



**CENTRAL
HAWKE'S BAY**
DISTRICT COUNCIL

together we thrive

Hear about
our plans for
the 2019/20
year!

Bringing Thrive Alive!

Annual Plan 2019/20

E ora ngātahi ana! Together we Thrive!

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Introduction and Overview



From the Mayor and Chief Executive

We are very excited to bring you the Annual Plan for 2019/20.

In November 2016 we embarked on a bold and ambitious new journey as a Council and community to create a new vision for Central Hawke's Bay – Together we Thrive!

Together we are bringing Thrive alive. This Annual Plan reflects on only some of the things we said we would do – and have delivered on, and our areas of focus for the coming year. As a Council, we remain focused on delivering on our bold plans to create a community where we have got the basics right, while also creating an environment for social and economic growth.

In the development of #thebigwaterstory, we heard overwhelmingly that water – whether reliability to sustain business or home, is critical to support our District. In this year's Annual Plan, we have tagged \$250,000 of funds to support our community in what we are coining #theevenbigger water story to support water resilience options for Central Hawke's Bay. We anticipate our funding will be the basis to support other funding opportunities for the District, including the Provincial Growth Fund.

We also heard your feedback on the community's Environmental Strategy – a major priority project identified from Project Thrive. This strategy shows how

together we can collectively improve our environmental footprint and enhance our patch of Central Hawke's Bay paradise.

The impact of new rating valuations received in late 2018 has been front of mind in the development of this plan. While new property values are a reflection of the true value of Central Hawke's Bay being recognised, the changes for some have dramatically changed how rates are apportioned across the District. While Council is unfortunately limited in how rates are apportioned as a result of the new values, we have begun a major rating review to look at the appropriate allocation of rates across our district as agreed during the development of the Long Term Plan. However, for the 2019/20 year, we have made a minor change to the Revenue and Financing Policy to lessen the impact of the changes.

This year's rates are very close to what we proposed in the Long Term Plan 2018-28 – a success for a District. This is especially true given our small population, very limited funding sources and the many challenges and national legislative pressures ahead which require bold leadership to navigate through.

Together we Thrive! E ora ngātahi ana!



Alex Walker
Alex Walker
Mayor of Central Hawke's Bay



Monique Davidson
Monique Davidson
Chief Executive Officer



Your Council proudly serving
Central Hawke's Bay



Our vision for Central Hawke's Bay is a proud and prosperous district made up of strong communities and connected people who respect and protect our environment and celebrate our beautiful part of New Zealand.

Together we thrive!

Our Strategic Direction for Central Hawke's Bay

What we know - Our DNA -



WORKING TOGETHER

Central Hawke's Bay will be stronger when we work together. Partnerships and collaboration are at the core of everything we do.



CUSTOMER EXCELLENCE

The communities we serve are our customers. They are at the heart of our decisions, interactions and communication. We'll engage with our customers to deliver value and exceed expectations.



THINKING SMARTER

We need to think smarter and better in everything we do. With a culture of innovation and continuous improvement we will add value to our communities.

What we stand for - Our Values -



Our values capture who we are and what matters most to us. They are the attitudes we embrace as individuals, teams and as a whole organisation. We are all personally responsible for acting with these in mind.

- T** TRUST - We create trust by acting with integrity.
- H** HONESTY - We do what is right even when no one is looking.
- R** RESPECT - We have respect for each other, our community and our stakeholders.
- I** INNOVATION - We find smarter ways to do things to produce improved and sustainable results.
- V** VALUING PEOPLE - We are one team, supporting each other to succeed.
- E** EXCELLENCE - We deliver exceptional results.

What we're most proud of - Our Greatest Asset -

People are our greatest asset. At Central Hawke's Bay District Council we are committed to providing a safe and great place to work that values diversity and inclusion, and develops skilled people who can lead our community to thrive.



Why we do what we do - Our Purpose -

It's our goal to create an environment that supports a thriving Central Hawke's Bay district, by providing efficient and appropriate infrastructure, services and regulatory functions.



The outcomes we want to achieve - Our Objectives -



- A proud district.
- A prosperous district.
- Strong communities.
- Connected citizens.
- Smart growth.
- Environmentally responsible.
- Durable infrastructure.

How we'll reach our outcomes - Our Focus -



- Promoting smart growth.
- Attracting and enabling business success.
- Strengthening our district and community identity.
- Protecting and promoting our unique landscape.
- Planning for tomorrow to future-proof Central Hawke's Bay.

Outcome of the Annual Plan 2019/20 Consultation

As part of the Annual Plan Consultation, we asked for your feedback on the following four changes from the Long Term Plan 2018-28.

#TheEvenBiggerWaterStory

Water storage has been a focus of much discussion and energy in Central Hawke's Bay for several years now. The reality is that the Ruataniwha Water Storage Scheme, as we have understood it, is unlikely. We now need to invest our energy and resources into finding water security solutions which seek to balance the impact we have on the Tukituki catchment, not just for social and economic reasons, but with the health and sustainability of the river and aquifer at the centre of our decisions.

The Council earmarked \$250,000 from the Rural Wards Reserve Funds to support water security initiatives in Central Hawke's Bay as part of its Annual Plan 2019/20 deliberations.

The decision follows a thriving consultation process where the council sought views on the proposal that a \$250,000 suspensory loan be provided to Water Holdings CHB Limited in the 2019/2020 Annual Plan.

The council had proposed to allocate \$250,000 from the Rural Wards Reserve Fund to work specifically with Water Holdings CHB Limited and other key stakeholders to determine feasible water storage and security options for Central Hawke's Bay.

Councillors deliberated over submissions from the public and after careful consideration, reached a consensus to earmark the \$250,000 in support of investigating wider water security initiatives, using a collaborative approach at a local and regional level.

A further request was made by Elected Members to council staff to develop a framework that investigates the issues of water security to create a local package of solutions, which includes the potential role of Central Hawke's Bay District Council, Water Holdings CHB Limited, Hawke's Bay Regional Council, the Tukituki Taskforce and other community groups.

Environmental and Sustainability Strategy

Project THRIVE highlighted how passionate our community is about protecting our piece of Central Hawke's Bay paradise.

We listened, and in response have developed an Environmental and Sustainability Strategy, which we included as a project in the Long Term Plan.

The Strategy was developed to reduce Central Hawke's Bays' environmental footprint and to protect and enhance the environment so that it can sustain future generations. Council undertook research, and worked alongside a Community Environmental and Sustainability Reference Group to develop ideas gathered in Project THRIVE and identify the following vision for the future.

By 2023 the Central Hawke's Bay community will be recognised as successful environmental guardians, protecting and enhancing the environment so that future generations can THRIVE here.

The strategy has four priority areas: Managing our impact on waterways; increasing recycling and reducing waste to landfill; conserving water; and managing climate change.

To deliver on these priority areas, the strategy focuses delivery around four key themes. Each theme features an assessment of 'where we are now and where we are going', and includes a table of actions to help the council, and the community, bridge the gap. These four themes are:

1. Leading the way in environmental sustainability
2. Ensuring environmental vitality through our way of working
3. Connecting our people and place
4. Building a sustainable economy



Revenue and Financing Policy Review

Council has considered the impact of the latest three yearly rating valuations on the incidence of rating across the district and has made a minor variation to the Revenue and Financing Policy.

Following the requirement to review the overall impact of the allocation of rates on the community, the Leadership, Governance and Consultation activity has been included as part of the General Rate rather than the Uniform Annual General Charge.

Disaster Relief Fund Trust

The Hawke's Bay Civil Defence Emergency Management (CDEM) Group is a collective of the five Hawke's Bay local authorities required under the CDEM Act 2002 to govern and manage CDEM within the region.

The approved CDEM Group Plan is seeking to establish a Hawke's Bay Disaster Relief Trust. The Trust will collect and distribute donations made by the public, and organisations, to assist people affected by a civil defence emergency in Hawke's Bay. Establishing the Trust will enable us to put in place the systems to immediately seek and administer donations as a charity before a disaster occurs. This will allow for donated funds to be distributed as quickly as possible to those most in need.

The funds that would be placed in the Trust are not Council funds, nor are they funds that would otherwise be coming to the Council.

The Trustees will be appointed by the Hawke's Bay Councils and will be managed as a CCO.

Overall Rates Increase

This plan includes an overall rates increase of 4.59%, which is an increase of 0.55% on the 4.04% forecast in for the 2019/20 year in the Long Term Plan 2018-28.

The 0.55% increase is a combination of:

- An increase in the expected inflation rate for Councils from 2.2% in the Long Term Plan to 3.3%
- Increase in compliance costs across the Three Waters.
- Reduction in internal interest rates to better align external and internal interest rates following the maturity of older debt.
- Continuing to look for more innovative ways to deliver our services and work collaboratively with our strategic contract partners.



We've got big plans

Our big focus for the 2019/20 year includes the following:

District Plan

Our focus remains on the completion of the District Plan – a major driver of change to deliver on the outcomes of Project Thrive!

With the current plan over 20 years old, the new plan reflects the aspirations of a future Central Hawke's Bay District.

In May/June, conversations and consultation on the Draft Plan commenced with the community, this project being a major driver to support a Thriving Central Hawke's Bay.

Community Planning

The 2019/20 year will see the substantial delivery of the community planning programme. In the 2018/19 year we started the community planning programme in the communities of Otane and Takapau.

In the 2019/20 year we plan to support the communities of Ongaonga, Porangahau and Tikokino to deliver their community plans.

Our focus this year also turns to Town Centre Planning, with planning for Waipawa starting this year and planning for Waipukurau starting in 2020.

Economic Development

A major focus for the Council is growing the social and economic wellbeing of Central Hawke's Bay.

Given our successful applications to the Government's Provincial Growth Fund, we anticipate this year will be a major year for setting the District's economic foundations for the future.

The Council has received funding from the Provincial Growth Fund to develop and Economic Development Strategy, which will identify opportunities to enhance the economic and social wellbeing of our community.

Maori Engagement

Council recognises the special role Māori play in the history and future of Central Hawke's Bay.

Over the coming years Council has identified building stronger partnerships with Iwi, Hapū and Marae across Tamatea as a priority to ensure our whole community thrives. Over the next year Council will turn its

attention to working closer with Te Taiwhenua o Tamatea, Marae and post Treaty settlement groups to strengthen engagement with Māori.



Wastewater Progress

Wastewater continues to be a major focus for this Council.

We will continue working with the community and our experts to arrive at our best practical option for the solution of wastewater treatment and discharge by mid 2019, as required by our Environment Court Order and agreement with Hawke's Bay Regional Council. The Otane Waste Water Plant was included in the project scope after a review of the planned upgrade at Otane and is now in the final stages of the consent extension process.

Council will also undertake a review of the wastewater network in Otane in the near future, as it plans to reduce the amount of infiltration and ingress (I&I) volume into the wastewater system and pond.

In 2019 Council will begin the renewal of 2200m of the 375mm trunk sewer gravity main in Waipawa. This is a two-year project and is part of the #bigwaterstory capital, included in the Long Term Plan. This work will reduce I&I and improve performance in the wastewater network during storm events. It will also reduce the amount of unnecessary groundwater the wastewater pond has to receive and treat.

Rating Review

We intend to undertake a major rating review during the 2019/20 year to carefully consider the way rates are apportioned and distributed through the community.

This will be the first major rating review for the District in over ten years.

As part of the review we will consult with the community about proposed changes. The intention is that the outcome of the review becomes the basis for rating in 2020/21.

Waste Minimisation and Management Plan

This year we will also look to review our waste minimisation and management plan (WMMP) following an initial review in 2018.

This major review will complement the District's new Environmental Strategy, to ensure a co-ordinated approach to minimising our communities' waste and enhancing our natural environment occurs.



#theBigWaterStory

In 2019/20 the big work begins on #thebigwaterstory projects. This includes a number of projects that were in the planning stages in the 2018/2019 years.

Improvements to the Takapau and Porangahau water treatment plants will focus on removing manganese and iron at both plants, and reducing hardness in Porangahau. Storage capabilities will also be reviewed at both plants. Council commenced work in June 2019 with a view for work to be completed by October 2019.

Council will also concentrate on progressing two flagship projects through 2019, the Otane and

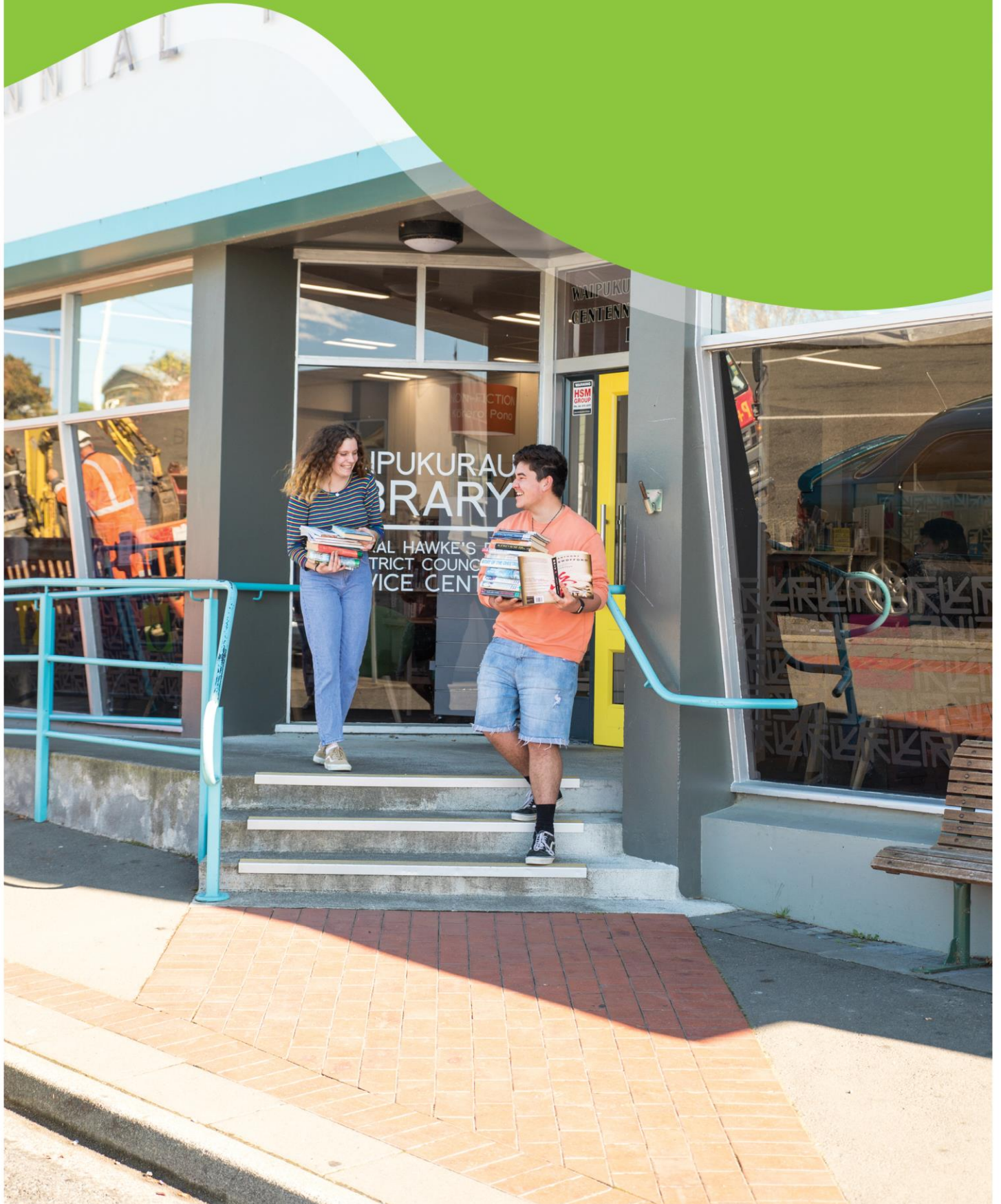
Waipukurau alternate and second water supplies. Both of these projects involve lengthy pipeline builds with varying complexities and will run from 2019 through to 2021.

Council will continue an ongoing seven-year programme of targeted firefighting and improvements in low pressure reticulation areas in Waipukurau in 2019. This programme started in 2018/19 and will support our ability to grow the networks in the future and add more resilience to the networks.

The Annual Plan 2019/20 is intended to be read in conjunction with the Long Term Plan 2018-28. The full details of the operational and capital programmes is included within the Long Term Plan and the 2019/20 year is Year 2 of the Long Term Plan. Any significant variations to the capital programmes are detailed within the Groups of Activities section



Council Services



Groups of Activities

The Central Hawke's Bay District Council's activities fall into the following eight groups which cover twenty separate activities:

Community Leadership Group



Leadership, Governance and Consultation



Economic and Social Development

Land Transport Group



Land Transport

Planning and Regulatory Group



District Planning



Building Control



Animal Control



Land Use and Subdivision Consents



Public Health



Compliance and Monitoring

Solid Waste Group



Solid Waste

Stormwater Group



Stormwater

Water Supplies Group



Water Supplies

Wastewater (Sewerage) Group



Wastewater (Sewerage)

Recreation and Community Facilities Group



Parks, Reserves and Swimming Pools



Retirement Housing



Theatre, Halls and Museums



Property and Buildings



Public Toilets



Libraries



Cemeteries

The Annual Plan 2019/20 is intended to be read in conjunction with the Long Term Plan 2018-28. The full details of the operational and capital programmes is included within the Long Term Plan and the 2019/20 year is Year 2 of the Long Term Plan. Any significant variations to the capital programmes are detailed within this section for each Group of Activities

Community Leadership Group

Funding impact statement for 2018/28 – Community Leadership Group

	Annual Plan 2019 \$000	LTP 2020 \$000	Annual Plan 2020 \$000
Sources of operating funding			
General rates, uniform annual general charges and rates penalties	1,157	1,229	1,314
Targeted rates	0	0	0
Subsidies and grants for operating purposes	46	47	52
Fees, charges	0	0	0
Interest and dividends from investments	0	0	0
Local authorities fuel tax, fines, infringement fees and other receipts	0	0	0
Total operating funding	1,204	1,276	1,367
Applications of operating funding			
Payments to staff and suppliers	938	1,010	1,087
Finance costs	0	0	0
Other operating funding applications	281	281	305
Total applications of operating funding	1,219	1,292	1,392
Surplus (deficit) of operating funding	(15)	(15)	(25)
Sources of capital funding			
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
Total sources of capital funding	0	0	0
Applications of capital funding			
Capital expenditure			
- to meet additional demand	0	0	0
- to improve the level of service	0	0	0
- to replace existing assets	0	0	0
Increase (decrease) in reserves	(15)	(15)	(25)
Increase (decrease) of investments	0	0	0
Total application of capital funding	(15)	(15)	(25)
Surplus (deficit) of capital funding	15	15	25
Funding balance	0	0	0

Planning and Regulatory Group

Funding impact statement for 2018/28 – Planning and Regulatory Group

	Annual Plan 2019 \$000	LTP 2020 \$000	Annual Plan 2020 \$000
Sources of operating funding			
General rates, uniform annual general charges and rates penalties	721	785	694
Targeted rates	0	0	0
Subsidies and grants for operating purposes	0	0	0
Fees, charges	1,043	1,030	1,247
Interest and dividends from investments	0	0	0
Local authorities fuel tax, fines, infringement fees and other receipts	21	21	18
Total operating funding	1,784	1,836	1,959
Applications of operating funding			
Payments to staff and suppliers	1,298	1,329	1,392
Finance costs	2	9	19
Other operating funding applications	481	482	523
Total applications of operating funding	1,781	1,821	1,934
Surplus (deficit) of operating funding	3	15	25
Sources of capital funding			
Subsidies and grants for capital expenditure	0	0	0
Development and financial contributions	0		0
Increase (decrease) in debt	78	194	680
Gross proceeds from sale of assets	0	0	0
Lump sum contributions	0	0	0
Total sources of capital funding	78	194	680
Applications of capital funding			
Capital expenditure			
- to meet additional demand	0	0	0
- to improve the level of service	0	0	422
- to replace existing assets	82	208	283
Increase (decrease) in reserves	0	0	0
Increase (decrease) of investments	0	0	0
Total application of capital funding	82	208	705
Surplus (deficit) of capital funding	(3)	(15)	(25)
Funding balance	0	0	0

Land Transport Group

Funding impact statement for 2018/28 – Land Transport

	Annual Plan 2019 \$000	LTP 2020 \$000	Annual Plan 2020 \$000
Sources of operating funding			
General rates, uniform annual general charges and rates penalties	6,426	6,564	6,568
Targeted rates	0	0	0
Subsidies and grants for operating purposes	2,483	2,554	2,626
Fees, charges	18	19	19
Interest and dividends from investments	0	0	0
Local authorities fuel tax, fines, infringement fees and other receipts	158	162	162
Total operating funding	9,086	9,299	9,374
Applications of operating funding			
Payments to staff and suppliers	4,488	4,602	4,569
Finance costs	0	0	0
Other operating funding applications	1,163	1,169	1,284
Total applications of operating funding	5,651	5,771	5,853
Surplus (deficit) of operating funding	3,435	3,528	3,522
Sources of capital funding			
Subsidies and grants for capital expenditure	4,387	4,499	4,977
Development and financial contributions	3	3	3
Increase (decrease) in debt	0	0	0
Gross proceeds from sale of assets	0	0	0
Lump sum contributions	0	0	0
Total sources of capital funding	4,390	4,502	4,980
Applications of capital funding			
Capital expenditure			
- to meet additional demand	0	0	0
- to improve the level of service	300	300	789
- to replace existing assets	7,509	7,713	7,713
Increase (decrease) in reserves	16	16	(1)
Increase (decrease) of investments	0	0	0
Total application of capital funding	7,825	8,029	8,501
Surplus (deficit) of capital funding	(3,435)	(3,528)	(3,522)
Funding balance	0	0	0

VARIATION OF CAPITAL EXPENDITURE BETWEEN LONG TERM PLAN 2018-28 YEAR 2 AND ANNUAL PLAN 2019/20

Activity	Year 2 of LTP	Annual Plan 2019/20	Difference Explanation
Footpaths and Carparks	315	804	489 The addition of funding for Footpaths from NZTA that was previously unsubsidised.

Solid Waste Group

Funding impact statement for 2018/28 – Solid Waste

This section outlines significant operating or capital programmes or projects planned for the 2019/20 year.

	Annual Plan 2019 \$000	LTP 2020 \$000	Annual Plan 2020 \$000
Sources of operating funding			
General rates, uniform annual general charges and rates penalties	1,163	1,193	1,309
Targeted rates	231	236	294
Subsidies and grants for operating purposes	52	53	53
Fees, charges	1,107	1,132	1,152
Interest and dividends from investments	0	0	0
Local authorities fuel tax, fines, infringement fees and other receipts	0	0	0
Total operating funding	2,553	2,614	2,808
Applications of operating funding			
Payments to staff and suppliers	1,860	1,911	2,036
Finance costs	94	92	71
Other operating funding applications	340	341	431
Total applications of operating funding	2,295	2,344	2,538
Surplus (deficit) of operating funding	258	270	271
Sources of capital funding			
Subsidies and grants for capital expenditure	0	0	0
Development and financial contributions	0	0	0
Increase (decrease) in debt	78	(115)	(96)
Gross proceeds from sale of assets	0		0
Lump sum contributions	0	0	0
Total sources of capital funding	78	(115)	(96)
Applications of capital funding			
Capital expenditure			
- to meet additional demand	0	0	0
- to improve the level of service	0	0	0
- to replace existing assets	277	95	155
Increase (decrease) in reserves	59	59	19
Increase (decrease) of investments	0	0	0
Total application of capital funding	336	154	174
Surplus (deficit) of capital funding	(258)	(270)	(271)
Funding balance	0	0	0

VARIATION OF CAPITAL EXPENDITURE BETWEEN LONG TERM PLAN 2018-28 YEAR 2 AND ANNUAL PLAN 2019/20

Activity	Year 2 of LTP	Annual Plan 2019/20	Difference Explanation
Transfer Stations	95	155	60 The addition of improvements to the Transfer Stations

Water Supplies Group

Funding impact statement for 2018/28 – Water Supply

	Annual Plan 2019 \$000	LTP 2020 \$000	Annual Plan 2020 \$000
Sources of operating funding			
General rates, uniform annual general charges and rates penalties	0	0	0
Targeted rates	2,804	3,109	3,036
Subsidies and grants for operating purposes	0	0	0
Fees, charges	0	0	3
Interest and dividends from investments	0	0	0
Local authorities fuel tax, fines, infringement fees and other receipts	0	0	0
Total operating funding	2,804	3,109	3,039
Applications of operating funding			
Payments to staff and suppliers	1,195	1,223	1,313
Finance costs	199	453	317
Other operating funding applications	508	509	552
Total applications of operating funding	1,903	2,185	2,182
Surplus (deficit) of operating funding	902	924	856
Sources of capital funding			
Subsidies and grants for capital expenditure	0	0	0
Development and financial contributions	5	5	5
Increase (decrease) in debt	3,836	6,319	6,956
Gross proceeds from sale of assets	0	0	0
Lump sum contributions	0	0	0
Total sources of capital funding	3,841	6,324	6,961
Applications of capital funding			
Capital expenditure			
- to meet additional demand	0	0	0
- to improve the level of service	0	0	0
- to replace existing assets	4,592	7,123	7,687
Increase (decrease) in reserves	150	125	130
Increase (decrease) of investments	0	0	0
Total application of capital funding	4,742	7,248	7,817
Surplus (deficit) of capital funding	(902)	(924)	(856)
Funding balance	0	0	0

VARIATION OF CAPITAL EXPENDITURE BETWEEN LONG TERM PLAN 2018-28 YEAR 2 AND ANNUAL PLAN 2019/20

Activity	Year 2 of LTP	Annual Plan 2019/20	Difference Explanation
Otane Alternative Supply	1,678	2,241	563 Based on the delayed expected commencement of the project, funds have moved from 2018/19 to this year and the project is scheduled for completion this financial year as planned.

Wastewater (Sewerage) Group

Funding impact statement for 2018/28 – Wastewater

This section outlines significant operating and capital programmes, actions and projects planned for the next ten years.

	Annual Plan 2019 \$000	LTP 2020 \$000	Annual Plan 2020 \$000
Sources of operating funding			
General rates, uniform annual general charges and rates penalties	0	0	0
Targeted rates	3,101	3,319	3,241
Subsidies and grants for operating purposes	0	0	0
Fees, charges	235	240	237
Interest and dividends from investments	0	0	0
Local authorities fuel tax, fines, infringement fees and other receipts	0	0	0
Total operating funding	3,335	3,559	3,478
Applications of operating funding			
Payments to staff and suppliers	1,309	1,404	1,682
Finance costs	552	620	482
Other operating funding applications	508	509	552
Total applications of operating funding	2,369	2,533	2,717
Surplus (deficit) of operating funding	967	1,026	761
Sources of capital funding			
Subsidies and grants for capital expenditure	0		0
Development and financial contributions	10	10	10
Increase (decrease) in debt	661	2,163	2,455
Gross proceeds from sale of assets	0	0	0
Lump sum contributions	0	0	0
Total sources of capital funding	671	2,173	2,465
Applications of capital funding			
Capital expenditure			
- to meet additional demand	0	0	0
- to improve the level of service	0	0	0
- to replace existing assets	1,607	3,168	3,416
Increase (decrease) in reserves	31	31	(190)
Increase (decrease) of investments	0	0	0
Total application of capital funding	1,638	3,199	3,226
Surplus (deficit) of capital funding	(967)	(1,026)	(761)
Funding balance	0	0	0

VARIATION OF CAPITAL EXPENDITURE BETWEEN LONG TERM PLAN 2018-28 YEAR 2 AND ANNUAL PLAN 2019/20

Activity	Year 2 of LTP	Annual Plan 2019/20	Difference	Explanation
WPK WPA Treatment Improvements	1,048	748	(300)	Expenditure bought forward to 2018/19 to investigate treatment options for the Wastewater Review project.
Takapau Treatment Upgrade	524	50	(474)	The resource consent for Takapau has been extended and the treatment upgrade will be completed following the outcome of the Wasterwater Review and meeting community and Regulatory expectations.
Otane Wastewater Treatment Upgrade	0	1,022	1,022	The Otane Treatment Upgrade has been included with the review of Waipawa and Waipukurau and therefore delayed. This includes \$511k from 2017/18 and \$511k from 2018/19.

Stormwater Group

Funding impact statement for 2018/28 – Stormwater

This section outlines significant operating and capital programmes, actions and projects planned for the next ten years.

	Annual Plan 2019 \$000	LTP 2020 \$000	Annual Plan 2020 \$000
Sources of operating funding			
General rates, uniform annual general charges and rates penalties	0	0	0
Targeted rates	752	670	685
Subsidies and grants for operating purposes	0	0	0
Fees, charges	0	0	0
Interest and dividends from investments	0	0	0
Local authorities fuel tax, fines, infringement fees and other receipts	0	0	0
Total operating funding	752	670	685
Applications of operating funding			
Payments to staff and suppliers	335	258	255
Finance costs	41	27	24
Other operating funding applications	165	165	179
Total applications of operating funding	541	451	458
Surplus (deficit) of operating funding	211	220	227
Sources of capital funding			
Subsidies and grants for capital expenditure	0	0	0
Development and financial contributions	0	0	0
Increase (decrease) in debt	450	70	77
Gross proceeds from sale of assets	0	0	0
Lump sum contributions	0	0	0
Total sources of capital funding	450	70	77
Applications of capital funding			
Capital expenditure			
- to meet additional demand	0	0	0
- to improve the level of service	0	0	0
- to replace existing assets	676	304	304
Increase (decrease) in reserves	(15)	(15)	0
Increase (decrease) of investments	0	0	0
Total application of capital funding	661	289	304
Surplus (deficit) of capital funding	(211)	(220)	(227)
Funding balance	0	0	0

Recreation and Community Facilities Group

Funding impact statement for 2018/28 – Recreation and Community Facilities Group

	Annual Plan 2019 \$000	LTP 2020 \$000	Annual Plan 2020 \$000
Sources of operating funding			
General rates, uniform annual general charges and rates penalties	3,359	3,400	3,520
Targeted rates	0	0	0
Subsidies and grants for operating purposes	16	17	13
Fees, charges	542	554	558
Interest and dividends from investments	0	0	0
Local authorities fuel tax, fines, infringement fees and other receipts	131	131	15
Total operating funding	4,048	4,101	4,106
Applications of operating funding			
Payments to staff and suppliers	2,253	2,303	2,380
Finance costs	173	166	141
Other operating funding applications	771	773	838
Total applications of operating funding	3,197	3,241	3,359
Surplus (deficit) of operating funding	851	859	747
Sources of capital funding			
Subsidies and grants for capital expenditure	0	0	0
Development and financial contributions	4	4	4
Increase (decrease) in debt	740	134	241
Gross proceeds from sale of assets	0	0	0
Lump sum contributions	0	0	0
Total sources of capital funding	744	138	245
Applications of capital funding			
Capital expenditure			
- to meet additional demand	0	0	0
- to improve the level of service	960	120	120
- to replace existing assets	768	698	822
Increase (decrease) in reserves	(134)	179	51
Increase (decrease) of investments	0	0	0
Total application of capital funding	1,595	997	992
Surplus (deficit) of capital funding	(851)	(859)	(747)
Funding balance	0	0	0

VARIATION OF CAPITAL EXPENDITURE BETWEEN LONG TERM PLAN 2018-28 YEAR 2 AND ANNUAL PLAN 2019/20

Activity	Year 2 of LTP	Annual Plan 2019/20	Difference Explanation
Library - Radio Frequency Identification (RFID)	0	123	123 The installation of RFID for Library books to allow for self issuing.

Financial Information



Prospective Statement of Comprehensive Income

	Annual Report 2018 \$000	Annual Plan 2019 \$000	Long Term Plan 2020 \$000	Annual Plan 2020 \$000
Revenue				
Rates revenue	19,135	19,772	20,564	20,691
Subsidies and grants	8,676	6,984	7,170	7,721
Fees and Charges	2,946	2,946	2,975	3,216
Interest and dividends	170	125	118	140
Development contributions	95	22	22	22
Other revenue	533	376	348	231
Total revenue	31,555	30,225	31,197	32,020
Expenditure				
Personnel costs	4,453	4,774	4,880	5,289
Depreciation and amortisation	11,876	12,028	12,478	12,102
Finance costs	195	264	569	583
Other operating expenses	15,221	13,015	13,282	14,034
Total operating expenditure	31,745	30,081	31,209	32,008
Net Operating surplus/(deficit)	(190)	144	(12)	12
Other (Gains)/Losses				
Infracon Liquidation Proceeds				
(Gains)/Losses on Public Debt	(26)	0	0	0
(Gains)/Losses on Investments	26	0	0	0
Impairment of Recreation and Community Asset	53	0	0	0
Total Other (Gains)/Losses	53	0	0	0
Net Operating surplus/(deficit) before tax	(243)	144	(12)	12
Income tax expense	0	0	0	0
Net surplus/(deficit) after tax	(243)	144	(12)	12
Other comprehensive income				
Gains/(Losses) on the revaluation of property, plant, equipment	11,529	13,777	20,536	20,005
Total other comprehensive Income	11,529	13,777	20,536	20,005
Total comprehensive income for the year	11,286	13,921	20,524	20,017

Prospective Statement of Changes in Equity

	Annual Report 2018 \$000	Annual Plan 2019 \$000	Long Term Plan 2020 \$000	Annual Plan 2020 \$000
Opening Equity Balance	781,617	793,573	807,494	807,262
Total comprehensive income for the year	11,286	13,921	20,524	20,017
Closing Equity Balance	792,903	807,494	828,018	827,279
Components of Equity				
Ratepayers Equity at the beginning of the Year	244,612	244,573	244,690	244,946
Net Surplus/(Deficit) for the Year	11,286	144	(12)	20,017
Transfers to (from) other reserves	(12,204)	(27)	(441)	(20,459)
Ratepayers Equity at end of Year	243,694	244,690	244,237	244,504
Special Funds at the beginning of the Year	6,162	6,404	6,461	6,461
Transfers to (from) Special Funds	673	57	451	464
Special Funds at the end of the Year	6,835	6,461	6,912	6,925
Trust Funds at the beginning of the Year	184	184	154	176
Transfers to (from) Trust Funds	3	(30)	(10)	(10)
Trust Funds at the end of the Year	186	154	144	166
Revaluation Reserves at the beginning of the Year	530,659	542,412	556,189	555,679
Transfers to (from) Revaluation Reserves	11,529	13,777	20,536	20,005
Revaluation Reserves at the end of the Year	542,188	556,189	576,725	575,684
Total Equity at end of Year	792,903	807,494	828,018	827,279

Prospective Balance Sheet

	Annual Report 2018 \$000	Annual Plan 2019 \$000	Long Term Plan 2020 \$000	Annual Plan 2020 \$000
Assets				
Current assets				
Cash and cash equivalents	3,956	2,453	2,453	3,956
Accounts receivable	2,904	2,512	2,512	2,904
Prepayments	239	229	229	239
Stock on Hand	26	23	23	26
Current Investments	1,268	496	0	500
Total current assets	8,393	5,713	5,217	7,624
Non-current assets				
Investments	1,139	2,684	3,233	1,981
Property, plant and equipment	793,422	813,801	841,838	840,815
Total non-current assets	794,561	816,485	845,071	842,796
Total assets	802,954	822,198	850,288	850,420
Liabilities				
Current liabilities				
Trade and other payables	5,073	4,627	4,627	5,073
Employee entitlements	236	253	253	236
Current public debt	710	727	43	26
Total current liabilities	6,019	5,607	4,923	5,335
Non-current liabilities				
Non-current public debt	2,027	6,980	15,205	15,753
Provisions for landfill closure	2,005	2,117	2,142	2,054
Total non-current liabilities	4,032	9,097	17,347	17,806
Total liabilities	10,051	14,704	22,270	23,141
Equity				
Special and other funds	6,835	6,461	6,912	6,925
Trust funds	186	154	144	166
Revaluation reserve of assets	542,188	556,189	576,725	575,684
Ratepayers' equity	243,694	244,690	244,237	244,504
Total equity	792,903	807,494	828,018	827,279
Total Liabilities and Equity	802,954	822,198	850,288	850,420

Prospective Statement of Cash Flows

	Annual Report 2018 \$000	Annual Plan 2019 \$000	Long Term Plan 2020 \$000	Annual Plan 2020 \$000
Cash flows from operating activities				
Cash was provided from:				
Receipts from rates revenue	19,075	19,772	20,564	20,691
Subsidies and grants received	8,435	6,984	7,170	7,721
Fees and charges received	2,832	2,946	2,975	3,217
Interest received	152	125	118	140
Receipts from other revenue	533	376	348	181
Development contributions	95	22	22	22
Cash was disbursed to:				
Payments to suppliers of goods and services	(14,767)	(13,015)	(13,284)	(13,986)
Payments to employees	(4,470)	(4,774)	(4,880)	(5,289)
Interest paid	(127)	(239)	(543)	(558)
Net cash from operating activities	11,758	12,197	12,490	12,139
Cash flows from investing activities				
Cash was provided from:				
Proceeds from sale of property, plant and equipment	103	67	35	35
Proceeds from investments	325	1,280	535	531
Cash was disbursed to:				
Purchase of investment	(542)	(1,231)	(623)	277
Purchase of intangible assets	0	0	0	0
Purchase of property, plant and equipment	(10,141)	(17,111)	(19,979)	(22,202)
Net cash from investing activities	(10,255)	(16,995)	(20,032)	(21,359)
Cash flows from financing activities				
Cash was provided from:				
Proceeds from borrowing	2,500	4,798	8,226	9,905
Cash was disbursed to:				
Repayment of borrowings	(2,500)	0	(684)	(684)
Net cash from financing activities	0	4,798	7,542	9,221
Net (decrease)/increase in cash, cash equivalents and bank overdrafts	1,503	0	0	0
Cash, cash equivalents and bank overdrafts at the beginning of the year	2,453	2,453	2,453	3,956
Cash, cash equivalents and bank overdrafts at the end of the year	3,956	2,453	2,453	3,956

Prospective Statement of Reserve Movements

	Annual Report 2018 \$000	Annual Plan 2019 \$000	Long Term Plan 2020 \$000	Annual Plan 2020 \$000
Reserves held for Emergency Purposes				
Opening Balance	3,258	3,237	3,356	3,356
Transfers to Reserves	237	114	(1)	141
Transfer From Reserves	(5)	5	5	0
Closing Balance	3,490	3,356	3,360	3,497
Reserves held for Future Asset Purchases				
Opening Balance	2,088	2,185	2,187	2,187
Transfers to Reserves	490	2	412	298
Transfer From Reserves	(116)	0	0	0
Closing Balance	2,462	2,187	2,599	2,485
Reserves held for Future Operational Costs				
Opening Balance	769	820	871	871
Transfers to Reserves	96	51	51	29
Transfer From Reserves	(26)	0	0	0
Closing Balance	839	871	922	900
Reserves held for Repayment of Maturing Debt				
Opening Balance	47	62	47	47
Transfers to Reserves	1	0	0	0
Transfer From Reserves	(5)	(15)	(15)	(4)
Closing Balance	43	47	32	43
Total Reserve Funds	6,834	6,461	6,913	6,925

Funding Impact Statement

The purpose of the funding impact statement is to provide information about the income and funding streams the Council will use and is an indication of the amount of funding we will generate from each stream.

Council will use a mix of revenue sources to meet operating expenses, with major sources being general and targeted rates, land transport subsidies and fees and charges.

Capital expenditure for new works will be funded from loans and development contributions, with capital renewals being funded by rates and reserves set aside for this purpose.

At various points in this funding impact statement the Council has included an indicative level of rate or charge. These indicative figures support the calculations in the rates sample models and are included to provide you with an indication of the level of rates we are likely to assess on your rating unit in the coming year. So long as we set the rates in accordance with the system described in this statement, the amounts may change.

The following rating mechanisms are intended to be used in the 2019/20 Annual Plan.

Central Hawke's Bay District Council: Funding impact statement for 2019/20 (whole of council)

	Annual Plan 2019 \$000	LTP 2020 \$000	Annual Plan 2020 \$000
Sources of operating funding			
General rates, uniform annual general charges and rates penalties	12,884	13,229	13,435
Targeted rates	6,888	7,335	7,256
Subsidies and grants for operating purposes	2,598	2,671	2,744
Fees, charges	2,945	2,974	3,216
Interest and dividends from investments	125	118	140
Local authorities fuel tax, fines, infringement fees and other receipts	311	315	196
Total operating funding	25,751	26,642	26,987
Applications of operating funding			
Payments to staff and suppliers	17,789	18,162	19,503
Finance costs	239	543	558
Other operating funding applications	0	0	(180)
Total applications of operating funding	18,028	18,706	19,881
Surplus (deficit) of operating funding	7,723	7,936	7,105
Sources of capital funding			
Subsidies and grants for capital expenditure	4,387	4,499	4,977
Development and financial contributions	22	22	22
Increase (decrease) in debt	4,798	7,542	9,221
Gross proceeds from sale of assets	67	35	35
Lump sum contributions	0	0	0
Total sources of capital funding	9,273	12,097	14,254
Applications of capital funding			
Capital expenditure			
- to meet additional demand	0	0	0
- to improve the level of service	1,260	1,260	1,531
- to replace existing assets	15,851	18,719	20,671
Increase (decrease) in reserves	0	0	0
Increase (decrease) of investments	(115)	54	(842)
Total application of capital funding	16,996	20,033	21,359
Surplus (deficit) of capital funding	(7,723)	(7,936)	(7,105)
Funding balance	0	0	0

2019/20 Rates Factors

The table below lists the rate factors for the 2019/20 year (1 July 2019 to 30 June 2020) that are proposed to be set by the Central Hawke's Bay District Council under the Local Government (Rating) Act 2002.

Description	Land Liabe	Differential	Factor of Liability	Factor	Rate Value **	Amount Sought including GST \$
District Wide Rates						
General	All rateable property	Uniform	Capital Value	\$5,605,009,150	0.10793¢	\$6,049,611
Uniform Annual General Charge	All rateable property	Uniform	Fixed Amount per SUIP*	6,520	\$278.26	\$1,814,237
District Land Transport	All rateable property	Uniform	Land Value	\$3,578,694,600	0.21106¢	\$7,553,325
Targeted Rates						
Refuse Collection	Service Available	Uniform	Fixed Amount per SUIP *	4,025	\$21.06	\$84,781
Kerbside Recycling Collection	Service Available	Uniform	Fixed Amount per SUIP *	2,994	\$84.69	\$253,570
Water Supply	Connected/Service Available	Connected/Service Available	Fixed Amount per SUIP *	4,165	\$721.67/\$360.83	\$3,005,428
Sewerage	Connected/Service Available	Connected/Use/Service Available	Fixed Amount per SUIP *, per Pan	3,993	\$933.32/\$466.66	\$3,726,762
Stormwater	Catchment Area	Uniform	Capital Value	\$954,467,400	0.08076¢	\$770,824
Drainage	Te Aute	Classifications	Fixed Amount per point	73,614	\$23.43	\$17,250
Water by Meter	Extraordinary users	Volume, land use category	Fixed Amount per cubic metre		\$2.52 / \$1.91	\$422,170
Total Sought						\$23,697,957

* Separately used or inhabited part

Rates Samples

PROPERTY DESCRIPTION			2015 VALUES		2018 VALUES		2018/19	2018 Valuations 2019/20			2015 Valuations 2019/20		
Type	District	Value	Land value	Capital value	Land value	Capital value	Amount	Amount	Change \$	Change %	Amount	Change \$	Change %
Residential town	Waipukurau	Low	18,000	73,000	54,000	185,000	2,269	2,502	233	10.3%	2,288	19	0.8%
Residential town	Waipukurau	Medium	77,000	200,000	116,000	330,000	2,761	2,907	145	5.3%	2,801	40	1.4%
Residential town	Waipukurau	Medium	77,000	260,000	116,000	455,000	2,916	3,142	226	7.8%	2,964	48	1.6%
Residential town	Waipukurau	High	69,000	410,000	104,000	620,000	3,281	3,428	148	4.5%	3,348	68	2.1%
Residential town	Waipukurau	High	82,000	485,000	123,000	685,000	3,510	3,591	81	2.3%	3,589	78	2.2%
Residential town	Waipawa	Low	35,000	180,000	74,000	295,000	2,593	2,752	159	6.1%	2,627	35	1.3%
Residential town	Waipawa	Medium	35,000	170,000	77,000	280,000	2,567	2,730	163	6.4%	2,600	33	1.3%
Residential town	Waipawa	High	27,000	255,000	77,000	400,000	2,764	2,956	193	7.0%	2,808	44	1.6%
Residential town	Waipawa	High	85,000	430,000	180,000	710,000	3,377	3,759	382	11.3%	3,448	71	2.1%
Residential town	Otane		54,000	205,000	118,000	315,000	2,353	2,543	190	8.1%	2,403	51	2.1%
Residential town	Porangahau	Low	27,000	59,000	59,000	121,000	2,106	2,209	103	4.9%	2,116	10	0.5%
Residential town	Porangahau	High	27,000	175,000	59,000	360,000	2,242	2,467	225	10.0%	2,283	41	1.8%
Residential town	Takapau		20,000	110,000	40,000	180,000	2,147	2,233	86	4.0%	2,170	23	1.1%
Residential town	Takapau		32,000	260,000	64,000	345,000	1,403	1,528	126	9.0%	1,487	84	6.0%
Residential town	Takapau	Lifestyle	265,000	425,000	370,000	580,000	2,305	2,428	123	5.3%	2,388	83	3.6%
Residential town	Tikokino		48,000	170,000	77,000	340,000	732	829	97	13.2%	681	-51	-7.0%
Residential town	Onga Onga		29,000	180,000	50,000	315,000	691	745	54	7.8%	641	-50	-7.2%
Beach	Blackhead		230,000	420,000	230,000	420,000	1,533	1,238	-295	-19.2%	1,559	26	1.7%
Beach	Kairakau		175,000	435,000	220,000	520,000	2,066	2,047	-19	-0.9%	2,146	80	3.9%
Beach	Mangakuri		360,000	800,000	450,000	900,000	2,342	2,220	-121	-5.2%	2,477	135	5.8%
Beach	Te Paerahi	Low	175,000	245,000	195,000	220,000	2,737	2,603	-134	-4.9%	2,805	68	2.5%
Beach	Te Paerahi	Medium	270,000	495,000	295,000	495,000	3,296	3,111	-184	-5.6%	3,436	140	4.3%
Rural	District	Lower	213,000	217,500	294,000	303,500	849	948	99	11.6%	919	70	8.3%
Rural	District	Lower	360,000	660,000	630,000	990,000	2,162	2,676	514	23.8%	2,254	92	4.2%
Rural	District	Medium	1,850,000	2,340,000	2,970,000	3,470,000	8,290	10,292	2,002	24.2%	8,914	625	7.5%
Rural	District	Medium	620,000	670,000	870,000	930,000	2,899	3,118	219	7.6%	3,008	109	3.8%
Rural	District	High	6,000,000	6,800,000	6,350,000	7,310,000	25,099	21,571	-3,528	-14.1%	27,150	2,051	8.2%
Rural	District	High	5,650,000	6,950,000	6,500,000	8,000,000	24,299	22,632	-1,667	-6.9%	26,370	2,072	8.5%
Rural	Aramoana	High	3,140,000	3,670,000	4,240,000	4,880,000	13,449	14,494	1,046	7.8%	14,502	1,053	7.8%
Rural	Ruataniwha	High	3,420,000	4,220,000	4,000,000	5,000,000	14,875	14,117	-758	-5.1%	16,091	1,216	8.2%
Rural	Ruahine	High	10,200,000	10,850,000	12,200,000	13,000,000	41,566	40,059	-1,507	-3.6%	44,936	3,370	8.1%
Rural	Ruahine	Medium	1,770,000	2,310,000	2,300,000	2,950,000	8,031	8,317	285	3.6%	8,644	612	7.6%
Commercial	Waipukurau		165,000	520,000	165,000	600,000	7,268	7,147	-122	-1.7%	7,547	279	3.8%
Commercial	Waipawa		58,000	87,000	58,000	87,000	2,417	2,326	-91	-3.8%	2,440	23	1.0%
Industrial	Waipukurau		150,000	360,000	245,000	420,000	4,272	4,282	10	0.2%	4,376	104	2.4%
			Council average %				4.34%			4.59%			

Rates

The following rates are intended to be set and assessed on all property within the District for the 2019/20 year:

District Wide Rates

1. General Rate

A general rate set under section 13 of the Local Government (Rating) Act 2002 for the purposes of providing all or some of the cost of:

- Community leadership, including administration, cost of democracy, community voluntary support grants
- All regulatory activities, including district planning, land use and subdivision consent costs, building control, public health, animal control, and compliance
- Solid waste
- Parks and reserves, public toilets, theatres and halls, cemeteries, and miscellaneous property costs

For the 2019/20 year, this rate will be 0.10793 cents per dollar (including GST) based on the rateable capital value of all rateable land within the District.

2. Uniform Annual General Charge

A rate set under section 15 of the Local Government (Rating) Act 2002 on each separately used or inhabited part of a rating unit within the District. See definition below. This rate is for the purpose of providing:

- Economic and social development
- A portion of the cost of solid waste
- Libraries and swimming facilities

For the 2019/20 year, this rate will be \$278.26 (including GST).

3. District Land Transport Rate

A rate for the Council's land transport facilities set under section 16 of the Local Government (Rating) Act 2002. This rate is set for the purpose of funding the operation and maintenance of the land transport system.

For the 2019/20 year this rate will be 0.21106 cents per dollar (including GST) based on the land value of all rateable land in the district.

Targeted Rates

Separately Used or Inhabited Parts of a Rating Unit

Definition – for the purposes of the Uniform Annual General Charge and the targeted rates above, a separately used or inhabited part of a rating unit is defined as –

A separately used or inhabited part of a rating unit includes any portion inhabited or used by [the owner/a person other than the owner], and who has the right to use or inhabit that portion by virtue of a tenancy, lease, licence, or other agreement.

This definition includes separately used parts, whether or not actually occupied at any time, which are used by the owner for occupation on an occasional or long term basis by someone other than he owner.

Examples of separately used or inhabited parts of a rating unit include:

- For residential rating units, each self-contained household unit is considered a separately used or inhabited part. Each situation is assessed on its merits, but factors considered in determining whether an area is self-contained would include the provision of independent facilities such as cooking/kitchen or bathroom, and its own separate entrance.
- Residential properties, where a separate area is used for the purpose of operating a business, such as a medical or dental practice. The business area is considered a separately used or inhabited part.

These examples are not considered inclusive of all situations.

4. Water Supply Rates

A targeted rate set under section 16 of the Local Government (Rating) Act 2002 for water supply operations of a fixed amount per separately used or inhabited part of a rating unit. The purpose of this rate is to fund water supplies for Otane, Takapau, Waipukurau, Waipawa, Kairakau, Porangahau and Te Paerahi.

The purpose of this rate is to fund the maintenance, operation and capital upgrades of water supplies and treatment in those parts of the District where these systems are provided.

The rate is subject to differentials as follows:

- a charge of per separately used or inhabited part of a rating unit connected in the Otane, Takapau, Waipukurau, Waipawa, Kairakau, Porangahau, and Te Paerahi Beach communities.
- a half charge per separately used or inhabited part of a rating unit which is serviceable for the above locations.

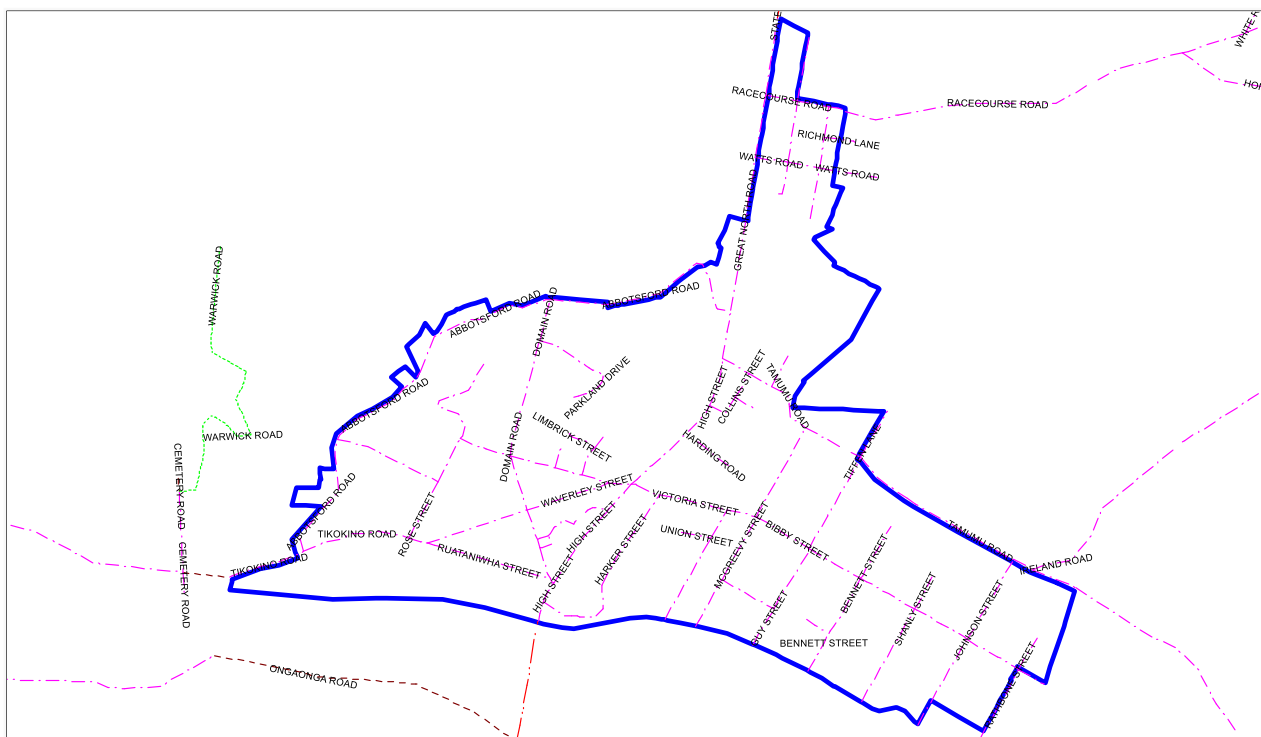
For this rate:

- "Connected" means a rating unit to which water is supplied.
- "Serviceable" means a rating unit to which water is not being supplied, but the property it is situated within 100 metres of the water supply.

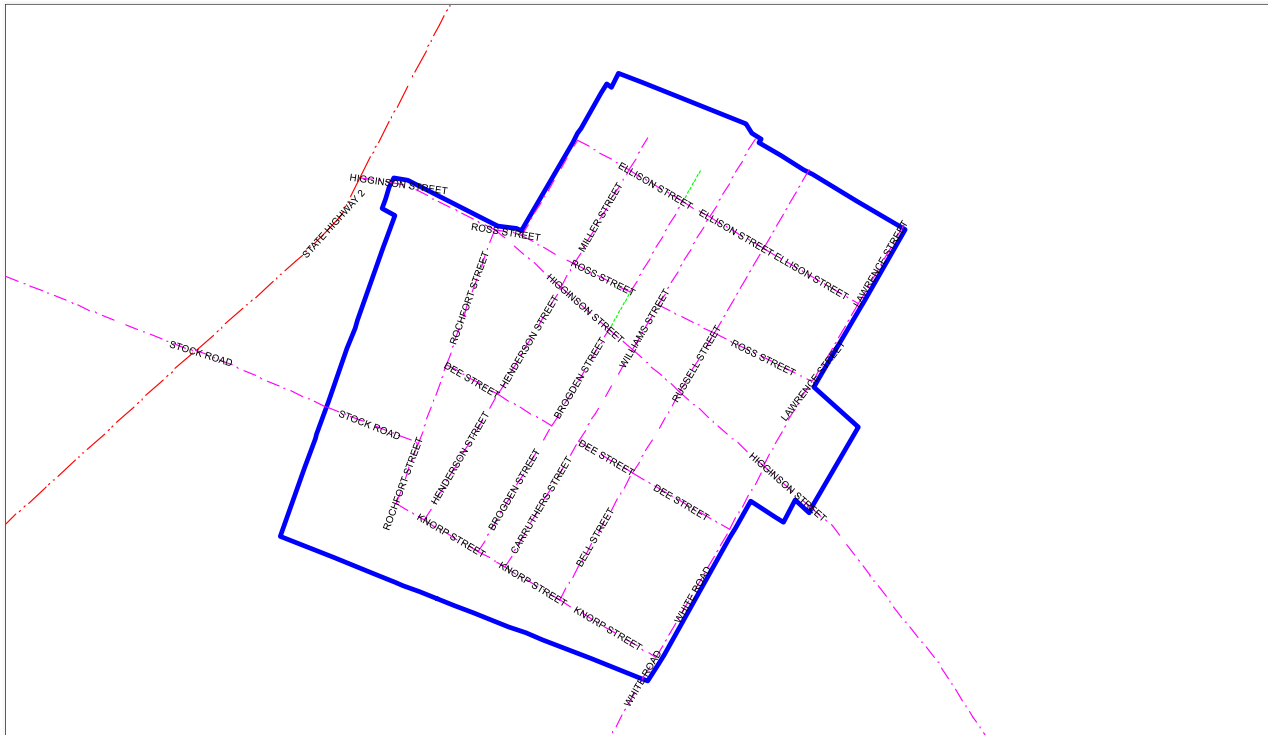
For the 2019/20 year these rates will be:

	CHARGE	WATER RATE (INCL GST)
a	Connected	\$721.67
b	Serviceable, not connected	\$360.83

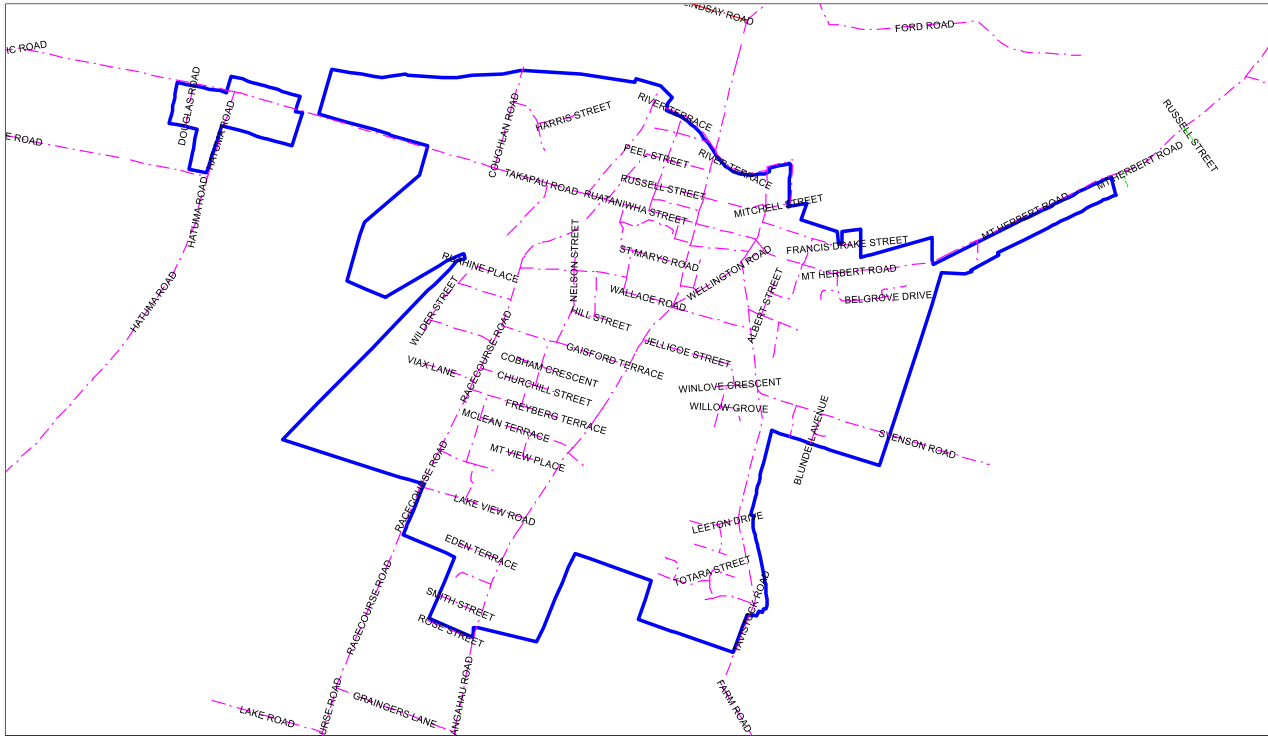
WAIPAWA WATER SUPPLY ZONE



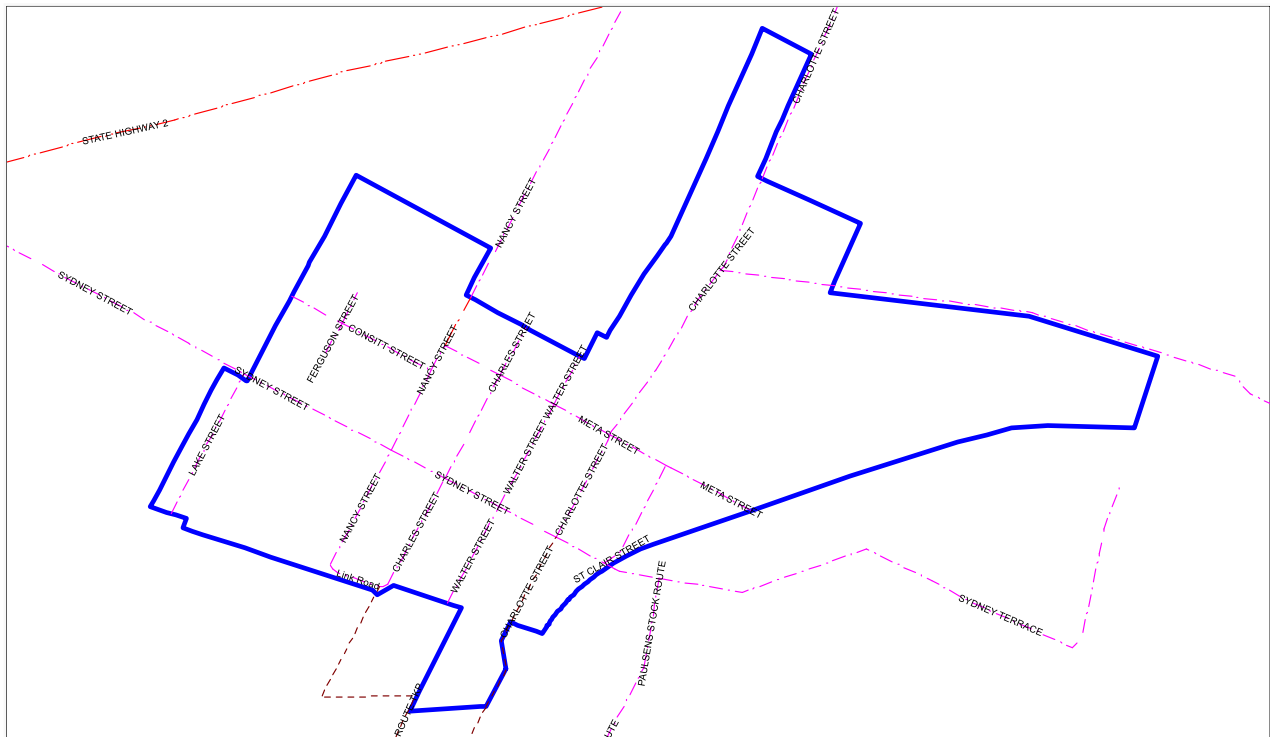
OTANE WATER SUPPLY ZONE



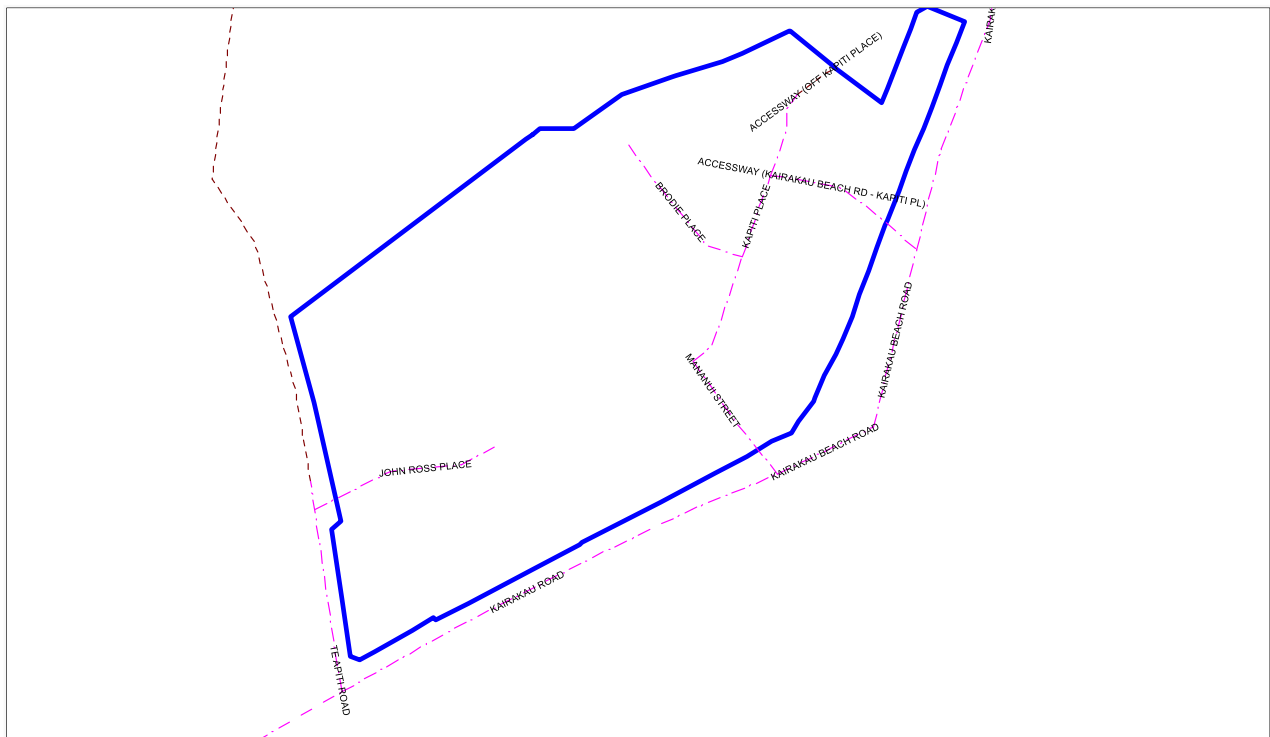
WAIPUKURAU WATER SUPPLY ZONE



TAKAPAU WATER SUPPLY ZONE



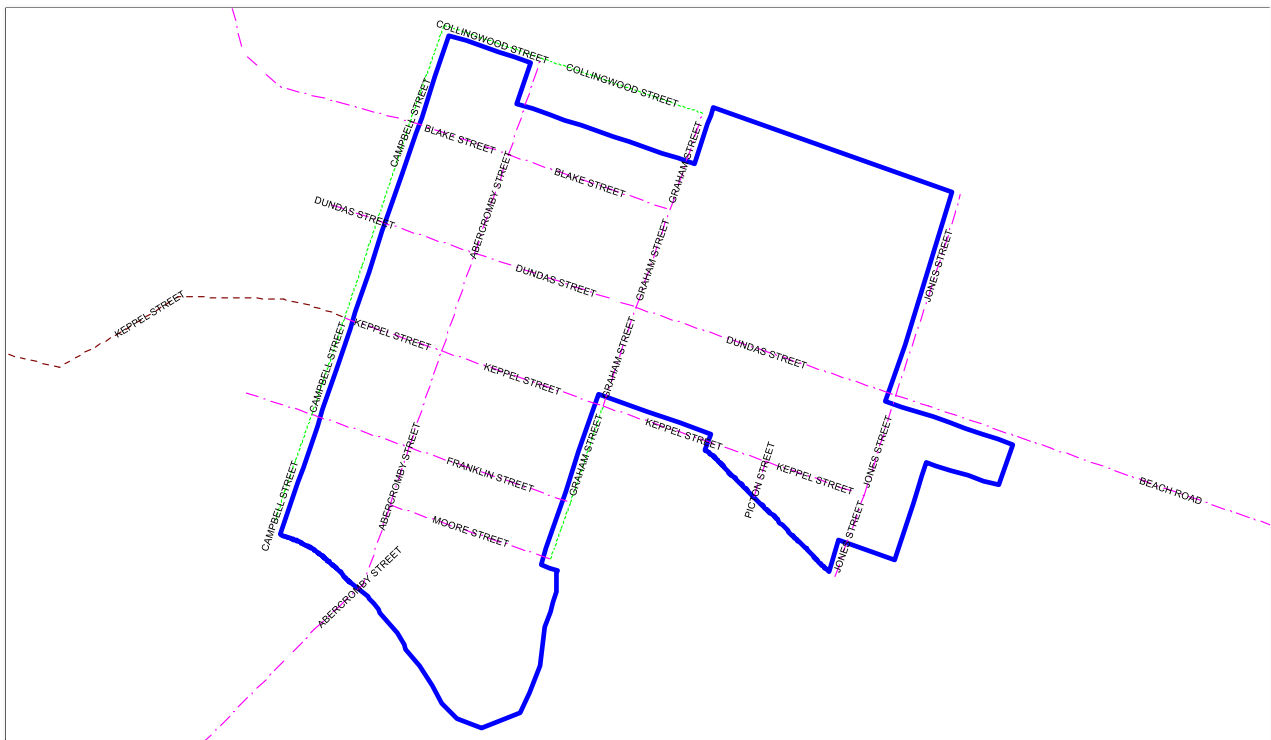
KAIRAKAU WATER SUPPLY ZONE



TE PAERAHI WATER SUPPLY ZONE



PORANGAHAU WATER SUPPLY ZONE



5. Metered Water Rate

A targeted rate under section 19 of the Local Government (Rating) Act 2002 per cubic metre of water supplied, as measured by cubic metre, over 300 cubic metres per year. This is applied to water users deemed 'Extraordinary' where payment of the Water Supply rate above entitles extraordinary users to the first 300 cubic metres of water without additional charge.

The rate is subject to differentials as follows:

- (a) a rate per cubic metre of water, for users consuming below 40,000 cubic metres
- (b) a rate per cubic metre of water, for users above 40,000 cubic metres, and where the land use category in the valuation database is not 'industrial'
- (c) a rate of per cubic metre of water, for users consuming above 40,000 cubic metres, and where the land use category in the valuation database is 'industrial'
- (d) For the 2019/20 year these rates will be:

VOLUME OF WATER (CUBIC METRES)		RATE PER CUBIC METRE (INCL GST)
a	Below 40,000	\$2.52
b	Above 40,000, non- industrial	\$2.52
c	Above 40,000, industrial	\$1.91

(e)

6 Sewerage Rates

A targeted rate set under section 16 of the Local Government (Rating) Act 2002 for the Council's sewage disposal function of fixed amounts in relation to all land in the district to which the Council's sewage disposal service is provided or available, as follows:

- (a) A charge per rating unit connected.
- (b) A charge per pan within the rating unit, after the first one.
- (c) A charge per rating unit which is serviceable.

The rate is subject to differentials as follows:

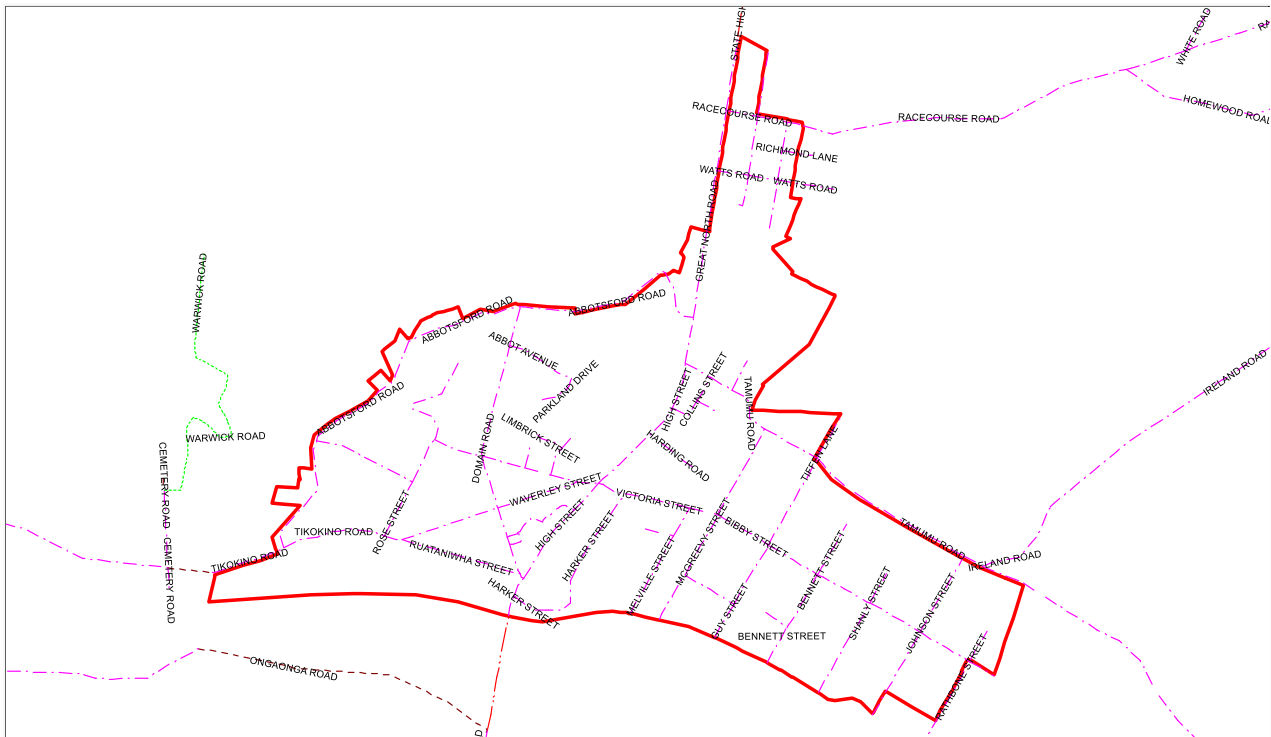
- 'Connected' means the rating unit is connected to a public sewerage system.
- 'Serviceable' means the rating unit is not connected to a public sewerage drain but is within 30 metres of such a drain.
- A rating unit used primarily as a residence for one household is treated as not having more than one pan.
- For commercial accommodation providers, each subsequent pan will be rated at 50% of the charge.
- For those Clubs who qualify for a rebate of their General Rates under Council's Community Contribution and Club Rebate Remission Policy, and who are connected to the sewerage network, each subsequent pan will be rated at 50% of the Sewerage Charge.

The purpose of this rate is to fund the maintenance, operation and capital upgrades of sewerage collection, treatment and disposal systems in those parts of the District where these systems are provided.

For the 2019/20 year these rates will be:

CHARGE		SEWERAGE RATE (INCL GST)
a	First charge per separately used or inhabited part of a rating unit connected	\$933.32
b	Additional charge per pan after the first	\$933.32
c	Serviceable, not connected, per separately used or inhabited part of a rating unit	\$466.66
d	Additional charge per pan after the first – commercial accommodation provider, qualifying club	\$466.66

WAIPAWA SEWER OPERATION ZONE

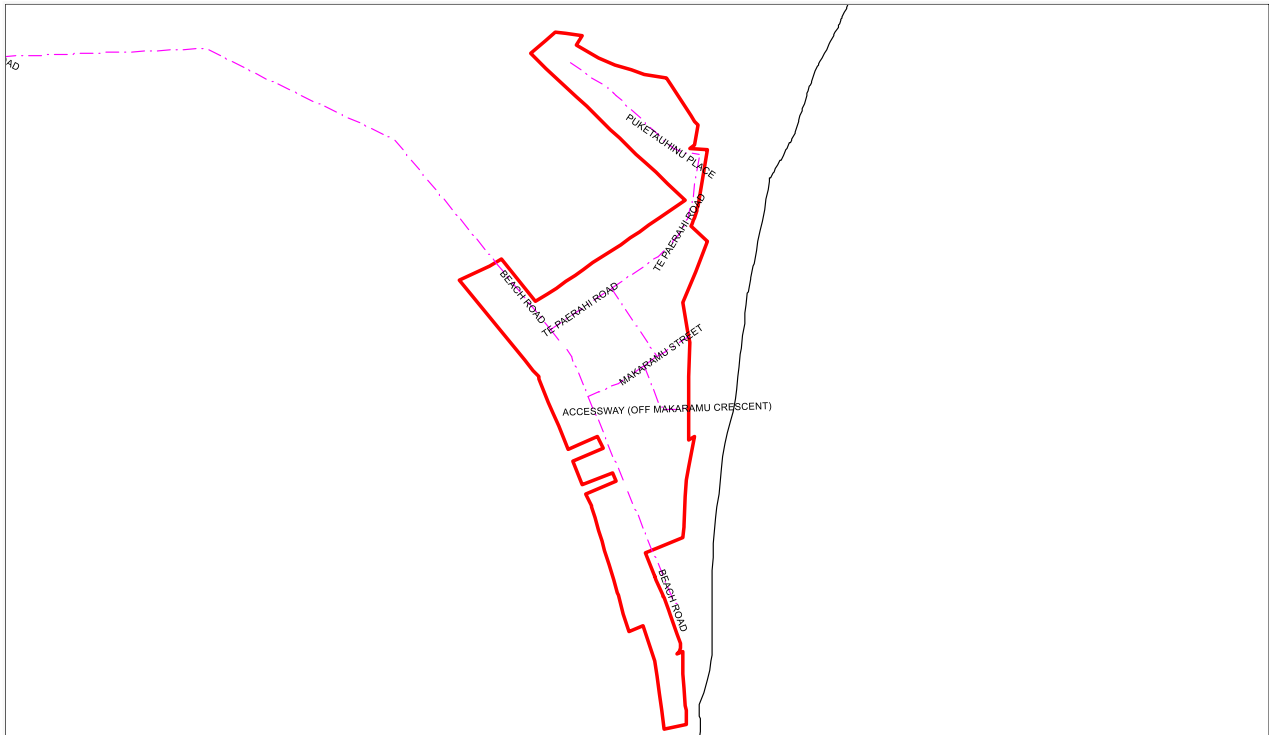


OTANE SEWER OPERATION ZONE

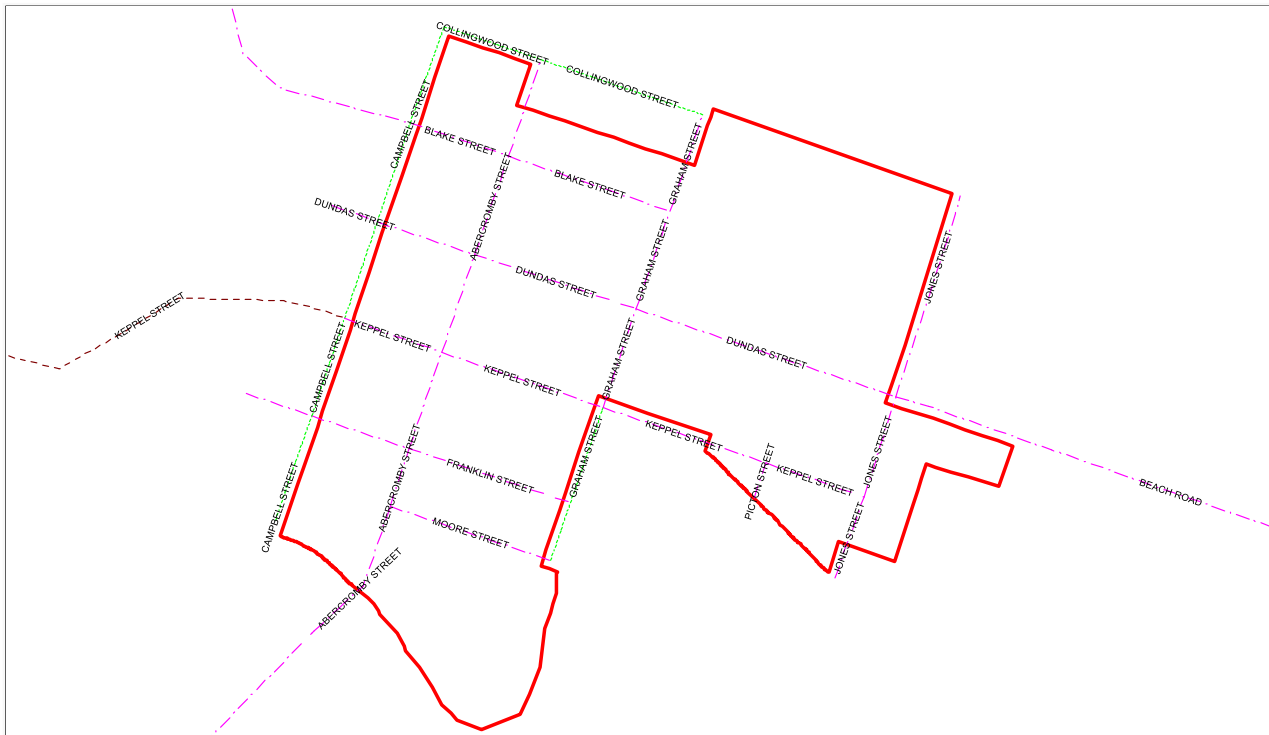


The map displays the Charlotte Streetcar route in red. The route begins at the intersection of State Highway 2 and Charlotte Street, runs north along Charlotte Street, then turns east along Meta Street, and finally turns south along Charlotte Street again. Various streets are labeled, including State Highway 2, Charlotte Street, Meta Street, and others. The map also shows the locations of the Charlotte Streetcar stations, marked with red dots.

TE PAERAHI SEWER OPERATION ZONE



PORANGAHAU SEWER OPERATION ZONE



7. Stormwater Rates

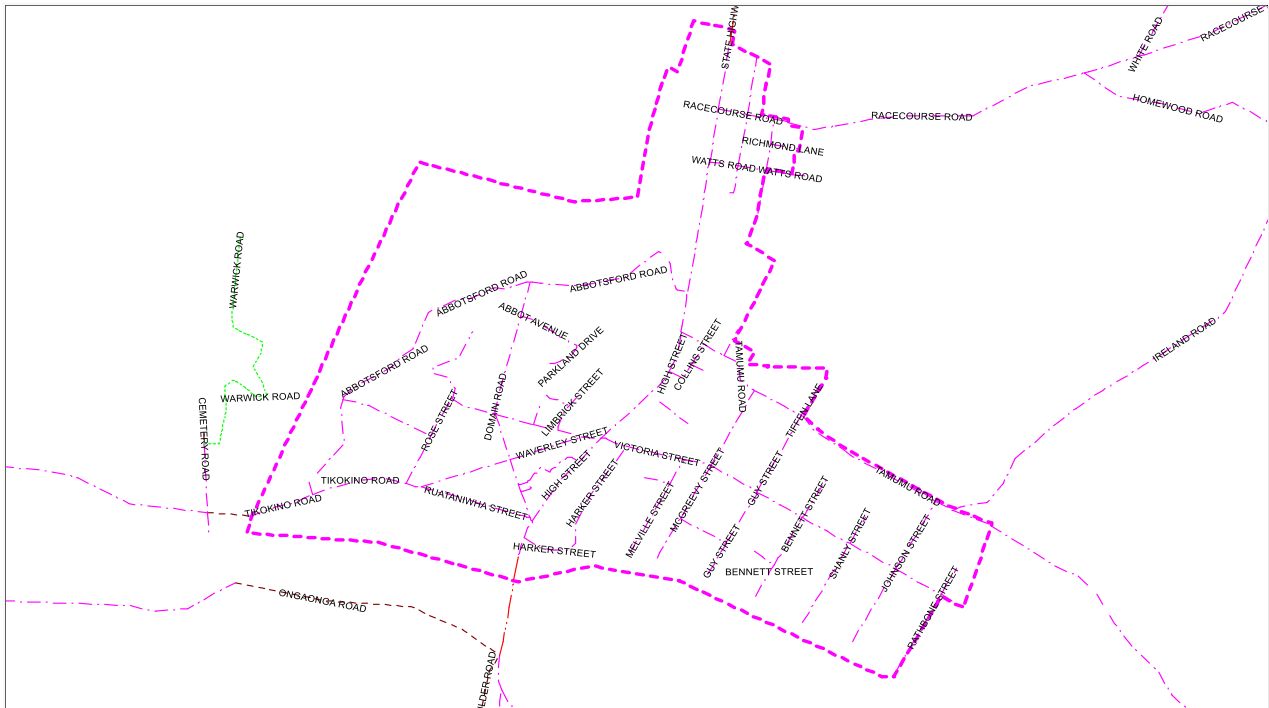
A targeted rate set under section 16 of the Local Government (Rating) Act 2002 for the purpose of funding operations and maintenance, plus improvements and loan charges on the stormwater drainage network as follows:

A uniform targeted rate on the capital value of all rateable land in the Waipukurau and Waipawa Stormwater Catchment Areas.

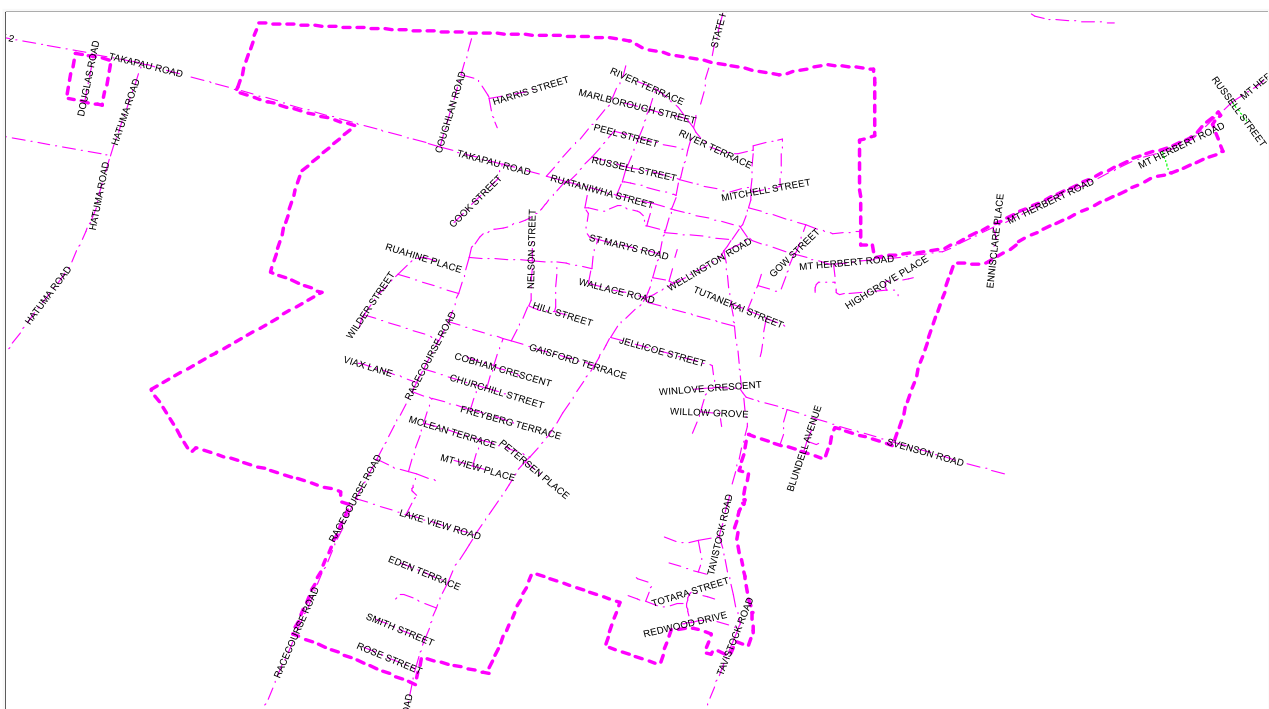
For the 2019/20 year this rate will be 0.08076 cents per dollar (including GST).

The Waipukurau and Waipawa Stormwater Catchment Areas are defined by reference to stormwater catchment boundary plans held.

WAIPAWA STORMWATER OPERATION ZONE



WAIPUKURAU STORMWATER OPERATION ZONE

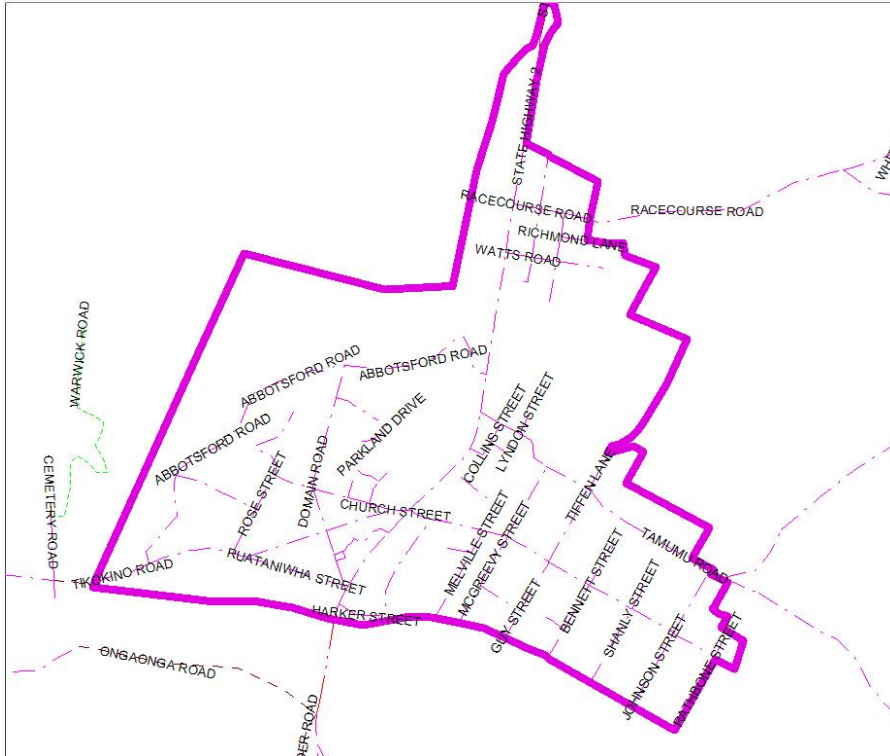


8. Kerbside Recycling Rate

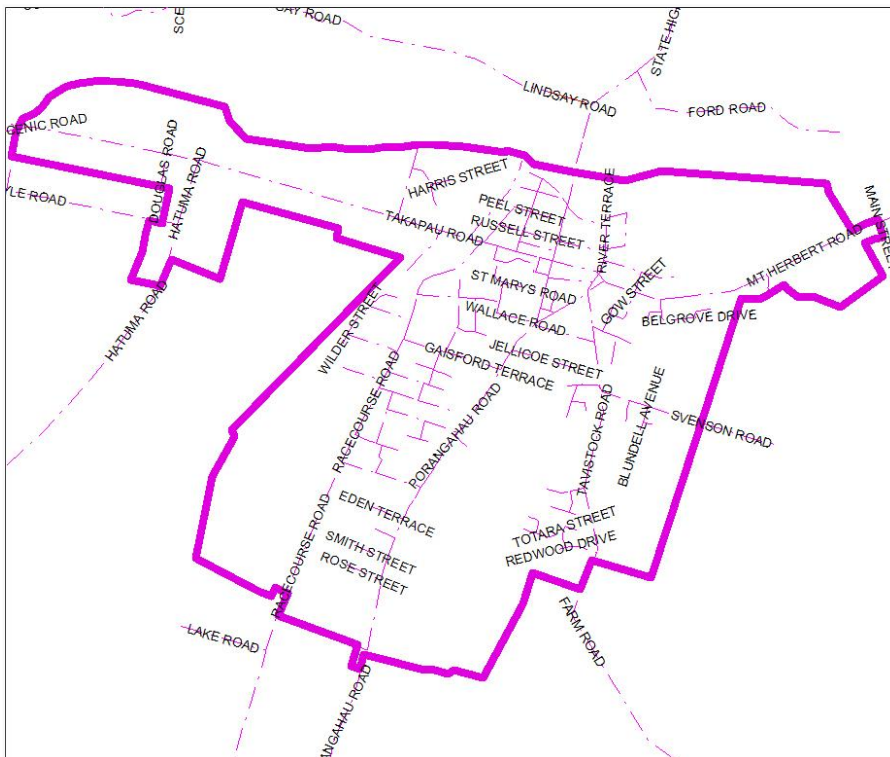
A targeted rate set under section 16 of the Local Government (Rating) Act 2002 for the Council's collection of household recyclables for Waipukurau and Waipawa on each separately used or inhabited part of a rating unit to which the Council provides the service.

For the 2019/20 year this rate will be \$84.69 (including GST).

WAIPAWA KERBSIDE RECYCLING COLLECTION ZONE



WAIPUKURAU KERBSIDE RECYCLING COLLECTION ZONE

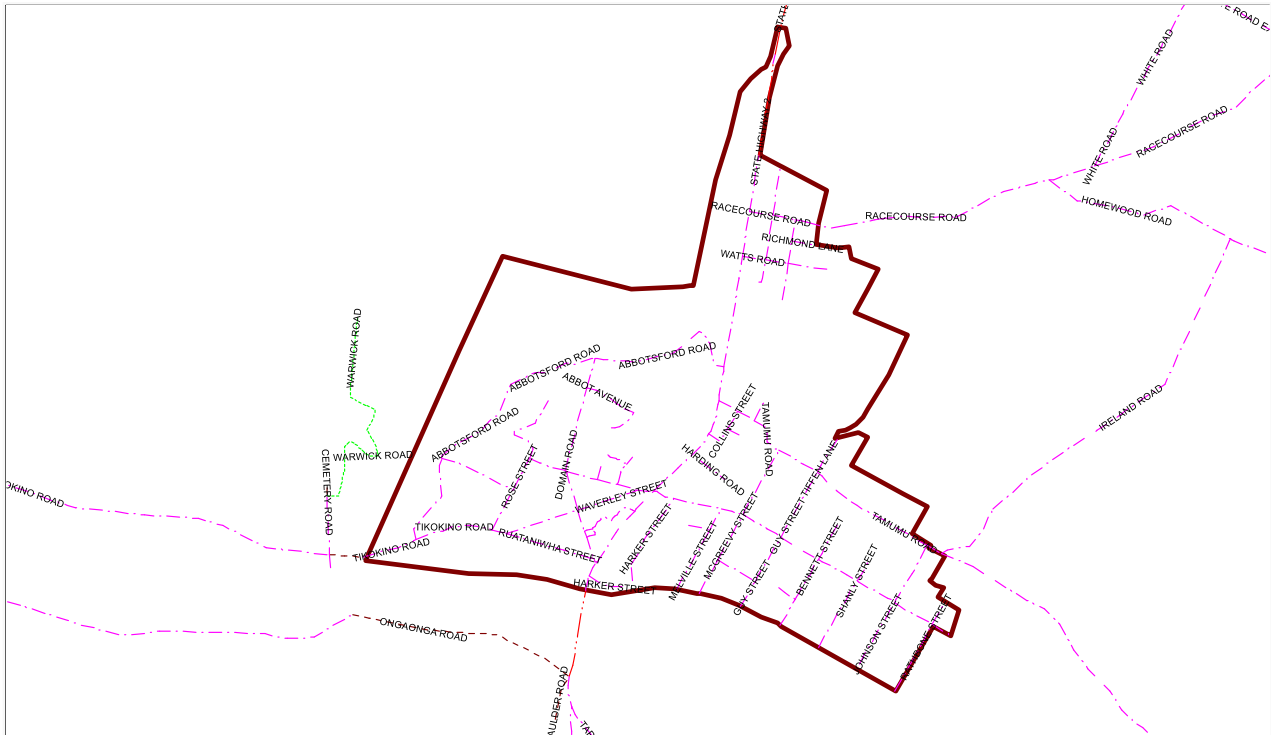


9. Refuse Collection Rate

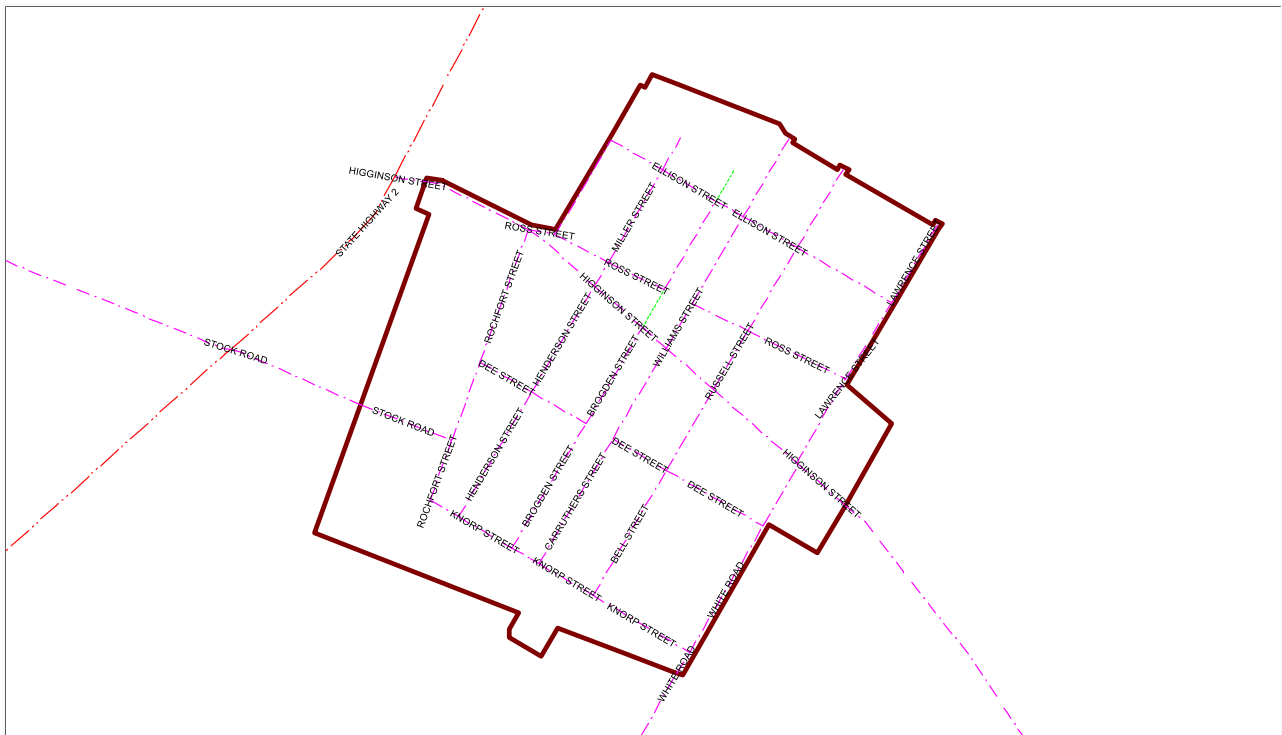
A targeted rate set under section 16 of the Local Government (Rating) Act 2002 for the collection of household and commercial refuse for Otane, Onga Onga, Takapau, Tikokino, Waipukurau, Waipawa, Porangahau, Te Paerahi, Blackhead Beach, Kairakau, Mangakuri, Aramoana and Purerere Beach on each separately used or inhabited part of a rating unit to which the Council provides the service.

For the 2019/20 year this rate will be \$21.06 (including GST).

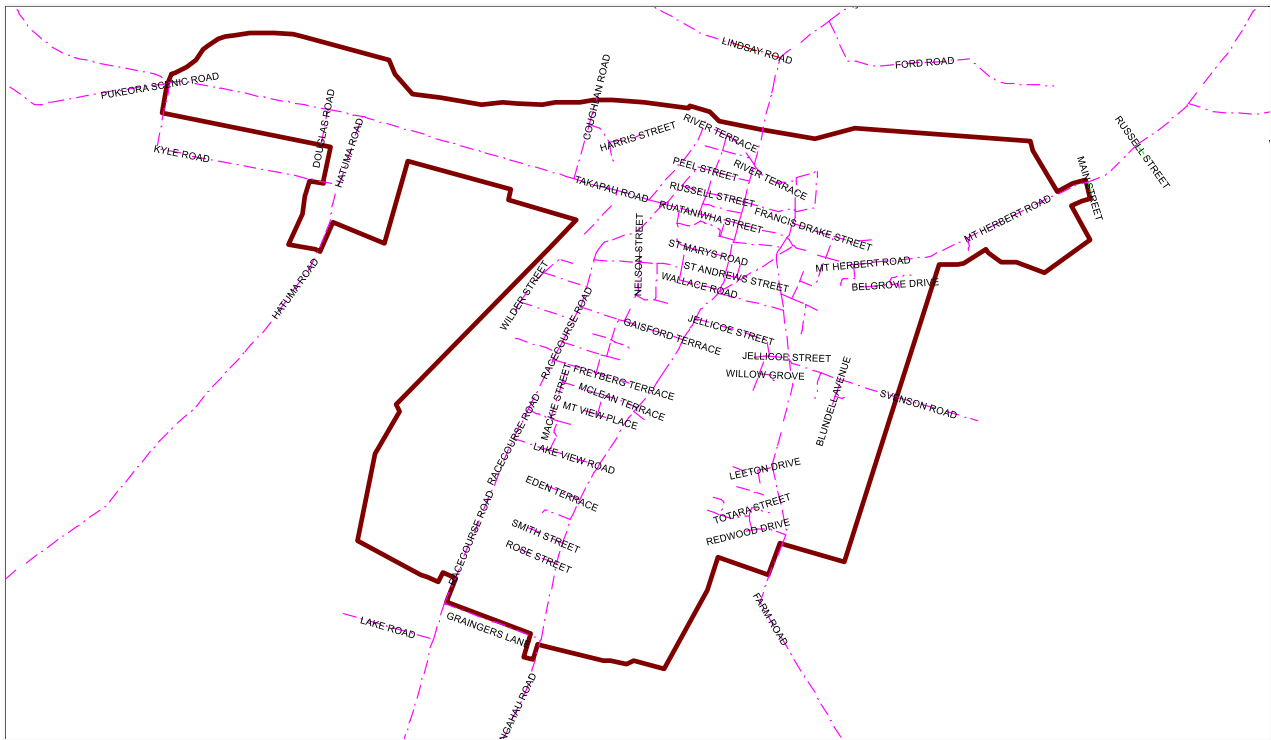
WAIPAWA REFUSE COLLECTION ZONE



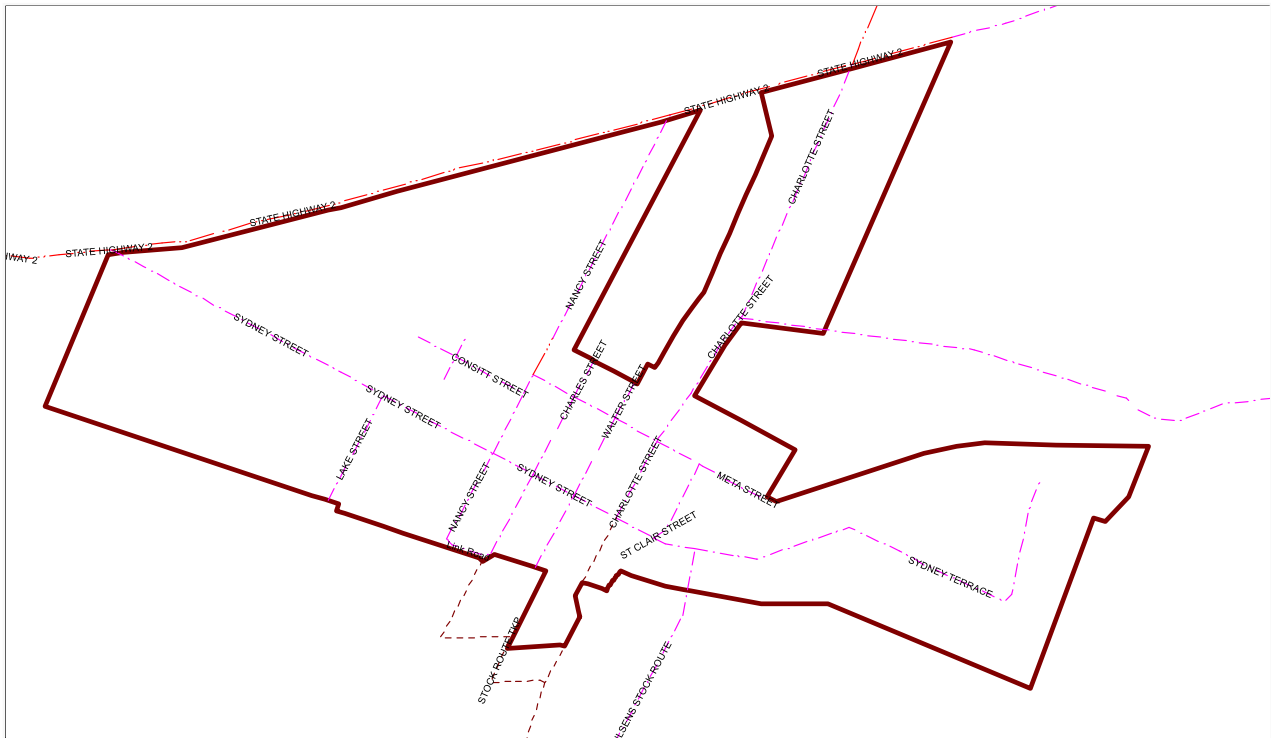
OTANE REFUSE COLLECTION ZONE



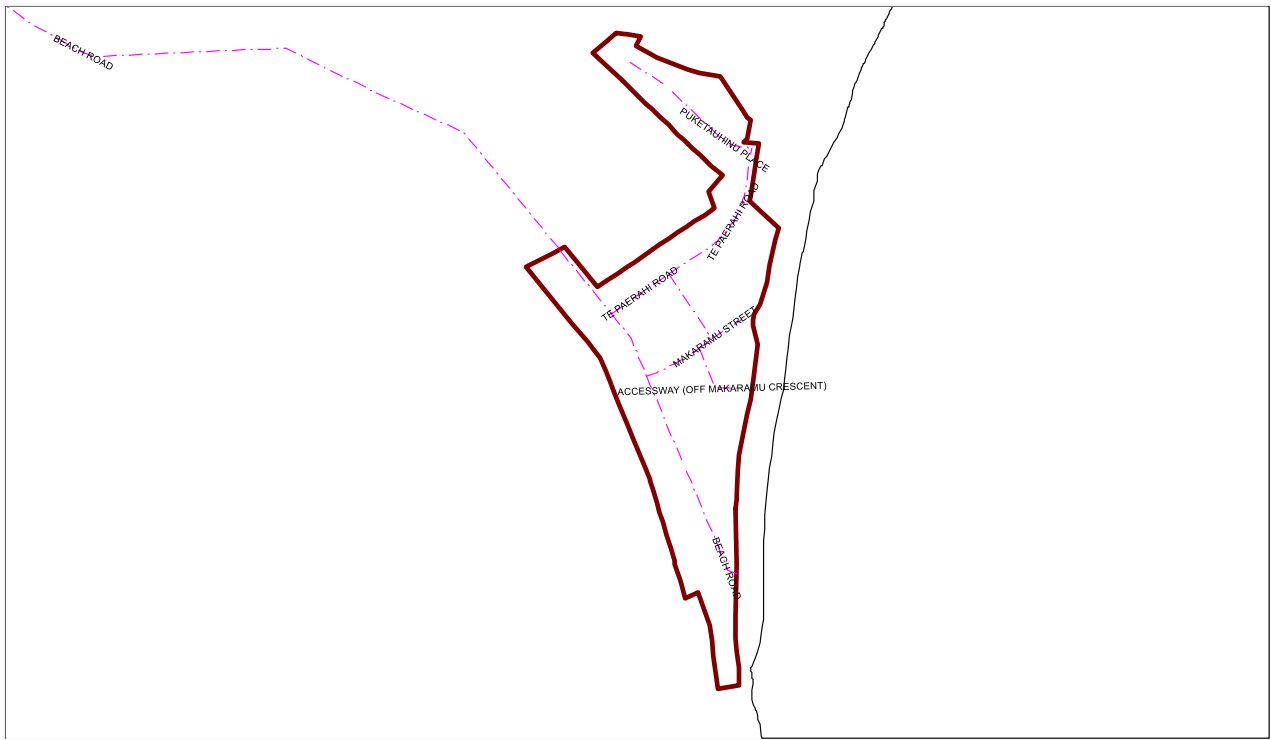
WAIPUKURAU REFUSE COLLECTION ZONE



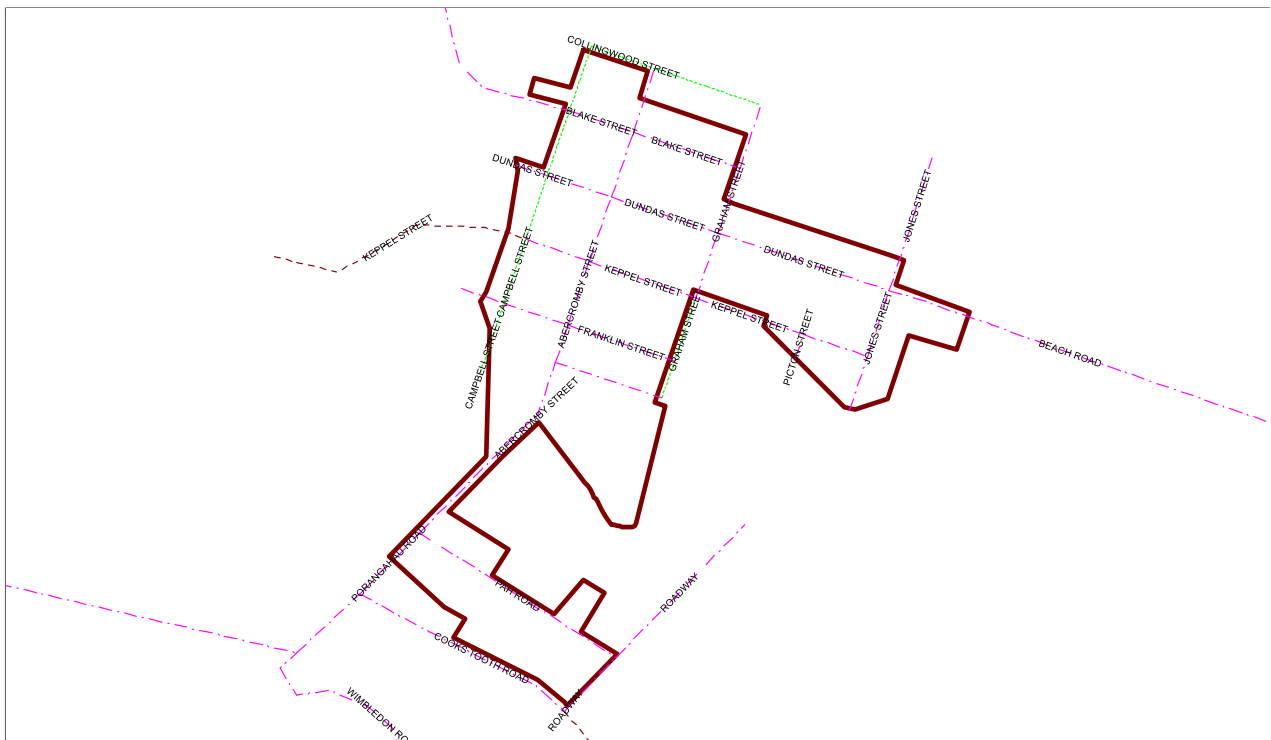
TAKAPAU REFUSE COLLECTION ZONE



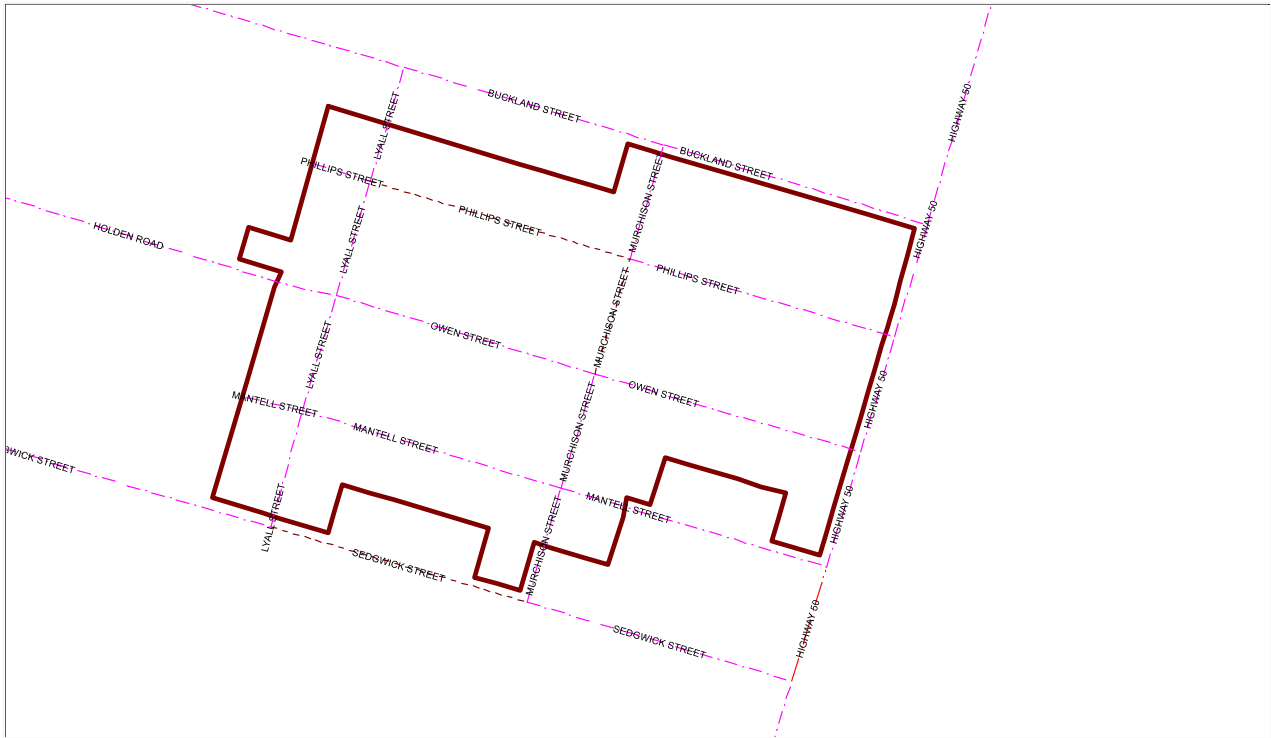
TE PAERAHI REFUSE COLLECTION ZONE



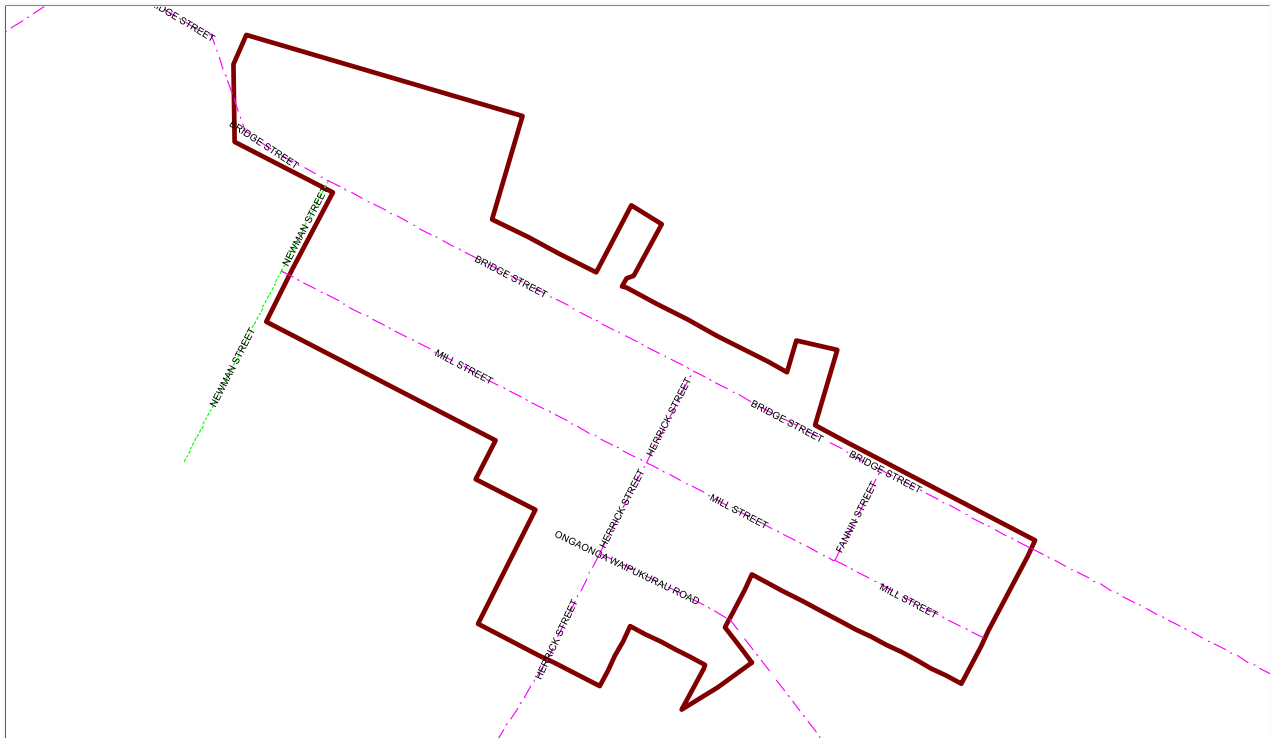
PORANGAHAU REFUSE COLLECTION ZONE



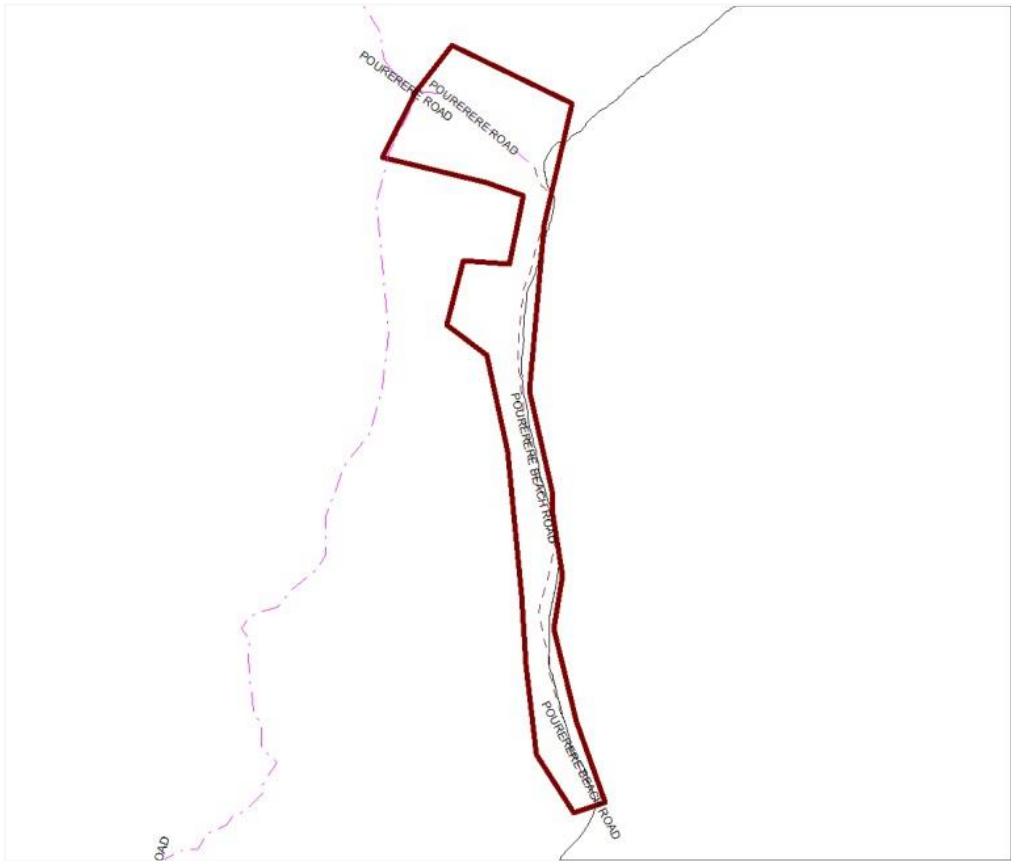
TIKOKINO REFUSE COLLECTION ZONE



ONGA ONGA REFUSE COLLECTION ZONE



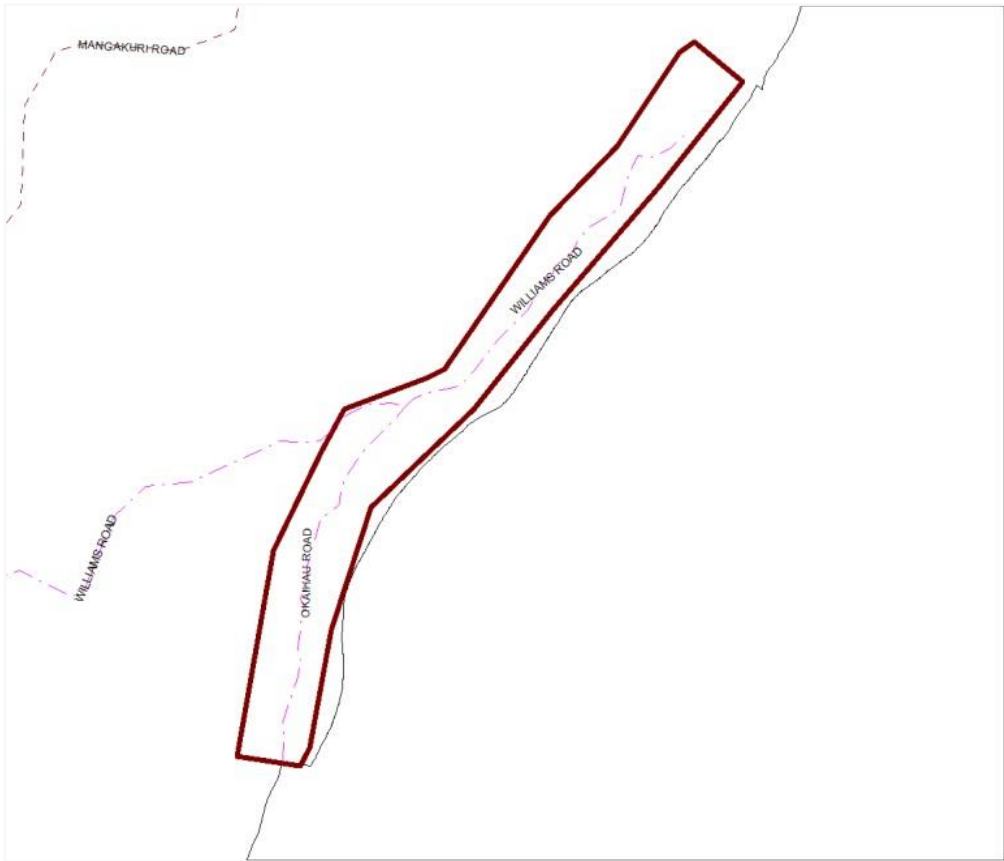
POURERERE BEACH REFUSE COLLECTION ZONE



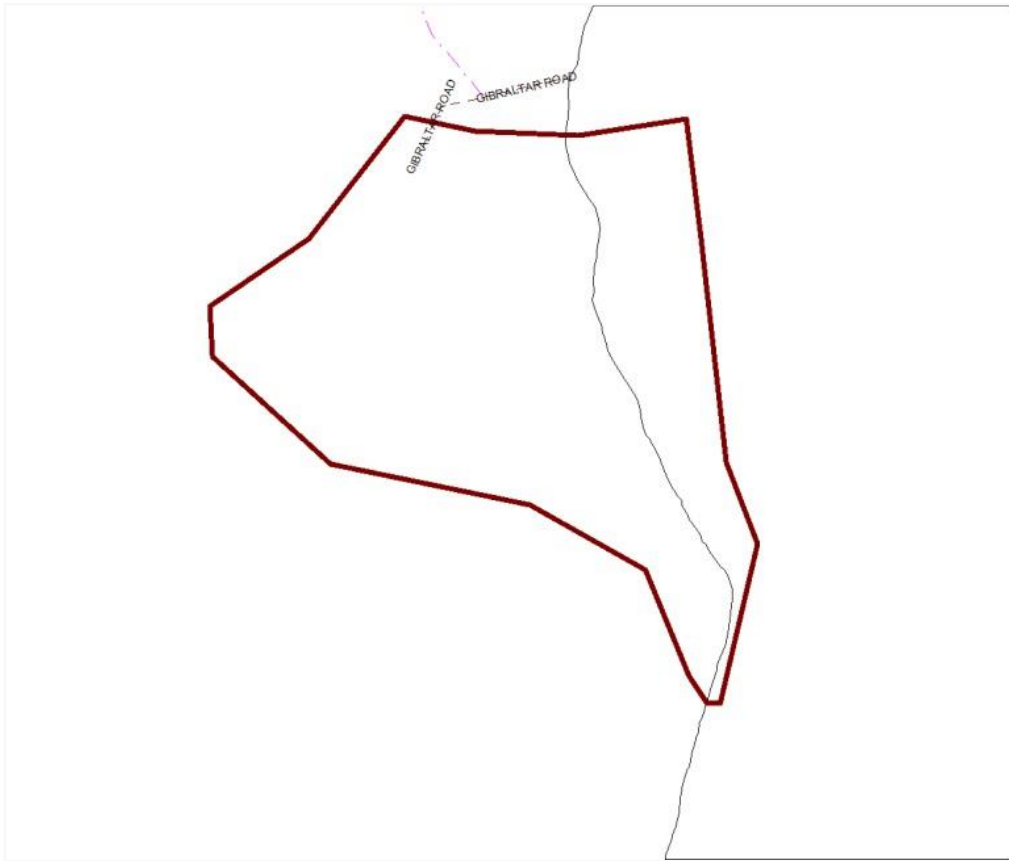
KAIRAKAU BEACH REFUSE COLLECTION ZONE



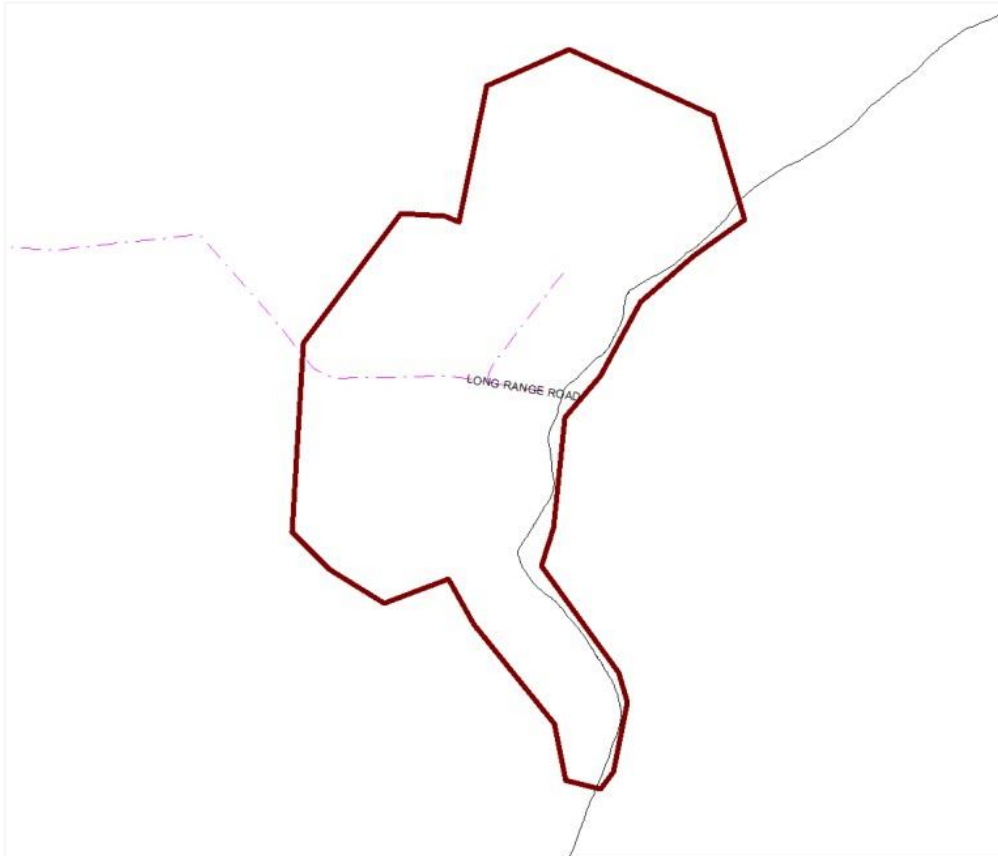
MANGAKURI BEACH REFUSE COLLECTION ZONE



ARAMOANA BEACH REFUSE COLLECTION ZONE



BLACKHEAD BEACH REFUSE COLLECTION ZONE



10. Te Aute Drainage Rate

Te Aute Drainage rates are set on all rateable area of rateable property within the designated area subject to a graduated scale for the purpose of funding the operations, loan charges and the repayment of loans for the Te Aute Drainage Scheme area.

The amount required and the classification is set by the Te Aute Drainage Committee.

Each hectare of land in each property is classified according to the susceptibility of that hectare to flooding as follows:

A (100 points), B (80 points), C (15 points), F (3 points), and G (0 points).

The total number of points is 73614. The total amount of funding required each year determines how much each of these points are worth. In this way, the total amount required is apportioned on a pro rata basis using the weightings on each hectare.

- The total amount of funding required for 2019/20 is \$17,250
- The amount per point is 23.43304 cents including GST..

The Te Aute drainage scheme area is defined by reference to the classification list establishing the graduated scale.

Valuation Number	Hectares in each classification				Total Points	Amount
	A (100pts)	B (80pts)	C (15pts)	F (3pts)		
1092000300	0	11.3	8.15	31.63	1,121	\$262.68
1092000800	0	32.83	74.69	23.42	3,817	\$894.44
1092000900	0	0	0.83	2.15	19	\$4.45
1092001001	77.96	16.65	11.94	17.95	9,361	\$2,193.57
1092001100	78.22	0	15.28	39.73	8,171	\$1,914.71
1092001107	0	0	18.02	68.04	474	\$111.17
1092001200	0	2.88	18.35	18.86	562	\$131.69
1092001201	0	20.25	19.15	12.31	1,944	\$455.54
1092001400	0	0	0	14.16	42	\$9.84
1092001600	0	0	0	10.12	30	\$7.03
1092001700	38.74	51.06	36.24	45.12	8,638	\$2,024.15
1092002100	188.81	0	0	23.93	18,953	\$4,441.26
1092002200	84.02	4.14	1.16	6.45	8,770	\$2,055.08
1092002300	41.02	5.2	20.43	22.8	4,893	\$1,146.58
1092002900	0	0	0	0.81	2	\$0.47
1092006100	0	84.44	0	20.77	6,817	\$1,597.43
Total	508.77	228.75	224.24	358.25	73,614	\$17,250.00

Approach to Rating

Rates are set and assessed under the Local Government (Rating) Act 2002 on all rateable rating units on the value of the land and improvements as supplied by Quotable Value New Zealand Limited. The last rating revaluation was carried out in September 2018 and is effective from 1 July 2019.

The objectives of the council's rating policy is to:

- (a) Spread the incidence of rates as fairly as possible
- (b) Be consistent in charging rates
- (c) Ensure all ratepayers pay their fair share for council services
- (d) Provide the income needed to meet the council's goals.

The Central Hawke's Bay District Council rating system provides for all user charges and other income to be taken into account first, with the rates providing the balance needed to meet the council's objectives.

Rating Base

The rating base will be the database determined by the contracted rating service provider. Because this database is constantly changing due to change of ownership, subdivision, regular revaluations, change of status from rateable to non-rateable (and reverse), the rating base is not described in detail in this policy.

Rating Information Database and Rates Records

Council's rating information database and rates records are available for public inspection at the Council offices in Waipukurau and Waipawa during normal office hours –

- Waipukurau (hours Monday – Friday 9am to 5.00pm)
- Waipawa (hours Monday – Friday 8am to 5.00pm)

Due Dates for Rate Payments

Pursuant to Section 24 of the Local Government (Rating) Act 2002 the following dates are proposed to apply for assessing the amount of each instalment of rates excluding metered water rates for the year 1 July 2019 to 30 June 2020. Each instalment will be assessed in four equal amounts, rounded.

INSTALMENT NUMBER	INSTALMENT START DATE	LAST DAY OF PAYMENT WITHOUT ADDITIONAL CHARGE	PENALTY DATE
1	1 July 2019	20 August 2019	21 August 2019
2	1 October 2019	20 November 2019	21 November 2019
3	1 January 2020	20 February 2020	21 February 2020
4	1 April 2020	20 May 2020	21 May 2020

Due Dates for Metered Water Rates

Pursuant to Section 24 of the Local Government (Rating) Act 2002 the following dates are proposed to apply for assessing the amount of metered water rates for the year 1 July 2019 to 30 June 2020. The assessment is applied to water users after the first 300 cubic metres of water without additional charge has been used as part of the Water Supply Rate.

AREA/USERS	WATER METERS READ DURING	LAST DAY OF PAYMENT
High Users	Monthly	20th month following
Waipukurau/Takapau	Sep-19	20-Oct-19
	Dec-19	20-Jan-20
	Mar-20	20-Apr-20
	Jun-20	20-Jul-20
Waipawa	Aug-19	20-Sep-19
Otane	Nov-19	20-Dec-19
Kairakau	Feb-20	20-Mar-20
Porangahau/Te Paerahi	May-20	20-Jun-20

Penalty Charges (Additional Charges on Unpaid Rates)

Pursuant to Section 58(1)(a) of the Local Government (Rating) Act 2002, an additional charge of 10% will be added on the penalty date above, to all amounts remaining unpaid for each instalment excluding metered water rates.

Pursuant to Section 58(1)(b) of the Local Government (Rating) Act, a further additional charge of 10% will be added on 1 July 2020 to the amount of rates assessed in previous financial years and remaining unpaid as at 30 June 2020 (Section 58(1)(b)) excluding metered water rates.

Payment Options

Rate payments on instalments are to be received by Council no later than 5.00pm on the last day of payment detailed above. Payment options include:

- Online through Internet Banking.
- Direct Debit.
- Automatic Payments via your bank account, or Telephone Banking.
- Cheque sent by Post.
- At Council Offices in Waipukurau (Hours Monday – Friday 9am to 5.00pm) or Waipawa (Hours Monday – Friday 8am to 5.00pm). We accept Cash, Cheque and Eftpos.
- Online by Credit Card from our website.

Lump Sum Contributions

Council will not accept lump sum contributions in respect of any targeted rate.

Rating Base Information

For all the rating units in the district, estimated for 30/06/2019

Number of Rating Units	7,741
Capital Value	5,605,009,150
Land Value	3,578,694,600

Annual Plan Disclosure Statement

What is the purpose of this statement?

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

The council is required to include this statement in its 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.

BENCHMARK	DESCRIPTION	PLANNED	MET
Rates affordability benchmark			
Income	LTP increase + 1% = 4.78%	20,770	Yes
Increases	LGCI + 3% = 5.20%	5.2%	Yes
Debt affordability benchmark	Debt must not exceed 5% of total public equity and accumulated funds.	5.0%	Yes
	Debt is less than \$2000 per head of population	2,000	Yes
Debt servicing benchmark	Debt servicing costs will not exceed 10% of total revenue.	10.0%	Yes
Balanced budget benchmark	Revenue is equal or greater than operation expenses	100.00	Yes
Essential services benchmark	Capital Expenditure is equal or greater than depreciation	100.00	Yes



*Together we Thrive!
E ora ngātahi ana!*

We are bringing
our vision for Central
Hawke's Bay alive to
create a proud and
prosperous district.

CENTRAL HAWKE'S BAY DISTRICT COUNCIL

www.chbdc.govt.nz • thrive@chbdc.govt.nz • 06 857 8060
PO Box 127 • 28 - 32 Ruataniwha Street, Waipawa 4210



**CENTRAL
HAWKE'S BAY**
DISTRICT COUNCIL

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