



# Mahere ā tau

# Annual Plan

# 2024-2025

Council authorised these Prospective Financial Statements for issue on 26 June 2024

Kawerau – Taonga o te whenua Treasure of the land.

Kō Pūtauaki te Maunga  
Kō Te Aotahi te Tangata  
Kō Te Takanga i o Apa te wai  
Kō Tūwharetoa te Iwi  
Kō Te Arawa te Waka  
Tihei Mauri Ora

Pūtauaki is the mountain  
Te Aotahi is the guardian  
Te Takanga i o Apa is the water  
Tūwharetoa is the tribe  
Te Arawa is the canoe  
There is Life

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SECTION 01  
**Overview**

# Overview from the Mayor and Chief Executive

## Tēnā Tātau Katoa – Welcome to Kawerau District Council's Mahere ā Tau | Annual Plan 2024-2025

Welcome to the Annual Plan for the year ahead from 1 July 2024 to 30 June 2025.

Council opted to produce an enhanced annual plan as one of the options available when the government enacted the Local Water Done Well legislation earlier in 2024. The legislation created uncertainty of the impacts and financial forecasting for three waters assets owned by Council.

Next year, Council will produce a Long Term Plan for the nine years ahead from 2025 to 2034.

The economic climate continues to be challenging with escalating costs pushing up operating costs to provide services and for the completion of projects. Council is not alone with these increases, as we acknowledge all organisations, businesses and our residents are experiencing these tough times.

Council's initial plan for the year ahead was to keep the same levels of service, which represented an overall rates increase of 15.1%.

However, during the consultation, hearing and deliberation process, Council heard from submitters that this would unduly burden the community. Feedback from submitters asked Council to reduce the overall rates increase and requests for Council to review and streamline operations.

A further review of the budget was completed and savings of \$382,500 were identified which reduced the overall rates increase to 12.2%.

The following is a summary of the Council's rating requirements

Rates	2023/24	2024/25	Difference	
	\$	\$	\$	%
General Rates	11,770,850	13,212,910	1,442,060	12.3
Targeted Rates (Uniform Annual Charges):				
Water Supply*	195,200	210,000	14,800	7.9
Wastewater	378,080	430,000	51,920	13.7
Refuse Collection	594,080	665,840	71,760	12.0
<b>Total Rates</b>	<b>\$12,938,210</b>	<b>\$14,518,750</b>	<b>\$1,580,540</b>	<b>12.2%</b>

### Council Consultation and Engagement

Council completed a thorough consultation and engagement process that included a flyer sent with the fourth rates' instalments. These initiatives resulted in considerable cost savings and generated positive feedback.

Council published information and consultation topics regularly via online communication channels and completed a series of planned meetings with stakeholders, the public and staff comprising:

- 8 April - Kadap (Kawerau and Districts Ageing in Place)
- 12 April – Grey Power Kawerau and Districts
- 16 April – Ngāti Tuwharetoa (BOP) ki Kawerau Kaumātua
- 18 April – Public Meeting
- 23 April – Rautahi Marae public meeting
- 9 May – Drop in session Kawerau Market
- 9 May – Industrial Symbiosis Kawerau (ISK) Board presentation

Council thanks and values our stakeholders and community for your interest, questions and feedback during the engagement process. A total of 62 submissions were received to the Annual Plan Consultation Document and we acknowledge those who presented their submission at the hearing.

Council wishes to acknowledge the support of Ngāti Tūwharetoa (BOP) ki Kawerau Kaumātua, and Council Cultural Advisor Te Haukākawa Te Rire and also the support of elected members and staff.

Feedback from the community received as part of the consultation process resulted in the following amendments to the proposed plan for the coming year:

1. Keeping the funding of depreciation at a rate of 65% - a saving of \$114,500 (0.8%).
2. Not proceeding with additional staffing positions and maintaining a small number of vacancies – a saving of \$213,000 (1.6%)
3. Reviewing financing options and timing of loan drawdowns for water reticulation replacements – a saving of \$45,000 (0.3%)
4. Not proceeding with the asbestos containment site (although the \$150,000 was being funded from depreciation reserves there is a small positive financing impact) – a saving of \$3,000 (0.08%)
5. Not increasing the Uniform Annual General Charge (UAGC) by \$100 from \$850 to \$950 as planned. An increase of \$50 to set the UAGC to \$900 per property.
6. Not to fund the Hardie Avenue dewatering project should the external funding not be successful.

#### **Council's Resolution to set the rates 2024/25**

- Overall rates increase of 12.2%
- A \$50 increase in the Uniform Annual Charge (UAGC) to \$900
- Increase in most fees and charges in line with inflation
- Retain the general rate differential of 48% Residential and 52% Commercial

Council set the following rate limits in its 2021 – 2031 Long Term Plan:

- Total rates will not exceed 88% of total budgeted revenue
- The total rate increase in any year will not exceed the underlying average rate of inflation (for Council costs) plus 2%.

The total rates increase for 2024/25 does not exceed 88% of total revenue. The projected inflation rate for 2024 is 4%, and therefore the overall rate increase does exceed the limit of 6%.

#### **Rate Remissions**

Council is increasing the rating cap for residential properties to \$5,500.00 (\$4,900.00 for 2023/24).

This increase is in line with Council's existing policy of increasing the rating cap by the overall increase in rates. Residential properties with capital values of \$980,290 or higher will pay this amount for Council rates.

Council will continue to provide a rate remission for the two farm blocks of 30% so the rates charged to

these farm blocks is comparable to the rates charged by neighbouring councils.

The objective of these remissions is to make the rates fair and reasonable for these properties.

The Significant Forecasting Assumptions, Risks and Possible Implications listed in section three of this plan sets out the reasons for the non-funding of this depreciation.

#### **Council's Financial Management**

Council's cash balances will be fully utilised during the year in renewing Council's three waters infrastructure and Council intends to borrow up to \$2.0 million to help fund this important capital replacement program, plus \$4 million existing debt will be refinanced in April 2025, giving a total debt of \$6.0 million.

#### **Financial Information**

The prospective financial information contained in this Plan is based on assumptions that the Council reasonably expected to occur as at 30 June 2024. Actual results are likely to vary from the information presented and these variations may be material.

#### **Council Annual Plan Processes**

Council undertook the following consultation process with the community prior to the adoption of its Annual Plan for 2024/25:

- Adopt Annual Plan Consultation Document – 10 April 2024
- Public Notice for Proposed Annual Plan Special Consultative Period – 12 April 2024
- Submission period – 12 April to 14 May 2024
- Hearing - 22 May 2024
- Deliberations – 29 May 2024
- Adopt Annual Plan 2024/25 – 26 June 2024



**F K N Tunui**  
MAYOR



**M Godfery LLB**  
CHIEF EXECUTIVE OFFICER



# Rates for 2024/25

2023/24	Rates (includes GST)	2024/25
\$	<b>General Rates</b>	\$
850.00	Uniform Annual General Charge (Charged per separately used or inhabited part of a rating unit)	900.00
.003735	Residential Rates (per dollar of capital value)	.004246
.025292	Commercial/Industrial Rates (per dollar of capital value)	.028362
	<b>Targeted Rates</b>	
62.50	Water Rate (per connected property)	84.50
149.50	Wastewater Rate (per connected property)	170.00
238.60	Refuse Collection (per serviced property) 60 & 80L bin	267.70
298.60	Refuse Collection (per serviced property) 120L bin	327.70
0.21	Water by meter (per m <sup>3</sup> )	0.27
\$4,900.00	<b>Residential Rate Cap</b>	\$5,500.00
	<b>Capital Value</b>	
1,101,139,000	Residential Capital Value	1,121,915,000
271,003,500	Commercial/Industrial Capital Value	301,595,500
<b>\$1,372,142,500</b>	<b>Total Capital Value</b>	<b>\$1,423,510,500</b>

## How much will my Rates be for 2024/25?

### Rates Calculator

(\$)

Write in your Capital Value here (available from your revaluation notice or by going to <a href="http://www.kaweraudc.govt.nz">www.kaweraudc.govt.nz</a> and accessing 'Your Property')	(a)	.....
Uniform Annual General charge	(b)	900.00
Rating factor from Rates and Service Fees table (Residential or Commercial)	(c)	.....
Multiply the annual value by the rating factor	(d)=(a)x(c)	.....
Water Supply Rate	(c)	.....
Wastewater Disposal Rate	(f)	.....
Annual Refuse Collection Rate (small or large)	(g)	.....
Add all the different rate types together (this is the total projected rates for your property)	(h)=(b)+(d)+(c)+(f)+(g)	\$ _____

NB: If your property has separately used parts you will need to add additional UAGC (d), Water supply (c), Wastewater (f) and Refuse Collection (g) charges for each separately used part.

### Rates and Service Fees

		(\$)
Residential	(c)	.004246
Commercial	(c)	.028362
Water Supply Rate	(e)	84.50

		(\$)
Wastewater Disposal Rate	(f)	170.00
Refuse Collection Rate (small)	(g)	267.70
Refuse Collection Rate (large)	(g)	327.70



## Vision

“To create a resilient and sustainable Kawerau that meets the needs of the future”

## Mission Statement

- Represent the interests and aspirations of the Kawerau Community, within and beyond the District.
- Promote the social, economic, environmental and cultural wellbeing of the Kawerau Community.
- Continue to provide an industrial base within the District for established industries and their supporting businesses.
- Promote the advantages of Kawerau in order to grow the District population and to further encourage industrial investment and development.
- Ensure that the independence of the District is maintained.

## Statement of Principles

To achieve its mission, Council will:

- Provide services, facilities and infrastructure that can support a high quality of life in Kawerau.
- Develop a culture of cost effectiveness, customer service and Community responsiveness.
- Engage with all sectors of the Community to determine their needs and priorities.
- Maintain a fair system of rating to ensure that Council services are sustainable and satisfy Community needs.
- Inform and seek feedback from the Community about Council's current and planned activities.
- Work cooperatively with government agencies, territorial authorities, and other stakeholders to maintain or improve Council services.
- Maintain relationships with industry and business groups represented in the District.
- Promote the District to attract development.

# Council and Staff Information

## Council Structure

### Council

The Council is made up of nine elected members: a Mayor and eight Councillors. The Council is responsible for making decisions about the overarching objectives, strategies and policies which determine the day to day running of Council's operations. Council meets monthly, usually on the last Wednesday of the month.

### Regulatory and Services Committee

Council has a standing committee, to which all elected members belong. Called the Regulatory and Services Committee, it has delegated responsibility for decisions about Council's services and regulatory functions. The Regulatory and Services Committee meets monthly, usually on the Wednesday two weeks before the Council meeting.

The responsibilities of the two Council bodies are shown in the tables below.

## Council Responsibilities

Making Bylaws	Funding and Financial Policies
Setting Policy	Property Acquisition, Development and Sale
Long Term Plan	Rating
Annual Planning and Reporting	Democracy
Consultation and Community Engagement	Governance
Relationship with Tangata Whenua, Māori	Strategic Issues
Community Outcomes	Audit

## Regulatory and Services Committee Responsibilities

REGULATORY		SERVICES	
Resource Management <ul style="list-style-type: none"> <li>• District Plan</li> <li>• Submissions on Regional Plans</li> <li>• Resource Consents</li> <li>• Subdivisions</li> </ul>		Swimming Pools	Economic Development
		Parks and Reserves	Events & Event Promotion
		Cemetery	Information Centre
		Roading	Firmin Lodge
		Footpaths	Marketing & Tourism
Public Health	Bylaws	Water Supply	Public Library
Building	Dog Control	Stormwater	Museum
Plumbing	Noise Control	Wastewater	Public Halls and Facilities
Drainage	Stock Control	Refuse and Recycling	Accounting & Finances
Sale of Liquor	Civil Defence	Plant and Equipment	Asset Management
Gambling Venues		Public Toilets	Grants

Council also has an **Audit and Risk Committee**, which meets every second month and is responsible for:

- Monitoring Council's internal and external audit processes
- Ensuring that Council fulfils its legal responsibilities
- Monitoring Council's performance (financial and non-financial)
- Ensuring that Council has best practice policies and procedures for managing risk.

# Elected Members of Council



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# Operational Structure

## Leadership Team



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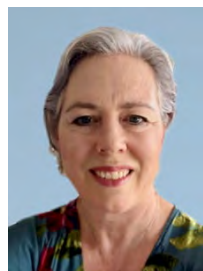
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# Departmental Structure

<b>Operations and Services</b>	<ul style="list-style-type: none"> <li>- Roading</li> <li>- Stormwater</li> <li>- Water Supply</li> <li>- Wastewater</li> <li>- Refuse Collection and Disposal</li> <li>- Recycling</li> <li>- Swimming Pools</li> <li>- Parks and Reserves</li> <li>- Public Halls and Facilities</li> <li>- Cemetery</li> </ul>
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<b>Chief Executive Officer</b>	<ul style="list-style-type: none"> <li>- Operations and Services</li> <li>- Regulatory and Planning</li> <li>- Finance and Corporate Services</li> <li>- Economic Development</li> <li>- Communication and Community Engagement</li> <li>- Residential Developments</li> <li>- People &amp; Culture</li> </ul>
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<b>Regulatory and Planning</b>	<ul style="list-style-type: none"> <li>- Resource Management</li> <li>- Building Control</li> <li>- Environmental Health</li> <li>- Dog Registration and Control</li> <li>- Emergency Management</li> <li>- Health and Safety</li> </ul>
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<b>Finance and Corporate Services</b>	<ul style="list-style-type: none"> <li>- Finance</li> <li>- Democracy Support</li> <li>- Corporate Services</li> <li>- Public Library</li> <li>- Museum</li> <li>- Information Technology</li> <li>- Strategic Planning</li> <li>- Grants and Funding</li> </ul>
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<b>Economic and Community Development</b>	<ul style="list-style-type: none"> <li>- Economic Development</li> <li>- Events Management</li> <li>- isite</li> <li>- Community Development</li> <li>- Youth Development</li> <li>- Firmin Lodge</li> </ul>
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<b>Communication and community engagement   Residential Developments</b>	<ul style="list-style-type: none"> <li>- Council Communications</li> <li>- Community Engagement</li> <li>- Residential Development</li> <li>- Retirement Village</li> <li>- Partnership Liaison and Consultation</li> <li>- Electoral Processes</li> </ul>
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<b>People and Culture</b>	<ul style="list-style-type: none"> <li>- Human Resources</li> <li>- Staff recruitment</li> </ul>
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SECTION 02

# Groups of Activities

# Council's Activity Structure

The work that Council does is combined into what are known as 'groups of activities'. Council has nine activity groups which are:

<b>Activity Group</b>	<b>Activities</b>
<b>1: Democracy</b>	<ul style="list-style-type: none"><li>- Democracy</li></ul>
<b>2: Economic and Community Development</b>	<ul style="list-style-type: none"><li>- Economic Development</li><li>- Events Management</li><li>- Marketing and Tourism</li><li>- Pensioner Housing</li><li>- Residential Housing Development</li><li>- Porritt Glade Lifestyle Village</li><li>- Grants and Funding</li><li>- Information Centre</li><li>- Youth Development</li><li>- Facilities Management</li></ul>
<b>3: Environmental Services</b>	<ul style="list-style-type: none"><li>- Resource Management</li><li>- Building Control</li><li>- Environmental Health</li><li>- Dog Registration and Control</li><li>- Civil Defence</li></ul>
<b>4: Roading</b>	<ul style="list-style-type: none"><li>- Roads and Footpaths</li></ul>
<b>5: Stormwater</b>	<ul style="list-style-type: none"><li>- Stormwater Drainage and Flood Protection and Control Works</li></ul>
<b>6: Water Supply</b>	<ul style="list-style-type: none"><li>- Water Supply</li></ul>
<b>7: Wastewater</b>	<ul style="list-style-type: none"><li>- Sewerage and Sewage Treatment and Disposal</li></ul>
<b>8. Solid Waste</b>	<ul style="list-style-type: none"><li>- Refuse Collection and Disposal</li><li>- Recycling (Zero Waste)</li></ul>
<b>9: Leisure and Recreation</b>	<ul style="list-style-type: none"><li>- District Library</li><li>- Museum</li><li>- Maurie Kjar Aquatic Centre</li><li>- Public Halls and Facilities Maintenance</li><li>- Parks and Reserves</li><li>- Public Toilets</li><li>- Cemeteries</li></ul>



# Democracy

Democracy is the political arm of Council. It involves the Mayor and Councillors making decisions for the community both in the present and for the future.

The Mayor and Councillors are elected every three years by a postal vote of registered electors in the district.

The democracy group contributes principally toward Council achieving the community outcome to provide effective governance and leadership which represents community interests and helps maintain the ongoing viability of the District. It also contributes toward the outcome to recognise and encourage the contributions of all sectors of the Community.

## Performance Measures and Targets

Levels of Service	Measures	Current Performance (2022/23)	Target 2024/25	Data source
Council informs the community about key issues and activities.	Number of Newsletters	19 Newsletters circulated	At least 20 publications	Council records
Council encourages the community to contribute to Council decision-making	Provision of a public forum at council and committee meetings	Public forums were not available in person to the public for first 3 months due to COVID restrictions however were available via zoom to the community.	Every meeting	Council records
The community has confidence in their Elected Members	Community satisfaction with Mayor and Councillors	57% community satisfaction with Mayor & councillors (target >85%)	N/A	Community Survey (every 3 years)
Financial management is prudent, effective and efficient	Community satisfaction with the way rates are spent	53% community satisfaction with way rates spent (target > 90%)	N/A	
	Percentage completion of the annual work programme	16/39 (41%) of projects were completed.	>90%	Council records

## Funding Impact Statement: Democracy

Long Term Plan 2023/24		Long Term Plan 2024/25	Annual Plan 2024/25
	<b>Sources of operating funding</b>		
739,030	General rates, uniform annual general charges, rates penalties	748,180	928,810
0	Targeted rates	0	0
0	Subsidies and grants for operating purposes	0	0
0	Fees and charges	0	0
1,180	Internal charges and overheads recovered	1,180	0
0	Local authorities fuel tax, fines, infringement fees, and other receipts	0	0
<b>740,210</b>	<b>Total Operating Funding (A)</b>	<b>749,360</b>	<b>928,810</b>
	<b>Applications of operating funding</b>		
457,190	Payments to staff and suppliers	465,150	578,000
370	Finance Costs	330	0
265,350	Internal charges and overheads applied	265,480	333,360
0	Other operating funding applications	0	0
<b>722,910</b>	<b>Total applications of operating funding (B)</b>	<b>730,960</b>	<b>911,360</b>
<b>17,300</b>	<b>Surplus (deficit) of operating funding (A - B)</b>	<b>18,400</b>	<b>17,450</b>
	<b>Sources of capital funding:</b>		
0	Subsidies and grants for capital expenditure	0	0
0	Development and financial contributions	0	0
0	Increase (decrease) in debt	0	0
0	Gross proceeds from sale of assets	0	0
0	Lump sum contributions	0	0
0	Other dedicated capital funding	0	0
<b>0</b>	<b>Total sources of capital funding (C)</b>	<b>0</b>	<b>0</b>
	<b>Applications of capital funding</b>		
	Capital expenditure		
0	- to meet additional demand	0	0
0	- to improve the level of service	0	0
0	- to replace existing assets	0	0
17,300	Increase (decrease) in reserves	18,400	17,450
0	Increase (decrease) of investments	0	0
<b>17,300</b>	<b>Total applications of capital funding (D)</b>	<b>18,400</b>	<b>17,450</b>
<b>(17,300)</b>	<b>Surplus (deficit) of capital funding (C - D)</b>	<b>(18,400)</b>	<b>(17,450)</b>
<b>0</b>	<b>Funding balance ((A - B) + (C - D))</b>	<b>0</b>	<b>0</b>

### Explanation of significant variances between the Long-Term Plan and the Annual Plan

There are no significant variances between the Long Term Plan and the Annual Plan figures for 2024/25 apart from increased remuneration (determined by Remuneration Authority) for elected members and increased election costs.

# Economic and Community Development

This group covers the delivery of the following activities:

- Information Centre
- Events Management
- Economic Development
- Grants and Funding
- Youth Development
- Housing – including pensioner housing, retirement village and residential developments

The aims of this group are:

- To enhance the quality of life in Kawerau by marketing and encouraging Economic and Community Development in the District.
- To assist in increasing opportunities for Economic and Community Development in the District.

## Performance Measures and Targets

Levels of Service	Measures	Current performance (2022/23)	Target 2024/25	Data source
Council is actively involved in the Eastern Bay of Plenty Regional Economic Development Agency	Representation at Trustee meetings	Council was represented at all trustee meetings.	Representation at least 90% of trustee meetings	Toi EDA minutes
Council encourages positive perceptions of Kawerau by supporting local events.	Frequency of events from February to December.	At least 1 event held each month.	At least 1 event held per month from February to December	Council records
Council provides a local information centre which is accessible to visitors and the local community	Number of days open each year	The Information Centre was open 364 days (except Christmas day).	At least 360 days	Council records
Council provides an information centre which suits community needs	Community satisfaction with the information centre	67% community satisfaction (target > 83%)	N/A	Community Survey (every 3 years)
Council supports young people to develop skills and attitudes needed to take a positive part in society	Youth Council in place	Appointments made – March 2023.	Annual appointments made	Council records
	Satisfaction with youth council collaboration from collaborating groups	95% satisfaction with Youth Council collaboration (target >95%)	>95%	Annual survey of collaborating groups

## Funding Impact Statement: Economic Development

Long Term Plan 2023/24		Long Term Plan 2024/25	Annual Plan 2024/25
	<b>Sources of operating funding</b>		
981,220	General rates, uniform annual general charges, rates penalties	1,049,570	1,154,660
0	Targeted rates	0	0
0	Subsidies and grants for operating purposes	0	3,175,000
604,860	Fees and charges	652,680	358,000
0	Internal charges and overheads recovered	1,060	2,000
550,000	Local authorities fuel tax, fines, infringement fees, and other receipts	550,000	575,500
<b>2,136,080</b>	<b>Total Operating Funding (A)</b>	<b>2,253,310</b>	<b>5,265,160</b>
	<b>Applications of operating funding</b>		
1,371,120	Payments to staff and suppliers	1,392,770	4,089,450
18,950	Finance Costs	16,810	21,750
559,810	Internal charges and overheads applied	555,820	568,370
0	Other operating funding applications	0	0
<b>1,949,880</b>	<b>Total applications of operating funding (B)</b>	<b>1,965,400</b>	<b>4,679,570</b>
<b>186,200</b>	<b>Surplus (deficit) of operating funding (A - B)</b>	<b>287,910</b>	<b>585,590</b>
	<b>Sources of capital funding:</b>		
0	Subsidies and grants for capital expenditure	0	0
0	Development and financial contributions	0	0
0	Increase (decrease) in debt	0	0
1,280,000	Gross proceeds from sale of assets	0	0
0	Lump sum contributions	0	0
0	Other dedicated capital funding	0	0
<b>1,280,000</b>	<b>Total sources of capital funding (C)</b>	<b>0</b>	<b>0</b>
	<b>Applications of capital funding</b>		
	Capital expenditure		
1,040,000	- to meet additional demand	0	0
0	- to improve the level of service	0	0
11,830	- to replace existing assets	32,020	12,000
414,370	Increase (decrease) in reserves	255,890	573,590
0	Increase (decrease) of investments	0	0
<b>1,466,200</b>	<b>Total applications of capital funding (D)</b>	<b>287,910</b>	<b>(585,590)</b>
<b>(186,200)</b>	<b>Surplus (deficit) of capital funding (C - D)</b>	<b>(287,910)</b>	<b>0</b>
<b>0</b>	<b>Funding balance ((A - B) + (C - D))</b>	<b>0</b>	<b>0</b>

### Explanation of significant variances between the Long Term Plan and the Annual Plan

The significant variance to the figures in the Long Term Plan for 2024/25, is that Council has decided to undertake a residential development (\$4.3 mil) and has approved Government Grants funding to undertake this project. While the grant is recognised as income the development will be treated as inventory.

# Environmental Services

Environmental Services encompasses the following activities:

- Resource Management Planning
- Resource Management Consents
- Building Control
- Environmental Health
- Dog Registration and Control
- Civil Defence

The overall aim of this group of activities is to promote the sustainable development of the District and the health, safety and well-being of its residents.

## Performance Measures and Targets

Levels of Service	Measures	Current performance (2022/23)	Target 2024/25	Data source
Service users consider Council's Building Control Activity to be effective	Satisfaction survey of service users - building consents processes	8/10 (80%)	>90%	Targeted survey of service users
	Satisfaction survey of service users - building inspection processes	8/8 (100%)	>90%	Targeted survey of service users
Council provides in-house building consent, inspection and approval services	Bi-annual Building Consent Authority accreditation re-assessment	Accreditation and registration retained	Accreditation and registration retained	Council records
Kawerau buildings requiring Building Warrants of Fitness are compliant	Number of buildings audited for BWOF requirements	28/80 (35%)	At least 35%	Council records
Registered premises comply with statutory requirements	Audit of food premises operating Food Control Plans	23/23 (100%)	100% annually	Council records
	Inspection of registered premises for compliance with relevant standards	6/6 (100%)	100% annually	Council records
Premises licensed under the Sale and Supply of Alcohol Act 2012 comply with licence conditions	Inspection of licensed premises for compliance	14/14 (100%)	100% annually	Council records
Council responds to complaints and service requests for environmental health conditions (noise complaints, nuisance conditions/health risks)	Response to noise complaints	60% within 20 minutes and 74% within 30 minutes	80% within 20 minutes and 98% within 30 minutes	Council records
	Response to other Environmental Health service requests/complaints	4/5 responded to within 1 working day (80%).	100% within 1 working day	Council records
Council maintains community satisfaction levels for the Dog Control service	Community satisfaction with Dog Control Service	43% community satisfaction (target > 77%)	N/A	Community Survey (every 3 years)

<b>Levels of Service</b>	<b>Measures</b>	<b>Current performance (2022/23)</b>	<b>Target 2024/25</b>	<b>Data source</b>
Service requests about uncontrolled dogs are actioned	Adherence to complaint response process to respond, investigate and record the complaint and advise complainant of progress or the outcome within 24 hours	66% responded to within 20 minutes and 76% were responded to within 30 minutes	80% within 20 minutes and 98% within 30 minutes	Council records
Council provides community education initiatives to increase public awareness and readiness for local and regional hazards.	Percentage of residents that have an understanding of what the consequences would be if a disaster struck their area.	79% community understanding across BOP Region (target >80%)	>85%	2 yearly survey undertaken by the BOP Regional Council (applies for 2024/25)
	Percentage of residents that have any action to prepare for an emergency.	100% of residents responding had taken action to prepare for emergency	>85%	
Council will maintain capability to effectively respond to an emergency	Council is prepared for and can respond to an emergency.	Only 67% of staff identified and trained	>80%	Measures developed and audited by EMBOP

## Funding Impact Statement: Environmental Services

Long Term Plan 2023/24		Long Term Plan 2024/25	Annual Plan 2024/25
	<b>Sources of operating funding</b>		
1,031,830	General rates, uniform annual general charges, rates penalties	1,015,650	1,377,410
0	Targeted rates	0	0
0	Subsidies and grants for operating purposes	0	0
187,950	Fees and charges	191,450	179,000
50	Internal charges and overheads recovered	50	0
0	Local authorities fuel tax, fines, infringement fees, and other receipts	0	0
<b>1,219,830</b>	<b>Total Operating Funding (A)</b>	<b>1,207,150</b>	<b>1,556,410</b>
	<b>Applications of operating funding</b>		
737,560	Payments to staff and suppliers	726,290	995,990
7,430	Finance Costs	7,150	0
432,000	Internal charges and overheads applied	427,910	525,920
0	Other operating funding applications	0	0
<b>1,176,990</b>	<b>Total applications of operating funding (B)</b>	<b>1,161,350</b>	<b>1,521,910</b>
<b>42,840</b>	<b>Surplus (deficit) of operating funding (A - B)</b>	<b>45,800</b>	<b>34,500</b>
	<b>Sources of capital funding:</b>		
0	Subsidies and grants for capital expenditure	0	0
0	Development and financial contributions	0	0
0	Increase (decrease) in debt	0	0
0	Gross proceeds from sale of assets	0	0
0	Lump sum contributions	0	0
0	Other dedicated capital funding	0	0
<b>0</b>	<b>Total sources of capital funding (C)</b>	<b>0</b>	<b>0</b>
	<b>Applications of capital funding</b>		
	Capital expenditure		
0	- to meet additional demand	0	0
0	- to improve the level of service	0	0
0	- to replace existing assets*	0	0
42,840	Increase (decrease) in reserves	45,800	0
0	Increase (decrease) of investments	0	0
<b>42,840</b>	<b>Total applications of capital funding (D)</b>	<b>45,800</b>	<b>34,500</b>
<b>(42,840)</b>	<b>Surplus (deficit) of capital funding (C - D)</b>	<b>(45,800)</b>	<b>(34,500)</b>
<b>0</b>	<b>Funding balance ((A - B) + (C - D))</b>	<b>0</b>	<b>0</b>

### Explanation of significant variances between the Long Term Plan and the Annual Plan for 2024/25

There is additional expenditure needed for the on-going district plan and spatial plan reviews.

# Roading and Footpaths

Council's roading network comprises approximately 43km of roads, all of which are sealed. The roading network also includes car parks, bridges, footpaths, culverts, street lights, kerbing and channelling, signs and markings.

The aims of this activity group are:

- To provide and maintain a system of roads/footpaths for the safe and comfortable passage of vehicles and pedestrians, cyclists and other vulnerable road users (including mobility scooters) in and through the District.

The roading group involves:

- Management and monitoring of the roading network
- Repairing and maintaining assets and structures
- Operation of the roading activity assets
- Planning to meet future requirements and improve operations

Principal objectives of this activity group are:

- To provide a high quality roading network.
- To anticipate the time when it may be necessary to extend, upgrade or renew the existing roading network and to plan accordingly.
- To ensure the maintenance of public infrastructural assets in perpetuity, so there is no diminution in value and to forecast the estimated future cost of doing so.
- To put in place a sound management regime for all matters relating to the roading network for the future.



*Tiwhatiwha Crescent, one of the newest streets, leads to Central Cove residential development.*



## Performance Measures and Targets

Levels of Service	Measures	Current performance (2022/23)	Target 2024/25	Data source
Council maintains community satisfaction levels for Rooding activity	Community satisfaction with rooding assets	56% community satisfaction (target >90%)	N/A	Community survey (3 yearly)
Council provides a network of roads which facilitates the safe movement of people and vehicles around the District	The change from the previous financial year in the number of fatalities and serious crashes on the local road network expressed as a number	There were 3 serious crashes resulting in serious injuries on the roads controlled by Council.	Increase of zero or less	NZ Police
Road Quality	The average quality of ride on a sealed local road network, measured by smooth travel exposure	The survey returned a 89% smooth travel exposure	No less than 95%	Annual independent survey
Road maintenance	The percentage of the sealed local road network that is resurfaced	0% of total rooding network was resurfaced as work was delayed due to the priority of resolving dewatering issues.	>5% resurfaced annually	Council records
Response to service requests (Roads)	The percentage of customer service requests relating to roads to which Council responds within the timeframe specified	12 potholes reported and 9 responded to within 14 days and 3 took longer than 28 days.	<b>Potholes</b> 90% within 14 days and 100% within 28 days.	Council records (RFS database)
		Streetlights – 43/65 (66%) within 14 days, and 57/65 (88%) responded to within 28 days.	<b>Streetlights</b> 90% within 14 days and 100% within 28 days	
Council provides an appropriate network of footpaths for pedestrian use.	Community satisfaction with footpaths	59% community satisfaction with footpaths (target >75%)	N/A	Community survey (3 yearly)
Footpath condition	Percentage of footpaths that fall within the level of service or service standard for the condition of footpaths as set out in the LTP	Annual survey not undertaken due to impact of extensive water renewals in the berms.	>95% <sup>1</sup>	Annual independent survey
Response to service requests (Footpaths)	The percentage of customer service requests relating to footpaths to which Council responds within the timeframe specified	10/17 (59%) of service requests responded to within 14 days.	100% within 14 days	Council records (RFS database)

<sup>1</sup> Against a standard of no more than 20 lips in the 70 km of footpaths

## Funding Impact Statement: Roading and Footpaths

Long Term Plan 2023/24		Long Term Plan 2024/25	Annual Plan 2024/25
	<b>Sources of operating funding</b>		
1,084,810	General rates, uniform annual general charges, rates penalties	1,112,120	1,239,020
0	Targeted rates	0	0
234,900	Subsidies and grants for operating purposes	241,250	277,200
17,000	Fees and charges	17,000	50,000
18,270	Internal charges and overheads recovered	18,940	0
74,340	Local authorities fuel tax, fines, infringement fees, and other receipts	76,500	65,000
<b>1,429,320</b>	<b>Total Operating Funding (A)</b>	<b>1,465,810</b>	<b>1,631,220</b>
	<b>Applications of operating funding</b>		
526,380	Payments to staff and suppliers	539,190	528,060
0	Finance Costs	0	0
622,650	Internal charges and overheads applied	625,030	680,210
0	Other operating funding applications	0	0
<b>1,149,030</b>	<b>Total applications of operating funding (B)</b>	<b>1,164,220</b>	<b>1,208,270</b>
<b>280,290</b>	<b>Surplus (deficit) of operating funding (A - B)</b>	<b>301,590</b>	<b>422,950</b>
	<b>Sources of capital funding:</b>		
587,290	Subsidies and grants for capital expenditure	388,240	1,313,250
0	Development and financial contributions	0	0
0	Increase (decrease) in debt	0	0
0	Gross proceeds from sale of assets	0	0
0	Lump sum contributions	0	0
0	Other dedicated capital funding	0	0
<b>587,290</b>	<b>Total sources of capital funding (C)</b>	<b>388,240</b>	<b>1,313,250</b>
	<b>Applications of capital funding</b>		
	Capital expenditure		
0	- to meet additional demand	0	0
280,000	- to improve the level of service	0	1,000,000
549,920	- to replace existing assets*	565,870	822,900
37,660	Increase (decrease) in reserves	123,960	(86,700)
0	Increase (decrease) of investments	0	0
<b>867,580</b>	<b>Total applications of capital funding (D)</b>	<b>689,830</b>	<b>1,736,200</b>
<b>(280,290)</b>	<b>Surplus (deficit) of capital funding (C - D)</b>	<b>(301,590)</b>	<b>(422,950)</b>
<b>0</b>	<b>Funding balance ((A - B) + (C - D))</b>	<b>0</b>	<b>0</b>

### Explanation of significant variances between the Long Term Plan and the Annual Plan

There are no significant differences between the Annual Plan and the Long Term Plan for 2024/25, except for the capital works required for the Hardie Ave road works which wasn't planned, as this is a result of the significant rain over the last 18 months impacting the road.

## Capital Expenditure

Long Term Plan 2023/24		Long Term Plan 2024/25	Annual Plan 2024/25
80,000	Kerb Replacement	82,320	84,000
32,000	Street Light Renewals	32,928	62,000
130,000	Reseals	133,770	135,000
60,000	Pavement Treatment	61,740	75,000
36,050	Minor Safety Improvements	37,095	40,000
15,292	Reseal Carparks	15,735	30,000
165,000	Footpath Renewals	169,785	160,000
6,011	Rubbish Bin Replacements	6,185	6,000
1,482	District Seating	1,530	1,500
3,717	Town Centre Music	3,823	3,700
7,041	Video Cameras and Security	7,245	12,000
280,000	Other (CBD, walkways & road realignment)	0	0
13,327	Decorative Lighting Renewals	13,714	13,700
0	Hardie Ave Dewatering Project	0	1,000,000
0	School Zone Speed Management	0	120,000
0	Stormwater Catch-pit renewals	0	60,000
0	Other (Photocell Sensory/Signage)	0	20,000
<b>829,920</b>	<b>Total Capital Expenditure</b>	<b>565,870</b>	<b>1,822,900</b>



*View to the central business district of Kawerau township.*

# Stormwater

Kawerau's stormwater system comprises a network of pipes, manholes and cesspits that collect stormwater from roads and transport it to a natural water course. Pipe sizes vary from 150mm to 1200mm. Stormwater from sources other than the roads does not typically cause problems, as Kawerau's soils are very permeable and therefore stormwater is rapidly absorbed into the ground. The stormwater from Council's network is disposed of in the Tarawera River, the Ruruanga Stream or the overflow stream. All reticulation operates by gravity.

The aim of this activity is:

- To dispose of stormwater in an environmentally acceptable manner that minimises impact on the Community.

The Stormwater group involves:

- The collection and removal of stormwater
- Repairing or replacing unsound pipes and other stormwater structures
- Cleaning and unblocking gutters, pipes and cesspits

Principal objectives are:

- To ensure the stormwater network continues to provide a high quality disposal system.
- To anticipate the time when it may be necessary to extend, upgrade or renew the existing stormwater scheme and to plan accordingly.
- To ensure the appropriate maintenance of the stormwater network in perpetuity, so there is no diminution in value and to forecast the estimated future cost of doing so.
- To put in place a sound management regime for all matters relating to the stormwater network.

Council holds resource consents for the discharge of stormwater collected from the transport network to natural water courses. Existing right use consents and separately granted consents are covered by a comprehensive Stormwater Catchment Management Plan.

## Performance Measures and Targets

Levels of Service	Measures	Current performance (2022/23)	Target 2024/25	Data source
Council provides an effective stormwater network which removes stormwater to protect dwellings from flooding (System adequacy)	The number of flooding events that occur in the District.	0 flooding events	No more than 10	Council records (RFS database)
	Number of habitable floors affected by each flooding event.	N/A	N/A	Properties are not connected to the stormwater system
Council provides an effective stormwater network which removes stormwater to protect dwellings from flooding (customer satisfaction)	The number of complaints received by Council about the performance of its stormwater system.	N/A	N/A	Properties are not connected to the stormwater system
Response times	The median response time to attend a flooding event, measured from the time that Council receives notification to the time that service personnel reach the site.	No flooding events	Less than 1 hour	Council records (RFS database)

Levels of Service	Measures	Current performance (2022/23)	Target 2024/25	Data source
Discharge compliance	Compliance with Council's resource consents for discharge from its stormwater system, measured by the number of: <ul style="list-style-type: none"> <li>• abatement notices</li> <li>• infringement notices</li> <li>• enforcement orders, and</li> <li>• convictions, received by Council in relation those resource consents.</li> </ul>	Council complied with all the conditions of its resource consent. There were no notices, orders or convictions.	No notices, orders or convictions	Council records (RFS database)



*Kawerau industrial site beneath Pūtauaki Maunga.*

## Funding Impact Statement: Stormwater

Long Term Plan 2023/24		Long Term Plan 2024/5	Annual Plan 2024/25
	<b>Sources of operating funding</b>		
255,480	General rates, uniform annual general charges, rates penalties	306,550	128,380
0	Targeted rates	0	0
19,500	Subsidies and grants for operating purposes	0	61,500
0	Fees and charges	0	0
4,860	Internal charges and overheads recovered	3,570	0
0	Local authorities fuel tax, fines, infringement fees, and other receipts	0	0
<b>279,840</b>	<b>Total Operating Funding (A)</b>	<b>310,120</b>	<b>189,880</b>
	<b>Applications of operating funding</b>		
26,000	Payments to staff and suppliers	31,910	82,000
0	Finance Costs	0	0
8,090	Internal charges and overheads applied	9,620	27,220
0	Other operating funding applications	0	0
<b>34,090</b>	<b>Total applications of operating funding (B)</b>	<b>41,530</b>	<b>109,220</b>
<b>245,750</b>	<b>Surplus (deficit) of operating funding (A - B)</b>	<b>268,590</b>	<b>80,660</b>
	<b>Sources of capital funding:</b>		
0	Subsidies and grants for capital expenditure	0	0
0	Development and financial contributions	0	0
0	Increase (decrease) in debt	0	0
0	Gross proceeds from sale of assets	0	0
0	Lump sum contributions	0	0
0	Other dedicated capital funding	0	0
<b>0</b>	<b>Total sources of capital funding (C)</b>	<b>0</b>	<b>0</b>
	<b>Applications of capital funding</b>		
	Capital expenditure		
0	- to meet additional demand	0	0
0	- to improve the level of service	0	0
50,000	- to replace existing assets*	751,400	0
195,750	Increase (decrease) in reserves	(482,810)	80,660
0	Increase (decrease) of investments	0	0
<b>245,750</b>	<b>Total applications of capital funding (D)</b>	<b>268,590</b>	<b>(80,660)</b>
<b>(245,750)</b>	<b>Surplus (deficit) of capital funding (C - D)</b>	<b>(268,590)</b>	<b>(0)</b>
<b>0</b>	<b>Funding balance ((A - B) + (C - D))</b>	<b>0</b>	<b>0</b>

\*Stormwater pipe renewals

### Explanation of significant variances between the Long Term Plan and the Annual Plan

At the time the Long Term Plan was prepared it was anticipated there would not be subsidy for the stormwater activity beyond 2021/22. However, subsidy was confirmed for 3 years to 2023/24, which means Council does not fund the subsidy portion of the annual depreciation.

# Water Supply

The water supply system comprises the network of springs, pumps, reservoirs and pipes that distributes potable water to more than 2,500 households, four large industries and approximately 200 businesses, servicing a population of approximately 7,500 people. The aim of this activity is: “To provide a quality water supply in sufficient quantities to meet reasonable community needs”.

The Water Supply activity group involves:

- Management of water supply assets and monitoring water quality
- Repairing or replacing unsound pipes, structures and plant
- Planning to meet future requirements and improve operations

Principal objectives are:

- To ensure that the water supply network continues to provide a high quality water treatment and distribution service.
- To anticipate the time when it may be necessary to extend, upgrade or renew the existing water supply scheme and to plan accordingly.
- To ensure the appropriate maintenance of the public infrastructural assets in perpetuity, so that there is no diminution in value and to forecast the estimated future cost of doing so.
- To put in place a sound management regime for all matters relating to the supply of potable water.

## Performance Measures and Targets

Levels of Service	Measures	Current performance (2022/23)	Target 2024/25	Data source
Provision of a quality water supply	Community satisfaction with water supply	Community satisfaction 36% (target > 89%)	N/A	Community Survey (every 3 years)
Customer satisfaction	The total number of complaints received about any of the following: a) drinking water clarity b) drinking water taste c) drinking water odour d) drinking water pressure or flow e) continuity of supply, and f) Council’s response to any of these issues expressed per 1000 connections to the networked reticulation system.	There were: a) 91.8 complaints about dirty water (per 1,000 connections) b) 0 complaints about taste (0 per 1,000 connections) c) No odour complaints d) 0.7 complaints about water pressure (per 1,000 connections) e) No complaints concerning continuity of supply f) No complaints about responses to above issues	a) No more than 4 per 1000 connections b) No more than 2 per 1000 connections c) No more than 1 per 1000 connections d) No more than 2 per 1000 connections e) No more than 2 per 1000 connections f) 0 per 1000 connections	Council records (RFS database)

Levels of Service	Measures	Current performance (2022/23)	Target 2024/25	Data source
Safety of drinking water <sup>1</sup>	The extent to which Council's drinking water supply complies with: a) part 4 of the 2008 drinking-water standards (bacteria compliance criteria), and b) part 5 of the 2008 drinking-water standards (protozoal compliance criteria).	There were no instances of bacteria non-compliance or for protozoal non-compliance.	a) No more than 1 instance of bacteria criteria non-compliance and b) No instances of protozoal criteria non-compliance	Toi Te Ora Public Health service reports
The target below is in line with Taumata Arowai's drinking water quality and assurance rule (DWQAR) aesthetic values and the new drinking water standards applicable from 14 November 2022. However, Council elected to apply them from 1 January 2023 to 30 June 2023.				
Safety of drinking water	New standard equivalent to the extent to which the Council's drinking water supply complies with part 4 of the drinking water standards (bacteria compliance criteria)	For the new rules subsequent to December Council did not meet the rules for Bacterial and protozoal criteria the treatment plant did not meet the DWQAR requirements for UV disinfections for both bacterial and protozoal treatment, which was due to absence of continuous monitoring for UV transmittance and the absence of monthly checks of the UV sensor	Water supply complies with standards for bacteria	Toi Te Ora Public Health service reports
	New standard equivalent to the extent to which the Council's drinking water supply complies with part 5 of the drinking water standards (protozoal compliance criteria)	Also the new rule not met was the DWQAR requirements for adequate FAC levels results of <0.1mg/L on 5 & 6/4/2023 and due to an insufficient total number of samples per week in January to April 2023 and exceeding the maximum interval between samples in January to May 2023.	Water supply complies with standards for protozoal	Toi Te Ora Public Health service reports

<sup>1</sup> This relates to the old rules (DWSNZ)



Maintenance of the reticulation network	The percentage of real water loss from the Council's networked reticulation system, measured using the minimum night flow (MNF) analysis method contained in the DIA Guidelines.	Average real water loss was 154 litres per day per connection	<200 litres per connection per day <sup>2</sup>	Council records
Demand management	The average consumption of drinking water per day per resident within the district.	Average consumption was 0.42 m <sup>3</sup> per day	<0.6 m <sup>3</sup>	Council records
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 median response times are: <sup>3</sup>			
	a) attendance for urgent call-outs: from the time that Council receives notification to the time that service personnel reach the site, and	There were 0 urgent callouts during year	Less than two hours	Council records (RFS database)
	b) resolution of urgent call-outs: from the time that Council receives notification to the time that service personnel confirm resolution of the fault or interruption.	N/A	Less than 8 hours	
	c) attendance for non-urgent call-outs: from the time that Council receives notification to the time that service personnel reach the site, and	There were 461 non-urgent call-outs and the median response time was 0.43 hours.	24 hours	
	d) resolution of non-urgent call-outs: from the time that Council receives notification to the time that service personnel confirm resolution of the fault or interruption	The median resolution time for non-urgent call-outs was 1:55 hours	48 hours	

<sup>2</sup> Measured using the minimum night flow (MNF) analysis method contained in the DIA Guidelines.

<sup>3</sup> Non-Financial Performance Measures Rules 2013 made by the Secretary for Local Government pursuant to and in accordance with section 261B of the Local Government Act 2002

Levels of Service	Measures	Current performance (2022/23)	Target 2024/25	Data source
The water supply is reliable and has minimal disruptions	Number of unplanned shutdowns - reticulation	There was 1 unplanned shut-down during the year	No more than 12	Council records
	Number of unplanned shutdowns - pump stations	There were no unplanned shut-downs of pump stations	None	Council records
	Number of water main breaks	There were 2 water main breaks during year	No more than 8	Council records
Water is sourced with minimal environmental effects	Compliance with BOP Regional Council water supply resource consents as reported in Annual Consents and Compliance Field Sheet.	There was 1 non-compliance with BOP Regional Council's water consent.	Compliance <sup>4</sup>	BOP Regional Council



*Tarawera River and Canoe Slalom Course.*

<sup>4</sup> BOPRC inspection reports state either compliance or non-compliance.

## Funding Impact Statement: Water Supply

Long Term Plan 2023/24		Long Term Plan 2024/25	Annual Plan 2024/25
	<b>Sources of operating funding</b>		
1,356,710	General rates, uniform annual general charges, rates penalties	1,533,650	1,569,370
220,710	Targeted rates	223,130	275,000
0	Subsidies and grants for operating purposes	0	0
0	Fees and charges	0	0
52,280	Internal charges and overheads recovered	52,900	28,000
0	Local authorities fuel tax, fines, infringement fees, and other receipts	0	0
<b>1,629,700</b>	<b>Total Operating Funding (A)</b>	<b>1,809,680</b>	<b>1,872,370</b>
	<b>Applications of operating funding</b>		
486,530	Payments to staff and suppliers	495,740	623,500
125,000	Finance Costs	175,000	345,000
408,380	Internal charges and overheads applied	410,630	455,590
0	Other operating funding applications	0	0
<b>1,019,910</b>	<b>Total applications of operating funding (B)</b>	<b>1,081,370</b>	<b>1,424,090</b>
<b>609,790</b>	<b>Surplus (deficit) of operating funding (A - B)</b>	<b>728,310</b>	<b>448,280</b>
	<b>Sources of capital funding:</b>		
0	Subsidies and grants for capital expenditure	0	0
0	Development and financial contributions	0	0
2,000,000	Increase (decrease) in debt	2,000,000	2,000,000
0	Gross proceeds from sale of assets	0	0
0	Lump sum contributions	0	0
0	Other dedicated capital funding	0	0
<b>2,000,000</b>	<b>Total sources of capital funding (C)</b>	<b>2,000,000</b>	<b>2,000,000</b>
	<b>Applications of capital funding</b>		
	Capital expenditure		
0	- to meet additional demand	0	0
0	- to improve the level of service	0	0
2,729,720	- to replace existing assets*	2,575,140	2,140,000
(119,930)	Increase (decrease) in reserves	153,170	308,280
0	Increase (decrease) of investments	0	0
<b>2,609,790</b>	<b>Total applications of capital funding (D)</b>	<b>2,728,310</b>	<b>2,448,280</b>
<b>(609,790)</b>	<b>Surplus (deficit) of capital funding (C - D)</b>	<b>(728,310)</b>	<b>(448,280)</b>
<b>0</b>	<b>Funding balance ((A - B) + (C - D))</b>	<b>0</b>	<b>0</b>

### Explanation of significant variances between the Long-Term Plan and the Annual Plan

There are no significant variances between the LTP and the Annual Plan apart from Council electing to not full fund depreciation for this activity to keep the overall rate increase down for residents.

## Capital Expenditure

Long Term Plan 2023/24		Long Term Plan 2024/25	Annual Plan 2024/25
1,993,625	Pipework Replacement	2,087,329	2,000,000
165,218	Toby Replacement	172,983	50,000
44,058	Valve Replacement	46,128	75,000
19,055	Refurbish Pumps	0	0
14,320	UV Tube Replacement	14,992	15,000
493,444	Reservoir, Headworks & Hydrants	253,708	0
<b>2,729,720</b>	<b>Total Capital Expenditure</b>	<b>2,575,140</b>	<b>2,140,000</b>



*Tarawera River.*

# Wastewater

This group includes “wastewater collection and disposal”. Council’s wastewater system is a network of pipes, manholes, cleaning eyes, pumps and a treatment plant.

The wastewater activity contributes mainly to providing effective, efficient and sustainable infrastructure and services and to prevent harm and nuisance and to protect people’s health and safety.

The overall aim of this group of activities is “to provide a system of domestic wastewater collection and primary treatment”.

## Performance Measures and Targets

Levels of Service	Measures	Current performance (2022/23)	Target 2024/25	Data source
Provision of domestic wastewater collection and primary treatment	Community satisfaction with wastewater disposal	Community satisfaction 70% (target >96%)	N/A	Community survey
Customer satisfaction	The total number of complaints received about any of the following: a) sewage odour b) sewerage system faults c) sewerage system blockages, and d) Council's response to issues with its sewerage system, expressed per 1000 connections to the sewerage system.	a) 1 odour issues (0.3 per 1,000) b) 0 faults reported (0 per 1000) c) There were 5 blockages (1.7 per 1000) d) There were no complaints about responses (0 per 1,000)	a) No more than 1 per 1000 connections b) No more than 15 per 1000 connections c) No more than 15 per 1000 connections d) 0 per 1000 connections	Council records (RFS database)
System adequacy	The number of dry weather sewage overflows from Council's sewerage system, expressed per 1000 connections to that sewerage system.	There were 1 dry weather overflow during year.	0 per 1000 connections to the sewerage system	Council records
Fault response times	Where Council attends to sewage overflows resulting from a blockage or other fault in its sewerage system, the median response times are:			
	a) attendance time: from the time that Council receives notification to the time that service personnel reach the site, and	There was 1 attendance (within 1 hour)	Less than 1 hour	Council records (RFS database)
	b) resolution time: from the time that Council receives notification to the time that service personnel confirm resolution of the blockage or other fault.	The 1 sewerage overflow was attended and resolved within 2 hours.	Less than 8 hours	Council records (RFS database)
Council provides a reliable domestic wastewater collection and disposal service	Number of disruptions to wastewater collection service	There were no disruptions to the wastewater collection service.	No more than 50	Council records

Levels of Service	Measures	Current performance (2022/23)	Target 2024/25	Data source
Discharge compliance	Compliance with resource consents for discharge from Council's sewerage system measured by the number of: a) abatement notices b) infringement notices c) enforcement orders, and d) convictions, received in relation those resource consents.	Council did not receive any abatement notices, enforcement orders nor convictions during the year.	No notices, orders or convictions	Council records
The wastewater treatment plant operates effectively	Compliance with BOPRC wastewater treatment plant resource consents as reported in annual Consents and Compliance Field Sheet	Council did not comply with conditions of the resource consent due to a component failure in the treatment plant. An infringement notice was issued.	Compliance <sup>5</sup>	BOP Regional Council



Mayor Faylene Tunui views the upgrades of the Three Waters plant including the wastewater treatment facility.

<sup>5</sup> BOPRC inspection reports state either compliance or non-compliance.

## Funding Impact Statement: Wastewater

Long Term Plan 2023/24		Long Term Plan 2024/25	Annual Plan 2024/25
	<b>Sources of operating funding</b>		
1,334,930	General rates, uniform annual general charges, rates penalties	1,431,950	1,430,300
472,350	Targeted rates	477,190	430,000
0	Subsidies and grants for operating purposes	0	0
52,790	Fees and charges	54,000	100,000
24,260	<b>Internal charges and overheads recovered</b>	18,400	0
0	Local authorities fuel tax, fines, infringement fees, and other receipts	0	0
<b>1,884,330</b>	<b>Total Operating Funding (A)</b>	<b>1,981,540</b>	<b>1,960,300</b>
	<b>Applications of operating funding</b>		
765,040	Payments to staff and suppliers	780,190	796,190
0	Finance Costs	0	0
596,800	<b>Internal charges and overheads applied</b>	600,000	738,220
0	Other operating funding applications	0	0
<b>1,361,840</b>	<b>Total applications of operating funding (B)</b>	<b>1,380,190</b>	<b>1,534,410</b>
<b>522,490</b>	<b>Surplus (deficit) of operating funding (A - B)</b>	<b>601,350</b>	<b>425,890</b>
	<b>Sources of capital funding:</b>		
0	Subsidies and grants for capital expenditure	0	0
0	Development and financial contributions	0	0
0	Increase (decrease) in debt	0	0
0	Gross proceeds from sale of assets	0	0
0	Lump sum contributions	0	0
0	Other dedicated capital funding	0	0
<b>0</b>	<b>Total sources of capital funding (C)</b>	<b>0</b>	<b>0</b>
	<b>Applications of capital funding</b>		
	Capital expenditure		
0	- to meet additional demand	0	0
0	- to improve the level of service	0	0
1,428,660	- to replace existing assets	818,990	765,000
(906,170)	Increase (decrease) in reserves	(217,640)	(339,110)
0	Increase (decrease) of investments	0	0
<b>522,490</b>	<b>Total applications of capital funding (D)</b>	<b>601,350</b>	<b>425,890</b>
<b>(522,490)</b>	<b>Surplus (deficit) of capital funding (C - D)</b>	<b>(601,350)</b>	<b>(425,890)</b>
<b>0</b>	<b>Funding balance ((A - B) + (C - D))</b>	<b>0</b>	<b>0</b>

There are no significant variances between the LTP and the Annual Plan for 2024/25, apart from Council electing to not fully fund depreciation for this activity to keep the overall rate increase down for residents.

## Capital Expenditure

Long Term Plan 2023/24		Long Term Plan 2024/25	Annual Plan 2024/25
746,120	Pipework Replacement	781,190	765,000
36,950	Refurbish Pumps	37,800	0
161,050	Milliscreen Bearings	0	0
484,540	WWTP & Pump Station Renewals	0	0
<b>1,428,660</b>	<b>Total Capital Expenditure</b>	<b>818,990</b>	<b>765,000</b>

# Solid Waste

This group includes:

- Refuse Collection
- Refuse Disposal
- Zero Waste

Refuse collection includes a weekly collection of residual waste and a fortnightly collection of green waste for residential properties. Recycling collection from both residential and commercial properties is undertaken on a weekly basis. There is also a transfer station where waste can be taken.

This group of activities contributes mainly to providing effective, efficient and sustainable infrastructure and services and to prevent harm and nuisance and to protect people's health and safety.

The overall aim of this group of activities is "to minimise the presence of refuse within the District and to minimise the amount of local waste, which goes to landfill".



*Kawerau Transfer Station is the Green Waste Collection Area for the district.*



## Performance Measures and Targets

### Refuse Collection and Disposal

Levels of Service	Measures	Current performance (2022/23)	Target 2024/25	Data source
Provision of a cost effective refuse collection and disposal that will encourage a healthy, clean and tidy district	Community satisfaction with refuse collection	Community satisfaction 90% (target > 92%)	N/A	Community survey (every 3 years)
	Community satisfaction with refuse disposal	Community satisfaction 68% (target > 74%)	N/A	
Council's refuse collection and disposal services meet the needs of the Kawerau Community and help maintain public health and a clean environment	Level of compliance with BOP Regional Council refuse disposal resource consents as reported in annual Consents and Compliance Field Sheet	No abatement notices, enforcement orders or convictions issued	Compliance <sup>6</sup>	BOP Regional Council

### Recycling (Zero Waste)

Levels of Service	Measures	Current performance (2022/23)	Target 2024/25	Data source
Council's refuse collection and disposal services meet the needs of the Kawerau Community	Community satisfaction with recycling services	Community satisfaction 76% (target > 92%)	N/A	Community survey (every 3 years)
Material which would otherwise go to landfill as household refuse is collected by the recycling collection service	Average amount of recyclable material collected from each household.	188 kg per household on average	No less than 178kg per annum	Council records.

<sup>6</sup> BOPRC inspection reports state either compliance or non-compliance

## Funding Impact Statement: Solid Waste

Long Term Plan 2023/24		Long Term Plan 2024/25	Annual Plan 2024/25
	<b>Sources of operating funding</b>		
809,660	General rates, uniform annual general charges, rates penalties	812,660	1,531,200
542,380	Targeted rates	548,600	665,840
0	Subsidies and grants for operating purposes	0	0
625,380	Fees and charges	637,270	1,328,500
49,890	Internal charges and overheads recovered	50,880	29,500
0	Local authorities fuel tax, fines, infringement fees, and other receipts	0	0
<b>2,027,310</b>	<b>Total Operating Funding (A)</b>	<b>2,049,410</b>	<b>3,555,040</b>
	<b>Applications of operating funding</b>		
1,372,580	Payments to staff and suppliers	1,398,150	2,377,210
3,750	Finance Costs	3,350	280
618,270	Internal charges and overheads applied	612,120	1,142,020
0	Other operating funding applications	0	0
<b>1,994,600</b>	<b>Total applications of operating funding (B)</b>	<b>2,013,620</b>	<b>3,519,510</b>
<b>32,710</b>	<b>Surplus (deficit) of operating funding (A - B)</b>	<b>35,790</b>	<b>35,530</b>
	<b>Sources of capital funding:</b>		
0	Subsidies and grants for capital expenditure	0	0
0	Development and financial contributions	0	0
0	Increase (decrease) in debt	0	0
0	Gross proceeds from sale of assets	0	0
0	Lump sum contributions	0	0
0	Other dedicated capital funding	0	0
<b>0</b>	<b>Total sources of capital funding (C)</b>	<b>0</b>	<b>0</b>
	<b>Applications of capital funding</b>		
	Capital expenditure		
0	- to meet additional demand	0	0
0	- to improve the level of service	0	0
0	- to replace existing assets	3,000	65,000
32,710	Increase (decrease) in reserves	32,790	(29,470)
0	Increase (decrease) of investments	0	0
<b>32,710</b>	<b>Total applications of capital funding (D)</b>	<b>35,790</b>	<b>35,530</b>
<b>(32,710)</b>	<b>Surplus (deficit) of capital funding (C - D)</b>	<b>(35,790)</b>	<b>(35,530)</b>
<b>0</b>	<b>Funding balance ((A - B) + (C - D))</b>	<b>0</b>	<b>0</b>

### Explanation of significant variances between the Long-Term Plan and the Annual Plan

There are increased costs for refuse disposal and greenwaste processing in the 2024/25 Annual Plan budget when compared to the Long Term Plan which has resulted in increased fees and charges and rates.

# Leisure and Recreation

The Leisure and Recreation group of activities comprises:

- Public Library
- Museum
- Swimming Pools
- Public Halls and Facilities
- Parks and Reserves (including Cemetery)

Public Halls and Facilities comprise the Ron Hardie Recreation Centre, Town Hall, Concert Chamber and Public Toilets.

Parks and Reserves comprise Sports Fields, Passive Reserves, Road Berms, Street Trees, Bedding Displays, Playgrounds and the Cemetery.

The level of service and extent of these activities are provided directly improves the quality of life for all the people of Kawerau in some way.

## Performance Measures and Targets

### Public Library

Levels of Service	Measures	Current performance (2022/23)	Target 2024/25	Data source
The library is accessible to the public	Percentage of the population who are active members of the library <sup>7</sup>	18.1% were active members (target > 25%)	>25%	Council records
	New items per 1,000 population added to the collection each year.	411 new items per 1000 pop were added to collection (target > 500)	>500	Council records
Council provides public library services and resources which suit Community needs	Community satisfaction with the Public Library	Community satisfaction was 73% (target > 86%)	N/A	Community survey (every 3 years)

### Museum

Levels of Service	Measures	Current performance (2022/23)	Target 2024/25	Data source
Council provides a museum service which reflects Community needs Council provides a museum service which reflects Community needs	Number of exhibitions held	6 exhibitions were held (target 6)	At least 6 exhibitions	Council records
	Number of objects accessioned to the museum collection annually	234 objects were accessioned for the year (target > 200)	>200	Council records
	Community satisfaction with the Museum	Community satisfaction was 37% (target > 62%)	N/A	Community survey (every 3 years)

<sup>7</sup> Those who have used library services in the past two years.

## Swimming Pools

Levels of Service	Measures	Current performance (2022/23)	Target 2024/25	Data source
Council provides a Swimming Pool Complex which is accessible to the Community	Weeks open per year	Pool open for 39/52 weeks (target >47 weeks)	At least 48	Council records
Council provides a Swimming Pool Complex which reflects the community's needs	Community satisfaction with Public Swimming Pools	Community satisfaction was 63% (target > 93%)	N/A	Community survey (every 3 years)
Pool water meets water quality standards	Level of compliance with standards	There was at least 97% compliance of tests (target > 94%)	Full compliance in 95% of tests	Council records

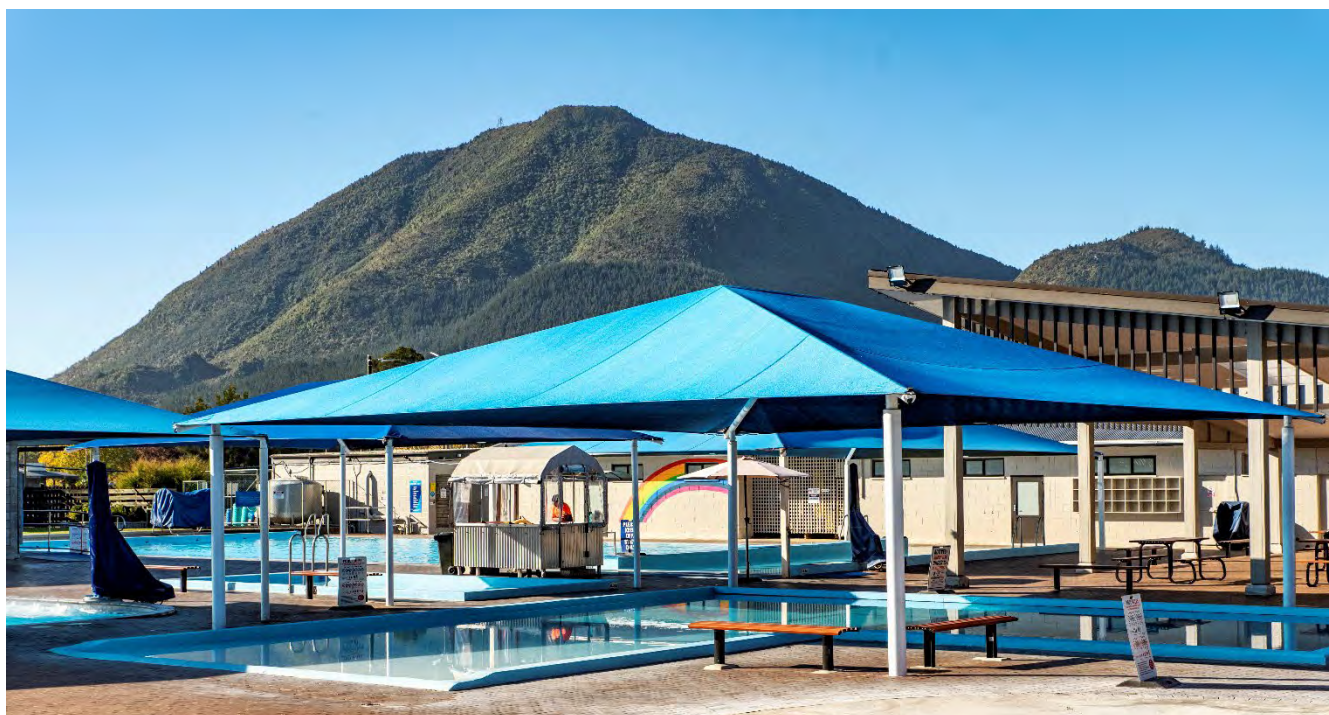
## Public Halls and Facilities

Levels of Service	Measures	Current performance (2022/23)	Target 2024/25	Data source
Council provides public halls and facilities which reflects Community needs	Community satisfaction with Public Halls (> 81%)	Satisfaction levels were: Halls (community) 57% Halls (user) 83% Toilets (community) 57% Toilets (user) 79%	N/A	Community Survey (every 3 years)
	User satisfaction with Public Halls (> 93%)		N/A	
	Community satisfaction with Public Toilets (>70%)		N/A	
	User satisfaction with Public Toilets (> 87%)		N/A	
Four community halls are available for hire: Ron Hardie Recreation Centre, Town Hall, Concert Chamber and Bert Hamilton Hall	Number of weeks public halls available for hire	Overall halls were open 52/52 weeks to 30 June 2023, apart from the Rec Centre which was closed for 2 weeks.	Each hall is available for at least 50 weeks <sup>8</sup>	Council records
Clean public toilets are provided in the central business district	Number of days town centre public toilets are open.	Toilets were open for 365 days of the year.	Open at least 360 days	Council records

<sup>8</sup> Each hall is closed for scheduled maintenance for up to two weeks per year.

## Parks and Reserves

Levels of Service	Measures	Current performance (2022/23)	Target 2024/25	Data source
Council provides parks and reserves which meet community needs	Community satisfaction with Parks and Reserves (> 93%)	Community satisfaction was 78% (target > 93%)	N/A	Community survey (every 3 years)
Sports field playing surfaces meet the requirements of the codes for which they are used	Implementation of recommendations of NZ Sports Turf Institute advisory reports.	NZ Sports Turf Institute recommendations implemented	100%	Council records
Bedding displays are attractive and updated to suit the season	Number of bedding displays	There were 2 separate bedding displays planted	2 bedding displays (1 summer and 1 winter)	Council records
Playground equipment is safe for children to use	Monthly inspections of all playground equipment	10 inspections conducted during year out of 12.	12 inspections conducted	Council records
The Kawerau cemetery meets Community interment needs in the present and the medium term	Community satisfaction with the Cemetery	Community satisfaction was 64% (target > 78%)	N/A	Community survey (every 3 years)
	Number of burial plots available	There are enough plots available for a further 18 years.	At least enough for the next five years	Council records



*The Maurie Kjar Aquatic Centre – a favourite destination for the community of Kawerau and the Eastern Bay.*

## Funding Impact Statement: Leisure and Recreation

Long Term Plan 2023/24		Long Term Plan 2024/25	Annual Plan 2024/25
	<b>Sources of operating funding</b>		
4,190,530	General rates, uniform annual general charges, rates penalties	4,240,280	4,799,880
0	Targeted rates	0	0
940	Subsidies and grants for operating purposes	960	25,900
69,680	Fees and charges	71,010	94,400
17,910	Internal charges and overheads recovered	19,560	0
0	Local authorities fuel tax, fines, infringement fees, and other receipts	0	0
<b>4,279,060</b>	<b>Total Operating Funding (A)</b>	<b>4,331,810</b>	<b>4,920,180</b>
	<b>Applications of operating funding</b>		
2,254,570	Payments to staff and suppliers	2,288,370	2,824,950
39,160	Finance Costs	36,630	20,930
1,289,140	Internal charges and overheads applied	1,281,660	1,565,320
0	Other operating funding applications	0	0
<b>3,582,870</b>	<b>Total applications of operating funding (B)</b>	<b>3,606,660</b>	<b>4,411,200</b>
<b>696,190</b>	<b>Surplus (deficit) of operating funding (A - B)</b>	<b>725,150</b>	<b>508,980</b>
	<b>Sources of capital funding:</b>		
0	Subsidies and grants for capital expenditure	0	0
0	Development and financial contributions	0	0
0	Increase (decrease) in debt	0	0
0	Gross proceeds from sale of assets	0	0
0	Lump sum contributions	0	0
0	Other dedicated capital funding	0	0
<b>0</b>	<b>Total sources of capital funding (C)</b>	<b>0</b>	<b>0</b>
	<b>Applications of capital funding</b>		
	Capital expenditure		
0	- to meet additional demand	0	0
0	- to improve the level of service	0	0
234,200	- to replace existing assets*	355,600	409,420
461,990	Increase (decrease) in reserves	369,550	99,560
0	Increase (decrease) of investments	0	0
<b>696,190</b>	<b>Total applications of capital funding (D)</b>	<b>725,150</b>	<b>508,980</b>
<b>(696,190)</b>	<b>Surplus (deficit) of capital funding (C - D)</b>	<b>(725,150)</b>	<b>0</b>
<b>0</b>	<b>Funding balance ((A - B) + (C - D))</b>	<b>0</b>	<b>0</b>

### Explanation of significant variances between the Long-Term Plan and the Annual Plan

There are additional costs for staffing to ensure services are delivered as well as additional building renewal costs for library, pool and town hall.

## Capital Expenditure

Long Term Plan 2023/24		Long Term Plan 2024/25	Annual Plan 2024/25
75,890	Library and Museum - Collection Renewals	77,330	77,000
17,280	-Office Equipment/ Furniture	81,460	6,600
10,440	-Building	16,430	16,000
7,600	Swimming Pool	6,500	76,000
0	Museum Computer Software	0	22,000
16,860	Recreation Centre	71,990	90,000
8,660	Town Hall	2,860	2,900
14,370	Concert Chambers	14,500	14,500
0	Rangi Delamere Centre	0	3,600
23,150	Sportsfields and Amenity Buildings	23,590	30,000
55,970	Passive Reserve Renewals	57,040	56,800
3,980	Playground Renewals	3,900	4,020
0	Cemetery	0	10,000
<b>234,200</b>	<b>Total Capital Expenditure</b>	<b>355,600</b>	<b>409,420</b>



*Firmin Lodge – a conference and 60-bed dormitory style accommodation facility in Kawerau.*

# Council Controlled Organisations (CCOs)

## Introduction

A CCO is a company or organisation in which a council or councils hold 50% or more of the voting rights or can appoint 50% or more of the trustees, directors or managers. CCOs are essentially any company with a majority Council shareholding, or a trust or similar organisation with a majority of council-controlled votes or council-appointed trustees.

In order to achieve its objectives, Council is a shareholder in two CCOs: Bay of Plenty Local Authority Shared Services Limited (BoP LASS), which is jointly owned by all eight councils in the Bay of Plenty Region and Gisborne District Council, and Toi Economic Development Agency (Toi-EDA), which is jointly owned by the Kawerau, Ōpōtiki and Whakatāne District Councils.

## CCO Performance Measures and Targets

The following is a report of performance targets for the 2024/25 year.

## Bay of Plenty Local Authority Shared Services Limited (BoP LASS)

### About this CCO

The Kawerau District Council is a one-ninth shareholder in BoP LASS. BoP LASS was formed on 15 October 2007 to support councils that operate within the boundaries of the Bay of Plenty region.

The principal activities of BoP LASS are to investigate, develop and deliver shared back office services and communications where and when that can be done more effectively for any combinations of some or all of the councils.

### Governance

BoP LASS will conduct itself in accordance with its constitution, its annual statement of intent agreed with shareholders, the provisions of the Companies Act 1993 and the Local Government Act 2002.

The company is governed by its Directors. To ensure total synergy between the company's activities and its council shareholders' activities, the Directors are also the Chief Executives of their respective council shareholders.

BoP LASS has nine directors appointed by its shareholders. Unless otherwise agreed by the Board, each appointee is the current (or acting) Chief Executive of the council shareholder including:

- Bay of Plenty Regional Council
- Gisborne District Council
- Kawerau District Council
- Ōpōtiki District Council
- Rotorua District Council
- Taupō District Council
- Tauranga City Council
- Western Bay of Plenty District Council
- Whakatāne District Council

In addition, the Board may appoint up to three professional Directors to supplement the Directors'/Chief Executives' expertise.

## Policies and Objectives in regard to Ownership and Control

The objectives of BoP LASS as stated in its statement of intent are as follows:

Working together with the full support and involvement of staff, we will provide benefit to councils and their stakeholders through improved levels of service, reduced costs, improved efficiency and/or increased value through innovation.

These will be achieved primarily through:

- **Joint Procurement:** Being the procurement of services or products by two or more councils from an external provider regardless of whether the service is paid for through BoP LASS or individually by participating councils.
- **Shared Services:** Being the participation of two or more councils in the provision of a common service which may be jointly or severally hosted.

## Nature and Scope of Activities

The principal nature and scope of the activity of BoP LASS is to:

- Use joint procurement to add value to goods and services sourced for its constituent councils.
- Establish the underlying technology, framework, platform and policies to enable and support collaboration.



- Facilitate initiatives that benefit councils and their stakeholders through improved levels of service, reduced costs, improved efficiency, innovation and/or increased value.
- Pursue best practice in the management of all activities to obtain best value and minimise risk.
- Demonstrate fiduciary responsibility by ensuring that its activities are adequately funded from savings achieved, levies, council contributions, or government funding where available.
- Allow other councils or organisations to participate in its activities where this will benefit its constituent councils directly or indirectly.
- Actively monitor and engage with Shared Service developments across the public sector to identify opportunities for further development and establishing best practice.
- Represent the collective views of its shareholders in matters with which it is associated.

## Key Performance Targets

To ensure the Company continues to operate effectively in both governance and management terms over the next three years the targets are

- Contracts are reviewed annually to test for market competitiveness. New suppliers are awarded contracts through a competitive procurement process involving two or more vendors where applicable.
- A minimum of four new procurement initiatives investigated. Initiatives provide financial savings of greater than 5% and/or improved service levels to the participating councils.
- BOPLASS to regularly engage with LASS to identify and explore opportunities for further inter-regional collaboration. Target of quarterly reporting on engagement and a minimum of one new collaborative initiative undertaken annually.
- Increase usage of the Collaboration Portal by providing support and training material for new and existing users. Proactively market the benefits to councils, with the number of active users to increase by 5% per year.
- Information provided to elected members and feedback sought on BOPLASS projects, benefits to local communities, and value added to each Council.
- Review BOPLASS expenditure and income, with performance against budgets review quarterly and company remains financially viable.

## Toi Economic Development Agency (Toi-EDA)

### About Toi-EDA

Toi-EDA is the Eastern Bay of Plenty Regional Economic Development Agency set up by three territorial authorities (Kawerau, Ōpōtiki and Whakatāne) and Te Rūnanga o Ngāti Awa on behalf of the Mataatua Iwi Forum.

The primary objective of Toi-EDA is to make a positive difference to the Eastern Bay of Plenty economy by supporting sustainable business and industry and increasing productivity by focusing on the region's natural and human resources. Toi-EDA provides goods or services for the Community of social benefit rather than making a financial return. Accordingly, it is designated as a public benefit entity for the purposes of New Zealand equivalents to International Financial Reporting Standards (NZ IFRS).

### Toi-EDA as an Exempt CCO

On 30 March 2010, the Council resolved that Toi-EDA would become an exempt Council Controlled Organisation (CCO) under the Local Government Act 2002. As a CCO, Toi-EDA was required by legislation to meet a number of reporting requirements that were considered onerous and expensive in relation to its size. Exemption from these requirements allows Toi-EDA to focus more of its limited resources on economic development. As an exempt CCO, the reporting requirements of Toi-EDA will be similar to those of other Council activities.

This change has not affected the nature or delivery of the services delivered by Toi-EDA.

### Trustees

Toi-EDA operates under a Trust Deed. Toi-EDA's trustees are experienced business people and community leaders who play a vital role in leading and guiding the organisation. They bring a wealth of experience and skills spanning commercial, finance, governance and business development, as well as entrepreneurial skills.

The Trustees' role is to:

- Provide strategic leadership and oversee strategy
- Meet and network with key stakeholders
- Provide advocacy
- Ensure sustainable economic development
- Monitor progress
- Provide governance
- Generate ideas / foster growth
- Influence the community and stakeholders

- Support staff
- Take positions / prepare submissions on major developments
- Perform a custodial role over resources

**Significant Policies and Objectives in regard to Ownership and Control**

- To attract people to work, live and play in the Eastern Bay of Plenty
- To align Toi-EDA with regional and national economic development activity
- To encourage alignment with Māori economic development
- To support and develop industry
- To align training and education with employment needs
- To advocate for improved infrastructure and transportation
- To foster communication with the community and partners
- To secure and diversify the Toi-EDA funding base

**Nature and Scope of Activities**

- Developing and implementing a co-ordinated marketing strategy to attract more people to visit and live in the region
- Identify, support and grow events that attract visitors and promote the Eastern Bay of Plenty
- Advocate for new facilities and event resources
- Promote conference opportunities.
- Implementing economic development projects



## SECTION 03

# Total Council Prospective Financial Statements



# Significant Forecasting Assumptions, Risks and Possible Implications

Financial estimates form part of the Annual Plan. These estimates are based on assumptions about future conditions and events, which may or may not occur. A financial estimate's quality is therefore dependent on the appropriateness, completeness and reasonableness of the underlying assumptions as well as on the underlying information. Actual results may differ from these assumptions and variations may be material. The information in these financial statements may not be appropriate for purposes other than that of Council consulting with the Community on the spending priorities outlined in this Plan.

The LGA 2002 requires these assumptions to be disclosed. This allows the readers to make their own judgement on the assumptions' quality and reliability. To further assist readers make an informed judgement, it is also necessary to provide information about the sensitivity (to change) of financial estimates. The LGA describes these financial estimates as being based on assumptions that "involve a high level of uncertainty".

The Plan must clearly identify:

- All the significant forecasting assumptions and risks underlying the financial estimates
- The assumptions of the Council concerning the useful life of significant assets and the sources of funds for future replacement of significant assets
- In any case where significant forecasting assumptions involve a high level of uncertainty, the fact of that uncertainty and an estimate of the potential effects of that uncertainty on the financial estimates provided

The following assumptions underlying the preparation of these forecasts were made in preparing this Plan.

## 1. Useful lives of significant assets

Assets	Estimated Economic Life (years)
Operational:	
- Buildings	5-50
- Computers/electronic office equipment	3-15
- Fixtures, fittings, and equipment	5-50
- Plant (vehicles)	5
- Library lending matter (excluding special collections)	7
Infrastructural:	
- Transport Management:	
✓ Street lighting	5-47
✓ Kerb, channel and footpath	5-100
✓ Pavement surface	3-19
✓ Pavement structure	5-80
✓ Stormwater	5-100
- Water Supply:	
✓ Collection and storage	5-80
✓ Local distribution	5-80
- Wastewater:	
✓ Reticulation system	5-80
✓ Pumping and treatment	5-80
Restricted:	
- Buildings and other	6-25

## 2. Sources of funds for future replacement of significant assets

Some buildings are non-strategic and the level of utilisation in many cases is significantly below availability. As a result, it is unlikely they would be replaced in their present form. Also their replacement may be by rented accommodation or by buildings funded by way of loans. The advantage of not funding depreciation on these buildings is that the Community is not rated for depreciation on assets that are unlikely to be replaced with buildings of equivalent value. Buildings that are unlikely to be replaced in their present form include the Council Buildings (including Town Hall, Concert Chamber, Library/Museum and Offices), Tarawera Park Amenity Building, Recreation Centre, Swimming Pool, Depot and Pensioner Housing.

### 3. Projected growth change factors (population and development)

Based on population projections provided by Stats NZ, the district is expected to have an increase in population (since the last census) and a consequential growth in demand for additional infrastructural services. The existing infrastructural network will cope with any additional demand to a population of at least 10,000 (Kawerau's current population estimate is just over 7,700). Growth is monitored to determine any potential additional demand on infrastructural services and Council through its economic development initiatives anticipates that the projected population will continue to rise

### 4. Cost factors (inflation)

The forecasts in this Plan have been adjusted for inflation using the following projections of price level change adjusters prepared for the Society of Local Government Managers by Business and Economic Research Limited (BERL) apart from costs which are fixed for 2024/25 and where it is anticipated that increases will vary from inflation.

#### Inflation adjusters: Percent change per annum

Year ending	Roads	Property	Water	Staff	Other
2024/25	3.1%	3.0%	4.7%	3.0%	3.0%

Source: BERL 2023

### 5. New Zealand Transport Agency (NZTA) subsidy rates

Waka Kotahi (NZTA) contributes significantly to the costs of maintaining and renewing the roads and stormwater systems. The assumption has been made that when roads and stormwater systems are due for renewal, Waka Kotahi will contribute towards the cost on the agreed rate of 75% (75% for 2023/24). The budgeted Waka Kotahi subsidy for 2024/25 is \$1,651,950.

#### Sensitivity in subsidy revenue to a 5% change in subsidy rates

Risk: Change in rate  
 Likelihood: Moderate  
 Impact: \$82,600

### 6. Revaluation of non-current assets

Council's current accounting policy is that Infrastructural assets and land and buildings are revalued on a three-yearly basis. The last revaluation was as at 30 June 2022. The next revaluation will occur as at 30 June 2025, and provision has been included in these financial statements for the possible movements in the value of Council's non-current assets.

There has been no provision made for any possible movements in the valuation of Council's current assets.

### 7. Forecast return on investments

The interest rates on invested funds assumed for the 2024/25 Annual Plan period is shown in the table below. This rate is based on the interest rates on current investments as at June 2024.

	2024/25
Interest rate	2.6%
Average investments	\$2,000,000

#### Sensitivity in interest revenue to a 1% change in interest rates

Risk: Change in rate  
 Likelihood: High  
 Impact: \$20,000

### 8. Expected interest rates on borrowing

Council uses loans, reserves and internal borrowing to fund new capital projects. The primary objective of funding internally is to use reserves efficiently and create operational savings by eliminating the interest rate margin between separately investing and borrowing externally. The following parameters apply to internal loans:

- The term of the internal loan will be determined after considering the original purpose of the reserve fund.
- Principal amounts are repaid in quarterly instalments on the due date of each rates instalment. Amounts are agreed upon at the commencement of the loan and determined on a table mortgage basis.
- Interest is charged to the activity based upon the average rate of Council's investments
- Council has the ability to reset interest rates annually during the preparation of the Annual Plan

Council plans to borrow funds (externally) during the year from LGFA, which it is a member. The expected interest rate on external borrowing is based on the forecast interest rates as provided by LGFA.

	2024/25
Interest rate	6.0%
Average new borrowing (external)	\$6,000,000

**Sensitivity in interest expense to a 1% change in interest rates**

Risk: Change in rate  
 Likelihood: High  
 Impact: \$60,000

**9. Climate Change**

Council has assumed that the excess capacity in the District’s infrastructure will cope with any effects of climate change such as changing weather patterns and/or extreme weather events.

**10. Insurance**

Council has assumed that it will be able to obtain insurance cover for all existing policies and that the cost for insurance will be similar to that for the current year plus inflation.

**11. Societal Changes**

Council has assumed that there will be no significant changes to the makeup of the district’s population and therefore has not made any provision for additional (or reduced) services.

**12. Impact of Future Legislative Changes**

Any changes required to the Annual Plan will be considered following the implementation of any legislative changes and once the implications of the changes have been fully considered.



*The Maurie Kjar Aquatic Centre and the Ron Hardie Recreation Centre (right foreground).*

# Prospective Statement of Accounting Policies

## Reporting entity

Council is a local authority in terms of the Local Government Act and designates itself to be a Public Benefit Entity with the primary objective of providing goods and services for the benefit of its Community rather than for a financial return. The purpose of prospective financial statements in this Plan is to provide users with information about the core services that Council intends to provide to the Community, the expected cost of those services and, as a result, how much Council requires by way of rates to fund the intended levels of service.

## Statement of Compliance and Basis of Preparation

The prospective financial statements included in the Annual Plan have been prepared in accordance with the requirements of the Local Government Act 2002 which includes the requirement to comply with Generally Accepted Accounting Practice.

The financial statements comply with the applicable reporting standards as appropriate for public benefit entities.

The accounting policies, as set out below, have been applied consistently to all the periods presented in these financial statements.

## Measurement Base

The prospective financial statements have been prepared on a historical cost basis, modified by the revaluation of certain classes of Property, Plant and Equipment. The preparation of financial statements that conform to NZ GAAP requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenditure. The estimates and associated assumptions are based on historical experience and other factors believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets that are not readily apparent from other sources.

Estimates and assumptions are reviewed on an ongoing basis and revisions to the accounting estimates recognised in the period of the revision, or in that period and any future periods that are affected by the revision. It should be noted that actual results may vary from these estimates. The accounting

policies set out below have been applied consistently to all periods presented in the prospective financial statements.

## Revenue

### Rates revenue

Rates are set annually by a resolution from Council and rates revenue is recognised within the financial year for which the rates have been set.

### Government grants and subsidies

Council receives government grants from the New Zealand Transport Agency (Waka Kotahi), which subsidises part of Council's costs in maintaining the local roading infrastructure. The subsidies are recognised as revenue upon entitlement as conditions pertaining to eligible expenditure have been fulfilled.

### Petrol tax

Petrol tax is recognised as revenue on receipt.

### Interest revenue

Interest is recognised as revenue using the effective interest method.

### Other revenue

Water meters are read, and the usage billed, on the last day of each quarter. Unbilled usage at year end is accrued based on the actual reading at 30 June. Revenue from the rendering of services is recognised by reference to the stage of completion of the transaction at balance date, based on the actual service provided as a percentage of the total services to be provided. Sales of goods are recognised when a product is sold to the customer.

Where a physical asset is acquired for nil or nominal consideration, the fair value of the asset received is recognised as revenue. Assets vested in Council are recognised as revenue when control over the asset is obtained.

Where revenue is derived by acting as an agent for another party, the revenue that is recognised is the commission or fee on the transaction. Dividends are recognised when the right to receive payment has been established.



## Amenity Fees

The Occupation Right Agreement (ORA) conferring the right to occupancy are considered leases under PBE IPSAS 13 – Leases. The amenities fee is calculated as a percentage of the ORA amount and accrues monthly, for a set period, based on the terms of the individual contracts and treated as lease income over the period. The current Disclosure Statement and ORA accrues amenity fees at the rate of 3% per annum for a maximum of 10 years.

The amenities fee is recognised on a straight-line basis in the Statement of Comprehensive Revenue and Expense over the average expected length of stay of residents.

The amenities fee is payable by the resident at the time of repayment (to the resident) of the refundable ORA amount due. At year end, the amenities fee receivable that has yet to be recognised in the Consolidated Statement of Comprehensive Revenue and Expense as amenities fee revenue is recognised as deferred amenities fee on the Consolidated Balance Sheet.

The timing of the recognition of amenities fee is a critical accounting estimate and judgement. The management fee is recognised on a straight-line bases in the Statement of Comprehensive Revenue and Expenditure over the average expected length of stay of residents, the current assessment is 10 years.

## Borrowing costs

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

## Grant expenditure

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

Discretionary grants are those grants where Council has no obligation to award on receipt of the grant application and are recognised as expenditure in the financial year for which they are granted.

## Support activity costs

Support activity costs are allocated to significant activities on the basis of relative total direct costs.

## 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, Council recognises finance leases 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 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.

## Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts.

Bank overdrafts are shown within borrowings in current liabilities in the Statement of Financial Position.

## Trade and other receivables

Trade and other receivables are initially measured at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment. A provision for impairment of receivables is established when there is objective evidence that Council will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted using the effective interest method.

## Inventories

Council currently holds two categories of inventory. These are:

- Inventories include all goods held for the purpose of eventual consumption (such as spare parts and other items). They are

measured at the lower of cost (using the FIFO method) and current replacement cost.

- Residential sections which have been developed by Council that are currently for sale and are measured at the lower of cost or net realisable value in accordance with PBE IPSAS 12. Council is also currently starting to develop additional residential sections, with the costs directly attributable to the development being capitalised to inventory.

## Investments

Investments represent Council's shareholdings in New Zealand Local Government Insurance Corporation Limited and BoP LASS Limited and are held at cost. Council classifies its financial assets into four categories: financial assets at fair value through profit or loss, held-to-maturity investments, loans and receivables and financial assets at fair value through equity. The classification depends on the purpose for which the investments were acquired. Management determines the classifications of Council's investments at initial recognition and re-evaluates this designation at every reporting date.

## Impairment of financial assets

At each balance date, Council assesses whether there is any objective evidence that a financial asset or group of financial assets is impaired. Any impairment losses are recognised in the Statement of Comprehensive Income.

## Non-current assets for sale

Non-current assets held for sale are classified as held for sale 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.

Any impairment losses for write-downs or non-current assets held for sale are recognised in the Statement of Comprehensive Income.

Any increases in fair value (less costs to sell) are recognised up to the level of any impairment losses that have been previously recognised.

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

## Impairment of non-financial assets

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

## Property, plant and equipment

### Operational assets

These include land, buildings, library and museum collections, plant and equipment and motor vehicles.

### Infrastructure assets

This comprises the fixed utility systems (roads, water, wastewater and stormwater) owned by Council. Each asset class includes all items that are required for the network to function, for example, wastewater reticulation includes reticulation piping and sewer pump stations.

### Restricted assets

These include parks and reserves owned by Council which provide a benefit or service to the Community and cannot be disposed of because of legal or other restrictions.

Property, plant and equipment is shown at cost or valuation, less accumulated depreciation and impairment losses.

### **Additions**

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

In most instances, an item or property, plant and 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.

### **Disposals**

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount of the asset. Gains and losses on disposals are included in the Statement of Comprehensive Income. When revalued assets are sold, the amounts included in asset revaluation reserves in respect of those assets are transferred to retained earnings.

### **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 Council and the cost of the item can be measured reliably.

## **Depreciation of property, plant and equipment**

Depreciation is provided on either the straight-line (SL) or diminishing value (DV) basis on all property, plant and equipment other than land and pavement formation, at rates that will write off the cost (or valuation) of the assets to their estimated residual values over their useful lives.

The estimated useful lives, associated depreciation rates and depreciation basis for each major class of assets are as outlined in the table below:

### Depreciation of property, plant and equipment

Assets	Estimated Useful Life (years)	Depreciation Rate	Method
Operational:			
- Buildings	5-50	2.0% - 20.0%	SL
- Computers/electronic office equipment	3-15	6.7% - 33.3%	SL
- Fixtures, fittings and equipment	5-50	2.0% - 20.0%	DV
- Plant (vehicles)	5	20.0%	DV
- Library collections (excluding special collections)	7	15.0%	DV
Infrastructural:			
- Roothing Network:			
✓ Street lighting	5-47	2.1% - 20.0%	SL
✓ Kerb, channel and footpath	5-100	1.0% - 20.0%	SL
✓ Pavement surface	3-19	5.3% - 33.3%	SL
✓ Pavement structure	5-80	1.3% - 20%	SL
- Stormwater	5-100	1.0% - 20.0%	SL
- Water Systems:			
✓ Collection and storage	5-80	1.3% - 20.0%	SL
✓ Local distribution	5-80	1.3% - 20.0%	SL
- Wastewater System:			
✓ Reticulation system	5-80	1.3% - 20.0%	SL
✓ Pumping and treatment	5-80	1.3% - 20.0%	SL
Restricted:			
- Buildings and other	6-25	4.0% - 16.7%	SL

Notes: SL = straight-line method of depreciation. DV = diminishing value method of depreciation. Pavement formation is not depreciated.

### Revaluation

Land, buildings and infrastructural assets are usually revalued every three years, which will next occur as at 30 June 2025.

Those asset classes that are revalued are valued on the bases described below. All other asset classes are carried at depreciated historical cost.

### Operational land and buildings

Operational land and buildings are reported at fair value as determined from market-based evidence by an independent valuer. The next valuation is due to be undertaken at 30 June 2025.

### Infrastructural assets

Infrastructural assets are reported at fair value as determined from market-based evidence by an independent valuer. The next valuation will be as at 30 June 2025. Infrastructural asset class includes: Roads, water reticulation, wastewater reticulation and stormwater systems.

### Restricted land and buildings

Restricted land and buildings are recorded at fair value determined on a depreciated replacement cost basis by an independent valuer. The next valuation will be as at 30 June 2025.

### Land under roads

Land under roads, was valued based on fair value of adjacent land, effective 1 July 2004. Under NZ IFRS, Council has elected to use the fair value of land under roads as at 30 June 2005 as deemed cost. Land under roads is no longer revalued.

### Library collections

Library books were valued at deemed cost as at 1 July 1991. Library additions are recorded at cost less accumulated depreciation on the diminishing value basis.

### Accounting for revaluations

Council accounts for revaluations of property, plant and equipment on a class of asset basis. The results of revaluing are credited or debited to an asset revaluation reserve for that class of asset. Where this results in a debit balance in the asset revaluation

reserve, this balance is expensed in the Statement of Comprehensive Income. Any subsequent increase on revaluation that off-sets a previous decrease in value recognised in the Statement of Comprehensive Income will be recognised first up to the amount previously expensed, then credited to the revaluation reserve for that class of asset.

## Intangible assets

Acquired computer 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 over its useful life. The useful lives and associated amortisation rates of major classes of intangible assets have been estimated as follows:

Assets	Estimated Useful Life (years)	Amortisation Rate	Method
Computer Software	3-8	12.5% - 33.3%	SL

## Payable and Deferred Revenue

Short-term payables are recorded at the amount payable.

## Employee benefits

### Short-term benefits

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

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

### Long-term benefits

Entitlements that are payable beyond 12 months, such as long service leave, retirement leave and superannuation schemes, have been calculated on an actuarial basis.

## 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.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation, using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the obligation. Any increase in the provision due to the passage of time is recognised as an interest expense.

## Landfill

Council has a responsibility under its resource consent to provide ongoing maintenance and monitoring of the Kawerau landfill after the site closed. This responsibility is estimated to last until 30 June 2025.

Council recognises a liability for these costs, but the long term nature of the liability means that there are inherent uncertainties in estimating what costs will be incurred. The provision has been estimated taking account of existing technology and using a discount rate equivalent to Council's weighted average interest rate.

## Financial guarantee

A financial guarantee contract is a contract that requires Council to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due. Council currently does not have any financial guarantees.

## Borrowings

Borrowings are initially recognised at their fair value. After initial recognition, all borrowings are measured at amortised cost using the effective interest method. Council borrowed \$2 million in December 2022 and a further \$2 million in November 2023 to fund infrastructural renewals. Council also has finance leases for office equipment.

Council anticipates that it will need to borrow further funds during 2024/25, which will be used to fund infrastructure renewals.

## Ratepayer equity

Equity is the Community's interest in Council and is measured as the difference between total assets and total liabilities. The components of equity are:

- Retained earnings
- Council created reserves
- Restricted reserves
- Asset revaluation reserves

## Council created reserves

Council created reserves are reserves established by Council resolution. 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.

### **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 Council.

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

## **Goods and Services Tax (GST)**

All items in the financial statements are stated exclusive of GST, except for receivables and payables, which are stated on a GST-inclusive basis.

The net amount of GST recoverable from or payable to the IRD is included in receivables or payables in the Statement of Financial Position.

The net amount of GST paid to or received from the IRD, including the GST relating to investing and financing activities, is classified as operating cash flow in the Statement of Cash Flows.

## **Estimates and Assumptions**

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of the circumstances. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year are discussed in “Significant Forestry Assumptions, Risks and Possible Implications”.



*A major capital project for the 2024-2025 year and beyond is the residential development of Stoneham Park (pictured).*

# Prospective Statement of Comprehensive Revenue and Expense

<u>Annual Plan</u> <u>2023/24</u>		<u>Long Term Plan</u> <u>Estimate</u> <u>2024/25</u>	<u>Annual Plan</u> <u>Estimate</u> <u>2024/25</u>
	<b>Revenue</b>		
11,770,850	General Rates	11,406,700	13,212,910
	Targeted Rates		
195,200	- Water Supply	223,130	210,000
378,080	- Wastewater	477,190	430,000
594,080	- Refuse Collection	548,600	665,840
<b>12,938,210</b>	<b>Total Rates</b>	<b>12,655,620</b>	<b>14,518,750</b>
5,596,530	Government Grants & Subsidies	630,450	4,852,850
65,000	Petrol Tax	76,500	65,000
97,530	Interest Revenue	32,570	52,000
2,802,160	Other Revenue	2,322,930	2,840,680
<b>21,499,430</b>	<b>Total Revenue</b>	<b>15,718,070</b>	<b>22,329,280</b>
	<b>Operating Expenditure</b>		
6,579,380	Personnel Costs	6,059,320	7,335,980
3,973,210	Depreciation	3,711,610	4,338,620
177,500	Finance Costs	177,310	350,000
11,553,390	Other Costs	6,080,240	7,770,210
<b>22,283,480</b>	<b>Total Operating Expenditure</b>	<b>16,028,480</b>	<b>19,794,810</b>
<b>(784,050)</b>	<b>Operating Surplus (Shortfall)</b>	<b>(310,410)</b>	<b>2,534,470</b>
	<b>Other Comprehensive Income</b>		
0	Gain on Asset Revaluation	5,994,520	16,391,970
<b>(784,050)</b>	<b>Total Comprehensive Income</b>	<b>5,684,110</b>	<b>18,926,440</b>

# Prospective Statement of Changes in Equity

<u>Annual Plan</u> <u>2023/24</u>		<u>Long Term Plan</u> <u>Estimate</u> <u>2024/25</u>	<u>Annual Plan</u> <u>Estimate</u> <u>2024/25</u>
	<b>Total Equity</b>		
106,025,670	Opening Balance	72,680,344	107,175,610
(784,050)	Total Comprehensive Income	5,684,110	2,534,470
0	Asset Revaluation	0	16,391,970
<b>105,241,620</b>	<b>Closing Balance</b>	<b>78,364,454</b>	<b>126,102,050</b>
	<b>Made up of:</b>		
	<u>Retained Earnings</u>		
37,497,610	Opening Balance	34,754,563	43,375,700
(784,050)	Operating Surplus (Shortfall)	(310,410)	2,534,470
1,458,400	Movement in Depreciation Reserve	(119,000)	10,100
<b>38,171,960</b>	<b>Closing Balance</b>	<b>34,325,153</b>	<b>45,920,270</b>
	<u>Asset Revaluation Reserve</u>		
62,177,340	Opening Balance	31,384,101	62,100,830
0	Asset Revaluation	5,994,520	16,391,970
<b>62,177,340</b>	<b>Closing Balance</b>	<b>37,378,621</b>	<b>78,492,800</b>
	<u>Depreciation Reserves</u>		
6,350,720	Opening Balance	6,541,680	1,699,080
(1,458,400)	Movement in Reserve	119,000	(10,100)
<b>4,892,320</b>	<b>Closing Balance</b>	<b>6,660,680</b>	<b>1,688,980</b>



# Prospective Statement of Financial Position

<u>Annual Plan</u> <u>2023/24</u>		<u>Long Term Plan</u> <u>Estimate</u> <u>2024/25</u>	<u>Annual Plan</u> <u>Estimate</u> <u>2024/25</u>
<b><u>ASSETS</u></b>			
<b>Current Assets</b>			
4,225,340	Cash & cash equivalents	5,228,644	3,482,150
2,413,360	Trade & other receivables	1,823,120	2,477,970
417,910	Inventories	332,830	8,742,360
0	Other financial assets	0	0
<b>7,056,610</b>	<b>Total Current Assets</b>	<b>7,384,594</b>	<b>14,702,480</b>
<b>Non Current Assets</b>			
114,957,740	Property, plant & equipment	82,736,955	129,915,267
85,500	Intangible assets	65,140	106,430
36,250	Investments	36,250	286,250
<b>115,079,490</b>	<b>Total Non Current Assets</b>	<b>82,838,345</b>	<b>130,307,947</b>
<b>122,136,100</b>	<b>TOTAL ASSETS</b>	<b>90,222,939</b>	<b>145,010,427</b>
<b><u>LIABILITIES</u></b>			
<b>Current Liabilities</b>			
3,440,160	Trade and other payables	2,921,306	3,442,727
10,000	Provisions	0	10,000
822,420	Employee benefit liabilities	716,590	919,050
0	Residential Liability	0	8,245,000
2,000,000	Borrowings	20,000	17,800
<b>6,272,580</b>	<b>Total Current Liabilities</b>	<b>3,657,896</b>	<b>12,634,577</b>
<b>Non Current Liabilities</b>			
175,620	Provisions and deferred revenue	126,189	142,080
65,790	Employee benefit liabilities	54,480	62,910
10,380,490	Borrowings & Residents Liability	8,019,920	6,068,810
<b>10,621,900</b>	<b>Total Non Current Liabilities</b>	<b>8,200,589</b>	<b>6,273,800</b>
<b>16,894,480</b>	<b>TOTAL LIABILITIES</b>	<b>11,858,485</b>	<b>18,908,377</b>
<b>105,241,620</b>	<b>NET ASSETS</b>	<b>78,364,454</b>	<b>126,102,050</b>
<b><u>RATEPAYER EQUITY</u></b>			
38,171,960	Retained earnings	34,325,153	45,920,270
67,069,660	Reserves	44,039,301	80,181,780
<b>105,241,620</b>	<b>Total Ratepayer Equity</b>	<b>78,364,454</b>	<b>126,102,050</b>

# Prospective Statement of Cash Flows

<u>Annual Plan</u> <u>2023/24</u>		<u>Long Term Plan</u> <u>Estimate</u> <u>2024/25</u>	<u>Annual Plan</u> <u>Estimate</u> <u>2024/25</u>
	<b><u>Cash Flow from Operating Activities</u></b>		
	<b>Cash will be provided from:</b>		
11,094,220	General Rates	11,369,540	13,078,330
1,167,360	Targeted Rates	1,248,920	1,305,840
5,596,530	Government Subsidies	630,450	4,852,850
2,867,160	Other fees & Charges	2,394,172	2,969,740
97,530	Interest Income	32,570	51,990
<b>20,822,800</b>		<b>15,675,652</b>	<b>22,258,750</b>
	<b>Cash will be spent on:</b>		
16,654,010	Payments to suppliers and employees	11,993,370	14,859,100
177,500	Interest paid on debt	177,310	350,000
<b>16,831,510</b>	Total cash spent	<b>12,170,680</b>	<b>15,209,100</b>
<b>3,991,290</b>	<b>Net Cash Flow from Operations</b>	<b>3,504,972</b>	<b>7,049,650</b>
	<b><u>Cash Flow from Investing Activities</u></b>		
	<b>Cash will be provided from:</b>		
0	Disposal of assets	0	0
	<b>Cash will be spent on:</b>		
6,727,700	Purchase and development of property, plant and equipment	5,333,500	5,624,680
0	Net purchase of investments	0	3,150,000
<b>(6,727,700)</b>	<b>Net Cash Flow from Investing</b>	<b>(5,333,500)</b>	<b>(8,774,680)</b>
	<b><u>Cash Flow from Financing Activities</u></b>		
	<b>Cash will be provided from:</b>		
2,000,000	Loans raised/contributions	2,000,000	6,000,000
	<b>Cash will be spent on:</b>		
16,500	Debt repayment	18,000	4,017,800
<b>1,983,500</b>	<b>Net Cash Flow from Financing</b>	<b>1,982,000</b>	<b>1,982,200</b>
<b>(752,910)</b>	<b>Net total cash inflow (outflow)</b>	<b>153,472</b>	<b>257,170</b>
4,978,250	<b>Plus Projected Opening Cash Balances 1 July</b>	5,075,172	3,224,980
<b>4,225,340</b>	<b>Projected Closing Cash Balances 30 June</b>	<b>5,228,644</b>	<b>3,482,150</b>

# Prospective Funding Impact Statement

<u>Annual Plan</u> <u>2023/24</u>		<u>Long Term Plan</u> <u>Estimate</u> <u>2024/25</u> <sup>9</sup>	<u>Annual Plan</u> <u>Estimate</u> <u>2024/25</u>
	<b>Sources of operating funding</b>		
11,770,850	General rates, uniform annual general charges, rates penalties	11,406,680	13,212,910
1,167,360	Targeted rates	1,248,920	1,370,840
4,680,030	Subsidies and grants for operating purposes	242,210	3,539,600
2,218,260	Fees and charges	1,772,930	2,200,150
97,530	Interest and dividends from investments	32,560	52,000
648,900	Local authorities fuel tax, fines, infringement fees, and other receipts	626,500	640,500
<b>20,582,930</b>	<b>Total Operating Funding (A)</b>	<b>15,329,800</b>	<b>21,016,000</b>
	<b>Applications of operating funding</b>		
18,132,830	Payments to staff and suppliers	12,139,630	18,106,180
177,500	Finance Costs	177,300	350,000
0	Other operating funding applications	0	0
<b>18,310,330</b>	<b>Total applications of operating funding (B)</b>	<b>12,316,930</b>	<b>18,456,180</b>
<b>2,272,600</b>	<b>Surplus (deficit) of operating funding (A - B)</b>	<b>3,012,870</b>	<b>2,559,820</b>
	<b>Sources of capital funding:</b>		
916,500	Subsidies and grants for capital expenditure	388,240	1,313,250
0	Development and financial contributions	0	0
1,982,000	Increase (decrease) in debt	1,982,000	1,982,200
0	Gross proceeds from sale of assets	0	0
0	Lump sum contributions	0	0
0	Other dedicated capital funding	0	0
<b>2,898,500</b>	<b>Total sources of capital funding (C)</b>	<b>2,370,240</b>	<b>3,295,450</b>
	<b>Applications of capital funding</b>		
	Capital expenditure		
0	- to meet additional demand	0	0
320,000	- to improve the level of service	0	1,000,000
6,407,700	- to replace existing assets	5,333,500	4,642,470
(1,556,600)	Increase (decrease) in reserves	49,610	212,800
0	Increase (decrease) of investments	0	0
<b>5,171,100</b>	<b>Total applications of capital funding (D)</b>	<b>5,383,110</b>	<b>5,855,270</b>
<b>(2,272,600)</b>	<b>Surplus (deficit) of capital funding (C - D)</b>	<b>(3,012,870)</b>	<b>(2,559,820)</b>
<b>0</b>	<b>Funding balance ((A - B) + (C - D))</b>	<b>0</b>	<b>0</b>

<sup>9</sup> This is the 4<sup>th</sup> year of the Long Term Plan 2021-2031

# Prospective Funding Impact Statement – continued

<u>Annual Plan</u> <u>2023/24</u> (\$)		<u>Annual Plan</u> <u>2024/25</u> (\$)
	<b>GENERAL RATES</b>	
<b>850.00</b>	<b>Uniform Annual General Charge<sup>10</sup> (UAGC)</b> per separately used or inhabited part of a rating unit <sup>11</sup> (Incl GST)	<b>900.00</b>
2,503,250	Total revenue from the UAGC (Incl GST)	2,660,400
	<b>Differential General Rate<sup>12</sup>:</b>	
<b>0.3735</b>	Properties zoned “Residential”, “Rural Lifestyle” and “Reserve” in terms of Council’s operative district plan, Rate per cents in \$ of Capital Value (Incl GST)	<b>0.4246</b>
4,112,500	Revenue sought from Residential, Rural Lifestyle and Reserve Rate (Incl GST)	4,766,600
<b>2.5292</b>	All other zoned properties of Council’s operative district plan (other than Residential, Rural Lifestyle and Reserve) Rate per cents in \$ of Capital Value (Incl GST)	<b>2.8362</b>
6,854,300	Revenue sought from all Other Zones Rate (Incl GST)	7,710,100
	<b>TARGETED RATES<sup>13</sup></b>	
<b>62.50</b>	Water Supply Rate – excluding properties supplied by meter (Incl GST)	<b>84.50</b>
178,500	Revenue sought from Water Supply Rate (Incl GST)	241,500
<b>0.21</b>	Water by meter – per cubic metre (Incl GST)	<b>0.27</b>
52,000	Revenue sought from Water by Meter Rate (Incl GST)	74,800
<b>149.50</b>	Wastewater Disposal Rate (Incl GST)	<b>170.00</b>
434,750	Revenue sought from Wastewater Disposal Rate (Incl GST)	494,500
<b>238.60</b>	Refuse Collection Rate per 60 or 80 litre residual waste bin (for rating units to which refuse collection services are available)	<b>267.70</b>
533,750	Revenue sought from Refuse Collection Rate 60 or 80 litre residual waste bin (Incl GST)	599,650
<b>298.60</b>	Refuse Collection 120 litre residual waste bin (for rating units to which refuse collection services are available)	<b>327.70</b>
147,210	Revenue sought from Refuse Collection Rate 120 litre residual waste bin (Incl GST)	162,870

<sup>10</sup> The Uniform Annual General Charge (UAGC) is a fixed amount that provides the minimum contribution for each rating unit towards the costs of Council activities (as listed on page 12) which are either fully or partially funded by the General Rate.

<sup>11</sup> A separately used or inhabited part of a rating unit includes any part of a rating unit that is used or occupied through an agreement (tenancy, lease, licence or other) or any part or parts of a rating unit that are used for more than one single use. Separately used or inhabited parts include:

- A residential property that contains units, flats or houses, each of which is **separately inhabited or is capable of separate habitation** (NB Where a residential property contains not more than one additional separately inhabited part and where members of the owner’s family inhabit the separate part on a rent-free basis, then this will **not** give rise to an additional separately used or inhabited part).
- A commercial, or other non-residential property that contains separate residential accommodation in addition to its commercial, farming or other primary use.
- A commercial premises that contains separate shops, offices, kiosks or other retail or wholesale outlets, each of which is operated as a **separate business or is capable of operation as a separate business**

<sup>12</sup> The objective of Council’s system of differential rating is primarily to retain a ratio between commercial and industrial ratepayers on the one hand and residential ratepayers on the other. The rates set on capital value will be apportioned so that a ratio of 52:48 (Commercial/Industrial: Residential) is charged for the total General Rate, which includes the UAGC and general rate.

<sup>13</sup> **Targeted Rates**

The water supply targeted rate funds the use costs related to the water supply services and this rate is charged on each separately used or inhabited part of a rating unit (as defined for the UAGC) which is connected to the water service.

The water by meter targeted rate is assessed on the volume of water supplied to those properties with a water meter. The water meter charges will be invoiced separately from the rates invoice and sent each quarter.

The wastewater targeted rate funds the use costs related to the wastewater collection and disposal service and this rate is charged on each separately used or inhabited part of a rating unit (as defined for the UAGC) which is connected to the wastewater service.

The refuse collection targeted rate funds the costs related to the refuse collection service and this rate is charged on each rating unit to which refuse collection services are available and is charge per bin based on bin size.

NB No lump sum contributions are invited in respect to the targeted rates.

# Prospective Funding Impact Statement – continued

	<b>CAPITAL VALUES (at end of previous financial year)</b>	
1,101,139,000	Residential	1,121,915,000
271,003,500	Commercial/Industrial	301,595,500
<b>1,372,142,500</b>	<b>Total Capital Values</b>	<b>1,423,510,500</b>
<b>515,320,000</b>	<b>Total Land Value</b>	<b>540,170,000</b>
<b>3,002</b>	<b>Number of rating units (at end of previous financial year)</b>	<b>3,006</b>

## Example Properties of Rates Impact

Capital Value (2021)	General Rate & UAGC (UAGC = \$900)	Targeted Rates			Total Rates	Increase %
		Water	Wastewater	Refuse		
<b>Residential:</b>						
\$310,000	2,216.26	84.50	170.00	267.70	<b>\$ 2,738.46</b>	11.4%
\$400,000	2,598.40	84.50	170.00	267.70	<b>\$ 3,120.60</b>	11.7%
\$445,000	2,789.47	84.50	170.00	267.70	<b>\$ 3,311.67</b>	11.8%
\$530,000	3,150.38	84.50	170.00	267.70	<b>\$ 3,672.58</b>	12.0%
\$660,000	3,702.36	84.50	170.00	267.70	<b>\$ 4,224.56</b>	12.2%
<b>Commercial/Industrial:</b>						
\$240,000	\$7,709.90	84.50	170.00		<b>\$ 7,961.40</b>	11.6%
\$405,000	\$12,386.60	84.50	170.00		<b>\$ 12,641.10</b>	11.8%
\$1,090,000	\$31,814.60	84.50	170.00		<b>\$ 32,069.10</b>	12.0%
\$11,695,000	\$332,593.60		170.00		<b>\$ 332,763.60</b>	12.1%
\$20,300,000	\$576,648.60				<b>\$ 576,648.60</b>	12.1%
\$34,750,000	\$986,734.00				<b>\$ 986,734.00</b>	12.1%
\$46,250,000	\$1,312,642.50				<b>\$ 1,312,642.50</b>	12.1%

# Prospective Revenue by Activity

<u>Annual Plan</u> <u>2023/24</u>		<u>Long Term Plan</u> <u>Estimate</u> <u>2024/25</u>	<u>Annual Plan</u> <u>Estimate</u> <u>2024/25</u>
2,910	Democracy	1,180	0
5,424,870	Economic & Community Development	1,203,740	4,110,500
314,120	Environmental Services	191,510	178,990
1,027,310	Roading	741,930	1,705,450
315,990	Stormwater	3,570	61,500
301,590	Water Supply	276,030	303,000
503,370	Wastewater	549,590	530,000
1,827,280	Solid Waste	1,236,750	2,023,850
152,070	Leisure & Recreation	91,530	120,300
56,930	Sundry	167,540	210,960
(197,860)	Eliminations	(152,000)	(128,180)
<b>9,728,580</b>		<b>4,311,370</b>	<b>9,116,370</b>
11,770,850	General Rates	11,406,700	13,212,910
<b>21,499,430</b>	<b>Total Revenue</b>	<b>15,718,070</b>	<b>22,329,280</b>

# Prospective Expenditure by Activity

<u>Annual Plan</u> <u>2023/24</u>		<u>Long Term Plan</u> <u>Estimate</u> <u>2024/25</u>	<u>Annual Plan</u> <u>Estimate</u> <u>2024/25</u>
849,770	Democracy	791,760	948,800
6,603,900	Economic & Community Development	2,191,770	2,164,510
1,455,430	Environmental Services	1,207,110	1,556,410
2,409,310	Roading	2,125,540	2,594,480
288,240	Stormwater	310,110	429,880
1,733,270	Water Supply	1,809,680	2,110,380
1,982,710	Wastewater	1,981,540	2,184,290
3,183,210	Solid Waste	2,049,400	3,561,230
4,710,890	Leisure & Recreation	4,432,360	5,128,190
33,750	Sundry	59,400	30,000
(967,000)	Eliminations	(930,190)	(913,360)
<b>22,283,480</b>	<b>Total Expenditure</b>	<b>16,028,480</b>	<b>19,794,810</b>

# Prospective Operational Shortfall by Activity

<u>Annual Plan</u> <u>2023/24</u>		<u>Long Term Plan</u> <u>Estimate</u> <u>2024/25</u>	<u>Annual Plan</u> <u>Estimate</u> <u>2024/25</u>
2,060	Economic & Community Development	(61,540)	(100,650)
256,940	Roading	271,490	(349,990)
(94,890)	Stormwater	0	240,000
223,830	Water	0	238,010
188,010	Wastewater	0	224,000
6,160	Solid Waste	0	6,180
201,940	Leisure & Recreation	100,550	208,000
0	Sundry	0	0
<b>784,050</b>	<b>Total Operating (Surplus)/Shortfall</b>	<b>310,500</b>	<b>465,550</b>
	<i>Made up of:</i>		
(214,400)	<b>Funding (to)/from property sales (net)</b>	(200,000)	(317,520)
<b>(214,400)</b>		<b>(200,000)</b>	<b>(317,520)</b>
	<b>Depreciation not funded:</b>		
216,450	Economic & Community Development	138,450	216,850
888,440	Roading	659,730	963,250
190,130	Stormwater	0	240,000
223,830	Water	0	238,010
188,010	Wastewater	0	224,000
6,160	Solid Waste	0	6,200
201,930	Leisure & Recreation	100,550	208,010
<b>1,914,950</b>		<b>898,740</b>	<b>2,096,320</b>
	<b>Plus funding for capital work:</b>		
(916,500)	Roading, Stormwater & Leisure	(388,240)	(1,313,250)
<b>784,050</b>	<b>Operational Deficit/(Surplus)</b>	<b>310,500</b>	<b>465,550</b>

# Reconciliation from operating funding to operation surplus/deficit

<u>Annual Plan</u> <u>2023/24</u>		<u>Long Term Plan</u> <u>Estimate</u> <u>2024/25</u>	<u>Annual Plan</u> <u>Estimate</u> <u>2023/24</u>
2,272,600	Operating Funding Surplus/(deficit)	3,012,870	2,559,820
916,560	Plus subsidy for capital expenditure	388,240	1,313,250
3,973,210	Less depreciation	3,711,520	4,338,620
<b>(784,050)</b>	<b>Operating Surplus/(Deficit)</b>	<b>(310,410)</b>	<b>(465,550)</b>

# Prospective Capital Programme

<u>Annual Plan</u> <u>2023/24</u>		<u>Long Term Plan</u> <u>Estimate</u> <u>2024/25</u>	<u>Annual Plan</u> <u>Estimate</u> <u>2024/25</u>
61,800	Economic and Community Development	32,030	12,000
600,000	Environmental Services	0	0
923,500	Roading and Footpaths	565,870	1,822,900
380,000	Stormwater	751,400	0
2,617,600	Water Supply	2,575,130	2,140,000
1,428,600	Wastewater	818,990	765,000
0	Solid Waste	3,000	65,000
522,400	Leisure & Recreation	355,600	409,420
193,800	Plant, Buildings & Office Equipment	231,480	410,360
<b>6,727,700</b>	<b>Total Asset Renewals</b>	<b>5,333,500</b>	<b>5,624,680</b>
	<b>Funded By:</b>		
916,500	Government Subsidies/Grants	388,240	1,313,250
0	Asset Disposals	0	0
2,000,000	Loans/Capital Contributions	2,000,000	2,000,000
3,811,200	Depreciation Reserves	2,945,260	2,311,430
<b>6,727,700</b>	<b>Total Funding</b>	<b>5,333,500</b>	<b>5,624,680</b>

Explanations of significances variances between the Long Term Plan and the Annual Plan capital budgets for 2024/25 are:

Due to recent prolonged rainfall and resulting flooding, Council has included a further \$1 million in the roading capital budget for flood mitigation works.

The Long Term Plan (LTP) for 2024/25 anticipated that 3 wastewater pumps would need to be refurbished, however, it was subsequently determined this work did not need to be done. Also, for water the LTP for 2024/25 anticipated \$253.7k would be needed for "Headworks" renewal, but it was subsequently determined this work did not need to be done until 2027-2029.

Finally, there was additional renewals needed for plant and office equipment that was not in the LTP for 2024/25

Capital expenditure is funded from subsidy, depreciation reserves and loans (internal and external).

Depreciation on some buildings is not fully funded and therefore some capital expenditure on these assets is funded from internal loans. The buildings where depreciation is not fully funded are: Town Hall, Concert Chamber, Library/Museum and Offices, Tarawera Park Amenity Building and clubrooms, Recreation Centre, Swimming Pool, Depot and Pensioner Houses.

Subsidised roading expenditure is subsidised by New Zealand Transport Agency.

A detailed breakdown of the capital items is included in the activity section of this plan.



# Depreciation Expense by Activity

<u>Annual Plan</u> <u>2023/24</u>		<u>Long Term Plan</u> <u>Estimate</u> <u>2024/25</u>	<u>Annual Plan</u> <u>Estimate</u> <u>2024/25</u>
17,760	Democracy	18,400	17,440
456,190	Economic and Community Development	226,370	484,940
24,100	Environmental Services	45,790	34,490
1,281,050	Roading	961,320	1,386,210
253,770	Stormwater	268,580	320,660
645,650	Water Supply	728,320	686,280
547,820	Wastewater	601,350	649,880
43,980	Solid Waste	35,880	41,740
702,890	Leisure & Recreation	825,700	716,980
<b>3,973,210</b>	<b>Total Depreciation Expense</b>	<b>3,711,610</b>	<b>4,338,620</b>

## Depreciation Reserve Funds

The depreciation reserve funds are held to ensure that money received for a particular purpose is used for that purpose. Surpluses held in the reserve is credited with interest.

Council currently does not hold any restricted reserves, which are reserves that have rules set by legal obligation that restrict the use towards which Council may put those funds.

Council-created reserve(s) are discretionary reserves which Council has established for the fair and transparent use of monies. The reserve(s) is held in cash and internal loan investments. The funds are invested in accordance with Council's treasury management policy.

Also, Council has revaluation reserves which records the amount that Council's assets have increased in value following each re-valuation.

Over the page is the total current reserve for the 2024/25 year.

<b>Restricted Reserve – Purpose of Fund</b>	<b>Balance @ 1 July 2024 \$</b>	<b>Deposits \$</b>	<b>Expenditure \$</b>	<b>Balance @ 30 June 2025 \$</b>
<b>Council created Reserves – Purpose of Fund</b>	<b>Balance @ 1 July 2024 \$</b>	<b>Deposits \$</b>	<b>Expenditure \$</b>	<b>Balance @ 30 June 2025 \$</b>
<b>Asset Renewal Reserve (All Activities)</b>				
Funds set funds aside for the renewal of assets utilised by the following activities:	1,481,615	2,283,750	2,313,350	1,452,015
Porritt Glade Retirement Village	217,465	19,500		236,965
<b>Total</b>	<b>1,699,080</b>	<b>2,303,250</b>	<b>2,313,350</b>	<b>1,688,980</b>
<b>Revaluation Reserve – Purpose of Fund</b>	<b>Balance @ 1 July 2024 \$</b>	<b>Additions \$</b>	<b>Expenditure \$</b>	<b>Balance @ 30 June 2025 \$</b>
Revaluation Reserve - records the amount that Council's assets have increased in value.	62,100,830	16,391,970	0	<b>78,492,800</b>

# Disclosure Statement

For the period ending 30 June 2025

## Purpose of this Statement

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

Council is required to include this statement in its Annual 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.

Benchmarks		Planned	Met
Rates affordability benchmark:			
Income	[quantified limit on rates – 88% of total revenue]	65.0%	Yes
Increases	[quantified limit on rates increases–inflation plus 2%]	12.2%	No
Debt affordability benchmark	[quantified limit on borrowing – Borrowing < 50% of fixed assets = \$129.9 mil]	\$6.0 mil - excluding finance leases	Yes
Balanced budget benchmark	100%	112.8%	Yes
Essential services benchmark	100%	130.0%	Yes
Debt servicing benchmark	<15% of revenue	1.6%	Yes

## Notes

### 1 Rates affordability benchmark

- (1) For this benchmark,-
  - (a) the council's planned rates income for the year is compared with a limit of 88% of total income contained in the financial strategy included in council's long term plan, and
  - (b) the council's planned rates increases for the year are compared with a limit of inflation plus 2% on rates increases for the year contained in the financial strategy of council's long term plan.
- (2) Council meets the rates affordability benchmark if-
  - (a) its planned rates income for the year equals or is less than the quantified limit on rates, and
  - (b) its planned rate increases for the year equal or is less than the quantified limit on rates increases.

### 2 Debt affordability benchmark

- (1) For this benchmark the council's planned borrowing is compared with a limit of \$47.4 mil (based on) contained in the financial strategy included in council's long term plan.
- (2) The council meets the debt affordability benchmark if its planned borrowing is within the quantified limit on borrowing.

### 3 Balanced budget benchmark

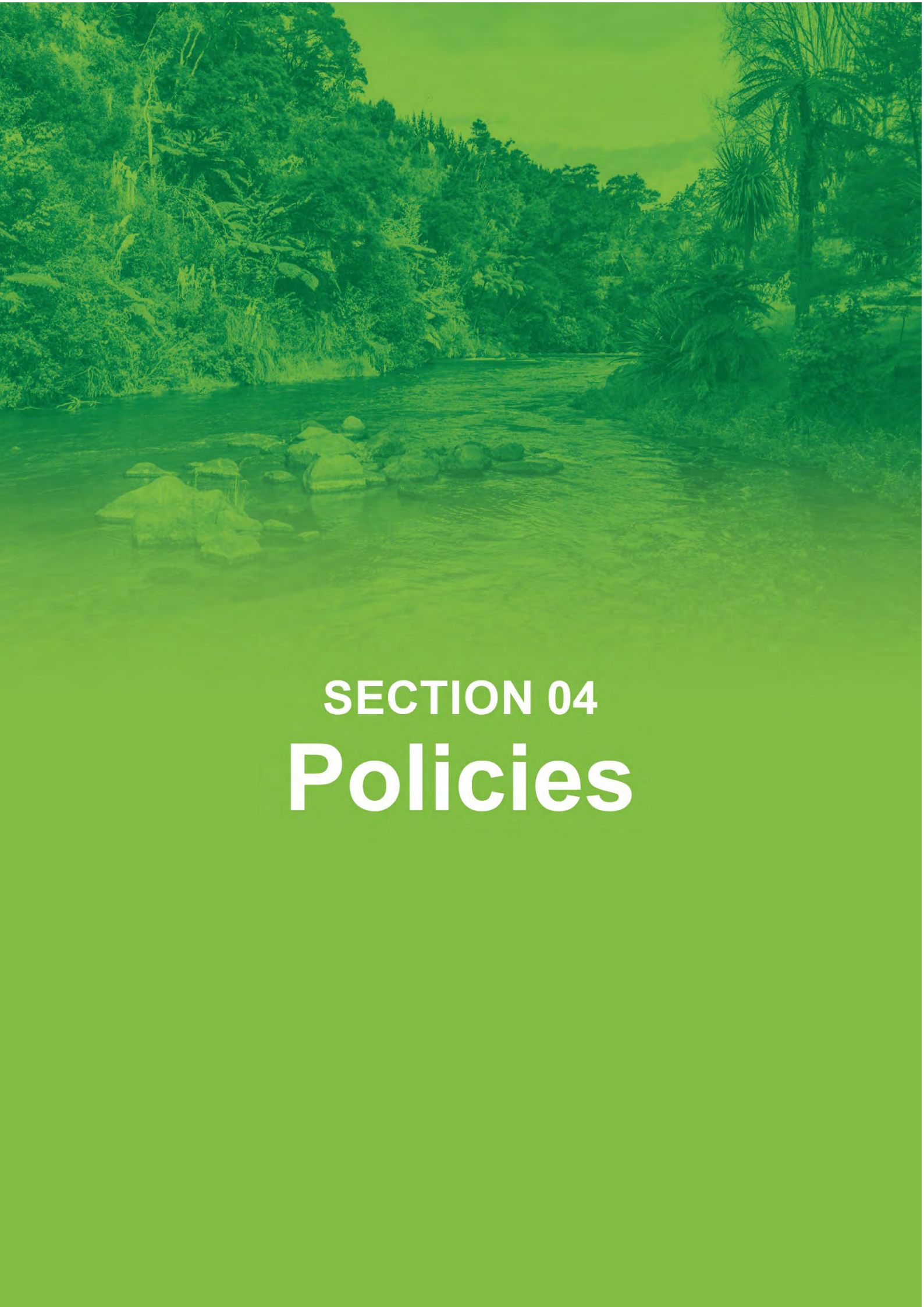
- (1) For this benchmark, the council's planned revenue (excluding development contributions, vested assets, financial contributions, gains on derivative financial instruments and revaluations of property, plant or equipment) is presented as a proportion of its planned operating expenses (excluding losses on derivative financial instruments and revaluations on property plant or equipment).
- (2) Council meets the balances budget benchmark if its revenue equals or is greater than its operating expenses.

#### **4 Essential services benchmark**

- (1) For this benchmark the council's planned capital expenditure on network services is presented as a proportion of expected depreciation on network services.
- (2) The council meets the essential services benchmark if its planned capital on network services equals or is greater than expected depreciation on network services.

#### **5 Debt servicing benchmark**

- (1) For this benchmark, the council's planned borrowing costs are presented as a proportion of planned revenue (excluding development contributions, vested assets, financial contributions, gains on derivative financial instruments and revaluations of property plant or equipment).
- (2) Because Statistics New Zealand projects that the Council's population will grow slower than the national population growth rate, it meets the debt servicing benchmark if its planned borrowing costs equal or are less than 15% of its planned revenue.



**SECTION 04**  
**Policies**

# Revenue and Financing Policy

## Policy Objectives

The objectives of the Revenue and Financing Policy are to explain who pays and why, as well as outline how Council's activities are funded and to meet the requirements of the Local Government Act 2002.

## Principles

This policy is based on the principles that:

- Council has a responsibility to exercise prudent financial management.
- The cost of providing Council services should be borne equitably by the Community and those who use the service.
- Fees and charges should be fair.
- Council will consider affordability when determining the level of fees and charges.

## Definitions

### Community outcomes

The outcomes a local authority aims to achieve in order to promote the economic and cultural well-being of its district in the present and for the future. They define the desired future of the District. Kawerau's community outcomes are described in Council's Long Term Plan.

### Distribution of benefits

Identifying who benefits from an activity provided by Council is important when considering who should pay for the service. Generally, if only individuals receive the benefits of an activity (private benefits), user-pays systems should be considered. If the benefits of an activity are shared by a large group within the Community then an appropriate funding option for that activity would be a targeted rate. Alternatively, if the benefits of an activity are shared by the whole Community (public benefits) then an appropriate funding option for that activity would be the general rate.

### Industrial/Commercial

All properties other than those classified as "Residential".

### Residential

Properties zoned "Residential", "Rural Lifestyle" and "Reserve" in terms of Council's Operative District Plan and properties situated in any zone which are used solely for residential purposes.

### Period of benefits

The legislative requirement to assess the period over which the benefits from each activity will flow,

aids in identifying the period over which the operating and capital expenditure should be funded.

For all activities, operating costs are directly related to providing benefits in the year of expenditure. As such, they are appropriately funded annually.

Assets provide benefits over more than one year - benefits are derived over the useful life of each asset. Useful lives range from a few years in the case of computer equipment through to many decades for infrastructural assets such as the water supply network. This introduces the concept of intergenerational equity whereby costs of any expenditure should be recovered at the time the benefits of that expenditure accrue. This is particularly relevant for larger assets such as the wastewater, stormwater, roading and water supply networks.

To ensure that each generation of ratepayers pay for the benefits that are received, the depreciation charges that are associated with an asset are funded by that year's ratepayers. This results in infrastructural costs being spread more evenly across the life of the asset and the different ratepayers who benefit from it.

### Funding of capital expenditure

Capital expenditure that needs to be funded relates predominantly to three things – the purchase of new assets, the replacement of existing assets and the repayment of loan principal on debt (both internal and external).

Depreciation reserves are used to fund capital expenditure for those activities where depreciation is funded. Internal borrowing is used when there is insufficient reserve funds for an activity.

It is estimated that Council will need to borrow externally to fund some infrastructure asset renewals. A table of the renewals expenditure is included in the financial statements of this plan.

The Local Government Act requires that operating revenues in any one financial year should be set at an adequate level to meet all projected operating expenses. The Act states that expenditure must include the cost of depreciation.

Depreciation on some assets is not fully funded (see financial strategy) and therefore capital expenditure on these assets is funded from general rates or internal loans where there is insufficient reserves.

## Contributors to the need for an activity (polluter pays)

The 'polluter pays' principle is that if a person creates a problem which incurs costs for Council, that person should contribute some or all of the funding required to meet those costs. For example, dog owners who allow their dogs to roam should pay a fine to cover the costs of impounding. However, this is not always practical, as identifying and charging the offender is not always possible. For instance, people who create graffiti or dump rubbish illegally are not always caught. Council's policy is to recover costs where practical.

## Costs and benefits of funding the activity distinctly from other activities

Council is required to consider the costs and benefits when selecting a particular funding mechanism. It is possible to establish specific charges or rates for each service, however this is not the best approach if the cost of establishing and administering a charging system outweighs the benefits or the revenue gained. This has to be assessed on a case-by-case basis. Council is also required to consider alternative funding mechanisms in terms of transparency and accountability. For instance, a funding mechanism that is targeted at specific cost items is more transparent to users of the activity, whereas a general or aggregated funding approach is less transparent. However, if the targeted charging approach excessively increases administrative costs then an aggregated charging approach may be better.

## Overall impact of the method of funding

In addition to all of the issues explained above, Council is required to consider the overall impact that any allocation of charges and costs may have on the current and future social, economic, environmental and cultural well-being of the Community.

## Background

Council has broken its business down to the activity level. In general, Council has assessed the availability of an activity as a public benefit and the use of an activity as private benefit.

'Availability' relates to the costs incurred to keep a service or asset in such a condition that it can become operational within a short start-up period (e.g. keeping library items up to date). 'Use' relates to costs incurred as a result of the asset being used (e.g. staff costs of issuing library items).

## Legislative requirements

The Local Government Act requires that the funding needs of Council must be met from those

sources that are deemed to be appropriate, following the consideration of:

- The community outcomes to which the activity primarily contributes
- The distribution of benefits among the Community as a whole, any identifiable part of the Community, and individuals
- The period in or over which those benefits are expected to occur
- The extent to which the actions or inaction of particular individuals or a group contribute to the need to undertake the activity
- The costs and benefits, including consequences for transparency and accountability, of funding the activity distinctly from other activities

The next step is to assess the overall impact of allocating the liability for revenue on the current and future well-being of the community, before determining the appropriate funding mechanisms.

## Policy Statement

### Funding for Operating Expenditure

All operating expenses will be funded each year in accordance with the summary table which lists the following funding sources for each activity after Council determined:

- the beneficiaries of Council activities
- the ability of residents to pay for Council services
- whether there are any "exacerbators" for the particular activity; and
- the costs and benefits of using the selected funding source.

### Funding for Capital Expenditure

Capital expenditure is funded in accordance with the type of expenditure that is incurred.

- Renewals are funded from depreciation reserves and loans for water pipe renewals
- Capital expenditure to improve the level of service is funded from an internal loan

Other sources for capital funding include:

- NZTA subsidy (Roading and Stormwater)
- Sale/Disposal of Assets
- Grants from various funding agencies

### General rate

Council charges general rates through a Uniform Annual General Charge (UAGC) on each separately used or inhabited part of a rating unit and rates charged on capital value in accordance with Council's Differential Rating System.

The purpose of the UAGC is to ensure a minimum contribution to the general rate from all ratepayers. The UAGC has been set by Council to produce the fairest and most equitable overall result for the community.

Council charges its general rates on a differential basis in accordance with the Local Government (Rating) Act 2002. Council introduced differential rating 1978. The objective of Council's system of differential rating is primarily to retain a ratio between commercial and industrial ratepayers on the one hand and residential ratepayers on the other. The general rate (including the UAGC) is apportioned on a ratio of 52:48 Industrial/Commercial: Residential.

### **Targeted rates**

**Water** Council charges a uniform fixed amount for the provision of water supply. The rate is charged to each separately used or inhabited part of a rating unit to which Council supplies water, except for properties on metered water supply.

**Wastewater** Council charges a uniform fixed amount for the collection and treatment of wastewater.

The rate is charged to each separately used or inhabited part of a rating unit that is connected to Council's wastewater disposal network.

**Refuse Collection** Council charges a uniform fixed amount for the collection of residual refuse. The rate is charged to each separately used or inhabited part of a rating unit from which Council is prepared to remove residual refuse.

### **Grants and subsidies**

A large part of Council's expenditure on roads is subsidised by the New Zealand Transport Agency (NZTA). Subsidies contribute to the long-term maintenance of the carriageways and their associated drainage and lighting systems, together with part of the costs of street cleaning.

### **Interest and dividends**

Council has minimal equity investments and therefore receives no dividend income of any consequence.

Council receives interest from its financial investments. Significant replacement of infra-structural assets will occur in the years 2021-2027. During this time, Council will only have small cash surpluses and depreciation reserves. These reserves are invested in accordance with Council's Investment Policy and are retained for expenditure on asset replacement. Interest revenue from the investment of these reserves lowers the amount of depreciation funding that is required from general rates.

### **Fees and charges**

Council has fees and charges for a wide range of its activities. A number of considerations are taken into account by Council when setting fees. These include:

- The cost of the service provided and the private benefits received
- The ability of users to pay and the possible exclusionary effects on people with low incomes
- The risks of people not using Council services if charges for those services are perceived as too high
- In appropriate cases, whether the user lives in the district or outside the district

### **Proceeds from asset sales**

Proceeds from asset sales will be used for the repayment of debt or the acquisition of new assets.

### **Reserve funds**

Most Council reserve funds are associated with depreciation reserves which are used to fund the renewals of existing assets.

### **Financial contributions**

Council has the ability to collect financial contributions as per its Financial Contributions Policy.

### **Loans**

Council resolved to replace all its steel and AC pipes over a 6 year period (commencing 2021) and to fund these costs from external loans (\$12 million total).

### **Assessment of the overall impact of allocation of revenue needs**

Council believes that its selection of funding tools leads to the most equitable funding of Council's activities in terms of:

- The distribution of benefits amongst the Community
- The period in, or over which those benefits are expected to occur
- The extent to which the actions or inaction of particular individuals or a group contribute to the need to undertake the activity
- Being affordable

While some activities would normally be funded by user fees and charges due to the level of private benefit that they provide, Council wishes to enhance the well-being of Kawerau residents by encouraging them to use various Council services. It is felt that the inability to pay for various services should not stop or restrict access to those services.



Council has therefore determined that the following activities will be funded through general rates:

- Access to the Library/Museum
- Access to the Swimming Pool

- Partial waivers of rentals of the Town Hall, Concert Chambers, Recreation Centre and Passive Reserves for groups who achieve the outcomes desired by this policy
- Access to the Town Centre Toilets
- Access to the Refuse Disposal Site for people acting charitably

### Summary – Allocation of Costs

Significant Activity	Funding Ratio	
	Public Benefit (%)	Private Benefit (%)
<b>Democracy</b>	100	0
<b>Economic and Community Development</b>		
Economic Development	100	0
Pensioner Housing	0	100
Community, Cultural and Social	90	10
Commercial Rental Buildings	0	100
Firmin Lodge	55	45
I-Site	25	75
Retirement Village	0	100
<b>Environmental Services</b>		
Resource Management - Planning	100	0
Resource Management - Consents	30	70
Building and Inspection	60	40
Environmental Health	70	30
Dog Control	95	5
Dog Registration	0	100
Civil Defence	100	0
<b>Roading</b>	25	75
<b>Stormwater</b>	100	0
<b>Water Supply</b>		
Water Supply	85	15
<b>Wastewater</b>		
Wastewater	75	25
<b>Solid Waste</b>		
Refuse Collection	10	90
Refuse Disposal	35	65
Zero Waste	60	40
<b>Leisure and Recreation</b>		
Library/Museum	99	1
Swimming Pools	98	2
Public Halls		
Recreation Centre	98	2
Town Hall	98	2
Concert Chamber	97	3
Bert Hamilton Hall	90	10
Public Toilets	100	0
Parks and Reserves		
Sports Fields	98	2
Passive Reserves	100	0
Road Berms	100	0
Street Trees	100	0
Annual Bedding Displays	100	0
Playgrounds	100	0
Cemetery	60	40

## Summary – Mix of Funding Mechanisms for the District

Activity Group	Public Benefit	Private Benefit
<b>Democracy</b>	General Rates	
<b>Economic and Community Development</b>		
Economic Development	General Rates	User Fees and Charges
Commercial Rental Buildings		
Community, Cultural and Social	General Rates	
Firmin Lodge	General Rates	User Fees and Charges
Pensioner Housing		User Fees and Charges
Information Centre	General Rates	User Fees and Charges
Retirement Village		User Fees and Charges
<b>Environmental Services</b>		
Resource Management - Planning	General Rates	
Resource Management - Consents	General Rates	User Fees and Charges
Building and Inspection	General Rates	User Fees and Charges
Environmental Health	General Rates	User Fees and Charges
Dog Control	General Rates	Fines / User Fees and Charges
Dog Registration		User Fees and Charges
Civil Defence	General Rates	
<b>Roading</b>	General Rates	Subsidies / Fuel Tax
<b>Stormwater</b>	General Rates	
<b>Water Supply</b>		
Water Supply	General Rates	User Fees and Charges / Targeted Rates
<b>Wastewater</b>		
Wastewater	General Rates	User Fees and Charges / Targeted Rates
<b>Solid Waste</b>		
Refuse Collection	General Rates	Targeted Rates
Refuse Disposal	General Rates	User Fees and Charges
Zero Waste	General Rates	User Fees and Charges / Waste Disposal Levy
<b>Leisure and Recreation</b>		
Library/Museum	General Rates	User Fees and Charges
Swimming Pools	General Rates	User Fees and Charges
Public Halls:		
Recreation Centre	General Rates	User Fees and Charges
Town Hall	General Rates	User Fees and Charges
Concert Chamber	General Rates	User Fees and Charges
Rangi Delamere Centre	General Rates	User Fees and Charges
Town Centre Toilets	General Rates	
Parks and Reserves:		
Sports Fields	General Rates	User Fees and Charges
Passive Reserves	General Rates	
Road Berms	General Rates	
Street Trees	General Rates	
Annual Bedding Displays	General Rates	
Playgrounds	General Rates	
Cemetery	General Rates	User Fees and Charges

# Rating Policy

## Policy Objectives

The objectives of this policy are:

- To generate sufficient rates revenue to ensure that Council activities are adequately funded
- To operate a rating system which is fair and equitable to the Community of Kawerau
- To charge rates which are affordable to ratepayers

## Principles

This policy is based on the principles of fairness, equity and affordability.

## Definitions

### Capital value

The value of land plus improvements, as assessed by the Valuer General.

### Differential rating system

Where the amount of rates charged differs (i.e. is 'differential') according to any of the matters used to define categories of rateable land under Schedule 2 of the Local Government (Rating) Act 2002.

### Rating unit

For land for which there is a certificate of title, a rating unit is the land comprised in the certificate of title. Where there is no certificate of title, what constitutes a rating unit is either the land described in an instrument which exists or if there is no instrument, the land that the Valuer General considers would be appropriate to sell or transfer as a separate property or, for crown land, to treat as if comprised in a certificate of title. If land in a rating unit is in two or more districts, the part in each district constitutes a separate rating unit.

### Residential land

Land which is zoned as residential, rural lifestyle or reserve under Council's operative district plan and any other land located in a zone used solely for residential purposes.

### Industrial/commercial land

All rateable land other than that classified as residential.

### Residual waste

Waste collected from residential properties which is not separated into green waste or recycling collection bins.

### Separately used or inhabited part of a rating unit

Any portion of a rating unit that is used or inhabited by a person who has the right to do so by virtue of a tenancy, lease, license or other agreement.

## Background

Council has used a differential rating system since 1978. The matters it uses to differentiate categories of rateable land are:

- Where the land is situated (its zoning under Council's operative district plan), and
- The use to which the land is put (industrial/commercial or residential).

## Policy Statement

### General Rates

Council will levy general rates which comprise: a uniform annual general charge (UAGC) of \$900 including GST (\$850 for 2023/24), and a differential rate based on the capital value of the rating unit.

The UAGC is charged on every separately used or inhabited part of a rating unit and the purpose is to spread the cost of activities funded by general rates more evenly across all ratepayers.

The differential general rate is set to retain the ratio between commercial/industrial and residential general rates revenue of 52:48.

### Water Rates

Council will levy a uniform fixed amount on each separately used or inhabited part of a rating unit to which Council supplies water, except those on a metered water supply. This amount is known as the water rate.

### Metered Water Charges

A rate per cubic meter of water used will be levied on each separately used or inhabited part of a property with a metered water supply. The charge is levied on a quarterly basis.

## Wastewater Rates

Council will levy a uniform fixed amount on each separately used or inhabited part of a rating unit which is connected to Council's wastewater disposal network.

## Refuse Collection Rates

Council will levy a uniform fixed amount on each separately used or inhabited part of a rating unit from which Council removes refuse.

## Levying and Collecting

Council will set and charge rates for the year 1 July to 30 June. The due dates for the payment of instalments in the 2024/25 year are shown below:

<b>Instalment no.</b>	<b>Due date</b>
1	Friday 23 August 2024
2	Friday 22 November 2024
3	Friday 21 February 2025
4	Friday 23 May 2025

Rates for the year may be paid in full at any time provided each instalment is paid on or before the due date.

## Rates Penalty Charges

Council also charges the following penalties:

### Rates Instalment Penalty

A penalty of 5 percent of the value of any part of a rates instalment for the current year, which is not paid by the due date.

### Rates Arrears Penalty

A penalty of 5 percent of the value of any part of the rates for the previous year which remains outstanding on 4 July 2024, and a further 5 percent penalty on any portion of this amount (including arrears penalties) which are still not paid by 6 January 2025.

# Rate Remission and Postponement Policies

Council has adopted the following rate remission and postponement policies:

- Rates relief for high valued residential properties
- Rates relief for farm properties
- Rates relief for developments
- Rate remission and postponement for Māori freehold land
- Rate penalty remission
- Rate remission for Sport, Recreation and Community Organisations Leasing Council land.

The changes to these policies for 2024/25 is a proposed increase in the rating cap for high valued residential properties to \$5,500.00 (\$4,900.00 2023/24) in accordance with Council's policy. Also, for 2024/25 there is the introduction of the Rate remission for Sport, Recreation and Community Organisations leasing Council land, which was consulted on with the community. Otherwise, all rate remission and postponement policies remain unchanged and will be reviewed as part of the Long Term Plan for 2025 to 2034.





## SECTION 05

# Fees and charges

# Fees and Charges

## 1. Finance and Corporate Services

- 1.1 Cemetery
- 1.2 Plans/Reports
- 1.3 Facilities for Hire
- 1.4 Library Fees

## 2. Operations and Services

- 2.1 Landfill and Solid Waste
- 2.2 Miscellaneous
  - Rubbish Bin Hire
  - Residual Refuse Bin Charges
  - Replacement Lost or Stolen bins

## 3. Regulatory and Planning Services

- 3.1 Annual Premises Licence and Registration Fees
- 3.2 Building and Other Inspection Fees
- 3.3 Dog Control
- 3.4 Environmental Health
- 3.5 Liquor Licensing
- 3.6 Noise Control
- 3.7 Resource Management Activity
- 3.8 Miscellaneous
  - Event fees and charges
  - Impoundment of bikes etc
  - Stock impounding fees

**NB: All fees and charges include GST**



# 1. Finance and Corporate Services

## 1.1 Cemetery

### Purchase of Plots

#### **Adults**

Purchase of each with Right of Burial in perpetuity \$1,460

#### **Children**

Purchase of each plot \$730

#### **Stillborn Infants/Ashes**

Plot provided \$220

#### **RSA**

No charge

Plots in the RSA section of the Cemetery are provided free of charge

### Burial Fees

Adults \$580

Children (under 10 years) \$260

Stillborn Infants \$115

Second Interment \$580

Ashes \$115

RSA \$580

Weekend or Public Holiday (minimum plus per additional hour) \$145

### Miscellaneous

Exhumation of Casket from the Cemetery \$1,000

Re-interment of any Casket in the Cemetery (this excludes plot purchase) \$500

Scatter Ashes in Garden of Remembrance No charge

Purchase Niche in Wall of Remembrance \$85

Purchase of Plaque with the Standard Inscription \$224

## 1.2 Plans/Reports

Annual Plan (per copy) \$24

Annual Report (per copy) \$24

Long Term Plan (per copy) \$24

NB: These plan charges only apply to non-residents who are not ratepayers. The plans are free for Kawerau District Council residents and ratepayers.

### Staff Administration Fees

Time spent by staff researching for relevant material, abstracting and \$60 per hour

collating, copying, and transcribing where the total time involve in excess of 30 minutes shall be charged out at \$60.00 per hour or part thereof. This excludes the cost of photocopying charges which will be per photocopy charges.

### Photocopy/Printing Charges per page & copy

A4 Black & White-	\$0.20
A4 Colour	\$1.00
A3 Black & White	\$0.40
A3 Colour	\$2.00

## 1.3 Facilities for Hire

A refundable bond of \$500.00 is payable prior to the hire of the Circus Paddock.

A refundable bond of \$200.00 is payable prior to the hire of any other Council facility.

A 70% discount will apply to the Concert Chamber, Recreation Centre, Town Hall and Passive Reserves if the hirer is non-profit making, Kawerau based and the event meets one of the following criteria:

The event:

- Supports opportunities for entertainment and for building a sense of community
- Encourages the use of community amenities
- Creates opportunities for education and betterment for all Kawerau people
- Creates opportunities for building self esteem – for feeling good about themselves and others
- Provides them with places where they can socialise, recuperate, relax and engage in mental and physical exercise.
- Specifically targets students, the unemployed, the elderly or those suffering injury or poor health and the impaired

### Boyce Park

Casual Hire (per day) \$24.00

### Circus Paddock

Hire (per day)	\$48.00
Power Charge (per day)	Actual Cost

### **Concert Chamber**

Seats 260 – 270 people

#### **Discounted**

Casual Hire (per hour)	\$14.00
Bulk Hire (20 hours or more – per hour)	\$7.00

#### **Not Discounted**

Casual Hire (per hour)	\$47.00
Bulk Hire (20 hours or more – per hour)	\$23.00

### **Firmin Field**

Casual Hire (per day)	\$26.00
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### **Maurie Kjar Aquatic Pool**

Private Hire (per hour)	\$50.00
School & Fitness Activity Bookings (per hour)	\$8.00
BBQ Hire (per BBQ) – small	\$10.00
BBQ Hire (per BBQ) - large	\$20.00

### **Prideaux Park**

Casual Hire Park (per day)	\$24.00
Cricket Pavilion (per hour)	\$12.00
Floodlights (per hour)	\$12.00

### **Tarawera Park**

Casual Hire (per field per day)	\$24.00
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### **Toilets**

Service Fee (per toilet block)	\$48.00
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**Town Hall** Seats maximum of 530 people or 250 seated with tables

#### **Discounted**

Casual Hire (per hour)	\$16.00
Bulk Hire (20 hours or more – per hour)	\$8.00
Kitchen Hire (per hour)	\$24.00

#### **Not Discounted**

Casual Hire (per hour)	\$54.00
Bulk Hire (20 hours or more – per hour)	\$27.00
Kitchen Hire (per hour)	\$84.00

**Ron Hardie Recreation Centre** - Tiered seating for 360 people

#### **Discounted**

Casual Hire (per hour)	\$24.00
Bulk Hire (20 hours or more – per hour)	\$13.00
Kitchen Hire (per hour)	\$24.00

#### **Not Discounted**

Casual Hire (per hour)	\$82.00
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Bulk Hire (20 hours or more – per hour)	\$38.00
Kitchen (per hour)	\$87.00

### **Bert Hamilton Hall**

Day Hire – up 4 hours	\$16.00
Evening Hire – from 5:00pm	\$26.00

### **Firmin Lodge**

Main Hall and Kitchen – casual booking	\$325.00
Bond	\$200.00
Accommodation Booking	
• One night	\$1,150.00
• Each subsequent night	\$950.00
Accommodation Bond	\$500.00

### **Rangi Delamere Centre**

**Whole Facility** Seats max 115

Casual Hire (per hour)	\$20.00
Half Day Rate	\$70.00
Full Day Rate	\$140.00

### **Central Room (includes Kitchen & Changing Rooms & Toilet Block)**

Seats maximum 100	
Casual Hire (per hour)	\$17.00
Half Day Rate	\$58.00
Full Day Rate	\$116.00

### **Changing Rooms & Toilet Block (only)** max capacity 250

Casual Hire (per hour)	\$15.00
Half Day Rate	\$50.00
Full Day Rate	\$100.00

### **Meeting Room Only** Seats 15

Casual Hire (per hour)	\$15.00
Half Day Rate	\$50.00
Full Day Rate	\$100.00

## **1.4 Library and Museum Fees**

Inter-loan Requests (per item)	\$3.50
Lost Book Fee	Actual Cost
Replacement Library Cards (per card)	\$2.50

### **Overdue Fines**

DVDs/Videos (per item per day)	\$ N/C
All other items (per item per day)	\$ N/C
Administration Fee	\$6.00

(for billed overdue items/per item)

**Withdrawn Library Items for Sale**

Hardback Books	\$1.00
Softback Books	\$0.50
Children's Books	\$0.50
Magazines	\$0.50
Videos/DVDs	\$2.00

**Printing and Photocopying**

Black and White A4	\$0.20 per copy
Colour A4	\$1.00 per copy
Black and White A3	\$0.40 per copy
Colour A3	\$2.00 per copy

**Museum Charges**

Photocopies:	
Black and White A4	\$1.00 per copy
Colour A4	\$2.00 per copy
Black and White A3	\$2.00 per copy
Colour A3	\$4.00 per copy

Laminated photocopies:	
Black and White A4	\$3.50 per copy
Colour A4	\$4.50 per copy
Black and White A3	\$4.50 per copy
Colour A3	\$8.00 per copy

**Images for publication:**

Local history/Education	\$12.00 per image
Commercial	\$60.00 per image

**Digital Scan:**

First image (incl CD)	\$30.00 per image
Additional image (same CD)	\$24.00 per image

**Commercial prints (Black & White/Colour):**

6x4	\$12.00
5x7	\$15.50
6x8	\$17.50
8x10	\$20.00
8x12	\$20.00
12x18	\$20.00

**1.5 Freedom Camping Fee**

Bond (power box and key)**	\$6.50
Power Charges (after 3 nights)	\$12.00

\*\* Bond is refundable upon return of key, payment of power charges and no reports of damage.

## 2. Operations and Services

### 2.1 Landfill and Solid Waste

#### Non Recycled Loads

Bag	\$6.50 (\$18 max)
Car	\$19
All other vehicles (including trailers)	\$19 or \$334/tonne

#### Fully Recycled Loads

Bag	\$3.50 (\$10.50 max)
Car	\$10.50
All other vehicles (including trailers)	\$6.50/m <sup>3</sup> (\$6.50 min)

#### Green Waste

Trailer	\$16/m <sup>3</sup>
Truck	\$16/m <sup>3</sup>

#### Other Material

Clean Soil and broken concrete	\$68/tonne
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Tyres – car and ute	\$15.50 each
Tyres – truck	\$42.00 each
Tyres - Tractors	Not accepted
Wood waste	\$334.00/tonne

Construction and Demolition Material	\$334.00/tonne
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Asbestos	Not Accepted
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#### Collection

Soil and Crushed Concrete	\$20/m <sup>3</sup>
Wood	Free
Mulch	\$10/m <sup>3</sup>
Compost	\$20/m <sup>3</sup>

### 2.2 Miscellaneous

#### Rubbish Bin Hire (set of 5 bins per event)

Serviced	\$89.00
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#### Residual Refuse Bin upgrade to 120-litre

Month Requested	Months Chargeable	Pro Rata Cost
July	12	\$60
August	11	\$55
September	10	\$50
October	9	\$45
November	8	\$40
December	7	\$35
January	6	\$30
February	5	\$25
March	4	\$20
April	3	\$15
May	2	\$10
June	1	\$5

#### **Notes:**

1. The above charges apply only to additional bin requests that are made after 1 July. In future years the full year cost will be charged as part of the property rates until there is a change of either tenant or ownership.
2. The full year cost will be set each year by Council during the Annual Plan process.
3. A bin request received part way through a month will be charged for the whole of that month.

#### Replacement Lost or Stolen Bins

120-litre residual wheelie bin	\$18
60/80-litre residual wheelie bin	\$18
240-litre green wheelie bin	\$18
60-litre recycle bin	\$18

# 3. Regulatory and Planning Services

## 3.1 Annual Premises Licence and Registration Fees

Hairdresser's p/annum	Registration -	\$140
Offensive Trade p/annum	Registration	\$140

## 3.2 Other Inspection Fees

Abandoned vehicles	\$ Actual cost
Private Swimming Pool inspection	\$73
Services not otherwise listed	Actual Cost
Specific expertise	Actual Cost

## 3.3 Building

Solid fuel heater – Free standing	\$296
Solid fuel heater – Inbuilt	\$369
Marquee – Public use	\$435
Marquee – Private use	\$435
Garage/Carport	\$435
Garage/Carport – Specific design (deposit)	\$578
Conservatory (Deck in situ)	\$436
Conservatory (New deck)	\$650
Wet area shower	\$435
Dwelling alterations – Minor	\$650 deposit
Dwelling alterations – Complex	\$1,350 deposit
Relocated dwelling	\$860 deposit
New dwelling	\$1,822 deposit
Commercial	\$2,913 deposit
Industrial	\$3,900 deposit
Industrial/Commercial alterations	\$1,074 deposit
Certificate of acceptance	Cost of consent + \$492 penalty
Amendment	\$215 deposit
Exemption	\$104
Exemption (discretionary)	\$197
Compliance schedule	\$140

Certificate of public use – with building consent	\$86
Certificate of public use – lodged after building consent	\$160
Extension of time	\$55
Extension of time – with inspection	\$122
Waiver and modification	\$179
Notice to fix	\$140
Swimming pool fencing	\$140
BWOF audit – three yearly	\$179
Processing and inspection fee (p/hr)	\$140
Land Information Memorandum	\$179
Project Information Memorandum	\$73
Accreditation Levy	\$2.00 per \$1,000 of building work > \$20,000

### Building Infringement Offences and Fees

Provision under Building Act (section, description)	Infringement Fee
S40 Failing to comply with the requirement that building work must be carried out in accordance with a building consent	\$1,000
S42 Failing to apply for certificate of acceptance for urgent work as soon as reasonably practicable after completion of building work	\$500
S101 Failing to comply with requirement to obtain a compliance schedule	\$250
S108(5)(a) Failing to display a building warrant of fitness required to be displayed	\$250
S108(5)(b) Displaying a false or misleading building warrant of fitness	\$1,000
S108(5)(c) Displaying a building warrant of fitness other than in accordance with section 108	\$1,000
S116B(1)(a) Using, or knowingly permitting the use of, a building for a use for which it is not safe or not sanitary	\$1,500

S116B(1)(b) Using, or knowingly permitting the use of, a building that has inadequate means of escape from fire	\$2,000
S124 Failing to comply with a notice, within the time stated in the notice, requiring work to be carried out on a dangerous, earthquake-prone, or insanitary building	\$1,000
S128 Using or occupying a building, or permitting another person to do so, contrary to a territorial authority's hoarding, fence, or notice	\$2,000
S168 Failing to comply with a notice to fix	\$1,000
S363 Using, or permitting use of building having no consent or code compliance certificate or certificate for public use for premises for public use	\$1,500
S367 Willfully obstructing, hindering, or resisting a person executing powers conferred under the Act or its regulations	\$500
S368 Willfully removing or defacing a notice published under the Act or inciting another person to do so	\$500

NB: All new dogs registered MUST be microchipped.

Replacement Tag Fee	\$6.50
Microchipping Fee	\$18.00
Impound Fees:	
Seizure Fee	\$95.00
First Impound Fee	\$95.00
Second and Subsequent Impounding Fee	\$130.00
Third and Subsequent Impounding Fee	\$168.00
Sustenance Fee (daily)	\$13.00
Rehoming Fee	\$13.00

### 3.4 Dog Control

#### Registration Charges for Puppies and Pro-rata Refunds for Disposals

Month	Entire Dog	Neutered Dog
July	\$84.00	\$42.00
August	\$77.00	\$38.50
September	\$70.00	\$35.00
October	\$63.00	\$31.50
November	\$56.00	\$28.00
December	\$49.00	\$24.50
January	\$42.00	\$21.00
February	\$35.00	\$17.50
March	\$28.00	\$14.00
April	\$21.00	\$10.50
May	\$14.00	\$7.00
June	\$7.00	\$3.50

Late Penalty Fee – 50% addition to the original fee charged.

## **Infringement Offences and Fees**

Wilful obstruction of Dog Control Officer or Ranger	\$750
Failure or refusal to supply information or wilfully providing false particulars	\$750
Failure to supply information or wilfully providing false particulars about a dog	\$750
Failure to comply with any bylaw authorised by the section	\$300
Failure to undertake dog owner education programme or dog obedience course (or both)	\$300
Failure to comply with obligations of probationary owner	\$750
Failure to comply with effects of disqualification	\$750
Failure to comply with effects of classification of dog as dangerous dog	\$300
Fraudulent sale or transfer of dangerous dog	\$500
Failure to comply with effects of classification of dog as menacing dog	\$300
Failure to advise of muzzle and leashing requirements	\$100
Failure to implant microchip transponder in dog	\$300
False statement relating to dog registration	\$750
Falsely notifying death of dog	\$750
Failure to register dog	\$300
Fraudulent procurement or attempt to procure replacement dog registration label or disc	\$500
Failure to advise change of dog ownership	\$100
Failure to advise change of address	\$100
Removal, swapping or counterfeiting of registration label or disc	\$500
Failure to keep dog controlled or confined	\$200
Failure to keep dog under control	\$200
Failure to provide proper care and attention, to supply proper and sufficient food, water and shelter and to provide adequate exercise	\$300
Failure to carry leash in public	\$100
Failure to comply with barking dog abatement notice	\$200
Allowing a dog known to be dangerous to be at large unmuzzled or unleashed	\$300
Releasing dog from custody	\$750

## **3.5 Environmental Health**

### **Food Premises:**

New Registration Fee – Food	\$280
Renewal Registration Fee – Food	\$180
New Registration Fee – National Programme	\$280
Renewal Registration Fee – National Programme	\$180
Verification Fee – Food Plan (p.h)	\$140
Compliance & Monitoring (p.h) – Food Plan	\$140
Hawkers Licences (issued per Bylaws)	\$37
Mobile Shops Bylaw Licence (per annum) - If trading within the Kawerau District more than once a fortnight on average.	\$344
Mobile Shops Bylaw Licence (per annum) - If trading within the Kawerau District less than once a fortnight on average, or	\$148
Mobile Shops Bylaw Licence (per month)	\$12.50

## **3.6 Miscellaneous Fees**

### **Event Fees and Charges**

Amusement Device Permit (one device)	\$14.00
Additional amusement devices	\$3.00ea
Food Sale Licence (each)	\$12.50
<b>NB: The devices certificate of registration must be provided.</b>	
Marquee Building Consent (exceeding 100m <sup>2</sup> )	\$71.00

## **3.7 Liquor Licensing**

The fees for obtaining liquor licences is specified in the Sale and Supply of Alcohol (Fees) Regulations 2013.

### 3.8 Noise Control

Impounded stereo release fee \$123.50

**NB: Stereos are kept for a minimum of one month**

#### Stock Impounding Fees

Council will recover actual costs when an animal is impounded

### 3.9 Resource Management Activity

<u>Land Use Consent:</u>	<u>Deposit*</u>
Notified application (ex cost of advertisement)	\$3,072.00*
Limited notified	\$1,536.00*
Non-notified	\$639.00*
Boundary Activity - approved by neighbours	\$246.00
Change or cancellation of conditions (S127)	\$639.00*
Extension of approval period (S125)	\$639.00*
Review of consent conditions (S128)	\$639.00*
Cost of commissioning report and other costs	Actual cost
Monitoring	\$160 p/hr
Certificate of Compliance (S139)	\$160 p/hr
Existing use certificate	\$160 p/hr
<u>Subdivision Consent:</u>	<u>Deposit*</u>
Notified application 1-3 lots (excl cost of advertisement)	\$3,072.00*
Limited notified	\$1,536.00*
Non-notified	\$639.00*
Each additional lot	\$62.00
Company lease, cross lease, unit title plan	\$639.00*
Certification of survey plans (S223)	\$160.00*

Issue of compliance certificate (S224(c))	\$246.00*
Combined survey plans and compliance certificates	\$309.00*
Inspections to confirm compliance with conditions S224(c) or S224(f)	\$150 p/hr
Extension, re-approval or variation of scheme plan or land transfer plan	\$639.00*
Certificate under S226	\$160 p/hr
Preparation of bond documents, consent notices, other legal	Actual cost
Engineering plan checking and inspection	\$160 p/hr
Right of way	\$639.00*

\* Deposits only – Additional charges may apply

#### **Plan Changes, Designations, Heritage Orders**

	<b>Deposit*</b>
Request for plan change	\$4,916.00*
Notice of requirement for designation / heritage order	\$4,916.00*
Alteration, review, renewal of designation / heritage order	\$984.00*
Waiver of requirement for Outline Plan	\$394.00

#### **Miscellaneous Charges**

	<b>Deposit*</b>
Planning certificate sale of liquor	\$319.00*
Overseas investment certificate	\$148.00*
Certificates requiring Council Seal	\$67.00*
Processing and Inspection Fee	\$184 p/hr
Request for Information	Actual cost

\*Deposit The deposit is the estimated cost of processing the application and is payable at the time of lodging the application. An additional charge may be payable once the processing is complete. The additional charge will be calculated on the actual time spent processing the application by Council officers, consultants plus disbursements. Where the cost of processing is less than the deposit paid, a refund will be made to the applicant.



# Glossary

## **Activity**

A good or service provided by, or on behalf of, a local authority or a council-controlled organisation, to the Community.

## **Annual Plan**

A document adopted each year by Council that outlines its significant policies (including indicative costs and sources of funds) and the objectives and measures by which Council's performance in undertaking each of its significant activities will be judged.

## **Annual Report**

A document that provides the public with information on the performance of the local authority during the year (both in financial and non-financial terms).

## **Asset**

A resource controlled by Council. Generally accepted accounting practice defines assets as service potential or future economic benefits controlled by an entity as a result of past transactions or other past events.

## **Community Outcomes**

The outcomes that a local authority aims to achieve in order to promote the social, economic, environmental and cultural well-being of its district in the present and for the future.

## **Council-Controlled Organisation (CCO)**

A company or organisation in which a council or councils hold 50% or more of the voting rights or can appoint 50% or more of the trustees, directors or managers.

## **Financial Strategy**

A document to facilitate prudent financial management by providing a guide for future funding and expenditure. Also the document will show the overall level of rates, debt and investments.

## **Funding Impact Statement (FIS)**

A document that sets out the funding mechanisms that Council will use, their level, and the reason for their selection.

## **Generally Accepted Accounting Practice (GAAP)**

Approved financial reporting standards that apply to Council or statements which are not approved, but which are appropriate to Council and have the authoritative support of the accounting profession in New Zealand.

## **Levels of Service**

The defined service requirements for a particular activity or service area against which service performance may be measured. Service levels usually relate to quality, quantity, reliability, responsiveness, environmental acceptability and cost of the service.

## **Local Authority**

A regional council or territorial authority.

## **Local Government Act 2002 ("the act")**

The legislation which states the purpose of local government and provides a framework for the roles, responsibilities and powers of local authorities.

## **Long Term Plan**

A plan covering ten years that describes the activities that Council will engage in over the life of the Plan, why Council plans to engage in those activities and how those activities will be funded.

## **Postponement of Rates**

When the payment of rates is not waived in the first instance, but delayed until a certain time, or until certain events occur.

## **Remission of Rates**

Reducing the amount owing, or waiving collection of rates altogether.

## **Separately Used or Inhabited Part of a Rating Unit**

Any portion of a property or building that is used or inhabited by a person who has the right to do so by virtue of a tenancy, lease, licence or other agreement (refer Council's Rates Relief for High Value Properties Policy).

## **Significance**

In relation to any issue before Council, significance means the degree of importance of the issue, as assessed by Council in terms of its likely impact on and likely consequences for:

- The current and future well-being of the District
- Any persons who are likely to be particularly affected by, or interested in the issue
- The financial and other costs of doing so

## **Significant**

In relation to any issue, significant means that the issue has a high degree of significance (as per Council's Significance Policy).

**Special Consultative Procedure**

A formal consultation process that sets out a series of steps that Council must follow when consulting on particular types of decisions.

**Statement of Proposal**

A document that provides the basis for consultation with the Community under the Special Consultative Procedure by setting out Council's proposals with respect to a particular matter.

**Strategic Asset**

An asset or group of assets that Council needs to retain to maintain its capacity to promote any community outcome it considers important to the current or future well-being of the Community. The key is whether the assets are essential to the

continued delivery of the community outcome. Strategic assets are listed in Council's Significance Policy.

**Territorial Authority**

A city council or a district council named in Schedule 2, Part 2 of the Local Government Act 2002.

**Wastewater**

Sewage and other waste disposed of through the wastewater system.

**Wastewater Disposal Network**

Sewerage system.





**KAWERAU  
DISTRICT COUNCIL**

Te Kaunihera ā rohe o Kawerau

Kawerau District Council, Ranfurly Court, Kawerau

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