratford District were small Maori villages in the forested hills which were used as places of refuge in times of war, and for seasonal activities.

While New Plymouth and other coastal regions of Taranaki were settled by Europeans in the 1840s, the densely-forested inland Taranaki areas remained relatively isolated until the land wars of the 1860s. Following those wars the land of Stratford District was both compulsorily purchased and freely sold.

The site for Stratford town on the north bank of the Patea River was cleared in 1877 and was originally named Stratford-on-Patea. It was named after Stratford-Upon-Avon, Shakespeare's birthplace, and the streets were named after Shakespearean characters and places. By 1906 the population of Stratford numbered almost 6,000. Other towns throughout the district sprung up as the bush was cleared and new farming districts developed. Schools, hotels, stores and other community facilities were established, but Stratford Township remained the hub of the area.

From early on in the twentieth century there was rapid development of the dairy industry, with most communities having their own factory. Roads through the district were still relatively basic, which meant travelling any distance was difficult. As roads improved throughout the 20th century, communities in the district gradually began to lose their facilities. It was cheaper and easier to travel to larger towns for services than to maintain those services in smaller settlements.

The Forgotten World Highway (State Highway 43) links the towns of Stratford and Taumarunui and later became New Zealand's first heritage trail. It passes through the village of Whangamomona which was first settled in 1895, with no road or rail access. Today the village has approximately 126 full-time residents, a hotel, a handful of historic buildings and the odd goat.

1.2.2 DISTRICT GEOGRAPHY

The Stratford District is one of three territorial authorities ('TA') in the Taranaki region, overlying of which is the administrative area of the Taranaki Regional Council. The far eastern portion of the Stratford District is also overlain by the administrative area of the Horizons (Manawatu/Wanganui) Regional Council. The political division between the two regional councils lies along the Whangamomona Saddle.

Introduction

The major landforms of the Stratford district comprise the volcanic landforms centred on Mount Taranaki or Mount Egmont, including the "ring plain", and the dissected eastern Taranaki "hill country". Between these two lies the more gently rolling "frontal hill country".

The natural resources of the Stratford district are the basis for the existing and potential nature, scale and intensity of rural development. The natural resource base comprises elements of geology, soils, topography, drainage, climate and vegetation which are all closely inter-related and which, in combination, define both the physical basis of the local economy and the intrinsic landscape qualities of the area.

Mount Taranaki or Mount Egmont, and Egmont National Park, dominate the landscape of the District. In the past, successive eruptions of ash and natural erosion have created an "apron" or a "ring plain" around the base of the mountain. The fertile and generally free draining soils of this ring plain support intensive pastoral farming, especially dairying.

East of the ring plain lies the rolling topography of the frontal hill country and further east, the deeply dissected hill country. These hills are not volcanic but consist of sedimentary rocks (mudstone, sandstone and siltstone). Soil properties in the eastern hill country are closely linked to the differences in rock hardness and composition. Most are steepland soils, ie, are shallow soils which have developed on steep, relatively unstable slopes.

1.2.3 DISTRICT MAIN COMMUNITIES

The Stratford District is home to many settlements, with the three main centres being Stratford, Midhirst, Toko and Whangamomona.

Stratford

Stratford (Māori: Whakaahurangi) is the main town in the Stratford District. It is located on the banks of the Patea River roughly 48 km south-east of New Plymouth and 30 km north of Hawera at the junction of State Highways 3 and 43. Stratford is near the geographic centre of the Taranaki region and the largest settlement of the Stratford District with an estimated population of 5,466 (Statistics NZ 2013). 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

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

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 1,188 (Statistics NZ 2013) people live in or around Toko. This includes people living in the settlement and those living in the surrounding rural areas.

Whangamomona

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 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 (Statistics NZ 2013).

Introduction

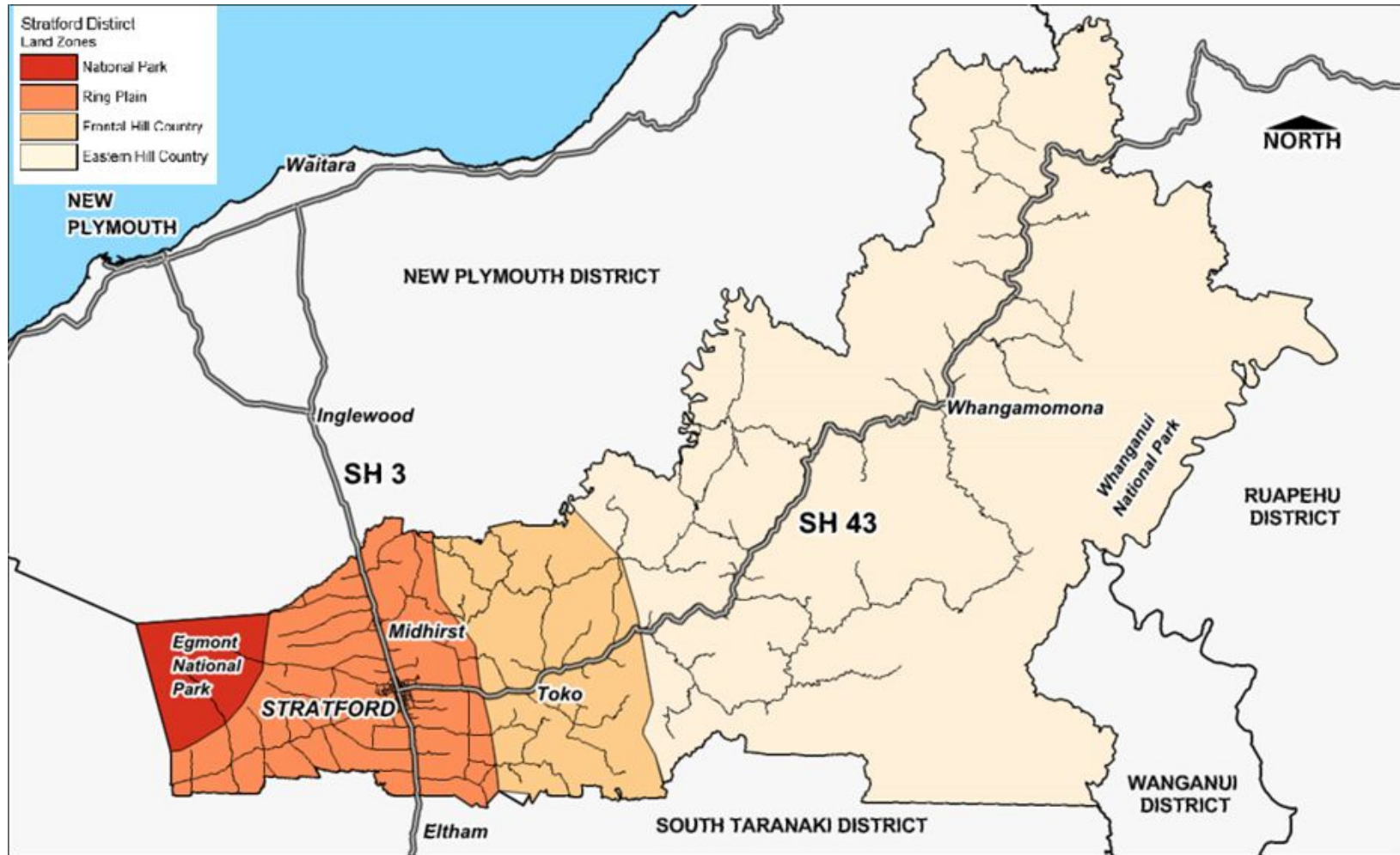


Figure 1 – The Stratford District 2019

1.3 OUR MISSION, VISION AND VALUES

Stratford District Council is local territorial authority for the Stratford District. Council's role in accordance with the Local Government Act 2002 (LGA) is to:

- Enable democratic local decision-making and action by, and on behalf of, communities; and
- Promote the social, economic, environmental, and cultural well-being of communities in the present and for the future

The Stratford District Council's Mission Statement is

'To serve the district and its communities through advocacy, promotion, services, facilities and positive leadership'

The Stratford District Council's Vision Statement is

'A progressive, prosperous district where communities are celebrated'

The Stratford District Council's Values are:

- Integrity:** *Be loyal to the organisation and trustworthy, honest and courteous with everyone we deal with.*
- Teamwork:** *Work together in the same direction, assist each other and have respect for others. Maintain a positive attitude and encourage teamwork.*
- Excellence:** *Be effective in everything we do using our experience and knowledge. Do the right thing at the right time. Be efficient by being cost effective and ensure prudent management of public money and assets.*
- Pride:** *Take pride in our performance and our organisation.*
- Commitment:** *Have commitment and respect for each other, our business and our customers.*
- Innovation:** *Examine alternatives, challenge the obvious and have a flexible attitude.*

The Stratford District Council carries out its duties under the LGA (2002) through two key Management Teams:

- The *Executive Management Team*, comprising the Senior Leaders of the Council and headed by the Chief Executive. This team sets the overall direction for delivery of Solid waste activities and services; and
- The *Assets Management Team*, comprising the operational and maintenance staff who carry out the direction set by the *Executive Management Team*.

The structure for each Management Team is provided in Figures 2 and 3.

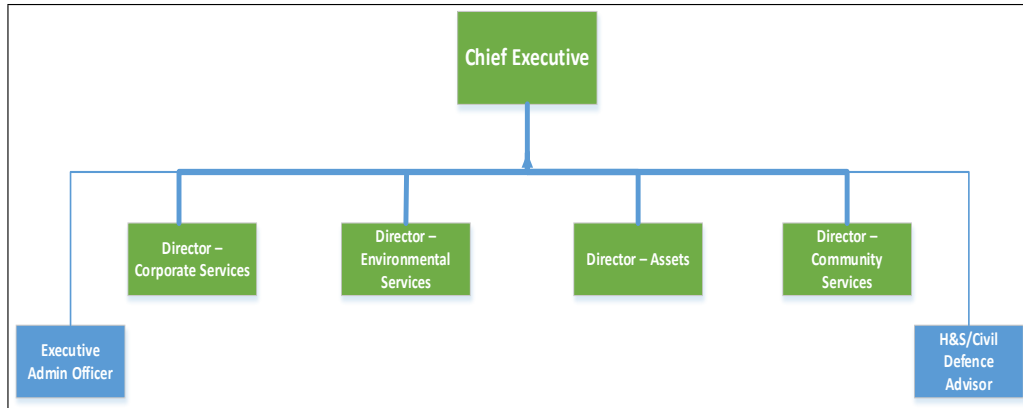


Figure 2 – The Executive Management Team

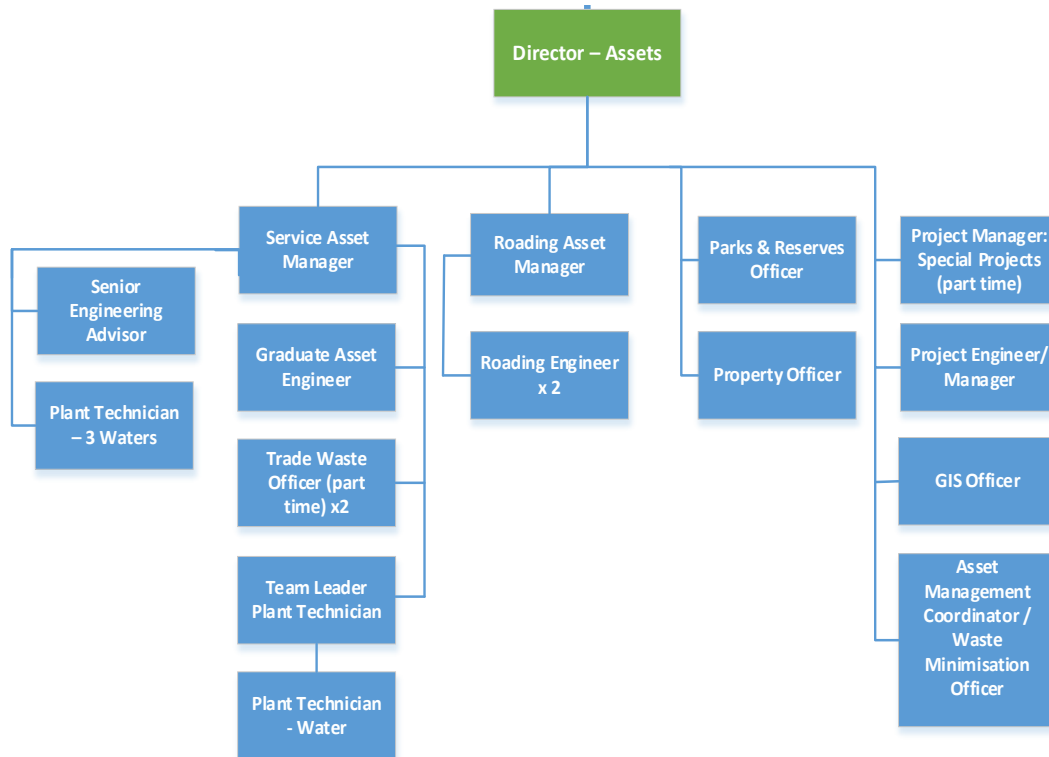


Figure 3 – The Assets Department

1.4 THE PROPERTY ACTIVITY

Stratford District Council owns a variety of property assets including:

- The TSB Pool Complex which provides aquatic recreation for its residents. Council has traditionally adopted the role of provider of a swimming pool complex for the District as there is no alternative provider. The Pool makes a valuable contribution to the health of residents and visitors providing diverse recreational activities and enhancing the attractiveness of the district.
- The Stratford District Centennial Library and I-Site provides physical and digital access to a collection of lending material and information resources in a safe and welcoming environment intended for community activities, leisure, social interaction, and study. It promotes creativity and learning through the delivery of public programmes and the provision of support facilities such as the Wi-Fi network and access to equipment and technology. The I-site provides the community the availability of booking a driving test, concert tickets or renewing library books.
- Civic Amenities to provide for community or core civic functions, some of which are provided by Council because no other agencies are able or willing to provide them. Civic Amenities contribute to the achievement of the District's civic and leisure needs. This portfolio includes:
 - Miranda Street Administration Building
 - Housing for the Elderly (10 residential units)
 - War Memorial Centre
 - Centennial Restrooms
 - Clock Tower
 - Bell Tower
 - Hall of Remembrance
 - Public Toilets
 - Rural Halls
 - Security Cameras
 - TET Stadium MultiSports Centre
- Rental and Investment Properties for strategic or commercial purposes. Each property is held for specific reasons and the property portfolio is regularly reviewed to ensure any properties surplus to requirements are disposed of. This portfolio includes:
 - The Council farm
 - Municipal Building
 - Transfer Station
- The aerodrome to make provision provides for recreation and light commercial aviation. The aerodrome is situated at Flint Road and has two grass runways.

The council overall objective is to provide services that meets the needs of the community. The goals and objectives of the Property Activity are:

- Pool – to provide a pool complex:
 - That will be a safe place to swim.
 - Whose facilities meet demand;
- To provide a library service which meets the needs of and is being used by Stratford District residents
- Library services will be accessible to the community
- Council facilities - To provide well maintained and utilized facilities
- TET – to maintain the facility to meet community needs
- To provide suitable housing for the elderly.
- To provide clean, well maintained toilet facilities.
- Maximum profits from the farm are returned to Council.
- Leased property is safe and fit for purpose.
- Aerodrome – To meets the needs of users.

1.5 THE IMPORTANCE OF THE PROPERTY ACTIVITY

Access to a range of active and passive recreation services benefits the community's physical, social and personal quality of life. The Property Activity is important to the Stratford District community because it creates and provides a sense of belonging and pride through the provision of comprehensive social, recreational and cultural facilities that are accessible to all.

By meeting its goals and objectives, the Property Activity contributes to Council's community outcomes as shown in Table 1.

Table 1 - Property Activity Contribution to Community Outcomes

Community Outcomes		Property Activity Contribution
Vibrant community	We celebrate and embrace our community's cultures and traditions. We tell our unique story. We will develop strong relationships with iwi, hapu and marae.	<ul style="list-style-type: none"> • Providing an aerodrome that meets the needs of users. • Providing facilities that are well maintained and utilised. • Providing suitable housing for the elderly.
Sustainable environment	Our natural resources can be enjoyed now and by future generations. We are committed to working towards zero waste. We have well planned and resilient infrastructure that meets the current and future needs of the district. We strive to understand and support Te Ao Māori values and principles.	<ul style="list-style-type: none"> • Providing clean, well maintained toilet facilities. • Providing a pool complex that is a safe place to swim. • Providing pool facilities that meet demand.
Connected communities	Our neighbourhoods are safe and supported We enable positive healthy lifestyles, through access to health, social and recreation services We have a strong sense of belonging We value opportunities to be involved and work together as a community	<ul style="list-style-type: none"> • Providing a library service which meets the needs of and is being used by Stratford District residents. • Providing library services that will be accessible to the community. • Ensuring maximum profits from the farm are returned to Council.
Enabling economy	We are a welcoming and business friendly District We encourage a strong and diverse local economy We promote opportunities to visit, live and invest in the district We support economic opportunities for Māori	<ul style="list-style-type: none"> • Providing a Transfer Station that is easily accessible to the Stratford District residents

1.6 OUR PARTNERS, CUSTOMERS AND KEY STAKEHOLDERS

The Property activity exists to meet the needs and requirements of customers, partners and key stakeholders.

Our key partners are those groups or organisations that we are aligned with as owners of Council-owned property issues in our region and district. Our customers are individuals, groups or organisations that either directly or indirectly use services provided by the Property activity. Our key stakeholders are individuals, groups or organisations who may or may not be customers of the activity directly but have an interest in how it is managed and operated.

These groups help us focus our strategic planning on the right things. They have information and knowledge that helps us make more informed decisions. Table 2 shows how our partners, customers and key stakeholders are involved in our planning activity.

Table 2 – Partners, Customers and Stakeholders

Customers, Partners and Stakeholders	Involvement
Taranaki Regional Council	Sets the direction of environmental management of the portfolio.
Contractors	Provide maintenance services in respect of the portfolio.
Utility Owners	New Zealand Utilities Advisory Group (NZUAG) requirements for co-ordinating networks.
Local Iwi	Liaise in relation to significant projects that may impact on Maori.
Community Sporting & Recreation Groups	Provide services to the community utilising Council property assets.
Farm Sharemilkers	Provides the operational aspects of the farm business.
Civil Defence	Provides an fully operational Taranaki Emergency Management Office (TEMO) site for Stratford and surrounding districts
General public ; Lessees; Tourists and Visitors	Use services provided by the Property Activity

1.6.1 THE CUSTOMER CHARTER

Following an internal review an organisation-wide *Customer Charter* was developed and introduced in 2015. The Customer Charter states that Stratford District Council is dedicated to having commitment and respect for each other, our business and our customers. We will be honest, courteous and efficient and use our knowledge and experience to be effective by doing the right thing at the right time. We support a culture of innovation by examining alternatives, challenging the obvious and having a flexible attitude.

Our Customer Service Charter establishes a consistent customer service standard across all Council business, regardless of whether our customer is borrowing a book, going to the pool, or lodging a building consent. Our philosophy is to provide quality service to all our customers in line with the Service Standards stated in the Customer Charter.

1.6.2 SIGNIFICANCE AND ENGAGEMENT POLICY

The Stratford District Council uses its Significance and Engagement Policy in its decision-making to determine the level of community engagement needed for an issue or proposal, to gain a clearer understanding of community views and preferences and the ways the community can influence and participate in the decision-making of the Council.

2.0

Legislative and Strategic Context

Legislative and Strategic Context

2.0: LEGISLATIVE AND STRATEGIC CONTEXT

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Legislative and Strategic Context

2.1 OVERVIEW

This section presents the legislative and strategic context of the Property Asset Management Plan at the national, regional and district levels.

2.2 NATIONAL CONTEXT

There are a number of national legislative requirements that drive the Property Activity's level of service and (LoS) and influence the operation and management of the assets. While many are listed below; the key drivers are described in detail in the following section.

- The Building Act 2004;
- The Local Government Act 2002;
- The Resource Management Act 1991
- The Heritage New Zealand Pouhere Taonga Act 2014
- The Fire and Emergency Department Act 2017;
- Occupiers Liability Act 1962
- Public Works Act 1981
- Residential Tenancies Act 1986
- Fencing Act 1978
- Civil Aviation Act 1990
- Health and Safety at Work Act 2015
- Property Law Act 2007

2.2.1 THE BUILDING ACT 2004

Section 108 of [The Building Act 2004](#) requires the Stratford District Council to have a Building Warrant of Fitness (BWoF) where a Compliance Schedule is required. The following Council owned properties all have current Building Warrants of Fitness:

- Miranda Street Admin Building;
- TSB Pool Complex;
- Library; and
- War Memorial Centre.

2.2.2 THE PROPERTY LAW ACT 2007

The [Property Law Act 2007](#) defines the purpose of the Act is to “restate, reform and codify (in part) certain aspects of the law relating to real and personal property”. The following Council owned/managed properties will be covered under this act and it will also cover all license to occupy and Deed of Leases

- All council owned properties currently leased
- Pensioner Housing
- Transfer Station building
- Percy Thompson Building

2.2.3 THE LOCAL GOVERNMENT ACT 2002

The [Local Government Act 2002](#) defines the purpose of local government to be:

“to meet the current and future needs of communities for good quality local infrastructure, local public services, and the performance of regulatory functions in a way that is most cost-effective for households and businesses.” The LGA includes the principles that require Council to:

- Make itself aware of community views;
- Provide opportunities for Māori to participate in decision-making processes;
- collaborate and cooperate with other local authorities as appropriate; ensuring prudent stewardship of resources; and
- and take a sustainable development approach.

The LGA outlines the responsibilities of local authorities and the decision-making process for activities undertaken on behalf of their community, primarily through the requirement to adopt a Long Term Plan.

Legislative and Strategic Context

The LGA in Section 125 requires the Council to 'from time to time' complete assessments of water and sanitary services for communities throughout their districts. The purpose of the assessment is to determine, from a public health perspective, the adequacy of water and sanitary services available to communities. In making such an assessment the following matters need to be considered:

- (a) the health risks arising from any absence or deficiency in water or other sanitary services;
- (b) the quality of services available to communities within the district;
- (c) the current and estimated future demands for such services;
- (d) the extent to which drinking solid waste meets applicable regulatory standards; and
- (e) the actual or potential consequences of stormwater, waste or sewage discharges within the district.

The Council commenced a review of its *Assessment of Water and Sanitary Services and Solid Waste* in 2016.

2.2.4 THE RESOURCE MANAGEMENT ACT 1991

The [Resource Management Act 1991](#) regulates the management and use of land and other natural resources and empowers local authorities to make rules, standards, policy statements and plans in this regard. It therefore has implications for the development of this plan and its implementation including the need to comply with the Stratford District Plan.

2.2.5 THE HERITAGE NEW ZEALAND POUHERE TAONGA ACT 2014

The [Heritage New Zealand Pouhere Taonga Act 2014](#) provides protection for places of historical and cultural value and, inter alia, prevents without authority any modification or destruction of archaeological sites. Accordingly, it is appropriate that Heritage New Zealand be consulted and recognition be given to the Act's provisions in carrying out any physical development of a reserve.

2.2.6 THE FIRE AND EMERGENCY ACT 2017

The [Fire and Emergency Act 2017](#) is intended to strengthen the role of communities and improve support for volunteers in the provision of fire services. It aims to unify Fire Services by establishing Fire and Emergency New Zealand (FENZ).

2.3 REGIONAL CONTEXT

The main regional strategy that drives the provision of Property Activities in Stratford is the Regional Economic Development Strategy - Make Way for Taranaki. The [Regional Economic Development Strategy - Make Way for Taranaki](#) was developed by the four local authorities of the Taranaki region in association with Venture Taranaki and the Ministry of Business, Innovation and Employment (MBIE). The strategy sets a direction for economic development and identifies priorities and measureable goals for the region as a whole. It is anticipated that the Strategy will enable and support economic growth and development in the Stratford District.

While economic growth for the Stratford District is desirable Council is aware that growth can have an impact on infrastructure and the services delivered by that infrastructure. Anticipated impacts of the Regional Economic Development Strategy and any resulting growth on the Property Activity and infrastructure are expected to include.

2.4 DISTRICT CONTEXT

The Property AMP feeds, and in turn is fed into, a number of district strategies. The PAMP forms a critical part of the planning framework, as shown in Figure 4. Table 3 provides a description of the District Strategic Drivers for the PAMP, and how they influence or relate to the PAMP.

2.4.1 THE LONG TERM PLAN (LTP) 2021-2031

The Long Term Plan (LTP) 2021-2031 is a regulatory document pursuant to Section 93 of the Local Government Act 2002 Amendment Act 2014 that:

- Describes the activities of Stratford District Council;

Legislative and Strategic Context

- Outlines Council's contribution to the community outcomes and describes how we will manage activities we are responsible for;
- Provides integrated decision making and co-ordination of resources; and
- Provides a long-term focus for Stratford District Council's decisions and activities

The LTP provides the direction and strategies that drive the AMP. Programmes for Capital, Maintenance and Renewal works are linked to the LTP along with essential budgeting requirements. The LTP covers a planning period of 10 years and is reviewed three yearly.

2.4.2 THE DISTRICT PLAN

Developed in compliance with the requirements of the Resource Management Act 1991(RMA), the District Plan specifies land use policies aiming to mitigate and control the detrimental environmental effects of new developments. The Annual Plan establishes the standards to be achieved in regard to land use and development.

2.4.3 THE ANNUAL PLAN

The Annual Plan is a regulatory document pursuant to Section 95 of the Local Government Act 2002 Amendment Act 2014. The Annual Plan is developed in compliance with section 95 of the LGA 2002 the Annual Plan updates information reported on within the LTP including its objectives, intended activities, performance, income and expenditure. The Annual Plan establishes the standards to be achieved in regard to land use and development.

The Annual Plan shows how that year of the LTP will be funded. It provides detailed financial forecasts for the first 3 years, with summary forecasts provided for years 4 to 10.

Table 3 - District Strategic Drivers

Strategies/ Plans/ Documents	Description	Review Frequency	Relationship to the Asset Management Plan
Financial Strategy	Developed to provide a financial framework for Council debt and rate levels and limits - future proof Council owned and operated assets.	Ten yearly	Provides financial framework for asset management and activity budgeting and expenditure.
Economic Development Strategy	Sets the direction for economic development and identifies priorities and measurable goals.	Three yearly	Support asset management planning and good practice.
Annual Report (AR)	Reports Council's performance for the previous year.	Annually	Reports on annual KPI targets that are determined by the Annual Plan.
Assessment of Solid waste and Sanitary Services	Undertaken in compliance with Section 125 of the Local Government Act 2002 as part of Council meeting its obligation under the Health Act 1956 to improve, promote, and protect public health within its district.	Ten yearly	Identified issues and required actions feed into the relevant AMP
Procurement Policy	To ensure that when procuring goods, works and services Council follows procedures to act fairly and consistently with procurement	3 yearly	Allows the Property officer to exercise business judgement by enabling flexibility and innovative approaches to procurement
Other Policies, By-laws, etc	The tools that guide and direct Council activities are: (see Appendix 2) Housing for the Elderly Policy Asset Management Policy Asset Disposal Policy Smoke Free Environments Policy Public Places Bylaw Stock Control Bylaw Nuisances Bylaw	As applicable	Support asset management planning and good practice.

Legislative and Strategic Context

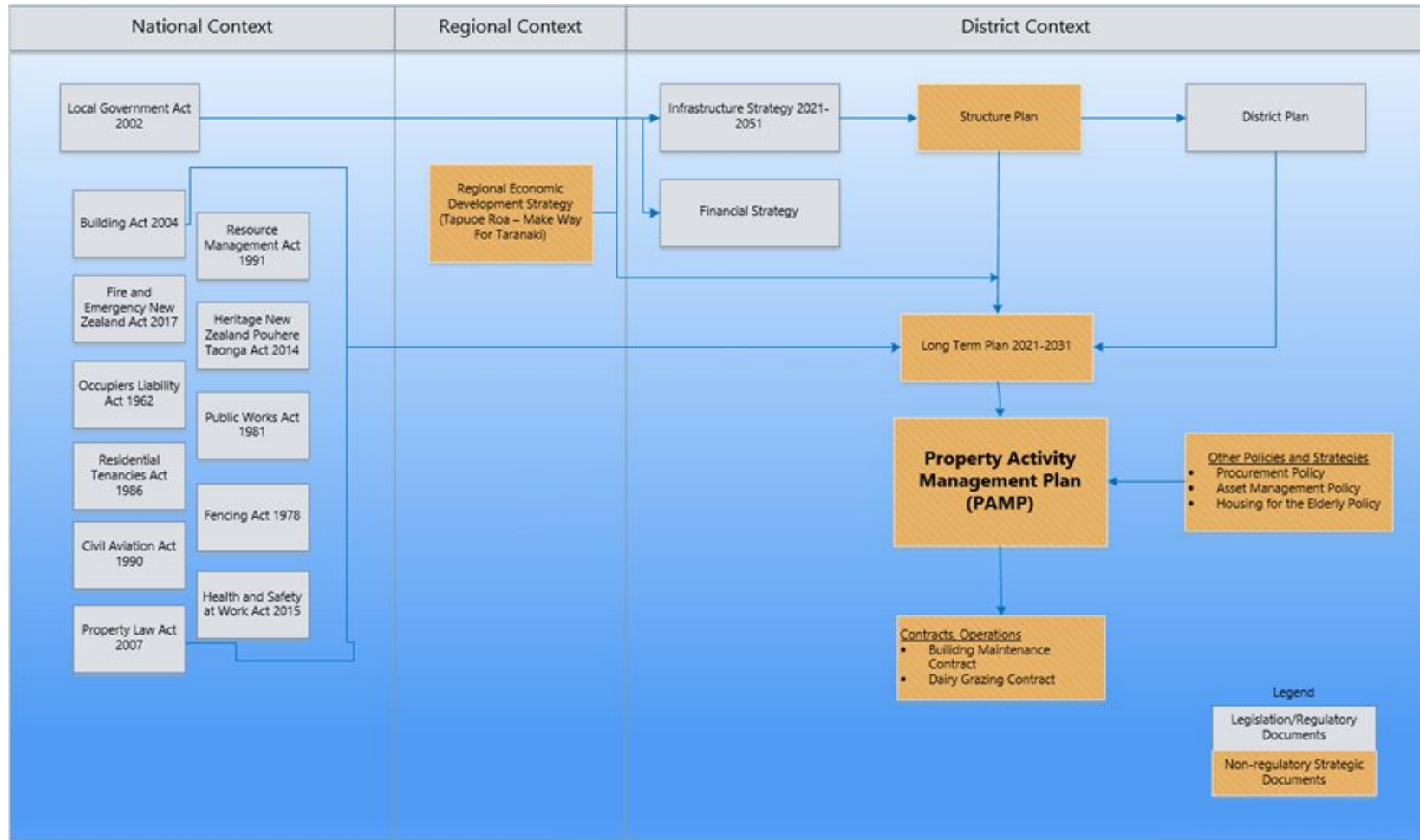


Figure 4 – Strategic and Legislative Framework for the Property Asset Management Plan

3.0

Asset Information

3.0: ASSET INFORMATION

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Asset Information

3.1 ASSET OVERVIEW

The Stratford District Council owns and manages property within the Stratford District. The Council's property portfolio contains an aerodrome, a dairy farm, transfer station a swimming pool complex, a library, a number of civic buildings including an administration building, residential housing units for the elderly, community buildings and public toilets, and a number of rental or investment properties.

This section details the current asset valuation summary and provides details about infrastructure asset types. It identifies the general condition of assets and any issues/opportunities Council will need to consider. It highlights how asset condition is identified and Council's level of confidence in asset data. Figure 5 shows a spatial distribution of the Council's property portfolio.

3.2 ASSET VALUATION

Section 111 of the Local Government Act 2002 requires that local authorities comply with "generally accepted accounting practice" which is taken to mean the principles of the General Accepted Accounting Practice that is prepared by the New Zealand Society of Accountants (ICANZ) and included in the New Zealand Accounting Standards.

Section 6 of the Local Government (Financial Reporting and Prudence) Regulations 2014 requires Local Authorities to disclose information about core assets in its annual report, including the local authority's most recent estimate of the replacement cost. The concept of intergenerational equity in the funding of infrastructure asset is included as one of the principles of financial management. Without accurate knowledge of serviceability of assets, local authorities will only be guessing when they attempt to spread the costs of infrastructure across present and future ratepayers.

The asset valuations contained in Table 4 were carried out by Telfer Young (Taranaki) as at 1 July 2020. Note that:

- **Replacement Cost (RC)** is the cost of the modern equivalent asset that replicates the existing asset most efficiently
- **Optimised Depreciated Replacement Cost (ODRC)** is the optimised replacement cost after deducting an allowance for wear or consumption to reflect the remaining or economic service life of an asset; and
- **Annual Depreciation (AD)** is the systematic allocation of an amount over an asset over its useful life

3.3 USEFUL LIFE

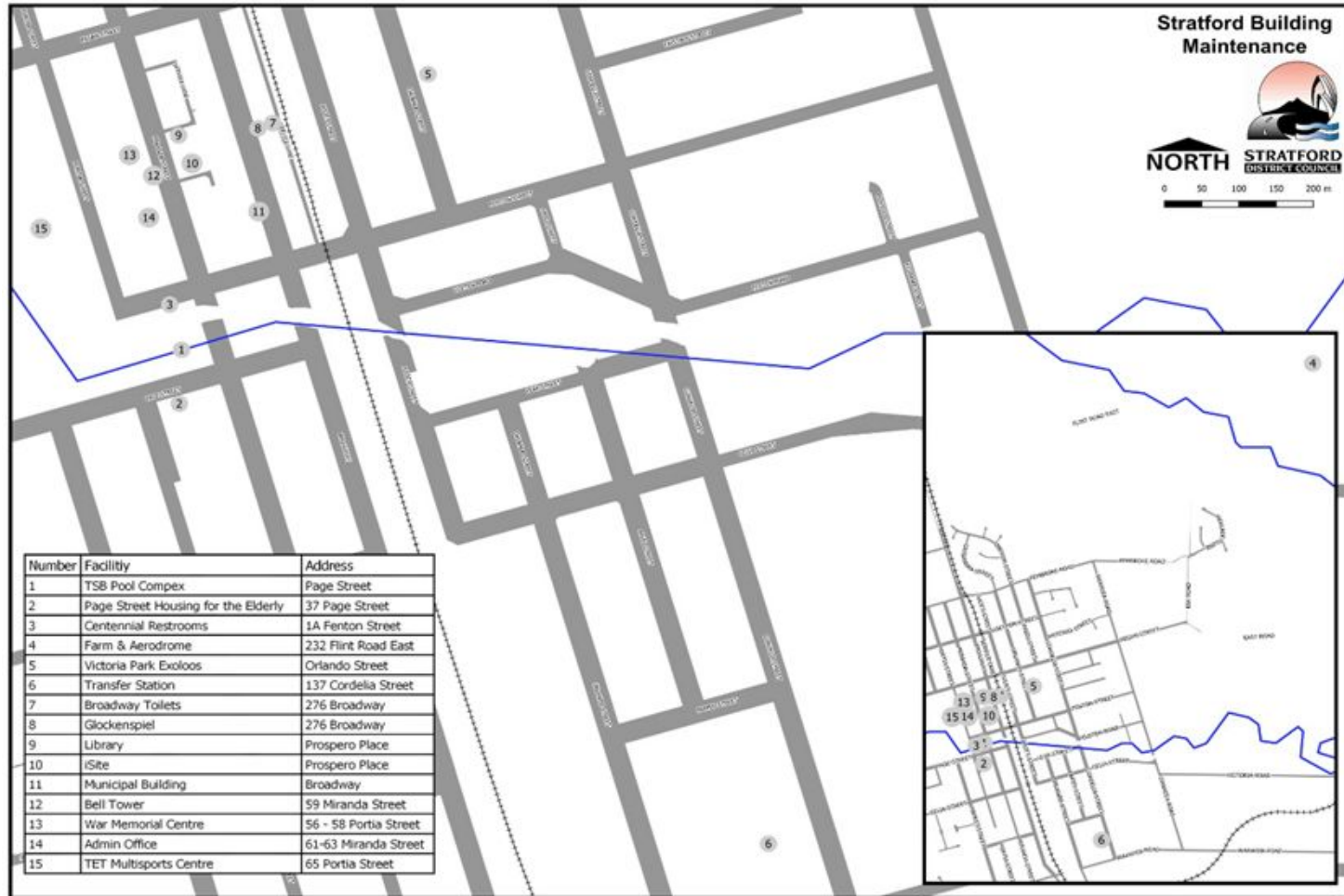
Useful life refers to either;

- The period over which an asset or component is expected to be available for use by an entity, or
- The number of production or similar units expected to be obtained from the asset or component by the entity. Refer: *International Infrastructure Management Manual (2015) (IIMM)*.
- It is based on construction dates, environmental conditions, frequency of use and the age of the asset.

Useful lives are expressed as years. The useful lives of the property assets have been estimated as 10 – 100 years for Buildings: 5 – 10 years for Fixtures and Fitting: and: 4 – 10 years for Office Equipment.

Asset Information

Figure 5 - Property Asset Locations within the Stratford Township



Asset Information

Table 4 - Asset Valuation Summary – Stratford District Council Valuation Report

Asset Group	Description	Quantity	Useful Life (yrs)	Remaining Useful Life (yrs)	Values (\$)		
					RC	ODRC	AD
TSB Pool Complex		1	39	3	4,109,500	342,300	114,100
Total					4,109,500	342,300	114,100
Aerodrome		1	80	41	435,000	227,468	5,548
Total					435,000	227,468	5,548
Centennial Library		1	80	35	1,427,800	1,049,900	29,997
Total					1,427,800	1,049,900	29,997
Civic Amenities	Miranda Street Office	1	90	60	4,695,900	2,097,400	34,956
	Housing for Elderly	10	80	50	1,583,200	659,600	13,192
	War Memorial Centre	1	90	50	5,376,300	2,103,800	42,076
	Centennial Restrooms	1	77	7	723,700	92,800	13,257
	Clock Tower (Glockenspiel)	1	80	57	624,400	238,800	4189
	TET MultiSports Centre	1	60	42	9,694,400	6,786,080	161,573
	WMC Carpark & Belltower	1	80	29	406,800	114,400	3,944
	Broadway Public Toilets	1	40	35	352,300	299,800	8,565
	Whangamomona Toilets	1	50	47	111,900	102,200	2,174
	Tangarakau Toilets (Morgans Toilets)	1	50	44	50,055	39,300	893
	Page Street Amenities	1	40	38	227,300	214,077	5,633
	Victoria Park Exeloo's	1	50	28	2,076,300	1,061,400	37,907
	Hall of Remembrance	1	30	11	48,300	17,700	1,609

Asset Information

Asset Group	Description	Quantity	Useful Life (yrs)	Remaining Useful Life (yrs)	Values (\$)		
					RC	ODRC	AD
	Bus Shelters	2	50	16	37,000	11,800	737
Total					16,313,455	7,053,077	169,132
Rural Halls	Midhirst Hall	1	70	11	989,600	201,100	18,281
	Huiroa Hall	1	100	26	531,500	113,856	4,379
	Kohuratahi Hall	1	116	7	508,500	59,438	8,491
	Te Popo Hall	1	111	7	158,600	18,500	2,642
	York Road Hall	1	68	7	8,000	824	117
Total					2,196,200	393,718	33,910
Rental Properties	Aerodrome Farm	1	90	25	1,220,900	413,952	16,558
	Farm 2	1	60	36	1,056,646	299,200	8,311
	577 Beaconsfield Road Huiroa Hall	1	50	11	18,400	0	0
	287 Broadway – Activity Centre (Municipal Building)	1	76	7	756,100	74,400	10,628
	Transfer Station	1	50	16	1,600,000	920,000	57,500
Total					4,652,046	1,707,552	92,997
Grand Total					29,134,001	10,774,015	445,684

Asset Information

3.4 ASSET INFORMATION SYSTEM

Stratford District Council uses AssetFinda to support the management of the Property Activity. Data on infrastructure assets is collected during inspections and monitoring using a paper based method. All data collected in relation to the Property activity infrastructure is entered into Assetfinda by the GIS Officer.

3.5 INFRASTRUCTURE ASSETS

A summary of the Council's Property Assets is provided below and includes:

- The TSB Pool Complex
- TET MultiSports Centre
- Stratford Aerodrome
- Transfer Station
- Centennial Library Building – Stratford District Library
- Civic Amenities
- Rental and Investment Properties

3.5.1 TSB POOL COMPLEX

The TSB Pool facilities include:

- A seven lane main 25m x 13.7m pool, with a depth of 1.08m to 1.25m;
- A teaching/recreation pool 13.7m x 7.3m in size and 1.0m to 1.05m in depth
- A learner pool 13.7m x 4.9m and 900mm deep
- Outdoor toddlers pool
- Shower and changing facilities
- Office, reception and clubrooms
- Plant and storage rooms

The Pool Activities include:

- Swim Squads/Squad coaching
- Aqua-aerobics
- Private / Birthday Party Hire
- Kids Fun Inflatables
- Recreation and School Holiday Fun

- Lane swimming
- Learn to swim
- School Aquatic Programmes

The Stratford District Council regularly undertakes inspections of the TSB Pool. A condition assessment inspection of the building, plant, mechanical and electrical services was undertaken in September 2014 with the majority of defects found remedied over subsequent years. Ongoing operational issues have led to a feasibility study being conducted and submitted to Council. Funding has been approved by Council for a new relocated pool complex which will start in 2020-2021 financial year.

Item	Description
Location	Page Street, within the grounds of King Edward Park, Stratford
Area	Land – 3300 m ² , Buildings – 1680m ²
Legal Description	Section 858 Town of Stratford
Computer Freehold Register	724598

Asset Information

Item	Description
Land Status	Recreation reserve
Zone	Protected Area

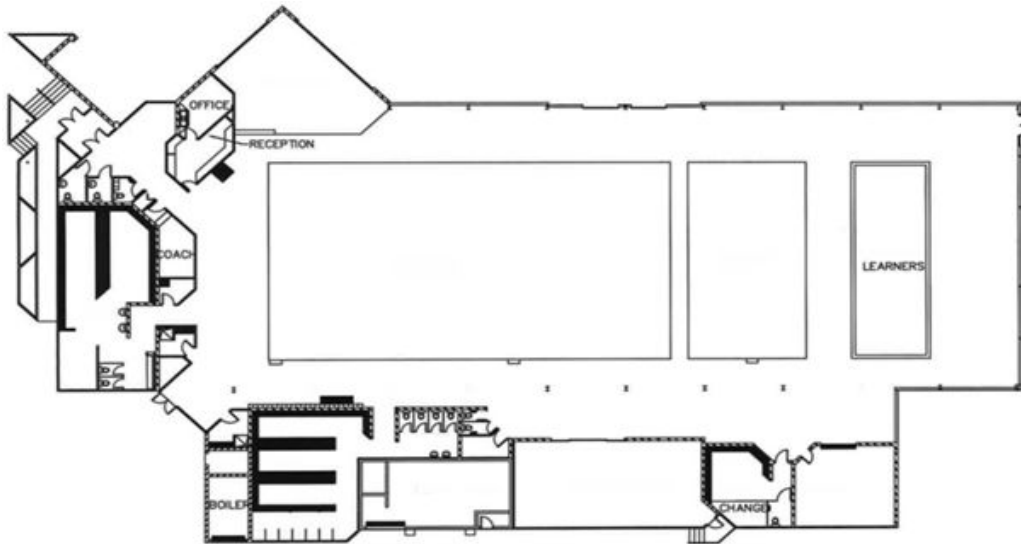


Figure 6 – Current TSB Pool Complex Floor Plan

The Stratford Swimming Pool is one of our key aging assets. The pool is aging in parts and on-going maintenance costs have been increasing in the last few years. A new aquatic facility See the floor plan in Figure 7 is currently under construction and will be completed July 2022. This new facility will be located on Portia Street, beside the Hockey Turf.

The proposed layout for the new pool is shown in Figure 7.

Asset Information

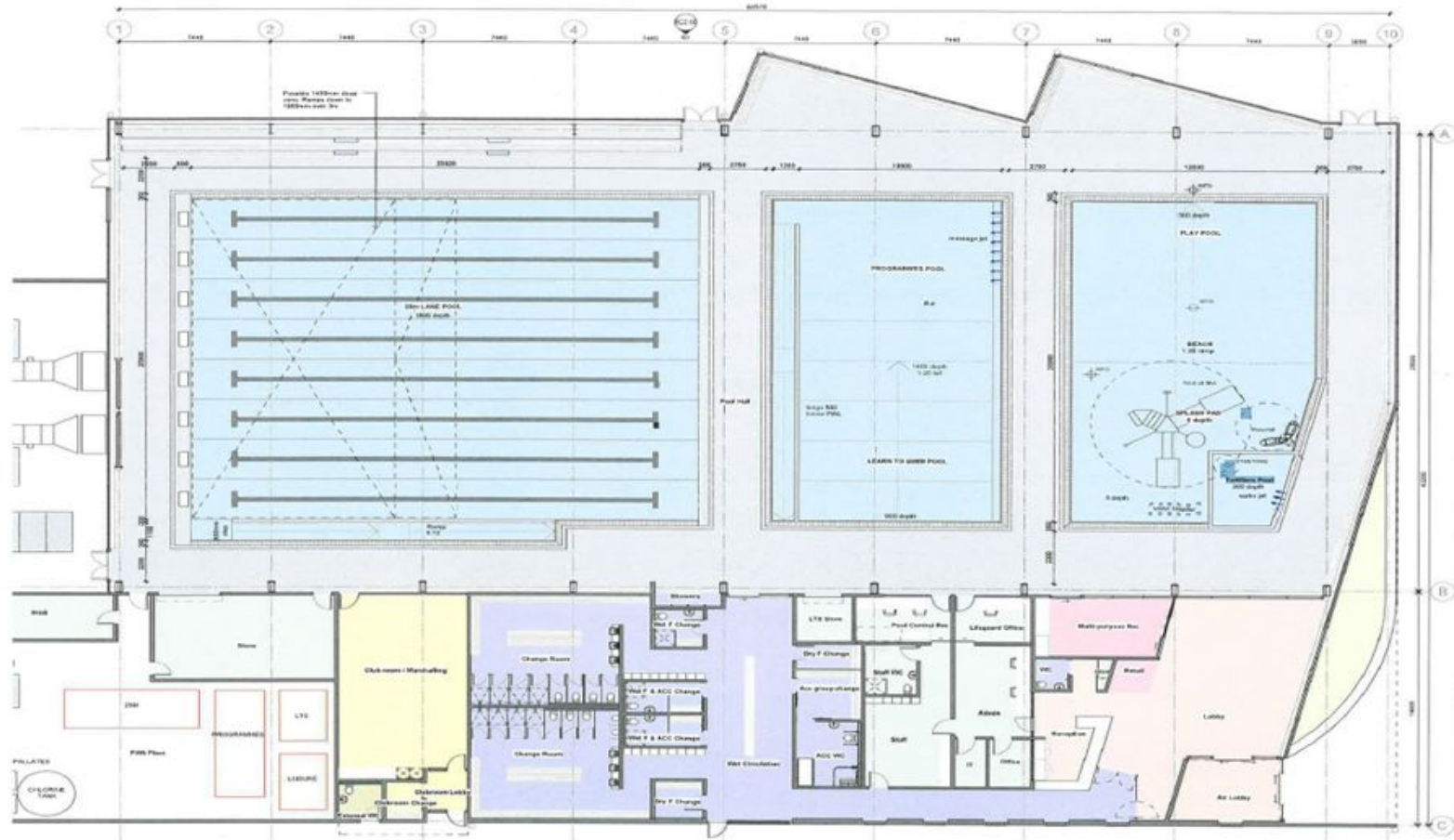


Figure 7 - Design of New Aquatic Facility

Asset Information

The new aquatic facility will solve the ongoing issues the current pool complex is experiencing which are:

- Air Heating/Handling;
- Condensation and dripping;
- Steel roof corroded beyond “patching”, particularly around internal gutters;
- Internal gutters and associated framing at end of life;
- Internal walls heavily affected (rotten) by water ingress and humidity;
- No of lanes - 8 lanes is the standard, existing facility has 7;
- Lane width is too narrow for competitive use;
- Requires re-paint in next 1-2 years;
- No separate staff facility/break room;
- No separate room for fitness classes/training/parties (i.e. Activity Room); and
- No water-play area for smaller children.

3.5.2 THE TET MULTISPORTS CENTRE

The TET MultiSports Centre was built in the early 2000s and comprises of;

- Series of changing rooms
- Toilets
- Office
- 2 Meeting Rooms
 - Conference Room with maximum capacity up to 30
 - Stadium Restaurant area with maximum capacity up to 500
- Large sports hall with mezzanine lookout
- Squash courts
- Gymnasium
- Open plan lounge
- Industrial kitchen
- Bar
-

Aluminium glazed doors open out onto a concrete terrace that extends along the northern side and overlooks the Hockey turf. It is the home of many sporting clubs which are managed separately from the Centre. The centre is also home to a local restaurant. Events are also held out of the venue with seating capacity of 300 and standing capacity 1000

Table 5 - TET MultiSports Centre information

Item	Description
Location	62 Portia Street, Stratford.
Area	Land – .1012 hectares Approximately; Buildings – 2821m ²
Legal Description	Sec. 516 Twn.: STRATFORD
Computer Freehold Register	724598
Land Status	Recreation Reserve
Zone	Urban

Asset Information



Figure 8 - TET MultiSports Centre Information

3.5.3 STRATFORD AERODROME

The Aerodrome is designated for “Aerodrome Purposes” under the District Plan and recorded in the Civil Aviation – Aeronautical Information Publication (AIP) as a non-certified aerodrome. It is zoned rural and is unattended. . The facilities comprise:

- Nine hangars - – privately owned and maintained with the site subject to a formal land lease; One Clubhouse (Stratford Aero Club)
- Two active grassed runways - main runway (09/27) 900 x 45 metres and a cross wind runway (16/34) 507 x 52 metres
- Fuel dispensing facility for Avgas
- Single unit public toilet

The users include Recreational aviation aircraft - gliding, light powered aircraft, micro-light aircraft and sports aircraft, model and miniature aircraft; Agricultural aviation operators and Visiting light aircraft and helicopters.

Council is not responsible for the built structures apart from the single public toilet. This is only four years old and a formal condition assessment has yet to be carried out. The runways and essential drainage systems are subject to regular inspections by Council’s maintenance contractors and remedial work carried out as required.

Table 6 - Aerodrome Information

Item	Description
Location	232 Flint Road, Stratford.
Area	Land – 18 hectares Approximately; Buildings – 1680m ²
Legal Description	Part Lot 1 DP 489200 and Parts Lot 1 DP 3176
Computer Freehold Register	703085, TN140/52
Land Status	Aerodrome Purposes
Zone	Rural

Asset Information



Figure 9 - Aerodrome Map

Asset Information

3.5.4 CENTENNIAL LIBRARY BUILDING – STRATFORD DISTRICT LIBRARY AND I-SITE

The original part of the library was built in 1978, extended in 1998 and extended again and totally renovated and modernised in 2016. In late 2020 the I-Site located to the Library to become a one stop Shop. This will allow a more integrated customer service experience for community members and visitors to the district.

Table 7 - Centennial Library and I-Site Building Information

Item	Description
Location	54 Miranda Street Stratford
Area	Land – 825 m ² Buildings – 760m ² , comprising; <ul style="list-style-type: none"> • 560m² of public open space allocated to category and activity areas • 92m² of staff and management facilities • 56m² public toilets, storage and archives areas • 50m² of public bus shelter along Miranda Street frontage
Legal Description	14 Lots 2 and 3 DP 314031, Lots 1-4 & Pt lot 5 DP 8495
Computer Freehold Register	55499
Land Status	Local Purpose (Community Building) Reserve
Zone	Business

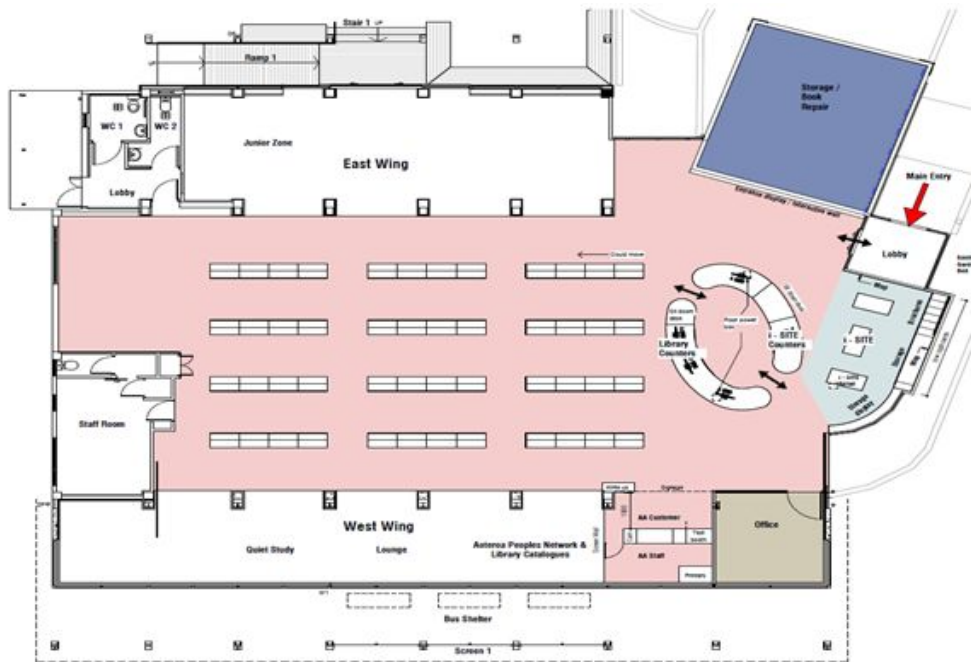


Figure 10 - Centennial Library Floor Plan

Asset Information

3.5.5 CIVIC AMENITIES

With the exception of the Hall of Remembrance, the Civic Amenities are owned by Council. All Civic Amenities are regularly inspected by Council.

Council Administration Building

The administration building was built in 1983 following amalgamation of the Stratford Borough and County Councils, was extended to include further offices and vehicle garages at the rear in 2009 and partially remodelled internally in 2011 and 2013. It serves as the administration office and service centre for the Stratford District.

Table 8 - Council Administration Building Information

Item	Description
Location	61-63 Miranda Street, Stratford
Area	Land – 3511 m ² Buildings – 1420m ²
Legal Description	Lot 1 DP 13003
Computer Freehold Register	TNE4/1030
Land Status	Fee Simple
Zone	Business

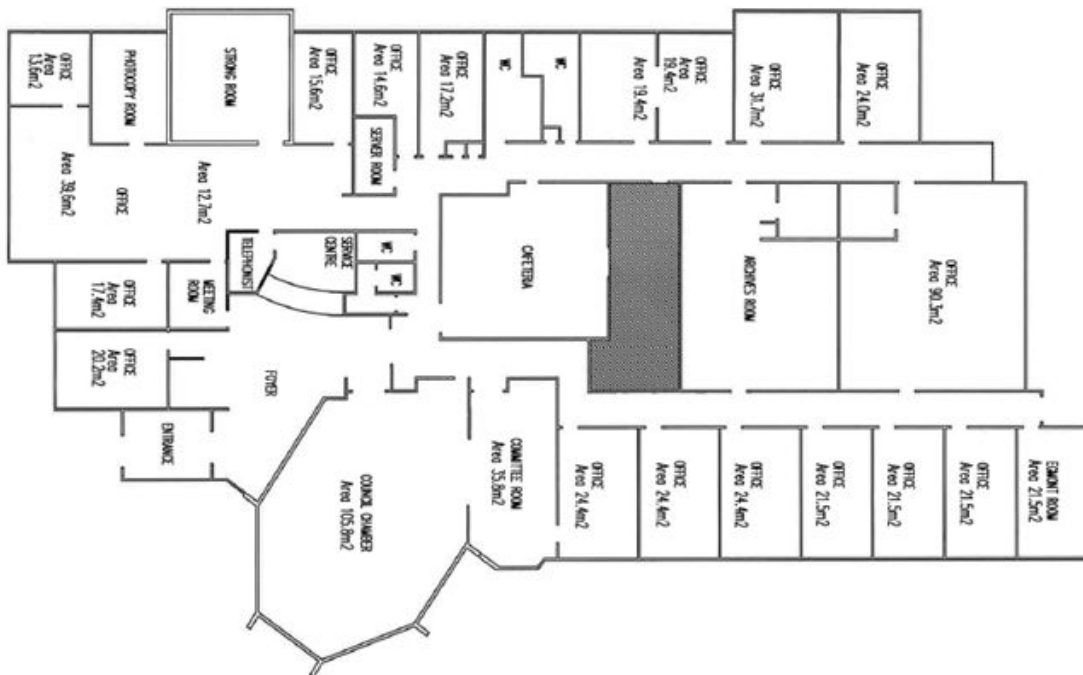


Figure 11 – Council Administration Building Floor Plan

Asset Information

Housing for the Elderly

This residential complex comprises 10 purpose-built, one bedroom units, the first four of which were built in 1986 from a bequest by a Miss Elsie Fraser. This bequest established a trust under which these units are held. Between 1989 and 1991 six further units were built on the site funded by a loan.

Over the years, surpluses of income over expenditure accrued in the trust account and in 1996 it purchased two of the additional units so that today, six units are owned” by the trust and four by Council.

All the units are identical, each comprising of one bedroom, open plan lounge/dining/kitchen area, bathroom and laundry. Four of the units have attached carports. Nine of the ten units have attached conservatories.

There are qualifying conditions for tenants. They must be 65 years of age or over, in receipt of National Superannuation, War Pension or Invalid’s Benefit and meet an asset and income test.

Table 9 - Housing for the Elderly Information

Item	Description
Location	37 Page Street, Stratford
Area	Land – 4048 m ² ; Buildings – 650m ² comprising 10 x single-person brick units each measuring 65m ² approximately
Legal Description	Lots 1-3 DP 7573
Computer Freehold Register	TNH2/1193
Land Status	Fee Simple
Zone	Residential

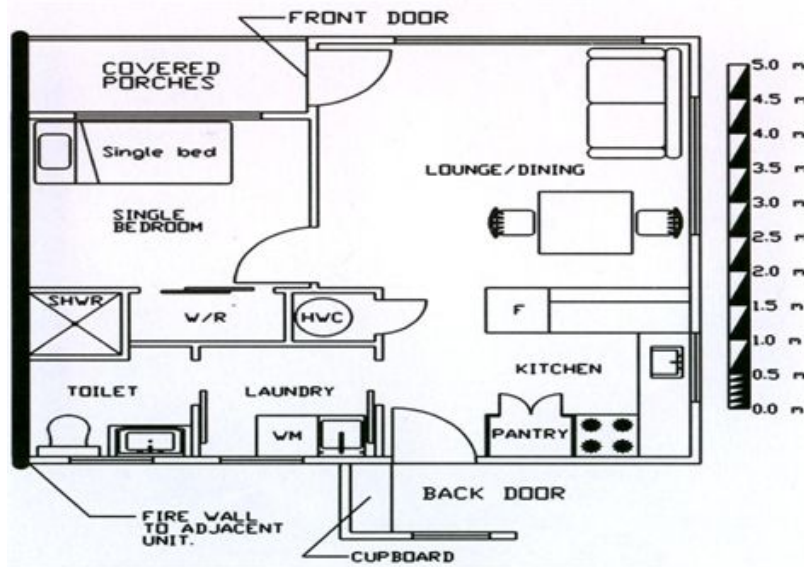


Figure 12 - Housing for the Elderly Unit Floor Plan

Asset Information

War Memorial Centre

The original portion of the War Memorial Centre, comprising what is now the sports stadium, was built in 1953. In 1995 the Centre was extended to incorporate meeting and function rooms and ancillary facilities such as kitchen and additional toilets.

TSB Chambers has capacity for 30-50 people with a small kitchenette, 50 padded chairs and 8 tables. The Function Facility has capacity for 90-120 people with a large kitchen (complete with commercial stove/oven, commercial dishwasher, chiller and refrigerator), 120 padded chairs and 25 tables

The stadium has a floor area of 30.7 x 18.4 (562m²) -the size of one basketball court with bleachers capable of seating 250 people and male and female changing facilities

The Complex has just had a major renovation work done in 2020/21, with interior paint throughout building, new carpet and vinyl, new curtains and stadium floor re-varnished.

Table 10 - War Memorial Centre Information

Item	Description
Location	53-55 Miranda Street, Stratford
Area	Land – 4048 m ² Buildings – 1490 m ²
Legal Description	Sections 400, 401, 438, 439 Town of Stratford
Gazette Reference	NZ Gazette 1884 p 1743
Land Status	Municipal Reserve
Zone	Business

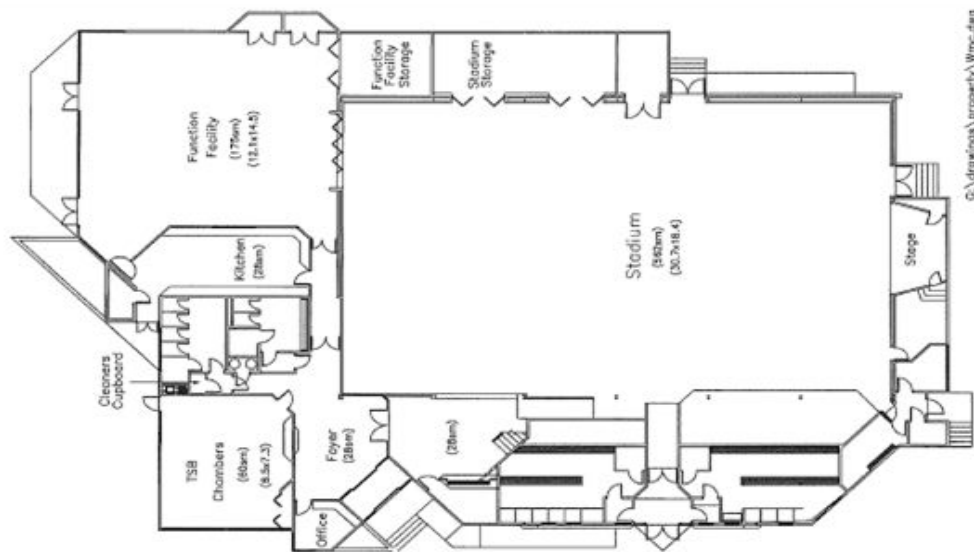


Figure 13 - War Memorial Centre Floor Plan

Asset Information

Centennial Restrooms

The Centennial Restrooms building was constructed in 1948 as a New Zealand Centenary project approved by the government and funded by community fundraising and grants.

The building contains two meeting rooms and a kitchen for hire at one end and public toilet facilities (open seven days a week, closed at dark.) at the other. It is a well maintained building, which has recently seen major renovations in 2020 with a new kitchen installed and a new public toilet layout which includes a family room, accessible toilet and separate men's toilets.

Table 11 - Centennial Restrooms Information

Item	Description
Location	1A Fenton Street, Stratford
Area	Land – 1669 m ² Buildings – 330 m ²
Legal Description	Section 781 Town of Stratford
Computer Freehold Register	724598
Land Status	Recreation Reserve
Zone	Protected Area



Figure 14 - Centennial Restrooms Floor Plan

Asset Information

Clock Tower (Glockenspiel)

This Elizabethan tower façade was constructed in 1996 around the original concrete tower that was erected in the 1960's. The clock faces are from the old Post Office built in 1924 and demolished in 1963.

Table 12 - Glockenspiel Information

Item	Description
Location	276 Broadway, Stratford.
Area	Land – 343 m2; Building – 30m2 (footprint)
Legal Description	Section 1062 Town of Stratford
Computer Freehold Register	TNF3/396
Land Status	Fee Simple
Zone	Business

Bell Tower

Built in 1981, this concrete tower houses the bells from the old post office clock tower (Built in 1924 and demolished in 1963) that lay in disuse for 20 years. This will be demolished in the 2021-2024 Long Term Plan period due to a seismic assessment confirming it is not up to standard.

Table 13 - Bell Tower Information

Item	Description
Location	Miranda Street, Stratford in the War Memorial Centre Carpark.
Area	15m2 Approximately (footprint)
Legal Description	Lot 1 DP 5704
Computer Freehold Register	TNFA1/1298
Land Status	Fee Simple
Zone	Business

Asset Information

Transfer Station

Built in 1985, the building was originally built as a fertiliser plant. This building was later converted in the 90's into what now is the Transfer Station. This station is operated by the contracted Solid Waste service provider.

Table 14 - Transfer Station Information

Item	Description
Location	137 Cordelia Street
Area	2362.1m2 approximately (footprint)
Legal Description	Lot: 1 DP: 19516
Computer Freehold Register	TNK2/357
Land Status	Fee Simple
Zone	Business

Hall of Remembrance

This hall is in a privately owned commercial building on Broadway that is subject to an easement in favour of Council allowing public access for the display of photographs commemorating soldiers from the district who lost their lives fighting in the Boer and First and Second World Wars. Maintenance obligations in respect of the hall are shared by Council and the building owner. The Hall of Remembrance was redecorated in 2020.

Table 15 - Hall of Remembrance Information

Item	Description
Location	287 Broadway, Stratford
Area	Land - 588m ² ; Easement – 95m2 (approximately)
Legal Description	Part Lot 1 DP 16599
Computer Freehold Register	TNJ2/296
Land Status	Fee Simple
Zone	Business

Public Toilets

Table 16 - Public Toilets Information

Facility	Description
Broadway (behind clock tower)	A six unit complex one of which is 24 hour.
Victoria Park	Two unisex Exeloo units available 24 hours
Page Street Sportsground	Three unisex permaloo units available to users of the sportsground
Whangamomona	Two unisex Exeloo units (dry cell) available 24 hours
Tangarakau Gorge (Morgan's Grave)	One unisex Permaloo unit (dry cell) available 24 hours

Asset Information

Toilet facilities throughout the Stratford district are listed below. The Centennial rest rooms public toilet is listed above in the description of Centennial rest rooms.

Rural Halls

There are two Council-owned rural halls managed and maintained by community groups/organisations on behalf of the community. They are the Huiroa Domain Hall and the Midhirst Hall.

Table 17 - Rural Halls Information

Item	Description	
	Huiroa Hall	Midhirst Hall
Location	1128 Makuri Road	Kelly/Egmont Street, Midhirst
Area	Land – 2150 m ² Buildings – 270 m ²	Land - 708m ² Buildings - 480m ²
Legal Description	Sec 3 Blk V Town of Huiroa	Lot 14 Blk VI DP20
Computer Freehold Register	520271	TNJ1/544
Land Status	Recreation Reserve	Fee Simple
Zone	Protected Area	Residential
Managed/Maintained by	Huiroa Hall and Domain Society	Midhirst Hall Committee

Security Cameras

Stratford's CBD is monitored by a network of 12 CCTV cameras, linked either wirelessly or by data cable. The cameras are in the locations listed below with the monitoring hardware located in the Stratford Police Station. The first of the cameras were installed in 2000 and the network has been enhanced by the addition of extra cameras over subsequent years. Council is responsible for maintenance of the system with the hardware being upgraded as necessary and appropriate.

Table 18 - Security Camera Information

Location	No	Location	No
Bell Tower - 57 Miranda Street	1	Cervus Equipment Building – 59 Juliet Street	2
TET Multi-Sport Centre – Portia Street	2	Stratford Rugby Club – 61 Orlando Street	1
Kawasaki Motor Bike Shop – 337 Broadway	1	Public Toilets – 276 Broadway	1
BNZ – 269 Broadway	1	Well Café – 198 Broadway	1
Empire Hotel – 320 Broadway	1	Library – Prospero Place	1
Bike Park Pump Track	1		

Ancillary Structures

Ancillary structures and buildings owned/managed by Stratford District Council are comprised of the following;

- Bus Shelters – Stratford and Midhirst
- Walkway Canopy – Prospero Place
- Gerald Grace Pergola – WMC
- Sign Consoles – Broadway North

Asset Information

- Flag Poles, War Memorials, Plaques
- Planter Boxes,
- Heritage Signs
- Amenity and Promotional Signs

Council undertakes annual inspections of its civic amenities, either by Council staff or by contractor in terms of relevant maintenance contracts. The inspections identified that these assets are generally in good condition to excellent condition. Any issues identified through inspections are considered manageable through current maintenance contracts.

3.5.6 RENTAL AND INVESTMENT PROPERTIES FARM

The portion of the farm to the north and west of the aerodrome was purchased by Council in two transactions in 1934 and 1935 for the purpose of establishing the aerodrome. This comprised approximately 92 hectares of which roughly 17 was developed into the aerodrome and the balance farmed to provide funds for the development. In 1969 the adjoining farm to the south comprising 37 hectares was purchased to further enhance the farming operation and then in 2015 the farm to the south again was similarly purchased.

The farm is operated under a Sharemilking agreement, the first of which was entered into in 1938. Buildings on the farm comprise of two milking sheds (one disused), three implement sheds, two residential dwellings for the Sharemilker and Workers, a relocatable unit for a seasonal worker, three calf rearing shelters and two hay barns. The operational cowshed is serviced by two effluent ponds from which over 20 hectares of paddocks are irrigated.

Table 19 - Farm Information

Item	Description
Location	186 - 202 Flint Road East
Area	Farm Area – Effective – 137.27. ha; Farm Area – Non-Effective – 26.33ha
Legal Description	Lot 1 DP489200 and Part Lot 1 and Lot 2 DP3176
Computer Freehold Register	703085, TN140/52, TNB3/650, TNF4/376
Land Status	Fee Simple and Aerodrome Purposes
Zone	Rural

Effective	Non-Effective
<ul style="list-style-type: none"> • Pasture - 113.63 ha • Effluent Block – 17.25ha • Aerodrome – Grazed – 6.39ha 	<ul style="list-style-type: none"> • Riparian Fenced Waterways – 17.60ha • Riparian Waterway Paddock 50 – 2.61ha • Farm Races – 2.67ha • Buildings – 0.76ha • Native Bush – 0.69ha

Rental Properties

Council owns or manages a number of both urban and rural rental properties throughout the District, the majority of these being land held for a strategic purpose but not currently used as such. Today, only two properties under perpetual ground lease remain of the investment portfolio endowed by the Crown on the formation of the township 130 years ago.

Asset Information

Table 20 - Rental Properties as at 01 June 2019 – Source: Sample of Property Register

Address	Area (ha)	Legal Description	Land Held For
85 Regan Street	0.0516	Lot 2 DP 1688	Community Development
Cnr Romeo/Orlando Street	0.2024	Sec 639 & 640	Endowment purposes
124 Orlando Street	0.4048	Sec 611, 612, 643, 644	Endowment purposes
135 - 137 Cordelia Street	0.3	LOT 1 DP 19516 and LOT 1 DP 13563	Endowment purposes
Cordelia Street	0.3	LOT 1 DP 13190	Endowment purposes
287 Broadway	0.0444	Lot 2 DP16599	Community development
577 Beaconsfield Road	3.0518	Lot 1 DP 398529 and Part Section 41 Block XIV Huiroa S.D.	Future cemetery

Stratford District Council routinely inspects its rental and investment properties. The latest inspections identified that these assets are generally in good condition. Any issues identified through inspections are considered manageable through the current maintenance contract. There is a large portfolio of rental and investment properties. The above is just a sample.

3.5.7 EARTHQUAKE-PRONE BUILDINGS

A seismic evaluation (IEP) was done on all the Stratford District Council buildings in 2017. This identified 1 building that had low IEP ratings. This building is the Bell Tower which is detailed above and rated D with 30% EPA rating.

3.6 ASSET MANAGEMENT MATURITY ASSESSMENT

The Council has assessed its Asset Management maturity across 5 key disciplines of asset management practice including:

- Setting the Strategic Direction;
- Establishing Levels of services;
- Forecasting Future Demand;
- Collecting Asset Information; and
- Monitoring Asset Performance and Condition.

The Asset Management Maturity Index assessment in **Table 21** below provides a snapshot of where the Council is at in its asset management practices and in particular, emphasizes that seeking advanced practice in all areas may not be the best solution across activities, as this depends on the scale and type of assets being managed.

Table 21: Property Asset Management Maturity Index Assessment

	Asset Management Disciplines	Maturity Index	Maturity Description	What we do
1	Strategic Direction	Core to Intermediate	<ul style="list-style-type: none"> • AM Policy and AM Objectives developed, aligned to corporate goals and strategic context • AM System scope is defined and documented 	<ul style="list-style-type: none"> • The Council has adopted an Asset Management Policy to provide the overall direction for asset management in the district. • Scope is also refined as a consequence of our Early Conversation discussions with Elected Members, which inform the LTP, and also during our regular workshops to define Strategic

Asset Information

	Asset Management Disciplines	Maturity Index	Maturity Description	What we do
				Direction for the Council.
2	Defining Level of service	Core to Intermediate	<ul style="list-style-type: none"> Level of service and cost relationship understood. Customers are consulted on significant service levels and options. Annual reporting against performance targets 	<ul style="list-style-type: none"> Again, existing levels of service is generally maintained, however, can be re-defined as result of either legislative requirements; customer feedback or in response to new technology. Re-definition is done as an outcome of our discussions with Elected Members, either prior to the LTP year or as and when required during the year. Performance targets are measured and through monthly and annual reporting An annual customer service survey is completed by customers on an annual basis
3	Forecasting future demands	Core	<ul style="list-style-type: none"> Risk associated with demand change broadly understood and documented. Demand management considered as an alternative to major project development. 	<ul style="list-style-type: none"> We have a broad understanding of the issues for each work activity and these are documented in the AMP as "Problem Statements". An assessment of each option against Council Outcomes and the identified future proofing objectives; Growth and demand forecasting is integrated as part of all AM planning to meet current and future needs of the community
4	Collecting Asset Information	Core to Intermediate	<ul style="list-style-type: none"> A reliable register of physical, financial and risk attributes recorded in an information system with data analysis and reporting functionality. Systematic and documented data collection process in place. Sufficient information to complete asset valuation (Basis attributes, replacement costs and asset age) 	<ul style="list-style-type: none"> The council ensures that data collection systems are in place to collect, store and maintain and use for prudent management of council owned assets Regular maintenance reports/inspections on all council owned properties Data is collected, updated and validated on an ongoing basis
5	Monitoring Asset Performance and Condition	Core	<ul style="list-style-type: none"> Condition and performance information is suitable to be used to plan maintenance and renewals to meet over the short term. 	<ul style="list-style-type: none"> The condition - physical integrity - of an asset is deduced based on the age, material type and analysis of collected statistical data. The performance, being a measure of whether the asset is delivering level of service requirements – is monitored during routine inspections and asset upgrade.

3.7 ASSESSMENT OF ASSET CONDITION

Asset condition is a measure of an asset's physical integrity, while asset performance is a measure of whether the asset is delivering level of service requirements. Knowing the condition of an asset enables more accurate prediction of asset development, maintenance and renewal/replacement requirements.

Stratford District Council identifies the condition of property assets by a combination of:

- the age of the asset, through visual targeted inspections,
- certification of appliances throughout all buildings; and
- Maintenance monitoring bases on monthly inspections.

Asset Information

Targeted inspections are carried out on asset components that are considered critical to Council and the community, have the potential to impact on public health and safety; or where there is a specific requirement, for example to meet regulatory requirements or for asset acquisition, disposal, or justification. Targeted inspections are carried out by Council staff, the Maintenance Contractor, or specialist Consultant to identify the condition of specific asset components at intervals specified by the Asset Manager or upon request.

To identify the general condition of its property assets, the Stratford District Council undertakes the following targeted inspections:

- Buildings – monthly and six monthly by the Maintenance Contractor and/or Council staff;
- Ancillary Structure – annually by the Maintenance Contractor and/or Council staff;
- Security Cameras – quarterly by the Maintenance Contractor;;

Maintenance monitoring is carried out by the Contractor at intervals specified in the Maintenance Contract. Maintenance monitoring is carried out to identify the condition of infrastructure and any item(s) that needs attention or could affect the integrity of the asset and the service it provides. Maintenance monitoring of property assets includes:

- Structures
- Fittings, furniture, and furnishings
- All roofs on all buildings

Condition Grading

Visual targeted inspections (including sampling), and maintenance monitoring provide both qualitative descriptions and quantitative grading of asset component condition. Condition grading supports the development, maintenance, and renewal/replacement of an asset by enabling more accurate prioritisation of forward works programmes.

The International Infrastructure Management Manual (2015) provides guidance on assessing the condition of assets and approaches to grading the condition. In line with this Stratford District Council has developed a condition grading system to support identifying the condition of assets at the group level. Using the system assets are ranked from 1-5 as illustrated below.

Table 22 - Condition Grading System

Grade	Condition	Description	Proportion of asset (%)
1	Very Good	Asset in structurally sound and excellent physical condition. No work required	52%
2	Good	Asset in structurally sound and acceptable physical condition. Minor work required (if any)	27%
3	Fair	Asset is structurally sound but shows deterioration. Moderate work required to return asset to agreed level of service	75%
4	Poor	Asset failure likely in the short term. Significant work required now to return asset to agreed level of service. Also possible safety hazard	12%
5	Very Poor	Asset has failed/is about to fail. Renewal/Replacement required Urgently	0%

Asset Information

3.8 DATA ACCURACY AND CONFIDENCE

The accuracy and currency of data is critical to effective asset management. Accurate data enables Council and the community to have confidence in decisions made about asset development, maintenance, and renewal/replacement.

To ensure accurate asset data is entered into the asset management system Stratford District Council has put in place the *Inspection Data Management Process* (Table 22) for managing targeted visual inspection data. Also, to determine the level of confidence Council has in targeted inspection data, the Stratford District Council has put in the *Data Confidence Grading System* in Table 23. An assessment of Council's confidence in the asset data is provided in Table 24. The Asset Data Grading by Asset Group is provided in Table 25.

Table 23 - Inspection Data Management Process

Step	Management process	Description
1	Collect Data	Data is collected and documented about asset and asset condition.
2	Hold Data	Where feasible data is stored in a temporary place until enough is gathered for sample auditing.
3	Audit a sample of Collected Data	Where applicable a sample of collected data is checked against the asset by authorised Council staff/Consultant – minimum 5%.
4	Enter Data into Asset Management System	Data is entered into the Asset Management System by the staff member responsible for the system.

Table 24 –Asset Data Confidence Grading System

Grade	Confidence Level	Description
1	Highly Reliable	Data based on sound records, procedures, investigations and analysis which is properly documented and recognised as the best method of assessment. Dataset is complete and estimated to be accurate 75%
2	Reliable	Data based on sound records, procedures, investigations and analysis which is properly documented but has minor shortcomings. Dataset is complete and estimated to be accurate +- 25%
3	Uncertain	Data based on sound records, procedures, investigations and analysis which is incomplete or unsupported, or extrapolation from a limited sample for which grade A or B data is available. Dataset substantially complete but up to 50% extrapolated data and estimated to be accurate +- 20%
4	Very Uncertain	Data based on unconfirmed verbal reports and/or cursory inspection and analysis. Dataset may not be fully complete and most data is estimated or extrapolated and estimated to be accurate +- 40%
5	Unknown	None or very little data held

Asset Information

Table 25 – Asset Data Grading by Asset Group

Asset Group	Grade	Confidence Level
The TSB Pool	3	Uncertain
Stratford Aerodrome	2	Reliable
Stratford District Library	2	Reliable
Civic Amenities	2 - 3	Reliable to Uncertain
Rental and Investment Properties	3	Uncertain
Farm	2	Reliable
TET Multisports Centre	2 -3	Reliable to Uncertain
Security Cameras	2	Reliable

3.9 ASSET MANAGEMENT IMPROVEMENT PLAN

Actions identified in this Section for improving management of the asset are as follows:

Table 26 - Improvement Plan for management of the asset

Responsible	Task	Timeline	Due Date
Property Officer	Develop a strategy to collect numbers of building usage and capacity statistics. This will be where appropriate	Annually	July 2021
Property Officer Contractors	Develop and implement a recurring building condition inspection programme	Monthly	July 2021
Property Officer Contractor	Develop a process to enable the timely identification of initiatives to improve buildings sustainability	Annually	July 2022
Property Officer	Monitor Performance of the AMPs service levels	Annually	July 2022
Property Officer	Develop an implementation plan to ensure detailed condition assessments on the building	Annually	July 2022

4.0

Future Growth and Demand

Future Growth and Demand

4.0: FUTURE GROWTH AND DEMAND

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Future Growth and Demand

4.1 OVERVIEW

This section provides a description of population; economic growth trends forecasts and the demand drivers for the provision; development and sustainability of the Property Services to the community. It identifies the demand forecasting model used by the Council and highlights the factors that influence the demand for infrastructure and services and the associated impacts of each driver on the demand for the Property Services.

The demand for the provision of these services is generally determined by the degree to which customers use the assets. The forecasting of future demand for services enables Stratford District Council to plan ahead and identify the best way to meet that demand.

Section 14 of the Local Government Act 2002 requires local authorities to take a sustainable development approach in conducting business. In doing this Stratford District Council must take into account;

- I. the social, economic, and cultural interests of people and communities; and
- II. the need to maintain and enhance the quality of the environment; and
- III. the reasonably foreseeable needs of future generations.

Stratford District Council is committed to planning for the changing needs of its community. As part of this commitment Council utilises demand forecasting in all asset management planning. Information on future growth forecast has been supplied by Infometrics NZ.

4.2 DEMAND FORECASTING

Demand forecasting enables Stratford District Council to identify areas that are likely to experience significant pressures, and plan accordingly. Currently, the Stratford District Council uses a “basic” model for demand forecasting. It is a combination of formal and informal techniques. Central to this is an understanding of how growth and future demand trends will impact on Levels of Service and desired community outcomes.

As part of the planning process Council considers:

- the Asset use, demand, and capacity;
- the implementation and planning for quality and process improvements; and
- environmental impacts

Key Information gathered during the forecasting process includes:

- Historical data;
- Observed patterns and trends – use, demand, and popularity;
- Statistical estimates and projections;
- Commercial activity and anticipated business migration;
- Pending legislative changes.

From this, assumptions are formed about what could happen; enabling Council to better plan for the future needs of the community.

4.3 DEMAND DRIVERS AND IMPACTS

Demand drivers are the factors that influence demand for services or the infrastructure that provides those services. Future growth in the Stratford Community can be attributed to a number of factors described in detail below, including:

- Population;
- Economic Development;
- Tourism;
- Regulatory Changes;
- Land Use Changes via the Structure Plan;
- Changing Customer Needs and Expectations

Future Growth and Demand

4.3.1 POPULATION

Under the medium population growth scenario projected by the Infometrics Model, the Taranaki region’s population is expected to grow to over 145,100 by 2051. Under a high growth scenario, higher levels of net migration would lead to a regional population of 163,100 by 2051, while the low growth scenario results in the population growing to approximately 129,000 residents by 2035, and then remaining relatively static at that level until 2051.

For the Stratford District, the forecast under the High growth scenario is to increase from above 10,000 in 2021 to just under 12,000 in 2051. This is equivalent to just under 0.7% increase per annum, an estimated total increase of approximately 18% over these 30 years. Under the low growth scenario, the forecast is to decline from above 10,000 in 2030, to just above 9,000 in 2051.

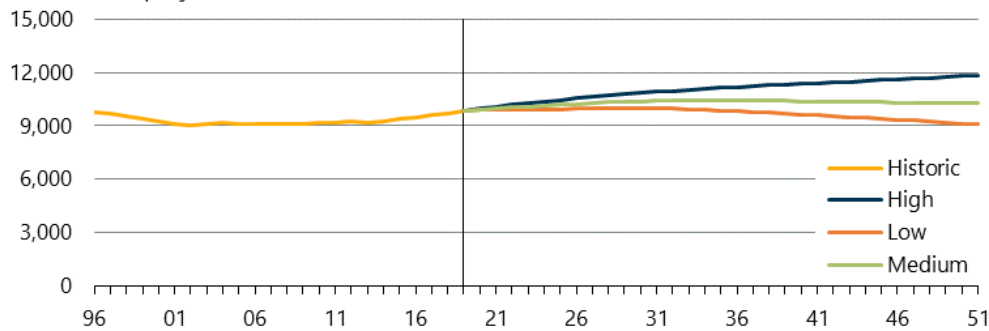


Figure 15 - Stratford District Total Population Projections

Population distribution

Currently, there are 1,250 Maori population – 48% are under 20. Maori make up 13% of district population. Population growth has averaged 0.2% in the last 20 years, and averaged 0.7% in the last 10 years, however, in the last 3 years population growth has increased annually by 0.8% on average.

Population 2019 Infometrics data shows that Stratford district is approximately 9,860 – a growth of 1.3% from previous year. The source of growth was 78% due to natural increase and 22% due to net migration. We are anticipating an annual average population growth of 0.5% over the next eight years, centered around the urban area and mostly as a result of births.

The district’s Population Age Structure and Projection is shown in Figure 16; Components of Population Change in Figure 17 and the Population Geographic Distribution in Figure 18.

Elderly Population

The average age of Stratford residents is expected to increase over the next 30 years from 40 to 42 years. 580 residents (5% of the district population) are aged 80+.

With a rising older population and a potentially declining older working population Stratford District Council and the Water Supply Activity will need to consider the services it delivers and the infrastructure required to deliver these services.

For a clearer picture of the impacts on infrastructure and the demand for services, further assessment is necessary. The cost of this assessment will need to be weighed against the benefits of embarking on the project.

Future Growth and Demand

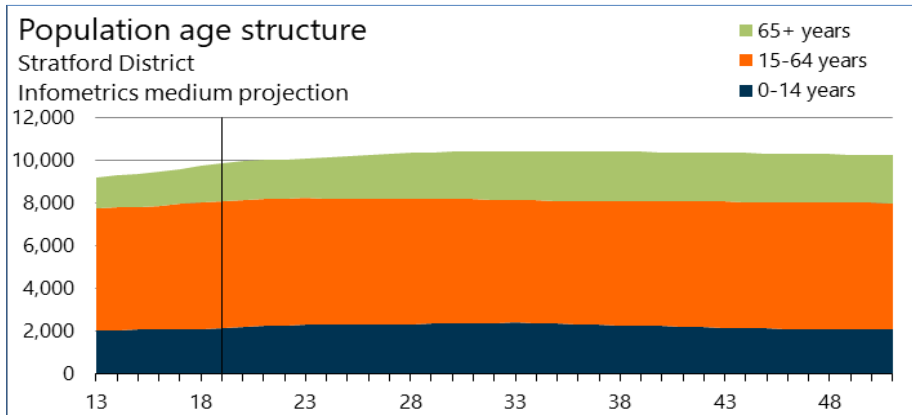


Figure 16 - Stratford District's Population Age Structure

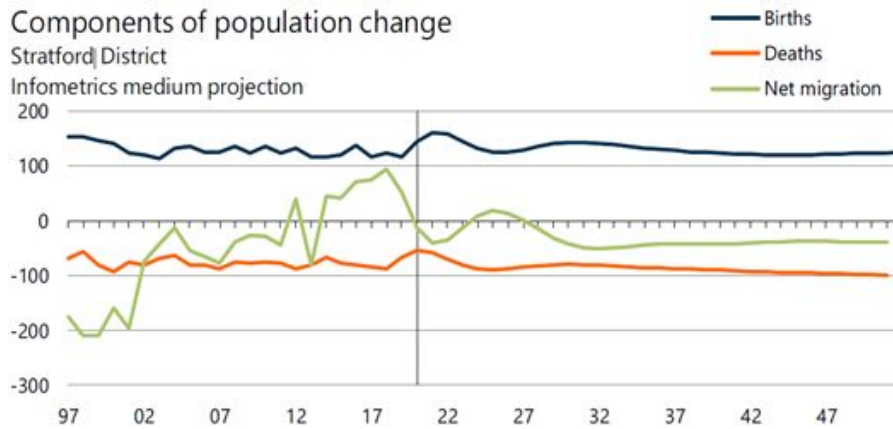


Figure 17 - Population Change in Stratford

The following is the percentage of population living in the different areas of Stratford (of 217,000 ha)

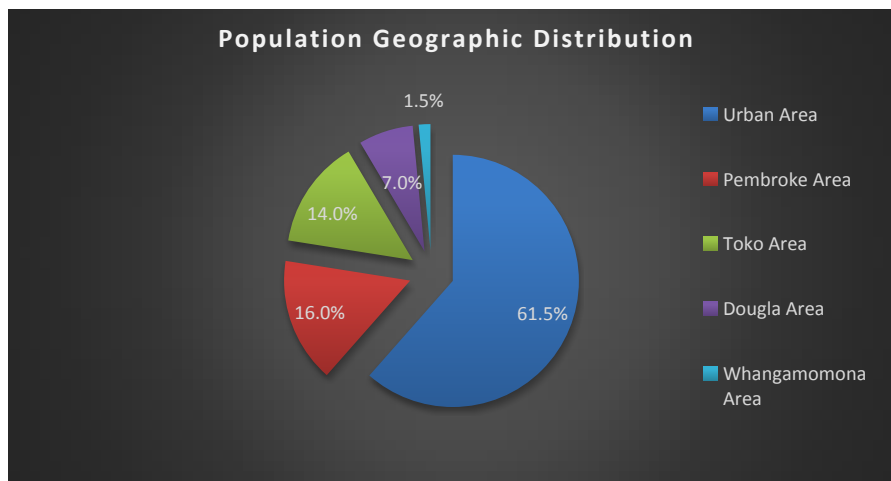


Figure 18 - Current Population Geographic Distribution

Future Growth and Demand

4.3.2 ECONOMIC DEVELOPMENT

The four local authorities of the Taranaki region in association with Venture Taranaki and the Ministry of Business, Innovation and Employment (MBIE) have developed a new regional Economic Development Strategy and Action Plan for Taranaki. The Taranaki Regional Economic Development Strategy became official in August 2017 and is known as “Tapuae Roa - Make Way for Taranaki”.

This strategy sets a direction for economic development and identifies priorities and measurable goals for the region as a whole. It is anticipated that the Strategy will enable and support economic growth and development in the Stratford District.

While economic growth for the Stratford District is desirable Council is aware that growth can have an impact on infrastructure and the services delivered by that infrastructure.

Anticipated impacts of the Regional Economic Development Strategy and any resulting growth in the Property activity and infrastructure are expected to include:

- Increased demand for property services
- Increased pressure on existing infrastructure.
- Increased maintenance and renewal costs.

Economic History and Forecast

According to the Infometrics Model, GDP growth is static to low, and generally under the national average – except for 2009 and 2012 where there were spikes in the district’s GDP compared to the rest of the country.

The two biggest contributing industries in Stratford are the Agriculture and Forestry sector contributing 27% (Dairy Farming making up 16% of this) of district GDP, and the Electricity and Gas Supply contributing 16%. Stratford has the region’s largest electricity generation site at Contact’s 575MW gas powered plant – it is considered a nationally significant generation site.

In 2019, there were 3,462 filled jobs in the Stratford District. The district unemployment rate was 4.4%, compared to the regional unemployment rate of 5.0% and national unemployment rate of 4.3%. Employment growth lags behind the rest of the country (2018 Stratford: 1.5%, National: 3.0%), although it did spike above the national average in 2009.

In terms of industry employment the top five employing industries in 2019 were:

- Education and Training 11%
- Dairy farming 9%
- Health Care and Social Assistance 7%
- Accommodation and Food Services 6%
- Supermarket and Specialised Food Retailing 6%

The biggest increase in jobs in Stratford since 2017 has been in the house construction (building) sector, and in primary education. Stratford generally has a higher rate of self-employment than the national average at 19%, compared to 17% nationally. Stratford also has a higher productivity rating per employee. In 2018, GDP per employee came to \$120,631, compared to the national average of \$97,174.

The 10-year and 30-year GDP and Employment forecast are provided in Figures 19-21.

Future Growth and Demand

	GDP level (\$m, 2010 prices)			Annual % change	
	2005	2018	2031	05-18	18-31
New Plymouth	3,908	5,349	6,074	2.4%	1.0%
South Taranaki	1,869	1,948	2,080	0.3%	0.5%
Stratford	415	414	459	0.0%	0.8%
Taranaki	6,192	7,712	8,613	1.7%	0.9%

Figure 19 GDP Growth 2005-2031

The Infometrics data above shows minimal change in GDP growth from 2018 to 2031

	Employment level			Annual % change	
	2005	2018	2031	05-18	18-31
New Plymouth	33,926	40,748	47,261	1.4%	1.1%
South Taranaki	13,959	13,952	15,256	0.0%	0.7%
Stratford	3,637	3,434	3,639	-0.4%	0.4%
Taranaki	51,522	58,134	66,157	0.9%	1.0%

Figure 20 - Employment Levels in the Region

Employment was expected to increase over the period to 2031, however the impact of Covid-19 has changed these figures

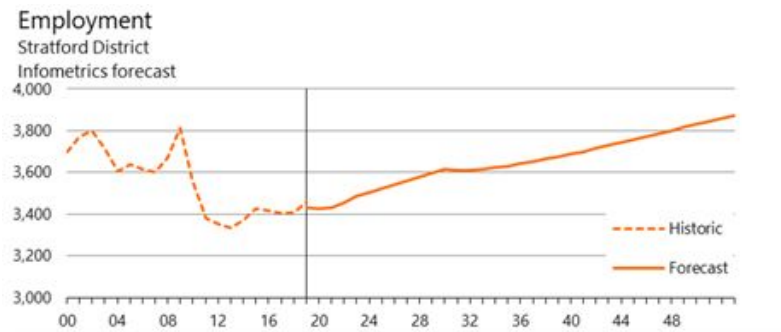


Figure 21 - Employment Forecast for Stratford

Employment is expected to increase slightly over the next 10-30 years

4.3.3 TOURISM

The Visitor Sector Action Plan is one of six action plans developed as part of the “Make Way for Taranaki” Regional Development Strategy. The action plan describes the current regional sector dynamic, growth objectives, challenges, opportunities and the actions required to achieve sector growth. It is anticipated that the Visitor Sector Action Plan will enable and support growth in the Stratford District Visitor Sector.

Council welcomes the Stratford District being seen as a visitor destination but is mindful that increases in visitor numbers may have an impact on infrastructure and the services it provides. Anticipated impacts of the Visitor Sector Action Plan and any increases in visitor numbers on the Water Supply Activity and infrastructure are expected to include:

- Increased demand for water services

Future Growth and Demand

- Increased pressure on existing infrastructure.
- Increased maintenance and renewal costs.

4.3.4 THE (DRAFT) STRUCTURE PLAN FOR STRATFORD

The SDC is currently undertaking a Structure Plan of the Stratford District, which is in response to an increased demand for residential development sites in Stratford. This 30 year Plan long term Strategy Plan will feed into the District Plan review and the Infrastructure Strategy, to ensure that the growth areas identified herein are duly catered for as and when required.

The Plan will identify key growth areas in Stratford, in addition to areas that lend themselves to in-filling. Roading, Solid Waste Services, Water and Wastewater infrastructure will be planned to service these areas accordingly. Given its proximity and centrality to key employment generators and tourist areas in the New Plymouth and South Taranaki District, the creation of new and affordable residential lots is expected to support the growth forecast for the town.

4.3.5 REGULATORY CHANGES

The SDC regularly reviews regulatory changes that may or will affect the SDC property services. This primarily includes updates to resource consents and changes to legislation and standards. There are no immediate concerns of regulatory changes at the time of writing this AMP, however there is an expectation that the legislation, standards and guidelines related to these services will be reviewed and updated in the future.

4.3.6 CUSTOMER NEEDS AND EXPECTATIONS

Council has indicated a desire to promote growth in Stratford by developing new residential subdivisions. Inherently, this will have an effect on the Stratford property services whereby demand on these services will increase. A building condition inspection programme will be developed and implemented to ensure the services can meet the requirements of increased demand.

4.4 IMPROVEMENT PLAN

Table 27 - Future Growth Improvement Plan

Sub Section	Task	Due Date
4.3.1	Further assessment needed to assess the impacts of growth demands on the adequacy of the existing Property Services.	On-going

5.0

Level of Service Performance

Levels of Service Performance

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Levels of Service Performance

5.1 OVERVIEW

Levels of Service (LoS) define the form and quality of service that the Stratford District Council provides to the community. They are the balance between what the community wants and what the community is willing to pay for.

Through asset management planning, the relationship between the LoS and the cost of service is determined. Once determined, the relationship is evaluated in consultation with the community to define the agreed LoS, which are then used to:

- Inform customers of the proposed LoS;
- Develop AM strategies to the deliver LoS;
- Develop targets to measure performance;
- Identify and evaluate the costs and benefits of services offered; and
- Enable customers to assess customer values such as accessibility, quality, safety, and sustainability.

The Levels of Service section details legislative and regulatory requirements affecting the operation, management and Levels of Service for this activity.

This section:

- Highlights the current LoS provided by the Stratford District Council;
- Defines the desired LoS for the futures; and
- Outlines performance measures that will be used to monitor the delivery of the agreed LoS.

5.2 LEVEL OF SERVICE DEVELOPMENT/REVIEW PROCESS

LoS review is an on-going process which can be triggered by a variety of drivers. The development and review of the LoS will be undertaken following the process diagram in Figure 22 (Source: IIMM (2015)).

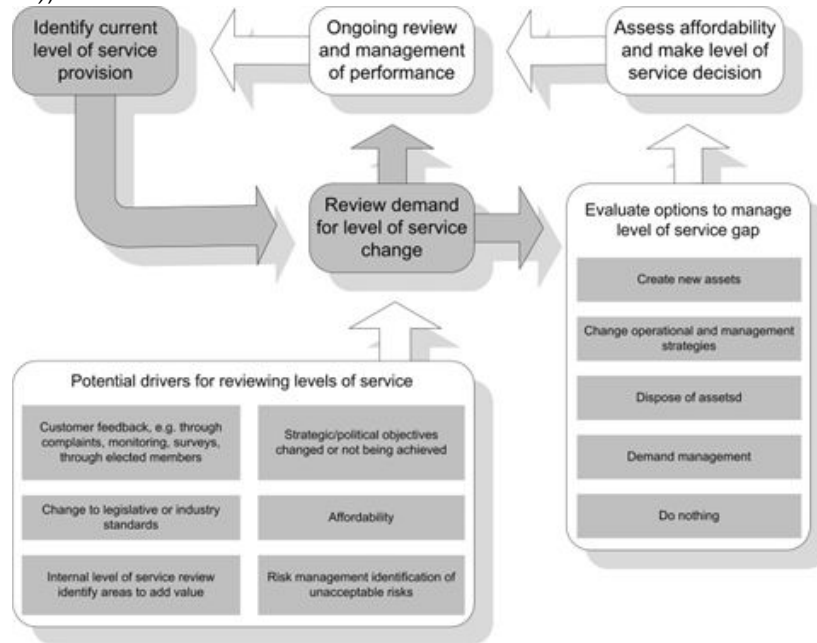


Figure 22 - Level of Service Review Process

Levels of Service Performance

5.3 LEVEL OF SERVICE STATEMENTS

The following are the levels of service for Community Civic Amenities;

- To provide facilities that are well maintained and utilised.
- To provide suitable housing for the elderly
- To provide clean, well maintained toilet facilities

5.4 PERFORMANCE MONITORING AND REPORTING

The Stratford District Council has undertaken to provide a safe and well maintained network that meets Levels of Service (LoS) expectations and regulatory requirements. To ensure these expectations and requirements are met, the Stratford District Council undertakes performance monitoring of Property activities and infrastructure through the use of performance measures and key performance indicators (KPIs).

Performance measures and reporting enable Stratford District Council to identify how well it is delivering on the agreed LoS. KPIs enable Council to regularly measure actual performance against projected targets. By doing this we are able to identify trends, areas of achievement and areas for improvement to be identified.

Monitoring of LoS is done by measuring usage/patronage, customer satisfaction surveys and Compliance in New Zealand Safety standards.

The results of the performance monitoring are reported internally and externally through:

- monthly reports to Elected Members, also accessible to the public via the Council website; and
- the Long Term Plan, Annual Plan and Annual Report to our customers, key stakeholders and partners.

5.5 CURRENT PERFORMANCE

Stratford District Council provides services for the benefit of the community. To ensure these expectations and requirements are met Stratford District Council undertakes performance monitoring of the Property activity and services it provides.

Performance monitoring is undertaken through the use of performance measures and KPIs. Our current performance is monitored through the 'Internal performance measures presented in the Table below. These are performance measures were determined by Council to inform the community about how well the Council is delivering on LoS and the performance of the activity assets.

5.5.1 AERODROME

The Aerodrome is required to meet the needs of users. There must be a high level of satisfaction amongst the users in respect of the condition and maintenance of the aerodrome.

The performance target for the level of satisfaction amongst the users with regard to the condition and maintenance of the aerodrome for the year 2021/2022 as stated in the 2021-2022 Long Term Plan is 70%.

Levels of Service Performance

Table 28 - Internal Performance Measures

	Asset Category	Level of Service Category	Performance Measure
1.	TSB Pool Complex	Health and Safety	Number of reported accidents, possible accidents and similar incidents per annum - <80
2.		Compliance with NZS5826:2010 - Pool Water Quality Standards	All Pools meet NZ Pool Water Quality Standards. Target – 100%
3.		Usage/Admissions	Number of pool admissions per annum. Target - >55,000
4.		Customer Satisfaction	Percentage of pool users are satisfied with the pool. Target - > 80 %
5.	Aerodrome	Customer Satisfaction	A high level of satisfaction amongst the users with the condition and maintenance of the aerodrome - >70%
6.		Usage	Number of aircraft movements during the year. >4000. Numbers from Annual AIMM compliance reporting
7.	Centennial Library	Customer Satisfaction	% of library users satisfied with library services. Target – > 80 %
8.		Usage - Visit	Number of people visiting the library is measured. Target - > 90,000
9.		Usage – Wi-Fi	The number of visitors accessing the Wi-Fi service is measured. Target - > 15,000
10.		Usage – Network Session	The number of sessions accessing the People's Network is measured. Target - > 10,000
11.	Civic Amenities - Housing for the Elderly	Customer Satisfaction	Percentage of Customer satisfaction. Target - >89%
12.		Occupancy	Annual Occupancy rate. Target - >95%
	Civic Amenities TET Multisports Centre	Annual Bookings	Annual booking of War Memorial Centre. Target - >500
		Condition	Buildings legally requiring a Building WoF have a current Building WoF at all times. Target – 100%
13.	Civic Amenities - War Memorial Centre	Annual Bookings	Annual booking of War Memorial Centre. Target - >500
14.		Condition	Buildings legally requiring a Building WoF have a current Building WoF at all times. Target – 100%
15.	Civic Amenities - Centennial Restrooms	Annual Bookings	Annual booking of Centennial Restrooms Target - >200
16.		Condition	Buildings legally requiring a Building WoF have a current Building WoF at all times. Target – 100%
17.	Civic Amenities - Public Toilets	Customer Satisfaction	Percentage of Stratford District residents satisfied with overall level of service of toilets. Target - >75%
18.		Farm Milk Production	Milk production is maximised. Target > 150,000 kg / annum
19.	Rental and Investment properties	Customer Satisfaction	Number of complaints from tenants. Target - < 5
20.		The Council farm's Environmental Plan is reviewed annually	The farm's Environmental Plan is reviewed annually and a report is presented to the Farm and Aerodrome Committee

Levels of Service Performance

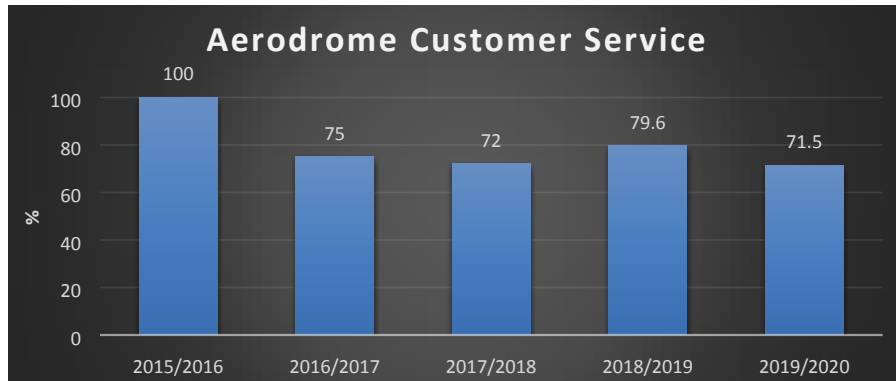


Figure 23 – Aerodrome Customer Satisfaction - Annual Report

In 2019/20 71.5% of the users surveyed were satisfied with the condition and maintenance of the Aerodrome. Although this is a decrease of 8% on the previous year, the Aerodrome is achieving Level of Service requirements for customer satisfaction. See Figure 23.

5.5.2 CIVIC AMENITIES ACTIVITY PERFORMANCE

Civic Amenities are required to provide facilities that are well maintained, suitable housing for the elderly and well maintained public toilet facilities.

Annual Bookings of War Memorial Centre - The War Memorial Centre annual bookings performance target for 2021/22 as stated in the 2021-2031 Long term Plan is >500. See Figure 24

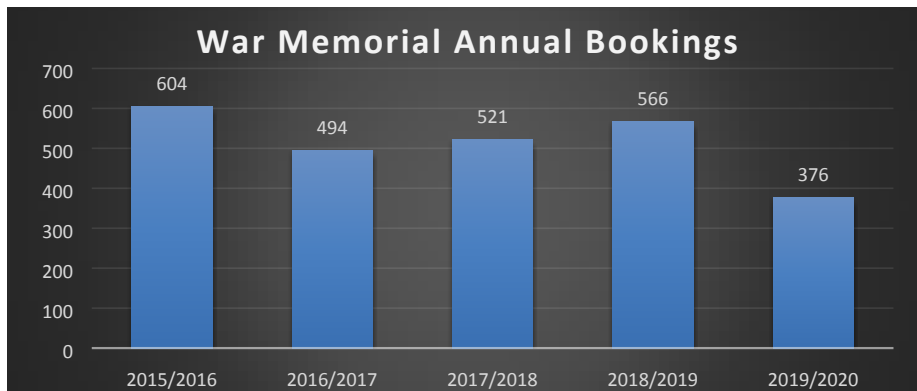


Figure 24 - WMC Annual Bookings - Annual Report

In 2019/20 there were 376 bookings recorded for the War Memorial Centre. Over the years the target has consistently been met, however more than 100 bookings were cancelled over the period 19 March 2020 to 31 May 2020 due to Covid19.

Annual Bookings of the Centennial Restrooms - The Centennial Restroom annual bookings performance target for 2021/22 as stated in the 2021-2031 Long Term Plan is >200. – See Figure 25.

Levels of Service Performance

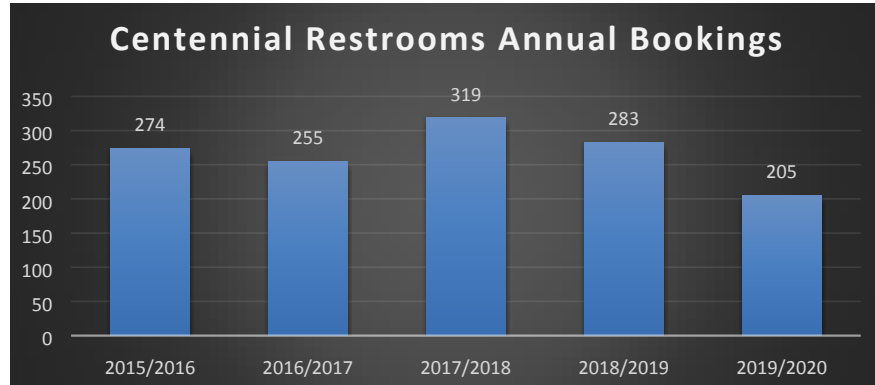


Figure 25 - CRR Annual Bookings - Annual Report

In 2019/20 there were 205 bookings recorded for the Centennial Restrooms. Although this was a decrease on the previous year's bookings the Centennial Restrooms achieved Level of Service requirements for bookings.

Housing for the Elderly Customer Satisfaction - The performance target for the satisfaction of Housing for the Elderly tenants in 2021/2022 (as stated in the 2021-2031 Long Term Plan) is >89%.

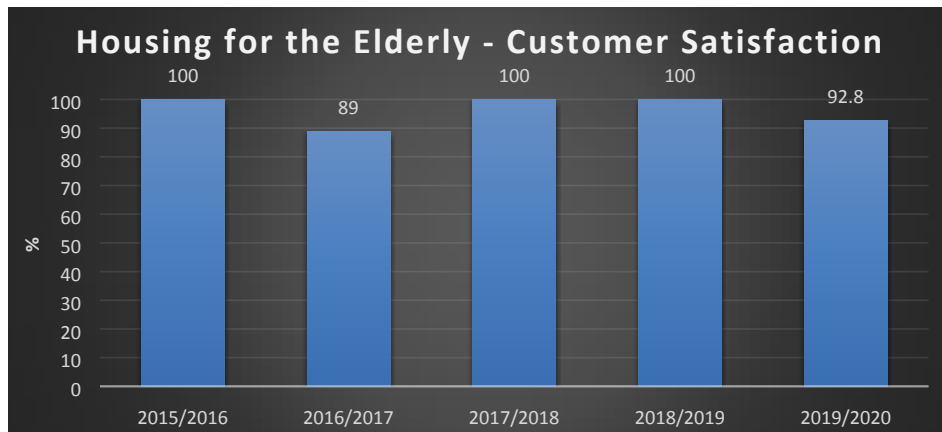


Figure 26 – Housing for the Elderly Customer Satisfaction - Annual Report

In 2017/2018, 2018/2019 and 2019/2020 the percentage of people satisfied with Housing for the Elderly was over 90%, meeting the target for 3 years in a row. See Figure 26.

Housing for the Elderly Occupancy - The performance target for the occupancy of Housing for the Elderly tenants in 2021/2022 (as stated in the 2021-2031 Long Term Plan) is 95%.

Levels of Service Performance

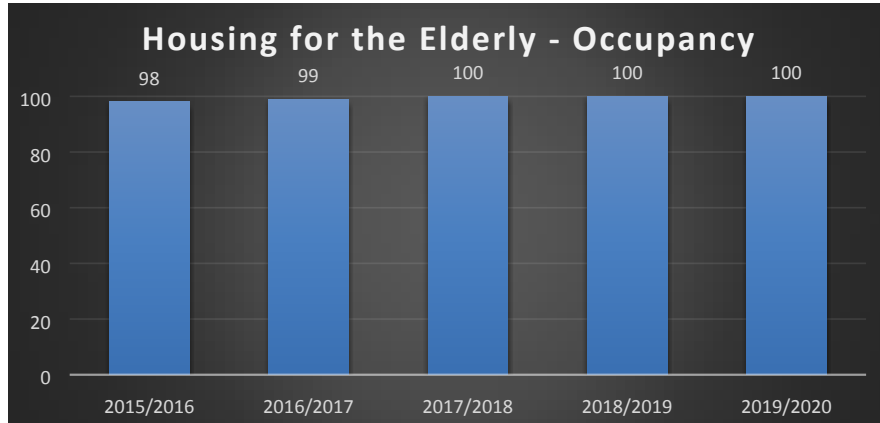


Figure 27 – Housing for the Elderly Occupancy - Annual Report

In 2019/20 occupancy of housing for the elderly was 100%. This holds steady from last year and the Housing for the Elderly achieved Level of Service requirements for occupancy. See Figure 27.

Public Toilet Customer Satisfaction - The performance target for customer satisfaction with the overall level of service for the public toilets managed by Stratford District Council for 2021/22 as stated in the 2021-2031 Long Term Plan) is 75%.

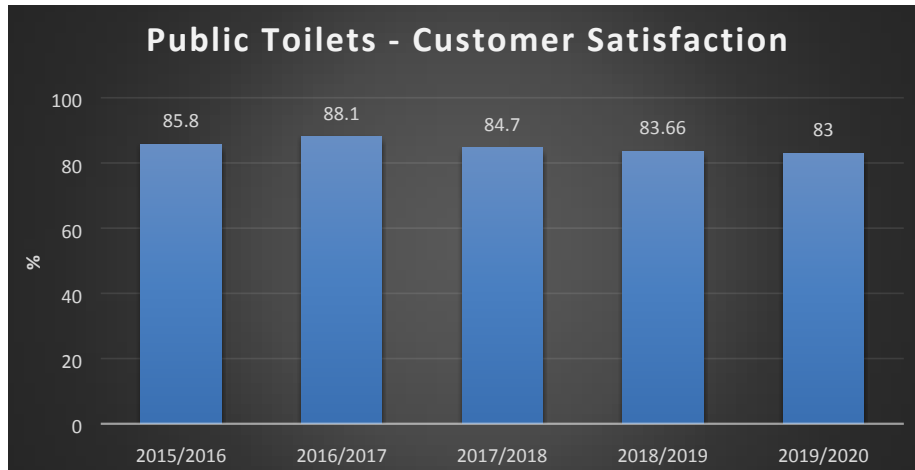


Figure 28 – Public Toilet Customer Satisfaction - Annual Report

In 2019/2020 the percentage of people satisfied with the overall level of service of toilets was 83%. Although this is a small decrease on the previous year the public toilets achieved the Level of Service requirement for customer satisfaction. See figure 28.

Levels of Service Performance

5.5.3 LIBRARY

Library Visits - This is a new measure introduced with the 2015-2025 Long Term Plan. The performance target for the number of people visiting the library in 2021/2022 as stated in the 2021-2031 Long Term Plan is >90,000. See Figure 29

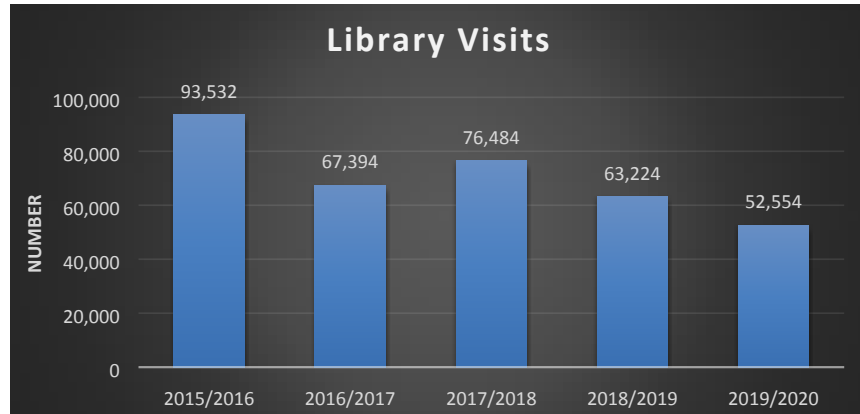


Figure 29 - Library Visits - Annual Report

In 2019/2020 there were 52,554 visitors to the Centennial Library in Stratford. This is another decrease on the previous year and the Library did not achieve Level of Service requirements for visitor numbers. Partly due to Covid-19 lockdown, and also declining visitors numbers at the library over the years, the target has not been achieved since 2015/2016 year.

Customer Satisfaction – The performance target for the percentage of customers satisfied with library services in 2021/2022 as stated in the 2021-2031 Long Term Plan is >80%. See Figure 30

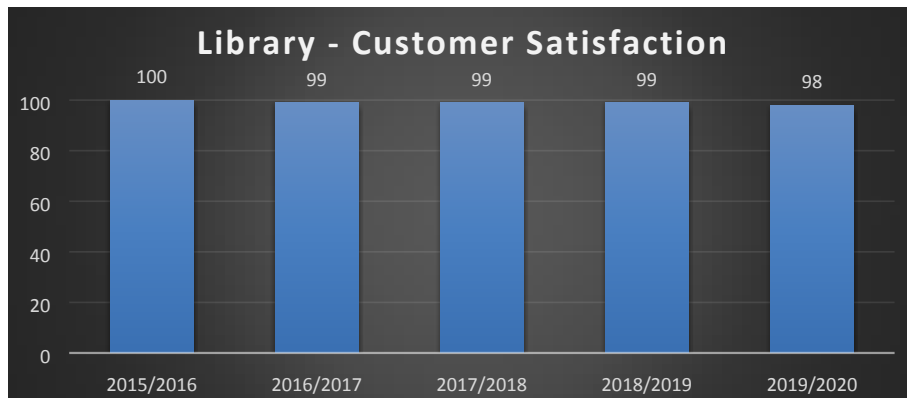


Figure 30 - Customer Satisfaction - Annual Report

In 2019/2020 the percentage of customers satisfied with the library was 98%. The library achieved Level of Service requirements for customer satisfaction.

Levels of Service Performance

5.5.4 TSB POOL COMPLEX

Accidents Reported – The performance measure for the reported accidents, possible accidents and similar incidents per year for 2021/2022 (as stated in the 2021-2031 Long Term Plan) is <80. See Figure 31

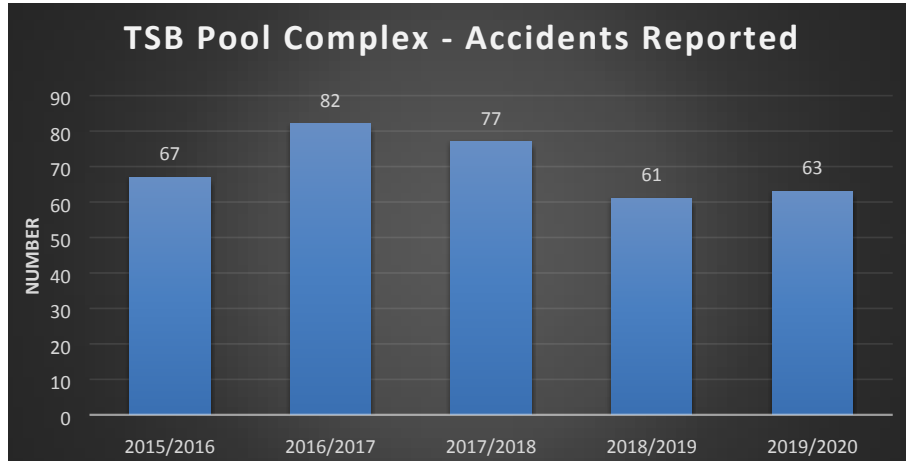


Figure 31 - Accidents Reported - Annual Report

In 2019/2020 there were 63 incidents/accidents reported at the pool complex. This is an increase on the previous year. The pool complex achieved Level of Service requirements for the number of reported accidents, possible accidents and similar incidents per year.

Compliance with NZS5826:2010 NZ Pool Water Quality Standards – The performance target for compliance with NZS5826:2010 NZ Pool Water Quality Standard in 2021/2022 (as stated in the 2021-2031 Long Term Plan) is 100%. See Table 29

Table 29 - Compliance with NZS5826

Category	Year				
	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020
Compliance with NZS5826:2010	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

In 2019/20 the pool once again achieved compliance with the quality of pool water and achieved Level of Service requirements for compliance with NZS5826:2010

Customer Satisfaction – The performance target for the percentage of pool users satisfied with the pool is >80%. See figure 32.

Levels of Service Performance

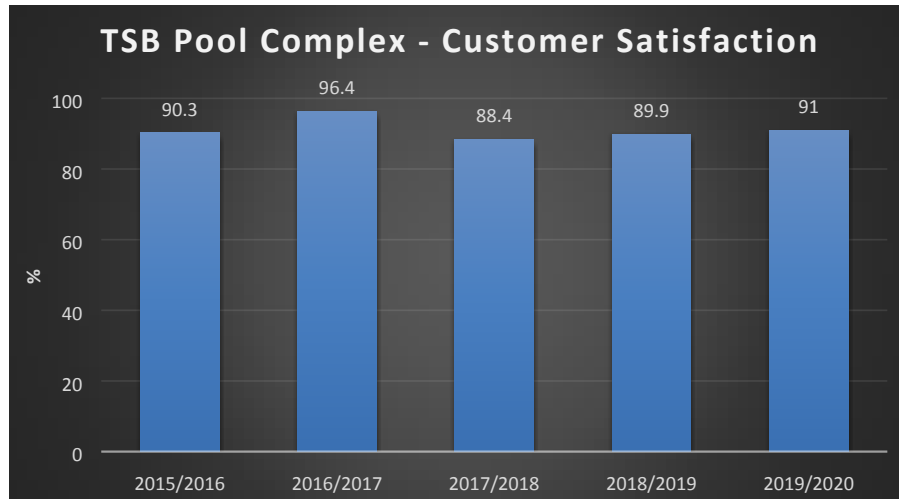


Figure 32 - Customer Satisfaction - Annual Report

In 2019/20 the percentage of pool users satisfied with the pool was 91%. This is an increase on the previous year and the pool complex achieved Level of Service requirements for customer satisfaction.

Admissions – The performance target for the number of pool admissions per annum for 2021/2022 (as stated in the 2021-2031 Long Term Plan) is >55,000. See Figure 33.

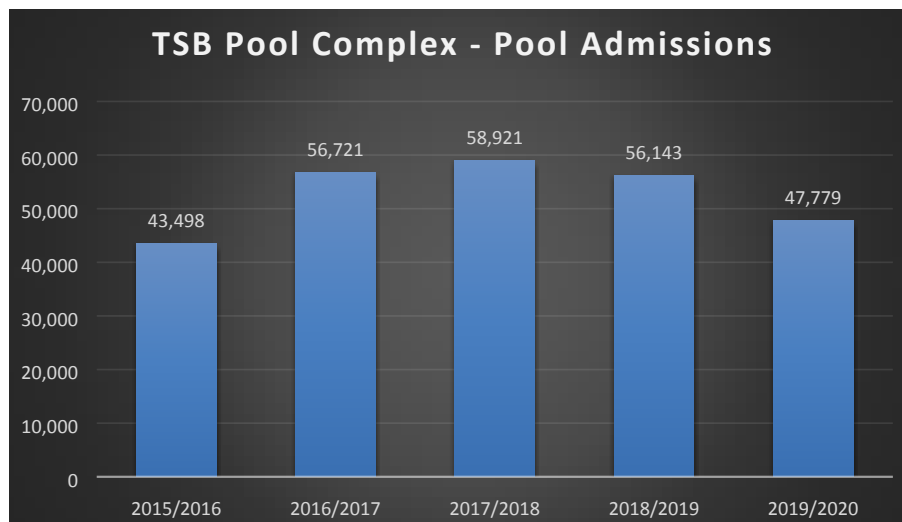


Figure 33 - TSB Pool Complex Admissions - Annual Report

In 2019/20 there were 47,779 admissions to the pool complex. Due to Covid-19 lockdown the pool closed from 23 March 2020 and reopened on 19 May 2020 at limited capacity causing the pool to not meet the level of service requirements for this year.

Levels of Service Performance

5.5.5 THE FARM

Milk Production – The performance target for milk solids production in 2021/2022 (as stated in the 2021-2031 Long Term Plan) is >150,000kgs per year. See Figure 34.

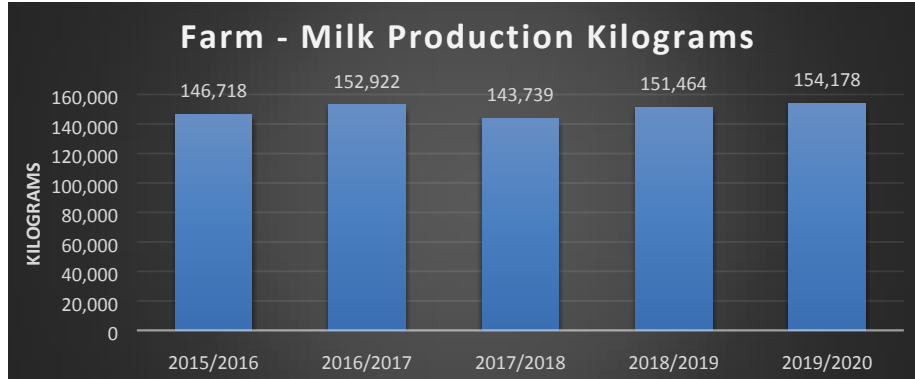


Figure 34 - Milk Solids Production Kilograms - Annual Report

In 2019/20 there was 154,178 kg of milk collected from the farm. This is an increase on the previous year and the farm achieved the increased Level of Service requirements for milk production.

5.6 DESIRED PERFORMANCE

A summary of the Council's targets/ desired performance levels are presented in Tables 30-36. This desire stems from the Council's resolve to maintain its agreed level of service delivery and strengthen the community's confidence in the Council's ability to deliver excellent services to the community.

The Council will take into account its Customer Charter in its provision quality service to all our customers. Council will rate its performance against the key performance indicators (KPI's) or targets as per Table 32 below.

Table 30 - Performance Rating Index

Rating	Description
Achieved	Required actions have been completed and the intended level of service has been achieved; or Where a long-term level of service is targeted, the results for the year are in keeping with the required trend to achieve the intended level of service.
Not Achieved	None of the required actions have been undertaken, or The result for the year is less than half of the intended level of service, or Where a long-term level of service is targeted, the results for the year are contrary to the required trend to achieve the intended level of service.
Not Applicable	No action was required during the year.

5.7 ASSET MANAGEMENT IMPROVEMENT PLAN

Actions identified in this Section for improving management of the asset are as follows:

Table 31 – Levels of Service Performance Improvement Plan

Sub Section	Task	Due Date
	Review annually levels of service relevance, monitoring and reporting	Ongoing

Levels of Service Performance

Table 32 - Performance Measures - TSB Pool Complex

Activity Objective/ Level of Service	Performance Measure		Outcome Category	Trend			Current	Target				How Measured
				2017/18	2018/19	2019/20	2020/ 21	2021/22	2022/23	2023/24	2024-2031	
The pool complex will be a safe place to swim.	Health and Safety	Number of reported accidents, possible accidents and similar incidents pa.	Council Measure	77	61	63	<80	<80	<80	<80	<80	Accident register – also reported monthly to Council.
	Compliance	Compliance with NZS5826:2010 NZ Pool Water Quality Standards.	Council Measure	100%	100%	100%	100%	100%	100%	100%	100%	Water quality register.
That the pool facilities meet demand.	Customer Satisfaction	Percentage of pool users are satisfied with the pool.	Council Measure	88.4%	89.9%	91%	>80%	>80%	>80%	>80%	>80%	Annual customer survey.
	Usage	Number of pool admissions per annum.	Council Measure	58,921	56,143	47,779	<i>Target suspended due to expected closures for upgrade</i>	>55,000	>55,000	>55,000	>60,000	Ticketing system – also reported monthly to council.

Levels of Service Performance

Table 33 - Performance Measures - Aerodrome

Activity Objective/ Level of Service	Performance Measure		Outcome Category	Trend			Current	Target				How Measured
				2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024-2031	
The aerodrome meets the needs of users	Customer Satisfaction	A high level of satisfaction amongst the users with the condition and maintenance of the aerodrome.	Council Measure	72%	79.6%	71.5%	>70%	>70%	>70%	>70%	>70%	Annual Aerodrome user survey
The aerodrome is used by the Stratford Community and visitors	Customer Satisfaction	Number of aircraft movements during the year	Council Measure	N/A Not measured	N/A Not measured	N/A Not measured	>3500	>3500	>3500	>3500	>3500	Annual AIMM compliance reporting

Table 34 - Performance Measures - Centennial Library

Activity Objective/ Level of Service	Performance Measure		Outcome Category	Trend			Current	Target				How Measured
				2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024-2031	
To provide a library service which meets the needs of and is being used by Stratford District residents	Usage	Number of people visiting the library is measured.	Council Measure	76,484	63,224	52,554	>90,000	>90,000	>90,000	>90,000	>90,000	Door count
	Customer Satisfaction	% of library users satisfied with library services.	Council Measure	99%	99%	98%	>80%	>80%	>80%	>80%	>80%	Annual Residents Survey
Library services will be accessible to the community	Usage	The number of visitors accessing the Wi-Fi service is measured.	Council Measure	23,422	27,459	25,995	>15,000	>15,000	>15,000	>15,000	>15,000	Internal records
		The number of sessions accessing the People's Network is measured.	Council Measure	11,095	9,624	6,441	>10,000	>10,000	>10,000	>10,000	>10,000	Internal records

Levels of Service Performance

Table 35 - Performance Measures - Civic Amenities

Activity Objective/ Level of Service	Performance Measure		Outcome Category	Trend			Current	Target				How Measured
				2017/18	2018/19	2019/20	2020/ 21	2021/22	2022/23	2023/24	2024-2031	
To provide facilities that are well maintained and utilised.	Condition	Buildings legally requiring a Building WoF have a current Building WoF at all times.	Council Measure	100%	100%	100%	100%	100%	100%	100%	100%	Building WoF records
	Usage	Annual booking of War Memorial Centre.	Council Measure	521	566	376	>500	>500	>500	>500	>500	Booking records
		Annual booking of Centennial Restrooms.	Council Measure	319	283	205	>200	>200	>200	>200	>200	Booking records
To provide suitable housing for the elderly	Customer Satisfaction	Percentage of Customer satisfaction.	Council Measure	100%	100%	92.8%	>89%	>89%	>89%	>89%	>89%	Annual User Survey
	Usage	Annual Occupancy rate.	Council Measure	100%	100%	100%	>95%	>95%	>95%	>95%	>95%	Tenancy records.
To provide clean, well maintained toilet facilities.	Customer Satisfaction	Percentage of Stratford District residents satisfied with overall level of service of toilets.	Council Measure	84.7%	83.6%	83%	>75%	>80%	>80%	>80%	>80%	Annual Residents Survey

Levels of Service Performance

Table 36 - Performance Measures - Rental and Investment

Activity Objective/ Level of Service	Performance Measure		Outcome Category	Trend			Current	Target				How Measured
				2017/18	2018/19	2019/20	2020/ 21	2021/22	2022/23	2023/24	2024-2031	
	Farm Milk Production	Milk production is maximised.	Council Measure	143,739kg	151,464kg	154,178kg	>150,000 kg	>150,000 kg	>150,000kg	>150,000 kg	>150,000 kg	Milk Supplier's Statements issued by milk collector (currently Fonterra).
	Customer Satisfaction	Number of complaints from rental property tenants.	Council Measure	0	0	3	<5	<5	<5	<5	<5	Reporting against corporate CRM system.

6.0

Strategic Assessment

Strategic Assessment

6.0: STRATEGIC ASSESSMENT

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Strategic Assessment

6.1 OVERVIEW

The '*Strategic Assessment*' section presents an assessment of the need for investment against strategic outcomes. It defines the problems facing the Stratford District Council; highlights the investment projects necessary to address these problems and the benefits of each identified investment project.

6.2 OUR BUSINESS CASE

Section 17A of the Local Government Act (LGA) 2002 requires the local authority to '*review the cost-effectiveness of current arrangements for meeting the needs of communities within its district or region for good quality local infrastructure, local public services and performance of regulatory functions*'.

6.3 OUR PROBLEM STATEMENTS

Between June and September 2020, Council staff prepared and presented *Early Conversation*¹ papers for discussion with the Elected Members as part of the Long Term Plan (LTP) process. The purpose of these early conversations was to ask elected members for direction regarding some capital projects being proposed in the 2021-2031 LTP.

The Early Conversations with the Elected Members identified:

- Problems and items for improvement in the delivery of our Property assets and activity;
- Future proofing Objectives in addition to Council Community Outcomes;
- Options for addressing the identified problems; and
- An assessment of each option against Council Outcomes and the identified future proofing objectives;
- Risks and Opportunities associated with each option and
- Preferred Options to address each Problem Area.

The Elected Members considered the information and provided the necessary direction - in some cases modifying the preferred option. The outcomes of these conversations provided a 10-year plan for implementation of the Preferred Options for each Problem area identified. The main problems/issues identified and *workshopped* as part of the Early Conversations are:

- Bell Tower; and
- Dog Pound Storage Shed.
- New LED Lighting in the War Memorial Centre Carpark.
- Peoples Activity centre

¹ Early Conversation Papers D20/8063, D20/8076

Strategic Assessment

6.3.1 BELL TOWER

The Bell Tower (Figure 35) was constructed in 1981 to house the bells that were removed from the clock tower on the Post Office building. The tower is now classed earthquake-prone and has an IEP rating of D and a percentage of 30%. This is well below the safe EQC standard.

The Bell Tower has no significant historical value to Stratford, however, the Bells themselves do. The tower has become run down and a 2018 assessment stated that the bells and drive mechanisms have become worn and are need replacement. The existing lighting would also need repairing and replacing with LED lighting.

The cost for these repairs alone is over \$20,000. The cost of bringing the Tower up to a required standard to make it earthquake-safe and meet the EQC standards would also be extremely high.

A Long Term Plan report was taken to Council in 2020 and the decision has been made to demolish the Bell Tower and store the bell for future use. This is planned for 2021/2022

Figure 35 - Bell Tower, Miranda Street, Stratford



Strategic Assessment

6.3.2 DOG POUND STORAGE SHED

The existing shed (Figure 36) was built approximately 30 years ago, with no sides, just posts and a roof. The sides were later installed with second-hand iron and have not been replaced since. The shed floor is dirt and is not water-tight nor rodent-proof. Currently, it is used for storing any spare office furniture and equipment for council events.

It is proposed to demolish this shed and replace with a new one. This will allow the storage of all equipment owned by the Council in one location rather than seven.

Figure 36 - Dog Pound Shed



6.3.3 LED LIGHTING WAR MEMORIAL CENTRE CARPARK

Currently there are 12 streetlights (Figure 36) around the border of the War Memorial Centre and these lights are mounted on 4m high columns. The actual lights are what are called sodium oxide 70watt bulbs which are no longer being manufactured. It is proposed to replace these with light emitting diodes (LED) similar to what currently exist at the back of the Council building. It is expected that by replacing the existing lights with LEDs, it will not only improve the lighting situation in the car park, but also save ensure consideration savings to the existing operating cost.

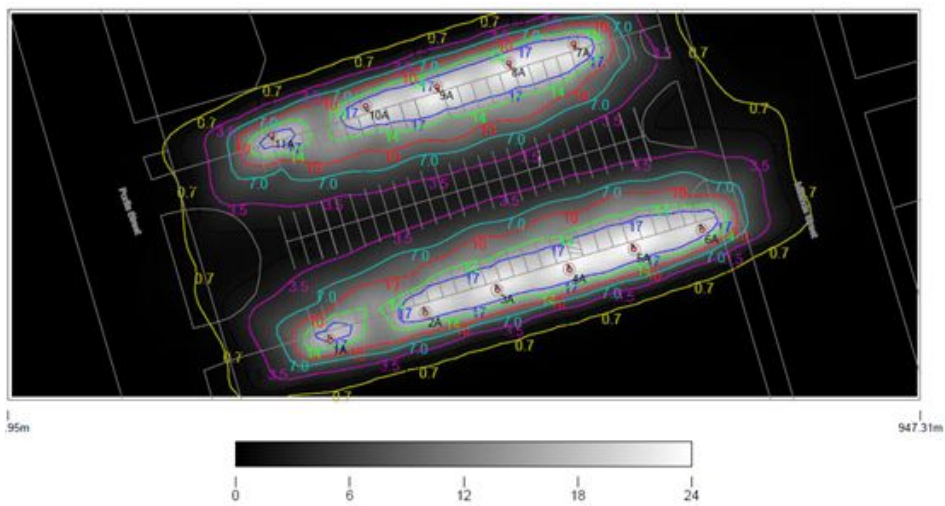
Figure 38 is the accepted LED lighting luminance.

Strategic Assessment

Figure 37 - Old Sodium Oxide lights



Figure 38: LED Horizontal Luminance at 5 m high pole length



Strategic Assessment

6.4 OUR BENEFIT STATEMENTS

The Council has identified projects, as described in Section 6.3, to address the problems at the agreed level of service to the community. The benefits of implementing these projects are presented in Table 37 below and include:

- Maintaining levels of service;
- Ensuring building safety; and
- Supporting community recreation services.

Table 37 - Summary of Problem and Benefit Statements

Problem Statements	Project	Benefit Statements
TSB Pool Complex outdated and suffering from maintenance issues	New pool complex to be constructed. Council has approved funding for a newly located pool complex	<ul style="list-style-type: none"> • Improve community levels of service; • Support community recreation services; • Mitigate ongoing maintenance issues
Earthquake Prone Council Buildings <ul style="list-style-type: none"> • Bell Tower - A seismic assessment was completed for the Bell Tower in 2015. This reported an Initial Evaluation Procedure (IEP) rating of 30% - D 	Demolition of the Bell Tower	<ul style="list-style-type: none"> • Maintain the agreed level of service • Comply with The Building Act 2004; • Ensure the Health and Safety of all the Stratford District community and incoming visitors
War Memorial Centre outdated and suffering from maintenance issues. <ul style="list-style-type: none"> • Replace roof 	War Memorial Centre Upgrades	<ul style="list-style-type: none"> • Improve community levels of service; • Support community recreation services; • Mitigate ongoing maintenance issues
Continual maintenance and upgrades relating to farm operations <ul style="list-style-type: none"> • In-shed feed system • Race maintenance 	Farm Upgrades	<ul style="list-style-type: none"> • Maintain the agreed level of service • Mitigate ongoing maintenance issues • Improve functionality on farm • Improve health and safety of farm staff, contractors and animals.
Miranda Street Office outdated and suffering from maintenance issues <ul style="list-style-type: none"> • Replace roof • Gradual replacement of flooring 	Miranda Street Office Upgrade	<ul style="list-style-type: none"> • Improve community levels of service; • Mitigate ongoing maintenance issues
Storage Shed outdated and unsafe. <ul style="list-style-type: none"> • Demolition of existing building • Building a new shed 	Dog pound Storage shed demolition and replacement	<ul style="list-style-type: none"> • Consolidating all storage into one place • Comply with Building Act 2004 • Ensure Health and Safety of all staff and contractors
War Memorial Centre Carpark Lighting insufficient for area. Making unsafe for users. <ul style="list-style-type: none"> • Replace all Sodium oxide lights with new LED lights and poles. 	Removal of all sodium oxide lights and poles and replace with new LED lights and 5m poles	<ul style="list-style-type: none"> • Ensure the Health and Safety of all the Stratford District community and incoming visitors • Improve community levels of service; • Support community recreation services; • Mitigate ongoing maintenance issues
Centennial Rest Rooms outdated and suffering from maintenance issues. <ul style="list-style-type: none"> • Replace roof 	Centennial Rest Rooms Upgrade	<ul style="list-style-type: none"> • Improve community levels of service; • Support community recreation services; • Mitigate ongoing maintenance issues

7.0

Lifecycle Management

Lifecycle Management

7.0: LIFECYCLE MANAGEMENT

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Lifecycle Management

7.1 OVERVIEW

Lifecycle Asset Management focuses on management options and strategies to minimise risks to assets, and any potential risk of assets.

It considers all relevant consequences from initial planning through to renewal, replacement, disposal or rationalisation of assets.

Lifecycle Asset Management acknowledges that assets are always in a state of decay and their useful life is primarily influenced by;

- Physical characteristics
- Operating environment
- Customer requirements

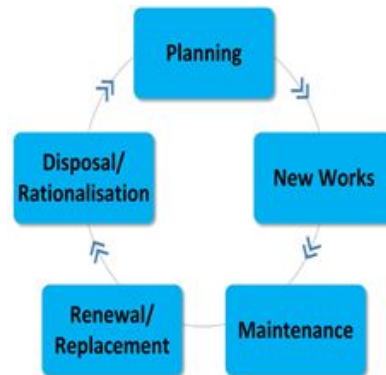
Lifecycle Asset Management enables Stratford District Council to identify issues, determine appropriate response options and identify strategies and programmes for response to identified issues/opportunities in order to deliver Levels of Service and achieve both asset and organisational goals and objectives.

The Lifecycle Asset Management section contains current Stratford District Council procurement and contract arrangements and the prioritisation of works:

- That meets the short and long term needs of our community;
- That offers value for money; and
- In a sustainable manner to the least whole-of-life cost.

This section presents a detailed plan of prioritised work over a 10-year planning period in response to the problem and benefit statements highlighted in Section 6 of this plan. It presents Council's practices and projects to maintain the property assets over its lifecycle through Council's:

- Procurement Policy;
- Management Strategies;
- Contractual Arrangements;
- Programme Business Case for the next 10 years;
- Disposal Strategy; and
- Planning for Improvement



7.2 PROCUREMENT POLICY

Procurement for the purpose of implementing projects identified in the work programmes are undertaken in accordance with the Council's Procurement Policy. The Council's Procurement Policy for the purpose of procuring goods works and services is aimed at ensuring that Council:

- achieves the right outcomes and value for money; manages risk effectively;
- allows council officers to exercise business judgement by enabling flexibility and fluid, innovative approaches to procurement;
- demonstrates fairness; and
- has health and safety risk management at the forefront.

All personnel involved in procurement procedures are required to maintain the confidentiality of the process. The Council, as a public entity, must act fairly and consistently, in accordance with relevant legislation.

7.3 MANAGEMENT STRATEGIES

The overall management of infrastructure will be driven through strategies aimed at:

- Complying with the legislative and strategic requirements;
- Meeting customer expectations and agreed levels of service; and
- Delivering value for money for ratepayers, funding partners and the Council.

These strategies as presented in Figure 39, are either under review or currently being prepared.



Figure 39 – Property Asset Management Strategies

7.4 CONTRACTUAL ARRANGEMENTS

The Council has a Maintenance Contract with Fulton Hogan for the provision of ongoing maintenance services of the Council’s properties. This Contract requires the Contractor to provide not only physical works but also a degree of professional services for significant aspects of the work.

The contract is for an initial period of 3 years from 1 July 2019 which will expire on 30 June 2022 but incorporates two 24 month roll-over periods in the event Council is satisfied with the contractor’s performance. The first roll-over period has been agreed to with a further performance review due as at 30 June 2024.

Lifecycle Management

7.5 PROGRAMME BUSINESS CASE

The programme business case details how the problems identified in the previous sections will be addressed. This is presented in Table 38 below and shows the identified projects necessary to achieve our internal measures.

The identified projects are grouped under three main categories of:

- Operations/Maintenance works;
- Renewal/Replacement works; and
- Level of Service Improvements.

The prioritisation of planned maintenance, renewal/replacement and capital projects is based on:

- Level of Service requirements;
- Criticality and risk assessment associated with investment levels that potentially change the level of service;
- Age and condition of the infrastructure;
- Budgetary constraints;
- Growth – required by and supporting population and economic growth.

These key outcomes have been considered for each activity at an asset group level.

7.5.1 OPERATIONS AND MAINTENANCE

Operation and Maintenance strategies cover policies that determine how the asset will be operated and maintained on a day-to-day basis to consistently achieve optimum use. A key element of asset management planning is determining the most cost-effective blend of planned and unplanned maintenance. Operating budgets are detailed in the Investment Funding Strategy Section of this document.

The operation and maintenance of assets is undertaken through:

- **Routine Maintenance** - The day to day maintenance which is required on an on-going basis and is budgeted for under the Services Maintenance Contracts as “key tasks” ;
- **Planned Maintenance** - Non day-to-day maintenance which is identified in advance and is incorporated into a maintenance budget for a certain time period; and
- **Ready Response** - Maintenance that is unexpected and necessary to continue operation of the service.

The previous expenditure figures for operations and maintenance, as detailed in the Annual Plan, are presented in Figure 40. The planned works are presented in Table 39 below.

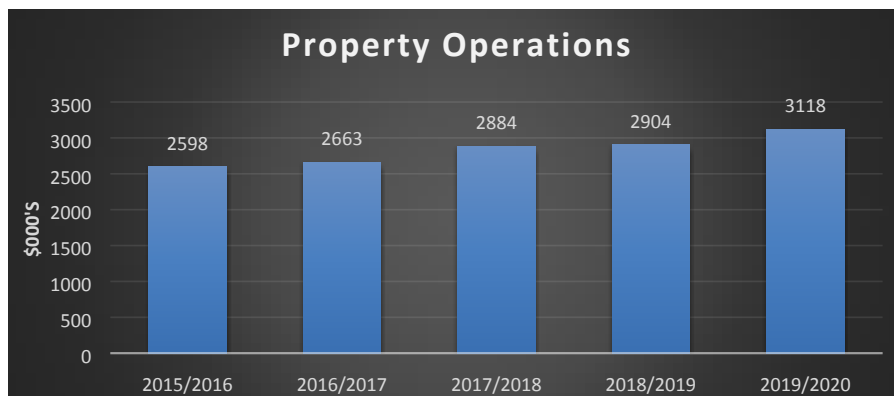


Figure 40: Property Operating Expenditure - Annual Report

Lifecycle Management

Table 38 - Identified Projects and Performance Measures

Work Category	Identified Projects	Performance Measures						
		Health and Safety	Compliance with NZSS Standards	Usage (Admissions, Visit, Wi-fi, Network Session)	Customer Satisfaction	Annual Bookings	Condition	Milk Production
Operations/ Maintenance	Miranda Street office-general maintenance				✓		✓	
	War Memorial Centre – general maintenance			✓	✓	✓	✓	
	Civic Amenities – general maintenance				✓		✓	
	Farm – general building maintenance						✓	
	Aerodrome – runway releveling	✓		✓	✓		✓	
	Housing for the Elderly – general maintenance			✓	✓		✓	
Renewal/ Replacement	Library - replacements				✓		✓	
	Miranda Street office – renewals/replacements				✓		✓	
	War Memorial Centre renewals			✓	✓	✓	✓	
	War Memorial Centre Carpark lights replacements	✓			✓		✓	
	Centennial restrooms - replacements	✓		✓	✓	✓	✓	
	Storage Shed Replacement	✓					✓	
	Farm - replacements	✓					✓	
	Housing for the Elderly - replacements	✓		✓	✓		✓	
Level of Service Improvements	TSB Pool – facility redevelopment		✓	✓	✓	✓	✓	
	Miranda Street office – install access control	✓						
	Farm - improvements	✓						✓
	Rental properties – demolition of disused buildings						✓	
	Housing for the Elderly - improvements	✓		✓	✓			
	TET MultiSports Centre	✓	✓	✓	✓	✓	✓	

Lifecycle Management

Table 39 - Planned Operation and Maintenance Works

Project	2021/22	2022/23	2023/24	2024-2031
Project 1 – Miranda Street office – general maintenance				
- Selected interior painting				38,000

Problem Statement General wear and tear

Benefits of investment Preservation of building components

Consequences of non-investment Continued deterioration of building components leading to full replacement

Project 2 - War Memorial Centre – general maintenance	2021/22	2022/23	2023/24	2024-2031
- Selected Exterior Paint				20,000
- Resurface stadium floor				40,000
- Selected Interior Paint				51,500

Problem Statement General wear and tear

Benefits of investment Preservation of building components, increased customer satisfaction with facility

Continued deterioration of building components leading to full replacement, loss of bookings due to low customer satisfaction with facility

Project 3 - Civic Amenities – general maintenance	2021/22	2022/23	2023/24	2024-2031
- Exterior Paint – Broadway public toilets		9,500		9,500
- Repaint Lower Exterior – Glockenspiel	5,500			
- Entire repaint – Glockenspiel				40,000
- Re-Paint Hall of Remembrance				7,000
- Re-Paint Exelooos in Victoria Park				5,000

Problem Statement General wear and tear

Benefits of investment Preservation of building components, improved town appearance

Consequences of non-investment Continued deterioration of building components and town appearance

Project 4 - Farm – general building maintenance	2021/22	2022/23	2023/24	2024-2031
- Dwelling selected interior/exterior painting	3,200		3,200	6,500
Farm Race Improvements	10,000	10,000	10,000	70,000

Lifecycle Management

- Selected Interior redecorations – Farm Dwellings		5,000	4,800	5,000	34,200
Problem Statement		General wear and tear and continual farm race maintenance			
Benefits of investment		Preservation of building components			
Consequences of non-investment		Continued deterioration of building components leading to full replacement			
Project 5 - Aerodrome – runway releveling		5,000	5,000	5,000	\$35,000
Problem Statement		Aerodrome built on former swamp – runways require ongoing releveling			
Benefits of investment		Provision of safe runway guaranteeing continued use of aerodrome			
Consequences of non-investment		Continued deterioration of runways leading to safety issues			
Project 6 – Housing for the Elderly – general maintenance		2021/22	2022/23	2023/24	2024-2031
- Repaint exteriors of units			2,150		8,600
- Selected interior Paint			2,150		8,600
- Paint Picket Fence			2,250		
- Redecorate interior of units					14,400
- Repaint exteriors – Elsie Fraser			2,150		4,300
- Kitchen/Bathroom Fit out – Elsie Fraser			4,950		19,800
- Redecorate interior of units – Elsie Fraser			3,750	3,600	7,200
Problem Statement		General wear and tear			
Benefits of investment		Preservation of building components, improved tenant satisfaction			
Consequences of non-investment		Continued deterioration of building components and customer satisfaction			

7.5.2 RENEWAL/REPLACEMENT

Renewal is major work which does not increase the asset's design capacity but restores, rehabilitates, replaces or renews an existing asset to its original capacity. Work over and above restoring an asset to its original capacity is new asset expenditure. Assets identified for renewal are typically:

- Near or beyond the end of their expected life
- Have known condition and / or performance deficiencies
- Have both known deficiencies and are of a critical nature

The planned renewal/replacement works are presented in Table 40 and 41 below.

Lifecycle Management

Table 40 - Renewal Justifications

Justification	Description
Asset Performance	<p>Assets fail to meet Level of Service requirements. This is identified through monitoring of asset reliability, capacity and efficiency during operation and planned maintenance inspections. Indicators of non-performing assets include:</p> <ul style="list-style-type: none"> • Structural failure • Repeated asset failure (breaks, faults) • Ineffective and/or uneconomic operation • Unsafe conditions for the public
Economics	<p>Assets are uneconomic to continue repairing them. (I.e. the annual cost of repairs exceeds the annualised cost of its renewal). Economic considerations include:</p> <ul style="list-style-type: none"> • Co-ordination of renewal works with other planned works such as asset component reconstruction. • Development of new technology, which may reduce the direct and social costs of alternative service delivery methods or repair works
Risk	<p>The risk of failure and associated environmental, public health, financial or social impact justifies proactive action (e.g. probable extent of property damage, health and safety risk). Where such assets are identified (critical assets), proactive inspection is undertaken to determine asset condition at a frequency appropriate to the risk and rate of asset decay.</p>
Life Cycle	<p>Assets have reached the end of their useful life.</p>

Table 41 - Planned Renewal /Replacement Works

Project	2021/22	2022/23	2023/24	2024-2031
Project 1 – Library replacements				
- Install new Kitchenette	8,500			
- Replace Vinyl	6,000			

Problem Statement	Components at end of useful life
Benefits of investment	Maintain operational integrity of building
Consequences of non-investment	Loss of operational functionality

Project 2 – Miranda Street office renewals/replacements	2021/22	2022/23	2023/24	2024-2031
- Replace internal lighting with LED	6,000	6,000		

Problem Statement	Components at end of useful life
Benefits of investment	Maintain operational integrity of building
Consequences of non-investment	Loss of operational functionality

Lifecycle Management

Project 3 – War Memorial Centre renewals	2021/22	2022/23	2023/24	2024-2031
- Replace tiles at front entrance				7,000
- Stadium lighting replacement			9,000	5,000

Problem Statement Components at end of useful life

Benefits of investment Maintain operational integrity of building

Loss of operational functionality

Project 4 – Civic Amenities	2021/22	2022/23	2023/24	2024-2031
- Tile Hall of Remembrance				20,000

Problem Statement Components at end of useful life

Benefits of investment Maintain operational integrity of building

Consequences of non-investment Loss of operational functionality

7.5.3 LEVEL OF SERVICE IMPROVEMENTS

The Stratford District Council's main focus is on maintain levels of service rather than improving levels of services. The planned level of service improvement works are presented in Table 42 below.

Table 42 - Planned Level of Service Improvement Works

Project 1 – TSB Pool Development	2021/22	2022/23	2023/24	2024-2031
- Facility redevelopment – Grant Funded	3,700,000			
- Facility redevelopment – Loan Funded	11,000,000	500,000		

Problem Statement Facility outdated and suffering from maintenance issues

Benefits of investment Improve level of service and mitigate ongoing maintenance issues

Consequences of non-investment Further structural and levels of service deterioration, loss of building functionality

Project 2 – Farm Improvements	2021/22	2022/23	2023/24	2024-2031
- New Storage Facility	8,000			
- House Components	8,500			
- Install new in-shed feed system	53,000			
- Water lines and trough upgrade		12,300	12,600	
- Landscaping/Riparian Planting	3,500	3,600	3,700	28,100

Lifecycle Management

Problem Statement	General wear and tear
Benefits of investment	Preservation of building components, increased customer satisfaction with facility
Consequences of non-investment	Continued deterioration of building components leading to full replacement, loss of bookings due to low customer satisfaction with facility

Project 3 – Stratford 2035	2021/22	2022/23	2023/24	2024-2031
- Stratford 2035 Project	482,500	533,00	482,345	3,166,237

Problem Statement	General wear and tear
Benefits of investment	Preservation of building components, improved town appearance
Consequences of non-investment	Continued deterioration of building components and town appearance

Project 4 – Rental Properties – Demolition of disused buildings and structures	2021/22	2022/23	2023/24	2024-2031
- Demolition of Bell Tower and relocation of Bells into new structure	30,000			
- Demolition of Dog Pound Storage Shed and build new storage shed onsite	70,000			

Problem Statement	General wear and tear
Benefits of investment	Preservation of building components
Consequences of non-investment	Continued deterioration of building components leading to full replacement

Project 5 – Miranda Street Office	2021/22	2022/23	2023/24	2024-2031
Replace Furniture	3,100	3,100	3,100	21,700
Replace Kitchen			20,000	
Partial Roof Replacement			30,000	

Problem Statement	General Wear and Tear
Benefits of investment	Maintain operational integrity of building
Consequences of non-investment	Continued deterioration of runways leading to safety issues

Project 6 – War Memorial Centre	2021/22	2022/23	2023/24	2024-2031
- Replace Furniture	3,100	3,100	3,100	27,700
- Upgrade carpark to LED Lighting			57,600	

Lifecycle Management

- Entrance glass roof repairs/entrance fix			7,000	
- Roof replacement				273,800
- Upgrade kitchen and appliances	29,500			

Problem Statement	General wear and tear and lifespan of appliances			
Benefits of investment	Preservation of building components, improved tenant satisfaction			
Consequences of non-investment	Continued deterioration of building components and customer satisfaction			

Project 7 – Centennial Rest Rooms	2021/22	2022/23	2023/24	2024-2031
- Replace Appliances				9,500
- Furniture Replacement	8,000			
- Re-Screw Roof		9,500		

Problem Statement	General wear and tear and life span of appliances			
Benefits of investment	Preservation of building components			
Consequences of non-investment	Continued deterioration of building components leading to full replacement			

Project 8 – Housing for the Elderly	2021/22	2022/23	2023/24	2024-2031
- Replacement Rooves				107,164
- Kitchen/Bathroom fit out in units			4,950	19,800
- Kitchen/Bathroom fit out in units – Elsie Fraser		4,950		19,800

Problem Statement	General wear and tear			
Benefits of investment	Preservation of building components, increased customer satisfaction with facility			
Consequences of non-investment	Continued deterioration of building components leading to full replacement, loss of bookings due to low customer satisfaction with facility			

Project 9 – Council Sub-Division	2021/22	2022/23	2023/24	2024-2031
- Council Subdivision Additional Demands	1,200,000	1,000,000	1,000,000	

Problem Statement	Scarcity of residential lots in district			
Benefits of investment	To meet additional residential lot demand			
Consequences of non-investment	Continued scarcity of residential lots			

Project 10 – TET MultiSports Centre	2021/22	2022/23	2023/24	2024-2031
- Continued upgrades of facility to meet	50,000	51,300	52,400	400,700

Lifecycle Management

Level of Service	
Problem Statement	General Wear and Tear
Benefits of investment	Preservation of building components, increased customer satisfaction with facility
Consequence of non-investment	Continued deterioration of building components and town appearance

7.6 DISPOSAL STRATEGY

Disposal is the retirement or sale of assets whether surplus or replaced by new or improved systems. Assets may need to be disposed of for a number of reasons, particularly if they fall under some criteria, including those identified below:

- Underutilisation;
- Obsolescence;
- Cost Inefficiency;
- Policy change;
- Provision exceeds required Levels of Service;
- Service provided by other means (e.g. private sector involvement); and
- Potential risk of ownership (financial, environmental, legal, social).

As part of the lifecycle asset management process, Council considers the costs of asset disposal in the long-term financial forecasts. These costs are generally incorporated in the capital cost of Level of Service increases or asset renewals.

At this time, the Stratford District Council plans to dispose of the following property assets due to them becoming obsolete as a result of renewal or upgrading works.

8.0

Risk Management

Risk Management

8.0: RISK MANAGEMENT

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Risk Management

8.1 OVERVIEW

Risk is the effect of uncertainty on objectives. Risk events are events which may compromise the delivery of the organisation's strategic objectives.

The main risk to asset management planning is the inability to deliver on agreed Levels of Service due to unplanned events and situations.

The Risk Management section highlights the Stratford District Council's risk management framework and process. It identifies significant negative effects and hazards linked to the Activity and infrastructure assets. The section also identifies critical assets and our approach to emergency response and health and safety.

8.2 RISK MANAGEMENT FRAMEWORK

The Stratford District Council has prepared a *Corporate Risk Management Framework June 2018* which includes processes that identify, evaluate and manage all risks that may impact on the agreed Levels of Service to the Community. The purpose of this framework is to promote consistency and to describe the components of Stratford District Council's risk management system. The Council wide risk register allocates all council risks into the following 6 categories:

- Compliance and Legislation Risks;
- Data Information Risks;
- Financial
- Health and Safety Wellbeing
- Operational Risks
- Reputational and Conduct Risks;

The potential risks identified for the Property assets under these six broad categories are described in detail in this report.

The Council's risk management approach is underpinned by principles that will ensure the minimisation of risks for the principal asset systems through the non-achievement of critical business objectives and impact of system failure. The risk management principles are:

- Adds value by contributing to the achievement of Stratford District Council's objectives and improving performance;
- An integral part of the Stratford District Council's planning, processes, and decision making;
- Structured approach that is well-defined, transparent, and aligned with good practice;
- Responsive to change by monitoring, reviewing, and responding to the changing environment;
- Pragmatic by focusing on the most important risks and allowing informed risk taking;
- Explicitly addresses uncertainty based on best available information; and
- Continuous improvement as we get better at identifying and managing risks and opportunities.

The objectives of the Council's Risk Management framework are to establish a systematic and structured approach to managing risks across the Stratford District Council and to embed risk management practices into business strategy, planning and core operations to ensure that key risks are proactively identified, managed and communicated. Benefits from applying effective risk management include:

- Improved achievement of the Council's strategic direction, objectives and priorities;
- Reduced risks – significant risks are identified and managed and early warning of problems and emerging risks are addressed, with appropriate design and operation of internal controls;
- Improved decisions – decisions are made after analysis of risk;
- Improved planning and resource allocation – risks are prioritised and included in business planning so that resources are better managed; and

Risk Management

- Increased accountability and transparency – clarity of key risks and the responsibility and accountability for their management.

8.3 RISK ASSESSMENT PROCESS

The Stratford District Council’s Risk Management Process in Figure 41 identifies risk management strategies to minimise risks associated with the provision of services. It is designed to ensure that:

- All significant operational and organisational risks are understood and identified;
- The highest risks that should be addressed within a ten year planning horizon are identified;
- Risk reduction treatments which best meet business needs are applied; and
- Responsibilities for managing risks are allocated to specific staff and reporting regimes are specified.

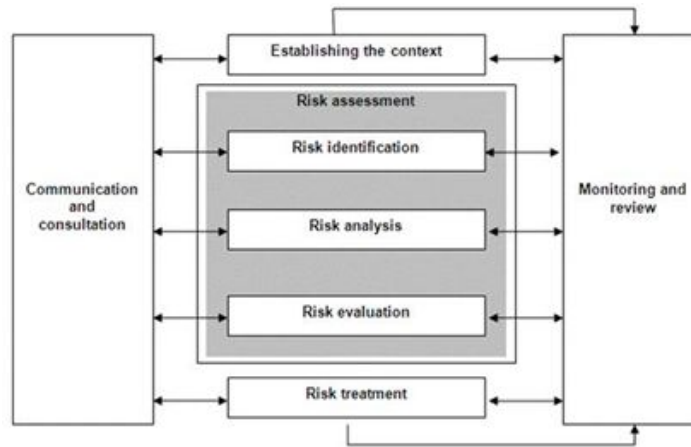


Figure 41 - Risk Management Process

A Risk Matrix allows for easy identification for the highest risks in the Council enabling appropriate resources to be allocated.

		Consequences				
		Minor	Important	Serious	Major	Catastrophic
Likelihood	Almost Certain	2- Moderate	5- High	7- High	20-Extreme	25-Extreme
	Likely	2- Moderate	4- Moderate	6- High	16-Very High	20-Extreme
	Possible	1-Low	3- Moderate	4- High	12-Very High	15-Very High
	Unlikely	1-Low	2- Moderate	3- Moderate	8- High	10-Very High
	Rare	1-Low	1-Low	1-Low	4- Moderate	5- High

Figure 42 - The Risk Matrix - sourced from Vault, the Council's risk software

8.4 POTENTIAL RISKS

The Stratford District Council has made a number of risk assumptions² under the six broad risk areas of Compliance and Legislation, Data Information, Financial, Health and Safety Wellbeing, Operational, & Reputational and Conduct. These are presented in [Appendix 1](#).

² statements that are presumed to be true without concrete evidence to support them

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8.5 TOP TEN RISKS

The Stratford District Council has identified the top ten Property risks from the 10 categories in the Risk Management Framework ([Appendix 1](#)), in Table 43.

While *Compliance and Legislation*, *Financial and Reputation and Conduct Risks* impact on the achievement of the Organisation's high-level objectives and actions in the Long Term Plan, *Operational Risks* impact people, processes and technologies that support the business-as usual delivery of activities. The *Control Description* is a set of management intervention/ mitigation measures applied in response to risks, while *Residual Risk* is the resulting risk following the application of the mitigation measures.

Table 43 - Top 10 Identified Property Risks

	Risk Subject	Risk Descriptions	Risk Score Raw	Control Description	Residual Risk Score
1. Compliance and Legislation	Activity Management Plans	If AMPs are incomplete then capital programmes, condition of assets, life cycle management will not be realised	6 High	AMPs are reviewed every 3 years to address current problems and issues at the time in order to develop work programmes for the next 3 years	4 High
2. Financial	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.	5 High	Ensure variable costs are clearly identifiable, and therefore able to be isolated and adjusted if ratepayer base reduced.	4 Moderate
3. Financial	New Regulations require Significant Investment	If new environmental regulations or legislation imposed on councils requires a significant increase in capital expenditure, then the ability to finance investment could be compromised and rates increases could breach limits.	6 High	Work within approved budgetary constraints and achieve cost efficiencies regularly so that council can weather any necessary investment in order to be compliant with changing legislative environment.	4 High
4. Health and Safety Wellbeing	Armed Robbery	If there is an armed robbery at any of council's services centres, then there is the potential for death or serious harm.	8 High	Establish emergency procedures, including use of panic buttons. Security cameras in place. Ensure staff are trained to deal with potential threat. Design / limit access to building so that threats are minimised.	4 Moderate
5. Operational	Natural Disaster - Response preparedness	If a Natural Disaster causes significant damage to infrastructure then community welfare may be severely compromised, putting peoples lives at risk,	15 Very High	Civil Defence Emergency Management plans are in place. Procedures following an emergency event are widely known by a number of staff due to Civil Defence	12 Very High

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	Risk Subject	Risk Descriptions	Risk Score Raw	Control Description	Residual Risk Score
		and staff may be unable to access systems to carry out their day to day duties and functions.		Foundational training being rolled out to majority of council staff. Business Continuity Plans need to be in place and practiced regularly for all activities.	
6. Operational	Disease Outbreak	If there is a human disease outbreak in the district, then this could impact staff and contractors staff and the community access to healthcare is limited so it could result in population decline.	5 High	Health and Safety Advisor to keep aware of any public health notifications of disease outbreaks. Ensure there is a plan to respond to any notifications. Civil Defence covers infectious human disease pandemics and will take responsibility for local management. Follow Ministry of Health's NZ Influenza Pandemic Action Plan.	4 Moderate
7. Operational	Critical Asset Failure	If a critical property asset fails, then unexpected financial burden may arise and there could be significant disadvantage and risk to the community.	15 Very High	Conduct 2 yearly Asset Criticality Review. Ensure there are established Civil Defence Emergency Management response procedures in relation to fixing critical assets in an emergency event. Management practices and staff training, retention to ensure appropriate skill level in critical asset maintenance. Consider suitable alternative routes to maintain access.	5 High
8. Operational	Government Policy Impacting on Local Government	If Government Policy significantly changes the services Council delivers or the way they are delivered, then this could put financial pressure on the district to fund investment in changes, or it may mean previous investment has become redundant.	12 Very High	Where a policy change may have a significant impact Council can make a submission regarding the change. Council officers and elected members need to keep up to date with policy, and anticipate potential impacts of legislative changes and respond strategically. This could include joint collaboration with business and other councils, accessing alternative funding sources, or obtaining legal or professional advice.	8 High

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	Risk Subject	Risk Descriptions	Risk Score Raw	Control Description	Residual Risk Score
9. Reputational And Conduct	Elected Members - Decision Making	Elected members make significant decisions in relation to the Long Term Plan budget setting. This has an impact on the Property Activity Management Plan and the work programmes that are developed throughout the 3 year period. This could have an impact on the levels of service for the community.	12 Very High	Relies on the accuracy and quality of the advice given by staff to elected members -	4 Moderate
10. Reputational And Conduct	Council employees abuse members of the public	If Council employees, during the course of their Council duties abuse members of the public, then the Council may suffer significant reputational damage and potentially be taken to court.	8 High	Refer to the Staff Code of Conduct.	4 Moderate

8.6 RISK RESPONSE

The Stratford District Council has a suite of response strategies for the top 10 risks identified above. They include avoiding, exploiting, transferring/sharing, reducing or accepting the risk. These response strategies are summarised in Table 44 below.

Table 44 - Risk Response Strategies and Definitions

Response	Definitions
Avoid	To terminate exposure to a potential risk, generally the organisation needs to exit the activity which gives rise to the risk, or not start an activity which would give rise to the risk
Exploit	For risks which present an opportunity for Stratford District Council, a legitimate approach is to increase Stratford District Council's exposure to the risk; generally this would represent a situation where Stratford District Council can gain an advantage through their management of this risk.
Transfer/ Share	Risk transfer is getting another party to undertake the activity generating the risk, or getting another party to take on all or part of the risk itself.
Reduce	For risks which present a threat to Stratford District Council, but which cannot be avoided, the development of additional controls or mitigation strategies will reduce the likelihood or impact of the risk.
Accept	Accepting the risk by informed decision. This means continuing with the business activity/project as currently defined, aware of how much risk is being carried, monitoring changes in overall risk, and ensuring appropriate levels of contingency at the Stratford District Council level.

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8.7 SIGNIFICANT NEGATIVE EFFECTS

8.7.1 TSB POOL COMPLEX

Public Health - The potential threat to public health is recognised. The control of Cryptosporidium and other water pathogens is a critical part of the treatment processes at the Pool Complex, and the risk is mitigated by the type of filtration system in use.

Odours (Chlorine) - The current Purefibre vacuum type of water filtration minimises the level of chlorine used, and therefore the chlorine odour of the pool water can be kept at low levels.

Environmental - The environmental impact on the Patea River is managed under resource consent discharge conditions.

8.7.2 AERODROME

This activity does not create any negative effects apart from noise around the aerodrome. The aerodrome is located in the rural area and Council owns the farm surrounding the aerodrome which serves as a buffer zone.

8.7.3 LIBRARY/I-SITE

There are no negative effects associated with the Library and I-Site Activity.

8.7.4 CIVIC AMENITIES

There are no significant negative effects associated with the Civic Amenities activity.

8.7.5 RENTAL AND INVESTMENT PROPERTIES

The most likely negative effect that could result from these activities is contamination of streams that cross or border the council farm, from runoff from paddocks, effluent ponds or animals gaining access to the river. This is mitigated by good farming practices and significant investment made in fencing and riparian planting of stream edges as well as effluent management.

A specific Council farm and Aerodrome risk register (Content Manager Document reference D20/7000) is being created and will be finalised for the next AMP review in 2024.

8.8 CRITICAL ASSETS

Critical assets are defined as those assets that are likely to have more significant consequences than other assets if they fail. Failure of critical assets has the potential to have significant economic, social and environmental impacts for the community and Council.

Property assets are considered critical by Stratford District Council because they provide space which can be utilised for civil defence emergency related activities, e.g. welfare centre and operations centres.

8.8.1 CRITICALITY EVALUATION

The Stratford District Council establishes criticality by using two rating levels - activity level and corporate level. Activity level criticality is based on the criticality criteria shown in Table 45; Table 46 provides the Activity Level Criticality Rating with examples. Corporate level criticality ranks activities based on the criticality of the service the activity provides at the corporate level as illustrated in Table 47 below.

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Table 45 - Activity Level Criticality Criteria

Customers affected	Number of customers affected by asset failure.
Redundancy	Ability to replace or circumvent the failed asset.
Health and Safety	Direct or indirect impact of asset failure on the health of safety of individuals or the community.
Cost of failure	Cost to repair/ replace the asset including cost of temporary service provision.

Table 46 - Activity Level Criticality Rating and Examples

Rating	Rating	Description	Example
1	Very High	Critical, no redundancy - Failure of equipment compromises H&S directly (impact, explosion) or indirectly (failure to supply drinking water to hospital).	Council Offices (Miranda Street Offices)
2	High	Critical, no redundancy - Failure of equipment does not compromise H&S but affects production or Level of Service	TSB Pool Complex
3	Medium	Critical with redundancy - Failure of equipment does not compromise H&S but affects production or Level of Service	War Memorial Complex
4	Low	Not critical, no redundancy - Failure of equipment has no effects on H&S and/or production/Level of Service but cost of repair/replacement is above \$100k	Farm
5	Very Low	Not critical, no redundancy - Failure of equipment has no effects on H&S and/or production/LoS and cost of repair/replacement is below \$100k	Public Library

Table 47 - Corporate Level Criticality

Rating	Description
1	Roading, Water Supply assets.
2	Cemeteries. Wastewater (Sewage).
3	Solid Waste and Stormwater.
4	Property.
5	Parks, Reserves and Cemeteries.

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8.8.2 CRITICAL ASSETS

Critical assets are documented in the asset information management system (AssetFinda). The assets are shown in Table 48. The identified critical assets are ranked according to their functional criticality, activity and corporate level criticality.

Functional Criticality is a product of the Activity Criticality and Corporate Criticality, i.e.:

$$\text{Functional Criticality} = \text{Activity Criticality} \times \text{Corporate Criticality}$$

The functional criticality ranking ranks assets from 1 to 5, with 1 being the highest score (the most critical) and 5 being the lowest (least critical).

In 2017, Stratford District Council undertook an internal review of its critical assets. The review identified that there was a need to:

- Document the formula used for identifying criticality in the Asset Management Plans;
- Link criticality and critical assets to incident response; and
- Prioritise critical assets at the Activity level.

Following the review we have undertaken the following:

- Identified the formula used for identifying functional criticality. This formula is shown in the above paragraph in brackets.
- The linking of criticality and critical assets to incident response is currently being considered as part of reviewing our Incident Response Plans.

The review also confirmed that the critical assets for the Property activity are as follows:

Table 48 - List of Critical Property Assets

Activity Priority	Criticality Rating			Asset Description	Criticality Description
	Functional Criticality	Activity Level	Corporate Level		
1	4	1	4	Council Offices (Miranda Street Offices)	As the operational centre of all of the district's assets, any disruption would affect council's ability to manage and maintain its infrastructure and other assets. Business requirements around physical space and IT define the downtime a relocation would result in.
2	8	2	4	TSB Pool Complex	High use facility, closure would affect a large number of recreational users.
3	8	2	4	War Memorial Complex	High use facility, closure would affect a large number of recreational and commercial users.
3	8	2	4	TET MultiSports Centre	High use facility, closure would affect a large number of recreational and commercial users.
4	8	2	4	Farm	The operational nature of the farm means that any disruption could have potential impacts on animal welfare as well as council revenue.
5	8	2	4	Public Library/ I-Site	Single facility within the district. While the services are not crucial, closure or unavailability would have a notable impact on a large number of residents.
6	16	4	4	Public Toilets	These are high use facilities which directly contribute to public health. There is some redundancy throughout the Stratford township to manage the impact of a closure.
3		3	4	Housing for the Elderly	Critical failure or other reasons to close this facility would require the relocation of its frail and elderly residents. While not council's immediate responsibility, Council

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Criticality Rating				Asset Description	Criticality Description
Activity Priority	Functional Criticality	Activity Level	Corporate Level		
					would have a moral obligation to assist residents in finding and relocating to new accommodation. The impact on health of the residents and negative press would outweigh any financial impact on Council.
3		3	4	Aerodrome	No redundancy although aircraft could be re-directed to privately owned air strips within the district or another aerodrome outside the district if this facility became unavailable. Critical failure of this facility would leave a number of aircraft stranded until temporary repairs could be made. Due to the mainly recreational nature of usage, this would have only a minor impact on the owners of aircraft located at the aerodrome.
5		4	4	Rental Property	No redundancy but availability not considered critical. Financial impact on Council minimal. Impact on short term users minor while impact on long term tenants more significant. There may be a financial impact on Stratford's economy.

8.9 EMERGENCY RESPONSE

8.9.1 CIVIL DEFENCE

Civil Defence within Taranaki is coordinated by the Civil Defence and Emergency Management Group (CDEMG). The group is administered by the Taranaki Regional Council, with representatives from Stratford, New Plymouth and South Taranaki District Councils. *Refer: CDEMG Plan – D18/18200 2018-2023.*

Funding for these arrangements comes from the Uniform Annual General Charge (UAGC) – Rates.

Stratford District Council also participates in the Co-ordinating Executive Group (CEG) for emergency management. This group provides specialist advice to the CDEM Group and administrates the CDEM Group Plan for Taranaki.

Council has resources and plans in place to ensure it can;

- Reduce the risk of emergencies occurring.
- Be ready for an emergency.
- Respond to any emergency
- Recover from any emergency

8.9.2 FIRE

Fire and Emergency New Zealand was established on 1 July 2017 and provides a single approach to improved fire management of urban and rural fires within the District. The District comprises of all lands, within the three Taranaki territorial local authority areas including those lands administered by the Department of Conservation (DOC).

8.9.3 LIFELINES

Lifeline utilities are entities that provide essential infrastructure services to the community such as water, wastewater, transport, energy and telecommunications. These services support communities, enable business, and underpin the provision of public services.

The Property Activity is not a lifeline service as described in Part B of Schedule 1 of the Civil Defence Emergency Management Act 2002. However it provides infrastructure that would be used in an emergency situation which links it to Activities which are considered lifeline services.

Risk Management

8.9.4 INCIDENT RESPONSE PLANS

Stratford District Council has an Incident Response Plan for this activity. The plan contains schedules and procedures for managing incidents and escalating events that affect the delivery of services. Incidents are ranked on a scale of 1 – 5 to determine response and control level.

Level	Action
Level 1	<ul style="list-style-type: none"> ▪ Contractor actions and informs Stratford District Council after event
Level 2	<ul style="list-style-type: none"> ▪ Contractor actions and accepts direction from Stratford District Council
Level 3	<ul style="list-style-type: none"> ▪ Decision making by Stratford District Council, Property Manager
Level 4	<ul style="list-style-type: none"> ▪ Decision making solely by Stratford District Council, Property Manager and the Director Assets
Level 5	<ul style="list-style-type: none"> ▪ Decision making in consultation with Group Controller Civil Defence ▪ Emergency Management Group (CDEM)

Risk Management

8.10 RISK INSURANCE

The Local Government Act 2002 requires that from 2014 details of insurance of assets be included. This information is included in the following table. Insurance Arrangements as at 30 June 2020 are as follows:

Figure 43 - Asset Insurance Valuations

	CARRYING VALUE (as at 30 June 2020) \$000
ASSETS FROM STATEMENT OF FINANCIAL POSITION	
Property, plant and equipment	328,554
Investment property	168
Total	328,722
LESS	
Land component of operational assets	-8,998
Land under roads	-54,384
Land – restricted assets	-8912
Total	-72,294
NET NON-FINANCIAL ASSETS (EXCLUDING LAND)	256,428

	INSURED VALUE (as at 30 June 2020) \$000	
INSURANCE ARRANGEMENTS		
Material damage cover for buildings, plant, contents	-51,317	Subject to various deductibles including \$5k for most claims except for earthquake or volcanic eruption where deductible is 5% of sum insured or 10% for pre 1935 buildings.
Motor vehicle insurance cover (including leased vehicles)	-183	Insured for market value – carrying value assumed for this purpose.
RISK SHARING ARRANGEMENTS		
Cover for infrastructure assets as a member of LAPP	-22,100	Sum equates 40% of the ORV value of scheduled assets. A deductible of \$150,000 applied. It is anticipated (though cannot be guaranteed) that under the terms contained in the Guide to Civil Defence Emergency Management Plan central government may fund 60% of the qualifying cost of reinstating essential infrastructure with a deductible of \$150,000
Central Government assistance		
Council arrangements for covering deductibles and/or uninsured assets	73,600	
SUM NOT SPECIALLY INSURED	182,828	Note the 60% of the ORV of infrastructure assets which may be funded by central government equates \$33.1m.

The Council has no insurances relating to financial or intangible assets. The uninsured assets consist of the Roding Network, \$202m, which NZTA may assist with in the event of an emergency.

Risk Management

8.11 PUBLIC HEALTH

8.11.1 ASSESSMENT OF WATER AND SANITARY SERVICES

In 2021 Stratford District Council undertook its third assessment of water and sanitary services. The purpose of the assessment is to determine, from a public health perspective, the adequacy of water and sanitary services available to communities.

No actions came out of the 2021 sanitary assessment for the Property activity, however, the 2018 action items still apply.

For the Property activity the 2018, Assessment focused on public toilets and:

- the health risks arising from any absence or deficiency;
- the quality of services available to communities within the district;
- the current and estimated future demands for such services;

In relation to public toilet services currently provided by Stratford District Council the assessment concluded:

- There are enough public toilets in serviced areas to meet current demand.
- There are no public health issues concerning public toilets provided by Stratford District Council at this time.

However the assessment did recommend that Council commence collecting usage data from Council toilet facilities that have data collection technology in order to identify public toilet facility requirements.

In relation to areas of the District where there are no public toilets, the assessment found no evidence of any risk to public health. In relation to un-serviced areas and access to public toilets the assessment did identify the following required actions:

8.12 HEALTH AND SAFETY

8.12.1 HEALTH AND SAFETY ADVISOR

Stratford District Council employs a Human Resource/Health and Safety Advisor. The Advisor is responsible for the ongoing development and management of our HSE environment and ensuring staff are adequately trained in all aspects of health and safety.

8.12.2 HEALTH AND SAFETY POLICY

In 2016 Stratford District Council reviewed and updated its Health and Safety Policy to better reflect legislative requirements reinforce its commitment to the philosophy that the health and safety of its employees, volunteers, contractors and subcontractors is of prime importance. SDC is committed to ensuring its operations are conducted in a safe and efficient manner that will not incur injury to personnel or damage to the environment.

8.12.3 INCIDENT/ACCIDENT REPORTING

In accordance with the Stratford District Council Health and Safety Policy all Council staff are required to report any accidents/incident. Accidents/incidents are reported via the Vault incident reporting system. Vault was integrated into Stratford District Council in 2016 as part of a joint initiative between Stratford District Council and South Taranaki District Council.

9.0

Investment Funding Strategy

Investment Funding Strategy

9.0: INVESTMENT FUNDING STRATEGY

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Investment Funding Strategy

9.1 OVERVIEW

Our Investment Funding Strategy (IFS) incorporates our *Funding Impact Statement* and sets out how the Stratford District Council plans to finance its overall operations to meet its objectives now and in the future. A key objective of the strategy is the future-proofing of delivery of the property services.

This IFS provides the long term financial forecasting for all Property activities and projects described in this PRCAMP. The IFS presents the funding sources determined for each of these to ensure a sustainable long-term approach to planning and asset management.

The historical cost for the activities by asset group is described in detail in the *Lifecycle Management* Section. This section presents the Council's Capital Investment Strategy for the next ten years and the financial standards and policies used in developing the strategy.

9.2 FINANCIAL STANDARDS

All prospective Financial Statements (financial statements) within this PRCAMP comply with the requirements of FRS 42 issued by the New Zealand Accounting Standards Board of the External Reporting Board (XRB), and the New Zealand equivalent of International Reporting Standard for Public Benefit Entities (NZ IFRS PEB), with Council designating itself as a Tier 2 public benefit entity for the purposes of compliance with these standards.

9.3 FUNDING AND FINANCIAL POLICIES

The Local Government Act in Section 102 requires that the Stratford District Council '*must, in order to provide predictability and certainty about sources and levels of funding, adopt the funding and financial policies listed*' below:

- A *Revenue and Financing Policy*; and
- A *Liability Management Policy*; and
- An *Investment Policy*; and
- A policy on *Development Contributions (CD) or Financial Contributions (FC)*; and
- A policy on the *Remission and Postponement of Rates on Maori freehold land*.

The Council may also adopt either or both the *Rates Remission Policy* and a *Rates Postponement Policy*.

The Council has adopted all the relevant funding and financial policies described below. These policies guide the funding and financial decisions relating to the management of the Council's Property Assets.

9.3.1 REVENUE AND FINANCING POLICY

The *Revenue and Financing Policy* sets out Stratford District Council's policies in respect of the funding for capital and operating expenditure. The current policy was reviewed in December 2017. The funding sources are detailed in the LTP 2021-2031 and include general and targeted rates, borrowing, grants and subsidies, etc.

9.3.2 TREASURY MANAGEMENT POLICY

The Council's Treasury Management Policy incorporates the *Liability Management Policy* and the *Investment Policy* requirements of the LGA. It guides the Council to prudently manage its revenue, expenditure, assets, liabilities, reserves and investments, in the interest of the Council and district ratepayers.

Investment Funding Strategy

9.3.3 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 (9) of the *Resource Management Act (RMA) 1991*.

9.4 FUNDING OUR INVESTMENT STRATEGY

The Council's Investment Strategy covers how the Stratford District Council plans to deliver on the services it offers whilst achieving value for money, with a key focus on future-proofing Council's assets.

Capital projects and activities carried out to maintain the Property services, including Renewal or Replacement projects and Level of Service Improvements, for the next 10 years will be funded as per the Revenue and Financing Policy, through one or a combination of the following sources:

- Loans;
- Reserves; and/or
- Subsidies/ Grants by other Partners.

The Council expects that:

- Renewal or Replacement projects will be equally funded from Loans and Reserves;
- Level of Service Improvements projects for all the Properties will be funded from a combination of loans and alternative funding sources. Where appropriate, the Council submits funding requests to the *TSB Community Trust (TSB)* and the *Taranaki Electricity Trust (TET)*. The Council also applies to the *Ministry of Business, Innovation and Employment (MBIE)* for tourism grants and initiatives.

The Council is very pro-active in seeking alternate funding sources. Where appropriate, the Council submits funding requests to the *TSB Community Trust (TSB)* and the *Taranaki Electricity Trust (TET)*. The Council also applies to the *Ministry of Business, Innovation and Employment (MBIE)* for tourism grants and initiatives

A key capital project is the provision of a replacement swimming pool in the 2020/21 financial year. A summary of Council's Investment Funding Strategy is shown in Figures 44 – 54. Tables 49 - 57 provide the financial projections for the activities.

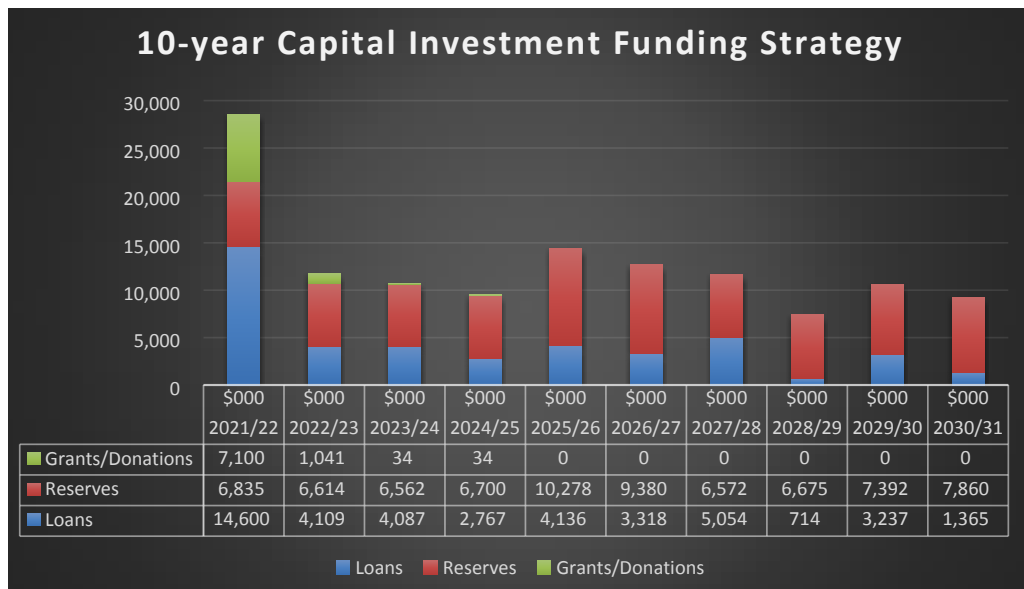


Figure 44 – All Assets Capital Investment Funding Strategy

Investment Funding Strategy

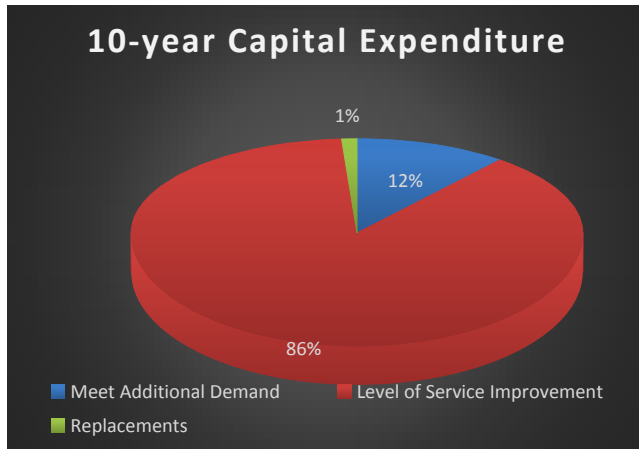


Figure 45: 10-Year Capital Expenditure Split

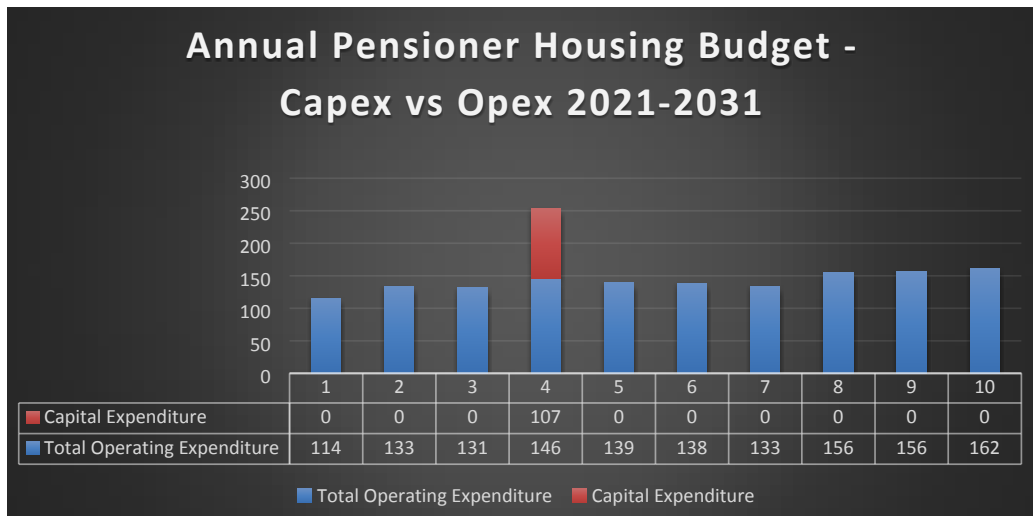


Figure 46: Annual Pensioner Housing Budget - Capex vs Opex 2021-2031

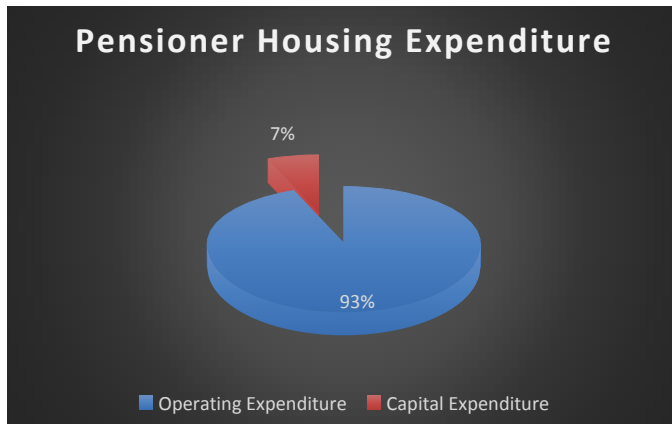


Figure 47: Pensioner Housing Funding Investment Split – Operating vs Capital

Investment Funding Strategy

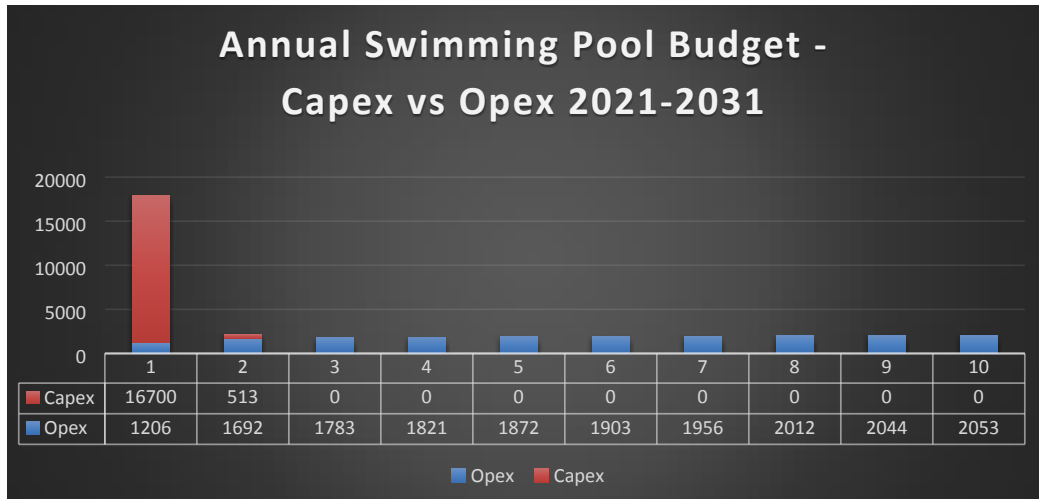


Figure 48: Annual Swimming Pool Budget - Capex vs Opex 2021-2031

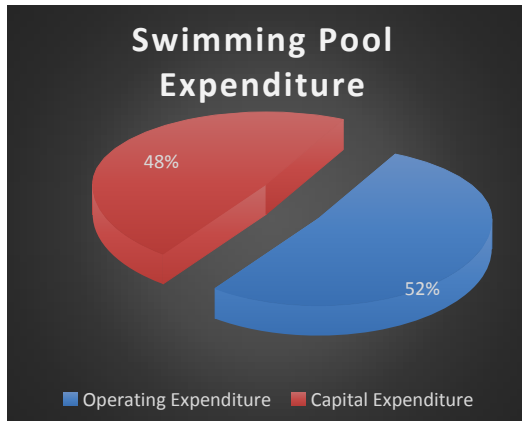


Figure 49: Swimming Pool Funding Investment Split – Operating vs Capital

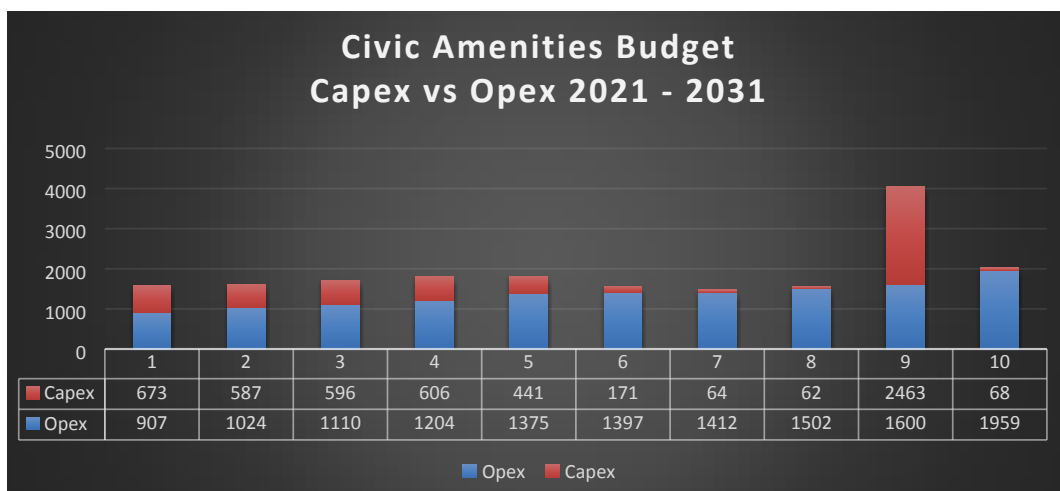


Figure 50: Annual Civic Amenities Budget - Capex vs Opex 2021 - 2031

Investment Funding Strategy

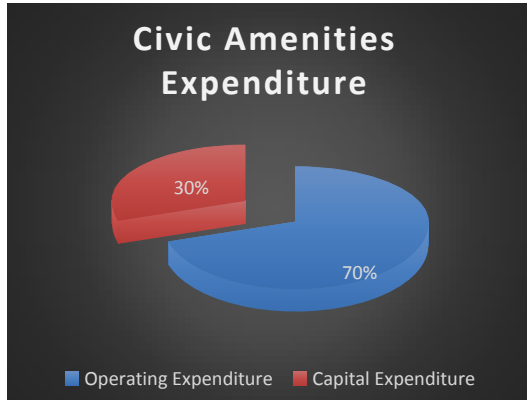


Figure 51: Civic Amenities Funding Investment Split – Operating vs Capital

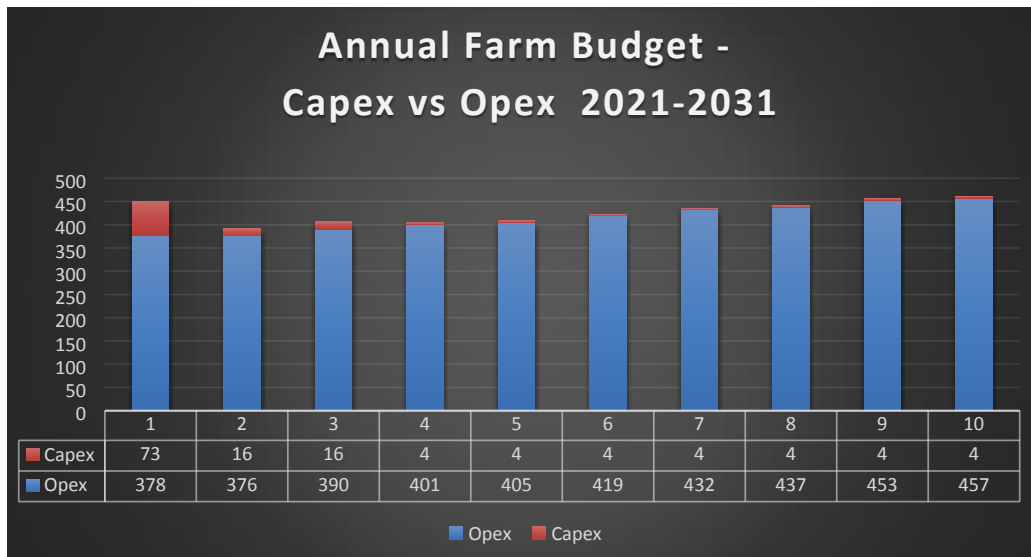


Figure 52: Annual Farm Budget - Capex vs Opex 2021-2031

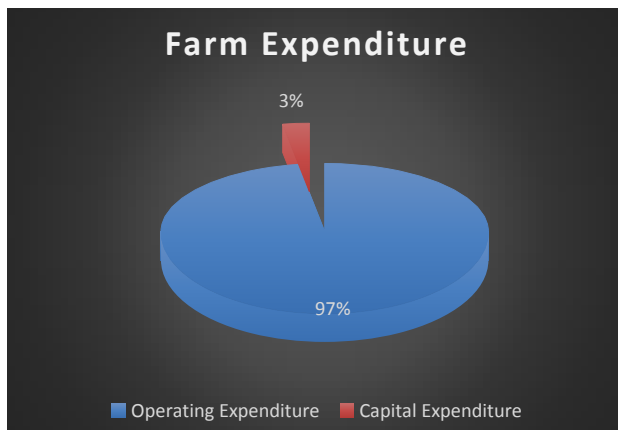


Figure 53: Farm Funding Investment Split – Operating vs Capital

Investment Funding Strategy

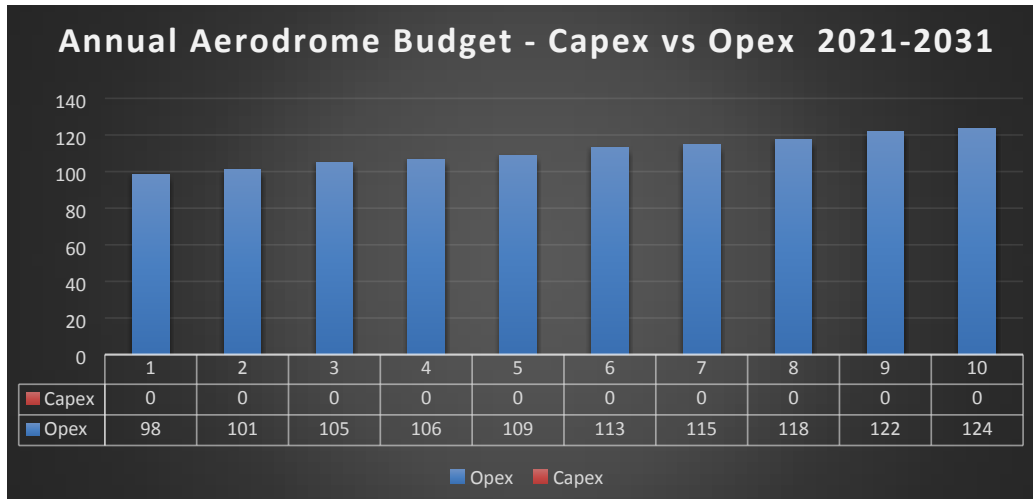


Figure 54 Aerodrome Funding Investment Split – Operating vs Capital

9.5 RELIABILITY OF OUR INVESTMENT STRATEGY

The Council provides an assessment of the reliability of its Investment Funding Strategy below – overall, the forecast is considered a reliable estimate of the financial investment in these activities:

- The Council also attracts revenue from *Fees and Charges however*; the main funding source is rates. Rates will be confirmed for the 2021-2024 period via the appropriate processes for inclusion in the LTP 2021-2031. Once adopted, the rates in the LTP 2021-2031 will constitute a reliable funding source for the delivery of the Property services; and
- The Council's is confident in its ability to raise funds within our financial strategy limits, and is reasonably certain that it would secure loans at an affordable interest rates throughout this period.

Investment Funding Strategy

9.6 FINANCIAL STATEMENTS AND PROJECTIONS

Table 49 - All Asset Capital Expenditure Projection

	Forecast	Projection								
	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
<u>Roading</u>										
Level of Service Improvement	350	619	1,221	929	7,028	5,554	417	306	630	324
Replacements	5,413	4,983	4,920	4,983	4,977	5,085	5,436	5,446	5,983	6,452
<u>Stormwater</u>										
Level of Service Improvement	252	292	533	275	283	291	300	310	321	331
Replacements	53	55	56	167	59	61	63	65	67	122
<u>Water Supply</u>										
Level of Service Improvement	1,780	1,904	369	673	390	401	4,289	37	38	0
Replacements	695	812	510	414	443	496	452	486	502	498
<u>Solid Waste</u>										
Level of Service Improvement	0	0	0	0	0	0	0	0	0	0
Replacements	0	10	0	11	0	11	0	12	14	12
<u>Wastewater (Sewerage)</u>										
Level of Service Improvement	800	362	380	273	281	288	238	184	178	839
Replacements	213	252	258	200	228	211	218	262	271	305
<u>Parks & Reserves</u>										
Level of Service Improvement	97	110	99	69	0	0	0	0	0	0
Replacements	47	0	0	0	0	0	0	0	0	0
<u>Property</u>										
Meet Additional Demand	1,200	1,025	1,049	0	0	0	0	0	0	0
Level of Service Improvement	17,335	1,112	609	607	442	171	64	63	2,454	68
Replacements	114	6	59	114	7	7	7	7	17	8
<u>Administration</u>										
Replacements	186	222	621	788	276	121	142	210	153	266
<u>TOTAL PROJECTS (excl GST)</u>										
	28,535	11,764	10,683	9,501	14,414	12,698	11,626	7,389	10,629	9,225
<u>FUNDING</u>										
Loans	14,600	4,109	4,087	2,767	4,136	3,318	5,054	714	3,237	1,365
Section sales	0	0	0	0	0	0	0	0	0	0
Cash from Investments	0	0	0	0	0	0	0	0	0	0
Reserves	6,835	6,614	6,562	6,700	10,278	9,380	6,572	6,675	7,392	7,860
Grants/Donations	7,100	1,041	34	34	0	0	0	0	0	0
Rates	0	0	0	0	0	0	0	0	0	0
NZTA Financial Assistance	0	0	0	0	0	0	0	0	0	0
<u>TOTAL (excl GST)</u>										
	28,535	11,764	10,682	9,501	14,414	12,698	11,626	7,389	10,629	9,225

Investment Funding Strategy

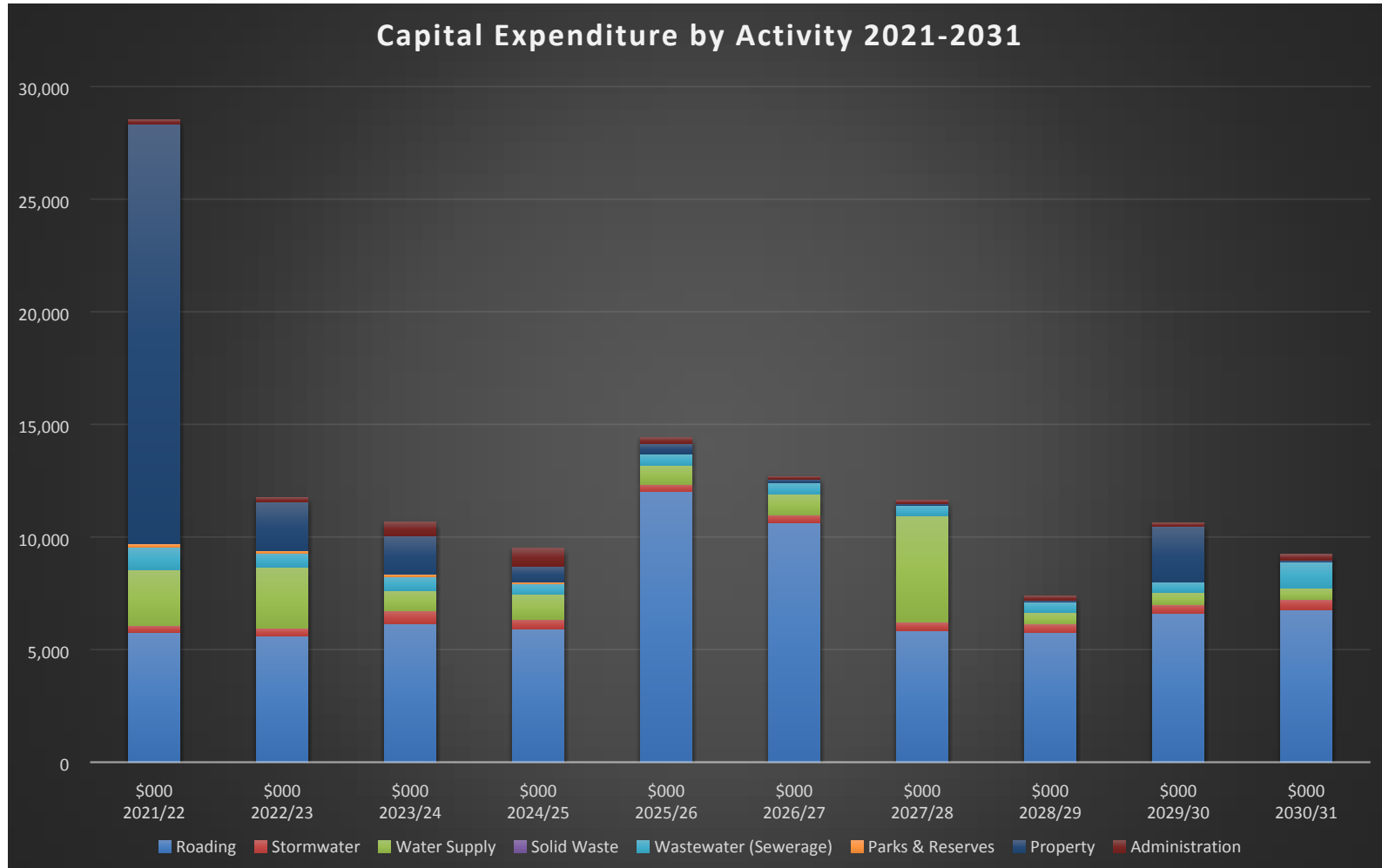


Figure 55 - Capital Expenditure by Activity - All Assets

Investment Funding Strategy

Table 50 – Library Expenditure and Funding Projection

Budget 2020/21 \$000		Forecast 2021/22 \$000	Projection								
			2022/23 \$000	2023/24 \$000	2024/25 \$000	2025/26 \$000	2026/27 \$000	2027/28 \$000	2028/29 \$000	2029/30 \$000	2030/31 \$000
659	Operating Expenditure	733	648	672	682	700	725	732	748	769	783
17	Revenue	14	14	15	15	15	16	16	16	17	17
642	Net Cost of Service	719	634	657	667	685	709	716	732	753	766
EXPENDITURE											
343	Operating Costs	428	335	343	350	358	367	375	384	393	402
21	Interest	17	16	15	17	16	15	18	17	16	16
93	Depreciation	78	80	81	82	86	87	88	92	93	94
202	Allocated Overheads	210	217	233	232	240	256	251	255	267	271
659	Total Operating Expenditure	733	648	672	682	700	725	732	748	769	783
32	Principal Loan Repayments	30	29	28	27	26	25	24	23	22	21
0	Capital Expenditure	0	0	0	0	0	0	0	0	0	0
691	Total Expenditure	764	677	700	709	726	749	756	771	791	804
FUNDED BY:											
17	Charges for Services	14	14	15	15	15	16	16	16	17	17
17	Revenue	14	14	15	15	15	16	16	16	17	17
602	General Rates	585	577	600	607	624	648	653	669	689	702
0	UAGC	0	0	0	0	0	0	0	0	0	0
0	Targeted Rates	0	0	0	0	0	0	0	0	0	0
0	Transfer (to) from Reserves	0	0	0	0	0	0	0	0	0	0
37	Depreciation funded from Reserves	45	46	47	48	49	50	51	53	54	55
0	Loan Funding - Capital	0	0	0	0	0	0	0	0	0	0
0	Grants and Donations	79	0	0	0	0	0	0	0	0	0
32	Transfer from Reserves	30	29	28	27	26	25	24	23	22	21
3	Other Funding	11	11	10	12	11	11	12	11	10	9
691	Total Funding	764	677	700	709	726	749	756	771	791	804

Investment Funding Strategy

Table 51 – Civic Amenities Expenditure and Funding Projection

Budget	Forecast	Projection									
		2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	
\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	
807	Operating Expenditure	907	1,024	1,110	1,204	1,375	1,397	1,412	1,502	1,600	1,959
51	Revenue	51	52	54	55	56	57	58	60	61	62
756	Net Cost of Service	856	971	1,056	1,149	1,319	1,340	1,354	1,442	1,539	1,897
EXPENDITURE											
338	Operating Costs	306	329	335	353	343	367	354	375	423	506
13	Interest	16	28	40	58	69	74	88	87	121	154
329	Depreciation	455	534	592	652	758	803	820	887	893	1,139
127	Allocated Overheads	130	133	143	140	204	154	150	153	163	161
807	Total Operating Expenditure	907	1,024	1,110	1,204	1,375	1,397	1,412	1,502	1,600	1,959
19	Principal Loan Repayments	29	51	72	93	110	118	118	115	161	205
161	Capital Expenditure	673	587	596	606	441	171	64	62	2,463	68
988	Total Expenditure	1,609	1,662	1,778	1,903	1,926	1,686	1,594	1,679	4,223	2,232
FUNDED BY:											
51	Charges for Services	51	52	54	55	56	57	58	60	61	62
51	Revenue	51	52	54	55	56	57	58	60	61	62
688	General Rates	621	732	817	909	1,064	1,085	1,098	1,170	1,267	1,626
0	UAGC	0	0	0	0	0	0	0	0	0	0
14	Targeted Rates	17	17	17	17	17	17	17	17	17	17
50	Grants and Donations	0	0	0	0	0	0	0	0	0	0
51	Depreciation funded from Reserves	210	215	215	215	230	230	230	247	247	247
100	Loan Funding - Capital	562	584	592	603	438	168	60	58	2,449	64
30	Transfer from Reserves	140	54	75	96	114	121	121	119	174	209
2	Other Funding	8	8	8	8	8	8	8	8	7	6
988	Total Funding	1,609	1,662	1,778	1,903	1,926	1,686	1,594	1,679	4,223	2,232

Investment Funding Strategy

Table 52 – Swimming Pool Expenditure and Funding Projection

Budget 2020/21 \$000		Forecast	Projection								
		2021/22 \$000	2022/23 \$000	2023/24 \$000	2024/25 \$000	2025/26 \$000	2026/27 \$000	2027/28 \$000	2028/29 \$000	2029/30 \$000	2030/31 \$000
1,163	Operating Expenditure	1,206	1,692	1,783	1,821	1,872	1,903	1,956	2,012	2,044	2,053
222	Revenue	231	231	291	291	291	291	291	291	291	291
941	Net Cost of Service	975	1,461	1,492	1,530	1,581	1,612	1,664	1,721	1,752	1,762
EXPENDITURE											
701	Operating Costs	759	780	846	869	891	913	938	964	987	1,013
165	Interest	122	243	239	261	251	241	277	266	255	245
102	Depreciation	122	459	469	469	502	502	502	539	539	539
195	Allocated Overheads	204	210	228	222	227	247	238	243	261	256
1,163	Total Operating Expenditure	1,206	1,692	1,783	1,821	1,872	1,903	1,956	2,012	2,044	2,053
253	Principal Loan Repayments	221	443	435	418	401	385	370	355	341	327
15,674	Capital Expenditure	16,700	513	0	0	0	0	0	0	0	0
17,089	Total Expenditure	18,128	2,647	2,218	2,239	2,273	2,288	2,325	2,367	2,384	2,380
FUNDED BY:											
222	Charges for Services	231	231	291	291	291	291	291	291	291	291
222	Revenue	231	231	291	291	291	291	291	291	291	291
938	General Rates	965	1,450	1,482	1,519	1,570	1,602	1,653	1,710	1,743	1,753
0	UAGC	0	0	0	0	0	0	0	0	0	0
0	Targeted Rates	0	0	0	0	0	0	0	0	0	0
0	Transfer (to) from Reserves	0	0	0	0	0	0	0	0	0	0
0	Depreciation funded from Reserves	0	0	0	0	0	0	0	0	0	0
12,637	Loan Funding - Capital	11,000	513	0	0	0	0	0	0	0	0
3,000	Grants - Capital	5,700	0	0	0	0	0	0	0	0	0
290	Transfer from Reserves	221	443	435	418	401	385	370	355	341	327
3	Other Funding	10	10	10	11	11	10	11	10	10	9
17,089	Total Funding	18,128	2,647	2,218	2,239	2,273	2,288	2,325	2,367	2,384	2,380

Investment Funding Strategy

Table 53 – Pensioner Housing Expenditure and Funding Projection

Budget	Forecast	Projection									
		2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
2020/21											
\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
107	Operating Expenditure	114	133	131	146	139	138	133	156	156	162
65	Revenue	72	79	87	94	102	110	118	127	136	145
42	Net Cost of Service	42	54	45	52	37	28	15	29	20	17
<u>EXPENDITURE</u>											
32	Operating Costs	32	49	43	58	47	43	39	57	54	61
1	Interest	1	1	0	1	2	2	2	2	2	2
28	Depreciation	33	34	34	34	36	36	36	39	39	39
46	Allocated Overheads	49	50	54	53	54	58	56	58	62	60
107	Total Operating Expenditure	114	133	131	146	139	138	133	156	156	162
1	Principal Loan Repayments	1	1	1	2	3	2	2	2	2	2
0	Capital Expenditure	0	0	0	107	0	0	0	0	0	0
108	Total Expenditure	115	134	132	255	142	141	136	158	158	164
<u>FUNDED BY:</u>											
65	Charges for Services	72	79	87	94	102	110	118	127	136	145
65	Revenue	72	79	87	94	102	110	118	127	136	145
22	General Rates	23	26	26	35	19	24	15	19	25	27
0	UAGC	0	0	0	0	0	0	0	0	0	0
21	Operational Balance from Reserves	19	28	18	18	19	6	1	10	(4)	(9)
0	Building Maintenance (to) from Reserves	0	0	0	0	0	0	0	0	0	0
0	Transfers (to) from Reserves	0	0	0	64	0	0	0	0	0	0
0	Depreciation funded from Reserves	0	0	0	0	0	0	0	0	0	0
0	Transfer from Reserves	0	0	0	64	0	0	0	0	0	0
0	Loan Funding - Capital	0	0	0	43	0	0	0	0	0	0
0	Other Funding	1	1	1	1	1	1	1	1	1	1
108	Total Funding	115	134	132	320	141	141	136	158	158	164

Investment Funding Strategy

Table 54 – Aerodrome Expenditure and Funding Projection

Budget 2020/21 \$000		Forecast 2021/22 \$000	Projection								
			2022/23 \$000	2023/24 \$000	2024/25 \$000	2025/26 \$000	2026/27 \$000	2027/28 \$000	2028/29 \$000	2029/30 \$000	2030/31 \$000
106	Operating Expenditure	98	101	105	106	109	113	115	118	122	124
22	Revenue	27	27	27	28	28	29	29	30	30	31
85	Net Cost of Service	72	74	77	79	81	84	85	88	91	93
	<u>EXPENDITURE</u>										
74	Operating Costs	66	68	70	72	74	77	79	81	83	86
0	Interest	0	0	0	0	0	0	0	0	0	0
7	Depreciation	6	6	6	6	6	6	6	6	6	6
25	Allocated Overheads	26	27	29	28	29	31	30	31	33	32
106	Total Operating Expenditure	98	101	105	106	109	113	115	118	122	124
0	Principal Loan Repayments	0	0	0	0	0	0	0	0	0	0
0	Capital Expenditure	0	0	0	0	0	0	0	0	0	0
106	Total Expenditure	98	101	105	106	109	113	115	118	122	124
	<u>FUNDED BY:</u>										
22	Charges for Services	27	27	27	28	28	29	29	30	30	31
22	Revenue	27	27	27	28	28	29	29	30	30	31
84	General Rates	70	73	76	77	79	83	84	86	90	92
0	UAGC	0	0	0	0	0	0	0	0	0	0
0	Transfers (to) from Reserves	0	0	0	0	0	0	0	0	0	0
0	Transfer from Reserves	0	0	0	0	0	0	0	0	0	0
0	Loan Funding - Capital	0	0	0	0	0	0	0	0	0	0
0	Other Funding	1	1	1	1	1	1	1	1	1	1
106	Total Funding	98	101	105	106	109	113	115	118	122	124

Investment Funding Strategy

Table 55 – Farm Expenditure and Funding Projection

Budget 2020/21 \$000		Forecast	Projection								
		2021/22 \$000	2022/23 \$000	2023/24 \$000	2024/25 \$000	2025/26 \$000	2026/27 \$000	2027/28 \$000	2028/29 \$000	2029/30 \$000	2030/31 \$000
389	Operating Expenditure	378	376	390	401	405	419	432	437	453	457
507	Revenue	489	489	489	489	489	489	489	489	489	489
(119)	Net Cost of Service	(111)	(113)	(98)	(88)	(84)	(69)	(57)	(52)	(36)	(31)
EXPENDITURE											
211	Operating Costs	243	240	250	255	257	267	273	274	285	291
54	Interest	45	45	44	49	48	47	56	56	56	57
66	Depreciation	33	33	34	35	38	38	38	40	40	40
58	Allocated Overheads	57	58	62	61	62	67	65	67	71	70
389	Total Operating Expenditure	378	376	390	401	405	419	432	437	453	457
83	Principal Loan Repayments	61	63	48	38	34	19	7	2	(14)	(19)
97	Capital Expenditure	73	16	16	4	4	4	4	4	4	4
569	Total Expenditure	512	454	455	442	442	443	443	443	443	443
FUNDED BY:											
507	Charges for Services	489	489	489	489	489	489	489	489	489	489
507	Revenue	489	489	489	489	489	489	489	489	489	489
(52)	General Rates	(50)	(50)	(50)	(50)	(50)	(50)	(50)	(50)	(50)	(50)
0	UAGC	0	0	0	0	0	0	0	0	0	0
0	Transfer (to) from Reserves	0	0	0	0	0	0	0	0	0	0
57	Transfer from Reserves	0	0	0	0	0	0	0	0	0	0
0	Sale of Land	0	0	0	0	0	0	0	0	0	0
55	Loan Funding - Capital	73	16	16	4	4	4	4	4	4	4
1	Other Funding	0	0	0	0	0	0	0	0	0	0
569	Total Funding	512	454	455	442	442	443	443	443	443	443

Investment Funding Strategy

Table 56 – Holiday Park Expenditure and Funding Projection

Budget 2020/21 \$000		Forecast									
		2021/22 \$000	2022/23 \$000	2023/24 \$000	2024/25 \$000	2025/26 \$000	2026/27 \$000	2027/28 \$000	2028/29 \$000	2029/30 \$000	2030/31 \$000
		Projection									
3	Operating Expenditure	2	2	2	2	2	2	2	2	2	2
3	Revenue	3	3	3	3	3	3	3	3	3	3
0	Net Cost of Service	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)
EXPENDITURE											
1	Operating Costs	0	0	0	0	0	0	0	0	0	0
2	Allocated Overheads	2	2	2	2	2	2	2	2	2	2
3	Total Expenditure	2	2	2	2	2	2	2	2	2	2
FUNDED BY:											
3	Charges for Services	3	3	3	3	3	3	3	3	3	3
3	Revenue	3	3	3	3	3	3	3	3	3	3
0	General Rates	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)
0	Other Funding	0	0	0	0	0	0	(0)	(0)	(0)	(0)
3	Total Funding	2	2	2	2	2	2	2	2	2	2

Investment Funding Strategy

Table 57 – Rental Properties Expenditure and Funding Projection

Budget 2020/21 \$000	Forecast 2021/22 \$000	Projection									
		2022/23 \$000	2023/24 \$000	2024/25 \$000	2025/26 \$000	2026/27 \$000	2027/28 \$000	2028/29 \$000	2029/30 \$000	2030/31 \$000	
68	Operating Expenditure	66	68	72	71	74	78	77	80	85	84
32	Revenue	35	36	37	38	38	39	40	41	42	43
36	Net Cost of Service	31	32	35	33	35	39	37	39	43	41
EXPENDITURE											
10	Operating Costs	9	10	10	11	11	12	13	13	14	15
21	Depreciation	17	18	18	18	19	19	19	20	20	20
37	Allocated Overheads	39	40	44	42	43	47	45	46	50	48
68	Total Operating Expenditure	66	68	72	71	74	78	77	80	85	84
0	Capital Expenditure	0	0	0	0	0	0	0	0	0	0
68	Total Expenditure	66	68	72	71	74	78	77	80	85	84
FUNDED BY:											
32	Charges for Services	35	36	37	38	38	39	40	41	42	43
32	Revenue	35	36	37	38	38	39	40	41	42	43
35	General Rates	29	30	33	31	33	37	35	37	41	39
0	UAGC	0	0	0	0	0	0	0	0	0	0
0	Depreciation funded from Reserves	0	0	0	0	0	0	0	0	0	0
0	Transfer from Reserves	0	0	0	0	0	0	0	0	0	0
1	Other Funding	2	2	2	2	2	2	2	2	2	2
68	Total Funding	66	68	72	71	74	78	77	80	85	84

10.0

Asset Management Practices and Improvement Plan

Asset Management Practices and Improvement Plan

10.0: ASSET MANAGEMENT PRACTICES AND IMPROVEMENT PLAN

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Asset Management Practices and Improvement Plan

OVERVIEW

Asset management improvement planning is a process, Figure 54. It enables Council to improve the way it manages infrastructure assets and the services they provide.

The Asset Management Practices and Improvement Plan section identifies the maturity of Stratford District Council asset management practices, improvements made since the last Asset Management Plan review and a plan for future asset management improvements resulting from areas for improvement identified in earlier Sections of this plan



Figure 56 - Asset Management Improvement Process

10.2 ASSET MANAGEMENT PRACTICES

10.2.1 ASSET MANAGEMENT POLICY

Stratford District Council developed and adopted its inaugural Asset Management Policy in 2016 and this will be reviewed in June 2020. The Policy establishes the first level of Council’s asset management framework for managing infrastructure assets in a structured, coordinated, and financially sustainable manner. The objectives of this Policy are:

- Provide for a consistent approach to asset management planning within Council and ensure plans reflect the strategic direction of Council.
- Demonstrate to the community that Council recognises the critical importance of managing the District’s assets and related activities in an effective and sustainable manner in order to deliver appropriate Levels of Service to current and future generations.
- Confirm a coordinated process for each asset/activity area that links their contribution to the Community Outcomes with specific Levels of Service performance requirements and desired improvement priorities and strategies.

The Council’s Asset Management Policy can be viewed on the Stratford District Council website.

10.2.2 ASSET MANAGEMENT GOALS AND OBJECTIVES

The Council’s Asset Management goals and objectives are guided by the Asset Management Policy to drive best practice. The Asset Management goals and objectives for Stratford District Council are to:

- Provide for 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.

Asset Management Practices and Improvement Plan

The Council's overarching principles for sound asset management are:

- Asset management goals and objectives will be aligned with corporate objectives and community outcomes.
- Capital, operation and maintenance, and renewal/replacement works will be aligned with asset management objectives.
- Sustainable and suitable development will be considered in the options for asset development and service delivery.
- Optimal replacement/lifecycle asset management strategies will be developed.
- Asset replacement strategies will be established through the use of optimised lifecycle management and costing principles.
- Funding allocation for the appropriate level of maintenance in order for assets to deliver required Levels of Service.
- Growth and demand forecasting will be integrated as part of all asset management planning to meet current and future needs of the community.
- Ensure the design, construction and maintenance of assets, so far as reasonably practical, are without risk to the health or safety of any person.

10.2.3 ASSET MANAGEMENT PLAN DEVELOPMENT

Planning processes tend to be circular with built in reviews. The AMP and LTP need to have regular review cycles so that they remain current and deal with issues at the time. An important function of the review cycle is to monitor performance against the goal levels of service and KPIs that were set some years before.

The AMPs are reviewed every three years in line with the 10 year long term planning cycle but work programmes can change annually. These changes can be brought about by outside pressure, weather events, budget constraints and new projects becoming apparent.

The ability to become responsive each year is through the annual planning process. The AMP details goals, levels of service, KPIs and targets which contribute to Stratford's organisational vision for the district and community.

The review process considers the overall impact of the planned programme to deliver the defined levels of service through the on-going development of the AMP. This review/AMP development process moderates competing priorities within the context of community affordability and may result in some projects being deferred or budgets being re-prioritised. Figure 55 below shows a graphical display of the AMP development process.

10.2.4 ASSET MANAGEMENT MATURITY

We have assessed that our asset management system maturity is predominantly at the Core level. It is largely based on the long-term knowledge of the asset management team. It contains asset data that has been collected over time and held in asset management information systems.

Through continual improvement and development of asset management practices and processes it is our intention that the asset management plans progressively improve.

Our target is to develop our asset management practices and processes to an Intermediate level of maturity where appropriate. The Council is in the process of assessing our asset management maturity level to identify areas for improvement. The Council is considering options for undertaking a formal assessment of our asset management maturity. The five levels of asset management plan maturity are shown in Figure 56 and are Aware, Basic, Core, Intermediate and Advanced.

Asset Management Practices and Improvement Plan

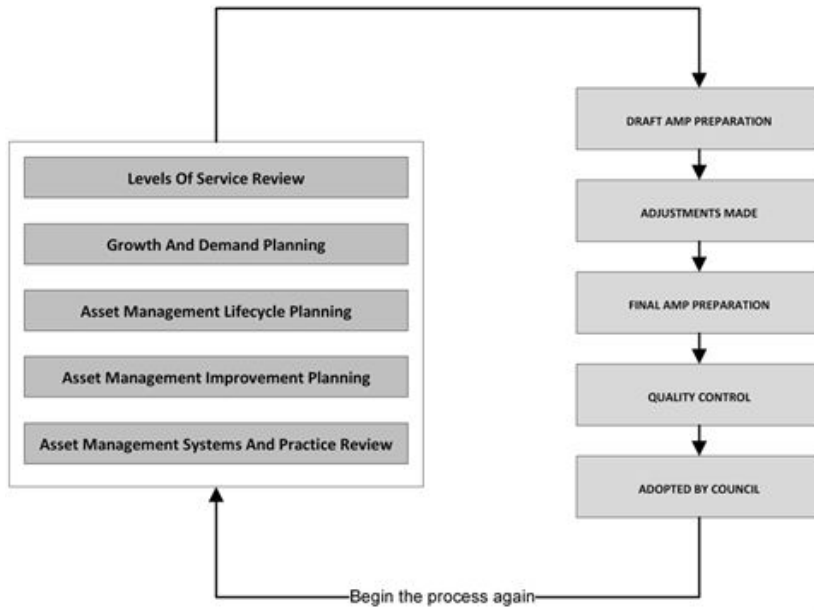


Figure 57 - Asset Management Plan Development Process



Figure 58 - Asset Management System Maturity Index

Asset Management Improvement Plan and Monitoring

10.3 ASSET MANAGEMENT IMPROVEMENT PLAN

The below Table identifies asset management improvements made for this Activity since 2015 and lists future improvement actions for our Property assets.

Table 58 - Asset Management Improvement Plan

Asset Management Practice Area	Improvement/s Made	Date in Place	Future Improvements	Section Identified	Responsibility	Due Date
Information Systems	Tablets fully integrated data collection and entry into AssetFinda.	2016			Property Officer	
Asset Condition	Condition Grading System now in place and documented in Asset Management Plans. Condition inspection forms put in place for Council owned buildings	2016	Continue to use information collected from maintenance tasks to update asset condition data	3.6	Property Officer	Ongoing
Asset Register Data	Process for verifying data accuracy now in place and documented in Asset Management Plan.	2016	Continuous use of the asset management system SDC has put in place	3.7	Property Officer	Ongoing
Demand Forecasting	Enable identification of areas that are likely to experience significant pressures and plan accordingly.	2015	Continuous forecasting of changes in population and economic growth	4.2	Property Officer Director - Assets	Ongoing
Levels of Service and Performance Management	Department of Internal Affairs (DIA) Mandatory Performance Measures in place.	2015-2017	Continuous performance measuring completed using KPIs	5.5	Property Officer	Ongoing
Capital Works Planning	Capital projects are proposed for each Long Term Plan review	2015	Every 3 years Early Conversation papers are prepared and presented to Elected Members for direction on proposed projects	6.3	Property Officer	2024

Asset Management Improvement Plan and Monitoring

Asset Management Practice Area	Improvement/s Made	Date in Place	Future Improvements	Section Identified	Responsibility	Due Date
Management Systems	Management Strategies are in place for the overall management of the infrastructure	2015	Strategies are prepared and reviewed as required	7.3	Property Officer Director - Assets	Ongoing
Operational Planning	Determines how the asset will be operated and maintained on a day-to-day basis	2015	Planned works are considered annually	7.5.1	Property Officer	2024
Risk Management	AMP risks now aligned with the Corporate risks	2020	Continuous review of the risks for Property	8.5	Property Officer Director - Assets	Ongoing
Risk Management - Public Health	Water and Sanitary Services Assessment has been reviewed.	2021	Review Council's Water and Sanitary Services Assessment to ensure the cemeteries capacity for internments is sufficient for the future	8.11	Parks, Reserves & Cemeteries Officer	Ongoing
Financial and Funding Strategies	SDC has adopted all the relevant funding and financial policies required.	2015	The policies are renewed as required	9.3	Property Officer Director - Assets	Ongoing
AM Policy Development	Asset Management Policy developed and adopted by Council on 26/01/2016	2016	Renewal completed June 2020	10.2.1	Property Officer Director - Assets	2024
AM Plans	Document template updated to better reflect IIMM, Audit and NZTA requirements. Draft documents saved to TRIM to enable direct contribution from Asset Managers.	2016	New 2021-2031 Asset Management Plan completed	10.2.3	Property Officer Director - Assets	2024

APPENDICES

- Appendix 1 - Property Risk Assessment**
- Appendix 2 - Property Operational Documents**

APPENDIX 1 - PROPERTY RISK ASSESSMENT

COMPLIANCE AND LEGISLATION RISKS

1. Compliance and Legislation Risk Assessment				
Risk Subject	Risk Description	Risk Score Raw	Control Description	Residual Risk Score
Legislation Changes	If changes to legislation or case law occur and are not implemented by staff, then council may be acting illegally and in breach of legislation.	4 High	Regular review and update Legislative Compliance Register. Staff training and attending relevant industry conferences. Regular policy review to ensure policies and procedures are in line with legislation changes.	2 Moderate
Incorrect Planning Advice	If Council provides wrong advice on LIM's in relation to projects/programmes, then it could be subject to a judicial review or similar form of dispute process involving legal costs, possible fines, and reputational damage.	3 Moderate	Quality assurance. Resourcing and ongoing training of competent staff. Low tolerance for poor quality documentation from consent applicants. Good quality legal counsel. Council has professional indemnity, public liability, and statutory liability insurance. Review of 30 year Infrastructure Strategy.	1 Low
Statutory Reporting Commitment	If Council does not meet statutory commitments then it may be acting illegally and receive attention from Ministry which could result in financial penalty and council functions being removed.	3 Moderate	Quality assurance. Resourcing levels maintained. Schedule of dates and commitments is regularly maintained and updated by the Property Manager. Regular review and update of Legislative Compliance Register.	1 Low
Bylaws and Policies	If Council fails to keep Policies and Bylaws up to date, then the Policies will become irrelevant and Bylaws may become unenforceable and council could be acting illegally.	8 High	Quality assurance, Resourcing levels maintained, Regular Policy Schedule review by CEO. Regular review of Bylaw timetable maintained in Content Manager.	3 Moderate
Issue Regulatory Licence or Decision	Food/Health, Alcohol, Parking - IF Council issues a licence or decision that is not consistent with legislation, policy or bylaws, THEN Council may be subject to a judicial review or a similar form of dispute process.	3 Moderate	Quality assurance, Ongoing training around the changes in legislation. Keep bylaws and policies up to date with legislation.	1 Low
Three Waters - Non-Compliance	If Council does not comply with its obligations under legislation (i.e. Resource Management Act, NZ Drinking Water Standards, Health and Safety at Work Act) then administrative fines and penalties may result, in addition to reputational damage if publicised.	3 Moderate	Ensure maintenance contractor and Council staff members are trained and up to date with legislative requirements through regular update of Legislative Compliance Register. Subscribe to regular email updates from local government and relevant industry bodies, council listserv to ensure	2 Moderate

1. Compliance and Legislation Risk Assessment				
Risk Subject	Risk Description	Risk Score Raw	Control Description	Residual Risk Score
			staff are notified of legislation changes.	
Property and Parks - Non-Compliance	If Council does not comply with its obligations under legislation (eg. Resource Management Act 1991, Building Act 2004, Health and Safety at Work Act 2015) then administrative fines and penalties may result, and reputational damage.	3 Moderate	Ensure maintenance contractor and Council staff members are trained and up to date with all legislative requirements impacting on property and park assets. Ensure maintenance contracts have robust out-clauses that cover a range of situations where non-compliance or unsatisfactory work is identified. Council has secured public liability insurance and statutory liability insurance.	1 Low
Annual Report Adoption and Publication	If the Council's Annual Report is not adopted by 31 October and made publically available by 30 November, then there will be additional audit scrutiny and reputational damage within local government. Loss of community trust - the community is unable to assess Council performance in a timely manner.	2 Moderate	Set annual report timetable to ensure statutory deadline is met. Good project management by key staff. Keep updated of possible changes to legislation and plan accordingly. Good communication to all staff, and establish rapport with Audit NZ and respond in a timely manner to all queries.	1 Low
LTP/Annual Plan	If LTP/Annual Plan is not adopted by 30 June then council cannot set rates, statutory breach reported to Minister, unable to commence service delivery, additional audit scrutiny	8 High	Set a timetable to ensure statutory deadline is met. Good project management. Good quality data is provided. Keep abreast of possible changes to legislation and plan accordingly. Good communication to all staff and liaison with Audit NZ.	1 Low
Activity Management Plans TOP TEN RISK	If AMPs are incomplete then capital programmes, condition of assets, life cycle management will not be realised.	6 High	AMPs are reviewed every 3 years to address the current problems and issues at the time in order to develop work programmes for the next 3 years.	4 High

DATA AND INFORMATION RISKS

2. Data and Information Risk Assessment				
Risk Subject	Risk Description	Risk Score Raw	Control Description	Residual Risk Score
Systems Down - Natural Disaster	If there is a natural disaster then systems may be down temporarily, reduction in worker productivity, unable to respond to customers,	8 High	Backups done daily and stored off-site. Most critical data is in the cloud, data centre is overseas so workers	3 Moderate

2. Data and Information Risk Assessment				
Risk Subject	Risk Description	Risk Score Raw	Control Description	Residual Risk Score
	data unavailable, potential permanent loss of data.		can access system remotely from anywhere. Civil Defence will make hardware available for emergency response.	
Server Failure	If the server failed then systems down, data unavailable, potential data loss	12 Very High	Restore from backup, backups stored off-site. Fail-over for Melbourne data centre replicates to Sydney data centre.	3 Moderate
Cyber Attack	If the systems are compromised and subject to a cyber attack, then system downtime, loss of data, ransoms may be demanded, potential privacy breach, reputational damage, and potential loss of funds.	16 Very High	Council have several security measures in place such as enterprise grade firewalls, email filtering, backups, antivirus and device management. If a breach was detected Council would activate the insurance policy and engage an IT security company resource to assist with recovery.	3 Moderate
Communication to Data Centre	If there is a loss of communication to the Data Centre (due to IT failure, power failure, or other damage to link) then systems downtime will cause temporary disruption. Council staff will be unable to access data and complete work and respond to customers satisfactorily.	4 High	Can access private link or an internet link - reroute the traffic. Backup generator if power supply lost.	3 Moderate
Uncontrolled access to Physical and Digital Records	If there is uncontrolled or unauthorised access to archives, then records/ files could go missing, privacy breached, possible legislative breaches.	2 Moderate	Access to physical archives is limited to IM Specialist and IT Manager, door is locked at all other times. Digital records must be stored in IT approved repositories, with access restricted where necessary. Electronic access is restricted to staff who have a SDC login and have also been granted the relevant security permissions to access applications relevant to their job role.	1 Low
Records Handling	If hard copy protected records are handled in a way that could cause damage, degradation or disorganisation, then this could lead to loss of protected records, non-compliance with legislation	1 Low	Access to archives is limited to trained staff. Ensure the Information Management Specialist is fully trained in all areas of protected records management. Maintain a register of	1 Low

2. Data and Information Risk Assessment				
Risk Subject	Risk Description	Risk Score Raw	Control Description	Residual Risk Score
	and potential financial penalties.		archived records, and a process by which records will be archived. Storage area must be restricted and temperature controlled.	
Unapproved online platforms used	If unapproved online platforms are used for Council business, then Council sensitive information and individual private details could be hacked and made available publically.	3 Moderate	All Council information should only be stored on platforms that are approved by IT and gone through proper procedures and checks by IT.	1 Low

FINANCIAL RISKS

3. Financial Risk Assessment				
Risk Subject	Risk Description	Risk Score Raw	Control Description	Residual Risk Score
Asset Disposal/ Acquisition	Policy changes result in substantial asset disposal occurs.	1 Low	Officers will require approval from Council for disposal/acquisition of assets.	1 Low
Accessing Funding	If the AMP is incorrect or not developed, then the maintenance funding will be insufficient to provide the levels of service and the Council may miss out on funding and Council has to fully fund projects	3 Moderate	Ensure funding assessments are carried out by sufficiently experienced personnel and business cases are written for funding (AMP). A system should be established to regularly monitor all available funding for council projects.	1 Low
Internal Financial Controls	If internal financial controls are compromised and ineffective, then possible fraud, budget will blowout and there may be a delayed service	6 High	Good quality controls. Implement annual external and internal audit recommendations. Adhere to Procurement and Delegations Policy. Communications of internal controls to all staff. Recommend internal audit programme every year by independent contractor.	1 Low
Procurement contracts	IF procurement contracts entered into are not cost-effective and do not comply with Council's Procurement Policies THEN council projects could go over budget and council procurement could be subject to industry, media, legal scrutiny.	6 High	Ensure procurement policy and procurement manual are appropriate, comply with legislation and good practice, and followed by all staff and significant contracts are reviewed by an independent professional.	1 Low
Population Growth	That growth is higher than	3 Moderate	Increase the level of	2 Moderate

3. Financial Risk Assessment				
Risk Subject	Risk Description	Risk Score Raw	Control Description	Residual Risk Score
	projected thereby putting pressure on Council to provide additional infrastructure and services.		funding by possible rates increase and other sources of income through fees and charges and adjustment in levels of service.	
Significant Population Reduction TOP TEN RISK	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.	5 High	Ensure variable costs are clearly identifiable, and therefore able to be isolated and adjusted if ratepayer base reduced.	4 Moderate
New Regulations require Significant Investment TOP TEN RISK	If new environmental regulations or legislation imposed on councils requires a significant increase in capital expenditure, then the ability to finance investment could be compromised and rates increases could breach limits.	6 High	Work within approved budgetary constraints and achieve cost efficiencies regularly so that council can weather any necessary investment in order to be compliant with changing legislative environment.	4 High
Theft by Contractors	If contractors have unrestricted access to council property and/or information, then there is an opportunity for theft and consequently loss of Council assets.	4 Moderate	All contractors must go through a pre-qualification process. Visitors to Council buildings must sign in. Access to the building has now been restricted with the use of fobs. Protected records are stored in a safe or locked storage room.	2 Moderate
Inadequate financial provision to fund asset replacement	If there is inadequate financial provision in reserves to fund the replacement of assets, then the Council may have to borrow more than expected, or asset replacement may need to be delayed which may affect service level performance.	3 Moderate	Ensure annual depreciation is based on accurate fixed asset values (replacement cost) and accurate useful lives. Assets should not, unless necessary, be replaced before the end of their useful life.	1 Low
Bribery and Corruption	Perceived Bribery or Corruption from Property contractors,	4 High	Ensure Staff code of conduct is current and regularly reviewed.	3 Moderate
Management Override of Internal Controls	If a Manager uses their unique position to override internal controls, then the financial statements may be incorrect and potential fraud may result.	4 High	Audit and Risk Committee oversight. Internal and External audits annually. Fraud Policy awareness training. Regular review of policies to ensure in line with best practice. SLT to undergo ethics training. Full reference	3 Moderate

3. Financial Risk Assessment				
Risk Subject	Risk Description	Risk Score Raw	Control Description	Residual Risk Score
			checking of at least one recent, direct manager (particularly for financial and management roles). Zero tolerance for any bullying type behaviour.	
Revenue Increasing age demographic on fixed income, how does SDC meet the cost of providing the level of services into the future?	High number of elderly on fixed income pensions. Could affect future levels of service for Property due to cost fluctuations within contractual arrangements	2 Moderate	Factor in to budgets reasonable and sustainable rates increases. Review fees and charges.	3 Moderate

HEALTH AND SAFETY WELLBEING RISKS

4. Health and Safety Wellbeing Risk Assessment				
Risk Subject	Risk Descriptions	Risk Score Raw	Control Description	Residual Risk Score
Public Events	If health and safety accidents or incidents occur during events then increased costs can occur to the events, reputation is damaged	4 High	Health and Safety plans are established well in advance to an event being planned. Physical hazards and risks are eliminated Hazard Identification records are kept. Events do not proceed without correct Health and Safety sign off. Good communication to all staff	2 Moderate
Abusive Customers	If abusive customers come into any of the Council's service centres, then there is the risk that council staff or the general public could be harmed or exposed to violence.	4 High	Staff have personal alert alarms if in danger, customer service training and policies on how to deal with situations so they do not escalate..	2 Moderate
Lone Worker	If a staff member is seriously injured or killed during field inspections/site visits, then possible health and safety breaches, death or serious injury.	12 Very High	Quality assurance, Ongoing training/awareness of HSE requirements and responsibilities, Better use of council data/knowledge base on dangerous or insanitary sites before staff member deploys to site, Use of GPS tracking, mobile phone tracking. Compliance officers to wear body cameras when on duty.	3 Moderate

4. Health and Safety Wellbeing Risk Assessment				
Risk Subject	Risk Descriptions	Risk Score Raw	Control Description	Residual Risk Score
Animal Welfare	If an animal that has been impounded is injured or dies due to maltreatment, or animals are mistreated on the council farm then this could result in animal welfare agency scrutiny and possible fines.	3 Moderate	Quality assurance, Ongoing training/awareness of HSE requirements and responsibilities, Vet Care/Assessments. Ensure notification is given to new animals being impounded so that compliance officer ensures the animals are being cared for and regularly fed and have access to water. Monthly farm meetings to bring up any animal welfare issues. Property Manager to regularly visit farm and make visual assessment of cow welfare.	2 Moderate
Council Vehicle accident	If a staff member has an accident in a council vehicle, then this could result in possible death or serious injury and damage to motor vehicle asset.	4 High	All staff must have a full drivers licence, all staff are aware of procedures if there is an accident. Staff driver training to be provided to regular drivers. GPS and mobile phone tracking.	3 Moderate
Staff under Stress	If staff are affected by personal issues or by work pressures and experiencing high levels of stress, then work performance may decline and/or fatigue, illness, unsafe work practices may result.	5 High	Managers are responsible for being aware of the wellbeing of their direct reports. There are various options available for relieving the pressure of staff who are overworked including increasing staff or reallocating work. Ensure access to EAP service is widely known and communicated to all staff. Ensure all staff have a backup option available so they can take annual leave for at least a week at a time.	3 Moderate
Exposure to Hazardous Substances	If staff are affected by exposure to hazardous substances eg chemicals, liquids, fumes and other toxic substances then there are possible risks to staff health and wellbeing.	6 High	All hazardous substances are correctly labelled and stored according to best practice safety procedures and guidelines. Training is mandatory for all staff working with hazardous substances. Use appropriate PPE gear at all times in the vicinity of the hazardous	3 Moderate

4. Health and Safety Wellbeing Risk Assessment				
Risk Subject	Risk Descriptions	Risk Score Raw	Control Description	Residual Risk Score
			substances. Regular health checks for staff.	
Playground Equipment Failure	If Playground equipment, or other recreational equipment fails then a member of the public could be seriously injured or killed.	8 High	Biennial playground inspection report and quarterly compliance checks by contractor to bring any issues to attention of council staff.	3 Moderate
Swimming Pool Accident	If a member of the public has an accident in the water or a medical emergency at the Stratford Pool, then this could result in possible death or serious injury.	4 High	Training and qualifications are mandatory for lifeguards, children and elderly are monitored by lifeguard/s at all times. More staff brought on at busier periods.	3 Moderate
Workplace Bullying or Harassment	If Bullying and harassment in the workplace occurs then it can have an impact on the health and wellbeing of staff subject to the bullying and other staff witnessing the behaviour. This may impact on staff productivity and the ability of Council to attract good quality candidates.	4 High	Top down culture against bullying and harassment of any kind, policy is followed through by management, staff are aware of the reporting process. The reporting process to deal with bullying and harassment is fair, transparent, confidential and dealt with in a timely manner.	3 Moderate
Asbestos Related Work	If council buildings are contaminated with asbestos, then there is the possibility of asbestos exposure to staff and the public and increased risk of asbestosis and other lung and pleural disorders.	4 Moderate	Asbestos protocols need to be developed in line with the asbestos regulations. Community needs to be made aware of Asbestos disposal guidelines. Staff involved in building compliance or construction work should be appropriately trained in handling of asbestos materials. Contractors will have their own protocols for handling and disposing of asbestos products.	2 Moderate
Armed Robbery TOP TEN RISK	If there is an armed robbery at any of council's services centres, then there is the potential for death or serious harm.	8 High	Establish emergency procedures, including use of panic buttons. Security cameras in place. Ensure staff are trained to deal with potential threat. Design / limit access to building so that threats are minimised.	4 Moderate
Employee Substance Abuse	If staff are affected by drugs or alcohol while at work, then there is an increased risk of an accident or injury, property	8 High	Ensure staff are aware of drug and alcohol policy. Initial drug testing done prior to employment to filter out	2 Moderate

4. Health and Safety Wellbeing Risk Assessment				
Risk Subject	Risk Descriptions	Risk Score Raw	Control Description	Residual Risk Score
	damage, and reduced work performance.		regular users. Utilise EAP.	
Fatigue Management	If Fatigue affects an employee, as a result of working extraordinary hours, then the employee may have limited functionality which could result in personal injury or injury to others. It could also lead to stress and long term mental illness if it is reoccurring and could mean Council is in breach of the Health and Safety Act.	3 Moderate	Ensure employees take regular, quality rest breaks during the working day, in line with the Employment Relations Act (HR Policy requires this). Ensure all staff know their responsibilities in terms of managing fatigue. Ensure shift workers rostered times are manageable. The Vehicle Use Policy has limits on driving a Council vehicle after exceeding max number of work hours. Contractor fatigue management to be reported and monitored through regular contractor meetings.	1 Low
Environmental Liability	Noncompliance with Resource Consent Conditions	2 Moderate	Contractors to produce an environmental management plan as part of their contract conditions.	2 Moderate

OPERATIONAL RISKS

5. Operational Risk Assessment				
Risk Subject	Risk Descriptions	Risk Score Raw	Control Description	Residual Risk Score
Contractor - Damage to Property	If maintenance contractor damages council or private property while carrying out contracted work, then council could be liable for damages and additional expenditure.	4 High	Stringent Operational procedures: Daily reporting of compliance. Regular liaison with contractor and regulators to monitor performance to ensure compliance. Contractor pre-approval process. Council has material damage insurance policy, excess \$5k. The contracts require third party public liability insurance to indemnify Council for damages.	3 Moderate
Staff	Staff leaving results in staff skill levels falling below the standard required. Staffing levels are unable to be adequately maintained	2 Low	Staff will have to manage until the positions can be filled, or secondment of consultants which could prove costly.	2 Low
Attracting Qualified Staff	If Council is unable to attract suitably qualified personnel, then services may become	4 High	Internal training and succession planning programs. Ensure market	2 Moderate

5. Operational Risk Assessment				
Risk Subject	Risk Descriptions	Risk Score Raw	Control Description	Residual Risk Score
	under threat and may cease.		wages are offered for all high demand positions. Recruit off shore option should be available for high-demand positions. Make greater use of consultants if necessary and/or shared services with neighbouring Councils.	
Maintenance Contractor fails to deliver	If a maintenance contractor fails to deliver contractual service necessitating termination of contract and re-tendering, then assets may become under threat, unreliable, or unable to meet community needs.	4 High	Careful assessment of tender to ensure contract price viable for contractor to deliver level of service. Regular liaison with contractor to monitor performance and ensure compliance. Contractor pre-approval process must not be bypassed.	3 Moderate
Property design/construction information	If Council does not have adequate information on original design or construction of asset, then there is a greater potential for failure of future work, potential of increased costs and unsafe future construction.	3 Moderate	Carry out regular condition assessment of assets. Reassess use of asset or redesign to suit.	1 Low
Key Person risk	If a key person in the organisation could not work for a significant period of time then this could affect council's ability to perform core functions and duties.	4 High	Ensure Promapp is up to date with all staff day to day processes, if known absence ahead of time ensure an appropriate training plan in place. Make use of local consultants where appropriate. Connect with colleagues from neighbouring three councils to share resource if needed.	2 Moderate
Natural Disaster - Response preparedness TOP TEN RISK	If a Natural Disaster causes significant damage to infrastructure then community welfare may be severely compromised, putting peoples lives at risk, and staff may be unable to access systems to carry out their day to day duties and functions.	15 Very High	Civil Defence Emergency Management plans are in place. Procedures following an emergency event are widely known by a number of staff due to Civil Defence Foundational training being rolled out to majority of council staff. Business Continuity Plans need to be in place and practiced regularly for all activities.	12 Very High
Disease Outbreak	If there is a human disease	5 High	Health and Safety Advisor	4 Moderate

5. Operational Risk Assessment				
Risk Subject	Risk Descriptions	Risk Score Raw	Control Description	Residual Risk Score
TOP TEN RISK	outbreak in the district, then this could impact staff and contractors staff and the community access to healthcare is limited so it could result in population decline.		to keep aware of any public health notifications of disease outbreaks. Ensure there is a plan to respond to any notifications. Civil Defence covers infectious human disease pandemics and will take responsibility for local management. Follow Ministry of Health's NZ Influenza Pandemic Action Plan.	
Biosecurity threat risk	If there is a biosecurity threat to animals/dairy farm (eg: MBovis) or plant life then this could close the farm and cause as loss of income. The farm would be closed until MPI clears it for reopening. This could affect the economic wellbeing of the district and the ability of council to financially meet community needs.	4 High	Ensure council takes a proactive approach to working with Biosecurity NZ, MPI, TRC and the community where a threat is identified.	2 Moderate
Critical Asset Failure TOP TEN RISK	If a critical property asset fails, then unexpected financial burden may arise and there could be significant disadvantage and risk to the community.	15 Very High	Conduct 2 yearly Asset Criticality Review. Ensure there are established Civil Defence Emergency Management response procedures in relation to fixing critical assets in an emergency event. Management practices and staff training, retention to ensure appropriate skill level in critical asset maintenance. Consider suitable alternative routes to maintain access.	5 High
Heavy/Extreme Rainfall incidents	If the Stratford District experiences heavy rainfall continually over a period then roads may flood, restricting accessibility, landslips and mudslides may restrict road access and cause property damage, productive land areas may flood reducing functions,	8 High	Activity Management Plans and to document critical asset areas and response timeframes in the event of heavy rainfall incidents.	3 Moderate
Government Policy Impacting on Local Government TOP TEN RISK	If Government Policy significantly changes the services Council delivers or the way they are delivered, then this could put financial pressure on the district to fund investment in changes, or it may mean previous investment has become redundant.	12 Very High	Where a policy change may have a significant impact Council can make a submission regarding the change. Council officers and elected members need to keep up to date with policy, and anticipate potential impacts of legislative changes and respond strategically. This	8 High

5. Operational Risk Assessment				
Risk Subject	Risk Descriptions	Risk Score Raw	Control Description	Residual Risk Score
			could include joint collaboration with business and other councils, accessing alternative funding sources, or obtaining legal or professional advice.	
Levels of Service	There are significant increases in customer expectations regarding demand for services and/or the level of service provided	1 Low	To manage expectations around the levels of service which could include being transparent about the levels of service that we can afford.	1 Low
Programming of Works	The approved programme of works is not carried out within agreed timeframes.	1 Low	In the event of an extreme rainfall event, a programme can be deferred following discussions between SDC and the Contractor. Hold regular meetings to discuss contractors performance and ability to deliver the agreed programme. Increasing resources via sub-contractors or additional staff. We could mutually agree to defer some of the programme to later in the year.	1 Low
Consents	The contractor not undertaking the work in accordance with the resource consent conditions. Council can be fined by the Regional Council for breach of conditions.	1 Low	Not negotiable - Consent conditions must be abided by otherwise the consent will be breached. Contractor needs to submit to the Regional Council a methodology about how they are going to undertake the works.	1 Low

REPUTATIONAL AND CONDUCT RISKS

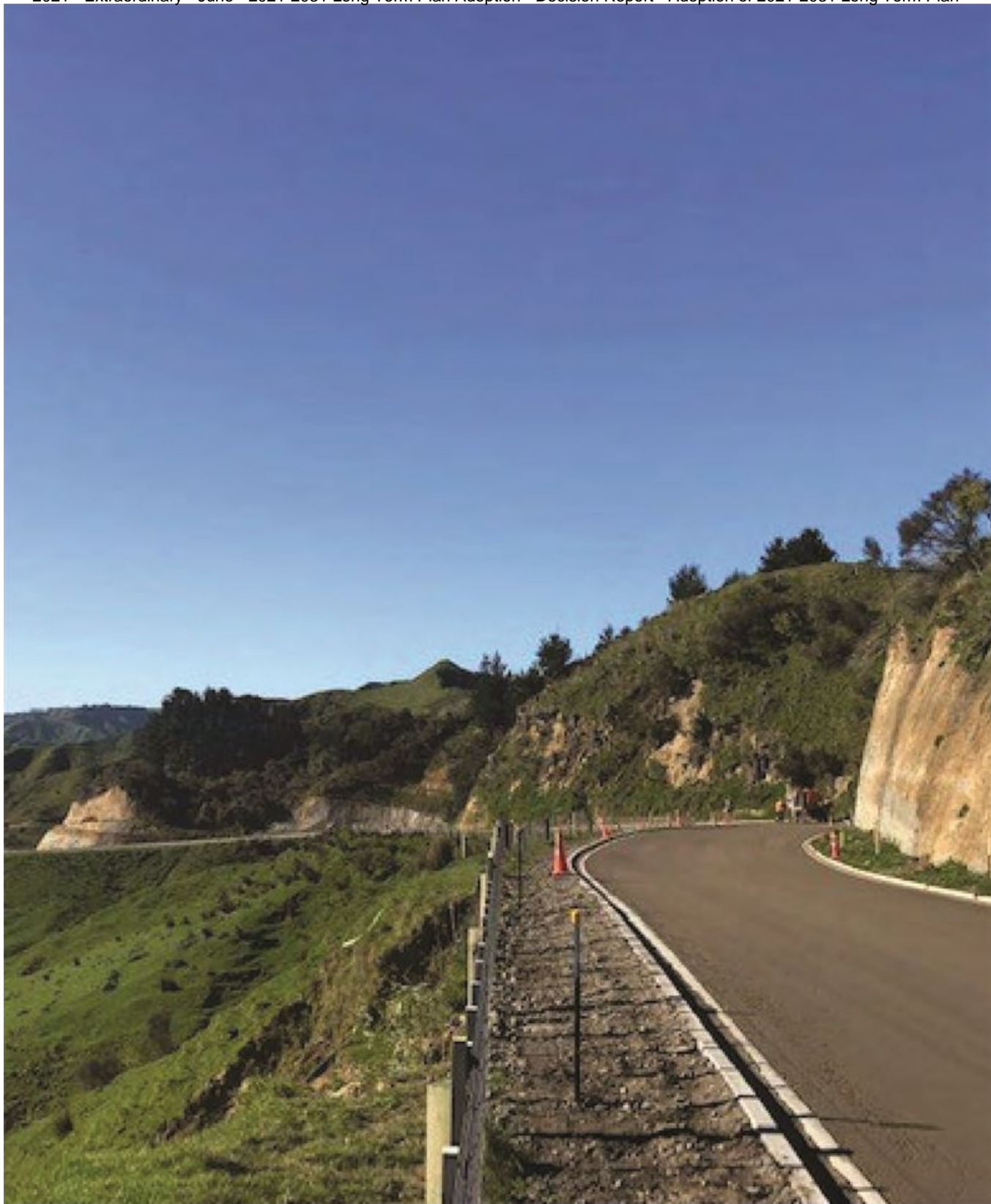
6. Reputational and Conduct Risk Assessment				
Risk Subject	Risk Descriptions	Risk Score Raw	Control Description	Residual Risk Score
Solvency of Contractor	If Council engage a contractor that could potentially be insolvent the risk to Council is that they abandon the contract.	12 Very High	Conduct the due diligence process for all contractors.	3 Moderate
Release of incorrect or confidential information	If incorrect or confidential information was given out through social media, media releases, staff actions at the	12 Very High	All Media releases are to be checked off by Dir – Community Services, and signed off by CEO or Mayor. Social	2 Moderate

6. Reputational and Conduct Risk Assessment				
Risk Subject	Risk Descriptions	Risk Score Raw	Control Description	Residual Risk Score
	services desks, LGOIMA requests, council meetings, and/or functions THEN risk of damaged reputation, ratepayer distrust and actions from Local Government ministry and/or Privacy Commissioner.		Media Policy in place for clear guidance of social media use. Front counter training needs and communication guidelines established - a resource centre (knowledge base) maintained for FAQ's from public. Consider implementing a Privacy Impact Assessment for how council handles personal information.	
Online Passwords	If online passwords are shared or used inappropriately, then there is the risk that staff can access or hack Council owned systems and release sensitive information.	4 High	Ensure that where a staff member leaves and they have access to logins accessible online that the passwords are changed and access ceases. Limit use of online accounts.	2 Moderate
Contractor Damage or Breach	If Council and/or council contractors are found to be liable for public/environmental damage, or any actions that are unsafe or non-compliant with legislation and applicable policies and standards, then fines, possible injury, long-term damage, reputational damage could result.	12 Very High	Appropriate procedures and guidelines are in place to monitor contractor actions and our own including health and safety audits, contractor meetings/KPI's. The Council requires all physical works contractors to go through a thorough health and safety pre-qualification process and become approved before commencing any physical work. All relevant staff are kept up to date with pre-approved contractors register. Mini audits and random checks should be built into contracts. Contractor public liability insurance	3 Moderate

6. Reputational and Conduct Risk Assessment				
Risk Subject	Risk Descriptions	Risk Score Raw	Control Description	Residual Risk Score
			required for all major contracts.	
CCO and other Out-sourced Functions	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.	4 High	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.	3 Moderate
Elected Members Communication	If elected members disclose commercially sensitive or confidential information to the public, then this could damage the reputation and public trust of elected members and council staff.	6 High	Ensure elected members have a good awareness and understanding of the SDC Code of Conduct. Induction for new councillors should be thorough and cover communication with the public, in private, and at Council meetings.	3 Moderate
Elected Members - Decision Making TOP TEN RISK	Elected members make significant decisions in relation to the Long Term Plan budget setting. This has an impact on the Property Activity Management Plan and the work programmes that are developed throughout the 3 year period. This could have an impact on the levels of service for the community.	12 Very High	Relies on the accuracy and quality of the advice given by staff to elected members -	4 Moderate
Council employees abuse members of the public TOP TEN RISK	If Council employees, during the course of their Council duties abuse members of the public, then the Council may suffer significant reputational damage and potentially be taken to court.	8 High	Refer to the Staff Code of Conduct.	4 Moderate

APPENDIX 2 - PROPERTY OPERATIONAL DOCUMENTS

Consents	Commencement Date	Expiry Date	CM Reference
2257-3 Abstraction from Patea River for Stratford public swimming pool	24/09/2003	1/06/2022	D17/20464
0409-3 Discharge to Patea River (Public Swimming Pool)	24/09/2003	1/06/2022	D17/20426
3038-2 Discharge to Kahouri Stream (treated dairy farm effluent)	20/06/2003	1/12/2022	D17/20466
1858-3 Discharge to Puakai Stream (treated dairy farm effluent)	7/05/2012	1/12/2028	D17/20463
Policies	Commencement Date	Review Date	CM Reference
Housing for the Elderly	11/12/2018	2021/2022	D18/35504
Procurement Policy	11/06/2019	2022/2023	D18/29563(v3)
Asset Management	26/05/2020	2023/2024	D20/4330
Bylaws	Commencement Date	Review Date	CM Reference
Public Places and Nuisances Bylaw (Draft)			
Strategies	Commencement Date	Review Date	CM Reference
Infrastructure Strategy 2021-2051	1/02/2021	2050/2051	D21/2700
Contracts	Commencement Date	Review Date	CM Reference
Building Facilities Maintenance Contract	1/07/2019	1/06/2022	D19/15965
Whangamomona Lawn Mowing	1/03/2020	28/02/2023	D20/36899



Roading

Activity Management Plan 2021-2031



Long Term Plan 2021-31

DOCUMENT QUALITY ASSURANCE

	NAME/ROLE	DATE
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Reviewed By	Victoria Araba, Director Assets	
Approved By	Sven Hanne, Chief Executive	

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**THE ROADING
ACTIVITY MANAGEMENT PLAN
2021-2031(RAMP)**

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Glossary of Terms and Acronyms

The following is a glossary of terms and acronyms used in the Roading Asset Management Plan

Abbreviation	Description
AADT	Annual Average Daily Traffic
AM	Asset Management
AMP	Asset Management Plan
AMPol	Asset Management Policy
BAU	Business As Usual
BC	Benefit Cost
BCA	Business Case Approach
BCA	Benefit Cost Analysis
BCR	Benefit Cost Ratio
BERL	Business and Economic Research Limited
CAS	Crash Analysis System
CBD	Central Business District
CCTV	Closed Circuit Television
CDEMA	Civil Defence Emergency Management Act
CDEMG	Civil Defence Emergency Management Group
DIA	Department of Internal Affairs
DSI	Death Serious Injury
ERFD	Emergency Rural Fire District
ETS	Emissions Trading Scheme
FTE	Full Time Equivalent
GDP	Gross Domestic Product
GIS	Geographic Information System
GPS	Government Policy Statement
HCV	Heavy Commercial Vehicles
HPMV	High Performance Motor Vehicles
HPS	High Pressure Sodium
IAF	Investment Assessment Framework
ID	Identification
IAF	Investment Assessment Framework
IS	Infrastructure Strategy
IT	Information Technology
ILM	Investment Logic Mapping
KPI	Key Performance Indicator
LED	Light Emitting Diode
LGA	Local Government Act
LINZ	Land Information New Zealand
LoS	Levels of Service
LTMA	Land Transport Management Act
LTSV	Long Term Strategic View
LTP	Long Term Plan
MBIE	Ministry of Business, Innovation and Employment
MCA	Multi Criteria Analysis
NA	Not Applicable
NAASRA	National Association of Australian State Road Authorities
NLTP	National Land Transport Plan
NPDC	New Plymouth District Council
NPV	Net Present Value
NZ	New Zealand
NZTA	New Zealand Transport Agency
NZUAG	New Zealand Utilities Advisory Group
ODRC	Optimum Depreciation Replacement Cost

Abbreviation	Description
ONF	One Network Framework
ONRC	One Road Network Classification
OPM	Optimum Decision Making
ORC	Optimum Replacement Cost
ORV	Optimum Replacement Value
RAMM	Road Assessment and Maintenance Management
RC	Replacement Cost
RCA	Road Controlling Authority
RED	Regional Economic Development
REG	Road Efficiency Group
RFMC	Roading Facility Maintenance Contract
RGP	Regional Growth Programme
RLTP	Regional Land Transport Plan
RMA	Resource Management Act
SDC	Stratford District Council
SPR	Special Purpose Road
StatsNZ	Statistics New Zealand
STDC	South Taranaki District Council
STE	Smooth Travel Exposure
TA	Territorial Authority
TET	Taranaki Energy Trust
TIO	Transport Investment Online
TRFA	Taranaki Rural Sire Authority
TSB	Taranaki Savings Bank
TSA	Treatment Selection Algorithm
WC	Work Category

EXECUTIVE SUMMARY

Executive Summary

The Rooding Activity Management Plan

The purpose of the Rooding Activity Management Plan (RAMP) is to describe the financial, engineering and technical strategies and practices that Stratford District Council uses to meet its strategic obligations to provide a level of service for road users in a way that is cost effective for households and businesses.

The AMP is a living document reflecting Council's practice, central and local government requirements, policies and guidance. This AMP is used to inform the Council's Long Term Plan and it is the justification for Council's programme which forms part of the National Land Transport Programme (NLTP). The AMP details Council owned assets and is used for communicating complex asset management information/strategies with stakeholders, elected members, service managers and other interested parties.

Our Problem Statements

Based on the principals of *Strategic Business Case* development and *Investment Logic Mapping (ILM)*, four problem statements have been developed to reflect the current issues facing Stratford District Council. These are over and above the "Business as Usual (BAU) challenges and problems of managing a safe and effective rooding network for our customers.

- **Problem Statement 1** (40%) – Increasing Heavy Commercial Vehicles (HCV) and forestry activity along with the current standard of the asset is resulting in an increase in reactive investment and inefficient use of resources.
- **Problem Statement 2** (35%) – The geography and environmental conditions have led to poor drainage controls and the inability of the rooding network to cope with intense weather events. This restricts access to road communities and economic impacts.
- **Problem Statement 3** (15%) - There is misalignment between Council and Community regarding the appropriate level of service to meet the expectations for a safe and resilient rooding networks; and
- **Problem Statement 4** (10%) - Poor driver behaviour, challenging road conditions and unforgiving roads and roadsides is resulting in death and serious injury crashes to our community.

Our Line of Sight

In addressing the issues identified in the four Problem areas, the Council will ensure that its *Investment Strategy* generates the benefits described in the two *Benefits Statements* below:

- A safe, accessible, resilient, appropriate transport network that supports growth.
- An affordable, sustainable, flexible investment programme that meets the needs of the community.

The Council has shown how the Line of Sight achieves the expected outcomes required by NZTA (ONRC Outcomes) in Table 1 below.

Table 1 - Line of Sight - Problem and Benefit Statements

Problem Statement 1 – Increasing Heavy Commercial Vehicles (HCV) and forestry activity along with the current standard of the asset is resulting in an increase in reactive investment and inefficient use of resources. (40%)			
Impacts	Consequences of Non-Investment	Benefits of Investments	Investment Opportunity
Specific Problem 1: Increased activity from the forestry industry			
<ul style="list-style-type: none"> Increased deterioration of the condition of roads affected by forestry. Increases in reactive maintenance and unplanned works. Increases in capital expenditure to remedy faults in routes affected by forestry. 	<ul style="list-style-type: none"> Poor level of service afforded to the community. Excessive damage to the structure of the road. Increased risk of long term damage to old bridges. Increase in the number of customer complaints. Risk to public safety due to the number of HCVs on low volume roads. 	<ul style="list-style-type: none"> Maintain the integrity of the road network. Pro-active/programmed maintenance activities. Reduction of risk for safety and death and serious injuries (DSIs). Ensuring bridges are fit for purpose. Reduce the amount of reactive maintenance. 	<ul style="list-style-type: none"> Regular inspections of the roading network to generate work programmes. Regular liaison with forestry contractors to identify locations of forests and timing of harvest. Use of low cost/low risk improvement fund for minor network improvements on low volume roads. Planned/programmed pavement maintenance and capital works.
Specific Problem 2: Increased number of High Productivity Motor Vehicles (HPMV) permit vehicles			
Impacts	Consequences of Non-Investment	Benefits of Investments	Investment Opportunities
<ul style="list-style-type: none"> Specified routes will deteriorate at an accelerated rate. Greater expenditure per kilometre on these routes, resulting in a reduced level of service elsewhere on the network. Increased frequency of reactive maintenance on specific routes 	<ul style="list-style-type: none"> Customer complaints regarding the condition of these HMPV approved routes. Significant pavement failure of these road corridors. Disproportionate levels of expenditure for HMPV routes. Lack of funding to adequately keep pace with the damage created. 	<ul style="list-style-type: none"> Timely maintenance of the network to retain the integrity of the road pavement. Ensure bridges are suitably rated for expected loads for current and future growth. Reduced reactive maintenance and major capital projects so the network remains fit for purpose. Reduce customer complaints concerning the condition of the road. 	<ul style="list-style-type: none"> Programmed pavement maintenance and pavement rehabilitation capital projects. Reseals are targeted to key HPMV routes. Surveys to assess the strength of underlying pavements or HPMV routes

Executive Summary

Specific Problem 3: Bridges and Retaining Walls			
Impacts	Consequences of Non-Investment	Benefits of Investments	Work Activities
<ul style="list-style-type: none"> • Risk of structural failure as bridges or retaining walls • Loss of access to rural communities. • Inability to deliver goods to market, • Increased risks to public health and safety if structures are not sound. 	<ul style="list-style-type: none"> • Failure of bridges or retaining walls resulting in a road closure for prolonged periods of time. • Lifeline access to rural communities on “no exit” roads beyond the collapsed bridge or retaining wall. • Economic loss to district, agriculture, forestry. • Loss of faith in the Council by the community. 	<ul style="list-style-type: none"> • Maintaining the structural integrity of these assets. • Ensuring the safe and continued access for the rural communities. • Ensure connectivity for the community. • Economic growth is fulfilled, supporting a prosperous and vibrant district. 	<ul style="list-style-type: none"> • Regular inspections by structural consultant as part of an “Inspection” contract. • Itemised low cost repairs undertaken in a timely manner. • Detailed maintenance programme developed from the inspection. • Estimates for Remaining Useful Life (RUL) of structures and estimated replacement costs for 30 year Infrastructure Plan Long Term Plan cycles.
<p>Problem Statement 2: The geography and environmental conditions have led to poor damage controls and the inability of the roading network to cope with intense weather events. This restricts access to road communities and economic impacts (35%)</p>			
Impacts	Consequences of Non-Investment	Benefits of Investments	Investment Opportunities
<p>Specific Problem 1: Environmental Conditions - Poor drainage facilities.</p>			
<ul style="list-style-type: none"> • Climatic change has led to increasing intense weather events. • Poor drainage has resulted in underslips and localised flooding occurring. • Within our network we have 180 culverts which are 225mm in diameter. Our Minimum standard is 375mm. • Backlog of watertables need to be cleared. • Poor or non-existent outlet controls lead to underslips forming. 	<ul style="list-style-type: none"> • Flooding of local roads as existing culverts cannot cope with the volume of water. • Erosion of culvert outlets leading to slips, pipes falling off. • Flooding due to inadequate watertable profiles. These are often blocked with vegetation and slip debris. • Pavement layers remain saturated which can lead to failure. 	<ul style="list-style-type: none"> • Improvements to watertables will ensure pavements will remain dry. This reduces the number of pavement failures that need repairing. • Replacing undersized culverts to combat rainfall intensity. • Constrict outlet controls at culverts to reduce the risk of erosion. 	<ul style="list-style-type: none"> • Increased programme for watertabling and culvert replacements. • Install outlet controls when replacing culverts. • Develop a programme to systematically replace existing 225mm diameter culverts. • Fully understand current condition of drainage facilities,. Undertake a condition assessment.

Executive Summary

Problem Statement 3 - There is misalignment between Council and Community regarding the appropriate level of service to meet the expectations for a safe and resilient roading network (15%);			
Impacts	Consequences of Non-Investment	Benefits of Investments	Investment Opportunities
Specific Problem 1: Roads: Potential increases in visitor numbers			
<ul style="list-style-type: none"> Sealing of State Highway 43 will encourage greater number of tourists to visit Stratford. Investment from the Provincial Growth Fund for Taranaki Crossing will lead to more visitors. Tapuae Roa, Taranaki's Economic Development Strategy will impact on Stratford District Council's roading network 	<ul style="list-style-type: none"> Poorly maintained local road network for visitors at their destination. Increased risk to public health and safety on rural roads. Failure of road pavements due to increased tourism EG: Special Purpose Roads (SPRs). 	<ul style="list-style-type: none"> Well maintained and resilient local road network. Connectivity for tourism to access visitor offerings. Network will meet current and future needs for tourists. 	<ul style="list-style-type: none"> Focus on prioritising well maintained Special Purpose Roads for access to Mount Taranaki. Increased tourist numbers will visit Whangamomona and surrounding area. Maintenance of local roads will play a role in the whole visitor experience.
Specific Problem 2: Footpaths: Increased number of mobility scooters, development of Walking and Cycling Strategy			
Impacts	Consequences of Non-Investment	Benefits of Investments	Investment Opportunities
<ul style="list-style-type: none"> Narrow footpaths throughout Stratford. Recent installation of ultra-fast broadband has affected the quality of the footpaths. Lack of footpaths on some urban streets reduces connectivity. How can we increase the uptake of active modes of transport if the infrastructure does not meet standards? 	<ul style="list-style-type: none"> Lack of width for multiple users of footpaths >50/cm is less than 1.50m wide. Footpath repair programme halted for 2 years due to utility installation. No provision of footpath to a well-used day care centre, results in parents taking children by car. There are no active modes available. Footpaths width will remain unaltered. Personal injury to frail and elderly users of the network. 	<ul style="list-style-type: none"> Provision of 1.50 meter width footpaths as a minimum standard will provide ease of access and use for multiple user groups. Improves level of service for the condition of the footpaths and reduces risk of injury to the users. Encouraging more active modes of transport with good quality footpaths provided by Stratford District Council. 	<ul style="list-style-type: none"> Increased programme for footpath replacement and upgrades. Provision of new footpath to service day care centre. Development of a five year programme for footpaths.

Executive Summary

Specific Problem 3: Cycleways: Lack of cycling network to encourage active modes of transport.			
Impacts	Consequences of Non-Investment	Benefits of Investments	Investment Opportunities
<ul style="list-style-type: none"> Inhibits our ability to support sustainable forms of transport for school children, parents, recreational users and (including tourism) and others. Inhibits the transformation from traditional modes of travel to more sustainable modes, especially for school children. Does not encourage a healthier lifestyle through active transport systems. 	<ul style="list-style-type: none"> No uptake in the cycling strategy. No multi-model transport options for residents and visitors. Potential impact on the local economy due to cycling tourists not visiting the area. Road safety implications around encouraging school children to cycle to school and for recreation. 	<ul style="list-style-type: none"> Amenity will be improved. Greater use and uptake on active modes of transport. Increase in cycling tourists staying within Stratford. Provision of urban and rural cycle routes for commuting and recreational use. 	<ul style="list-style-type: none"> Development of the Walking and Cycling Strategy to provide: Educational programmes to encourage greater uptake of walking and cycling. Provision of key cycle routes throughout Stratford to service key facilities within the town. Development of recreational routes for the community and tourists visiting Stratford.
Problem Statement 4 - Poor driver behaviour, challenging road conditions and unforgiving roads and roadsides is resulting in death and serious injury crashes to our community. (10%)			
Impacts	Consequences of Non-Investment	Benefits of Investments	Investment Opportunities
Specific Problem 1: Increase in the number of fatal and serious injury crashes.			
<ul style="list-style-type: none"> The number of death and serious injury crashes will not reduce to achieve the "Road to Zero" national target. 	<ul style="list-style-type: none"> The number of reported deaths and serious injuries will not reduce. No opportunities to undertake low cost/low risk safety improvements throughout the district. Collective Risk and Personal Risk KPIs will not improve. Less opportunity to encourage active modes of transport if the community feels unsafe. 	<ul style="list-style-type: none"> Reducing the number of death and serious injury crashes, Greater uptake of active modes as the community will feel safer. Funds targeted to low cost/low risk improvements to provide a safe and resilient network. 	<ul style="list-style-type: none"> Continual investment to address crash sites to achieve and assist in the Government Policy Statement (GPS) "Road to Zero" vision. Develop a programme for low cost and low risk safety improvements using Megamaps, Crash Analysis System (CAS) as a guide. Investigate speed limit changes. The new Speed Limit Bylaw took effect from 1 February 2020 giving Stratford District Council the ability to change speed limits where justified.

Executive Summary

Our Programme Business Case

The Council has developed a programme to address the four strategic priorities outlined in the draft Government Policy Statement 2021/22 – 2030/31:

- Safety** - Stratford District Council will work collaboratively with neighbouring authorities as well as national agencies to “do our bit” in assisting to reduce the unacceptable road toll in New Zealand. We have recently reviewed and renewed our Speed Limit Bylaw that took effect on 1 February 2020. Stratford District Council took this opportunity to change several speed limits throughout the district. The most notable was the reduction of the speed limit for the local roads in Midhirst from 70km/h to 50km/h. Other settlements of Toko and Whangamomona had similar reductions in speed limits. This has been well received by the local community. Using “Megamaps” and CAS, as well as local knowledge, Stratford District Council will develop a Roadsafes improvement programme to address known “crash blackspots” where they exist. The current issue for Stratford District Council is rural crashes that occur randomly across the district, so there is no cluster of crashes at a particular location. Being a founder of Roadsafes Taranaki we take an active role to improve road safety.
- Better Travel Options** – This strategic priority is primarily focussed at metropolitan New Zealand. However Stratford District Council can use this priority to provide better connections for residents living in Stratford. As well as rural residents who travel the rural network on a daily basis. Development of our walking and Cycling Strategy will provide the opportunity for the community to use other more active modes of transport as an alternative choice.
- Improving Freight Connections** – Stratford’s primary economy is agriculture, tourism and forestry. Whilst oil and gas still play a part in our economy, following the Government change in stance over oil exploration, this has had an impact on the local economy for Taranaki as a whole. Forestry is one industry that is taking its toll on the rural roading network of Stratford. Due to insufficient forestry resources (logging contractors) many of the forestry blocks are taking two to three years to harvest. Our plan is to attempt to be ahead of the game, to undertake planned, programmed maintenance on roads affected by the forestry industry. This will provide more efficient use of funds and resources to keep these roads maintained to a reasonable level of service.
- Climate Change** – The transport industry is a contributor to climate pollution. In order to address this, Stratford District Council is developing a Walking And Cycling Strategy to encourage our community to be more active not only travelling to and from work and/or school, but also at weekends. We are identifying recreation routes within Stratford and the surrounding countryside. As part of this Activity Management Plan we have signalled our intent and allocated some funds to developing our strategy and infrastructure. Shown in [Appendix 1](#) is an extract from our Walking and Cycling Implementation Plan. This provides the breakdown of projects, the year and approximate funds. At this stage this is very rudimentary. There is initially a large funding requirement to kick start this project, thereafter from year 2, we are suggesting in the order of \$300,000 per annum.

Our Programme Delivery

The District maintains ownership and responsibility for managing the land transport activity, the associated infrastructure and delivery of the total works programme. The Council has an in-house professional services team to provide service in the following areas:

- Developing, managing and administering physical works contracts;
- Preparing feasibility reports, strategies, policies and studies;
- Information collation and RAMM data entry;
- Review resource and building consents;
- Managing Corridor Access requests through “Submitica”; and
- Preparing physical works contracts.

The Council also engages the services of external consultants for specific projects that we cannot undertake internally.

Executive Summary

At the time of preparing this Activity Management Plan, Stratford District Council is currently preparing a contract to inspect all of our structural assets. This contract will be a 2+2+2 year duration to ensure all structural assets will have two general inspections and one detailed inspection.

Operations and Maintenance

These activities are required for the day to day operation of the network to maintain the agreed level of service incorporating the ONRC customer outcomes. These works include: ‘

- Pavement repairs
- Grading and unsealed roads
- Drainage maintenance
- Vegetation control
- Street cleaning
- Maintaining footpaths
- Structure maintenance
- Repainting roadmarkings and repairs to road signs

Renewal/replacement

This activity includes the replacement and rehabilitation of assets to restore them to their original condition or capacity. For the term of this AMP our focus will be on restoring the assets that are priority affected by the heavy haulage industry. With an increase in the number of HPMV permit holders, pre-determined routes are being adversely affected. Forestry is having a large impact on many rural roads so again, our focus will be on maintaining and strengthening these roads.

Low Cost Low Risk Improvements

For this work activity we intend to address our death and serious injury crash statistics. Over the duration of the previous AMP (2018/19 and 2019/20) we had 19 number of DSI crashes. The work category will provide the means to carry out safety improvements across the network. With an ageing bridge and retaining wall state the low cost low risk improvement work activity will be used to fund the replacement of 12 retaining walls over the next 3 years.

Our Lifecycle Management Strategy

Right time, right treatment, right place is our philosophy for the life of this AMP and the assets that we are the custodians of. Given the size of the authority and the corresponding funding constraints, we have to be very prudent how we go about our business. This will inevitably result in Stratford District Council taking on more risk in order to push the boundaries and life expectancy for our assets. EG: reseals have traditionally been undertaken every 13 years. We are seriously looking to extend this to 15 or 18 years where possible. This strategy will “free up” funds for other work activities that at the present time are more pressing, such as pavement rehabilitation and drainage renewals.

Our Investment Funding Strategy

The Council's Investment Strategy covers how Stratford District Council plans to plan, operate, maintain and improve the Roding network to deliver its vital role in enabling journeys safely and efficiently whilst achieving value for money. It sets out overall operations to meet its objectives now and in the future, with a key objective of the future-proofing Council's assets.

The Council's maintenance programme aims to sustain current levels of service and incrementally provide opportunity to carry out improvements of increasing the widths of our footpaths from 1.0 to 1.50 meters.

The maintenance programme for this AMP will increase by 27%, from \$16,301,060 to \$20,641,700 for three years for local roads and \$542,100 to \$711,000 for 3 years for Special Purpose Roads. The Council's Low Cost/Low Risk Improvements funding will increase to \$3,080,000 For the three years and for this AMP, this comprises of:

- Safety improvements = \$1,480,000;
- Walking and Cycling = \$1,100,000; and
- Whangamomona Road upgrade = \$500,000

Executive Summary

Beyond 2024 the funding for Walking and Cycling and low cost/low risk improvements varies from year to year to take into account our 30 year programme.

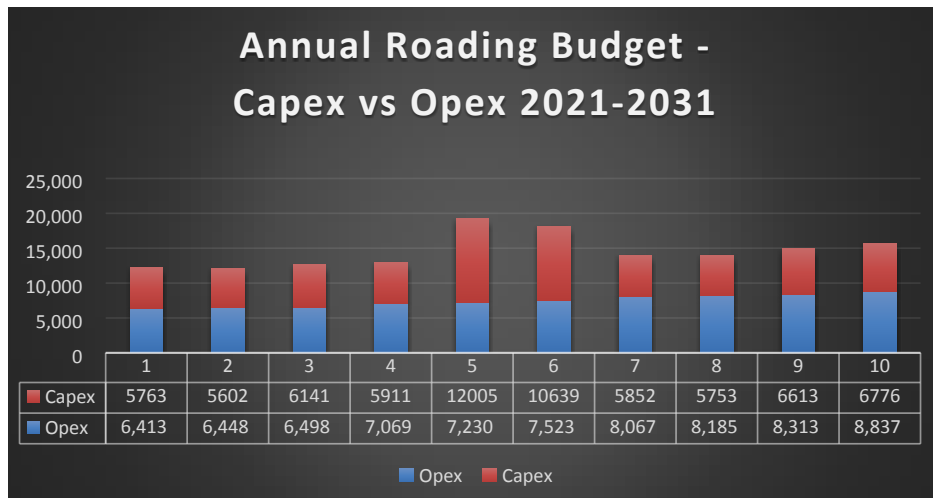
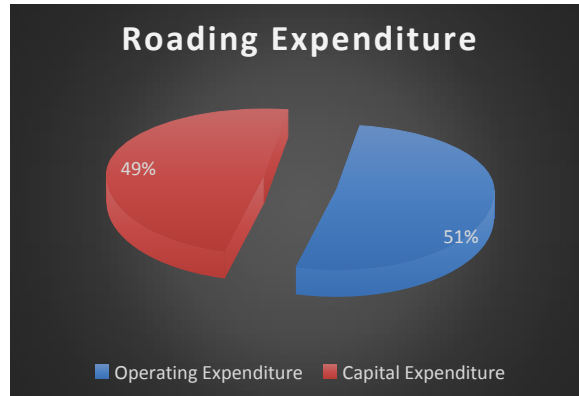


Figure 1 - Total Roading Expenditure

Table 2 – 2021-2024 National Land Transport Plan Funding at a Glance – Local Roads

Roading Activity	2021/2022	2022/2023	2023/2024	2024-2027	2027-2031	2031	TOTAL
Maintenance	1,624,000	1,624,000	1,624,000	5,270,000	5,790,000	2,140,000	18,072,000
Operations	897,000	897,000	897,000	3,240,000	3,560,000	1,585,000	11,076,000
Renewals	4,508,000	4,320,000	4,248,000	13,480,000	14,125,000	5,135,000	45,816,000
Low Cost/Low Risk Improvements	1,180,000	925,000	975,000	2,750,000	16,790,000	760,000	23,380,000
TOTAL	8,209,000	7,766,000	7,744,000	24,740,000	40,265,000	9,620,000	98,344,000

Executive Summary

NETWORK LEVEL OVERVIEW

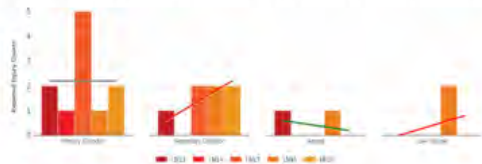


KEY ASSET GROUPS

Asset Type	Asset Type Component	Replacement Cost 2016	Replacement Cost 2018	Depreciated Replacement Cost 2018	Annual Depreciation 2018
Berm	Berm	\$10,726,818	\$11,643,336	\$11,643,336	\$0
Bridge	Bridge (Superstructure)	\$30,749,951	\$33,377,266	\$12,113,089	\$351,939
Drainage	Drainage General	\$16,499,383	\$15,064,890	\$4,273,904	\$188,321
Footpath	Footpath formation	\$6,115,137	\$6,241,626	\$3,288,230	\$77,510
Railing	Railing	\$820,414	\$894,153	\$202,072	\$18,190
Retaining Wall	Retaining Wall	\$4,389,684	\$4,724,071	\$3,109,080	\$69,051
SW Channel	SW Channel	\$5,011,774	\$5,419,190	\$1,213,358	\$67,740
Sign	Sign Total	\$1,578,241	\$1,731,299	\$210,620	\$94,794
Street Light	Street Light Total	\$2,202,271	\$1,731,299	\$210,620	\$94,794
Treatment Length	Treatment Length Total	\$202,307,133	\$3,462,598	\$421,240	\$189,588
Sub-Totals		\$280,400,806	\$280,379,571	\$199,683,860	\$2,804,009
Land Value		\$53,638,711	\$53,638,711	\$53,638,711	\$0
1 July Road Asset Valuation Totals		\$334,039,517	\$280,379,571	\$199,683,860	\$2,804,009

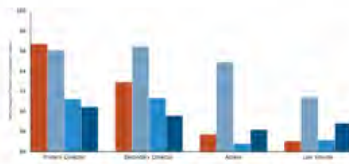


LEVELS OF SERVICE PERFORMANCE



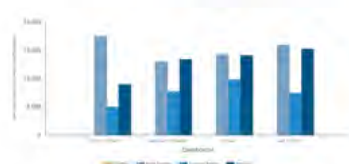
Safety – Fatalities and Serious Injuries

In 2016/17 there were 2 reported Fatalities and Serious Injuries in the Stratford District. When looking at the trends, we are neutral for primary collector roads, a higher trend for secondary collector, an improving trend for access roads and a high trend for low volume roads.



Amenity – Average Roughness Exceeded

For this performance indicator, we can clearly show that the smooth travel exposure for our Primary Collector is greater than the other regions, as well as the national average. However Stratford District Council will need to focus our pavement repairs on the Secondary Collector and sealed Access roads. We undertake an annual road roughness rating survey and these results are entered into the RAMM database by the consultant undertaking the survey.



Cost Efficiency – Chipseal Surfacing Renewed Annually

Our average resal life across all road categories is 13 years. It is our expectation to extend the life of our resals to at least 15 years or more, with the maintenance strategy and renewal programme which will be implemented.

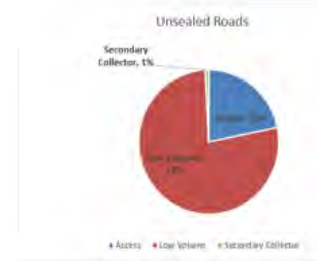


Figure 2 - Network Level Overview

1.0 Introduction

Introduction

1.0: Introduction

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1.1 PURPOSE OF THE PLAN

The Rooding Activity Management Plan 2021-2031 ('the RAMP') is a 10 Year Strategic Plan for the Stratford District Council ('the Council'). It details how the Council will manage the Rooding activity, assets and services in an efficient, safe, reliable and sustainable manner to provide value for money our customers and investors.

The RAMP informs the development of the Council's 2021-2031 Long Term Plan ('the LTP') and the New Zealand Transport Agency (NZTA)'s National Land Transport Programme for 2018 ('2018 NLTP'). It shows how the Council will prioritise and address key District land transport issues, in the face of competing projects and constrained resources. The prioritisation of competing projects is necessary to deliver on Community Outcomes, the agreed Levels of Service (LoS) and also meet legislative objectives and requirements. The RAMP proposes work programmes that deliver good value for money for our investment partners. This is achieved by doing the right things, in the right places, at the right times, for the right price and in the right ways.

1.2 THE STRATFORD DISTRICT

The Stratford District is a land locked area encompassing 2170km² located in the heart of Taranaki. The district is adjacent to the New Plymouth and South Taranaki districts in the Taranaki region and the Ruapehu and Whanganui Districts in the Horizons Regional Council. Within the district there are four distinct geographical areas:

- The alpine and bush environment of Egmont National Park;
- The ring plain around Mt Taranaki;
- Hill country located between the ring plain and the eastern hill country; and
- Eastern hill country to the boundary with Ruapehu District Council.

The district's rural landscape supports large farming, forestry and Department of Conservation reserves. Stratford is a growing tourist destination, with attractions such as Egmont National Park, the Manganui Ski Field, Forgotten World Highway (SH43), Whangamomona, Dawson and Mt Damper Falls to name a few.

The Stratford District Council ('the Council') is responsible for maintaining 597 km of local roads and 14km of Special Purpose Roads located within the National Park. Thirty four percent of our Rooding network is unsealed; the majority being located in the eastern hill country. Many of these unsealed roads carry less than 50 vehicles per day.

The majority of the road users on our road network consist of the Farming community; Forestry industry; Oil and Gas industry; Haulers associated with the farming industry; Tourists; School buses and rural postal delivery service.

1.2.1 DISTRICT HISTORY

The site for Stratford Township on the north bank of the Patea River was cleared in 1877 and was originally named Stratford-on-Patea. It was named after Stratford-Upon-Avon, Shakespeare's birthplace, and the streets were named after Shakespearean characters including Oberon, Cordelia, Juliet and Hamlet. By 1906 the population of Stratford numbered almost 6,000. Other towns throughout the district sprung up as the bush was cleared and new farming districts developed. Schools, hotels, stores and other community facilities were established, however, the Stratford Township remained the hub of the area.

From early on in the twentieth century there was rapid development of the dairy industry, with most communities having their own factory. Roads through the district were still relatively basic, which meant travelling any distance was difficult. As roads improved throughout the 20th century, communities in the district gradually began to lose their facilities. It was cheaper and easier to travel to larger towns for services than to maintain those services in smaller settlements.

The Forgotten World Highway (State Highway 43) links the towns of Stratford and Taumarunui and later became New Zealand's first heritage trail. It passes through the village of Whangamomona which was first settled in 1895, with no road or rail access. Today the village has approximately 25

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full-time residents, a hotel, a handful of historic buildings and the odd goat. (*Refer: Stratford District Council Website.*)

1.2.2 DISTRICT GEOGRAPHY

The Stratford District is one of three territorial authorities ('TA') in the Taranaki region, overlying of which is the administrative area of the Taranaki Regional Council. The far eastern portion of the Stratford District is also overlain by the administrative area of the Horizons (Manawatu/Wanganui) Regional Council. The political division between the two regional councils lies along the Whangamomona Saddle.

Mount Taranaki or Mount Egmont, and Egmont National Park, dominate the landscape of the District. In the past, successive eruptions of ash and natural erosion have created an "apron" or a "ring plain" around the base of the mountain. The fertile and generally free draining soils of this ring plain support intensive pastoral farming, especially dairying.

East of the ring plain lies the rolling topography of the frontal hill country and further east, the deeply dissected hill country. These hills are not volcanic but consist of sedimentary rocks (mudstone, sandstone and siltstone). Soil properties in the eastern hill country are closely linked to the differences in rock hardness and composition. Most are steepland soils, ie, are shallow soils which have developed on steep, relatively unstable slopes. (*Refer: Stratford District Plan 2014.*)

1.2.3 DISTRICT MAIN COMMUNITIES

The Stratford District is home to many settlements, with the three main centres being Stratford, Midhirst, and Toko. A brief description of each town is summarised from *The Encyclopaedia of New Zealand, 1966*.

Stratford

Stratford (Māori: Whakaahurangi) is the main town in the Stratford District. It is located on the banks of the Patea River roughly 48 km south-east of New Plymouth and 30 km north of Hawera at the junction of State Highways 3 and 43. Stratford is near the geographic centre of the Taranaki region and the largest settlement of the Stratford District with an estimated population of 6,690. 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

Midhirst is located approximately 4 km north of Stratford, on State Highway 3. Inglewood is 17 km (11 mi) north of Midhirst and New Plymouth is 35 km (22 mi) to the northwest. An estimated 234 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.

The Toko Township

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 1,188 people live in or around Toko. This includes people living in the settlement and those living in the surrounding rural areas.

Introduction

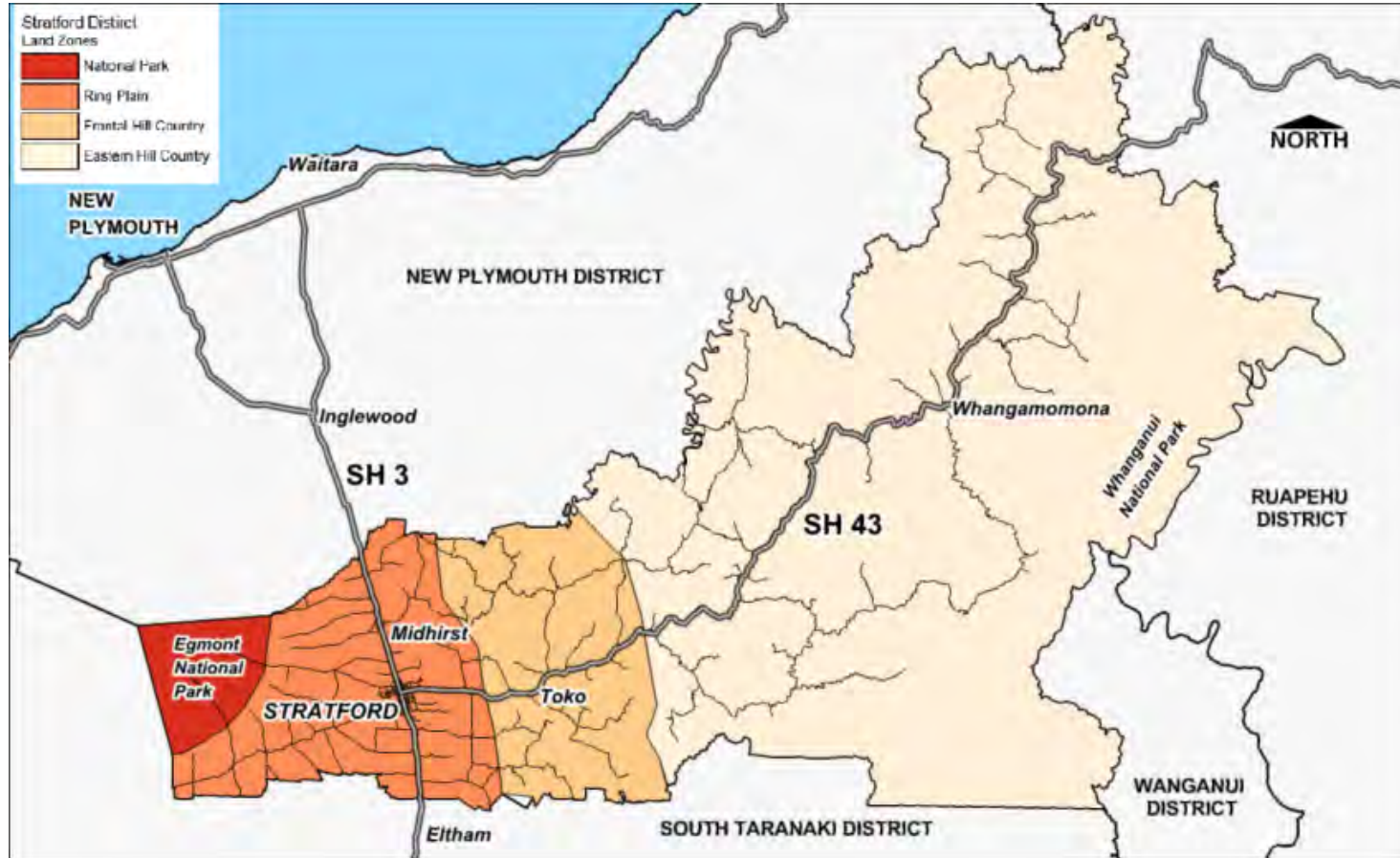


Figure 3 - The Stratford District 2020

1.3 OUR MISSION, VISION AND VALUES

Stratford District Council is local territorial authority and road controlling 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 vibrant, resilient, and connected community – in the heart of Taranaki'

The Stratford District Council's **Values** are:

- Integrity:** *Be loyal to the organisation and trustworthy, honest and courteous with everyone we deal with.*
- Teamwork:** *Work together in the same direction, assist each other and have respect for others. Maintain a positive attitude and encourage teamwork.*
- Excellence:** *Be effective in everything we do using our experience and knowledge. Do the right thing at the right time. Be efficient by being cost effective and ensure prudent management of public money and assets.*
- Pride:** *Take pride in our performance and our organisation.*
- Commitment:** *Have commitment and respect for each other, our business and our customers.*
- Innovation:** *Examine alternatives, challenge the obvious and have a flexible attitude.*

The Stratford District Council carries out its duties under the LGA (2002) through two key Management Teams:

- The *Executive Management Team*, comprising the Senior Leaders of the Council and headed by the Chief Executive. This team sets the overall direction for delivery of Roading activities and services; and
- The *Assets Management Team*, comprising the operational and maintenance staff who carry out the direction set by the *Executive Management Team*.

The structure for each Management Team is provided in Figures 4 and 5.

Introduction

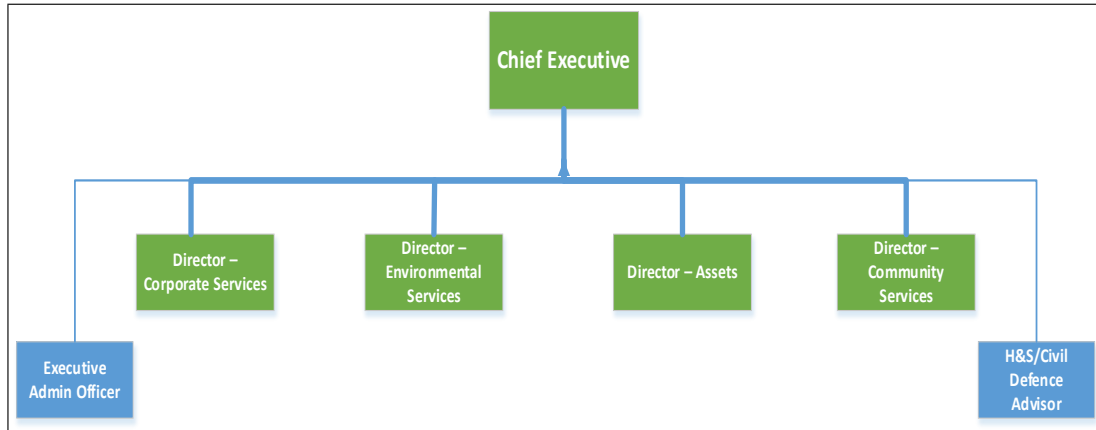


Figure 4 - Executive Management Team

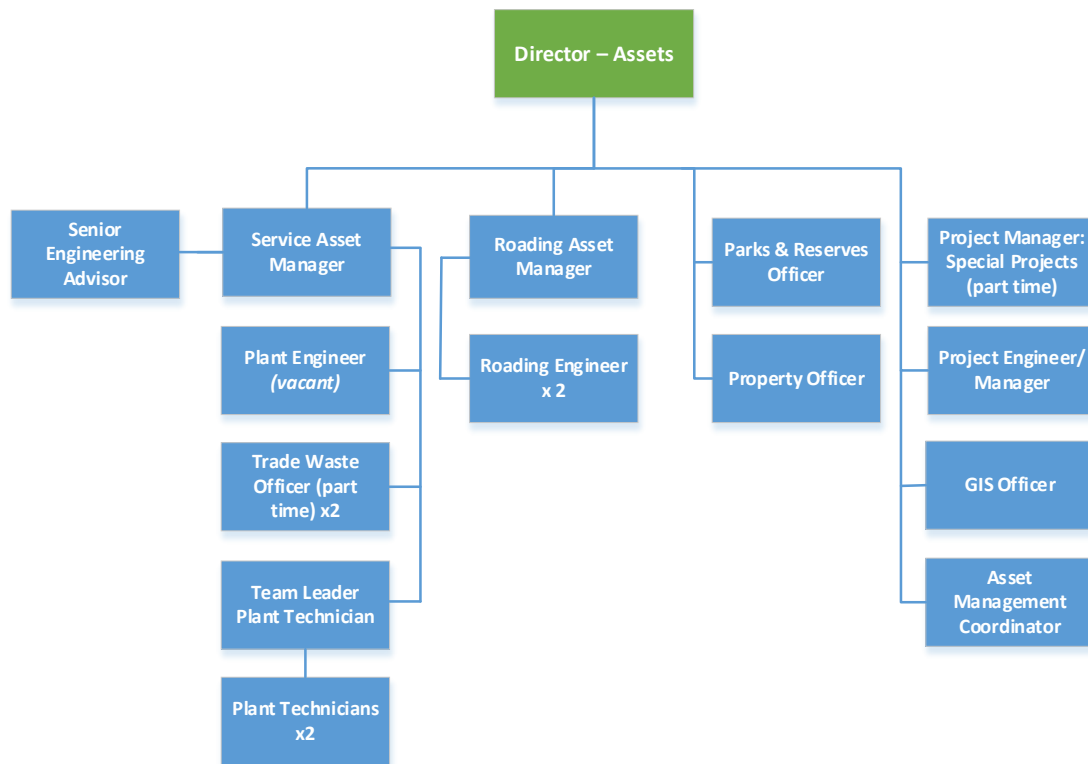


Figure 5 - The Assets Department

1.4 THE ROADING ACTIVITY

The Stratford District Council is the road controlling authority under the Local Government Act 1974 with responsibility for all local roads in the Stratford District. The Council aims to provide an integrated, safe, responsive and sustainable local land transport system for the District.

The Roading Activity covers all land transport activities Stratford District Council pays for, either fully or with co-investment from NZTA. As part of our planning we consider how the Council's assets can best be managed to deliver the required transportation services to meet both our Community Outcomes and the five key elements to the One Network Road Classification (ONRC) framework of:

- Safety;
- Resilience and Travel Time Reliability;
- Amenity;
- Accessibility; and
- Cost efficiency

A full description of services provided is detailed in Section 8, Life Cycle Management of this RAMP. Table 1 below provides an overview of how these five key elements are applied to maintaining and renewing the land transport network within the Stratford District.

1.5 THE IMPORTANCE OF THE ROADING ACTIVITY

An effective land transport network is pivotal to the efficient functioning of Stratford District and our economy. The economic and social activities of the Stratford district depend on a well-connected and well-managed network for the movement of people and goods.

The following goals and objectives of the Roading activity are proposed to be met through the key performance measures detailed in Section 5 of this Plan. Table 3 shows how the Stratford District Roading activity contributes to the Stratford District's Community Outcomes.

- To provide a safe Roading network.
- To provide a well maintained Roading network.

1.6 STRATEGIC AND LEGISLATIVE CONTEXT

The Council has statutory obligations under the Land Transport Management Act (LTMA) 2003 to maintain a road network within the district and the transport activity is delivered by the Council. The Council has an obligation to provide a safe and efficient road network that enables the movement of people and products, both within and through the district. An effective road network is also essential to ensuring the economic growth, sound well-being of the community, through the provision of access and mobility for people, goods and services.

Further to the requirements of the Land Transport Management Act 2003 the transport activity is also guided by the following:

- Government Policy Statement
- New Zealand Transport Agency "Arataki"
- One Network Road Classification/Framework
- Regional Land Transport Plan

1.7 BUSINESS CASE APPROACH

The Business Case Approach (BCA) supports planning and investing for outcomes, ensuring early collaboration between stakeholders and progressive development of robust, evidence based investment case. It is a structured process that integrates best practice decision-making, programme management and investment assurance tools. Its intention is to progressively build an investment case by:

- Identifying and defining the core problems/opportunities that are unique to the Stratford District;

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- Identifying the benefits to be gained by investing in solutions to address identified problems/opportunities; and
- Identifying the consequences of not addressing the problems/opportunities the District is faced with.
- Clearly shows the “line of sight” from the issue to the treatment that will reduce the benefits of addressing the problems identified.

For Maintenance, Operations, Renewals and Minor Improvements, the Road Efficiency Group developed the following diagram to explain how the Business Case Approach is applied to these activities.

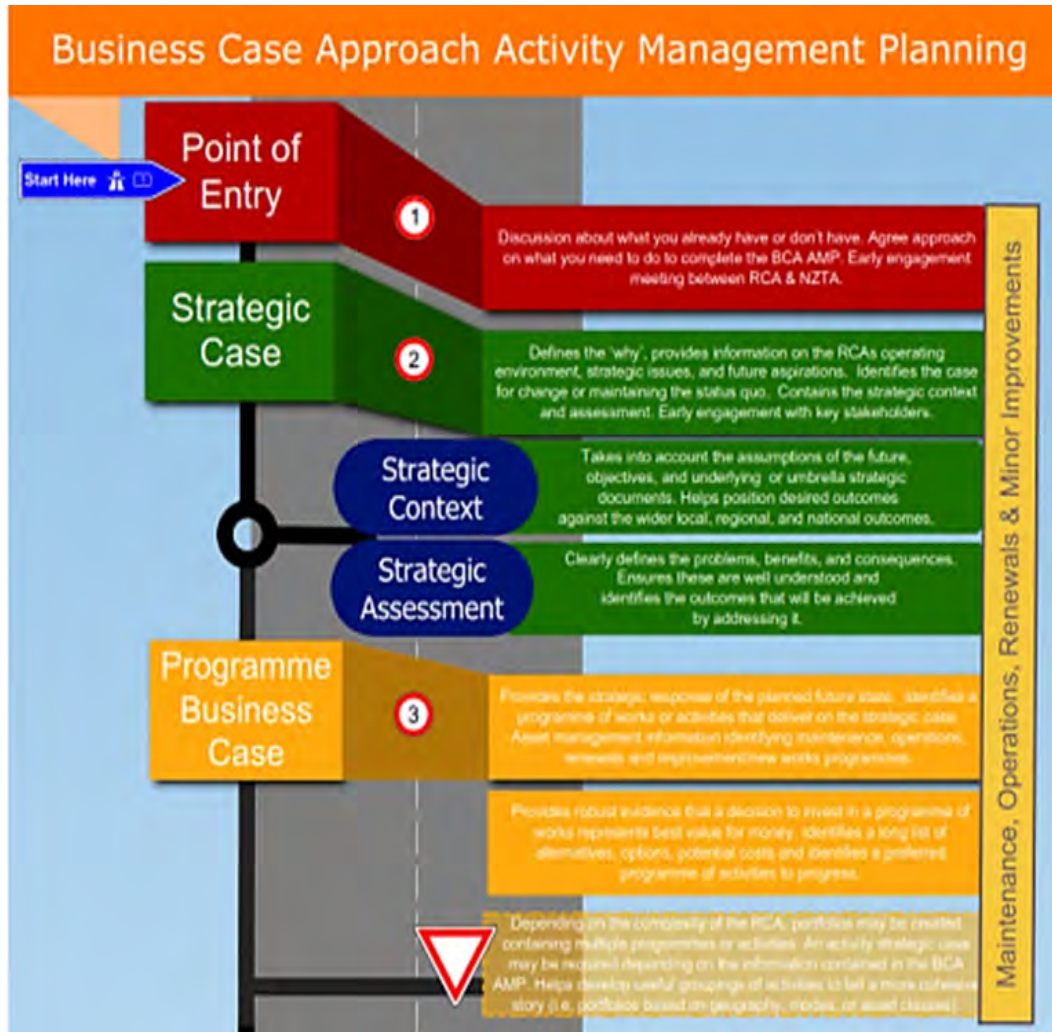


Figure 6 - Business Case Approach Activity Management Planning

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Table 3 - Overview of ONRC application to land transport network

Roading Activity	ONRC Outcomes	Community Outcomes
Transport Activity: Passenger and Freight movement		
<p>Maintenance of the roading network to provide a safe, accessible and resilient land transport network.</p>	<p>Resilience: Adequately maintain drainage systems to reduce interrupted journeys.</p> <p>Accessibility: Provide a network which can be easy to navigate around.</p> <p>Accessibility: Provide a road network which is smooth and fit for purpose.</p> <p>Safety: Providing a safe land transport system via road safety improvement programmes.</p> <p>Amenity: Tidy and functional network through vegetation control and roadside furniture.</p> <p>Amenity: Comfortable journeys due to pavement repairs for sealed and unsealed roads.</p>	<p>Growing and developing the urban network.</p> <p>Meeting the needs of our current and future community.</p> <p>Working to create an attractive and safe built environment.</p> <p>Fund infrastructure that is cost effective for households.</p>
Transport Activity: Walking and Cycling		
<p>Maintenance and renewals of footpaths.</p> <p>Creation of new cycleways</p> <p>Provision of safe crossing facilities.</p> <p>Safety projects in school zones.</p> <p>Improvement to traffic services for wayfinding.</p> <p>Painting of pedestrian crossing islands/kerb extensions.</p>	<p>Safety – Improvements to footpaths to provide safe crossing facilities.</p> <p>Amenity – Footpaths are widened to accommodate multiple modes of transport including micro-mobility.</p>	<p>Meeting the current and future needs of the community.</p> <p>Supporting and providing access to health, educational, recreational and social facilities.</p> <p>Creation of a safe and attractive built environment.</p> <p>Develop an attractive and vibrant CBD.</p>
Transport Activity –Pparking		
<p>Maintenance and renewal car parks.</p>	<p>Safety: Regular re-painting of roadmarkings to clearly delineate on and off road parking bays.</p> <p>Accessibility: – Provision of parking spaces within the CBD and periphery of the CBD for visitors and the community to access local bussesses</p>	<p>Creation of a vibrant, attractive and prosperous CBD.</p> <p>Performing regulatory functions that are cost effective.</p> <p>An attractive and safe built environment,</p>

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Underpinning this approach is good quality evidence to support the investment proposed in the Activity Management Plan. The above principles underpin the Business Case Approach.

The District applies a robust business case approach in the way it develops and justifies its programmes of work and Long Term Plan.

These nine steps form the Strategic and Programme Business Case for the District, and are further explained below:

1. What outcomes does the activity deliver and why is it important to the Community?
2. Outline what services are currently delivered, and how they are delivered.
3. Clearly articulate the problems on the network and the benefits of addressing them or the consequences of ignoring them.
4. Assess the current state of the asset using the Performance Measure Tools developed by the REG and Company X.
5. Use these tools to identify gaps or deficiencies in the level of service.
6. Develop work programmes to address the deficiencies identified in the Performance Measure Tools.
7. Identify solutions, activities to address the problems identified and test those solutions to substantiate develop forward work programmes.
8. Recommend the preferred work programmes for the term of the activity management plan.
9. Inform senior management and elected members through long term plan workshops of the intended programme.

This Activity Management Plan demonstrates how Stratford District will achieve its goals and associated strategic targets to achieve its community outcomes through effective sustainable management of land transport infrastructure.

1.8 OUR COMMUNITY OUTCOMES

The Council's vision for the 2021-2031 Long Term Plan (LTP) is '*a progressive, prosperous district where communities are celebrated*'. The Council's identified *Community Outcomes* (table 4) to achieve the vision are:

- Vibrant Community;
- Sustainable Environment;
- Connected Communities; and
- Enabling Economy.

The delivery of good quality infrastructure and the provision of essential land transport services in a cost-effective manner via effective activity management planning will ensure the achievement of Council's Community Outcomes. The Council's goals are to ensure:

- The safety of roads and of all transport modes for all users;
- That requests from the public are responded to in a timely manner;
- The quality of roads and safety of its users; and
- That all roads remain available to users.

Table 4 - Community Outcomes

Community Outcomes		Roading Activity Contribution
Vibrant community	<ul style="list-style-type: none"> We celebrate and embrace our community's cultures and traditions. We tell our unique story. We will develop strong relationships with iwi, hapu and marae. 	<ul style="list-style-type: none"> Providing a resilient and connected land transport infrastructure network that provides for the movement of people and goods throughout the district.
Sustainable environment	<ul style="list-style-type: none"> Our natural resources can be enjoyed now and by future generations. We are committed to working towards zero waste. We have well planned and resilient infrastructure that meets the current and future needs of the district. We strive to understand and support Te Ao Māori values and principles. 	<ul style="list-style-type: none"> Planning a land transport network to protect the natural environment with social and cultural affects managed appropriately.
Connected communities	<ul style="list-style-type: none"> Our neighbourhoods are safe and supported We enable positive healthy lifestyles, through access to health, social and recreation services We have a strong sense of belonging We value opportunities to be involved and work together as a community 	<ul style="list-style-type: none"> Providing access to health, education, social and recreational services and facilities Providing and maintaining local roads that form a significant part of the regional transport system. Provision will be made for local procurement in keeping with Council's policy. Providing a well maintained transport system to ensure communities are connected and desirable. Leading initiatives for urban growth with well-planned land transport networks which provide connections between centres. Providing good quality land transport infrastructure as a significant part of the regional land transport system.
Enabling economy	<ul style="list-style-type: none"> We are a welcoming and business friendly District We encourage a strong and diverse local economy We promote opportunities to visit, live and invest in the district We support economic opportunities for Māori 	<ul style="list-style-type: none"> Fund capital works which offer value for money for current and future generations of Stratford District ratepayers and ensures the financial security of Council is not compromised. Stratford will encourage developers to provide well planned road layouts that allow for the free passage of all forms of transport throughout Stratford Providing good quality land transport infrastructure as a significant part of the regional land transport system.

1.9 ACTIVITY MANAGEMENT PLAN FRAMEWORK

To achieve the goals of this Activity Management Plan there are key parts that show how these aspects of the plan link together.

- The **Strategic Case**: This encompasses the Executive Summary and outlines the issues facing Stratford for the next three years.
- The **Programme Business Case**: This section provides the evidence to support the proposed investment the "line of sight" showing what we are going to do to address these issues.
- The **Detailed Business Case**: Evidence to support investment based on the Performance, Monitoring and Reporting tools, the Lifestyle Management of our assets and how we can demonstrate value for money.

Legislative and Strategic Context

2. Legislative and Strategic Context

Legislative and Strategic Context

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Legislative and Strategic Context

2.1 OVERVIEW

This section of the plan describes the strategic context of the Rooding activity and the linkages between national, regional and district goals and objectives.

The diagram below shows how national and regional strategic documents provide strategic context and feed into the Stratford District planning and asset management approach.

2.2 NATIONAL DRIVERS

Legislative and strategy drivers invariably set the minimum Levels of Service (LoS) and influence the operation and management of the Rooding activity. A description of these national drivers is provided below. While many of the national drivers are listed below, the key drivers are described in detail in the following section.

- The Government Policy Statement 2021/22 – 2030/31
- The Local Government Act (2002) Amendment Act (2012)
- The Land Transport Management Act (2003)
- The One Network Road Classification (ONRC)
- The National Land Transport Programme (NLTP)
- The Investment Decision Management Framework (IDMF)
- The Land Transport Rule: Vehicle Dimensions and Mass 2016 (the VDAM Rule)
- The Resource Management Act 1991;
- The Public Health and Safety at Work Act 2015;
- The Public Works Act 1981;
- The Telecommunications Act 2001;
- The Railway Safety and Corridor Management Act 1992;
- The Civil Defence Emergency Management Act 2002; and
- The Utilities Access Act 2010.

2.2.1 GOVERNMENT POLICY STATEMENT 2021/22 – 2030/31 (GPS)

The Government Policy Statement 2021/22 – 2030/31 is where the Government determines how investment into the land transport system will contribute to achieving overall government outcomes.

The purpose of the transport system is to improve people's wellbeing and the liveability of places. It does this by contributing to five key outcomes.

- Inclusive Access
- Economic Prosperity
- Healthy and Safe People
- Environmental Sustainability
- Resilience and Security

The Government Policy Statement strategic priorities for 2021 are:

- Safety
- Better travel options
- Improving freight connections
- Climate change

Strategic Priority - Safety

The primary focus is to develop a transport system that advances New Zealand's vision that no one is killed or seriously injured while travelling New Zealand roads.

The Government will implement the Road To Zero to achieve a target of 40% reduction in death and serious injury by 2030. Key elements of this strategy are:

- Infrastructure safety treatments
- Enhancing footpaths

Legislative and Strategic Context

- Road safety campaigns
- Tackling unsafe speeds

Transport Outcomes Framework

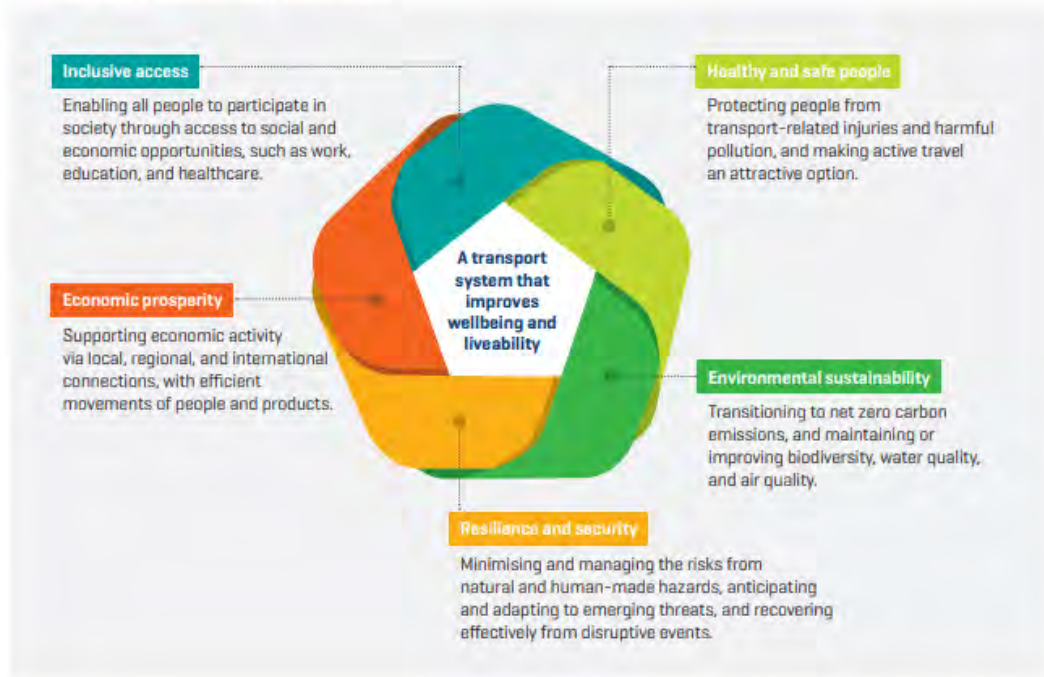


Figure 7 - Transport Outcomes Framework

SDC has liaised with NZTA Safe Network Programme Manager, Janine Stewart to determine and agree where the Road To Zero programme can be applied to our network. The pipeline tool has identified Opunake Road as a road requiring some intervention. At this time we have requested a quote to install RIAWS (Rural Intersection Activated Warning Signs) at the Opunake/Cardiff/Climie Roads intersection. The pipeline tool suggests reducing the speed limit to 80km/h. Further conversations with our community will be undertaken before this potential change can occur.

Strategic Priority – Better Travel Options

This priority relates to providing better travel options to access places for earning, learning and participating. The benefits derived from the inclusive access are:

- Healthy and safe people
- Environmental sustainability
- Economic prosperity
- Resilience and security

These goals can be achieved by optimising and maintaining existing transport networks.

Within Stratford we are currently developing a Walking and Cycling Strategy to compliment this objective. It is in it's infancy at present. Our goal is to encourage greater up-take of cycling by school children and families, as well as providing safe, resilient cycle routes for tourists.

Stratford is not a cycling commuting town, with approximately 50% of our working population travelling to New Plymouth or Hawera to go to work. There are a few residents that work in the nearby town of Eltham. However State Highway 3 is seen as an un-safe cycle route, due to the volume and make-up of the traffic.

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Strategic Priority – Improving Freight Connections

This priority relates to improving freight connections that will support economic growth.

We will achieve this through our maintenance programmes focussing on key routes, primarily used by Heavy Commercial Vehicles (HCVs) or our defined High Productivity Motor Vehicle (HPMV) routes. Currently forestry is an issue and it will continue to be throughout the term of this Long Term Plan.

We will and are working with forestry operators to improve some of the roads used by the logging industry. Unfortunately many of these roads are narrow and will require significant investment in time and money to be improved.

Strategic Priority – Climate Change

This priority is for local authorities to encourage their community to change the way they travel from private vehicles to public transport or walking and cycling.

Within Stratford we do not have an urban public transport network. However there is the “Connector” bus service which operates between New Plymouth and Hawera, which is regularly used by our community.

Stratford District Council is currently developing a Walking and Cycling Strategy to support this strategic priority. The emphasis of this strategy is to encourage a greater uptake of school children walking and cycling to school and provide cycling routes for tourists.

During the course of this Long Term Plan period, SDC will investigate the possibility of installing electric charging stations within Stratford for the increasing number of electric vehicles using the land transport system.

2.2.2 THE LOCAL GOVERNMENT ACT 2002 AMENDMENT ACT 2012

The purpose of the Local Government Act (2002) Amendment Act (2012) (LGA) is *‘to meet the current and future needs of communities for good quality local infrastructure, local public services, and the performance of regulatory functions in a way that is most cost-effective for households and businesses’*.

The LGA outlines the responsibilities of local authorities and the decision-making process for activities undertaken on behalf of their community, primarily through the requirement to adopt a Long Term Plan. It includes the principles that require Council to:

- Make itself aware of community views;
- Provide opportunities for Māori to participate in decision-making processes;
- Collaborate and cooperate with other local authorities as appropriate; ensuring prudent stewardship of resources; and
- Take a sustainable development approach.

2.2.3 THE LAND TRANSPORT MANAGEMENT ACT 2003 (LTMA)

The purpose of the Land Transport Management Act (2003) *‘is to contribute to an effective, efficient, and safe land transport system’*. It sets out requirements for the operation, development and funding of the land transport system and:

- Provides an integrated approach to land transport funding and management that takes into account the views of affected communities, improves social and environmental responsibility in land transport funding, planning and management.
- Provides the NZ Transport Agency with a broad land transport focus
- Ensures options and alternatives are given full consideration at an early stage in the development of programmes
- Improves long-term planning and investment in land transport
- Ensures that land transport funding is allocated in an efficient and effective manner

Legislative and Strategic Context

- Improves the flexibility of land transport funding by providing for alternative funding mechanisms.

The LTMA provides for the development of a GPS on Land Transport, a National Land Transport Strategy (NLTS) and Regional Land Transport Strategies (RLTS).

2.2.4 THE ONE NETWORK ROAD CLASSIFICATION (ONRC)

Within the Stratford District we have three road categories based on the ONRC classification system:

- Private Collector
- Secondary Collector
- Access Roads

Our access roads have been further classified as:

- Low volume access sealed
- Low volume access unsealed

Where we provide a lower level of service to our community.

At the present time, the Roothing Efficiency Group (REG) is developing a further framework to replace ONRC that takes into account the “place” function of the road. This One Network Framework (ONF) is likely to be introduced during the course of this AMP. This will require Stratford District Council to review our current ONRC hierarchy.

2.3 REGIONAL DRIVERS

2.3.1 THE REGIONAL TRANSPORT NETWORK

The Taranaki region covers an area of 7,258 km². Taranaki lies on the west coast of the North Island and includes the New Plymouth, Stratford and South Taranaki Districts. The transport network for Taranaki includes:



The Taranaki road network forms part of the wider Central North Island and national land transport network. Important State Highway inter-regional connections for Stratford are north to New Plymouth and south to Hawera (SH3) and east to Ruapehu (SH43).



The New Plymouth domestic airport provides service to various locations within New Zealand and the Stratford Aerodrome owned by Stratford District Council provides for small private and commercial aircraft.

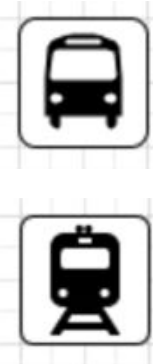


The Port at New Plymouth handles large volumes of cargoes, principally those of the farming, engineering and petrochemical industries. Additionally it is a servicing base for sea transport and related industries for the region and central New Zealand and is a significant destination for product and freight from Stratford, particularly for logging.



Cycling and walking are becoming key focuses for active transport modes throughout Taranaki. This activity management plan links to the strategies outlined in the Taranaki Regional Council’s “Regional Walkways and Cycleways Strategy for Taranaki 2007”. This document is to be reviewed in 2018 following the growth in this activity throughout the region.

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Urban networks in New Plymouth provide public transport option for commuting, and other daily travel needs. Commercial public transport options are available using State Highways for regional and national transport. Taranaki Regional Council runs a daily bus service from Hawera through Stratford to New Plymouth and back. This service is crucial to students that attend WITT or Taranaki Base Hospital in New Plymouth who live in Stratford.

Goods and freight are transported through the region by rail to other parts of the country. Freight trains utilise lines owned by Kiwirail run through the Stratford District.

2.3.2 REGIONAL LAND TRANSPORT PLAN (RLTP) FOR TARANAKI 2015-2021

The Regional Land Transport Plan (RLTP) for Taranaki 2015-2021 provides a strategic direction for the region for the next six year period.

This plan is currently being reviewed in light of the draft GPS 2021-2031 and that many of the projects listed with the 2015-2021 RLTP have been completed.



Figure 8 - Regional Connections

Legislative and Strategic Context

2.4 DISTRICT DRIVERS

The Rooding Activity Management Plan has connected a number of district strategies. The Rooding AMP forms a critical part of the planning framework as shown in figure 7. Table 5 provides a description of the District Strategic Drivers for the Rooding AMP and how they influence or relate to the Rooding AMP.

2.4.1 THE LONG TERM PLAN (LTP) 2021-2031

The Long Term Plan (LTP) 2021-2031 is a regulatory document pursuant to Section 93 of the Local Government Act 2002 Amendment Act 2014 that:

- Describes the activities of Stratford District Council;
- Outlines Council's contribution to the community outcomes and describes how we will manage activities we are responsible for;
- Provides integrated decision making and co-ordination of resources; and
- Provides a long-term focus for Stratford District Council's decisions and activities

The LTP provides the direction and strategies that drive the RAMP. Programmes for Capital, Maintenance and Renewal works are linked to the LTP along with essential budgeting requirements. The LTP covers a planning period of 10 years and is reviewed three yearly.

2.4.2 THE INFRASTRUCTURE STRATEGY (IS) 2021-2051

A regulatory document pursuant to Section 101B of the Local Government Act 2002 Amendment Act 2014 for the purpose of:

- Identifying significant issues over the period covered by the strategy; and
- Identifying the principal options for managing those issues and the implications of these options.

The IS Identified issues/opportunities from the 30 year strategy inform the relevant AMP and is reviewed every 3 years.

2.4.3 THE DISTRICT PLAN

Developed in compliance with the requirements of the Resource Management Act 1991(RMA), the District Plan specifies land use policies aiming to mitigate and control the detrimental environmental effects of new developments. The RAMP sets out the Rooding hierarchy and standards to be achieved including levels of service.

This plan is due for review in 2021.

2.4.4 THE ANNUAL PLAN

The Annual Plan is a regulatory document pursuant to Section 95 of the Local Government Act 2002 Amendment Act 2014. The Annual Plan is developed in compliance with section 95 of the LGA 2002 the Annual Plan updates information reported on within the LTP including its objectives, intended activities, performance, income and expenditure.

The Annual Plan shows how that year of the LTP will be funded. It provides detailed financial forecasts for the first 3 years, with summary forecasts provided for years 4 to 10. The AP provides annual KPI targets that are reported in the Annual Plan.

Legislative and Strategic Context

Table 5 - District Strategic Drivers

Strategies/ Plans/ Documents	Description	Review Frequency	Relationship to the Activity Management Plan
Financial Strategy	Developed to provide a financial framework for Council debt and rate levels and limits - future proof Council owned and operated assets.	Ten yearly	Provides financial framework for asset management and activity budgeting and expenditure.
District Plan	Developed in compliance with the requirements of the Resource Management Act 1991(RMA), the District Plan specifies land use policies aiming to mitigate and control the detrimental environmental effects of new developments.	As applicable	Sets out the Roading hierarchy and standards to be achieved including levels of service.
Economic Development Strategy	Sets the direction for economic development and identifies priorities and measurable goals.	Three yearly	Support asset management planning and good practice.
Structure Plan (to be developed)	Provide a long term planning framework for the future development and redevelopment of the Stratford District. The plan will set out in broad terms, the layout of land uses, key infrastructure and transport links.	Unknown at this stage	Support asset management planning.
Significance and Engagement Policy	Developed in compliance with Section 76AA to set out Councils approach to: <ul style="list-style-type: none"> • The assessment of significance during decision-making. It provides direction on the consideration of community views and the level of community engagement that might be desirable to enable Council to develop a clearer understanding of community views and preferences on an issue or proposal. • Regarding community engagement and the ways the community can influence and participate in the decision-making of the Council. 	Three yearly	Determines level of engagement required for asset management planning activities/projects
Annual Report (AR)	Reports Council's performance for the previous year.	Annually	Provides annual KPI targets that are reported in the Annual Report.
Assessment of Water and Sanitary Services	Undertaken in compliance with Section 125 of the Local Government Act 2002 as part of Council meeting its obligation under the Health Act 1956 to improve, promote, and protect public health within its district.	Ten yearly	Informs the AMP with regard to services which could have an impact on the land transport network.
Other Council Policies, By-laws, etc.	The tools that guide and direct Council activities. (see Appendix 8)	As applicable	Support asset management planning and good practice.

3.0

Asset Information

Asset Information

3.0: Asset Information

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Asset Information

3.1 ASSETS OVERVIEW

The Stratford District Council is the Road Controlling Authority (RCA) under the Local Government Act 1974 with responsibility for all local roads in the Stratford District area. It provides an integrated, safe, responsive and sustainable local land transport system for the District.

The Roding activity exists to meet the needs and requirements of its customers and stakeholders.

The goals and objectives of the Roding activity are:

- To provide a safe land transport network.
- To provide a well maintained land transport network.
- Offer value for money through properly managed work programmes.

By meeting its goals and objectives the Roding activity contributes to the achievement of national, regional and district goals and objectives:

- Government Policy Statement (GPS).
- One Network Road Classification (ONRC).
- National Land Transport Plan (NLTP).
- Community Outcomes.

The land transport activity is significant and essential to the Stratford District. It provides for both urban and rural access across the District and contributes to the social and economic well-being of residents, visitors and businesses within the District through the provision of land transport services and infrastructure.

This activity encompasses the management, construction, maintenance and renewal of rural and urban roads, footpaths, kerb and channel, street lighting and associated infrastructure for the District excluding State Highways.

The Council manages the land transport infrastructure assets to provide services to its customers and stakeholders. Our inventory of existing land transport infrastructure is held within the Road Assessment and Maintenance Management system (RAMM). The Stratford District Roding activity is comprised of:

Table 6 - Overview of Infrastructure Assets

Asset Group	Length/N°	Infrastructure	Length/N°
Sealed Roads	392.056km	Retaining Walls	250
Unsealed Roads	205.808	Signs (advisory and safety)	4802
Footpaths	61.725km	Markings	2,252
Bridges including large culverts	152	Guard Rails	828
Culverts	2950	Streetlights	755
Tunnels	3	Surface Water Channels	747.063km

Note: Infrastructure asset length/number is as at 01 July 2017 – RAMM.

Asset Information

As of 1 July 2016 the Stratford Districts road network comprises of the following ONRC classifications:

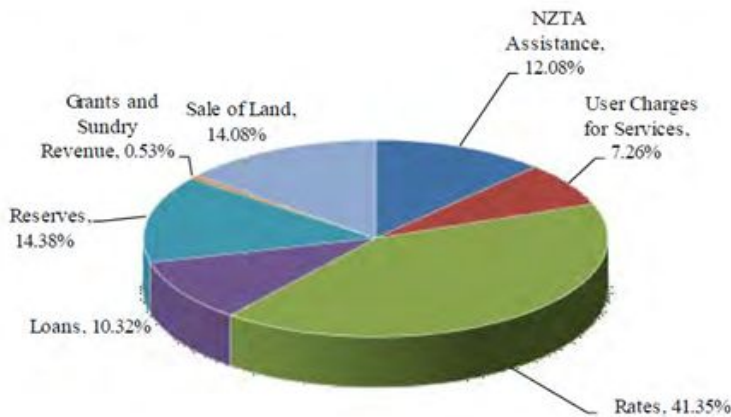
Table 7 - SDC Road Network Hierarchy

Road Classification	Length (km)	% of Network
Primary Collector	14	2
Secondary Collector	129.6	21
Access	264.5	43
Access Low Volume	203.6	33
Total	611.8	100

Note: Road Network Hierarchy as at 01 July 2017 – RAMM.

The land transport network consists of approximately 600km (rounded up) of roads covering the entire district. Based on the last valuation (30 July 2018) the optimal replacement value of the network is \$280.4m. Further to this SDC manages 14km of Special Purpose Roads located within the Egmont National Park with both Pembroke and Upper Manaia Road providing access to Mt Taranaki and the tourist experiences the national park has to offer.

Figure below shows where money came from in 2019/2020 (source – Annual Report)



	<u>\$'000</u>
NZTA Assistance	3,741
User Charges for Services	2,249
Rates (includes water by meter charges)	12,808
Reserves	4,454
Grants and Sundry Revenue	165
Loan Funding	3,198
Sale of Land	4,360
Total Gross Revenue (excl GST)	30,974

Figure 9 - Roading Funding Split

Asset Information

Table 8 - Operating and Capital Expenditure

Expenditure	Council \$000	Roothing \$000
Total Operating Expenditure	\$23,449	\$6,474
Total Capital Expenditure	\$7,467	\$3,199
<i>Note: As at 30 June 2020 – Annual Report.</i>		

3.2 ASSET VALUATION

The Local Government Act 2002, Section 111 requires that local authorities comply with statement of “General Accepted Accounting Practice” that are prepared by the New Zealand Society of Accountants (ICANZ) and included in the New Zealand Accounting Standards.

The Local Government (Financial Reporting and Prudence) Regulations 2014, Section 6 requires Local Authorities to disclose information about core assets in its annual report, including the local authority’s most recent estimate of the replacement cost. The concept of intergenerational equity in the funding of infrastructure asset is included as one of the principles of financial management. Without accurate knowledge of serviceability of assets, local authorities will only be guessing when they attempt to spread the costs of infrastructure across present and future ratepayers.

As required under the Act Stratford District Council has its assets revalued every three years by independent qualified valuer. Valuations will be undertaken more regularly if necessary to ensure no individual item of property, plant or equipment within a class has a carrying value that is materially different from its fair value.

The following asset valuation is as at 01 July 2018. The Roothing activity assets were revalued by Calibre Consulting following a request from Audit New Zealand regarding the annual depreciation value. As a result the value of the roading assets had reduced by \$45m. This was attributed to the contracted rates for sub-base and base course being lower than the replacement rates held in RAMM.

A review of the valuation tool will be undertaken during the term of this AMP, as there has been a change in the Contractor, whose contract rates will be higher or lower to those used in the valuation module.

Asset Information

Table 9 - Asset Summary provided by Calibre Group NZ (Email Peter.Ollivier@calibregroup.com)

Asset Type	Asset Type Component	Replacement Cost 2016	Replacement Cost 2018	Depreciated Replacement Cost 2018	Annual Depreciation 2018
Berm	Berm	\$10,726,818	\$11,643,336	\$11,643,336	\$0
Bridge	Bridge (Superstructure)	\$30,749,951	\$33,377,266	\$12,113,089	\$351,939
Drainage	Drainage General	\$16,499,383	\$15,064,890	\$4,273,904	\$188,321
Footpath	Footpath formation	\$6,115,137	\$6,241,626	\$3,288,230	\$77,510
Railing	Railing	\$820,414	\$894,153	\$202,072	\$18,190
Retaining Wall	Retaining Wall	\$4,389,684	\$4,724,071	\$3,109,080	\$59,051
SW Channel	SW Channel	\$5,011,774	\$5,419,190	\$1,213,358	\$67,740
Sign	Sign	\$1,203,720	\$1,324,778	\$164,207	\$72,177
	Sign Post	\$374,521	\$406,521	\$46,413	\$22,616
	Sign Total	\$1,578,241	\$1,731,299	\$210,620	\$94,794
Street Light	Street Light (Bracket)	\$90,260	\$216,232	\$50,838	\$8,651
	Street Light (Light)	\$361,338	\$392,889	\$295,916	\$16,231
	Street Light (Pole)	\$1,750,673	\$854,655	\$226,749	\$34,600
	Street Light Total	\$2,202,271	\$1,463,776	\$573,502	\$59,482
Treatment Length	Formation	\$100,331,226	\$109,044,454	\$109,044,585	\$0
	Base course	\$41,439,663	\$46,130,515	\$16,185,255	\$816,776
	Subbase	\$49,237,136	\$30,229,097	\$30,229,097	\$0
	Top Surface	\$11,299,108	\$14,433,897	\$7,597,732	\$1,070,206
	Treatment Length Total	\$202,307,133	\$199,837,964	\$163,056,669	\$1,886,982
Sub-Totals		\$280,400,806	\$280,397,571	\$199,683,860	\$2,804,009
Land Value	(See note below)	\$53,638,711	\$53,638,711-	\$53,638,711-	\$0
1 July Road Asset Valuation Totals		\$334,039,517	\$280,397,571	\$199,683,860	\$2,804,009

Asset Information

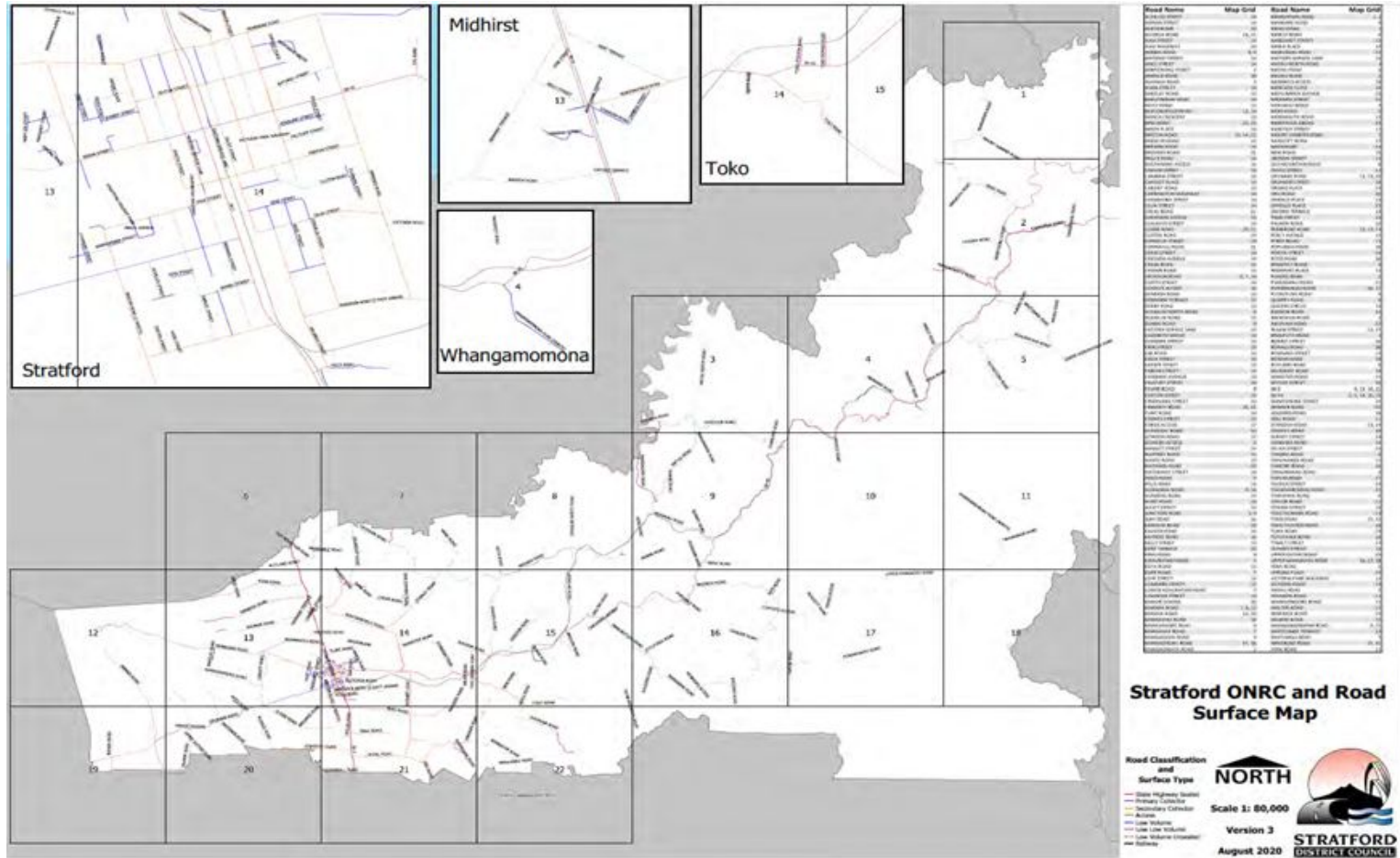


Figure 10 - Stratford District Council ONRC and Surface Type

3.3 ASSET USEFUL LIFE

Useful life refers to either;

- The period over which an asset or component is expected to be available for use by an entity, or
- The number of production or similar units expected to be obtained from the asset or component by the entity. *Refer: International Infrastructure Management Manual (2015).*

With the increase in the number of HPMV commercial vehicles using the Stratford District’s land transport network, we are experiencing the accelerated consumption of the road pavement on key routes. This was identified in the previous Roding AMP. Stratford district has undertaken “falling weight deflectometer” (FWD) tests on one of our pre-described HPMV routes. Out of a survey length of 8.50km along Opunake Road, the results from the FWD test showed that 3.8km has deflection greater than 1.50mm. As this route is a key HPMV route, our granular pavement rehabilitation programme will consider sections of Opunake Road for strengthening.

3.4 ASSET INFORMATION SYSTEM

Stratford District Council uses Road Assessment and Maintenance Management (RAMM) to support management of the Roding activity.

Data on infrastructure assets is collected during inspections and monitoring using both paper based and electronic methods. All data collected in relation to the Roding activity infrastructure is entered into RAMM by the Roding Engineer, engaged Consultants or the Contractor.

Prompted by the Roding Efficiency Group’s (REG) Data Quality Project, Stratford District Council, along with New Plymouth District Council and South Taranaki District Council have engaged GHD Consultants to review the data gaps held within our respective RAMM databases.

GHD’s software programme, Max. Quality, identifies where there are data quality errors. When the first report was run on 14 April 2020, the error report indicated there are 44,000 errors within our database. The main areas are:

- Ownership of the road surface 4762 errors
- Age/Life – construction date for drainage 1263 errors
- Condition of drainage assets 2577 errors
- Drainage shape/dimensions 1755 errors
- Drainage offset 3043 errors
- Sign installation dates 4574 errors
- Sign background colour 2361 errors
- Sign background material 3374 errors
- Sign substitute material 2864 errors
- Sign height 3342 errors
- Sign width 3340 errors
- Maintenance Cost History 1846 errors

3.5 INFRASTRUCTURE ASSETS

Roads

Stratford District Council manages 597.8km of roads within the Stratford District consisting of 41.6km of urban streets and 556.1km of rural, boundary and special purpose roads as detailed in Table 10 - Roding Network Length. The Stratford District Roding network is a mix of urban and rural roads. For benchmarking and peer group comparisons Stratford District Council and the Stratford District Roding network come under the rural peer group category. Peer groups are determined by their Roding network size and structure.

Figure 11 presents Roding data across each ONRC road classification compared to other road controlling authority (RCA) in the same peer group.

Asset Information

Table 10 - Roding Network Length

Roads	Urban	Rural	Boundary	Special Purpose	State Highways	Total (km)
Sealed	43.41	326.98	8.45	14.01	0.00	391.05
Unsealed	0.07	206.25	0.23	0.18	0.00	206.73
TOTAL	43.48	533.23	8.68	14.19	0.00	597.78

Note: Roding Network Length as at 31 December 2020 – RAMM.

Table 11 - SDC Network by ONRC Road Classification

Classification	Urban / Rural	Network length (km)	Lane (km)
Primary Collector	Urban	1.9	3
	Rural	12.1	24
	Total	14.0	27
Secondary Collector	Urban	18.5	37
	Rural	111.0	222
	Total	129.6	259
Access	Urban	11.4	19
	Rural	252.6	505
	Total	273.6	524
Low Volume	Urban	11.7	23
	Rural	180.4	360
	Total	192.1	383

Asset Information

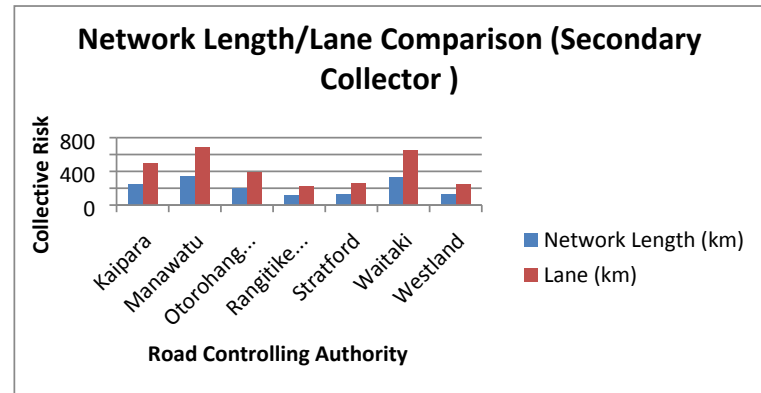
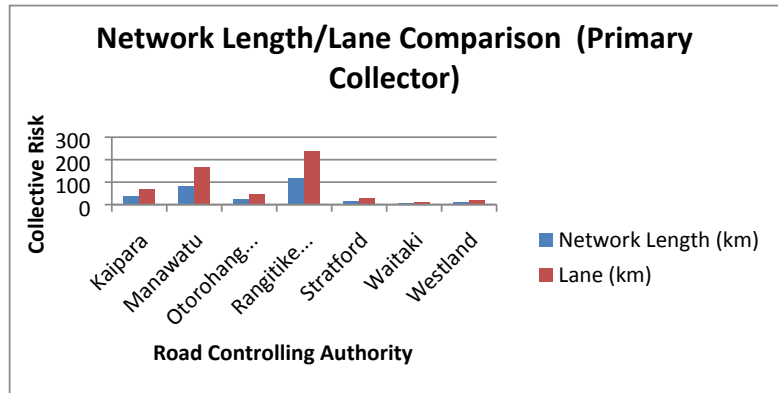
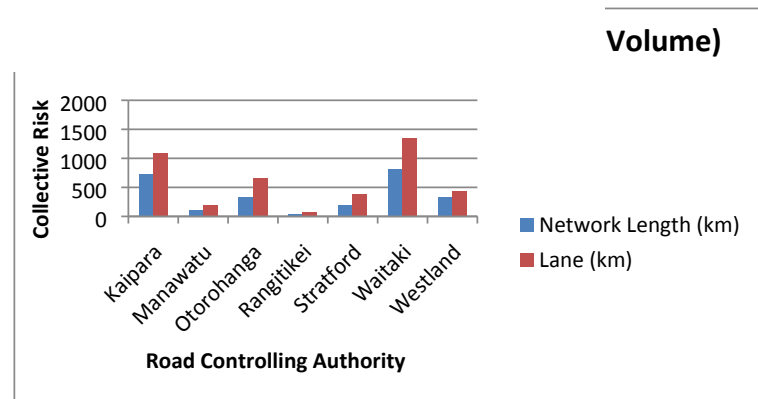
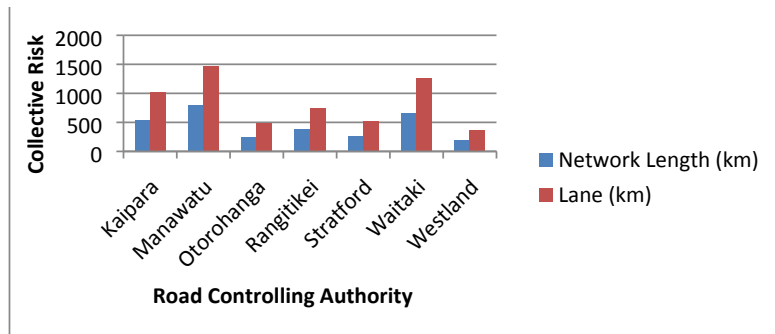


Figure 11 - Network Length/Lane Comparison (Primary, Secondary, Access and Low Volume)



Note: Network Length/Lane Comparison (Primary Collector) as at 01 July 2020 – Company X.





Figure 14 - Okau Road

Note: Boundary Roads are as at 01 July 2020 – GIS.



Figure 13 - Oru Road

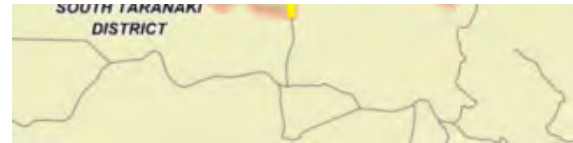


Figure 15 - Upper Duthie, Rowan and Palmer Roads

Asset Information

Boundary Roads - The Stratford District Roading network includes ten boundary roads, managed by the Council but maintained in agreement with our neighbouring Territorial Local Authority, as shown in Figures 12-15 and listed in Table 12 below:

Table 12 - Boundary Roads

District Council	Boundary Road
New Plymouth District Council	<ul style="list-style-type: none"> • Croydon Road • Okau Road • Junction Road
South Taranaki District Council	<ul style="list-style-type: none"> • Oru Road • Upper Duthie Road • Rowan Road • Palmer Road • Hastings Road • Cornwall Road • Finnerty Road

In 2016 Stratford District Council reviewed the way it deals with the maintenance and renewal/replacement of boundary roads.

For roads that cross the Stratford/South Taranaki boundary Stratford District Council will maintain the roads and invoices South Taranaki District Council a set amount annually to cover 50% of maintenance costs. The amount agreed is an average cost based on historical maintenance expenditure.

Where renewal/replacement is required SDC invoices South Taranaki District Council the annual set amount for maintenance plus 50% of renewal work activities such as sealed pavement resurfacing, sealed road pavement rehabilitation and structural component replacement.

The Stratford District Roading network also includes two special purpose roads as illustrated in the following map. The Special Purpose Roads are:

- Upper Manaia Road (Dawson Falls)
- Pembroke Road



Note: Special Purpose Roads are as at 01 July 2020 – GIS.

Figure 16 - Stratford District Special Purpose Roads

Asset Information

Footpaths - Stratford District Council manages 69.704km of footpaths constructed in seal, concrete, or cobble. These are used in the residential, commercial, retail, industrial areas of the district.

Table 13 - Footpaths

Type	Location	Reason	Width (m)	Length (m)	Network proportion (%)
Asphalt	Higher amenity areas that adjoin the CBD	Due to the width of these footpaths and high pedestrian usage, seal is the most cost effective option	1.2 – 2	4,437	6.37
Seal	Commercial areas that adjoin the CBD	Due to the width of these footpaths and lower pedestrian usage seal is the most cost effective option	1.2 – 2	6,563	9.42
Slurry Seal	Commercial areas that adjoin the CBD	Due to the width of these footpaths and lower pedestrian usage, slurry seal is the most cost effective option	2.2-3.1	492	0.71
Concrete	Predominantly residential areas	Offer higher aesthetic amenity	1.2 – 1.5	57,270	82.15
Pavers	Located within CBD	Offer higher aesthetic amenity	3 – 4	942	1.35
Total				69,704	100

In 2020 the Stratford District Council undertook a detailed condition rating of all the footpaths it manages. The results of this survey indicate that 62% have less than 10% defects along their length. This is an improvement on last year's achievement of 41.7%. We recognise that we are behind our expected target of 84% however this is due to postponing our footpath replacement programme for two years whilst Ultrafast Broadband was being installed.

Structures

Structures include all bridges maintained by Council, culverts (greater than 3.4m² in cross-sectional end area), retaining walls and road tunnels.

Bridges, Culverts and Tunnels

There are an estimated 157 bridges, culverts and tunnels within the Stratford District managed by Stratford District Council. Many of these bridges provide access to the rural community and enable the transportation of goods to market. Bridges that are not fit for purpose or resilient restrict access. They increase the risks of public health and safety and hinder economic growth and development for the Stratford District community.

In 2020 we engaged a local consultant to undertake a review of all our bridges with the aim of developing a 30 year replacement programme. This work has been completed with seven bridges nominated for replacement within 10 years at a value of \$1.7m.

Within the district we have six posted bridges and thirty one bridges that are not suitable for the new Vehicle Mass and Dimension Rule 2016.

Asset Information

Figure 17 - Bridges and Estimated Replacement Dates

Bridge Location ID Number	Road Name	Replacement Date
0002/0033	Ahuroa Road	2016
0006/0071	Barclay Road	2042
0010/0915	Bird Road	2040
0447/0004	Mangaehu Road - Buchanan's Access 10,000 kg (Axle); 10 km/hr (Speed limit)	2052
0446/0002	Upper Mangaehu Road - Curtis's Access	2053
0024/0017	Denbigh Road	2048
0149/0014	Tapuni Rd Bridge – Will Hopkirk (not posted but assessed to 30T capacity)	2022
0147/1016	Matau North Rd No. 5 - Jensen's Bridge – 3,000 kg (Axle); 10 km/hr (Speed limit)	2028
0033/0266	Finnerty Road	2069
0154/0005	Upper Mangaehu Road – Ford's Access	2053
0155/0010	Lower Kohuratahi Road – Gower's Access	2037
0048/0002	Jury Road	2052
0056/0026	Kota Road	2062
0133/0203	Lower Kohuratahi Road – Bellringer's Access 1,500 kg (Axle); 10 km/hr (Speed limit)	2033
0146/0011	Matau Road	2045
0153/0017	Mangaehu Road – McBride's Access 4 Tonne (Axle); 10 km/hr (Speed limit)	2034
0134/0375	Mt Damper Road 4,000 kg (Axle); 10 km/hr (Speed limit)	2035
0078/1118	Opunake Road	2060
0078/1566	Opunake Road	2055
0088/0025	Prospect Road - Culvert	2055
0094/0255	Radnor Road	2045
0094/0530	Radnor Road	2045
0096/0618	Raupuha Road	2062
0104/0271	Skinner Road - Culvert	2035
0107/0336	Standish Road	2049
0113/0008	Tahunaroa Road	2035
0118/0274	Toko Road	2060
0118/0468	Toko Road	2060
0120/0014	Tututawa Road	2046
0064/1868	Upper Mangaehu Road - Culvert	2035
0064/2033	Upper Mangaehu Road - Culvert	2040

With many competing work activities, bridge maintenance is generally the work category that lags behind. This cannot continue for much longer into the future without putting the asset and community at risk. It is likely there will need to be an increase in the budget allocation within the next 3-10 years to address the backlog of repairs.

Retaining Walls

Retaining walls are structures designed to restrain soil to unnatural slopes. They are used to bind soils between two different elevations often in areas of terrain possessing undesirable slopes or in areas where the landscape needs to be shaped severely and engineered for more specific purposes like hillside farming or roadway overpasses.

Having undertaken an initial survey of the retaining walls in 2016. Further work has been carried out on this asset since this date.

Asset Information

Table 14 - Existing Work Programme from Previous LTP

	Issue	Progress
1	Capture and inspect the retaining walls throughout the district.	Initial inspection undertaken by a summer student in November 2015 - February 2016. Detailed inspection undertaken by Calibre Consultants Ltd in April – May 2016.
2	First revision of the Retaining Wall Report	Dated July 2016.
3	Second draft report for retaining walls including a 10 year replacement/repair programme	Delivered in April 2020.
4	Final version of the second report.	Delivery date to be confirmed.
5	Inspections of retaining walls.	Every two years. To be included in a new Bridge Inspection contract.

Current Issues:

- None of the retaining walls located within the district have been previously inspected prior to November 2015.
- Condition of existing retaining walls varies from excellent to very poor.
- 248 retaining walls have been inspected. There could be more on the roading network that we are not aware of due to being covered with vegetation.
- Funds are limited therefore the replacement/repair programme could take longer than 10 years to fix 58 walls.
- There another 66 walls that will deteriorate over time as these have been given a condition of “average”.
- Very little maintenance undertaken on the current retaining walls stock.
- Increase in the number of retaining walls following the June 2015 storm.
- Potential for increase in the number of retaining walls following storm events, or slips.

Cost to Replace/Repair Retaining Walls during the next 10 years.

Taking the report delivered by Calibre in April 2020 and using the estimates and suggested repairs or replacement therein, table 15 provides a breakdown of the cost between years 2021 – 2031.

Table 15 - Estimated costs for retaining wall repairs and replacements

	Year	Maintenance Cost	Replacement Cost	Total
1	2021	\$17,500	\$120,000	\$137,500
2	2022	\$12,000	\$152,000	\$164,000
3	2023	\$2,500	\$210,000	\$212,500
4	2024	\$11,000	\$135,000	\$146,000
5	2025	\$6,300	\$175,000	\$181,300
6	2026	\$9,500	\$165,000	\$174,500
7	2027	\$8,000	\$155,000	\$163,000
8	2028	\$8,000	\$87,500	\$95,500
9	2029	\$7,500	\$93,000	\$100,500
10	2030	\$5,000	\$70,000	\$75,000

Asset Information

Traffic Services

Traffic Services include signs, markers, Railings and lighting.

Signs - Stratford District Council manages around 4802 regulatory, advisory and safety signage to provide awareness to road users within the Stratford District. Signs include road, street and information signage (regulatory and advisory) accepted by funding authority policy.

Markings

The annual re-marking of all road markings is undertaken in February and March on a "measure and value" basis. The information gathered from the re-marking will be uploaded into the RAMM database.

Railings

Stratford District Council manages around 828 No. of railings within the Stratford District. Railings (Guardrails) are designed to help prevent vehicles running off the road and guide traffic safely along roads or identify roadside hazards, such as deep drains or drop-offs.

Street Lighting

Stratford District Council manages 755 streetlights within the Stratford District. Street lighting includes street (carriageway) lighting and under-veranda lighting. The maintenance and renewals of under veranda lighting is solely funded by SDC.

Stratford District Council has successfully completed the conversion of streetlights to Light Emitting Diodes (LEDs).

State Highway Carriageway Lighting

The New Zealand Transport Agency (NZTA) funds all maintenance (including power charges) for all lights on the state highway in both urban and rural areas. This maintenance will continue to be carried out by the local authority contractor, with the highway portion billed to NZTA. NZTA agree to contribute to the procurement costs of these contracts.

Drainage

Stratford District Council manages 3308 drainage assets within the Stratford District. Drainage assets include catchpits, culverts, flumes and sumps.

With the change in the maintenance contract, the contract rate has significantly increased for clearing roadside water tables. This has resulted in a reduction of the length of water tables we clean out each year. Previously we had set ourselves a target of 200kms per year, however we have reduced this to 90kms a year.

Stratford District Council has requested an overview of our maintenance contractor of the condition of the road side drains, Our initial findings show for the unsealed road network the cost to improve the roadside drains is \$320,000. The unsealed road network is approximately one third of the total length of Stratford District Council's roading network.

For the purposes of programming we have assumed the total cost for renewing water tables will be in the order of \$4m for the entire network. This is simply unaffordable over the duration of the maintenance contract with potentially six years remaining.

Clearing inlet and outlets are undertaken as part of the rural patrols. Good drainage maintenance is essential to reduce the risk of pavement failures, underslips, flooding scouring of the unsealed road surface in order to provide a resilient and accessible land transport network.

Asset Information

3.6 ASSET MANAGEMENT MATURITY ASSESSMENT

The Council has assessed its Asset Management maturity across 5 key disciplines of asset management practice including:

- Setting the Strategic Direction;
- Establishing Levels of services;
- Forecasting Future Demand;
- Collecting Asset Information; and
- Monitoring Asset Performance and Condition.

The Asset Management Maturity Index assessment in Table 16 below provides a snapshot of where the Council is at in its asset management practices and in particular, emphasizes that seeking advanced practice in all areas may not be the best solution across activities, as this depends on the scale and type of assets being managed.

Table 16 - Roading Asset Management Maturity Index

	Asset Management Disciplines	Maturity Index	Maturity Description	What we do
1	Strategic Direction	Intermediate	<ul style="list-style-type: none"> • AM System scope is defined and documented. 	<ul style="list-style-type: none"> • This is part of the Strategic Business Case as required by Waka Kotahi NZTA in the AMP. • The Council has adopted an Asset Management Policy to provide the overall direction for asset management in the district. • Scope is also refined as a consequence of our Early Conversation discussions with Elected Members, which inform the LTP, and also during our regular workshops to define Strategic Direction for the Council.
2	Defining Level of service	Intermediate to Advanced	<ul style="list-style-type: none"> • Level of service and cost relationship understood. • Customers are consulted on significant service levels and options. • Customer communications plan in place. • Levels of service are integral to decision making and business planning. 	<ul style="list-style-type: none"> • The LOS are defined in the AMP for each of the work activities funded by Waka Kotahi. • As part of the LTP process if there are significant changes to the LOS provided or stated in the AMP, these will be captured as part of the LTP planning. • This will part of the LTP consultation process. • The level of service provision will govern the funding request, for example, another round of grading of unsealed roads will add an additional \$80,000 to the budget.
3	Forecasting future demands	Core to Intermediate	<ul style="list-style-type: none"> • Risk associated with demand change broadly understood and documented. • Demand management considered as an alternative to major project development. 	<ul style="list-style-type: none"> • We have a broad understanding of the issues facing SDC. These are included in the AMP as "Problem Statements". • Forecasting is based on population and economic growth statistics in addition to regulatory changes at the central government level. • Demand Management is in its infancy, being associated with urban growth, rather than traffic growth and signalisation of intersections, or the construction of major arterial routes.

Asset Information

	Asset Management Disciplines	Maturity Index	Maturity Description	What we do
4	Collecting Asset Information	Intermediate	<ul style="list-style-type: none"> A reliable register of physical, financial and risk attributes recorded in an information system with data analysis and reporting functionality. Systematic and documented data collection process in place. 	<ul style="list-style-type: none"> RAMM is the database for the roading assets, including maintenance costs, replacement unit rates and design live. RAMM has the capability of reporting theoretical pavement replacements and reseal sites. Data is collected bi-annually for pavement roughness, annually for footpath condition. Also, any new assets are recorded in RAMM along with pavement information when undertaking sealed pavement repairs on the network.
5	Monitoring Asset Performance and Condition	Core	<ul style="list-style-type: none"> Condition and performance information is suitable to be used to plan maintenance and renewals to meet over the short term. 	<ul style="list-style-type: none"> The REG Data Quality Project is key to the quality of the data in RAMM for SDC. We have engaged GHD to use their Max.Quality software to run monthly reports that highlight any data errors that require correcting. The data accuracy will have a flow on effect for the forward works programme, eg reseals, or pavement rehabs.

3.7 ASSESSMENT OF ASSET CONDITION

Asset condition is a measure of an asset’s physical integrity, while asset performance is a measure of whether the asset is delivering level of service requirements. Knowing the condition of an asset enables more accurate prediction of asset development, maintenance and renewal/replacement requirements. The Stratford District Council identifies the condition of Roading infrastructure assets by age and through visual targeted inspections, analysis of collected statistical data, and through maintenance monitoring.

Generally, the Council takes a risk-based approach to monitoring the condition of assets and conducts condition assessments of its critical assets. Where assets have low risk because they are in the first half of their life, condition monitoring is low. If the consequences of running an asset through to failure are high, the Council, through a more intensive monitoring regime and targeted inspections, hold more information on the asset condition.

The Council has no backlog or deferred maintenance in its work programme.

Targeted inspections are carried out on asset components that are considered critical to Council and the community, have the potential to impact on public health and safety; or where there is a specific requirement, for example to meet regulatory requirements or for asset acquisition, disposal, or justification.

Targeted inspections of Roading infrastructure assets are carried out by Council staff, the Maintenance Contractor, or specialist Consultant to identify the condition of specific asset components at intervals specified by the Asset Manager or upon request.

To identify the general condition of its Roading infrastructure assets Stratford District Council undertakes the following targeted inspections:

- Culverts – annually by Contractor
- Local road Condition Rating Surveys – annually by Contractor
- Footpath Condition Survey – annually by Contractor

Asset Information

- Bridges – two yearly general inspection and detailed inspection as required by Consultant
- Retaining walls – six yearly general inspection and detailed inspection as required by Consultant
- Large culverts – two yearly general inspection and detailed inspection as required by Consultant

Statistical data is collected by specialists and specialised equipment as per NZTA requirements and directly entered into the Roding asset management system for analysis and review by Council staff. Statistical data collected for analysis is:

- Crash Statistics – annually by Council staff
- Traffic Counts - annually by Council staff

Maintenance monitoring – The maintenance contract stipulates the frequency of inspections to be undertaken for the contractor. In summary these are as follows:

- Primary collector – Monthly
- Collector/Urban Roads – Monthly
- Rural Access Roads – One sixth of the network inspected monthly

Condition Grading - Visual targeted inspections, analysis of collected statistical data, and maintenance monitoring provide both qualitative descriptions and quantitative grading of asset component condition. Condition grading supports the development, maintenance, and renewal/replacement of an asset by enabling more accurate prioritisation of forward works programmes.

The International Infrastructure Management Manual (2011) provides guidance on assessing the condition of assets and approaches to grading the condition. In line with this Stratford District Council has developed a condition grading system to support identifying the condition of assets at the group level. Using the system assets are ranked from 1-5 as illustrated in Table 17 below.

Table 17 - Condition Grading System

Grade	Condition	Description	Proportion of network (%)
1	Very Good	Asset in structurally sound and excellent physical condition. No work required	30%
2	Good	Asset in structurally sound and acceptable physical condition. Minor work required (if any)	40%
3	Fair	Asset is structurally sound but shows deterioration. Moderate work required to return asset to agreed level of service	20%
4	Poor	Asset failure likely in the short term. Significant work required now to return asset to agreed level of service	5%
5	Very Poor	Asset has failed/is about to fail. Renewal/Replacement required Urgently	5%

The Very Poor percentage relates to the condition of the water tables, culverts and old retaining walls. Generally on the whole, the road pavements are in good condition, albeit some roads are suffering from logging activity.

Asset Information

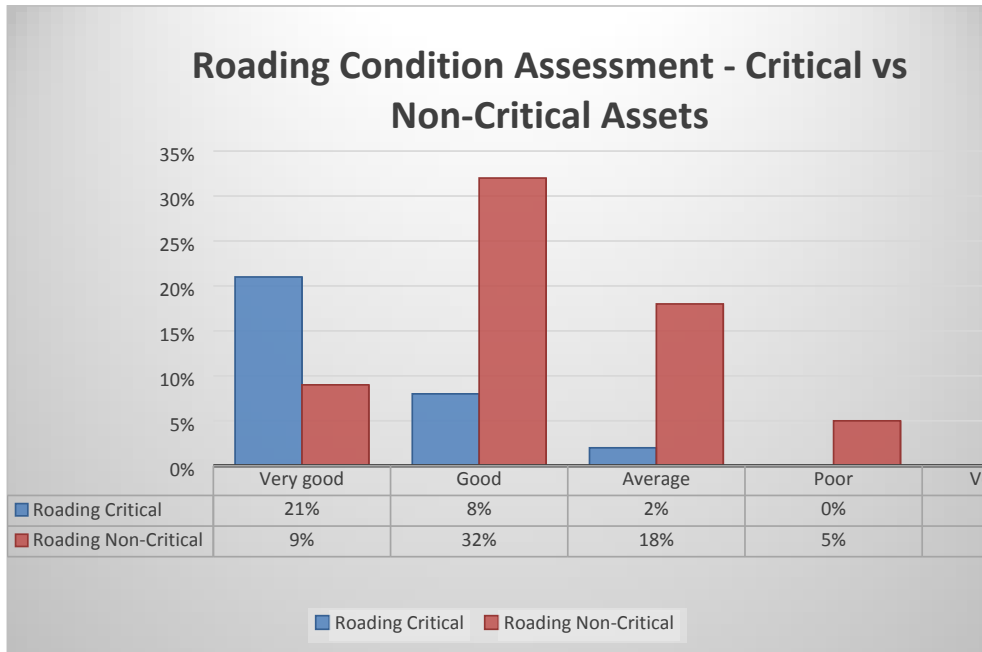


Figure 18: Roothing Condition Assessment - Critical vs Non-Critical Assets

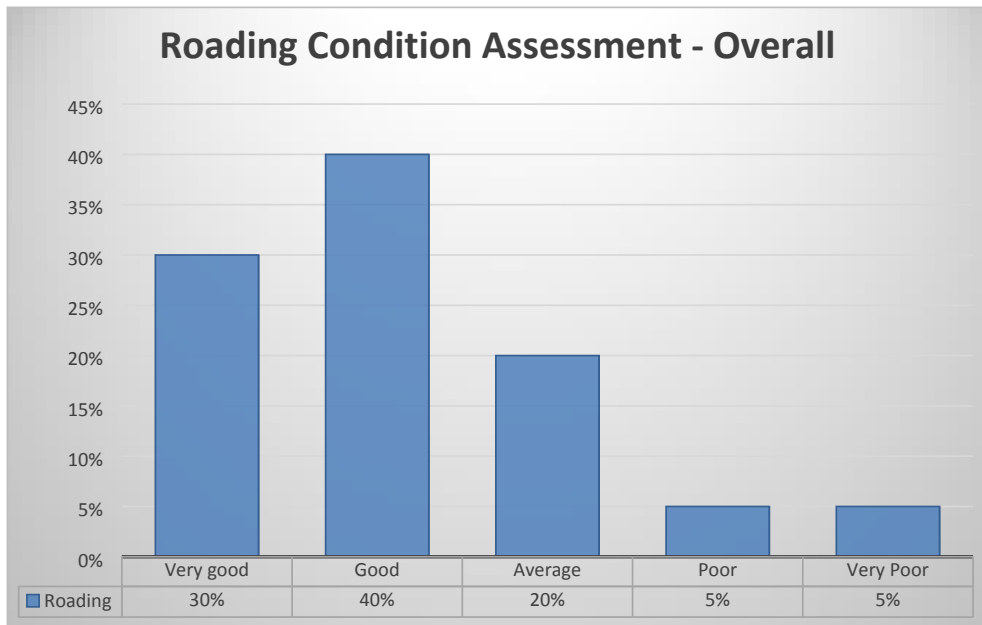


Figure 19: Roothing Condition Assessment – Overall

Asset Information

3.8 DATA ACCURACY AND CONFIDENCE

The accuracy and currency of data is critical to effective asset management. Accurate data enables Council and the community to have confidence in decisions made about asset development, maintenance, and renewal/replacement.

To ensure accurate asset data is entered into the asset management system Stratford District Council has put in place the *Inspection Data Management Process* for managing targeted visual inspection data. Also, to determine the level of confidence Council has in targeted inspection data Stratford District Council has put in the *Data Confidence Grading System* in Table 18.

Table 18 - Data Confidence Grading System

Grade	Confidence Level	Description
1	Highly Reliable	Data based on sound records, procedures, investigations and analysis which is properly documented and recognised as the best method of assessment - dataset is complete and estimated to be accurate +- 2%
2	Reliable	Data based on sound records, procedures, investigations and analysis which is properly documented but has minor shortcomings; for example the data is old, some documentation is missing and reliance is placed on unconfirmed reports or some extrapolation - dataset is complete and estimated to be accurate +- 10%
3	Uncertain	Data based on sound records, procedures, investigations and analysis which is incomplete or unsupported, or extrapolation from a limited sample for which grade A or B data is available - dataset substantially complete but up to 50% extrapolated data and estimated to be accurate +- 25%
4	Very Uncertain	Data based on unconfirmed verbal reports and/or cursory inspection and analysis - dataset may not be fully complete and most data is estimated or extrapolated and estimated to be accurate +- 40%
5	Unknown	None or very little data held

Table 19 - Asset Confidence Grading by Asset Group

Asset Group	Grade	Confidence Level
Sealed Roads	2	Reliable
Unsealed Roads	2	Reliable
Footpaths	2	Reliable
Bridges; Large culverts	1 - 2	Highly Reliable to Reliable
Culverts	4	Very Uncertain
Tunnels	3	Uncertain
Critical Assets Assessment	Highly Reliable to Reliable	
Non-Critical Assets Assessment	Reliable to Uncertain	

Asset Information

While Council's overall confidence around its data quality is *'Reliable'*, the Council's confidence level for the Roading activity is *'highly Reliable to Reliable'* for its critical assets and *'Reliable to Uncertain'* for non-critical assets.

This uncertainty stems from data held around the age of the non-critical assets, which have been deduced from the approximate date of construction, and also from the quality of data held on our service connections. However, given these are non-critical assets, impact of premature asset failure or 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 RAMM 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 generally better documented than others. Each month, the Council reviews the RAMM Hosting Reports that identify the data quality errors which have been resolved and the errors which require rectifying. Many of the errors relate to dates assets were constructed or the pavements of our roading network. As part of our improvement plan we will address these data errors over time.

It will take some time for the assessment of our *'confidence level'* of our non-critical assets to be *'Reliable'*.

The charts above provide snapshots of the overall *Condition Grading Assessment* for all assets – critical and non-critical and a summary of the *Data Confidence Levels*.

4.0

Strategic Assessment

Strategic Assessment

4.0: Strategic Assessment

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Strategic Assessment

4.1 OVERVIEW

The 'Strategic Assessment' section presents an assessment of the need for investment against strategic outcomes. It defines the problems facing the Stratford District Council; collates the evidence base for these problems and highlights the benefits of the investment in addressing these problems.

4.2 OUR BUSINESS CASE

Since writing the previous activity management plan our land transport problems remain, by and large, the same as they did in 2018. The slight change is associated with improvements to the drainage of our network.

At the time of writing the 2018-2028 Activity Management Plan, we had just completed a significant volume of remedial works following a storm event in June 2015. At that time our second problem statement was a reflection of this event.

The three remaining problem statements still hold true

Problem Statement Number 1 – Increasing Heavy Commercial Vehicles (HCV) and forestry activity along with the current standard of the asset is resulting in an increase in reactive investment and inefficient use of resources. (40%).

Logging continues to affect the low volume access roads and will do so for at least another five to ten years. Not only forestry activity, we have seen a significant increase in the number of overweight permits being requested for HPMV commercial vehicles. From 1 July 2019 to 30 June 2020 we have issued 475 HPMV permits. This compares to 63 issued in 2016/2017 year.

Problem Statement Number 2 - The geography and environmental conditions have led to poor damage controls and the inability of the roading network to cope with intense weather events. This restricts access to road communities and economic impacts (35%).

This issue has been superceded by identifying the poor condition of our roadside drains. This issue is in reflection on previous maintenance contracts which were paid using lump sum items along with performance indicators. As a result, renewing water tables was seldom undertaken. With the change in contract style and contractor this activity has been identified as an area for improvement.

Problem Statement 3 - There is misalignment between Council and Community regarding the appropriate level of service to meet the expectations for a safe and resilient roading network (15%).

We continue to upgrade footpaths to provide a better level of service for our community. Active modes of transport has limited uptake as we are developing a Walking and Cycling Strategy. The focus of this strategy is to engage with the schools to promote active modes of travel to and from schools and develop tourist cycling routes throughout the district.

Problem Statement 4 - Poor driver behaviour, challenging road conditions and unforgiving roads and roadsides is resulting in death and serious injury crashes to our community. (10%).

Safety continues to be our focus for the next Long Term Plan period. We have been liaising with Janinie Stewart from the Safe Road Network Road to Zero Programme. This has identified Opunake Road as a road requiring safety improvements along with a reduced speed limit. Within the last five years there have been 57 crashes along this road corridor. These crashes comprise of the following:

- 28 Non Injury
- 15 Minor Injury
- 11 Serious Injury
- 3 Fatal

In November 2020 REG held a workshop to assist the Roading Teams to update and refine the AMP. Although we did not attend the workshop, we have answered the Dragon Den's questions to assist us in preparing the AMP. These are in [Appendix 7](#).

Following the Covid-19 pandemic, Crown Infrastructure Partners request local authorities to submit any major infrastructure projects that were "shovel ready". Stratford District Council put forward 10

Strategic Assessment

projects, of which five were road safety improvements. Out of these five we received funding for four of them, including one on our Primary Collector Road, Opunake Road. This project was completed in September 2020.

4.2.1 POINT OF ENTRY DISCUSSION

The Stratford District Council held a '*Point of Entry*' discussion with NZTA on 13 July 2020. This discussion was aimed at providing our co-investor an insight into the issues and problems that we are facing for the 2021-2031 Long Term Plan. The discussion centred on issues including:

- Future forestry operations and the impact on the low volume access roads;
- The disproportionate expenditure on those low volume roads due to HCV and logging trucks;
- Poor roadside drainage and associated costs to renew 1000kms of water tables;
- The long term programme on how this backlog of drainage work will be addressed; See *Lifestyle Management - Drainage*
- The focus to strengthen key HPMV/HCV routes;
- Ageing bridge stock;
- The number of "poor" or "very poor" retaining walls that need replacing within the next 10 years; See *Lifestyle Management - Structures*
- Potential or the possibility that 31 bridges will require strengthening to meet the new Vehicle Dimension and Mass Rule 2016.
- Long term plan for improving the footpaths in Stratford
- Development of the Walking and Cycling Strategy

4.2.2 INVESTMENT LOGIC MAPPING

The Investment Logic Map in Figure 20 captures our four problem statements as well as the investment benefits of addressing these problems. The investment benefits that address the four problem statements will enable Council to provide:

- A safe, accessible, resilient, appropriate transport network that supports growth (60%)
- An affordable, sustainable, flexible investment programme that meets the needs of the community (40%)

Strategic Assessment

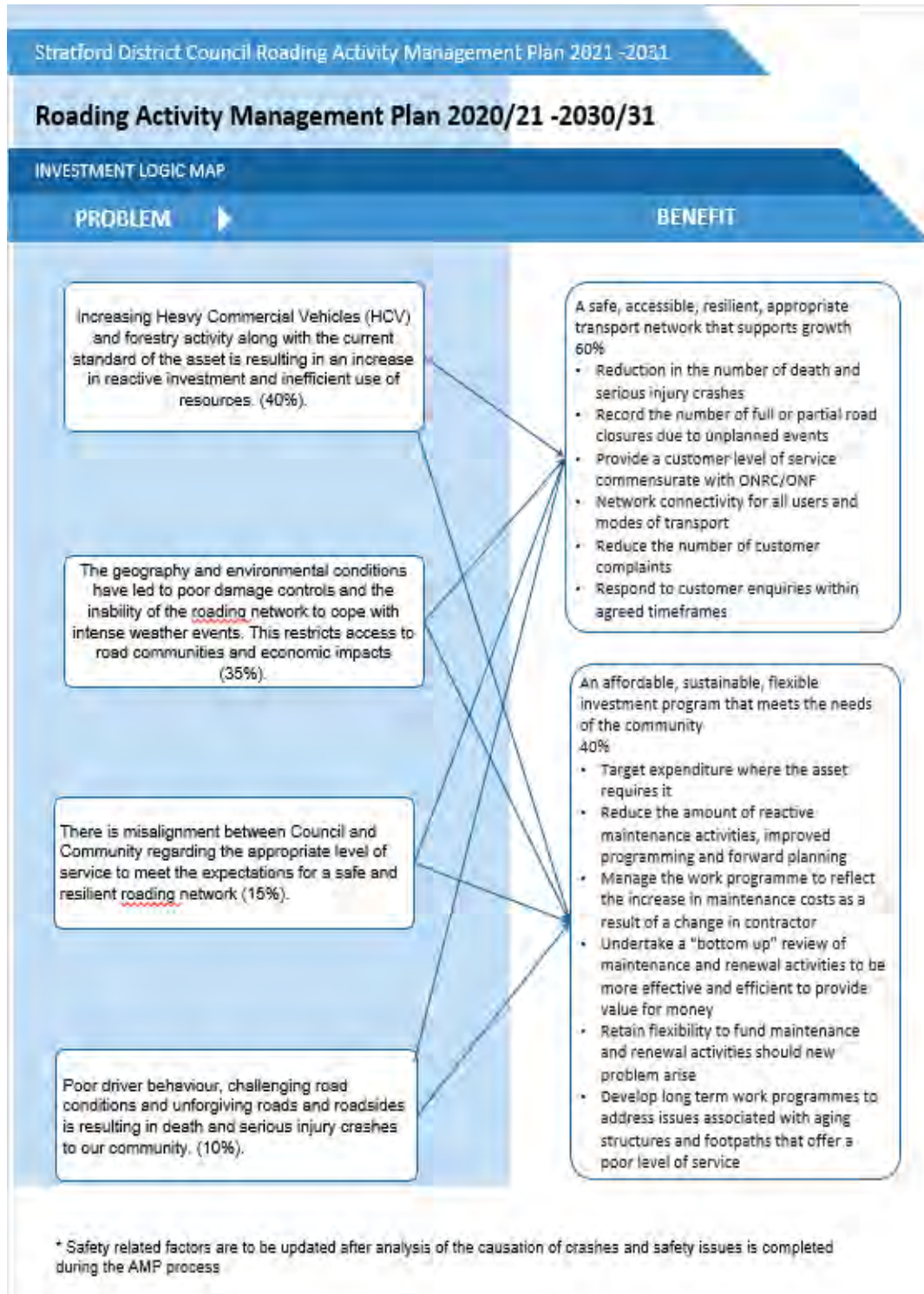


Figure 20 - Investment Logic Map

Strategic Assessment

4.3 EARLY CONVERSATIONS

Between May and June 2020 Council staff prepared and presented *Early Conversation* papers for discussion with the elected members as part of the Long Term Plan (LTP) process. The purpose of these early conversations was to ask elected members for direction regarding some capital projects being proposed in the 2021-2031 LTP.

The conversations were centred on the future strategies for delivering a number of competing projects in the face of constrained resources, including:

- Brecon Road Extension;
- Walking and Cycling Strategy;
- Junction Road Bridge at boundary with NPDC – Seismic Assessment;
- Alternate Route from Whangamomona Road to Upper Mangaehu Road = Feasibility Study and Options Assessment;
- Whangamomona Road – upgrade and continued maintenance;
- Retaining wall replacement;
- Bridge strengthening – Seismic assessment of key bridges to identify resilient works and strengthen bridge;
- ‘Raising’ of bridges to increase capacity to cater for climate changes and extreme storm events and high rainfall intensity – Feasibility study and options assessment;
- Replacement of uneconomical bridges.

5.0

Levels of Service Performance

Levels of Service Performance

5.0: Levels of Service Performance

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Levels of Service Performance

5.1 OVERVIEW

Levels of Service (LoS) define the form and quality of service that the Stratford District Council provides to the community. They are the balance between what the community wants and what the community is willing to pay for.

Through asset management planning, the relationship between the LoS and the cost of service is determined. Once determined, the relationship is evaluated in consultation with the community to define the agreed LoS, which are then used to:

- Inform customers of the proposed LoS;
- Develop AM strategies to the deliver LoS;
- Develop targets to measure performance; and
- Evaluate the costs and benefits of services offered.

The LoS enable customers to assess customer values such as accessibility, quality, safety, and sustainability in accordance with the ONRC road classification.

This section:

- Highlights the current LoS provided by the Stratford District Council;
- Defines the desired LoS for the futures; and
- Outlines performance measures that will be used to monitor the delivery of the agreed LoS.

5.2 PERFORMANCE MONITORING AND REPORTING

The Stratford District Council has undertaken to provide a safe and well maintained Rooding network that provides access for all, is resilient and at a cost that is affordable to our community.

In order to achieve these goals we undertake contract monitoring to ensure the performance of our maintenance contractor achieves these outcomes.

Our maintenance contractor Fulton Hogan, has developed their own "Contract Workspace" programme which we have access to. This web based system monitors:

- Programme achievement – actual v programmed;
- Current jobs by staff;
- Priority breakdown – level 1 and 2 priorities;
- Maps programmed jobs – outstanding and completed;
- Programmed tasks by month and work activity;
- Reactive works completed – by number and activity;
- Programmed work categories. This is used for trend analysis;
- Job details

All of the above are represented graphically on a "dashboard"

Levels of Service Performance

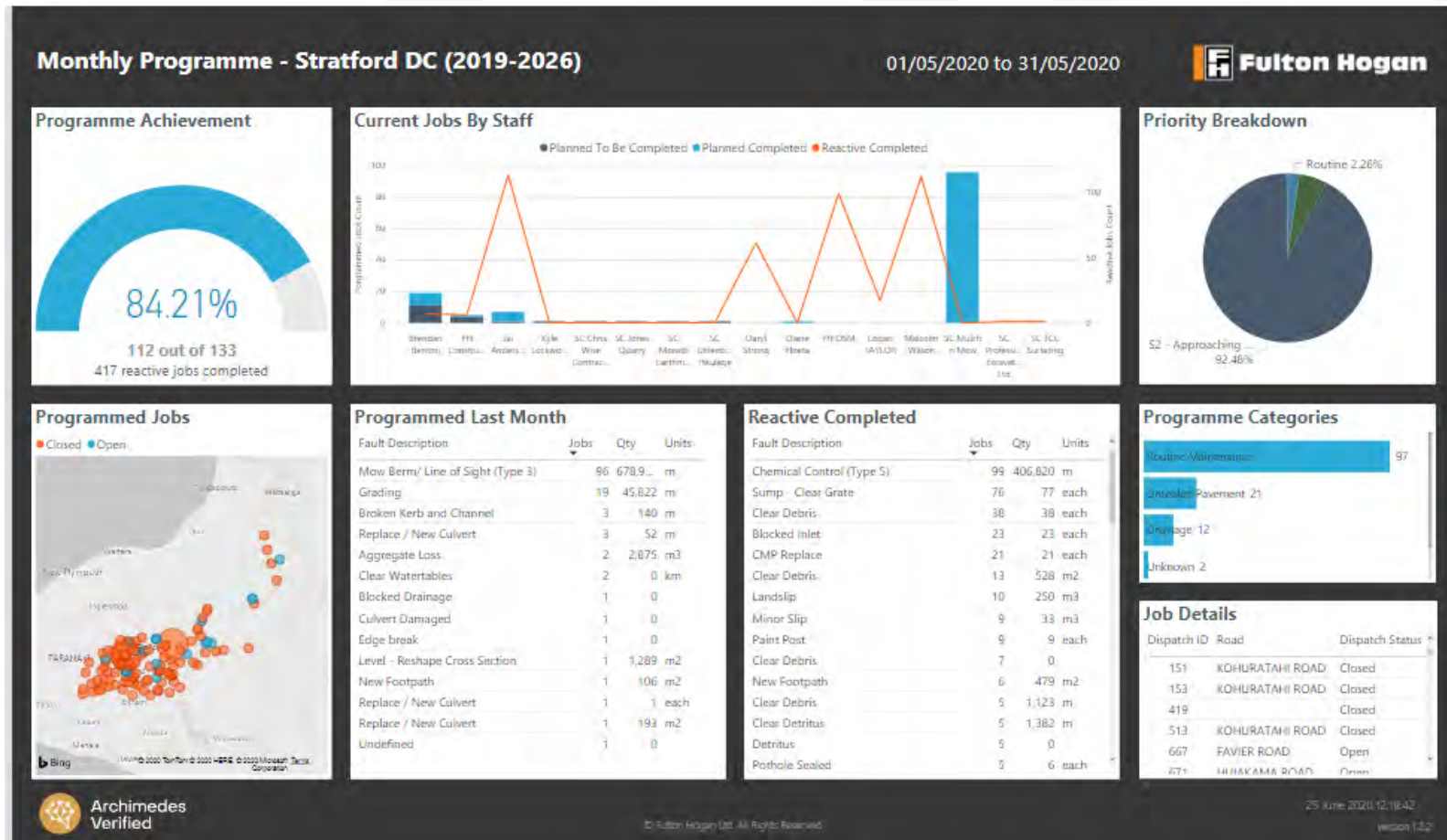


Figure 21 - Fulton Hogan Programme Achievement May 2020

Levels of Service Performance

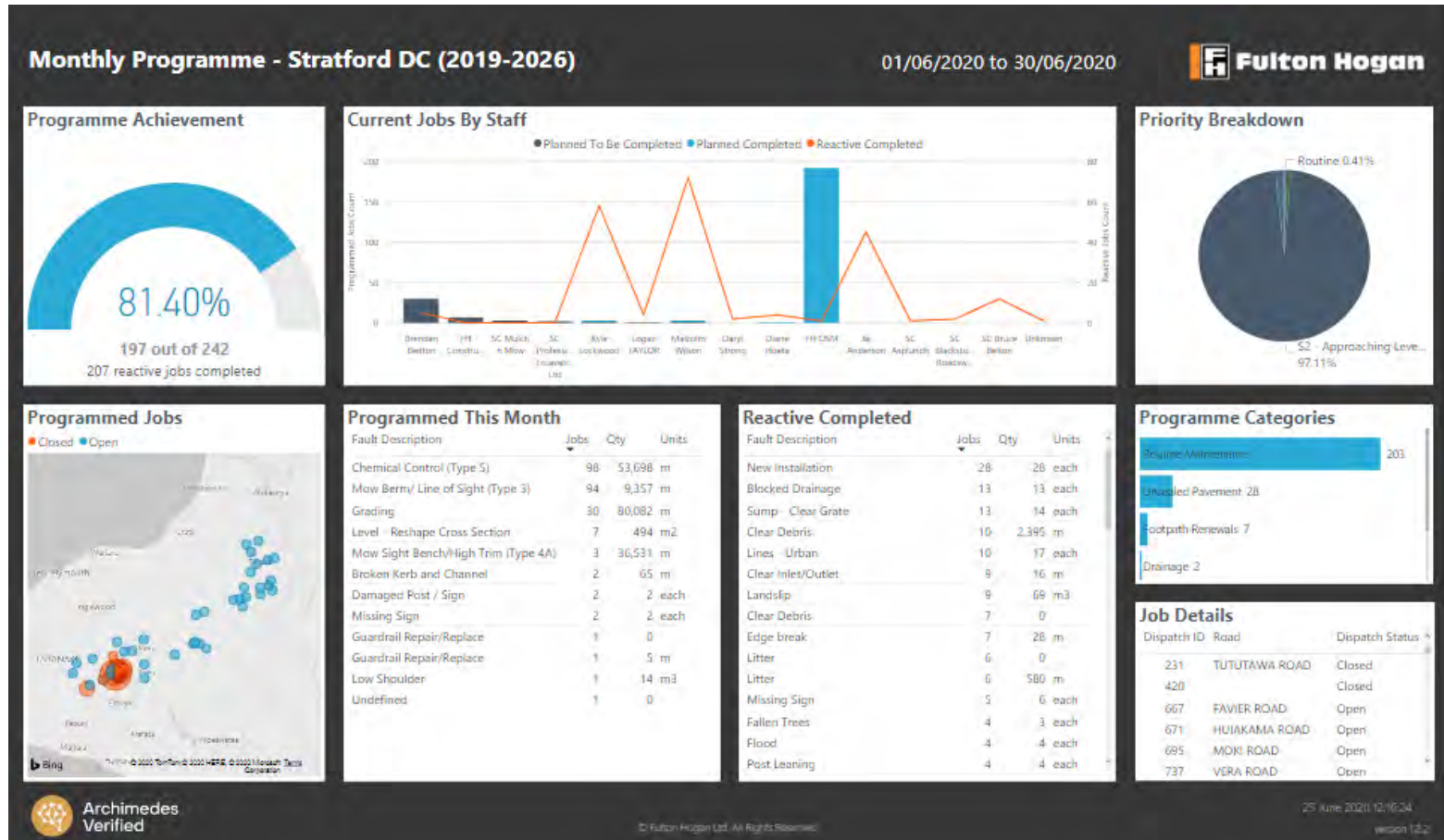


Figure 22 - Fulton Hogan Programme Achievement June 2020

Levels of Service Performance

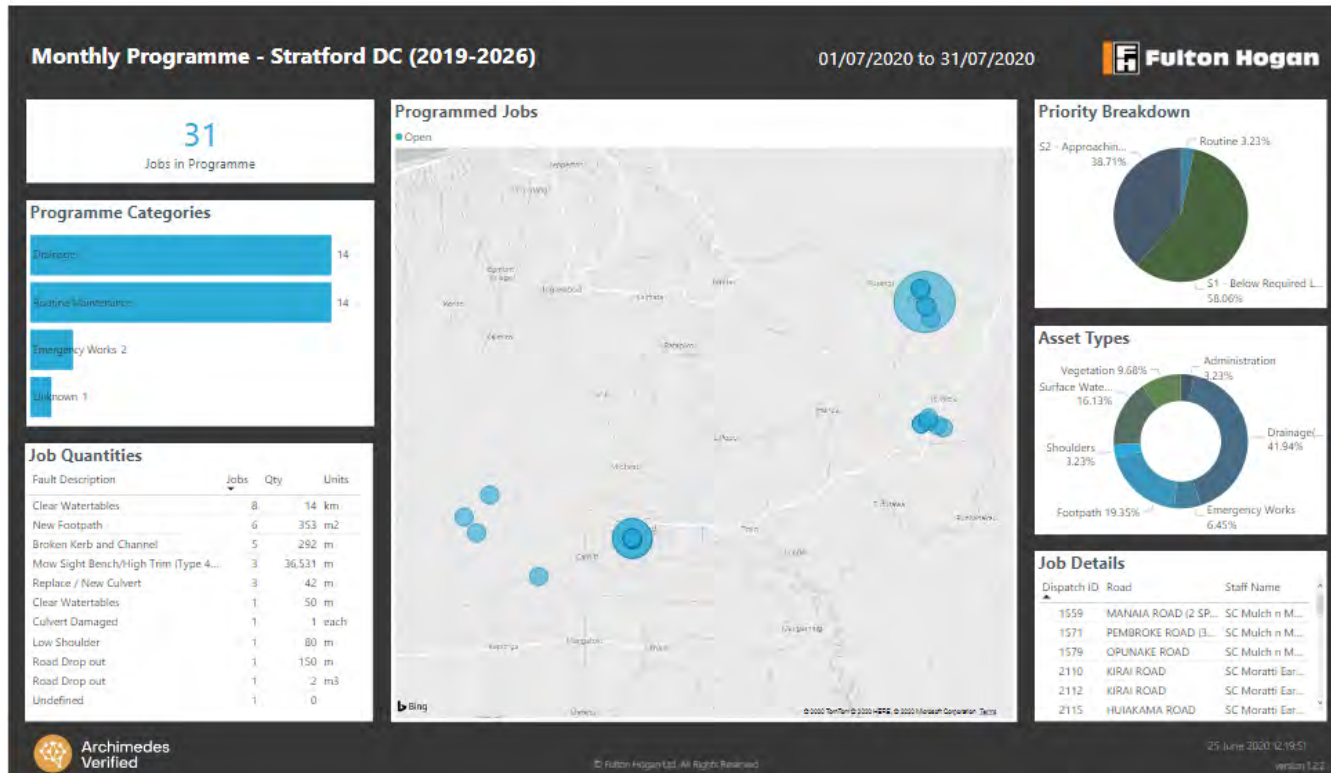


Figure 23 - Fulton Hogan Programme Achievement July 2020

We use this tool to monitor Fulton Hogan’s performance and to identify where programmed works may be deferred to later months.

The results of the performance monitoring are reported internally and externally through:

- Monthly reports to Elected Members;
- Long Term Plan;
- Annual Plan;
- Auditors

Levels of Service Performance

5.3 CURRENT PERFORMANCE

Our current performance is monitored through the measures from three main sources:

- The ONRC performance measures;
- The Department for Internal Affairs (DIA) performance measures; and
- Internal performance measures.

In maintaining its roads, the Council must deliver on three Outcome categories:

- Customer Outcome;
- Technical Output; and
- Cost Efficiency.

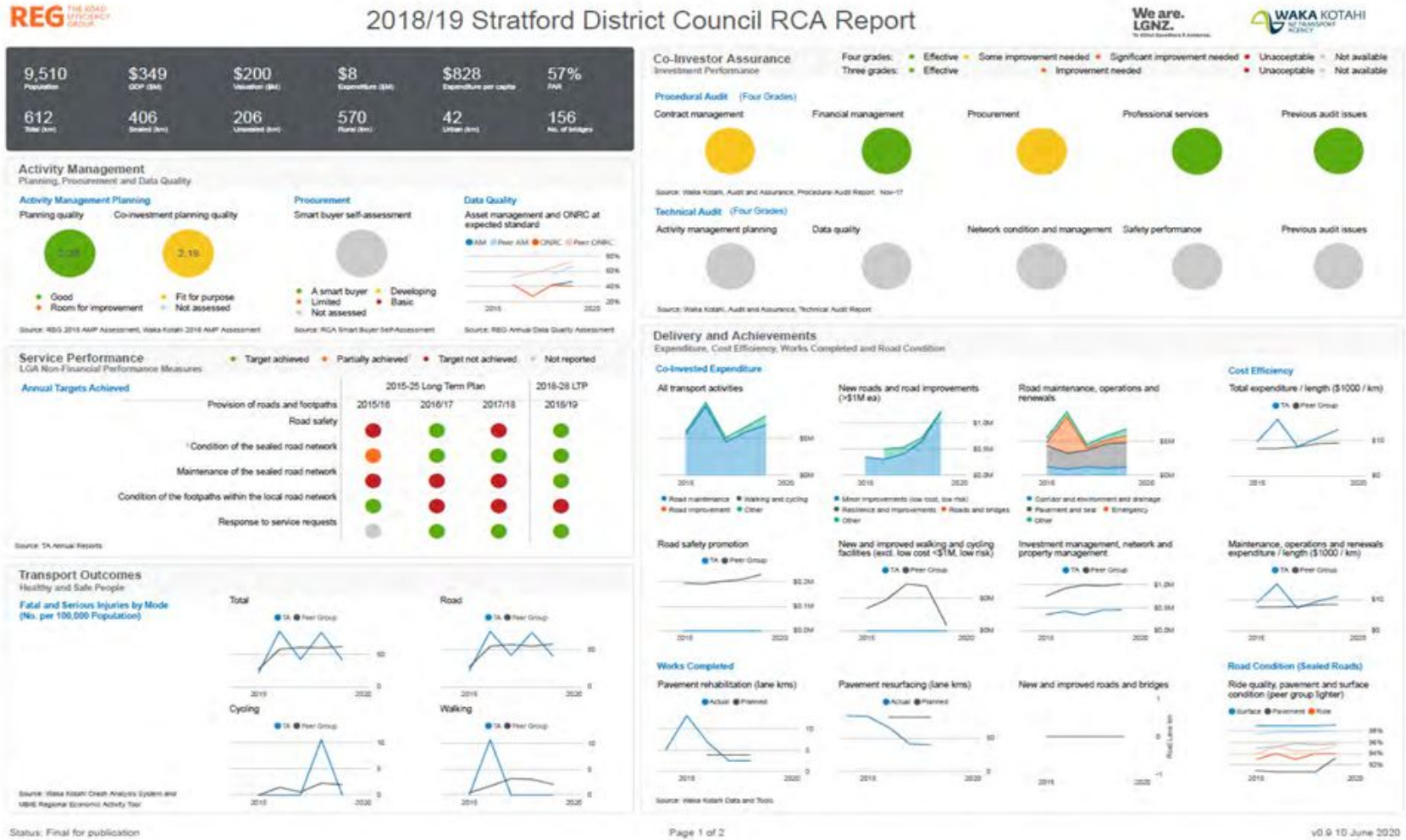
The ONRC Performance Measures: The ONRC Performance Measures are outlined in Table 19 and define the customer level of service we are required to achieve.

The Department of Internal Affairs (DIA) Performance Measures: These measures are shown in Table 20. There is a cross over for some of these measures with ONRC, for example the number of death and serious injury crashes and smooth travel exposure. Over and above these we have internal reporting measures which include:

- Responses to Customer Requests >88%
- The percentage of the network resurfaced each year >5%
- The percentage of the unsealed road re-metalled each year >7%
- Footpaths that meet our levels of service standard >70%
- Customer Satisfaction
 - I. Rooding Network >80%
 - II. Footpaths >80%

The Data Quality Report provides an opportunity for improvement in the way both individual Road Controlling Authorities (RCA) and the industry collects, manages and uses data to support our decision making processes. The report shows, for each measure, how the Council is positioned against what is considered good and where the industry sits, Figure 24 is Stratford District's results.

Levels of Service Performance



Levels of Service Performance

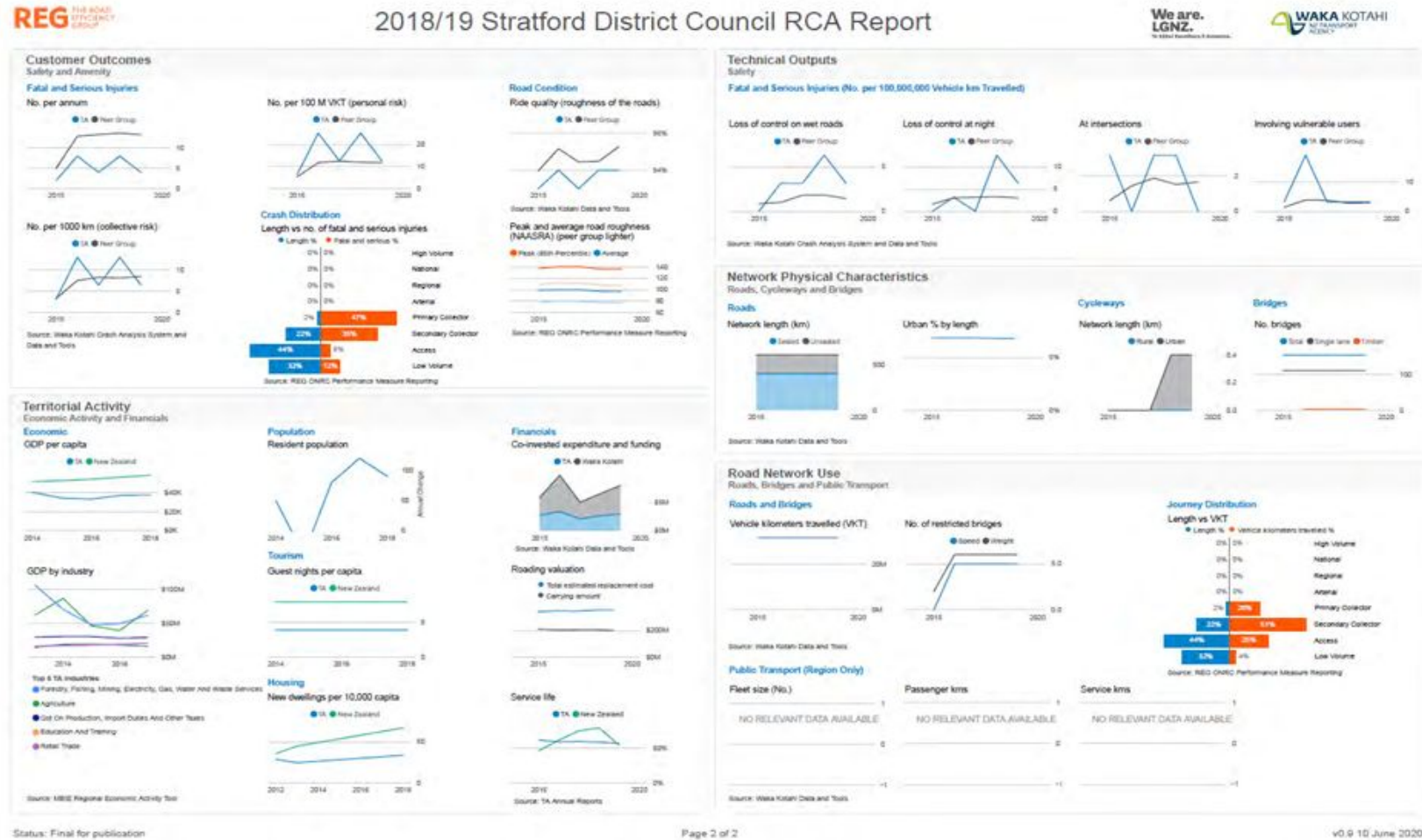


Figure 24 - Road Controlling Authority (RCA) Report 2018/19

Levels of Service Performance

Table 20 - ONRC Performance Measures

	Level of Service	Performance Measure	Outcome Category
1.	Safety	Serious Injuries and Fatalities - The total number of reported serious injuries and fatalities each year on the local network.	Customer Outcome 1
		Collective Risk - The total number of reported serious injuries and fatalities per kilometre over the past ten years on the local network.	Customer Outcome 2
		Personal Risk - The total number of reported serious injuries and fatalities by traffic volume over the past ten years on the local network.	Customer Outcome 3
		Temporary Hazards - The number of work sites, event sites and temporary hazards. Inspected.	Technical Output 2
		Temporary Hazards - The total number of audits compliant with the Code of practice for temporary traffic management (COPTTM).	Technical Output 2
		Loss of Control on Wet Roads - The number of reported serious injuries and fatalities attributable to loss of driver control on wet roads each year on the local network.	Technical Output 4
		Loss of Driver Control at Night - The number of reported serious injuries and fatalities attributable to loss of driver control at night each year on the local network.	Technical Output 5
		Intersections - The number of reported serious injuries and fatalities attributable to loss of driver control at intersections each year on the local network.	Technical Output 6
		Vulnerable Users - The number of reported serious injuries and fatalities involving vulnerable users on the local network.	Technical Output 9
2.	Resilience	Vehicles Interrupted by Unplanned Events - The annual number of unplanned road closures.	Customer Outcome 1
		Vehicles Interrupted by Unplanned Events - The annual number of vehicles affected by closures.	Customer Outcome 1
		Instances Where Road Access is Lost -The number of unplanned road closures where there was no viable detour.	Customer Outcome 2
		Instances Where Road Access is Lost -The number of vehicles affected by closures where there was no viable detour.	Customer Outcome 2
3.	Amenity	Smooth Travel Exposure -The percentage of travel on roads smoother than the specified threshold for each classification	Customer Outcome 1
		Peak Roughness - Length of network that does not meet the level specified by classification	Customer Outcome 2
		Average Roughness - The average roughness of local roads	Technical Output 1
		Median Roughness - The median roughness of local roads	Technical Output 1
4.	Accessibility	Proportion of Network Not Available to Heavy Vehicles - The proportion of each road classification that is not accessible to Class 1 Heavy vehicles.	Customer Outcome 1

Levels of Service Performance

	Level of Service	Performance Measure	Outcome Category
		Proportion of Network Not Available to Heavy Vehicles - The proportion of each road classification that is not accessible to 50MAX vehicles.	Customer Outcome 1
		Proportion of Network Not Available to Heavy Vehicles - The number of instances where the road is not marked in accordance with national standards RTS-2 and MOTSAM and the Traffic Control Devices manual.	Technical Output 1
5	Cost Efficiency	Pavement rehabilitation - The total quantity and cost of pavement rehabilitation undertaken over the previous year as renewal work (lane km and m2), by classification and average lives achieved.	Cost Efficiency 1
		Chipseal Resurfacing - The total quantity and cost of sealed road chipseal resurfacing undertaken over the previous year (lane km and m ²), and the average lives achieved.	Cost Efficiency 2
		Asphalt Resurfacing - The total quantity and cost asphalt sealed road resurfacing undertaken over the previous year (lane km and m ²), and the average lives achieved.	Cost Efficiency 3

Table 21 - DIA Performance Measures

	Level of Service	Performance Measure	Outcome Category
1.	Safety	Fatalities and Serious Injuries - The change from the previous financial year in the number of fatalities and serious injury crashes on the local road network. (DIA measure 1)	DIA Measure
2	Road Condition	Road Condition - The average quality of ride on sealed road network, measured by smooth travel exposure.	DIA measure
3	Maintenance for Sealed and Unsealed roads	Sealed Road Maintenance - The percentage of the sealed road network that is resurfaced.	DIA measure
		Unsealed Road Maintenance - The percentage of the unsealed road network that has been metal dressed.	DIA measure
4	Footpaths that fall within the LoS Standards	Footpaths that fall within LoS Standard - The percentage of footpaths within the District that fall within the level of service standard for the condition of footpaths that is set out in the territorial authority's relevant document (annual plan, activity management plan, annual works programme or long term plan)	DIA measure
		Response to Requests for Service - The percentage of customer service requests relating to roads and footpaths responded to within the time frame specified in the long term plan (note: this information is actually held in the activity management plan not the long term plan)	DIA measure

Levels of Service Performance

5.3.1 SAFETY

On average, one person is killed every day on New Zealand roads, and another seven are seriously injured. The number of road deaths in New Zealand rose significantly between 2013-2017. Deaths and serious injuries should not be an inevitable cost of moving people and freight from place to place. A transport system needs to be created in both urban and regional areas that protects people. This priority gives effect to, but is not limited to, the Road to Zero.

5.3.2 ONRC PERFORMANCE TOOL

ONRC Safety Outcome 1 – Serious Injuries and fatalities

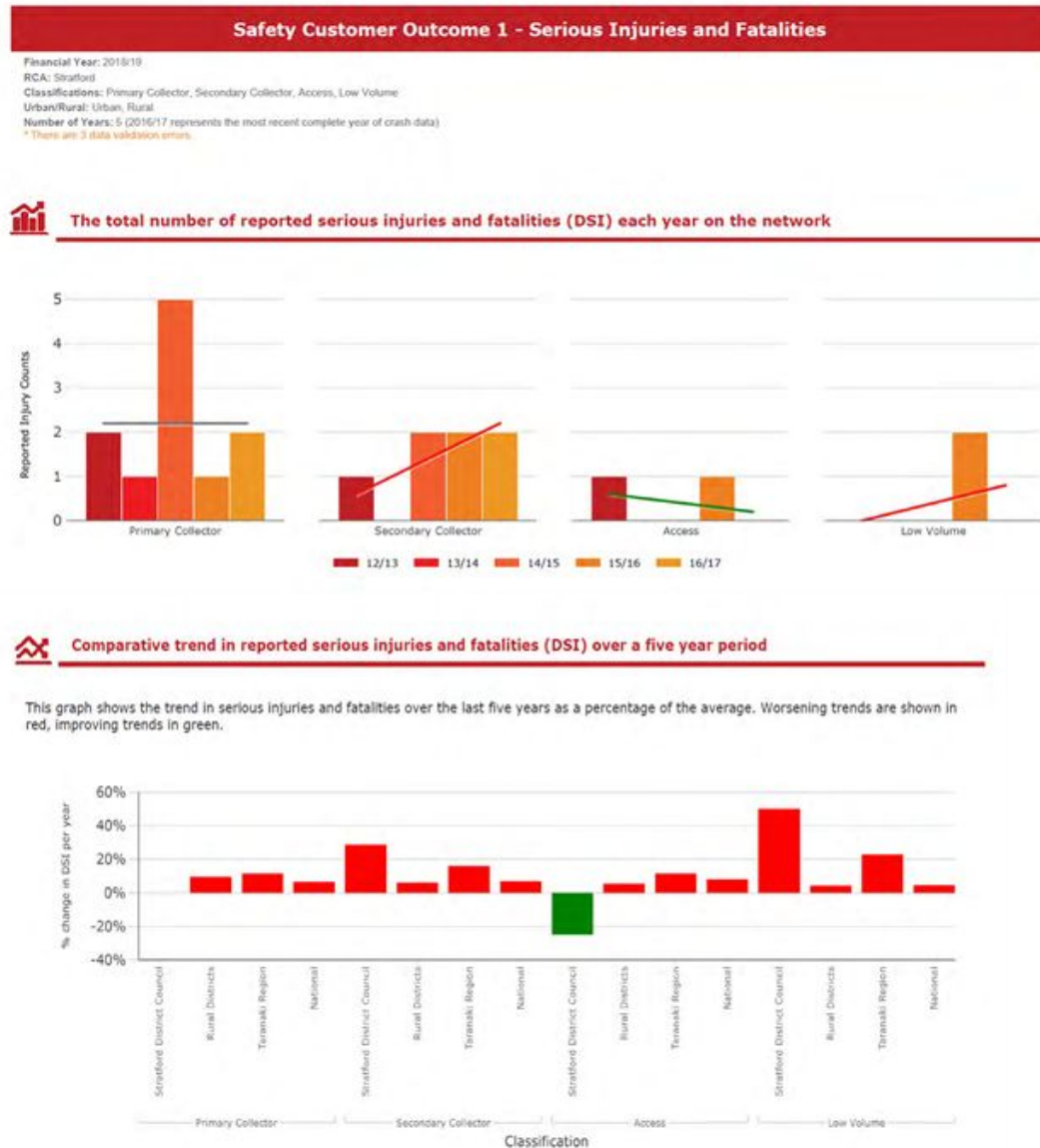


Figure 25 - Road Safety – Serious Injuries and Fatalities

Levels of Service Performance

Following a peak in Death and Serious Injury (DSI) crashes in 2014/2015, the current trend shows a reduction in these crashes. For 2018/2019 there were four DSI's across the district's roading network.

When looking at the trends, we are neutral for primary collector roads, a higher trend for secondary collector, an improving trend for access roads and a high trend for low volume roads.

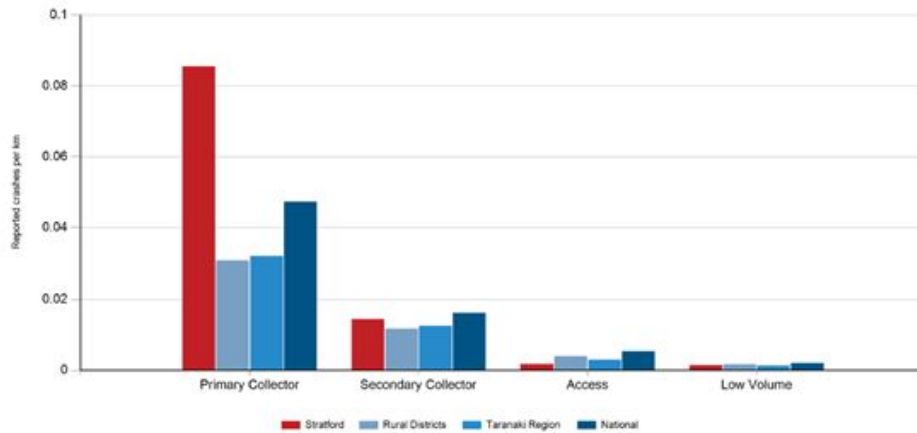
Further investigations and studying of the crash analysis system will highlight the locations of the crashes on the secondary collector and low volume roads.

Any potential safety improvements will form part of our Low Cost/Low Risk Safety Improvements programme for 2021-2024.

Safety Customer Outcome 2 - Collective Risk



The total number of reported crashes per kilometre over the past 10 years on the network



The latest 10 year crash dataset in RAMM is used for each Road Controlling Authority. This allows for comparison across road classifications, however totals may not exactly match those from specialist safety statistic reporting.

The crash history for the last five years for these three roads are as follows:

Road Name	Non Injury	Minor Injury	Serious Injury	Fatal
Opunake Road	28	15	11	3
Palmer Road	5	2	0	0
Manaia Road	3	0	2	0

Figure 26 - Collective Risk

Levels of Service Performance

Table 22 - Collective Risk Matrix

Rating	Description
≤ 0.039	Low
Between ≤ 0.04 and ≤ 0.069	Low to Medium
Between ≤ 0.07 and ≤ 0.10	Medium
Between ≤ 0.11 and ≤ 0.189	Medium to High
≥ 0.189	High

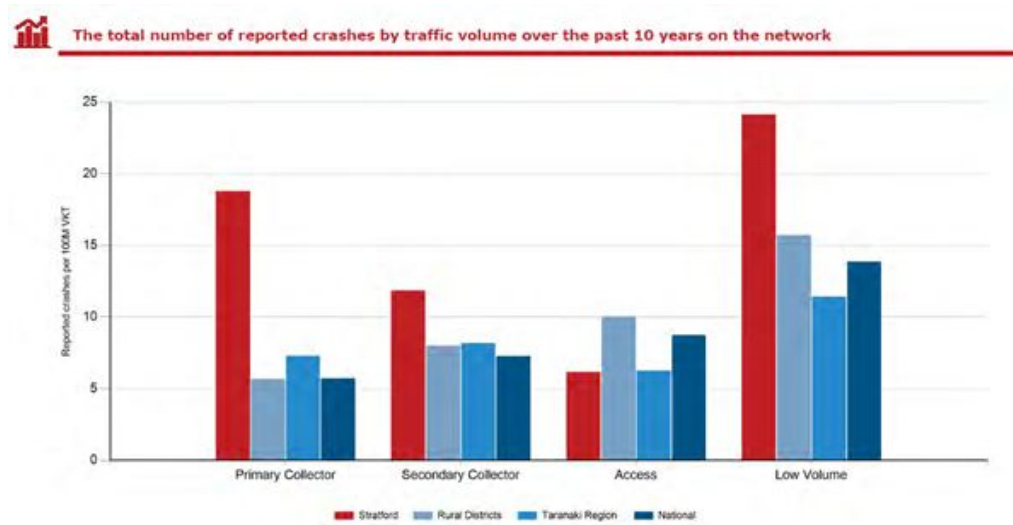
Based on the data for this customer outcome our target for the next three years will be to address the Primary and Secondary Collector roads.

Opunake Road is the district's longest primary collector of 12.10kms. Unfortunately for Stratford District Council this road does have a high number of crashes including fatalities. This road has been identified through MegaMaps and the Safe Network Programme as one of our top 10% roads requiring attention.

With this in mind we will be considering safety improvements, speed reduction and installing Rural Intersection Activated Warning Signs at the Opunake Road/Climie Road/Cardiff Road intersection.

During 2020/2021 financial year we will be completing a safety improvement project at RP9.90 or approximately 500m west of Palmer Road Intersection. This double curve has been the scene of three crashes in the last three years.

ONRC Safety Outcome 3 - Personal Risk



The latest 10 year crash dataset in RAMM is used for each Road Controlling Authority. This allows for comparison across road classifications, however totals may not exactly match those from specialist safety statistic reporting.

Figure 27 - Personal Risk

Based on the data held within RAMM, our focus for this customer outcome will be on the Primary Collector, Secondary Collector and Low Volume Roads.

As discussed previously, we have a plan in place for addressing the safety issues on our primary collector (Opunake Road).

Our next focus will be the low volume roads as this road category makes up 32% of our road network by length.

Levels of Service Performance

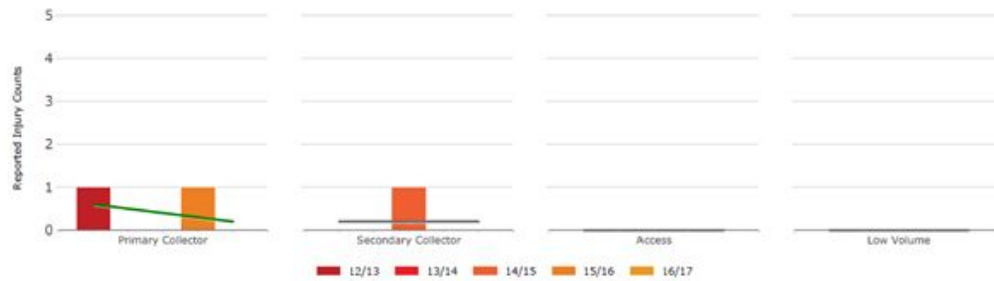
Further investigation of CAS to identify possible clusters of crashes or individual locations will be undertaken. This will lead to minor safety improvements at these crash locations. The treatments may vary from traffic services (signs and road marking) to more substantial geometric re-alignment.

ONRC Technical Output 4 - Loss of Control on Wet Roads

Safety Technical Output 4 - Loss of Control on Wet Roads

Financial Year: 2018/19
 RCA: Stratford
 Classifications: Primary Collector, Secondary Collector, Access, Low Volume
 Urban/Rural: Urban, Rural
 Number of Years: 5 (2016/17 represents the most recent complete year of crash data)
 * There are 3 data validation errors.

The number of reported serious injuries and fatalities (DSI) attributable to loss of driver control on wet roads



Comparative trend in reported serious injuries and fatalities (DSI) attributed to loss of control on wet roads

This graph shows the trend in serious injuries and fatalities over the last five years as a percentage of the average. Worsening trends are shown in red, improving trends in green.



Figure 28 - Loss of Control on Wet Roads by Road Classification

Based on the result indicated above we have an improving trend of reducing the loss of control crashes across all road categories. The number of crashes recorded where a wet road was seen as a contributing factor are low, with one recorded crash in 2015/2016. Our annual resealing programme is predominantly undertaken on Access and Low Volume roads. This, in turn, is reducing the loss of control on wet road crashes.

Levels of Service Performance

Safety Technical Output 5 - Loss of Driver Control at night

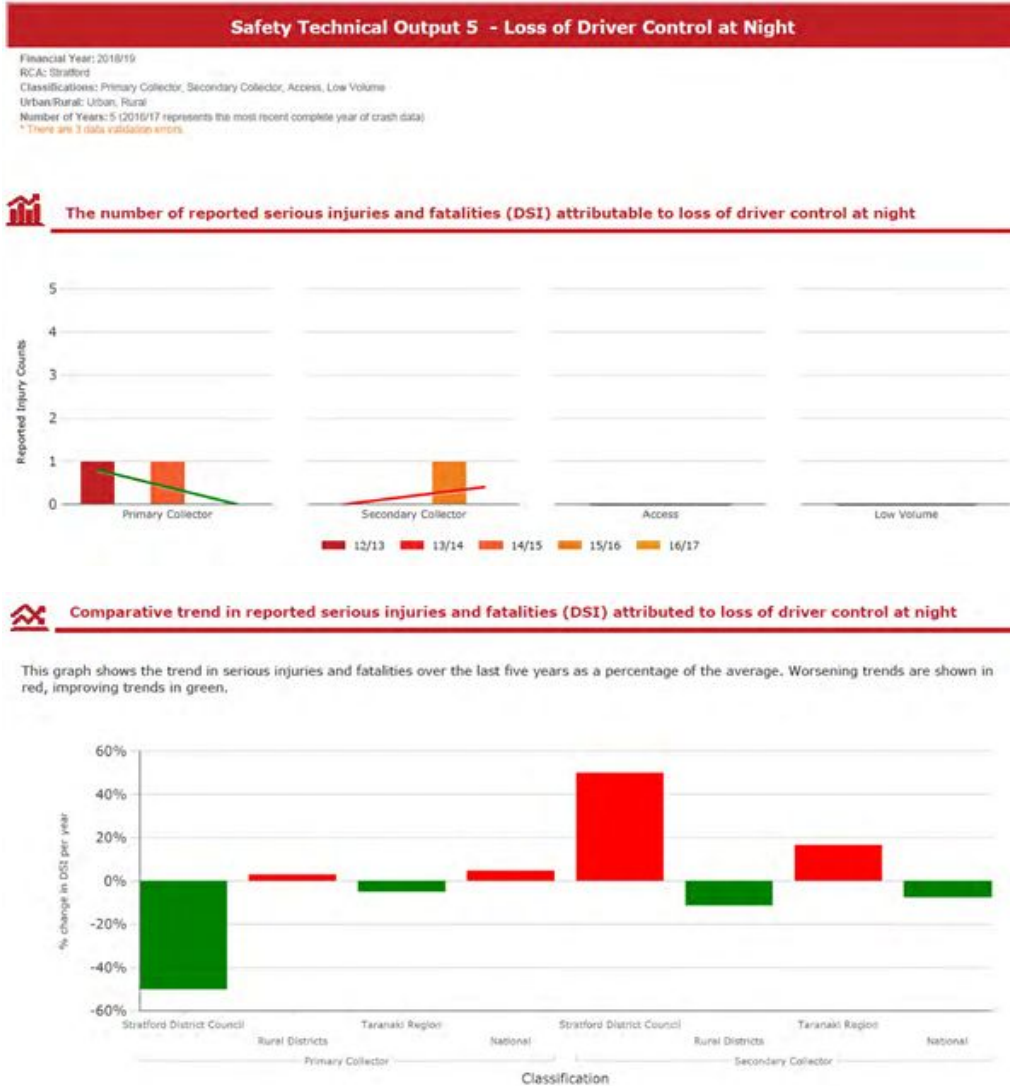


Figure 29 - Loss of Driver Control at Night by Road Classification

The above graphs clearly show that Stratford District has a safety issue on our Secondary Collector Roads or 21% of our network.

With the installation of LED streetlights in the urban area, night time visibility for drivers has improved.

Our focus for this next long term plan period will be the rural roads, which is 18% of our network.

Many of these rural roads have reasonably straight alignments with slow curves (65km/h or less).

As mentioned previously further investigation into CAS will identify possible hotspots that warrant safety intervention projects.

Whilst our trend shows 50% increase, the actual number of crashes is low, with only one recorded in 2015/2016.

Levels of Service Performance

Safety Technical Output 6 - Intersections

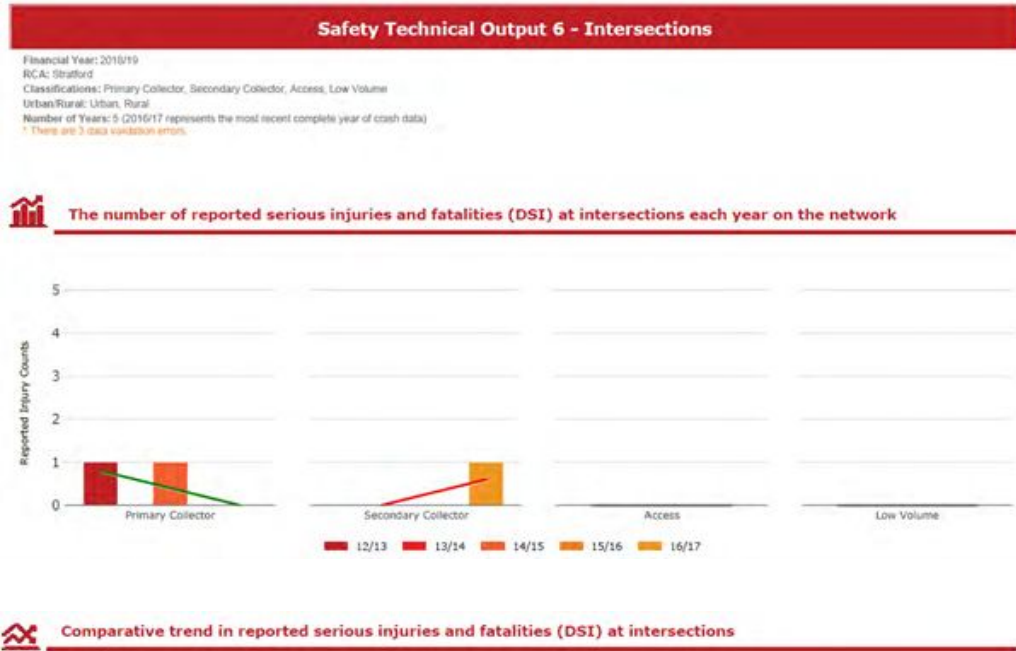


Figure 30 - Intersections

It appears Stratford District Council has an increasing trend of intersection crashes on our Secondary Collector network. With one crash recorded 2016/2017, this has resulted in a 100% down turn in our statistics.

Further work will be undertaken to identify this crash site. From the 2016/2017 crash reports it appears a truck failed to give way at the Celia Street/Orlando Street Intersection. This particular intersection was re-surfaced with asphalt in the 2017/2018 year. No further crashes have occurred at this particular intersection.

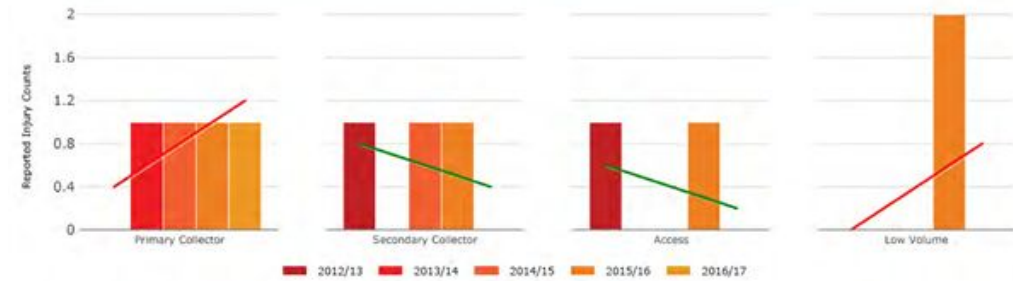
Levels of Service Performance

Safety Technical Output 9 – Vulnerable Users

Safety Technical Output 9 - Vulnerable Users

Financial Year: 2016/19
 RCA: Stratford
 Classifications: Primary Collector, Secondary Collector, Access, Low Volume
 Urban/Rural: Urban, Rural
 Number of Years: 5 (2016/17 represents the most recent complete year of crash data)
 *There are 3 data collection items

The number of reported serious injuries and fatalities (DSI) involving vulnerable users on the network



DSI Counts	Vulnerable User	Primary Collector	Secondary Collector	Access	Low Volume	Total	Percent of DSI
2012/13	Motor Cycle		1	1		2	50
2013/14	Motor Cycle	1				1	100
2014/15	Moped		1			1	14.3
	Motor Cycle	1				1	14.3
2015/16	Motor Cycle	1	1	1	2	5	83.3
2016/17	Motor Cycle	1				1	25

Comparative trend in reported serious injuries and fatalities (DSI) involving vulnerable users on the network

This graph shows the trend in serious injuries and fatalities over the last five years as a percentage of the average. Worsening trends are shown in red, improving trends in green.

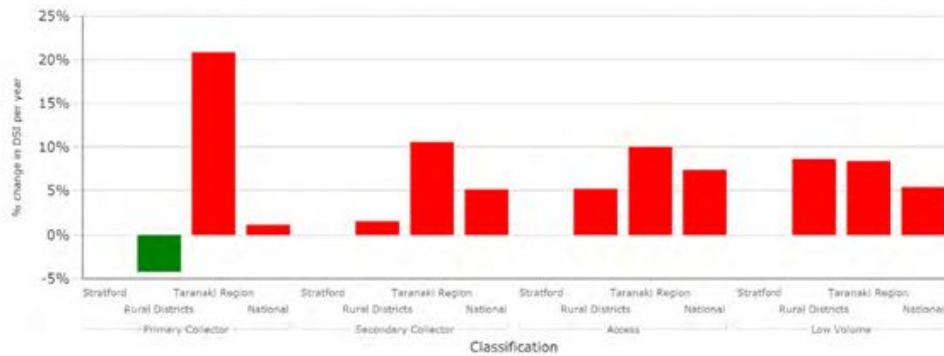


Figure 31 - Vulnerable Users

Levels of Service Performance

As with the other safety related performance tools, our Primary Collector road will be the target for safety improvements.

Whilst the crash numbers are low, there has been two fatalities involving motorcycles on Opunake Road in the last three years.

Given the number of crashes on this road throughout the last five years. This road would be a suitable candidate for a road safety audit.

5.3.3 AMENITY

Amenity Customer Outcome 1 – Smooth Travel Exposure

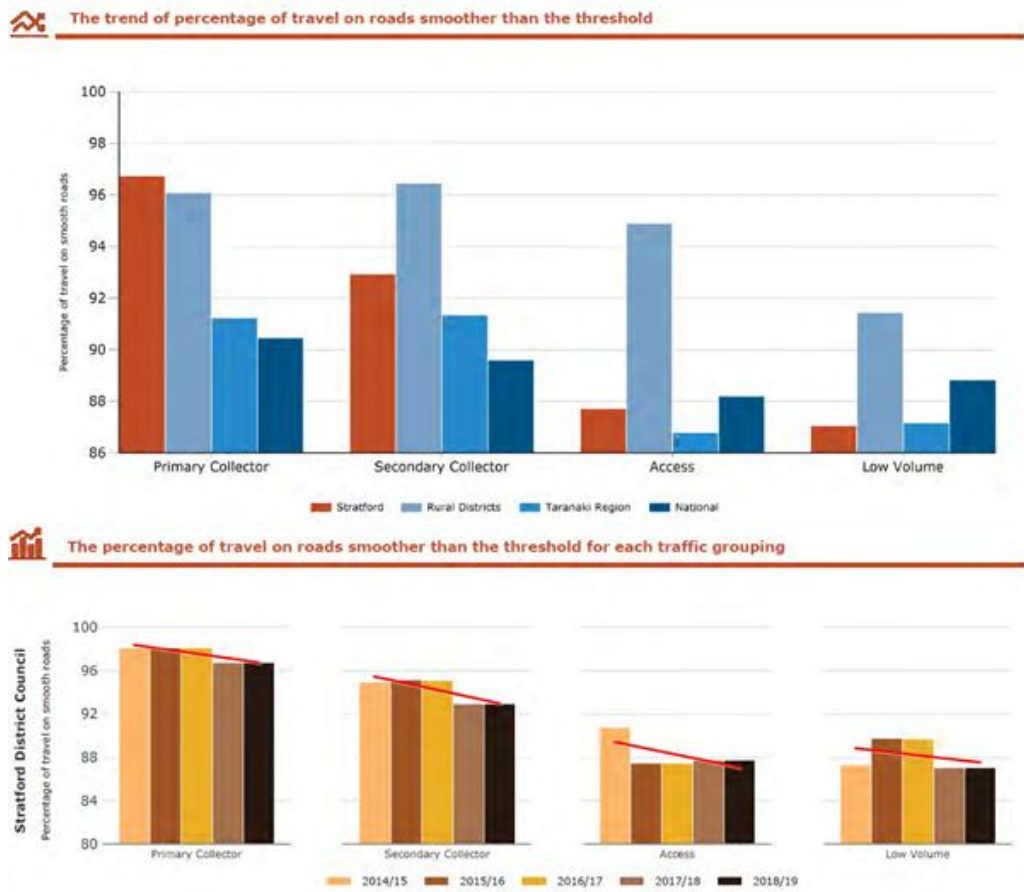


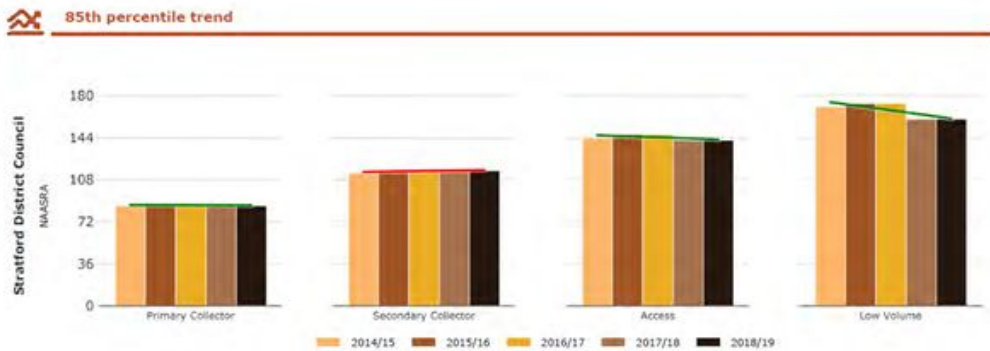
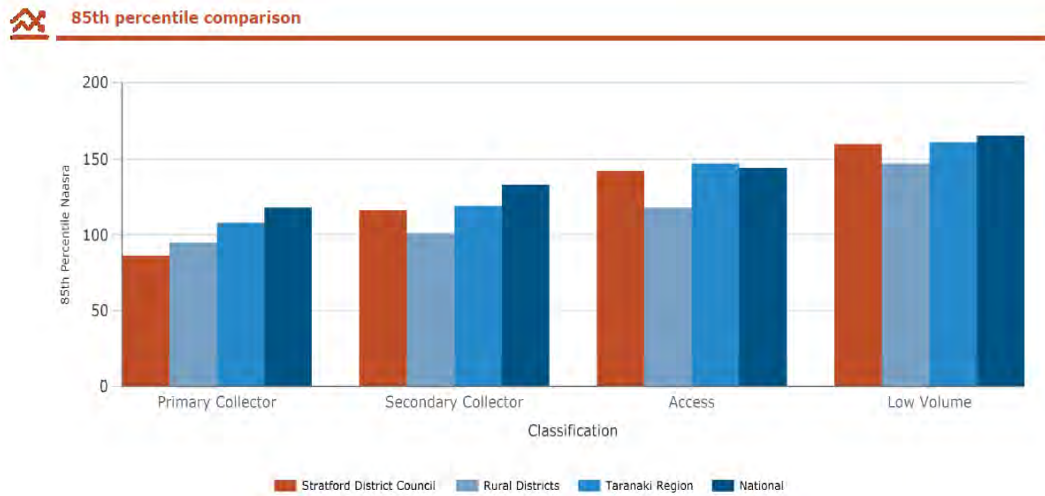
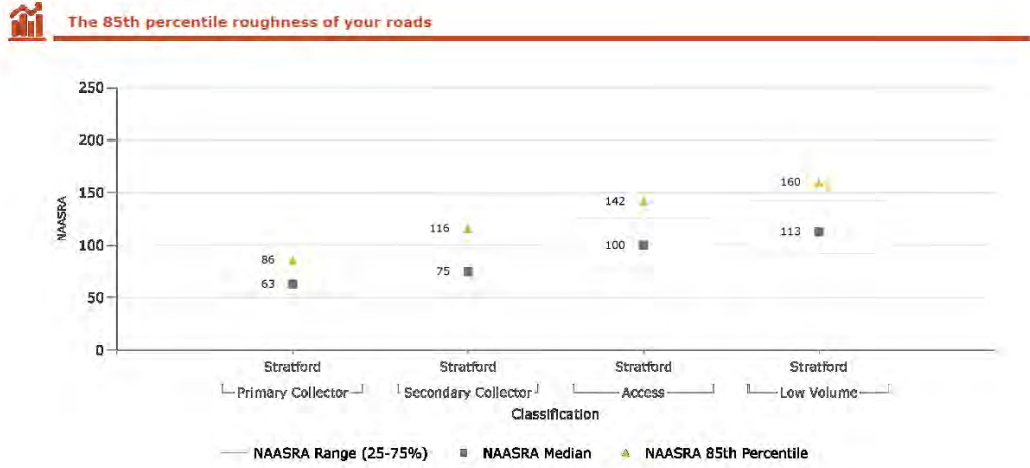
Figure 32 - Smooth Travel Exposure Targets by Road Classification

For this performance indicator, we can clearly show that the smooth travel exposure for our Primary Collector is greater than that of our peers, the regions, as well as the national average. However this cannot be said for the other three road categories, where across all three road categories we are below our peers for this KPI. It is clear that Stratford District Council will need to focus our pavement repairs on the Secondary Collector and sealed access roads for the duration of this long term plan period to elevate our percentages to be at least on par with our peers. With the increase in forestry activity across the district many of the access roads are, or have been, affected by HCV traffic. For example, roads such as Douglas Road, Mangaotuku Road, Mountain

Levels of Service Performance

Road, Mohakau Road all service or provide access to forestry blocks that have been harvested in the previous two years.

Amenity Customer Outcome 2 and Technical Output 1 Comparative - Peak and Average Roughness



Levels of Service Performance

Classification		Year	Urban / Rural	5%	25%	Median	Average	75%	85%	95%
Primary Collector	Stratford	2014/15	Urban	51.0	59.5	66	80	97	114.0	143.0

Figure 33 - Peak and Average Roughness

Our peak and average roughness is very compatible with our peers. We are slightly higher than other rural districts for Secondary, Collector Access and Low Volume roads.

This can be attributed to two contributing factors:

- The increase in the number of HPMV permitted vehicles using the Secondary Collector and Access roads. During the 2019/2020 financial year, we issued in the order of 470 HPMV permits.
- The other factor is the forestry industry and the escalation in timber production. Many of the forestry blocks are located on the Low Volume roads.

Stratford District Council’s programme for sealed pavement maintenance will concentrate on the annual reseal sites, thereafter the remaining sealed road network will be repaired as faults are identified through routine inspections.

With regard to the secondary collector roads those will be the candidates that are nominated for sealed pavement rehabilitation projects.

Given the level of funding for Stratford District Council, we have set our sights on a ten year pavement rehabilitation programme, to improve this customer outcome.

5.3.4 ACCESSIBILITY

Proportion of Network not Available to Class 1 Heavy Vehicles - (ONRC Customer Outcome1)

The aim of this measure is ensure trucks that need to use roads with restrictions can do so.

Based on our current knowledge of our bridge stock, there is 99% accessibility to class 1 heavy vehicles. We currently have six posted bridges which are located at either road ends (McBride’s Bridge, Buchanan’s Access, Lower Kohuratahi Road, and Mt Damper Road), or located on an un-maintained Road (Tapuni Road, Matau North Road).

All of the above posted bridges provide access to local farmers, who own land beyond the river and bridge crosses. With regard to their farming practices, these farmers have to request delivery of supplies or removal of stock in tonnages that do not adversely affect the structural integrity of the posted bridges.

Proportion of Network not Available to 50MAX Heavy Vehicles - (ONRC Customer Outcome1)

The aim of this measure is to ensure trucks that need to use roads with restrictions can do so. The performance measure target for the proportion of the network not available to 50MAX vehicles by road classification are 15% for Years 1 through to 3 and 12% for years 4 – 10. Council is unlikely to undertake a bridge strengthening programme in the next three years.

We currently have 32 bridges located on the network which are not suitable for HPMV/50 Max capability. This equates to 93 km of Stratford district land transport network that will not meet the ONRC Customer Outcome 1 for Accessibility.

We are currently undertaking further detailed analysis of these bridges to determine if the current restrictions will continue to apply. Following this analysis, some bridges maybe posted, or depending on the economic wealth created from land accessed over these bridges, some could be strengthened.

During the term of the 2021-24 LTP, we will undertake a review of the bridges that currently do not meet the 50max and HPMV weight requirements. This could lead to a funding request in the 2024-27 LTP for bridge strengthening work.

Levels of Service Performance

Proportion of Network not Available - (ONRC Technical Output 1)

The aim of this measure is ensure signage is fit for purpose in providing direction and guidance to road users. The performance measure target for the number of wayfinding signage or markings that are not in accordance with National Standards RTS-2, MOTSAM and the TCD manual are:

- 20% - Year 1
- 18% - Year 2
- 16% - Year 3
- 14% - Years 4-10

As this is a new measure, Council neither currently has this information nor established auditing regime for this purpose.

In order to report on this technical outcome, the Council will commence an inspection programme. The targets stated in this Section are based on local knowledge of the Roding network rather than data collected via an audit.

Levels of Service Performance

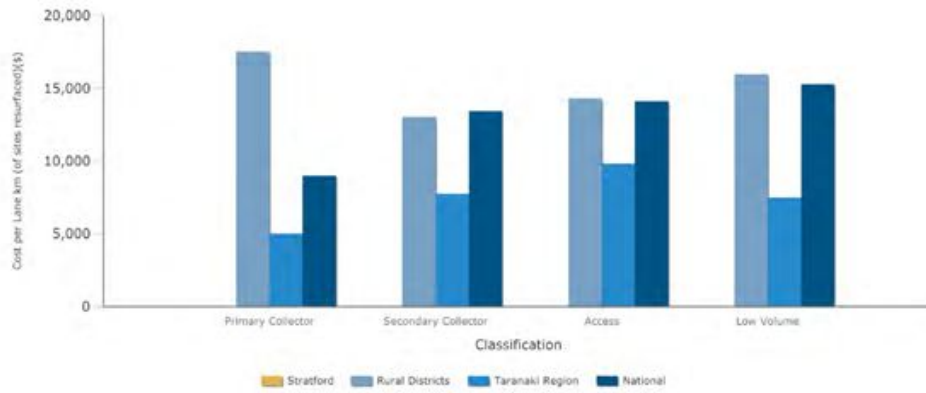
5.3.5 COST EFFICIENCY

Cost Efficiency 2 - Chipseal Resurfacing Cost

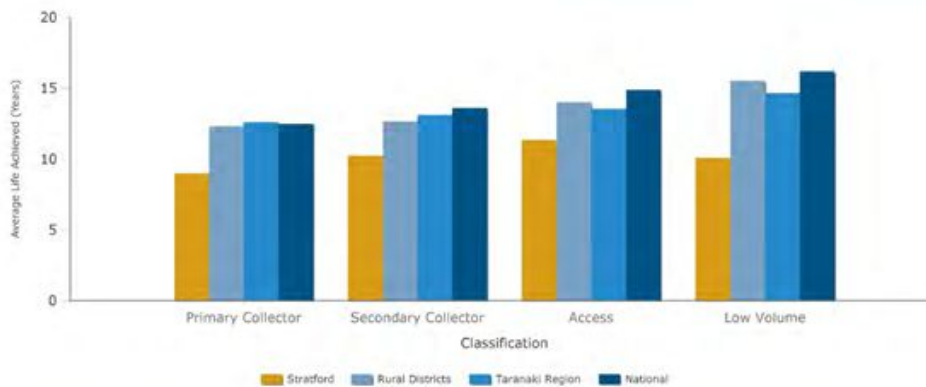


The total cost of chipseal resurfacing undertaken over the selected Financial Year

This classifies the Original Cost field for Surface records in RAMM



Chipseal resurfacing average life achieved, four year average to



Classification		Total Cost of Resurfacing (\$)	Cost per Lane km (\$)	Average Life Achieved (Years)
Primary Collector	Stratford			9.0
	Rural Districts	3,728,304	17,495	12.3

Figure 34 - Chipseal Resurfacing

Levels of Service Performance

Whilst the table from Company X does not show the cost of resurfacing, the table below is taken from our annual achievement return to the New Zealand Transport Agency. The information is for chip sealing over the previous four financial years.

Table 23 - Cost of Chip Sealing

Year	Cost	Lane KM's	Cost Per Lane KM	Average Life (years)P
2016/2017	\$ 703,855.00	40.1	\$17,552.00	20
2017/2018	\$1,157,265.00	62	\$18,665.00	12.9
2018/2019	\$ 875,798.00	45.4	\$20,180.00	18.4
2019/2020	\$ 773,858.00	43.2	\$17,913.00	18.5

It should be noted there was a change in the maintenance contractor on 1 July 2019. Whilst the lane KM's sealed in 2018/2019 is very similar to the 2019/2020 year, the contract rates and seal type reflect the lower cost.

5.4 DESIRED PERFORMANCE

A summary of the Council's targets/desired performance levels are presented in Tables 26 and 27. This desire stems from the Council's resolve to maintain its agreed level of service delivery and strengthen the community's confidence in the Council's ability to deliver excellent Rooding Service to the users.

Over and above our own levels of service we are working to achieve the levels of services associated with the One Network Road Clarification System (ONRC) including the performance and monitoring tools mentioned earlier.

As a co-investor, NZTA want to ensure their co-investment is appropriately used to maintain the districts roading network to pre-determined levels of service.

5.4.1 EXPECTED OUTCOMES BY ROAD CLASSIFICATION

The aims of ONRC and the One Network Framework (ONF) will be to provide a consistent level of service across the four road categories throughout the district.

The following benefits will be achieved by embedding the ONRC/ONF levels of service into maintenance programmes and activities. For example, large expenditure on maintenance metalling for an unsealed road, serving less than five properties should be avoided.

Whilst the road may require some additional metal, the quantum should be commensurate with the hierarchy and function of the road. With this in mind, SDC has further classified some of our roads as "Low Low Volume" roads that service less than five residential properties. The table below provides a list of these roads. A map encompassing the low low volume roads is also available to view in [Appendix 6](#)

Levels of Service Performance

Table 24 - List of Low Low Volume Roads

AHUROA ROAD (2543 – 2898)	MARUARAU ROAD
ARMSTRONG STREET	MAUKU ROAD
ARNOLD ROAD	MCBRIDES ACCESS
AUKAWA ROAD	MOKI ROAD (6051 – 7265)
BARLEYMANS ROAD	MOUNT DAMPER ROAD
BAYLY ROAD (1316 – 1698)	MURCOTT ROAD
BUCHANANS ACCESS	OLD MOUNTAIN ROAD
CHESSWAS ACCESS	OXFORD TERRACE
DENBIGH ROAD (5310 – 7381)	POPUANUI ROAD
DOUGLAS NORTH ROAD	PROSPECT ROAD
DUNNS ROAD	PUKEKO ROAD
FAVIER ROAD	PUKENGAHU ROAD
FORDS ACCESS	QUARRY ROAD
GOWERS ACCESS	RADNOR ROAD (WEST OF SH3)
HARTNET ROAD	RAEKOHUA ROAD
HEAO ROAD	RAUPUHA ROAD (4549 – 7014)
HUIAKAMA ROAD	RIMUPUTA ROAD
HUNGERS ROAD	SANGSTER ROAD
JURY ROAD	SOLDIERS ROAD
KAHOURI ROAD	TAHUNAROA ROAD
KAIAPOI ROAD	TANGARAKAU ROAD
KAITIEKE ROAD	TAUWHARENKAU ROAD
KIRAI ROAD	TAWHIWHI ROAD
KOTA ROAD	TAYLOR ROAD
KUPE ROAD	TOKO DOMAIN ROAD
LOWER KOHURATAHI ROAD	TOKO STATION ROAD
MAKARA ROAD	TUNA ROAD
MANGAMAIRE ROAD	TUTUTAWA ROAD
MANGAOAPA ROAD (1357 – 10340)	VERA ROAD
MANGAOWATA ROAD	WAIU ROAD
MANGARE ROAD	WALTER ROAD
	YORK ROAD (6534 – 7127)

The following figure is the Network Characteristics for the four road classifications within the Stratford District.

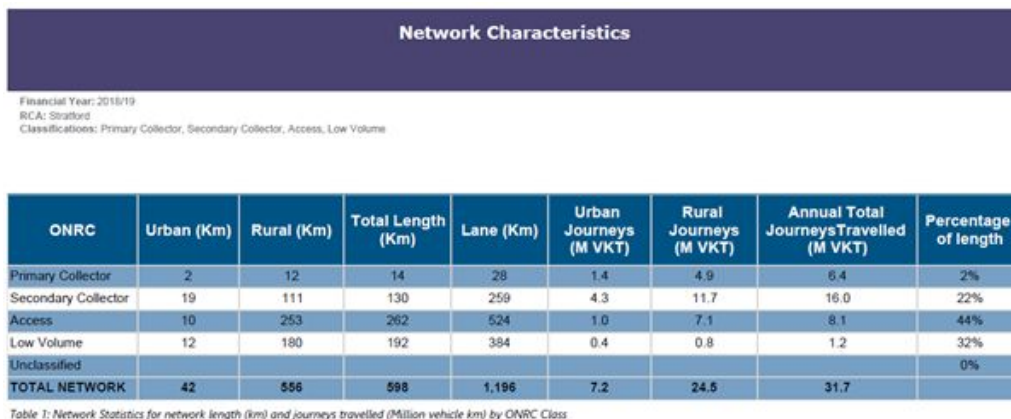


Figure 35 - Network Characteristics

Levels of Service Performance

The table below provides a summary of the customer outcomes for the four road classifications within the Stratford District

Table 25 - Expected Customer Outcomes by Road Classification

ONRC Outcome Area	Primary Collector	Secondary Collector	Access	Low Volume Access
Safety	Variable road standards and alignment.			
	Lower speeds and greater driver vigilance required on some roads/sections particularly depending on topography, access, density and use.			
	Road user safety guidance may be provided at high risk locations.			
	Active road users should expect mixed use environments with some variability in the road environment, including vehicle speed.	All road users should expect mixed use environments with some variability in the road environment, including vehicle speed.		
Resilience	Route is nearly always available except in major weather events or emergency event and alternatives may exist.		Route may not be available in moderate weather events and alternatives may not exist.	
	Clearance of incidents affecting road users will have a moderate priority.		Clearance of incidents affecting road users will have a Lower priority.	Clearance of incidents affecting road users will have the lowest priority.
	Road users may be advised of issues and incidents.		Road user information will have a lower priority.	Road user information will have the lowest priority.
Reliability	Generally consistent travel times except where affected by other road users (all modes) or Weather conditions.	Travel times may vary as a result of other road users (all modes), weather conditions or the physical condition of the road.		
Amenity	Moderate level of comfort, occasional areas of roughness.	Moderate level of comfort, longer areas of roughness.	Lowest level of comfort may include extended areas of roughness and unsealed surfaces (on rural roads).	
	Aesthetics of adjacent road environment reflects journey experience needs of all road users and adjacent land use.		Aesthetics of adjacent road environment strongly reflects land use and place function.	
	Urban roads reflect urban fabric and contribute to local character.			
	Specific provision where active road users present.		Strong shared space philosophy between active road users (if present) and vehicular traffic. Active road users expect environment appropriate to their needs.	
	Clean, safe and secure [lighting, reasonable cycle numbers, accessible parking facilities].		Urban areas clean, safe [low vehicle speed] and secure [lighting].	
Accessibility	Land use access for road users generally permitted but some restrictions may apply.		Access to all adjacent properties for road users.	

Levels of Service Performance

ONRC Outcome Area	Primary Collector	Secondary Collector	Access	Low Volume Access
	Road user connection at junctions with Arterial or Collector roads, and some restrictions may apply in urban areas to promote Arterials.	Road user connection at junctions with other Collectors or Access roads.		
	Active road users should expect mixed use environments with some variability in the road environment, including vehicle speed.			
	Traffic on higher classification roads generally has priority over lower classification roads.			
	Provision of quality information relevant to Collector road user needs.		Provision of quality information.	
Cost Efficiency	Efficiency measures are required to provide assurance that the work we do is necessary, is coordinated and is delivering value for money. We will improve efficiency by ensuring the work we do is done at the right time, i.e. it is not done too early, nor is it done too late.			

5.4.2 PERFORMANCE RATING

The following tables provide a summary of the performance indicators and levels of service targets for Stratford.

Table 26 - Performance Rating Index

Achieved	Required actions have been completed and the intended level of service has been achieved, or Where a long-term level of service is targeted, the results for the year are in keeping with the required trend to achieve the intended level of service.
New Measure	This measure was introduced after the commencement of the relevant financial year, hence no data is available.
Not Achieved	None of the required actions have been undertaken, or The result for the year is less than half of the intended level of service, or Where a long-term level of service is targeted, the results for the year are contrary to the required trend to achieve the intended level of service.
Not Applicable	No action was required during the year.

Levels of Service Performance

Table 27 - Performance Measures for Objective 1 - To provide a safe roading network

Level of Service	Performance Measure	Outcome Category	Trend				Current	Target				How Measured
			2016/17	2017/18	2018/19	2019/20	2020/21	Year 1 2021/22	Year 2 2022/23	Year 3 2023/24	Years 4 2024-31	
Safety	Serious Injuries and Fatalities	Customer Outcome 1	5	13	8	5	5	-1	-1	-1	-1	CAS Database
	Collective Risk	Customer Outcome 2	N/A	N/A	N/A	N/A	New Measure 0.086	0.07	0.06	0.05	0.05	ONRC Performance tool
	Personal Risk	Customer Outcome 3	N/A	N/A	N/A	N/A	New Measure 24.175	20	18	16	14	ONRC Performance tool
	Loss of Control on Wet Roads	Technical Output 4	3	5	2	1	New measure	0	0	0	0	CAS Database
	Loss of Driver Control at Night	Technical Output 5	0	4	1	1	New measure	0	0	0	0	CAS Database
	Intersections	Technical Output 6	1	3	4	1	New measure	0	0	0	0	CAS Database
	Vulnerable Users	Technical Output 9	1	1	1	2	New measure	0	0	0	0	CAS Database

Levels of Service Performance

Table 28 - Performance Measures for Objective 2 - To provide a well-maintained Roading Network

Level of Service	Performance Measure	Outcome Category	Trend				Current	Target				How Measured
			2016/17	2017/18	2018/19	2019/20	2020/ 21	Year 1 2021/22	Year 2 2022/23	Year 3 2023/24	Years 4- 10 2024- 2031	
Condition	Road Condition	DIA measure1										
	• Urban		≥91%	≥83%	≥83%	≥88%	Achieved - 88%	≥83%	≥83%	≥83%	≥83%	RAMM Rating Report
	• Rural		≥95%	≥91%	≥91%	≥78%	Not Achieved - 78%	≥91%	≥91%	≥91%	≥91%	RAMM Rating Report
Resilience	Vehicles Interrupted by Unplanned Events	Customer Outcome 1	N/A	N/A	1000	900	New measure	800	800	800	600	Internal database and traffic counts
	Instances Where Road Access is Lost	Customer Outcome 2	N/A	N/A	21	29	New measure	25	23	20	20	Internal database and traffic Counts
Amenity	Smooth Travel Exposure	Customer Outcome 1										
	• Primary Collector NAASRA Count											
	○ Urban		89%	86%	86%	88%	88%	≥83%	≥83%	≥83%	≥83%	RAMM Rating Report/ONRC Performance tool
	○ Rural		100%	98%	98%	71%	71%	≥91%	≥91%	≥91%	≥91%	RAMM Rating Report/ONRC Performance tool

Levels of Service Performance

Level of Service	Performance Measure	Outcome Category	Trend				Current	Target				How Measured
			2016/17	2017/18	2018/19	2019/20	2020/ 21	Year 1 2021/22	Year 2 2022/23	Year 3 2023/24	Years 4- 10 2024- 2031	
	<ul style="list-style-type: none"> • Secondary Collector NAASRA Count 	Customer Outcome 1										
	<ul style="list-style-type: none"> ○ Urban 		89%	86%	86%	88%	88%	≥83%	≥83%	≥83%	≥83%	RAMM Rating Report/ONRC Performance tool
	<ul style="list-style-type: none"> ○ Rural 		93%	95%	95%	88%	81%	≥91%	≥91%	≥91%	≥91%	RAMM Rating Report/ONRC Performance tool
	<ul style="list-style-type: none"> • Access NAASRA Count 	Customer Outcome 1										
	<ul style="list-style-type: none"> ○ Urban 		93%	86%	86%	88%	87%	≥83%	≥83%	≥83%	≥83%	RAMM Rating Report/ONRC Performance tool
	<ul style="list-style-type: none"> ○ Rural 		93%	95%	95%	88%	81%	≥91%	≥91%	≥91%	≥91%	RAMM Rating Report/ONRC Performance tool
	<ul style="list-style-type: none"> • Low Volume NAASRA Count 	Customer Outcome 1										
	<ul style="list-style-type: none"> ○ Urban 		93%	94%	94%	87%	87%	≥83%	≥83%	≥83%	≥83%	RAMM Rating Report/ONRC Performance tool

Levels of Service Performance

Level of Service	Performance Measure	Outcome Category	Trend				Current	Target				How Measured
			2016/17	2017/18	2018/19	2019/20	2020/ 21	Year 1 2021/22	Year 2 2022/23	Year 3 2023/24	Years 4- 10 2024- 2031	
	○ Rural		93%	95%	95%	88%	81%	≥91%	≥91%	≥91%	≥91%	RAMM Rating Report/ONRC Performance tool
	Peak Roughness											
	• Primary Collector NAASRA Count											
	○ Urban	Customer Outcome 1	136	136	136	107	New measure	140	140	140	140	RAMM Rating Report/ONRC Performance tool
	○ Rural		102	98	98	102	New measure	120	120	120	120	RAMM Rating Report/ONRC Performance tool
	• Secondary Collector NAASRA Count											
	○ Urban	Customer Outcome 1	184	170	170	107	New measure	160	160	160	160	RAMM Rating Report/ONRC Performance tool
	○ Rural		134	136	136	102	New measure	130	130	130	130	RAMM Rating Report/ONRC Performance tool
	• Access NAASRA Count											
	○ Urban	Customer Outcome 1	187	185	185	109	New measure	160	160	160	160	RAMM Rating Report/ONRC Performance

Levels of Service Performance

Level of Service	Performance Measure	Outcome Category	Trend				Current	Target				How Measured
			2016/17	2017/18	2018/19	2019/20	2020/ 21	Year 1 2021/22	Year 2 2022/23	Year 3 2023/24	Years 4- 10 2024- 2031	
												tool
	o Rural		184	168	168	73	New measure	160	160	160	160	RAMM Rating Report/ONRC Performance tool
	• Low Volume NAASRA Count											
	o Urban	Customer Outcome 1	211	220	220	132	New measure	170	170	170	170	RAMM Rating Report/ONRC Performance tool
	o Rural	Customer Outcome 1	185	180	183	102	New measure	180	180	180	180	RAMM Rating Report/ONRC Performance tool
	Average Roughness	Technical Output 1	113	112	112	111	New measure	120	120	120	120	RAMM Rating Report/ONRC Performance tool
	Median Roughness	Technical Output 1					New measure	130	130	130	130	RAMM Rating Report/ONRC Performance tool
Accessibility	Proportion of Network Not Available to Class 1 Vehicles	Customer Outcome 1	N/A	N/A	N/A	N/A	New measure	10%	10%	10%	10%	50 Max maps, Bridge inspections, RAMM
	Proportion of Network Not Available to 50 Max Vehicles	Customer Outcome 1	N/A	N/A	N/A	N/A	New measure	30%	28%	26%	24%	50Max maps, RAMM

Levels of Service Performance

Level of Service	Performance Measure	Outcome Category	Trend				Current	Target				How Measured
			2016/17	2017/18	2018/19	2019/20	2020/ 21	Year 1 2021/22	Year 2 2022/23	Year 3 2023/24	Years 4- 10 2024- 2031	
Cost Efficiency	Pavement rehabilitation	Cost Efficiency 1	2.6	3.7	2.0	2.0	New measure	1km	1km	1km	1km	RAMM
	Chipseal Resurfacing	Cost Efficiency 2										
	• Length (lane km)		40.1	62	43.4	43.2	New measure	40	40	40	40	RAMM/Annual Achievement Report
	• Area m ²		126460	197442	139823	138400	New measure	160,00	160,00	160,000	160,000	RAMM/Annual Achievement Report
	• Average Achieved Life		13	13	13	13	New measure	13	14	15	16	RAMM
	Unsealed Road Metalling	Cost Efficiency 4										
	• Length (lane km)		53.2	100	105.8	118	New measure	65	65	65	65	RAMM/Annual Achievement Report
	• Volume m ³		8547	17,364	10,969	9981	New measure	3000	3000	3000	3000	RAMM/Annual Achievement Report
	• Average Achieved Life		N/A	N/A	N/A	N/A	New measure	TBA	TBA	TBA	TBA	RAMM
	Overall Network Cost	Cost Efficiency 5										
• Sealed Pavement Maintenance	Cost Efficiency 2											

Levels of Service Performance

Level of Service	Performance Measure	Outcome Category	Trend				Current	Target				How Measured
			2016/17	2017/18	2018/19	2019/20	2020/ 21	Year 1 2021/22	Year 2 2022/23	Year 3 2023/24	Years 4- 10 2024- 2031	
	○ \$/lane km	Cost Efficiency 4	419	419	1329	781	New measure	446	446	446	TBA	RAMM Report
	○ \$/vkt		0.007	0.006	0.005	0.007	New measure	0.014	0.014	0.014	TBA	RAMM Report
	• Unsealed Pavement Mtce											
	○ \$/lane km		481	301	647	450	New measure	362	362	362	TBA	RAMM Report
	○ \$/vkt		0.008	0.007	0.008	0.007	New measure	0.01	0.01	0.01	TBA	RAMM Report
Maintenance Assets Reports	Sealed Road Maintenance	DIA measure	7%	10%	5.7%	5.4%	≥5%	≥5%	≥5%	≥5%	≥5%	RAMM/Annual Achievement Report/Annual Plan Report
	Unsealed Road Maintenance	DIA measure	9%	18%	25.2%	14.4%	≥7%	≥7%	≥7%	≥7%	≥7%	RAMM/Annual Achievement Report/Annual Plan Report
Footpaths Assets Reports	Footpaths that fall within LoS Standard	DIA measure	80%	80%	41.7%	62%	>82%	>70%	>72.5%	>75%	>77.5%	Footpath Condition Assessment Survey
	Response to service requests	DIA measure	80%	80%	100%	100%	>86%	>88%	>88%	>88%	>88%	Annual Plan Report
Customer Satisfaction	Customer Satisfaction -	Internal Measure										
	• Roading Networks				72%	75%	>76%	>80%	>80%	>80%	>80%	Responses from

Levels of Service Performance

Level of Service	Performance Measure	Outcome Category	Trend				Current	Target				How Measured
			2016/17	2017/18	2018/19	2019/20	2020/ 21	Year 1 2021/22	Year 2 2022/23	Year 3 2023/24	Years 4- 10 2024- 2031	
												Customer Satisfaction Survey
	• Footpaths				7%	73%	>77%	>80%	>80%	>80%	>80%	Responses from Customer Satisfaction Survey

Levels of Service Performance

5.5 LEVEL OF SERVICE STATEMENTS

The level of service which the Stratford District Council will provide our community will be in accordance with the following guiding principles for the various work categories,

Level of Service Provision.

The summary table below outlines the level of service that Stratford District Council will provide for our community for the various work activities undertaken on the roading network:

Table 29 - Summary of level of service statements

Activity	Description	Level of Service Statement
111	Sealed Pavement Maintenance	Pavement repairs to reseal sites, HPMV routes, other ONRC road hierarchy roads as identified via inspections.
112	Unsealed Pavement Maintenance	Grading rounds to meet ONRC road classification, pavement defects
113	Routine Drainage Maintenance	Clearing water tables, repairing kerb and channel, clearing culverts, emptying roadside sumps twice per annum.
114	Structures Maintenance	Bridge deck cleaning, cleaning and painting wooden rail systems, replacing bridge end markers, removal of obstructions from waterways.
121	Environmental Maintenance	Management of Pest Plants, berm mowing, weed spraying around street furniture and invert of water tables, trimming high banks that obscure visibility.
122	Traffic Services Maintenance	Replacing edge marker posts where applicable, road markings, repairing signs, replacing wooden posts with steel poles, clean and paint 1400m of sight rails per annum.
125	Footpath Maintenance	Removal of trip hazards by grinding, replacement of damaged footpaths (<10m long sections).
140	Minor Events	Removal of large slips, retreating from underslips where practicable, clearing fallen trees following significant storms, eg ex Cyclone Gita
211	Unsealed Road Metalling	Metalling a minimum of 7% by length of the network, improvements to roads affected by logging traffic.
212	Sealed Road Resurfacing	Resurfacing a minimum of 5% by length of the sealed road network (20km).
213	Drainage Renewals	Reforming 90km of water tables per annum, replacing 1500m of kerb and channel per annum, replacing 400m of culverts per annum
214	Sealed Road Pavement Rehabilitation	Strengthening 1 km of sealed roads each year – HPMV routes and roads affected by logging.
215	Structures Component Replacement	Replacement of structural components as identified during annual routine inspections cycles.
222	Traffic Services Renewals	Replacement of damaged or faded signage, repairs to guardrails where identified, replacement of sight rails.
341	Low Cost Low Risk Improvements	Safety improvements, replacement of bridges, replacement of retaining walls, upgrade to Whangamomona Road, Walking and Cycling initiatives.

5.5.1 SEALED PAVEMENT MAINTENANCE

The Council's sealed road networks comprise of 394kms of sealed pavement across the district. The width of the road varies depending on the location. Urban roads vary between 8-12 meters between kerbs, whereas rural roads vary between 4-6 meters.

For the level of service that Stratford District Council will provide, will be primarily focused on:

- Pavement repairs to the known High Productivity Motor Vehicle routes

Levels of Service Performance

- Pavement repairs to annual reseal sites
- Pavement repairs to access and low volume roads as the need arises following routine inspections of the network
- Repairing pavement defects such as potholes, edgebreaks, crack sealing
- Water blasting to improve skid resistance of finished road surfaces. This will be very limited due to the cost of this specialised treatment,

5.5.2 UNSEALED PAVEMENT MAINTENANCE

The Council's unsealed network comprises of 205kms of roads across the district. These roads vary in width from 3 meters to 6 meters. Many of these roads are "no exit" roads that service the rural farming community, as well as access to forestry blocks.

In general terms our maintenance strategy for these roads will be as follows:

- Roads with greater than 500vpd – 4 grading cycles per year
- Roads with less than 500vpd – 2 grading cycles per year
- Roads with less than 50vpd – 1 grading round per year.
- Pavement repairs such as potholes, removal of corrugations, removal of soft spots, dig-outs of failed areas
- The grading will be undertaken on an area by area basis. SDC's roading network is divided into 6 maintenance areas.

5.5.3 ROUTINE DRAINAGE MAINTENANCE

Drainage maintenance provides a direct linkage to our problem statement number two. The purpose of providing good drainage is to protect the road edge and sub-structure from stormwater erosion and to direct stormwater run-off to defined discharge locations in a controlled way.

Typically the drainage maintained by SDC comprises of water tables, deep roadside drains, culverts, catchpits, sumps and kerb and channel.

The level of service which Stratford District Council will provide to its community will be as follows:

- Cleaning 90kms of watertables per annum
- Repairing broken or damaged kerb and channels as identified following monthly inspections
- Emptying roadside sumps twice per year
- Roadside sweeping of urban streets within Stratford that are lined with trees
- Clearing inlet and outlets of culverts
- Removing small slips from watertables

5.5.4 STRUCTURES MAINTENANCE

Maintenance of our structural assets is in direct response to our problem statement number one. With the increasing numbers of HCV's and forestry activity, ensuring our structures remain functional is vital to ensure product can reach the market place.

The Council maintains 126 bridges, 3 tunnels, 34 large culverts ($\geq 3.4\text{m}^2$ in area), numerous water drives and 251 retaining walls. All of these structures vary in construction, size and condition.

The level of service SDC will provide to our community will, in general terms, comprise of the following:

- Cleaning bridge decks
- Cleaning and replacing bridge end marker posts
- Cleaning and painting wooden handrail systems
- Cleaning drainage outlets in bridge decks
- Removing obstructions from waterways, culverts that impede water flow
- Undertake a programme of anti-rust protection (as identified through general inspection reports)

Levels of Service Performance

- Undertake general and detailed inspections of all the structural assets on two yearly and six yearly cycles
- Carry out concrete repairs, as identified through inspection reports and subject to funding being available. Depending on the condition of the structure this could take priority over some other minor maintenance work

5.5.5 ENVIRONMENTAL MAINTENANCE

The assets to which this work category applies is the control of roadside vegetation. Whilst in the urban environment these assets provide an aesthetic benefit to residential dwellings, in the rural environment the issue is more focused on drainage control, visibility and reducing fire risk.

The levels of service which SDC will provide to our community for this work category will be as follows:

- Control of plants that are designated as pest plants by the Taranaki Regional Council
- Mowing of roadside berms – twice per year
- Weed control of the invert of the watertables
- Weed control around roadside markers
- Vegetation control to remove obstructions from roadside signs
- Cutting of high banks to remove vegetation from impeding traffic
- Clearing vegetation which encroaches into a visibility envelope as detailed in the Maintenance Contract
- Removal of litter

5.5.6 TRAFFIC SERVICES MAINTENANCE

The provision of good quality signage and road markings is key to wayfinding as well as road safety. Included in this asset group are signs, pavement markings, sight rails, roadside marker posts, traffic islands and streetlights.

During the previous Long Term Plan period the Stratford District Council has successfully completed the change over of the previous 70 watts Sodium Oxide streetlights to LEDs.

A worthwhile improvement to the safety of our community has been the painting of our pedestrian islands at pedestrian crossing facilities located at several intersections within Stratford.

The level of service which SDC will provide to our community is as follows:

- Replace damaged, leaning, broken roadside signs as identified through inspections or via customer responses
- Clean and paint 1400 meters of sight rails per annum
- Repaint all road markings annually. Some road markings may require more frequent painting such as Give Way or Stop markings
- Edge marker posts (EMP) will be replaced where there is a safety issue to be highlighted. EMP's on straight roads will be phased out as and when they are damaged
- Maintenance to streetlights will be generally associated with power supply faults

5.5.7 FOOTPATH MAINTENANCE AND RENEWALS

The Stratford District Council has commenced on a 30 year replacement programme for our footpaths. During the last three years we have replaced old footpaths with new concrete footpaths that are now a minimum of 1.5 meters wide.

Many of the comments received from this year's Customer Satisfaction Survey comment on the narrow width of our footpaths.

To date there is 49.5 kms of footpaths which are less than 1.5 meters wide. Previously we commented this distance was 54kms, therefore some modest progress has been made. During the term of the last LTP, we have constructed 4.5 kms of new footpath. This is somewhat reduced from

Levels of Service Performance

our planned replacement target length due to the installation of Ultrafast Broadband throughout Stratford during the first two years of the previous LTP period.

The level of service which SDC will provide to our community will be:

- Replace the damaged sections of footpath which are less than 10 meters in length
- Remove or provide temporary repairs to trip hazards on footpaths
- When replacing footpaths (typically a block between adjoining streets) these will be a minimum of 1.5 meters wide
- Replace asphalt footpaths with concrete as this is a more cost effective long term solution, providing good value for money
- Completed annual condition surveys of our footpaths to identify priorities for replacement
- Upgrade pedestrian crossing points to be “barrier free” or mobility scooter friendly

5.5.8 MINOR EVENTS

This activity provides the Stratford District Council the opportunity to remediate minor slips that occur on the roading network annually. Some see this as our “Business as Usual” storm event management budget. This budget will only be used to remove slips that partially or totally block the road.

For significant storm events, similar to June 2015, a separate application for funding to NZTA will be made following discussions with our Regional Investment Advisor.

Typically this funding category will cover the following:

- Removal of large slips which partially or totally block the carriageway – unplanned road closures
- A smaller minor events budget is available for winter maintenance, snow clearing on the two Special Purpose Roads – Pembroke Road and Manaia Road
- Removal of significant number of fallen trees following high winds, gales or ex-cyclones. For example ex-cyclone Gita closed the roading network in 54 different locations
- There will be situations where an underslip has occurred requiring remedial works. This could be in the form of a retaining wall or retreating into the opposite bank. In these situations the most cost effective, value for money option will be chosen

5.5.9 UNSEALED ROAD METALLING

The Stratford District Council maintains 205kms of unsealed roads within our district, The district is split into six geographical areas for efficiency and also to recognise the diverse nature of the topography of the Stratford District. Within our maintenance contract we have scheduled an approximate volume of metal to be used within each area to provide the contractor the opportunity to price these separately, as the far reaches of Area 5 are 90 minutes travel time from Stratford. The following table is the rural unsealed roads maintenance schedule.

Levels of Service Performance

Figure 36 - Rural Unsealed Roads Schedule

Item	Description	Unit	Quantity
9	Rural Unsealed Roads		
9.1	Potholes	LS/mth	12
9.2	Maintenance Metalling		
9.2.1	Surfacing Reshaping	m ²	1,500
9.2.2	Supply, spread, shape, & compact unsealed roading aggregate (loose measure)		
	Maintenance Metalling Area 1A	m ³	535
	Maintenance Metalling Area 2B	m ³	1070
	Maintenance Metalling Area 3A	m ³	1070
	Maintenance Metalling Area 3B	m ³	1600
	Maintenance Metalling Area 4	m ³	2140
	Maintenance Metalling Area 5	m ³	4300
	c) Basecourse AP40	m ³	380
	d) Sub base AP65	m ³	80
Item	Description	Unit	Quantity
9.3	Maintenance Grading		
9.3.1	Maintenance Grading Area 1A	km	5
9.3.2	Maintenance Grading Area 1B	km	9
9.3.3	Maintenance Grading Area 3A	km	14
9.3.4	Maintenance Grading Area 3B	km	44
9.3.5	Maintenance Grading Area 4	km	73
9.3.6	Maintenance Grading Area 5	km	69
9.4	Deep Seated Failures		
9.4.1	Digouts ≤ 150 mm deep	m ²	1,600
9.4.2	Digouts 150 to 300 mm deep	m ²	500
9.4.3	Digouts - Extra over for repair depth >300 mm	m ³	150
9.4.4	Clean Rock 50-150 mm, place and roll into soft spots	m ³	500
9.4.5	Subsoil Drainage	m	50
9.4.6	Geogrid	m ²	10
9.4.7	Geotextile	m ²	10

Levels of Service Performance

Each year our minimum re-metalling target is to re-metal 15kms of road. Over the last three years we have re-metalled more than this minimum requirement as shown below.

2016/17	13.7km
2017/18	51.6km
2018/19	51.7km
2019/20	29.5km

With an increase in forestry activity our primary focus will be to serve the roads that are affected by logging trucks, followed by re-metalling other roads as identified during inspections. We are aware that some of our roads with less than five residents living along them have suffered from not having a new layer of metal applied in previous contracts.

The cost of re-metalling roads, like Tahora Road and Raekohua Road is in order of \$120,000 each and with Tahora Road serving two residents and Raekohua Road serving four residents, this level of expenditure cannot be justified in one single financial year. In instances like this our plan is to re-metal these roads over a longer period of two or three financial years. This re-metalling can be undertaken in conjunction with other planned works, such as water tabling or replacement of culverts.

5.5.10 SEALED ROAD RESURFACING

Within the Stratford District, the average age of our reseals is 13 years across the four road categories. It is our intention to “push the envelope” and extend this life by two to five years across the road categories. In some cases on the low volume sealed roads, we believe we can achieve at least 18 years life of our reseals.

The focus of our reseal programme for the next three years will be looking at HPMV routes, roads extensively used by HCV's, logging trucks, some urban sites and second seals on sealed pavement rehabilitation sites a year following the rehabilitation works.

As Stratford District Council has limited budgets for both reseals and pavement rehabilitation, we have taken the decision to reduce our reseal programme to 20kms per annum.

We have little call for more expensive surfacing treatments such as asphalts. If we do use asphalts then it will only be used at high stressed locations, such as intersections or in commercial zones.

5.5.11 DRAINAGE RENEWALS

Following a change in our maintenance contractor, the length of water tables that we clean has been dramatically reduced.

Previously (2017-2020) we identified 200km of water to be cleaned annually. This is based on approximately 1000kms of water tables within the district.

As a result of the change in contractor, the unit rate per kilometre is significant, thereby cleaning 1000km would cost in the order of \$4,000,000. Such a high cost is unaffordable, when considering our drainage renewal budget for this LTP is \$616,000 per annum. This budget is also used for replacing culverts as well as kerb and channels on the urban network.

With this in mind our philosophy going forward will be:

- 50% of budget used for watertable renewals
- 25% of budget used for culvert renewals
- 25% of budget used for kerb and channel renewals

Based on the contract rates submitted by Fulton Hogan this equates to approximately:

- 90km of watertables per annum
- 450m of 375mm diameter culverts replaced annually
- 1200m of kerb and channel replacement per year

Should larger diameter culverts ($\leq 3.40\text{m}^2$ in area) need to be replaced, the length above will reduce due to the increased cost of replacement.

Levels of Service Performance

5.5.12 SEALED ROAD PAVEMENT REHABILITATION

Our current philosophy for identifying potential sealed pavement rehabilitation candidates comprise of some or all of the following defects:

- Excessive wheel tracking or rutting
- Pavement failures requiring dig outs
- Extensive surface cracking allowing water to penetrate into the foundation of the road
- Evidence of surface staining resulting from “pumping” of the granular layers beneath the seal
- Poor ride quality – road roughness
- General shape of the road – undulations, poor ride quality for HCV’s noise complaints
- High historical maintenance costs

During the 2019/2020 financial year (1 July to 30 June) Stratford District Council approved 475 HPMV permits. The majority of these permits were for travel along pre-determined/defined HPMV routes, predominately State Highway 3 – Monmouth Road, Cardiff Road, Opunake Road, Palmer Road or Manaia Road to access the South Taranaki district.

Just across the district boundary on Palmer Road is Balances’ Kapuni Fertiliser Plant, whilst on Manaia Road is Todd Energy’s Kupe oil/gas production station.

The other road of note is Beaconsfield Road which connects State Highway 43 to State Highway 3 at Midhirst. This road is extensively used as a short cut by logging trucks to avoid Stratford. Our programme for this work category will focus on these HPMV routes.

5.5.13 STRUCTURES COMPONENT REPLACEMENT

The programme of replacements work activity is driven by our annual structural inspections. Given the diversity of our district we have split the inspections into “front country” and “back country”. The inspections alternate between the two areas each year.

Having undertaken two inspection cycles within the previous LTP period, we have established that there are no significant components of our bridges that require replacing. We have however identified seven bridges that will require complete replacement within the next 10 years.

We have inspected all of our known retaining walls, some of which do require some maintenance, which is primarily replacing timber boards. Again there are several walls that will require replacement.

Stratford District Council has recently completed significant repairs to “Buchanan’s Bridge” (photo below)

Levels of Service Performance



Figure 37 - Buchanan's Bridge

And the wooden swing bridge on Lower Kohuratahi Road (photo below)



Figure 38 - Lower Kohuratahi Road Bridge

The majority of work identified during the inspections can be undertaken via the structures maintenance work category.

Levels of Service Performance

5.5.14 TRAFFIC SERVICES RENEWALS

This activity relates to the various delineation and wayfinding assets on the Stratford Districts roading network. These are a vital component to provide a safe roading network for our community.

In general terms this work activity provides for the replacement of:

- Roadside signs
- Roadside edge marker posts in accordance with RTS-5
- Renewing old or damaged sight rails and hazard markers
- Replacement of spalling concrete or rusted steel streetlight columns/poles
- Replacement of underground streetlight power cables as determined through fault investigations

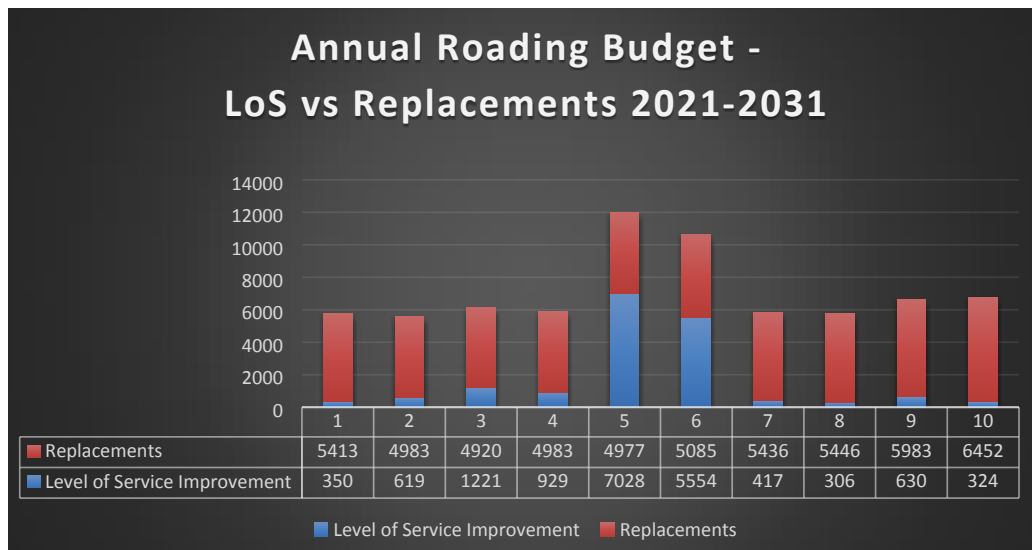
5.5.15 LOW COST/LOW RISK IMPROVEMENTS

This activity class is commonly used to fund significant improvements to the road corridor. These improvements in the case of Stratford District Council will comprise of the following:

- Replacement of bridges
- Replacement of retaining walls
- Safety improvement projects; such as minor geometrical re-alignment or intersection upgrades
- Walking and Cycling Strategy initiatives and projects
- The upgrade of Whangamomona Road from Whangamomona to Aotuhia Station

5.5.16 Levels of Service Vs Replacements 2021-2031

The following graphs are the next 10 years of LoS versus Replacement costs.



Levels of Service Performance

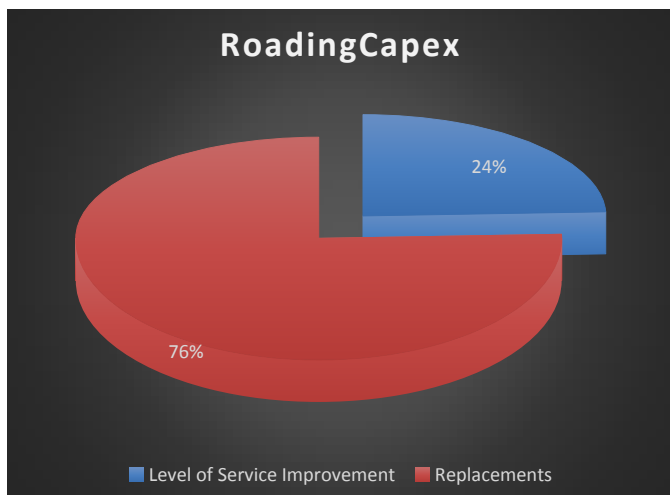


Figure 39 - LoS vs Replacement Costs

6.0

Future Growth and Demand

Future Growth and Demand

6.0: Future Growth and Demand

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Future Growth and Demand

6.1 OVERVIEW

This section provides a description of population; economic growth trends forecasts and the demand drivers for the provision; development and sustainability of the Rooding services to the community. It also describes the Demand Management strategies to be employed in response to the forecast changes to ensure the continued delivery of the Rooding services to the community at the agreed level of service.

The demand for the provision of Rooding services is generally determined by the degree to which customers use the assets. The forecasting of future demand for services enables Stratford District Council to plan ahead and identify the best way to meet that demand.

Section 14 of the Local Government Act 2002 requires local authorities to take a sustainable development approach in conducting business. In doing this Stratford District Council must take into account;

- I. the social, economic, and cultural interests of people and communities; and
- II. the need to maintain and enhance the quality of the environment; and
- III. the reasonably foreseeable needs of future generations.

Stratford District Council is committed to planning for the changing needs of its community. As part of this commitment Council utilises demand forecasting in all asset management planning.

This section identifies the demand forecasting model used by the Council and highlights the factors that influence the demand for infrastructure and services and the associated impacts of each driver on the demand for the Rooding services.

6.2 DEMAND FORECASTING

Demand forecasting enables Stratford District Council to identify areas that are likely to experience significant pressures, and plan accordingly. Currently, the Stratford District Council uses a “basic” model for demand forecasting. It is a combination of formal and informal techniques. Central to this is an understanding of how growth and future demand trends will impact on Levels of Service and desired community outcomes.

As part of the planning process Council considers:

- the Asset use, demand, and capacity;
- the implementation and planning for quality and process improvements; and
- environmental impacts

Key Information gathered during the forecasting process includes:

- Historical data;
- Observed patterns and trends – use, demand, and popularity;
- Statistical estimates and projections;
- Commercial activity and anticipated business migration
- Pending legislative changes.

From this assumptions are formed about what could happen; enabling Council to better plan for the future needs of the community.

Future Growth and Demand

6.2.1 DEMAND DRIVERS AND IMPACTS

Demand drivers are the factors that influence demand for services or the infrastructure that provides those services.

Future growth in the Stratford community can be attributed to a number of factors described in detail below, including:

- Population;
- Tourism;
- Changing Customer Needs and Expectations
- Regulatory Changes; and
- Land Use Changes

6.2.2 POPULATION

The Stratford District Council obtained the current population assumptions and projections from Infometrics which is an economics consultancy which specialises in the rigorous analysis and presentation of economic information. They measure the past, understand the current and forecast the future. From this we are able to obtain current population assumptions and projections.

Under the medium population growth scenario projected by the Infometrics Model, the Taranaki region’s population is expected to grow to over 145,100 by 2051. Under a high growth scenario, higher levels of net migration would lead to a regional population of 163,100 by 2051, while the low growth scenario results in the population growing to approximately 129,000 residents by 2035, and then remaining relatively static at that level until 2051.

For the Stratford District, the forecast under the High growth scenario is to increase from above 10,000 in 2021 to just under 12,000 in 2051. This is equivalent to just under 0.7% increase per annum, an estimated total increase of approximately 18% over these 30 years. Under the low growth scenario, the forecast is to decline from above 10,000 in 2030, to just above 9,000 in 2051

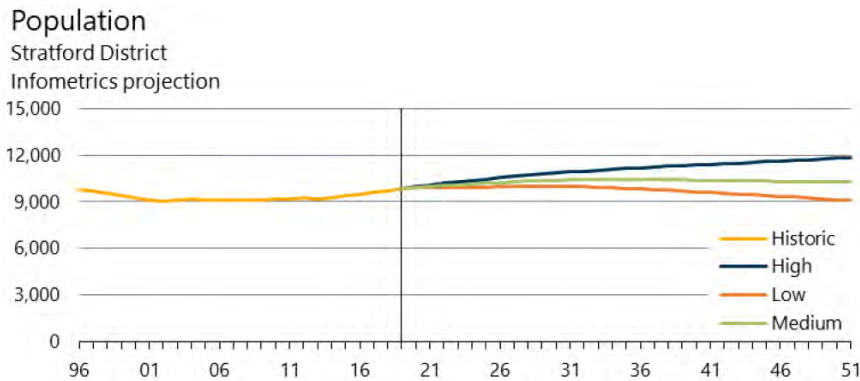


Figure 40 - Stratford District Total Population Projections 2017 – NJD

Population distribution

Currently, there are 1,250 Maori population – 48% are under 20. Maori make up 13% of district population. Population growth has averaged 0.2% in the last 20 years, and averaged 0.7% in the last 10 years, however, in the last 3 years population growth has increased annually by 0.8% on average.

Population 2019 Infometrics data shows that Stratford district is approximately 9,860 – a growth of 1.3% from previous year. The source of growth was 78% due to natural increase and 22% due to net migration. We are anticipating an annual average population growth of 0.5% over the next eight years, centered around the urban area and mostly as a result of births.

Future Growth and Demand

The district's Population Age Structure and Projection is shown in Figure 41; Components of Population Change in Figure 42 and the Population Geographic Distribution in Figure 43.

Elderly Population

The average age of Stratford residents is expected to increase over the next 30 years from 40 to 42 years. 580 residents (5% of the district population) are aged 80+.

With a rising older population and a potentially declining older working population Stratford District Council and the Rounding activity will need to consider the services it delivers and the infrastructure required to deliver these services. One key aspect of this is affordability, i.e. with more residents on a fixed income (pension) will the Council fund services we offer.

For a clearer picture of the impacts on infrastructure and the demand for services, further assessment is necessary. The cost of this assessment will need to be weighed against the benefits of embarking on the project. In any case, the implementation will be prioritized and it is likely that roads that support vehicle movements >2000 vpd will be considered first.

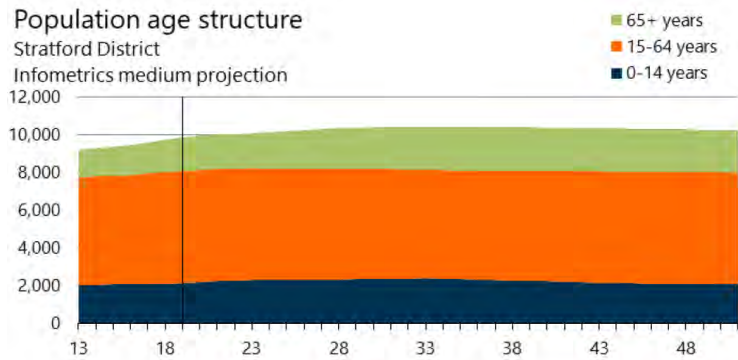


Figure 41 - Stratford District Population Projections by Age Group 2017

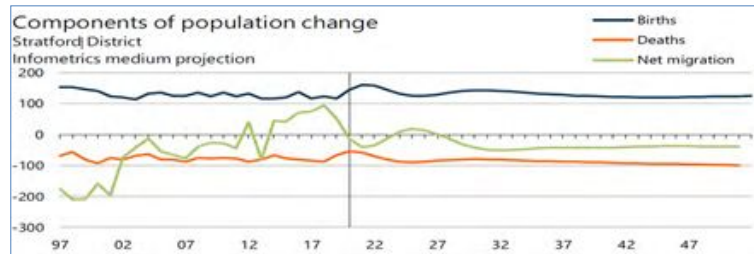


Figure 42 - Components of Population Change

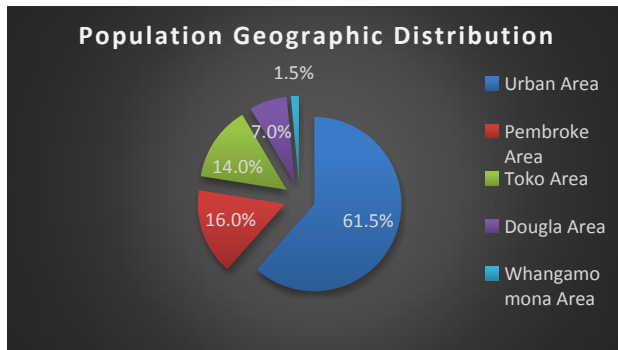


Figure 43 - Current Population Geographic Distribution

Future Growth and Demand

6.2.3 TOURISM

The 'Visitor Sector Action Plan' is one of six action plans developed as part of the "Make Way for Taranaki" Regional Development Strategy. The action plan describes the current regional sector dynamic, growth objectives, challenges, opportunities and the actions required to achieve sector growth. It is anticipated that the Visitor Sector Action Plan will enable and support growth in the Stratford District Visitor Sector.

In making the Stratford District a visitor destination, there is the likelihood for an increasing demand for limited transportation resources as traffic flows and traffic volumes increase.

Increased traffic volumes and traffic flows will lead to increased wear and tear on the network. This in turn will potentially result in increased maintenance and renewal costs.

At this time the anticipated growth in tourism for the Stratford District cannot be easily quantified. We have the benefits of local visitor offerings like Mt Taranaki, the Stratford Mountain House, the ski fields and Dawson Falls. Further afield other attractions such as the Forgotten World Adventures using the Stratford to Ohura rail line has attracted over 20,000 in the last three years.

Located in the east of the district are Whangamomona, Aotuhia Sheep Station and the Bridge to Somewhere. Linking the two is the Whangamomona Road, which was previously maintained by council and is currently maintained by the Whanga Road Action Group. The road has national recognition as a '4 x 4' owners club route. It is also widely used by mountain bike riders and trampers who stay at the Whangamomona Hotel. As a sign of the expected increase in tourism for the Whangamomona area the hotel owner has submitted a building consent application for an additional eight self contained units to be built in the grounds of the hotel, which have subsequently been constructed.

In order to verify the increase in traffic we believe will be generated through tourism SDC will need to increase our traffic counts. In recent years we have done less than ten traffic counts per year which does not reflect accurately the traffic volume on our local roads.

Development of an increased traffic count programme has been added to our improvement plan. Our target is to undertake 100 traffic counts per year. At this time we expect to undertake a minimum of 30 traffic counts per year (summer and winter) on key tourist routes such as Mangaehu Road (Aotuhia Station – Bridge to Somewhere) and Mangapapa Road (Mt Damper Falls), Douglas Road (Forgotten World Adventures start point), Whangamomona Road, Pembroke and Mania Roads (Mt Taranaki). These traffic counts will complement our routine traffic counts to monitor growth and need for developing traffic models for many of the low volume roads.

This information can then be used to pro-actively target specific routes to optimise our maintenance and renewal programmes.

6.2.4 THE (DRAFT) STRUCTURE PLAN FOR STRATFORD

The SDC is currently undertaking a Structure Plan of the Stratford District, which is in response to an increased demand for residential development sites in Stratford. This 30 year Plan long term Strategy Plan will feed into the District Plan review and the Infrastructure Strategy, to ensure that the growth areas identified herein are duly catered for as and when required.

The Plan will identify key growth areas in Stratford, in addition to areas that lend themselves to infilling. Roading, Water and Wastewater infrastructure will be planned to service these areas accordingly. Given its proximity and centrality to key employment generators and tourist areas in the New Plymouth and South Taranaki District, the creation of new and affordable residential lots is expected to support the growth forecast for the Town. To facilitate this strategy, the Stratford District Council is leading the creation of a quality and affordable subdivision in one of the identified growth areas. The subdivision will supply up to 35 Residential lots aiming to jumpstart the growth process and facilitate the development of quality affordable homes to the community. The uptake of the newly created lots is expected to be quick and attract homeowners from all parts of the Taranaki region.

Future Growth and Demand

6.2.5 CHANGING CUSTOMER NEEDS AND EXPECTATIONS

The Stratford District is experiencing a change in customer needs and expectations. Changes are primarily driven by an increase in the older resident population and people moving to Stratford from larger metropolitan areas. Customers are expecting a higher level of service in terms of unsealed roads; footpaths; Structures; Traffic Services, vegetation, and so forth.

Roads

The Council continues to receive request to seal roads and/or to apply dust suppression agents to unsealed roads, particularly in areas of increased HCV activities. Stratford District is not different in many respects to other rural Territorial Local Authorities. The urban residents want good quality sealed roads which are free from potholes and major pavement defects, whereas our rural customers want unsealed roads free of potholes and corrugations. The majority of the rural community are very vocal regarding the land transport infrastructure. Some of these residents consider the unsealed road as the only service council provide, which of course is not true, as their view is that SDC does not provide them with water supply, mains waste water system or refuse collection.

Footpaths

There is roughly 70km of footpath in the Stratford District. Approximately 81% of these are equal to or less than 1.4m wide with the remainder being equal to or wider than 1.5m wide. Many of these footpaths were constructed in the mid twentieth century and at that time footpath users were predominantly people walking to and from places.

There have been a lot of changes since then and now the needs and expectations of our footpath users are changing too.

Today our footpaths must cater for cyclists, skateboarders, scooter riders, wheelchair users and mobility scooter riders as well as the traditional pedestrian. They must also cater for the increased size and numbers of modern vehicles that use them such as vehicle crossing to enter properties and they must deal with the impacts of extreme weather events linked to climate change.

Observations noted by Council, concerns raised by the community and a notification from the Shared Footpath Working Group informing Council of a possible rule change in relation to cycles on footpaths has prompted Stratford District Council to consider if our footpaths will meet the changing needs of users now and in the future.

Footpath maintenance and renewal budgets are based on an assumed useful life expectancy of 20-80 years. With changes in how our footpaths are being used and the increased demand placed on them Council is concerned that:

- public health and safety will be put at risk due to shared use.
- footpath useful life will be reduced due to pressure from the different types of users.
- maintenance and renewal budgets will be set too low impacting on Council's ability to intervene at the right time..
- footpaths will fall below Levels of Service performance targets.

To address these concerns and ensure our footpaths are fit for purpose Stratford District Council is acutely aware it needs to increase the width of footpaths in the District to between 2 and 2.5 metres. At an estimated \$100 per square metre for concrete it will cost around \$10.8 million to replace all 70km of footpaths within the District.

The current budget for footpath maintenance and renewal is \$230,000 per year. On this budget Council estimates it will take around 47 years to complete this work which would make replacement of the footpaths, in essence, a continued cycle of improvements. To reduce this timeframe down to 40 years an estimated \$40,000 extra per year is needed. This will require the annual budget to be increased. To increase this budget Council has three possible options:

- Increase rates by approximately 0.5%;
- Borrow from an external lending agency; or
- Divert funds from other activity budgets such as co-investment works activities.

Future Growth and Demand

Bridges

In order to preserve and grow our district's economy maintaining the bridges throughout the district is pivotal, as not only do these bridges provide access to arable productive farmland and forestry blocks, these are a key link to providing access to rural residents. These residents will expect the Stratford District Council to keep the roads maintained to a reasonable standard and the bridges to remain intact. At present we are not receiving requests for the single lane bridges to be widened to two lane bridges.

In November 2009, the Council passed a resolution to continue to maintain bridges that provide access to individual land owners. These bridges are:

- Lower Kohuratahi Road – Swingbridge
- Buchanan's Access
- McBride's Bridge
- Matau North Road
- Tapuni Road
- Brewer Road (Curtis's Access)
- Lower Kohuratahi Road (Gower's Access)
- Wingrove Road (Maruarau Road)
- Murcott Road (Hopkirk's Access)
- Upper Mangaehu Road (Ford's Access)
- Pukeko Road

Our customers would expect Council to continue to maintain these bridges, as it is highly unlikely that the landowners in question would take on the responsibility for on-going maintenance and the eventual replacement of the bridges.

Streetlights

Following the completion of the conversion of the streetlights from high pressure sodium to light emitting diodes, our customers may raise some concerns about personal safety and the "dark patches" in the road. This is primarily due to the width of the road reserve in Stratford, (on several streets it is in the order of 30m wide), and the spacing of the streetlights do not meet the NZS1158 standard.

A way to address these concerns would be to embark on an improvement programme to install additional lights where necessary. At this point in time, Stratford District Council has not budgeted for the installation of additional lighting columns. Our next project relating to streetlights will be to replace the severely corroded lighting columns. This will be our focus during the term of this AMP.

Drainage

As with Roads, urban and rural customers have deferring views on the levels of service SDC provides. Urban customers require the roadside channels to be kept clear of debris and the sump tops kept clear of detritus. This is more prevalent in the autumn during the leaf fall from the street trees within Stratford Township. We receive numerous complaints from customers at this time of year, regarding leaves blocking drains causing localised flooding and fouling footpaths, making them slippery.

Rural customers require the watertables to be cleared, culverts to function properly so that water does not run across the road or scour out the roadside shoulders. During autumn and winter, we do receive calls regarding localised flooding caused by blocked culverts or roadside drains which have not been cleaned. As drainage is a vital activity to keep the road pavements dry to prolong their life, we have recognised this and increased the funding for drainage maintenance and renewals throughout the term of this AMP.

Vegetation

Some of our community/customers have taken the view that SDC should take responsibility and cut urban roadside frontages. This has resulted in 3 hectares of urban roadside berms not being cut by the individual property owners. In order to reduce the risk of fire in the summer and complaints from residents and councillors, SDC does carry out an urban roadside berm mowing programme, of three cuts per year. This is funded entirely by SDC.

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In the rural areas, SDC undertakes two rounds of roadside berm mowing per year, along with any additional isolated mowing at intersections for road safety purposes. Requests from residents for extra rounds of berm mowing would lead to an increase in the level of service and put pressure on the Environmental Maintenance budget.

6.2.6 REGULATORY CHANGES

Changes to regulatory requirements and funding allocations (i.e. ONRC and FAR) are resulting in uncertainty around funding for maintenance, renewal and improvement of the network. Where there is an increased demand for Roothing services. A key change driver is the NZTA Arataki, which sets out the Transport Agency’s perspective on the future demands and pressures that are likely to shape the issues and opportunities facing the land transport system. It identifies the material impacts they will create, and sets out how NZTA believe they will need to respond over the near and longer term.

These areas of strategic focus for NZTA relevant to the Stratford District are:

Inter-regional Journeys	These are nationally significant journeys connecting regions that sustain our economy. They link major urban areas and production centres to international ports and other gateways. A safe, reliable and resilient network is needed to support economic growth and to provide confidence for investment. SH3 runs through the Stratford District and connects the Taranaki region with the Waitomo to the north and Whanganui to the south.
Regional Economic Development Areas	Through the Regional Growth Programme the Government has partnered with a number of regions to identify potential growth opportunities and help increase jobs, income and investment in regional New Zealand. The View considers the opportunities for transport to support and enable economic growth and productivity in these regions.

6.2.7 LAND USE CHANGES

One of our key problem is the change in land use around the Stratford district, particularly forestry, agricultural growth, and oil and gas. Each of these industries has an impact on the Roothing network to varying degrees.

Forestry

Internal analysis undertaken by Council in 2016 identified 13 roads likely to be most affected by forestry harvesting in the Puniwhakau and Matau areas as shown on the map in Figure 39. Harvesting of forests will increase usage on these roads increasing the rate of deterioration and the amount of maintenance/renewal required. This will drive up maintenance and renewal/replacement costs but without a clear indication of haul rates, the frequency number of trucks and period of harvesting it is difficult to forecast budget requirements or plan forward works.

The total accumulated area of pine forestry linked to these 13 roads is estimated to be 9,700 hectares producing around 13,337,500 tonnes of timber. Since the 2018-2021 AMP was written, forestry activity has commenced in earnest. We estimate approximately 460ha have already been harvested. Using an estimated payload of 30 tonnes per logging truck, this equates to 445,000 loaded trucks. This does not include the empty truck accessing the forest or trucks carrying metal to the forest block to form the road within the forestry block.

Table 30 - Forestry Harvest Figures

Future Growth and Demand

	Year		
	2008	2016	2020
Hectares of Forest	2,920	10,160	9,700
Produced Tonnage of Timber	4,015,000	13,970,000	13,337,500

Oil and Gas and Agriculture

At present the oil and gas industry is going through a quiet period and agriculture is reasonably stable, although we are seeing planning consents for the building of chicken farms. However Council has concerns that a combination of these industries and expected increases in forestry harvesting will lead to an increase in HPMV movement on our local roads. As evidence of this increase, during the 2016 calendar year, SDC issued 63 HPMV permits, yet in the corresponding time period for 2017 this number has increased to over 200 HPMV permits being issued. In 2018/2019 this grew to 475 permits.

The Council is aware that it needs to continue road strengthening works on identified roads during the 2021-2031 planning period to ensure affected roads remain fit for purpose and meet ONRC Levels of Service requirements.

Future Growth and Demand

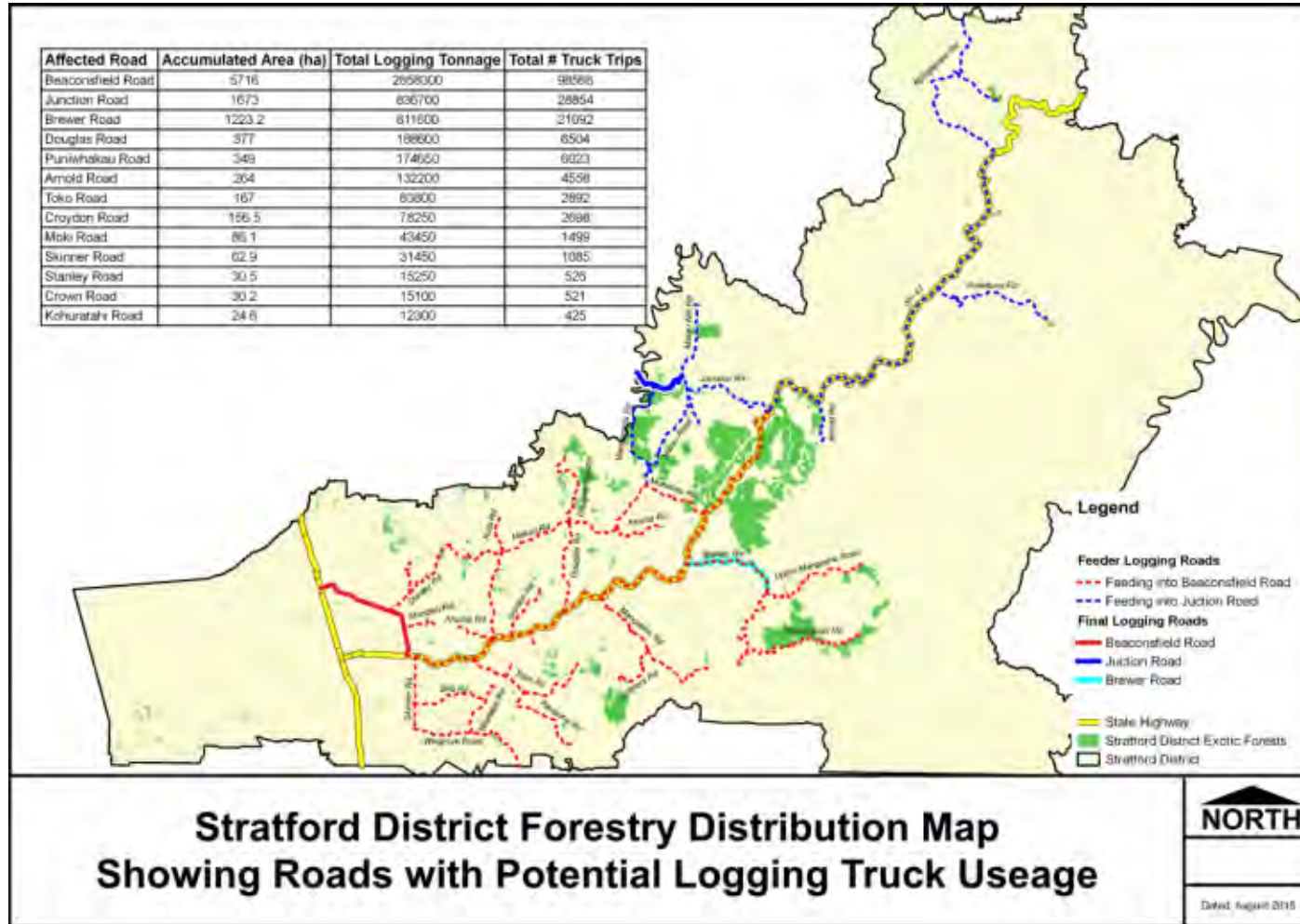
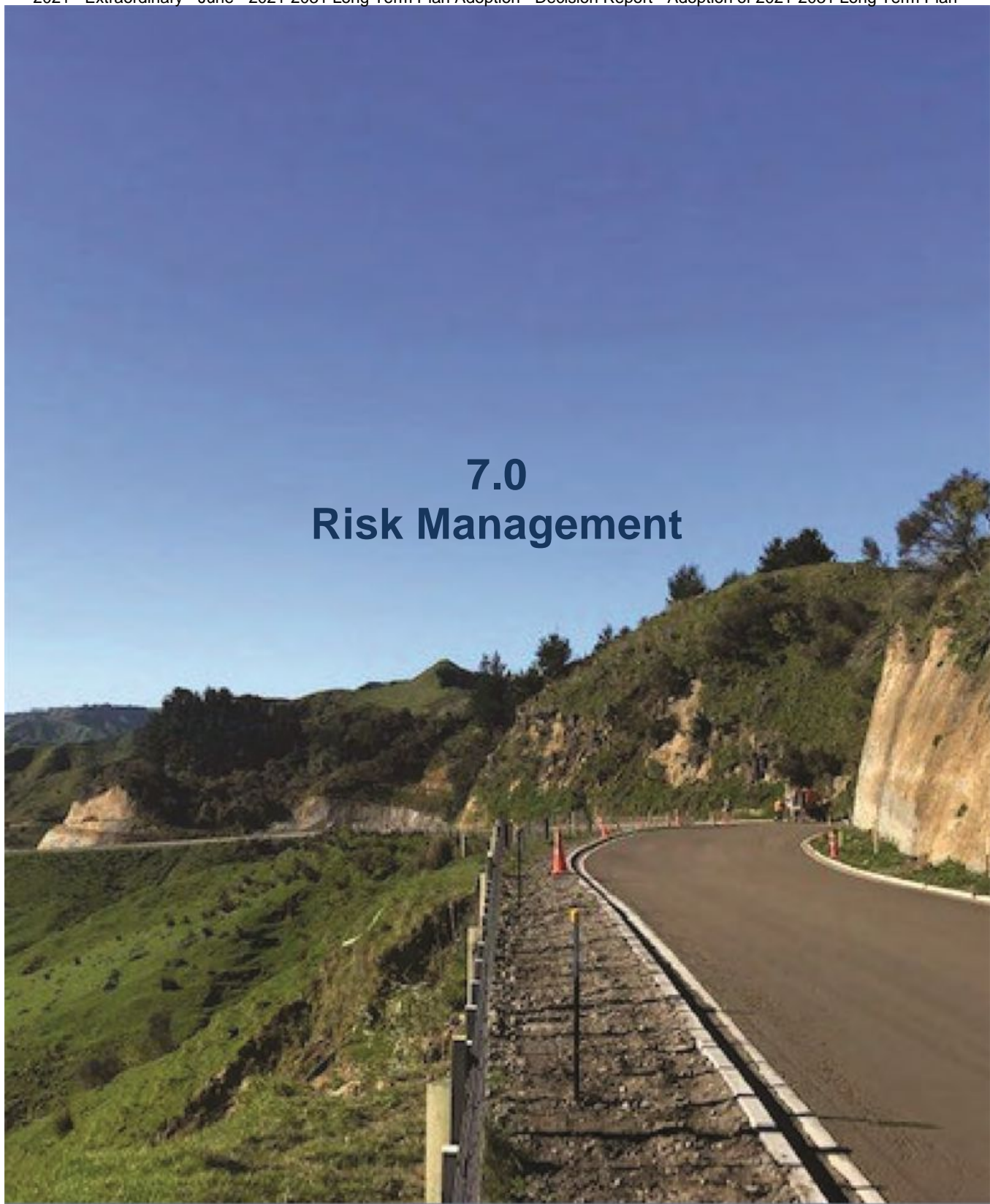


Figure 44 - Stratford Forestry Distribution Map as at 30 June 2016

7.0 Risk Management



Roading
Activity Management Plan 2021-2031



Long Term Plan 2021-31

Risk Management

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Risk Management

7.1 OVERVIEW

Risk is the effect of uncertainty on objectives. Risk events are events which may compromise the delivery of the organisation's strategic objectives.

The main risk to asset management planning is the inability to deliver on agreed Levels of Service due to unplanned events and situations.

The Risk Management section highlights the Stratford District Council's risk management framework and process. It identifies significant negative effects and hazards linked to the Activity and infrastructure assets. The section also identifies critical assets and our approach to emergency response.

7.2 RISK MANAGEMENT FRAMEWORK

The Stratford District Council has prepared a *Corporate Risk Management Framework June 2018* which includes processes that identify, evaluate and manage all risks that may impact on the agreed Levels of Service to the Community. The purpose of this framework is to promote consistency and to describe the components of Stratford District Council's risk management system. The Council wide risk register allocates all council risks into the following 6 categories:

- Compliance and Legislation Risks;
- Data Information Risks;
- Financial
- Health and Safety Wellbeing
- Operational Risks
- Reputational and Conduct Risks;

The potential risks identified for the Roading assets under these six broad categories are described in detail in this section.

The Council's risk management approach is underpinned by principles that will ensure the minimisation of risks for the principal asset systems through the non-achievement of critical business objectives and impact of system failure. The risk management principles are:

- Adds value by contributing to the achievement of Stratford District Council's objectives and improving performance;
- An integral part of the Stratford District Council's planning, processes, and decision making;
- Structured approach that is well-defined, transparent, and aligned with good practice;
- Responsive to change by monitoring, reviewing, and responding to the changing environment;
- Pragmatic by focusing on the most important risks and allowing informed risk taking;
- Explicitly addresses uncertainty based on best available information; and
- Continuous improvement as we get better at identifying and managing risks and opportunities.

The objectives of the Council's Risk Management framework are to establish a systematic and structured approach to managing risks across the Stratford District Council and to embed risk management practices into business strategy, planning and core operations to ensure that key risks are proactively identified, managed and communicated. Benefits from applying effective risk management include:

- Improved achievement of the Council's strategic direction, objectives and priorities;
- Reduced risks – significant risks are identified and managed and early warning of problems and emerging risks are addressed, with appropriate design and operation of internal controls;
- Improved decisions – decisions are made after analysis of risk;
- Improved planning and resource allocation – risks are prioritised and included in business planning so that resources are better managed; and

Risk Management

- Increased accountability and transparency – clarity of key risks and the responsibility and accountability for their management.

7.3 RISK ASSESSMENT PROCESS

The Stratford District Council's Risk Management Process in Figure 45 identifies risk management strategies to minimise risks associated with the provision of services. It is designed to ensure that:

- All significant operational and organisational risks are understood and identified;
- The highest risks that should be addressed within a ten year planning horizon are identified;
- Risk reduction treatments which best meet business needs are applied; and
- Responsibilities for managing risks are allocated to specific staff and reporting regimes are specified.

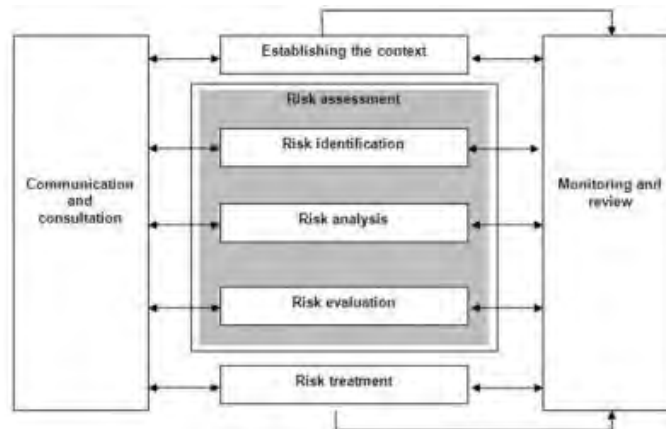


Figure 45 - Risk Management Process

A Risk Matrix allows for easy identification for the highest risks in the Council enabling appropriate resources to be allocated.

		Consequences				
		Minor	Important	Serious	Major	Catastrophic
Likelihood	Almost Certain	2- Moderate	5- High	7- High	20-Extreme	25-Extreme
	Likely	2- Moderate	4- Moderate	6- High	16-Very High	20-Extreme
	Possible	1-Low	3- Moderate	4- High	12-Very High	15-Very High
	Unlikely	1-Low	2- Moderate	3- Moderate	8- High	10-Very High
	Rare	1-Low	1-Low	1-Low	4- Moderate	5- High

Figure 46 - The Risk Matrix

7.4 POTENTIAL RISKS

The Stratford District Council has made a number of risk assumptions¹ under the six broad risk areas of Compliance and Legislation, Data Information, Financial, Health and Safety Wellbeing, Operational, & Reputational and Conduct. These are presented in [Appendix 2](#).

¹ statements that are presumed to be true without concrete evidence to support them

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7.4.1 TOP TEN RISKS

The Stratford District Council has identified the top ten Roading risks from the 6 categories in the Risk Management Framework ([Appendix 2](#)), in Table 31.

While *Compliance and Legislation, Financial and Reputation and Conduct Risks* impact on the achievement of the Organisation's high-level objectives and actions in the Long Term Plan, *Operational Risks* impact people, processes and technologies that support the business-as usual delivery of activities. The *Control Description* is a set of management intervention/ mitigation measures applied in response to risks, while *Residual Risk* is the resulting risk following the application of the mitigation measures.

Table 31 - Top Ten Identified Roading Risks

	Risk Subject	Risk Descriptions	Risk Score Raw	Control Description	Residual Risk Score
1.	Activity Management Plans	If AMPs are incomplete then capital programmes, condition of assets, life cycle management will not be realised	6 High	AMPs are reviewed every 3 years to address current problems and issues at the time in order to develop work programmes for the next 3 years	4 High
2.	Heavy/Extreme Rainfall incidents	If the Stratford District experiences heavy rainfall continually over a period then roads may flood, restricting accessibility, landslips and mudslides may restrict road access and cause property damage, productive land areas may flood reducing functions,	8 High	Activity Management Plans and Roading Incident Response Plan to document critical asset areas and response timeframes in the event of heavy rainfall incidents.	3 Moderate
3.	Maintenance Contractor fails to deliver	If a maintenance contractor fails to deliver contractual service necessitating termination of contract and re-tendering, then assets may become under threat, unreliable, or unable to meet community needs.	4 High	Careful assessment of tender to ensure contract price viable for contractor to deliver level of service. Regular liaison with contractor to monitor performance and ensure compliance. Contractor pre-approval process must not be bypassed.	3 Moderate
4.	Government Policy or Legislation Impacting on Local Government TOP 10 RISK	If Government Policy or Legislation significantly changes the services Council delivers or the way they are delivered, then this could put financial pressure on the district to fund investment in changes, or it may mean previous investment has	12 Very High	Where a policy change may have a significant impact Council can make a submission regarding the change. Council officers and elected members need to keep up to date with policy, and anticipate potential	8 High

Risk Management

Risk Subject	Risk Descriptions	Risk Score Raw	Control Description	Residual Risk Score
	become redundant. Any changes in rules around Overweight Permits means there is increased likelihood of on-going damage to the roading network, and a reduced life expectancy resulting in increased maintenance costs.		impacts of legislative changes and respond strategically, This could include joint collaboration with business and other councils, accessing alternative funding sources, or obtaining legal or professional advice.	
5. Natural Disaster - Response preparedness	If a Natural Disaster causes significant damage to infrastructure then community welfare may be severely compromised, putting peoples lives at risk, and staff may be unable to access systems to carry out their day to day duties and functions.	15 Very High	Civil Defence Emergency Management plans, Roothing Incident Response Plan are in place. Procedures following an emergency event are widely known by a number of staff due to Civil Defence Foundational training being rolled out to majority of council staff. Business Continuity Plans need to be in place and practiced regularly for all activities.	12 Very High
6. Revenue Increasing age demographic on fixed income, how does SDC meet the cost of providing the level of services into the future?	High number of elderly on fixed income pensions. Could affect future levels of service for roading due to cost fluctuations within contractual arrangements	2 Moderate	Factor in to budgets reasonable and sustainable rates increases. Or seek further financial assistance from NZTA. Review fees and charges.	3 Moderate
7. Road Closures - unplanned	If there are un-planned road closures due to collapse of culvert/bridges/landslides and so forth e.g. Wingrove Rd culvert collapse then access in/out of district could be lost and people could be injured as a result.	4 High	Asset criticality review to identify critical roading assets and increase monitoring activities. Ensure quality workmanship and contractors are aware of their obligations to report and repair any damages to roads. Resources diverted from other planned projects to remediate repairs to enable the road to be re-opened. Maintain a regular	3 Moderate

Risk Management

Risk Subject	Risk Descriptions	Risk Score Raw	Control Description	Residual Risk Score
			inspection regime of structures within road reserve.	
8. Attracting Qualified Staff	If Council is unable to attract suitably qualified personnel, then services may become under threat and may cease.	4 High	Internal training and succession planning programs. Ensure market wages are offered for all high demand positions. Recruit off shore option should be available for high-demand positions. Make greater use of consultants if necessary and/or shared services with neighbouring Councils.	2 Moderate
9. Elected Members - Decision Making	Elected members make significant decisions in relation to the Long Term Plan budget setting. This has an impact on the Roading Activity Management Plan and the work programmes that are developed throughout the 3 year period. This could have an impact on the levels of service for the community.	12 Very High	Relies on the accuracy and quality of the advice given by staff to elected members -	4 High
10. Solvency of Contractor	If Council engage a contractor that could potentially be insolvent the risk to Council is that they abandon the contract.	12 Very High	Conduct the due diligence process for all contractors.	3 Moderate

7.5 RISK RESPONSE

The Stratford District Council has a suite of response strategies for the potential risks identified above; they include avoiding, exploiting, transferring/sharing, reducing or accepting the risk. These response strategies are summarised in Table 32 below.

Risk Management

Table 32 - Risk Response Strategies and Definitions

Response	Definitions
Avoid	To terminate exposure to a potential risk, generally the organisation needs to exit the activity which gives rise to the risk, or not start an activity which would give rise to the risk
Exploit	For risks which present an opportunity for Stratford District Council, a legitimate approach is to increase Stratford District Council's exposure to the risk; generally this would represent a situation where Stratford District Council can gain an advantage through their management of this risk.
Transfer/ Share	Risk transfer is getting another party to undertake the activity generating the risk, or getting another party to take on all or part of the risk itself.
Reduce	For risks which present a threat to Stratford District Council, but which cannot be avoided, the development of additional controls or mitigation strategies will reduce the likelihood or impact of the risk.
Accept	Accepting the risk by informed decision. This means continuing with the business activity/project as currently defined, aware of how much risk is being carried, monitoring changes in overall risk, and ensuring appropriate levels of contingency at the Stratford District Council level.

7.6 SIGNIFICANT NEGATIVE EFFECTS

The Roothing activity can have negative effects on the social, economic, environmental and cultural wellbeing of the District. The potential adverse effects from Roothing Activity include Traffic Hazards/Accidents; Noise; Dust; Road Closures; and Environment.

The Council is actively involved in implementing regional road safety strategies such as 'Roadsafe Taranaki', and the 'Community Road Safety Programme'. Minor safety improvement programmes include regionally co-ordinated activities such as road safety education in addition to improvements in signage, pavement marking, safety structures and speed limiting. Where necessary, the Council investigates injury accidents in conjunction with the Police.

The State Highways are subject to the largest traffic volumes and a high percentage of heavy vehicles, particularly in Central Broadway where the impact of noise is most obvious. The rural roads also carry a high percentage of heavy traffic, but generally the noise impact is not significant because of the low traffic volumes.

The District has a large proportion of unsealed roads. Council is working with the rural community, and has a seal extension programme to mitigate the effects of dust. Consideration for seal extensions and dust coat seals will be given to this problem in future LTPs.

Unscheduled road closures, usually as the result of flood damage, can be of concern, particularly for isolated rural communities. When this happens, every effort is made to have the road or alternative routes open as soon as possible. Planned closures are always well notified to affected parties and usually these are not a significant problem, except for some organised motor sports that tended to target the same sections of roads on a regular basis. Council has discussed this with event organisers and it no longer appears to be such an issue.

All major project works are carried out under resource consents. General works are undertaken to avoid major impacts on stormwater run-off and drainage management.

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7.7 CRITICALITY

Critical assets are defined as those assets that are likely to have more significant consequences than other assets if they fail. Failure of critical assets has the potential to have significant economic, social and environmental impacts for the community and Council.

Roading assets are considered critical by Stratford District Council because they enable access to critical customers, lifeline utilities and/or lifeline evacuation routes.

7.7.1 CRITICALITY EVALUATION

The Stratford District Council establishes criticality by using two rating levels - activity level and corporate level. **Activity level criticality** is based on the criticality criteria shown in Table 33; Table 34 provides the Activity Level Criticality Rating with examples. **Corporate level criticality** ranks activities based on the criticality of the service the activity provides at the corporate level as illustrated in Table 35 below.

The table below outlines the criteria we have used to assess critical assets.

Table 33 - Activity Level Criticality Criteria

Customers affected	Number of customers affected by asset failure.
Redundancy	Ability to replace or circumvent the failed asset.
Health and Safety	Direct or indirect impact of asset failure on the health of safety of individuals or the community.
Cost of failure	Cost to repair/ replace the asset including cost of temporary service provision.

Table 34 - Activity Level Criticality Rating and Examples

Rating	Rating	Description	Roads	Example
1	Very High	<p>Critical, no redundancy - Failure of equipment compromises H&S directly (impact, explosion) or indirectly (failure to supply drinking water to hospital).</p> <p>Note: In Civil Defence Emergencies, all roads leading to the critical lifelines – as identified in the Critical Assets GIS layer by the <i>Taranaki Lifelines Vulnerability Study (2018)</i>, escalates to Criticality 1 – Very High</p>	<p>Access to key facilities such as:</p> <ul style="list-style-type: none"> Water Treatment Plant (WTP) and Stratford Trunk Water Main (375 mm) from the Reservoirs to the Hunt Rd connection; Wastewater Treatment Plant and pipe main with no redundancy – leading to the Oxidation Pond; Police Station; Fire Service; Health Centres; 	<p>Swansea Road bridge</p> <p>Cardiff Road bridges</p>
2	High	<p>Critical, no redundancy - Failure of equipment does not compromise H&S but affects production or Level of Service</p>	<p>Secure access to rescue vulnerable people/assets including:</p> <ul style="list-style-type: none"> Rest Homes; Schools; Evacuation/Refuge Centres including Memorial Hall, churches; Escape/Detour routes, e.g. Pembroke to Mountain Road; Skinner Road; Parks used as Helicopter landing bases, e.g. cricket pitch; Bridges over Patea River; Collector Roads; As per 3-Waters Criticality Rating 	<p>Juliet Street Bridge</p>

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Rating	Rating	Description	Roads	Example
3	Medium	Critical with redundancy - Failure of equipment does not compromise H&S but affects production or Level of Service	<ul style="list-style-type: none"> Secure Evacuation routes; Secondary Collector Roads; Junction Road; As per 3-Waters Criticality Rating 	Regan Street (West of Brecon Road)
4	Low	Not critical, no redundancy - Failure of equipment has no effects on H&S and/or production/Level of Service but cost of repair/replacement is above \$100k	<ul style="list-style-type: none"> All Access Roads 	Hamlet Street
5	Very Low	Not critical, no redundancy - Failure of equipment has no effects on H&S and/or production/LoS and cost of repair/replacement is below \$100k	<ul style="list-style-type: none"> All Local Roads including cul-de-sacs 	Margaret Street

7.7.2 CRITICAL ASSETS

The Road Assessment and Maintenance Management (RAMM) database holds a record of the critical Road assets. The assets are shown in Table 35. The identified critical assets are ranked according to their functional criticality.

Functional Criticality is a product of the Activity Criticality and Corporate Criticality (i.e. Functional Criticality = Activity Criticality x Corporate Criticality). The functional criticality ranking ranks assets from 1 to 5, with 1 being the highest score (the most critical) and 5 being the lowest (least critical).

In 2017, Stratford District Council undertook an internal review of its critical assets. The review identified that there was a need to:

- Document the formula used for identifying criticality in the Activity Management Plans;
- Link criticality and critical assets to incident response; and
- Prioritise critical assets at the Activity level.

Following the review we have undertaken the following:

- Identified the formula used for identifying functional criticality. This formula is shown in the above paragraph in brackets.
- The linking of criticality and critical assets to incident response is currently being considered as part of reviewing our Incident Response Plans. *Refer: Section 7.8.4.*

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Table 35 - Critical Urban Roading Assets

Activity Priority	Criticality Rating			Asset Description	Criticality Description
	Functional Criticality	Activity Criticality	Corporate Level		
1	1	1	1	Swansea Road Bridge	High vehicle count road bridge, servicing high school and heavy traffic; Redundancy via Juliet Street bridge and Broadway.
2	1	1	1	Juliet Street Bridge	Road bridge. Redundancy via Swansea Street bridge and Broadway (SH3).
3	1	1	1	Regan Street	Dead end, serves approximately 100 houses.
4	2	2	1	Hathaway Street	Dead end, serves approximately 50 houses.
3	2	2	1	Elizabeth Grove	Dead end, serves a Rest home and maternity unit plus less than 100 houses.
4	2	2	1	Brecon Road	Dead end, serves a Rest home and less than 20 houses.
5	2	2	1	Pembroke Road	Dead end, serves approximately 30 houses plus approximately 30 more in new subdivision.
5	2	2	1	Ferdinand Street	Dead end, serves approx. 40 houses.
5	2	2	1	Craig Street	Dead end, serves approx. 35 houses.

7.8 EMERGENCY RESPONSE

7.8.1 CIVIL DEFENCE

The Taranaki Region operates a CDEM (Civil Defence Emergency Management) Group Office, called the Taranaki Emergency Management Office (TEMO). TEMO is a shared service between all four councils in Taranaki. In 2017 The Taranaki CDEM group agreed to a constituting agreement that outlined the separate roles of the Group Office (TEMO), Taranaki Regional Council, and the three district councils. Funding for this arrangement comes from the *'Uniform Annual General Charge; (UAGC) Rates*.

The Stratford District Council has plans and resources in place to ensure it can;

- Reduce the risk of emergencies occurring;
- Be ready for an emergency;
- Respond to any emergency; and
- Recover from any emergency.

7.8.2 FIRE

From 1 July 2017, Fire and Emergency New Zealand (FENZ), a single, unified fire services organisation, was formed for New Zealand's rural, urban, paid and volunteer firefighters. FENZ is an amalgamation of more than 40 rural fire authorities, including the former Taranaki Rural Fire Authority, along with the New Zealand Fire Service, the National Fire Authority and rural fire districts.

Risk Management

The FENZ Bill 2017 repeals the two Acts governing fire services, the Fire Service Act 1975 and the Forest and Rural Fires Act 1977. This Bill marks the most significant change to New Zealand's fire legislation in 70 years, with full integration expected to take four years.

7.8.3 LIFELINES

Lifeline utilities are entities that provide essential infrastructure services to the community such as water, wastewater, transport, energy and telecommunications. These services support communities, enable business, and underpin the provision of public services. The Roothing activity is a lifeline service as described in Part B of Schedule 1 of the Civil Defence Emergency Management Act (CDEMA) 2002.

7.8.4 INCIDENT RESPONSE PLANS

Stratford District Council has an Incident Response Plan² for the Roothing activity. The plan contains schedules and procedures for managing incidents and escalating events that affect the delivery of services. Incidents are ranked on a scale of 1 – 5 to determine response and control level. See Figure 47.

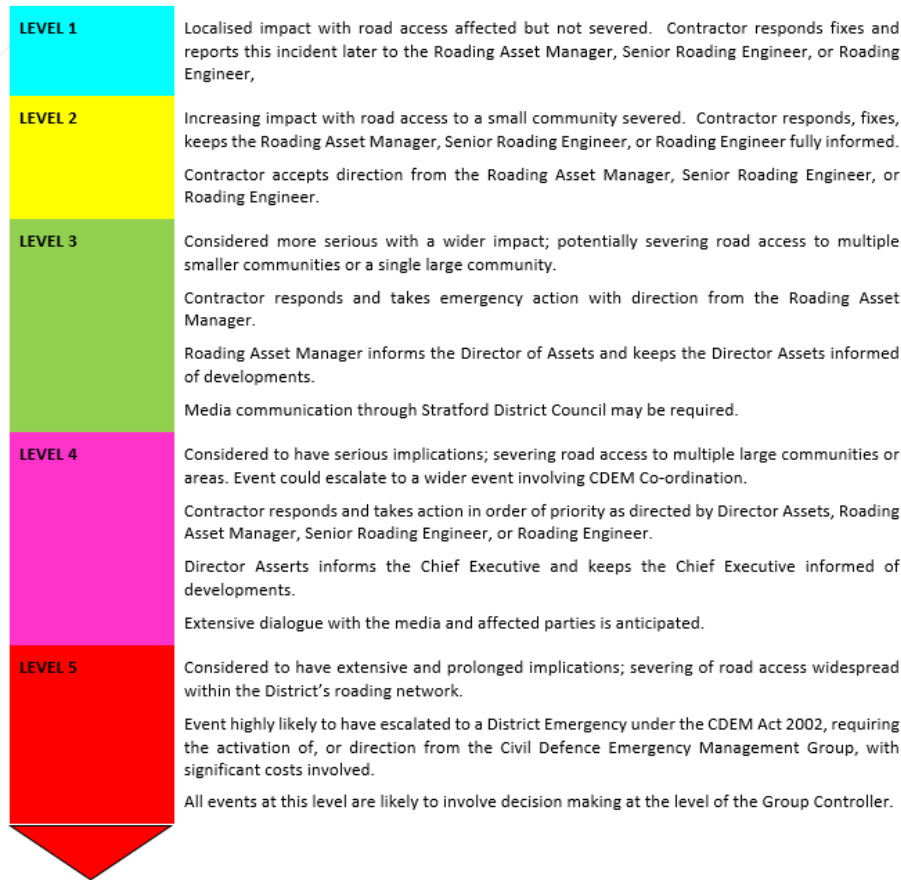


Figure 47 - Incident Response Plan

² D19/23226

Risk Management

7.9 RISK INSURANCE

The Local Government Act 2002 requires that from 2014 details of insurance of assets be included. This information is included in the following table. Insurance Arrangements as at 30 June 2020 are as follows:

Figure 48 - Asset Insurance Valuations

	CARRYING VALUE (as at 30 June 2020) \$000
ASSETS FROM STATEMENT OF FINANCIAL POSITION	
Property, plant and equipment	328,554
Investment property	168
Total	328,722
LESS	
Land component of operational assets	-8,998
Land under roads	-54,384
Land – restricted assets	-8912
Total	-72,294
NET NON-FINANCIAL ASSETS (EXCLUDING LAND)	256,428

	INSURED VALUE (as at 30 June 2020) \$000	
INSURANCE ARRANGEMENTS		
Material damage cover for buildings, plant, contents	-51,317	Subject to various deductibles including \$5k for most claims except for earthquake or volcanic eruption where deductible is 5% of sum insured or 10% for pre 1935 buildings.
Motor vehicle insurance cover (including leased vehicles)	-183	Insured for market value – carrying value assumed for this purpose.
RISK SHARING ARRANGEMENTS		
Cover for infrastructure assets as a member of LAPP Central Government assistance	-22,100	Sum equates 40% of the ORV value of scheduled assets. A deductible of \$150,000 applied. It is anticipated (though cannot be guaranteed) that under the terms contained in the Guide to Civil Defence Emergency Management Plan central government may fund 60% of the qualifying cost of reinstating essential infrastructure with a deductible of \$150,000
Council arrangements for covering deductibles and/or uninsured assets	73,600	
SUM NOT SPECIALLY INSURED	182,828	Note the 60% of the ORV of infrastructure assets which may be funded by central government equates \$33.1m.

The Council has no insurances relating to financial or intangible assets. The uninsured assets consist of the Rooding Network, \$202m, which NZTA may assist with in the event of an emergency.

Risk Management

7.10 SAFETY OF OUR COMMUNITY

7.10.1 ROAD SAFETY

Road safety is integrated across the infrastructure, education and enforcement activities of Council. It is a key element across all Rooding activities including:

- Road maintenance and renewal programmes;
- Minor improvements;
- Community road safety; and
- Corridor management activities.

Road to Zero is New Zealand's Road Safety Strategy for 2020-2030. It establishes a vision of "Developing a road transport system where no one is killed or seriously injured." This strategy applies the 'Safe System' approach which looks beyond the road user and examines the entire road system to improve road safety by creating:

- Safer road use;
- Safe roads and roadsides;
- Safer speeds; and
- Safer vehicles.

Tackling Unsafe Speeds Programme is about improving the way road controlling authorities plan and implement speed limit changes. This includes a framework to improve how councils and Waka Kotahi plan for, consult on and implement speed management changes. SDC will be required to develop a 10 year State Highway Speed Management Plan on the local road network which will be formally reviewed every 3 years. Speed Management Plans will:

- Improve the way road controlling authorities plan and implement speed limit changes;
- Transition to lower speed limits around schools.

7.10.2 ROADS SAFE TARANAKI

The three District Councils in the Taranaki region work together to deliver road safety education programmes under the banner of "**Roadsafe Taranaki**". The programme is managed under a Memorandum of Understanding by the South Taranaki District Council. Previous Roadsafe Taranaki (RST) Strategies have noted "Areas of concern" or "High Risk" within individual TLA's; however, Roadsafe Taranaki delivers road safety as a cluster. Refer: [Appendix 3 - 2021-2024 Roadsafe Taranaki Strategic Plan](#)

8.0 Lifecycle Management

Lifecycle Management

8.0: Lifecycle Management

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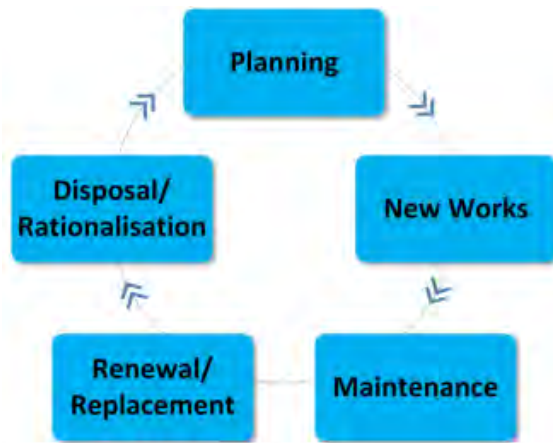
8.1 OVERVIEW

Lifecycle Asset Management focuses on management of options and strategies to minimise risks to assets and any potential failure of assets.

It considers all relevant consequences from initial planning through to renewal, replacement, disposal or rationalisation of assets.

Lifecycle Asset Management acknowledges that assets are always in a state of decay and their useful life is primarily influenced by;

- Physical characteristics;
- Operating environment; and
- Customer requirements.



Lifecycle Asset Management enables Stratford District Council to identify issues, determine appropriate response options and identify strategies and programmes for response to identified issues/opportunities in order to deliver Levels of Service and achieve both asset and organisational goals and objectives.

The Lifecycle Asset Management section contains current Stratford District Council procurement and contractual arrangements and the prioritisation of works:

- That meets the short and long term needs of our community;
- That offers value for money; and
- In a sustainable manner to the least whole-of-life cost.

This section presents a detailed plan of prioritised work over a 10-year planning period in response to the problem and benefit statements highlighted in Section 4.2 of this plan.

8.2 PROCUREMENT

The Stratford District Council procures various products and services across all aspects of our business. Such procurement is undertaken in accordance with the Council's Procurement Policy New Zealand Transport Agency's Procurement Manual as well as the Roding Procurement Strategy.

8.2.1 THE PROCUREMENT POLICY

This Procurement Policy has been developed for use by council officers, current and potential suppliers, elected members, ratepayers and government funding agencies, and applies to all procurement, regardless of the value.

The purpose of this policy is to ensure Council, when procuring goods, works or services:

- achieves the right outcomes and value for money;
- manages risk effectively;
- allows council officers to exercise business judgement by enabling flexibility and fluid, innovative approaches to procurement;
- demonstrates fairness; and
- has health and safety risk management at the forefront.

This policy shall not be applied to invalidate New Zealand Transport Agency's Competitive Pricing Procedure when applied to roads maintenance and construction. All personnel involved in procurement procedures are required to maintain the confidentiality of the process. The Council, as a public entity, must act fairly and consistently, in accordance with relevant legislation.

Lifecycle Management

8.2.2 ROADING PROCUREMENT STRATEGY

The Roothing Procurement Strategy 2019-2022 will require a rewrite during the term of this Long Term Plan period. This full Strategy is attached as [Appendix 4](#)

Version three of the strategy will take into account changes to the local contracting environment and the models of contracts being used.

The current Road Network Procurement Strategy notes the general maintenance contract is let under NZS 3917:2013 with a term of three years with the possibility of two, two year extensions (3+2+2).

The Strategy also makes reference to Section 10.21 of NZTA's Procurement Manual where a variation to the term of a professional services contract for inspection of structures has been sought. The term of this contract is two years with two, two year extensions, making a total of six years maximum (2+2+2).

8.3 CONTRACTUAL ARRANGEMENTS

The Stratford District Council has in place contractual agreements for the delivery of the agreed levels of service. Service is delivered by three main contractual agreements:

- Professional Services;
- Physical Works; and
- Maintenance Contracts

Professional services are generally provided for through Short Term Agreements with local consultancy companies. This is dependent on the nature of the commission/engagement as this will draw on the particular skill set of the consultancy firm.

Currently the consultants that Stratford District Council use for technical design are as follows:

- Revolution Civil Engineering – Pavement design, sealed pavement rehabilitation projects, geometric designs.
- Red Jacket Consultants – Structural inspections, overweight permit assessments.
- Calibre Consultants Limited – Replacement of large diameter culverts, retaining wall replacement programme.
- All Civil Engineering (ACE) Consultants Ltd – Safety audits, bridge repairs
- AMTANZ – Bridge inspection contract, traffic counts, forestry study.

Physical Works, which do not form part of the Roothing General Maintenance Contract are procured in accordance with Stratford District Council's Procurement Policy and Procedures. Typically, these projects are:

- Replacement of bridges and retaining walls
- Replacement of large culverts $\geq 3.40\text{m}^2$ in area
- Road safety projects $\geq \$100,000$
- Works in a technical nature that cannot be undertaken by our maintenance contractor

Maintenance Contracts covering Roothing and Streetlights currently in place are described below.

- **Road General Maintenance**
This contract includes all routine maintenance and renewal work categories for roading assets. In order to ensure the contract is attractive to the market, the contract includes Sealed Pavement Rehabilitation and Roadmarking. The commencement date for the contract was 1 July 2019, expiring on 30 June 2022. There is an option of two further extensions of two years each, providing the contractor with either a five year or seven year term. These extensions are based on the performance of the contractor and the discretion of Stratford District Council.
- **Streetlight Maintenance Contract**
This contract is currently in its fifth year and will expire on 31 March 2021.

Lifecycle Management

A new contract will be drafted to include inspections, reporting, maintenance and renewal of all streetlights owned by Stratford District Council.

The current contract includes the routine maintenance of State Highway streetlights. However NZTA have indicated it is their intention to manage all state highway streetlights themselves. Between 2016 and 30 June 2018, all of Stratford District Council's 70 watt sodium oxide streetlights were changed to 24 watt LEDs.

The new contract will focus on replacing corroded or spalling concrete streetlight columns as part of the Traffic Services Renewals work category.

The Streetlight Maintenance Contract 2021-2024 will be a three year contract with two 12 months extensions with completion dates of 31 March 2024, 31 March 2025 and 31 March 2026.

Table 35 provides a snapshot of how the Council's delivery models for operational, maintenance and renewal works for the transport network. A 3+2+2 means that the maintenance contract covers an initial period of 3 years with the option of two 24 month extensions on satisfactory completion of the initial period.

Table 36 - Operational, Maintenance and Renewal Delivery Model



Work Type	Asset Group	Delivery Form	Terms of Contract
General Maintenance, operations and renewals	Sealed pavement: Maintenance repairs; Drainage maintenance; Environmental maintenance. Limited structural maintenance and Traffic services.	Measure and Value Contract. Programme currently delivered by Fulton Hogan.	3+2+2
	Unsealed pavement: Maintenance and renewal; Vegetation control; Drainage and Traffic Services		
	Emergency Works: Business as usual events ≤10% approved allocation value.		
Structures Maintenance	Minor repairs, cleaning, removing obstructions, replacing bridge ends markers, Bridge signs.	Measure and Value Contract. Programme currently delivered by Fulton Hogan.	3+2+2
	Specific repairs including guard rails, parapets, painting – Goldseal, replacement of components, Concrete repairs .	Specific one off contracts detailing specialised repairs.	As required following inspections
Street Lighting	Maintenance and renewal of streetlights (including state highways).	Measure and Value Contract.	3+1+1
	Maintenance and renewal of under veranda lighting.		
Street Cleaning	Routine cleaning of CBD and sweeping of urban streets.	Measure and Value Contract. Included in Roading General Maintenance Contract.	3+2+2
	Annual clean of all roadside drainage sumps.		
Reseals	Sealed pavement resurfacing.	Included in General Roading Maintenance Contract. Programme currently delivered by Fulton Hogan.	3+2+2
Pavement Rehabilitation	Sealed and unsealed pavement rehabilitation projects.	Included in General Roading Maintenance Contract. Programme currently delivered by Fulton Hogan.	3+2+2

Lifecycle Management



Work Type	Asset Group	Delivery Form	Terms of Contract
Structural Component Replacement	Replacement of components of bridges, large diameter culverts and retaining walls.	As required. Specific contract for the bridge, culvert or retaining wall to be replaced or components renewed.	As required
Low Cost Low Risk Improvements	Minor safety improvements across the transport network.	Small projects included in the General Roading Maintenance Contract. Typically < \$75,000.	3+2+2
		Large scale >\$100,000 contract documents prepared for the specific project.	As required
Minor Events and Emergency Works	Minor events deemed to be business as usual. ≤10% of approved allocation.	Measure and Value Contract. Programme currently delivered by Fulton Hogan	3+2+2
	Significant event ≥10% of approved allocation requiring specific approval from NZTA.	Measure and Value Contracts. Depending on the scope of the repairs these could be tendered and/or issued to Fulton Hogan	As required
Footpaths	Maintenance and renewal of footpaths	Measure and Value Contract. Included in roading contract currently delivered by Fulton Hogan.	3+2+2
Roadmarking	Maintenance of existing roadmarking	Measure and Value Contract. Included in General Maintenance Contract currently delivered by Fulton Hogan	3+2+2
Professional Services	Pavement designs, geometric designs, safety improvement designs	Short form agreement	As required
	Structural asset replacements, inspection of structural assets	Measure and value. To be tendered	2+2+2

Lifecycle Management

Table 37 - Programmed Works to Address Our Problem Statements

Problem Statement	Planned Works	Benefits	Consequences of Not Undertaking the Works
<p>No: 1 – Increasing HCVs and forestry activity</p> 	<p>Pavement rehabilitation to:</p> <ul style="list-style-type: none"> • Monmonth Rd • Beaconsfield Rd • York Rd • Opunake Rd <p>Heavy maintenance and metaling of unsealed roads:</p> <ul style="list-style-type: none"> • Puniwhakau Rd • Mangaehu Rd • Upper Mangaehu Rd • Mangaoupa Rd • Junction Rd <p>Increase in reseal programme</p>	<p>Maintains the structural integrity of key HPMV routes to provide a reasonable level of service for our community.</p> <p>Prevents further deterioration of the road pavements.</p> <p>Maintain the waterproofing of the sealed network.</p> <p>Reduced number of faults generated by the ingress of water into the pavement.</p>	<p>Large maintenance costs to continue in order to provide a level of service to the community.</p> <p>Excessive number of pavement failures, potholes and corrugations that will affect our performance targets for ONRC technical KPIs</p> <p>Potholes, poor skid resistance, loss of control crashes, increased seal pavement maintenance costs</p>
<p>No: 2 – Poor drainage and water tables</p> 	<p>Through routine inspections, identify 90km of watertables to be cleaned or re-constructed per year.</p> <p>Replace 500m of culverts per year.</p> <p>Replace 1500m of kerb and channel per year.</p> <p>Address underslips.</p>	<p>Improves the ability for the network to cope with intensive rainfall events.</p> <p>Reduces the likelihood of underslips occurring.</p> <p>Ensures the road pavement is dry to maximise road pavement lifestyles.</p> <p>Provides a level of service in the urban environment for stormwater control.</p> <p>Replacement of culverts to cater for climate change and remove flooding hazards.</p>	<p>Poor pavement condition leading to reduced pavement life.</p> <p>Pavement failures, both sealed and unsealed networks.</p> <p>Flooding occurs more frequently.</p> <p>Loss of amenity value for urban streetscape.</p> <p>Blocked or damaged culverts could result in underslips occurring thus putting the road at risk and higher repair costs.</p>
<p>No: 3 – Footpaths and safe and resilient roading networks</p>	<p>Replacement of footpaths throughout the urban areas based on the following criteria:</p> <ul style="list-style-type: none"> • Use = highly used footpaths identified from surveys with the community. • Condition = Annual condition rating 	<p>Good quality footpaths to cater for multi-model transport options.</p> <p>Support our Walking and Cycling Strategy.</p> <p>Encourages increased use for active modes</p>	<p>Deteriorating footpaths leading to trip hazards and an increase in personal injury through falls</p> <p>Poor ride quality for mobility scooter users.</p>

Lifecycle Management

	<p>survey to identify the footpaths in the poorest condition.</p> <ul style="list-style-type: none"> • Key corridors leading to community services eg: Medical Centre, doctors, CBD, schools. 	<p>of transport.</p> <p>High quality amenity value for streetscapes</p>	<p>Reduced uptake of active modes throughout Stratford.</p> <p>Increasing number of customer complaints.</p> <p>Poor results from customer satisfaction surveys for footpaths.</p>
<p>Problem Statement</p>	<p>Planned Works</p>	<p>Benefits</p>	<p>Consequences of Not Undertaking the Works</p>
<p>No: 4 – Poor driver behaviour and challenging road conditions</p> 	<p>Safety improvements to be undertaken on Opunake Road, our Primary Collector that is also in our top 10% high risk roads.</p> <p>Other minor safety improvements across the network as they are identified.</p> <p>Geometrical improvements undertaken in conjunction with pavement rehabilitation projects.</p>	<p>Reducing the road toll on Stratford's roads to assist in meeting the GPS Strategic priority of "Road to Zero".</p> <p>Reduced social costs associated with Death and Serious Injury crashes.</p> <p>ONRC KPIs for safety will improve.</p>	<p>We will not achieve our DIA targets for reducing DSI crashes annually.</p> <p>We will not meet the Safety KPIs for ONRC.</p>

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8.4 PROGRAMME BUSINESS CASE

This section covers how the problems identified in [Section 4.2](#) will be addressed through our planned works programme for the 2021-2024 period.

Table 38 shows how the proposed work programmes or renewal projects deliver on the ONRC Customer Outcomes.

Table 38 - Addressing Problems

Problem Statement	Planned Projects	Timeframe	Benefits	Customer Level of Service Addressed
Increasing Heavy Commercial Vehicles (HCV) and forestry activity along with the current standard of the asset is resulting in an increase in reactive investment and inefficient use of resources.	Beaconsfield Rd pavement rehabilitation RP6.1 – RP7.1 Monmouth Rd pavement rehabilitation RP1.1 – RP1.8 Monmouth Rd pavement rehabilitation RP2.4 – RP4.2 Beaconsfield Rd pavement rehabilitation (Standish Rd) Beaconsfield Rd pavement rehabilitation RP7.1 – RP8.1 Opunake Rd pavement rehabilitation – sites to be confirmed Puniwhakau Rd – heavy maintenance on unsealed road Mangaehu Rd – heavy maintenance of unsealed road Junction Rd – heavy maintenance on unsealed road Mangaoapa Rd – heavy maintenance on unsealed road	2020 2021 2022 2023 2024 2025 2020 – 2024 2020 - 2024 2020 – 2022 2020 - 2022	HPMV defined route, pavement failures. Commencement of forestry activity likely to last four years.	Accessibility, Amenity, Resilience
The geography and environmental conditions have led to poor damage controls and the inability of the roading network to cope with intense weather events. This restricts access to road communities and economic impacts	Clearing 90km of water table per year. Replacing culverts as identified through regular inspections. Replacing urban kerb and channel	2020-2024	Improvements to roadside drainage. Replacing misaligned or blocked culverts. Replacement of old kerb and channel to improve drainage.	Resilience

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Problem Statement	Planned Projects	Timeframe	Benefits	Customer Level of Service Addressed
There is misalignment between Council and Community regarding the appropriate level of service to meet the expectations for a safe and resilient roading network	Continue with footpath replacement programme. Target length is 1500 meters per annum. Sites to be confirmed through inspections and customer surveys.		Improvement to customer satisfaction survey results. Improvement in the level of service provided. Removal of narrow footpaths	Access, Amenity
Poor driver behaviour, challenging road conditions and unforgiving roads and roadsides is resulting in death and serious injury crashes to our community.	Speed limit review. Installation of active warning signs at crash hotspots Minor geometric improvements. Installation of road signs and road markings.		Assist in the Road to Zero vision	Road Safety

Lifecycle Management

REG Worksheet for Strategic Case Bottom-Up Test

Figure 49 - REG Strategic Case Bottom Up Test

ALT 2020-F1 – Factsheet for Strategic Case Bottom-Up Test

Name of Council/RCA: Stratford District Council

Problem Statement 1: Increasing Heavy Commercial Vehicles (HCV) and forestry activity along with the current standard of the asset is resulting in an increase in reactive investment and inefficient use of resources.– 40%		
Key responses outlined in Strategic Case: Structural integrity of road pavement HPMV Routes Structural condition of bridge stock to meet demand		
Current Work that is addressing the problem and delivering the benefits: Pavement maintenance – Isolated repairs Pavement rehabilitation, granular overlays (unsealed roads), logging routes		
Aspects of the problem not being addressed and benefits not being delivered? Insufficient funds for the rehabilitation programme Slight increase in funds for metalling		
Is the Problem Statement still relevant? (Yes)	If “No” what are the deficiencies?	If “Yes” has priority changed? Increase in HPMV’s in forestry activity
If Problem not justified by required work what is the strategic response?		
Strategic response	Y/N Rank	Detail
1 Programme adjustment eg, Remove/reduce projects/activities	Y	Spread out over 6 years to stay within budgets
2 Policy approach eg, Adjust level of Service	Y	Review pavement strategies for sealed and unsealed
3 Demand management eg, Manage use – up/down	N	Driven by markets (timber) haulage companies
4 Funding adjustment. eg, Increase/decrease	Y	Increase funds to rehabilitation
5 Risk based eg, Hold Assets longer	Y	Will have to undertake “holding” treatments on failing roads

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How effective are the options? – Use the simple Multi Criteria Analysis tool (Excel – see printout on last page) to help select preferred approach(s) to modifying the strategic response.

Draft an updated problem statement (if applicable)

Lifecycle Management

<p>Problem Statement 2: The geography and environmental conditions have led to poor damage controls and the inability of the roading network to cope with intense weather events. This restricts access to road communities and economic impacts– 35%</p>																										
<p>Key responses outlined in Strategic Case: Poor roadside drainage Improved outlet controls – prevents slips Community have reasonable expectation for access – unplanned road closures</p>																										
<p>Current Work that is addressing the problem and delivering the benefits: Drainage maintenance and renewals Minor events – storm damage repairs Response times for clearing slips Looking at outlet controls when renewing culverts</p>																										
<p>Aspects of the problem not being addressed and benefits not being delivered? Funding for drainage renewal cannot meet the needs of the network</p>																										
<p>Is the Problem Statement still relevant? (Yes)</p>	<p>If “No” what are the deficiencies?</p>	<p>If “Yes” has priority changed? Increased importance Falling behind with drainage</p>																								
<p>If Problem not justified by required work what is the strategic response?</p>																										
<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 40%;">Strategic response</th> <th style="width: 10%;">Y/N</th> <th style="width: 10%;">Rank</th> <th style="width: 40%;">Detail</th> </tr> </thead> <tbody> <tr> <td style="padding: 2px;">1 Programme adjustment eg, Remove/reduce projects/activities</td> <td style="text-align: center;">Y</td> <td></td> <td style="padding: 2px;">Increase in drainage maintenance and renewals</td> </tr> <tr> <td style="padding: 2px;">2 Policy approach eg, Adjust level of Service</td> <td style="text-align: center;">N</td> <td></td> <td style="padding: 2px;">Not required</td> </tr> <tr> <td style="padding: 2px;">3 Demand management eg, Manage use – up/down</td> <td style="text-align: center;">Y</td> <td></td> <td style="padding: 2px;">Increase in activity</td> </tr> <tr> <td style="padding: 2px;">4 Funding adjustment. eg, Increase/decrease</td> <td style="text-align: center;">Y</td> <td></td> <td style="padding: 2px;">Seek more funds or take from other activities</td> </tr> <tr> <td style="padding: 2px;">5 Risk based eg, Hold Assets longer</td> <td style="text-align: center;">N</td> <td></td> <td style="padding: 2px;">High risk approach to date and time, to address it</td> </tr> </tbody> </table>	Strategic response	Y/N	Rank	Detail	1 Programme adjustment eg, Remove/reduce projects/activities	Y		Increase in drainage maintenance and renewals	2 Policy approach eg, Adjust level of Service	N		Not required	3 Demand management eg, Manage use – up/down	Y		Increase in activity	4 Funding adjustment. eg, Increase/decrease	Y		Seek more funds or take from other activities	5 Risk based eg, Hold Assets longer	N		High risk approach to date and time, to address it		
Strategic response	Y/N	Rank	Detail																							
1 Programme adjustment eg, Remove/reduce projects/activities	Y		Increase in drainage maintenance and renewals																							
2 Policy approach eg, Adjust level of Service	N		Not required																							
3 Demand management eg, Manage use – up/down	Y		Increase in activity																							
4 Funding adjustment. eg, Increase/decrease	Y		Seek more funds or take from other activities																							
5 Risk based eg, Hold Assets longer	N		High risk approach to date and time, to address it																							
<p>How effective are the options? – Use the simple Multi Criteria Analysis tool (Excel – see printout on last page) to help select preferred approach(s) to modifying the strategic response.</p>																										
<p>Draft an updated problem statement (if applicable)</p>																										

Lifecycle Management

<p>Problem Statement 3: There is misalignment between Council and Community regarding the appropriate level of service to meet the expectations for a safe and resilient roading networks – 15%</p>		
<p>Key responses outlined in Strategic Case: Improvements to footpaths (width)</p>		
<p>Current Work that is addressing the problem and delivering the benefits: Sorted a 30 year footpath replacement programme Delivered 4.5kms of footpath improvements in three years</p>		
<p>Aspects of the problem not being addressed and benefits not being delivered? Large programme to complete Funding is limited to accelerate the delivery</p>		
<p>Is the Problem Statement still relevant? (Yes)</p>	<p>If “No” what are the deficiencies?</p>	<p>If “Yes” has priority changed? The community is still requesting wider footpaths</p>
<p>If Problem not justified by required work what is the strategic response?</p>		
<p>Strategic response</p>	<p>Y/N</p>	<p>Rank</p>
<p>Detail</p>		
<p>1 Programme adjustment eg, Remove/reduce projects/activities</p>	Y	
<p>2 Policy approach eg, Adjust level of Service</p>	Y	
<p>3 Demand management eg, Manage use – up/down</p>	Y	
<p>4 Funding adjustment. eg, Increase/decrease</p>	Y	
<p>5 Risk based eg, Hold Assets longer</p>	N	
<p>How effective are the options? – Use the simple Multi Criteria Analysis tool (Excel – see printout on last page) to help select preferred approach(s) to modifying the strategic response.</p>		
<p>Draft an updated problem statement (if applicable)</p>		

Lifecycle Management

Problem Statement 4: Poor driver behaviour, challenging road conditions and unforgiving roads and roadsides is resulting in death and serious injury crashes to our community – 10%		
Key responses outlined in Strategic Case: Safety of the roading network, in particular, Opunake Road		
Current Work that is addressing the problem and delivering the benefits: Safety improvements along the route Early discussions regarding the reduced speed limit Planning for installation of a RIAWS sign at Cardiff Road/Climie Road intersection		
Aspects of the problem not being addressed and benefits not being delivered? The length of treatment required is over 23kms Funding constraints used as on HPMV routes		
Is the Problem Statement still relevant? (Yes)	If “No” what are the deficiencies?	If “Yes” has priority changed? Opunake Road is our high risk rural road
If Problem not justified by required work what is the strategic response?		
Strategic response	Y/N Rank	Detail
1 Programme adjustment eg, Remove/reduce projects/activities	Y	Pavement repairs and safety improvements specifically for Opunake Road Crash investigation for crash sites around the district
2 Policy approach eg, Adjust level of Service	Y	Review speed limits
3 Demand management eg, Manage use – up/down	N	Growth will increase traffic volumes
4 Funding adjustment. eg, Increase/decrease	Y	Increase funding to safety improvements across the district
5 Risk based eg, Hold Assets longer	N	Focus on crash sites with a higher number of crashes
How effective are the options? – Use the simple Multi Criteria Analysis tool (Excel – see printout on last page) to help select preferred approach(s) to modifying the strategic response.		
Draft an updated problem statement (if applicable)		

Lifecycle Management

Table 39 - Relationship Between Works Categories and the ONRC Performance Measures

Work Category	Description	ONRC Customer Outcomes					
		Safety	Resilience	Amenity	Accessibility	Cost Efficiency	
Operations/Maintenance	111	Sealed Pavement Maintenance	✓		✓		✓
	112	Unsealed Pavement Maintenance	✓	✓	✓		✓
	113	Routine Drainage Maintenance	✓	✓			✓
	114	Structures Maintenance	✓	✓		✓	
	121	Environmental Maintenance	✓		✓	✓	✓
	122	Traffic Service Maintenance	✓			✓	
	125	Footpath Maintenance	✓		✓	✓	
	131	Level Crossing Warning Devices	✓				
	140	Minor Events	✓	✓		✓	
	151	Network and Asset Management	✓	✓	✓	✓	
Renewal/Replacement	211	Unsealed Road Metalling	✓				✓
	212	Sealed Road Resurfacing	✓				✓
	213	Drainage Renewals	✓	✓			
	214	Sealed Road Pavement Rehabilitation	✓			✓	✓
	215	Structures Component Replacement	✓			✓	
	222	Traffic Services Renewals	✓			✓	
Level of Service Improvements	341	Low Cost/Low Risk Improvements	✓	✓	✓		✓

Lifecycle Management

8.4.1 DELIVERING COST EFFECTIVE ROADING INFRASTRUCTURE

The draft Government Policy Statement (GPS) on Land Transport 2021/2022 – 2030/2031 does not have a strategic goal relating to “Value for Money” as did the previous GPS. However it goes without saying that Stratford District Council operate with “value for money” very much in mind, considering the value of our approved allocation request.

In order to deliver a cost effective level of service to our community, Stratford District Council uses the following principles:

- Robust planning to identify forward work programmes through regular inspections of the network.
- Appropriate selection procedure for projects that do not form part of the General Roding Maintenance Contract.
- Maintaining the local supply chain market using local contractors and suppliers.
- Delivery of the works at the right time, with the right outcome and within the approved budgeting allocations.
- Packaging or bundling similar work types together to provide a greater opportunity to be more cost effective and time efficient.
- Staged approach to large projects that cannot be afforded during a single financial year. An example of this is the pavement rehabilitation of Monmouth Road. The length identified as 2.60kms long with an estimated value of \$1,000,000.00.

Whilst we have an eye on the costs, our emphasis is on a good quality “product” that will stand the test of time.

8.4.2 OPTIONS FOR DELIVERING THE PROGRAMME

There are three options available for delivering the programme. These being:

- Response to customer calls → Reactive approach
- Prioritised programme focussed on known strategic problems
- Enhanced programme

Option 1: Reactive Approach

This methodology will only provide a maintenance programme that is solely customer driven following customer calls and complaints. The programme will not take a “whole of network” approach. This will not be a cost effective model for maintaining the road network.

Option 2: A Prioritised Programme

This is a pro-active approach to maintaining the network based on regular inspections that develop a rolling three month programme of work.

This programme can be directly targeted to strategic problems affecting the roading network, for example roads used by logging industry.

Within this methodology there is the flexibility to react to customer requests, depending on the urgency of the request.

Option 3: Enhanced Programme

This will require a significant increase in the investment for roading, one which the Stratford District Council is unlikely to pursue due to the likely increase in household rates.

Lifecycle Management

Table 40 - Option 1 Reactive Approach

Transport Activity	How Desired Outcomes Will Be Delivered	Level of Investment	Risk Impact	Key ONRC Customer LoS (CLoS) Impact
Movement of passenger vehicles and freight management within the Stratford District.	The programme will be the same as previous Long Term Plans based on average expenditure for all asset groups.	As previous years with a modest increase in investment in line with inflation or contract escalations.	High risk due to the impacts of increasing traffic flows.	Accessibility levels of service will reduce as the maintenance programme cannot meet the demands.
	SDC will take a higher risk approach to the low volume roads and access roads.	No allowance for improvements to the road network.	Increase in HCV permits being issued for overweight loads.	Amenity CLoS will reduce due to the lack of investment
	Reactive approach to customer requests providing a good service to customers.	Does not keep pace with the level of deterioration of the assets.	High risk on rural roads affected by the forestry industry.	Potential for an increase in crashes where the road is a contributing factor.
	In-efficient and does not offer value for money.			
Walking and Cycling	Programme to repair and renew footpaths remain as previous years,	Same as previous years with an allowance for inflation.	Poor quality footpaths.	Amenity and accessibility levels of service will deteriorate.
	Footpath repairs would be driven by customer requests.	No funds for improvements or new footpaths	Reduction in the CLoS for footpaths.	
	No provision to develop cycleways or develop cycling initiatives.		Poor customer satisfaction survey results.	No increase in active modes throughout Stratford.
			Potential for increased tripping hazards for the elderly population.	
			Poor ride quality for mobility scooter users.	

Lifecycle Management

Table 41 - Option 2 - A Prioritised Programme

Transport Activity	How Desired Outcomes Will Be Delivered	Level of Investment	Risk Impact	Key ONRC CLoS Impact
Movement of passenger vehicles and freight management within the Stratford District.	Sealed pavement maintenance increases on roads affected by HCVs	Increase of \$55,000.00 annum	Reduces the risk of pavement failures. Pro-active approach to maintenance.	Improved STE and roughness prior to sealing
	Pavement strengthening projects to known HPMV routes	Increase of \$100,000.00 annum	Reduces the risk of pavement failures to known HPMV routes. Development of a continual work programme can be achieved.	Keeps pace with deterioration of roads used by HPMV's
	Increase to structures maintenance to reduce the backlog of maintenance works identified during inspections. Estimated to be in the order of \$650,000-\$700,000.00	Increase of \$42,000.00 annum	Increase to address backlog of maintenance to bridges and retaining walls	Provides for specific maintenance repairs and corrosion treatments
	Unsealed pavement maintenance on roads affected by forestry	Increase of \$100,000.00 annum	Increase in contract rates for this work category	Addresses issues on roads used by logging traffic eg: Puniwhakau Road – soft spots. Pavement repairs.
	Bridge replacement of old structures	Included in low cost low risk improvements as outlined in 30 year bridge replacement programme	Reduces the risk by virtue of replacing old buildings Provides greater access for HCVs	Improved accessibility to HCVs across the network Improved connectivity for the community
	Retaining wall replacements	Included in low cost low risk improvements as outlined in 10 year retaining wall replacement programme and has been site specific developed	Reduces the risk of a road failure due to collapse of the structure	Improved route resilience across the network
	Traffic Services	LED Conversion to streetlights has been completed. Replacement of damaged and corroded streetlight columns to commence in 2021-24 LTP	Reduced streetlight maintenance and power changes have been achieved	Improved value for money for operating the streetlight network

Lifecycle Management

Transport Activity	How Desired Outcomes Will Be Delivered	Level of Investment	Risk Impact	Key ONRC CLoS Impact
	Walking and Cycling	Increase in budget to replace and maintain footpaths. Additional \$20,000 per annum	Reduces the total length of footpaths that are less than 1.5 meter wide.	Improved CLoS for all user groups

Table 42 - Option 3 - An Enhanced Programme

Transport Activity	How Desired Outcomes Will Be Delivered	Level of Investment	Risk Impact	Ley ONRC CLoS Impact
Movement of passenger vehicles and freight management within the Stratford District	Sealed pavement maintenance increased to ensure smoother roads and to retain pavement integrity	50% increase or \$190,000 per annum	Reduces pavement failures Improves serviceability of the sealed road network Improved roughness and STE percentages	Significant increase in Amenity CLoS.
	Pavement renewal and rehabilitation. Double the length of the pavement rehabilitation undertaken each year	100% increase or \$750,000 per annum	Keeps pace with pavement deterioration on specific HPMV routes	Significant increase in Amenity and Accessibility CLoS
	Unsealed pavement maintenance and renewals. Increase in funding to prevent damage to unsealed roads used by forestry industry	25% increase or \$210,000 per annum	Keeps pace with pavement repairs and additional metalling on roads extensively used by forestry traffic	Significant increase in Amenity and Accessibility CLoS
	Increase in structures maintenance to address backlog of maintenance works on bridges	50% increase or \$80,000 per annum	Reduces the risk of further deterioration of bridges due to the lack of maintenance	Improved resilience, connectivity and accessibility for the community
	Traffic services to provide safety improvements through better signage	50% increase or \$100,000 per annum	Ensures the network is fully compliant with MOTSAM and RTS 5 Provides funds to clean, paint and renew sight rails Reduces the risk to road users due to poor wayfinding or obscured signage	Increased Safety and Accessibility CLoS.

Lifecycle Management

Transport Activity	How Desired Outcomes Will Be Delivered	Level of Investment	Risk Impact	Ley ONRC CLoS Impact
Walking and Cycling	Significant increase in footpath maintenance and renewal budgets	50% increase or \$115,000 per annum	This will accelerate our 30 year footpath replacement programme Based on current rates this will be reduced to 20 years.	Increased Accessibility, Connectivity and Amenity CLoS for all user groups.
	Developed cycling education programmes and infrastructure	\$350,000 per annum	New budget provision for this activity	Increased Accessibility, Connectivity and Amenity CLoS for all user groups. Reduced carbon emissions More travel choices

8.5 ROAD MANAGEMENT STRATEGIES

The overall management of infrastructure will be driven through strategies aimed at:

- Complying with the legislative and strategic requirements;
- Meeting customer expectations and agreed levels of service; and
- Delivering value for money for ratepayers, funding partners and the Council.

These strategies presented in Figure 50 are either under review or currently being prepared and include:

- Unsealed Roads Strategy;
- Bridge Strategy; and
- Footpath Strategy



Figure 50 - Roading Management Strategies

Lifecycle Management

8.6 PRIORITISATION AND COST EFFICIENCY

An important factor in delivery of the operation, maintenance and renewal programmes will be ensuring these activities are prioritised to where the needs are required across the various categories of the ONRC road hierarchy, for example, road strengthening on a main transport route rather than a residential cul-de-sac.

By targeting works programmes where the work is required cost savings will be generated and efficiency savings on the level of service will automatically be adjusted over time. At present these operate at similar level of service across the entire transport network.

In order to achieve cost and efficiency savings we plan to:

- Ensure funding requests are prioritised by ONRC where appropriate. In some cases this may not hold true due to increased activity on a low volume unsealed road i.e. forestry harvesting
- Determining the optimal timing of renewal activities by increasing the life or longevity of the asset, for example, our current reseal cycle is 13 year intervals. This, over time, may increase to 15 - 18 years and in some cases to 20 years for low volume sealed roads
- Risks are pro-actively managed for higher road classifications and opportunities identified where SDC is willing to accept more risk.

8.7 DETAILED BUSINESS CASE

8.7.1 OPERATION AND MAINTENANCE

During the term of this Activity Management Plan it is our intention to develop a Maintenance Intervention Plan.

The development of this plan will be undertaken in conjunction with our maintenance contractor, Fulton Hogan. We will call on their expertise as well using our own local knowledge to develop maintenance strategies which are long lasting “best for the network” and cost effective.

There will always be the “unknowns” or “unplanned” events, but with proactive maintenance programmes which utilise the efficiencies of the contracts resources, we endeavour to minimise these as much as possible.

As indicated in Section 4.2, the biggest issue facing the Stratford District is the impact of forestry on many of our low volume roads. An example of this has been the commencement of forestry work on Puniwhakau Road, where approximately 620 ha of forest is currently being harvested. Within three weeks of commencing the harvesting, (August 2020) the road has numerous soft spots and pavement failures requiring repairs. The cost of these repairs is likely to be hundreds of thousands of dollars. We have estimated repairs could cost in the order of \$600,000-\$750,000. Having spoken to local residents at the time of preparing the AMP, Stratford District Council has some information that further forestry blocks will commence harvesting later in 2020 and early 2021.

The following photos are of Puniwhakau Road's pavement failures and soft spots created as a result of increased logging activity.

Lifecycle Management



Figure 51 Puniwhakau Road

The table below provides an overview of our proposed allocation for each of the work categories for the period 2021-2031. The level of funding requested is to keep pace with the level of deterioration of parts of the network. This expenditure for unsealed pavements reflects the anticipated increase in forestry activity during the term of this Long Term Plan period.

Please note that all figures are not inflated.

Table 43 - Lifecycle Management Costs

Activity	2021/22	2022/23	2023/24	2024-31	Total
Sealed Pavement Maintenance	\$380,000	\$380,000	\$380,000	\$2,460,400	\$3,600,400
Unsealed Pavement Maintenance	\$240,000	\$240,000	\$240,000	\$1,829,000	\$2,549,000
Routine Drainage Maintenance	\$360,000	\$360,000	\$360,000	\$2,742,000	\$3,822,000
Structures Maintenance	\$162,600	\$162,600	\$162,600	\$1,242,000	\$1,729,800
Environmental Maintenance	\$185,000	\$185,000	\$185,000	\$1,408,000	\$1,963,000
Traffic Services Maintenance	\$210,000	\$210,000	\$210,000	\$1,603,000	\$2,233,000
Footpath Maintenance	\$230,000	\$230,000	\$230,000	\$1,751,600	\$2,441,600
Level Crossing Warning Devices	\$28,400	\$28,400	\$28,400	\$217,500	\$302,700
Minor Events	\$354,000	\$354,000	\$354,000	\$2,699,500	\$3,761,500
Network and Asset Management	\$355,500	\$355,500	\$355,500	\$2,707,500	\$3,774,000
Unsealed Road Metalling	\$840,000	\$840,000	\$840,000	\$6,396,000	\$8,916,000
Sealed Road Resurfacing	\$870,000	\$870,000	\$870,000	\$6,625,300	\$9,235,300
Drainage Renewals	\$616,000	\$616,000	\$616,000	\$4,691,000	\$6,539,000
Sealed Road Pavement Rehabilitation	\$826,000	\$826,000	\$826,000	\$6,290,200	\$8,768,200
Structures Component Replacement	\$135,000	\$135,000	\$135,000	\$1,029,500	\$1,434,500
Traffic Services Renewals	\$113,000	\$113,000	\$113,000	\$863,000	\$1,202,000
Low Cost Low Risk Improvements	\$1,190,000	\$1,042,000	\$1,930,000	\$7,080,500	\$11,242,500
Overall Totals	\$7,095,500	\$6,947,500	\$7,835,500	\$51,636,000	\$73,514,500

Lifecycle Management

Notes:

1. An escalation percentage of 5% has been applied for each three year block allocation beyond 2024.
2. Low Cost Low Risk Improvements includes bridge and retaining wall replacements.

Road Pavement

Our number one problem is the increasing numbers of heavy commercial vehicles using the districts roading network.

In the 12 months ending 30 June 2020, the Stratford District Council issued 475 HPMV permits to road haulage companies. These permits are over and above normal class 1 or 44 tonne vehicles.

It should also be noted that none of the permits issued relate to logging haulage contractors, for the daily cartage of logs.



Figure 52 - Photo of Opunake Road

The maintenance and renewal of road pavements is a direct response to the strategic problem statement one. Pavement maintenance plays a vital role to address safety issues, amenity levels of service and accessibility levels of service.

Pavement maintenance is critical in terms of the response to connectivity and resilience issues to meet the expectations of the community and CLoS.

Sealed Pavement Maintenance

Council's sealed road network consists of 392km of sealed pavements across the district. These vary in width and are typically 4.5-6m wide in the rural area and 10-12m wide in urban areas. The surface type is predominantly chipseal.

Repairs are carried out as a result of routine inspections, or as a result of customer service requests which both feed into planned works that cover planned maintenance and any pre-reseal repairs ahead of the sealed road resurfacing programme.

Lifecycle Management

General maintenance of roads includes:

- Repair of potholes;
- Repair of edge breaks;
- Repairing failed pavement by rip and remake or dig outs depending on the severity of the pavement failure;
- Crack sealing to keep the top surface waterproof;
- Adjusting service covers;
- Water blasting to remove excessive bitumen;
- Maintenance of unsealed shoulders;
- Emergency and call centre responses including out of hours; and
- Maintenance of roadside shoulders.

Unsealed Roads

Council's unsealed road network consists of 205.8km of roads across the district. These unsealed roads vary in width and are typically 4.5m wide. Mangaehu Road provides access to forestry and dairy/beef farming. The road also provides access to a tourist destination, that being 'The Bridge to Somewhere' at Aotuhia Station.

Many of the unsealed roads serve farmland as well as forestry blocks. There are three unsealed roads that form loop roads for other roads to connect to them. These roads are Mangaehu Road, Kohuratahi Road and Whitianga Road.

An important inter-district road is Junction Road. This unsealed road connects State Highway 43 at the Pohukura Saddle to New Plymouth District at Purangi. As well as being an important connecting route between districts, this road is also part of the National Cycle Trails network.

Repairs are carried out as a result of routine inspections, or as a result of customer service requests. The general maintenance of unsealed roads includes:

- Removal of potholes;
- Grading;
- Removal of corrugations;
- Removal of soft spots; and
- Dig outs in failed areas.

Aggregate used for the maintenance of our unsealed roads is sourced from local quarries; Vickers Quarry located on York Road, Midhirst and Awakino Quarry located in Waitomo. This quarry is owned and operated by Fulton Hogan. It is used to provide metal for the most eastern roads on our network.

Structural Assets

Structures include all bridges maintained by Council, culverts, retaining walls and road tunnels. Maintenance and renewal of bridges, retaining walls and large scale culverts or tunnels provide a direct response to the strategic core problems of land use changes and connectivity resilience as well as meeting the ONRC outcomes of:

- Accessibility – Ensuring that heavy commercial vehicles have access to all areas of the land transport network that require it; and
- Resilience – Providing support to lifeline routes and the impact of unplanned events on journeys is minimised and access to properties is available

The Council maintains 157 bridges, 5 tunnels and 251 retaining walls. These structures vary in construction from high standard concrete to railway iron and timber boards used for retaining walls.

The delivery of the lifecycle management for structures is provided by external consultants. This includes the preparation of bridge maintenance work packages that are beyond the scope of works confirmed in the Roding General Maintenance Contract. These works tend to be more specific or require a technical specialist, for example anti-corrosion treatments or parapet wall repairs.

The issues that face the Stratford District Council in relation to the structural assets we are the custodians for, are outlined in table 44.

Lifecycle Management

Table 44 - Key Issues and Risks - Structures

Key Issue	Strategy to Address Issue
Maintain bridge at road ends	<p>The 14 bridges that serve single properties located at the end of a maintained or unmaintained road, which Council have agreed to maintain via a Council resolution. The legal opinion is that SDC is still liable for repairs and any personal injury should maintenance cease.</p> <p>Consider divesting bridge to property owner.</p> <p>Demolish bridge – may cause issues with access to property, e.g. Lower Kohuratahi Road swingbridge.</p>
Aging bridge stock	Aging bridge stock is going to require a renewal programme to address weight restrictions and bridges that are in poor structural condition.
Earth drives	These hard excavated tunnels in Taranaki ash or papa sedimentary rock are not engineered and we do not know how strong the ash or rock is. Some have started to fail or partially collapse. These earth drives are included in the annual inspection programme.
ARMCO Culverts	ARMCO Culverts have a limited life. Due to the acidic nature of the water (papa rock) this life has been foreshortened, thus the invert of these culverts have corroded. The life can be extended by lining the invert with concrete. Our bridge replacement programme for the next three years is to replace three of this type of structure.
Replacement funding for low traffic volume bridges.	SDC has identified which bridges require replacing over the next 30 years. Four of these bridges provide access to single land owners. Eleven other bridges are located on low volume roads. Replacement will be based on condition, freight load, traffic, availability of alternative routes. Some of these bridges may not meet these criteria which may result in weight restrictions being applied.
HPMV and 50MAX	There has been an increase in the number of HPMV permits issued in 2020. We are currently reviewing the capacity of 32 restricted bridges which could result in “posting” weight limits or a strengthening programme.
Resilience	All bridges fall within an inspection regime. Faults are identified and prioritised as budgets allow. Further seismic assessment of our bridges will be required. This will be included in our Improvement Plan.
Retaining Structures	We have identified and recorded the condition of 251 retaining walls. These have been recorded in RAMM. We are aware of the possible existence of more retaining structures that have become overgrown with native bush or vegetation. SDC is currently clearing this vegetation to determine if a retaining wall exists. If so an inspection will be undertaken and the retaining wall will be added to the asset register in RAMM.

The condition and estimated replacement dates for our bridge stock is based on regular two yearly inspections of the bridges. These inspections are the general inspections with a more detailed inspection undertaken as required or recommended in the general inspection report.

The table below provides a list of the number of bridges that are to be replaced within the next 30 year period.

Lifecycle Management

Table 45 - Bridge replacements in the next 30 years

Time for Replacement	Number of Bridges to Replace	Estimated Cost for Replacement
0-10 years	7	\$1.90m
11-20 years	14	\$3.10m
21-30 years	36	\$9.50m

The Stratford District Council has identified 14 bridges which we consider to be “critical” in accordance with our Criticality Risk Profile. During the term of the next two long term plan periods it is our intention to investigate these 14 bridges for their seismic strength . Further work is also required to evaluate the 32 bridges which are considered unsuitable for 50 max or High Productivity Motor Vehicles (HPMV) loading capacity. This will be ongoing throughout the next long term plan periods.

Retaining Walls

To date SDC has recorded/inspected 251 retaining walls. We believe there are more retaining walls on the Roading network, but are obscured by vegetation. Retaining walls include and are not limited to the following structure types:

- Crib walls.
- Gabion walls.
- Rock walls.
- Steel columns and timber boards.
- Timber pile and boards.
- Railway iron and timber boards.
- Railway iron and concrete power poles.
- Willow bush walls.

As with our bridge inspections, retaining walls are inspected every two years, split into “front country” and “back country”. Based on a report received in April 2020. 124 retaining walls have been considered to be “average to very poor” structural condition. Of this, 124, 58 are considered to be either “poor” or “very poor” and will require replacing. The estimated cost to replace these walls during the next 10 years is shown in the table below.

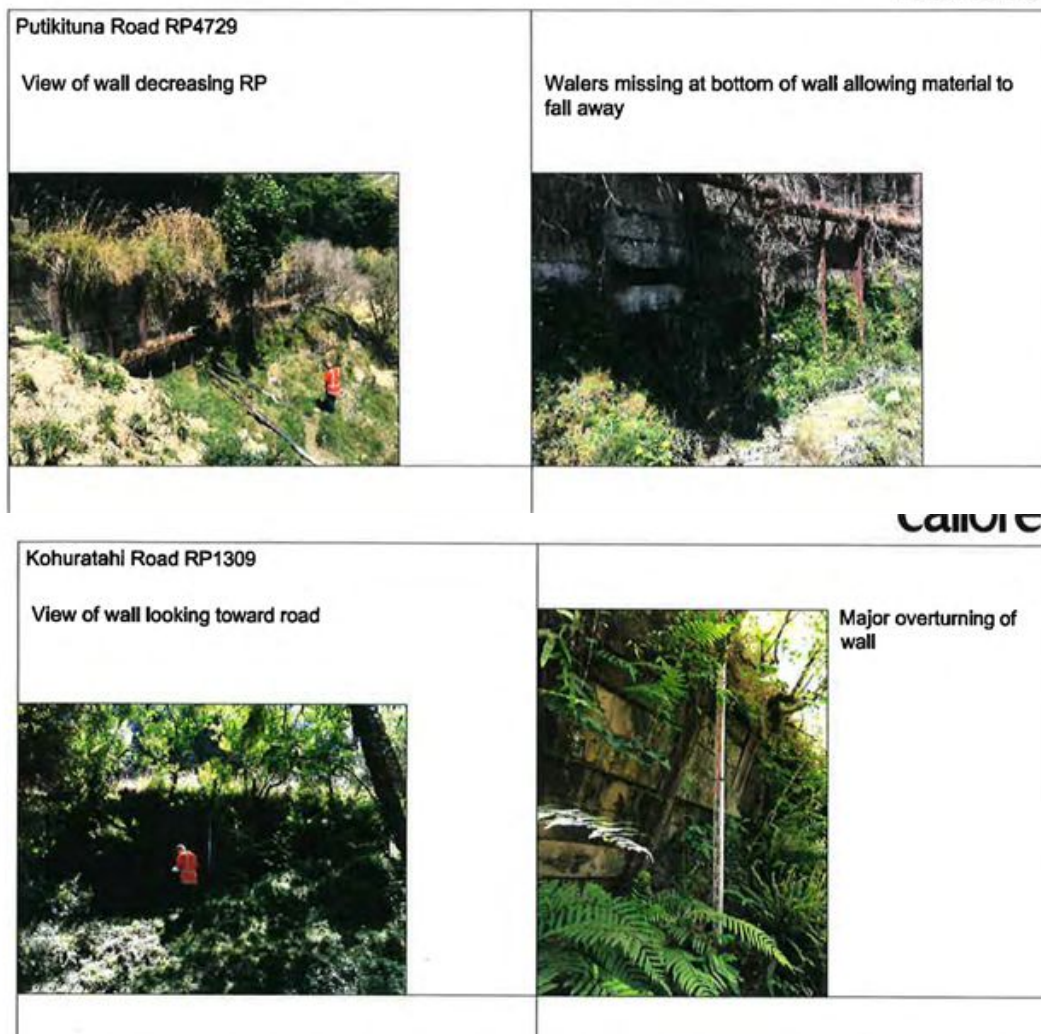
Table 46 - Estimated Costs for Replacement Retaining Walls

	Year	Maintenance Cost	Replacement Cost	Total
1	2021	\$17,500	\$120,000	\$137,500
2	2022	\$12,000	\$152,000	\$164,000
3	2023	\$2,500	\$210,000	\$212,500
4	2024	\$11,000	\$135,000	\$146,000
5	2025	\$6,300	\$175,000	\$181,300
6	2026	\$9,500	\$165,000	\$174,500
7	2027	\$8,000	\$155,000	\$163,000
8	2028	\$8,000	\$87,500	\$95,500
9	2029	\$7,500	\$93,000	\$100,500
10	2030	\$5,000	\$70,000	\$75,000

The inspections of these retaining walls has identified the requirements for some general maintenance to be undertaken. The value of this maintenance is indicated in the table above and has been included in the funding submission for the 2021-2031 Long Term Plan.

Lifecycle Management

Figure 53 - Examples of retaining walls to be replaced



Lifecycle Management



Mohakau Road retaining walls



Drainage

Maintenance and renewals of drainage provides a direct line of sight to our problem statement number two. By addressing the drainage problem you will increase its life of your road pavement thereby continuing to provide a resilient road network that supports the connectivity the community requires.

The drainage managed by Stratford District Council includes shallow and deep drains, kerb and channel, culverts, catchpits, roadside sumps, connecting laterals to stormwater systems or nearby streams. The asset information including valuation is provided in Table 9 of this RAMP.

Some of the key lifecycle management issues that affect drainage facilities are described in Table 47.

Lifecycle Management

Table 47 -Key Management Issues - Drainage

Key Issue	Strategy to Address Issue
Undersized culverts	Increased capacity as part of renewal programme.
Deep drain adjacent to road edge	Reposition in conjunction with pavement rehabilitation projects when these are undertaken. It will take a long time to relocate these drains. Fill with rock rip rap as an interim measure or if drain cannot be repositioned.
Global warming	Increase the size of culverts to take into account the effects of global warming, for example our policy is to replace 225mm diameter culverts with 375mm diameter culverts.
Blocked culverts	Cleared as part of the routine cycle of soned maintenance undertaken two times a year.

The Council approach to the delivery of drainage works is “basic”; however, we are working to improve certain aspects of the activity. Investment in drainage assets is essential because these assets:

- Provide an essential service to the integrity of the pavement network whether sealed or unsealed.
- Provide a level of protection to property and road infrastructure from flooding.
- Provides good drainage to areas with steep topography such as the eastern hill country which requires good drainage to reduce the risk of washouts occurring.

Drainage maintenance is delivered through the General Road Maintenance Contract. This includes road sweeping of all urban streets, sump clearing, cleaning 200km or roadside watertables, clearing inlet/outlet of rural culverts.

With the recent change in our maintenance contractor, we have adopted a different approach to the management of our drainage assets. This is purely driven by contract rates and the budgets available.

The level of funding requested (\$976,000pa) provides for maintenance and renewal of drainage assets, split in the following proportions.

- 25% Kerb and channel maintenance and renewals
- 25% Culvert maintenance and renewals
- 50% Watertable maintenance and renewals

We see this activity as a key component to keep our road pavements dry, thereby reducing maintenance costs associated with pavement repairs.

Traffic Services

Safety is the primary problem for Traffic Services. These assets are designed to assist road users to use the road safely. Included in this asset group are signs, pavement markings, sight rails, roadside marker posts, traffic islands and streetlights. Some of the key lifecycle management issues that affect traffic services are:

Table 48 - Strategies to Address Traffic Services Issues

Key Issue	Strategy to Address Issue
Signs in poor condition due to age and lichen growth.	Renew as required. Cleaning of signs is included in cyclic maintenance activity.
Inconsistent use of curve warning signs.	Address this through interrogation of CAS to identify crash stats. Include in low cost/low risk improvements as funds permit.
Condition of edge marker posts – broken or lichen growth.	Many are damaged by locals on their quad bikes or tractors. Where this is occurring remove, but highlight particular hazards. Replace EMP's that are in poor condition as required via cyclic maintenance

Lifecycle Management

Key Issue	Strategy to Address Issue
	activity.
Sight rails in poor condition.	Replace as funding permits. Re-paint those that are in good condition as part of the cyclic maintenance activity.
Traffic islands not very visible	These need to be painted to highlight their presence at night. Embark on re-painting programme.

Investment in traffic services assets is required because it meets the following ONRC Customer Outcomes:

Safety: Technical Output 1 – Permanent hazards are marked in accordance with RTS-5 and MOTSAM.

Accessibility: Technical Output 1 – Signage is fit for purpose in providing direction and guidance to road users and complies with RTS-2 and MOTSAM.

Delivery

Currently traffic services is delivered through two maintenance and renewal contracts.

Table 49 - Current Contracts for Delivery of Traffic Services

Contract Name	Activites
General Roding Maintenance	<ul style="list-style-type: none"> • Sight rail cleaning and paint • Repairs and replacement of road signs • Annual roadmarking • Painting of pedestrian refuges • Replacement of roadside markers • Painting wooden sign posts
Streetlight Maintenance and Renewals	<ul style="list-style-type: none"> • Replacement of streetlight columns • Replacement of streetlight cabling • Maintenance of under veranda lighting • Maintenance of LED streetlights

Streetlighting

During the previous long term plan period 2018-2028, the Stratford District Council completed the conversion of 755 Sodium Oxide streetlights to LED's, This conversion provided a saving in the order of \$22,000 per annum for power charges.

During the next long term plan period 2021-2031, our focus will be to undertake a complete inventory of the condition of the free standing streetlight columns, in order to assess their condition and to develop a replacement programme as required.

Currently, under an MOU with NZTA, Stratford District Council manages the maintenance of the streetlights along State Highway 3 and State Highway 43. We are to believe the NZTA have expressed a desire to take this role back in-house however, this is still to be confirmed.

Road Signs and Road Markings

The Council owns and maintains road signs and road markings on the local road network. Since changing our contract model from Lump Sum to Measure and Value, we have now captured all of the road markings by virtue of the annual remarking component of the maintenance contract.

Lifecycle Management

All road markings are renewed annually, whilst some intersection controls may have successive remarks during the summer months due to “flushing” of the pavement surface. Obsolete, damaged, sub-standard and non-conforming signs are recorded during monthly inspections and entered into the “routine maintenance pool” held in RAMM Contractor. These signs are repaired or replaced as budgets allow. All regulatory signs are repaired within 24 hours.

Environmental Services

The assets to which this work category applies are, in the main, the roadside berms. While these assets do have more of an aesthetic function (urban roadside berms in front of residential dwellings) they do have an important role in that, the roadside drainage is located within the berm.

The maintenance and management of these assets has a direct connection to our problem statement number two, in that poor maintained roadside berms will cause blockages in the watertables and drainage structures.

The other aspect of this activity is the removal of small slips from watertables. These instances tend to occur in the eastern hill country of our network and can have an adverse effect of backing up stormwater runoff or falling on to the road, causing a hazard for unwary motorists.

This work activity is also used for cleaning roadside litter, resulting from “fly tipping” by some of our community.

In general terms Stratford District Council undertakes two berm mowing rounds per year, approximately six months apart. The timing of these mowing rounds is left to the expertise of the vegetation control contractor, rather than being pre-described in the maintenance contract.

Another aspect of this activity is the management and eradication of nominated “pest plants” as designated in the Taranaki’s Regional Council’s “Pest Plant Management Strategy”. These species of plants are sprayed as part of the routine spraying rounds of the invert of the watertables.

Level Crossing Warning Devices

The management of railway crossings are the responsibility of Kiwi Rail to maintain within 4m either side of the centre line of the railroad tracks. The black on white “railway crossing” sign RG31 to RG33 inclusive and poles are also the responsibility of Kiwi Rail.

Advance warning signs and road markings are Council’s and are maintained as part of traffic services maintenance.

Within the Stratford District, there are 17 level crossings on local roads that cross the railway line from New Plymouth to Hawera (parallel to State Highway 3). There are a further 11 level crossings on the disused rail line which connects Stratford to Ohura. This formal railway line has been leased by Kiwi Rail to the Forgotten World Adventures Company for 30 years. The Forgotten World Adventures operate a tourist attraction for visitors who can travel this abandoned rail line on modified golf carts. Maintenance of these 11 level crossings is Forgotten World Adventure’s responsibility by virtue of a condition of their lease.

Minor Events

Management of minor events contributes to the resilience of the network, providing access to our community and road safety.

These events do have an effect on the drainage and functionality of the road network, depending on the severity of the event. For example in June 2015, Stratford District Council experienced a significant storm event that caused \$5.25m of damage /remedial works.

This work category has a direct relationship to the ONRC Customer Outcomes:

Resilience: Customer Outcome 1 – The number of journeys impacted by unplanned events requiring roads to be closed.

Lifecycle Management

Customer Outcome 2 – The number of instances where access is lost due to unplanned road closures.

To a degree this activity also deals with the ONRC accessibility customer outcome, as in some instances the road may not be closed but access by HCVs could be restricted for safety reasons.

The funding level requested for this activity is in line with previous years for our “business as usual” storm events.

Network and Asset Management

This activity covers the business system that operates within the Stratford District Council to manage our roading assets. In brief this covers:

- The funding of the in-house business unit
- The hosting fees for RAMM
- Condition rating surveys for sealed roads and footpaths
- Inspections of structural assets
- Approving overweight permit applications
- Inspections, reporting and programming of works by our maintenance contractors
- Payment of fees associated with GHD’s Max Quality data management software

Managing the Asset through ONRC

Stratford District Council takes a more risk based approach to managing our assets. Whilst in the spirit of the ONRC, the philosophy could be targeted maintenance to the roads with a higher hierarchy.

However, in Stratford District Council’s case, this cannot be used entirely as the problems we are facing are occurring on selected sealed access roads (HPMV routes) and low volume unsealed roads (used by forestry activity). The latter is where our focus will be over the term of this long term plan due to the volume of timber that is being harvested or planned to be harvested over the next six years.

We will use the tools such as roughness surveys, Performance Measure Reporting Tool reports to target sealed roads with high roughness counts. This can be undertaken prior to annual resealing programmes.

We have to have a balanced view of life, in many cases reacting to the issues we find before us, irrespective of ONRC.

Our community do not ask for much, roads that are pot-hole free, drains that are not blocked, streets swept of litter and leaves. ONRC is a foreign language to them, so we will not overly complicate the basic routine maintenance of the roading network. Below is a copy of a letter from a disgruntled rural resident regarding the state of Putikituna Road which services 5 households. This highlights the issues the Council has with allocating budget for repairs and maintenance to low low volume roads.

Lifecycle Management

Stratford District Council 20.8.20
 P.O. Box 320
 Stratford.

Dear Stratford District Council

Thank you for your letter 17 Aug 2020, In my first letter is said THIS YEAR not since last Aug. I saw Steve Bowden in January and told him about the non waterable/drain and as I said nothing has been done.

I did say there had been a grading where the grader driver drove around the slips/slumps on the Putikituna Rd. Why didn't who ever is suppose to look ~~over~~ after the roads put a digger down first and removed the slips/slumps then, they are still there.

Now to your other points,

- Replacement of marker posts - when & where,
- Removal of fallen trees - when & where.
- Removal of dangerous poplar tree - when & where
- Clearing the inlet and outlet of culvert pipes - when & where.

Then you go onto works programmed

- Replacing the 1500mm culvert can't be on the Putikituna Rd because you would have to get Horizon consent not T.R.C.
- Replacement of numerous culverts. there are really only 2 to replace and I have grizzled about them for years. As for the rest, the water can't get to them because of blocked waterable & pipe inlets.
- Metalling of road - that is debatable.
- Clearing the roadside waterables/drain - please don't make the sound a big deal. They haven't been done since before January, as I said I saw Steve Bowden in January & nothing has been done, this is the most important part of road maintenance.

Figure 54 - Letter from disgruntled rural resident

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Stratford District Council has a very small budget compared to others, our philosophy is to manage this budget based on the condition and needs of the network and good old engineering know-how, working collaboratively with our maintenance contractors, Fulton Hogan.

Footpaths

This asset has a direct connection to our strategic problem statement number 3 – Customer Expectations.

The purpose of footpaths is to promote a safe, healthy, convenient corridor for active modes of transport which connects local amenities for the enjoyment of the community.

Some of the lifecycle management issues associated with footpaths are outlined in the table below:

Key Issues

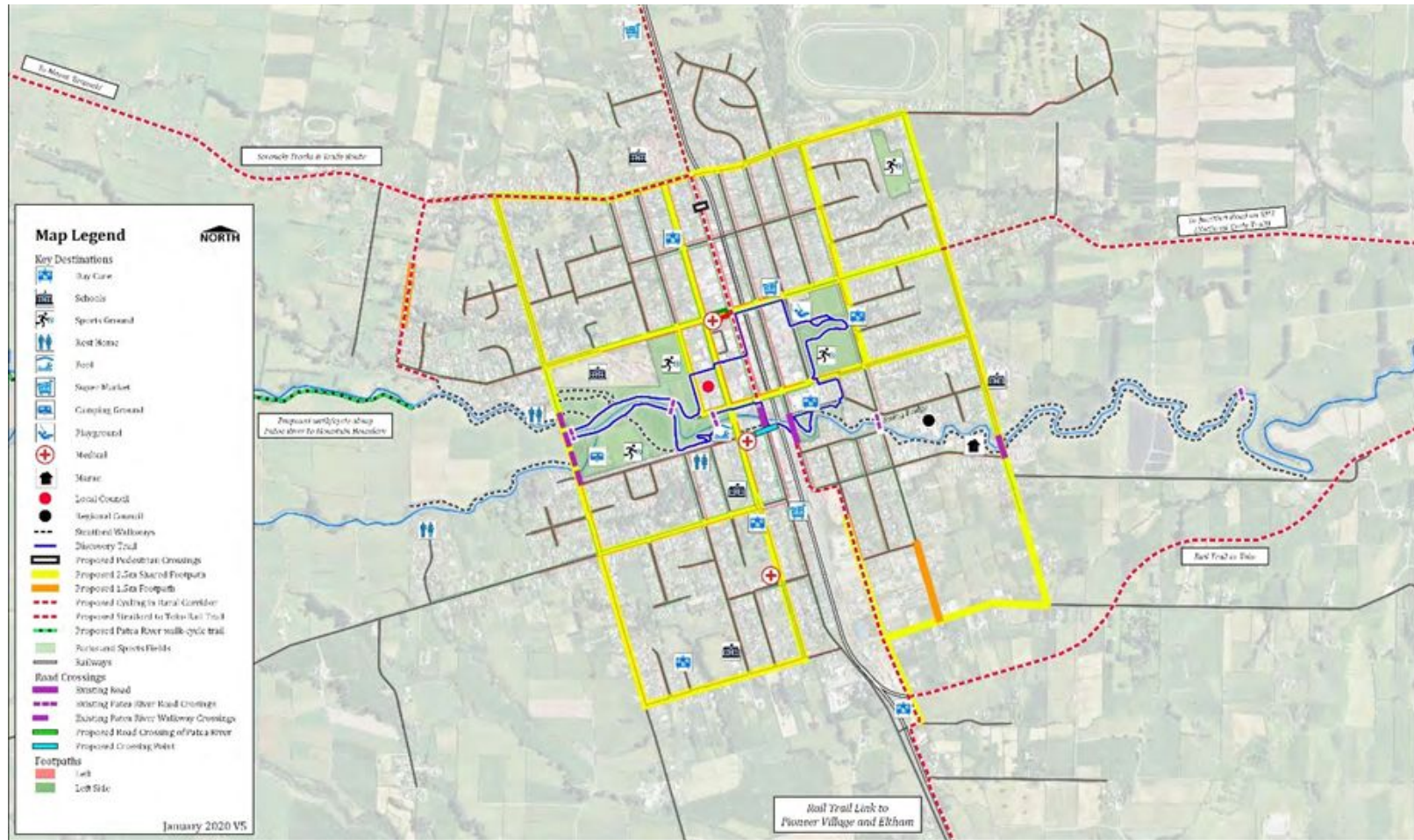
Figure 55 - Strategies to Address Footpath Issues

Key Issue	Strategy to Address Issue
Current width of footpaths does not meet best practice.	49.5km of Stratford footpaths are less than 1.5m wide. As footpaths are renewed there is the opportunity to increase the level of service and widen footpaths.
Funding levels have remained at similar levels over the last six years.	Small increase in funding to accelerate the renewal of footpaths.
Footpath inspections	We undertake an annual inspection of our footpaths and report the overall condition to Council. This inspection identifies the number of defects per block. Customer satisfaction surveys provide feedback regarding the condition of our footpaths.

Investing in our footpaths is one of Stratford's core assets to provide a safe corridor for multi-modal transport. Development of our Walking and Cycling Strategy identifies key footpaths throughout Stratford which will form shared use pathways. These key pathways will connect the local amenities, CBD, schools and recreational facilities together.

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Figure 56 - Walking and Cycling Strategy Map – Stratford Town



Lifecycle Management

The results of the 2020 Customer Satisfaction Survey are shown in the table below:

Table 50 - 2020 Customer Satisfaction Survey Footpath Results

Responses Received = 492	
Good, Very Good, Excellent	73.6%
Fair	21.7%
Poor	4.7%

8.8 RENEWAL/REPLACEMENT

8.8.1 PAVEMENT RENEWALS

Pavement renewals include the following activities:

- Sealed road surfacing including chipseal.
- Pavement rehabilitation – sealed and unsealed pavements.
- Unsealed road metaling, including the application of base course material to strengthen the road.

8.8.2 RESEALS

The Treatment Selection Algorithm (TSA) (RAMM) identifies the length of the sealed network which is to be resurfaced based on age and condition of the current surface treatment.

The TSA is a tool to identify an initial list of suitable sites nominated for resealing. Over and above this, nominated sites can be derived from:

- Customer complaints – scabbing, flushing
- Roughness – rating surveys (bi-annual)
- Low skid resistance – SCRIM test results
- Previously sealed sections of road – 1st coat seals on pavement rehabilitation sites
- Overdue reseal sites. Approximately 25% of our sealed network is more than 2 years overdue for another reseal.
- Other sites as identified during routine inspections

At present the average age of our seal is approximately 13 years, which is similar to the average age for the region, rural districts and national trends. In order to address this and to increase the life of our reseals, we are promoting two coat seals where the design suggests is beneficial, along with reducing the quantity of resealing that we undertake.

At present one of our strategic problems is the increasing number of HPMV permit vehicles using defined routes within Stratford. This has led to an accelerated deterioration in the pavement on those routes, thus requiring strengthening or rehabilitating.

Moving forward for the term of this Long Term Plan, the recent technical audit identified an issue with overdue reseals. The concern is, should this continue, we will have further deterioration of our pavements. The auditors have suggested we increase our reseal length. In order to keep rate increases manageable we plan to reseal 30kms per annum. As pressures on other budgets reduce, this length could increase in successive LTP periods.

Chipseals will remain the most predominant resurfacing type used in Stratford District Council, as we have little call for asphaltic surfacing. If we do use asphaltic concrete, these will be specific sites, such as high stress intersections or commercial areas.

8.8.3 SEALED PAVEMENT REHABILITATION

Pavement rehabilitation is carried out when this provides the minimum whole-of-life cost to strengthen a road pavement for a period of 25 years, compared to traditional maintenance activities, including reseals.

Our current philosophy is to identify candidates for pavement rehabilitation that are exhibiting the following defects:

- Excessive wheel trenching/rutting.
- Pavement failures that will require dig outs.
- Surface cracking that allows water to permeate the foundation of the road.
- Evidence of surface straining from the pumping action of base course through the failed road surface.
- Poor ride quality – road roughness.
- General shape of the road surface – undulation, poor ride quality for HCVs.
- Previous maintenance historical costs/expenditure for the section of road to be rehabilitated.

Where possible and at a reasonable cost we review the condition of any culverts with the intention of replacing them as part of the rehabilitation project. Similarly, we take the opportunity to improve the road's geometry, both vertically and horizontally so that we improve the safety of the road corridor.

In some instances we will combine pavement rehabilitation with low cost/low risk improvements to provide localised safety improvements, such as road widening, or horizontal and vertical curve adjustments.

Based on the current knowledge of our network, future pavement rehabilitation projects will focus on defined HPMV routes. These routes are:

- | | | |
|----|-------------------------------|---|
| A. | State Highway 3 | Monmouth Road, Cardiff Road, Opunake Road
- Palmer Road
- Manaia Road |
| B. | State Highway 43 | Beaconsfield Road - State Highway 3 (Midhirst) |
| C. | State Highway 3
(Inframax) | Hills Road - Orlando Street - Warwick Road - Cordelia Street |
| D. | State Highway 3 | Hills Road - Orlando Street (Allied Concrete) |
| E. | State Highway 3
Hogan) | Swansea Road - Cloten Road - Claudius Street (Fulton |
| F. | State Highway 3 | York Road (Vickers Quarry) |
| G. | State Highway 3 | Cheal Road - Skinner Road - State Highway 43 |
| H. | State Highway 3 | Climie Road (entire length) |

8.8.4 UNSEALED ROAD METALING

With an unsealed road length of 207km, assuming an average width of 4.50mtrs, applying a 100mm layer of metal to the roads we aim to complete 24kms of re-metalling each year. This equates to 11,000m³ of metal used.

This activity is part of our routine maintenance and renewal programme, to maintain the shape and integrity of the unsealed road network.

Many of these unsealed roads serve as access roads to forestry blocks. With the recent increase in forestry activity, partly driven by the price of timber, as well as the age profile of the forests, this work category is under increasing demands.

The map below shows graphically the location of exotic pines planted through the district. We have estimated this is a total area in the order of 10,000ha of timber to be harvested during the next five to ten years.

At the present time, we have active forestry harvesting on Junction Road, Mangaoapa Road and Puniwhakau Road. All three of these roads are unsealed.

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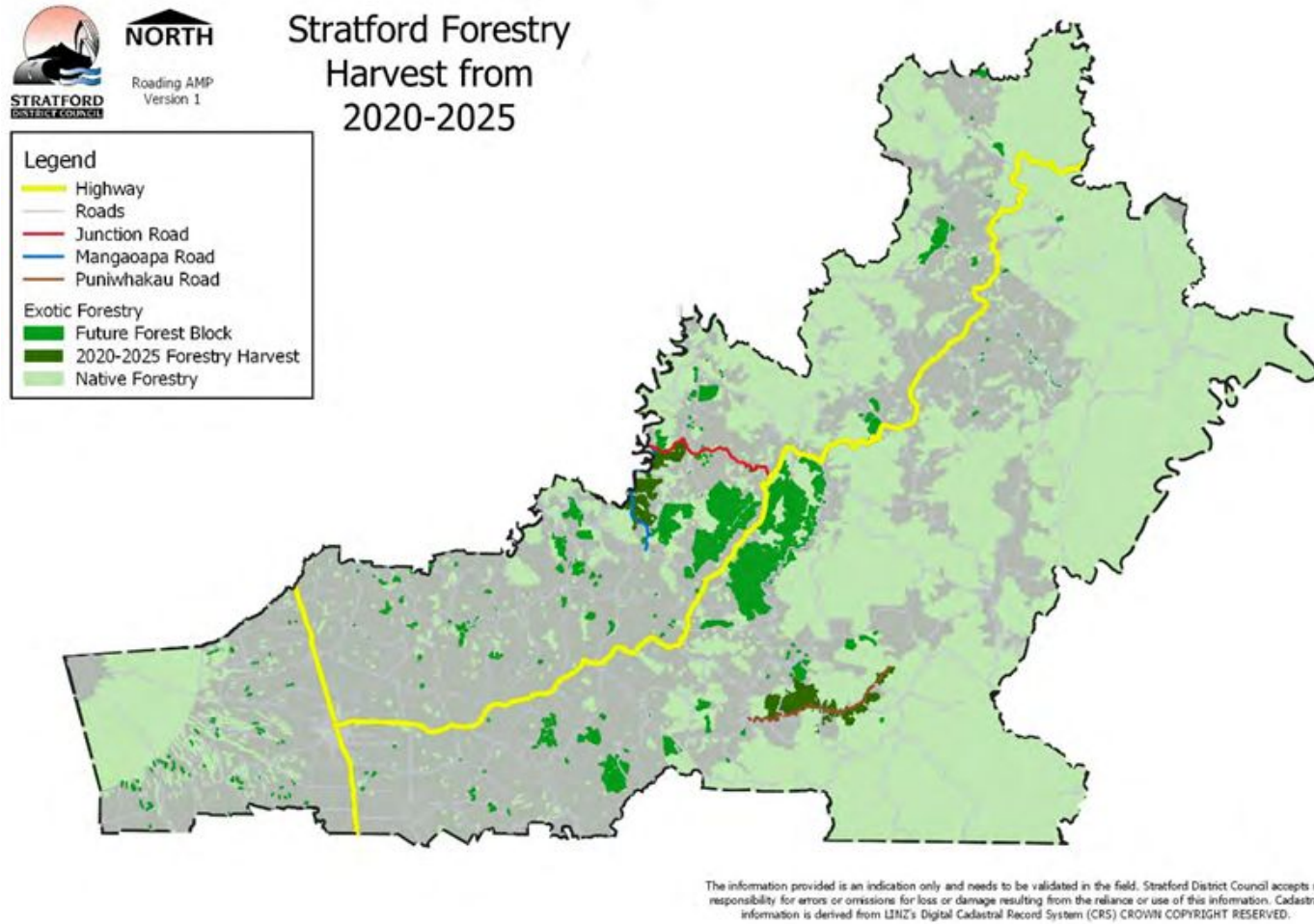


Figure 57 - Map of Roads with Forestry Blocks Being Harvested in the Next 5 Years

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8.8.5 DRAINAGE RENEWALS

This activity allows for the renewal of Stratford District Council drainage structures, such as roadside watertable, deep open drains, kerb and channel and culverts.

With the change in maintenance contractor in 2019, the unit rate for these renewals have changed. The most notable change is the unit rate per kilometre for renewing roadside watertables. This significant increase has resulted in a change of approach undertaken by Stratford District Council. Previously we had identified 200kms of watertable to be cleaned annually. However this has been reduced to 90kms to take into account the level of funding available and other needs on the network.

8.8.6 KERB AND CHANNEL REPLACEMENT

As shown in [Appendix 5](#), we have undertaken a visual inspection of all our urban kerb and channel assets. These have been given a ranking between 1 and 5, with 1 being excellent and 5 very poor. The purpose of this exercise is to develop a five year replacement programme for our maintenance contractor. Based on this assessment we have identified 20kms of kerb and channel in a very poor to average condition.

Based on current funding levels and contract rates, this will take in the order of eight (8) years to replace.

8.8.7 CULVERTS

The Stratford District Council is responsible for the upkeep of 2950 culverts of various sizes, it is our intention to replace 720m of culverts annually. This quantity will vary depending on the size and complexity of the replacement, along with the adherence to resource consent conditions from the Taranaki Regional Council or Horizons Regional Council. This includes the water drives throughout the district. Below is an example of a water drive on Beaconsfield Road.



8.8.8 STRUCTURES

Following the inspection of our “back country” bridges in 2020, we have established a bridge replacement programme for zero to 10 years.

Of the seven bridges nominated, six of them are located in the back county of our network. The bridges nominated for replacement are shown in the table below:

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Table 51 - Bridges nominated for replacement

Bridge Number	Road Name	Date Constructed	Cost of Replacement
0065/0570	Mangaehu Road	1950	\$400,000
0149/0014	Tapuni Road	1915	\$300,000
0139/0012	Mountain Road	1945	\$200,000
0013/0497	Brewer Road *Galvanised Armco Culvert	1985	\$300,000
0064/1764	Upper Mangaehu Road *Galvanised Armco Culvert	1982	\$300,000
0147/1016	Matau North Road	1953	\$200,000
0019/0198	Climie Road *Galvanised Armco Culvert	1975	\$300,000

With regard to replacing components of these bridges, nothing of significance was noted in the inspection reports. The majority of the items noted are general maintenance issues, such as cleaning, replacing rotten timber handrails and painting the end of the bridges for better visibility.

8.8.9 TRAFFIC SERVICES

This activity relates to the replacement of road signs, sight rails and streetlights.

Stratford District Council has completed the conversion of the 70 watt SON streetlights to LEDs. We will not focus on inspecting the streetlight columns to develop a replacement programme, based on the level of funding available.

Road signs and sight rails are replaced as and when noted by the routine inspections of the network.

8.8.10 FOOTPATHS

Footpath renewals are defined as the replacement of continuous sections exceeding 20m in length. Where possible, Stratford methodology is to consider replacing the footpath along an entire block if the condition of the footpath can justify that decision. In many cases this will not be the case, so the minimum length of 20m will apply.

The types of renewal work undertaken to restore footpaths to the required condition are:

- Overlaying with similar material: Careful consideration of threshold levels of private properties is required before this method is used.
- Overlaying the surface with an alternative material such as slurry seal.
- Replacement of the surface by removing it and replacing it with either concrete or asphaltic concrete.

Reconstruction of new footpaths is generally undertaken when:

- It is not practical to overlay the existing surface due to its condition or issues with levels and crossfalls.
- Where the footpath is to be widened.
- Where the footpath is to be re-designed.
- Where different materials are being used.
- Where it is more cost effective to remove a longer length rather than remove small lengths that are a few metres apart.

The required level of renewals will vary depending on:

- The age of the footpath.
- The condition of the footpath.
- Proximity of street trees.
- The cost of on-going maintenance.
- The differing economic lives of various materials used for footpaths.

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- Upgrades undertaken by utility companies, for example ultra fast fibre broadband is currently being installed throughout Stratford. Our renewal programme will follow behind the UFFB installation programme.

8.9 LOW COST LOW RISK IMPROVEMENTS

As part of our discussions with Councillors for the 2018-2028 Long Term Plan, the Council elected not to fund for new kerb and channel or new footpaths where none previously existed, This decision was taken in order to reduce the impact on household rate increases.

This work category will be used to undertake the following work streams:

- Road Safety Improvements
- Walking and Cycling Initiatives
- Upgrade to the Whangamomona Road

With regard to bridge and retaining wall renewals, these have been included in a new funding work category, 216.

Bridge Strengthening Programme

From the initial desk top undertaken in 2014/15, we have identified 33 bridges that do not meet the requirements of 50Max. In 2016 we replaced one of these structures on Ahuroa Road. The remaining 32 bridges are being assessed for 50Max with an outcome of either:

1. Suitable for 50Max.
2. Unsuitable, therefore "posting" with an acceptable weight restriction.
3. Possible bridge strengthening programme in successive LTP periods, depending on the location of the bridge in question.

At the present time we have not allowed in our forecasting or budget provision for strengthening the bridges which are incapable of meeting the 50Max or HPMV provisions.

Table 52 - Bridges and Estimate Replacement Dates

Bridge Location ID Number	Road Name	Replacement Date
0002/0033	Ahuroa Road	2016
0006/0071	Barclay Road	2042
0010/0915	Bird Road	2040
0447/0004	Mangaehu Road - Buchanan's Access 10,000 kg (Axle); 10 km/hr (Speed limit)	2052
0446/0002	Upper Mangaehu Road - Curtis's Access	2053
0024/0017	Denbigh Road	2048
0149/0014	Tapuni Rd Bridge – Will Hopkirk (not posted but assessed to 30T capacity)	2022
0147/1016	Matau North Rd No. 5 - Jensen's Bridge – 3,000 kg (Axle); 10 km/hr (Speed limit)	2028
0033/0266	Finnerty Road	2069
0154/0005	Upper Mangaehu Road – Ford's Access	2053
0155/0010	Lower Kohuratahi Road – Gower's Access	2037
0048/0002	Jury Road	2052
0056/0026	Kota Road	2062
0133/0203	Lower Kohuratahi Road – Bellringer's Access 1,500 kg (Axle); 10 km/hr (Speed limit)	2033
0146/0011	Matau Road	2045
0153/0017	Mangaehu Road – McBride's Access 4 Tonne (Axle); 10 km/hr (Speed limit)	2034
0134/0375	Mt Damper Road 4,000 kg (Axle); 10 km/hr (Speed limit)	2035
0078/1118	Opunake Road	2060
0078/1566	Opunake Road	2055
0088/0025	Prospect Road - Culvert	2055

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Bridge Location ID Number	Road Name	Replacement Date
0094/0255	Radnor Road	2045
0094/0530	Radnor Road	2045
0096/0618	Raupuha Road	2062
0104/0271	Skinner Road - Culvert	2035
0107/0336	Standish Road	2049
0113/0008	Tahunaroa Road	2035
0118/0274	Toko Road	2060
0118/0468	Toko Road	2060
0120/0014	Tututawa Road	2046
0064/1868	Upper Mangaehu Road - Culvert	2035
0064/2033	Upper Mangaehu Road - Culvert	2040

Upon completion of the assessment of the bridges in table 52 above, any strengthening works will be funded in the future long term plans under work category 216. The analysis for those structures will be funded through work category 151, Network and Asset Management.

The following is the map of the locations of the bridges incapable of meeting the 50max or HPMV provisions.

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Footpaths

Stratford District Council has identified 16km of urban streets where no footpaths exist. Given Councillors decision not to fund new footpaths, this will remain the case for this long term plan period.

Walking and Cycling Strategy

The purpose of the Walking and Cycling Strategy 2020-2050 ('the Strategy') is to provide a framework to increase walking and cycling participation and safety in the Stratford District and to develop walking and (in particular) cycling opportunities for tourism. This 30-year Strategy focuses on walking and cycling to work and school, for recreation and increasing tourism opportunities.

The strategy will provide a framework to guide Stratford District to:

- 1) Develop a safe, convenient, attractive and integrated network for walking and cycling;
- 2) Encourage and support people to choose walking and cycling for an active healthy lifestyle and an improved environment; and
- 3) Ensure that strategies, policies, plans and practices for Stratford include and support walking and cycling.

The social, environmental, economic and health benefits of walking and cycling are well understood, and there is increasing support and investment for the development of walking and cycling infrastructure.

There are two main aspects to the strategy. The first is providing community infrastructure to ensure safe and attractive cycling and walking opportunities as a transport choice in Stratford and the district's smaller towns. The second is an identified desire for the district to take advantage of tourism opportunities, particularly for cycling.

Providing safe and connected community walking and cycling networks will take time and money, and this strategy provides Stratford with priorities for investment over the next 30 years. This district also needs to position itself to take advantage of existing opportunities and partnerships and create new opportunities as they arise, to maximise the benefits from the investment in the strategy and infrastructure.

Subsequently, an action plan will be developed which provides a framework that can be applied to achieve the objectives as set out in this strategy.

This Strategy links to numerous strategies and plans, such as:

- The Roading Activity Management Plan (3 year cycles) – This signals to NZTA the potential funding requirement from the Agency to develop the infrastructure and associated educational programmes.
- The Long Term Plan (10 year cycles) – This is the District Council's plan for the following 10 year period. This plan is Council's vision for the next 10 year period, which covers subjects such as; the services Council provides, proposed rate increases, budgets for each service, any projects, maintenance and renewals of council's assets along with revenue generation.
- Infrastructure Strategy – A look into the future (30 years) for all planned capital works and associated costs. The information in the Strategy will be drawn into the Council's Long Term Plan for the purposes of funding the projects within the Strategy.
- Regional Land Transport Plan (5 year cycle) – This reflects the maintenance and renewals programmes from the three territorial authorities Activity Management Plans, as well as the State Highway programme for the period. This plan also incorporates any strategic projects which are important to the region, for example Awakino Tunnel Bypass, Mt Messenger Bypass and State Highway safety projects.
- National Land Transport Plan (10 year plan) – This is the Government's land transport plan for the country, which collates all of the regional authorities plans.

In summary the table below outlines the estimated cost of the project over the next thirty years:

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Table 53 - Indicative Costs over 30 years for Walking and Cycling Strategy

Activity	Year 0-10 Costs	Year 11 – 20 Costs	Year 21 – 30 Costs
Safe Walking and Cycling Networks	\$2,000,000	\$1,000,000	\$800,000
Provision of storage facilities	\$50,000	\$50,000	\$50,000
Providing initiatives to encourage walking and cycling	\$750,000	\$500,000	\$500,000
New or improved crossings to Patea River and State Highways	\$300,000	\$150,000	\$150,000
TOTALS	\$3,100,000	\$1,700,000	\$1,500,000

The table above indicates a high level of investment for the first 10 year period. The reason for that is this is a new strategy for Stratford District, therefore in order to achieve the desired result of a significant update in walking and cycling, the Council has to show leadership to promote this alternative mode of transport.

This strategy will meet one of the Government's strategic goals in the draft Government Policy Statement for Land Transport 2021/31 namely Better Travel Options and Climate Change.

Upgrade of Whangamomona Road

The Whangamomona Road from RP1.90 to RP 18.35 has been maintained over the last 20 years by WRAG, since the Council ceased maintenance over 77 years ago. Legal advice received is that, given that it is a public road that was once maintained by the Whangamomona County Council up to 1942, the Council retains legal obligation and must take responsibility for the future of this unmaintained section of Whangamomona Road.

With the Republic of Whangamomona attracting a unique tourist opportunity for overseas visitors, the "Whanga" Road is an important link to Aotuhia Station and the Bridge to Somewhere. This complements the "Realising the Republic" and "Stratford 2035 Making it Real" projects.

Prior to 1942 the "Whanga Road" was maintained by the then Whangamomona County Council from State Highway 43 (adjacent to the Whangamomona Hotel) to the sheep station at Aotuhia covering a distance of 18.35 km. The reason why 1942 is so significant in the history of Whanga Road, is that this was the year when a major storm occurred in this part of Eastern Taranaki. As a result there was significant damage to the road from the resulting flood waters. The Government closed the road at the time, as the Government considered the cost of repairs were too high. The flood waters were so high, a tree trunk carried by the flood waters, became lodged in the superstructure, just under the deck, of the Bridge to Somewhere.

It was not until 1980 that the Government gave permission for the Upper Mangaehu Road to be extended to provide an alternative access to the Aotuhia sheep station. The extension of this road was subsequently undertaken by the Stratford District Council.

As an alternative route to Aotuhia had been approved and constructed, the Stratford District Council stopped maintaining the Whanga Road from a point 1.90km south of State Highway 43 to the Aotuhia sheep station, or a distance of nearly 16.5km.

Concerned about the lack of maintenance and the fact that the road would fall into disrepair, in 2001 a local group of enthusiasts wanted to keep the Whanga Road open for public access. This resulted in an Incorporated Society being formed, called the Whangamomona Road Action Group or WRAG for short.

In February 2019, WRAG were invited to a Council workshop on the subject of the Whanga Road, to explain their origins, what WRAG believed in and their purpose and to seek the support from the Stratford District Council to continue with the maintenance of this public road. During this workshop WRAG put forward several points that related to the importance of the road. These were:

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- WRAG cannot obtain grants from TSB or TET for maintenance activities.
- There is approximately \$2000 collected in the donations box annually at the Whangamomona Hotel.
- There have not been any serious or major H&S incidents on the road in the last 20 years since their inception.
- Lots of cycling and walking groups use the road.
- The road is nationally recognised as a 4x4 track/trail.
- Provides access for bee keepers and local farmers.
- Provides access to a Department of Conservation reserve which covers approximately 9.50km or just over 50% of the total length of the road.
- The road is unofficially closed through the winter months and it is not used by the recognised 4x4 club members.

Optioneering

At a further workshop in March 2019, Council officers discussed the legal obligations of the Stratford District Council with specific bearing on the Whanga Road, along with various other options for elected members to consider. The options discussed at this workshop were:

- Close the road;
- Change the status of the road to an esplanade reserve;
- Do nothing, WRAG continue to maintain, raising funds were they can;
- Take back the maintenance of the road, but at a reduced level of service to retain the character of the road; and
- Take back the maintenance of the road, along with significant financial investment to upgrade the road to an unsealed road standard.

On the 24 September 2019 a report was put before the Policy and Services Committee to decide the future of the Whangamomona Road. The options considered in the report covered:

- Do nothing, WRAG continue to maintain the road;
- SDC imitates a Road Stopping process;
- SDC takes over the maintenance of the road;
- SDC creates a Bylaw specific to the Whanga Rd that restricts use and times the road is open for use.

The purpose of the discussion, early in the LTP time frame is to ask elected members for direction regarding what options they would like to see further investigated. The scope and scale is as follows.

At this stage, 3 Options have been considered. Further discussion may highlight other intermediate options for consideration. Option one, whilst it is an option, this is not recommended as SDC has a legal obligation to maintain the Whangamomona Road.

Of the four options listed above, Council recommended the creation of the Bylaw to take effect from 1 July 2021.

Table 54 - Options for Upgrade of Whangamomona Road

	Option	Description	Capital Cost (\$)
1	Option 1	Do Nothing. This not a recommended option.	0
2	Option 2	Upgrade the Whangamomona Road by improving drainage, pavement, removing soft spots and repairing structures.	\$500,000 over the next 3- 5 years
3	Option 3	As option 2 above but over a longer time period.	\$500,000 over the next 10 years.

Note: Discussions with the Planning and Investment team at NZTA in September 2018 clearly indicated the requirement for NZTA to co-invest in any potential improvements required the following:

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- *The economic wealth generated through tourism, farming, recreational activities that make use of the road, should be greater than the cost to improve the road;*
- *Annual maintenance costs can be charged to existing maintenance work categories;*
- *It would be preferable if the improvements were undertaken in one year rather than over several years;*
- *If the improvement costs are less than \$1,000,000 the improvements can be assigned to the Low Cost Low Risk Improvements work category, thereby negating any the need for a Business Case and national moderation;*
- *The above dollars are total amounts, therefore this would be co-funded by NZTA by 61% or \$305,000.*

Current Issues

Current issues include the following:

- This road is a tourist attraction in its own right.
- Nationally recognised as an off road 4x4 route by registered 4x4 clubs.
- Good walking and mountain bike route.
- Used locally by farmers and bee keepers.
- Provides access to Department of Conservation land.
- There are five bridges and two tunnels located on the road. Some of the structures do require some extensive maintenance.
- Walter Pease has recently undertaken some maintenance on the road. This was funded by WRAG, the National 4x4 club and the Toko 4x4 club.
- SDC preference is for a local contractor to undertake the upgrade works as well as the annual maintenance due to his knowledge of the road, topography and passion for the Republic.
- Review the bridge carrying capacity for two bridges (Arnold and Miro Streams) to strengthen them. They are currently posted to a limit of 5 tonne gross. This will restrict routine maintenance operations.
- Backlog of routine maintenance work required on the road and bridges, which can be addressed as part of the upgrade project.

Future Improvement and Maintenance Requirements

As this road has been un-maintained by the Council since the 1940's, it would be prudent to have an assessment of the structures located on the Whanga Rd.

In 2017 SDC commissioned Redjacket Consultants to undertake an Engineering Assessment of the Whanga Road. The Stratford District Council identified the potential growth in the use of the Whanga Rd through tourism, 4x4 clubs, tramping, mountain bike clubs and for general recreational purposes. This report identified numerous improvements that would be necessary to upgrade the road in order for it to be used for light vehicles. Within the body of the report, a schedule of quantities listed earthworks, drainage improvements, and pavement construction, along with an engineer's estimate of \$1,361,500. Over and above this estimate was a further \$170,000 to repair the structures along the road, making a total cost of \$1,531,000.

In September 2018 a council officer was invited to attend the Whanga Road Action Group AGM. At this meeting there was a discussion concerning the costs to upgrade the road. The sum above was mentioned at the surprise to the members of WRAG and also the some of the residents of Whangamomona that attended the meeting. In their view, this cost was un-necessary, in their view costs in the order of \$500,000 would be more appropriate.

Once the initial investment of \$500,000 has been completed over the term of this LTP, we are suggesting an annual maintenance cost of \$40,000 - \$50,000 to be included in our routine roading maintenance budgets that are co-funded by NZTA at 61%. SDC share of this would be in the order of \$15,600 - \$19,500 as a maximum amount.

Should any saving be made on the maintenance of the Whanga Rd, these savings can be re-invested in the remainder of the roading network of the Stratford district.

Lifecycle Management

Future Proofing

This is an opportunity to plan for the future and assess which of these options can deliver on wider benefits to the District while achieving the community outcomes in the LTP. Wider benefits include:

- Regional benefit;
- Higher level of service to the community;
- Stimulus for growth;
- Attracts Stratford as a destination, either to live, work and play
- Increase in tourism to the Whangamomona area of the district.

Recommendation

With council's Stratford 2035 project and "Realising the Republic" in order to grow the tourism industry locally, I would recommend the Council approves option 2. With the knowledge that SH43 will be sealed as result of Government funding, there is likely to be a significant increase in the number of tourists, which will visit the district travelling SH43 through the Tangarakau Gorge. With this increase, it is reasonable to presume, a fair percentage will stop off at Whangamomona for a rest break, or stay overnight in the Hotel/local Airbnb's and visit the Whangamomona Road. To seize on this opportunity to upgrade the road, providing a "story" along the old Whangamomona Road would embellish the visitor's experience of the Republic.

When considering the comments from the Planning and Investment advisor from NZTA, the preference is to undertake the improvement works in one financial year.

SDC can contact local tour operators, farmers and bee keepers to determine the potential economic wealth that is generated by using the Whanga Rd. When a council officer undertook this exercise in September 2018, following the WRAG AGM, there was the potential for \$500,000 per annum to be generated.

On-going maintenance costs would be capped and incorporated into proposed new maintenance budgets for 2021-2031 and beyond.

8.10 DISPOSALS

Assets may need to be disposed of for a number of reasons, particularly if they fall under some criteria, including those identified below:

- Underutilisation;
- Obsolescence;
- Cost Inefficiency;
- Policy change;
- Provision exceeds required Levels of Service;
- Service provided by other means (e.g. private sector involvement); and
- Potential risk of ownership (financial, environmental, legal, social).

As part of the lifecycle asset management process, Council considers the costs of asset disposal in the long-term financial forecasts. These costs are generally incorporated in the capital cost of Level of Service increases or asset renewals.

While there are assets that fit under one or more of the above criteria, the Local Government Act provides clear instances when assets can be disposed of. At this time, the Stratford District Council has no plans to dispose of any Roading assets other than those that become obsolete as a result of renewal or upgrading works.

9.0

Investment Funding Strategy

Investment Funding Strategy

9.0: Investment Funding Strategy

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Investment Funding Strategy

9.1 OVERVIEW

Our Investment Funding Strategy (IFS) incorporates our *Funding Impact Statement* and sets out how the Stratford District Council plans to finance its overall operations to meet its objectives now and in the future. A key objective of the strategy is the future-proofing of delivery of the Rooding Activities.

This IFS provides the long term financial forecasting for all Rooding Activities and projects described in this RAMP. The IFS presents the funding sources determined for each of these to ensure a sustainable long-term approach to planning and asset management.

This section presents the Council's Investment Strategy for the Rooding Activity for the next ten years and the financial standards and policies used in developing the strategy.

9.2 FINANCIAL STANDARDS

All prospective Financial Statements (financial statements) within this plan comply with the requirements of FRS 42 issued by the New Zealand Accounting Standards Board of the External Reporting Board (XRB), and the New Zealand equivalent of International Reporting Standard for Public Benefit Entities (NZ IFRS PEB), with Council designating itself as a Tier 2 public benefit entity for the purposes of compliance with these standards.

9.3 FUNDING AND FINANCIAL POLICIES

The Local Government Act in Section 102 requires that the Stratford District Council *'must, in order to provide predictability and certainty about sources and levels of funding, adopt the funding and financial policies listed'* below:

- A *Revenue and Financing Policy*; and
- A *Liability Management Policy*; and
- An *Investment Policy*; and
- A policy on *Development Contributions (CD) or Financial Contributions (FC)*; and
- A policy on the *Remission and Postponement of Rates on Maori freehold land*.

The Council may also adopt either or both the *Rates Remission Policy* and a *Rates Postponement Policy*.

The Council has adopted all the relevant funding and financial policies described below. These policies guide the funding and financial decisions relating to the management of the Council's Rooding Assets.

9.3.1 REVENUE AND FINANCING POLICY

The *Revenue and Financing Policy* sets out Stratford District Council's policies in respect of the funding for capital and operating expenditure. The current policy was reviewed 2015/16 and is due for its next review in 2018, prior to the adoption of the Long Term Plan 2021-2031. The funding sources are detailed in the LTP 2021-2031 and include general and targeted rates, borrowing, grants and subsidies, etc.

9.3.2 TREASURY MANAGEMENT POLICY

The Council's Treasury Management Policy incorporates the *Liability Management Policy* and the *Investment Policy* requirements of the LGA. It guides the Council to prudently manage its revenue, expenditure, assets, liabilities, reserves and investments, in the interest of the Council and district ratepayers.

Investment Funding Strategy

9.3.3 DEVELOPMENT AND FINANCIAL POLICY

The Council's *Development and Financial Contribution Policy* is consistent with the purpose as set out in Section 106 of the LGA. The Council does not require *Development Contributions*, however, the *Financial Contributions Policy* meet the requirement as set out in Section 108 (9) of the *Resource Management Act* (RMA) 1991.

9.4 FUNDING OUR INVESTMENT STRATEGY

Capital projects and activities carried out on the land transport network, including Renewal or Replacement projects and Level of Service Improvements for the next 10 years will be funded as per the Revenue and Financing Policy, through one or a combination of the following sources:

- Loans;
- Reserves; and/or
- Subsidies/ Grants by other Partners.

Given the present funding regime, the Council anticipates that the Rooding Activity projects will continue to be 100 % funded through NZTA Subsidies and Reserves. Presently, the NZTA *Financial Assistance Rate (FAR)* is 57%. NZTA has indicated that our FAR will increase to 61% for the next three year period. The remaining 39% is funded by the Council through rates and other revenue streams such as fees and charges. The only exception to the base FAR rate is the '*Special Purpose Roads*' maintenance and renewal which is currently 100% NZTA funded. A review of this level of funding is likely to occur during the course of this LTP 2021-2031 period. The likelihood is that this funding will remain at 100% for 2021-24 LTP. Thereafter it is likely to reduce to 61%

For *Emergency Reinstatement* (Work Category 141) the *Business as Usual (BAU)* level of funding is at our base FAR rate of 61%. However, should a significant storm event occur, the Council may apply for an increase in financial assistance depending on the severity of the damage. An example is the storm event of June 2015 when \$5.2m of damage occurred. In this instance NZTA approved a 20% increase in our FAR for the 2015/16 financial year raising the co-investment to 75% for that event.

Stratford District Council is very pro-active in seeking alternate funding sources when government funding is not applicable. Where appropriate, the Council submits funding requests to the *TSB Community Trust (TSB)* and the *Taranaki Electricity Trust (TET)*. The Council also applies to the *Ministry of Business, Innovation and Employment (MBIE)* for tourism grants and initiatives. While the cost of capital projects driven by growth and led by a private Developer will be borne by the Developer, any Council-led projects in support of growth will be cost neutral and funded through Loans.

A summary of Council's Investment Funding Strategy is shown in Figures 59 - 67. Tables 55 - 58 provide the financial projections for the Rooding activity.

9.5 RELIABILITY OF OUR INVESTMENT STRATEGY

The Council provides an assessment of the reliability of its Investment Strategy below – overall, the forecast is considered a reliable estimate of the financial investment in the Rooding Activity:

- NZTA has confirmed the short-term funding at a FAR of 61% for the 2021- 2024 year. This is a reliable funding source;
- The Council's remaining funding source of 39% is largely from rates. Rates will be confirmed for the 2021-2024 period via the appropriate processes for inclusion in the LTP 2021-2031. Once adopted, the rates in the LTP 2021-2031 will constitute a reliable funding source for the delivery of Rooding services;
- The short-term budget for Years 1-3 (2021 – 2024) are as approved by NZTA; funding forecast for Years 4 – 10 (2025 – 2031) has been escalated using the BERL inflation rates; and
- The Council does not rely on *Fees and Charges* or *Development Contributions* to deliver Rooding services. Any new demand for new assets to be vested in Council or services will generally be funded by the direct beneficiary of the assets/service.

Investment Funding Strategy

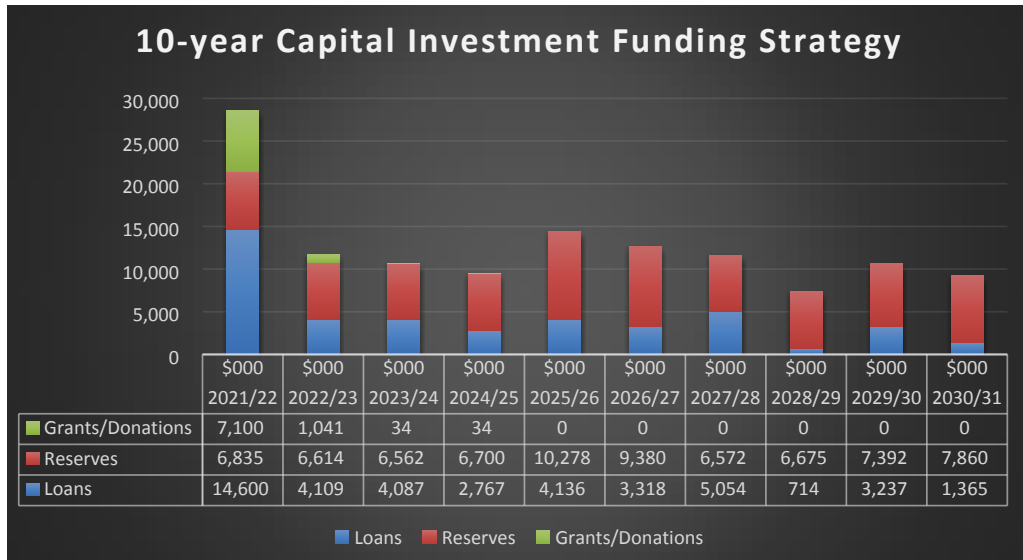


Figure 59 - All Assets Capital Investment Funding Strategy

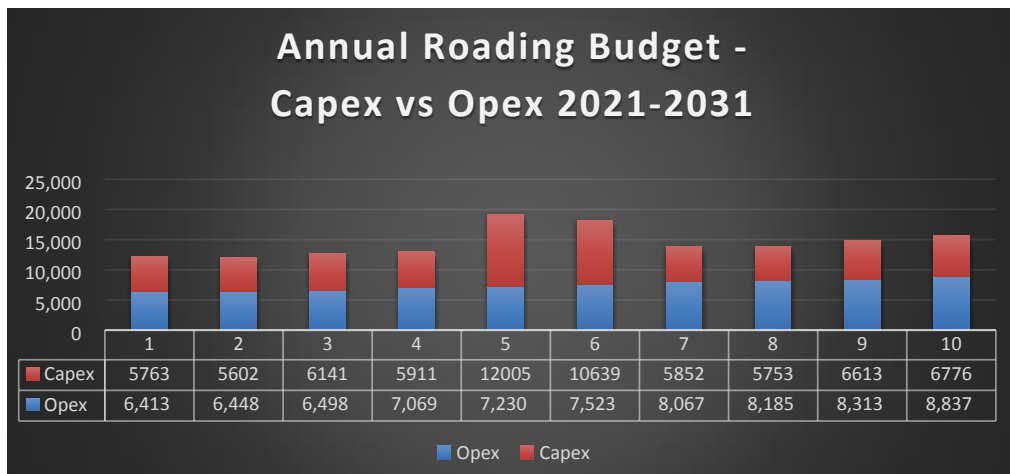


Figure 60 – Annual Rooding Budget – Capital vs Operating Expenditure

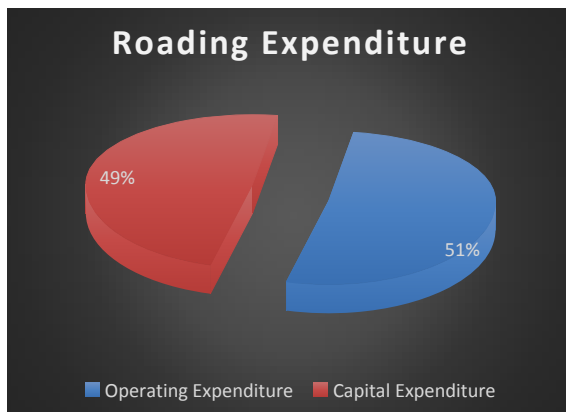


Figure 61- Total Expenditure - Capital vs Operating

Investment Funding Strategy

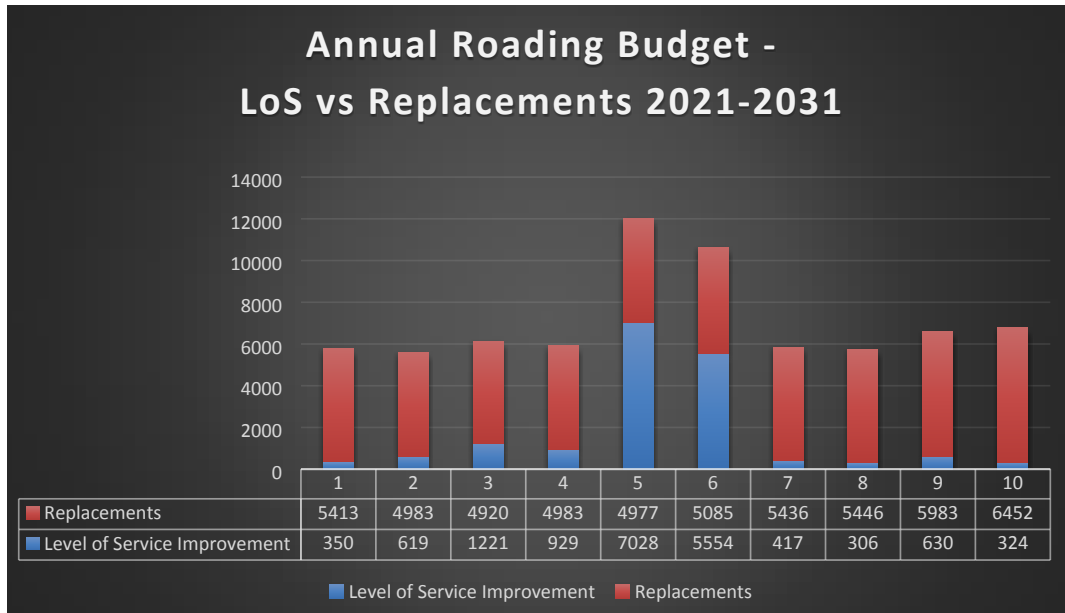


Figure 62: Annual Roothing Budget - LoS vs Replacements 2021-2031

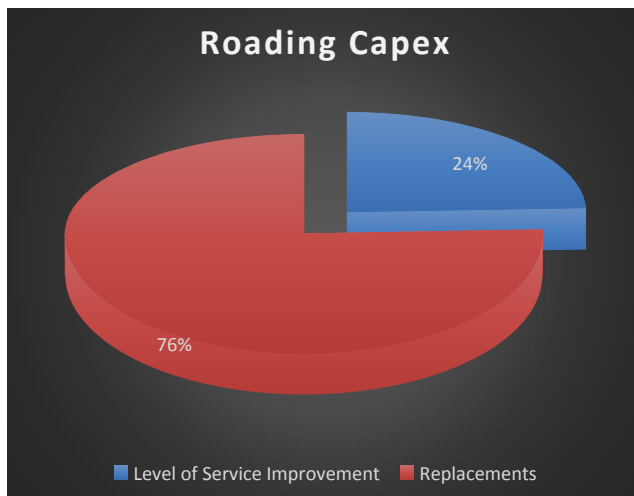


Figure 63: Capital Expenditure - LoS vs Replacement

Investment Funding Strategy

9.6 FINANCIAL STATEMENTS AND PROJECTIONS

Table 55 - Council Level of Service versus Replacement Funding

	Forecast	Projection								
	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Roading										
Level of Service Improvement	350	619	1,221	929	7,028	5,554	417	306	630	324
Replacements	5,413	4,983	4,920	4,983	4,977	5,085	5,436	5,446	5,983	6,452
Stormwater										
Level of Service Improvement	252	292	533	275	283	291	300	310	321	331
Replacements	53	55	56	167	59	61	63	65	67	122
Water Supply										
Level of Service Improvement	1,780	1,904	369	673	390	401	4,289	37	38	0
Replacements	695	812	510	414	443	496	452	486	502	498
Solid Waste										
Level of Service Improvement	0	0	0	0	0	0	0	0	0	0
Replacements	0	10	0	11	0	11	0	12	14	12
Wastewater (Sewerage)										
Level of Service Improvement	800	362	380	273	281	288	238	184	178	839
Replacements	213	252	258	200	228	211	218	262	271	305
Parks & Reserves										
Level of Service Improvement	97	110	99	69	0	0	0	0	0	0
Replacements	47	0	0	0	0	0	0	0	0	0
Property										
Meet Additional Demand	1,200	1,025	1,049	0	0	0	0	0	0	0
Level of Service Improvement	17,335	1,112	609	607	442	171	64	63	2,454	68
Replacements	114	6	59	114	7	7	7	7	17	8
Administration										
Replacements	186	222	621	788	276	121	142	210	153	266
TOTAL PROJECTS (excl GST)	28,535	11,764	10,683	9,501	14,414	12,698	11,626	7,389	10,629	9,225
FUNDING										
Loans	14,600	4,109	4,087	2,767	4,136	3,318	5,054	714	3,237	1,365
Section sales	0	0	0	0	0	0	0	0	0	0
Cash from Investments	0	0	0	0	0	0	0	0	0	0
Reserves	6,835	6,614	6,562	6,700	10,278	9,380	6,572	6,675	7,392	7,860
Grants/Donations	7,100	1,041	34	34	0	0	0	0	0	0
Rates	0	0	0	0	0	0	0	0	0	0
NZTA Financial Assistance	0	0	0	0	0	0	0	0	0	0
TOTAL (excl GST)	28,535	11,764	10,682	9,501	14,414	12,698	11,626	7,389	10,629	9,225

Investment Funding Strategy

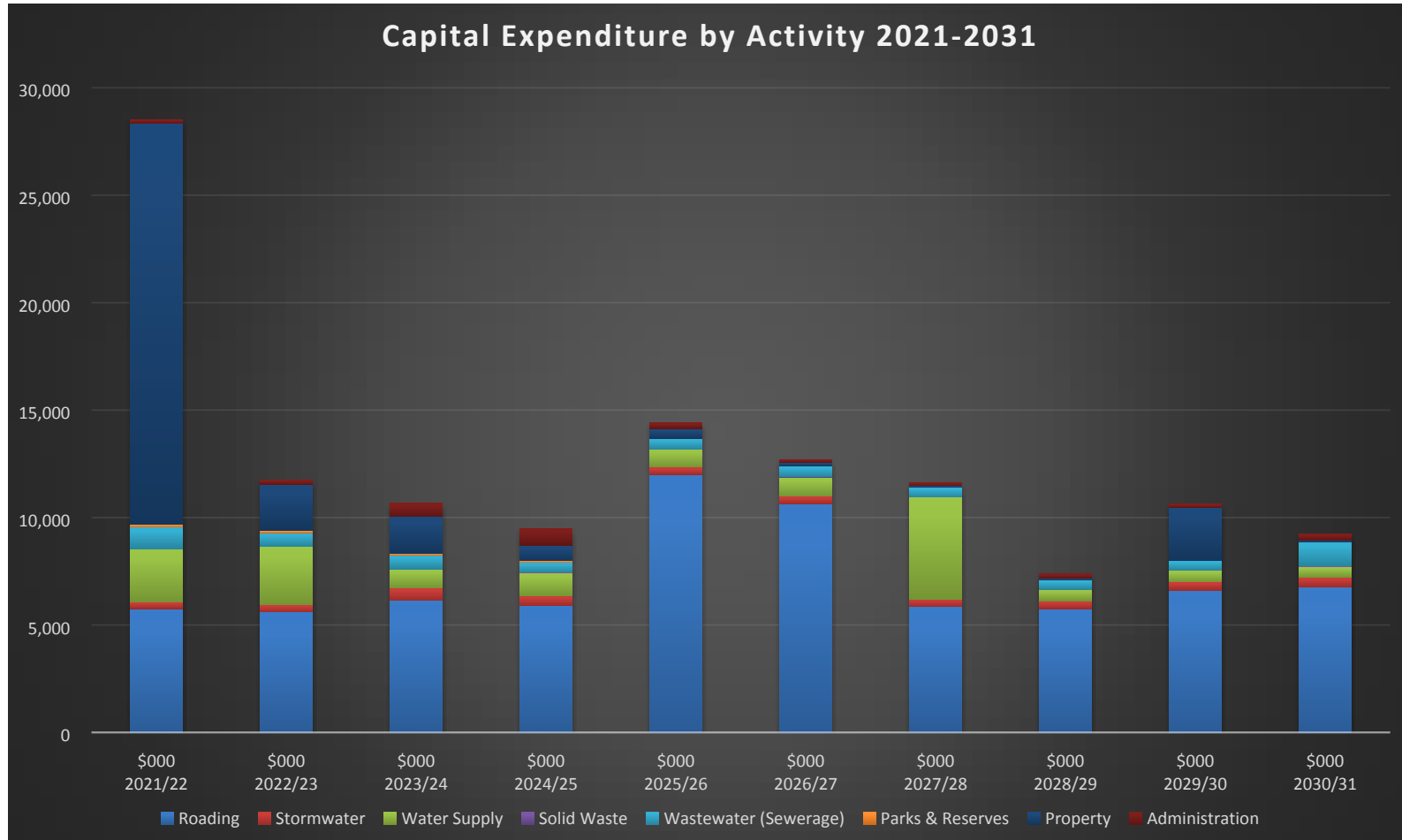


Figure 64 - Capital Expenditure by Activity - All Assets

Investment Funding Strategy

Table 56: Roading Expenditure and Funding Projection

Budget 2020/21 \$000	ROADING	Forecast 2021/22 \$000	Projection									
			2022/23 \$000	2023/24 \$000	2024/25 \$000	2025/26 \$000	2026/27 \$000	2027/28 \$000	2028/29 \$000	2029/30 \$000	2030/31 \$000	
6,324	Operating Expenditure	6,413	6,448	6,498	7,069	7,230	7,523	8,067	8,185	8,313	8,837	
3,830	Revenue	5,689	5,601	5,943	5,974	9,756	8,990	6,144	6,153	6,754	6,921	
2,494	Net Cost of Service	725	846	555	1,095	(2,526)	(1,468)	1,923	2,032	1,559	1,916	
EXPENDITURE												
3,368	Operating Costs	3,350	3,370	3,392	3,660	3,765	3,871	3,983	4,095	4,211	4,330	
0	Interest	2	6	13	25	63	122	175	172	171	170	
2,805	Depreciation	2,885	2,891	2,901	3,191	3,206	3,323	3,704	3,708	3,711	4,117	
152	Allocated Overheads	176	181	191	193	196	207	205	210	219	220	
6,324	Total Operating Expenditure	6,413	6,448	6,498	7,069	7,230	7,523	8,067	8,185	8,313	8,837	
0	Principal Loan Repayments	3	10	24	40	100	195	233	230	228	226	
3,107	Capital Expenditure	5,763	5,602	6,141	5,911	12,005	10,639	5,852	5,753	6,613	6,776	
9,431	Total Expenditure	12,179	12,060	12,663	13,020	19,335	18,356	14,153	14,168	15,154	15,840	
FUNDED BY:												
169	Charges for Services	243	248	253	258	264	269	275	280	286	293	
3,661	NZTA Financial Assistance	5,446	5,353	5,690	5,716	9,492	8,721	5,869	5,873	6,467	6,629	
3,830	Revenue	5,689	5,601	5,943	5,974	9,756	8,990	6,144	6,153	6,754	6,921	
2,992	Targeted Rates	3,203	3,026	3,344	3,493	3,859	4,347	4,753	4,831	5,120	5,127	
0	UAGC	0	0	0	0	0	0	0	0	0	0	
0	General Rates	0	(0)	0	0	0	0	0	0	0	0	
1,482	Depreciation funded from Reserves	1,611	1,615	1,621	1,784	1,793	1,865	2,081	2,084	2,086	2,314	
1,278	Transfer from Reserves - Capital	2,088	1,928	1,917	1,954	2,012	2,147	2,317	2,318	2,521	2,708	
(153)	Transfer (to) from Reserves	(558)	(361)	(648)	(558)	(835)	(1,167)	(1,316)	(1,346)	(1,581)	(1,364)	
0	Loan Funding - Capital	137	241	476	362	2,741	2,166	163	119	246	126	
0	Grants/Donations - Capital	0	0	0	0	0	0	0	0	0	0	
2	Other Funding	9	9	9	10	9	9	10	9	8	7	
9,431	Total Funding	12,179	12,060	12,663	13,020	19,335	18,356	14,153	14,168	15,154	15,840	

Investment Funding Strategy

Table 57 – Work Category Summary – Local Roads

Work Category Summary													
Activity Class	Expenditure Reporting Lines	Work Category	Description	Status	Last Review	2021/22	2022/23	2023/24	Three-year Total Cost (\$)	Three-year NLTF Cost (\$)	Total Cost Previous NLTP (\$)		
Local road maintenance	Maintain	111	Sealed pavement maintenance	Draft		380,000	380,000	380,000	1,140,000	0	1,994,370		
		112	Unsealed pavement maintenance	Draft		250,000	250,000	250,000	750,000	0	568,911		
		113	Routine drainage maintenance	Draft		370,000	370,000	370,000	1,110,000	0	733,360		
		114	Structures maintenance	Draft		210,000	210,000	210,000	630,000	0	331,065		
		124	Cycle path maintenance	Draft		0	0	0	0	0	0		
		125	Footpath maintenance	Draft		60,000	60,000	60,000	180,000	0	630,494		
		140	Minor events	Draft		354,000	354,000	354,000	1,062,000	0	920,133		
		Sub-total Maintain						1,624,000	1,624,000	1,624,000	4,872,000	0	5,178,333
		Local road maintenance	Operate	121	Environmental maintenance	Draft		185,000	185,000	185,000	555,000	0	681,435
				122	Network service maintenance	Draft		210,000	210,000	210,000	630,000	0	724,766
123	Network operations			Draft		0	0	0	0	0	0		
Rail level crossing warning devices													
131	maintenance			Draft		28,400	28,400	28,400	85,200	0	48,236		
Sub-total Operate						897,900	897,900	897,900	2,693,700	0	2,947,862		
Local road maintenance	Renew	211	Unsealed road metalling	Draft		840,000	840,000	840,000	2,520,000	0	1,741,606		
		212	Sealed road resurfacing	Draft		1,100,000	1,100,000	1,100,000	3,300,000	0	2,329,656		
		213	Drainage renewals	Draft		700,000	700,000	700,000	2,100,000	0	1,156,377		
		214	Sealed road pavement rehabilitation	Draft		750,000	750,000	750,000	2,250,000	0	2,230,840		
		215	Structures component replacements	Draft		415,000	195,000	165,000	775,000	0	494,991		
		216	Bridge and structures renewals	Draft		420,000	452,000	410,000	1,282,000	0			
		221	Environmental renewals	Draft		0	0	0	0	0	0		
		222	Traffic services renewals	Draft		113,000	113,000	113,000	339,000	0	221,395		
		224	Cycle path renewal	Draft		0	0	0	0	0	0		
		225	Footpath renewal	Draft		170,000	170,000	170,000	510,000	0			
Sub-total Renew						4,508,000	4,320,000	4,248,000	13,076,000	0	8,174,865		
Total Local road maintenance						7,029,900	6,841,900	6,769,900	20,641,700	0	16,301,060		
Road to Zero	Road safety promotion	Safety promotion, education and		Draft		0	0	0	0	0			
	Total Road to Zero	432 advertising				0	0	0	0	0	0		

Investment Funding Strategy

Table 58 - Work Category Summary - SPR

Work Category Summary												
Activity Class	Expenditure Reporting Lines	Work Category	Description	Status	Last Review	2021/22	2022/23	2023/24	Three-year Total Cost (\$)	Three-year NLTF Cost (\$)	Total Cost Previous NLTP (\$)	
Local road maintenance	Maintain	111	Sealed pavement maintenance	Draft		19,000	19,000	19,000	57,000	0	82,788	
		112	Unsealed pavement maintenance	Draft		6,000	6,000	6,000	18,000	0	10,400	
		113	Routine drainage maintenance	Draft		6,000	6,000	6,000	18,000	0	72,768	
		114	Structures maintenance	Draft		0	0	0	0	0	0	
		124	Cycle path maintenance	Draft		0	0	0	0	0	0	
		125	Footpath maintenance	Draft		2,000	2,000	2,000	6,000	0	0	
		140	Minor events	Draft		30,000	30,000	30,000	90,000	0	45,454	
		Sub-total Maintain						63,000	63,000	63,000	189,000	0
Local road maintenance	Operate	121	Environmental maintenance	Draft		75,000	75,000	75,000	225,000	0	142,268	
		122	Network service maintenance	Draft		4,000	4,000	4,000	12,000	0	12,742	
		123	Network operations	Draft		0	0	0	0	0	0	
			Rail level crossing warning devices									
		131	maintenance	Draft		0	0	0	0	0	0	
	151	Network and asset management	Draft		10,000	10,000	10,000	30,000	0	19,768		
Sub-total Operate						89,000	89,000	89,000	267,000	0	174,778	
Local road maintenance	Renew	211	Unsealed road metalling	Draft		10,000	10,000	10,000	30,000	0	0	
		212	Sealed road resurfacing	Draft		60,000	60,000	60,000	180,000	0	155,912	
		213	Drainage renewals	Draft		10,000	10,000	10,000	30,000	0	0	
		214	Sealed road pavement rehabilitation	Draft		0	0	0	0	0	0	
		215	Structures component replacements	Draft		0	0	0	0	0	0	
		216	Bridge and structures renewals	Draft		0	0	0	0	0	0	
		221	Environmental renewals	Draft		0	0	0	0	0	0	
		222	Traffic services renewals	Draft		5,000	5,000	5,000	15,000	0	0	
		224	Cycle path renewal	Draft		0	0	0	0	0	0	
		225	Footpath renewal	Draft		0	0	0	0	0	0	
Sub-total Renew						85,000	85,000	85,000	255,000	0	155,912	
Total Local road maintenance						237,000	237,000	237,000	711,000	0	542,100	

Investment Funding Strategy

Figure 65 - Asset Management Plan Outline 2021-2024



Stratford District Council
Activity Management Plan 2021-24

Activity Management Plan outline

Activity Management Plan outline

Outline	
Unique identifier - Activity ID	134532
Programme name	Activity Management Plan 2021-24
Public name	
Your reference	10 Year Forecast 2021-31 Local Roads

AMP Programme Business Case Upload

Upload your draft AMP or equivalent supporting documentation which forms the business case to support the programme. Other supporting documents can be attached in the 'Supporting Documents' section.

Upload the completed and final AMP programme business case

Are you seeking support for this AMP?

Benefits and measures

Benefits and measures

Benefits and measures				
Unique identifier - Activity ID		134532		
Benefit and measure summary				
Transport sector outcome	Benefit cluster	Benefit	Quantitative measure(s)	Qualitative measure(s)
<u>Healthy and safe people</u>	1. Changes in user safety	1.1 Impact on social cost of deaths and serious injuries	ONRC-1.1.3.a Safety - Customer Outcome 1: the number of fatal and serious injuries on the network ONRC-1.1.1.a Safety - Customer Outcome 2: collective risk (fatal and serious injury rate per km) ONRC-1.1.4.a Safety - Customer Outcome 3: personal risk (fatal and serious injury rate by traffic volume) ONRC-1.1.3.b Safety - Technical Output 4: loss of control on wet roads ONRC-1.1.3.c Safety - Technical Output 5: loss of driver control at night ONRC-1.1.3.d Safety - Technical Output 6: intersections ONRC-1.1.3.e Safety - Technical Output 9: vulnerable users	
<u>Inclusive access</u>	11. Changes in liveability of places	11.3 Impact on townscape	10.2.3 Spatial coverage – cycle lanes & paths 10.2.4 Spatial coverage – cycling facilities 2.1.1 Access – perception (walking and cycling)	

10 Year Forecast

10 Year Forecast

10 Year Forecast										
Unique identifier - Activity ID		134532								
Activity Class	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
Subsidised Activities										
Expenditure (by GPS Activity Class)										
Road to Zero	830,000	575,000	575,000	450,000	450,000	450,000	480,000	480,000	480,000	510,000
Public transport services	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0

Investment Funding Strategy

Activity Class	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
Public transport infrastructure										
Walking and cycling improvements	350,000	350,000	400,000	350,000	250,000	300,000	350,000	250,000	250,000	250,000
Local road improvements	0	0	0	0	0	500,000	7,500,000	7,000,000	0	0
Local road maintenance	7,266,900	7,078,900	7,006,900	7,617,000	7,617,000	7,617,000	8,177,500	8,177,500	8,177,500	9,234,500
Investment management (incl. Transport Planning)	0	0	0	0	0	0	0	0	0	0
Coastal shipping	0	0	0	0	0	0	0	0	0	0
Rail network	0	0	0	0	0	0	0	0	0	0
Total expenditure	8,446,900	8,003,900	7,981,900	8,417,000	8,317,000	8,867,000	16,507,500	15,907,500	8,907,500	9,994,500
Revenue for subsidised activities										
- Approved organisation revenue	3,294,291	3,121,521	3,112,941	3,282,630	6,168,630	3,458,130	6,437,925	6,203,925	3,473,925	3,897,855
- NLTF revenue	5,152,609	4,882,379	4,868,959	5,134,370	9,648,370	5,408,870	10,069,575	9,703,575	5,433,575	6,096,645
- Other revenue	0	0	0	0	0	0	0	0	0	0
Total Subsidised revenue	8,446,900	8,003,900	7,981,900	8,417,000	15,817,000	8,867,000	16,507,500	15,907,500	8,907,500	9,994,500
Unsubsidised Activities										
Expenditure										
Unsubsidised operational expenditure	201,500	201,500	201,500	230,000	230,000	230,000	240,000	240,000	240,000	250,000
Unsubsidised capital expenditure	0	0	0	0	0	0	0	0	0	0
Total Unsubsidised expenditure	201,500	201,500	201,500	230,000	230,000	230,000	240,000	240,000	240,000	250,000
Revenue										
- Local Authority revenue	201,500	201,500	201,500	230,000	230,000	230,000	240,000	240,000	240,000	250,000
- Other revenue	0	0	0	0	0	0	0	0	0	0
Total revenue	201,500	201,500	201,500	230,000	230,000	230,000	240,000	240,000	240,000	250,000
Any comments on the above forecasts? In years 6-8 for Local Road Improvements we have included a significant fund for the extension to Brecon Rd which includes the construction of two river bridges and a new road linking the the north western suburbs of Stratford to the south western suburbs.										
NZ Transport Agency comments:										

NZTA assessment of AMP

NZTA assessment of AMP

NZTA assessment of AMP	
Unique Identifier - Activity ID	134532
Upload NZTA AMP assessment template	
Assessment of business case rating for AMP	
Summary of assessment of business case rating for AMP	
Provide any recommended conditions if applicable	

Supporting documents

Supporting documents

Supporting documents	
Unique Identifier - Activity ID	134532

Investment Funding Strategy

Upload your draft AMP or equivalent supporting documentation which forms the business case to support the programme. Other supporting documents can be attached in the 'Supporting Documents' section.	
Upload the completed and final AMP programme business case	
Upload NZTA AMP assessment template	
Long Term Plan extract	
Procurement Strategy Document	

Summary of linked component activities

Linked Component Activities	Phase	Status	Organisation	Start Year	End Year
Maintenance, Operations and Renewals Programme 2021-24	Local Roads	Draft	Stratford District Council	2021/22	2023/24
Maintenance, Operations and Renewals Programme 2021-24	SPR	Draft	Stratford District Council	2021/22	2023/24

Figure 66 - Low Cost Low Risk Workbook LTP 2021-2024 - Local Roads

Row Labels	Sum of 2021/22	Sum of 2022/23	Sum of 2023/24	Sum of Current Total Costs (across three years)
R2Z	\$830,000	\$575,000	\$575,000	\$1,980,000
Walking and Cycling	\$350,000	\$350,000	\$900,000	\$1,600,000
(blank)	\$350,000	\$350,000	\$900,000	\$1,600,000
Grand Total	\$1,180,000	\$925,000	\$1,475,000	\$3,580,000

Figure 67 - Low Cost Low Risk Workbook LTP 2021-2024 SPR

Row Labels	Sum of 2021/22	Sum of 2022/23	Sum of 2023/24	Sum of Current Total Costs (across three years)
R2Z	\$15,000	\$15,000	\$15,000	\$45,000
Grand Total	\$15,000	\$15,000	\$15,000	\$45,000

10.0

Asset Management Practices and Improvement Plan

Asset Management Practices and Improvement Plan

10.0: Asset Management Practices and Improvement Plan

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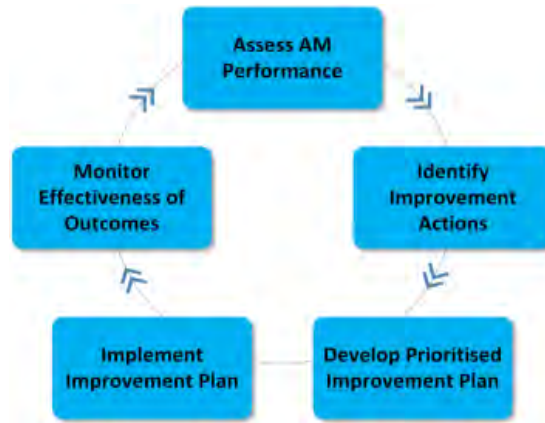
Asset Management Practices and Improvement Plan

10.1 OVERVIEW

Asset management improvement planning is a process. It enables Council to improve the way it manages infrastructure assets and the services they provide.

The Asset Management Practices and Improvement Plan section identifies the maturity of Stratford District Council asset management practices, improvements made since the last Activity Management Plan review and a plan for future asset management improvements resulting from areas for improvement identified in earlier Sections of this plan.

Table 59 - Asset Management Improvement Process



10.2 ASSET MANAGEMENT PRACTICES

10.2.1 ASSET MANAGEMENT POLICY

Stratford District Council developed and adopted its inaugural Asset Management Policy in 2016. The Policy establishes the first level of Council's asset management framework for managing infrastructure assets in a structured, coordinated, and financially sustainable manner. The objectives of this Policy are:

- Provide for a consistent approach to asset management planning within Council and ensure plans reflect the strategic direction of Council.
- Demonstrate to the community that Council recognises the critical importance of managing the District's assets and related activities in an effective and sustainable manner in order to deliver appropriate Levels of Service to current and future generations.
- Confirm a coordinated process for each asset/activity area that links their contribution to the Community Outcomes with specific Levels of Service performance requirements and desired improvement priorities and strategies.

The Council's Asset Management Policy can be viewed on the Stratford District Council website.

10.2.2 ASSET MANAGEMENT GOALS AND OBJECTIVES

Stratford's asset management goals and objectives are guided by the Asset Management Policy to drive best practice. The Asset Management goals and objectives for Stratford District Council are to:

- Provide for good quality infrastructure and local public services that are efficient, effective and appropriate for current and future generations.
- Meet the foreseeable needs of the community.
- Ensure that assets are planned for, created, replaced and disposed of in accordance with Council priorities as determined in the Long Term Plan.
- Ensure all legal delegations are met.
- 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 Activity Management Plans.

Asset Management Practices and Improvement Plan

- Ensure data collection systems are in place to collect, store, maintain and use for prudent management of Council owned assets.

Stratford District Council's overarching principles for sound asset management are:

- Asset management goals and objectives will be aligned with corporate objectives and community outcomes.
- Capital, operation and maintenance, and renewal/replacement works will be aligned with asset management objectives.
- Sustainable and suitable development will be considered in the options for asset development and service delivery.
- Optimal replacement/lifecycle asset management strategies will be developed.
- Asset replacement strategies will be established through the use of optimised lifecycle management and costing principles.
- Funding allocation for the appropriate level of maintenance in order for assets to deliver required Levels of Service.
- Growth and demand forecasting will be integrated as part of all asset management planning to meet current and future needs of the community.
- Ensure the design, construction and maintenance of assets, so far as reasonably practical, are without risk to the health or safety of any person.

10.2.3 ACTIVITY MANAGEMENT PLAN DEVELOPMENT

Planning processes tend to be circular with built in reviews. The AMP and LTP need to have regular review cycles so that they remain current and deal with issues at the time. An important function of the review cycle is to monitor performance against the goal levels of service and KPIs that were set some years before.

The AMPs are reviewed every three years in line with the 10 year long term planning cycle but work programmes can change annually. These changes can be brought about by outside pressure, weather events, budget constraints and new projects becoming apparent. The ability to become responsive each year is through the annual planning process. The AMP details goals, levels of service, goals, KPIs and targets which contribute to Stratford's organisational vision for the district and community.

The review process considers the overall impact of the planned programme to deliver the defined levels of service through the on-going development of the AMP. This review/AMP development process moderates competing priorities within the context of community affordability and may result in some projects being deferred or budgets being re-prioritised. An example of this for Stratford is the planned increase in sealed road pavement rehabilitation to cater for the surge in forestry throughout the period of this AMP.

The proposed increase in this activity will be specifically targeted to the roads affected by the forestry industry, rather than being applied across the entire land transport network. For example, Beaconsfield Road, Mangaotuku Road, and, Brewer Road are three roads which have been identified as being particularly affected by the increase in forestry activity. Figure 68 below shows a graphical display of the AMP development process.

10.2.4 ASSET MANAGEMENT MATURITY

We have assessed that our asset management system maturity is predominantly at the Core level. It is largely based on the long-term knowledge of the asset management team. It contains asset data that has been collected over time and held in asset management information systems.

Through continual improvement and development of asset management practices and processes it is our intention that the activity management plans progressively improve.

Asset Management Practices and Improvement Plan

Our target is to develop our asset management practices and processes to an Intermediate level of maturity where appropriate. The Council in the process of assessing our asset management maturity level to identify areas for improvement. The Council is considering options for undertaking a formal assessment of our asset management maturity. The five levels of activity management plan maturity are shown in Figure 67 and are Aware, Basic; Core; Intermediate and Advanced.

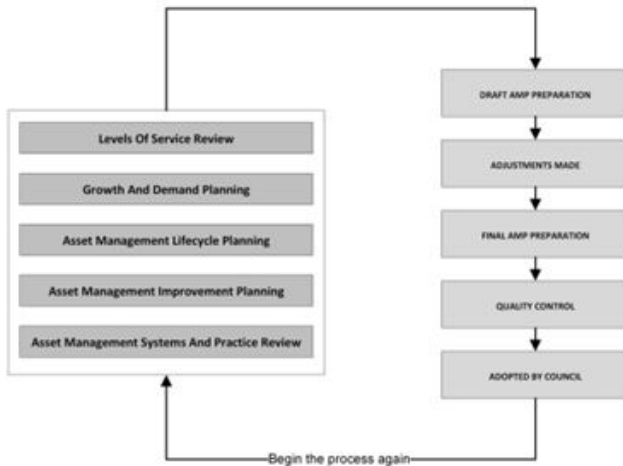


Figure 68 - Activity Management Plan Development Process



Figure 69 - Asset Management System Maturity Index

Asset Management Practices and Improvement Plan

10.3 OPTIMISED DECISION-MAKING

10.3.1 TOOLS AND TECHNIQUES

The following tools and techniques are used by Council to ensure that the decision of future maintenance requirements is both optimal in terms of the intersection timing and lowest whole-of-life costs.

10.3.2 TREATMENT SELECTION ALGORITHM

The condition information gathered from RAMM condition rating surveys is used in the treatment selection algorithm (TSZ) within RAMM. The tool aids in the decision making for the identification and scheduling of:

- Resealing – sealing in budget, sealing next treatment.
- Smoothing overlays - in budget.
- Strengthening overlays – in budget.

At present Stratford District Council does not use the deterioration modelling software for identifying projects beyond year five.

10.3.3 CRASH ANALYSIS SYSTEM (CAS)

Crash records are collected by the NZ Police and entered into the NZTA's CAS system. This information is used to identify crash trends and "hot spots" within the Stratford District. Mapping functionality within CAS can highlight graphically location where low cost/low risk improvements could be beneficial in reducing New Zealand's road toll.

10.3.4 TRAFFIC COUNTS

Traffic count information is collected and stored in RAMM. To date, the numbers of traffic counts that Stratford has undertaken are minimal. As part of our improvement plan our intention is to undertake 100 traffic counts per annum throughout the district, on all road categories. Further individual traffic counts will be taken on reseal sites to aid with the design of the reseal. The information can also be used for bridge replacements, capital (improvement and renewal) works that require justification.

10.3.5 NET PRESENT VALUE (NPV)

With the implementation of our measure and value contract we can build up a history of maintenance costs. These can be used to determine the least whole-of-life costs for various treatments such as pavement rehabilitation projects.

Asset Management Practices and Improvement Plan

10.4 CURRENT AND FUTURE IMPROVEMENTS

Table 60 - Current and Future Improvements

Asset Management Practice Area	Improvement/s Made	Completion Date	Future Improvements	Section Identified	Responsibility	Due Date
AM Policy Development	Asset Management Policy developed and adopted by Council on 26/01/2016	2016	Asset Management Strategy or Strategic Activity Management Plan development	10.2	Director of Assets Asset Managers	July 2021
Levels of Service and Performance Management	Department of Internal Affairs (DIA) Mandatory Performance Measures in place.	2015-2017	Unplanned Road Closures - Development of internal database to record unplanned road closures.	5.3	Asset Manager	July 2024
	One Network Road Classification and Performance Measures in place.		Traffic Counts – Annual programme for 100 traffic counts per year in place. To be reviewed annually to identify if 100 traffic counts is sufficient.	10.3.4	Asset Manager	In progress
Demand Forecasting			Analysis of growth and demand impacts – Analyse CRMs, consumption of assets, growth in Roading network	6.2	Asset Management Team	On-going
Asset Register Data	Process for verifying data accuracy now documented in Activity Management Plan.	2016	Verify existing data held in RAMM against hard copy inspection forms and data captured in RAMM Contractor.	3.4	Asset Manager	Ongoing
	Enter bridge inspection data into RAMM	On-going	Analysis of condition of bridges within the Stratford District	3.4	Roading Engineer	On-going
	Enter retaining wall inspection data into RAMM	On-going	Analysis of condition of retaining walls within the Stratford District	3.5	Roading Engineer	On-going
	Enter road marking data into RAMM	On-going	Collection of data for record keeping	3.5	Roading Engineer	On-going
Asset Condition	Condition Grading System now documented in Activity Management	2016	Collect more data to identify the condition of asset components.	3.6	Roading Engineer	On-going

Asset Management Practices and Improvement Plan

Asset Management Practice Area	Improvement/s Made	Completion Date	Future Improvements	Section Identified	Responsibility	Due Date
	Plans.		Seismic assessment of our bridges.			
			Develop joint inspection programme with contractor	3.6	Asset Manager Roading Engineer	On-going
Decision Making	Procurement procedures reviewed and process in PROMAPP	2020	Processes will be reviewed annually	8.2 10.3	Asset Manager	Completed
	Use condition rating surveys to develop forward works programmes	On-going		3.6		
	Net Present Value option analysis is further refined and completed for all proposed pavement renewal projects.	Underway	Target is to reconstruct 90km per annum. Subject to funding levels.	8.8.1	Asset Manager Roading Engineer	On-going
Risk Management	Critical assets reviewed. Top ten risks identified.	2017	Complete revision of Incident Response Plan	7	Asset Manager Asset Management Coordinator	Completed
Operational Planning	Mapping of processes. Analysis of specifications, e.g. cyclic vs reactive works.	On-going	Collect data to calculate overall network cost of sealed pavement and unsealed pavement maintenance and the average life of unsealed road metalling.	8.3	Asset Manager Roading Engineer	July 2021
Capital Works Planning	Use customer satisfaction survey results and footpath condition rating surveys to develop footpath replacement programme.	On-going		8.7.1	Asset Manager Roading Engineer	On-going
			FWD testing of HPMV routes	3.3	Asset Manager	Partially Completed
	Safety audits covering road safety and accessibility of pedestrian facilities to inform footpath				Asset Manager Roading Engineer	

Asset Management Practices and Improvement Plan

Asset Management Practice Area	Improvement/s Made	Completion Date	Future Improvements	Section Identified	Responsibility	Due Date
	improvement work programming.					
Financial and Funding Strategies	LTP budgeting. Allocation of budgets	On-going	Develop strategy to fund replacement of structures that have previously not been depreciated.	8.8	Asset Manager Finance Dept	December 2021
			Development of a Maintenance Intervention Strategy.	8.7.1		Started January 2021
			Development of a delineation devices strategy to be consistent with the ONRC road hierarchy, eg: Primary collection fully conforms, through to Low volume access to highlight hazards only.			To commence April 2020
			Finalise and adopt the Walking and Cycling Strategy to ensure active mode work programmes align with both Council and Waka Kotahi investment objectives.	8.9		
AM Teams	Identified that our department is essentially "The Team"	On-going	Define roles and responsibilities in relation to AMP preparation.		Director of Assets Asset Manager Asset Management Coordinator	July 2021
AM Plans	Draft documents saved to TRIM to enable direct contribution from Asset Managers.	2016	Continue the formal process for developing the Activity Management Plan with timeframes.	10.2.3	Director of Assets Asset Manager Asset Management Coordinator	July 2024
			Continue to improve the document format and information presentation.	10.2.3	Director of Assets Asset Manager Asset Management	On-going

Asset Management Practices and Improvement Plan

Asset Management Practice Area	Improvement/s Made	Completion Date	Future Improvements	Section Identified	Responsibility	Due Date
					Coordinator	
			ONRC is embedded into the AMP, Council's business systems, planning documents, management practices and reports as well as maintenance contracts.	5.3.2	Director of Assets Asset Manager Asset Management Coordinator	On-going
Management Systems			Review Procurement Strategy	8.2.2	Asset Manager	Completed
Information Systems	REG surveys for RAMM data	On-going	Review data held in RAMM to identify accuracy and completeness.	3.4	Asset Manager	On-going
			Pocket RAMM for direct input of data into AMIS		Asset Manager	July 2021
			Collect additional data associated with forest harvest timing to strengthen our strategic, programme and investment response to these challenges.	8.8.4	Asset Manager Roading Engineer	On-going
Improvement Planning	Develop a monitoring regime for the AMP Improvement Plan		Review A.M improvements made	10.2.4	Director of Assets Asset Manager	On-going
	Identify A.M. performance gaps		Identify A.M performance gaps		Asset Management Coordinator	
			Develop improvement plan performance measures, KPIs and monitoring method. Development of a strategy to prioritise the work programme that connects to the		Asset Management Team	July 2024

Asset Management Practices and Improvement Plan

Asset Management Practice Area	Improvement/s Made	Completion Date	Future Improvements	Section Identified	Responsibility	Due Date
			<p>goals of the Council and the Strategic Problem Statements. Consider resilience, accessibility, safety, amenity values, cost, economic wealth creation, growth, level of service provision (Decision Matrix required).</p> <p>Develop an improvement project list for the Low Cost/Low Risk improvements spreadsheet to assist with prioritising external requests, EG: Councillors</p>	8.9	Roading Engineer	

Appendices

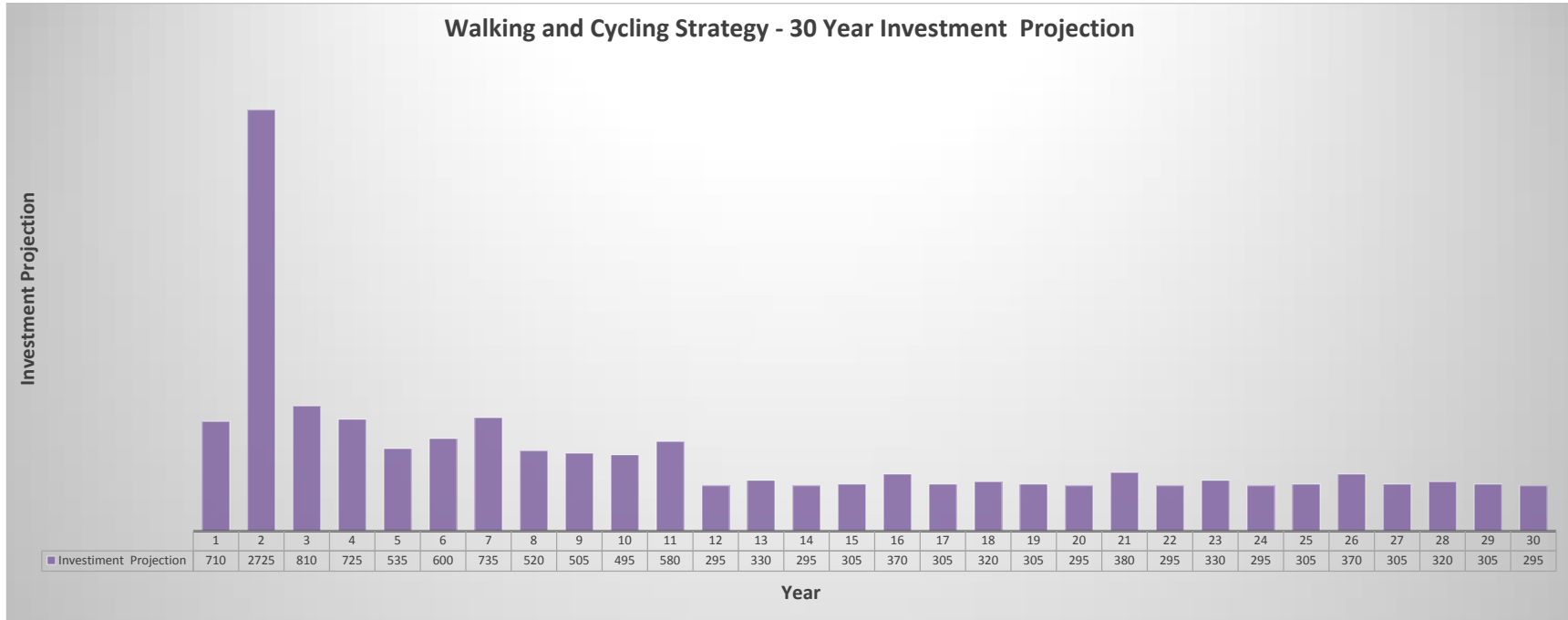
- Appendix 1 – Walking and Cycling Implementation Plan
- Appendix 2 - Roading Potential Risk Register
- Appendix 3 - The 2021-2024 Road Safe Taranaki Strategic Plan
- Appendix 4 – Road Network Procurement Strategy 2019-2022
- Appendix 5 – Kerb and Channel Condition Rating
- Appendix 6 – District Map Encompassing Low-Low Volume Roads
- Appendix 7 – Dragon Dens Questions
- Appendix 8 – Roading Operational Documents

Appendix 1 – Draft Walking and Cycling Implementation Plan Excerpt

30-Year Implementation Plan 2021-2051

The indicative Timeframe for the next 30 years is set out below:

Item	Projects/Initiatives	Cost (\$'000) / Timeframe (Years)																														Indicative Funding Sources	
		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
1	Safe Walking and Cycling Networks	520	370	470	370	370	370	370	370	370	370	170	170	170	170	170	170	170	170	170	170	170	170	170	170	170	170	170	170	170	170	7550	Grant/ Loan
A	• Improving all existing footpaths to better support walking and cycling.	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	3000	Loan
B	• Providing new shared-use footpaths on key collector/arterial roads	200	200	200	200	200	200	200	200	200	200	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	2200	Loan	
C	• Providing new footpaths to high traffic areas/key destinations	150		100																											250	Loan	
D	• Completing the existing footpath networks in the district	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	1500	Loan	
E	• Implementing safety features in the rural network to better support walking and cycling	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	600	Grant	
2	Providing Safe storage facilities for Bikes and Cars	25		25		25		25		25		25		25		25		25		25		25		25		25		25		300	Grant		
3	New/Improvements to Crossing(s) over the Patea River and the State Highway	50	2000	50	250	50	50	250	20	20	20	70	20	20	20	70	20	20	20	20	70	20	20	20	20	70	20	20	20	3360	Loan		
A	• New Crossings over the Patea River		2000																											2000	Loan/ Grant		
B	• Overpass/Underpass over the State Highway/Railway				250			250			50				50					50						50				700	Grant/ NZTA		
C	• Other Crossings	50		50		50	50		20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	660	Other		
4	Providing Initiatives to encourage the Walking and Cycling	115	355	265	105	115	155	115	105	115	105	115	105	115	105	115	105	115	105	115	105	115	105	115	105	115	105	115	105	3750	NZTA		
A	• New facilities	10	250	160	0	10	50	10	0	10	0	10	0	10	0	10	0	10	0	10	0	10	0	10	0	10	0	10	0	600	Other		
	• Improving Existing facilities???																													0	Other		
	• Review of Parking Bylaw	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	In-house	
	• District Plan Provisions	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	PGF	
	• Community Education	105	105	105	105	105	105	105	105	105	105	105	105	105	105	105	105	105	105	105	105	105	105	105	105	105	105	105	105	105	3150	Other	
	TOTAL	710	2725	810	725	535	600	735	520	505	495	580	295	330	295	305	370	305	320	305	295	380	295	330	295	305	370	305	320	305	295	14960	



Appendices

Appendix 2 – Roading Potential Risk Register

10.1 COMPLIANCE AND LEGISLATION RISKS

1. Compliance and Legislation Risk Assessment				
Risk Subject	Risk Description	Risk Score Raw	Control Description	Residual Risk Score
Legislation Changes	If changes to legislation or case law occur and are not implemented by staff, then council may be acting illegally and in breach of legislation.	4 High	<ul style="list-style-type: none"> Regular review and update Legislative Compliance Register. Staff training and attending relevant industry conferences. Regular policy review to ensure policies and procedures are in line with legislation changes. 	2 Moderate
Incorrect Planning Advice	If Council provides wrong advice on LIM's in relation to major (>\$1M) roading capital projects/programmes, then it could be subject to a judicial review or similar form of dispute process involving legal costs, possible fines, and reputational damage.	3 Moderate	<ul style="list-style-type: none"> Quality assurance. Resourcing and ongoing training of competent staff. Low tolerance for poor quality documentation from consent applicants. Good quality legal counsel. Council has professional indemnity, public liability, and statutory liability insurance. Review of 30 year Infrastructure Strategy. 	1 Low
Statutory Reporting Commitment	IF Council does not meet statutory commitments (eg Dept of Internal Affairs (DIA)) THEN it may be acting illegally and receive attention from DIA which could result in financial penalty and loss of status with NZTA as an approved organisation.	3 Moderate	<ul style="list-style-type: none"> Quality assurance. Resourcing levels maintained. Schedule of dates and commitments is regularly maintained and updated by the roading manager. <ul style="list-style-type: none"> Regular review and update of Legislative Compliance Register. 	1 Low
Bylaws and Policies	If Council fails to keep Policies and Bylaws up to date, then the Policies will become irrelevant and Bylaws may become unenforceable and council could be acting illegally.	8 High	<ul style="list-style-type: none"> Quality assurance. Resourcing levels maintained. Regular Policy Schedule review by CEO. Regular review of Bylaw timetable maintained in Content Manager. 	3 Moderate
Issue Regulatory Licence or Decision	If Council issues a licence to occupy road reserve or decision that is not consistent with legislation, policy or bylaws, then Council may be subject to a judicial review or a similar form of dispute process.	3 Moderate	<ul style="list-style-type: none"> Quality assurance Ongoing training around the changes in legislation. Keep bylaws and policies up to date with legislation. 	1 Low
Annual Report Adoption and Publication	Roading is required to provide information for the Annual report to be adopted	2 Moderate	<ul style="list-style-type: none"> Set annual report timetable to ensure statutory deadline is met. 	1 Low

Appendices

1. Compliance and Legislation Risk Assessment				
Risk Subject	Risk Description	Risk Score Raw	Control Description	Residual Risk Score
	by 31 October and made publically available by 30 November. If this is not achieved then there will be additional audit scrutiny, reputational damage, loss of community trust.		<ul style="list-style-type: none"> Good project management by key staff. Keep updated of possible changes to legislation and plan accordingly. Good communication to all staff, and establish rapport with Audit NZ and respond in a timely manner to all queries. 	
RLTP/LTP/Annual Plan	If RLTP/LTP/Annual Plan is not adopted by 30 June then council cannot set rates, statutory breach reported to Minister, unable to commence service delivery, additional audit scrutiny	8 High	<ul style="list-style-type: none"> Set a timetable to ensure statutory deadline is met. Good project management. Good quality data is provided. Keep abreast of possible changes to legislation and plan accordingly. Good communication to all staff and liaison with Audit NZ. 	1 Low
Activity Management Plans TOP 10 RISK	If AMPs are incomplete then capital programmes, condition of assets, life cycle management will not be realised.	6 High	<ul style="list-style-type: none"> AMPs are reviewed every 3 years to address the current problems and issues at the time in order to develop work programmes for the next 3 years. 	4 High

10.2 DATA AND INFORMATION RISKS

2. Data and Information Risk Assessment				
Risk Subject	Risk Description	Risk Score Raw	Control Description	Residual Risk Score
Server Failure	If the server failed then systems down, data unavailable, potential data loss	12 Very High	<ul style="list-style-type: none"> Restore from backup, backups stored off-site. Fail-over for Melbourne data centre replicates to Sydney data centre. 	3 Moderate
Cyber Attack	If the systems are compromised and subject to a cyber attack, then system downtime, loss of data, ransoms may be demanded, potential privacy breach, reputational damage, and potential loss of funds.	16 Very High	<ul style="list-style-type: none"> Council have several security measures in place such as enterprise grade firewalls, email filtering, backups, antivirus and device management. If a breach was detected Council would activate the insurance policy and engage an IT security company resource to assist with recovery. 	3 Moderate
Communication to external RAMM server	If there is a loss of communication to RAMM (due to IT failure, power failure, or other damage to link) then systems downtime will cause	4 High	<ul style="list-style-type: none"> Can access private link or an internet link - reroute the traffic. Backup generator if power supply lost. 	3 Moderate

Appendices

2. Data and Information Risk Assessment				
Risk Subject	Risk Description	Risk Score Raw	Control Description	Residual Risk Score
	temporary disruption. Council staff will be unable to access data and complete work and respond to customers satisfactorily.			
Uncontrolled access to Physical and Digital Records	If there is uncontrolled or unauthorised access to archives, then records/ files could go missing, privacy breached, possible legislative breaches.	2 Moderate	<ul style="list-style-type: none"> Access to physical archives is limited to IM Specialist and IT Manager, door is locked at all other times. Digital records must be stored in IT approved repositories, with access restricted where necessary. Electronic access is restricted to staff who have a SDC login and have also been granted the relevant security permissions to access applications relevant to their job role. 	1 Low
Records Handling	If hard copy protected records are handled in a way that could cause damage, degradation or disorganisation, then this could lead to loss of protected records, non-compliance with legislation and potential financial penalties.	1 Low	<ul style="list-style-type: none"> Access to archives is limited to trained staff. Ensure the Information Management Specialist is fully trained in all areas of protected records management. Maintain a register of archived records, and a process by which records will be archived. Storage area must be restricted and temperature controlled. 	1 Low
Unapproved online platforms used	If unapproved online platforms are used for Council business, then Council sensitive information and individual private details could be hacked and made available publically.	3 Moderate	<ul style="list-style-type: none"> All Council information should only be stored on platforms that are approved by IT and gone through proper procedures and checks by IT. 	1 Low

10.3 FINANCIAL RISKS

3. Financial Risk Assessment				
Risk Subject	Risk Description	Risk Score Raw	Control Description	Residual Risk Score
Asset Disposal/ Acquisition	Policy changes result in substantial asset disposal occurs.	1 Low	<ul style="list-style-type: none"> Officers will require approval from Council for disposal/acquisition of assets. 	1 Low
Roading Annual Work Programme	If there is a severe weather event, funds are redirected for the clean up and repairs. This will affect planned work programmes,	3 Moderate	<ul style="list-style-type: none"> Encourage maintenance contractor to sub-contract out work if they do not have sufficient resources in-house. Ensure there is a clear 	2 Moderate

Appendices

3. Financial Risk Assessment				
Risk Subject	Risk Description	Risk Score Raw	Control Description	Residual Risk Score
	or; If non-availability of labour and plant affect ability to complete annual programme of work to deliver the planned levels of service, then risk of spend being under budget (over-rating) and cannot realise expected revenue from NZTA.		understanding between Council and Contractor of completion timeframes, as per the Contract. <ul style="list-style-type: none"> • Ensure the Contractor has a contingency plan in the event of a severe weather event. • Outsource work to another contractor – this has to be considered carefully due to contract obligations and commitments. 	
Accessing Funding	If the AMP is incorrect or not developed, then the maintenance funding will be insufficient to provide the levels of service. We will not be able to maximise our income from NZTA.	3 Moderate	<ul style="list-style-type: none"> • Ensure funding assessments are carried out by sufficiently experienced personnel and business cases are written for funding (AMP). • Regular liaison with NZTA's investment advisors will ensure funds can be obtained from NZTA. 	1 Low
Internal Financial Controls	If internal financial controls are compromised and ineffective, then possible fraud, budget blowout, delayed service	6 High	<ul style="list-style-type: none"> • Good quality controls. • Implement annual external and internal audit recommendations. • Adhere to Procurement and Delegations Policy. • Communications of internal controls to all staff. • Recommend internal audit programme every year by independent contractor. 	1 Low
Procurement contracts	If the Rooding Procurement Strategy is not endorsed by NZTA, then contracts entered into are non-compliant. Also roading is required to adhere to Council's Procurement Policies. Council projects could go over budget and council procurement could be subject to industry, media and legal scrutiny.	6 High	<ul style="list-style-type: none"> • Ensure Rooding Procurement Strategy, the procurement policy and procurement manual are appropriate, comply with legislation and good practice, and followed by all staff and significant contracts are reviewed by a tender evaluation team. 	1 Low
Population Growth	That growth is higher than projected thereby putting pressure on Council to provide additional infrastructure and services.	3 Moderate	<ul style="list-style-type: none"> • Increase the level of funding by possible rates increase and other sources of income through fees and charges and adjustment in levels of service. 	2 Moderate
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	5 High	<ul style="list-style-type: none"> • Ensure variable costs are clearly identifiable, and therefore able to be isolated and adjusted if ratepayer base reduced. • Approach NZTA for a Financial Assistance Rate review. • Adjust level of service and 	4 Moderate

Appendices

3. Financial Risk Assessment				
Risk Subject	Risk Description	Risk Score Raw	Control Description	Residual Risk Score
	required. This could lead to significant deterioration of the network eg: sealed roads reverting back to unsealed roads.		work programme to work within the funds available	
New Regulations require Significant Investment	If new environmental regulations or legislation imposed on councils requires a significant increase in capital expenditure, then depending on what the regulations are could mean we would need to adjust the programme of works in order to meet the new regulations.	6 High	<ul style="list-style-type: none"> Work within approved budgetary constraints. Approved allocation from NZTA is locked in for 3 year intervals. 	4 High
Inadequate financial provision to fund asset replacement	If there is inadequate financial provision in reserves to fund the replacement of assets, then the Council may have to borrow more than expected, or asset replacement may need to be delayed which may affect service level performance.	3 Moderate	<ul style="list-style-type: none"> Ensure annual depreciation is based on accurate fixed asset values (replacement cost) and accurate useful lives. Assets should not, unless necessary, be replaced before the end of their useful life. 	1 Low
Bribery and Corruption	Perceived Bribery or Corruption from Rooding contractors,	4 High	<ul style="list-style-type: none"> Ensure Staff code of conduct is current and regularly reviewed. 	3 Moderate
Revenue Increasing age demographic on fixed income, how does SDC meet the cost of providing the level of services into the future? TOP 10 RISK	High number of elderly on fixed income pensions. Could affect future levels of service for roading due to cost fluctuations within contractual arrangements	2 Moderate	<ul style="list-style-type: none"> Factor in to budgets reasonable and sustainable rates increases. Or seek further financial assistance from NZTA. Review fees and charges. 	3 Moderate

10.4 HEALTH AND SAFETY WELLBEING RISKS

4. Health and Safety Wellbeing Risk Assessment				
Risk Subject	Risk Descriptions	Risk Score Raw	Control Description	Residual Risk Score
Road crashes	If accidents or incidents occur on the road network then increased costs can occur due to attendance at the scene of the crash/incident which may	4 High	<ul style="list-style-type: none"> Included in the Rooding Incident Response Plan and Contract. 	2 Moderate

Appendices

4. Health and Safety Wellbeing Risk Assessment				
Risk Subject	Risk Descriptions	Risk Score Raw	Control Description	Residual Risk Score
	not be recoverable.			
Abusive Customers	If abusive customers come into any of the Council's service centres, then there is the risk that council staff or the general public could be harmed or exposed to violence.	4 High	<ul style="list-style-type: none"> Staff have personal alert alarms if in danger, customer service training and policies on how to deal with situations so they do not escalate. 	2 Moderate
Lone Worker	If a staff member is seriously injured or killed during field inspections/site visits, then possible health and safety breaches, death or serious injury.	12 Very High	<ul style="list-style-type: none"> Quality assurance Ongoing training/awareness of HSE requirements and responsibilities Better use of council data/knowledge base on dangerous or insanitary sites before staff member deploys to site Use of GPS tracking, mobile phone tracking. Compliance officers to wear body cameras when on duty. 	3 Moderate
Council Vehicle accident	If a staff member has an accident in a council vehicle, then this could result in possible death or serious injury and damage to motor vehicle asset.	4 High	<ul style="list-style-type: none"> All staff must have a full drivers licence, all staff are aware of procedures if there is an accident. Staff driver training to be provided to regular drivers. GPS and mobile phone tracking. 	3 Moderate
Staff under Stress	If staff are affected by personal issues or by work pressures and experiencing high levels of stress, then work performance may decline and/or fatigue, illness, unsafe work practices may result.	5 High	<ul style="list-style-type: none"> Managers are responsible for being aware of the wellbeing of their direct reports. There are various options available for relieving the pressure of staff who are overworked including increasing staff or reallocating work. Ensure access to EAP service is widely known and communicated to all staff. Ensure all staff have a backup option available so they can take annual leave for at least a week at a time. 	3 Moderate
Exposure to Hazardous Substances	If staff are affected by exposure to hazardous substances eg chemicals, liquids, fumes and other toxic substances then there are possible risks to staff health and wellbeing.	6 High	<ul style="list-style-type: none"> All hazardous substances are correctly labelled and stored according to best practice safety procedures and guidelines. Training is mandatory for all staff working with hazardous substances. Use appropriate PPE gear at all times in the vicinity of the hazardous substances. Regular health checks for staff. 	3 Moderate

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4. Health and Safety Wellbeing Risk Assessment				
Risk Subject	Risk Descriptions	Risk Score Raw	Control Description	Residual Risk Score
Workplace Bullying or Harassment	If Bullying and harassment in the workplace occurs then it can have an impact on the health and wellbeing of staff subject to the bullying and other staff witnessing the behaviour. This may impact on staff productivity and the ability of Council to attract good quality candidates.	4 High	<ul style="list-style-type: none"> Top down culture against bullying and harassment of any kind, policy is followed through by management, staff are aware of the reporting process. The reporting process to deal with bullying and harassment is fair, transparent, confidential and dealt with in a timely manner. 	3 Moderate
Asbestos Related Work	If removal of drainage pipes made out of products made with asbestos, then there is the possibility of asbestos exposure to staff and the public and increased risk of asbestosis and other lung and pleural disorders.	4 Moderate	<ul style="list-style-type: none"> Asbestos protocols need to be developed in line with the asbestos regulations. Community needs to be made aware of Asbestos disposal guidelines. Staff involved in building compliance or construction work should be appropriately trained in handling of asbestos materials. Contractors will have their own protocols for handling and disposing of asbestos products. 	2 Moderate
Dangerous Roads due to weather events	If there are dangerous road conditions that are not managed and communicated to the public appropriately, then there is a higher potential for car accidents and possible road fatalities.	2 Moderate	<ul style="list-style-type: none"> Ensure standard operating procedures are in place for potential weather events that may cause damage to the roads. This should include timely social media communications, installation of temporary barriers, cordons and signage in affected areas. 	1 Low
Fatigue Management	If Fatigue affects an employee, as a result of working extraordinary hours, then the employee may have limited functionality which could result in personal injury or injury to others. It could also lead to stress and long term mental illness if it is reoccurring and could mean Council is in breach of the Health and Safety Act.	3 Moderate	<ul style="list-style-type: none"> Ensure employees take regular, quality rest breaks during the working day, in line with the Employment Relations Act (HR Policy requires this). Ensure all staff know their responsibilities in terms of managing fatigue. Ensure shift workers rostered times are manageable. The Vehicle Use Policy has limits on driving a Council vehicle after exceeding max number of work hours. Contractor fatigue management to be reported and monitored through regular contractor meetings. 	1 Low
Environmental Liability	Noncompliance with Resource Consent Conditions	2 Moderate	<ul style="list-style-type: none"> Contractors to produce an environmental management plan as 	2 Moderate

Appendices

4. Health and Safety Wellbeing Risk Assessment				
Risk Subject	Risk Descriptions	Risk Score Raw	Control Description	Residual Risk Score
			part of their contract conditions.	

10.5 OPERATIONAL RISKS

5. Operational Risk Assessment				
Risk Subject	Risk Descriptions	Risk Score Raw	Control Description	Residual Risk Score
Roading - other work clashing	If there is work being carried out by others on/in road reserve, e.g. Broadspectrum, then council may not be able to complete its own work programme.	3 Moderate	<ul style="list-style-type: none"> Co-ordination of planned works with other contractors in the area when planning physical works. 	2 Moderate
Road Closures – unplanned TOP 10 RISK	If there are un-planned road closures due to collapse of culvert/bridges/landslides and so forth e.g. Wingrove Rd culvert collapse then access in/out of district could be lost and people could be injured as a result.	4 High	<ul style="list-style-type: none"> Asset criticality review to identify critical roading assets and increase monitoring activities. Ensure quality workmanship and contractors are aware of their obligations to report and repair any damages to roads. Resources diverted from other planned projects to remediate repairs to enable the road to be re-opened. Maintain a regular inspection regime of structures within road reserve. 	3 Moderate
Contractor - Damage to Property	If maintenance contractor damages council or private property while carrying out contracted work, then council could be liable for damages and additional expenditure.	4 High	<ul style="list-style-type: none"> Stringent Operational procedures: Daily reporting of compliance. Regular liaison with contractor and regulators to monitor performance to ensure compliance. Contractor pre-approval process. Council has material damage insurance policy, excess \$5k. The contracts require third party public liability insurance to indemnify Council for damages. 	3 Moderate
Staff	Staff leaving results in staff skill levels falling below the standard required. Staffing levels are unable to be adequately maintained	2 Low	<ul style="list-style-type: none"> Staff will have to manage until the positions can be filled, or secondment of consultants which could prove costly. 	2 Low
Attracting Qualified Staff TOP 10 RISK	If Council is unable to attract suitably qualified personnel, then services may become under threat and may cease.	4 High	<ul style="list-style-type: none"> Internal training and succession planning programs. Ensure market wages are offered for all high demand 	2 Moderate

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5. Operational Risk Assessment				
Risk Subject	Risk Descriptions	Risk Score Raw	Control Description	Residual Risk Score
			positions. <ul style="list-style-type: none"> Recruit off shore option should be available for high-demand positions. Make greater use of consultants if necessary and/or shared services with neighbouring Councils. 	
Maintenance Contractor fails to deliver TOP 10 RISK	If a maintenance contractor fails to deliver contractual service necessitating termination of contract and re-tendering, then assets may become under threat, unreliable, or unable to meet community needs.	4 High	<ul style="list-style-type: none"> Careful assessment of tender to ensure contract price viable for contractor to deliver level of service. Regular liaison with contractor to monitor performance and ensure compliance. Contractor pre-approval process must not be bypassed. 	3 Moderate
Property design/construction information	If Council does not have adequate information on original design or construction of asset, then there is a greater potential for failure of future work, potential of increased costs and unsafe future construction.	3 Moderate	<ul style="list-style-type: none"> Carry out regular condition assessment of assets. Reassess use of asset or redesign to suit. 	1 Low
Natural Disaster - Response preparedness TOP 10 RISK	If a Natural Disaster causes significant damage to infrastructure then community welfare may be severely compromised, putting peoples lives at risk, and staff may be unable to access systems to carry out their day to day duties and functions.	15 Very High	<ul style="list-style-type: none"> Civil Defence Emergency Management plans, Roving Incident Response Plan are in place. Procedures following an emergency event are widely known by a number of staff due to Civil Defence Foundational training being rolled out to majority of council staff. Business Continuity Plans need to be in place and practiced regularly for all activities. 	12 Very High
Disease Outbreak	If there is a human disease outbreak in the district, then this could impact staff and contractors staff and the community access to healthcare is limited so it could result in population decline.	5 High	<ul style="list-style-type: none"> Health and Safety Advisor to keep aware of any public health notifications of disease outbreaks. Ensure there is a plan to respond to any notifications. Civil Defence covers infectious human disease pandemics and will take responsibility for local management. Follow Ministry of Health's NZ Influenza Pandemic Action Plan. 	4 Moderate

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5. Operational Risk Assessment				
Risk Subject	Risk Descriptions	Risk Score Raw	Control Description	Residual Risk Score
Critical Asset Failure	If a critical road fails, then unexpected financial burden may arise and there could be significant disadvantage and risk to the community.	15 Very High	<ul style="list-style-type: none"> Conduct 2 yearly Asset Criticality Review. Ensure there are established Civil Defence Emergency Management response procedures in relation to fixing critical assets in an emergency event. Management practices and staff training, retention to ensure appropriate skill level in critical asset maintenance. Consider suitable alternative routes to maintain access. 	4 High
Heavy/Extreme Rainfall incidents TOP 10 RISK	If the Stratford District experiences heavy rainfall continually over a period then roads may flood, restricting accessibility, landslips and mudslides may restrict road access and cause property damage, productive land areas may flood reducing functions,	8 High	<ul style="list-style-type: none"> Activity Management Plans and Rooding Incident Response Plan to document critical asset areas and response timeframes in the event of heavy rainfall incidents. 	3 Moderate
Government Policy or Legislation Impacting on Local Government TOP 10 RISK	If Government Policy or Legislation significantly changes the services Council delivers or the way they are delivered, then this could put financial pressure on the district to fund investment in changes, or it may mean previous investment has become redundant. Any changes in rules around Overweight Permits means there is increased likelihood of on-going damage to the roading network, and a reduced life expectancy resulting in increased maintenance costs.	12 Very High	<ul style="list-style-type: none"> Where a policy change may have a significant impact Council can make a submission regarding the change. Council officers and elected members need to keep up to date with policy, and anticipate potential impacts of legislative changes and respond strategically, This could include joint collaboration with business and other councils, accessing alternative funding sources, or obtaining legal or professional advice. 	8 High
Levels of Service	There are significant increases in customer expectations regarding demand for services and/or the level of service provided	1 Low	<ul style="list-style-type: none"> To manage expectations around the levels of service which could include being transparent about the levels of service that we can afford. 	1 Low
Programming of Works	The approved programme of works is not carried out within agreed timeframes.	1 Low	<ul style="list-style-type: none"> In the event of an extreme rainfall event, a programme can be deferred following discussions between SDC and the Contractor. Hold regular meetings to discuss contractors performance and ability to deliver the agreed 	1 Low

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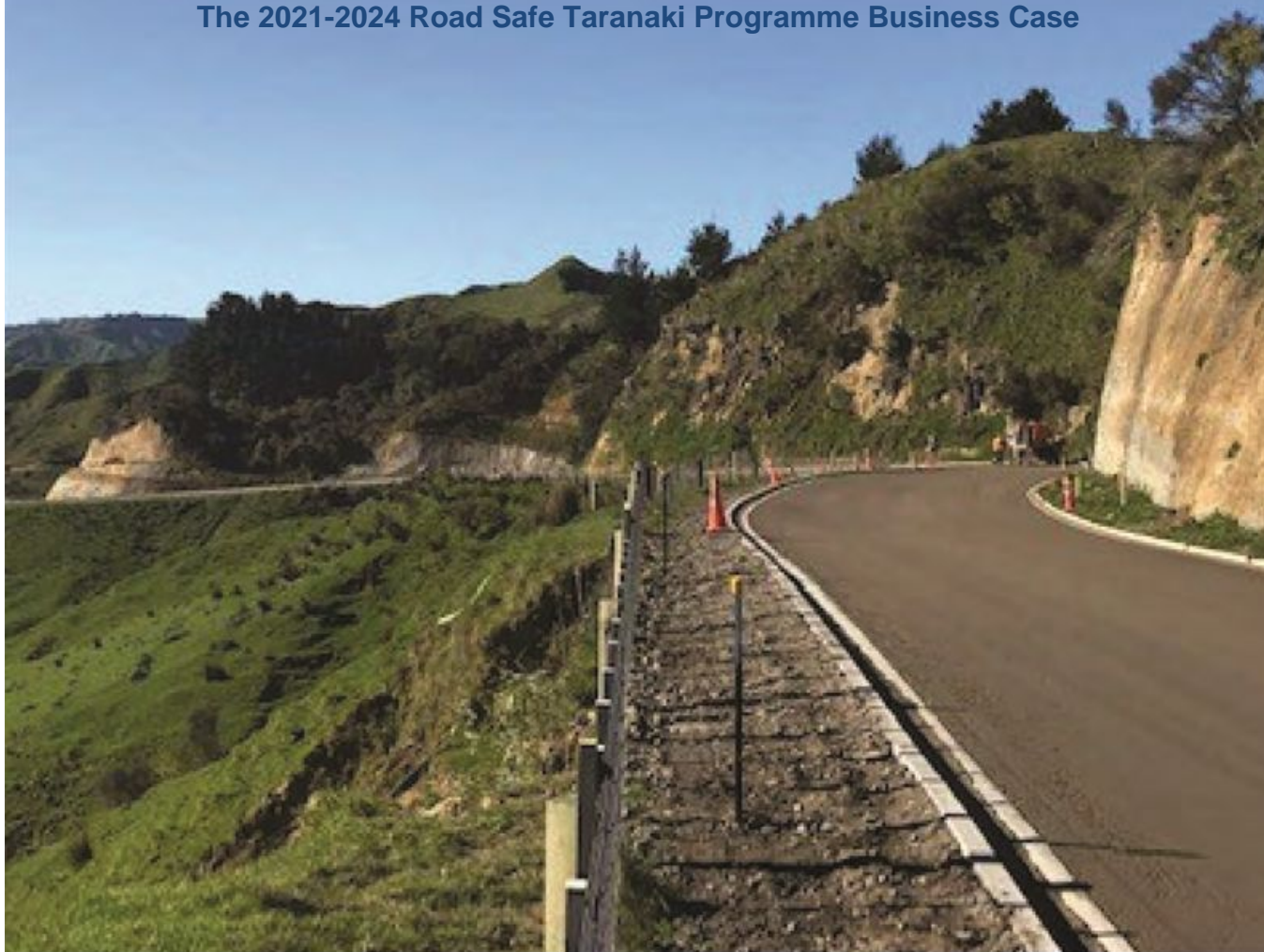
5. Operational Risk Assessment				
Risk Subject	Risk Descriptions	Risk Score Raw	Control Description	Residual Risk Score
			programme. <ul style="list-style-type: none"> Increasing resources via sub-contractors or additional staff. We could mutually agree to defer some of the programme to later in the year. 	
Consents	The contractor not undertaking the work in accordance with the resource consent conditions. Council can be fined by the Regional Council for breach of conditions.	1 Low	<ul style="list-style-type: none"> Not negotiable - Consent conditions must be abided by otherwise the consent will be breached. Contractor needs to submit to the Regional Council a methodology about how they are going to undertake the works. 	1 Low

10.6 REPUTATIONAL AND CONDUCT RISKS

6. Reputational and Conduct Risk Assessment				
Risk Subject	Risk Descriptions	Risk Score Raw	Control Description	Residual Risk Score
Solvency of Contractor TOP 10 RISK	If Council engage a contractor that could potentially be insolvent the risk to Council is that they abandon the contract.	12 Very High	<ul style="list-style-type: none"> Conduct the due diligence process for all contractors. 	3 Moderate
Elected Members Communication	If elected members disclose commercially sensitive or confidential information to the public, then this could damage the reputation and public trust of elected members and council staff.	6 High	<ul style="list-style-type: none"> Ensure elected members have a good awareness and understanding of the SDC Code of Conduct. Induction for new councillors should be thorough and cover communication with the public, in private, and at Council meetings. 	3 Moderate
Elected Members - Decision Making TOP 10 RISK	Elected members make significant decisions in relation to the Long Term Plan budget setting. This has an impact on the Roading Activity Management Plan and the work programmes that are developed throughout the 3 year period. This could have an impact on the levels of service for the community.	12 Very High	<ul style="list-style-type: none"> Relies on the accuracy and quality of the advice given by staff to elected members - 	4 High
Council employees abuse members of the public	IF Council employees, during the course of their Council duties abuse members of the public,, THEN the Council may suffer significant reputational damage and potentially be taken to court.	8 High	<ul style="list-style-type: none"> Refer to the Staff Code of Conduct. 	4 Moderate

Appendix 3

The 2021-2024 Road Safe Taranaki Programme Business Case



Roading
Activity Management Plan 2021-2031



Long Term Plan 2021-31

Programme Business Case

Roadsafe Taranaki Programme 2021-2024

Executive Summary

The Roadsafe Taranaki Programme Business Case (PBC) is an evidence-based document that guides the direction for road safety education and partnerships in Taranaki from 1 July 2021 to 30 June 2024.

The PBC follows the 2018-2021 Roadsafe Taranaki Strategic Plan and Taranaki Road Safety Action Plan (RSAP). The evidence used to develop a local community based road safety programme includes data collected by the Ministry of Transport (MOT), Waka Kotahi NZ Transport Agency, Four Yearly Roadsafe Taranaki High School Survey (2005, 2009, 2013 and 2017), NZ Police, District Health Board data and feedback from the community.

The delivery of the Roadsafe Taranaki programme aligns itself with the *Road to Zero* New Zealand's Road Safety Strategy 2020-2030. This includes "acknowledging that:

- no loss of life is acceptable in the transport system
- deaths and serious injuries on our roads are preventable
- we all make mistakes, but these mistakes should not cost us our lives."

It is also recognised in the Strategy there is a need to "build relationships, insights, and responses to appropriately meet the needs of tangata whenua in New Zealand." This should result in better understanding of the issues, barriers, learning disadvantages for Māori while at the same time provide opportunities in road safety, driver licensing, employment and well-being.

Our road system "plays an important role in connecting people, and gives New Zealanders access to education, work and recreation. It also supports economic activity through movements of freight, by connecting businesses with their employees, customers, and other goods and services, and by creating vibrant towns and cities."

Taranaki death and serious injuries (DSI) road crash statistics had been following the national trend. Crashes on Taranaki roads have recently increased from previous years with 17 people killed in 2018 and 15 in 2019. As at 31 May 2020 there have been 6 deaths on Taranaki roads (including 3 deaths during COVID-19 lockdown).

Funding of Roadsafe Taranaki's share of the Taranaki National Land Transport Plan (NLTP) road safety programme has sat at around \$250,000 for approximately 10 years covering one full time equivalent (FTE) position based in South Taranaki and focussed on road safety across the region. The proposed increase in funding for 2021-2024 allows for an additional one FTE resource to improve delivery (particularly in North Taranaki). It will allow for sustainable succession planning and gives Roadsafe Taranaki the ability to have dedicated staff targeting key focus areas as identified in the Government Policy Statement (GPS) and *Road to Zero Strategy 2020-2030*.

The Roadsafe Taranaki Programme will focus on the following identified road safety issues in Taranaki:

- Alcohol
- Cycling (South Taranaki and Stratford)
- Distraction (*Car high risk South Taranaki and Stratford*)
- Driver Training/Licensing

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- Drugs
- Fatigue
- Intersections
- Micromobility (South Taranaki and Stratford)
- Motorcycling (CaR high risk Stratford)
- Restraints
- Speed
- Vehicles
- Walking (South Taranaki and Stratford [CaR high risk Stratford])
- Older Road Users (CaR high risk South Taranaki)

The three district councils in Taranaki (New Plymouth, Stratford and South Taranaki) agree that the South Taranaki District Council will be the agent for the group with regard to Waka Kotahi NZ Transport Agency funding, the provision of financial services, accounting, auditing and management of funds and the delivery of the Regional Community Road Safety Programme (CRSP).

With this agreement in mind the CRSP delivery is region-wide and treated as a “cluster” of all three councils which makes economic sense due to both South Taranaki and Stratford having significantly less ratepayers than the larger New Plymouth district. As such, New Plymouth District Council has a dedicated Transportation team that delivers walking and cycling initiatives, including infrastructure improvements, to help reduce vehicle use and encourage more sustainable travel options.

Quality Analysis

In 2017 there was optimism the annual number of crashes and fatalities in New Zealand would continue on the downward trend with 2016 just being a blip on a three-year downward slope. Taranaki had four fatalities and there was hope drivers were heeding advice and improving their driving behaviour. However, 2018 was a horror year on Taranaki roads which included seven people being killed in one crash and 2019 didn't fare much better. As Taranaki is a rural region it can sometimes be difficult to isolate causes of a crash so being able to review crashes as part of a regional cluster makes economic and best practise sense.

Recent Taranaki fatal and injury crash data (Source: MOT and CAS data):

Taranaki	Lowest Total	Highest Total	2012	2013	2014	2015	2016	2017	2018	2019
Deaths	4 (2017)	45 (1991)	17	7	11	8	12	4	17	15
Fatal crashes						6	10	4	10	14
Serious injury	46 (2014)	197 (1982)	67	51	46	56	70	77	79	92
Serious crashes						50	64	65	67	79

The following Taranaki crash data is based on 2015-2019 CAS data (Report from Roland Devine - WSP Opus)

Type and cause	Crash Numbers	% All	Casualty types	Fatal	Serious
Overtaking	17	4.61	Cyclists	1	24
Straight - lost control/head on	80	21.68	Drivers	34	198
Bend - lost control/head on	121	32.79	Motorcycle Pillions	0	6
Rear end/obstruction	58	15.72	Motorcycle Riders	5	61
Crossing/turning	60	16.26	Passengers	14	57
Pedestrian versus vehicle	30	8.13	Pedestrians	2	28
Miscellaneous	3	0.81			

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Type of Road		Drivers at fault or part fault	
Urban	39%	Full	61.40%
Open road	61%	Restricted	12.95%
		Learner	11.66%

1 January 2019 – 1 January 2020 Police Attended Crash Data – Based on Crash Reports (Report from Senior Sergeant Robbie O’Keefe)

Crash Factor	No. crashes	Percentage
Poor observation	34	35.05%
Alcohol	32	32.99%
Poor handling	28	28.87%
Failed to give way or stop	20	20.62%
Incorrect lanes or positions	19	19.59%
Travel speed	18	18.56%
Poor judgement	16	16.49%

2020 Fatal Crash Information (as at 31 May)

- 2 Motorcyclists
- 4 Drivers

Communities at Risk Register 2020

(<https://www.Waka Kotahi NZ Transport Agency.govt.nz/resources/communities-at-risk-register/>):

High Risk	Medium Risk	Low Risk
Motorcyclist	Cyclist involved	Speed (too fast for the conditions)
Rural LOC and/or head on	Urban intersections	Young drivers
Older road users	Restraints	Alcohol and/or drugs
Distraction		Fatigue
Pedestrian involved		Rural intersections

Background

Over the last three years Roadsafe Taranaki has made a significant investment into road safety programmes, with a particular focus on young drivers, alcohol, intersections and distractions. Statistics and anecdotal data had shown these four areas had high crash rates in Taranaki compared to other areas of concern, and they were statistics that could be significantly improved through education and behaviour change programmes. Death and Serious Injury (DSI) results over the last four years have been disappointing as the previous downward trend has reversed and is heading back up slowly. Taranaki is not alone in recording higher DSI crashes and in fact the whole country has been recording increases, which in part is the reason for a change in direction and strategy. It is also a key reason we need to look at historical delivery, change things up and work towards the *Road to Zero* with vigour to see better outcomes with a targeted focus on reducing DSI crashes in our region.

Historically Roadsafe Taranaki has had one FTE position covering all things road safety and after a recent review by Guild Research Limited one area for improvements is resourcing. Covering a region as big as Taranaki (which has a significant rural economy and population, and more than 3,000 km of road) by one person, results in delivery being watered down to a less than optimal level.

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We are working with communities that often don't know any better (you don't know what you don't know) so does mean ongoing education is a major contributor to the sustainable long-term success in reducing crashes and severity of crashes. Though some of the risks are medium or low within the latest report, this can be attributed to the investment and ongoing education programmes that are currently running and need to keep running to see even more reductions.

Fit for Purpose

The PBC communicates the need for investment and how the proposed delivery fits with the Regional Land Transport Plan, community outcomes and the Government Policy Statement on transport. This is done by identifying the key issues affecting Taranaki drivers and crash rates, the benefits of investing to address those issues and how success will be measured.

The Regional Road Safety Programme makes a significant contribution to the safety of road users with a specific focus on behaviour change and safe courteous driving in Taranaki. This business case details the planned delivery for 2021-2024, the cost of that delivery and the collaboration required to be successful. This approach helps Roadsafes Taranaki and its contributors, the New Plymouth, Stratford and South Taranaki District Councils plus co-investor, the Waka Kotahi NZ Transport Agency, determine that it is doing the right work with the right audience, at the right time and for the right reasons.

No Surprises

All funding contributes to support the transformation of New Zealand through a transport system in Taranaki that is safe, reliable and effective, and connects Taranaki with other parts of New Zealand and the world. Any specific focus area in relation to delivery will already have been identified in the New Zealand Government *Road to Zero Strategy 2020-2030* and collaborating with key stakeholders, engineers and the community will ensure the programme also fits within a safe system approach to road safety.

Aligned to Waka Kotahi NZ Transport Agency Processes

In 2004 the three district councils within the Taranaki region, namely South Taranaki, Stratford and New Plymouth, agreed to establish and maintain a joint management group for the purpose of employing or contracting personnel to deliver the Regional Community Road Safety Programme (CRSP). The three Taranaki district councils work together as a cluster for the delivery of road safety education programmes under the partnership banner of Roadsafes Taranaki. The programme is managed by the South Taranaki District Council under a memorandum of understanding.

Road safety action planning is a best practice process promoted by Waka Kotahi NZ Transport Agency to plan and implement safety interventions by road safety partners. It uses a collaborative approach to ensure the partners:

- Agree on risks
- Identify objectives
- Direct tasks
- Set targets
- Develop plans
- Monitor and review progress

Section 4.4(3) of the Taranaki Regional Land Transport Plan (RLTP) 2015-2021 ([as reviewed in 2018](#)) states "*Reducing the safety risk on Taranaki's transport network*" and the Roadsafes Taranaki programme fits within this section. This includes:

- Reduce risk on high risk rural roads, intersections and urban arterials with a particular focus on vulnerable road users
- Support the aims of Safer Journeys and Roadsafes Taranaki

The RLTP is still in draft form and may take some time to be finalised as noted in an email dated June 2020 from a Taranaki Regional Council Staff member;

“The RLTP is in the early stages of review, with no draft of the strategic front-end until probably mid-August unfortunately. The mid-term (2018) review of the RLTP kept that section largely the same, though it merged the policy of supporting Safer Journeys into the one with Roadsafes Taranaki. I’ve underlined wording changes for you above. Obviously, this component will need to be updated to align with Road to Zero. Unfortunately, there is a larger project underway with all RLTPs across the country changing to a more consistent structure – which is going to mean significant reworking of the Taranaki document. Long-term it will be better, but it is involving short-term pain at this end!”

Strategic Case

Introduction

The PBC is used to showcase the Roadsafes Taranaki Road Safety Programme 2021-2024. The purpose of the Strategic Case is to determine if the programme planned fits within the investment rules the Waka Kotahi NZ Transport Agency has in place.

This Business Case builds on work previously undertaken by Roadsafes Taranaki, the findings from Guild Research Limited’s evaluation of the Roadsafes Taranaki programme, the Taranaki Road Safety Action Plan and the Taranaki Regional Land Transport Plan. This PCB aims to enhance and complement the delivery of outcomes from previous programmes and approved funding streams.

The PBC confirms that the problems identified in the Strategic Case are valid and critical to the success of reducing death and serious injury crashes on Taranaki roads. The consequences of not continuing to deliver road safety educational programmes to the Taranaki community and in Taranaki schools could be an increase in risk taking and reversing the gains made in improved driver behaviours over the last 10 years.

Scope

The PBC has been designed to inform the reader about why and what road safety education programmes will be delivered by Roadsafes Taranaki over the next three years (2021-2024). Therefore, existing projects/programmes being delivered during the 2018-2021 funding cycle will be unaffected by this PCB.

The guiding principles around a Safe System are designed to guide participation and decision making across the system. A shared understanding is key to a successful implementation of any strategy. To reduce DSI by 40% over the next decade requires a big commitment in terms of funding and of community buy-in to behaviour and changing driver attitudes in particular.

Taranaki is a rural community with one medium sized city and a number of satellite towns mainly dotted around the State Highway network. Every urban area in Taranaki was originally built to support the dairy industry and the survival of many small businesses relies on the same industry. In more recent times forestry and the oil and gas industry has brought increased vehicles, larger vehicles and

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heavier vehicles. With the increased number of heavy vehicles using local roads designed for small vehicles and low volumes of traffic there has been more damage and more risk to locals using the road network.

- Driving when affected by *alcohol, drugs, fatigue or distraction* continues to show up as causes of DSI crashes across New Zealand. Understanding the reasons and triggers behind those driver decisions will help develop solutions to reduce or mitigate risky driver behaviour.
- Working with people so they understand, that like them, other drivers make mistakes, may help reduce overall *speeds*, reduce severity of crashes and help align with the *Road to Zero* strategy. The Speed Management Guidelines will help policy makers introduce and set new limits however help will be needed to engage and encourage road users to accept and commit to these speed reductions.
- Sustainable transport options and modal shift advancement has increased the number of *cyclists, pedestrians, scooters, mobility scooters* (and any other new technology developed in the future) utilising the road network, which has elevated the risk of conflict and injury.
- Having a network of roads criss-crossing the region to allow goods and services to be delivered, communities to be liveable and promote healthy lifestyles creates a road network with lots of *intersections*. These intersections are often located on high speed roads with limited visibility and sometimes taken for granted by local users.
- Rural isolated roads with corners, gullies and hills can entice *motorcyclists* and create high personal risk because of the isolation, quality and terrain of those same roads. The Forgotten Highway is a well-known road for motorcyclists and continued upskilling of riders is necessary to reduce the likelihood of injury on that road as well as around the region.

Safety is one of the key components in a transport system which both influences and responds to the regions' growth in travel demands. The relationship between road safety and transport use is complex and requires close scrutiny to prevent the system drifting into safety failure. While the majority of road trauma stems from poor road user choices on the network, Taranaki's local roads are unforgiving of people making mistakes which results in more serious injuries than acceptable. Quality *safe vehicles*, competent *safe licenced drivers* and everyone being correctly *restrained* will help bring the number and severity of injuries in those crashes down.

Context

Road Safety is one of the top three priorities in the GPS and is strategically driven through the *Road to Zero* New Zealand's Road Safety Strategy 2020-2030, NZ Road Policing Programme, Regional Land Transport Plan, Regional Road Safety Action Plan and the Roadsafes Taranaki Road Safety Promotions Activity List.

The *Road to Zero* New Zealand's Road Safety Strategy 2020-2030 will be implemented through a series of national action plans which allocate responsibilities to National Road Safety Committee (NRSC) members (Ministry of Transport, NZ Transport Agency, NZ Police, ACC and Local Government NZ). These plans set out Safe System actions in the areas of Safe Roads and Roadsides, Safe Speeds, Safe Vehicles and Safe Road Users along with expected timings and responsibility for implementation. They also detail how progress will be monitored and actions evaluated.

The Regional Transport Plan is a six-year document covering the six financial years from 1 July 2015 to 30 June 2021. The focus of the plan is on detailed funding for the first three years. However, funding forecasts are also provided for an additional seven years (ten financial years in total from 1 July 2015 to 30 June 2024). The Plan is currently being reviewed and due to COVID-19 restrictions there has been a considerable delay to this review. The expected timeframe has the RLTP being finalised in mid-2021.

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Although the Plan itself has a life of six years, strategically, the Plan retains a longer-term view over an approximate 30 year planning horizon, as the Regional Land Transport Strategy did before it.

Roadsafe Taranaki collaborates with both internal and external stakeholders and works closely with key partners in delivering behaviour change programmes. It delivers specific local operational activities not otherwise delivered through Central Government agencies.

Rationale

Understanding our communities is vital to delivering the right messages at the right times. Road safety promotion can often be a hard sell so linking topics, themes and activities with the *Road to Zero* Strategy provides clear objectives and measurable outcomes.

The following table gives a glimpse into what themes Roadsafe Taranaki will focus on and the rationale behind those decisions.

Focus Area	Theme	Action	Rationale (Road to Zero 2020-2030 Strategy)
1. Speed	Vulnerable	Cycling, walking, schools	Safe modal choice, health benefits, remove feeling of danger
	Speed Management	Open discussions – explain and demonstrate benefits of lower speeds	Connect people, reduce child deaths, increase ability to recover from a mistake
2. Vehicle Safety	Safer Vehicles	Promote safer vehicles	1 and 2 Star vehicles make up 45% of the fleet, account for 66% DSI
	Public Knowledge	Resources, reliable data	Lift minimum standards of new and imported vehicles
3. Work Related	Workplace Charter	Continue sign-ups and workshops	Approximately 25% of fatalities involve person driving for work
	Fatigue and Distraction	Follow obligations to drive change (Health and Safety Act 2015)	Long working hours can impact safety
4. Road User Choices	Alert, Safe and compliant road users	Promote safe roads and safe user behaviour	Everyone needs to take responsibility for road safety
	Drive to the conditions (Intersections, See and Be Seen – winter)	Influence behaviour and support people making good decisions	Anyone can make a mistake and everyone should feel safe to use transport network
	Drivers (young, old, high risk, fatigued, distracted)	Training, improving driving culture, enhance skills already learnt	Challenge poor driving culture, improve safety by helping users understand what a good choice is
	Safe choices and motorcycling	Encourage promote better choices	DSI would decrease if everyone followed the rules. Motorcyclists DSI 21% more likely than car driver
	Impaired	Education and support to reduce risk of impaired driving	Low in number but contribute disproportionately to crash trauma and expose other road users to higher risk
	Targeted groups (young, old, high risk, disabled, pedestrian, cyclist, scooters)	Create safe speed and network, improve infrastructure, targeted marketing	Young (inexperienced), old (numbers increasing), disabled (80 mobility users were DSI between 2008-2017), others have lack of protection on road
5. System	Māori outcomes	Build relationships, co-design programme delivery	Evidence shows Māori at greater risk when travelling. Improved access to social and economic opportunities.

Partners and Stakeholders

Overview

Delivery of the Roadsafes Taranaki Road Safety Plan is reliant on collaboration, engagement and support of partners and stakeholders from around the region. The Road Safety Action Planning Group is made up of representatives of NZ Police, Waka Kotahi NZ Transport Agency, Taranaki Regional Council, Stratford District Council, South Taranaki District Council, New Plymouth District Council, ACC, New Plymouth Injury Safe, Taranaki District Health Board, NZ Automobile Association and WSP Opus.

In a wider contact Roadsafes Taranaki continues to be supported by our Students Against Dangerous Driving, Department of Corrections, NZ Fire and Emergency, St John, Safer Community Organisations, Blue Light, Driving Instructors, Ngāruahine, Kidsafe Taranaki, local secondary schools/kura and community organisations like Positive Aging and Aged Concern.

Understanding Stakeholders Needs

The RSAP is a critical component in the delivery of a Road Safety programme across the Taranaki region. The RSAP committee is tasked with the management of all road safety activities and to enable this, there is a supporting structure which includes:

- Council-led and chaired Road Safety Action meetings four times a year with formal agendas
- Each member of the RSAP committee providing updates on previous 3 months delivery and planning on next three months (noting any unfinished projects/activities)

The Taranaki Road Safety Action Plan aims to:

- Fully understand crash risk on our road networks
- Redesign or retrofit our high risk road infrastructures to be predictable, forgiving of mistakes and self-explaining
- Manage our local roads and State Highways to ensure that the travel speeds suit the function and safety level for the road environment and conditions
- Support compliance and enforcement partners' attempts to get local vehicles safe and road worthy
- Support efforts to help ensure all road users are skilled, competent, alert, unimpaired, comply with the road rules and take steps to improve their safety

Collaborating with the RTC as they support efforts to achieve the *Road to Zero* road safety target of a 40% reduction in death and serious injuries on NZ roads by 2030.

Outlining the Need for Investment

Specific Safety Problems

There are a number of ways to research specific safety problems in the Taranaki region. For transparency we have utilised crash data from the Ministry of Transport and Waka Kotahi NZ Transport Agency websites. Once issues have been identified research is undertaken to find best practice guidelines or examples for planned activities/education. To find more information follow the links noted below:

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- <https://www.nzta.govt.nz/resources/communities-at-risk-register/>
- <https://www.transport.govt.nz/mot-resources/road-safety-resources/road-deaths/annual-road-deaths-2019-provisional/>
- <https://www.transport.govt.nz/mot-resources/road-safety-resources/roadcrashstatistics/social-cost-of-road-crashes-and-injuries/report-overview/>

We have also utilised the data collected during our four-yearly Roadsafes Taranaki High School Survey (Appendix II) which provides details about the behaviour and attitude of between 5,000 and 6,000 high school age students in Taranaki. This survey has been running since 2005 and gives us some very good insight into how 13 to 18 year olds are using and behaving on Taranaki roads.

To support the reduction in severity and number of crashes, Roadsafes Taranaki meets with the following partners:

- Quarterly meeting with Road Safety Action Planning Group
- Six weekly meeting with NZ Police (Highway Patrol, Traffic Alcohol Group, Road Policing)
- Twice yearly with NZ Police – School Community Officers – though catch up during school events/activities
- Twice yearly with Students Against Dangerous Driving – Regional Coordinator
- Quarterly ad-hoc New Plymouth injury Safe and Central Safer Community personnel
- Six weekly – NZ Police (Iwi Liaison) and Blue Light personnel

Benefits of Addressing the Problems

Road safety benefits are derived from a combination of evidence-based investment in road safety *engineering* improvements, police *enforcement* and road safety *education* to reduce deaths and serious injury. Behaviour change is very difficult to achieve in a multi-cultural society with varying levels of competence, wealth, affordability, family/whānau support and community well-being.

The low overall cost of the programme at \$450,000 makes the Roadsafes Taranaki programme an effective one when linked with other partners including Road Controlling Authorities (engineering), Regional Council (public transport), Police (enforcement) and road safety partners (education/behaviour change).

Addressing the issues on Taranaki roads through education is one part of a crucial solution to eliminate or reduce deaths and serious injuries in our region. The benefit to the region includes:

- Reduction in lost productivity due to the ripple effect a crash resulting in serious injury or death has on a community
- Improved liveability, health and well-being outcomes within the communities
- Increased employment opportunities for young people because they become competent, safe licenced drivers
- Sustainable road safety education as people share their messages within their social networks and work environment
- Economic benefits as the road network is clear and easy to manoeuvre eliminating lost time when crashes reduce access
- A sense of community pride because pedestrians/cyclists and other vulnerable road users feel safe to travel when they so desire
- Ongoing participation in community events that support safe road use

Critical Success Factors

Critical success factors are the attributes essential to the successful delivery of the programme, against which the available programme options are assessed. Alongside an assessment against critical success factors is the assessment of how well a programme option meets the project's investment objectives and benefits criteria.

Roadsafe Taranaki has applied for \$450,000 per year to deliver road safety education in the region. The Roadsafe Taranaki budget and outline is included in the Regional Transport Plan which shows the total expected spend for roads in Taranaki is around \$16 million per year. Roadsafe Taranaki deliverables are included in the regional Road Safety Action Plan and the Regional Land Transport Plan.

Most activities are evaluated on the day with an independent contractor currently undertaking a review of the Roadsafe Taranaki programme. This includes:

- Comparing our programme with best practise (including international best practice)
- Checking how well it integrates with other national strategies and programmes
- Assessing if the Roadsafe Taranaki programme is good value for money
- Asking if we have the capability and capacity to deliver what we say we are going to deliver
- Reviewing if there enough community contribution and collaboration with key partners

We are aware death and serious crashes have a significant impact on families, communities and the health and justice system with a corresponding high economic social cost. Moving forward the Roadsafe Taranaki programme should demonstrate that its regional focus in both rural and urban areas can deliver road safety and modal shift savings. Evidence shows that reducing road collisions has a significant and measurable effect on healthcare services.

Delivering hard messages and changing behaviour can result in a lot of conflict, so success can sometimes be reliant on external factors, including:

- Political commitment
- Leadership and road safety champions
- Accountable stakeholders
- Collaboration between stakeholders
- Road safety planning (goals, strategy, action plans, funding)
- Data sharing information systems
- Monitoring and evaluation
- Trained and equipped staff
- Marketing, outreach and public information

Investment Objectives

The *Roads of National Significance* (RONS) attract significant funding due to the very nature of them being significant to the economic growth and transport link to the majority of road users. The One Network encourages smarter planning and investment which in turn will produce greater benefits for road users and businesses. Investment in Taranaki needs to include beneficial and positive outcomes for Māori, employment opportunities, improved public transport in South Taranaki and Stratford plus a serious focus on improving generations of un-licensed driving.

The enormous social cost of road crashes to our region does not include the ongoing trauma suffered by the families and friends of the road users either killed or injured. Many of the challenges we face are directly linked to the unique landscape and a road network created to best fit with agricultural and

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transporting of goods to support the rural communities. We are not hemmed into a densely populated landscape, but the price we pay for this is people spend more time driving and covering greater distances.

Reduced collective risk (crash density):

- Reduced personal risk (crash rate)
- Crashes by cause and severity
- Reduction in deaths and serious injuries
- Difference between safe speed and actual speed
- Improved public awareness of travel choice
- Safety of cycling – perceived and actuals

Issues and Constraints

Behaviour change is a key requirement in order to achieve modal shift and wider outcomes. However, unless the following areas are considered, more barriers are created and will slow solutions and hinder progress:

- An aging and growing population
- Increased availability of drugs in the community
- Cost of licencing/Whānau support for young drivers
- Climate change
- Land use and transport integration
- Journey time reliability
- The cost of public transport versus private vehicle travel
- Social attitudes to private vehicle use
- The lack of dedicated bus or cycle infrastructure outside of New Plymouth

Many of the problems identified relate to human behaviour and the way people use the road network. A significant number of the safety problems identified are due to human factors, travel time reliability with the way people choose to travel and the availability of safe and attractive alternatives to the private car.

It is possible that before all elements of the PBC have been investigated and commissioned, technologies may be available that either change the demand for travel or provide a wider range of interventions and solutions.

The availability of funding for the recommended programme will be influenced by political decisions made outside of the business case approach such as the National Land Transport Programme/National Land Transport Fund, Regional Land Transport Plan and the New Plymouth, Stratford and South Taranaki District Council's Long Term Plans. However, the recommended programme presents a compelling evidence-based investment story to enable these financial decisions and trade-offs to be considered.

Funding Arrangements

It is expected that elements of the recommended programme will be funded under standard arrangements between the Waka Kotahi NZ Transport Agency and South Taranaki District Council (on behalf of New Plymouth District Council, Stratford District Council and South Taranaki District Council). The exception may be activities or projects which do not meet Waka Kotahi NZ Transport Agency funding criteria, which could be considered for council funding without subsidy from Waka Kotahi NZ

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Transport Agency. The Roadsafes Taranaki programme is managed by the Community Development Manager at the South Taranaki District Council on behalf of the Roadsafes Taranaki Management Group.

What is being funded?

The following table shows where funds will be allocated for the 2021-2024 three-year period.

Road Safety Issue	2021-22	2022-23	2023-24	Total Budget 2021-2024
Alcohol	\$90,000	\$90,000	\$90,000	\$270,000
Cycling	\$11,000	\$11,000	\$11,000	\$33,000
Distraction	\$35,000	\$35,000	\$35,000	\$105,000
Driver licensing/training	\$93,000	\$93,000	\$93,000	\$279,000
Drugs	\$15,000	\$15,000	\$15,000	\$45,000
Fatigue	\$18,000	\$18,000	\$18,000	\$54,000
Intersections	\$43,000	\$43,000	\$43,000	\$129,000
Micromobility	\$12,000	\$12,000	\$12,000	\$36,000
Motorcycling	\$20,000	\$20,000	\$20,000	\$60,000
Restraints	\$32,500	\$32,500	\$32,500	\$97,500
Speed	\$28,000	\$28,000	\$28,000	\$84,000
Vehicles	\$85,000	\$85,000	\$85,000	\$255,000
Walking	\$17,500	\$17,500	\$17,500	\$52,500
TOTAL FUNDING 2021-2024	\$500,000	\$500,000	\$500,000	\$1,500,000

Delivery and Monitoring

Management Case

The three district councils agree to delegate responsibility for decision making relating to the Regional Road Safety Programme to the Roadsafes Taranaki Management Group. Each of the councils will appoint one engineering and one community representative to the Roadsafes Taranaki Management Group. These appointments will be made with the written approval of the respective Chief Executive Officers.

The Roadsafes Taranaki Management Group will also:

- Oversee the strategic planning for the community-focused Road Safety Programme
- Approve the Road Safety Promotions funding application to Waka Kotahi NZ Transport Agency
- Approve a Road Safety Strategic Plan highlighting what will be delivered by Roadsafes Taranaki staff each year of the plan
- Appoint a delegate or delegates to represent the Management Group in HR processes such as employment, performance and salary reviews
- Promote the role and activities of Roadsafes Taranaki within their respective councils

Benefit Realisation

Road safety programmes are delivered at national, regional and district levels and are designed under an integrated model to work together and to complement each other. Developing a range of regional and district activities that connect with the locals contributes to a fully integrated safe and responsive

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transport system and the meeting of inter-agency objectives. Each activity is evaluated to ensure value for money and key objectives and goals have been achieved.

Programmes at the community level specifically enable:

- Community participation in transport issues
- Local insight and connectivity to communities
- Community ownership and the development of local informed solutions to manage local issues
- The clustering of local resources and harnessing local expertise
- The transfer of expertise and capacity into communities
- Integrating and packaging projects and activities locally
- National programmes/activities to be supported at the community level

Ongoing Stakeholder Engagement Plan

The Roadsafes Taranaki Management Group will jointly sponsor and administer a consultative group (Taranaki Road Safety Action Planning Group) made up of representatives of New Zealand Police, Waka Kotahi NZ Transport Agency, Taranaki District Health Board Health Promotion Unit, Accident Compensation Commission, South Taranaki District Council, Stratford District Council, New Plymouth District Council and any other group deemed appropriate from time to time.

The purpose of the Action Planning Group is to:

- Work together on collaborative projects and initiatives which will contribute to national and regional strategic goals for road safety, including the Safer Journeys Strategy
- Share information, statistics and professional advice to guide the development of the Roadsafes Taranaki Strategic Plan and Annual Plan

Professional Engagement Process and Peer Review

Working on road safety is an ongoing process. It means permanently seeking out improvements and assimilating new knowledge, insights and techniques.

Roadsafes Taranaki has engaged an external company to evaluate the Road Safety Programme and check best practise and value has been achieved. They are also contracted to research options that may find improvements to the current delivery.

Investment Logic Map and Regional Land Transport Plan 2021-2024 Current Update

No confirmed update available until 2021 due to delays across the country with Regional Transport Plans.

Appendix 4
Road Network Procurement Strategy 2019-2022

Road Network Procurement Strategy 2019-2022



Roading
Activity Management Plan 2021-2031



Long Term Plan 2021-31

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CORPORATE OWNERSHIP AND INTERNAL/EXTERNAL ENDORSEMENT

The Project Manager for this Procurement Plan is:		
Date	Name	Designation
1 August 2019	Stephen Bowden	Roading Asset Manager

Procurement Plan: Prepared / Reviewed / Updated by:		
Date	Name	Designation
1 August 2019	Stephen Bowden	Roading Asset Manager
1 August 2019	Victoria Araba	Director - Assets
1 August 2019	Sven Hanne	Chief Executive

Council Consideration/Adoption:		
Date	Meeting	Recommendation
27 August 2019	Policy and Services Committee	Council received and noted the information

NZTA Endorsement:		
Date	Name	Designation
August 2019		

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1. EXECUTIVE SUMMARY

1.1 Summary Statements of Key Issues and Opportunities to Obtain Value for Money

The balance between effective competition and efficiency of procurement processes is essential to achieving value for money over the long term. This strategy provides for a delivery model and procurement procedures that ensure competition is maintained without creating costly inefficiencies.

Ensuring competitive and efficient markets is about obtaining 'value for money' that is sustainable in the long term. This can be achieved by creating a market place where small to medium size contracting firms can compete with major national firms. This flows from Stratford District Council's reputation of being a fair and reasonable client. Stratford District Council (SDC) is an advocate of cooperative relationship building where 'value for money' can be achieved and unproductive adversarial disputes can be avoided.

The NZTA requires local authorities to separate their technical services and asset management functions. Many authorities choose to achieve this separation by employing consultants, while some have semi-autonomous in-house business units. The Stratford District Council made the decision some years ago to provide its technical services via an in-house business unit.

The Business Unit provides technical advice, design, data collection and other consultancy functions as required. It is responsible for ensuring that the Rooding Contract works and other programmed works are carried out as efficiently and economically as possible.

The Unit is separately funded and operated to achieve the required separation, but the staff members are Council employees. The cost of the in-house business unit is recovered through work category 151: Network and asset Management.

For the procurement of physical works SDC intends using a traditional Measure and Value contract in accordance with NZS 3917:2013 Conditions of Contract for Building and Civil Engineering. The term of the contract will be an initial three years with the possibility of a further two, two year extensions (3+2+2). This contract includes maintenance for sealed and unsealed pavements, environmental maintenance, drainage maintenance, traffic services (signs), responding to Customer Service Requests, emergency works, pre-reseal repairs and reseals, drainage renewals, pavement rehabilitation and roadmarking.

Stratford District Council will be using the Price Quality Method (PQM) for major supplier selection, and Direct Appointment or Lowest Price Conforming for other minor contracts that do not form part of the Rooding General Maintenance contract. This method is designed for the evaluation of tenders when the quality of the supplier is important.

It is our preference to use the PQM as it is simple, transparent and represents good value for money, one of the Government's strategic goals in the Government Policy Statement 2018-28.

Price Quality Method gives a clear and consistent process for deciding the supplier quality premium (SQP) for each tenderer. It also enables tenderers who don't win the contract to learn the difference between their SQP and the winning tenderer's SQP. It also makes evaluating alternative tenders much simpler. Stratford District Council believe that encouraging alternative tenders will also encourage innovation.

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1.2 Recommendations

It is recommended that the NZTA:

- Endorses Stratford District Council's Road Network Procurement Strategy;
- Approves the continued use of in-house professional services;
- Approve a variation to the Procurement Manual section 10.21 maximum term of a term service contract for infrastructure or planning and advice for a maintenance contract with a maximum term of seven years (3+2+2).
- Approve a variation to the Procurement Manual section 10.21 maximum term of a term service contract for infrastructure or planning and advice for a professional services contract for inspection of SDC's structural assets for a maximum term of six years (2+2+2).

2. POLICY CONTEXT OF STRATFORD DISTRICT COUNCIL

2.1 Strategic Objectives and Outcomes

The roading activity encompasses the management, maintenance and provision of rural and urban roads, footpaths, kerb and channel, street lighting and associated infrastructure for the District excluding State Highway 43 (SH 43) and State Highway 3 (SH 3).

The roading network managed by the Stratford District Council totals 597.9km (as at 30 June 2017), made up of 557.1km of rural roads and 40.8km of urban streets. State Highways 3 and 43 are maintained by the New Zealand Transport Agency (NZTA). In addition there are over 700km of unformed legal road and a number of bridges 'beyond the maintenance peg' that are not maintained by Council.

The roading asset includes all pavements from the sub base to, and including, the top sealed or metal surface, traffic services (lighting, street and safety signage), footpaths, kerb & channel, bridges, culverts and side drains.

The main users of the network are residents, industries (particularly sheep and beef farming, dairy, forestry and to a lesser extent, oil), a small commercial sector, and visitors. Fonterra, NZ's largest dairy company, is a key heavy transport user and the dairy industry collectively has a significant impact on the rural roading network. With the recent increase in forestry activity and the implementation of 50Max and HPMV rated vehicles, we have seen nearly a fourfold increase in the number of HCV's using the roading network. This is evidenced by the number of overweight permits that are being issued on a daily basis. In 2016, 63 permits were issued, whereas the following year this had risen to 230. The network is coming under increased pressure from forestry, as trees planted in the mid 1980's are now reaching maturity. Whilst oil and gas still has a presence in the district, exploration has tailed off in the last three years as the oil and gas companies are focusing on maintaining their existing production sites.

Section 317 of the Local Government Act 1974 states that all district roads shall be under the control of the relevant Council.

This activity contributes to the District's well-being and the achievement of the desired outcomes through the Council's provision of an integrated, safe, responsive and sustainable local land transport system. This is a fundamental requirement for every district, as the Council is the road controlling authority under the Local Government Act 1974, with responsibility for all local roads within the district.

Table 1 – Community Outcomes.

Regional Outcomes	Community Priorities
<p>Integrated transport network - An integrated and collaborative approach to transport and land use planning that maximises transport effectiveness.</p> <p>Facilitating growth and economic development – An effective, efficient and resilient land use transport system that enhances economic wellbeing, growth and productivity in the Taranaki region and beyond.</p> <p>Reducing the safety risk - A safe transport network increasingly free of death and serious injury.</p> <p>Maintaining and improving accessibility and travel options throughout the region - A people focused, multi-modal land transport system that caters for the different and changing needs of transport users, connects communities and enables participation.</p> <p>Ensuring network resilience and responsiveness – A land transport system that is robust, responsive to changing needs and resilient to external influences.</p> <p>Reducing negative environmental and community impacts arising from transport – An energy efficient and environmentally sustainable land transport system.</p> <p>Addressing these issues in an environment of constrained funding and affordability – An adaptable and flexible approach to managing and developing the land transport system that optimises funding options to best meet the needs of the region in an affordable way.</p>	<p>Quality Leadership – To maintain Stratford as a place to live, work, invest and play. Take a positive leadership role in growing and developing the urban environment.</p> <p>Affordable, Quality Services and Infrastructure – We will focus on meeting the current and future needs of our community by providing good quality local infrastructure including the land transport system.</p> <p>Smart, Vibrant and Prosperous District – We will work to create an attractive and safe built environment.</p> <p>Stratford District as a unique destination – we will work collaboratively to support, build on and promote our uniqueness.</p> <p>Financial Strength – We will fund infrastructure development and capital works in a way that is most cost effective for households and businesses.</p> <p>Growth – Actively promote the district and its lifestyle. Support and participate in regional economic development initiatives for the benefit of the Stratford District and its residents. Ensure the availability of sustainable land for development for residential and commercial purposes, ensuring an integrated approach to the land transport system.</p>

2.2 Objectives and Outcomes for the Procurement Strategy

Council has developed goals and supporting objectives to direct its efforts towards the achievement of the desired outcomes.

The Roothing activity goal is:

To ensure a safe, accessible, resilient and appropriate land transport network that supports growth and remains sustainable to meet the needs of current and future communities.

The principal objectives are:

- (a) To plan for, and forecast, the investment for the future maintenance and provision of the roading infrastructure in perpetuity, to anticipate growth and demand trends that may affect this level of investment.
- (b) To ensure that all roads, bridges, street lighting, footpaths and traffic services meet adequate safety and service standards.
- (c) To monitor and assess the performance and compliance of the various roading components.
- (d) To maintain an adequate management system for all matters relating to the roading infrastructure; and
- (e) To provide for informed community consultation.

2.3 The NZTA's Procurement Requirements and What They Mean for Stratford District Council

2.3.1 Value for Money

For the purposes of this Strategy, the definition is provided by the Ministry of Transport as one of the Strategic Priorities – Value for Money in the Government Policy Statement 2018-28. The GPS increases the emphasis on value for money to maximise the impact of money spent to achieve the Government's outcomes. Value for money in transport will deliver the right infrastructure and services to the right level at the best cost. The Stratford District Council will consider a range of options, the costs, the benefits and the GPS 2018 strategic direction for maintaining and renewing the components of the land transport system.

2.3.2 Competitive and Efficient Markets

The balance between effective competition and efficiency of procurement processes is essential to achieving value for money over the long term. This strategy provides for a delivery model and procurement procedures that ensures competition is maintained without creating costly inefficiencies.

2.3.3 Fair Competition among Suppliers

Ensuring competitive and efficient markets is about obtaining 'value for money' that is sustainable in the long term. This can be achieved by creating a market place where small to medium size contracting firms can compete with major national firms. This flows from Stratford District Council's reputation of being a fair and reasonable client. Stratford District Council is an advocate of cooperative relationship building where 'value for money' can be achieved and unproductive adversarial disputes can be avoided.

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2.4 Other Relevant Factors

2.4.1 Consultancy

The NZTA requires local authorities to separate their technical services and asset management functions. Many authorities choose to achieve this separation by employing consultants, while some have semi-autonomous in-house business units. The Stratford District Council made the decision some years ago to provide its technical services via an in-house business unit.

Table 2 – In House Business Unit Development

Date	Organisation	Action
Aug 1994.	Stratford District Council	Entered into an agreement with its in-house Engineering Business Unit to provide Professional Services.
Jan 1996	Transfund New Zealand	Issued a Review & Audit Division Memorandum No 96/1: Interim provisions allowing professional services business units to operate until 30th June 1998
Jun 1996	Transfund New Zealand	Carried out a Procedural Audit and endorsed Stratford District Council's use of 'In-house Professional Services'.
Oct 1996	Stratford District Council	Policy & Services Committee endorsed the use of 'In-house Professional Services'.
Nov 1996	Transfund New Zealand	Issued Review and Audit Division memorandum No 96/03: Provision of In-house Professional Services. This document required SDC to complete an audit test in order to retain in-house professional services.
Jun 1997	Stratford District Council	Policy & Services Committee, reviewed audit test and endorsed the continued use of 'In-house Professional Services'.
Feb 2001	Transfund New Zealand	Carried out a Procedural Audit and endorsed Stratford District Council's use of 'In-house Professional Services'.
Nov 2014	New Zealand Transport Agency	Carried out a Procedural Audit and noted that the Business Unit Manager and the Road Asset Manager are separated to remove any risk associated with conflict of interest,
Oct 2017	New Zealand Transport Agency	Carried out a Procedural Audit and commented the updated Procurement Strategy is to reflect the Transport Agency's professional services policy for in-house professional services.

The Business Unit provides technical advice, design, data collection and other consultancy functions as required. It is responsible for ensuring that the roading contract works and other programmed works are carried out as efficiently and economically as possible.

The Unit is separately funded and operated to achieve the required separation, but the staff members are Council employees.

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This option was chosen because it offered the following advantages:

- Long standing knowledge and expertise is retained in-house. As the staff members are council employees, professional intelligence issues do not arise and the full knowledge of the business unit is available to the Council at all times at no additional cost. This is a particularly important consideration in Stratford. Recent staff changes has resulted in some loss of “institutional knowledge” from Stratford, however, this has been off-set somewhat by the appointed of the new Rooding Asset Manager in 2015, who had previously spent 10 years with New Plymouth District Council (a neighbouring authority).
- Overheads can be spread over additional Council departments as the Business Unit are available as an internal consultant for other teams within council, for example, Environmental Services, in regard to planning/consenting issues. Overheads would be reduced without the business unit, but probably not in direct proportion, which means that overhead charges would be higher across other departments.
- There are opportunities for business unit staff members to be utilised from time to time by other Council departments. This is an important consideration in a small local authority with limited staff numbers and budgets.
- Outsourcing professional services to consultants would result in a significant increase in the cost of Network and Asset Management work category, thereby negating the “value for money” the current in-house business unit provides.

2.4.2 Network Management

The level of service including, ride comfort, safety, and general appearance of the rooding network is dependent upon how well the asset is maintained. The rooding maintenance contract (2019 – 2022) defines the inspection regime for the rooding network within the Stratford district. Typically the inspection cycles are as follows;

- Primary Collector Roads - monthly
- Collector and all urban roads – monthly
- Rural access roads – one sixth of the network each month
- Rural low volume access roads – three monthly.

The management of the rooding network can be grouped into the following activity areas:

- Planned (including Renewals, Capital Projects) and Routine Maintenance – proactive regular or programmed work required to maintain the service level of an asset or prevent its failure, for example, repairing minor defects in sealed roads, grading unsealed roads, painting guard rails.
- Unplanned maintenance – reactive minor repairs to a failed asset to return it to its normal level of service, for example, pothole repairs, replacing damaged signs, clearing minor slips from roadsides and un-blocking culverts.

The annual rooding budgets include operational costs associated with activities such as street cleaning and energy costs for street lighting. The budget also includes for activities undertaken by third parties such as Kiwirail, for the maintenance of the level crossings within our district.

The physical works carried out on the district roads are undertaken by private contractors. Most of the work, including all routine maintenance and most renewals and planned work such as reseals and unsealed roads metal replacement, is carried out by one contractor under the “General Rooding Maintenance, Resurfacing, Rehabilitation and Roadmarking Contract”. Emergency works, such as clearing major slips and snow clearing is generally included in this contract as ‘Ready Response’.

The contractors utilise sub-contractors for some activities, for example, roadmarking, rehabilitation, and street cleaning. Streetlight maintenance is handled under a separate contract. For major capital works such as bridge or large diameter culvert replacements, SDC intend using the Price Quality Method (PQM) for major supplier selection. Works of a more minor nature, for example bridge maintenance packages, will be sought using our own internal policy of seeking three quotes from local contractors. In certain situations, (time and cost), it may be preferable to utilise the general rooding maintenance contractor in order to complete the works during a financial year. This has the

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potential for efficiency savings in terms of consultancy fees associated with contract document preparation, tendering and supervision of the physical works.

All contracts are let under the New Zealand Transport Agency's Procurement Manual and in accordance with Council's Procurement Policy.

3. PROCUREMENT PROGRAMME

The Stratford District Council (the Council) invited, in February 2019, suitably qualified Contractors to tender for a service delivery contract for the continued operation and maintenance of the Council's roading facilities.

The Contract will be a "General Roothing Maintenance, Resurfacing, Rehabilitation and Roadmarking Contract", requiring the Contractor to provide not only physical works but also a degree of professional services for significant aspects of the work. The Contractor will be expected to develop, execute and monitor maintenance strategies which will ensure the proper and long term performance of Council's roading asset.

This will be a three year contract with two rights of renewal of two years each for the continued operation and maintenance of the Stratford District Council's roading assets.

The contractor will be required, unless specified otherwise, to provide a complete maintenance service for all elements included in the Contract. This will include:

- (a) The identification of maintenance needs within the defined work categories contained in the specifications.
- (b) Undertaking all necessary inspections, reporting and programming of work required.
- (c) Providing all labour, plant and materials to effect prompt and efficient maintenance of the District's assets included in the Contract.
- (d) Executing the works to specification requirements in a safe efficient and timely manner while minimising any inconvenience to the public.
- (e) Undertaking the annual resealing programme in accordance with NZTA P17 and M10.
- (f) Undertaking sealed road pavement rehabilitation projects as defined throughout the duration of the contract period.
- (g) Complete the annual roadmarking programme.
- (h) Responding promptly to emergencies and minimising as far as possible any resultant damage.

3.1 Streetlight Maintenance and Renewals 2016- 2019.

In March of 2016, the Stratford District Council invited suitable qualified contractors to tender for a service delivery contract of the maintenance the districts streetlights including the conversion from 70w high pressure sodium to the equivalent LED's. Stratford District Council's bid for funding from NZTA was approved in February 2016, having completed NZTA's HPS to LED spreadsheet for the conversion. In our case, payback for the capital investment was given as seven years.

The scope of this maintenance contract includes:

- (a) Monthly inspections.
- (b) Programming and undertaking routine maintenance of streetlight stock.
- (c) Fault investigation.
- (d) Updating the asset inventory via RAMM Contractor.
- (e) Validating RAMM data and condition rating of the streetlights.
- (f) Reporting additional works that maybe required over and above the routine maintenance.
- (g) Undertaking ordered works following an instruction from the Engineer.
- (h) Responding to emergency repairs on a 24 hour basis.
- (i) Forward works programming.

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- (j) Replacement of existing HPS lights with LED's. The LED's are to be supplied by SDC.

The term of this contract is three years with the possibility of two further one year extensions. The contract start date was 11 April 2016, the completion of the contract being 31 March 2021. At present this contract has been extended by one year, so we are now in our fourth year. The conversion of the HPS streetlights to LED's was completed by 30 June 2018, as stated in the contract. This contract was let using NZTA's PQM methodology.

The value of this contract is \$87,820 per annum.

3.2 Professional Services for Inspection and Management of SDC's Structural Assets 2020 – 2026.

We are currently considering the option of preparing a contract for Professional Services providers to undertake annual inspections of the council's structural assets. As Stratford District Council does not have a Professional Services contract, this will be a first for this authority. Currently, professional services are engaged on an "as and when basis" via short form agreements which are valid for 12 month time periods.

The general scope of this proposed contract will be:

- (a) Inspection of all structural assets of Stratford district council, including, bridges, retaining walls, tunnels, large diameter culverts (≥ 1200 mm diameter), earth drives, pipe bridges and an external inspection of reservoirs.
- (b) Delivery of inspection reports.
- (c) Recommending maintenance programmes.
- (d) Developing long term structural replacement programmes, based on condition of the structure.
- (e) Bridge posting for over-weight vehicles.
- (f) Approval of over-weight permits for non HPMV approved routes.

Currently the bridge inspection programme is split into two regions; Front Country (Mt Taranaki to Douglas) and Back Country (Douglas to Ruapehu District boundary) in order to spread the workload and reduce the annual cost of inspections. The requirement of this proposed contract is for inspections to alternate between Front and Back Country areas. As well as being national best practice, it is recommended that every six years a detailed inspection is undertaken on structural assets. The proposed duration of this professional services contract is for two years with potentially two extensions of two years, (2+2+2). The rationale for this contract duration, is that every structure will have two general inspections and one detailed inspection.

Based on current costs of inspections, we anticipate that annual cost will be in the order of \$50,000 per annum. Our plan is for the contract to be tendered and awarded prior to the Christmas holiday closed down, with a contract start date of 1 January 2020. The supplier selection method will be PQM, with at least 70% weighted towards non-priced attributes.

4. PROCUREMENT ENVIRONMENT

4.1 Analysis of Supplier Market

Table 3 – Maintenance Contracts within Taranaki

Contract Area	Approved Organisation	Expected Completion Date	Contractor
Patea/Waverley	South Taranaki	30/6/2021	Fulton Hogan
Egmont & Central	South Taranaki	30/9/2021	Inframax
New Plymouth Urban and Rural	New Plymouth	30/06/2029	Downer
Stratford Urban & Rural	Stratford	30/6/2022	Fulton Hogan

The four contracts outlined above have differing timeframes associated with them. For South Taranaki District Council both of their contracts are (3+1+1), whilst Stratford District Council contract is (3+2+2). Both districts operate a traditional measure and value style of contract which includes; pavement repairs, vegetation control, drainage work, customer service requests, traffic services, emergency works. There is a slight difference between South Taranaki District Council's contracts and Stratford District Council's in as much as SDC's includes reseals and pavement rehabilitations works, whereas STDC's, does not. These are let separately by STDC.

New Plymouth District Council has recently awarded a NEC4 Infrastructure Term Service Contract that is expected to last 10 years. This contract includes the following:

- Maintenance and Renewals of Transportation activity (ROC \$12M pa)
- Maintenance and Renewals of Parks assets on the Transport Corridor
- Water Reticulation Renewals
- Waste Water Network Renewals

Fulton Hogan also have an Open Space Management (OSM) contract with South Taranaki District Council, which involves the maintenance of Parks, Cemeteries, Gardens and Local Berms the expected completion date is 30/6/2022.

New Plymouth District Council Parks Department maintain their own Parks and Open Spaces.

The other major maintenance contracts are:

Table 4 – Other Notable Contracts

Contract Area	Approved Organisation	Expected Completion Date	Contractor
West Wanganui State Highways	NZTA	30/6/2020	Downer
Open Space Management	Stratford	30/6/2022	Downer
Stratford Water Services	Stratford	30/6/2022	Citycare
New Plymouth Water Services	New Plymouth	30/6/2021	Citycare
South Taranaki Water Services	South Taranaki	02/10/2020	Veolia

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4.1.1 Regional Contractors Capable of Performing SDC's Maintenance Contracts

- Citycare – 3 Waters
- Downer
- Fulton Hogan
- Inframax Construction Ltd
- Warner Construction
- Taranaki Civil Construction
- Whitaker Civil Engineering
- Burgess and Crowley Construction Limited

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4.2 Analysis of the Stratford District Council Current Procurement Expenditure and Profile

LOCAL ROADS (Urban and Rural)	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
Operational Costs	\$	\$	\$	\$	\$	\$	\$
Sealed Pavement Maintenance	350,000	350,000	373,978	382,953	392,144	401,947	412,398
Unsealed Pavement Maintenance	150,200	150,200	160,507	164,359	168,304	172,511	176,997
Routine Drainage Maintenance	332,200	332,200	354,996	363,517	372,241	381,547	391,468
Structures Maintenance	140,000	140,000	149,591	153,181	156,857	160,779	164,959
Environmental Maintenance	251,900	251,900	269,198	275,658	282,274	289,331	296,854
Traffic Services Maintenance	193,300	193,300	206,700	211,661	216,764	222,205	227,983
Footpath Maintenance	206,550	211,115	215,960	217,420	226,470	232,125	238,085
Level Crossing Warning Devices	26,200	26,200	29,995	28,667	29,355	30,089	30,871
Minor Events	326,500	326,500	348,905	357,279	365,854	375,000	384,750
Network and Asset Management	327,900	327,900	347,672	354,932	362,554	370,487	378,951
Low Cost/Low risk Improvements	713,941	806,741	695,722	676,883	816,374	866,067	880,317
TOTAL OPERATIONAL COSTS - LOCAL ROADS	3,018,691	3,116,056	3,153,224	3,186,510	3,389,191	3,502,088	3,583,633
LOCAL ROADS RENEWAL							
Unsealed Road Metalling	844,600	844,600	864,700	865,900	866,300	867,600	868,800
Sealed Road Resurfacing	800,000	800,000	820,200	821,900	823,000	824,800	826,800
Drainage Renewals	568,300	568,300	581,600	582,200	582,300	583,000	583,700
Sealed Road Pavement Rehabilitation	762,000	762,000	780,000	780,900	781,100	782,000	782,900
Structures Component Replacement	96,000	96,000	98,500	98,600	98,700	98,900	99,000
Traffic Services Renewals	58,000	58,000	64,600	64,700	64,800	64,900	65,000
Footpath Renewals	0	0	0	0	0	0	0
TOTAL RENEWAL - LOCAL ROADS	3,128,900	3,128,900	3,209,600	3,214,200	3,216,200	3,221,200	3,226,200

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SPECIAL PURPOSE ROADS

OPERATIONAL COSTS

Sealed Pavement Maintenance	17,000	17,000	18,539	18,984	19,439	19,925	20,443
Unsealed Pavement Maintenance	5,200	5,200	5,599	5,733	5,871	6,018	6,174
Routine Drainage Maintenance	4,900	4,900	5,236	5,361	5,490	5,627	5,774
Structures Maintenance	0	0	0	0	0	0	0
Environmental Maintenance	63,600	63,600	68,004	69,639	71,307	73,090	74,990
Traffic Services Maintenance	3,600	3,600	3,921	4,016	4,112	4,215	4,324
Minor Events	26,200	26,200	27,995	28,667	29,355	30,089	30,871
Network and Asset Management	8,200	8,200	8,727	8,909	9,100	9,299	9,511
Low Cost/Low risk Improvements	9,061	9,061	9,682	9,914	10,152	10,406	10,676
TOTAL OPERATIONAL COSTS - SPR	137,761	137,761	147,703	151,223	154,826	158,669	162,763
SPECIAL PURPOSE ROADS RENEWALS							
Sealed Road Resurfacing	52,000	52,000	53,300	53,400	53,400	53,500	53,600
TOTAL SPECIAL PURPOSE ROADS - RENEWAL	52,000	52,000	53,300	53,400	53,400	53,500	53,600
TOTAL ALL	6,337,352	6,434,717	6,563,827	6,605,333	6,813,617	6,935,457	7,026,196

Note

The current contract expires 30th June 2019. This contract is currently held by Inframax Construction Ltd. As of 1 July 2019 there will be a new Rooding maintenance contract that is a three year term with the possibility of two opportunities for a further two year rights of renewal. This contract has been awarded to Fulton Hogan Ltd.

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4.3 Analysis of the Impact of the Procurement Programmes of Other Approved Organisations and Other Entities

Stratford District Council advertised its Roading Network Maintenance Contract on 28th February 2019. The tenders closed on 28 March 2019 with the successful contractor (Fulton Hogan Ltd) being announced on 18 April 2019. The next step in the process is for the contract agreement to be signed by the Chief Executive of Stratford District Council and the Regional Manager of Fulton Hogan Ltd. This is expected to take place early in May 2019. Thereafter the contractor is required to supply the following documents to SDC for approval:

- Contract Management Plan;
- Quality Plan;
- Environmental Plan;
- Health and Safety Plan; and
- Traffic Management Plans.

With New Plymouth District Council going to tender in late 2018 with their 10 year maintenance and renewals contract, this has set the scene locally for other contracts and contractors in the region. With Downer being the successful tenderer for the NPDC contract, and the incumbent for the Taranaki Network Outcomes Contract for NZTA, Downer did not submit a tender for SDC's maintenance contract. As a result, three tenders were received from Inframax (incumbent), Fulton Hogan and Warner Construction. The table below outlines other significant maintenance contracts that will be going to the tender box within the next 12 month period.

Table 5 - Future Maintenance Contracts

Contract Area	Approved Organisation	Expected Commencement Date
Patea/Waverley	South Taranaki	1/7/2021
Egmont & Central	South Taranaki	1/7/2021
West Wanganui State Highways	New Zealand Transport Agency	1/7/2020

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5. APPROACH TO DELIVERING THE WORK PROGRAMME

5.1 Specific Strategic Objectives

The Roothing activity encompasses the management, maintenance and provision of rural and urban roads, footpaths, kerb and channel, street lighting and associated infrastructure for the District excluding State Highway 43 (SH 43) and State Highway 3 (SH 3).

The aim of the activity is to provide a road network that is suitable for the effective and efficient movement of vehicles and people, has a suitable all weather surface that is appropriate to its location and function in terms of skid resistance and smoothness, and has a structure suitable for traffic loading requirements.

Council is a 'Road Controlling Authority' and is legally responsible for the control of its roading network. Section 317 of the Local Government Act 1974 states that all district roads shall be under the control of the relevant council.

The Roothing activity goal is:

"To ensure a safe, accessible, resilient and appropriate land transport network that supports growth and remains sustainable to meet the needs of current and future communities".

The principal objectives are:

- (a) To plan for, and forecast, the investment for the future maintenance and provision of the Roothing infrastructure in perpetuity, and to anticipate growth and demand trends that may affect this level of investment.
- (b) To ensure that all roads, bridges, street lighting, footpath and traffic services meet adequate safety and service standards.
- (c) To monitor and assess the performance and compliance of the various Roothing components.
- (d) To maintain an adequate management system for all matters relating to the Roothing infrastructure; and
- (e) To provide for informed community consultation.

The Regional Outcomes to which the Roothing activity primarily contributes are:

- i) **Affordable, Quality Services and Infrastructure** – We will focus on meeting the current and future needs of our community by providing good quality local infrastructure including the land transport system.
- ii) **Smart, Vibrant and Prosperous District** – We will work to create an attractive and safe built environment.
- iii) **Stratford District as a unique destination** – we will work collaboratively to support, build on and promote our uniqueness.

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- iv) **Growth** – Actively promote the district and its lifestyle.
 - a. Support and participate in regional economic development initiatives for the benefit of the Stratford District and its residents.
 - b. Ensure the availability of sustainable land for development for residential and commercial purposes, ensuring an integrated approach to the land transport system.

The Roothing activity contributes to the District’s social and economic well-being, and supports the following desired Community Outcomes from the Stratford District Council’s LTP 2018-2028

- Affordable high quality core services and facilities.
- Smart, vibrant and prosperous district.
- Growth.
- Stratford district as a unique destination.

5.2 The Procurement Approach

5.2.1 Nature of Activities

Roothing Maintenance Contract – Roothing

Scope: Consists of all road maintenance items, including emergency response work. Renewal work such as Reseals, Metal Dressing, Pavement Rehabilitation and Watertabling are also included. Seven year term (3+2+2) is the preferred period for the contract.

Scale: Approximately \$5.8 million per annum.

Table 6 – Value of SDC’s Maintenance Contract

Activity	Average Cost per Annum 2019/20-26/25 \$000	Complexity	Risk	Potential Suppliers
OPERATIONS				
Sealed Pavement Maintenance	350	Low	Low	See 4.1.1
Unsealed Pavement Maintenance	180	Low	Low	See 4.1.1
Routine Drainage Maintenance	330	Low	Low	See 4.1.1
Structures Maintenance	140	Low	Low	See 4.1.1
Environmental Maintenance	250	Low	Low	See 4.1.1
Traffic Services Maintenance	190	Low	Low	See 4.1.1
Level Crossing Warning Devices	25	Low	Low	See 4.1.1
Emergency Reinstatement	300	Low	Low	See 4.1.1
Network and Asset Mngt	300	Low	Low	See 4.1.1

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Activity	Average Cost per Annum 2019/20-26/25 \$000	Complexity	Risk	Potential Suppliers
Low Cost/Low Risk Improvements	690	Low	Low	See 4.1.1
SUB-TOTAL	2755			

Activity	Average Cost per Annum 2019/20-25/26 \$000	Complexity	Risk	Potential Suppliers
RENEWALS				
Unsealed Road Metalling	800	Low	Low	See 4.1.1
Sealed Road Resurfacing	750	Medium	Medium	See 4.1.1
Drainage Renewals	560	Low	Low	See 4.1.1
Pavement Rehabilitation	750	Medium	Medium	See 4.1.1
Structure Components Replacement	100	Low	Low	See 4.1.1
Traffic Services Renewals	60	Low	Low	See 4.1.1
SUB-TOTAL	3020			
TOTAL	5775			

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5.2.2 Key Attributes and Value for Money Strategy

'Value for money' is the principal driver of performance; this concept can be illustrated with the following equation:

$$\text{Value for money} = \frac{\text{Functional Performance}}{\text{Resources Consumed}}$$

In this equation 'Functional Performance' is described as the gain received from the investment in terms of economic, social and environmental performance. SDC considers such intangibles as innovation, design and integrity, safety and human development in its measure of 'Functional Performance'.

'Resources Consumed' include the cost incurred to deliver the functionality sought. Therefore in SDC's view best 'value for money' from any activity is a result of extracting the greatest performance out of any activity and delivering the work for the most efficient cost, where both performance and cost are assessed in economic, social and environmental terms.

5.2.3 Proposed Delivery Model(s) and Supplier Selection Method(s)

SDC will continue to use the Price Quality Method (PQM) for supplier selection for significant projects or term maintenance contracts. On occasions small specific projects will be let to local contractors, for example minor bridge maintenance works. The method of procurement for these works will be invited tender, where three invitations are sought. This method is designed for the evaluation of tenders when the quality of the supplier is important. SDC prefer the PQM because it is simple and transparent.

5.2.4 Impact of the Preferred Approach on Value for Money, Fair Competition, and Competitive and Efficient Markets

PQM gives a clear and consistent process for deciding the supplier quality premium (SQP) for each tenderer. It also enables tenderers who don't win the contract to learn the difference between their SQP and the winning tenderer's SQP. It also makes evaluating alternative tenders much simpler. SDC believe that encouraging alternative tenders will also encourage innovation.

5.2.5 Risk Identification and Management

SDC has developed a risk management process based on AS/NZS 31000:2009. In July 2018, the Council adopted a Risk Management Framework, Risk Management Policy, and an initial council-wide Risk Register which is regularly reviewed and updated. Specifically, the risk management process is designed to raise awareness of threats to Council and ensure appropriate mitigations are implemented to minimise either the impact or likelihood of a harm incident occurring or both. The risks in the council-wide Risk Register are categorised by the following areas:

- Financial
- Operational
- Legislative and Compliance
- Data and Information
- Health and Safety Wellbeing
- Reputational and Conduct

In terms of procurement, Procurement Contract risk is ranked as High risk (between Moderate and Very High, with Extreme being the highest risk assessment) prior to any mitigations or control measures and Low after implementation of strategies, discussed below, to counter potential risks that are common to the procurement process.

Risk Management of Procurement Contracts is guided by the Council's Procurement Policy and comprehensive Procurement Manual.

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Health and safety of contractors risk is managed by ensuring all contractors are pre-approved by the Council's Health and Safety Adviser prior to being able to submit a tender for a Council contract. The health and safety pre-qualification process is robust and requires demonstration that the contractor has the experience and capability to comply with health and safety best practice. Council officers must identify potential health and safety risks at the procurement planning phase of the procurement lifecycle. All tenders must incorporate a health and safety section which will be weighted appropriate to the type of contract.

The following excerpt is taken from the Council's Procurement Policy:

RISK MANAGEMENT IN PROCUREMENT

Procurement is a major activity for local government organisations and involves significant sums of money for the Council. It spans across all areas of the organisation and most council officers are involved in Procurement activities in some way or another. The consequences of failing to follow a robust policy and framework can be significant in terms of the potential financial implications, reputational damage, political scrutiny, and reduced Council performance.

There are important areas throughout each of the phases of Procurement that must be addressed in order to reduce the impact or likelihood of a risk incident. Each of these phases are addressed in further detail in the Procurement Manual.

Planning the Procurement – Phase 1

- *Document business needs and reason/s for the procurement (Business Case).*
- *Develop detailed scope and design of the procurement project (Procurement Plan).*
- *Identify health and safety risks.*
- *Consideration of alternative business models such as public/private partnerships, government schemes, social enterprise delivery, and potential alternative funding sources.*
- *Identify desired outcomes.*

Engaging with the Market – Phase 2

- *Ensure the approach to the market is fair and accessible, acknowledging that it is the perception of openness and fairness that matters.*
- *Develop a set of criteria and appropriate weightings based on the risk, complexity and nature of the work required.*
- *Consider the benefits of using alternative approaches such as shortlisting, requesting expressions of interest / RFI, or invitation only tenders where appropriate.*
- *The selection process should be fair and objective with any conflicts of interest declared prior to the appointment of the TET.*
- *Due diligence to be carried out on prospective suppliers.*
- *Ensure retention, dispute-resolution, confidentiality, contractor insurance and security clauses are incorporated into public works contracts.*
- *Draft contract for High Risk Procurement should be independently reviewed by a legal professional and the Health and Safety Manager before signing.*

Review and Monitoring – Phase 3

- *Regular and timely reporting provided by contractor on specific key contractual obligations and updated in Authority contract management system.*
- *Implement regular performance reviews, meetings.*

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- *Retentions held until specific performance criteria met as per Contract Schedule.*
- *All records, minutes, and relevant communications between contractor and council officers to be filed in Content Manager.*
- *Internal audit programme to review Council Officer compliance with the Procurement Policy and Procurement Manual.*
- *Implement regular staff training on Council's Procurement Policy, Procurement Manual, and Pre-Qualified Contractor Manual.*

Note: The Procurement Policy shall not be applied to invalidate New Zealand Transport Agency's Procurement Manual when applied to roads maintenance and construction.

5.2.6 Approach to Contract Management

SDC planning for the management of the contract commences in the procurement planning phase and continues right through evaluation and contract award. Throughout this period consideration is being given to the requirements of how the contract will be managed based on consideration of the value, complexity, strategic importance, risk, the general market maturity and the selected supplier capability.

The planning for contract management is broken down into three broad areas:

- Service delivery management
- Relationship management
- Contract administration

All three areas must be managed successfully if the contract is to be a success.

While the written contract is a record of each party's obligations, it is not designed as a management document for the contract. Therefore SDC prepare a contract management plan. The contract management plan is formalised following the contract award, however it is a living document and will continue to be updated throughout the life of the contract.

5.3 Analysis of Whether Advanced Components, Customised Procurement Procedures or Variations to Procurement Rules are Required and Why

The procurement of an output or activity takes place within a strategic context that is informed by the overarching procurement strategy. This context informs the delivery model best suited to managing, amongst other things, the price, risks, scope and complexity of the output. The choice of delivery model in turn informs the choice of supplier selection method. A contract is then established to purchase the required outputs. Surrounding each of these components are rules that put limitations or restrictions on the choices that can be made.

In relation to delivery models and supplier selection methods, several options are available within each procurement procedure. The Procurement manual contains guidance on which delivery models and supplier selection methods are best suited to particular situations.

When considered in this way, the procurement process can be broken down into discrete pieces of work and, due to the options available, considerable tailoring of the procurement procedures is therefore possible, all within a strategic context. This ensures that the specific procurement procedure chosen to purchase the outputs can be designed by SDC to obtain best value for money in our particular circumstances.

'Advanced' delivery models generally apply to more complex procurement activities and require a higher level of procurement capability and experience to ensure their success. SDC have therefore decided to retain with a tried and tested procurement procedures, i.e. the Price Quality Method (PQM) for supplier selection.

SDC's decisions and choices are consistent with its strategy, the relevant procurement procedure and rules, therefore no further approval from the NZTA should be required.

6. IMPLEMENTATION

6.2 Capability and capacity

6.1.1 *The current and desired state, including current structure, roles and responsibilities within the wider organisational structure*

The Roothing assets will be managed in a sustainable way, delivered by a ten year programme to meet future demand and to preserve the long term service potential of the assets.

The Council will monitor its targets for Roothing, and review its service through surveys and feedback, and plan for continuous improvement.

Comprehensive reviews of the Asset Management Plan (AMP) and the Road Maintenance Procurement Strategy will coincide with the preparation of subsequent Long Term Plans. Any changes resulting from increased knowledge of the assets, including their operating and financial performance, will also be expressed through the Annual Plan and Long Term Planning process.

6.1.2 *Identification of any Capability or Capacity Gaps*

Stratford District Council has participated in the Road Efficiency Group Workshops, since their inception in 2015. Over time, these workshops have led to including the Business Case Approach into asset management planning and incorporation into our Activity Management Plan. The focus for the latest round of workshops has been focusing on procurement. It has become apparent at these workshops, of the skills shortage facing the construction and roading industry.

Following the departure of two key staff from the business unit in September 2105, SDC's roading team comprised of the Roothing Manager only. It was not until January 2016 that a junior Roothing Engineer was appointed to fill one of the roles vacated. Having operated with a staff compliment of two full time equivalents for three years, a gap was identified within the structure of the organisation that needed to be filled. This subsequently led to the advertising and appointment of a Graduate Roothing Engineer in April 2019.

Having a full complement of staff, knowledge retention within the roading team is vital, especially considering the size of the district and the "history" attached to various aspects of managing the roading network. This institutional knowledge can be catalogued in files, process maps, procedures and policies along with passing this local knowledge onto members of the team.

Outside of the organisation itself, there is a real concern within the region of the lack of resources available to undertake the physical works. With New Plymouth District Council awarding a 10 year maintenance contract to Downer, this has resulted in Downer increasing their workforce to service this contract, thus drawing on the limited pool of resources within the region.

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On the horizon are numerous projects that are planned to commence within the next five years, these being:

- The Network Outcomes Contract for NZTA – start date 1 July 2020.
- Two maintenance contracts in South Taranaki District - starting 1 July 2021.
- State Highway 3 Waitara to Bell Block safety improvements – valued at \$29M
- State Highway 3/3A intersection upgrade
- State Highway 3 – New Plymouth to Hawera – Roadsafety Alliance project – estimated \$25M
- State Highway 3 Awakino Tunnel Bypass
- State Highway 3 Mt Messenger Bypass - \$200M

Whilst these projects could attract the attention of the larger contracting organisations, typically within the Taranaki region, Downer and Fulton Hogan are the only two that tender for these works, as they both have a base within the region.

That said, we do have a strong body of small contracting companies who are available to tender for the small value contracts (\$200,000 - \$1,000,000). For SDC this would be for the replacement of retaining walls, large diameter culverts, bridges or components of bridges, and low cost low risk improvement projects.

6.1.3 Plan to fill the gaps.

Continue to review the best methodology for delivering roading services. This includes looking for effectiveness and efficiency gains through collaboration and shared services.

Currently we engage consultants who are qualified tender evaluators to assess any contracts that we tender. Both the Director Assets and Roading Asset Manager have attend the “Clever Buying” two day training course with a long term view that either or both attain the qualified tender evaluator status. This will reduce the requirement to engage consultants to fulfil this role.

In regard to the limited resources available for contracts, SDC engages with the contracting industry in order to optimise the timing of when we tender contracts, in order that we avail ourselves of the best price, certainty of programming and to support the local contracting industry.

6.2 Internal Procurement Processes

Council is required to follow the New Zealand Transport Agency’s Procurement Manual when it engages a roading contractor, as detailed in the NZTA’s Procurement Manual.

In addition, Council has its own procurement policy, which is to be followed when goods or services are being purchased. The policy can be found in the SDC Policy Manual.

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6.3 Performance Measurement and Monitoring

6.3.1 Stratford District Council's KPIs

The Stratford District Council has undertaken to provide a safe and well maintained Rooding network that meets LoS expectations and regulatory requirements. To ensure these expectations and requirements are met, the Stratford District Council undertakes performance monitoring of Rooding activities and infrastructure through the use of performance measures and key performance indicators (KPIs).

Performance measures and reporting enable Stratford District Council to identify how well it is delivering on the agreed LoS. KPIs enable Council to regularly measure actual performance against projected targets. By doing this we are able to identify trends, areas of achievement and areas for improvement to be identified.

The results of the performance monitoring are reported internally and externally through:

- Monthly reports to Elected Members, also accessible to the public via the Council website; and
- The Long Term Plan, Annual Plan and Annual Report to our customers, key stakeholders and partners.

6.3.2 SDC KPIs

a) Performance Measures

Our current performance is monitored through the measures from three main sources:

- The ONRC performance measures;
- The Department for Internal Affairs (DIA) performance measures; and
- Internal performance measures.

In maintaining its roads, the Council must deliver on three Outcome categories:

- Customer Outcome;
- Technical Output; and
- Cost Efficiency.

The ONRC Performance Measures: Under the ONRC, the Stratford District Council is required to maintain the Rooding infrastructure to the 'Customer Levels of Service' of Safety; Resilience; Amenity; Accessibility and Cost efficiency. The KPIs under each of these measures are outlined in Table 20.

The DIA Performance Measures: Since 2014 all local authorities have been required to comply with a standard set of performance measures. The performance measures are intended to provide information that will enable the public to contribute to discussions on future levels of service and participate more easily and effectively in decision-making processes. These measures are provided in Table 21.

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The Internal Performance Measures: These are performance measures put in place by Council that are intended to inform the community about how well Council is delivering on Levels of Service and the performance of the activity assets. Currently there is only one Council specific performance measure - Customer Satisfaction – which monitors customer satisfaction with regards to the Roding Network and Footpaths. This measure includes drainage, as per Table below.

Table 7 - Internal/Other Agency Performance Measures

	Level of Service	Performance Measure	Outcome Category
1.	Customer response	Responses to Customer Requests (CRM's). - Greater than 90% are responded to within agreed timeframes.	Customer Outcome 1
2.	Maintenance for Sealed and Unsealed roads	Sealed Road Resurfacing – Greater than 10% of the sealed road network to be resealed annually.	Customer Outcome 2
3.	Maintenance for Sealed and Unsealed roads	Unsealed Road Metalling – Greater than 1% of the unsealed road network to be metal dressed annually.	Customer Outcome 3
4.	Condition of sealed roads	Sealed Pavement Rehabilitation – completion of 2km of sealed pavement rehabilitation per annum.	Customer Outcome 4
5.	Resilience and drainage maintenance	Water Table Cleaning – Cleaning of 200km of water tables per annum.	Customer Outcome 5
6.	Resilience, Safety and Drainage Maintenance.	Water Table Spraying – Spraying the invert of 1400km of water table per annum.	Customer Outcome 6
7.	Drainage Maintenance	Clearing of Deep Drains – Clearing of 2km of deep drains per year.	Customer Outcome 7
8.	Drainage Renewals	Replacing / Upgrading of Culverts – replacement of 10 culverts per annum	Customer Outcome 8
9.	Footpath Renewals	Replacement of footpaths – 1200m of footpaths to be replaced annually	Customer Outcome 9
10.	Sight Maintenance Rail	Cleaning and Repainting of Sight Rails – Clean and paint 1400m of sight rails per annum.	Customer Outcome 10.

The rating of our performance against the key performance indicators (KPI's) or targets is shown in the table below.

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Table 8 – KPI's

	Performance Measure	Current 2018/19	Target				How Measured
			Year 1 2019/20	Year 2 2020/21	Year 3 2021/22	Years 4-10 2022-2028	
To provide a well maintained roading network.	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 (note: this information is actually held in the asset management plan not the long term plan).	>86%	>87%	>88%	>89%	>90%	Council Records and customer satisfaction survey
	Road condition – The average quality of ride on sealed road network, measured by smooth travel exposure.	Urban - ≥83%	≥83%	≥83%	≥83%	≥83%	RAMM Roughness Rating Survey and report.
		Rural - ≥91%	≥91%	≥91%	≥91%	≥91%	RAMM Roughness Rating Survey and report.
	Sealed Road maintenance – The percentage of the sealed road network that is resurfaced:	≥5%	≥5%	≥5%	≥5%	≥5%	RAMM Contractor
	Unsealed Road maintenance - The percentage of the unsealed road network that has been metal dressed.	≥15%	≥15%	≥15%	≥15%	≥15%	RAMM Contractor
	Pavement rehabilitation km.	4km	4km	4km	4km	4km	RAMM Contractor
	Water tabling km.	200km	200km	200km	200km	200km	RAMM Contractor
	Percentage of residents who are satisfied with the roading network.	76%	77%	78%	79%	80%	Customer Survey
	Percentage of residents who are satisfied with the footpaths.	77%	78%	79%	80%	80%	Customer Survey
	To provide a safe roading network.	Road safety change - The change from the previous financial year in the number of fatalities and serious injury crashes (DSI) on the local road network, expressed as a number.	1	0	0	0	0

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b) **Emergency Roading Works**

The Long Term Plan contained a budget of \$326,535 per annum for three years, to fund business as usual minor events. Any significant event, where the costs are anticipated to be in excess of 10% of the approved allocation, ie \$530,000, specific funding will be requested from NZTA. This budget line is based on the long term average of actual events over time.

The table below shows the costs of emergency work that was required from 1998/99 to 2008/09. This expenditure is totally dependent upon weather conditions, which is outside of Council's control. The ratio between the Council portion and financial assistance received changes according to the amount of damage. Amounts are in \$000s.

Table 9 – Emergency Works Historical Costs

Year	2011/12	2012/13	2013/14	2014/15	*2015/16	Average
Total	579,578	159,922	675,400	483,709	468,478	473,417
SDC	243,498	75,163	263,406	232,180	210,815	205,012
NZTA	336,260	84,759	411,994	251,529	257,663	268,441
Assist %	58%	53%	61%	52%	55%	56%

Note: The June 2015 storm event was a major event with a total expenditure of \$5,248,567 for which SDC received an enhanced FAR of 75% for \$4,780,089 of the total works. A further "hardship" claim was made to NZTA in May 2017, and as a result, a further \$525,810 was paid to SDC.

6.4 **Communication Plan**

The primary audience for Procurement strategies is intended to be employees (i.e. the team that need to actually implement it) and the supply market. The communication plan would normally include employees, the supply market, other approved organisations, NZTA, Councillors, local community stakeholders and so forth. The Procurement strategy will be uploaded to the SDC website under Procurement manual s.10.6 *Documentation and publication requirements*.

Table 10 – Communications Plan

Stakeholder	Issues related to this stakeholder	Communications Objectives	Activities	When	Who is Responsible
External: NZTA	SDC are required to provide reports and business cases where appropriate in order to seek on-going funding for successive LTP's.	To ensure NZTA are advised of changes to maintenance programmes, development of strategies, revisions of Activity Management Plans.	Annual achievement report to NZTA outlining expenditure, outline the works undertaken during the year, seek support from NZTA with the development of future road related strategies, such as walking and cycling. Obtain guidance on the development of work programmes.	Annually and as required.	SDC Roading Asset Manager

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Stakeholder	Issues related to this stakeholder	Communications Objectives	Activities	When	Who is Responsible
External: Contractors	Tenders Contracts Administration	Programming Advertising Contract deliverables Levels of Service Financial Management	Attendance at Forums, Workshops, Seminars, Trade Fairs Invitations to tender Monthly Meetings	At planning phase of programme establishment. As and when indicated	SDC Roothing Asset Manager
Internal: SDC & Executive Leadership Team, Planning and Funding Team	Council and Senior management endorsement of the Long Term Plan programme	<i>To acquire Senior Management endorsement of the Roothing Programme within the wider context of the Long Term Plan</i>	Development of Asset Management Plans Develop sustainable Roothing Programme. Incorporating ONRC into maintenance contracts and AMP's.	Long Term Plan every 3 years, AMPs reviewed Annually Annual Plans Contracts every 7 years	Director Assets SDC Roothing Asset Manager

6.5 Implementation Plan

SDC has an Implementation Plan that outlines what the Assets Department will be delivering and when. It sets the framework for dealing with the “on time, on budget and to expectations” objective.

The Implementation Plan determines and defines the major phases of work that will be undertaken to achieve the desired objectives and the associated deliverables. It documents a logical sequence of events over time to progress the roading programme from concept to delivery. It also includes the work breakdown structure that details the related activities and tasks, responsibilities and timeline.

The Implementation Plan provides the following information:

- Project Phases
- Deliverables associated with each phase
- Major Activities for each deliverable
- Key milestones
- Who is responsible for delivery of each major activity, and
- Any dependencies.

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Appendix 5 - Kerb and Channel Condition Rating

Road	Start	End	Length	Side	Type	Age	Condition	Condition Date
CURTIS STREET	105	202	97	Right	Kerb & Channel (Concrete)	70	Poor	18/05/2020
FABIAN STREET	5	200	195	Left	Kerb & Channel (Concrete)	70	Poor	2/03/2020
FABIAN STREET	5	200	195	Right	Kerb & Channel (Concrete)	70	Poor	2/03/2020
MARGARET STREET	2	42	40	Left	Kerb & Channel (Concrete)	70	Poor	30/08/2020
ESSEX STREET	5	123	118	Left	Kerb & Channel (Concrete)	70	Poor	18/05/2020
ESSEX STREET	7	117	110	Right	Kerb & Channel (Concrete)	70	Poor	18/05/2020
ESSEX STREET	123	150	27	Left	Kerb & Channel (Concrete)	70	Poor	30/08/2020
ESSEX STREET	128	175	53	Right	Kerb & Channel (Concrete)	70	Poor	18/05/2020
ESSEX STREET	160	175	19	Left	Kerb & Channel (Concrete)	70	Poor	18/05/2020
TYBALT STREET	8	165	157	Left	Kerb & Channel (Concrete)	70	Poor	1/07/2020
JULIET STREET	595	954	359	Left	Kerb & Channel (Concrete)	70	Poor	30/08/2020
JULIET STREET	708	740	32	Right	Kerb & Channel (Concrete)	70	Poor	30/08/2020
OBERON STREET	592	625	33	Left	Kerb & Channel (Concrete)	70	Poor	1/07/2020
OBERON STREET	587	625	38	Right	Kerb & Channel (Concrete)	70	Poor	1/07/2020
MIRANDA STREET (2 SOUTH)	375	685	310	Left	Kerb & Channel (Concrete)	70	Poor	30/07/2020
MIRANDA STREET (2 SOUTH)	369	685	316	Right	Kerb & Channel (Concrete)	70	Poor	30/07/2020
MIRANDA STREET (2 SOUTH)	702	842	140	Right	Kerb & Channel (Concrete)	70	Poor	30/07/2020
PORTIA STREET (2 MIDDLE)	15	296	281	Left	Kerb & Channel (Concrete)	70	Very poor	29/07/2020
PORTIA STREET (2 MIDDLE)	81	296	215	Right	Kerb & Channel (Concrete)	70	Poor	29/07/2020
LEAR STREET	7	118	111	Left	Kerb & Channel (Concrete)	70	Poor	30/08/2020
LEAR STREET	118	190	72	Left	Kerb & Channel (Concrete)	70	Poor	30/08/2020
PEMBROKE ROAD (1 URBAN)	1474	1582	108	Right	Kerb & Channel (Concrete)	70	Poor	5/03/2020
SWANSEA ROAD (1)	1185	1482	297	Left	Kerb & Channel (Concrete)	70	Poor	30/08/2020
SWANSEA ROAD (1)	1192	1491	299	Right	Kerb & Channel (Concrete)	70	Poor	30/08/2020
SWANSEA ROAD (1)	1500	1578	78	Left	Kerb & Channel (Concrete)	70	Poor	30/08/2020
SWANSEA ROAD (1)	1503	1581	78	Right	Kerb & Channel (Concrete)	70	Poor	30/08/2020
CLOTEN ROAD	735	843	108	Right	Kerb & Channel (Concrete)	70	Poor	30/08/2020
FAIRBANK AVENUE (1)	151	198	47	Left	Kerb & Channel (Concrete)	70	Poor	22/05/2020
LEAR STREET	190	228	38	Left	Kerb & Channel (Concrete)	17	Poor	30/08/2020
CRESSIDA AVENUE	6	96	90	Left	Kerb & Channel (Concrete)	70	Very poor	3/03/2020
AVON STREET	36	119	89	Left	Kerb & Channel (Concrete)	70	Poor	2/03/2020
LYSANDER STREET	92	161	74	Left	Kerb & Channel (Concrete)	70	Poor	10/02/2020
LYSANDER STREET	92	161	73	Right	Kerb & Channel (Concrete)	70	Poor	10/02/2020
CORDELIA STREET (1 NORTH)	1000	1159	159	Right	Kerb & Channel (Concrete)	70	Poor	30/08/2020
JULIET STREET	595	702	107	Right	Kerb & Channel (Concrete)	70	Poor	30/08/2020
JULIET STREET	751	954	203	Right	Kerb & Channel (Concrete)	70	Poor	30/08/2020
ELSINORE STREET	5	118	113	Left	Kerb Only (Concrete)	70	Very poor	30/08/2020
ELSINORE STREET	5	118	113	Right	Kerb Only (Concrete)	70	Very poor	30/08/2020
JULIET STREET	702	708	6	Right	Mountable Kerb & Channel (Heavy Duty)	3	Poor	30/08/2020
JULIET STREET	740	751	11	Right	Mountable Kerb & Channel (Heavy Duty)	3	Poor	30/08/2020
	40		5009					40

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Appendix 7 – Dragon Dens Questions

Pillar	Question	SDC Response
Systems	1. What is the logic underpinning your approach and the investment you propose?	<ul style="list-style-type: none"> The four problem statements are clearly defined. We have showed the line of sight between the “problem” and the programme of works that will address each of the problem statements.
	2. Why do we need to do this and what is so different from what we currently do?	<ul style="list-style-type: none"> Forestry activity has increased markedly in the last three years, due to the maturing pine trees planted in the late 1980’s/early 1990’s. With the change in maintenance contractor, our water table renewal programme has significantly reduced due to the increase in the contract rate for this item of work.
	3. How does this fit within our strategic direction?	<ul style="list-style-type: none"> One of Waka Kotahi’s technical audit recommendations is to address the issue of poor roadside drainage to maximise the life of our pavements.
	4. Does this meet Government’s requirements?	<ul style="list-style-type: none"> The four strategic priorities of the Government Policy Statement for Land Transport are covered within SDC’s Activity Management Plan: <ul style="list-style-type: none"> Safety We aim to reduce our DSI crashes annually through safety improvements and collaborating with neighbouring authorities via Roadsafes Taranaki. Better Travel Options Our Council vision aligns with this priority of providing a “progressive, prosperous district where communities are celebrated”. Improving Freight Connections With increasing numbers of HPMV permits issued each year, our focus will be to target our maintenance and renewals programmes to this pre-determined routes. Increase in forestry activity will impact on our programme for the unsealed network. Again we will focus on the roads most affected. Climate Change We continue to develop our Walking and Cycling Strategy to increase the update of active modes of transport.
	5. How does what you are proposing resolve the issues we are trying to address in our community?	<ul style="list-style-type: none"> The issues we are trying to resolve are: <ul style="list-style-type: none"> Safety by reducing the number of DSI crashes each year Poor roadside drainage. A programme to clean 90km of water tables, replace 1500m of kerb and channel and 500m of culverts annually. Increase in forestry activity. Targeted approach to pavement maintenance on the roads mainly affected by the increase in HCV’s across the district. Customer expectations. Continue without footpath replacement programme to improve the level of service for pedestrians, mobility scooter users which compliment out Walking and Cycling Strategy.
	6. How do we know there is not a better way to resolve these problems and issues	<ul style="list-style-type: none"> We have considered alternative approaches to what we are proposing in the AMP. Given the limited funding and the numerous claims on these budgets, “Optioneering” will be more prevalent than in past AMPs.
Evidence	1. What is the evidence to logically support your proposed investment?	<ul style="list-style-type: none"> The Performance Measures Reporting Tool (PMRT) outputs show a high risk for crashes on our Primary Collector Roads (Opunake Road). The PMRT outputs for our pavement conditions are higher than our peers for our Access Roads. Condition surveys and inspection reports for structures has identified a large backlog of maintenance works on these structures. We have identified approximately 1000km of roadside drains which need cleaning through visual inspection programmes.
	2. How good is your evidence?	<ul style="list-style-type: none"> The evidence is based on REG PMRT tools and visual inspections. Bi-annual road roughness and rating surveys and results are entered into RAMM. CAS reporting is undertaken monthly for Council reports.
	3. Where is the evidence that your proposal will deliver what the user wants?	<ul style="list-style-type: none"> This will be delivered by improvements in our customer satisfaction survey results. These surveys are held annually. Reduced number of customer calls and complaints relating to the four key issues.
	4. What is the evidence that the community really wants this?	<ul style="list-style-type: none"> Customer satisfaction survey results and comments. CRMs to Council Complaints to Council Feedback to officers and Elected Members.
Com	1. What is the compelling reason to change from what we are doing now, or to maintain BAU?	<ul style="list-style-type: none"> The deterioration of the roading network, especially from forestry activity. This is reported to Elected Members in monthly activity reports. Recent technical audit by NZTA included a site visit to Puniwhakau Road which has been significantly affected by logging. Increased occurrences of localised flooding due to inadequate roadside drainage.

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m un		<ul style="list-style-type: none"> Increased number of pavement failures and reactive maintenance to repair adjacent roads, where roadside drains are in-effective or non-existent.
	2. What are the consequences/greatest risks that you see if we don't agree with your recommendation?	<ul style="list-style-type: none"> There will be poor public perception of both SDC and NZTA, so the risk is of reputational damage and credibility of both organisations. Aside from the above, the network will continue to deteriorate at a greater pace than we can undertake repairs. This will generate a large workload and associated costs for future generations. The PRMT outputs will clearly show a degrading network, so SDC will be below our peers and rural districts.
	3. What communication and involvement has there been with stakeholders in developing this proposal?	<ul style="list-style-type: none"> None. Our community does not want much. Potholes filled, roads graded, drains cleared, footpaths upgraded and streets swept.
Pillar	Questions	SDC Response
Decision Making	1. What is the single most important reason you believe we should support your proposal?	<ul style="list-style-type: none"> With increasing forestry activity SDC will have to provide a reasonable level of service for the economy of the district, regional New Zealand Inc. If access is unavailable due to poor road conditions, local farmers will not be able to get product to the markets.
	2. How will this help fix the corrugations on unsealed roads, the potholes and the dropouts?	<ul style="list-style-type: none"> We have increased the funding requirements for our unsealed roads for two reasons: <ol style="list-style-type: none"> To meet the level of service set out in our contract for grading unsealed roads due to the increase in contract rates; Considering the amount of damage caused to unsealed roads, (eg: Puniwhakau Road), we have allowed for increased funding in maintenance metalling, in order to be more pro-active by working with forestry operators in advance of logging taking place. SDC has recently participated in a NZTA technical audit of its roading network. As noted by the auditors, we have approximately 25% of our sealed network that is overdue by more than two years for a reseal. In order to address this backlog over time we have increased the funding for reseals, but reduced our request for pavement rehabilitation projects.
	3. You mentioned you used some fancy software to develop your programme. Does this line up with what is happening on the roads and do others use it?	<ul style="list-style-type: none"> Our programme is based on visual inspections undertaken at regular intervals depending on the hierarchy of the road, This is a three month rolling programme. We do not use DTims as we do not currently have the capability in house.
	4. What happens to the community if this work is not achieved??	<ul style="list-style-type: none"> SDC will receive more complaints from the community relating to the condition of the roading network. In some cases access could be lost due to a failure of a bridge or retaining wall. There are currently 64 "no exit" rural roads that serve farming communities and forestry blocks. These communities would be at risk if access was lost.
	5. Why should we continue to do this work when our community is suffering financially?	<ul style="list-style-type: none"> We are conscious of the Council's share towards this proposal and as such we have requested a reasonable increase in the funding, taking into account the current issues and the recommendations from the technical audit. We believe this will be supported by our community, as the provision of reasonable roading infrastructure is vital for the community to go about their daily lives.
	6. How did you prioritise the programme?	<ul style="list-style-type: none"> Our programme is based on condition surveys for roads, footpaths, bridges and retaining walls. We have focussed our unsealed road programme to target the roads used most extensively by forestry contractors. This will require a reduction in the level of service on the low low volume unsealed roads.
	7. What are the risks associated with this option?	<ul style="list-style-type: none"> Other roads could reduce in quality at a quicker rate that we have anticipated. We have given ourselves the opportunity to react to some instances of this should they occur. This is a "trade off" we are prepared to take.
	8. What other options did you consider?	<ul style="list-style-type: none"> We have considered reducing the length of our reseal programme to divert funds to other activities, eg: drainage. However this will be counter-productive as we are already in arrears for this work category. We have considered an extensive maintenance programme for bridges and retaining walls, but this is funded through rates, which could require a large increase in household rates being necessary. There is an element of risk associated with structural work, so we are reliant on the advice of our structural engineers.
	9. What element can you afford to lose?	<ul style="list-style-type: none"> If any, it would be to reduce the programme for footpath replacements and maintenance metalling. Replacement of some urban kerb and channel could be deferred for the term of this LTP if savings were necessary.
	10. Why is this more important than giving our community safe drinking water?	<ul style="list-style-type: none"> This is NOT more important that the provision of safe drinking water. Many of the rural communities are either on tanked water or from their own well. This activity provides for the community to have free un-interrupted access to the entire district, whether it is for business, recreational use or pleasure. Stratford prides itself as a district where our community can live, work and play.
	11. Does NZTA support what you are suggesting?	<ul style="list-style-type: none"> There is support for our proposal based on discussions with our Investment Advisor and the recommendations from the recent (September 2020) technical audit.
Service Deliver	1. Can we actually deliver what you are proposing?	<ul style="list-style-type: none"> Yes. We have a large national maintenance and construction contractor (Fulton Hogan) who can deliver this programme of work. We can also call upon other mid-sized contractors based locally for projects which do not form part of the maintenance contract, eg: the replacement of bridges and retaining walls.
	2. Will this work be done by our local community or some flash outsiders?	<ul style="list-style-type: none"> We use local contractors wherever possible. This is a Council policy. However we do accept that if the work is "specialised" or of a technical nature (eg: tunnel repairs) then contractors from outside the district may be required.
	3. Is there capacity in the market to deliver this?	<ul style="list-style-type: none"> Yes. The majority of the programme will be undertaken through the General Roothing Maintenance, Resurfacing Rehabilitation and Roadmarking Contract, This contract is currently in year 2 of a potential 7 year contract.
	1. Are we delivering the benefits identified in the	<ul style="list-style-type: none"> We are able to monitor the progress and performance of the contractor to ensure we clean/reconstruct the 90km of water table each year.

Appendices

ne fit	current AMP?	<ul style="list-style-type: none"> Increasing the annual resealing length can also be measured to ensure our targets are met. The benefits are longer term rather than short term.
	2. What makes you think the benefits you are stating are likely to come to pass?	<ul style="list-style-type: none"> We will have fewer pavement failures as a result of poor drainage control. Our customer satisfaction survey results will improve. Our DSI crash rate will reduce. The ride quality of our sealed network will improve with time. As far as forestry is concerned this is somewhat reactionary, as we are not always informed of planned forestry activity.
Improvement	3. What makes you think the community really wants this?	<ul style="list-style-type: none"> The community complain about poor drainage, the condition of the unsealed roading network, logging trucks and poor footpaths. Therefore this programme will need to address these issues.
	1. What are you putting in place to make sure we can better understand all this technical stuff in the future?	<ul style="list-style-type: none"> We have developed an improvement plan shown in Section 10.4 of the AMP. We will set up regular monitoring meetings to ensure progress with the improvements identified. As we move through this LTP period, further improvements maybe forthcoming, which we have not captured in the AMP or improvement plan. This is a continually evolving industry. With a greater understanding of the RAMM database this will enable SDC to grow and improve.
	2. How do we continue to improve our overall approach to this?	<ul style="list-style-type: none"> Greater knowledge of the tools and reports that we can extract from RAMM to ensure we target our maintenance and renewal programmes. Ensuring the quality of the data inputted into RAMM is accurate. We have commissioned GHD's Max Quality data quality reporting tool for this purpose. We make no bones about this, it is a long road as we have limited staffing resources.

Appendices

Appendix 8 – Roading Operational Documents

Consents	Commencement Date	Expiry Date	CM Reference
6468-1 Culvert in unnamed tributary of Kahouri Stream (Cordelia Street)	20/10/2004	1/06/2022	D17/20448
7094-1 Groyne, Rock Amouring, Disturb Kapuni Stream	3/04/2007	1/06/2023	D17/20476
7682-1 Pipe installation, divert stream, pipe construction, reclaim part of river bed (Brecon Road)	2/09/2010	1/06/2028	D17/20477
7944-1 Install Culvert in unnamed tributary of Kahouri Stream (Swansea Road)	3/11/2011	1/06/2028	D17/20478
9338-1 Replace Culvert in unnamed tributary of Patea River (121 Swansea Road)	29/08/2012	1/06/2028	D17/20480
9683-1.1 Install piping in two unnamed tributaries of Patea River	7/02/2014	1/06/2028	D17/20482
7967-1 Replace Culvert in unnamed tributary of Tuikonga Stream (Brookes Road)	9/12/2011	1/06/2029	D17/20479
10057-1 Replace Culvert in unnamed tributary of Kahouri Stream (Pembroke Road)	20/04/2015	1/06/2034	D17/20484
10134-1 Install erosion protection in Mangaehu Stream (Mangaehu Road)	4/08/2015	1/06/2034	D17/20485
10136-1 Install Culvert in unnamed tributary of Waipuku Stream (Rutland Road)	5/08/2015	1/06/2033	D17/20486
10141-1 Replace Culvert in unnamed tributary of Mangaehu Stream	6/08/2015	1/06/2034	D17/20497
10235-1 Install box culvert in unnamed tributary of Toko Stream (Ahuroa Road)	8/03/2016	1/06/2034	D17/20498
10307-1 Install erosion protection in unnamed tributary of Mohakau Stream (Makuri Road)	9/06/2016	1/06/2034	D17/20500
10306-1 Install erosion protection in Makuri Stream (Raupuha Road)	14/06/2016	1/06/2034	D17/20499
10677-1.0 Pembroke Road Land Development - Install Culvert in an unnamed tributary of the Kahouri Stream	16/11/2018	1/06/2034	D20/4894
10678-1.0 Pembroke Road Land Development - Install Culvert in an unnamed tributary of the Kahouri Stream	16/11/2018	1/06/2034	D20/4894
10679-1.0 Pembroke Road Land Development - Install Culvert in an unnamed tributary of the Kahouri Stream	16/11/2018	1/06/2034	D20/4894
10680-1.0 Pembroke Road Land Development - Install Culvert in an unnamed tributary of the Kahouri Stream	16/11/2018	1/06/2034	D20/4894
10720-1.0 Replace Culvert in an unnamed tributary of Kahouri Stream (Beaconsfield Rd)	21/02/2019	1/06/2034	D19/21898
10729-1.0 Replace culvert in unnamed tributary of the Kahouri Stream (Monmouth Road)	10/05/2019	1/06/2034	D21/5429
10778-1.0 Replace culvert in unnamed tributary of the Toko Stream (Gordon Road)	11/10/2019	1/06/2034	D21/5436
Policies	Commencement Date	Review Date	CM Reference
Asset Management	26/05/2020	2023/2024	D20/4330
Procurement Policy	11/06/2019	2022/2023	D18/29563(v3)
Temporary Road Closures	15/05/2013	2018/2019 Expired	D16/2608
Stock Underpasses	14/05/2013	2018/2019 Expired	D16/2606
Pegging and Maintenance of Roads and Bridges	9/04/2013	2018/2019 Expired	D16/2596
Occupation of Unused Road Reserve	19/04/2019	2021/2022	D19/7184
Fences on Road Reserves	12/02/2013	2021/2022	D19/14728
Vehicle Crossings and Culverts	13/08/2019	2021/2022	D18/35500
Traffic Count Policy	1/06/2020	2022/2023	D20/20419
Bylaws	Commencement Date	Review Date	CM Reference
Speed Limits	1/02/2020	2029/2030	D20/1920
Stock Control	2005 (reviewed 2010)	2020/2021	D12/28804
Strategies	Commencement Date	Review Date	CM Reference
Infrastructure Strategy 2021-2051	1/02/2021	2050/2051	D21/2700
Roading Procurement Strategy	1/08/2019	1/07/2022	D19/21973
Walking and Cycling Strategy (draft)			D20/21400
Unsealed Roads (draft)			D20/33217
Bridge (draft)			D20/33201
Retaining Walls (draft)			D20/33231
Contracts	Commencement Date	Review Date	CM Reference
Roading Maintenance Contract (1430)	1/07/2019	1/06/2022	D19/16134

DECISION REPORT



TO: Council F16/1280/03 – D21/18100

FROM: Revenue Manager

DATE: 22 June 2021

SUBJECT: **SETTING OF RATES, DUE DATES AND PENALTIES REGIME FOR 2021/22**

RECOMMENDATIONS

1. THAT the report be received.
2. THAT the Stratford District Council sets the following rates, due dates, and penalties regime under the Local Government (Rating) Act 2002, in accordance with the relevant provisions of the Long Term Plan 2021-31 and Funding Impact Statement, on rating units in the Stratford District for the financial year commencing 1 July 2021, and ending 30 June 2022.

Important: All charges are GST inclusive, and funds raised are GST exclusive.

GENERAL RATE

Council set a general rate under section 13 of the Local Government (Rating) Act 2002 (“LGRA”) calculated on the capital value of each rateable rating unit within the district.

The general rate is set with no differential.

The rate (in cents per dollar of capital value) for 2021/22 is 0.13200 cents, raising \$3,991,276.

General rates will be used to fund all activities that are not covered by the uniform annual general charge, targeted rates or other funding mechanisms outlined in the Revenue and Financing Policy.

UNIFORM ANNUAL GENERAL CHARGE

Council set a UAGC under section 15 of the LGRA in respect of every separately used or inhabited part of a rateable rating unit within the district.

The UAGC for 2021/22 is \$767.00 per SUIP, raising \$3,253,935.

DEFINITION OF SUIP

A SUIP is a separately used or inhabited part of a rating unit and includes any part of a rating unit that is used or inhabited by any person. This definition applies to the application of UAGCs, the Solid Waste targeted rate, Wastewater targeted rate, and the Community Centre targeted rate.

This definition includes separately used parts, whether or not actually occupied at any particular time, which are provided by the owner for rental or other form of occupation on an occasional or long term. For the purpose of this definition, vacant land and vacant premises are separately used by the owner as a property available for separate sale, or provided by the owner for rental (or other form of occupation).

For a commercial rating unit (other than motels/hotels), this includes a building or part of a building that is, or is capable of being, separately tenanted, leased or subleased, and is not integral to the commercial operation. Motels/hotels are treated as one SUIP even if each accommodation unit may be capable of separate habitation.

For a residential rating unit, this includes a building or part of a building which is used, or is capable of being used, as an independent unit. An independent unit is any unit containing either separate cooking and living facilities, or a separate entrance; and that has its own toilet or bathroom facilities.

Separate parts of buildings, after the first, that are uninhabitable and declared unsanitary under the Health Act 1956 or the Building Act 2004 are not SUIPs.

TARGETED RATE – ROADING

Council set a targeted rate under section 16 of the LGRA in respect of roading and street services based on the capital value of each rating unit within the District.

The roading rate (in cents per dollar of capital value) under section 16 for 2021/22 is 0.10593 cents, raising \$3,203,000.

The roading rate will be used to fund roading and street services activities within the District.

TARGETED RATE – SOLID WASTE

Council set a targeted rate under section 16 of the LGRA for refuse collection on the basis of an amount per each separately used or inhabited part of a rating unit from which Council is prepared to collect a container of refuse, as part of its normal refuse disposal service, in the Stratford and Midhirst domestic collection area.

The solid waste rate under section 16 for 2021/22 is \$334.00, raising \$755,644.

The solid waste rate will be used to fund the urban domestic refuse collection activity.

TARGETED RATE – WASTE WATER (SEWERAGE)

Council set a targeted rate under section 16 of the LGRA for sewerage as a fixed amount per separately used or inhabited part of a rating unit which is connected to a public sewerage drain, and a targeted rate under Schedule 3, Clause 8 of the LGRA as a fixed amount per rating unit for serviceable properties. Serviceable properties are properties that have Council waste water reticulation services adjacent, contiguous or nearby to the serviceable properties, but are not connected.

The Waste Water rate for properties connected is \$389.00, and for serviceable properties is \$194.50, being 50% of the targeted rate.

For all non-commercial properties the differential factor is 1 (base) and the amount is \$389.00 per SUIP.

Commercial properties are differentiated by use as follows:

Commercial base category (all commercial rating units not included in any other commercial category) and the differential factor is also 1 (base) and the amount is \$389 per SUIP.

- Commercial 2 (commercial rating units used for an activity requiring 2 toilets) differential factor 150% of base and the amount is \$583.50 per SUIP.
- Commercial 3 (commercial rating units used for an activity requiring 3 toilets) differential factor 200% of base and the amount is \$778.00 per SUIP.
- Commercial 4 (commercial rating units used for an activity requiring 4 toilets) differential factor 225% of base and the amount is \$875.25 per SUIP.
- Commercial 5 (commercial rating units used for an activity requiring 5 toilets) differential factor 250% of base and the amount is \$972.50 per SUIP.
- Commercial 6 (commercial rating units used for an activity requiring 6 toilets) differential factor 275% of base and the amount is \$1,069.75 per SUIP.
- Commercial 7 (commercial rating units used for an activity requiring 7 toilets) differential factor 300% of base and the amount is \$1,167.00 per SUIP.
- Commercial Large (commercial rating units used for an activity requiring 8 or more toilets) differential factor 325% of base and the amount is \$1,264.25 per SUIP.

The Waste Water system rate for 2021/22 is to raise \$935,998 and will be used to fund the waste water activity.

TARGETED RATES - WATER SUPPLY

Council set a targeted rate under section 16 of the LGRA for water supply on the basis of an amount per rating unit connected to the Stratford, Midhirst, or Toko Water Supply, and a targeted rate under Schedule 3, Clause 8 of the LGRA as a fixed amount per rating unit for serviceable properties. Serviceable properties are properties that have Council water reticulation services adjacent, contiguous or nearby to the serviceable properties, but are not connected.

The Water Supply rate for properties connected is \$552.00, and for serviceable properties is \$276.00, being 50% of the targeted rate, is raising \$1,430,083.

In addition, Council set a targeted rate for extraordinary water supply under section 19 of the LGRA on the basis of an amount per unit of water supplied in the Stratford Water Supply Area, the Midhirst Water Supply area, and the Toko Water Supply Area to any rating unit which has been fitted with a water meter.

The Stratford water supply rate under section 19 for 2021/22 is \$1.94 per cubic metre of supply in excess of 250 cubic metres per annum, raising \$364,110.

The Midhirst water supply rate under section 19 for 2021/22 is \$1.94 per cubic metre of supply in excess of 250 cubic metres per annum, raising \$9,246.

The Toko water supply rate under section 19 for 2021/22 is \$1.94 per cubic metre of supply in excess of 250 cubic metres per annum, raising \$2,306.

The water supply rates will be used to fund the water supply activities in the Stratford, Midhirst and Toko areas.

TARGETED RATES - COMMUNITY CENTRES

Council sets targeted rates under section 16 of the LGRA for community centres on the basis of an amount per separately used or inhabited part of a rating unit in the listed community areas. This rate uses a fixed charge based on the location of the rating unit.

The community centre rates for 2021/22 are:

- A fixed charge of \$23.00 within the Wharehuia/Te Popo Community Centre area per SUIP collecting \$2,700.
- A fixed charge of \$13.80 within the Pembroke Road Community Centre area per SUIP collecting \$1,524.
- A fixed charge of \$34.50 within the Toko Community Centre area per SUIP collecting \$4,410.
- A fixed charge of \$17.25 within the Pukengahu Community Centre area per SUIP collecting \$810.
- A fixed charge of \$17.25 within the Midhirst Community Centre area per SUIP collecting \$4,560.
- A fixed charge of \$11.50 within the Makahu Community Centre area per SUIP collecting \$500.
- A fixed charge of \$30.00 within the Cardiff Community Centre area per SUIP collecting \$2,269.

The community centres rate will be used to fund the operating costs of the community centres and will raise \$16,774.

PAYMENT DUE DATES AND PENALTIES

All rates, except those for metered water supply, will be payable in four equal instalments due on:

1 st Instalment:	25 August 2021
2 nd Instalment:	24 November 2021
3 rd Instalment:	23 February 2022
4 th Instalment:	25 May 2022

Pursuant to Sections 57 and 58 of the LGRA the following penalties on unpaid rates (excluding metered water rates) will be added:

- A charge of 10% on so much of any instalment that has been assessed after 1 July 2021 and which remains unpaid after the due date for that instalment. The penalty will be added on the following dates:
 - 1st Instalment 1 September 2021
 - 2nd Instalment 1 December 2021
 - 3rd Instalment 2 March 2022
 - 4th Instalment 1 June 2022
- A charge of 10% on so much of any rates assessed before 1 July 2021 which remain unpaid on 1 July 2021. The penalty will be added on 12 July 2021.
- A continuing additional penalty of 10% on so much of any rates assessed before 1 July 2021, to which a penalty has been added under the immediately preceding bullet point, and which remain unpaid six months after the previous penalty was added. The penalty will be added on 10 January 2022.
- Penalties imposed are exempt from GST.

Payment Due Dates for Metered Water Supply

A charge of 10% on any amount outstanding which remains unpaid on the following dates will be added on the dates below:

<u>Period</u>	<u>Due Date</u>	<u>Penalty Date</u>
1 July to 30 September 2021	10 December 2021	17 December 2021
1 October to 31 December 2021	11 March 2022	18 March 2022
1 January to 31 March 2022	10 June 2022	17 June 2022
1 April to 30 June 2022	9 September 2022	16 September 2022

EARLY PAYMENT

Sections 55 and 56 of the Local Government (Rating) Act 2002 empowers Council to allow for the early payment of rates.

- Council proposes to accept early payment of all rates assessed for the 2021/22 year, but no discount will be applied for early payment. (Section 55).
- Council proposes to accept early payment of all rates assessed for the 2022/23 and subsequent years, but no discount will be applied for early payment. These payments will be applied to general rates or individual targeted rates if requested by the ratepayer, otherwise they will be applied against future general rates. (Section 56).

PAYMENT LOCATIONS – ALL RATES AND CHARGES

Direct Debits are our preferred method of payment. Direct Debit Authority Forms are available at our Council office, or alternatively online.

Payments can be made online by going to <https://www.stratford.govt.nz> and clicking on “Pay Online”.

Mail and electronic payments shall be deemed to be received at the Council Office on day of receipt.

The Council accepts payments by cash, eftpos or credit card between the hours of 8.30 am to 4.30 pm, Monday to Friday, at the Council offices, Miranda Street, Stratford

Recommended Reason

The Long Term Plan 2021-31 contains the activities and associated costs of Council and the funding mechanisms, including rates, to meet those costs. The Rates to be set above are consistent with the Funding Impact Statement in the Long Term Plan 2021-31, as required by law. Council is required by law to adopt a Long Term Plan by 30 June of the year in which the Plan commences, and set rates for the year.

Moved/Seconded

1. **PURPOSE OF REPORT**

The purpose of this report is to recommend that Council set rates for 2021/22 in accordance with the Long Term Plan 2021-31 and the Funding Impact Statement.

2. **EXECUTIVE SUMMARY**

The Long Term Plan 2021-31 has been workshopped with elected members and the draft has been reviewed by both elected members and the community, with feedback taken into account in the final Long Term Plan 2021-31. The Plan contains the activities and associated costs of Council and the funding mechanisms, including rates, to meet those costs.

Council is required by law to adopt a Long Term Plan and set rates for the year, by Rates Resolution, by 30 June of the year in which the Long Term Plan commences.

3. **LOCAL GOVERNMENT ACT 2002 - SECTION 10**

<p>How is this proposal applicable to the purpose of the Act?</p> <ul style="list-style-type: none">• Is it for the provision of good quality local infrastructure? If so, why?; OR• Is it for the performance of a good quality regulatory function? If so, why?; <p>OR</p> <ul style="list-style-type: none">• Is it for the performance of a good quality local public service? <p>AND</p> <ul style="list-style-type: none">• Is it in a way that is most cost-effective to businesses and households? If so, why? <p>Good quality means, infrastructure, services, and performance that are efficient and effective, and appropriate to present and anticipated future circumstances.</p> <p>Local public service means, a service provided for the community which is for the benefit of the District.</p>
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The process of preparing, reviewing and adopting the Long Term Plan 2021-31 requires council officers and elected members to acknowledge how best it can deliver good quality local infrastructure, regulatory functions and public services within rate and debt limits that are cost-effective for businesses and households. The Rates Resolution supports and is consistent with the Annual Plan.

4. **BACKGROUND**

4.1 The Long Term Plan 2021-31 was recommended for release to the public for feedback by the Policy and Services Committee on 24 March 2021 and is to be adopted at the Extraordinary Council meeting on 22 June 2021.

5. **CONSULTATIVE PROCESS**

5.1 **Public Consultation - Section 82**

Public consultation on the setting of rates and the Long Term Plan 2021-31 was undertaken.

5.2 **Maori Consultation - Section 81**

The Long Term Plan has been consulted directly with Maori representatives and iwi have had the opportunity to submit to the Long Term Plan. There have been no significant changes in rates from what was proposed for year 1 of the Long Term Plan 2021-31.

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?
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This report covers *Risk 21 – Assessment of Rates*. Whether a legal opinion is required has been considered, and it was determined that one would not be required. Council have reviewed and confirmed alignment with the Funding Impact Statement. The new 50% water and wastewater rate has been raised with the Audit and Risk Committee chair with no recommendation from the chair to seek legal advice, and all other rates are set similarly to previous years. Audit New Zealand have reviewed the rates resolution and funding impact statement as part of their audit of the Long Term Plan 2021-31.

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, is based on Year 1 of the LTP 2021-2031 and aligns closely with the direction set within that document.
What relationship does it have to the communities’ current and future needs for infrastructure, regulatory functions, or local public services?	Setting the rates for the financial year allows the Council to provide for the community’s needs as set out in the Long Term Plan 2021-31.

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? |
|--|

Data is available in the Long Term Plan 2021-31 and the Funding Impact Statement 2021/22.

7.3 **Significance**

Following on from the consultation process on the draft Long Term Plan and changes to the draft Long Term Plan, this report refers to the adoption of the Long Term Plan.

	Yes/No	Explain
Is the proposal significant according to the Significance Policy in the Long Term Plan?	No	The rates resolution is an annual procedure.
Is it:	N/A	
• considered a strategic asset; or		
• 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**

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.

The Long Term Plan 2021-31 must be adopted prior to the setting of rates for the following year. Council is now required to set the rates for 2021/22. There are no alternative options, to be able to meet the commitments in the Long Term Plan, to setting rates for the 2021/22 financial year.

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.

This has been taken into account in the Long Term Plan 2021-31 decision report.

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?

This has been taken into account in the Long Term Plan 2021-31 decision report.

7.7 **Legal Issues**

- Is there a legal opinion needed?
- Are there legal issues?

No legal opinion is needed. A legal opinion was sought on the Rates Resolution and Funding Impact Statement for 2021/22, which guided current process.

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 Rates Resolution for 2021/22 is consistent with the Council's Revenue and Financing Policy also to be adopted as part of the Long Term Plan in June 2021.



Julie Erwood
REVENUE MANAGER



Endorsed by:
T Radich
DIRECTOR – CORPORATE SERVICES

[Approved by]
S Hanne
CHIEF EXECUTIVE

DATE 15 June 2021