



**CENTRAL  
HAWKE'S BAY**  
DISTRICT COUNCIL



## Finance and Infrastructure Committee Agenda

Thursday, 27 February 2020

09:00 am

Council Chamber

28-32 Ruataniwha Street, Waipawa

*Together we Thrive! E ora ngātahi ana!*



## Order Of Business

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- 1 **APOLOGIES**
- 2 **DECLARATIONS OF CONFLICTS OF INTEREST**
- 3 **STANDING ORDERS**

**RECOMMENDATION**

THAT the following standing orders are suspended for the duration of the meeting:

- 21.2 Time limits on speakers
- 21.5 Members may speak only once
- 21.6 Limits on number of speakers

And that Option C under section 22 General procedures for speaking and moving motions be used for the meeting.

Standing orders are recommended to be suspended to enable members to engage in discussion in a free and frank manner.

**4 CONFIRMATION OF MINUTES**

Nil.

**4.1 COUNCIL WAIATA — HAU KAINGA WAIATA**

E RERE TE KAHU, KI RUNGA O TAMATEA

*The flight of the harrier hawk over Central Hawke's Bay*

TITIRO KI TAI RA, KI TE AKAU O ARAMOANA

*Look yonder towards the coastlines of Aramoana*

HAU KAINGA

*Our home*

E HURI KI UTA KE TE MAUNGA RUAHINE

*Circle round inland to the mountains Ruahines*

WHAKATOPO AKE RA, TE MANIA O RUATANIWHA

*Soar aloft above the plains of Ruataniwha*

HAU KAINGA

*Our home*

(repeat from top)

E RERE TE KAHU, KI RUNGA O TAMATEA

*The flight of the harrier hawk over Central Hawke's Bay*

HAU KAINGA, HAU KAINGA

*Our home*

(last line) E RERE TE KAHU

*The flight of the harrier hawk*

**4.2 ANIMAL CONTROL PRESENTATION**

Presented by Karen Mooney.



## **5 REPORT SECTION**

### **5.1 FINANCE AND INFRASTRUCTURE COMMITTEE MONITORING REPORT**

**File Number:** COU1-1410

**Author:** Monique Davidson, Chief Executive

**Authoriser:** Monique Davidson, Chief Executive

**Attachments:** Nil

#### **PURPOSE**

The purpose of this report is for the Finance and Infrastructure Committee to receive a report on the progress of key committee priorities.

#### **RECOMMENDATION**

**That, having considered all matters raised in the report, the report be noted.**

#### **SIGNIFICANCE AND ENGAGEMENT**

This report is provided for information purposes only and has been assessed as not significant.

#### **BACKGROUND**

Following the 2019 Triennial Local Body Elections, Council took the time to reset Council priorities, and agree on priorities for Committees.

The role of the Finance and Infrastructure Committee is:

- To assist Council to oversee financial and non-financial performance, including the delivery of the Council's Capital Programme.
- To monitor Council activities and services performance against budget, Annual Plans, the Long Term Plan, Annual Reports and corporate and financial policies.
- The Finance and Infrastructure Committee also receives enforcement and compliance performance activity reporting to ensure financial and non-financial performance oversight of its regulatory functions.
- To provide governance oversight of Council's operational programmes, services, activities and projects related to infrastructural assets.
- To enable the progress of the Council's operational activities, projects and services.

The Finance and Infrastructure Committee has delegations to:

- Develop and adopt plans, projects and policies that advance the Council's vision and goals in relation to its key Financial Strategy and Infrastructure Strategy while complying with the purpose of the Local Government.
- Monitoring the financial and non-financial performance of the organisation with a particular emphasis on the delivery of the capital works programme. implementation and effectiveness of strategies, plans and policies.
- Specifically monitor and provide oversight of significant projects, including reviewing business cases and agreed on next steps on significant projects.
- The Finance and Infrastructure Committee is responsible for assisting Council in its general overview of procurement and tender activity. The Committee will accept and consider tenders which exceed the Chief's Executive's delegated authority to approve, for projects approved by Council through an Annual Plan or Long Term Plan. The Committee will make a recommendation to Council on the outcome of a tender process for resolution when above delegations.
- The Finance and Infrastructure Committee has delegation to approve or award contracts beyond the Chief Executive's delegated authority within the parameters of approved AP/LTP Budgets up to \$4 million.

The Committee has delegations to establish a special committee, working group or community forum as needed.

## DISCUSSION

The monitoring report which provides an update on the key priorities of the committee is below:

Key Priority	Responsible Officer	Progress Update
<ul style="list-style-type: none"> <li>• Lead and monitor the Wastewater Treatment Plan projects for across Central Hawke's Bay.</li> </ul>	Darren de Klerk	An update for this is included in the Key Project Status Report in the Committee's agenda.
<ul style="list-style-type: none"> <li>• Monitor the implementation of #thebigwaterstory</li> </ul>	Darren de Klerk	An update for this is included in the Key Project Status Report in the Committee's agenda.
<ul style="list-style-type: none"> <li>• Complete and lead the Rates Review</li> </ul>	Brent Chamberlain	Stage 1 of the Rates Review was completed in September 2019. Stage 2 of the Rates Review will commence in March 2020, with the aim to be completed by June 2020 to allow for community consultation before the end of 2020 so that any changes to the Revenue and Financing Policy and the Rates Framework are included in the Long Term Plan 2021-2031.

Key Priority	Responsible Officer	Progress Update
<ul style="list-style-type: none"> <li>Monitor the implementation and progress of Provincial Growth Fund projects.</li> </ul>	Craig Ireson	<p>Given the significance of the projects, these projects will be reported through Key Project Status Reports in the future.</p> <p>The High Productivity Motor vehicle assessment project, and Route 52 upgrade projects are currently progressing well, with early funding being utilised to progress business case development.</p>
<ul style="list-style-type: none"> <li>Develop a Land Transport Strategic Framework and ensure governance input into the three-year business plan before NZTA submission.</li> </ul>	Josh Lloyd	Workshops will be led with Council throughout the first half of 2020, with the view to have a Land Transport Strategic Framework adopted by Council to inform the three-year business plan submission which needs to be completed by July 2020.
<ul style="list-style-type: none"> <li>Lead the review of the Financial Strategy and associated policies that input into the Long Term Plan 2021-2031.</li> </ul>	Brent Chamberlain	With the current focus on the development and completion of Annual Plan 2020/2021, focus will turn in the second quarter of 2020 on this work as part of the wider Long Term Plan 2021-2031 project.
<ul style="list-style-type: none"> <li>Review the current Treasury Policy – Investment, Debt and Liability Management policies.</li> </ul>	Brent Chamberlain	With the current focus on the development and completion of Annual Plan 2020/2021, focus will turn in the second quarter of 2020 on this work as part of the wider Long Term Plan 2021-2031 project.
<ul style="list-style-type: none"> <li>Monitor the implementation of the non-rateable income strategic framework.</li> </ul>	Monique Davidson	<p>Considerable effort continues to be given to the attraction of non-rateable income.</p> <p>With the Annual Plan 2020/2021 and Long Term Plan 2021-2031 opportunities will be given to align the work of this strategy with that of other projects.</p>

## IMPLICATIONS ASSESSMENT

This report confirms that the matter concerned has no particular implications and has been dealt with in accordance with the Local Government Act 2002. Specifically:

- Council staff have delegated authority for any decisions made;
- Council staff have identified and assessed all reasonably practicable options for addressing the matter and considered the views and preferences of any interested or affected persons (including Māori), in proportion to the significance of the matter;
- Any decisions made will help meet the current and future needs of communities for good-quality local infrastructure, local public services, and performance of regulatory functions in a way that is most cost-effective for households and businesses;

- Unless stated above, any decisions made can be addressed through current funding under the Long-Term Plan and Annual Plan;
- Any decisions made are consistent with the Council's plans and policies; and
- No decisions have been made that would alter significantly the intended level of service provision for any significant activity undertaken by or on behalf of the Council, or would transfer the ownership or control of a strategic asset to or from the Council.

## **NEXT STEPS**

The Finance and Infrastructure Committee will receive an updated monitoring report at its next meeting on the 23 April 2020.

## **RECOMMENDATION**

**That, having considered all matters raised in the report, the report be noted.**



## 5.2 KAIRAKAU WATER UPGRADE FUNDING

**File Number:** COU1-1410  
**Author:** Darren de Klerk, 3 Waters Programme Manager  
**Authoriser:** Monique Davidson, Chief Executive  
**Attachments:** Nil

### PURPOSE

The matter for consideration by the Committee is to approve that funding for the upgrade of the Kairakau water system is brought forward to this financial year.

### RECOMMENDATION FOR CONSIDERATION

**That having considered all matters raised in the report:**

**That the Finance and Infrastructure Committee approves Option One to bring forward the funding of \$549,218.00 for the Kairakau water upgrade from FY21/22 to FY19/20 for addressing the matter.**

### EXECUTIVE SUMMARY

Following supply interruptions and disruptions, Council officers request funding be brought forward to this financial year, and made available to allow the commencement of a project to upgrade the water supply in Kairakau to meet drinking water standards, supply requirements and ongoing community needs.

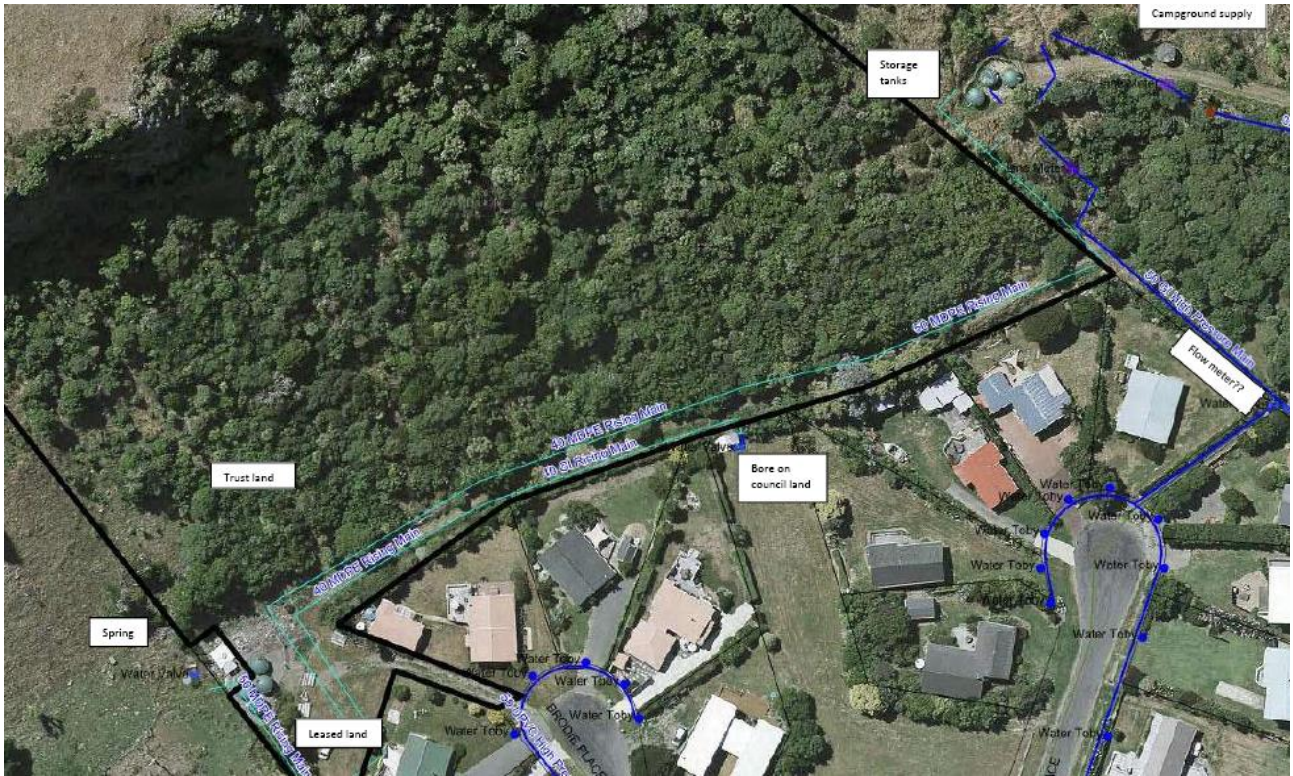
The expedition of funding will not have an impact on ratepayers due to the delay in the use of some other water funding, allowing no overall impact to the amount of funding that is loaned in the water activity.

### BACKGROUND

The Kairakau water supply scheme was installed in the mid-1950s, upgraded in the 1970s and expanded in 1993 to include the subdivision in Mananui Street, Kapiti Place and Brodie Place. A new subdivision was added in 2007 on John Ross Place. Originally the scheme only serviced the camping ground and the adjoining old holiday homes. Expansion of the scheme resulted from the pressure for development in the area. The scheme serves 83 properties, the public toilets, and the camping ground.

This scheme was initially intended to provide top-up water to on-site storage tanks with a minimum size of 1800 litres and which the property owners were to supply and maintain on each of the properties serviced. However, over the years, many of the consumers did away with their on-site tanks and relied on direct connections into their houses. This caused some conflict in recent years when the supply capacity failed to meet the instantaneous demand. In 2002 a campaign was mounted to required property owners to install individual on-site water storage, and all properties now have on-site storage.

Water is pumped from two sources – a spring and a bore – at the base of the hill behind Kairakau. Water is treated by chlorine disinfection and stored next to the pumping station. It is then pumped to four reservoirs on the hill. One reservoir serves the camping ground exclusively, and the other three reservoirs service the general consumers. Water is gravity fed to the reticulation.



## DISCUSSION

The supply has historically struggled to meet peak demands, and following an event in early January 2020, the bore supply suffered a failure, resulting in only the spring being active to supply the town at an extremely reduced rate.

Following investigations and the re-development of the bore, the bore was brought back into production. Some early investigation work has taken place to determine the supply capacity of these two sources.

Officers request the funding is brought forward to allow this investigatory work to continue to progress and following this an options assessment is proposed to determine where the best future location for the source and treatment may be moving forward. Once this is finalised, design and build works will take place.

The benefit of expediting funding will allow officers to take advantage of the next round of the Tourism Infrastructure Fund which opens in March 2020, which requires Council to contribute some funding to a project they are requesting is supported.

The drinking water assessment (DWA) unit, has made mention that although this supply has not come under scrutiny previously, it will be of focus to the DWA in future audits.

Additionally, following the event in January 2020, Council may have grounds through our insurers to claim for damage and subsequent works undertaken.

Council anticipates the project will be 'fit for purpose' and aims to complete the works by Dec 2020 to meet the upcoming summer demands.

## RISK ASSESSMENT AND MITIGATION

Risk remains with this site in its current state, through the following key areas;

- Ability to supply during peak periods
- Visibility on the system
- The basic treatment process and the robustness of the manual processes
- Compliance with the drinking water standards.

## FOUR WELLBEINGS

This project aligns extremely well with the four wellbeings, and officers anticipate this upgrade will add to each of the four wellbeings. Through the four wellbeings, Council places an intergenerational approach to improving quality of life outcomes in our towns. Largely aligned with our Project Thrive vision.

## DELEGATIONS OR AUTHORITY

The Finance and Infrastructure Committee holds the delegations to approve the bringing forward of funding. Following this approval, the project budget is \$549,218.00 and therefore, all procurement activities will sit within the delegations of the Executive Leadership Team.

## SIGNIFICANCE AND ENGAGEMENT

In accordance with the Council's Significance and Engagement Policy, this matter has been assessed of some significance, and engagement has started with the community during the supply outage events via numerous letters and Facebook updates.

Engagement with iwi via the Kairakau Lands Trust has commenced and will continue as the project progresses.

## OPTIONS ANALYSIS

**Option 1** that the Finance and Infrastructure Committee approves bringing forward the funding of \$549,218.00 for the Kairakau water upgrade from FY21/22 to FY19/20.

**Option 2** is for funding to remain in FY21/22 and Council to undertake a heightened operational overview on the water supply.

	<b><u>Option 1</u></b>	<b><u>Option 2</u></b>
	<b>That the Finance and Infrastructure Committee approves bringing forward the funding of \$549,218.00 for the Kairakau water upgrade from FY21/22 to FY19/20.</b>	<b>That funding remains in FY21/22 and Council undertakes a heightened operational overview on the water supply.</b>
<b>Financial and Operational Implications</b>	<p>No financial implications are expected on ratepayers, due to the delay in expenditure of the Waipukurau second water supply means that overall water loan funding remains the same.</p> <p>Option 1 will reduce the manual operation of the current plant, and we expect to have greater visibility and ability to comply on completion of this project.</p>	<p>No financial implications.</p> <p>Increased operational impact, as the maintenance and ongoing operational overview to ensure water supply and compliance is maintained.</p>
<b>Long Term Plan and Annual Plan Implications</b>	No implications.	No implications.

<b>Promotion or Achievement of Community Outcomes</b>	Consistent, with the ability to deliver faster than expected.	Consistent.
<b>Statutory Requirements</b>	<p>Consenting may be required if water take changes or replacement is required.</p> <p>Planning assessment may be needed if any designations are required.</p>	<p>Consenting may be required if water take changes or replacement is required.</p> <p>Planning assessment may be needed if any designations are required.</p>
<b>Consistency with Policies and Plans</b>	Consistent – but expedited.	Consistent.

### Recommended Option

This report recommends **Option 1 - requesting that the Finance and Infrastructure Committee approves bringing forward the funding of \$549,218.00 for the Kairakau water upgrade from FY21/22 to FY19/20** for addressing the matter.

### NEXT STEPS

Council will formally expedite the funding, and commence work to investigate options, alignment with other funding and insurance claim options, in preparation to design and build a solution that meets this community's needs.

### RECOMMENDATION

**That having considered all matters raised in the report:**

**That the Finance and Infrastructure Committee approves Option One to bring forward the funding of \$549,218.00 for the Kairakau water upgrade from FY21/22 to FY19/20 for addressing the matter.**



**5.3 DRAFT ANNUAL PLAN 2020/2021****File Number:** COU1-1410**Author:** Brent Chamberlain, Acting Chief Financial Officer**Authoriser:** Monique Davidson, Chief Executive**Attachments:** Nil**PURPOSE**

The matter for consideration by the Committee is to endorse and provide feedback on the direction proposed for the Draft Annual Plan 2020/2021.

**RECOMMENDATION FOR CONSIDERATION**

**That having considered all matters raised in the report:**

- 1. That the Draft Annual Plan 2020/2021 report be received.**
- 2. That the Finance and Infrastructure Committee endorse the direction of the draft Annual Plan.**
- 3. That Finance and Infrastructure Committee requests officers between now and April 2020 (when the Annual Plan will be adopted) to continue to refine the Plan for any assumptions that change due to circumstances between now and then.**
- 4. That officers ensure that the Annual Plan meets Council's prudential benchmark for a rates increase below 5.2%.**

**EXECUTIVE SUMMARY**

The matter for consideration by the Committee is to endorse and provide feedback on the direction proposed for the Draft Annual Plan 2020/2021.

**BACKGROUND**

In 2018 the Council's Long Term Plan (LTP) was adopted, providing the platform to transform Council's vision developed through Project Thrive into the organisation for delivery.

Council is currently in the process of setting its budget for the 2020/2021 year which corresponds to year 3 of the LTP.

In the two years since the LTP was adopted, Council has gained a better understanding of the condition of its assets through conditioning monitoring, developing an updated Asset Management Plan, and has undertaken investigations into alternative solutions to its 3 water infrastructure shortcomings.

Central Hawke's Bay has also experienced significant population growth and already exceeds the LTP projections of where the population would be in 2028. Central Hawke's Bay District Council has also undergone significant organisational and resourcing changes.

**DISCUSSION**

Officers have prepared a draft budget for 2020/2021 based on the following four principals:

1. The Capital Program to be budgeted be based on the Capital Program as laid out in the 2018-2028 Long Term Plan.
2. The budget be set based on the assumption that the current level of services enjoyed by the Central Hawke's Bay ratepayers be continued.
3. Officers include the additional financial resources required to meet Council's increasing compliance requirements such as drinking water standards, and health and safety.

4. Officers include the additional financial resources required to meet the increasing costs of non-controllable costs such as insurance premiums and utility charges.

This draft proposed budget indicates an increase in rating requirement compared to the 2019/2020 rate, currently being collected of:

General Rate (non-land transport related)	5.36%
General Rate (land transport related)	4.00%
Targeted Rate	<u>6.12%</u>
<b>OVERALL CHANGE</b>	<b>5.20%</b>

This is what the draft annual plan looks like in the FIS (Funding Impact Statement) format:

Row Labels	Long Term Plan 2021	Annual Plan 2020	Proposed Annual Plan 2021	Var LTP 2021 vs AP 2021	Var AP 2020 vs 2021
<b>Sources of Operating</b>	<b>-27,434,442</b>	<b>-26,986,818</b>	<b>-28,847,427</b>	<b>-1,412,984</b>	<b>-1,860,609</b>
General rates, uniform annual general charges and rates penalties	-13,581,482	-13,435,029	-14,066,395	-484,913	-631,366
Targeted rates	-7,799,733	-7,255,748	-7,700,013	99,719	-444,265
Subsidies and Grants for Operating Purposes	-2,690,049	-2,744,263	-2,714,376	-24,328	29,887
Fees, charges	-3,028,346	-3,215,654	-4,042,983	-1,014,637	-827,329
Interest and dividends from investments	-140,515	-139,835	-92,295	48,220	47,540
Local authorities fuel tax, fines, infringement fees and other receipts	-194,319	-196,289	-231,365	-37,046	-35,076
<b>Applications of Operating</b>	<b>19,527,266</b>	<b>19,881,481</b>	<b>21,344,448</b>	<b>1,817,182</b>	<b>1,462,967</b>
Payments to staff and suppliers	18,930,029	19,502,731	21,107,195	2,177,166	1,604,464
Finance costs	772,760	558,426	416,931	-355,829	-141,495
Other operating funding applications	-175,523	-179,676	-179,678	-4,155	-2
<b>Sources of Capital</b>	<b>-5,697,830</b>	<b>-14,254,040</b>	<b>-7,567,928</b>	<b>-1,870,098</b>	<b>6,686,112</b>
Subsidies and grants for capital expenditure	-4,663,080	-4,976,575	-4,851,767	-188,687	124,808
Gross proceeds from sale of assets	-35,424	-34,661	-34,661	763	0
Development and financial contributions	-21,972	-21,972	-106,972	-85,000	-85,000
Increase (decrease) in debt	-977,355	-9,220,832	-2,574,528	-1,597,173	6,646,304
<b>Applications of Capital</b>	<b>13,605,006</b>	<b>21,359,383</b>	<b>15,070,907</b>	<b>1,465,901</b>	<b>-6,288,476</b>
to meet additional demand	0	0	0	0	0
to improve the level of service	3,565,658	12,663,916	5,651,907	2,086,249	-7,012,009
to replace existing assets	9,760,731	9,537,899	9,554,194	-206,537	16,295
Increase (decrease) in reserves	0	0	0	0	0
Increase (decrease) of investments	278,617	-842,432	-135,194	-413,811	707,238
<b>Grand Total</b>	<b>0</b>	<b>6</b>	<b>0</b>	<b>0</b>	<b>-6</b>

And this is what impact the draft annual plan will have on the average rating unit:

	Town Residential			Farm - Finishing Stock			Commercial		
Rate Category	2019 / 2020	2020 / 2021	Var %	2019 / 2020	2020 / 2021	Var %	2019 / 2020	2020 / 2021	Var %
General	\$318	\$360	13.2%	\$2,536	\$2,647	4.4%	\$426	\$445	4.4%
Land Transport	\$213	\$222	4.0%	\$4,010	\$4,169	4.0%	\$369	\$384	4.0%
Refuse/Recycling	\$106	\$131	23.6%	-	-	-	\$106	\$131	23.6%
Sewage	\$933	\$891	(4.6%)	-	-	-	\$2,800	\$2,672	(4.6%)
Storm Water	\$238	\$293	23.2%	-	-	-	\$319	\$362	13.6%
Potable Water	\$722	\$796	10.3%	-	-	-	\$722	\$796	10.3%
UAC	\$278	\$288	3.5%	\$278	\$288	3.5%	\$278	\$288	3.5%
<b>TOTAL</b>	<b>\$2,809</b>	<b>\$2,980</b>	<b>6.1%</b>	<b>\$6,825</b>	<b>\$7,103</b>	<b>4.1%</b>	<b>\$5,020</b>	<b>\$5,077</b>	<b>1.1%</b>

These draft figures were presented to Council on the 12th December 2019, upon which the Council resolved that:

- a) *That the Draft Annual Plan Budget – 2020/21 report be received.*
- b) *That Council endorses the preparation of a final draft budget and requests that Officers continue to refine the Annual Plan budgets for adoption, based on the following five principals:*
  1. *The Capital Program to be budgeted be based on the Capital Program as laid out in the 2018-2028 Long Term Plan.*
  2. *The budget be set based on the assumption that the current level of services enjoyed by Central Hawke's Bay ratepayers be continued.*
  3. *Officers include the additional financial resources required to meet Council's increasing compliance requirements such as drinking water standards, and health and safety.*
  4. *Officers include the additional financial resources required to meet the increasing costs of non-controllable costs such as insurance premiums and utility charges.*
  5. *That officers ensure that the budget drafted meets Council's prudential benchmark for rates increase below 5.2% paying particular attention to reduction of targeted rates.*
- c) *That Officers begin the development an alternate engagement programme, outlining the key priorities of Council, recognising at this time that Council has indicated to Officers its intent to not formally consult in accordance with Section 95 (2A) of the Local Government Act 2002."*

Officers are currently refining the budget to meet the above resolution, and to adjust for known changes such as the Waipawa Theatre Lease not being renewed and this service being brought back in-house.

## **RISK ASSESSMENT AND MITIGATION**

Obviously when setting a Council budget, Officers and Councillors have to be mindful of what is affordable to the community, while on the other hand making sure that the goods and services the Council is delivering to the public are fit for purpose.

Post the Havelock North water incident, the regulations around the provision of drinking water have become a lot stricter, resulting in more testing and higher levels of treatment being required.

Central government has also had an increased focus on road safety and roading improvements, changing the focus of expenditure in land transport activities.

To remain compliant, Council has had to add additional resources into its budget, particularly in relation to water compliance. Failure to do so could have detrimental impacts on the health of the Central Hawke's Bay community and expose the Council to further prosecutions for regulation breaches.

## **FOUR WELLBEINGS**

This report and the draft Annual Plan and budget for 2020/2021 align with the delivery of the four wellbeings as follows:

- **Economic** – the budget has been set to minimise the impact of the rating change within the constraints of meeting regulatory requirements (health and safety and drinking/wastewater standards) and uncontrollable market conditions (such as insurance premiums being impacted by earthquakes in other regions).
- **Social** – the budget has endeavoured to maintain service levels at present levels ensuring services such as the provision of libraries, swimming pools, parks, senior housing, town halls and theatres will continue for the social benefit of all ratepayers and community.

- **Environmental** - The Council has made budgetary provisions to continue to support environmental initiatives such as waste minimisation, and continues to strive to meet all regulatory requirements for the protection of the District's environment.
- **Cultural** – Council has made provision in its budget to lift its performance of cultural engagement and where necessary external cultural advice can be procured.

## DELEGATIONS OR AUTHORITY

Section 95 of the Local Government Act 2002 states that:

1. A local authority must prepare and adopt an annual plan for each financial year.
2. Subject to subsection (2A), a local authority must consult in a manner that gives effect to the requirements of [section 82](#) before adopting an annual plan under this section.
  - 2a. Subsection (2) does not apply if the proposed annual plan does not include significant or material differences from the content of the long-term plan for the financial year to which the proposed annual plan relates.
3. An annual plan must be adopted before the commencement of the year to which it relates.

## SIGNIFICANCE AND ENGAGEMENT

In accordance with the Council's Significance and Engagement Policy, this matter has been assessed as of high significance as it impacts the financial wellbeing of the entire Central Hawke's Bay community.

## OPTIONS ANALYSIS

The Finance and Infrastructure Committee can choose to endorse the direction of the draft Annual Plan, or can recommend an alternative direction to pursue.

	<b><u>Option 1</u></b> <b>(Recommended option)</b> <b>Endorse the direction of the budget.</b>	<b><u>Option 2</u></b> <b>Reject the budget and ask for a rework.</b>
<b>Financial and Operational Implications</b>	Officers will continue to refine the budget between now and adoption, and prepare a communicate package to accompany it. The final budgetary impact on ratepayers will be an approximate 5.2% rate change.	Officers will start the budget process again and undertake the extensive rework that is required. This will have a heavy impact on internal resourcing and possibly delay other deliverables. The final budgetary impact on ratepayers is unknown.
<b>Long Term Plan and Annual Plan Implications</b>	Budget gets locked down earlier allowing officers to concentrate on other priorities such as delivering the existing LTP's road map.	The budget will require significant rework, possibly delaying other areas of work in order to meet the statutory deadlines of Annual Plan delivery.



<b>Promotion or Achievement of Community Outcomes</b>	This option is consistent with the feedback and consultation provided when developing the 2018/2028 LTP.	This option would allow for new/alternative community wishes to be explored that were not originally contained in the LTP when developed.
<b>Statutory Requirements</b>	Mets the requirements of the Local Government Act 2020 assuming section 95A of the Act is invoked.	Meets the requirements of the Local Government Act 2020.
<b>Consistency with Policies and Plans</b>	The draft proposed budget is consistent with year 3 of the adopted LTP.	The consistency with year 3 of the LTP is unknown.

### Recommended Option

This report recommends Option 1 “Endorse the direction of the budget” for addressing this matter.

### NEXT STEPS

On the basis the recommendation is adopted, Officers will continue to refine the Annual Plan for 2020/2021 based on Councillor feedback and any new information that comes to light between now and the Plan's eventual adoption and the development of an engagement programme.

### RECOMMENDATION

That having considered all matters raised in the report:

1. That the Draft Annual Plan 2020/2021 report be received.
2. That the Finance and Infrastructure Committee endorse the direction of the draft Annual Plan.
3. That the Finance and Infrastructure Committee requests officers between now and April 2020 (when the Annual Plan will be adopted) continue to refine the Plan for any assumptions that change due to circumstances between now and then.
4. That officers ensure that the Annual Plan meets Council's prudential benchmark for a rates increase below 5.2%.

## 5.4 FEES AND CHARGES 2020/21

**File Number:** COU1 - 1410

**Author:** Brent Chamberlain, Acting Chief Financial Officer

**Authoriser:** Monique Davidson, Chief Executive

**Attachments:** 1. Schedule of Fees and Charges 2020-21 [↓](#) 

### PURPOSE

The matter for consideration by the Committee is the adoption of the Fees and Charges for 2020/21.

### RECOMMENDATION FOR CONSIDERATION

That having considered all matters raised in the report:

1. That the Finance and Infrastructure Committee adopts the Fees and Charges for the financial year dated 2020/21 as set out in Attachment 1.
2. That Council give notice pursuant to Section 103 of the Local Government Act 2002 of its intention to prescribe the fees payable for the period 1 July 2020 to 30 June 2021 in respect of certificates, authorities, approvals, consents, and services given or inspections made by the Council under the Local Government Act 2002, the Building Act 2004, the Building (Infringement Offences, Fees, and Forms) Regulations 2007, the Amusement Devices Regulations 1978, the Resource Management Act 1991, Health (Registration of Premises) Regulations 1966, Sale and Supply of Alcohol (Fees) Regulations 2013, the Gambling Act 2003, the Burial and Cremation Act 1964, and the Central Hawke's Bay District Council Bylaws as set out in the Fees and Charges Schedule 2020/21.

### BACKGROUND

As part of the Annual Plan, Council has reviewed the Schedule of Fees and Charges as part of the Annual Plan consultation process.

The fees and charges noted in the schedule for 2020/21 relate to certificates, approvals, consents, and services given or inspections made by the Council under the Local Government Act 2002, the Building Act 2004, the Building (Infringement Offences, Fees, and Forms) Regulations 2007, the Amusement Devices Regulations 1978, the Resource Management Act 1991, Health (Registration of Premises) Regulations 1966, Sale and Supply of Alcohol (Fees) Regulations 2013, the Gambling Act 2003, the Burial and Cremation Act 1964, and the Central Hawke's Bay District Council Bylaws as set out in the Schedule of Fees and Charges 2020/21.

Council is required under Section 103 of the Local Government Act 2002, to give notice of its fees and charges payable for the period 1 July 2020 to 30 June 2021 as part of the Revenue and Financing Policy.

### DISCUSSION

As part of the review of fees and charges, Officers have considered whether Revenue and Financing Policy is being met and therefore, whether a change in fees and charges was required.

For the majority of fees and charges, officers are recommending either no change or an inflationary adjustment to be made.

Where the activity is not recovering sufficient costs and isn't currently fully meeting the Revenue and Financing Policy, the fee increases being proposed exceed inflation. This is the case for Retirement Housing Rentals.

At a workshop on Fees and Charges held on the 13th February 2020, Retirement Housing Rentals were discussed and the fact that the rentals currently being charged are well below market rentals, and that with increased regulations Council's costs have increased beyond the rental returns.

Three options were discussed and officers are recommending the option to increase rentals by an average of 6%, which is still well below market rentals, but takes into account tenant affordability. This option has been reflected in the *Fees and Charges Schedule* attached. The Retirement Housing service is subject to a full S17a review later in the year.

Some of our Council's Fees and Charges are set by regulations, or are influenced by Central Government policy (such as waste minimisation and the carbon credit scheme). The charges in these areas are largely out of Council's hands and have seen some of the larger increases year on year.

## **RISK ASSESSMENT AND MITIGATION**

Officers have been mindful to, where possible, keep increases to inflation.

However, Officers have also tried to ensure that Council's Revenue and Financing Policy has been adhered to ensuring that the charges for activities follow the benefit and beneficiary of the activity, rather than falling on the general ratepayer.

Officers have also been mindful of the various pieces of legislation governing the various Council activities, to ensure that Council is in adherence with these pieces of legislation with these proposed changes.

## **FOUR WELLBEINGS**

Fees and Charges have been set with the affordability of the end-user and local economy in mind, while at the same time ensuring that the charges for activities follow the benefit and beneficiary of the activity, rather than falling on the general ratepayer.

Some of the fees and charges (such as those in the solid waste area) have been influenced by Central Government Policies, where New Zealand is a participant in the Paris Climate Agreement and has agreement to reduce its carbon dioxide emissions. This is being done through a Carbon Emissions Trading Scheme where polluters are being encouraged to reduce emissions through price.

## **DELEGATIONS OR AUTHORITY**

Council has the ability to set its fees and charges under the Local Government Act 2002, the Building Act 2004, the Building (Infringement Offences, Fees, and Forms) Regulations 2007, the Amusement Devices Regulations 1978, the Resource Management Act 1991, Health (Registration of Premises) Regulations 1966, Sale and Supply of Alcohol (Fees) Regulations 2013, the Gambling Act 2003, the Burial and Cremation Act 1964, and the Central Hawke's Bay District Council Bylaws.

## **SIGNIFICANCE AND ENGAGEMENT**

In accordance with the Council's Significance and Engagement Policy, this matter has been assessed as significant because it has a material impact on the Council's abilities to deliver the services included in the Long Term Plan.

## **OPTIONS ANALYSIS**

Council has three options.

Option 1 is to approve the Fees and Charges for the financial year dated 2020/21 as set out in Attachment 1.

Option 2 is to retain the current fee structure.

Option 3 is to ask for more work to be done on the proposed fees and charges structure, and for this to come back to a future Council meeting for adoption.

	<b><u>Option 1</u></b>	<b><u>Option 2</u></b>	<b><u>Option 3</u></b>
	<b>Adopt Proposed Fees and Charges as set out in Attachment 1.</b>	<b>Retain Current Fee Structure.</b>	<b>Request Rework on Proposed Fees and Charges.</b>
<b>Financial and Operational Implications</b>	This option ensures that Council is able to meet the budgets within the Annual Plan.	This option will see Council under recover costs in some areas, and is likely to result in an overall deficit at year end.	This option ensures that Council is able to meet the budgets within the Annual Plan, but will require additional officer time.
<b>Long Term Plan and Annual Plan Implications</b>	This is consistent with the Annual Plan 2020/21.	This is unlikely to meet the Annual Plan 2020/21.	This is consistent with the Annual Plan 2020/21.
<b>Promotion or Achievement of Community Outcomes</b>	This aligns with the Council's Community Outcomes.	This aligns with the Council's Community Outcomes.	This aligns with the Council's Community Outcomes.
<b>Statutory Requirements</b>	Council is required to adopt the Fees and Charges prior to charging the fees based on the legislative requirements that the Fees and Charges are set under.	Council is required to adopt the Fees and Charges prior to charging the fees based on the legislative requirements that the Fees and Charges are set under.	Council is required to adopt the Fees and Charges prior to charging the fees based on the legislative requirements that the Fees and Charges are set under.
<b>Consistency with Policies and Plans</b>	This aligns with the Council's Community Outcomes and Central Government's Policies.	This could cause breaches of Council's Revenue and Financing Policy, and won't be consistent with Central Government's messaging.	This aligns with the Council's Community Outcomes and Central Government's Policies.

### Recommended Option

This report recommends Option 1 to adopt the proposed Fees and Charges as set out in Attachment 1. for addressing the matter.



**NEXT STEPS**

Following the approval of the Schedule for Fees and Charges, from the 1st July 2020, the Fees and Charges will be updated on all forms and on the website.

**RECOMMENDATION**

1. That the Finance and Infrastructure Committee adopts the Fees and Charges for the financial year dated 2020/21 as set out in Attachment 1.
2. That Council give notice pursuant to Section 103 of the Local Government Act 2002 of its intention to prescribe the fees payable for the period 1 July 2020 to 30 June 2021 in respect of certificates, authorities, approvals, consents, and services given or inspections made by the Council under the Local Government Act 2002, the Building Act 2004, the Building (Infringement Offences, Fees, and Forms) Regulations 2007, the Amusement Devices Regulations 1978, the Resource Management Act 1991, Health (Registration of Premises) Regulations 1966, Sale and Supply of Alcohol (Fees) Regulations 2013, the Gambling Act 2003, the Burial and Cremation Act 1964, and the Central Hawke's Bay District Council Bylaws as set out in the Fees and Charges Schedule 2020/21.

## Schedule of Fees and Charges

### Leadership and Governance Group

There are no applicable charges in this activity area.

### Planning and Regulatory Group

Resource Management	excl GST	GST	incl GST
<b>Notes:</b> <ul style="list-style-type: none"> <li>Pursuant to Section 36, 36(1) and 36(3) of the Resource Management Act 1991, Council may require the person who is liable to pay one or more of the below charges, to also pay an additional charge to recover actual and reasonable costs in respect of the matter concerned.</li> <li>These set fees relate to the minimum administration charge only. The actual fee payable includes the cost of time taken to process each application, memorandum, consent, certificate or schedule and the cost of the inspections required.</li> <li>Extra charges will be applicable for development contributions. These will be assessed on a case by case basis. Please contact Council for exact costs.</li> </ul>			
<b>Land Use and Subdivision Consents</b>			
Notified Applications (Deposit)	\$ 3,478.26	\$ 521.74	\$ 4,000.00
Non Notified Applications (Deposit)	\$ 869.57	\$ 130.43	\$ 1,000.00
Deemed Permitted Boundary Activity (s87AAB)	\$ 156.52	\$ 23.48	\$ 180.00
Fast-Track Application (s87AAC) (Deposit)	\$ 695.65	\$ 104.35	\$ 800.00
Variation of Conditions of Consents (s127)(Deposit)	\$ 869.57	\$ 130.43	\$ 1,000.00
Extension of Time Application (s125) (Deposit)	\$ 695.65	\$ 104.35	\$ 800.00
Certificate of Compliance (s139) (Deposit)	\$ 521.74	\$ 78.26	\$ 600.00
Designations and heritage orders (New and alterations) (deposit)	\$ 1,304.35	\$ 195.65	\$ 1,500.00
Notice of Requirement (Deposit)	\$ 1,043.48	\$ 156.52	\$ 1,200.00
Outline Plan of Works (s176A) (Deposit)	\$ 521.74	\$ 78.26	\$ 600.00
ROW application (S348 LGA) (Deposit)	\$ 521.74	\$ 78.26	\$ 600.00
Bond Administration Fee	\$ 130.43	\$ 19.57	\$ 150.00
Inspection Fee – Zone 1	\$ 178.26	\$ 26.74	\$ 205.00
Inspection Fee – Zone 2	\$ 186.96	\$ 28.04	\$ 215.00
Inspection Fee – Zone 3	\$ 204.35	\$ 30.65	\$ 235.00
Inspection Fee – Zone 4	\$ 230.43	\$ 34.57	\$ 265.00
Inspection Fee – Outside Zone 4	\$ 260.87	\$ 39.13	\$ 300.00
Travel Costs (per km)	\$ 0.87	\$ 0.13	\$ 1.00
Sale of Liquor Certificate (RMA)	\$ 86.96	\$ 13.04	\$ 100.00
Objection of RMA decisions (Section 357)	\$ 869.57	\$ 130.43	\$ 1,000.00
<b>Subdivisions</b>			
Subdivision Consents 1-8 Lots (Deposit)	\$ 1,043.48	\$ 156.52	\$ 1,200.00
Subdivision Consents more than 8 Lots (Deposit)	\$ 2,086.96	\$ 313.04	\$ 2,400.00

Subdivision Compliance Fee (section 223 and/or 224 Resource Management Act 1991)	\$ 347.83	\$ 52.17	\$ 400.00
Subdivision Compliance Fee (section 223 and/or 224 Resource Management Act 1991) - more than 10 lots	\$ 1,304.35	\$ 195.65	\$ 1,500.00
Consent Notices and miscellaneous subdivision documents (ie: section 223 and/or 224 Resource Management Act 1991)	\$ 434.78	\$ 65.22	\$ 500.00
Consent Notices and miscellaneous subdivision documents (ie: Deamalgamation Certification s241(3), Cancellation of Easement s243(e), Certificate Confirming Allotments s226(e)(ii)	\$ 130.43	\$ 19.57	\$ 150.00
Monitoring and Compliance			
Monitoring fee (per hour)	\$ 143.48	\$ 21.52	\$ 165.00
Engineering Plan Approval	Actual and reasonable costs		
Chargeout Rates per Hour			
Administration	\$ 117.39	\$ 17.61	\$ 135.00
Planner, compliance and monitoring	\$ 143.48	\$ 21.52	\$ 165.00
Senior Planner	\$ 152.17	\$ 22.83	\$ 175.00
Manager, Team Leader and Engineers	\$ 169.57	\$ 25.43	\$ 195.00
Administrative Charges			
Supply of documents	Photocopying costs		
District Plan Charges			
Private District Plan Change (Deposit)	\$ 13,043.48	\$ 1,956.52	\$15,000.00
Designations and heritage orders (New and alterations) (deposit)	\$ 1,304.35	\$ 195.65	\$1,500.00
District Plan (including Planning Maps) Hardcopy	Actual and reasonable costs		
District Plan (including Planning Maps) Electronic	\$43.48	\$6.52	\$50.00
Sec 224 12 Month Maintenance Bond for subdivision works equal to 5% of the cost of the construction works.			

### Building Consents

#### NOTES:

- Building consent deposit payable on application.
- The actual fee payable includes the cost of time taken to process each application, project information memorandum, building consent or compliance schedule and the cost of the inspections required.
- Extra charges will be applicable for development contributions. These will be assessed on a case by case basis. Please contact Council for exact costs.
- Deposits are based on adequate documentation being provided to Council at the time of application and a set number of inspections. Further charges will be incurred should further work be required during processing and issuing consent or should extra inspections be required.
- It is anticipated that the scheduled deposit will cover some of Council's actual and reasonable expenses. Where additional costs are incurred, the applicant will be charged accordingly. Where, upon issue of a Code of Compliance Certificate, the deposit is found to exceed the actual and reasonable cost, a refund will be made.

- Building Research Association and MBIE levies are additional to the below at the rates specified from time to time by the Association.
- Pursuant to Building Research Association Legislation, materials, labour and plant costs must be included in the total value of building work for the calculation of levies.
- The accreditation fee is to cover continuing Central Government accreditation costs relating to the Building Act 2004.

<b>Consent Fees</b>	<b>excl GST</b>	<b>GST</b>	<b>incl GST</b>
Solid Fuel Burner – Free Standing (including accreditation fee) (deposit) plus travel fees	\$230.43	\$34.57	\$265.00
Solid Fuel Burner – In Built (including accreditation fee) (deposit) plus travel fees	\$313.04	\$46.96	\$360.00
Marquee Consent / Inspection Fee	\$156.52	\$23.48	\$180.00
Minor plumbing and drainage works including new connections, replacement septic tanks and effluent fields, demolition work and swimming pool fences (deposit)	\$330.43	\$49.57	\$380.00
Additions and alterations or similar building works up to value of \$50,000 (deposit)	\$621.74	\$93.26	\$715.00
Dwellings, commercial/industrial buildings and building alterations, repiling and in ground pools (deposit)	\$1,060.87	\$159.13	\$1,220.00
Pole Barn / Garage / Carport / Conservatory under \$20,000 (deposit)	\$695.65	\$104.35	\$800.00
Semi-Permanent Awnings	\$130.43	\$19.57	\$150.00
Amendment to building consent (deposit)	\$434.78	\$65.22	\$500.00

<b>Administrative Charges</b>	<b>excl GST</b>	<b>GST</b>	<b>incl GST</b>
Administration Fee – under \$20,000	\$243.48	\$36.52	\$280.00
Administration Fee – over \$20,000	\$452.17	\$67.83	\$520.00
Administration Fee – over \$100,000 and commercial buildings	\$634.78	\$95.22	\$730.00
Issue of Compliance Schedule	\$239.13	\$35.87	\$275.00
Compliance Schedules charge per specified system	\$8.70	\$1.30	\$10.00
Non Consented Compliance Schedules / Warrant of Fitness check (per specified system) hourly rate	\$139.13	\$20.87	\$160.00
Building Warrant of Fitness Administration Fee/Audit Fee (per hour)	\$130.43	\$19.57	\$150.00
Inspection Fee – Zone 1	\$178.26	\$26.74	\$205.00
Inspection Fee – Zone 2	\$186.96	\$28.04	\$215.00
Inspection Fee – Zone 3	\$204.35	\$30.65	\$235.00
Inspection Fee – Zone 4	\$230.43	\$34.57	\$265.00
Inspection Fee – Outside Zone 4	\$260.87	\$39.13	\$300.00
Re-Inspection Fee	As per Zone Fee		
Inspections for which no other fee has been paid (mileage will be charged for inspections outside the district) - eg effluent system subdivision inspections	\$260.87	\$39.13	\$300.00
BRANZ and MBIE Levy	Actual cost		
Section 72 administration (Building subject to natural hazards)	\$347.83	\$52.17	\$400.00

Section 75 administration and Certification (Building across 2 or more allotments)	\$347.83	\$52.17	\$400.00
Central Government Accreditation Recovery Fee – under \$20,000	\$30.43	\$4.57	\$35.00
Central Government Accreditation Recovery Fee – under \$100,000	\$60.87	\$9.13	\$70.00
Central Government Accreditation Recovery Fee – over \$100,000	\$108.70	\$16.30	\$125.00
Central Government Accreditation Recovery Fee – Commercial	\$160.87	\$24.13	\$185.00
Hourly Charge Out Rate - Administration	\$117.39	\$17.61	\$135.00
Hourly Charge Out/Processing Rate - Building Consent Officer/Monitoring and Compliance	\$147.83	\$22.17	\$170.00
Hourly Charge Out Rate - Plan check of building consent	\$147.83	\$22.17	\$170.00
Hourly Charge Out Rate - Pre-lodge of building consent	\$147.83	\$22.17	\$170.00
Hourly Charge Out/Processing Rate - Building Control Team Lead	\$169.57	\$25.43	\$195.00
Simpli Consent Fee	Actual Cost – to be set by Simpli based on building cost		
GoGet Administration Fee - all consents	\$43.48	\$6.52	\$50.00
Travel Costs (per km)	\$0.87	\$0.13	\$1.00
Peer review of engineering reports	Actual Cost		
Property File Request	\$30.43	\$4.57	\$35.00

GIS Map Information		excl GST	GST	incl GST
<b>Every Day Map Requests (No Photograph)</b> – Note – A request that involves less than 15 minutes to produce				
	A4	\$8.70	\$1.30	\$10.00
	A3	\$12.17	\$1.83	\$14.00
	A2	\$21.74	\$3.26	\$25.00
	A1	\$26.09	\$3.91	\$30.00
<b>Every Day Map Requests (With Photograph)</b> – Note – A request that involves less than 15 minutes to produce				
	A4	\$17.39	\$2.61	\$20.00
	A3	\$24.35	\$3.65	\$28.00
	A2	\$43.48	\$6.52	\$50.00
	A1	\$52.17	\$7.83	\$60.00
<b>Special Map Request Charges</b>				
<b>Note:</b> <ul style="list-style-type: none"> <li>Specialised maps are those which require new layers to be added, minor analysis work and/or specialised printing techniques. In addition to the printing charges outlined above there is a charge based on actual time taken plus any disbursements.</li> </ul>				
Hourly charge out rate		\$143.48	\$21.52	\$165.00
Minimum charge for specialist maps		\$69.57	\$10.43	\$80.00

Information Memoranda	excl GST	GST	incl GST
Property Information Memoranda	\$313.04	\$46.96	\$360.00
Land Information Memoranda – ten (10) working days (Residential Property)	\$291.30	\$43.70	\$335.00
Land Information Memoranda (Commercial)	\$521.74	\$78.26	\$600.00
Certificate of Title	\$30.43	\$4.57	\$35.00

Monitoring and Compliance	excl GST	GST	incl GST
Certificate of Public Use	\$304.35	\$45.65	\$350.00
	Plus actual and reasonable costs		
Certificate of Acceptance	\$434.78	\$65.22	\$500.00
	Plus actual and reasonable costs		
Applications for Change of use of a building	\$434.78	\$65.22	\$500.00
	Plus actual and reasonable costs		
Compliance Inspection for existing fence (deposit)	\$173.91	\$26.09	\$200.00

Noise Complaints	excl GST	GST	incl GST
<b>Note:</b> <ul style="list-style-type: none"> <li>Pursuant to Section 36(1) and 36(3) of the Resource Management Act 1991, Council may require the person who is liable to pay one or more of the below charges, to also pay an additional charge to recover actual and reasonable costs in respect of the matter concerned.</li> </ul>			
Seizure charge for noise emission equipment	\$173.91	\$26.09	\$200.00
Abatement Notice Fee	\$52.17	\$7.83	\$60.00



<b>Registration of Premises</b>	<b>excl GST</b>	<b>GST</b>	<b>incl GST</b>
<b>Annual Registration of Premises</b>			
Food premises / Food control plans	\$356.52	\$53.48	\$410.00
Verification Fee- hourly rate	\$134.78	\$20.22	\$155.00
Prepacked food only/low risk	\$182.61	\$27.39	\$210.00
Re-inspection for failure to comply / failure of CAR hourly rate	\$134.78	\$20.22	\$155.00
Offensive Trades: Operating under Schedule 3 of Health Act 1956	\$178.26	\$26.74	\$205.00
Hairdressers Registration	\$139.13	\$20.87	\$160.00
Camping Grounds	\$182.61	\$27.39	\$210.00
Funeral Directors	\$182.61	\$27.39	\$210.00
Animal Sale Yards	\$182.61	\$27.39	\$210.00
Transfer of Registration	\$95.65	\$14.35	\$110.00
Registration of event on public / open space (Small)	\$65.22	\$9.78	\$75.00
Registration of event on public / open space (Medium / Large)	\$139.13	\$20.87	\$160.00
Street tables and chairs	\$182.61	\$27.39	\$210.00
Food Control Plan Registration	\$182.61	\$27.39	\$210.00
National Programme Registration	\$95.65	\$14.35	\$110.00
Food Control Plan Renewal	\$95.65	\$14.35	\$110.00
National Programme Renewal	\$65.22	\$9.78	\$75.00
<b>Other Applications</b>			
Sale of Liquor Certificate (Building)	\$65.22	\$9.78	\$75.00
<b>Other Applications</b>			
Complaint driven investigation resulting in issue of improvement notice by food safety officer	\$130.43	\$19.57	\$150.00
Application for review of issue of improvement notice	\$130.43	\$19.57	\$150.00
Monitoring of food safety and suitability, i.e. at an event	\$130.43	\$19.57	\$150.00

<b>Liquor</b>	<b>excl GST</b>	<b>GST</b>	<b>incl GST</b>
<b>Note:</b>			
▪ Fees set by Regulation under Sale and Supply of Alcohol Act 2012			
<b>Application Fees</b>			
Very low risk application	\$320.00	\$48.00	\$368.00
Low risk application	\$530.00	\$79.50	\$609.50
Medium risk application	\$710.00	\$106.50	\$816.50
High risk application	\$890.00	\$133.50	\$1,023.50
Very high risk application	\$1,050.00	\$157.50	\$1,207.50
<b>Annual Fees</b>			
Very low risk application	\$140.00	\$21.00	\$161.00
Low risk application	\$340.00	\$51.00	\$391.00
Medium risk application	\$550.00	\$82.50	\$632.50
High risk application	\$900.00	\$135.00	\$1,035.00
Very high risk application	\$1,250.00	\$187.50	\$1,437.50
<b>Special Licence Applications</b>			
Class 1 – 1 large event, more than 3 medium events or more than 12 small events	\$500.00	\$75.00	\$575.00
Class 2 – 1 to 3 medium events or 3 to 12 small events	\$180.00	\$27.00	\$207.00
Class 3 – 1 to 2 small events	\$55.43	\$8.32	\$63.75
<b>Other Applications</b>			
Managers Certificate Application	\$275.00	\$41.25	\$316.25
Temporary Authority / Temporary Licence	\$258.00	\$38.70	\$296.70
Permanent Club Charters annual fee	\$550.00	\$82.50	\$632.50
Extract from registrar	\$50.00	\$7.50	\$57.50
Sale of Liquor Certificate (Building)	\$65.22	\$9.78	\$75.00
District Licensing Committee Costs	At actual costs		

<b>Hawkers, Pedlars, Itinerant Traders, Markets and Street Stalls</b>	excl GST	GST	incl GST
<b>Trading Licence (Public Places)</b>			
Hawker/Itinerant Trader License	\$43.48	\$6.52	\$50.00
Lease/Rent of private land or buildings	\$173.91	\$26.09	\$200.00
Markets – Event Organisers – seasonal	\$65.22	\$9.78	\$75.00
Markets – Food Stall Holder – seasonal	\$21.74	\$3.26	\$25.00
Street Stalls, Raffle Days, Street Collections - Non Commercial	No permit fee is required		

<b>Vehicle Stands</b>	excl GST	GST	incl GST
<b>Licences For Vehicle Stands On Streets (Omnibus and Taxicabs)</b>			
Application	\$173.91	\$26.09	\$200.00
Annual Rental	\$100.00	\$15.00	\$115.00

<b>Amusement Devices and Shooting Galleries</b>	excl GST	GST	incl GST
<b>Note:</b> <ul style="list-style-type: none"> <li>The Permit Fee for Amusement Devices is in addition to any Ground Rental etc that may be required.</li> </ul>			
<b>Amusement Devices Permit Fees</b>			
For one device, for the first 7 days of proposed operation or part thereof	\$10.00	\$1.50	\$11.50
For each additional device operated by the same owner, for the first 7 days or part thereof	\$2.00	\$0.30	\$2.30
For each device for each further period of 7 days or part thereof	\$1.00	\$0.15	\$1.15
Annual Fixed Amusement Facility	\$100.00	\$15.00	\$115.00

<b>Class 4 Gaming Licensing</b>	excl GST	GST	incl GST
<b>Note:</b> <ul style="list-style-type: none"> <li>Pursuant to the Gambling Act 2003.</li> </ul>			
Application Fee	\$217.39	\$32.61	\$250.00
License Inspection Fee	\$130.43	\$19.57	\$150.00

<b>Skateboard and Bicycle Confiscation</b>	excl GST	GST	incl GST
Return of confiscated skateboards and bicycles	\$43.48	\$6.52	\$50.00

<b>Advertising Signs</b>	<b>excl GST</b>	<b>GST</b>	<b>incl GST</b>
<b>Hoardings and Signs</b>			
Application and Permit	As for resource consents		
Annual Licence Fees (per m <sup>2</sup> or part thereof per month)	\$1.74	\$0.26	\$2.00

<b>Animal Control</b>	<b>excl GST</b>	<b>GST</b>	<b>incl GST</b>
<b>Early Payment Discount:</b> A discount of <b>\$10.00</b> is only available for those registrations paid prior to 1 <sup>st</sup> July each year.			
<b>Note:</b> <ul style="list-style-type: none"> <li>Proportionate fees apply for Dog Registration from 1<sup>st</sup> August for all dogs legally required to be registered from that date and pups that turn 3 months of age after that date.</li> </ul>			
<b>Dog Registration</b>			
Town Dogs	\$97.39	\$14.61	\$112.00
Responsible Dog Owner	\$66.52	\$9.98	\$76.50
Rural Dogs	\$48.70	\$7.30	\$56.00
Responsible Dog Owner Property Inspection	\$43.48	\$6.52	\$50.00
Pensioner / Gold Card Dog Owner	\$33.04	\$4.96	\$38.00
Dangerous Dog	150% of the applicable registration category		
Penalty for payment received after 1 August	\$21.74	\$3.26	\$25.00
<b>Dog Impounding</b>			
First impounding	\$65.22	\$9.78	\$75.00
Second impounding	\$78.26	\$11.74	\$90.00
Third impounding	\$113.04	\$16.96	\$130.00
Daily charge	\$13.91	\$2.09	\$16.00
After hours opening fee	\$43.48	\$6.52	\$50.00
<b>Other charges</b>			
Microchipping	\$13.04	\$1.96	\$15.00
Replacement tags	\$4.35	\$0.65	\$5.00
Collars – Large	\$8.70	\$1.30	\$10.00
Collars – Small	\$8.70	\$1.30	\$10.00

<b>Ranging Charges</b>			
<b>Note:</b> <ul style="list-style-type: none"> <li>Pursuant to the Impounding Act 1955.</li> </ul>			
Staff attendance at incidents of stock on roads including State Highways (per hour)	\$217.39	\$32.61	\$250.00
Travel Costs (per km)	\$0.87	\$0.13	\$1.00
Minimum charge	\$86.96	\$13.04	\$100.00

Impounding fees for stock (excluding dogs)	excl GST	GST	incl GST
<b>Note:</b> <ul style="list-style-type: none"> <li>Trespass rates shall be additional and as described in the Regulations to the Impounding Amendment Act 1980.</li> </ul>			
Impounding for every animal per day	\$17.39	\$2.61	\$20.00
Sustenance for every animal per day	\$13.91	\$2.09	\$16.00
Notice to owner by post or delivery	\$13.04	\$1.96	\$15.00
Notice to owner by advertisement[s]	At cost		
Transport to Pound [By transport operators or other]	At cost		
Transport to Pound [By Council]	At cost		
Transport to Pound [By driving]	At cost		
Minimum charge for any impounding	\$173.91	\$26.09	\$200.00
Minimum Charge for second and subsequent impounding of stock from same owner -additional fee.	\$217.39	\$32.61	\$250.00

Bylaws and Compliance	excl GST	GST	incl GST
Attendance at bylaw breaches	\$173.91	\$26.09	\$200.00
Travel Costs (per km)	\$0.87	\$0.13	\$1.00
Minimum charge	\$173.91	\$26.09	\$200.00

Parking Fees	excl GST	GST	incl GST
<b>Note:</b> <ul style="list-style-type: none"> <li>Fixed by the Land Transport Act (Schedule B, Part 1 - Offences parking wardens may enforce)</li> </ul>			
Not more than 30 minutes but less than an hour	\$10.43	\$1.57	\$12.00
More than 30 minutes, but less than 1 hour	\$13.04	\$1.96	\$15.00
More than 1 hour, but less than 2 hours	\$18.26	\$2.74	\$21.00
More than 2 hours, but less than 4 hours	\$26.09	\$3.91	\$30.00
More than 4 hours, but less than 6 hours	\$36.52	\$5.48	\$42.00
More than 6 hours	\$49.57	\$7.43	\$57.00
Unlawfully on disability carpark	\$130.43	\$19.57	\$150.00
Parking on or within 6 metres of an intersection	\$52.17	\$7.83	\$60.00
Parking on or near a pedestrian crossing	\$52.17	\$7.83	\$60.00
Parking on broken yellow lines	\$52.17	\$7.83	\$60.00
Double Parking	\$52.17	\$7.83	\$60.00
Inconsiderate Parking	\$52.17	\$7.83	\$60.00
Parking on a clearway	\$52.17	\$7.83	\$ 60.00
Parking on a bus-only lane	\$52.17	\$7.83	\$ 60.00
All other parking offences	\$34.78	\$5.22	\$ 40.00
Towage Fee	\$10.43	\$1.57	\$ 12.00

## Land Transport Group

<b>Vehicle Crossings</b>	<b>excl GST</b>	<b>GST</b>	<b>incl GST</b>
<b>Notes:</b> <ul style="list-style-type: none"> <li>Vehicle crossings must be installed by a contractor approved by the Council. Council must approve the design and location of crossing prior to installation. Full cost must be paid by the applicant.</li> <li>The applicant shall supply to the Council an estimate of the cost of the vehicle crossing along with a bond of 150% of the estimate prior to approval to construct being granted by the Council. The estimate must be not more than 30 days old and must be provided by a Contractor acceptable to Council.</li> <li>Bond is refundable.</li> <li>The vehicle crossing must be constructed within 12 months of being granted the approval to proceed or the Council will construct the crossing using the bond.</li> <li>Extra charges will be applicable for development levies. These will be assessed on a case by case basis. Please contact Council for exact costs.</li> </ul>			
Administration Fee payable at time of Vehicle Crossing application	\$178.35	\$26.75	\$205.10
Bond Administration Fee	\$50.76	\$7.61	\$58.37

<b>Plans and Consents</b>	<b>excl GST</b>	<b>GST</b>	<b>incl GST</b>
Generic Traffic Management Plan (annual fee)	\$1,396.96	\$209.54	\$1,606.50
Individual Traffic Management Plan	\$130.43	\$19.57	\$150.00
Corridor Access Request	\$260.87	\$39.13	\$300.00
Corridor Access Request with Traffic Management Plan	\$347.83	\$52.17	\$400.00
Generic Overweight Permit	\$217.39	\$32.61	\$250.00
Individual Overweight Permit	\$130.43	\$19.57	\$150.00

<b>Temporary Road Closure</b>	<b>excl GST</b>	<b>GST</b>	<b>incl GST</b>
Application	\$356.69	\$53.50	\$410.19
Road Inspection Staff (per inspection)	\$232.83	\$34.92	\$267.75
Travel Costs (per km)	\$0.93	\$0.14	\$1.07

<b>Road Stopping</b>	<b>excl GST</b>	<b>GST</b>	<b>incl GST</b>
Application	\$1,739.13	\$260.87	\$2,000.00

<b>Livestock Crossing Permit</b>	<b>excl GST</b>	<b>GST</b>	<b>incl GST</b>
Application	\$176.95	\$26.54	\$203.49



<b>Licence to Occupy – Road Reserve</b>	<b>excl GST</b>	<b>GST</b>	<b>incl GST</b>
<b>Note:</b> <ul style="list-style-type: none"><li>Pursuant to section 150 of the Local Government Act 2002.</li></ul>			
Application Fee	No Charge		
Annual Licence Fee (up to one acre (4000m <sup>2</sup> ))	No Charge		
Annual Licence Fee (larger than one acre (4000m <sup>2</sup> ))	No Charge		

## Solid Waste Group

### NOTES:

The following conditions apply to all trade refuse users of the landfill and transfer stations:

- The disposal of Special wastes (as defined in the landfill management plan) at the landfill requires the Waste Generator to complete the “Special Waste Questionnaire” and “Waste Profile Declaration”. Special waste will be only accepted after Council’s approval of the application.
- Hazardous waste, Prohibitive waste and Trade waste (as defined in Council’s Solid Waste Bylaw) will not be accepted at Council facilities.
- Council will invoice commercial users at appropriate intervals. The assessment of volumes of refuse for charging will be based on the volume of refuse in the vehicle, not the compacted volume in the landfill. Council’s assessment of volumes will be final.
- Unless agreed with Council NO truckloads of trade refuse or loads of clean fill greater than 0.2m<sup>3</sup> will be accepted at the transfer stations. Such loads may be accepted at the landfill and will be charged for separately at the landfill charge.
- Unless agreed with Council or the landfill operator no after hour access is allowed to the landfill or transfer stations. No keys to the landfill or transfer stations will be issued.

Special/Difficult Refuse is waste that is bulky, lightweight or requiring immediate burying due to containing offensive odour, or is easily windblown, attractive to vermin, has health implications, contains asbestos, or as required by the Council or landfill operator.

\* based on \$20/tonne Waste Levy contribution (excluding GST) and \$41.65/tonne carbon credits (GST exempt). These prices are subject to change during the year based on third party pricing.

Landfill - Refuse	excl GST	Waste Min Levy	GST	Carbon credits	incl GST
(minimum charge of \$60.00)					
Standard Refuse (per tonne)	137.00	\$20.00*	\$23.55	\$41.65*	\$222.20
Special/Difficult Refuse (per tonne)	Actual Costs of disposal (Min standard refuse rate charge)				
Landfill Key Tag Bond	\$17.39	N/A	\$2.61	N/A	\$20.00
Landfill Admin Fee for Manual Dockets	\$43.48	N/A	\$6.52	N/A	\$50.00
Transfer Station - Refuse	excl GST	GST		incl GST	
Car	\$15.65	\$2.35		\$18.00	
Van or ute with a contained load being either a Wheelie bin/drum/small wool sack/up to 2 bags	\$15.65	\$2.35		\$18.00	
Utilities and Vans	\$28.70	\$4.30		\$33.00	
Trailers up to 2.0m long up to 1m high	\$28.70	\$4.30		\$33.00	
Utilities and Trailers up to 2.0m loaded above 1m high (Base Fee per 2.0m trailer 1m Height Fee plus additional for each extra 0.5m of additional height)	Additional \$15.65	Additional \$2.35		Additional \$18.00	
Trailers up to 2.6m long up to 1m high	\$43.48	\$6.52		\$50.00	

Trailers up to 2.6m loaded above 1m high (Base Fee per 2.6m trailer 1m Height Fee plus additional for each extra 0.5m of additional height)	Additional \$29.57	Additional \$4.43	Additional \$34.00
Trailers larger than above	Per cubic metre rate		
Flat Deck Truck	Landfill or pre agreed measured m <sup>3</sup> rate		
Other Truck	Landfill or pre agreed measured m <sup>3</sup> rate		
Per cubic metre (compacted)	\$ 87.83	\$ 13.17	\$ 101.00
Per cubic metre (not compacted)	\$ 41.74	\$ 6.26	\$ 48.00
Weighed load at Transfer Station (incl. weigh fee)	\$40.00 + per tonne fee		
Vehicle and Trailer	Charged for both individually		
Mixed loads	Charged at refuse rate		
Car Bodies	Not Accepted		
Concrete (per cubic metre)	\$ 69.57	\$ 10.43	\$ 80.00
<b>Steel</b>			
Minimum Charge	\$ 17.39	\$ 2.61	\$ 20.00
Utilities and Trailers up to 2.0m	\$ 39.13	\$ 5.87	\$ 45.00
Trailers over to 2.0m	\$ 52.17	\$ 7.83	\$ 60.00
<b>Electronic</b>			
Television (Old)	\$ 34.78	\$ 5.22	\$ 40.00
Television (flat screen)	\$ 21.74	\$ 3.26	\$ 25.00
Monitor (old)	\$ 17.39	\$ 2.61	\$ 20.00
Monitor (new flat screen)	\$ 12.17	\$ 1.83	\$ 14.00
Printer/Scanner (small)	\$ 15.65	\$ 2.35	\$ 18.00
Printer/Scanner (large)	\$ 43.48	\$ 6.52	\$ 50.00
Laptops and Tablets	\$ 5.22	\$ 0.78	\$ 6.00
Photocopier Small/Medium	\$ 43.48	\$ 6.52	\$ 50.00
Photocopier Large	\$ 60.87	\$ 9.13	\$ 70.00
Small Appliances/Drills/Alarm Clocks/Cameras	\$ 6.09	\$ 0.91	\$ 7.00
Heaters/Fans	\$ 6.09	\$ 0.91	\$ 7.00
Vacuums	\$ 10.43	\$ 1.57	\$ 12.00
Microwaves	\$ 10.43	\$ 1.57	\$ 12.00
DVD/VCR players	\$ 8.70	\$ 1.30	\$ 10.00
Stereo Systems and Gaming Consoles	\$ 6.09	\$ 0.91	\$ 7.00
Stereo Speakers per unit	\$ 3.48	\$ 0.52	\$ 4.00
Washing Machines/Dryers/Dishwashers	\$ 25.22	\$ 3.78	\$ 29.00
Fridges/Freezers	\$ 39.13	\$ 5.87	\$ 45.00
Keyboards and Docking Stations	\$ 3.48	\$ 0.52	\$ 4.00
Electric Bike Batteries	\$ 26.09	\$ 3.91	\$ 30.00
<b>Paint</b>			
Paint (up to 4 litre can)	\$ 1.74	\$ 0.26	\$ 2.00
Paint (over 4 litre can)	\$ 3.48	\$ 0.52	\$ 4.00

<b>Transfer Station – Greenwaste</b>	<b>excl GST</b>	<b>GST</b>	<b>incl GST</b>
Car	\$ 11.30	\$ 1.70	\$ 13.00
Wheelie bin/ drum/ small wool sack / up to 2 bags	\$ 11.30	\$ 1.70	\$ 13.00
Utilities and Vans	\$ 21.74	\$ 3.26	\$ 25.00
Trailers up to 2.0m long up to 1m high	\$ 21.74	\$ 3.26	\$ 25.00
Utilities and Trailers up to 2.0m loaded above 1m high (Base Fee per 2.0m trailer 1m Height Fee plus additional for each extra 0.5m of additional height)	Additional \$11.30	Additional \$1.70	Additional \$13.00
Trailers up to 2.6m long up to 1m high	\$ 29.57	\$ 4.43	\$ 34.00
Trailers up to 2.6m loaded above 1m high (Base Fee per 2.6m trailer 1m Height Fee plus additional for each extra 0.5m of additional height)	Additional \$15.65	Additional \$2.35	Additional \$18.00
Trailers larger than above	Per cubic metre rate		
Flat Deck Truck	Measured m <sup>3</sup> rate		
Other Truck	Pre agreed m <sup>3</sup> rate		
Per cubic metre	\$ 30.43	\$ 4.57	\$ 35.00
Vehicle and Trailer	Charged for both individually		
Mixed loads	Charged at refuse rate		

Tyre Disposal	excl GST	GST	incl GST
Car	\$8.70	\$1.30	\$10.00
Motorcycle	\$8.70	\$1.30	\$10.00
4x4	\$13.04	\$1.96	\$15.00
Truck	\$17.39	\$2.61	\$20.00
Tractor	\$43.48	\$6.52	\$50.00
Tyres on rims	2 x individual tyre charge		
Refuse bags / Recycling bin Charges (Recommended Retail Price)			
Refuse Bag – 35 litre	\$1.65	\$0.25	\$1.90
Refuse Bag – 60 litre	\$2.00	\$0.30	\$2.30
Refuse Bag 35 litre (Box)	\$739.13	\$110.87	\$850.00
Refuse Bag 60 Litre (Box)	\$869.57	\$130.43	\$1,000.00
Recycling Bin	\$21.74	\$3.26	\$25.00
Unauthorised dumping - Council will prosecute persons caught dumping rubbish unlawfully.			
Staff time for investigating and clearing per hour	\$130.43	\$19.57	\$150.00
Travel Costs (per km)	\$1.74	\$0.26	\$2.00
Minimum Charge	\$173.91	\$26.09	\$200.00

## Water Services Group

Water Supply	excl GST	GST	incl GST
<b>Charges for Water</b>			
<b>Notes:</b> <ul style="list-style-type: none"> <li>▪ Extraordinary users may be charged by private arrangement with Council.</li> <li>▪ Quarterly water billing will apply for metered water users.</li> <li>▪ Extra charges will be applicable for development levies. These will be assessed on a case by case basis. Please contact Council for exact costs.</li> </ul>			
Tankered water (taken from standpipes) per m <sup>3</sup>	\$3.35	\$0.50	\$3.85
<b>Note:</b> <i>- for information only as this charge is a rate and is set as a rate</i>			
Water to metered properties per m <sup>3</sup>	\$2.30	\$0.35	\$2.65
<b>Common Charges</b>			
<b>Note:</b> <ul style="list-style-type: none"> <li>▪ Water Connections from the Council main, to and including the toby and/or meter manifold must be installed by a contractor approved by Council for the installation of water connections, at the applicant's expense.</li> </ul>			
Application fee	\$117.39	\$17.61	\$135.00
Installation Administration fee	\$173.91	\$26.09	\$200.00
Inspection fee	\$117.39	\$17.61	\$135.00
Debt Recovery - hourly rate	\$117.39	\$17.61	\$135.00
Restrictor Fee (Plus actual costs)	\$117.39	\$17.61	\$135.00
	Plus actual costs		
Installation of testable Backflow Preventer	Contractors cost		
Maintenance and Annual Testing Fees	Contractors cost		
Disconnections and Reconnections	Contractors cost		
Reconnection following Council imposed disconnection	Contractors cost		
New Connections	Contractors cost		

**Wastewater (Sewerage) Group**

Sewerage	excl GST	GST	incl GST
New Connections			
Notes: <ul style="list-style-type: none"><li>Sewerage connections must be installed by a contractor approved by the Council for the installation of sewerage connections. Connections at the applicant’s expense.</li><li>Extra charges will be applicable for development levies. These will be assessed on a case by case basis. Please contact Council for exact costs.</li></ul>			
Application fee	\$117.39	\$17.61	\$135.00
Installation Administration fee	\$173.91	\$26.09	\$200.00
Inspection fee	\$117.39	\$17.61	\$135.00
New Connections	Contractors cost		
Disconnections and Reconnections	Contractors cost		
Reconnection following Council imposed disconnection	Contractors cost		
Existing Connections			
Note: <ul style="list-style-type: none"><li>Work and repair to existing connections to Council sewer main. All physical work associated with repair at applicant’s expense.</li></ul>			
Inspection fee	\$114.78	\$17.22	\$132.00

<b>Discharge of Trade Waste</b>				
<b>Note:</b> <ul style="list-style-type: none"> <li>Charges for the discharge of Trade Waste and conditions thereof are recovered under the Central Hawke's Bay District Council Trade Waste Bylaw 2006. The following charges are provided in Schedule 1D of the Bylaw.</li> </ul>				
<b>B Trade Waste Charges</b>				
<b>Category</b>	<b>Description</b>	<b>excl GST</b>	<b>GST</b>	<b>incl GST</b>
B1 Volume	Payment based on the volume discharged \$/m3	\$0.23	\$0.03	\$0.26
B3 Suspended solids	ISS - Payment based on the mass of suspended solids \$/kg	\$1.64	\$0.25	\$1.89
B3 Suspended solids	VSS - Payment based on the mass of suspended solids \$/kg	\$0.23	\$0.03	\$0.26
B4 Organic loading	Biochemical oxygen demand or chemical oxygen demand \$/kg.	\$1.71	\$0.26	\$1.97
B5 Nitrogen	Payment based on the defined form(s) of nitrogen \$/kg.	\$2.57	\$0.38	\$2.95
B6 Phosphorous	Payment based on the defined form(s) of phosphorous \$/kg.	\$8.50	\$1.27	\$9.77
<b>Tanker Waste Charges</b>				
Tanker Wastes (\$/m <sup>3</sup> )		\$0.018	\$0.003	\$0.021



## Storm Water Group

<b>Storm Water</b>	<b>excl GST</b>	<b>GST</b>	<b>incl GST</b>
<b>New Connections</b>			
<b>Note:</b> <ul style="list-style-type: none"> <li>Storm water connections must be installed by a contractor approved by the Council for installation of storm water connections. Connections at the applicant's expense.</li> <li>Connections to a Council piped stormwater system will incur an Installation Administration fee.</li> </ul>			
Application fee	\$117.39	\$17.61	\$135.00
Inspection fee	\$117.39	\$17.61	\$135.00
Installation Administration fee	\$173.91	\$26.09	\$200.00
<b>Existing Connections</b>			
<b>Note:</b> <ul style="list-style-type: none"> <li>Work and repair to existing connections to Council's storm water drain, kerb and channel, or open drain. All physical work associated with repair at applicant's expense.</li> </ul>			
Inspection fee	\$114.78	\$17.22	\$132.00

## Recreation and Community Facilities Group

Parks and Reserves	excl GST	GST	incl GST
Changing Rooms (per season)	\$217.39	\$32.61	\$250.00
Junior Fields (all – per season)	\$-	\$-	\$-
Senior Fields (all – per season)	\$217.39	\$32.61	\$250.00
<b>Districtwide Parks</b>			
Casual hire – field/area (per day) major codes (additional games, tournaments, etc), social clubs, service clubs, schools	\$56.52	\$8.48	\$65.00
Key Bond	\$86.96	\$13.04	\$100.00
Commerical Event Bond (eg circus)	\$869.57	\$130.43	\$1,000.00
Special Opening or Closing of Gate	\$65.22	\$9.78	\$75.00
Rubbish Bin Supply and Removal	\$10.43	\$1.57	\$12.00
Other Service required including reline marking, cleaning, rubbish removal – actual cost per hour including vehicle	\$34.78	\$5.22	\$40.00
Wedding Ceremonies	\$-	\$-	\$-
<b>Pourerere Beach Freedom Camping</b>			
<b>Note:</b> <ul style="list-style-type: none"> <li>For permits issued for a one-week period between the 20th December and 6th February each summer. At all other times <b>no</b> fee applies.</li> </ul>			
Booking Administration Fee	\$30.43	\$4.57	\$35.00

Library Charges	excl GST	GST	incl GST
<b>Notes:</b> <ul style="list-style-type: none"> <li>All residents of Central Hawke's Bay have free membership.</li> </ul>			
<b>Rental Books</b>			
Standard Free Issue	Free		
Rental Book - Category A (4 weeks)	\$0.87	\$0.13	\$1.00
Rental Book - Category B (4 weeks)	\$0.78	\$0.12	\$0.90
Rental Book - Category C (4 weeks)	\$0.70	\$0.10	\$0.80
Rental Book - Category D (4 weeks)	\$-	\$-	\$-
Rental Book - Category E (4 weeks)	\$-	\$-	\$-
<b>Rental Book Automatic Renewal Fee - Where item not returned within issue period</b>			
Rental Book Renewal Fee - Category A (4 weeks)	\$0.87	\$0.13	\$1.00
Rental Book Renewal Fee - Category B (4 weeks)	\$0.78	\$0.12	\$0.90
Rental Book Renewal Fee - Category C (4 weeks)	\$0.70	\$0.10	\$0.80
Rental Book Renewal Fee - Category D (4 weeks)	\$-	\$-	\$-
Rental Book Renewal Fee - Category E (4 weeks)	\$-	\$-	\$-
Magazines	\$0.87	\$0.13	\$1.00
Magazines - Teens and Students	Free		

Magazines - Older	Free		
Holds - up to 1 week	Free		
Library Request books from libraries with reciprocal agreement	\$8.70	\$1.30	\$10.00
Library Request books from other libraries	\$21.74	\$3.26	\$25.00
Books for Sale	Library Services Manager Discretion		
Lost books (Adults Content)	Replacement item cost plus \$5.50 processing fees		
Lost books (Children's Content)	Replacement item cost only		
Printing			
A4 Single Sided per sheet	\$0.17	\$0.03	\$0.20
A4 Double Sided per sheet	\$0.35	\$0.05	\$0.40
A4 Colour Single Sided	\$1.30	\$0.20	\$1.50
A3 Single Sided per sheet	\$0.35	\$0.05	\$0.40
A3 Double Sided per sheet	\$0.70	\$0.10	\$0.80
A3 Colour Single Sided	\$2.61	\$0.39	\$3.00
Scanning for first page	Free		
Scanning for extra pages	Free		
Aotearoa Peoples Network Kaharoa printing - per page (black and white)	\$0.17	\$0.03	\$0.20
Aotearoa Peoples Network Kaharoa printing - per page (colour)	\$0.43	\$0.07	\$0.50
3D Printing charged per gram	\$0.10	\$0.01	\$0.11
A4 size - laminating	\$1.74	\$0.26	\$2.00
A3 size - laminating	\$3.48	\$0.52	\$4.00
DVD Rental			
DVDs Set - 3 week issue	\$6.09	\$0.91	\$7.00
DVDs Restricted - 3 week issue	\$6.09	\$0.91	\$7.00
DVDs Category A - 1 week issue	\$4.35	\$0.65	\$5.00
DVDs Category B - 1 week issue	\$3.91	\$0.59	\$4.50
DVDs Category C - 1 week issue	\$-	\$-	\$-
DVDs Restricted - 1 week issue	\$4.35	\$0.65	\$5.00
School DVD's - 1 week all categories	Free		
DVD Automatic Renewal Fee - Where item not returned within issue period			
DVDs Set - 3 week issue	\$6.09	\$0.91	\$7.00
DVDs Restricted - 3 week issue	\$6.09	\$0.91	\$7.00
DVDs Category A - 1 week issue	\$4.35	\$0.65	\$5.00
DVDs Category B - 1 week issue	\$3.91	\$0.59	\$4.50
DVDs Category C - 1 week issue	\$-	\$-	\$-
DVDs Restricted - 1 week issue	\$4.35	\$0.65	\$5.00
School DVD's - 1 week all categories	Free		
Room Hire			
Waipawa Meeting room rental - Commercial (day)	\$43.48	\$6.52	\$50.00

Waipawa Library Meeting room - Not for profit	Free		
Waipawa Library Meeting - Regular Meetings	Library Services Manager Discretion		
Miscellaneous			
Replacement Library Cards	\$2.17	\$0.33	\$2.50
Book Covering	\$3.48	\$0.52	\$4.00
Bond for temporary membership	\$17.39	\$2.61	\$20.00
Book Bags	\$1.74	\$0.26	\$2.00
Road Code Bond	\$8.70	\$1.30	\$10.00
Aotearoa Peoples Network Kaharoa Internet Access	Free		

### Cemeteries and Crematoria

#### Notes:

Fees include 'burial plot fees' plus 'interment fees' and potentially 'other cemetery fees'

- The sale of reserve plots is restricted to one and then only in conjunction with the burial of a member of the same family. (With each application a standard form is filled out so that an accurate record of the reserve plot is kept. A copy of this form is also forwarded to the local Funeral Director.)

Those persons who have reserved plots on behalf of another person or for family members cannot reserve a further plot until the original reserved plots are used.

Pursuant to section 10 (4) of the Burial and Cremation Act 1964 the exclusive right of burial will lapse after sixty (60) years. All plots not used after 60 years will be offered for re-sale following deliberate effort to trace the purchaser or descendants thereof.

- The cost of general grounds maintenance in the cemetery including mowing plots in the lawn cemetery areas is carried out by Council and paid for in the Burial Plot Fee. However, maintenance of headstones, fences, concrete-work, etc on any plot is the responsibility of the deceased's descendants and relatives.

<u>Burial Plot Fees</u>	excl GST	GST	incl GST
Adult	\$739.13	\$110.87	\$850.00
Children under 13 (children’s plot)	No charge		
Baby -Waipukurau Cemetery Memorial only	No charge		
Lawn Ashes	\$239.13	\$35.87	\$275.00
Crematorium Garden Plot	\$239.13	\$35.87	\$275.00
Crematorium Family Garden Area (8 plots - where available)	\$2,173.91	\$326.09	\$2,500.00
Crematorium Family Garden Area (10 plots- where available)	\$2,608.70	\$391.30	\$3,000.00
RSA Burial or RSA Ashes Plots	No charge		
<u>Interment Fees</u>			
Standard	\$782.61	\$117.39	\$900.00
Children under 13 and Babies	No charge		
Ashes	\$217.39	\$32.61	\$250.00
<u>Other Cemetery Fees</u>			
Memorial Plaque on Wall (Takapau Cemetery)	\$86.96	\$13.04	\$100.00
Transfer of Burial Rights	\$43.48	\$6.52	\$50.00

Double Depth (more than one burial where ground permits). This fee is additional to the interment fee.	\$217.39	\$32.61	\$250.00
Breaking Concrete	Actual Cost		
Afterhours - Afterhours fees will apply to interments that begin after 1.00pm Saturday and 4.00pm on weekdays. This fee is additional to the interment fee. There are no interments on Sundays or Public Holidays.	\$652.17	\$97.83	\$750.00
Disinterment	Actual Costs		
Monumental Permit Fee - A monumental permit is required for all work to a headstone, including repairs and new headstones and plaques, including ashes garden plaques within the cemetery.	\$43.48	\$6.52	\$50.00
District-wide Reservations (maximum of one adjoining plot at the time of interment)	200% of the current plot fee		
Manual Records Search Fee - per entry (per hour) plus actual costs	\$130.43	\$19.57	\$150.00

Retirement Housing		excl GST	GST	incl GST
<b>Notes:</b> <ul style="list-style-type: none"> <li>Retirement housing rentals have been included in the Fees and Charges Schedule purely for review and information purposes. They do not form part of the Special Order procedures.</li> <li>New tenancies that occur during the year, may be negotiated at rentals which exceed the below.</li> <li>Rentals are reviewed annually.</li> <li>Residential Rents are GST exempt supplies and therefore do not include GST</li> </ul>				
<b>Kingston Place Waipawa or Ruahine Place Waipukurau (per week)</b>	Single Occupancy	\$124.00	\$-	\$124.00
	Married Occupancy	\$139.00	\$-	\$139.00
With Council owned and maintained heat pump	Single Occupancy	\$137.00	\$-	\$137.00
	Married Occupancy	\$152.00	\$-	\$152.00
<b>Wellington Road Waipukurau (per week)</b>	Single Occupancy	\$139.00	\$-	\$139.00
	Married Occupancy	\$149.00	\$-	\$149.00
With Council owned and maintained heat pump	Single Occupancy	\$152.00	\$-	\$152.00
	Married Occupancy	\$162.00	\$-	\$162.00

Central Hawke's Bay Municipal Theatre	excl GST	GST	incl GST
Notes: See terms and conditions for inclusions to room hire			
*See below unless pre-agreed rate *The Places and Open Spaces Manager has the discretion to establish new fees and charges for events, catering and other beverages as required.			
<b><u>Stephenson Transport Auditorium (Large Venue)*</u></b>			
Community Organisations/Fundraisers/Schools per hour	\$86.96	\$13.04	\$100.00
Community Organisations/Fundraisers/Schools Full Day	\$608.70	\$91.30	\$700.00
Corporate Organisations/Private Events per hour	\$152.17	\$22.83	\$175.00
Corporate Organisations/Private Events Full Day	\$1,130.43	\$169.57	\$1,300.00
<b><u>Gwen Maulden Chambers (Smaller Venue)</u></b>			
Community Organisations/Fundraisers/Schools per hour	\$34.78	\$5.22	\$40.00
Community Organisations/Fundraisers/Schools Full Day	\$217.39	\$32.61	\$250.00
Corporate Organisations/Private Events per hour	\$86.96	\$13.04	\$100.00
Corporate Organisations/Private Events Full Day	\$608.70	\$91.30	\$700.00
<b><u>Pack-In/Pack-Out</u></b>			
Pack-In/Pack-Out Full-Day	\$108.70	\$16.30	\$125.00
Pack-In/Pack-Out Half-Day	\$217.39	\$32.61	\$250.00
<b><u>Backstage Change Rooms</u></b> (ideal for weddings) per hire	\$26.09	\$3.91	\$30.00
<b><u>Kitchen Hire</u></b>			
Community Organisations/Fundraisers/Schools with venue hire	\$52.17	\$7.83	\$60.00
Corporate Organisations/Private Events Full Day with venue	\$86.96	\$13.04	\$100.00
Corporate Organisations/Private Events Full Day kitchen only	\$21.74	\$3.26	\$25.00
<b><u>Cutlery &amp; Crockery Hire</u></b>			
Champagne Flutes	\$0.52	\$0.08	\$0.60
Wine Glasses	\$0.52	\$0.08	\$0.60
Carafes	\$3.48	\$0.52	\$4.00
Cutlery (Knife/Fork/Spoon)	\$1.22	\$0.18	\$1.40
Side Plates	\$0.61	\$0.09	\$0.70
Dinner Plates	\$0.61	\$0.09	\$0.70
Bowls	\$0.61	\$0.09	\$0.70
Serving platters (assortment)	\$1.04	\$0.16	\$1.20
<b><u>Equipment Hire</u></b>			
Screen & Projector	\$130.43	\$19.57	\$150.00
Round Tables (1.5m diameter)	\$20.00	\$3.00	\$23.00
Trestle Tables	\$15.65	\$2.35	\$18.00
Round Table Cloths (floor length)	\$15.65	\$2.35	\$18.00



Trestle Table Cloths	\$10.43	\$1.57	\$12.00
<b><u>Decorative Hire</u></b>			
Arch	\$52.17	\$7.83	\$60.00
Red carpet runner	\$52.17	\$7.83	\$60.00
Ivy wall	\$304.35	\$45.65	\$350.00
Fairy lights	\$52.17	\$7.83	\$60.00
Festoon light	\$86.96	\$13.04	\$100.00
<b><u>Food &amp; Beverage</u></b>			
White Wine per glass	\$6.09	\$0.91	\$7.00
White Wine per bottle	\$24.35	\$3.65	\$28.00
Red Wine per glass	\$6.96	\$1.04	\$8.00
Red Wine per bottle	\$26.09	\$3.91	\$30.00
Bubbles per glass	\$6.09	\$0.91	\$7.00
Bubbles per bottle	\$24.35	\$3.65	\$28.00
Beers per bottle/can	\$5.22	\$0.78	\$6.00
Cider per bottle/can	\$ 6.96	\$1.04	\$8.00
Orange Juice per glass	\$3.48	\$0.52	\$4.00
Tea & Coffee Buffet per person	\$2.61	\$0.39	\$3.00
Soft Drinks	\$3.48	\$0.52	\$4.00
Bar Snacks			\$3-\$18.00

<b>Council Chamber</b>	<b>excl GST</b>	<b>GST</b>	<b>incl GST</b>
<b>Note:</b> <ul style="list-style-type: none"> <li>Non-Council organisations and clubs using the Council Chamber will be charged \$30.00 per hour with a minimum charge of \$60.00. This includes the use of the kitchen and crockery.</li> </ul>			
Minimum Charge	\$52.17	\$7.83	\$60.00
Hourly Charge	\$26.09	\$3.91	\$30.00

<b>Photocopying / Printing</b>			
<b>Note:</b> <ul style="list-style-type: none"> <li>There is no discount if the customer has supplied their own paper.</li> </ul>			
A4 Single Sided per sheet	\$0.17	\$0.03	\$0.20
A4 Double Sided per sheet	\$0.35	\$0.05	\$0.40
A4 Colour Single Sided	\$1.30	\$0.20	\$1.50
A3 Single Sided per sheet	\$0.35	\$0.05	\$0.40
A3 Double Sided per sheet	\$0.70	\$0.10	\$0.80
A3 Colour Single Sided	\$2.61	\$0.39	\$3.00
A2 Single Sided per sheet (Council Office Only)	\$2.17	\$0.33	\$2.50
A1 Single Sided per sheet (Council Office Only)	\$4.35	\$0.65	\$5.00
A4 Scanning for first page	\$0.87	\$0.13	\$1.00
A4 Scanning for extra pages	\$0.17	\$0.03	\$0.20
A1 and A2 Scanning to USB drives only (Council Office Only)	\$8.70	\$1.30	\$10.00
<b>Laminating</b>			

A4 size	\$1.74	\$0.26	\$2.00
A3 size	\$3.48	\$0.52	\$4.00

## 5.5 HALF YEAR FINANCIAL REPORTING TO DECEMBER 2019

**File Number:** COU1-1410

**Author:** Brent Chamberlain, Acting Chief Financial Officer

**Authoriser:** Monique Davidson, Chief Executive

**Attachments:** 1. H1 2019-2020 Financial Reporting Pack [↓](#) 

### PURPOSE

The purpose of this report is to provide the Committee with a summary of Council's financial performance and highlight the key financials for the first half of 2019/20 financial year.

### RECOMMENDATION

**That, having considered all matters raised in the report, the report on Council's second quarter financial performance for the 2019/20 financial year be noted.**

### SIGNIFICANCE AND ENGAGEMENT

This report is provided for information purposes only and has been assessed as being of some significance.

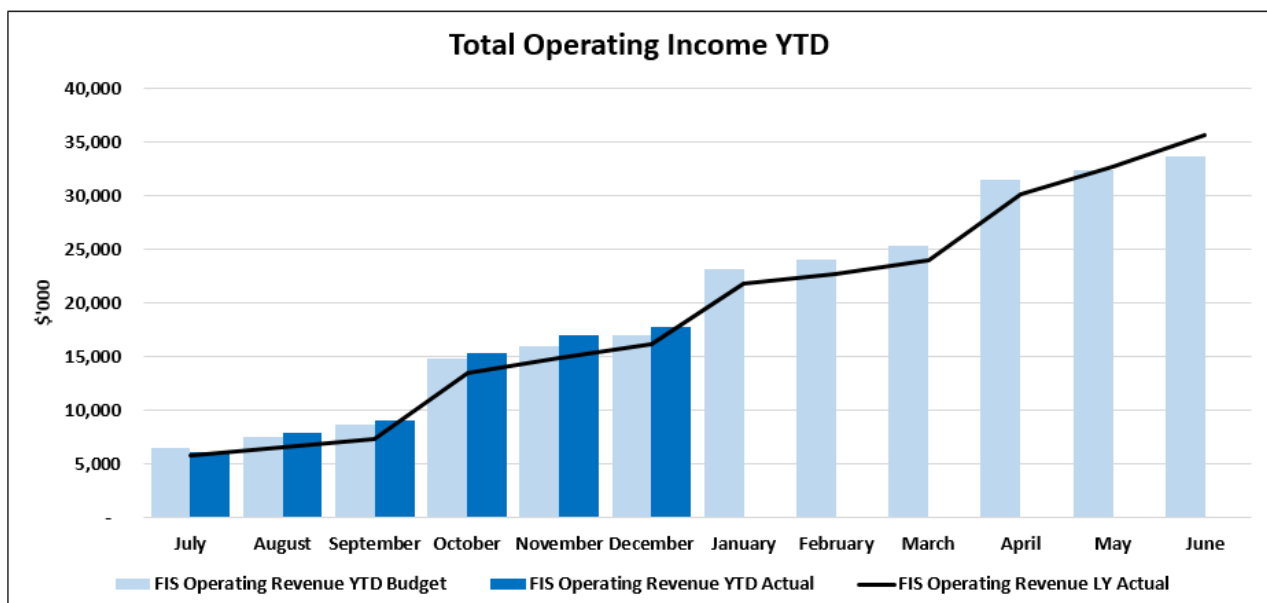
### DISCUSSION

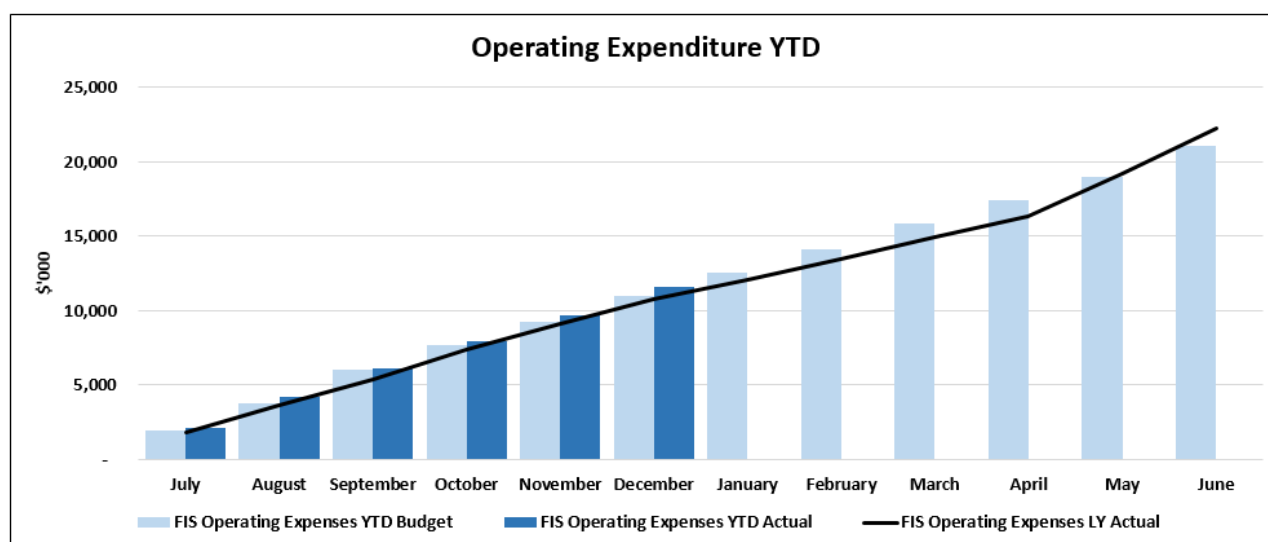
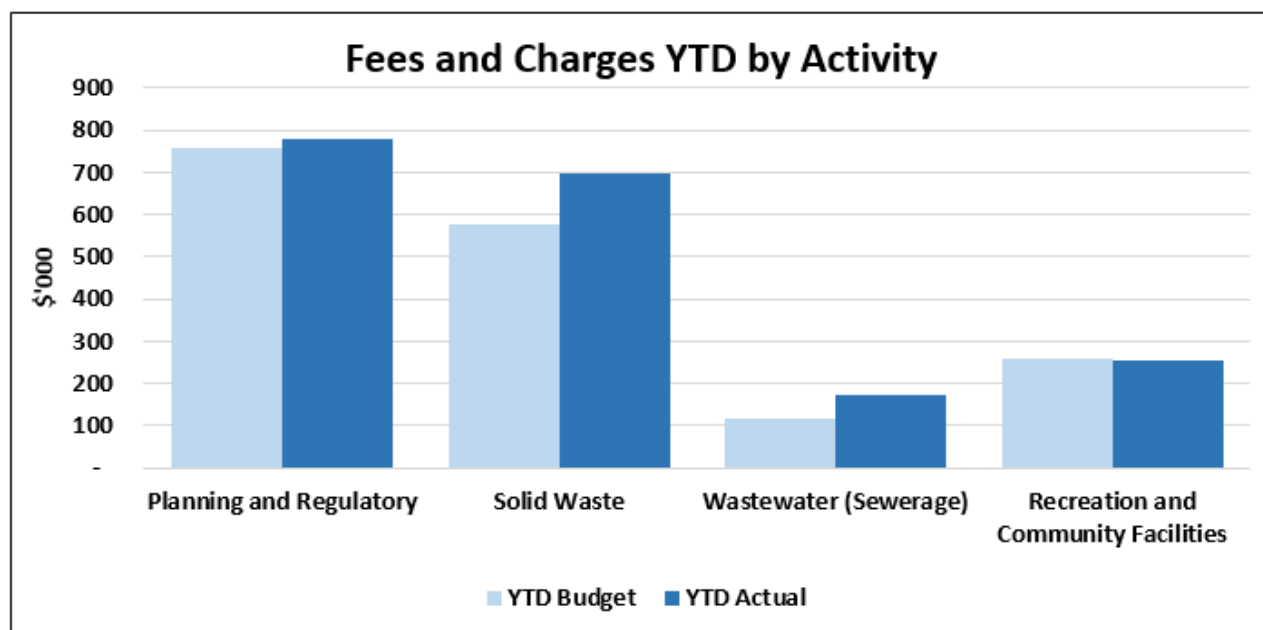
The aim of this report is to provide Council with a summary of the financial performance of Council and highlights the key trends for the first half for the year ended 30 June 2020.

The report contains a Financial Overview for Whole of Council and the Groups of Activities, Treasury Activity and Rates Debt Information.

This is the first time Council has seen the financial report in this format, so I'll explain what you are looking at:

Section 1 contains 3 graphs:



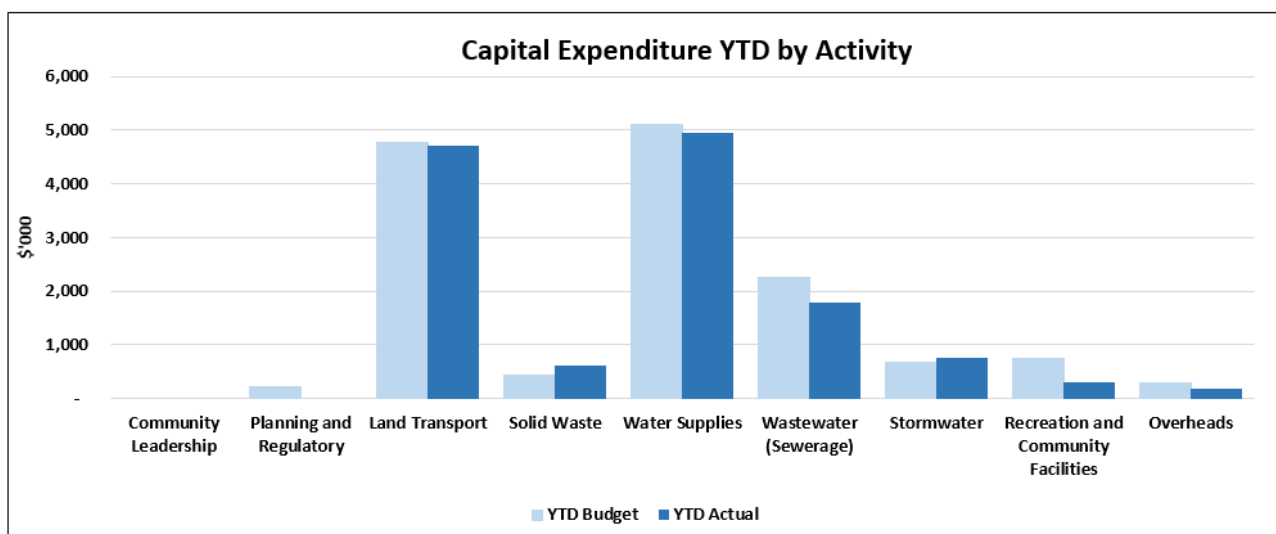
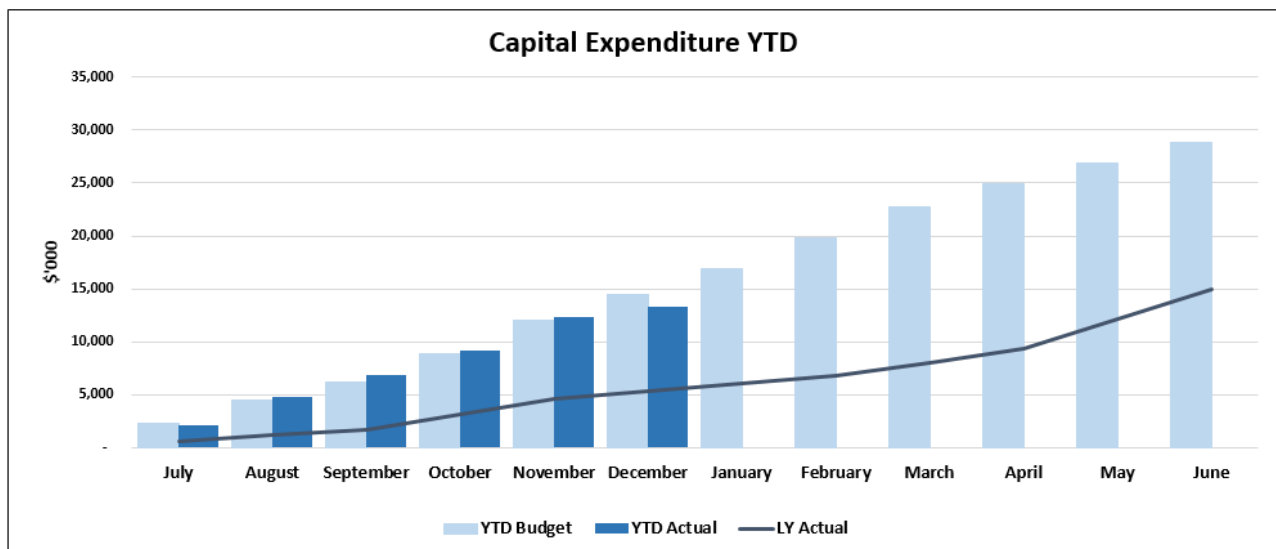


On the operating income and operating expenses graph - the black line represents what has been earned/spent during the same period last year. The light blue bar shows what our budget was for the current period, and the dark blue bar shows how Council is going against this budget.

The fourth graph shows which area the capital expenditure is occurring in using the same colour schemes.

These graphs show that Council's operating revenues and expenditure are in line with budget and prior years. What these graphs do show is that income isn't received evenly throughout the year, but rather goes up in quarterly steps which reflects the bulk of Council's income comes from rates which are invoiced quarterly, while expenditure is spent in a more even manner throughout the year. This does cause some issues when managing Council's cash flows as month three of the rates cycle is often tight financially from a cash flow perspective (particularly while undertaking large capital programs as Council is at present).

The fees and charges graph shows which area the revenue is being derived from, using the same colour schemes.



The next two graphs show the capital expenditure in total against budget and last year, and where this is being spent.

The first of these shows the size of the current capital program which is double the size of the previous years.

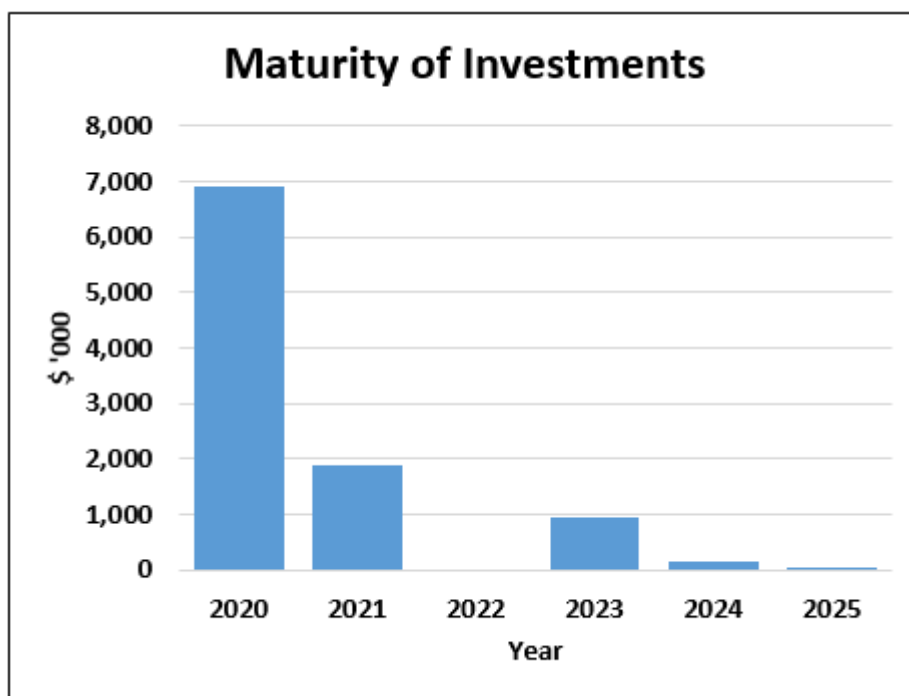
The next graph shows where this is being spent, which is mainly in roading and the 3 waters areas.

Because Council is building intergenerational assets, and its Capital Program exceeds its normal ability for rates to fund the program, Council is also embarking on a corresponding capital raising program.

The next section sets out some details around the treasury function that Council has. The first table sets out a list of cash and investments that Council has at its disposal to pay for its future operational/capital programs.

**Cash and Investment Position**

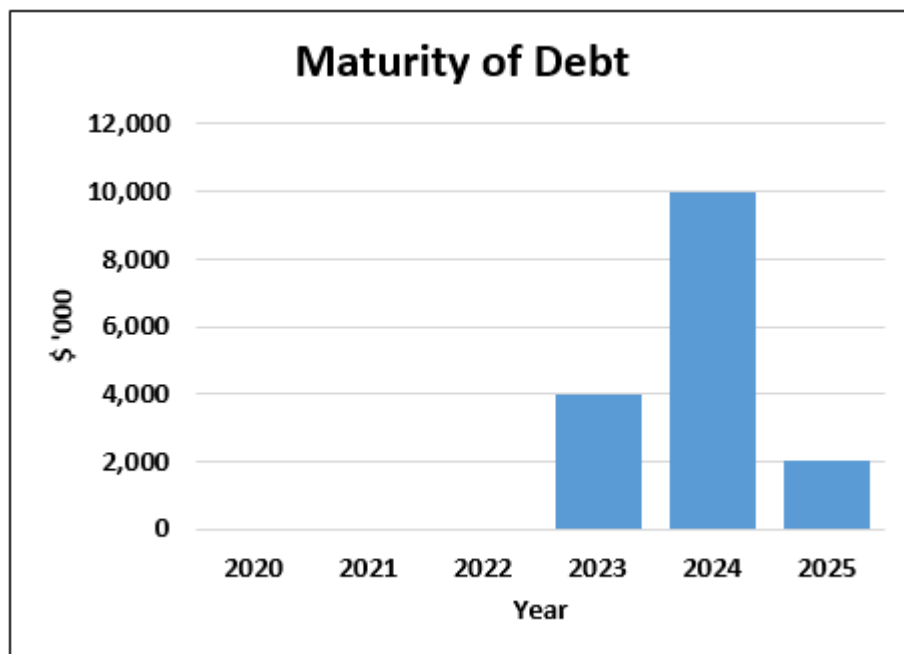
	Maturity Date	Int Rate (Face)	Int Rate (Actual)	Amount 30/06/2019	Amount Now	Movement
<u>ANZ Cheque and Call Accounts</u>						
				925,681	-	44,040
						(969,721)
<u>Term Deposits</u>						
ANZ	21/11/2019	3.95%	3.95%	530,280	-	(530,280)
ANZ	19/07/2019	2.20%	2.20%	1,500,000		(1,500,000)
ANZ	31/07/2019	3.00%	3.00%	1,000,000		(1,000,000)
BNZ	17/07/2020	2.92%	2.92%	-	4,000,000	4,000,000
				3,030,280	4,000,000	969,720
<u>Bonds and Capital Notes</u>						
LGFA Capital Notes	25/08/2025	3.54%	3.54%	32,000	32,000	0
LGFA Capital Notes	15/04/2024	1.78%	1.78%	-	160,000	160,000
LGFA Capital Notes	16/12/2019	1.56%	1.56%	-	64,000	64,000
Westpac Bond	12/09/2019	5.61%	5.61%	496,000	-	(496,000)
ANZ Bond	1/09/2023	3.71%	3.71%	355,000	355,000	0
ASB Bond	7/09/2023	3.33%	3.33%	600,000	600,000	0
ASB Bond	26/05/2021	4.25%	1.36%	-	1,880,000	1,880,000
ASB Bond	25/02/2020	4.42%	1.22%	-	2,945,000	2,945,000
				1,483,000	6,036,000	4,553,000
<u>Total Cash and Investments Held</u>				5,438,961	9,991,960	4,552,999



You will note that Council had \$6m of investments at 30 June 2019, and this has now risen to \$13m. This has been done deliberately by Council Officers (more on this later).

The second table sets out Council's debt position. Council currently owes \$16m, but only had debt of \$2m at 30 June 2019.

<b>Debt Position</b>	<b>Draw Date</b>	<b>Maturity Date</b>	<b>Interest Rate</b>	<b>Amount 30/06/2019</b>	<b>Amount Now</b>	<b>Movement</b>
LGFA - Fixed Rate	28/08/2017	25/08/2025	3.85%	2,000,000	2,000,000	-
LGFA - Fixed Rate	22/07/2019	15/04/2024	2.19%	-	10,000,000	10,000,000
LGFA - Fixed Rate	16/12/2019	15/04/2023	1.96%	-	4,000,000	4,000,000
ANZ Seasonal Facility (\$1,500,000)				-	-	-
<b>Total Debt</b>			<b>1.85%</b>	<b>2,000,000</b>	<b>16,000,000</b>	<b>14,000,000</b>



Officers have raised two new loans from the LGFA (Local Government Funding Agency) during 2019/2020.

22/07/2019      \$10m @ 2.19% repayable 15/04/2024

16/12/2019      \$4m @ 1.96% repayable 15/04/2023

As stated earlier, Council is currently spending more than it is earning from rates and fees due to the usually high capital program it has embarked on to secure safe drinking water.

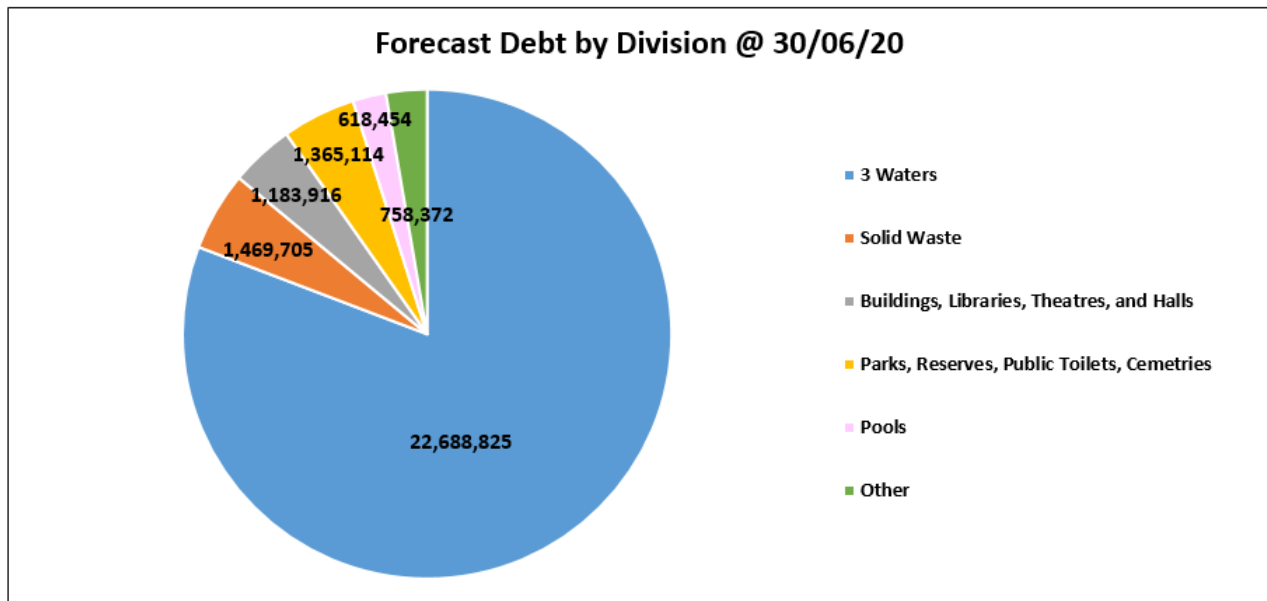
These two borrowings have been undertaken to fund current and future capital expenditure.

Where the funds were not needed immediately, they have been invested, hence the increase in investments held. However, the investments have been made under two different CFO's and have been structured two different ways to achieve quite different outcomes.

The earlier borrowings have been invested into Corporate Bonds. These have been brought on the secondary market (i.e. Council is not the original investor) which means that the Council has had to pay a premium to the original owner to acquire them. That means that the effective interest rate Council will receive over the life of the bond is lower than the face interest rate of the bond. However, the bonds were not bought for their returns, but their liquidity. Because an active secondary market exists for these bonds they can be sold within 24 hours, meaning if a large invoice needs paying, the bond (or part of the bond) can be disposed of quickly to fund this.

The second tranche of borrowing has been invested in a term deposit with a fixed end date, and cannot be broken early without penalty. So in this case Council has little liquidity, but the returns are better. As stated above the second loan is costing Council 1.96% in interest to draw the funds early, but the BNZ is paying Council 2.92% for its term deposit so the Council is able to make a margin in the middle. The maturity date was deliberately chosen to be maturing just before the July 20ths are due, and this is at the end of a rates cycle where funds are tight.

In January 2020 (post the date we are reporting on here), the \$1.88m ASB bond was sold to fund the January 2020 creditor run, and further bonds are likely to be sold in April 2020, in addition to the ASB Bond which matures in February 2020.

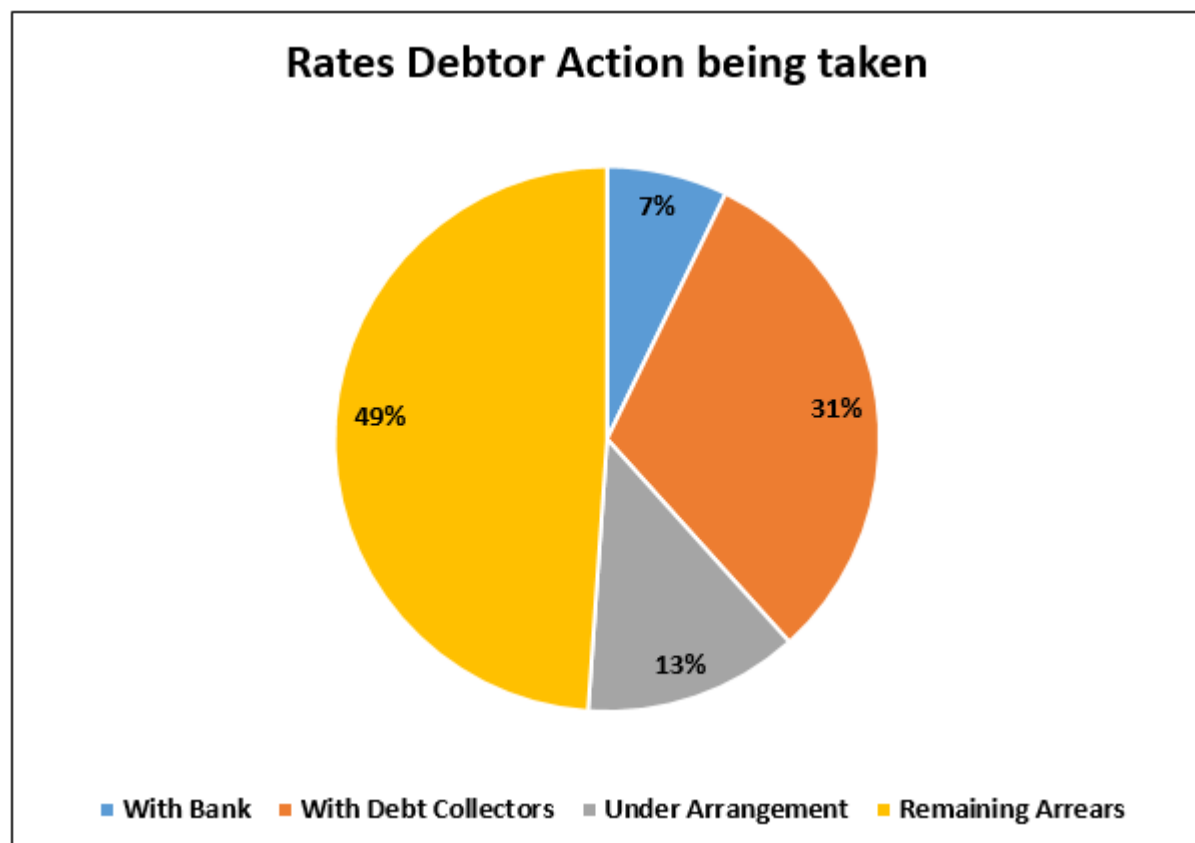
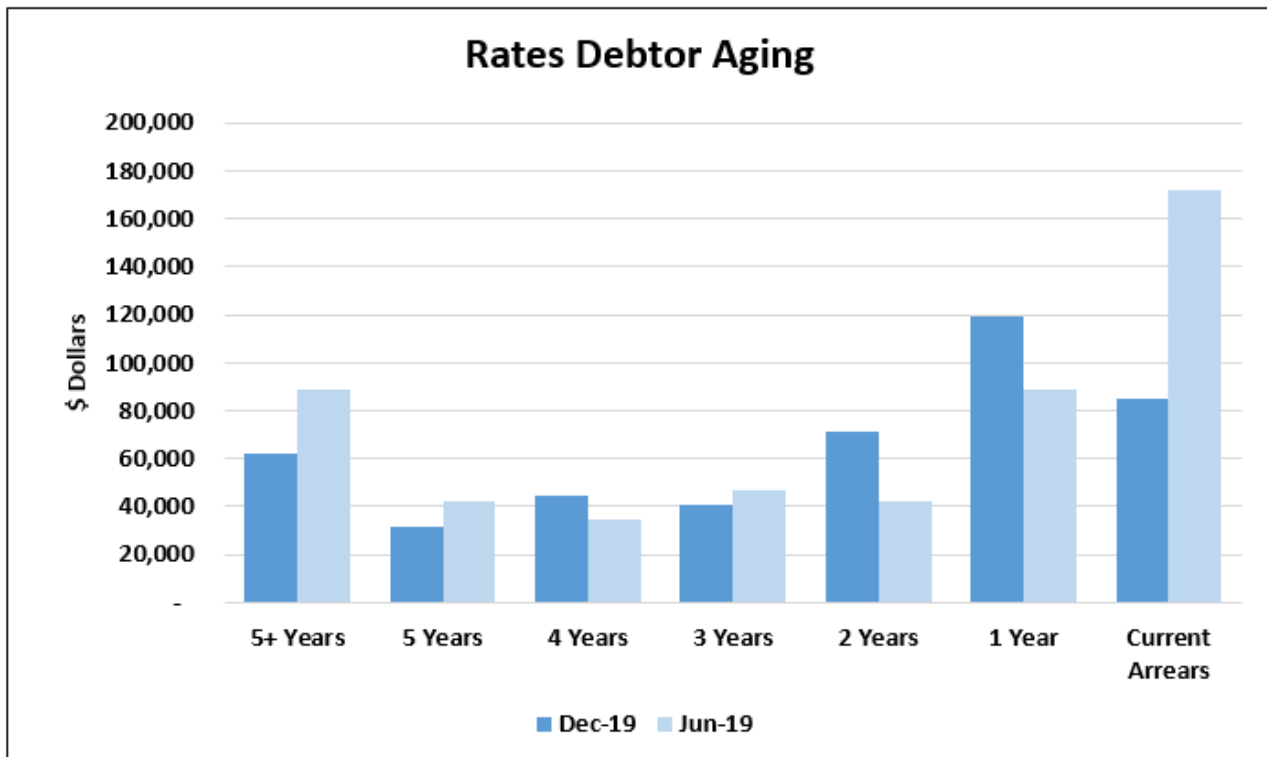


The pie chart shows where the debt was budgeted to sit, by activity, by 30 June 2020.

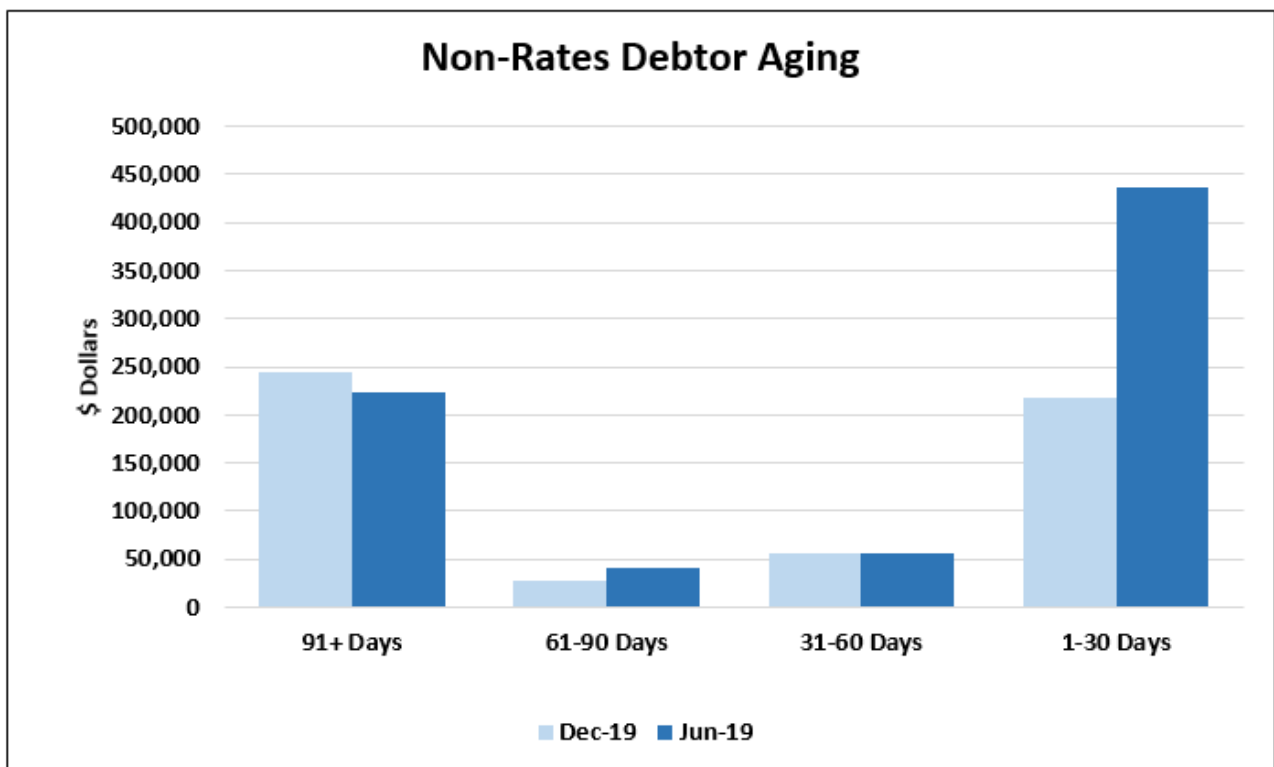
<b><u>Treasury Compliance with Policy</u></b>		
<b><u>Liquidity (Liquid Assets + Debt / Debt)</u></b>		
✓	Limit	Actual
	>110%	109%
<b><u>Finance Costs / Total Revenue</u></b>		
✓	Limit	Actual
	<10%	0.8%
<b><u>Finance Costs / Total Rates Revenue</u></b>		
✓	Limit	Actual
	<20%	1.4%
<b><u>Debt per Head of Population</u></b>		
✓	Limit	Actual
	<\$2,000	\$ 1,124

At 31 December 2020, Council was compliant with the Treasury Policy with one exception and that is due to the level of Council debt maturing in any single year. The \$10m drawn in July 2019 all matures in 2024 which does expose the Council to a large repayment/refinancing risk if credit is tight due to economic conditions and refinancing is difficult. Future debt will be raised using a spread of maturity dates to avoid this in the future.



**Rates Outstanding**

The next set of graphs give some details on rates debtors and what is outstanding. Currently, the largest issue facing Council is unpaid rates on Maori owned land and is difficult to collect. This currently sits at \$215k (down from \$250k due to some writes off in December 2019). Officers are currently working through what is collectable, and what isn't in the remainder of this figure.



Council also has a large number of non-rate based debtors (water rates, landfill, consenting, dog registrations, infringements, etc.). Again some of these are old, and officers are working through what's collectable and what is not.

### Comprehensive Income and Expenditure Statement

The report on the following page differs from the FIS (Funding Impact Statement) the Council is used to seeing, in that it includes non-cash accounting entries such as depreciation (the notional cost of assets wearing out), revaluations, and gains or losses on the sale of assets (predominately vehicles). This view of the Council's finances is very similar to what the Annual Report will show later in the year.

What this statement does show is that Council is running an accounting loss of \$99k for the first six months:

**Central Hawkes Bay District Council**  
**For the Period July 2019 - December 2019**  
 Month



**Comprehensive Income and Expenditure Report**

Operating Income	YTD Actuals	YTD Budget	Bud Var	FLAG	Comments
General rates, uniform annual general charges and rates penalties	6,669,270	6,717,524	(48,254)	✗	General Rates are down on budget due to the write off of historical Maori Land Rates which were uncollectable. \$215k of Maori Land Rates remains outstanding, down from \$250k at 30 June 2019.
Targeted rates	3,555,052	3,627,878	(72,826)	✗	Water Rates down due to write off of historical uncollectable debts in July 2019.
Subsidies and Grants (Operating and Capital)	5,116,213	4,781,624	334,588	✓	Council has received two unbudgeted grants - a tourism grant \$150k and a economic development grant. In addition the libraries have also received a bequest of \$91k also unbudgeted. NZTA subsidies are also up on budget and are partly timing based and partly additional funding concerning storm repairs. Offsetting this a expected grant re public toilets of \$133k which is yet to be received.
Fees, charges	1,933,539	1,722,879	210,660	✓	Consenting, Building Control, and landfill activity running ahead of budget - this reflects the buoyant economy and the higher volumes this is driving in these areas.
Interest and dividends from investments	65,303	69,912	(4,609)	✗	Slightly down on budget due to lower interest rates than modelled in the budget.
Development Contributions	27,571	10,986	16,585	✓	Development Contributions are higher than budget due to the higher level of greenfield developments occurring in the region, particularly strong in Otane.
Other Income	284,822	114,726	150,096	✓	\$121k of donations have been received towards the Waipawa Four upgrade which were unbudgeted.
<b>TOTAL</b>	<b>17,631,770</b>	<b>17,045,529</b>	<b>586,241</b>	!	
<b>Applications of Operating</b>					
Payments to staff	2,793,990	2,683,464	(110,526)	✗	Council is incurring additional staff costs in the compliance area due to the additional volumes being experienced in the consenting area. This is being matched by additional income. Library staff costs are also over budget, but this is covered by additional revenue from MSD grants.
Payments to suppliers	8,652,628	8,029,097	(623,531)	✗	A number of areas are over budget: Economic Development are spending their unbudgeted grant \$104k; Planning and Regulatory are having to outsource more work than budgeted due to the high consenting volumes \$134k (this is matched by additional income), the Solid Waste activity has had to but additional Carbon Credits due to high volumes going to landfill \$108k (again this has additional matched fees and charges); Water Services are up on budget in costs due to leak repairs and higher compliance costs \$70k; Legal and Software Licensing costs are also up on budget.
Depreciation and Amortisation	6,142,171	6,051,012	(91,159)	✗	Significant Revaluation of Assets upwards in June 2019 has impacted depreciation (higher asset values lead to higher depreciation charges) - this is a non cash accounting entry, but does reflect what it will cost in the future to replace these assets.
Finance costs	141,698	296,490	154,792	✓	Interest Rates are lower than the assumption used when setting the budget
<b>TOTAL</b>	<b>17,730,487</b>	<b>17,060,063</b>	<b>(670,424)</b>	✗	
<b>Operating Surplus/(Deficit)</b>	<b>(98,717)</b>	<b>(14,534)</b>	<b>(84,183)</b>	✓	

**The Councils finances in the FIS format**

That is, where is the cash coming in from, and where is it being spent. Page 5 is the whole of Council, and page 6 is by activity.

Each of these pages has financial commentary on them so I won't repeat it all here, except to say at a high level revenue is running ahead of budget on the back of higher volumes of consenting and tonnes through the landfill, and unbudgeted grants and donations.

At a cost level, many of these higher volumes are also driving higher costs such as additional carbon credits required, or having to outsource the consents as Council Officers can't process the current volume all in-house.

At a total net operating level Council is ahead of budget by \$497k.

In the first six months of the year, Council has created/purchased \$13.3m of assets which is slightly behind its ambiguous target but well above last year.

Council has also increased its investment portfolio by \$5.1m.

To fund the new assets and investments, it has increased its borrowings by \$14.0m, with the balance being funded from operational surpluses.

**Central Hawkes Bay District Council**  
**For the Period July 2019 - December 2019**



**Funding Impact Statement Report**

Sources of Operating	YTD Actuals	YTD Budget	Bud Var	FLAG	Comments
General rates, uniform annual general charges and rates penalties	6,669,270	6,717,524	(48,254)	✗	General Rates are down on budget due to the write off of historical Maori Land Rates which were uncollectable. \$215k of Maori Land Rates remains outstanding, down from \$250k at 30 June 2019.
Targeted rates	3,555,052	3,627,878	(72,826)	✗	Water Rates down due to write off of historical uncollectable debts in July 2019.
Subsidies and Grants for Operating Purposes	2,318,693	1,625,835	692,858	✓	Council has received two unbudgeted grants - a tourism grant \$150k and a economic development grant. In addition the libraries have also received a bequest of \$91k also unbudgeted. NZTA subsidies are also up on budget (\$480k) and are partly timing based and partly additional funding concerning storm repairs. Offsetting this a expected grant re public toilets of \$133k which is yet to
Fees, charges	1,933,536	1,722,129	211,407	✓	Consenting, Building Control, and landfill activity running ahead of budget - this reflects the buoyant economy and the higher volumes this is driving in these areas.
Interest and dividends from investments	65,303	69,912	(4,609)	✗	Slightly down on budget due to lower interest rates than modelled in the budget.
Local authorities fuel tax, fines, infringement fees and other receipts	407,757	98,148	309,609	✓	\$121k of donations have been received towards the Waipawa Pool upgrade which were unbudgeted.
<b>TOTAL</b>	<b>14,949,611</b>	<b>13,861,426</b>	<b>1,088,185</b>	✓	
<b>Applications of Operating</b>					
Payments to staff	2,793,990	2,683,464	110,526	!	Council is incurring additional staff costs in the compliance area due to the additional volumes being experienced in the consenting are. This is being matched by additional income. Library staff costs are also over budget, but this is covered by additional revenue from MSD grants.
Payments to suppliers	8,651,811	8,047,440	(604,371)	✗	A number of areas are over budget: Economic Development are spending their unbudgeted grant \$104k; Planning and Regulatory are having to outsource more work than budgeted due to the high consenting volumes \$134k (this is matched by additional income), the Solid Waste activity has had to but additional Carbon Credits due to high volumes going to landfill \$108k (again this has additional matched fees and charges); Water Services are up on budget in costs due to leak repairs and higher compliance costs \$70k; Legal and Software Licensing costs are also up on budget.
Finance costs	141,698	284,316	142,618	✓	Interest Rates are lower than the assumption used when setting the budget
Other operating funding applications	817	(18,343)	(19,160)	✓	Overhead Allocations - there is a timing issue with the budget phasing. The budget comes back to zero by year end.
<b>TOTAL</b>	<b>11,588,316</b>	<b>10,996,877</b>	<b>(370,387)</b>	✗	
<b>Net Operating Cash Flows</b>	<b>3,361,295</b>	<b>2,864,549</b>	<b>496,746</b>		

Sources of Capital	YTD Actuals	YTD Budget	Bud Var	FLAG	Comments
Subsidies and grants for capital expenditure	2,797,519	3,155,789	(358,270)	✗	NZTA subsidies are up on budget. This is largely timing based. The settled weather leading up to Christmas meant Councils resealing program was ahead of schedule.
Gross proceeds from sale of assets	18,811	17,328	1,483	✓	This figure was derived from vehicle sales as part of the on going vehicle replacement program.
Development and financial contributions	27,571	10,986	16,585	✓	Development Contributions are higher than budget due to the higher level of greenfield developments occurring in the region, particularly strong in Otane.
Increase (decrease) in debt	14,000,000	6,104,844	7,895,156	✓	At present Council is undertaking a significant capital program which means it is spending more than its annual rates income. This program is creating a multigenerational assets and is being matched with multigenerational loans. The decision was made in July 2019 to draw some of these loans early to ensure the funds were available when required. To mitigate the cost of doing this these funds have been invested to till required to offset the interest holding cost.
<b>TOTAL</b>	<b>16,843,902</b>	<b>9,288,947</b>	<b>7,554,955</b>		
<b>Applications of Capital</b>					
to meet additional demand	0	0	0		
to improve the level of service	7,790,849	8,527,847	736,998	✓	A number of capital projects are out of sync with the budgeted timelines - Otane \$1,034k and Takapau \$413k water supplies have overspent their year to date budget, offsetting this is the Waipukurau water supply project is underspent \$2,015k. The dog pound project has been delayed \$211k due to difficulties securing an appropriate site.
to replace existing assets	5,542,024	5,946,866	404,842	✓	A number of capital projects are out of sync with the budgeted timelines - The Waipukurau Water program is running ahead of budget \$483k; additional costs have been incurred from last years weather event \$139k for roading reinstatements; roading reseals are ahead of schedule with good weather leading up to Christmas \$440K; offsetting this is bridge strengthening \$386k which is behind budget (the design work complete but the physical work yet to commence).
Increase (decrease) in reserves	(2,467,130)	(1,793,522)	673,608	✗	Reserve accounts movements are balanced up annually, so this discrepancy will correct then.
Increase (decrease) of investments	4,677,420	(421,218)	(5,098,638)	✓	This is related to the loan comment above. The increase in investments (bonds/term deposits) reflects the loan money Council has drawn early and is being held in investments until it is needed to fund the capital program.
<b>TOTAL</b>	<b>15,543,163</b>	<b>12,259,973</b>	<b>(3,283,190)</b>		
<b>Net Capital Cash Flows</b>	<b>1,300,739</b>	<b>(2,971,026)</b>	<b>4,271,765</b>		
<b>Grand Total</b>	<b>4,662,034</b>	<b>(106,477)</b>	<b>4,768,511</b>		

# Central Hawkes Bay District Council For the Period July 2019 - December 2019



## Funding Impact Statement Report by Activity

	Community Leadership		Planning and Regulatory		Land Transport		Solid Waste		3 Waters		Recreation and Community Facilities	
	YTD Actuals	Bed Var	YTD Actuals	Bed Var	YTD Actuals	Bed Var	YTD Actuals	Bed Var	YTD Actuals	Bed Var	YTD Actuals	Bed Var
<b>Sources of Operating</b>												
General rates, uniform annual general charges and rates penalties	662,033	4,801	349,420	2,174	3,234,277	10,223	658,681	4,143	0	0	1,772,501	12,441
Targeted rates	0	0	0	0	0	0	148,486	1,376	3,406,566	(74,202)	0	0
Subsidies and Grants for Operating Purposes	326,826	250,303	0	0	1,842,631	486,364	25,283	(1,237)	0	0	123,351	(43,748)
Fees, charges	10,630	10,630	777,519	18,195	13,476	10,032	635,848	119,830	174,317	54,161	255,312	(1,335)
Interest and dividends from investments	0	0	0	0	0	0	0	0	0	0	0	0
Local authorities fuel tax, fines, infringement fees and other receipts	0	0	236	(8,666)	84,221	3,287	0	0	185,000	185,000	138,235	130,735
<b>TOTAL</b>	<b>999,551</b>	<b>266,430</b>	<b>1,127,237</b>	<b>11,703</b>	<b>5,240,604</b>	<b>510,565</b>	<b>1,528,299</b>	<b>124,119</b>	<b>3,765,863</b>	<b>164,359</b>	<b>2,290,599</b>	<b>98,033</b>
<b>Applications of Operating</b>												
Payments to staff and suppliers	650,123	24,030	834,538	(21,624)	2,823,700	(123,191)	1,278,823	(226,334)	1,856,312	(85,091)	1,458,239	(48,863)
Finance costs	0	0	2,184	7,506	0	0	31,770	4,230	233,214	177,552	63,554	6,684
Other operating funding applications	153,554	(6,332)	273,522	(11,880)	764,848	(51,557)	225,568	(3,358)	671,144	(23,150)	438,138	(19,032)
<b>TOTAL</b>	<b>803,677</b>	<b>17,158</b>	<b>1,110,244</b>	<b>(25,998)</b>	<b>3,594,548</b>	<b>(100,748)</b>	<b>1,535,561</b>	<b>(232,602)</b>	<b>2,767,270</b>	<b>63,311</b>	<b>1,960,032</b>	<b>(61,212)</b>
<b>Net Operating Cash Flows</b>	<b>189,873</b>	<b>249,272</b>	<b>16,993</b>	<b>37,701</b>	<b>1,646,056</b>	<b>691,313</b>	<b>(1,262)</b>	<b>356,720</b>	<b>998,613</b>	<b>101,647</b>	<b>330,567</b>	<b>159,244</b>
<b>Sources of Capital</b>												
Subsidies and grants for capital expenditure	0	0	0	0	2,647,519	(342,035)	0	0	150,000	(16,235)	0	0
Gross proceeds from sale of assets	0	0	0	0	0	0	0	0	0	0	0	0
Development and financial contributions	0	0	0	0	(103)	(1,603)	0	0	27,843	20,343	(175)	(2,161)
Increase (decrease) in debt	0	0	(3,348)	(343,398)	0	0	(55,002)	(98,652)	(303,683)	(6,402,233)	(73,303)	(241,591)
<b>TOTAL</b>	<b>0</b>	<b>0</b>	<b>(3,348)</b>	<b>(343,398)</b>	<b>2,647,416</b>	<b>(343,638)</b>	<b>(55,002)</b>	<b>(98,652)</b>	<b>(125,840)</b>	<b>(6,336,125)</b>	<b>(73,478)</b>	<b>(243,752)</b>
<b>Applications of Capital</b>												
to meet additional demand	0	0	0	0	0	0	0	0	0	0	0	0
to improve the level of service	0	0	0	211,002	612,686	(46,883)	558,405	(191,823)	6,368,566	632,079	147,959	150,806
to replace existing assets	0	0	0	0	4,105,431	37,506	54,631	23,381	1,550,703	(195,833)	156,196	280,868
Increase (decrease) in reserves	(2,113)	(3,336)	0	0	(676,364)	225,486	(243,633)	(178,467)	(1,195,613)	421,703	(219,232)	119,314
Increase (decrease) of investments	0	0	0	0	0	0	0	0	0	0	0	0
<b>TOTAL</b>	<b>(2,113)</b>	<b>(9,396)</b>	<b>0</b>	<b>211,002</b>	<b>4,041,813</b>	<b>276,109</b>	<b>363,403</b>	<b>(346,315)</b>	<b>6,323,656</b>	<b>917,895</b>	<b>84,923</b>	<b>550,988</b>
<b>Net Capital Cash Flows</b>	<b>2,113</b>	<b>9,396</b>	<b>(3,348)</b>	<b>(555,000)</b>	<b>(1,394,396)</b>	<b>(619,747)</b>	<b>(418,405)</b>	<b>247,663</b>	<b>(6,443,436)</b>	<b>(7,316,020)</b>	<b>(158,401)</b>	<b>(794,733)</b>
<b>Grand Total</b>	<b>191,986</b>	<b>273,591</b>	<b>13,045</b>	<b>(147,231)</b>	<b>251,660</b>	<b>262,283</b>	<b>(425,667)</b>	<b>(553,450)</b>	<b>(5,450,883)</b>	<b>(5,251,960)</b>	<b>172,166</b>	<b>344,057</b>

### Activity Comments

<b>Community Leadership:</b> Council has received two unbudgeted grants - a tourism grant \$150k and a economic development grant.
<b>Planning and Regulatory:</b> The dog pound project has been delayed \$21k due to difficulties securing an appropriate site impacting both the capital spend and loan funding timing requirements. The loan funding required for developing the District Plan is yet to be finalised.
<b>Land Transport:</b> Additional capital costs have been incurred from last years weather event \$133k for roading reinstatement, roading resals are ahead of schedule with good weather leading up to Christmas \$440k; offsetting this is bridge strengthening \$386k which is behind budget (the design work complete but the physical work yet to commence). This additional activity, and timing of activity, means that the subsidies received from NZTA are also correspondingly ahead of budget. Transfers to and from reserves get balanced up at year end, and this line will be corrected at this point.
<b>Solid Waste:</b> Landfill volumes are ahead of budget resulting in additional revenues and additional carbon credits being brought. Leachate to Landfill program driving capital spend.
<b>3 Waters:</b> Operational budget is on track. The Takapau and Otane Water Supply Projects are driving the capital spend, offset by timing savings in Waipukurau Water and District Wide Sewer programs
<b>Recreational and Community Facilities:</b> Subsidies and Grants are behind budget due to the budgeted public toilet construction grant \$133k not being received yet. Offsetting this is a \$30k bequest (again unbudgeted) being received for the library service. Other income relates mainly to the Waipawa Pool donations which were unbudgeted. Staff costs are ahead of budget in libraries, but is offset by a MSD grant. Capex is behind budget due the timing of public toilet construction, as well as minor capital work across multiple buildings/libraries.



**IMPLICATIONS ASSESSMENT**

This report confirms that the matter concerned has no particular implications and has been dealt with in accordance with the Local Government Act 2002. Specifically:

- Council staff have delegated authority for any decisions made;
- Council staff have identified and assessed all reasonably practicable options for addressing the matter and considered the views and preferences of any interested or affected persons (including Māori), in proportion to the significance of the matter;
- Any decisions made will help meet the current and future needs of communities for good-quality local infrastructure, local public services, and performance of regulatory functions in a way that is most cost-effective for households and businesses;
- Unless stated above, any decisions made can be addressed through current funding under the Long-Term Plan and Annual Plan;
- Any decisions made are consistent with the Council's plans and policies; and
- No decisions have been made that would alter significantly the intended level of service provision for any significant activity undertaken by or on behalf of the Council, or would transfer the ownership or control of a strategic asset to or from the Council.

**NEXT STEPS**

Officers will continue to monitor and manage the finances of Council.

**RECOMMENDATION**

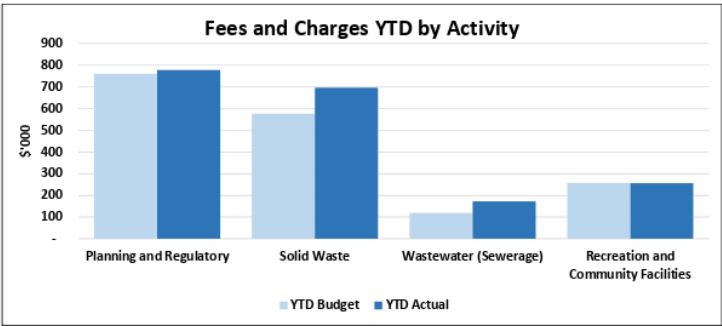
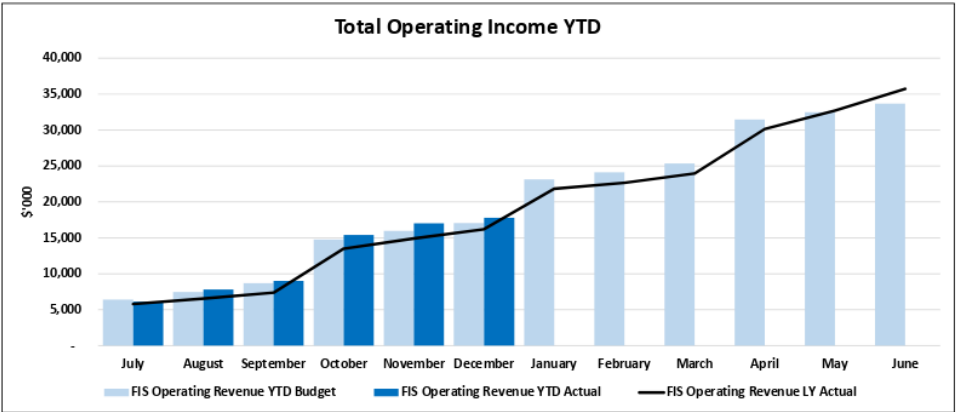
**That, having considered all matters raised in the report, the report on Council's second quarter financial performance for the 2019/20 financial year be noted.**



Central Hawkes Bay District Council  
For the Period July 2019 - December 2019



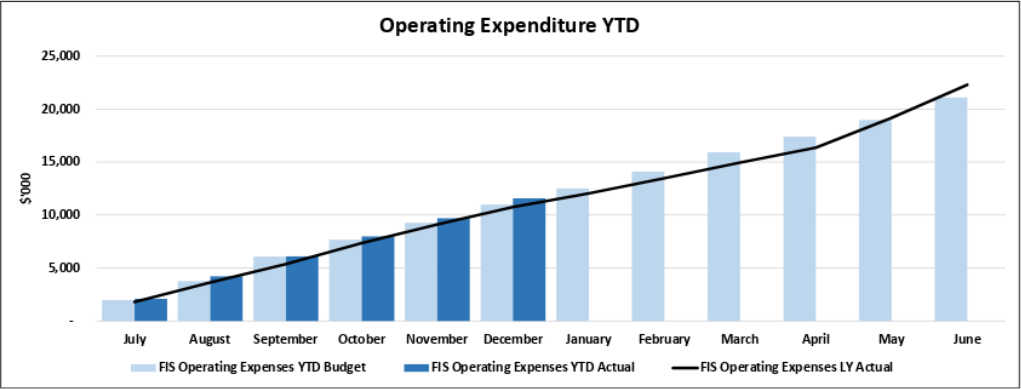
OPERATING INCOME



Central Hawke's Bay District Council  
for the Period July 2019 - December 2019



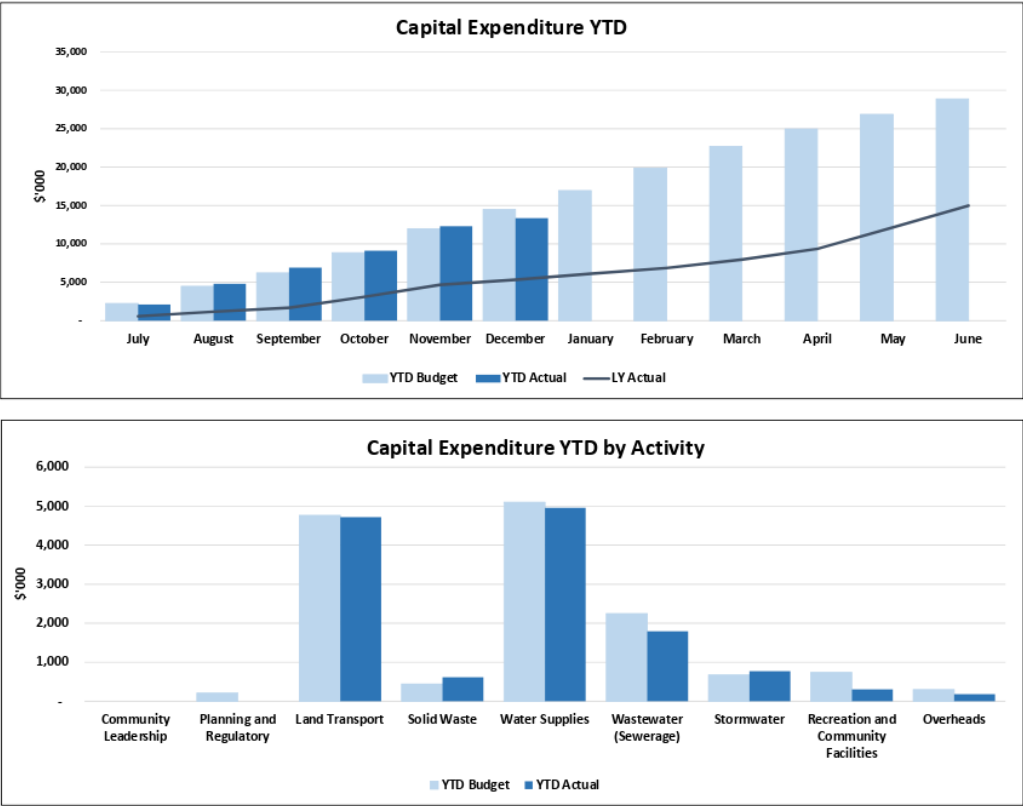
OPERATING EXPENDITURE



Central Hawke's Bay District Council  
for the Period July 2019 - December 2019



Capital Expenditure



**Central Hawkes Bay District Council**  
**For the Period July 2019 - December 2019**



**Cash and Investment Position**

ANZ Cheque and Call Accounts

Term Deposits

	Maturity Date	Int Rate (Face)	Int Rate (Actual)	Amount 30/06/2019	Amount Now	Movement
				925,681	-	44,040
						(969,721)
ANZ	21/11/2019	3.95%	3.95%	530,280	-	(530,280)
ANZ	19/07/2019	2.20%	2.20%	1,500,000	-	(1,500,000)
ANZ	31/07/2019	3.00%	3.00%	1,000,000	-	(1,000,000)
BNZ	17/07/2020	2.92%	2.92%	-	4,000,000	4,000,000
				3,030,280	4,000,000	969,720

Bonds and Capital Notes

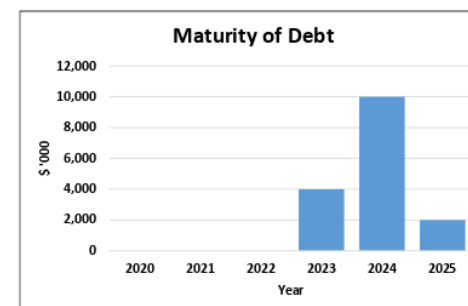
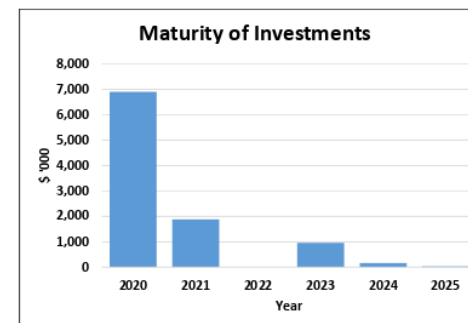
LGFA Capital Notes	25/08/2025	3.54%	3.54%	32,000	32,000	0
LGFA Capital Notes	15/04/2024	1.78%	1.78%	-	160,000	160,000
LGFA Capital Notes	16/12/2019	1.56%	1.56%	-	64,000	64,000
Westpac Bond	12/09/2019	5.61%	5.61%	496,000	-	(496,000)
ANZ Bond	1/09/2023	3.71%	3.71%	355,000	355,000	0
ASB Bond	7/09/2023	3.33%	3.33%	600,000	600,000	0
ASB Bond	26/05/2021	4.25%	1.36%	-	1,880,000	1,880,000
ASB Bond	25/02/2020	4.42%	1.22%	-	2,945,000	2,945,000
				1,483,000	6,036,000	4,553,000

Total Cash and Investments Held

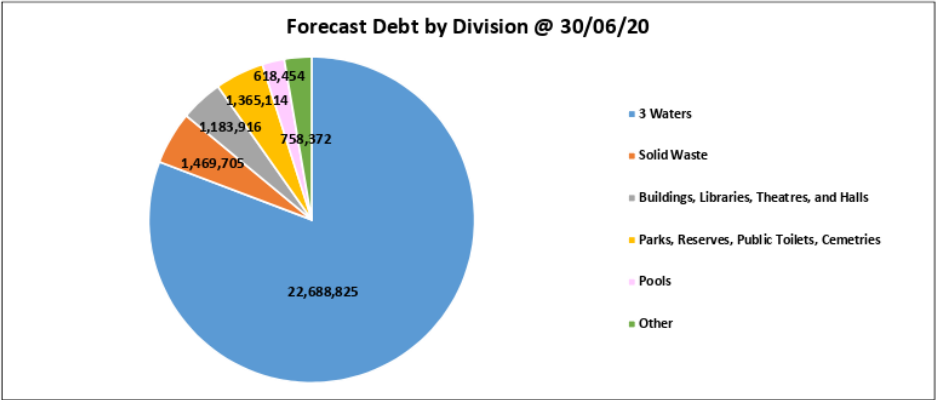
	1,483,000	6,036,000	4,553,000
	5,438,961	9,991,960	4,552,999

**Debt Position**

	Draw Date	Maturity Date	Interest Rate	Amount 30/06/2019	Amount Now	Movement
LGFA - Fixed Rate	28/08/2017	25/08/2025	3.85%	2,000,000	2,000,000	-
LGFA - Fixed Rate	22/07/2019	15/04/2024	2.19%	-	10,000,000	10,000,000
LGFA - Fixed Rate	16/12/2019	15/04/2023	1.96%	-	4,000,000	4,000,000
ANZ Seasonal Facility (\$1,500,000)				-	-	-
Total Debt			1.85%	2,000,000	16,000,000	14,000,000



Central Hawkes Bay District Council  
For the Period July 2019 - December 2019

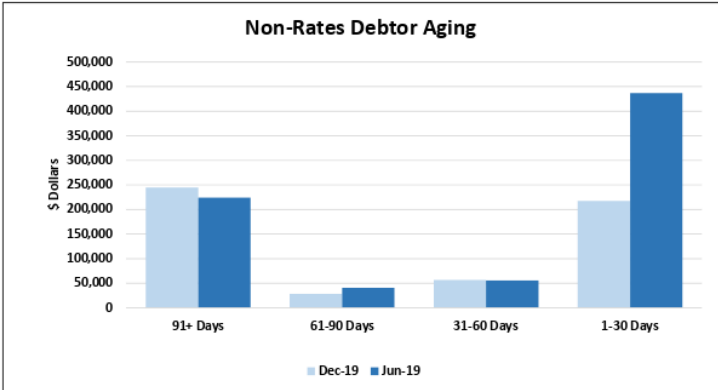
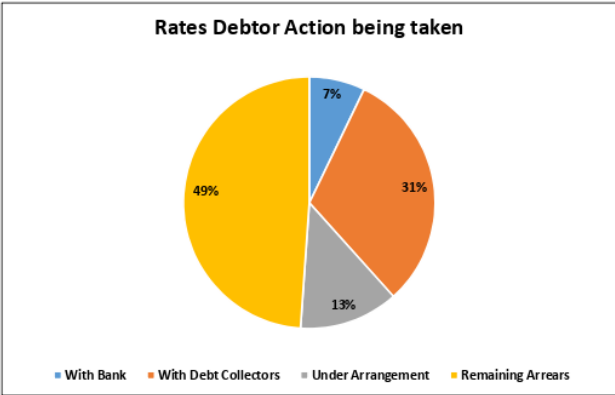
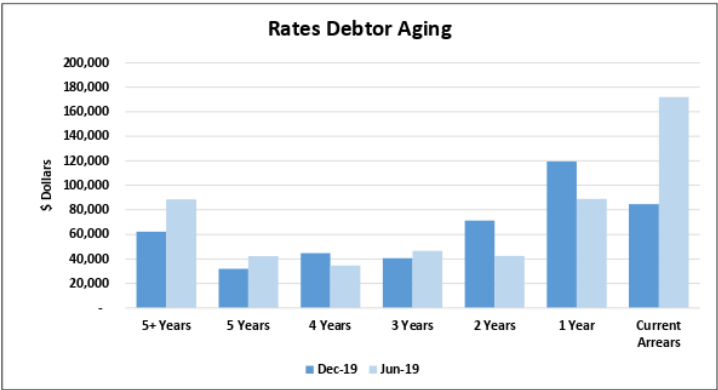


Treasury Compliance with Policy		
Liquidity (Liquid Assets + Debt / Debt)		
	Limit	Actual
✓	>110%	109%
Finance Costs / Total Revenue		
	Limit	Actual
✓	<10%	0.8%
Finance Costs / Total Rates Revenue		
	Limit	Actual
✓	<20%	1.4%
Debt per Head of Population		
	Limit	Actual
✓	<\$2,000	\$ 1,124

Central Hawkes Bay District Council  
For the Period July 2019 - December 2019  
Sources of Capital



Rates Outstanding



**Central Hawkes Bay District Council**  
**For the Period July 2019 - December 2019**  
 Month



**Comprehensive Income and Expenditure Report**

	YTD Actuals	YTD Budget	Bud Var	FLAG	Comments
<b>Operating Income</b>					
General rates, uniform annual general charges and rates penalties	6,668,270	6,717,524	(48,254)	✗	General Rates are down on budget due to the write off of historical Maori Land Rates which were uncollectable. \$215k of Maori Land Rates remains outstanding, down from \$250k at 30 June 2019.
Targeted rates	3,555,052	3,627,878	(72,826)	✗	Water Rates down due to write off of historical uncollectable debts in July 2019.
Subsidies and Grants (Operating and Capital)	5,116,213	4,781,624	334,588	✓	Council has received two unbudgeted grants - a tourism grant \$150k and a economic development grant. In addition the libraries have also received a bequest of \$91k also unbudgeted. NZTA subsidies are also up on budget and are partly timing based and partly additional funding concerning storm repairs. Offsetting this a expected grant re public toilets of \$133k which is yet to be received.
Fees, charges	1,933,539	1,722,879	210,660	✓	Consenting, Building Control, and landfill activity running ahead of budget - this reflects the buoyant economy and the higher volumes this is driving in these areas.
Interest and dividends from investments	65,303	69,912	(4,609)	✗	Slightly down on budget due to lower interest rates than modelled in the budget.
Development Contributions	27,571	10,986	16,585	✓	Development Contributions are higher than budget due to the higher level of greenfield developments occurring in the region, particularly strong in Otane.
Other Income	264,822	114,726	150,096	✓	\$121k of donations have been received towards the Waipawa Pod upgrade which were unbudgeted.
<b>TOTAL</b>	<b>17,631,770</b>	<b>17,045,329</b>	<b>586,441</b>	<b>!</b>	
<b>Applications of Operating</b>					
Payments to staff	2,793,990	2,683,404	(110,586)	✗	Council is incurring additional staff costs in the compliance area due to the additional volumes being experienced in the consenting area. This is being matched by additional income. Library staff costs are also over budget, but this is covered by additional revenue from MSD grants.
Payments to suppliers	8,652,628	8,029,097	(623,531)	✗	A number of areas are over budget. Economic Development are spending their unbudgeted grant \$104k; Planning and Regulatory are having to outsource more work than budgeted due to the high consenting volumes \$134k (this is matched by additional income), the Solid Waste activity has had to but additional Carbon Credits due to high volumes going to landfill \$108k (again this has additional matched fees and charges); Water Services are up on budget in costs due to leak repairs and higher compliance costs \$70k; Legal and Software Licensing costs are also up on budget.
Depreciation and Amortisation	6,142,171	6,051,012	(91,159)	✗	Significant Revaluation of Assets upwards in June 2019 has impacted depreciation (higher asset values lead to higher depreciation charges) - this is a non cash accounting entry, but does reflect what it will cost in the future to replace these assets.
Finance costs	141,698	296,490	154,792	✓	Interest Rates are lower than the assumption used when setting the budget
<b>TOTAL</b>	<b>17,730,487</b>	<b>17,060,063</b>	<b>(670,424)</b>	<b>✗</b>	
<b>Operating Surplus/(Deficit)</b>	<b>(98,717)</b>	<b>(14,534)</b>	<b>(84,183)</b>	<b>✓</b>	

**Central Hawkes Bay District Council**  
**For the Period July 2019 - December 2019**



**Funding Impact Statement Report**

Sources of Operating	YTD Actuals	YTD Budget	Bud Var	FLAG	Comments
General rates, uniform annual general charges and rates penalties	6,660,270	6,717,524	(48,254)	✗	General Rates are down on budget due to the write off of historical Maori Land Rates which were uncollectable. \$215k of Maori Land Rates remains outstanding, down from \$250k at 30 June 2019.
Targeted rates	3,555,052	3,627,878	(72,826)	✗	Water Rates down due to write off of historical uncollectable debts in July 2019.
Subsidies and Grants for Operating Purposes	2,318,693	1,825,835	692,858	✓	Council has received two unbudgeted grants - a tourism grant \$150k and a economic development grant. In addition the libraries have also received a bequest of \$91k also unbudgeted. NZTA subsidies are also up on budget (\$480k) and are partly timing based and partly additional funding concerning storm repairs. Offsetting this a expected grant re public toilets of \$133k which is yet to be received.
Fees, charges	1,933,536	1,722,129	211,407	✓	Consenting, Building Control, and landfill activity running ahead of budget - this reflects the buoyant economy and the higher volumes this is driving in these areas.
Interest and dividends from investments	65,303	69,912	(4,609)	✗	Slightly down on budget due to lower interest rates than modelled in the budget.
Local authorities fuel tax, fines, infringement fees and other receipts	407,757	98,148	309,609	✓	\$121k of donations have been received towards the Wapawa Pod upgrade which were unbudgeted.
<b>TOTAL</b>	<b>14,949,611</b>	<b>13,861,426</b>	<b>1,088,185</b>	✓	
<b>Applications of Operating</b>					
Payments to staff	2,793,990	2,683,494	110,526	!	Council is incurring additional staff costs in the compliance area due to the additional volumes being experienced in the consenting area. This is being matched by additional income. Library staff costs are also over budget, but this is covered by additional revenue from MSD grants.
Payments to suppliers	8,651,811	8,047,440	(604,371)	✗	A number of areas are over budget. Economic Development are spending their unbudgeted grant \$104k; Planning and Regulatory are having to outsource more work than budgeted due to the high consenting volumes \$134k (this is matched by additional income); the Solid Waste activity has had to but additional Carbon Credits due to high volumes going to landfill \$108k (again this has additional matched fees and charges); Water Services are up on budget in costs due to leak repairs and higher compliance costs \$70k; Legal and Software Licensing costs are also up on budget.
Finance costs	141,698	284,316	142,618	✓	Interest Rates are lower than the assumption used when setting the budget
Other operating funding applications	817	(18,343)	(19,160)	✓	Overhead Allocations - there is a timing issue with the budget phasing. The budget comes back to zero by year end.
<b>TOTAL</b>	<b>11,588,316</b>	<b>10,996,877</b>	<b>(370,387)</b>	✗	
<b>Net Operating Cash Flows</b>	<b>3,361,295</b>	<b>2,864,549</b>	<b>496,746</b>		



**Central Hawkes Bay District Council**  
**For the Period July 2019 - December 2019**



**Funding Impact Statement Report Continued**

Sources of Capital	YTD Actuals	YTD Budget	Bud Var	FLAG	Comments
Subsidies and grants for capital expenditure	2,797,519	3,155,789	(358,270)	✗	NZTA subsidies are up on budget. This is largely timing based. The settled weather leading up to Christmas meant Council's reselling program was ahead of schedule.
Gross proceeds from sale of assets	18,811	17,328	1,483	✓	This figure was derived from vehicle sales as part of the on going vehicle replacement program.
Development and financial contributions	27,571	10,986	16,585	✓	Development Contributions are higher than budget due to the higher level of greenfield developments occurring in the region, particularly strong in Otane.
Increase (decrease) in debt	14,000,000	6,104,944	7,895,156	✓	At present Council is undertaking a significant capital program which means it is spending more than its annual rates income. This program is creating a multigenerational assets and is being matched with multigenerational loans. The decision was made in July 2019 to draw some of these loans early to ensure the funds were available when required. To mitigate the cost of doing this these funds have been invested to till required to offset the interest holding cost.
<b>TOTAL</b>	<b>16,843,902</b>	<b>9,288,947</b>	<b>7,554,955</b>		
<b>Applications of Capital</b>					
to meet additional demand	0	0	0		
to improve the level of service	7,790,849	8,527,847	736,998	✓	A number of capital projects are out of sync with the budgeted timelines - Otane \$1,034k and Takapau \$413k water supplies have overspent their year to date budget, offsetting this is the Waipukurau water supply project is underspent \$2,015k. The dog pound project has been delayed \$211k due to difficulties securing an appropriate site.
to replace existing assets	5,542,024	5,946,866	404,842	✓	A number of capital projects are out of sync with the budgeted timelines - The Waipukurau Water program is running ahead of budget \$483k; additional costs have been incurred from last years weather event \$130k for roading reinstatements, roading resells are ahead of schedule with good weather leading up to Christmas \$440K; offsetting this is bridge strengthening \$386k which is behind budget (the design work complete but the physical work yet to commence).
Increase (decrease) in reserves	(2,467,130)	(1,793,522)	673,608	✗	Reserve accounts movements are balanced up annually, so this discrepancy will correct then.
Increase (decrease) of investments	4,877,420	(421,218)	(5,098,638)	✓	This is related to the loan comment above. The increase in investments (bonds/term deposits) reflects the loan money Council has drawn early and is being held in investments until it is needed to fund the capital program.
<b>TOTAL</b>	<b>15,543,163</b>	<b>12,239,973</b>	<b>(3,283,190)</b>		
<b>Net Capital Cash Flows</b>	<b>1,300,739</b>	<b>(2,971,026)</b>	<b>4,271,765</b>		
<b>Grand Total</b>	<b>4,662,034</b>	<b>(106,477)</b>	<b>4,768,511</b>		

**Central Hawkes Bay District Council**  
**For the Period July 2019 - December 2019**



**Funding Impact Statement Report by Activity**

	Community Leadership		Planning and Regulatory		Land Transport		Solid Waste		3 Waters		Recreation and Community Facilities	
	YTD Actuals	Bud Var	YTD Actuals	Bud Var	YTD Actuals	Bud Var	YTD Actuals	Bud Var	YTD Actuals	Bud Var	YTD Actuals	Bud Var
<b>Sources of Operating</b>												
General rates, uniform annual general charges and rates penalties	662,033	4,801	349,420	2,174	3,294,277	10,223	658,681	4,146	0	0	1,772,501	12,441
Targeted rates	0	0	0	0	0	0	148,486	1,376	3,406,566	(74,202)	0	0
Subsidies and Grants for Operating Purposes	326,828	250,939	0	0	1,842,631	486,964	25,283	(1,297)	0	0	123,951	(43,748)
Fees, charges	10,690	10,690	777,519	18,195	19,476	10,092	695,848	119,890	174,317	54,181	255,912	(1,305)
Interest and dividends from investments	0	0	0	0	0	0	0	0	0	0	0	0
Local authorities fuel tax, fines, infringement fees and other receipts	0	0	298	(8,805)	84,221	3,287	0	0	185,000	185,000	138,235	130,735
<b>TOTAL</b>	<b>999,551</b>	<b>266,430</b>	<b>1,127,237</b>	<b>11,703</b>	<b>5,240,604</b>	<b>510,565</b>	<b>1,528,299</b>	<b>124,119</b>	<b>3,765,883</b>	<b>164,959</b>	<b>2,290,599</b>	<b>98,033</b>
<b>Applications of Operating</b>												
Payments to staff and suppliers	650,123	24,000	834,538	(21,624)	2,829,700	(129,191)	1,278,823	(226,604)	1,856,912	(85,091)	1,458,239	(48,863)
Finance costs	0	0	2,184	7,506	0	0	31,170	4,290	239,214	177,552	83,654	6,684
Other operating funding applications	159,554	(6,932)	273,522	(11,880)	764,848	(51,567)	225,588	(9,958)	671,144	(29,150)	438,138	(18,032)
<b>TOTAL</b>	<b>809,677</b>	<b>17,158</b>	<b>1,110,244</b>	<b>(23,989)</b>	<b>3,594,548</b>	<b>(180,748)</b>	<b>1,535,561</b>	<b>(232,602)</b>	<b>2,767,270</b>	<b>63,311</b>	<b>1,960,032</b>	<b>(61,212)</b>
<b>Net Operating Cash Flows</b>	<b>189,873</b>	<b>249,272</b>	<b>16,993</b>	<b>37,701</b>	<b>1,646,056</b>	<b>691,313</b>	<b>(7,262)</b>	<b>356,720</b>	<b>998,613</b>	<b>101,647</b>	<b>330,567</b>	<b>159,244</b>
<b>Sources of Capital</b>												
Subsidies and grants for capital expenditure	0	0	0	0	2,647,519	(342,035)	0	0	150,000	(16,235)	0	0
Gross proceeds from sale of assets	0	0	0	0	0	0	0	0	0	0	0	0
Development and financial contributions	0	0	0	0	(103)	(1,603)	0	0	27,849	20,349	(175)	(2,161)
Increase (decrease) in debt	0	0	(3,948)	(343,998)	0	0	(55,002)	(98,652)	(303,689)	(6,402,239)	(73,303)	(241,591)
<b>TOTAL</b>	<b>0</b>	<b>0</b>	<b>(3,948)</b>	<b>(343,998)</b>	<b>2,647,416</b>	<b>(343,638)</b>	<b>(55,002)</b>	<b>(98,652)</b>	<b>(125,840)</b>	<b>(6,398,125)</b>	<b>(73,478)</b>	<b>(243,752)</b>
<b>Applications of Capital</b>												
to meet additional demand	0	0	0	0	0	0	0	0	0	0	0	0
to improve the level of service	0	0	0	211,002	612,686	(46,863)	558,405	(191,829)	6,368,566	632,079	147,959	150,806
to replace existing assets	0	0	0	0	4,105,491	97,506	54,631	23,981	1,150,703	(135,863)	156,196	280,888
Increase (decrease) in reserves	(2,113)	(9,996)	0	0	(676,394)	225,486	(249,633)	(178,467)	(1,195,613)	421,709	(219,232)	119,314
Increase (decrease) of investments	0	0	0	0	0	0	0	0	0	0	0	0
<b>TOTAL</b>	<b>(2,113)</b>	<b>(9,996)</b>	<b>0</b>	<b>211,002</b>	<b>4,041,813</b>	<b>276,109</b>	<b>363,403</b>	<b>(346,315)</b>	<b>6,323,656</b>	<b>917,895</b>	<b>84,923</b>	<b>550,988</b>
<b>Net Capital Cash Flows</b>	<b>2,113</b>	<b>9,996</b>	<b>(3,948)</b>	<b>(555,000)</b>	<b>(1,394,396)</b>	<b>(619,747)</b>	<b>(416,405)</b>	<b>247,663</b>	<b>(6,449,496)</b>	<b>(7,316,020)</b>	<b>(158,401)</b>	<b>(794,739)</b>
<b>Grand Total</b>	<b>191,986</b>	<b>273,591</b>	<b>13,045</b>	<b>(147,291)</b>	<b>251,660</b>	<b>262,289</b>	<b>(425,667)</b>	<b>(553,450)</b>	<b>(5,450,883)</b>	<b>(5,251,980)</b>	<b>172,166</b>	<b>344,057</b>

**Activity Comments**

**Community Leadership:** Council has received two unbudgeted grants - a tourism grant \$150k and a economic development grant.

**Planning and Regulatory:** The dog pound project has been delayed \$211k due to difficulties securing an appropriate site impacting both the capital spend and loan funding timing requirements. The loan funding required for developing the District Plan is yet to be journalled.

**Land Transport:** Additional capital costs have been incurred from last years weather event \$139k for roading reinstatements; roading resals are ahead of schedule with good weather leading up to Christmas \$440k; offsetting this is bridge strengthening \$386k which is behind budget (the design work complete but the physical work yet to commence). This additional activity, and timing of activity, means that the subsidies received from NZTA are also correspondingly ahead of budget. Transfers to and from reserves get balanced up at year end, and this line will be corrected at this point.

**Solid Waste:** Landfill volumes are ahead of budget resulting in additional revenues and additional carbon credits being brought. Leachate to Landfill program driving capital spend.

**3 Waters:** Operational budget is on track. The Takapau and Otane Water Supply Projects are driving the capital spend, offset by timing savings in Waipukurau Water and District Wide Sewer programs

**Recreational and Community Facilities:** Subsidies and Grants are behind budget due to the budgeted public toilet construction grant \$133k not being received yet. Offsetting this is a \$90k bequest (again unbudgeted) being received for the library service. Other income relates mainly to the Waipawa Pool donations which were unbudgeted. Staff costs are ahead of budget in libraries, but is offset by a MSD grant. Capex is behind budget due the timing of public toilet construction, as well as minor capital work across multiple buildings/libraries.

## 5.6 ADOPTION OF ASSET MANAGEMENT POLICY

**File Number:** COU1-1410

**Author:** Josh Lloyd, Group Manager - Community Infrastructure and Development

**Authoriser:** Monique Davidson, Chief Executive

**Attachments:** 1. Asset Management Policy DRAFT 2020  

### PURPOSE

The matter for consideration by the Committee is the adoption of Council's Asset Management Policy.

### RECOMMENDATION FOR CONSIDERATION

**That having considered all matters raised in the report, the Committee adopts the attached Asset Management Policy.**

### EXECUTIVE SUMMARY

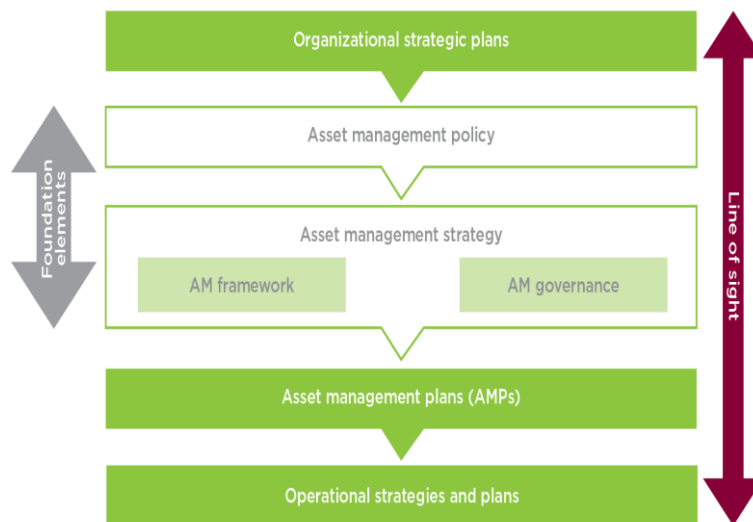
This report presents a recommendation for the Committee to adopt a novel Asset Management Policy (the Policy). The Policy is a key part of a new approach officers are leading out internally in formalising a systems approach to asset management. The Policy is simple and brief by design and at its core houses a set of asset management principles, aligned with Council's own values, and designed to shape all future asset management practices in Council. The principles act as cornerstones in asset management decision making and when carrying out physical work on the assets and are an important element in ensuring that asset management outcomes are aligned with the wider intended outcomes and objectives of Council. The Policy is for internal use, will apply to all Council staff and contractors and does not have any statutory power or require any formal delegations for approval.

### BACKGROUND

Council manage in excess of \$800,000,000 worth of physical assets spread across the District with the primary component (>\$700,000,000) being roading infrastructure and the bulk of the remainder made up of 3 waters assets. Asset management is defined as the coordinated activities of an organisation to realise value from assets and encompasses all activities that Council and its contractors perform to build, operate, maintain, renew and review assets. Asset management is big and complex and therefore, a 'systems' approach is widely considered best practice. A systems approach acknowledges the importance of each of the many different elements that make up asset management and seeks to improve each one of them as well as the interrelationships between them.

Until recently, Council (like many other organisations) has not formally acknowledged its own asset management system and instead focussed diligently on work on unique and often standalone aspects of asset management. This is not a criticism of the way Council has managed its assets to date and is commonplace in New Zealand. An example of this is Council focussing heavily (and rightfully) on procurement of key contracts to form lasting relationships with suppliers who will be the hands, ears and eyes on Council's assets. This is not a wrong approach but under a systems management structure would be considered in a wider context and would ensure that procurement of key contracts was prioritised and aligned against other asset management actions/interventions.

To more formally acknowledge a systems approach to asset management, Council is now seeking to build some foundational understanding of core asset management principles in the organisation and create some key asset management artefacts/documents. At the top of the list is the creation of an organisation-wide Asset Management Policy (the Policy).



In the hierarchy of asset management documentation, the Policy sits at the top and guides the way the organisation acts with respect to all aspects of asset management. Critically the Policy is the first translation of organisational goals and objectives (non-asset specific) into asset specific principles. Through further documents, these principles are brought to life in the form of asset management objectives and ultimately drive work to be carried out on the assets. At all times the asset management principles provide a golden line of thread between organisational and asset management drivers.

Because of the significance of the Policy, it is commonplace that it is endorsed at the highest level. Following a workshop in November with Council, the Policy attached and presented today has sought to capture Council's drivers for asset management in the form of 15 core principles structured under Council's existing THRIVE values.

The timing is right for Council to create and embed the Policy as Officers progress with updating Asset Management Plans that will feed into the 2021 Long Term Plan.

## DISCUSSION

Officers are seeking to implement an Asset Management Policy (the Policy) that will contain a set of asset management principles to guide and influence the way that Council manages its assets. The Policy appended to this report contains 15 principles aligned with Council's THRIVE values and based on feedback received from Council at a November 2019 workshop. The Policy is brief by design and the core elements (the set of principles) can fit on a single page for future distribution and publication.

## RISK ASSESSMENT AND MITIGATION

The Policy seeks to reduce long-term risk by aligning the decision making and management processes for assets clearly with Council intent/direction through a set of explicit principles. There is risk that the principles in the Policy may not be aligned with organisational intent/direction and Officers are seeking to clarify this with Elected Members through the adoption of the Policy.

Officers consider that while there may be risk that the principles are misaligned now, or fall out of alignment in the future, having the principles clearly articulated in a Policy provides a better ability to manage the risk than if they were not clearly published and were simply implied or inferred as they have been to date.

## FOUR WELLBEINGS

Each of the four wellbeings is represented in the 15 listed principles. This has not been done explicitly but Officers consider there to be good coverage across the wellbeing's as evidenced in examples of principles taken from the Policy below:

- *Fostering a positive and collaborative work environment for staff, community, iwi and contractors*
- *Recognising that our people are at the core of asset management and therefore developing the capability of people and teams.*

*Ensuring that our assets are safe, resilient and free from defects and do not impact adversely on the environment. Acting responsibly with public funds and ensuring fit-for-purpose solutions are prioritised for all asset needs. Ensuring that our assets are safe, resilient and free from defects and do not impact adversely on the environment.*

## DELEGATIONS OR AUTHORITY

The Policy has no associated budget or decision-making power and therefore is not at a level of delegations formally requiring Council adoption. Officers wish for Council to endorse the Policy in order to ensure that the Policy most accurately represents their views and those of the community.

## SIGNIFICANCE AND ENGAGEMENT

In accordance with the Council's Significance and Engagement Policy, this matter has been assessed as of some importance.

## OPTIONS ANALYSIS

Three options are presented for consideration. These are;

1. Adopting the attached Policy
2. Adopting the attached Policy with some edits/modifications
3. Not adopting the Policy and providing officers with guidance on next steps or further work that is required.

## Financial and Operational Implications

The options do not present significant measurable financial implications. The adoption of a robust policy will support robust and aligned decision making on Council assets over time. The opposite also holds true.

Officers are seeking Council's endorsement of the Policy to support operational decision making and to allow work to progress as planned on the update of asset management plans. Delays in adopting the Policy can be managed operationally by Officers however a Policy is required to be implemented under the current approach by end of March 2020 or Officers will need to review their planned approach to updating the asset management plans for the LTP cycle.

	<b><u>Option 1</u></b>	<b><u>Option 2</u></b>	<b><u>Option 3</u></b>
	<b>That the Committee adopt the attached Asset Management Policy.</b>	<b>That the Committee adopt the attached Asset Management Policy with some edits/modifications.</b>	<b>That the Committee adopt the Policy and provide officers with guidance on next steps or further work that is required.</b>
<b>Financial and Operational Implications</b>	Officers do not foresee any costs with implementing the attached Policy nor do they consider there to be any operational implications of implementing it – other than positive.	Officers can quickly make non-substantive changes to the Policy with incurring financial or operational/time cost.	Officers current project plan to see the update of AMPs for the LTP requires a Policy to be created and implemented by end of March 2020.
<b>Long Term Plan and Annual Plan Implications</b>	The Policy directly supports the creation of improved AMPs that will feed into the LTP.	Revisions to the Policy should be targeted at improving alignment of AM principles and organisational goals to support the delivery of good asset management outcomes through the LTP.	Officers consider that a Policy will greatly benefit the production of effective AMPs for the LTP and that the quality of AMPs may be reduced without a clear Policy.
<b>Promotion or Achievement of Community Outcomes</b>	The drafted Policy is specifically written to reflect targeted community outcomes that can be delivered upon through effective asset management.	Changes to the Policy will be encouraged that further support the achievement of community outcomes through effective asset management.	Officers consider a Policy and clear principles to guide asset management in Council the most effective way to positively influence the impact of asset management on community outcomes.
<b>Statutory Requirements</b>	There are no specific statutory or legislative requirements for this option.	There are no specific statutory or legislative requirements for this option.	There are no specific statutory or legislative requirements for this option.

<b>Consistency with Policies and Plans</b>	This option proposes the creation of a new policy and will have no impact on existing policies or plans.	This option proposes the creation of a new policy and will have no impact on existing policies or plans.	This option has no impact on existing policies or plans.
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### **Recommended Option**

This report recommends option 1, That the Committee adopts the attached Asset Management Policy, for addressing the matter.

### **NEXT STEPS**

Should the Committee resolve to adopt options 1 or 2, Officers will continue with the planned work in progress to create improved and updated asset management plans and will incorporate the adopted Policy in decision making going forward. Should option 3 be adopted, then Officers will move forward with creating updated asset management plans and will continue the current approach of using 'understood' but not articulated drivers and principles to direct decision making.

### **RECOMMENDATION**

**That having considered all matters raised in the report, the Committee adopts the attached Asset Management Policy.**



**CENTRAL  
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DISTRICT COUNCIL

***Together  
we thrive!***

## Asset Management Policy

Date Adopted: TBC	Review Date: TBC
Internal Policy Document #:	

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## DOCUMENT OVERVIEW

### 1. Document Status

<u>Draft</u>	In Service	Under Review	Archived
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### 2. Document Purpose

The purpose of this Policy is to support Council's vision, goals and objectives through the management of physical assets.

### 3. Intended Audience

This Policy applies to all Council staff and contractors.

### 4. Document Contributors

Contributor	Name and Title	Approval Date
Creator	Josh Lloyd – GM Community Infrastructure and Development	
Authoriser	Monique Davidson – Chief Executive	
Approver	Council	

### 5. Key Dates

Published Date: TBC

Next Review Date: TBC

### 6. Related References

Documents Informing Asset Management Strategy and Direction

- Group Business Plans
- Organisational Values
- Project THRIVE Documentation
- Infrastructure Strategy
- Long Term Plan 2018-21

### 7. Related Policies and Standards

- Risk Management Policy

## SCOPE

This policy applies to all permanent employees of Central Hawke's Bay District Council.

## POLICY

### 8. Vision

Councils Vision is for "Central Hawke's Bay to be a proud and prosperous district made up of strong connected people who respect and protect our environment and celebrate our beautiful part of New Zealand".

### 9. Values

Council intends to deliver on its aspirational vision by adhering to a set of values produced through a consultative piece of work with the community know as Project THRIVE. The values are:

- Trust – we create trust by acting with integrity
- Honesty – we do what is right even when no one is looking
- Respect – we have respect for each other, our community and our stakeholders
- Innovation – we find smarter ways to do things to produce improved and sustainable results
- Valuing People – we are one team, supporting each other to succeed
- Excellence – we deliver exceptional results

### 10. Asset Management Principles

At the core of this Policy are the following set of principles that seek to translate organisational intent into guidance and direction specific to how we manage our physical assets. The principles are logically grouped under each of Councils core values – providing line of sight from organisational to asset management intent.

## Asset Management Principles - THRIVE

### Trust

- Acting unwaveringly ethically and transparently to gain the trust and confidence of our communities
- Ensuring compliance with all applicable legislative and regulatory requirements and industry and internal standards
- Acting responsibly with public funds and ensuring fit-for-purpose solutions are prioritised for all asset needs.

### Honesty

- Council will utilise accepted industry benchmarks of asset management planning sophistication and will publish Asset Management Plans at maturity levels as set out by IIMM
- Council will make publicly available information about its assets, their performance and our asset management practices
- Acknowledging when things go wrong and acting quickly to remedy and prevent all issues caused by our assets.

### Respect

- Ensuring that our people take personal responsibility for the safety of themselves, their colleagues, contractors and members of the public
- Ensuring that our assets are safe, resilient and free from defects and do not impact adversely on the environment
- Respecting the past and existing practices but focussing forward and empowering our staff and contractors to continuously question and improve.

### Innovation

- Ensuring that our people are empowered to find ways to do things better and continually improve asset management at Council
- Leveraging technology and systems to support our assets and asset management
- Utilising modern and current practices to manage our assets in a way that is intergenerational.

### Valuing People

- Recognising that our people are at the core of asset management and therefore developing the capability of people and teams
- Fostering a positive and collaborative work environment for staff, community, iwi and contractors
- Providing appropriate levels of resource to enable asset management objectives to be achieved.

### Excellence

- Monitoring, measuring and reporting on asset and asset management performance
- Taking a risk-based approach to managing our assets
- Utilising data and information to inform decision making through agreed, transparent and rigorous decision-making processes.

## 5.7 KEY PROJECT STATUS REPORT - BIG WATER STORY #6

**File Number:** COU1-1410

**Author:** Darren de Klerk, 3 Waters Programme Manager

**Authoriser:** Monique Davidson, Chief Executive

**Attachments:** 1. Key Project Status Report #6    
2. Oct - Dec 2019 Quarterly Update #7  

### PURPOSE

Following the conception of #thebigwaterstory, Council set about implementing the programme. A programme manager was appointed and focus given to defining the projects that form the programme in greater detail.

The purpose of this key project status report serves as an opportunity to formally report to elected members on the progress of each of the projects and their expected delivery against time, scope, budget and quality standards against the larger programme objectives.

### RECOMMENDATION

1. That, having considered all matters raised in the report, the report be noted.
2. That the next Big Water Story report be presented in 12 weeks at the 18<sup>th</sup> June 2020 - Finance and Infrastructure Committee meeting.

### SIGNIFICANCE AND ENGAGEMENT

This report is provided for information purposes only and has been assessed as being of some importance.

### BACKGROUND

As part of Project Thrive, the importance of water to our community was one of the loudest messages. This, combined with a vision for growth and prosperity, environmental responsibilities, as well as strong and durable infrastructure, is how #thebigwaterstory began.

To deliver the improvements required, Council has developed a programme of upgrades and improvements to ensure that the drinking water, wastewater and stormwater infrastructure is able to meet the current and future needs of the community.

Following Project Thrive, creation of The Big Water Story brand, and adoption of the LTP in 2018, attention and focus have shifted from discussion and consultation to planning and delivery. Projects must be sequenced and prioritised based on several factors. This holistic approach to managing several interrelated projects to achieve a single promised outcome is referred to as Programme Management.

### DISCUSSION

This key project status report provides the following highlights;

- Update on the progress of the programme
- Key individual project updates
- Key risks to the programme and proposed control measures
- Achievements in the previous quarter
- Planned activities for the next quarter
- Financial status of the programme and key projects.

## IMPLICATIONS ASSESSMENT

This report confirms that the matter concerned has no particular implications and has been dealt with in accordance with the Local Government Act 2002. Specifically:

- Council staff have delegated authority for any decisions made;
- Council staff have identified and assessed all reasonably practicable options for addressing the matter and considered the views and preferences of any interested or affected persons (including Māori), in proportion to the significance of the matter;
- Any decisions made will help meet the current and future needs of communities for good-quality local infrastructure, local public services, and performance of regulatory functions in a way that is most cost-effective for households and businesses;
- Unless stated above, any decisions made can be addressed through current funding under the Long-Term Plan and Annual Plan;
- Any decisions made are consistent with the Council's plans and policies; and
- No decisions have been made that would alter significantly the intended level of service provision for any significant activity undertaken by or on behalf of the Council, or would transfer the ownership or control of a strategic asset to or from the Council.

## NEXT STEPS

The next step for the programme will be to continue to manage and lead the programme as planned, with regular communication updates and quarterly (12 weekly) key project status report updates to the Finance and Infrastructure Committee.

In addition, bi-monthly programme updates are provided to staff, councillors and the community on individual projects progress.

The capital projects team will continue to create supporting plans to support each project and to add a robust process to the delivery of the programme.

## RECOMMENDATION

1. That, having considered all matters raised in the report, the report be noted.
2. That the next Big Water Story report be presented in 12 weeks at the 18<sup>th</sup> June 2020 - Finance and Infrastructure Committee meeting.



## Key Project Status Report #6



**CENTRAL  
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PROJECT NAME	#theBigWaterStory Key Project Status Report		
Release Date	14/02/2020	Report #	6
Key Benefits	<p>The benefits of the Big Water Story were communicated to the residents of CHB through workshops and through the LTP process. The key benefits were to:</p> <ul style="list-style-type: none"> <li>• Upgrade infrastructure so that it will last longer and we can maintain the service you have always relied on</li> <li>• Meet changing legislative and compliance requirements relevant to 3 waters assets</li> <li>• Build resilience in our waters infrastructure by having second supplies, firefighting capacity and right sized reticulation systems</li> <li>• Take on the learnings from the Havelock North water inquiry</li> <li>• Ensure we are providing for smart growth in the District including the rapidly growing number of new homes being built in our residential areas and forecast over the next 10 years</li> <li>• Supply those who are connected to Drinking Water with a safe, clean and reliable drinking water source in particular those smaller communities</li> <li>• Deal with wastewater and stormwater to ensure minimal impact on our rivers</li> <li>• Ensure we do not burden future generations with aging infrastructure</li> </ul>		
Project Delivery Objectives	<p>To deliver the capital projects in the allocated year/s that together form the Big Water Story to budget and quality whilst ensuring maximum community benefit from these projects.</p> <p>Communicate to the community on the programme and the progress of each project.</p> <p>Provide input through the design and improvement projects to future infrastructure works and asset management plans, to inform where future expenditure and improvements are targeted for the betterment of infrastructure in the district.</p>		



## Key Project Status Report #6



### Report/ Document History

Report No.	Report Date	Report Frequency	Project Sponsor	Project Manager
1	28/07/2018	Bi-Monthly	Josh Lloyd	Josh Lloyd - Interim
2	27/08/2018	Bi-Monthly	Josh Lloyd	Darren de Klerk
3	16/11/2018	Bi-Monthly	Josh Lloyd	Darren de Klerk
4	01/02/2019	Bi-Monthly	Josh Lloyd	Darren de Klerk
5	15/08/2019	Bi-Monthly	Josh Lloyd	Darren de Klerk
6	14/02/2020	Bi-Monthly	Josh Lloyd	Darren de Klerk

### Sponsor's Project Delivery Confidence Assessment



#### INTRODUCTION

This report will provide regular information on the fixed objectives and dynamic progress and risks of the Big Water Story.

The report provides an introduction as well as background and contextual information on the Big Water Story and then becomes more detailed discussing programme and project progress and risk.

#### BACKGROUND

As part of Project Thrive, the importance of water to our community was one of the loudest messages. This, combined with a vision for growth and prosperity, environmental responsibilities, as well as strong and durable infrastructure is how **#thebigwaterstory** began.

To deliver the improvements required, Council has developed a programme of upgrades and improvements to ensure that the drinking water, wastewater and stormwater infrastructure is able to meet the current and future needs of the community.

Following project THRIVE, creation of The Big Water Story brand, and adoption of the LTP in 2018, attention and focus have shifted from discussion and consultation to planning and delivery. Projects must be sequenced and prioritised based on several factors. This holistic approach to managing several interrelated projects to achieve a single promised outcome is referred to as Programme Management.

#### OBJECTIVE

Following the conception of **#thebigwaterstory**, Council set about implementing the programme, a programme manager was appointed and focus given to defining the projects that form the programme in greater detail.

This key project status report serves as an opportunity to formally report to elected members on the progress of each of the projects and their expected delivery against time, scope, budget and quality standards.



## Key Project Status Report #6



### 1. Overall Confidence Assessment

Programme Manager's Status Summary			
Key Questions Impacting on Project Objectives	No	Yes	Explanation & Proposed Resolution to Problem
1 Are there <b>Business Case Benefit</b> attainment problems?	✓	<input type="checkbox"/>	The business case is self-supporting and based on relatively simple science. The assets are proven to require replacement, upgrade or augmentation. By delivering the specified projects, the asset constraints will be mitigated and business case benefits realised.
2 Are there <b>Scope Control</b> problems?	✓	<input type="checkbox"/>	The scope of the Big Water Story is defined with listed projects. The scope will be better defined as each project progresses through design phases.
3 Will Target <b>Dates</b> be missed?	<input type="checkbox"/>	✓	There is greater confidence most projects will be delivered within timeframes, Waipukurau second supply is unlikely to be completed within the original two-year timeframe. This has been re-forecast to 30 June 2021, and will be re-evaluated as it progresses through its planning lifecycle.
4 Will <b>Project Costs</b> be overrun?	<input type="checkbox"/>	✓	Confidence has been given on majority of the listed projects, some risk still lie within the wastewater projects, these will be managed case by case as the scope is better understood. The SH2 borefield project has been highlighted and is likely to exceed original budget, but will be managed in the wider project/ programme budgets.
5 Are there <b>Quality</b> problems?	✓	<input type="checkbox"/>	The risk of poor quality outcomes (e.g. poorly constructed projects) is considered low. The quality of physical works is considered a non-negotiable and is managed through routine project management processes.
6 Are there <b>Resource</b> problems?	✓	<input type="checkbox"/>	As the programme has progressed this resourcing risk has been well managed internally, and through engaging a diverse external market to deliver physical and design services.
7 Are there <b>Risk Management</b> problems?	✓	<input type="checkbox"/>	No significant risk management problems perceived at present, risks will be identified below and managed as per project management practices. Safety in design workshops held for each project.
8 Are there <b>Review and Approval</b> problems?	✓	<input type="checkbox"/>	Governance and internal management structures for the review and approval of project and programme outcomes are sufficient to meet the requirements of the Big Water Story. Robust gateways in place, in particular for procurements.
9 Are there <b>Teamwork</b> problems?	✓	<input type="checkbox"/>	The team are engaged and enthusiastic about the Big Water Story. New staff and changes in some roles is providing improved team dynamics.
10 Are there <b>Stakeholder</b> problems?	✓	<input type="checkbox"/>	Key affected stakeholders will be communicated with and managed as per defined stakeholder





## Key Project Status Report #6



				management and communication plans for each project.
11	Are there <u>Iwi</u> issues?	✓	<input type="checkbox"/>	Impact on Iwi considered to be minimal with little impact on land or changes in use of infrastructure planned as part of Big Water Story. Following stakeholder engagement plans will ensure they are identified and engaged with in advance.
12	Are there <u>Communication</u> problems?	✓	<input type="checkbox"/>	Communication Strategy for Big Water Story developed, website content being updated and templates being developed for regular distribution on all projects in line with project specific communication and stakeholder plans.
13	Are there <u>Change Management</u> problems?	✓	<input type="checkbox"/>	Not at present, some change may be imminent in project scope - these will be managed through our design review, and approval process.
14	Are there <u>Health &amp; Safety</u> issues?	✓	<input type="checkbox"/>	H&S management is another non-negotiable for the delivery of all Big Water Story projects. It is mandatory that robust H&S management plans and procedures are provided for each Big Water Story Project. This will develop further as construction progresses through site specific Health and Safety Plans

### Project Manager's Progress Summary

#### Achievements/Activities since last status report

This is the fifth report on the programme, and the third report where some achievements can be recognised;

Project	Achievement	When
Waipukurau Second Water Supply	ILM workshop held with newly procured design partner, and fresh project team looking at delivering this significant project for CHB.	Short list – Apr 2020 Ongoing
Waipawa Trunk Sewer Main Renewal	Works completed on the relining in early Jan 2020, working through power requirements to complete pump station works.	Stage 1 – Jan 2020 Stage 2 – June 2020
Otane Alternate Water Supply	Work completed on this project in December 2019	Dec 2019
Waipukurau Stormwater Improvement Project	Works completed on Churchill and Woburn improvements	Nov 2019
Otane Wastewater Upgrades	Resource consent extension to March 2021 obtained. Currently designing wastewater line to Waipawa, once through hold points expect stage 1 to be underway in Jan 2020, concurrently with a consenting strategy to ensure longer term compliance	Jan 2020



## Key Project Status Report #6



WPK, WPA and Otane Wastewater Project	Responded to court order 10 Sep 2019 Currently preparing concept design for LTP input	Sep 2019 June 2020
Otane Infiltration and Inflow	Works complete, currently compiling findings.	Feb 2020
Floating Wetlands	Trial methodology approved, contractor mobilising and working with surrounding landowners.	Feb 2020 – June 2020
Waipukurau Water SH2 Borefield Upgrade	New bores drilled, works well underway through to mid 2020	June 2020
Waipukurau Firefighting and Shortfalls project	Stages 1 and 2 complete, working on preparing for Stage 3 in July 2020.	Nov 2019 July 2020 – Oct 2020
Takapau and Porangahau WTP Upgrades	Takapau Complete and Commissioned, monitoring stakeholders and performance  Porangahau commissioned late Jan 2020, Storage tank commissioned Feb 2020 – opening March 2020	Nov 2019  March 2020

### Issues/ Risks that have arisen since the last status report

This section will be expanded/ updated in subsequent quarterly Key Project Status Reports.

Project	Risk	Proposed Control
Waipukurau Second Water Supply	Dry Bore and Water source, Alignment with wider spatial plan	Review of aquifer, pump testing on surrounding bores, larger test bore
Waipukurau Second Water Supply	Meeting timeframes - Due to the amount of planning and cogs in the process, each activity takes time	Robust project plan and visibility on timeframes, thinking ahead and undertaking tasks simultaneously with another that adds value.
SH2 Borefield Upgrade	Budget risk	Bore assessment, robust planning and equipment planning, use of other projects.
Wastewater Projects	Risk highlighted with budget for Takapau, Porangahau and Te-Paerahi	To be managed case by case, and largely driven by outcome of scope.  Robust community session to understand drivers
Waipawa Trunk Sewer Main Renewal	Power to site and working with landowners	Robust stakeholder plan and engagement process followed.  Ongoing management and risk mitigation required



## Key Project Status Report #6



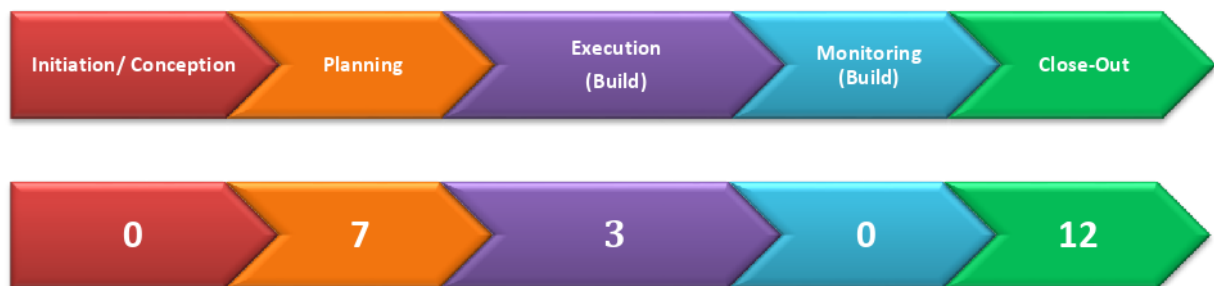
### Key Activities to be started/completed or in progress over the next 2-3 months

Project/ Item	Action/ Activity	Forecast Completion
Waipawa Trunk Sewer Main Renewal	Reline complete, power upgrades are the current focus	Early 2020
Waipukurau Second Supply	WSP complete ILM, shift to a short list to Finance and Infrastructure committee on 23 April 2020.	April 2020
Waipukurau and Waipawa WW I&I	Review historic I&I and make plan to reduce and improve network	Ongoing
Wastewater Improvements	Sludge work underway, leachate removal, minor improvements, UV etc...	Ongoing
Takapau, Porangahau and Te-Paerahi WW Upgrades	As per comms project plan, we are across the main milestones required to deliver these upgrades.	Dec 2020 – Te Paerahi and Porangahau March 2020 - Takapau
Otane, Waipukurau and Waipawa	Preparation for the LTP 2021. Concepts design drafts targeted for June 2020. Pat of WW comms plan.	June 2020
Otane WW Pipeline—Stage 1	Stage 1 awarded and due to commence March 2020	July 2020
SH2 Borefield	Bores constructed, Bore B setup underway, New Bore D and E progressing, expected completion June 2020.	June 2020
Kairakau Water	Options and design to be undertaken over next 3 months, construction for late 2020	Dec 2020

### General Comments

As outlined in the previous key project status report, the momentum shifted to construction, but in the last 3 months, we have seen a number of projects completed, and the number under construction reduce, a large focus turns to the large water project, and the six wastewater projects.

### By Project Status Update





## Key Project Status Report #6



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Project Name	Project Description	Status
Otane wastewater	Otane wastewater treatment upgrade	Terminated
Otane wastewater	Otane wastewater I&I Study	Complete
Otane wastewater	Otane to Waipawa Pipeline – Stage 1	Execution
Otane wastewater	Otane wastewater Resource Consent Extension	Complete
Porangahau Water	Porangahau water treatment improvement	Complete
Waipukurau Water	Porritt Place Water Renewal	Complete
Takapau wastewater	Takapau Resource Consent Extension	Complete
Takapau wastewater	Takapau Wastewater Upgrade	Planning/ Design
Otane wastewater	Otane Land Development (Wastewater)	Complete
Porangahau/ Te-Paerahi WWTP	Porangahau/ Te-Paerahi WWTP	Planning/ Design
Otane Water	Otane Land Development (Water)	Complete
Waipukurau Stormwater	SW Helicoil Upgrades – Tavistock/ Francis Drake	Complete
Waipukurau Stormwater	SW Helicoil Upgrades – Tutaneikai / Tavistock	Planning/ Design
Waipukurau Water	Waipukurau Water SH2 Bore Upgrade	Execution
Waipukurau Stormwater	Waipukurau CBD Stormwater - Churchhill / Woburn	Complete
Waipukurau Stormwater	Waipukurau CBD Stormwater improvements	Planning/ Design
Otane Water	Otane Alternative Water supply	Complete
Waipukurau Water	Waipukurau Second water supply	Planning/ Design
Takapau Water	Takapau Water treatment improvement	Complete
Waipawa wastewater	Waipawa trunk sewer main renewal	Execution
District wastewater	WPK WPA Wastewater Treatment Investigation	Planning
District Water Renewals	Waipuk - Mackie, Mclean, Mt View	Complete
District wastewater	CHB District Wastewater Renewals	Planning

### Overview of the 3-year programme to Sep 2022





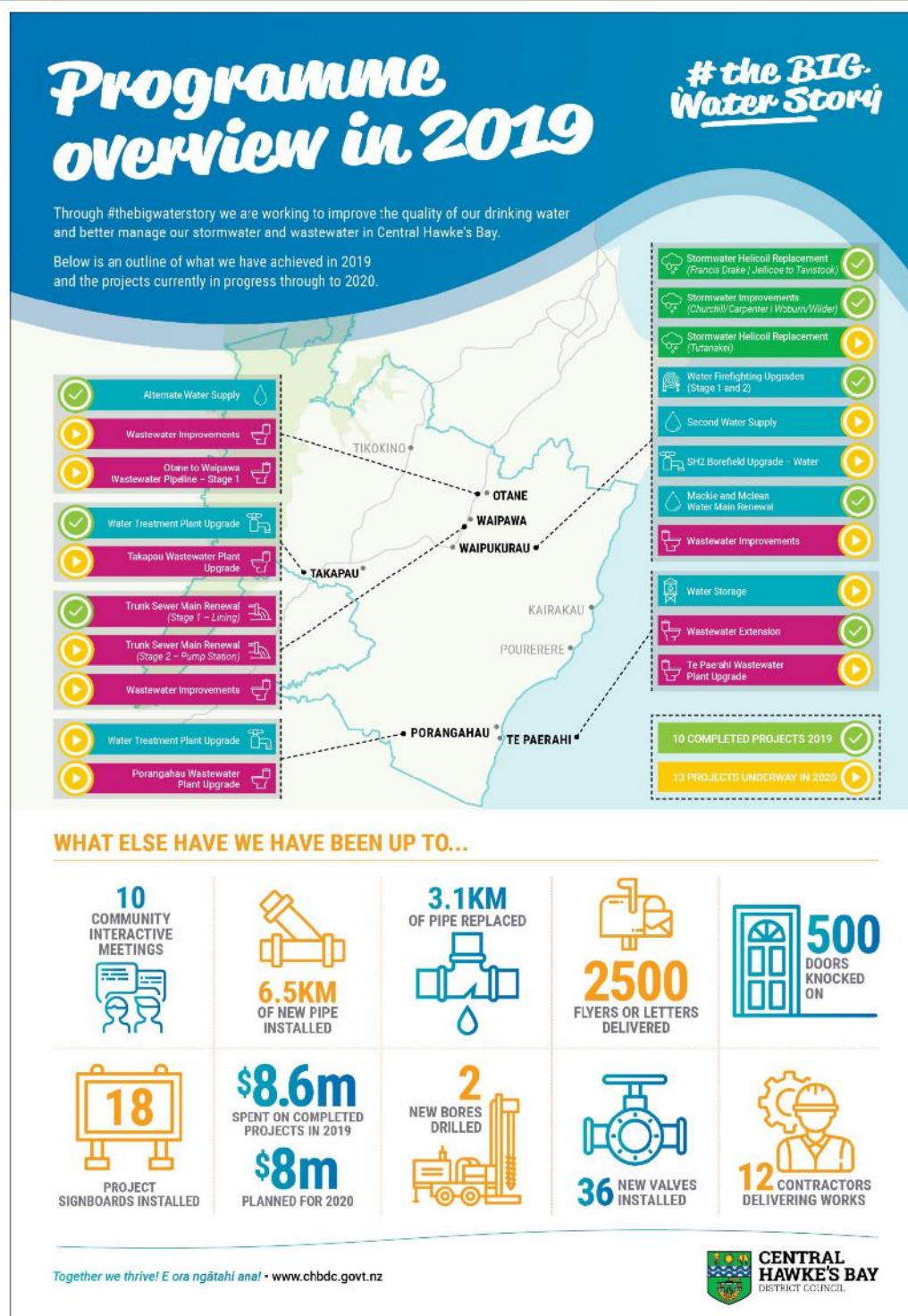


## Key Project Status Report #6



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### 2019 Progress



#theBigWaterStory Key Project Status Report

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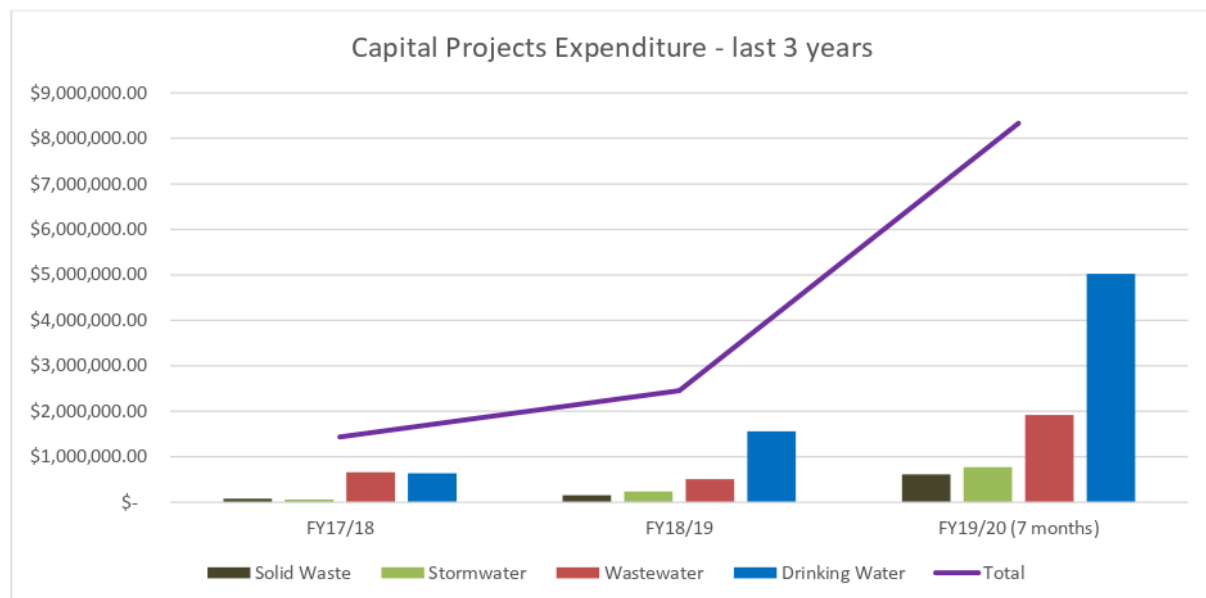
## Key Project Status Report #6



### Programme Financial Update

Financial management of Big Water Story projects requires creation internally of a project specific ID for each project. This allows for management of costs and understanding of progress against budget – further detail available on request

Programme Statistics	Expenditure	
	Whole Life (\$) 10 year	Current Year (\$) 2019/20
Approved Project Budget (Baseline)	37,966,321	8,242,630
Actual Spent to Date (as at 30/01/2020)	10,788,896	8,332,635
% Spend against budget (as at 30/01/2020)	28%	101%
Estimate to Complete Remainder of FY19/20	-	12,398,243



Key Project Statistics	Budget	Expenditure	Variance
	Whole Life (\$)	@ 30 Jan 2020	
Otane Alternative Water supply	\$2,616,720	\$2,440,451	\$201,252
Waipukurau Second water supply	\$5,716,012	\$352,468	\$5,394,688
WPK WPA Wastewater Treatment Investigation	\$2,121,267	\$1,238,354	\$882,911
Waipawa trunk sewer main renewal	\$1,769,790	\$1,585,950	\$196,921
Waipukurau Water SH2 Bore Upgrade	\$850,258	\$1,256,919	-\$421,661
<b>Total</b>			



## Key Project Status Report #6



### Project Delivery Confidence Assessment Key

Overall confidence remains high, with attention required constant by the programme team to deliver on outcomes. There remains potential for issues/ risks to arise and some delays may be probable. Risks will be addressed through the project, and monitored through the project lifecycle.

Key	Attention Required	Issues/Risks	Delivery
	Minimal	None	On Time
	Constant	Potential	Delays Probable
	Manage	Exist but resolvable	Delays Likely
	Urgent	Major	Delays
	Critical	Critical	Major delays. Re-scope/Re-assess

### Project Photos

Below are photos of #thebigwaterstory projects in action.

Photo can also found on the council website: <https://www.chbdc.govt.nz/our-district/projects/>

### Waipukurau Stormwater Improvements – Churchill, Carpenter Street and Woburn Road







## Key Project Status Report #6

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## Waipukurau Stormwater – Helicoil Pipeline Replacement







## Key Project Status Report #6



## Takapau Water Treatment Plant Upgrade





## Key Project Status Report #6



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### Porangahau Water Treatment Plant Upgrade







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### Otane Alternate Water Supply



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## Key Project Status Report #6



### Waipukurau Trunk Sewer Main Renewal



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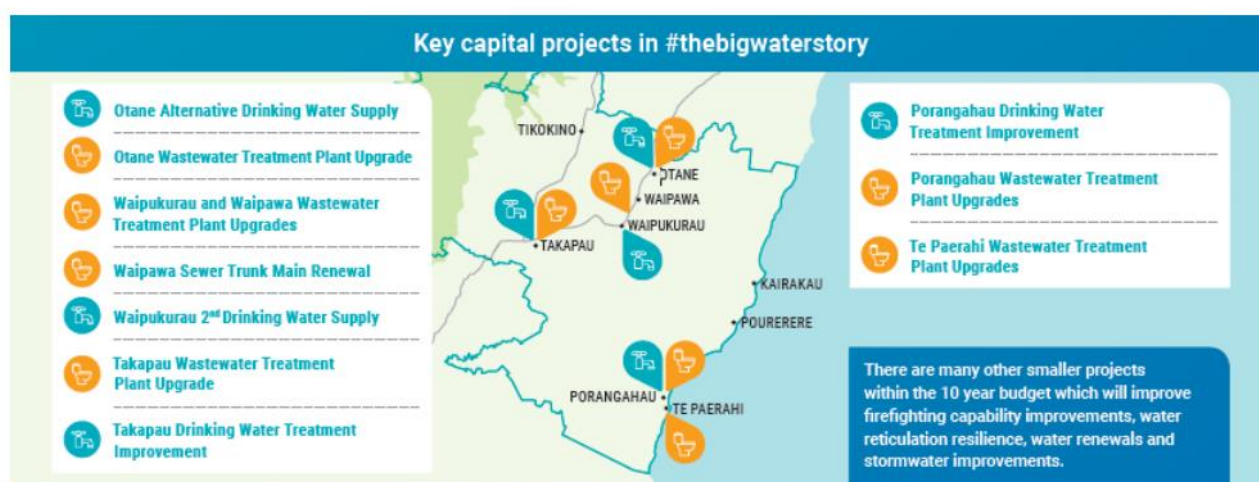
# #the BIG Water Story



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## Programme Update #7

### Oct - Dec 2019



#### Total budget on 3 Waters

Capital projects for next 10 years

Water.....	\$21m
Wastewater.....	\$8m
Stormwater.....	\$3m
<b>Total.....</b>	<b>\$32m</b>



#### 15km of pipe to be laid

Otane Alternative Water Supply  
approximately 5kms

Waipukurau 2<sup>nd</sup> Water Supply  
approximately 10kms



#### Expected Growth in CHB

10 years: 535 households

30 years: 1025 households



#### Planned Improvements



# #the BIG Water Story



## PROGRAMME UPDATE

Updated: 20 December 2019

WATER						
PROJECT	STATUS	TIMELINE		PROGRESS	BUDGET	RISK LEVEL
		START	END		TOTAL	
Otane Alternate Water Supply	Complete	Aug 2018	June 2020	100% 	\$2.6m	
Waipukurau Second Water Supply	Design	Aug 2018	June 2021	10% 	\$5.6m	
Waipukurau SH2 Borefield Upgrade	Build	June 2018	June 2020	40% 	\$850k	
Waipukurau Firefighting and Shortfalls Improvements (Year 1-2)	Complete	Aug 2018	June 2021	100% 	\$880k	
Waipukurau Firefighting and Shortfalls Improvements (Year 3)	Design	July 2020	June 2021	10% 	\$590k	
Waipukurau Firefighting and Shortfalls Improvements (Year 4-7)	Not Started	July 2021	June 2025	0% 	\$2.5m	
Te-Paerahi Water Storage	Build	Sep 2019	March 2020	40% 	\$263k	
Porangahau Water Treatment Plant Upgrade	Complete	Nov 2018	Dec 2019	70% 	\$1.03m	
Takapau Water Treatment Plant Upgrade	Build	Nov 2018	Nov 2019	100% 	\$680k	
Otane Land Development (Water and Wastewater)	Complete	March 2018	Dec 2018	100% 	\$355k	
Waipukurau – Porritt Place Water Main Renewal	Complete	Dec 2018	Mar 2019	100% 	\$65k	
Waipukurau – Mackie / Mclean St Water Main Renewal	Complete	Nov 2018	Aug 2019	100% 	\$410k	

If you are interested in learning more, please visit [www.chbdc.govt.nz](http://www.chbdc.govt.nz) or contact Darren de Klerk – Councils 3 Waters Programme Manager by emailing [thebigwaterstory@chbdc.govt.nz](mailto:thebigwaterstory@chbdc.govt.nz) or by phoning Councils Offices on 06 857 8060



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WASTEWATER						
PROJECT	STATUS	TIMELINE		PROGRESS	BUDGET	RISK LEVEL
		START	END		TOTAL	
Waipawa Trunk Sewer Main Renewal	<i>Build</i>	Aug 2018	June 2020	70% 	\$1.78m	
CHB Wastewater Treatment Plants Project ( <b>Phase 1</b> - Engagement & Court Report)	<i>Complete</i>	June 2018	Sep 2019	100% 	\$300k <i>To June 2019</i>	
CHB Wastewater Treatment Plants Project ( <b>Phase 2</b> – Improvements, Design & Consent)	<i>Investigation</i>	July 2019	Dec 2020	20% 	\$2.1m	
CHB Wastewater Treatment Plants Project ( <b>Phase 3</b> - Build)	<i>Not Started</i>	Jan 2021	TBC	0% 	TBC	
Otane Wastewater Infiltration and Inflow Study	<i>Build</i>	Jan 2019	Dec 2019	80% 	\$80k	
Otane Wastewater Treatment Plant Upgrade	<i>Re-Purposed</i>	Apr 2018	Mar 2021	100% 	\$158k	
Otane to Waipawa Wastewater Pipeline	<i>Investigation Design</i>	June 2019	Mar 2021	10% 	\$1.16mk	
Takapau Wastewater Resource Consent Extension	<i>Part 1 - complete</i>	Aug 2018	June 2021	100% 	\$100k	
Takapau Wastewater Treatment Plant Upgrade	<i>Not Started</i>	2019	2022	10% 	\$831k	
Porangahau/ Te Paerahi Wastewater Treatment Plant Upgrade	<i>Not Started</i>	2019	2022	10% 	\$1.85m	
CHB Floating Wetlands Review	<i>Investigations</i>	April 2019	TBC	20% 	TBC	
Te Paerahi Wastewater Pipeline– Beach Road Extension	<i>Complete</i>	Sep 2019	Dec 2019	100% 	\$132k	

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STORMWATER						
PROJECT	STATUS	TIMELINE		PROGRESS	BUDGET	RISK LEVEL
		START	END		TOTAL	
Waipukurau Stormwater Improvements • Service Lane Overflow	<i>Design</i>	Aug 2018	June 2019	20% <div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div></div>	\$132k	<div><div></div><div></div><div></div></div>
Waipukurau Stormwater Improvements • Savage/ Churchill/ Carpenter (Part 1) • Woburn/ Wilder (Part 2)	<i>Build</i>	Aug 2018	June 2019	100% <div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div></div>	\$481k	<div><div></div><div></div><div></div></div>
Waipukurau Stormwater Helicoil Upgrades • Tutanakei Street	<i>Design</i>	Sep 2019	June 2020	10% <div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div></div>	\$250k	<div><div></div><div></div><div></div></div>
Waipukurau Stormwater Helicoil Upgrades • Francis Drake Street	<i>Complete</i>	Aug 2018	Aug 2019	100% <div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div></div>	\$280k	<div><div></div><div></div><div></div></div>
Waipukurau Stormwater Helicoil Upgrades • Jellicoe to Tavistock	<i>Complete</i>	Aug 2018	Aug 2019	100% <div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div></div>	\$219k	<div><div></div><div></div><div></div></div>

SOLID WASTE						
PROJECT	STATUS	TIMELINE		PROGRESS	BUDGET	RISK LEVEL
		START	END		TOTAL	
Leachate to Landfill	<i>Build</i>	Sep 2019	Feb 2020	50% <div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div></div>	\$876k	<div><div></div><div></div><div></div></div>

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## PROGRAMME OVERVIEW

2019 has seen a significant amount achieved in **#thebigwaterstory** programme, with 10 physical projects completed, and 13 projects underway as we head in to 2020.

### The following projects were completed in 2019;

- o Otane Alternate Water Supply
- o Takapau water treatment plant upgrade
- o Waipawa Trunk Sewer Main – Stage 1
- o Mackie St and McLean Tce, Waipukurau - Water Renewal
- o Francis Drake and Jellicoe St, Waipukurau – Stormwater Helicoil Replacement
- o Otane Land Development (Water and Wastewater)
- o Churchill and Wilder Road, Waipukurau - Stormwater Improvements
- o Takapau water treatment plant upgrade
- o Waipukurau Water Firefighting Stage 1 and 2
- o Otane Land Development (Water and Wastewater)
- o Te Paerahi Wastewater Extension

### The following projects are underway as we head into 2020;

- o Waipukurau Stormwater – Ruataniwha Street
- o Te Paerahi Water Storage
- o Waipukurau Helicoil Replacement – Tutanekai Street
- o Porangahau water treatment plant upgrade
- o Waipukurau SH2 Borefield Upgrade
- o Leachate to Landfill Irrigation
- o Waipawa Trunk Sewer Main – Stage 2
- o Takapau Wastewater Upgrade
- o Porangahau and Te Paerahi Wastewater Upgrade
- o Waipukurau Second Water Supply
- o Wastewater Improvements – Waipawa, Waipukurau
- o Otane to Waipawa Wastewater Pipeline



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# Programme overview in 2019

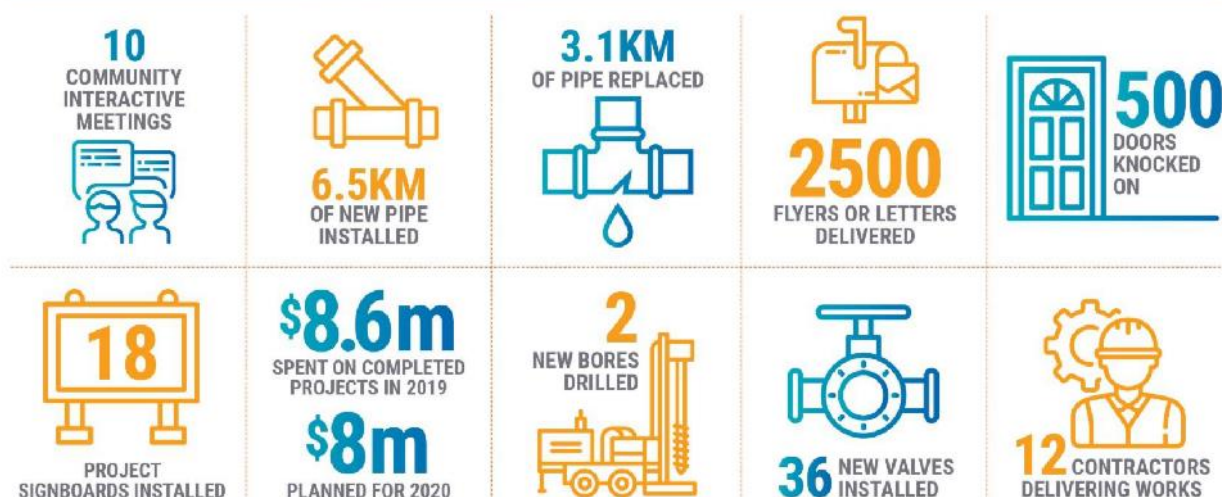
#theBIG-WaterStory

Through #thebigwaterstory we are working to improve the quality of our drinking water and better manage our stormwater and wastewater in Central Hawke's Bay.

Below is an outline of what we have achieved in 2019 and the projects currently in progress through to 2020.



## WHAT ELSE HAVE WE HAVE BEEN UP TO...



Together we thrive! E ora ngātahi ana! • [www.chbdc.govt.nz](http://www.chbdc.govt.nz)







## PROJECT UPDATES

**PROJECT:** Otane Alternate Water Supply Project

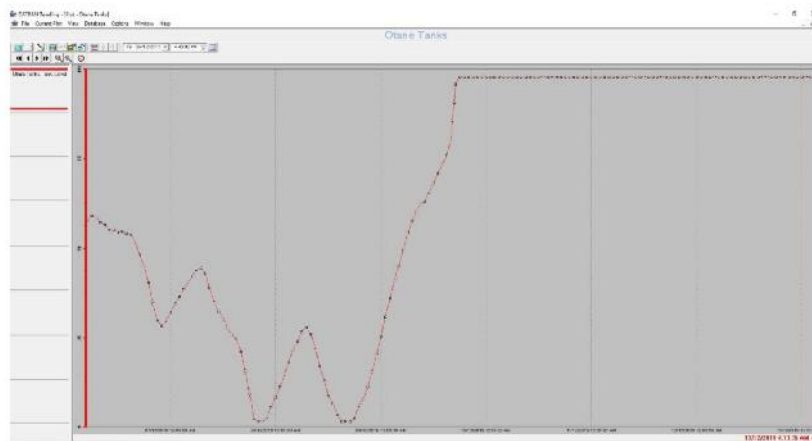
STATUS	<b>COMPLETE</b>	
TIMELINE	<b>Aug 2018</b> START DATE	<b>DEC 2019</b> END DATE
PROGRESS	<b>100%</b>	
BUDGET	<b>\$2.641m</b> TOTAL PROJECT BUDGET	<b>\$2.436m</b> EXPECTED SPEND AT COMPLETION
RISK LEVEL		

### SCOPE

To install a 150-200mm PE pipeline approx. 5.2km from Sh2/ Racecourse Road intersection into new network at the intersection of Knorp Street and White Road.

### ACHIEVEMENTS

A significant amount of work has taken place over the last 3 months, and the pipeline was commissioned on 9<sup>th</sup> December 2019, with the formal opening on 18<sup>th</sup> December 2019. The introduction of additional water has significantly assisted with the shortfalls in supply Otane was experiencing – as per the graph below.



### PLANNED

Asbuilts are to be received, and final tidy up in early Jan 2020. The team will also work on tweaking the pressure reducing valve to ensure appropriate distribution between existing reservoir and the new supply.



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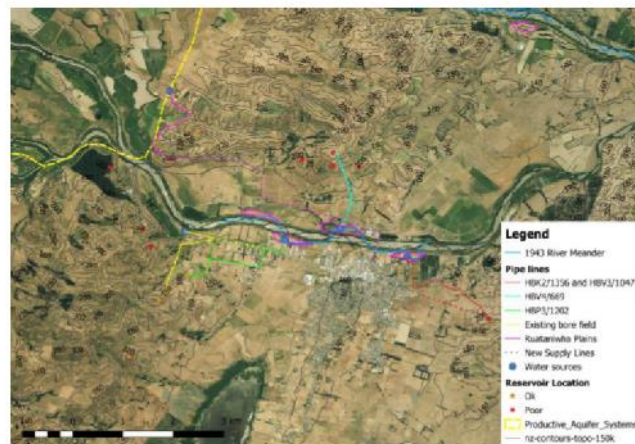


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## PROJECT: Waipukurau Second Water Supply

STATUS	DESIGN	
TIMELINE	AUG 2018 START DATE	JUNE 2021* END DATE
PROGRESS	10%	<div><div></div></div>
BUDGET	\$5.6m TOTAL PROJECT	\$178k SPEND TO DATE
RISK LEVEL	<div><div></div><div></div><div></div></div>	



## SCOPE

To find and construct a new water source bore, pipe a rising main to a reservoir, provide treatment and gravity feed back into Waipukurau to supply a second water supply to the town.

## ACHIEVEMENTS

Procured a partner to develop the next stages of this project. Site visit completed of the wider district to provide context on the project and start to develop a picture for the strategic assessment to be developed.

## PLANNED

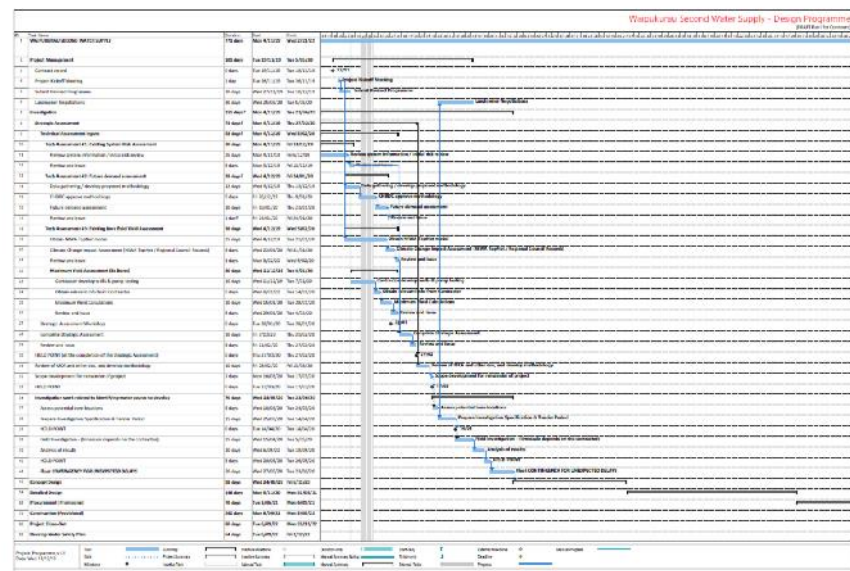
Pump test existing Borefield to understand capacity.

Strategic Assessment workshop planned for late Jan 2020. We will then move into continuing to gather data and paint a picture on what the best option is to develop this project.

Expect to gain further traction in 2020, and this look to be a greater focus.

## RISKS

- Power Supply to bore site
- Approval for reservoir site/ Timeframes to build reservoirs
- Water quality and flow from test bores
- Strategic assessment of project requirements
- Budget



If you are interested in learning more, please visit [www.chbdc.govt.nz](http://www.chbdc.govt.nz) or contact Darren de Klerk – Councils 3 Waters Programme Manager by emailing [thebigwaterstory@chbdc.govt.nz](mailto:thebigwaterstory@chbdc.govt.nz) or by phoning Councils Offices on 06 857 8060



**CENTRAL  
HAWKE'S BAY**  
DISTRICT COUNCIL





## PROJECT: Waipawa Trunk Sewer Main Renewal

STATUS	BUILD		
TIMELINE	AUG 2018 START DATE	JUNE 2020 END DATE	
PROGRESS	70%	<div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div></div>	
BUDGET	\$1.78m TOTAL PROJECT BUDGET	\$835k SPEND TO DATE	\$1.56m EXPECTED SPEND
RISK LEVEL	<div><div></div><div></div><div></div></div>		

### SCOPE

To renew approx. 2200m of 375mm glazed earthenware pipe that is known to have poor leaking joints and allows a great deal of infiltration into the pipework through tree root intrusion and cracks along the pipeline.

### ACHIEVEMENTS

Works commenced in mid-October 2019, to date 80% of the lining is complete with four of the five sections completed, 6 manholes have been refurbished, one manhole has been relocated and one new manhole installed. The pump station work progresses well, and 70% of this work is completed awaiting power upgrade.

### PLANNED

Week beginning 13 Jan 2019, the lining team will return and complete the final section from the Orchard to the Waipawa wastewater pond, in late Jan/ Feb 2020 we expect the power upgrade via the transformer works to take place. On completion of this, we can then work to commission the new pump station and complete the project – expected Apr 2020.

### RISKS

Some early risk identified within this project;

- Bitumen in pipeline
- Key Stakeholders
- Power Upgrade



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**CENTRAL  
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## PROJECT: Waipukurau SH2 Drinking Water Bore Upgrade

STATUS	BUILD		
TIMELINE	AUG 2018 START DATE	JUNE 2020 END DATE	
PROGRESS	40%	<div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div></div>	
BUDGET	\$850k* TOTAL PROJECT BUDGET	\$446k SPEND TO DATE	\$1.35m EXPECTED SPEND
RISK LEVEL	<div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div></div>		



### SCOPE

To upgrade the bores and electrical configuration at the SH2 water borefield source that supplies Pukeora reservoir and Waipukurau. The scope involves upgrading and refurbishing 3 bores, pipework configuration, the electrical components, transformer, fencing and a tank for surplus water. Additional components are to install flow and turbidity meters to contribute towards drinking water standard New Zealand (DWSNZ) compliance.

### ACHIEVEMENTS

Two new bores drilled, new transformer installed and new pipework onsite to be connected, bypass installed and some redundant pipework removed, new pump for Bore B in the workshop, electrical control room extension underway and air valves potholed.

### PLANNED

Pump test new bores, complete electrical controls, commission transformer, install pump, order pumps and install other pumps in new bores, change over pipework and install new instrumentation, expect to complete works by April 2020.

### RISKS

Some early risk identified within this project;

- Budget
- Timing of equipment
- New bore capacity
- Other existing infrastructure



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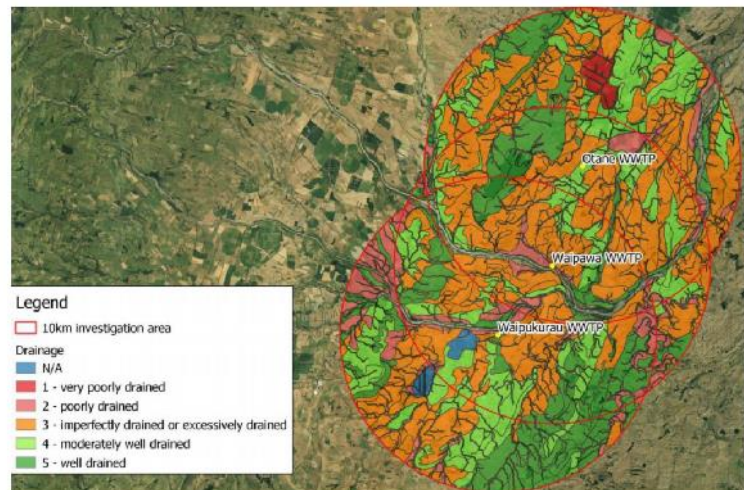


**CENTRAL  
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**PROJECT:** CHB Wastewater Treatment Plants Upgrade (Phase 1)

STATUS	COMPLETE	
TIMELINE	JUNE 2018 START DATE	SEP 2019 END DATE
PROGRESS	100%	<div><div></div></div>
BUDGET	\$300k TOTAL PROJECT	\$299k SPEND TO DATE
RISK LEVEL	<div><div></div><div></div><div></div></div>	



## SCOPE

**Phase 1:** To work with the community to set criteria and work towards a preferred solution or Best Practicable Option (BPO) for the future of Waipukurau, Waipawa and recently the introduction of Otane into the project scope.

**Phase 2:** To design, consent and fund the future works

**Phase 3:** To build and upgrade the plant(s)

## ACHIEVEMENTS

Submitted response to environment court in Sep 2019, and now working on minor improvements with our partners BECA, LEI and Veolia.

Acquired land at Walker Road in August 2019.

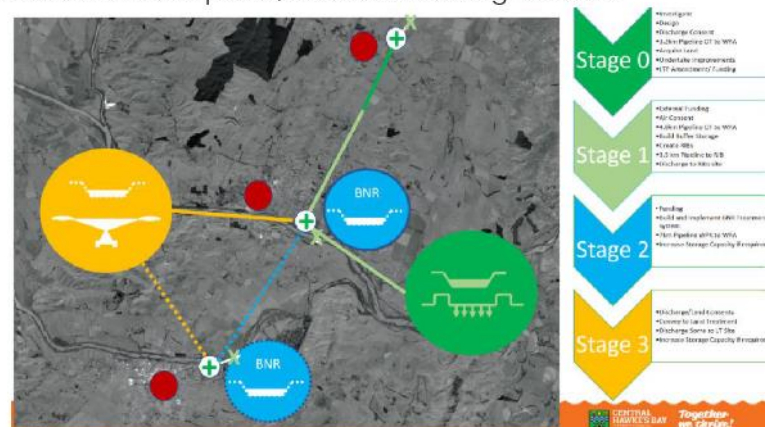
**PLANNED**

Minor improvement on plants to improve performance longer term, consenting strategy regarding the approach to consenting the amendments and new plants, continued investigation and design of the conceptual new solution.

Funding and finance progression of external options.

## RISKS

- Funding
- HBRC council expectations
- Timing of works



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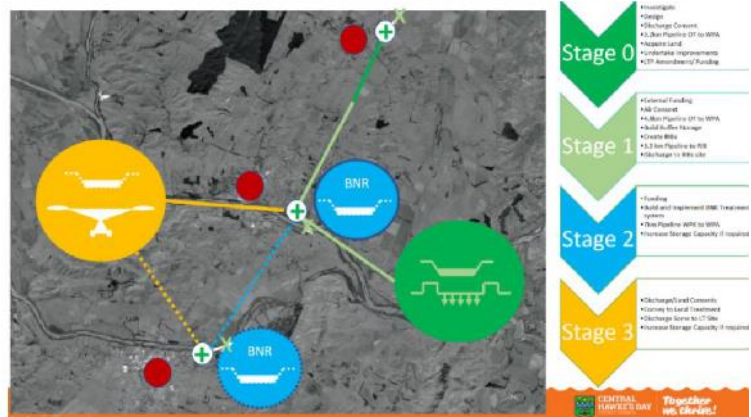
**CENTRAL  
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DISTRICT COUNCIL





**PROJECT:** CHB Wastewater Treatment Plants Upgrade (Phase 2)

STATUS	INVESTIGATION	
TIMELINE	SEP 2019 START DATE	DEC 2020 END DATE
PROGRESS	20%	<div><div></div></div>
BUDGET	\$2.1m TOTAL PROJECT	\$586k SPEND TO DATE
RISK LEVEL	<div><div></div><div></div><div></div></div>	



## SCOPE

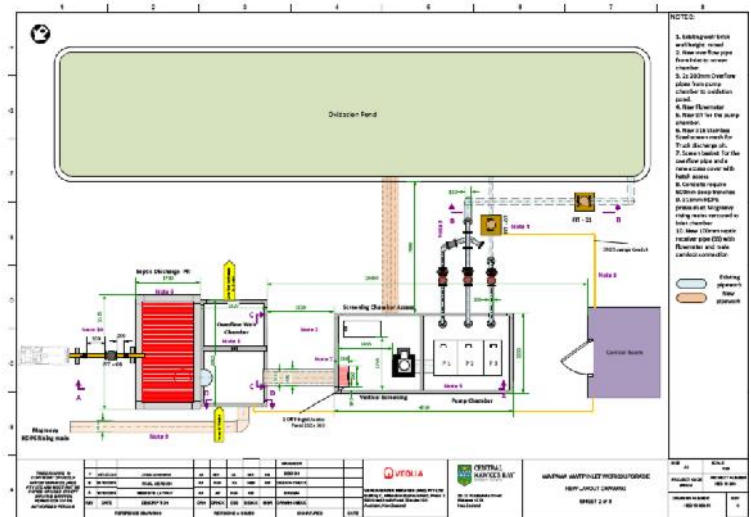
**Phase 1:** To work with the community to set criteria and work towards a preferred solution or Best Practicable Option (BPO) for the future of Waipukurau, Waipawa and recently the introduction of Otane into the project scope.

**Phase 2:** To undertake improvements, and design, consent and fund the future works

**Phase 3:** To build and upgrade the plant(s)

## ACHIEVEMENTS

Currently in phase 2 where we are bringing together a package of works for LTP 2021, we are also working on improvements at Waipawa and Waipukurau wastewater plants involving some process and some physical improvements.



**PLANNED**

Minor improvement on plants to improve performance longer term continue with Veolia focussing on this in early 2020. We are then also working away at preparing a concept overview package and an engagement plan to communicate with the community.

## RISKS

- Community views
- Funding
- Ongoing compliance



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**CENTRAL  
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## PROJECT: Otane Wastewater (I&I Study)

STATUS	BUILD	
TIMELINE	JUNE 2019 START DATE	FEB 2020 END DATE
PROGRESS	80%	<div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div></div>
BUDGET	\$80k TOTAL PROJECT	\$74k SPEND TO DATE
RISK LEVEL	<div><div></div><div></div><div></div></div>	



### SCOPE

To undertake a study of infiltration and inflow into the network.

To minimise unnecessary flow in to the network and subsequently requiring treatment by the Oxidation pond.

### ACHIEVEMENTS

Commenced study and completed

- 95% of visual inspections
- 80% of CCTV inspections

### PLANNED

Continue the study to completion – expected end of Feb 2020.

Assess the findings of the study into the greater wastewater project, and undertake necessary repairs where required.

### RISKS

Some early risk identified within this project;

- I&I issues found and the subsequent works to rectify
- Findings
- Budget to rectify
- Access issues



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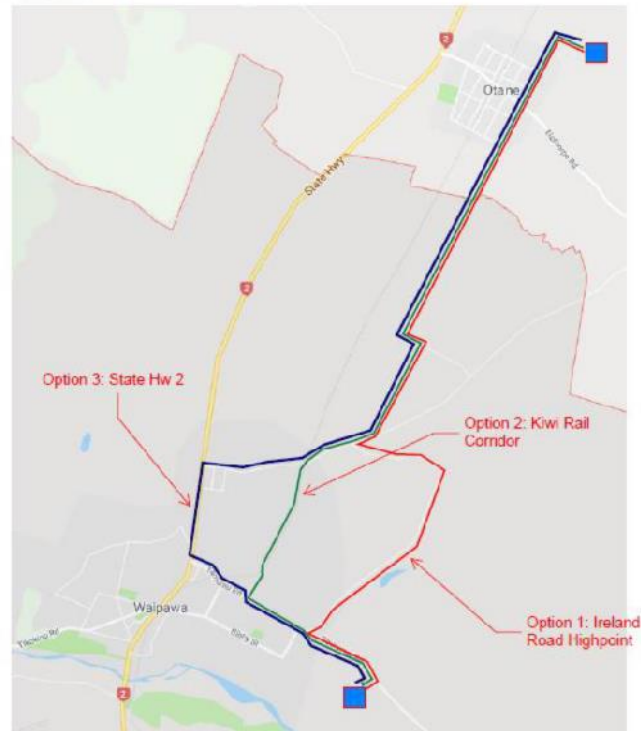
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DISTRICT COUNCIL



## PROJECT: Otane Wastewater Treatment vs Pipeline (Otane to Waipawa)

STATUS	DESIGN	
TIMELINE	JUNE 2019 START DATE	TBC END DATE
PROGRESS	10%	<div><div></div></div>
BUDGET	\$1,369m TOTAL PROJECT	\$368k SPEND TO DATE
RISK LEVEL	<div><div></div><div></div><div></div></div>	

Rising Main Routes:



### SCOPE

To investigate and design a new wastewater pipeline to convey wastewater from Otane to Waipawa.

Include part one in the contractor's scope of the Otane to Waipawa water pipeline.

### ACHIEVEMENTS

Presented a report to council in Dec 2019 to support commencing the first stage of this work, approved and working on contract award for works to commence in early 2020.

Repurposing funds that were intended for a wastewater treatment plant now for Stage 1 of the pipeline from Otane to Waipawa (aprox. 3500m)

### PLANNED

Works to commence in early 2020 to build Stage 1 of this pipeline by June 2020.

Prepare a communications plan and strategy to roll out this and the wider project to the community.

### RISKS

The following risks have been developed;

- Pipeline route affecting landowners
- Community views
- Early design prior to consenting
- New consents required
- Staging of works
- Multi stage approach (treated to WPA discharge, treated to WPA Plant, raw to WPA plant)

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**CENTRAL  
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**PROJECT:** Waipukurau Stormwater Improvements (Part 1 and 2)

STATUS	<b>COMPLETE</b>		
TIMELINE	<b>AUG 2018</b> START DATE	<b>DEC 2019</b> END DATE	
PROGRESS	<b>100%</b>		
BUDGET	<b>\$482k</b> TOTAL PROJECT BUDGET	<b>\$438k</b> SPEND TO DATE	<b>\$453k</b> EXPECTED SPEND
RISK LEVEL			


**SCOPE**

Waipukurau has had challenges with managing stormwater flows. This project will look to address this and alleviate flooding in streets, shops and houses during large rainfall events.

**ACHIEVEMENTS**

Completed works in Churchill and Carpenter Street including road reinstatement.

Completed works in Woburn Street including road reinstatement

**PLANNED**

Awaiting final Asbuilts and practical completion of Part 1 and 2.

Part 3 - Development of design options for the CBD section, and look at alternative options to improve flows through the CBD.


**RISKS**

Some early risk identified within this project;

- Community acceptance of stormwater designs and flow paths



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## PROJECT: Waipukurau Stormwater Helicoil

STATUS	COMPLETE		
TIMELINE	AUGUST 2018 START DATE	AUGUST 2019 END DATE	
PROGRESS	100%	<div><div></div></div>	
BUDGET	\$520k TOTAL PROJECT BUDGET	\$482k SPEND TO DATE	\$482k EXPECTED SPEND
RISK LEVEL	<div><div></div><div></div><div></div></div>		



### SCOPE

The stormwater network within Waipukurau is suffering from failing Helicoil – aluminium ribbed pipeline corroding and creating voids within the road network. These projects are to replace the failing Helicoil network in 2 identified areas.

### ACHIEVEMENTS

All physical works are completed, sections relined and roads reinstated, works went well and met customer and council expectations

### PLANNED

Awaiting final asbuilts prior to closing project out.

### RISKS

Some early risk identified within this project;

- Pipeline through private property
- Suitable lining methods
- Weather delays



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## PROJECT: Takapau Water Treatment Upgrade

STATUS	COMPLETE		
TIMELINE	AUG 2018 START DATE	NOV 2019 END DATE	
PROGRESS	100%		
BUDGET	\$682k TOTAL PROJECT BUDGET	\$835k SPEND TO DATE	\$857k EXPECTED SPEND
RISK LEVEL			



### SCOPE

To improve the water supply system in Takapau to remove iron and manganese, whilst ensuring we meet DWSNZ compliance. The project will also be looking to improve security of supply and storage whilst meeting the long-term needs and addressing the community concerns.

### ACHIEVEMENTS

The project was completed in late Nov 2019, with the plant officially commissioned on 27 Nov 2019, a formal opening for the new treatment plant was held on 10 Dec 2019.

### PLANNED

Follow up water safety plan works, and tidy up any performance issues and ongoing testing, we will also be working through the follow up of known issues with customers previously affected to ensure the new system is performing for all.

### RISKS

Some early risk identified within this project:

- Disturbance to network and community
- Cost management
- Existing infrastructure



### WATER QUALITY

PARAMETER	RAW WATER	TREATED WATER (POST UPGRADE)
Manganese	~0.264mg/l	under detection limit (<0.013mg/l)
Iron	~0.041mg/L	under detection limit (<0.013mg/L)
Turbidity	3.6NTU - 4.1 NTU	< 0.1NTU
UVI		> 97%
Free available chlorine (FAC)		automatically controlled to 0.6 - 0.8mg/l

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HAWKE'S BAY**  
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## PROJECT: Porangahau Water Treatment Upgrade

STATUS	BUILD		
TIMELINE	AUG 2018 START DATE	FEB 2020 END DATE	
PROGRESS	70%	<div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div></div>	
BUDGET	\$1,038m TOTAL PROJECT BUDGET	\$925k SPEND TO DATE	\$1,062m EXPECTED SPEND
RISK LEVEL	<div><div></div><div></div><div></div></div>		

### SCOPE

To improve the water supply system in Porangahau to remove iron and manganese, and hardness whilst ensuring we meet DWSNZ compliance. The project will also be looking to improve security of supply and storage whilst meeting the long-term needs and addressing the community concerns.

### ACHIEVEMENTS

Containers delivered to site and all but hooked up ready for performance testing. Pipework all installed, and new discharge pipeline in place. Milestone achieved with the completion of an audit by the DHB drinking water assessor on Wed 18 Dec 2019 allowing performance monitoring to occur in Jan 2020.

### PLANNED

Performance monitoring to take place and expected commissioning mid Jan 2020, and change over scheduled for 24 Jan 2020, hook up of discharge pipeline also to take place.

### RISKS

Some early risk identified within this project;

- Delays with land and consents
- WW discharge at Porangahau



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**CENTRAL  
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DISTRICT COUNCIL

**PROJECT:** Te Paerahi Water Storage

STATUS	BUILD		
TIMELINE	SEP 2019 START DATE	JUNE 2020 END DATE	
PROGRESS	40%	<div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div></div>	
BUDGET	\$263k TOTAL PROJECT BUDGET	\$112k SPEND TO DATE	\$268k EXPECTED SPEND
RISK LEVEL	<div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div></div>		

**SCOPE**

Through a successful tourism infrastructure fund application – council is providing additional storage to Te-Paerahi through at least a 174cm<sup>3</sup> reservoir.

**ACHIEVEMENTS**

Geotech report completed, trees felled, and temporary fencing installed, this week the raw water line has been relocated away from the reservoir location.

**PLANNED**

Prepare platform for new water reservoir, and work to link to new WTP. Expect to have completed by March 2020.

**RISKS**

There are some unknown risks on this project, namely around construction;

- Budget management
- TIF project management



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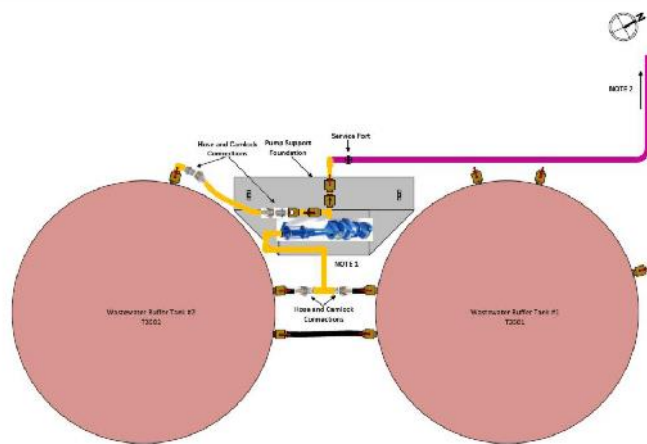
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## PROJECT: Te Paerahi Wastewater Extension

STATUS	COMPLETE		
TIMELINE	SEP 2019 START DATE	DEC 2019 END DATE	
PROGRESS	100%	<div><div></div></div>	
BUDGET	\$132k TOTAL PROJECT BUDGET	\$62k SPEND TO DATE	\$130k EXPECTED SPEND
RISK LEVEL	<div><div></div><div></div><div></div></div>		



### SCOPE

Through the upgrade of the water treatment plant it was identified the discharge or by-product of the treatment process has nowhere to be discharged other than a stream that meanders to the Porangahau River. Therefore, a pipeline was required to be constructed to the Te Paerahi Sewer.

### ACHIEVEMENTS

Awarded work to Higgins to build the 700m pipeline from the water treatment plant to the Te Paerahi sewer. A pump has been installed by Veolia to pump the collected discharge in two tanks on site through the new pipeline, all of this work is now complete.

### PLANNED

Receive asbuilt, commission pump and pipeline and work to link to new WTP process.

### RISKS

There are some unknown risks on this project, namely around construction;

- Effect on wastewater treatment plant.



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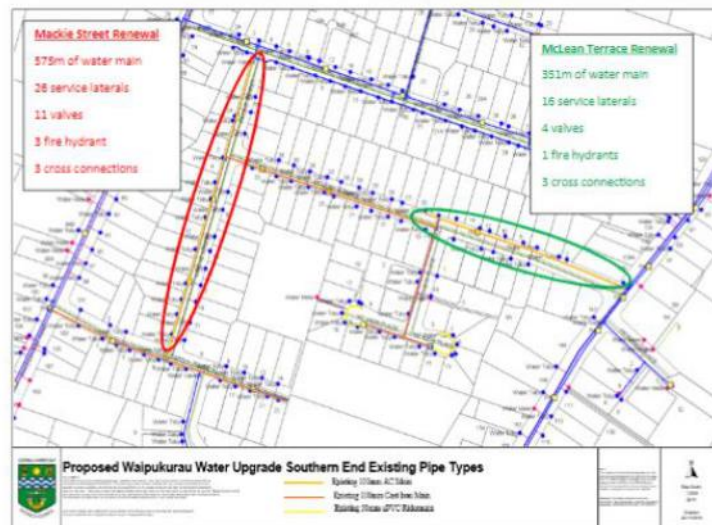
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DISTRICT COUNCIL





## PROJECT: CHB Water Renewal – Mackie/ Mclean, Waipukurau

STATUS	COMPLETE		
TIMELINE	DEC 2018 START DATE	AUGUST 2019 END DATE	
PROGRESS	100%	<div style="width: 100%; height: 10px; background-color: #8B4513;"></div>	
BUDGET	\$410k TOTAL PROJECT BUDGET	\$405k SPEND TO DATE	\$405k EXPECTED SPEND
RISK LEVEL	<div style="display: flex; align-items: center;"> <div style="width: 20px; height: 10px; background-color: green; margin-right: 5px;"></div> <div style="width: 20px; height: 10px; background-color: yellow; margin-right: 5px;"></div> <div style="width: 20px; height: 10px; background-color: red;"></div> </div>		



### SCOPE

To replace approx 926m of failing AC water main, and 42 laterals across two streets within Waipukurau as part of the FY18/19 water main renewals, this work was initiated due to ongoing issues raised by our operations and maintenance contractor through 2017 and 2018. Council continues to work on long term forward works plan for water renewals.

### ACHIEVEMENTS

Contract work completed as planned on time and within budget.

### PLANNED

Minor topsoil defects to complete.

### RISKS

Risk identified within this project are;

- Reinstatement graffiti



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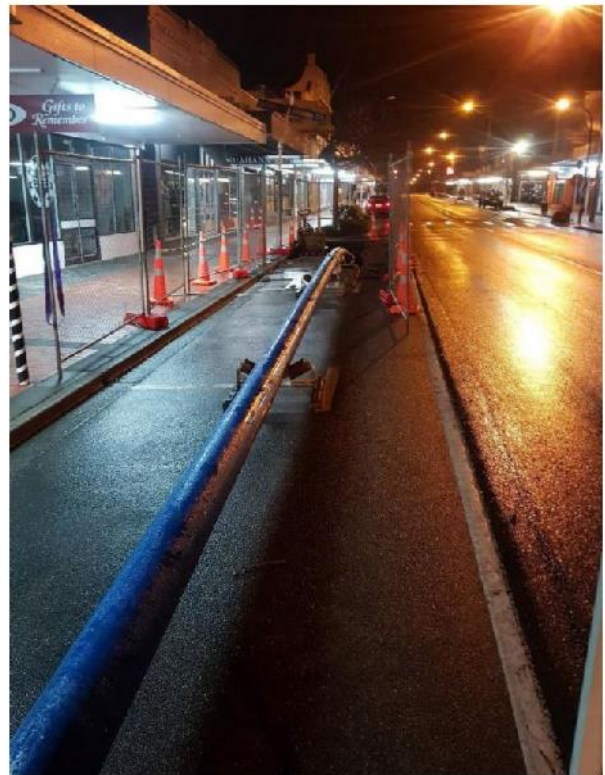


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**PROJECT:** Waipukurau Water Firefighting/ Pressure Improvements (Years 1-2)

STATUS	<b>COMPLETE</b>		
TIMELINE	<b>DEC 2018</b> START DATE	<b>JUNE 2020</b> END DATE	
PROGRESS	<b>100%</b>		
BUDGET	<b>\$883k</b> TOTAL PROJECT BUDGET	<b>\$670k</b> SPEND TO DATE	<b>\$820k</b> EXPECTED SPEND
RISK LEVEL			


**SCOPE**

Central Hawke's Bay District Council created a 7 year works programme with the budget set aside in the 2018-28 long term plan, the programme will;

- Improve firefighting capability and capacity.
- Improve shortfalls in network

Plan and deliver works for the Years 1 to 2 and review the improvements and effect on the network prior to commencing future years.

**ACHIEVEMENTS**

Year 1 and 2 works commenced in July 2019, all pipework installed, connection into Hunter Park reservoir completed and new flow meter commissioned. Additional to this council added in the relocation and replacement of two problematic fire hydrants on SH2, this work was also completed in Nov 2019.

**PLANNED**

Development of Stage 3 and potentially Stage 4, the measurement of the increased pressure to ensure the improvements are having the desired effects on the network.

**RISKS**

Risk identified within this project are;

- Affected stakeholders, businesses
- Water supply
- Existing infrastructure
- Contractor management



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**CENTRAL  
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DISTRICT COUNCIL

**PROJECT:** Leachate to Land Irrigation

STATUS	BUILD		
TIMELINE	JUNE 2019 START DATE	FEB 2020 END DATE	
PROGRESS	50%	<div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div></div>	
BUDGET	\$876k TOTAL PROJECT BUDGET	\$502k SPEND TO DATE	\$876k EXPECTED SPEND
RISK LEVEL	<div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div></div>		

**SCOPE**

Create a leachate to land irrigation project by building a leachate storage pond, pump station, irrigation pipeline and finishing a closed cell of the landfill to receive irrigated leachate.

**ACHIEVEMENTS**

Leachate pond is excavated, awaiting lining. The cap is now fully built and has this week been hydro seeded for the grass to grow. All stormwater pipework is in place. Some issues with high contaminant ground water which we are working through.

**PLANNED**

Prepare a resource consent for discharge of the groundwater prior to lining of the pond, following lining we will be installing the pump station and expect the project to be completed by March 2020.

**RISKS**

Some early risk identified within this project:

- Consenting of groundwater
- Working around in situ landfill operations
- Time delays, and budget implications



If you are interested in learning more, please visit [www.chbdc.govt.nz](http://www.chbdc.govt.nz) or contact Darren de Klerk – Councils 3 Waters Programme Manager by emailing [thebigwaterstory@chbdc.govt.nz](mailto:thebigwaterstory@chbdc.govt.nz) or by phoning Councils Offices on 06 857 8060



**CENTRAL  
HAWKE'S BAY**  
DISTRICT COUNCIL



**5.8 ELECTED MEMBERS EXPENSES FOR JULY TO DECEMBER 2019****File Number:** COU1-1410**Author:** Brent Chamberlain, Acting Chief Financial Officer**Authoriser:** Monique Davidson, Chief Executive**Attachments:** Nil**PURPOSE**

The purpose of this report is to update the Committee on the Elected Members' Expenses for the six month period of July to December 2019.

**RECOMMENDATION**

**That, having considered all matters raised in the report, the Elected Members Expenses for July to December 2019 report be noted.**

**SIGNIFICANCE AND ENGAGEMENT**

This report is provided for information purposes only and has been assessed as being of some importance.

**DISCUSSION**

For the sake of transparency the table below shows the elected members' expenses for the past six months. The expenses included in the totals below are mileage reimbursement, car expenses, Councillor iPad data charges, phone costs, meeting and conference expenses including accommodation and meals.

In the below table is the Elected Member Expenses for the period July to December 2019.

	<b>Mileage Expenses</b>	<b>Conferences, Meetings &amp; Training</b>	<b>Phone and Ipads</b>	<b>Total</b>
Mayor Alex Walker	Work Car Supplied	6,210.02	216.50	<b>6,426.52</b>
Cr Kelly Annand	176.96	2,122.38	90.00	<b>2,389.34</b>
Cr Tim Aitken		1,119.16	90.00	<b>1,209.16</b>
Cr Tim Chote		2,025.99	90.00	<b>2,115.99</b>
Cr Jerry Geer		1,944.16	88.00	<b>2,032.16</b>
Cr Gerald Minehan		2,039.18	90.00	<b>2,129.18</b>
Cr Brent Muggeridge		1,119.16	90.00	<b>1,209.16</b>
Cr Kate Taylor	516.75	1,944.16	89.10	<b>2,550.01</b>
Cr Exham Wichman		1,944.15	89.10	<b>2,033.25</b>
Roger Maaka	817.86	1,119.16	90.00	<b>2,027.02</b>
Cr Ian Sharp			40.17	<b>40.17</b>
Cr Shelley Burne-Field			40.17	<b>40.17</b>
Cr David Tennent	1,269.96		40.17	<b>1,310.13</b>
<b>Total</b>	<b>2,781.53</b>	<b>21,587.52</b>	<b>1,143.21</b>	<b>25,512.26</b>

During this period, as per Schedule 7 of the Local Government Act 2002 and the Local Government Members (2019/20)(Local Authorities) Determination 2019, a vehicle has been provided to the Mayor for restricted private use.

As per the Determination, Restricted Private Use means—

- a) the vehicle is usually driven home and securely parked by the mayor or regional chairperson; and
- b) the vehicle is otherwise generally available for use by other local authority members or staff on local authority business; and
- c) the vehicle is used solely for local authority business; and
- d) all travel in the vehicle is recorded in a log-book.

## **FINANCIAL AND RESOURCING IMPLICATIONS**

There are no financial or resourcing implications included in this report.

## **IMPLICATIONS ASSESSMENT**

This report confirms that the matter concerned has no particular implications and has been dealt with in accordance with the Local Government Act 2002. Specifically:

- Council staff have delegated authority for any decisions made;
- Council staff have identified and assessed all reasonably practicable options for addressing the matter and considered the views and preferences of any interested or affected persons (including Māori), in proportion to the significance of the matter;
- Any decisions made will help meet the current and future needs of communities for good-quality local infrastructure, local public services, and performance of regulatory functions in a way that is most cost-effective for households and businesses;
- Unless stated above, any decisions made can be addressed through current funding under the Long-Term Plan and Annual Plan;
- Any decisions made are consistent with the Council's plans and policies; and
- No decisions have been made that would alter significantly the intended level of service provision for any significant activity undertaken by or on behalf of the Council, or would transfer the ownership or control of a strategic asset to or from the Council.

## **RECOMMENDATION**

**That, having considered all matters raised in the report, the Elected Members Expenses for July to December 2019 report be noted.**

**6 PUBLIC EXCLUDED****RESOLUTION TO EXCLUDE THE PUBLIC****RECOMMENDATION**

That the public be excluded from the following parts of the proceedings of this meeting.

The general subject matter of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter, and the specific grounds under section 48 of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution are as follows:

General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under section 48 for the passing of this resolution
<b>6.1 - Animal Control - Pound Update</b>	<p>s7(2)(b)(ii) - the withholding of the information is necessary to protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information</p> <p>s7(2)(i) - the withholding of the information is necessary to enable Council to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)</p>	s48(1)(a)(i) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7

**7 DATE OF NEXT MEETING****RECOMMENDATION**

THAT the next meeting of the Central Hawke's Bay District Council be held on 23 April 2020.

**8 TIME OF CLOSURE**