



**CENTRAL  
HAWKE'S BAY**  
DISTRICT COUNCIL



## Council Meeting Long Term Plan Deliberations Agenda

Thursday, 13 May 2021

9.00am

Council Chamber, 28-32 Ruataniwha  
Street, Waipawa

*Together we Thrive! E ora ngātahi ana!*

## Order Of Business

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	Nil	
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	Nil	
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- 1 **KARAKIA**
- 2 **APOLOGIES**
- 3 **DECLARATIONS OF CONFLICTS OF INTEREST**
- 4 **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.

5 **CONFIRMATION OF MINUTES**

Ordinary Council Meeting - 13 April 2021

**RECOMMENDATION**

That the minutes of the Ordinary Council Meeting held on 13 April 2021 as circulated, be confirmed as true and correct.





**MINUTES OF CENTRAL HAWKES BAY DISTRICT COUNCIL  
COUNCIL MEETING, LONG TERM PLAN HEARINGS  
HELD AT THE COUNCIL CHAMBER, 28-32 RUATANIWHA STREET, WAIPAWA  
ON TUESDAY, 13 APRIL 2021 AT 9.00AM**

**PRESENT:** Mayor Alex Walker  
Deputy Mayor Kelly Annand  
Cr Brent Muggeridge  
Cr Tim Aitken  
Cr Gerard Minehan  
Cr Jerry Greer  
Cr Kate Taylor  
Cr Exham Wichman (Apology)  
Cr Pip Burne

**IN ATTENDANCE:** Monique Davidson (Chief Executive)  
Nicola Bousfield (Group Manager – People and Business Enablement)  
Joshua Lloyd (Group Manager, Community Infrastructure and Development)  
Doug Tate (Group Manager, Customer and Community Partnerships)  
Brent Chamberlain (Chief Financial Officer)  
Darren de Klerk (Director Projects & Programmes)

**1 PRAYER**

Mayor Alex Walker led the prayer.

**2 APOLOGIES**

Moved: Cr Gerard Minehan  
Seconded: Cr Jerry Greer  
Exham Wichman – Late apology  
Dr Maaka – Apology noted

**CARRIED**

**3 DECLARATIONS OF CONFLICTS OF INTEREST**

NIL

**5 REPORT SECTION**

**5.1 SUBMISSIONS ON THE LONG TERM PLAN 2021-2031****PURPOSE**

The purpose of this report is to present submissions to the Long Term Plan 2021-2031 to Council for their consideration.

**RESOLVED: 21.49**

Moved: Cr Kate Taylor

Seconded: Cr Pip Burne

1. That the submissions on the Long Term Plan 2021-2031 be received.
2. That the submissions on the Trade Waste, Stormwater, Drinking Water and Wastewater Bylaws be received.
3. That Late Submissions referred to in Attachment 4, Pack 2 be received.
4. That Council thank submitters for taking the time to provide feedback to the Long Term Plan process, and thank them for their submissions.

**CARRIED**

Mrs Davidson presented this report. Following the introduction of the report, the remainder of the meeting included verbal submissions to the written submissions received.

Name	Submission number
Clint Deckard	211
Charles M Nairn	183
Forest and Bird (Clint Deckard)	215
Robbie Christiansen	201
David Bishop	122
Federated Farmers (Rhea Dasent)	216
Mike Harrison	103
Tim Gilbertson	113
Anthony Clouston	121
Sport Hawkes Bay (Mark Aspden)	219
Rob McLean	170
Neen Kennedy	208
Gary Newnham	144
David William Cooke	227
CHB Rugby and Sports Club (Sami Arlidge, John Kilmister)	237
Terry Kingston	223
Trevor Le Lievre	234
Medallion (Alastair Haliburton)	28 - Bylaws
Forest and Bird (Tom Kay)	19 – Bylaws
Stephenson Transport (Bruce Stephenson, Hugh Hamilton)	21- Bylaws
Dianne Smith – Mataweka Marae	25 Bylaws

*The meeting adjourned at 9.53 for a morning tea break*

*The meeting resumed at 10.11*

*The meeting adjourned for a lunch break at 11.50*

*The meeting resumed at 1.14*



*The meeting adjourned at 3.00 for an afternoon tea break*

*The meeting resumed at 3.15*

## **6 DATE OF NEXT MEETING**

### **RECOMMENDATION**

THAT the next meeting of the Central Hawke's Bay District Council be held on 14 April 2021.

## **7 TIME OF CLOSURE**

Mataweka Marae helped close the meeting with a prayer.

**The Meeting closed at 4.14pm.**

**The minutes of this meeting were confirmed at the Council Meeting held on 13 May 2021.**

.....  
**CHAIRPERSON**

**6 REPORTS FROM COMMITTEES**

Nil



## **7 REPORT SECTION**

### **7.1 LONG TERM PLAN 2021 - 2031 SCENE SETTING - OVERVIEW REPORT**

**File Number:** COU1-1400

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

**Authoriser:** Monique Davidson, Chief Executive

**Attachments:** Nil

### **RECOMMENDATION FOR CONSIDERATION**

- a) That, having considered all matters raised in the report, the report be noted.

### **PURPOSE**

The purpose of this report is to provide a summary on the Long Term Plan 2021 – 2031 process, and the matters still be deliberated on.

### **SIGNIFICANCE AND ENGAGEMENT**

This report is provided for information purposes only and has been assessed as not significant, however it should be noted that the Long Term Plan 2021 – 2031 does trigger significance, and when Officers present a report for the adoption of the Long Term Plan 2021 – 2031 in June 2021, the item will be identified as significant.

### **BACKGROUND**

All Councils are required by section 93 of the Local Government Act 2002 (LGA) to adopt a Long Term Plan (LTP) and review it every three years.

Local government exists to meet community needs and wants effectively, efficiently and in a way that meets those needs and wants now and in the future. If done properly, long-term planning helps make the present and future consequences of decisions and trade-offs clear to all – for example that this decision to defer maintenance reduces the rate requirement now, but at a loss of service potential long-term.

The LTP pairs the Council's vision and ambition for the future and the status quo, and articulates how we bridge the gap in between. This is done by setting out Council's assets, activities, plans, budgets and policies. It must be adopted before the beginning of the first year it relates to and continues in force until the close of the third consecutive year to which it relates.

Central Hawke's Bay District Council has an already established vision that was first articulated through Project Thrive in 2017. This vision formed the basis of the 2018-2028 LTP and its direction (formed through comprehensive community engagement and feedback) materially informed the formulation of that plan. Council through its Elected Member priorities and strategic vision of Thrive have informed the basis of the Long Term Plan 2021 – 2023.

### **DISCUSSION**

Preparing for the adoption of a LTP is a long and complex process, and for Central Hawke's Bay District Council preparation for the Long Term Plan began in early 2019. Successful delivery of a LTP relies on many moving parts working together and lining up to tell a coherent story to the community about how Council is going to deliver its vision for the future.

These building blocks broadly fit into the following categories:

- Strategic Inputs: Council Direction setting, Environmental Scan, Integrated Spatial Planning, Strategy Review (e.g. Financial Strategy, Infrastructure Strategy, Asset

Management Policy, Significance and Engagement Policy, Māori Contribution to Decision Making Policy), Significant Assumptions.

- Tactical Inputs: Infrastructure Strategy, Asset Management Plans and Activity Management Plans (e.g. Animal Services, Compliance and Monitoring), LTP Inputs (e.g. Community Outcomes, Levels of Service, Performance Measures, Groups of Activities), Policy review (e.g. Rates Review, Revenue and Finance Policy, Development Contributions, Trade Waste Contributions).
- Communication and Consultation: Engagement Plan for the Consultation on the LTP, Pre-Consultation activities #ourthrivingfuture.

The Long Term Plan has already hit the following milestones:

- January-September 2020 – Undertake S17a reviews of activities, prepare asset and financial management plans, undertake a rating review, review financial policies
- August 2020 - Pre-Engagement with our community to help set priorities
- October-November - Develop Draft LTP Budgets and consultation Documents
- December 2020 – January 2021 – Audit of Consultation Document
- March 2021 – Formal Public Consultation on LTP and issues
- April 2021 – Hearing of Public Feedback

Which bring us to today, where Councillors will weigh up written and verbal submissions and make final LTP directional decisions.

The any decisions made today that amend the draft LTP consulted on will impact the final rates strike. Not all decisions will impact all rate payers equally, and decisions made today shouldn't be made in isolation as every change will have a cumulative impact on rates.

The purpose of this report is not to pre-empt Councillors decisions, but try to give a summary of proposed recommendations, and how they impact rates, and summarise the cumulative impacts adoption of the proposals might have.

Challenge / Issue	Consultation Assumption	Recommended Assumption	Item Number	Further Rating Impact Year 1 if recommendations adopted.				
				General / UAGC	Land Transport	Rubbish / Recycling Targeted Rate	3 Waters Targeted Rate	Total Rates Impact
<b>Wastewater Upgrades</b>								
Loan vs Rate Funding	Loan Fund Years 1-5	Loan Fund Years 1-15	7.3	Nil	Nil	Nil	No Impact Till Yr 6	No Impact Till Yr 6
Trade Waste Capital Contribution	\$250k contribution pa, applied to loan servicing	\$250k Contribution Year 1, applied to loan servicing	7.3, 7.15	Nil	Nil	Nil	Nil	Nil
<b>Replacement of Assets</b>	Loan Fund Years 1-5	Loan Fund Years 1-5	7.5	Nil	Nil	Nil	Nil	Nil
<b>Waste Free CHB</b>								
Keep Drop Off Centres	Close and Trailers	Keep Open for Rural – Opex	7.6	+\$69,125	Nil	Nil	Nil	+\$69,125
Higher Recycling Costs due to Collection Expansion		Capex Loan Funded		+\$12,780	Nil	Nil	Nil	+\$12,780
	Minimal Cost Change	New Pricing Confirmed		Nil	Nil	+\$42,000	Nil	+\$42,000
<b>Paying for Growth</b>								
Review DC Policy	Developers Pay 100% 1,340 new houses over 10 years	Developers Pay 100% 1,340 new houses over 10 years  But could be impacted by pre LTP growth we are seeing	7.7	Nil	Nil	Nil	Nil	Nil
<b>Central Hawkes Bay Community Trust</b>	Capital Grant \$600k	Divert \$160k of grant to AMP Development	7.14	Nil	Nil	Nil	Nil	Nil
<b>Waipawa Pool Covers</b>	No Provision	Loan Fund \$30k	7.14	+\$4,128	Nil	Nil	Nil	+\$4,128
<b>Regional Sports Park Contribution</b>	No Provision	Loan Fund \$10k Grant per year for 3 Years	7.14	+\$1,100	Nil	Nil	Nil	+\$1,100
<b>Regional Sports Park Travel Fund</b>	No Provision	Divert \$3k of Existing Budget	7.14	Nil	Nil	Nil	Nil	Nil
<b>Development of Sports Hub at Russell Park</b>	No Provision	Provide \$35k of funding Years 2 and 3	7.14	Nil	Nil	Nil	Nil	Nil

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<b>Temporary Changing Rooms – Russell Park Funding</b>	No Provision	Reconsider for 2022/23 Annual Plan	7.14	Nil	Nil	Nil	Nil	<b>Nil</b>
<b>Interest Allocation to Special Funds</b>	All Interest Revenue applied to reducing Rates	Some Interest Revenue needs to applied to Trust Funds, balance to reducing rate. Error in Draft Long Term Plan modelling.	7.14	+\$15,000	Nil	Nil	Nil	<b>+\$15,000</b>
<b>Asset Life Expectancy / Depreciation</b>	Depreciate new water asset over 30 years	Depreciate New Assets over longer periods where sensible	7.14	Nil	Nil	Nil	Nil	<b>Nil</b>
<b>Electricity Contract Renewal</b>	General Inflation Added	New Contract Rates known, and usage changes known	7.14	+\$15,000	Nil	Nil	+\$10,000	<b>+\$25,000</b>
<b>Kiwisaver Cost Allocation</b>	All Kiwisaver treated as overhead	Kiwisaver follows the salary as direct cost	7.14	+\$37,335	(\$31,325)	Nil	(\$8,403)	<b>(\$2,393)</b>
<b>Total Change Proposed</b>				<b>+\$154.5k</b>	<b>(31.3k)</b>	<b>+\$42.0k</b>	<b>+\$1.6k</b>	<b>+\$166.7k</b>
<b>Summary of Rating Impact Year 1 if recommendations adopted.</b>								
<b>2020/21 Rate</b>				<b>\$7,069.2k</b>	<b>\$6,853.7k</b>	<b>\$372.8k</b>	<b>\$7,130.4k</b>	<b>\$21,453.2k</b>
<b>2021/22 Draft LTP Rate</b>				<b>\$8,350.7k</b>	<b>\$6,790.2k</b>	<b>\$357.0k</b>	<b>\$7,630.9k</b>	<b>\$23,128.8k</b>
<b>2021/22 Draft LTP % Change</b>				<b>18.1%</b>	<b>(0.9%)</b>	<b>(4.2%)</b>	<b>7.0%</b>	<b>7.8%</b>
<b>2021/22 Proposed Changes</b>				<b>+\$154.5k</b>	<b>(\$31.3k)</b>	<b>+\$42.0k</b>	<b>\$1.6k</b>	<b>+\$166.7k</b>
<b>2021/22 Proposed LTP Rate</b>				<b>\$8,505.2k</b>	<b>\$6,758.9k</b>	<b>\$399.0k</b>	<b>\$7,632.5k</b>	<b>\$23,295.5k</b>
<b>2021/22 Proposed LTP % Change</b>				<b>20.3%</b>	<b>(1.4%)</b>	<b>7.0%</b>	<b>7.0%</b>	<b>8.6%</b>
<b>No. Connected Rate Payers</b>				<b>7,600</b>	<b>7,600</b>	<b>4,000</b>	<b>4,100</b>	<b>7,600</b>
<b>Avg Rate per Rate Payer</b>				<b>\$1,119</b>	<b>\$889</b>	<b>\$100</b>	<b>\$1,862</b>	<b>\$3,065</b>

Challenge / Issue	Consultation Assumption	Recommended Assumption	Item Number	Further Rating Impact Year 2 if recommendations adopted.				
				General / UAGC	Land Transport	Rubbish / Recycling Targeted Rate	3 Waters Targeted Rate	Total Rates Impact
<b>Wastewater Upgrades</b>								
Loan vs Rate Funding	Loan Fund Years 1-5	Loan Fund Years 1-15	7.3	Nil	Nil	Nil	No Impact Till Yr 6	<b>No Impact Till Yr 6</b>
Trade Waste Capital Contribution	\$250k contribution pa, applied to loan servicing	\$375k Contribution Year 2, applied to loan servicing	7.3, 7.15	Nil	Nil	Nil	(\$125,000)	<b>(\$125,000)</b>
<b>Replacement of Assets</b>	Loan Fund Years 1-5	Loan Fund Years 1-5	7.5	Nil	Nil	Nil	Nil	<b>Nil</b>
<b>Waste Free CHB</b>								
Keep Drop Off Centres	Close and Trailers	Opex	7.6	+\$69,125	Nil	Nil	Nil	<b>+\$69,125</b>
Higher Recycling Costs due to Collection Expansion		Capex Loan Funded		+\$12,780	Nil	Nil	Nil	<b>+\$12,780</b>
	Minimal Cost Change	New Pricing Confirmed		Nil	Nil	+\$42,000	Nil	<b>+\$42,000</b>
<b>Paying for Growth</b>								
Review DC Policy	Developers Pay 100% 1,340 new houses over 10 years	Developers Pay 100% 1,340 new houses over 10 years  But could be impacted by pre LTP growth we are seeing	7.7	Nil	Nil	Nil	Nil	<b>Nil</b>
<b>Central Hawkes Bay Community Trust</b>	Capital Grant \$600k	Divert \$160k of grant to AMP Development	7.14	Nil	Nil	Nil	Nil	<b>Nil</b>
<b>Waipawa Pool Covers</b>	No Provision	Loan Fund \$30k	7.14	+\$4,128	Nil	Nil	Nil	<b>+\$4,128</b>
<b>Regional Sports Park Contribution</b>	No Provision	Loan Fund \$10k Grant per year for 3 Years	7.14	+\$2,200	Nil	Nil	Nil	<b>+\$2,200</b>
<b>Regional Sports Park Travel Fund</b>	No Provision	Divert \$3k of Existing Budget	7.14	Nil	Nil	Nil	Nil	<b>Nil</b>
<b>Development of Sports Hub at Russell Park</b>	No Provision	Provide \$35k of funding Years 2 and 3	7.14	+\$35,000	Nil	Nil	Nil	<b>+\$35,000</b>
<b>Temporary Changing Rooms – Russell Park</b>	No Provision	Reconsider for 2022/23 Annual Plan	7.14	Nil	Nil	Nil	Nil	<b>Nil</b>



Funding								
<b>Interest Allocation to Special Funds</b>	All Interest Revenue applied to reducing Rates	Some Interest Revenue needs to applied to Trust Funds, balance to reducing rate. Error in Draft Long Term Plan modelling.	7.14	+\$15,000	Nil	Nil	Nil	<b>+\$15,000</b>
<b>Asset Life Expectancy / Depreciation</b>	Depreciate new water asset over 30 years	Depreciate New Assets over longer periods where sensible	7.14	Nil	Nil	Nil	Nil	<b>Nil</b>
<b>Electricity Contract Renewal</b>	General Inflation Added	New Contract Rates known, and usage changes known	7.14	+\$15,000	Nil	Nil	+\$10,000	<b>+\$25,000</b>
<b>Kiwisaver Cost Allocation</b>	All Kiwisaver treated as overhead	Kiwisaver follows the salary as direct cost	7.14	+\$43,328	(\$32,658)	Nil	(\$10,847)	<b>(\$177)</b>
<b>Total Change Proposed</b>				<b>+\$196.6k</b>	<b>(32.7k)</b>	<b>+\$42.0k</b>	<b>(\$125.8k)</b>	<b>+\$80.1k</b>
<b>Summary of Rating Impact Year 2 if recommendations adopted.</b>								
<b>2021/22 Rate</b>				<b>\$8,350.7k</b>	<b>\$6,790.2k</b>	<b>\$357.0k</b>	<b>\$7,630.9k</b>	<b>\$23,128.8k</b>
<b>2022/23 Draft LTP Rate</b>				<b>\$9,018.8k</b>	<b>\$6,948.8k</b>	<b>\$367.3k</b>	<b>\$8,587.0k</b>	<b>\$24,921.9k</b>
<b>2022/23 Draft LTP % Change</b>				<b>8.0%</b>	<b>2.3%</b>	<b>2.9%</b>	<b>12.5%</b>	<b>7.8%</b>
<b>2022/23 Proposed Changes</b>				<b>+\$196.6k</b>	<b>(\$32.7k)</b>	<b>+\$42.0k</b>	<b>(\$125.8)k</b>	<b>+80.1k</b>
<b>2022/23 Proposed LTP Rate</b>				<b>\$9,215.4k</b>	<b>\$6,916.1k</b>	<b>\$409.3k</b>	<b>\$8,461.1k</b>	<b>\$25,002.0k</b>
<b>2021/22 Proposed LTP % Change</b>				<b>10.4%</b>	<b>1.9%</b>	<b>14.7%</b>	<b>10.9%</b>	<b>8.1%</b>
<b>No. Connected Rate Payers</b>				<b>7,600</b>	<b>7,600</b>	<b>4,000</b>	<b>4,100</b>	<b>7,600</b>
<b>Avg Rate per Rate Payer</b>				<b>\$1,213</b>	<b>\$910</b>	<b>\$102</b>	<b>\$2,064</b>	<b>\$3,290</b>

Challenge / Issue	Consultation Assumption	Recommended Assumption	Item Number	Further Rating Impact Year 3 if recommendations adopted.				
				General / UAGC	Land Transport	Rubbish / Recycling Targeted Rate	3 Waters Targeted Rate	Total Rates Impact
<b>Wastewater Upgrades</b>								
Loan vs Rate Funding	Loan Fund Years 1-5	Loan Fund Years 1-15	7.3	Nil	Nil	Nil	No Impact Till Yr 6	<b>No Impact Till Yr 6</b>
Trade Waste Capital Contribution	\$250k contribution pa, applied to loan servicing	\$550k Contribution Year 3, applied to loan servicing	7.3, 7.15	Nil	Nil	Nil	(\$300,000)	<b>(\$300,000)</b>
<b>Replacement of Assets</b>	Loan Fund Years 1-5	Loan Fund Years 1-5	7.5	Nil	Nil	Nil	Nil	<b>Nil</b>
<b>Waste Free CHB</b>								
Keep Drop Off Centres	Close and Trailers	Opex	7.6	+\$69,125	Nil	Nil	Nil	<b>+\$69,125</b>
Higher Recycling Costs due to Collection Expansion		Capex Loan Funded		+\$12,780	Nil	Nil	Nil	<b>+\$12,780</b>
	Minimal Cost Change	New Pricing Confirmed		Nil	Nil	+\$42,000	Nil	<b>+\$42,000</b>
<b>Paying for Growth</b>								
Review DC Policy	Developers Pay 100% 1,340 new houses over 10 years	Developers Pay 100% 1,340 new houses over 10 years  But could be impacted by pre LTP growth we are seeing	7.7	Nil	Nil	Nil	Nil	<b>Nil</b>
<b>Central Hawkes Bay Community Trust</b>	Capital Grant \$600k	Divert \$160k of grant to AMP Development	7.14	Nil	Nil	Nil	Nil	<b>Nil</b>
<b>Waipawa Pool Covers</b>	No Provision	Loan Fund \$30k	7.14	+\$4,128	Nil	Nil	Nil	<b>+\$4,128</b>
<b>Regional Sports Park Contribution</b>	No Provision	Loan Fund \$10k Grant per year for 3 Years	7.14	+\$3,300	Nil	Nil	Nil	<b>+\$3,300</b>
<b>Regional Sports Park Travel Fund</b>	No Provision	Divert \$3k of Existing Budget	7.14	Nil	Nil	Nil	Nil	<b>Nil</b>
<b>Development of Sports Hub at Russell Park</b>	No Provision	Provide \$35k of funding Years 2 and 3	7.14	+\$35,000	Nil	Nil	Nil	<b>+\$35,000</b>
<b>Temporary Changing Rooms – Russell Park</b>	No Provision	Reconsider for 2022/23 Annual Plan	7.14	Nil	Nil	Nil	Nil	<b>Nil</b>

Funding								
<b>Interest Allocation to Special Funds</b>	All Interest Revenue applied to reducing Rates	Some Interest Revenue needs to applied to Trust Funds, balance to reducing rate. Error in Draft Long Term Plan modelling.	7.14	+\$15,000	Nil	Nil	Nil	<b>+\$15,000</b>
<b>Asset Life Expectancy / Depreciation</b>	Depreciate new water asset over 30 years	Depreciate New Assets over longer periods where sensible	7.14	Nil	Nil	Nil	Nil	<b>Nil</b>
<b>Electricity Contract Renewal</b>	General Inflation Added	New Contract Rates known, and usage changes known	7.14	+\$15,000	Nil	Nil	+\$10,000	<b>+\$25,000</b>
<b>Kiwisaver Cost Allocation</b>	All Kiwisaver treated as overhead	Kiwisaver follows the salary as direct cost	7.14	+\$46,673	(\$32,420)	Nil	(\$10,155)	<b>+\$4,098</b>
<b>Total Change Proposed</b>				<b>+\$201.0k</b>	<b>(32.4k)</b>	<b>+\$42.0k</b>	<b>(\$300.2k)</b>	<b>(\$89.6k)</b>
<b>Summary of Rating Impact Year 3 if recommendations adopted.</b>								
<b>2022/23 Rate</b>				<b>\$9,018.8k</b>	<b>\$6,948.8k</b>	<b>\$367.3k</b>	<b>\$8,587.0k</b>	<b>\$24,921.9k</b>
<b>2023/24 Draft LTP Rate</b>				<b>\$9,281.8k</b>	<b>\$7,135.4k</b>	<b>\$561.4k</b>	<b>\$9,394.9k</b>	<b>\$26,373.5k</b>
<b>2023/24 Draft LTP % Change</b>				<b>2.9%</b>	<b>2.7%</b>	<b>52.9%</b>	<b>9.4%</b>	<b>5.8%</b>
<b>2023/24 Proposed Changes</b>				<b>+\$201.0k</b>	<b>(\$32.4)</b>	<b>+\$42.0k</b>	<b>(\$300.2k)</b>	<b>(\$89.6k)</b>
<b>2023/24 Proposed LTP Rate</b>				<b>\$9,482.8k</b>	<b>\$7,103.0k</b>	<b>\$603.4k</b>	<b>\$9,094.8k</b>	<b>\$26,283.9</b>
<b>2023/24 Proposed LTP % Change</b>				<b>5.1%</b>	<b>2.2%</b>	<b>64.3%</b>	<b>5.9%</b>	<b>5.5%</b>
<b>No. Connected Rate Payers</b>				<b>7,600</b>	<b>7,600</b>	<b>4,000</b>	<b>4,100</b>	<b>7,600</b>
<b>Avg Rate per Rate Payer</b>				<b>\$1,248</b>	<b>\$935</b>	<b>\$151</b>	<b>\$2,218</b>	<b>\$3,458</b>

## SAMPLE RATEPAYERS IMPACT

Urban Residential	Category	Land Value	Capital Value	Actual Rates 2020/21	Draft LTP Rates 2021/22	Amended LTP Rates 2021/22	\$ Change from Draft	% Change from Draft	% Change 21/22
Onga Onga		50,000	315,000	773	929	952	24	2.5%	23.2%
General Rate District				343	415	429	14	3.3%	24.9%
District Land Transport Rural				109	108	108	-	-0.3%	-1.4%
Refuse Collection Service Available				30	29	29	-	0.0%	-2.6%
Recycling Collection Rate Service Available				-	72	82	10	13.9%	
District UAC UAC				291	304	304	-	0.0%	4.8%
Total				773	929	952	24	2.5%	23.2%

Lifestyle	Category	Land Value	Capital Value	Actual Rates 2020/21	Draft LTP Rates 2021/22	Amended LTP Rates 2021/22	\$ Change from Draft	% Change from Draft	% Change 21/22
Tikokino		77,000	340,000	859	1,020	1,044	24	2.4%	21.5%
General Rate District				370	448	462	14	3.2%	24.8%
District Land Transport Rural				168	167	166	-	-0.3%	-1.4%
Refuse Collection Service Available				30	29	29	-	0.0%	-2.6%
Recycling Collection Rate Service Available				-	72	82	10	13.9%	
District UAC UAC				291	304	304	-	0.0%	4.8%
Total				859	1,020	1,044	24	2.4%	21.5%

Urban Residential	Category	Land Value	Capital Value	Actual Rates 2020/21	Draft LTP Rates 2021/22	Amended LTP Rates 2021/22	\$ Change from Draft	% Change from Draft	% Change 21/22
Takapau		64,000	345,000	1,626	1,893	1,917	24	1.3%	17.9%
General Rate District				376	454	469	15	3.2%	24.8%
District Land Transport Rural				140	138	138	-	-0.3%	-1.4%
Refuse Collection Service Available				30	29	29	-	0.0%	-2.6%
Stormwater Operations Catchment				-	37	37	-	0.0%	
Water Supply Operations Service Available				789	858	858	-	0.0%	8.7%
Recycling Collection Rate Service Available				-	72	82	10	13.6%	
District UAC UAC				291	304	304	-	0.0%	4.8%
Total				1,626	1,893	1,917	24	1.3%	17.9%

Urban Residential	Category	Land Value	Capital Value	Actual Rates 2020/21	Draft LTP Rates 2021/22	Amended LTP Rates 2021/22	\$ Change from Draft	% Change from Draft	% Change 21/22
Otane		118,000	315,000	2,538	2,852	2,875	23	0.8%	13.3%
General Rate District				343	415	429	14	3.3%	24.9%
District Land Transport Rural				258	255	254	-	-0.3%	-1.4%
Refuse Collection Service Available				30	29	29	-	0.0%	-2.6%
Sewerage Operations Rate Service Available				827	874	874	-	0.0%	5.7%
Stormwater Operations Catchment				-	45	45	-	0.0%	
Water Supply Operations Service Available				789	858	858	-	0.0%	8.7%
Recycling Collection Rate Service Available				-	72	82	10	13.6%	
District UAC UAC				291	304	304	-	0.0%	4.8%
Total				2,538	2,852	2,875	23	0.8%	13.3%

Coastal Residential	Category	Land Value	Capital Value	Actual Rates 2020/21	Draft LTP Rates 2021/22	Amended LTP Rates 2021/22	\$ Change from Draft	% Change from Draft	% Change 21/22
Te Paerahi	Medium	295,000	495,000	3,121	3,355	3,372	16	0.5%	8.0%
General Rate District				539	652	670	18	2.8%	24.3%
District Land Transport Rural				645	638	636	-	-0.3%	-1.4%
Refuse Collection Service Available				30	29	29	-	0.0%	-2.6%
Sewerage Operations Rate Service Available				827	874	874	-	0.0%	5.7%
Water Supply Operations Service Available				789	858	858	-	0.0%	8.7%
District UAC UAC				291	304	304	-	0.0%	4.8%
Total				3,121	3,355	3,372	16	0.5%	8.0%

Urban Residential	Category	Land Value	Capital Value	Actual Rates 2020/21	Draft LTP Rates 2021/22	Amended LTP Rates 2021/22	\$ Change from Draft	% Change from Draft	% Change 21/22
Waipukurau	Medium	116,000	455,000	3,200	3,391	3,417	26	0.8%	6.8%
General Rate District				496	599	616	17	2.9%	24.4%
District Land Transport Urban				254	251	250	-	-0.3%	-1.4%
Refuse Collection Service Available				30	29	29	-	0.0%	-2.6%
Sewerage Operations Rate Service Available				827	874	874	-	0.0%	5.7%
Stormwater Operations Catchment				414	404	404	-	0.0%	-2.6%
Water Supply Operations Service Available				789	858	858	-	0.0%	8.7%
Recycling Collection Rate Service Available				100	72	82	10	13.6%	-17.9%
District UAC UAC				291	304	304	-	0.0%	4.8%
Total				3,200	3,391	3,417	26	0.8%	6.8%

Urban Residential	Category	Land Value	Capital Value	Actual Rates 2020/21	Draft LTP Rates 2021/22	Amended LTP Rates 2021/22	\$ Change from Draft	% Change from Draft	% Change 21/22
Waipawa	High	77,000	400,000	3,005	3,186	3,211	25	0.8%	6.9%
General Rate District				436	527	543	16	3.0%	24.6%
District Land Transport Urban				168	167	166	-	-0.3%	-1.4%
Refuse Collection Service Available				30	29	29	-	0.0%	-2.6%
Sewerage Operations Rate Service Available				827	874	874	-	0.0%	5.7%
Stormwater Operations Catchment				364	355	355	-	0.0%	-2.6%
Water Supply Operations Service Available				789	858	858	-	0.0%	8.7%
Recycling Collection Rate Service Available				100	72	82	10	13.6%	-17.9%
District UAC UAC				291	304	304	-	0.0%	4.8%
Total				3,005	3,186	3,211	25	0.8%	6.9%

Rural	Category	Land Value	Capital Value	Actual Rates 2020/21	Draft LTP Rates 2021/22	Amended LTP Rates 2021/22	\$ Change from Draft	% Change from Draft	% Change 21/22
Aramoana	High	4,240,000	4,880,000	14,878	15,899	15,996	97	0.6%	7.5%
General Rate District				5,314	6,426	6,548	122	1.9%	23.2%
District Land Transport Rural				9,273	9,169	9,143	-	-0.3%	-1.4%
District UAC UAC				291	304	304	-	0.0%	4.8%
Total				14,878	15,899	15,996	97	0.6%	7.5%

**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 steps are for Councillors to deliberate, and select their preferred options for the finalisation of the Long Term Plan and budgets. The paper can be used as a reference point for Elected Members as they go throughout deliberations.

**RECOMMENDATION**

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



## **7.2 LONG TERM PLAN 2021 - 2031 DRAFT DELIBERATIONS REPORT: DRINKING WATER, STORMWATER AND WASTEWATER BYLAWS.**

**File Number:** COU1-1400

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

**Authoriser:** Monique Davidson, Chief Executive

**Attachments:**

1. Water Supply, Stormwater and Wastewater Bylaw Review - Summary of Submissions [↓](#)
2. Draft Water Supply Bylaw 2021 - v2 [↓](#)
3. Draft Stormwater Bylaw 2021 - v2 [↓](#)
4. Draft Wastewater Bylaw 2021 - v2 [↓](#)

### **PURPOSE**

The matter for consideration by the Council is to consider and deliberate on submissions made on the 3 Waters Bylaws review (Water Supply, Stormwater and Wastewater bylaws).

### **RECOMMENDATION FOR CONSIDERATION**

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

- a) That Council receive the changes made to the Proposed Water Supply, Stormwater and Wastewater Bylaws attached to this report, following its release for community consultation as part of the 2021 – 2031 Long Term Plan.
- b) That council adopt the draft 2021 Water Supply Bylaw attached to this report, with the Policy having immediate effect upon its adoption.
- c) That council adopt the draft 2021 Stormwater Bylaw attached to this report, with the Policy having immediate effect upon its adoption.
- d) That council adopt the draft 2021 Wastewater Bylaw attached to this report, with the Policy having immediate effect upon its adoption.
- e) That the submitters are thanked for their comments, which are acknowledged and further that the information contained in this report is provided to submitters.

### **EXECUTIVE SUMMARY**

The Water Supply, Stormwater and Wastewater bylaws are intended to deliver on an integrated approach to three waters management in the District. These bylaws influence things like who can connect to our supplies, how much waste can be discharged, the requirement for water tanks at each property and how we manage stormwater. Our current bylaws needed to be refreshed to ensure they reflect the environmental and infrastructural demands of our time.

The draft bylaws inform how we approach asset management and durable infrastructure practices to support our sustainable water demand management plan and wastewater strategy. The impact of these bylaws is wide reaching – it ensures that step by step, we make positive changes which lead to smart growth while being environmentally sustainable.

Council resolved on 11 February 2021 to approve the draft bylaws for public consultation. The submission period for the Trade Waste Bylaw opened on the 12 February 2021 and closed on 12 April 2021. 28 submissions were received across all bylaws and of those 5 submitters wished to be heard. The submissions for each of the bylaws have been summarised in Appendix 1 of this report. The original copies of the submissions have been compiled in Appendix 2 of this report.

**SUMMARY OF SUBMISSIONS**

As the bylaws were engaged on together the 28 submitters include submissions made on the Trade Waste bylaw as well as the Water Supply, Stormwater and Wastewater bylaws.

28 submissions were received these are detailed below;

Submitter #	Contact name/Organisation	Wishes to be heard
1	Peter Seligman	Not Stated
2	Anonymous 1	Not Stated
3	Kaye [surname unknown]	Not Stated
4	Anonymous 2	Not Stated
5	Kathryn Bayliss	Not Stated
6	Dean Hyde	Not Stated
7	Keri Ropiha	No
8	Richard Thomas	No
9	Harvey Welsh	No
10	Anonymous 3	Not Stated
11	Richard Fox	Yes
12	Judith Finlay	No
13	Mary Drummond	Not Stated
14	Rob McLean	No
15	Tony & Jenny Feather	Not Stated
16	Peter & Viv Paton	No
17	Bill Hale	No
18	Hawke's Bay District Health Board (Dr Nicholas Jones)	No
19	Forest and Bird (Tom Kay – Regional Conservation Manager)*	Yes
20	Graeme & Margaret Black	No
21	Bruce Stephenson**	Yes
22	DJ Williams	No
23	Anne Wallace	No
24	Diana Hollis	No
25	Mataweka Marae (Dianne Smith)	Yes
26	Hana Cotter	Yes
27	Ovation (Alastair Bayliss – General Manager)	No
28	Medallion 2020 Limited (Alastair Haliburton – Managing Director)	Yes

\*Forest and Bird provided two submissions (one for Trade Waste Bylaw and another for the Water Supply, Stormwater and Wastewater Bylaws) – these have been combined and analysed as one submission.

\*\*Bruce Stephenson provided two submissions (one for Long Term Plan and another for the Trade Waste Bylaw) – these have been combined and analysed as one submission.

**Summary of Submissions:**

The below table summarises how many submission points were received on each section of the draft bylaws and grouped by whether they were support, oppose, or neutral. There were several submissions received that did not state what the submitters position was, and these have also been captured in the table below as “not stated”.

Submission Points	Yes/A	No/B	Not Stated	Total
<b>STORMWATER BYLAW</b>				
Q: Do you think the Council should introduce a policy for all new build homes to install a tank to capture roof water supporting both the stormwater and water networks?	18	2	4	24
Q: When a private property discharges contaminants into our stormwater network, breaching our bylaws,	12	8	4	24

do you think we should: A) Respond and clean up the incident in the first instance, recovering costs later? Or B) Charge the private property immediately for the clean-up and response				
<b>WATER SUPPLY BYLAW</b>				
Q: Do you think we should be monitoring high use properties with water meters?	18	2	4	24
<b>TRADE WASTE BYLAW</b>				
Q: Do you think the Council should charge businesses purely based on how much and what they discharge?	18	2	4	24
Q: Should the Council take into consideration other economic, employment or social benefits that a business may bring to the community when charging?	7	12	5	24
Q. Do you think Council should extend the monitoring of industry or commercial wastewater to include smaller contributors to further protect our waterways?	13	6	5	24
<b>WASTEWATER BYLAW</b>				
Q. Do you support Council issuing defect notices to property owners to remedy a down pipe or lateral?	15	3	6	24
Q. If the notice is not followed, do you support Council fixing the issue and recovering costs from the property owner?	12	4	8	24

## BACKGROUND

Council bylaws and policies are a set of rules or regulations that are created to control specific activities within the Central Hawke's Bay District. Bylaws and policies are a useful way of developing a local solution to local nuisance problems.

Bylaws and policies focus on those issues which Council have determined can be dealt with appropriately using regulatory enforcement.

Council instigated a review of the bylaws to better align with recently adopted or under evaluation strategies and plans like the Wastewater Strategy, Environmental and Sustainability Strategy, Sustainable Water Demand Management Plan, Spatial Plan and District Plan.

The bylaws act as the enablers that set the rules to support these strategies and plans.

Council resolved on 11 February 2021 to approve the draft bylaws for public consultation.

The Trade Waste Bylaw opened for submissions on 12 February and closes on 12 April 2021. The remaining bylaws (Water Supply, Stormwater and Wastewater) opened for submissions on 01 March 2021 and closed on 31 March 2021 to gather review and feedback on the proposed changes. In accordance with section 148 of the Local Government Act 2002 the Central Hawkes Bay District Council (CHBDC) notified the Ministry of Health on 17 February 2021 that the draft Trade Waste Bylaw 2021 was publicly notified in the Central Hawkes Bay Mail on 11 February with submissions being received until 12 April 2021.

The key changes proposed were:

- Inclusion of an introductory note including the Overarching Purpose, Objectives and Context of the new bylaw

- Continuing to expand on water meters to meter water usage for high users and to align better with water sustainability outcomes
- Introducing urban water tanks - making dual purpose rainwater tanks mandatory for new urban residential dwellings
- Expand and strengthen contents in respect to prevention of contaminant discharges to the stormwater and drainage networks and systems
- Strengthening the ability to issue defects notice, and recover costs where defect notices were not implemented or resolved
- Strengthening the ability through the bylaws, and fees and charges to recover costs for capital upgrades for the wastewater system where an industry contributor relatively contributes to the need for the upgrade.

During the consultation period submissions were able to be made through the bylaw consultation page (<https://chbdc.mysocialpinpoint.com.au/facingthefacts/water-bylaws/>) and the Long Term Plan Consultation page (<https://chbdc.mysocialpinpoint.com.au/facingthefacts/>).

Other engagement activities were also undertaken through five press releases (two of which were specific to the bylaw consultation process), social media (Facebook and Instagram), six community meetings, eight trader/business meetings, one on one direct communications and handing out flyers to potential trade waste operators.

28 submissions were received in total across all bylaws and of those, 5 submitters wished to be heard.

All submissions for the respective bylaws have been summarised and are included in Appendix 1 of this report.

## **ANALYSIS**

Ten questions were posed on the submission form specific to each of the bylaws with one general question around managing water in the district.

These questions and the responses are outlined in detail in Appendix 1 (Summary of submissions). Below is a high-level overview for each bylaw.

### **Wastewater Bylaw**

Question one received majority support (15 submitters) to issue defect notices to property owners to remedy a down pipe or lateral.

Question two received majority support (12 submitters) for Council to fix the issue and recover costs from the property owner.

Submitters also provided further commentary and the key theme is:

- Education and encouragement around reuse to reduce pressure on Council infrastructure

The feedback and responses align with the bylaw intentions and in its current state recommend the bylaw is adopted with minor changes

### **Stormwater Bylaw**

Question one received majority support (18 submitters) to introduce a policy for all new build homes to install a tank to capture roof water.

Question two received majority support (12 submitters) for when a private property discharges contaminants into our stormwater network, breaching our bylaws.

Submitters also provided further commentary and the key themes are:

- Encouraging the use of water tanks and reuse of water
- Education around stormwater runoff and reuse

The feedback and responses align with the bylaw intentions and in its current state recommend the bylaw is adopted with minor changes

### **Water Supply Bylaw**

Question one received majority support (18 submitters) to monitor high use properties with water meters.

Submitters also provided further commentary and the key themes are:

- Installation of water meters on all properties;
- Recycling and reuse of grey water; and
- Encouraging the use of water tanks and reuse of water

The feedback and responses align with the bylaw intentions and in its current state recommend the bylaw is adopted with minor changes

## **RISK ASSESSMENT AND MITIGATION**

The bylaw reviews carry risks across community, regulatory and legal components, whilst positively the bylaws support the operational components of Council and enables officers to better influence key Council policies, plans or strategies.

The risks will be mitigated through a thorough legal review and input, and the community risk has been mitigated through opportunity for engagement and input into the draft bylaws. Further legal review will be undertaken following the hearing and deliberation process and prior to Council adoption.

## **FOUR WELLBEINGS**

The report and draft bylaws consider the four well-beings through an overarching purpose.

The overarching purpose proposes to achieve a holistic and integrated approach to three waters management in the District that is consistent with Council's District Plan, other policies, plans, strategies and objectives and also reflect the principles of the Te Mana o Te Wai, the following overarching purposes have been set for all four water services bylaws (Water Supply, Stormwater, Wastewater and Trade Waste).

### **a) Meet Legislation Requirements**

Proactively meet all Council's statutory requirements relating to the provision of three waters services.

### **b) Integrated Approach**

Adopt an integrated and holistic approach to the Three Waters (water supply, wastewater including trade waste and stormwater) that recognises the interconnections between each of the waters and promotes their sustainable management.

### **c) Environmental Responsibilities**

Facilitate environmentally responsible practices by raising awareness of how the three waters interact and affect the District's natural environment. Additionally, ensure that Council meet its own responsibilities in terms of resource consent requirements set by the Hawke's Bay Regional Council.

**d) Sustainable Practices**

Encourage and incentivise the community and businesses to adopt practices that lead to the enhancement of the environment and the sustainable management of water resources including water and product stewardship, rainwater harvesting, waste minimisation and cleaner production.

**e) Support Sustainable Growth**

Support the sustainable provision of three waters infrastructure to enable future growth while minimising impacts on the environment.

**f) Achieve Project Thrive Values**

Develop and implement the Three Waters Bylaws to give effect to 'Project Thrive' values in particular trust, honesty, respect, innovation, and valuing people.

**g) Te Mana o te Wai**

Recognise the fundamental concept of Te Mana o Te Wai as prescribed under the National Policy Statement for Freshwater Management 2020 and in particular the need to restore and preserve the balance between the water, the wider environment, and the community.

**h) Tangata Whenua Status**

Recognise the status of tangata whenua status as kaitiaki.

**i) Durable Infrastructure**

Develop and maintain durable and resilient infrastructure that achieves Council's levels of service in an efficient and cost-effective manner.

**j) Safety and Health**

Ensure the protection, safety and health of Council staff and the community when using or operating the water supply system, and the wastewater and stormwater networks.

**k) Obligations**

Define the obligations of residential occupiers and businesses including trade waste occupiers and the public at large in relation to the Council's water supply, wastewater and stormwater networks.

**l) Discharge Controls**

Regulate wastewater and stormwater discharges, including trade waste, and hazardous substances, into the wastewater and stormwater networks.

**m) Equitable Costs**

Provide a system for the equitable share of Council's water services costs between trade waste dischargers, other businesses, and domestic customers.

**DELEGATIONS OR AUTHORITY**

This bylaw review triggers significance and engagement and required Council to resolve to take the bylaws out for consultation.

**SIGNIFICANCE AND ENGAGEMENT**

In accordance with the Council's Significance and Engagement Policy, this matter was assessed as significant and consequently community consultation was undertaken.

This consultation process was undertaken concurrently with the Long Term Plan process.

**OPTIONS ANALYSIS**

**Option 1** – To adopt the Water Supply, Stormwater and Wastewater bylaws with minor changes only.

**Option 2** – To reject the bylaw adoption and provide officers guidance on next steps



	<b><u>Option 1</u></b>	<b><u>Option 2</u></b>
	<b>To adopt the Water Supply, Stormwater and Wastewater bylaws with minor changes only.</b>	<b>To reject the bylaw adoption and provide officers guidance on next steps</b>
<b>Financial and Operational Implications</b>	No additional implications – the bylaw review was a project funded through the 3 waters tranche one stimulus funding.	Would incur operational time and likely council financial costs over and above the 3 waters tranche one funding.
<b>Long Term Plan and Annual Plan Implications</b>	Consistent the Long Term Plan approach and intent	Not consistent and may have implications dependant on guidance provided
<b>Promotion or Achievement of Community Outcomes</b>	Achieves community outcomes and support as expressed through the tanks and water metering comments, and as aligned with the draft district plan.	The 2018 bylaws do not achieve the community outcomes as expressed through the engagement process.
<b>Statutory Requirements</b>	Meets statutory requirements	May not meet statutory requirements dependant on next steps.
<b>Consistency with Policies and Plans</b>	Consistent with wastewater strategy, Sustainable water management plan, district plan, asset management plans and the Long Term Plan	Not consistent with plans and does not allow the goals and objectives in plans adopted since 2018 to be realised.

### Recommended Option

This report recommends **Option One** To adopt the Water Supply, Stormwater and Wastewater bylaws with minor changes only for addressing the matter.

### NEXT STEPS

Council to consider all submissions and may resolve to make changes to the bylaws as a result. The bylaws are proposed to be adopted at this meeting with the proposed changes attached to this report as tracked changes to be updated to finalise the bylaw. A final copy will be included in the LTP adoption pack on 17<sup>th</sup> June 2021.

### RECOMMENDATION FOR CONSIDERATION

That having considered all matters raised in the report:

- a) That Council receive the changes made to the Proposed Water Supply, Stormwater

**and Wastewater Bylaws attached to this report, following its release for community consultation as part of the 2021 – 2031 Long Term Plan.**

- b) That council adopt the draft 2021 Water Supply Bylaw attached to this report, with the Policy having immediate effect upon its adoption.**
- c) That council adopt the draft 2021 Stormwater Bylaw attached to this report, with the Policy having immediate effect upon its adoption.**
- d) That council adopt the draft 2021 Wastewater Bylaw attached to this report, with the Policy having immediate effect upon its adoption.**
- e) That the submitters are thanked for their comments, which are acknowledged and further that the information contained in this report is provided to submitters**

# **3 Waters Bylaws Review**

## **(Water Supply, Stormwater and Wastewater)**

### Summary of Submissions

April 2021



**CENTRAL  
HAWKE'S BAY**  
DISTRICT COUNCIL

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Summary of Submissions – 3 Waters Bylaws Review

## 1. Readers Guide

This document is a summary of the 28 submissions received. This summary is ordered according to submission topics then by submitter number.

In the summary, every submitter has been allocated a submitter number.

## 2. Engagement Activity Summary:

Council resolved on 11 February 2021 to approve the draft bylaws for public consultation. The submission period closed on 31 March 2021 except for the Trade Waste Bylaw which closes on 12 April 2021.

During this consultation period submissions were able to be made through the bylaw consultation page (<https://chbdc.mysocialpinpoint.com.au/facingthefacts/water-bylaws/>) and the Long Term Plan (LTP) Consultation page (<https://chbdc.mysocialpinpoint.com.au/facingthefacts/>).

Other engagement activities were also undertaken through five press releases (two of which were specific to the bylaw consultation process), social media (Facebook and Instagram), six community meetings, eight trader/business meetings, one on one direct communications and handing out flyers to potential trade waste operators.

### Press Release Activity:

Thur, 25 Feb: Press release – LTP / Bylaw Consultation launches next week  
Mon, 1 March: Press release – Consultation launch  
Tue, 9 March: Press release – LTP Site tours and community events  
Tue, 16 March: Press release – LTP / Bylaw Facebook Q&A Event  
Tue, 23 March: Press release – LTP Final Call for Submissions

### Trade Waste Industry meetings

Fri, 27 November 2020 – Staff met with Trudy (Ovation) and Ricky (NNNZ) to set the scene  
Thurs, 10 Dec 2020 – Staff met with Medallion to set the scene  
Fri, 11 Dec 2020 – Strategic meeting with Ovation  
Thurs, 17 December 2020 - CHB Trade Waste Industry Evening. This was attended by:

- Farmers – Selina Matheson
- NNNZ – Ricky Carnie
- CHB Tank Cleaners – Earle Grant
- Medallion – Alastair Halliburton
- Ovation – Trudy Sharpe

Wed, 23 Dec 2020 – Staff met with Trudy (Ovation) to discuss technical aspects and optimisation/discharge limits

Mon, 01 Feb 2021 – Staff met with Trudy, Ryle and Alastair from Ovation onsite

Tues, 12 Jan 2021 – Staff met with Medallion to discuss technical aspects and optimisation/ discharge limits

Mon, 29 March 2021 - CHB Trade Waste Industry Evening - Council chambers. This was attended by:

- Farmers Transport – Brad Kincaid
- Stephenson’s Transport – Bruce Stephenson, Todd Stephenson, Hugh Hamilton
- Ovation – Ryle Jellone
- Medallion – Alastair Haliburton



### 3. Submitter Details

Submitter #	Contact name/Organisation	Wishes to be heard
1	Peter Seligman	Not Stated
2	Anonymous 1	Not Stated
3	Kaye [surname unknown]	Not Stated
4	Anonymous 2	Not Stated
5	Kathryn Bayliss	Not Stated
6	Dean Hyde	Not Stated
7	Keri Ropiha	No
8	Richard Thomas	No
9	Harvey Welsh	No
10	Anonymous 3	Not Stated
11	Richard Fox	Yes
12	Judith Finlay	No
13	Mary Drummond	Not Stated
14	Rob McLean	No
15	Tony & Jenny Feather	Not Stated
16	Peter & Viv Paton	No
17	Bill Hale	No
18	Hawke's Bay District Health Board (Dr Nicholas Jones)	No
19	Forest and Bird (Tom Kay – Regional Conservation Manager)*	Yes
20	Graeme & Margaret Black	No
21	Bruce Stephenson**	Yes
22	DJ Williams	No
23	Anne Wallace	No
24	Diana Hollis	No
25	Mataweka Marae (Dianne Smith)	Yes
26	Hana Cotter	Yes
27	Ovation (Alastair Bayliss – General Manager)	No
28	Medallion 2020 Limited (Alastair Haliburton – Managing Director)	Yes

\*Forest and Bird provided two submissions (one for Trade Waste Bylaw and another for the Water Supply, Stormwater and Wastewater Bylaws) – these have been combined and analysed as one submission.

\*\*Bruce Stephenson provided two submissions (one for Long Term Plan and another for the Trade Waste Bylaw) – these have been combined and analysed as one submission.

#### 4. Submission Statistics

The below table summarises how many submission points were received on each section of the draft bylaws and grouped by whether they were support, oppose, or neutral. There were several submissions received that did not state what the submitters position was, and these have also been captured in the table below as “not stated”.

Submission Points	Yes/A	No/B	Not Stated	Total
<b>STORMWATER BYLAW</b>				
Q: Do you think about the Council should introduce a policy for all new build homes to install a tank to capture roof water supporting both the stormwater and water networks?	18	3	7	28
Q: When a private property discharges contaminants into out stormwater network, breaching our bylaws, do you think we should: - A) Respond and clean up the incident in the first instance, recovering costs later? Or B) Charge the private property immediately for the cleanup and response	13	9	6	28
<b>WATER SUPPLY BYLAW</b>				
Q: Do you think we should be monitoring high use properties with water meters?	18	3	7	28
<b>WASTEWATER BYLAW</b>				
Q. Do you support Council issuing defect notices to property owners to remedy a down pipe or lateral?	16	3	9	28
Q. If the notice is not followed, do you support Council fixing the issue and recovering costs from the property owner?	13	4	11	28

## 5. Submission Summary by topic – STORMWATER BYLAW

STORMWATER RUNOFF MANAGEMENT			
Q: What would you like the Council to do more or less of to help manage stormwater runoff?			
Submitter #	Name	My submission is (summary)	Staff Comment
1	Peter Seligman	Investigate ways of storing/treating it so that not only does it not pollute, it can actually assist our dry area.	<p>Section 9.2 of the Stormwater Bylaw supports the use of attenuation to support management of our stormwater network. Currently all new builds are evaluated to understand the proposed impact they may have on our networks.</p> <p><b>STAFF RECOMMENDATION:</b> Council thanks the submitter and acknowledges the submission. No further action required.</p>
3	Kaye [surname unknown]	Educate homeowners to things like this so they understand, most don't have any idea about this being a problem.	<p>Council agrees with this submission. Education is currently underway and forms a key part of Council's future stormwater work programme.</p> <p><b>STAFF RECOMMENDATION:</b> Council thanks the submitter and acknowledges the submission. No further action required.</p>
4	Anonymous 1	Encourage use of stormwater tanks to be used for non-potable uses - car washing, plant watering etc.	<p>Section 9.2 of the Stormwater Bylaw supports the use of attenuation to support management of our stormwater network. Currently all new builds are evaluated to understand the proposed impact they may have on our networks.</p>

STORMWATER RUNOFF MANAGEMENT			
Q: What would you like the Council to do more or less of to help manage stormwater runoff?			
Submitter #	Name	My submission is (summary)	Staff Comment
			<b>STAFF RECOMMENDATION:</b> Council thanks the submitter and acknowledges the submission. No further action required.
5	Kathryn Bayliss	Encourage the installation of water tanks. Businesses and private property owners should be encouraged to reuse the water. Owners from where Stormwater flows enter CHBDC's wastewater system illegally should be given a warning and if not fixed in a short time be fined.  When a private property discharges contaminants into CHBDC's stormwater network, breaching our bylaws, CHBDC should clean up the incident immediately and charge the private property immediately.	Section 9.2 of the Stormwater Bylaw supports the use of attenuation to support management of our stormwater network. Currently all new builds are evaluated to understand the proposed impact they may have on our networks.  Further submission points are noted.  <b>STAFF RECOMMENDATION:</b> Council thanks the submitter and acknowledges the submission. No further action required.
7	Keri Ropiha	More. Not sure how.	Staff have no further comment on submission.  <b>STAFF RECOMMENDATION:</b> Council thanks the submitter and acknowledges the submission. No further action required.
10	Anonymous 3	Keep tree litter out of water tables.	Noted. An aspiration of Council is to improve the environment and is a key aspect of Council's environmental and sustainability strategy, but this is something we all play a part of as kaitiaki of our environments.

STORMWATER RUNOFF MANAGEMENT			
Q: What would you like the Council to do more or less of to help manage stormwater runoff?			
Submitter #	Name	My submission is (summary)	Staff Comment
			<b>STAFF RECOMMENDATION:</b> Council thanks the submitter and acknowledges the submission. No further action required.
11	Richard Fox	Keep waterways dredged.	Management of waterways is a regional council function.  <b>STAFF RECOMMENDATION:</b> Council thanks the submitter and acknowledges the submission. No further action required.
12	Judith Finlay	Encourage use of modern septic tanks where possible to save stormwater infrastructure.	Council promote modern septic tank use on rural properties. The encouragement of attenuation devices (tanks) are designed to support stormwater infrastructure, not septic tanks.  <b>STAFF RECOMMENDATION:</b> Council thanks the submitter and acknowledges the submission. No further action required.
14	Rob McLean	So important (arrow to Q16)	Council agree with the submission the preferred option is to have a dual water tank system.  <b>STAFF RECOMMENDATION:</b> Council thanks the submitter and acknowledges the submission. No further action required.
16	Peter & Viv Paton	We have a roof water tank installed, and we use the water for the garden. I did hear that the Council may want tanks over 3000 litres, this is okay but a 3000 litre tank may not fit on a	Council acknowledge the feedback from this submission. Council will treat this on a case by case basis and if the new build does not allow the tank to

STORMWATER RUNOFF MANAGEMENT			
Q: What would you like the Council to do more or less of to help manage stormwater runoff?			
Submitter #	Name	My submission is (summary)	Staff Comment
		section and it would be better to have 2 or 3 tanks with a total capacity of 3000 litres.	fit on the property as one tank, Council would look at other options, but this would be the exception rather than the norm from Council's research.  <b>STAFF RECOMMENDATION:</b> Council thanks the submitter and acknowledges the submission. No further action required.
17	Bill Hale	In our town, Takapau, the nature of the physical makeup of the silt loam over metal means we enjoy terrific drainage. Legislation to make tanks mandatory would impact on us unnecessarily, encouraging tanks on new builds in Waipukurau (with known stormwater problems in high flow events) is entirely different.	The tanks are intended to provide a dual benefit to the community acting to take the peak out of Council's water network by using the water in the tanks for non-potable uses like washing cars and gardens. While they act as attenuation for stormwater and may be upsized from the minimum 3000 litres, if the local stormwater network has constraints, Council believe the benefit remains.  <b>STAFF RECOMMENDATION:</b> Council thanks the submitter and acknowledges the submission. No further action required.
19	Forest and Bird (Tom Kay – Regional Conservation Manager)	As per response to conservation methods question on page 18.	As per response on page 18.
23	Anne Wallace	Encourage all homes to capture roof water. A financial incentive would help with the uptake.	The Water Bylaw proposes to mandate at a minimum 3,000l water tanks for any new builds within the urban zone, and continue to mandate 30,000l tanks in the rural zone. This is also

STORMWATER RUNOFF MANAGEMENT			
Q: What would you like the Council to do more or less of to help manage stormwater runoff?			
Submitter #	Name	My submission is (summary)	Staff Comment
			<p>supported in the Stormwater Bylaw where the tank would support pressure on the stormwater infrastructure and act as dual-purpose tank. At present Council has not proposed a financial incentive.</p> <p><b>STAFF RECOMMENDATION:</b> Council thanks the submitter and acknowledges the submission. No further action required.</p>
24	Diana Hollis	Make roof water tanks compulsory on new builds where room allows.	<p>The Water Bylaw proposes to mandate at a minimum 3,000l water tanks for any new builds within the urban zone, and continue to mandate 30,000l tanks in the rural zone. This is also supported in the Stormwater Bylaw where the tank would support pressure on the stormwater infrastructure and act as dual-purpose tank.</p> <p><b>STAFF RECOMMENDATION:</b> Council thanks the submitter and acknowledges the submission. No further action required.</p>
26	Hana Cotter	We need to make it MANDATORY that EVERY new build has a greywater treatment and plant/lawn irrigation system. At present a family would use approx. 200 litres a day greywater – x7days = 1,400 Litres approx. a week. This could be treated and reused to water plants and lawns avoiding unnecessary and excessive watering. Cost Approx \$5,000-10,000 added cost.	<p>The Water Bylaw and Stormwater Bylaw support grey water use via the mandatory tanks to support Council infrastructure.</p> <p><b>STAFF RECOMMENDATION:</b> Council thanks the submitter and acknowledges the submission. No further action required.</p>

ROOF WATER TANKS			
Q: Do you think about the Council should introduce a policy for all new build homes to install a tank to capture roof water supporting both the stormwater and water networks?			
Submitter #	Name	Yes/No/Not Stated	Comment
1	Peter Seligman	Yes	
2	Anonymous 1	No	
3	Kaye [surname unknown]	Yes	
4	Anonymous 2	Yes	
5	Kathryn Bayliss	Yes	
6	Dean Hyde	Not stated	
7	Keri Ropiha	Yes	
8	Richard Thomas	Yes	
9	Harvey Welsh	Yes	
10	Anonymous 3	Yes	
11	Richard Fox	Yes	
12	Judith Finlay	Yes	
13	Mary Drummond	Yes	
14	Rob McLean	Yes	
15	Tony & Jenny Feather	Yes	
16	Peter & Viv Paton	Yes	
17	Bill Hale	No	
18	Hawke's Bay District Health Board (Dr Nicholas Jones)	Not stated	



ROOF WATER TANKS			
19	Forest and Bird (Tom Kay – Regional Conservation Manager)	Yes	Yes, absolutely. This should also be retrofitted to existing dwellings and could be council subsidized (though we note ratepayers shouldn't necessarily be paying for water shortage issues caused by irrigators with large consents that allow them to effectively take massive quantities of water for free.
20	Graeme & Margaret Black	Yes	But may be difficult on small section
21	Bruce Stephenson	Not Stated	
22	DJ Williams	Yes	
23	Anne Wallace	Yes	
24	Diana Hollis	Not Stated	
25	Mataweka Marae (Dianne Smith)	Not Stated	
26	Hana Cotter	No	Our rainfall has deteriorated due to global warming. Need to install greywater treatment and plant irrigation systems to use the approx. 200 litres of water discharged everyday into sewerage systems 1400 Litres a week reused and treated!!
27	Ovation (Alastair Bayliss – General Manager)	Not Stated	
28	Medallion 2020 Limited (Alastair Haliburton – Managing Director)	Not Stated	

Q: When a private property breaches the disposes contaminates into our stormwater network, breaching our bylaws, do you think we should: - A) Respond and clean up the incident in the first instance, recovering costs later? Or B) Charge the private property immediately for the cleanup and response			
Submitter #	Name	Option A o B?	Comment
1	Peter Seligman	A	
2	Anonymous 1	B	
3	Kaye [surname]	A	
4	Anonymous 2	A	Speed is essential, money is a bonus
5	Kathryn Bayliss	A & B	
6	Dean Hyde	Not Stated	
7	Keri Ropiha	B	
8	Richard Thomas	A	
9	Harvey Welsh	A	But with warning first for household, fine for commercial immediately
10	Anonymous 3	A	
11	Richard Fox	A	
12	Judith Finlay	A	
13	Mary Drummond	B	
14	Rob McLean	A	
15	Tony & Jenny Feather	B	
16	Peter & Viv Paton	B	
17	Bill Hale	A	

18	Hawke's Bay District Health Board (Dr Nicholas Jones)	Not stated	
19	Forest and Bird (Tom Kay – Regional Conservation Manager)	A	Clean up is necessary immediately to ensure the ecological effects can be minimised. This should be done as soon as possible. Charges and prosecutions can come alongside, or as soon as possible afterwards.
20	Graeme & Margaret Black	Not stated	Not sure, difficulties either way
21	Bruce Stephenson	Not stated	
22	DJ Williams	B	
23	Anne Wallace	B	
24	Diana Hollis	Not stated	
25	Mataweka Marae (Dianne Smith)	Not stated	
26	Hana Cotter	A & B	A then B
27	Ovation (Alastair Bayliss – General Manager)	Not stated	
28	Medallion 2020 Limited (Alastair Haliburton – Managing Director)	Not stated	

## 6. Submission Summary by topic – WATER SUPPLY BYLAW

WATER CONSERVATION:			
Q: Do you think we should be monitoring high use properties with water meters?			
Submitter #	Name	Yes or No?	Comment
1	Peter Seligman	Yes	
2	Anonymous 1	Yes	
3	Kaye	No	
4	Anonymous 2	Yes	
5	Kathryn Bayliss	Yes	
6	Dean Hyde	Not Stated	
7	Keri Ropiha	Yes	
8	Richard Thomas	Yes	
9	Harvey Welsh	Yes	
10	Anonymous 3	No	
11	Richard Fox	Yes	
12	Judith Finlay	Yes	I think everyone should have water meters.
13	Mary Drummond	Yes	
14	Rob McLean	Not Stated	
15	Tony & Jenny Feather	Yes	
16	Peter & Viv Paton	Yes	
17	Bill Hale	Yes	
18	Hawke's Bay District Health Board (Dr Nicholas Jones)	Not stated	

19	Forest and Bird (Tom Kay – Regional Conservation Manager)	Yes	
20	Graeme & Margaret Black	Yes	
21	Bruce Stephenson	Not Stated	
22	DJ Williams	Yes	
23	Anne Wallace	Yes	
24	Diana Hollis	Yes	
25	Mataweka Marae (Dianne Smith)	Not Stated	
26	Hana Cotter	No	
27	Ovation (Alastair Bayliss – General Manager)	Not Stated	
26	Medallion 2020 Limited (Alastair Haliburton – Managing Director)	Not Stated	

**WATER CONSERVATION:****Q: Are there other tools or conservation methods you think we should be using to save water in Central Hawke's Bay?**

Submitter #	Name	My submission is (summary)	Staff Comment
1	Peter Seligman	<p>Grey water can be recycled for use in gardens and so on. Such apparatus should be encouraged by the council, via schemes such as paying by instalments as part of your tax bill.</p> <p>Metering for (and bills) for ALL mains customers has to come now. It is quite ridiculous that we live in such a dry part of the world and water is still considered free!</p>	<p>Council's Water and Stormwater Bylaws support the use of tanks for grey use to add resilience, support our stormwater network and take the peak out of the town supply.</p> <p>Council is proposing to continue installing meters and manifolds on new builds and add meters where required to manage district water use. Council propose to have a wider conversation before rolling out mass metering.</p>

WATER CONSERVATION:			
Q: Are there other tools or conservation methods you think we should be using to save water in Central Hawke's Bay?			
Submitter #	Name	My submission is (summary)	Staff Comment
			<b>STAFF RECOMMENDATION:</b> Council thanks the submitter and acknowledges the submission. No further action required.
3	Kaye [surname unknown]	I would have answered yes, except you do not say what you consider to be high use.	High use is outlined within Section 6.1.1 as extraordinary supply. Council consider high use to be any more than 300m <sup>3</sup> per year usage, which Council currently bill the additional usage as set out in our fees and charges.  <b>STAFF RECOMMENDATION:</b> Council thanks the submitter and acknowledges the submission. No further action required.
4	Anonymous 2	I think all meters should be monitored. Mine is as I have a large property but only highwater use if I have a broken pipe under the house which is not found unless a water bill comes in (happened 2x to me).	All water meters are currently read on a quarterly cycle and billed if usage exceeds the 300m <sup>3</sup> per allowance.  <b>STAFF RECOMMENDATION:</b> Council thanks the submitter and acknowledges the submission. No further action required.
5	Kathryn Bayliss	Encourage the installation of water tanks. New big properties should have bigger water tanks. I support water meters for all properties because it will make people aware of how much water they use. Educate people on how to recycle grey water for reuse.	The Water Bylaw supports the use of water tanks to a mandatory minimum 3000l. Education is a key component of our Sustainable Water Management Plan which will support the bylaw implementation.

WATER CONSERVATION:			
Q: Are there other tools or conservation methods you think we should be using to save water in Central Hawke's Bay?			
Submitter #	Name	My submission is (summary)	Staff Comment
		Repair council pipe leaks and educate people about dripping taps and other leaks and how to fix them.	<b>STAFF RECOMMENDATION:</b> Council thanks the submitter and acknowledges the submission. No further action required.
7	Keri Ropiha	Dam??	<p>This is a wider conversation that the Council does not lead (as it is a District Council).</p> <p><b>STAFF RECOMMENDATION:</b> Council thanks the submitter and acknowledges the submission. No further action required.</p>
8	Richard Thomas	All properties should have water meters. It would help track down leaks and other issues and would incentivise people to not waste water.	<p>Council propose to continue installing meters and manifolds on new builds and add meters where required to manage district water use. Council will have a wider conversation before rolling out mass metering.</p> <p><b>STAFF RECOMMENDATION:</b> Council thanks the submitter and acknowledges the submission. No further action required.</p>
9	Harvey Welsh	Commercial buildings should have rainwater tank storage.	<p>Commercial buildings are classed as extraordinary users. Council intended for all new commercial buildings to also have to install rainwater attenuation.</p> <p><b>STAFF RECOMMENDATION:</b> Council officers will clarify in the bylaw under clause 1.5 to mandate</p>

WATER CONSERVATION:			
Q: Are there other tools or conservation methods you think we should be using to save water in Central Hawke's Bay?			
Submitter #	Name	My submission is (summary)	Staff Comment
			the need for water tanks for extraordinary users as well.
10	Anonymous 3	Do rates adequately reflect industrial water use? If not could be considered.	Councils fees and charges have a rate for charging that is reviewed annually but outside of this process.  <b>STAFF RECOMMENDATION:</b> Council thanks the submitter and acknowledges the submission. No further action required.
12	Judith Finlay	More use of grey water encouraged	The Water Bylaw and Stormwater Bylaw support grey water use via the mandatory tanks to support Council infrastructure. <b>STAFF RECOMMENDATION:</b> Council thanks the submitter and acknowledges the submission. No further action required.
14	Rob McLean	Instead of save use "harvesting" water tanks for new and old, have dams for the towns. Tasman have dams for stock (I realise it's for stock) but a dam or two in the hills around our towns.	This is a wider conversation that the Council does not lead (as it is a District Council).  <b>STAFF RECOMMENDATION:</b> Council thanks the submitter and acknowledges the submission. No further action required.
17	Bill Hale	Irrigation bans during daytime hours, high wind bans, encouraging shade plantings.	Council acknowledge the submission however points raised are matter and functions of the



WATER CONSERVATION:			
Q: Are there other tools or conservation methods you think we should be using to save water in Central Hawke's Bay?			
Submitter #	Name	My submission is (summary)	Staff Comment
		Filtration and shade plantings and removal of willows within major waterway courses.	regional council, not Central Hawkes Bay District Council.  <b>STAFF RECOMMENDATION:</b> Council thanks the submitter and acknowledges the submission. No further action required.
19	Forest and Bird (Tom Kay – Regional Conservation Manager)	Yes a) Consider Te Mana o te Wai in all decision making on water b) Work with local tangata whenua to identify their wishes and ideas c) Education. d) Water meters of all new supplies (i.e. in new subdivisions and developments) and a plan to retrofit the entire network with meters over time. e) Fixing leaks in the public network. f) Requirements for tanks on residential properties to store stormwater, which can be used as a garden-watering supply in summer or for emergency drinking water. This is a very normal thing to have in places like Melbourne, Australia. g) Requirements for surge tanks on residential and commercial properties for	a) Noted and agree. b) Noted and agree. c) Noted and agree. d) Council propose to continue installing meters and manifolds on new builds and add meters where required to manage district water use. Council will have a wider conversation before rolling out mass metering. e) A significant increase in our renewals programme is planned to assist in fixing more leaks and getting ahead of the curve. f) Noted and agree g) Noted and this will assist the stormwater infrastructure h) Noted and better dealt with in the district plan but supported in the bylaws i) Noted j) Noted k) Noted – more deal with by HBRC

WATER CONSERVATION:			
Q: Are there other tools or conservation methods you think we should be using to save water in Central Hawke's Bay?			
Submitter #	Name	My submission is (summary)	Staff Comment
		<p>stormwater, to reduce 'surges' to the network and prevent flooding, but also to ensure water can settle and cool down when coming off hot roofs etc. before being discharged to receiving environments.</p> <p>h) Requirements for water sensitive design in all new subdivisions, and a progressive plan to retrofit the entire district with 'water sensitive design'</p> <p>i) Limits on the area of impermeable surfaces on properties</p> <p>j) Promotion (or the requirement) of the planting of native, drought-tolerant species on people's properties and in council reserves.</p> <p>k) Restoration of wetlands to improve water retention, and soften high flows.</p> <p>l) Planting of trees across the district, to improve water retention, reduce 'heat island' effects, sequester carbon, and promote water retention in the soil.</p> <p>m) Promote the use of drought resistant species in crops and pastures.</p> <p>n) Promotion of private rainwater tank drinking water supplies.</p>	<p>l) Noted</p> <p>m) Noted</p> <p>n) Noted and covered in the bylaws through our mandatory water tanks.</p> <p>o) Noted and agree, education campaigns will promote this.</p> <p>p) Noted</p> <p>q) Noted</p> <p>r) Noted</p> <p>s) Noted</p> <p><b>STAFF RECOMMENDATION:</b> Council thanks the submitter for the detailed submission and effort taken, and acknowledges the submission. No further action required.</p>

WATER CONSERVATION:			
Q: Are there other tools or conservation methods you think we should be using to save water in Central Hawke's Bay?			
Submitter #	Name	My submission is (summary)	Staff Comment
		<ul style="list-style-type: none"> <li>o) Promoting low water use appliances</li> <li>p) Advocating to regional and central government for a nature-based response to water use issues – i.e. the planting of wetlands, restoration of gravel riverbeds (for aquifer recharge), planting of native vegetation, etc.</li> <li>q) Advocating to HBRC to address over-allocation of water in the catchment.</li> <li>r) Advocate to HBRC to restrict inappropriate land use in the district, particularly dairy farming or high water using horticulture. This would also protect source water,</li> <li>s) Working with industry to ensure any processing facilities in the region reduce water use over time, and are not part of the over-allocation problem</li> </ul>	
22	D.J Williams	Metre all properties	Council resolved to continue to install infrastructure that would support meters in the future, and prior to a mass meter roll out engage with the community on this change. Network metering, new build and extraordinary users will continue.

WATER CONSERVATION:			
Q: Are there other tools or conservation methods you think we should be using to save water in Central Hawke's Bay?			
Submitter #	Name	My submission is (summary)	Staff Comment
			<b>STAFF RECOMMENDATION:</b> Council thanks the submitter and acknowledges the submission. No further action required.
23	Anne Wallace	Roof water tanks	<p>The Water Bylaw proposes to mandate at a minimum 3,000l water tanks for any new builds within the urban zone, and continue to mandate 30,000l tanks in the rural zone</p> <p><b>STAFF RECOMMENDATION:</b> Council thanks the submitter and acknowledges the submission. No further action required.</p>
24	Diana Hollis	Fix the leaks. Stop water running in the gutters. I know of many people who use their hoses when we have restrictions, and their attitude is why shouldn't I have waters running down the gutter into the drain.	<p>As outlined in Challenge #2 "How we fund the replacement of our assets" in the Facing the Facts Consultation Document for the Long-Term Plan 2021-2031, Council is setting aside an increase in investment to catch up on renewals of water mains to reduce leaks.</p> <p><b>STAFF RECOMMENDATION:</b> Council thanks the submitter and acknowledges the submission. No further action required.</p>
26	Hana Cotter	Grey water treatment systems!! To reuse approx. 1400 Litres per week from average 3 bedroom home – to water plants/gardens/lawns!!	The Water Bylaw and Stormwater Bylaw support grey water use via the mandatory tanks to support Council infrastructure.

WATER CONSERVATION:			
Q: Are there other tools or conservation methods you think we should be using to save water in Central Hawke's Bay?			
Submitter #	Name	My submission is (summary)	Staff Comment
			<b>STAFF RECOMMENDATION:</b> Council thanks the submitter and acknowledges the submission. No further action required.

## 7. Submission Summary by topic – WASTEWATER BYLAW

WASTEWATER MANAGEMENT			
Q. Do you support council issuing defect notices to property owners to remedy a down pipe or lateral?			
Submitter #	Name	Yes/No/Not Stated	Comment
1	Peter Seligman	Yes	
2	Anonymous 1	Yes	
3	Kaye [surname unknown]	No	
4	Anonymous 2	Yes	
5	Kathryn Bayliss	Yes	
6	Dean Hyde	Not Stated	
7	Keri Ropiha	Yes	
8	Richard Thomas	No	
9	Harvey Welsh	Yes	
10	Anonymous 3	Yes	
11	Richard Fox	No	
12	Judith Finlay	Not Stated	I think that people should be encouraged to reuse stormwater instead of putting it into gully traps and the stormwater system.
13	Mary Drummond	Not Stated	
14	Rob McLean	Yes	
15	Tony & Jenny Feather	Yes	
16	Peter & Viv Paton	Yes	
17	Bill Hale	Yes	

WASTEWATER MANAGEMENT			
Q. Do you support council issuing defect notices to property owners to remedy a down pipe or lateral?			
Submitter #	Name	Yes/No/Not Stated	Comment
18	Hawke's Bay District Health Board (Dr Nicholas Jones)	Not stated	
19	Forest and Bird (Tom Kay – Regional Conservation Manager)	Yes	
20	Graeme & Margaret Black	Yes	
21	Bruce Stephenson	Not Stated	
22	DJ Williams	Yes	
23	Anne Wallace	Yes	
24	Diana Hollis	Not Stated	
25	Mataweka Marae (Dianne Smith)	Not Stated	
26	Hana Cotter	Yes	
27	Ovation (Alastair Bayliss – General Manager)	Not Stated	
28	Medallion 2020 Limited (Alastair Haliburton – Managing Director)	Not Stated	

Q. If the notice is not followed, do you support council fixing the issue and recovering costs from the property owner?		
Submitter #	Name	Yes/No/Not Stated
1	Peter Seligman	Yes
2	Anonymous 1	Yes
3	Kaye [surname unknown]	No
4	Anonymous 2	Yes
5	Kathryn Bayliss	Yes

6	Dean Hyde	Not Stated
7	Keri Ropiha	Yes
8	Richard Thomas	No
9	Harvey Welsh	Yes
10	Anonymous 3	Yes
11	Richard Fox	No
12	Judith Finlay	Not Stated
13	Mary Drummond	Not Stated
14	Rob McLean	Yes
15	Tony & Jenny Feather	Yes
16	Peter & Viv Paton	Yes
17	Bill Hale	No
18	Hawke's Bay District Health Board (Dr Nicholas Jones)	Not stated
19	Forest and Bird (Tom Kay – Regional Conservation Manager)	Not stated
20	Graeme & Margaret Black	Not Stated
21	Bruce Stephenson	Not Stated
22	DJ Williams	Yes
23	Anne Wallace	Yes
24	Diana Hollis	Not Stated
25	Mataweka Marae (Dianne Smith)	Not Stated
26	Hana Cotter	Yes
27	Ovation (Alastair Bayliss – General Manager)	Not Stated
28	Medallion 2020 Limited (Alastair Haliburton – Managing Director)	Not Stated

27

Summary of Submissions – 3 Waters Bylaws Review



## 8. General Comments Received

Submitter #	Name	My submission is (summary)	Staff Comment
1	Peter Seligman	The true cost and scarcity of water is wholly underestimated by residents of HB. We need to be more realistic and either live within our means or be prepared for significant personal expenditure.	Council support the broad intent of the submission. A large reason for the development of Council's sustainable water management plan is to support our waters bylaws, that sets the action plan for better management of our water supply and demand on it.  <b>STAFF RECOMMENDATION:</b> Council thanks the submitter and acknowledges the submission. No further action required.
2	Anonymous 1	There should be a national policy on this and independent inspectors so the Council does not need to bear all costs and has an independent over viewer.  If I visit a cafe in Levin I don't want to risk illness such as happened in Havelock North because one Council is better than another at all this. Industries, for commercial issues, should also bear costs. In general users who create the problem should meet full cost of fixing it and minimise costs to those doing the right thing.	It is acknowledged that the submitter is in support of the user-pays policy.  <b>STAFF RECOMMENDATION:</b> Council thanks the submitter and acknowledges the submission. No further action required.
3	Kaye [surname unknown]	I think Council would do better to help property owners understand about downpipes etc, so they understand and can remedy themselves without Council coming down hard on them,	Council agree with the submission that education to landowners is necessary. Council's Communication Plan for the Inflow and Infiltration programme has identified the need for public education. This is likely

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		most homeowners will remedy themselves if they understood, and most don't know about things like that. It's about educating homeowners	to be actioned in the next 12 months however it is outside of this bylaw-making process.  <b>STAFF RECOMMENDATION:</b> Council thanks the submitter and acknowledges the submission. No further action required.
4	Anonymous 2	What about uncovered swimming pools that evaporate lots of water over summer, are those owners meter monitored?	Owners of uncovered swimming pools are currently monitored as extraordinary users.  <b>STAFF RECOMMENDATION:</b> Council thanks the submitter and acknowledges the submission. No further action required.
5	Kathryn Bayliss	I agree with the new 2021 draft Water Supply, Wastewater (and Tradewaste), and Stormwater bylaws and agree with and support the Statement of Proposal Water Supply, Wastewater (and Tradewaste), and Stormwater bylaws and agree with and support the Statement of Proposal Water Supply, Wastewater (and Tradewaste), and Stormwater bylaws 2021.  In the Introduction, Overarching Purpose of the Water Supply and Stormwater Bylaws letters are used, a-m. In the Wastewater and Tradewaste Bylaws numerals are used 1-13. It would be better to use all the same either numbers or letters.	<b>General</b> It is acknowledged that the submitter is in support of all reviewed bylaws and Statement of Proposals. The submitter has however identified inconsistencies between the formatting of the bylaws.  <b>STAFF RECOMMENDATION:</b> Council update bylaws to make sure there is consistency with formatting and definitions across all four bylaws before they are adopted.

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6	Dean Hyde	<p>Firstly, thank you for the opportunity to submit on the review of our Districts Bylaws as they pertain to Water Supply, Storm Water, Wastewater and Trade Waste. Accordingly, I would respectfully submit the following.</p> <p><b>Robust Approach:</b> I wish to acknowledge the thoroughness with which Council has approached the subject of better managing our most precious resource, water; irrespective of the form it takes (waste, etc.) It is now widely understood that water which is the basis on which all life exists is under constant threat, therefore it is beholden upon us all to use this resource wisely and intelligently. It is on that basis that I wholeheartedly support the direction in which Council is moving.</p> <p><b>Water Supply Bylaw:</b> In regard to 6.4 Storage Tanks (6.4.1 &amp; 2), I would like to specifically support these bylaw changes as such a move supports water storage and reduces pressure on our infrastructure. It also sends very important conservation and prudent use message to citizens. I would also recommend that Council consider encouraging through education and the possibility of bulk purchasing, the placement of storage tanks on</p>	<p><b>General</b> It is acknowledged that the submitter is in support of Council's direction.</p> <p><b>STAFF RECOMMENDATION:</b> Council thanks the submitter and acknowledges the submission. No further action required.</p> <p><b>Water</b> Council are investigating storage tanks as an extra mechanism, but space may be limited with retrospectively fitting these. Council are instead proposing to encourage the use of tanks at present.</p> <p><b>STAFF RECOMMENDATION:</b> Council thanks the submitter and acknowledges the submission. No further action required.</p>

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		<p>existing properties. This could perhaps be appropriate when existing buildings are increased in size or significantly altered?</p> <p>Again, for the purpose of conserving the resource and enabling a secondary use for the purpose of watering vegetation and thereby reducing pressure on our current infrastructure.</p> <p><b>Wastewater Bylaw:</b> In regard to 1.18 Defect Notices (1.18.1), I support the ability of Council to issue such notices and this actively encourage defaulters to take appropriate remedial action. I would also recommend that Council consider encouraging through education and the possibility of bulk purchasing, the placement of 'grey water' storage tanks on new and existing properties.</p> <p><b>Storm Water Bylaw:</b> In regard to Storm Water Drainage Protection Plans (Section 7), I support the requirement for such Plans given the high risk potential impacts on our infrastructure and environment. I further believe that corporates in-particular need to be encouraged to accept</p>	<p>Council's Water and Stormwater Bylaws support the use of tanks for grey use to add resilience, support our stormwater network and take the peak out of the town supply.</p> <p><b>STAFF RECOMMENDATION:</b> Council thanks the submitter and acknowledges the submission. No further action required.</p> <p><b>Wastewater</b> It is acknowledged that the submitter is in support of defect notices. Councils Communication Plan for the Inflow and Infiltration programme has identified the need for public education. This is likely to be actioned in the next 12 months however it is outside of this process.</p> <p><b>Stormwater</b> It is proposed through Section 9.2 of the Stormwater Bylaw that a tank may be required to ensure the network is adequately managed. Stormwater management devices within our bylaw suggest the use of rain gardens as a form of stormwater runoff</p>

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		<p>responsibility for the by-products that may occur from their production processes. I would also recommend that Council consider encouraging through education and the possibility of bulk purchasing, the placement of 'storm water' Storage Tanks on new and existing properties. Again, for the purpose of conserving the resource and enabling a secondary use for the purpose of watering vegetation, cleaning and thereby reducing pressure on our current infrastructure. I would also ask that Council consider the provision of 'wet gardens' and a form of beautifying our urban environment as well as acting as a living part of our storm water infrastructure.</p> <p><b>Additional Point: Water Meters:</b> I support the installation of water meters on every property connected to our supply networks. Again, on the basis that monitoring and discouraging misuse will support smart use and conservation of this resource. Suggested References: 'Water' by Steven Solomon, published in 2010 by Harper Collins. 'Blue Gold' by Maude Barlow and Tony Clarke, published in 2002 by Stoddart Publishing. Thank you once again for this opportunity.</p>	<p>management.</p> <p><b>STAFF RECOMMENDATION:</b> Council thanks the submitter and acknowledges the submission. No further action required.</p> <p><b>Additional Comment:</b> Council is taking a managed roll out of water meters to better understand water use and value submitter feedback.</p> <p><b>STAFF RECOMMENDATION:</b> Council thanks the submitter and acknowledges the submission. No further action required.</p>

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8	Richard Thomas	Laterals can be damaged by heavy traffic. Some properties have a lot of heavy traffic on their road. To insist property owners repair these at their own cost is unreasonable.	<p>If the lateral damage is before the water shut off valve (toby) or boundary, the repair would be paid for and undertaken by Council. If it were damaged by a third party, that cost would be recovered from the third party. The responsibility of damage post toby/meter lies with the customer.</p> <p><b>STAFF RECOMMENDATION:</b> Council thanks the submitter and acknowledges the submission. No further action required.</p>
12	Judith Finlay	I question the Councils continued use of consultants rather than employing engineers to work solely on CHB projects. While consultants may seem cost effective but too often this is not true.	<p>Due to the complex and varied nature of the works in particular treatment systems for water and wastewater, Council typically would not be able to recruit the skills required for these projects, hence we partner with engineering consultancies to deliver the skillset required for our projects. Council continue to review our partnerships approach to ensure we get the best value for money for our ratepayers. Council do employ engineers directly for activities that are better resourced and managed by council.</p> <p><b>STAFF RECOMMENDATION:</b> Council thanks the submitter and acknowledges the submission. No further action required.</p>
14	Rob McLean	Why don't we have incinerators, my stove cooks my oven to dust.	Incinerating waste is a very expensive method of reducing waste and is not economically viable for smaller districts like Central Hawkes Bay. It requires

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			scale and does not necessarily align with Council's climate change aspirations.  <b>STAFF RECOMMENDATION:</b> Council thanks the submitter and acknowledges the submission. No further action required.
17	Bill Hale	Gravity fed systems to save operational future costs need investigation and application if feasible. Green waste to mulch/compost retention of water systems within our models. (Free dumping with buyback of cheap compost mulch at transfer station as an option. Hamilton City Council model.)	Gravity systems are used wherever possible and form the majority of the wastewater network. Pumping is only used where flows cannot be gravitated.  Water networks need to maintain pressure throughout in order to supply water to the far extents of the network. The reservoirs in the District gravitate into the network, provided the majority of the pressure.  Council are addressing solid waste activities through Challenge #3 "Creating a Waste Free Central Hawkes Bay" in the Facing the Facts Consultation Document for the Long-Term Plan 2021-2031 and this will be responded to via that Long-Term Plan process.  <b>STAFF RECOMMENDATION:</b> Council thanks the submitter and acknowledges the submission. No further action required.
18	Hawke's Bay District Health Board (Dr Nicholas Jones)	We fully support the need for these bylaws and would like to emphasise the importance of regular monitoring and enforcement of the	

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		<p>provisions included in the bylaw by Council, to ensure their purpose is achieved.</p> <p><b>Water Supply Bylaw</b></p> <ol style="list-style-type: none"> <li>1. We support the expansion of Council's ability to meter water usage for high user and to align with water sustainability outcomes (7.1(a)).</li> <li>2. Given the lack of Drinking Water Source Protection zones in the current Hawke's Bay Regional Resource Management plan we support the bylaw provisions enabling council to designate catchments and catchment classes. We note that the TANK plan change proposes the establishment of Source Water Protection Zones in the Heretaunga plains and anticipate that at some state in the future similar policies will be applied in Central Hawke's Bay. We recommend that in designating catchments and catchment classes council apply methods that will ensure alignment between designated catchments and future source protection zones as far as possible.</li> <li>3. We recommend that Council develop and publish catchment maps to promote awareness of designated catchments.</li> </ol>	<p><b>Water Supply Bylaw</b></p> <ol style="list-style-type: none"> <li>1. Noted</li> <li>2. Council are in the process of analysing and implementing source protection zones and catchment risk assessments as part of our water safety plan action plans</li> <li>3. As above, we will share our Source Protection Zones with Hawkes Bay Regional Council to assist mapping and considering any new activities in the zone.</li> <li>4. The dual-purpose water tank is proposed as a non-potable water tank. Education campaigns will be run alongside the implementation of the bylaws</li> </ol> <p><b>STAFF RECOMMENDATION:</b> Council thanks the submitter and acknowledges the submission. No further action required.</p>



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		<p>4. Finally, we recommend Council inform and educate the public on how to treat water if using rainwater tanks as a potable water source (6.4.1 and 6.4.2 for rural/urban areas having a rain-water tank).</p> <p><b>Stormwater Bylaw</b> We commend Council for making dual purpose rainwater tanks mandatory for new builds. We recommend Council consider the possible risk of contamination if the tank water is used for drinking water and ensure they inform and educate those affected by this new mandatory requirement.</p> <p><b>Wastewater Bylaw</b> In general, we have no concerns with this bylaw. We note however that recent government policy documents suggest upcoming wastewater standards will include standards for emerging contaminants of concern and endocrine disrupting chemicals. Council may wish to include provisions that enable restrictions on disposal of such contaminants in wastewater and trade waste in the future.</p>	<p><b>Stormwater Bylaw</b> The dual-purpose water tank is proposed as a non-potable water tank. Education campaigns will be run alongside the implementation of the bylaws</p> <p><b>STAFF RECOMMENDATION:</b> Council thanks the submitter and acknowledges the submission. No further action required.</p> <p><b>Wastewater Bylaw</b> Section 9.4 of the Wastewater Bylaw states that wastewater must not exceed Schedule A and contain anything included in Schedule B of the trade waste bylaw. In Section 8.5.2 of the Trade Waste Bylaw when mass limits Council can consider requirements of Council to reduce the pollutant discharge of the wastewater system. Section 8.7.1 h) of the Trade Waste Bylaw covers the ability to review trade waste consents for this reason. A future bylaw review could include changes to Schedule A and B to incorporate any limits associated with emerging contaminants and endocrine disrupting chemicals if required.</p>

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			<b>STAFF RECOMMENDATION:</b> Council thanks the submitter and acknowledges the submission. No further action required.
19	Forest and Bird (Tom Kay – Regional Conservation Manager)	<p>Please refer to original submission for the introduction to the submission.</p> <p><b>Introduction and Objectives</b> We support the new introduction, particularly the reference to Te Mana o te Wai. However, we note there is a typo, and it needs to be amended (in red):</p> <p><i>To achieve a holistic and integrated approach to three waters management in the District that is consistent with Council's District Plan, other Policies, Plans, Strategies and Objectives and also reflect the principles of the Te Mana o Te Wai, the following overarching purposes have been set for all four water services bylaws (Water Supply, Stormwater, Wastewater and Trade Waste):</i></p> <p>We also seek point 2 of the purpose be amended to reflect Te Mana o te Wai by referring to a 'ki uta ki tai' approach for integrated management:</p>	<p><b>Introduction and Objectives</b> Council notes this grammatical error and the additions proposed to the 'Integrated Approach' section. These sections are common across all the bylaws and therefore occur in each bylaw.</p> <p><b>STAFF RECOMMENDATION:</b> Council review bylaws together to make sure there is consistency with formatting across all four bylaws before they are adopted. Staff recommend that the grammatical changes be made across all four bylaws. Staff recommend that "ki uta ki tai" and "eliminating" be included in the 'Integrated Approach' section and be made across all four bylaws.</p>

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		<p><b>Integrated Approach</b></p> <p>Adopt an integrated and holistic approach, <i>ki uta ki tai</i>, to the Three Waters (water supply, wastewater including Trade Waste and stormwater) that recognises the interconnections between each of the waters and promotes their sustainable use and management.</p> <p>We also seek point 5 refer to 'minimising or eliminating' impacts on the environment, as it might be possible to remove impacts in some circumstances:</p> <p>Support the sustainable provision of three waters infrastructure to enable future growth while minimising or <i>eliminating</i> impacts on the environment.</p> <p>We support the objectives of the bylaw.</p> <p><b>General Comments on the Bylaw</b></p> <ul style="list-style-type: none"> <li>Forest &amp; Bird support Section 7, Classification of Trade Waste Discharges.</li> <li>In particular, we support the limited consent duration of 5 years.</li> <li>We support the direction that ALL dischargers of trade waste must talk to</li> </ul>	<p><b>General Comments on the Bylaw</b></p> <p>Council acknowledge that the submitter is in support on a number of matters across the bylaws. In relation to flow metering, it is intended that discharge flow meters will be made mandatory when the next trade waste bylaw review is undertaken. Council have indicated to existing trade waste dischargers this will</p>

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		<p>council to determine their discharge status before they can discharge.</p> <ul style="list-style-type: none"> <li>▪ We support the requirement for pre-treatment (8.6), and that this be a non-inclusive list.</li> <li>▪ We support the provision (8.7) for reviews of consents, particularly when there is non-compliance.</li> <li>▪ We support council having the ability to cancel consents where there is noncompliance.</li> <li>▪ We support the provision allowing council to monitor discharges and giving council jurisdiction to require consent holders to undertake monitoring.</li> <li>▪ We generally support the requirements for flow metering, including the additional provision for smart meters. However, rather than just a potential requirement of trade waste consents, we feel this should be a mandatory condition of all trade waste consents. This would allow council to accurately understand how much trade waste is coming into the WWTP and manage it accordingly. It would also be useful for reducing quantities over time, and/or ensuring dischargers are complying</li> </ul>	<p>be the case, so if any works are undertaken on site before the next bylaw review, they have the opportunity to include a discharge flow meter at that time. Giving a trade waste discharger prior notice allows them to budget for the installation of the discharge flow meters.</p> <p>In relation to Warning Notices, the existing Local Government Act 2002 is an onerous and costly approach to holding non-compliant trade waste dischargers to account. Council prefer to work with trade waste dischargers to resolve their compliance issues, but the inclusion of the Warning Notices allows Council the ability to cancel consents where the trade waste discharger does not resolve issues to agreed timescales.</p> <p><b>STAFF RECOMMENDATION:</b> Council thanks the submitter and acknowledges the submission. No further action required.</p>

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		<p>with their consent conditions and costs of treatment are distributed fairly.</p> <ul style="list-style-type: none"> <li>We support the inclusion of 'Warning Notices' however we want to be clear these should be used alongside cost recovery mechanism and fines (as below) where appropriate. Trade Waste dischargers should be well informed of their responsibilities and a strong compliance, monitoring, and enforcement program is needed alongside any education of dischargers.</li> </ul> <p><b>Limits</b></p> <ul style="list-style-type: none"> <li>We support the introduction of a BOD limit.</li> <li>We support the introduction of a limit on pharmaceutical waste.</li> </ul> <p><b>Section 11: Offences and Enforcement (and Legal Loophole re. Bylaws in Local Government Act 2002)</b></p> <ul style="list-style-type: none"> <li>Forest &amp; Bird is concerned with a legal loophole surrounding trade waste bylaws, as referenced in a recent Radio New Zealand (RNZ) exposé on companies' compliance with bylaws across the country, and the impact this has on wastewater</li> </ul>	<p><b>Limits</b></p> <p>Support acknowledged.</p> <p><b>Offences and Enforcement</b></p> <p>Council is aware of the issue raised by the submitter (and which was raised in Radio New Zealand article) relating to the inability of local authorities to issue fines for breaches of trade waste bylaws. That is, that the powers conferred under the Local Government Act 2002 (sections 239 and 242) require Council to prosecute in the Courts and gain a conviction of a</p>

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		<p>treatment plant (WWTP) operators' ability to meet environmental limits set by regional councils.</p> <ul style="list-style-type: none"> <li>Forest &amp; Bird understands this loophole in the law prevents local governments issuing fines to non-compliant dischargers of wastewater to their networks and treatment plants. Councils are therefore limited to simply recovering any costs the breach might have resulted in (such as additional cleaning required to make the plant fully operative if its function was impacted by the breach) or taking the issue to the courts, at significant cost.</li> <li>In response to this issue, Local Government New Zealand (LGNZ) has suggested to numerous Ministers since 2002 that a law change is necessary to allow local councils to fine noncompliant companies.</li> <li>Addressing the issue requires a relatively simple amendment to section 259 of the Local Government Act (LGA) 2002 to allow regulations to be made prescribing breaches of council bylaws that are infringements under the Act. We understand LGNZ has made this same request of the current Minister, yet the law still has not been changed.</li> </ul>	<p>wrongdoer before a Court can impose a fine for a breach. Clause 11.1.1 is framed, in the Council's view, in accordance with these legislative requirements.</p> <p>Council is supportive of Local Government New Zealand's efforts in promoting amendments to the empowering legislation to allow for greater enforcement mechanisms regarding trade waste discharges. At present, the powers granted to local authorities are not as effective as they could be to punish breaches and deter future wrongdoing behaviour.</p> <p>In the meantime, while Council primarily focusses its bylaw enforcement power through less coercive means, Council retains the ability to take a prosecution if it decides that such a course of action is needed in the circumstances.</p> <p><b>STAFF RECOMMENDATION:</b> Council thanks the submitter and acknowledges the submission. No further action required.</p>

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		<ul style="list-style-type: none"> <li>▪ We are unsure if this has an impact on the proposed provision for fines under section 11.1.1.1 of the proposed bylaw: <i>Every person who breaches this Bylaw, or breaches the conditions of any consent granted under this Bylaw or fails to comply with a notice served under this bylaw commits an offence and is liable upon conviction to a fine as provided for under the Local Government Act 2002, and may be liable to penalties under other legislation.</i></li> <li>▪ We support this section of the bylaw. However, we are unclear as to whether it proposes a fine under the LGA 2002, which would then be unenforceable as we understand it, or whether is proposing a fine only 'upon conviction' through a court process. We consider council should be able to issue an infringement fine without going through a full court process for clear breaches of the bylaw. So, while we support this part of the bylaw and believe it should be retained, we are unsure if it has the 'teeth' council intends it to.</li> <li>▪ To this end, we implore CHBDC to continue lobbying LGNZ, local MPs, and the Minister for Local Government to undertake a law change to allow council to fine those</li> </ul>	

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		<p>companies and organisations that are not complying with trade waste bylaw requirements. This would hopefully result in better compliance with trade waste bylaws, less stress on the WWTP, and fewer costly failures (or fewer non-compliance events). It would also allow CHBDC to recover costs of problems more readily.</p> <ul style="list-style-type: none"> <li>▪ We support Council having the jurisdiction to recover costs associated with issues from discharges to the WWTP.</li> </ul> <p><b>Water Supply Bylaw</b></p> <p>1. It is unclear why the new introduction and overarching purpose/objectives for the Trade Waste, Stormwater, and Wastewater bylaws, particularly the reference to Te Mana o te Wai, is not included at the front of the Water Supply Bylaw. This introduction should be included in front of all bylaws relating to water, as it gives effect to the NPS Freshwater 2020 section 1.3: <i>Te Mana o te Wai is relevant to all freshwater management and not just to the specific aspects of freshwater management referred to in this National Policy Statement.</i></p>	<p><b>Water Supply Bylaw</b></p> <p>1. 'Te Mana o Te Wai' is included in all draft 2021 bylaws, including the 2021 Draft Water Bylaw.</p> <p><b>STAFF RECOMMENDATION:</b> Council thanks the submitter and acknowledges the submission. No further action required.</p>



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		<p>2. Section 707.2.2(b) on permits should be a non-exhaustive list and explicitly state this.</p> <p>3. Section 707.2.4 should also refer to other restrictions that may apply outside of just local planning documents or NESs, e.g. where that catchment is on public conservation land (for which Conservation Legislation has restrictions)</p> <p>4. We support the metering of extraordinary users of water.</p> <p>5. We suggest a provision requiring the installation of a meter at all newly constructed premises (e.g. in subdivisions), and a plan to retrofit meters to existing supplies. This will put CHBDC in a good position for any future restrictions on water use or charging systems. It will also allow CHBDC to identify leaks in the system.</p>	<p>2. Section 707.2.2(b) is a reference to the old bylaw. This is covered under Section 12.1.1 (b) of the draft Water Supply Bylaw 2021.</p> <p><b>STAFF RECOMMENDATION:</b> Amend Section 12.1.2.1(b)(i) of Water Supply Bylaw 2021 to explicitly state “non-exhaustive”</p> <p>3. Section 707.2.4 is in reference to the old bylaw. This is covered under section 12.1.3 of the draft Water Supply Bylaw 2021.</p> <p><b>STAFF RECOMMENDATION:</b> Council thanks the submitter and acknowledges the submission. No further action required.</p> <p>4. Noted</p> <p>5. Council is wishing to undertake community engagement before rolling out mass metering. Council do currently install meters on new builds, as well as extraordinary users. Currently approximately 25-30% of the network is metered.</p> <p><b>STAFF RECOMMENDATION:</b> Council thanks the submitter and acknowledges the submission. No further action required.</p>

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		<p>6. We support section 708.14 on the prevention of waste.</p> <p>7. We support section 709.3 providing Council the ability to fine where there is not compliance with the bylaw. However, we note concerns with a legal loophole that apparently impacts councils' abilities to fine for non-compliance with trade waste bylaws, and are concerned that a similar loophole might exist here. If council could provide assurance this is not the case that would be useful.</p> <p>8. We note the protection of source water is EXTREMELY important. In particular, the protection of source water from nitrate pollution. This is because nitrates CANNOT easily be removed from water because it cannot be easily filtered from water.</p> <p>9. We also note that there are clear links between land use and source water quality. This is exemplified by a 2020 study of New Zealand drinking water catchments Refer to</p>	<p>6. Noted</p> <p>7. The Draft Water Supply Bylaw 2021 addresses Council's abilities to fine for non-compliances.</p> <p><b>STAFF RECOMMENDATION:</b> Council thanks the submitter and acknowledges the submission. No further action required.</p> <p>8. Noted – Source Protection Zone work is being undertaken alongside the bylaw and water safety plan work. This will be fed into HBRC work to assist protection of source water.</p> <p><b>STAFF RECOMMENDATION:</b> Council thanks the submitter and acknowledges the submission. No further action required.</p> <p>9. Noted</p>

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		<p>original submission for the extract quoted in submission.</p> <p><b>Stormwater Bylaw</b></p> <ol style="list-style-type: none"> <li>1. We support the new introduction, particularly the reference to Te Mana o te Wai.</li> <li>2. We seek the same change as per our trade waste comment above to the integrated approach and referring to eliminating.</li> <li>3. We support the objectives of the bylaw. However, we suggest that points (a) and (b) be amended to state:  (a) <i>Avoid, or minimise</i>, and control... (b) <i>Avoid or minimise</i>...</li> <li>4. We support section 9.1.</li> <li>5. We support section 9.2.</li> <li>6. We support section 9.3, and that it be read alongside 9.1. We hope this bylaw prevents the washing of cars on driveways where that water enters stormwater, and would appreciate council clarifying this.</li> </ol>	<p><b>Stormwater Bylaw</b></p> <ol style="list-style-type: none"> <li>1. Noted</li> <li>2. As per response and recommendation made under Trade Waste submission point above.</li> <li>3. Council acknowledge support of objectives for Stormwater Bylaw and agree with proposed amendments</li> </ol> <p><b>STAFF RECOMMENDATION:</b> Amend Objective (a) and (b) of the Stormwater Bylaw to include “<i>Avoid, or minimise</i>” as per submission prior to adoption.</p> <ol style="list-style-type: none"> <li>4. Noted</li> <li>5. Noted</li> <li>6. Council acknowledge support for Section 9.3. Washing of cars in driveways will be addressed in our practice note/guideline yet to developed. It is Councils intention to prevent this type of discharge.</li> </ol>

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		<p>7. We support section 14 and encourage CHBDC to take action to proactively address any existing misconnections or issues in this regard.</p> <p>8. Throughout the Bylaw, it says Council “may” require attenuation devices, or “may” require a stormwater management plan. We consider this should be amended to “will”. Refer to original submission for example.</p> <p>9. We also seek an amendment to require stormwater treatment facilities (e.g. constructed wetlands) for some stormwater.</p> <p><i>When the stormwater arising from a new connection is such that it exceeds the</i></p>	<p><b>STAFF RECOMENDATION:</b> Council thanks the submitter and acknowledges the submission. No further action required.</p> <p>7. Noted</p> <p>8. Council have undertaken a legal review of all the draft Bylaws and prefer to keep the term ‘may’ as this allows flexibility in the management of the three waters system. While it is noted Council will require Stormwater Management Plans and detention devices, Council wish to retain discretion to depart from policy if it is appropriate to do so (i.e. to review on a case by case basis).</p> <p><b>STAFF RECOMENDATION:</b> Council thanks the submitter and acknowledges the submission. No further action required.</p> <p>9. As per the comment above, Council wish to maintain discretion and prefer to maintain the use of ‘may’ versus ‘will’. In the Stormwater Bylaw glossary, wetlands are listed as a type of management device under the term ‘Stormwater Management Device’. However, Council are comfortable accepting the submitters proposed</p>

Submitter #	Name	My submission is (summary)	Staff Comment
		<p>defined level of service limits for the Public Stormwater Drainage Network, Council <del>may</del> <u>will</u> require the installation or construction of private stormwater attenuation measures including Stormwater Detention Devices to attenuate the flow of stormwater, <del>or</del> retention facilities to limit the volume of extra stormwater produced from new connections or developments, <u>and/or treatment facilities such as constructed wetlands or other infrastructure to this effect.</u> Any such detention or retention measures must be constructed at the Occupier's ...</p> <p>10. This sort of requirement is vital for future-proofing CHBDC's stormwater network and ensuring CHBDC meet the environmental requirements of the Regional Plan. Without these sorts of requirements CHBDC will be 'chasing its tail' trying to tidy up more environmental issues (at significant cost) in 5-10 years with stormwater contaminants</p>	<p>changes (where applicable), noting that changes are in relation to the draft Stormwater Bylaw 2021.</p> <p><b>STAFF RECOMMENDATION:</b> Council amend Clause 9.2.1 of the Stormwater Bylaw to read:</p> <p><i>"When the stormwater arising from a new connection is such that it exceeds the defined level of service limits for the Public Stormwater Drainage Network, Council may require the installation or construction of private stormwater attenuation measures including Stormwater Detention Devices <u>to attenuate the flow of stormwater, retention facilities to limit the volume of extra stormwater produced from new connections or developments, and/or treatment facilities such as constructed wetlands or other infrastructure to this effect</u>"</i></p> <p>10. Noted</p>

Submitter #	Name	My submission is (summary)	Staff Comment
		<p>entering receiving environments from new developments.</p> <p>11. Stormwater treatment is becoming increasingly necessary and normal across the world, as well as in New Zealand (particularly for roading projects), and it is only a matter of time before stormwater treatment is required in CHB. CHBDC should use this opportunity to 'get ahead'.</p> <p><b>Wastewater Bylaw</b></p> <ul style="list-style-type: none"> <li>▪ We support the new introduction, particularly the reference to Te Mana o te Wai.</li> <li>▪ We seek the same change as per our trade waste comment above to the integrated approach.</li> <li>▪ We seek that the three waters bylaws be cross-checked to ensure the introductions are all similar in terms of objectives/purposes. At this stage we note the 'purpose' is numbered in one document and 'lettered' in another.</li> <li>▪ We support section 9.4.</li> <li>▪ We support section 9.5.</li> <li>▪ We support section 9.7 and encourage CHBDC to take action to proactively address</li> </ul>	<p>11. Noted and Council is not in a position to fully understand the work required for treatment of stormwater, but are working through this as part of our stormwater resource consent.</p> <p><b>STAFF RECOMMENDATION:</b> Council thanks the submitter and acknowledges the submission. No further action required.</p> <p><b>Wastewater Bylaw</b></p> <p>The submitter has identified inconsistencies between the formatting of the bylaws.</p> <p><b>STAFF RECOMMENDATION:</b> Council will review bylaws together to make sure there is consistency with formatting and definitions across all four bylaws before they are adopted.</p> <p>Council's Communication Plan for the Inflow and Infiltration programme has identified the need for</p>

Submitter #	Name	My submission is (summary)	Staff Comment
		<p>any existing misconnections or issues in this regard.</p> <ul style="list-style-type: none"> <li>▪ We support section 9.8.</li> </ul> <p>We support CHBDC having the ability to fine persons not complying with this bylaw. However, we note our concerns, as mentioned in para. 18 above, that council's ability to fine people is limited by a legal loophole in the Local Government Act.</p>	<p>public education, which is the first step towards addressing misconnections or issues in this regard. Section 9.11.1 of the Wastewater Bylaw gives Council the ability to notify the property owner of issues found and giving them timescales to resolve them. Section 9.12.1 of the Wastewater Bylaw allows Council the ability to remove or alter issues found and recover the costs.</p> <p>Council is aware of the issue raised by the submitter relating to the inability of local authorities to issue fines for breaches of wastewater bylaws. That is, that the powers conferred under the Local Government Act 2002 (sections 239 and 242) require Council to prosecute in the Courts and gain a conviction of a wrongdoer before a Court can impose a fine for a breach. Clause 11.1.1 is framed, in the Council's view, in accordance with these legislative requirements.</p> <p><b>STAFF RECOMMENDATION:</b> Council thanks the submitter and acknowledges the submission. No further action required.</p>
25	Mataweka Marae	<p>Please refer to original submission for the introduction to the submission.</p> <p><b>Wastewater</b> Our submission is based around the 3 Waters Bylaw Review and specifically: #1. The risk</p>	<p><b>Wastewater</b> Council acknowledge this is a Long-Term Plan item related to Challenge #1 – our wastewater upgrades.</p>

Submitter #	Name	My submission is (summary)	Staff Comment
		<p>factors involved in piping waste water from Waipukurau to Waipawa are significant. This as you would know, involves crossing 2 Awa or rivers, the Tukituki and Waipawa awa. For us as Mana Whenua this proposal is of huge significance as the Awa is a Taonga (a precious resource) that requires sustainable management. As mana whenua and partners under Te Tiriti o Waitangi, we would like to be involved in direct consultation, hence our submission.</p> <p><b>Water</b></p> <p>#2. The required future water take from Waipawa to service Waipukurau is also of concern of which we would like to be consulted with also.</p> <p>We would like to take this opportunity to also commend the Council in the extensive Water Bylaw reviews that have been published, and look forward to 'kanohi ki te kanohi' (face to face) consult with Tangata Whenua around Taonga Wai as it is vitally important in honouring the partnership that the Council has with Mana Whenua.</p>	<p><b>STAFF RECOMMENDATION:</b> Prior to Council lodging any consents or works being developed for the wastewater upgrade and proposed concept to cross either river with a wastewater pipeline, hui and engagement will be undertaken to work together to find a reasonable solution. A hui has been scheduled for late May 2021.</p> <p><b>Water</b></p> <p>Council acknowledge this is a Long-Term Plan item to be considered.</p> <p><b>STAFF RECOMMENDATION:</b> Council thanks the submitter and acknowledges the submission. No further action required.</p>



Submitter #	Name	My submission is (summary)	Staff Comment
26	Hana Cotter	All new builds should have a mandatory Greywater treatment and discharge system to water plants/lawns/gardens!!	<p>The Water Bylaw and Stormwater Bylaw support grey water use via the mandatory tanks to support Council infrastructure.</p> <p>While Council don't mandate grey water systems, the draft District Plan and Water and Stormwater Bylaw encourage the use of such systems. A mandated water or dual water (incl. Grey use) is being mandated and if the requirement to attenuate further to safeguard the stormwater network the tank may increase and provide greater reuse opportunities.</p> <p><b>STAFF RECOMMENDATION:</b> Council thanks the submitter and acknowledges the submission. No further action required.</p>



**CENTRAL  
HAWKE'S BAY**  
DISTRICT COUNCIL

**PART 07**

# **DRAFT Water Supply BYLAW**

Superseding CHBDC: Part 07: 2018

Draft v2 April 2021

*Together we Thrive! E ora ngātahi ana!*

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## INTRODUCTION

### Overarching Purpose

To achieve a holistic and integrated approach to three waters management in the District that is consistent with Council's District Plan, other Policies, Plans, Strategies and Objectives and also reflect the principles of the Te Mana o Te Wai, The following overarching purposes have been set for all four water services bylaws (Water Supply, Stormwater, Wastewater and Trade Waste)

#### **1. Meet Legislation Requirements**

Proactively meet all Council's statutory requirements relating to the provision of three waters services.

#### **2. Integrated Approach**

Adopt an integrated and holistic approach, ki uta ki tai, to the Three Waters (water supply, wastewater including trade waste and Stormwater) that recognises the interconnections between each of the waters and promotes their sustainable management.

#### **3. Environmental Responsibilities**

Facilitate environmentally responsible practices by raising awareness of how the three waters interact and effect the District's natural Environment. Additionally, ensure that Council meet its own responsibilities in terms of resource consent requirements set by the Hawke's Bay Regional Council.

#### **4. Sustainable Practices**

Encourage and incentivise the community and businesses to adopt practices that lead to the enhancement of the Environment and the sustainable management of water resources including water and product stewardship, rainwater harvesting, waste minimisation and Cleaner Production.

#### **5. Support Sustainable Growth**

Support the sustainable provision of three waters infrastructure to enable future growth while minimising or eliminating impacts on the Environment.

#### **6. Achieve Project Thrive Values**

Develop and implement the Three Waters Bylaws to give effect to 'Project Thrive' values in particular trust, honesty, respect, innovation, and valuing people.

#### **7. Te Mana o te Wai**

Recognise the fundamental concept of Te Mana o Te Wai as prescribed under the National Policy Statement for Freshwater Management 2020 and in particular the need to restore and preserve the balance between the water, the wider Environment, and the community.

#### **8. Tangata Whenua Status**

Recognise the status of tangata whenua status as Kaitiaki.

#### **9. Durable Infrastructure**

Develop and maintain durable and resilient infrastructure that achieves Council's levels of service in an efficient and cost-effective manner.

#### **10. Safety and Health**

Ensure the protection, safety and health of Council staff and the community when using or operating the water supply system, and the wastewater and stormwater networks.

#### **11. Obligations**

Define the obligations of residential Occupiers and businesses including trade waste Occupiers and the public at large in relation to the Council's water supply, wastewater and stormwater networks.

#### **12. Discharge Controls**

Regulate wastewater and stormwater discharges, including trade waste, and hazardous substances, into the wastewater and stormwater networks.

#### **13. Equitable Costs**

Provide a system for the equitable share of Council's water services costs between trade waste dischargers, other businesses, and domestic customers.



## OBJECTIVES

Further to the Overarching Purpose the specific objectives for this part of the Bylaw are as follows:

- (a) Enable the Council to manage and provide public water supply services;
- (b) Protect the public water supply network from damage, misuse, and interference;
- (c) Protect the environment and the health and safety of the people using the public water supply;
- (d) Ensure the efficient use of water and improve water resilience during periods of water shortage/restrictions.
- (e) To align with the wider sustainable water demand management plan.

## CONTEXT

Communities expect safe and reliable water supply for their health and prosperity. Council has a responsibility to ensure that its water services, infrastructure and water taonga are managed in a manner that supports the wellbeing of current and future generations.

Water supplies are currently provided through seven public water supply systems located at Otane (supplied from Waipawa), Waipawa, Waipukurau, Takapau, Porangahau, Te Paerahi and Kairakau.

Sustaining current levels of supply to the District's customers will become increasingly challenging over the years ahead. To ensure that community needs are met, Council have developed a Sustainable Water Management Plan. The plan identifies how the Council and the Community will improve water-use efficiency and reduce water loss in operations using a range of techniques that are consistent with industry practice and supports Council's desire to become an efficient user of this valuable resource.

The provisions in the Water Bylaw play a key role in ensuring water is used wisely and in a sustainable manner.



## PART 07 – WATER SUPPLY

### 1. TITLE

This bylaw shall be known as the Central Hawke's Bay District Council Water Supply Bylaw [2021].

### 2. COMMENCEMENT

This Bylaw shall come into force on the [DATE]

### 3. REPEAL

This Bylaw supersedes and repeals the Central Hawke's Bay District Council Water Supply Bylaw 2018.

### 4. APPLICATION OF BYLAW

This Bylaw shall apply to the Central Hawke's Bay District.

### 5. DEFINITIONS

Reference should be made to Part 1 Introductory Bylaw and to the legislation referred to under Referenced Documents, for any other definitions not included in this Part.

For the purpose of this Bylaw, unless inconsistent with the context, the following definitions apply:

<b>Approved or Approval</b>	Approved in writing <u>by the Council</u> either by resolution of Council or by any Authorised Officer of Council.
<b>Authorised Officer</b>	Any officer of the Council or other person authorised under the Local Government Act 2002 and authorised by the Council to administer and enforce its Bylaws.
<b>Backflow</b>	A flow of water or other liquid / contaminants in reverse direction to the normal supply flow.
<b>Backflow Preventor (BFP)</b>	A backflow prevention device is used to protect potable water supplies from contamination or pollution due to backflow.
<b>Council</b>	Central Hawke's Bay District Council or any officer authorised <u>by Council</u> or delegated to act on its behalf.
<b>Customer</b>	A person who uses or has obtained the right to use or direct the manner of use of water supplied by Council to any Premises.
<b>Detector Check Valve</b>	A check (non-return) valve which has a positive closing pressure and a metered bypass to measure flows (typically associated with leakage or unauthorised use on a dedicated fire supply).
<b>Extraordinary Supply</b>	A category of on-demand supply, including all purposes for which water is supplied other than ordinary supply and which may be subject to specific conditions and limitations.
<b>Fees and Charges</b>	The list of items, terms, and prices for services associated with the supply of water as adopted by Council in accordance with the Local Government Act 2002 and the Local Government (Rating) Act 2002.





<b>Fire Protection System</b>	A pumping system designed to supply a sufficient flow of water to extinguish a fire, for example, a sprinkler.
<b>Level of Service</b>	The measurable performance standards on which Council undertakes to supply water to its customers.
<b>On-Demand Supply</b>	A supply which is available on demand directly from the point of supply, subject to the agreed level of service.
<b>Out of Area Supply</b>	Premises that are not within an Urban Water Supply Area but are within practical distance for supply from the Council Water Supply System.
<b>Ordinary Supply</b>	A category of on-demand supply used solely for domestic purposes.
<b>Person</b>	<del>A natural person, corporation sole or a body of persons whether corporate or otherwise</del> <u>The Crown, a corporation sole, and also a body of persons, whether corporate or unincorporate.</u>
<b>Point of Supply</b>	The point on the water pipe leading from the water main to the Premises, which marks the boundary of responsibility between the customer and Council irrespective of property boundaries.
<b>Premises</b>	Either: <ul style="list-style-type: none"> <li>a) A property or allotment which is held under a separate <u>certificate record</u> of title <u>or</u> for which a separate <u>certificate record</u> of title may be issued and in respect to which a building consent has been or may be issued; or</li> <li>b) A building or part of a building that has been defined as an individual unit by a cross-lease, unit title or company lease and for which a <u>certificate record</u> of title is available; or</li> <li>c) Land held in public ownership (e.g. reserve) for a particular purpose.</li> <li>d) <u>individual units in buildings which are separately leased or separately occupied.</u></li> </ul>
<b>Pressure Reducing Valve (PRV)</b>	A hydraulically operated, diaphragm actuated control valve that reduces higher upstream pressure to lower constant downstream pressure
<b>Public Notice</b>	As defined in section 5 of the Local Government Act 2002.
<b><u>Record of Title</u></b>	<u>A record of title created under section 12 under the Land Transfer Act 2017.</u>
<b><u>Restrictor</u></b>	<u>Flow restrictors limit the amount of water that is let out of the tap or shower, they reduce the amount of water needed for things such as showering or washing the dishes and act as a conservation tool.</u>
<b>Rain Water Tank</b>	A storage tank that has the dual purpose of retaining water by temporarily storing stormwater runoff during a rainfall event that can then be re-used for, for example, hose taps. The water tank is used to collect and store rain water runoff, typically from rooftops via pipes.
<b>Service Valve (Toby)</b>	The valve at the customer end of the service pipe.
<b>Storage Tank</b>	Any tank having a free water surface.
<b>Supply Pipe</b>	The section of pipe between the point of supply and the customer's Premises through which water is conveyed to the Premises.
<b>Urban Water Supply Area</b>	An area formally designated by Council and serviced by a reticulated water supply system with firefighting capability, intended to supply water to customers via on-demand supplies.





<b>Water Supply System</b>	All components of the water supply network between the point of abstraction from the natural environment to the point of supply. This includes, but is not limited to: wells, infiltration galleries, intake structures, open raw water storage ponds / lakes, falling mains, treatment plants, treated water reservoirs, trunk mains, service mains, rider mains, pump stations and pumps, valves, hydrants, scour lines, service pipes, boundary assemblies, meters, backflow prevention devices and tobies.
<b>Water Unit</b>	An allocation of water on a restricted flow supply.

## 6. CONDITIONS OF SUPPLY

### 6.1. TYPES OF SUPPLY

Water supplied to a Customer may be classified by the Council as either 'on-demand', 'restricted flow', or 'out of area', except that water supplies at Kairakau shall be as DESCRIBED in Section 6.1.4, and at Pourerere shall be as described in Section 6.1.5. The use of water from on-demand supply may be classified by the Council as either 'ordinary' or 'extraordinary'.

#### 6.1.1. ON-DEMAND SUPPLY

6.1.1.1. For on-demand supplies, there are two types of supply defined as:

##### (a) Ordinary Supply

The supply of water to a Customer which is used solely for domestic purposes in a dwelling / house (which may include use in a fire sprinkler system for NZS 4517) is an ordinary supply. Domestic purposes includes the use of a hose for:

- (i) washing down a car, boat, or similar;
- (ii) garden watering by hand;
- (iii) garden watering by a portable sprinkler subject to any restrictions that may have been imposed;

*NOTE - For use from a fire protection system to NZS 4517 to be classified as an ordinary use, the Customer should comply with the conditions set under Section 6.1.1.*

##### (b) Extraordinary Supply

Water supplied for extraordinary use includes:

- (i) Premises greater than 4,000 m<sup>2</sup> in area;
- (ii) domestic spa or swimming pool in excess of 10 m<sup>3</sup> capacity,
- (iii) fixed garden irrigation systems;
- (iv) commercial, business and industrial uses;
- (v) agricultural, horticultural and viticultural uses, including stock watering;
- (vi) lifestyle blocks (peri-urban or small rural-residential uses), including stock watering;
- (vii) fire protection systems other than sprinkler systems installed to comply with NZS 4517;
- (viii) out of district (supply to, or within another local authority);
- (ix) temporary supply.

An Extraordinary Supply will normally be metered and may be subject to specific conditions and limitations.

6.1.1.2. Where water supply is classified as 'on-demand', every Premises shall be entitled to an Ordinary Supply of water subject to:

- (i) the premises being within an area served by an urban water supply area;



- (ii) the exclusion of its use for garden watering or any other specified use under any water restrictions made by Council from time to time;
- (iii) payment of the appropriate charges in respect of that premise;
- (iv) any other charges or costs associated with sub-divisional development; and
- (v) any other relevant conditions of this Bylaw.

6.1.1.3. Council is under no obligation to provide an Extraordinary Supply of water as defined by this Bylaw.

#### 6.1.2. RESTRICTED FLOW SUPPLY

6.1.2.1. Restricted flow supply shall be available to Premises within a designated area only, or under special conditions set by Council.

6.1.2.2. The water supply shall be restricted so as to deliver a specified number of water units at a steady flow rate.

6.1.2.3. Council may charge for the restricted flow supply based on either:

- (a) the volume passing through a meter; or
- (b) the agreed number of water units.

#### 6.1.3. OUT OF AREA SUPPLY

6.1.3.1. An agreement for supply must be entered into for each Out of Area connection. The following conditions will be included in or addressed in any agreement:

- (a) The volume of water Council can supply;
- (b) Supply will be through a meter and will include the appropriate backflow prevention devices;
- (c) Flow may be restricted by a Council supplied or approved flow restrictor;
- (d) Supply may be to an on-site water tank of a minimum volume of 30,000 litres;

6.1.3.2. The applicant must provide a report on the assessment of the best ways to efficiently manage the water supplied, including; use of rainwater to supplement supply and the collection and use of greywater for onsite irrigation needs, and including its effects on wastewater disposal;

- (a) The applicant must carry out any changes or improvements resulting from this assessment before a water connection will be installed.

6.1.3.3. In considering whether to provide a connection, Council will assess the effect the supply of water will have on existing and future water customers. The supply will be classed as an Extraordinary Use.

#### 6.1.4. SUPPLY AT KAIRAKAU

6.1.4.1. Water will only be supplied at Kairakau from Council's supply through a connection to an on-site water storage tank at each Premises. This supply may be used as an "on-demand" supply for "ordinary use".

6.1.4.2. The water storage tank shall be of minimum volume of 1,800 litres. The supply pipe from the point of supply must be connected to the water tank and include a ball cock or similar device in the tank to prevent overflow of the water in the tank. No connections shall be taken off the supply pipe, and all plumbing on the Premises must be fed from the water tank.

#### 6.1.5. SUPPLY AT POURERERE

6.1.5.1. Water supplied at Pourerere shall be for the camping ground at the southern end of the beach, the public toilet block in the middle of the beach, and three other premises adjacent to the camping



ground. Any additional connections to this system shall be by specific agreement with Council and be used as directed by Council.

**6.2. CHANGE OF OWNERSHIP**

- 6.2.1. In the event of a Premises changing ownership, the Council will automatically record the new owner as being the Customer at that Premises. Where a premises is metered, the outgoing Customer will give the Council seven working days notice to arrange a final reading.

**6.3. CONNECTION AND DISCONNECTION**

- 6.3.1.1. No person may, without Council's approval:

- (a) connect to the water supply network;
- (b) install a dedicated fire protection connection;
- (c) disconnect from the water supply network;
- (d) carry out any other works on, or in relation to, the water supply network;
- (e) open any manhole, chamber, access point, or valve on, or otherwise tamper with, the water supply network.

- 6.3.1.2. Any person wishing to connect or disconnect from the water supply network, or to otherwise carry out work, must make a written application using the relevant Council form accompanied by the prescribed charges. The applicant shall provide all the details required by Council. Charges applicable at the time of connection may include a payment to Council or an approved contractor for the cost of the physical works required to provide the connection.



- 6.3.1.3. Council may grant approval to such connection, disconnection or other works, as the case may be, and may impose conditions which must be complied with in the exercise of the approval.
- 6.3.1.4. Without limiting the above, a condition imposed may require that the connection, disconnection or works comply with any relevant code of practice or standard.
- 6.3.1.5. Council may refuse the application and notify the applicant of the decision giving the reasons for refusal.
- 6.3.1.6. For the agreed level of service to the applicant, Council should determine the sizes of all pipes, fittings and any other equipment, up to the point of supply. Council shall supply and install the service pipe up to the point of supply at the applicant's cost, or may allow the supply and installation of the service pipe to be carried out by approved contractors.
- 6.3.1.7. The applicant must have written evidence of authority to act on behalf of the owner of the property for which supply is sought (should they not be one and the same).
- 6.3.1.8. An approved application for supply which has not been actioned within six (6) months of the date of application will lapse, unless a time extension has been approved. Any refund of fees or charges shall be at the discretion of Council.
- 6.3.2. **DISCONNECTION AT THE CUSTOMER'S REQUEST**
- 6.3.2.1. A Customer must give no less than twenty (20) working days notice in writing to Council of the requirement for disconnection of the supply. Disconnection shall be at the Customer's cost.
- 6.3.3. **CHANGE OF USE**
- 6.3.3.1. Where a Customer seeks a change in the end use or level of service of water supplied to Premises, and / or the supply changes from an ordinary to an Extraordinary Supply or vice versa, a new application for supply shall be submitted by the Customer.
- 6.4. **STORAGE TANKS**
- 6.4.1. **RURAL AND / OR INDIVIDUAL ON-SITE WATER STORAGE**
- 6.4.1.1. Water storage for water supply to individual Premises which are not connected to Council water supply shall include at least one water storage tank of at least 30,000 litres capacity.
- NOTE: there is no requirement for rural premises to provide onsite water storage for firefighting purposes.
- 6.4.2. **URBAN WATER SUPPLY AREAS**
- 6.4.2.1. Within Urban Water Supply Areas, new domestic dwellings built after the approval of this Bylaw must provide a Rain Water Tank with a minimum capacity of 3000 litres.
- 6.4.2.2. Rain Water Tanks shall be installed in accordance with Section 4.3.6.8 of NZS4404.
- Also see requirements in clause 9.2.2 of the Stormwater Bylaw for a stormwater management device.*
- 6.5. **FIRE PROTECTION SYSTEMS**
- 6.5.1. **DESIGN**
- 6.5.1.1. It is the Customer's responsibility to ascertain in discussion with Council and monitor whether the supply available is adequate for the intended purpose.



**6.5.2. FIRE HOSE REELS**

6.5.2.1. Where the supply of water to any Premises is metered, fire hose reels shall be connected only to the metered supply, not to a fire protection system. The water supply to fire hose reels shall comply with the requirements of NZS 4503

**6.5.3. ONGOING TESTING AND MONITORING**

6.5.3.1. Customers intending to test fire protection systems in a manner that requires a draw-off of water shall obtain the approval of Council beforehand. Water used for routine flushing and flow testing does not constitute waste for the purpose of clause 4.1, but the quantity of water used may be assessed and charged for by Council.

**6.6. POINT OF SUPPLY**

**6.6.1. RESPONSIBILITY FOR MAINTENANCE**

6.6.1.1. The Customer shall own, maintain and repair the supply pipe and any associated fittings on the Customer's side of the point of supply, irrespective of property boundaries.

**6.6.2. PLUMBING SYSTEM**

6.6.2.1. Quick-closing valves, pumps, or any other equipment which may cause pressure surges or fluctuations to be transmitted within the water supply system, or compromise the ability of Council to maintain its stated levels of service, shall not be used on any piping on the Customer's side of the point of supply. In special circumstances such equipment may be approved by Council.

**6.6.3. SINGLE OWNERSHIP**

6.6.3.1. For individual Customers the Point of Supply shall be located as shown in Appendix A, Figures 1, 2 or 3 (or as close as possible to these locations where fences, walls, or other permanent structures make it difficult to locate it at the required position). Other positions shall require specific approval.

6.6.3.2. For each individual Customer there shall be only one point of supply, unless otherwise approved.

6.6.3.3. The typical layout of pipe fittings at a point of supply is shown in Appendix A, Figures 4 and 5.

6.6.3.4. The supply pipe shall be wholly contained within the Premises.

6.6.3.5. No connections shall be made beyond the point of supply to supply other Premises.

6.6.3.6. Council gives no guarantee of the serviceability of the valve located on the service pipe. Where there is no Customer stopcock, or where maintenance is required between the service valve and the Customer stopcock, the Customer may use the service valve to isolate the supply. However, Council may charge for maintenance or repair of this valve if damaged by such customer use.

**6.6.4. MULTIPLE OWNERSHIP**

6.6.4.1. The point of supply for the different forms of multiple ownership of Premises and / or land shall be:

- (a) for a Company Share / Block Scheme (Body Corporate) - as for single ownership;
- (b) for a Leasehold / Tenancy in Common Scheme (Cross Lease), Strata Title, Unit Title (Body Corporate) and any other form of multiple ownership - each Customer shall have an individual supply with the point of supply determined by agreement with Council. In specific cases other arrangements may be acceptable, subject to individual approval.



- 6.6.4.2. For a multiple ownership supply which was in existence prior to the effect of this Bylaw, the point of supply shall be the arrangement existing at that time, or as determined by agreement with Council for any individual case.

#### **6.7. ACCESS TO AND ABOUT POINT OF SUPPLY**

##### **6.7.1. RIGHT OF ACCESS**

- 6.7.1.1. Where the point of supply is on private property, the Customer shall allow Council access to, and about the point of supply between 7.30 am and 6 pm on any day for:

- (a) meter reading without notice; or
- (b) checking, testing and maintenance work, with notice being given whenever possible.

- 6.7.1.2. Outside these hours (such as for night-time leak detection) Council shall give notice to the Customer.

- 6.7.1.3. Where access is not made available for any of the times notified and a return visit is required by Council, the actual cost of reading the meter will be charged.

- 6.7.1.4. Under emergency conditions the Customer shall allow Council free access to, and about the point of supply at any hour.

##### **6.7.2. MAINTENANCE OF ACCESS**

- 6.7.2.1. The Customer shall maintain the area in and around the point of supply keeping it free of soil, growth, or other matter or obstruction which prevents, or is likely to prevent convenient access. Council may charge for work required to access and maintain access to the point of supply.

#### **6.8. TRANSFER OF RIGHTS AND RESPONSIBILITIES**

- 6.8.1. The Customer may not transfer to any other person the rights and responsibilities they hold and as set out in this Bylaw.
- 6.8.2. A supply pipe shall serve only one Customer and shall not extend by hose or any other pipe beyond that Customer's property.
- 6.8.3. In particular and not in limitation of the above, any water which the Customer draws from Council supply shall not be provided to any other party without approval of Council.

#### **7. METERS AND FLOW RESTRICTORS**

##### **7.1. INSTALLATION AND CHARGES**

- 7.1.1. This bylaw expands Council's ability to meter water usage for high users or to align with water sustainability outcomes. The Council may:-
- (a) install water meters or other measuring devices for that purpose;
  - (b) and charge the consumer according to the quantity of water consumed. The Council may prescribe charges to be made in respect of water consumption, by resolution, and may prescribe different charges for different classes of consumer.





- 7.1.2. Meters for water supplies, and restrictors for restricted flow supplies, will be supplied, installed and maintained by Council, and will remain the property of Council and will be installed in the location required by the Council.
- 7.1.3. Where on-demand supplies are not universally metered, the Council may fit a meter at the Customer's cost, and charge accordingly where it considers water use is unusually high.
- 7.1.4. Meters and restrictors shall be located in a position where they are readily accessible for reading and maintenance, and if practicable, immediately on the Council side of the point of supply.
- 7.1.5. Water used for the purpose of extinguishing fires shall be supplied free of charge. Where the fire protection connection is metered and water has been used for firefighting purposes, Council shall estimate the quantity of water so used, and credit to the Customer's account an amount based on such an estimate.
- 7.2. CHANGE OF OWNERSHIP**
- 7.2.1. In the event of a Premises changing ownership, Council shall record the new owner as being the Customer at that Premises. Where a Premises is metered, the outgoing Customer shall give Council five (5) working days notice to arrange a final meter reading.
- 7.3. ESTIMATING CONSUMPTION**
- 7.3.1. Should any meter be out of repair, be removed, or cease to register, Council shall estimate the consumption for the period since the previous reading of such meter (based on the average of the previous four billing periods charged to the customer). The customer shall pay according to such an estimate.
- 7.3.2. Provided that when, by reason of a large variation of consumption due to seasonal or other causes, the average of the previous four billing periods would be an unreasonable estimate of the consumption, Council may take into consideration other evidence for the purpose of arriving at a reasonable estimate, and the customer shall pay according to such an estimate.
- 7.3.3. The customer shall be liable for the cost of water which passes through the meter regardless of whether this is used or is the result of leakage. Council may estimate consumption as above, providing that the customer repairs the leak with due diligence.
- 7.3.4. Where the seal or dial of a meter is broken, Council may declare the reading void and estimate consumption as described above.
- 7.4. INCORRECT ACCOUNTS**
- 7.4.1. Where a situation occurs, other than as provided for in Section 7.3, where the recorded consumption does not accurately represent the actual consumption on a property, the account shall be adjusted using the best information available to Council. Such situations include, but are not limited to, misreading of the meter, errors in data processing, meters assigned to the wrong account, and unauthorised supplies.
- 7.4.2. Where an adjustment is required, in favour of Council or the customer, this shall not be backdated more than twelve (12) months from the date the error was detected.
- 7.5. FIRE PROTECTION CONNECTION METERING**
- 7.5.1. Where the supply of water to any Premises is metered, Council may allow the supply of water for the purposes of firefighting to bypass the meter, provided that:



- (a) the drawing of water is possible only in connection with the sounding of an automatic fire alarm or the automatic notification of the fire brigade; or
- (b) a Council approved detector check valve has been fitted on the meter bypass.

7.5.2. Any unmetered connection provided to supply water to a fire protection system shall not be used for any purpose other than firefighting and testing the fire protection system, unless the fire protection system is installed in accordance with NZS 4517.

7.5.3. Council may require the supply to be metered where a fire connection has been installed or located so that it is possible that water may be drawn from it by any person for purposes other than firefighting.

## **8. CONTINUITY OF SUPPLY**

### **8.1. NO GUARANTEE OF UNINTERRUPTED SUPPLY**

8.1.1. The Council does not guarantee an uninterrupted or constant supply of water in all circumstances, or the continuous maintenance of any particular quality or pressure.

8.1.2. Where works of a permanent or temporary nature are planned which will affect an existing connected supply, Council shall inform or give notice to all known Customers likely to be substantially affected.

8.1.3. Wherever practical, Council shall make every reasonable attempt to notify the connected Customer of a scheduled maintenance shutdown of the supply before the work commences. Where immediate action is required and notification is not practical, Council may shut down the supply without notice.

8.1.4. No allowance or compensation will be made or allowed on account of the water being shut off.

### **8.2. RESTRICTING USE OF WATER**

8.2.1. Where the Council considers that its ability to maintain an adequate supply of drinking water is or may be at risk because of drought, emergency or for any other reason, it may restrict the use of water supplied to any Premises including to domestic swimming pools. Any such restriction may apply to all of the District or one or more parts of the District.

8.2.2. The Council will give such public notice as is reasonable in the circumstances of any restriction on water.

8.2.3. No person may use water contrary to a restriction made under this clause.

8.2.4. Even when restrictions apply, Council will take all practicable steps to ensure that an adequate supply for domestic purposes is provided to each Point of Supply.

## **9. APPROPRIATE USE AND PREVENTION OF WASTE**

### **9.1. PREVENTION OF WASTE**

9.1.1. The Customer may not knowingly allow –

- (a) water to run to waste from any pipe, tap, or other fitting;
- (b) leaks to continue unchecked or unrepaired or allow unattended operation of hoses;
- (c) the condition of the plumbing within premises to deteriorate to the point where leakage or wastage occurs or where contamination of water supply occurs or is likely to occur.





- 9.1.2. For clarity, automated sprinkler systems and equivalent, are not considered to be an unattended operation of hoses, in so far as the Customer has programmed that system and knows the expected water use as a result of the operation of that system.
- 9.1.3. Council provides water for consumptive use not as an energy source. The Customer shall not use water or water pressure directly from the supply for driving lifts, machinery, educators, generators, or any other similar device, unless specifically approved.
- 9.1.4. The customer shall not use water for a single pass cooling system or to dilute trade waste prior to disposal, unless specifically approved.
- 9.1.5. Where the Council serves a notice on a Customer requiring action to be taken to repair an identified leak and specifies that the action required is urgent, and the Customer fails to take such action within the required time period, the Council may, in accordance with section 186 of the Local Government Act 2002, repair the leak and charge the customer all associated costs of doing so from the owner of a Premises, the occupier, or both.

## **9.2. LEAKS**

- 9.2.1. It is the Customer's responsibility to detect and fix all leaks on the Customer's side of the Point of Supply.

## **10. BACKFLOW PREVENTION**

### **10.1. CUSTOMER RESPONSIBILITY**

- 10.1.1. The Customer must take all reasonable steps on the Customer's side of the point of supply to prevent water which has been drawn from Council's water supply from returning to that supply.

#### **10.1.1.1. Reasonable steps include:**

- (a) backflow prevention; either by providing an adequate air gap, or by the use of an appropriate backflow prevention device; and
- (b) the prohibition of any cross-connection between Council's water supply and
  - (i) any other water supply (potable or non-potable), or
  - (ii) any other water source, or
  - (iii) any storage tank, or
  - (iv) domestic swimming pool, or
  - (v) any other pipe, fixture or equipment containing chemicals, liquids, gases, or other non-potable substances.

*NOTE - Fire protection systems that include appropriate backflow prevention measures would generally not require additional backflow prevention, except in cases where the system is supplied by a non-potable source or a storage tank or fire pump that operates at a pressure in excess of Council's normal minimum operating pressure.*

### **10.2. UNMANAGED RISK**

- 10.2.1. Notwithstanding Customer responsibilities, Council may fit a backflow prevention device on the Council side of the point of supply if it considers it is desirable or necessary to do so.

## **11. SUPPLY SYSTEM**

### **11.1. ACCESS TO SYSTEM**



- 11.1.1. No person, other than Council and its authorised agents, may make any connection to, or otherwise interfere with, any part of the water supply system without the written approval of the Council.

#### **11.2. FIRE HYDRANTS**

- 11.2.1. The right to gain access to, and draw water from, fire hydrants is restricted to:

- a) The Council or its agents specifically authorised to do so;
- b) Fire and Emergency New Zealand personnel; and

- 11.2.2. Without prejudice to other remedies available, the Council may remove and hold any equipment used by an offender to gain access to, or draw water from, a fire hydrant.

#### **11.3. DEDICATED FILLING POINTS**

- 11.3.1. No person may abstract water from dedicated filling points unless they hold a current permit from the Council. A permit issued by the Council may set such conditions and charges as the Council sees fit.

- 11.3.2. The Council may restrict or prohibit supply from filling points at its discretion, depending on prevailing conditions.

### **12. PROTECTION OF SUPPLY AND PROTECTION OF SOURCE WATER**

#### **12.1. CATCHMENT CLASSES**

- 12.1.1. Surface water and groundwater catchment areas, from which untreated water is drawn for the purposes of water supply may be designated by the Council as:

- a) Controlled;
- b) Restricted; or
- c) Open

#### **12.1.2. CONTROLLED CATCHMENTS**

- 12.1.2.1. The following conditions apply to controlled catchments:

##### **(a) Entry**

- (i) No person may enter a controlled catchment, or any area held by the Council as a water reserve, unless specifically authorised or permitted in writing by Council.
- (ii) Within such areas, unless provided for by Council, no person may:
  - a. camp;
  - b. allow livestock to enter or stray;
  - c. bathe or wash anything;
  - d. deposit any dirt, rubbish, or foul material of any kind;
  - e. defecate or spit.

##### **(b) Permits**

- (i) Entry permits to controlled catchments may forbid, regulate or control the following activities **(non-exhaustive)**:
  - a. hunting, trapping, shooting, or fishing;
  - b. lighting or maintaining any fire;
  - c. taking of any animal;
  - d. damaging or, destroying or interfering with any property, any trees, shrubs, or other existing cover, or interference with any property;
  - e. carrying of any firearm or weapon of any kind, or any trap or any fishing gear which may be used for the hunting or catching of birds, fish or animals;



- f. use of any pesticide or toxic substance for any purpose whatsoever.

12.1.2.2. A person may be required to present a medical clearance before an entry permit is issued.

12.1.2.3. An authorisation or permit may be revoked or suspended by Council at any time, by notice in writing delivered to the holder.

12.1.2.4. A permit may not be transferred to another person.

**(c) Permits to be Presented**

- (i) No person to whom any permit has been issued shall enter or leave any controlled catchment area or land held by Council as a water reserve without notifying an Authorised Officer of their intention of entering or leaving such an area and must present the Council permit for inspection if requested to do so

**12.1.3. RESTRICTED CATCHMENTS**

12.1.3.1. Catchment areas which are designated as restricted may allow for certain activities as determined by the Council but shall have restrictions as for controlled catchments for other activities. Those unrestricted activities may include:

- (a) tramping;
- (b) hunting;
- (c) trapping;
- (d) shooting;
- (e) fishing.

**12.1.4. OPEN CATCHMENTS**

12.1.4.1. Open catchment areas, whether designated or not, will generally have no restrictions on activities, other than any provisions of the Regional or District Plan and any applicable National Environmental Standards.

**12.2. SPILLAGES AND ADVERSE EVENTS**

12.2.1. Any person within any catchment who becomes aware of a spillage, or any other event which may compromise the water supply, must advise Council as soon as practicable. This requirement shall be in addition to any other obligation to notify other authorities of the spillage.

**12.3. WORKS NEAR WATER SUPPLY NETWORK**

**12.3.1. WORKING AROUND BURIED SERVICES**

12.3.1.1. Council will keep accurate permanent records ('as-builts') of the location of its buried services. This information shall be available for inspection at no cost to Customers. Costs may be charged to provide copies of this information.

12.3.1.2. No person may carry out restricted works except in accordance with an approval granted by Council, and any conditions attached to that approval.

12.3.1.3. Every person carrying out restricted works must, before commencing the works:

- (a) notify Council of their intention in writing at least five (5) working days prior.
- (b) obtain written approval from Council for the works, which may include conditions Council considers necessary to protect its network.



12.3.1.4. For the purposes of this clause, restricted works are works which will or are likely to damage, or adversely affect the operation of, the water supply network or the wastewater network.

12.3.1.5. Restricted works are works of the following type which are carried out closer than the specified distance to the asset type set out in the following table:

Type of works	Type of water supply network asset	Specified distance from asset
General Excavation	pipes 300mm in diameter and greater, including connected manholes and structures	10 metres
	pipes less than 300mm in diameter, including connected manholes and structures	2 metres
Piling	pipes 300mm in diameter and more, including connected manholes and structures	10 metres
	pipes less than 300mm in diameter, including connected manholes and structures	2 metres
Blasting	pipes 300mm in diameter and more, including connected manholes and structures	15 metres
	pipes less than 300mm in diameter, including connected manholes and structures	15 metres

12.3.1.6. Council must, where appropriate, mark out to within  $\pm 0.5$  m the location of its services. Council may charge for these services.

12.3.1.7. Subject to approval, a building developer may meet the cost of diverting the public water pipe (including any ancillary structures) in accordance with Council standards.

#### 12.3.2. RESTRICTIONS ON BUILDING WORK

12.3.2.1. No building may be built over a public rising main, trunk main or other pipes, or closer than the greater of:

Type of works	Type of water supply network asset	Specified distance from asset
Building work	public rising main or trunk main	Over or closer than the greater of <ul style="list-style-type: none"> <li>1.5 metres from the centre of any main, or</li> <li>the depth of the centre line of the main, plus the diameter of the main, plus 0.2 metres from the centre of that main.</li> </ul>
	Other Public Water Pipes whether on public or private land	Over or closer than the greater of <ul style="list-style-type: none"> <li>1.5 metres from the centre of any public water pipe, or</li> <li>the depth of the centreline of the water pipe, plus the diameter of the water pipe, plus 0.2 metres from the centre of that water pipe.</li> </ul>



**12.3.3. LOADING OR MATERIAL OVER PUBLIC WATER PIPES**

- 12.3.3.1. No person may cause the crushing load imposed on a public water pipe to exceed that which would arise from the soil overburden plus a HN-HO-72 wheel or axle load (as defined by NZ Transport Agency Bridge Manual).
- 12.3.3.2. No person may place any additional material over or near a public water pipe without approval.
- 12.3.3.3. Service openings and other ancillary structures shall not be obstructed in any way unless approved. Removal of any obstructing material or adjustment of the structures shall be at the property owner's expense.

**13. FEES AND CHARGES**

- 13.1.1. The Customer shall be liable to pay for the supply of water and related services in accordance with Council fees and charges and / or rating requirements prevailing at the time.
- 13.1.2. The Council may prescribe in its Schedule of Fees and Charges the fees and charges payable to the Council for approvals, inspections, meter readings, and other matters provided for in this Bylaw.
- 13.1.3. Customers and permit holders shall be responsible to pay all fees and charges associated with connection and disconnection of their Premises to the public water supply network, and any other fees and charges set by the Council.

**14. BREACHES AND OFFENCES**

- 14.1.1. Every person who breaches this Bylaw, or breaches the conditions of any approval or permit granted under this Bylaw or fails to comply with a notice served under this bylaw commits an offence and is liable upon conviction to a fine as provided for under the Local Government Act 2002,. Without prejudice to any of the provisions of this Bylaw, Council may pursue any legal remedies available to it pursuant to the provisions of the Local Government Act 2002 or any other act or regulation applicable to the supply of water.
- 14.1.2. In addition to any legal penalties arising from any breach, offence, or dispute Council may seek to recover all costs arising from and associated with any such breach, offence or dispute.
- 14.1.3. In the event of a breach of the conditions to supply water, Council shall serve notice on the customer advising the nature of the breach and the steps to be taken to remedy it. If, after one (1) week, the customer persists in the breach, Council reserves the right to reduce the flow rate of water in accordance with section 193 of the Local Government Act 2002. In such an event the full service of the supply shall be re-established only after payment of the appropriate fee and remedy of the breach to the satisfaction of Council.
- 14.1.4. In addition, if the breach is such that Council is required to disconnect the supply for health or safety considerations, such disconnection should be carried out forthwith.

**14.2. INTERFERENCE WITH EQUIPMENT**

- 14.2.1. Any tampering or interfering with Council equipment, either directly or indirectly, shall constitute a breach of this Bylaw.



14.2.2. Without prejudice to its other rights and remedies, Council shall be entitled to estimate (in accordance with Section 7.3) and charge for the additional water consumption not recorded or allowed to pass where a meter or restrictor has been tampered with, and recover any costs incurred.

**14.3. REMEDIAL WORKS**

14.3.1. The Council may:

- (a) remove or alter any work or thing that is, or has been, constructed in breach of this bylaw; and
- (b) recover the costs of removal or alteration from the person who committed the breach.

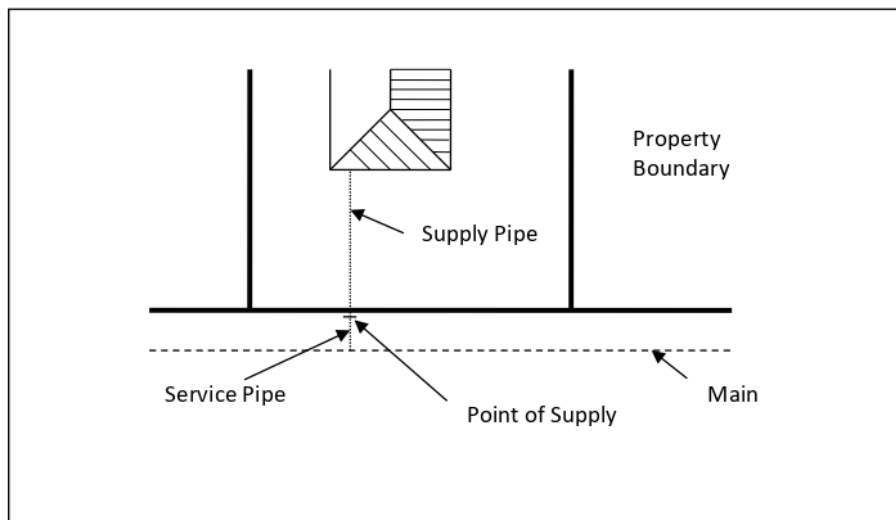
**15. BYLAW APPROVAL DATE**

The Common Seal of the Central Hawke's Bay District Council was attached, under Resolution  
(Reference - Part 07 Water Supply Bylaw: [2021]) passed at a meeting of the Central Hawke's Bay District Council held on;

..... (Day) ..... (Month) ..... (Year).

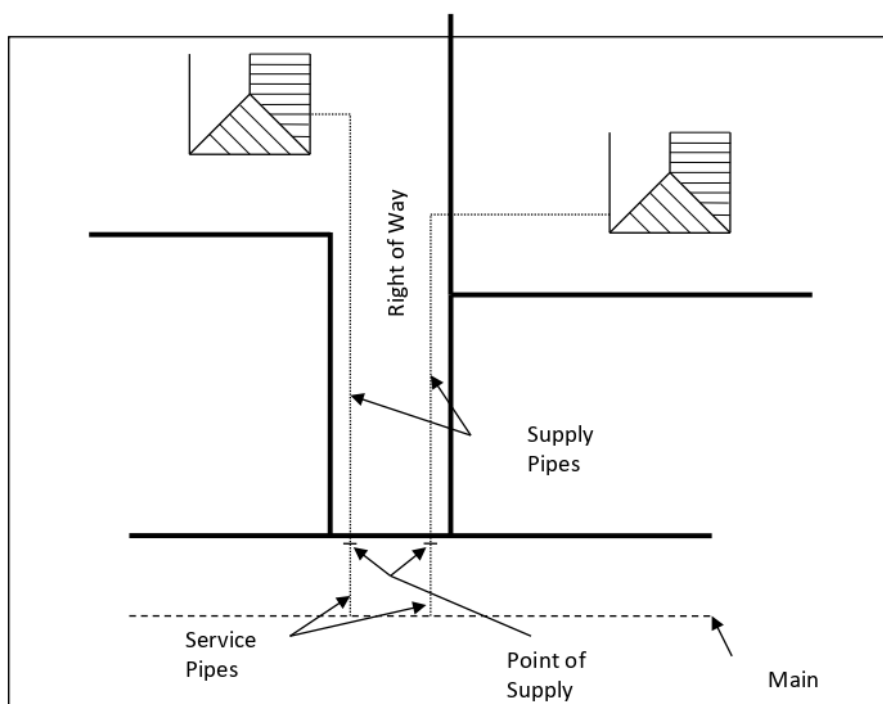
Date Confirmed : \_\_\_\_/\_\_\_\_/\_\_\_\_

**Appendix A**



**Figure 1 - Point of Supply Location - Individual Customers**

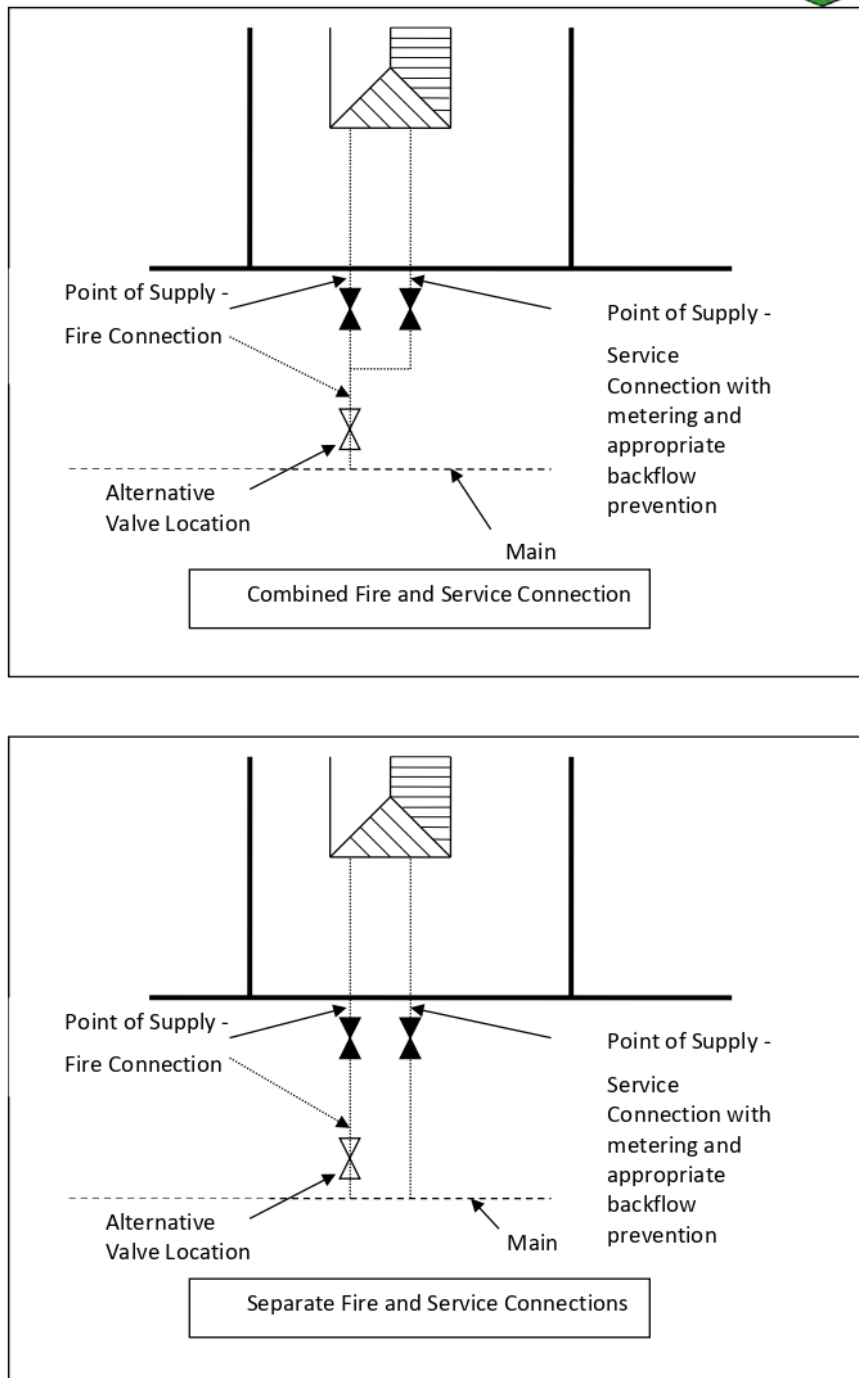
*Note : Point of Supply is the tail piece of the boundary box, meter, or service valve regardless of property boundary.*



**Figure 2 - Point of Supply Location - Rear Lots**

*Note : Point of Supply is the tail piece of the boundary box, meter, or service valve regardless of property boundary.*

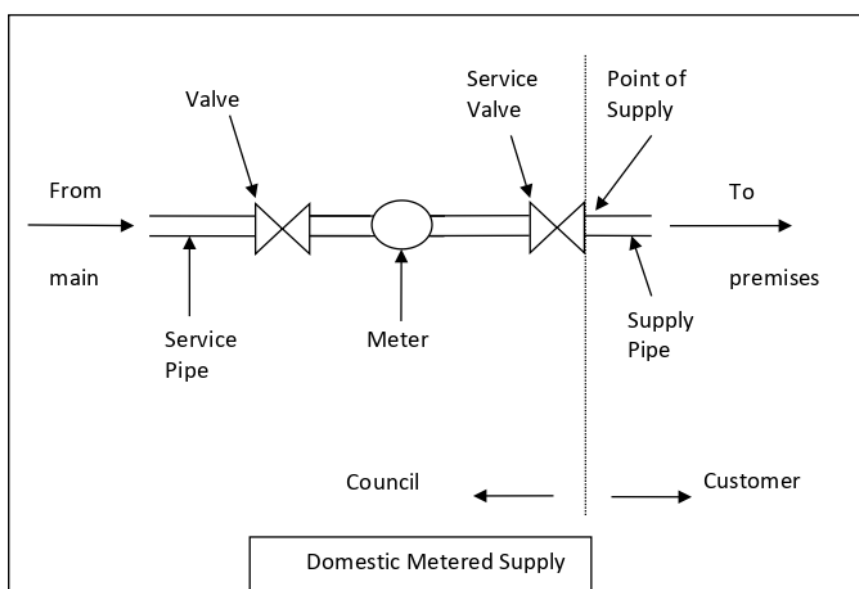
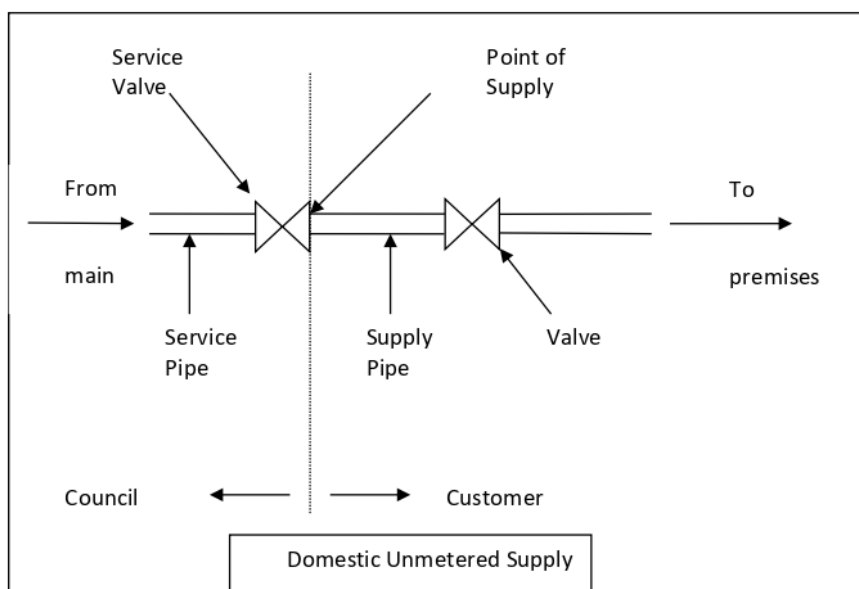




**Figure 3 - Point of Supply Locations - Industrial, Commercial, Domestic Fire and Service Connections (including Schools)**

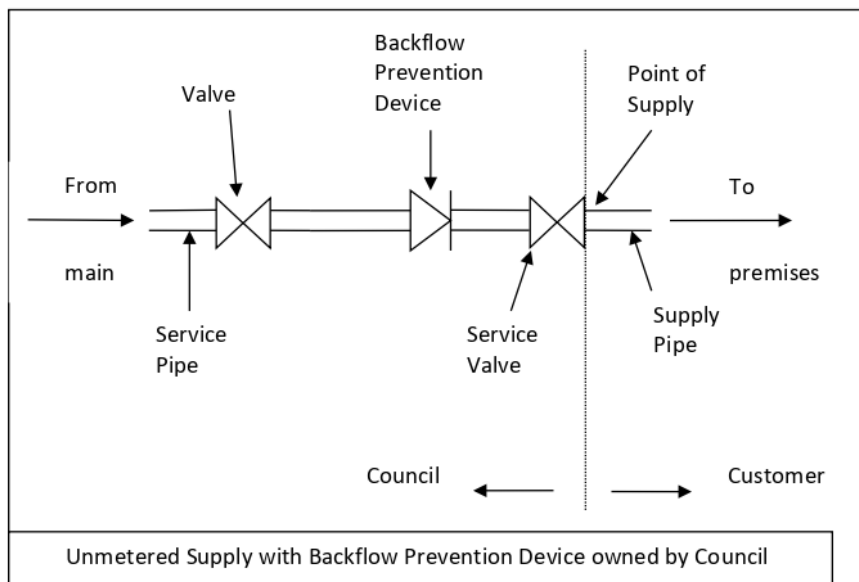
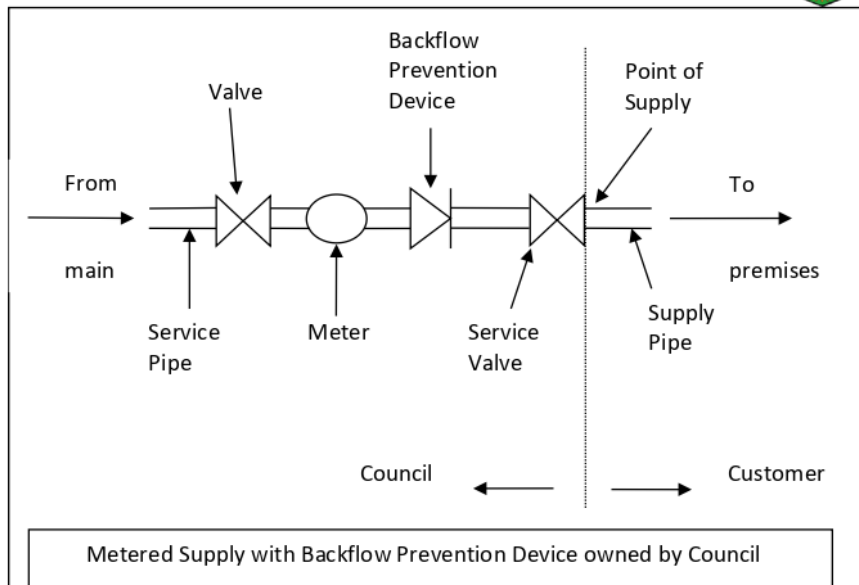
*Note : Point of Supply is the tail piece of the boundary box, meter, or service valve regardless of property boundary.*

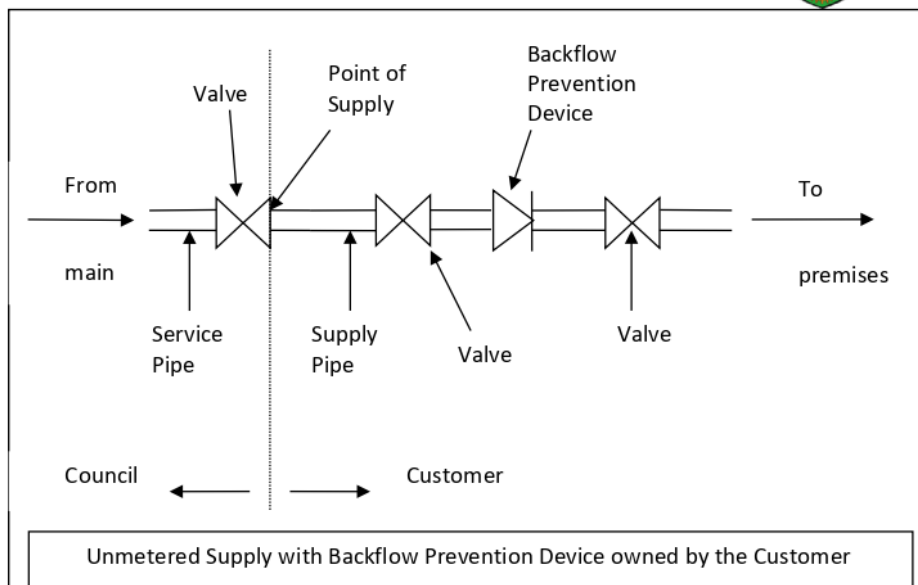




**Figure 4 - Typical Layouts at Point of Supply**

**Note:** *Point of Supply is the tail piece of the boundary box, meter, or service valve regardless of property boundary.*

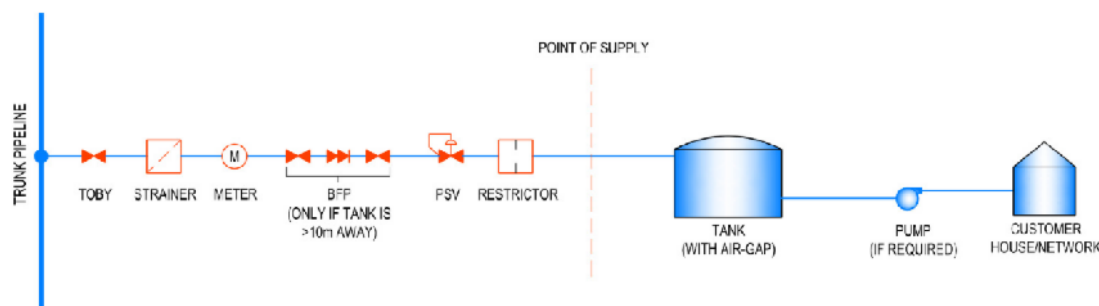




**Figure 5 - Typical Layouts at Point of Supply including Backflow Prevention Devices**

**Note:**

- (1) Point of supply is the tail piece of the boundary box, meter, or service valve regardless of property boundary.
- (2) The New Zealand Building Code may require the customer to install additional backflow prevention devices within the site, which will remain the responsibility of the customer.



**Figure 6 - Typical Layouts of proposed extraordinary user / out of area connection – document for Waipawa/ Waipukurau Second supply Link project.**

**Note:**

- (1) If the tank is distant from the pipeline (say >10m), a separate backflow preventor is also required to eliminate the risk from connections being made between the connection point and the tank.
- (2) The proposed point of supply is prior to the tank. This will require CHBDC to maintain the components upstream of this point.



**CENTRAL  
HAWKE'S BAY**  
DISTRICT COUNCIL

PART 21

# DRAFT Stormwater BYLAW

Superseding CHBDC: Part 21: 2018

Draft v2 April 2021

*Together we Thrive! E ora ngātahi ana!*



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## INTRODUCTION

### Overarching Purpose

To achieve a holistic and integrated approach to three waters management in the District that is consistent with Council's District Plan, other Policies, Plans, Strategies and Objectives and also reflect the principles of the Te Mana o Te Wai. The following overarching purposes have been set for all four water services bylaws (Water Supply, Stormwater, Wastewater and Trade Waste)

- 1. Meet Legislation Requirements**  
Proactively meet all Council's statutory requirements relating to the provision of three waters services.
- 2. Integrated Approach**  
Adopt an integrated and holistic approach, *ki uta ki tai*, to the Three Waters (water supply, wastewater including trade waste and Stormwater) that recognises the interconnections between each of the waters and promotes their sustainable management.
- 3. Environmental Responsibilities**  
Facilitate environmentally responsible practices by raising awareness of how the three waters interact and effect the District's natural Environment. Additionally, ensure that Council meet its own responsibilities in terms of resource consent requirements set by the Hawke's Bay Regional Council.
- 4. Sustainable Practices**  
Encourage and incentivise the community and businesses to adopt practices that lead to the enhancement of the Environment and the sustainable management of water resources including water and product stewardship, rainwater harvesting, waste minimisation and Cleaner Production.
- 5. Support Sustainable Growth**  
Support the sustainable provision of three waters infrastructure to enable future growth while minimising *or eliminating* impacts on the Environment.
- 6. Achieve Project Thrive Values**  
Develop and implement the Three Waters Bylaws to give effect to 'Project Thrive' values in particular trust, honesty, respect, innovation, and valuing people.
- 7. Te Mana o te Wai**  
Recognise the fundamental concept of Te Mana o te Wai as prescribed under the National Policy Statement for Freshwater Management 2020 and in particular the need to restore and preserve the balance between the water, the wider Environment, and the community.
- 8. Tangata Whenua Status**  
Recognise the status of tangata whenua status as Kaitiaki.
- 9. Durable Infrastructure**  
Develop and maintain durable and resilient infrastructure that achieves Council's levels of service in an efficient and cost-effective manner.
- 10. Safety and Health**  
Ensure the protection, safety and health of Council staff and the community when using or operating the water supply system, and the wastewater and stormwater networks.
- 11. Obligations**  
Define the obligations of residential Occupiers and businesses including trade waste Occupiers and the public at large in relation to the Council's water supply, wastewater and stormwater networks.
- 12. Discharge Controls**  
Regulate wastewater and stormwater discharges, including trade waste, and hazardous substances, into the wastewater and stormwater networks.
- 13. Equitable Costs**  
Provide a system for the equitable share of Council's water services costs between trade waste dischargers, other businesses, and domestic customers.





## OBJECTIVES

Further to the Overarching Purpose the specific objectives for this part of the Bylaw are as follows:

- a) Avoid, or Minimise and control the discharge of Contaminants into the Public Stormwater Drainage Network.
- b) Avoid, or Minimise the effects of discharges from the Public Stormwater Drainage Network on the downstream receiving Environment. The effects might include:
  - i. The effects of Contaminants within the discharge.
  - ii. The effects of increased peak flow rates, especially in extreme events.
  - iii. The increase in volumes of discharge, particularly in more regular events.
- c) Manage the Public Stormwater Drainage Network, and the land, structures and infrastructure associated with that network, so as to protect the public from Nuisance and promote and maintain public health and safety.
- d) Enable the Council to meet relevant objectives, policies, standards and resource consents for discharges from the Public Stormwater Drainage Network to the receiving Environment.
- e) Protect the land, structures and natural features that make up the Public Stormwater Drainage Network.
- f) Prevent the unauthorised discharge of Stormwater into the Public Stormwater Drainage Network and ensure that Private Stormwater Drainage Systems are not causing a Nuisance or harm to the Council's networks infrastructure.
- g) Define the obligations of the Council, installers, Occupiers and the public in matters related to the discharge of Stormwater and management of the Public Stormwater Drainage Network and the administration of equitable costs and charges.

## CONTEXT

Stormwater is discharged within the District by public and Private Stormwater Drainage Systems (e.g. open Watercourses and pipes), and ground soakage. This Bylaw controls the management and discharge of Stormwater from public and private systems.

Council has responsibility for maintaining a limited number of drains, as shown in Council's policy documents. Watercourses passing through or serving private land are generally considered private. The management and maintenance of private drains are the responsibility of the Owner of the land they serve, and each section of a private Watercourse (including a privately piped Watercourse) is generally the responsibility of the Owner of the land it passes through.

The Central Hawke's Bay District Plan contains rules for use of land subject to flooding. These rules must be complied with (or a resource consent must be obtained if they are not complied with) for any activity or development in a Flood Risk Area.

Consent may also be required from the Hawke's Bay Regional Council for any work in or near a Watercourse or for the discharge of Stormwater to ground or to a Watercourse. Advice should be sought if in doubt.





## PART 21 - STORMWATER

### 1. TITLE

This Bylaw shall be known as the Central Hawke's Bay District Council Stormwater Bylaw 2021.

### 2. COMMENCEMENT

This Bylaw shall come into force on the **(DATE)**

### 3. REPEAL

From the day this Bylaw comes into force, any previous Stormwater bylaw or parts of any Stormwater bylaw and their amendments in force in the Central Hawke's Bay District shall be repealed.

### 4. APPLICATION OF BYLAW

This Bylaw shall apply to the Central Hawke's Bay District.

### 5. DEFINITIONS

Reference should be made to Part 1 Introductory Bylaw and to the legislation referred to under Referenced Documents, for any other definitions not included in this Part.

For the purpose of this Bylaw, unless inconsistent with the context, the following definitions apply:

<b>Annual Exceedance Probability (AEP)</b>	<b>means</b> <del>t</del> <u>h</u> e probability that an event (rainfall or runoff) will be equalled or exceeded in any one year: <ul style="list-style-type: none"> <li>(a) 1% AEP storm corresponds to what would sometimes be known as a 1 in 100-year return period storm.</li> <li>(b) 2% AEP storm corresponds to what would sometimes be known as a 1 in 50-year return period storm.</li> <li>(c) 10% storm AEP corresponds to a what would sometimes be known as 1 in 10-year return period storm.</li> </ul>
<b>Approved or Approval</b>	Approved in writing <b>by the Council</b> either by resolution of Council or by any Authorised Officer of Council.
<b>Authorised Officer</b>	Any officer of the Council or other person authorised under the Local Government Act 2002 and authorised by the Council to administer and enforce its Bylaws.
<b>Best Practicable Option</b>	The same meaning as in the Resource Management Act 1991
<b>Catchment</b>	<b>Means</b> <del>t</del> <u>h</u> e area of land within which Stormwater flows (whether by gravity, pumping, piping, or otherwise) to a given point.
<b>Catchment Management Plan</b>	<b>Means</b> <del>a</del> <u>a</u> plan prepared by or for Council for the understanding, controlling and management of Stormwater and Stormwater related hazards or effects within a Catchment, for consenting purposes.
<b>Cleaner Production</b>	<b>Means</b> <del>a</del> <u>a</u> plan prepared by or for Council for the understanding, controlling and management of Stormwater and Stormwater related hazards or effects within a Catchment, for consenting purposes.
<b>Contaminants</b>	The same meaning as in the Resource Management Act 1991.
<b>Council</b>	Central Hawke's Bay District Council or any officer authorised <b>by Council</b> or delegated to act on its behalf.
<b>Customer</b>	A person who uses or has obtained the right to use or direct the manner of use of water supplied by Council to any Premises.



<b>Development</b>	<del>Means i</del> n relation to any land means altering the Stormwater runoff characteristics of that land including by Stormwater drainage works, building works, subdivision or changes of use.
<b>Environment</b>	The same meaning as in the Resource Management Act 1991.
<b>Ephemeral Flows</b>	<del>Means s</del> Short lived flows of Stormwater across land or in depressions, during rainfall events.
<b>Fees and Charges</b>	The list of items, terms, and prices for services associated with the supply of water as adopted by Council in accordance with the Local Government Act 2002 and the Local Government (Rating) Act 2002.
<b>Flood Plain</b>	<del>Means a</del> A low-lying area, normally adjacent to a Catchment's main Watercourses, which is expected or predicted to flood in a storm event. This is usually in the context of a 1% AEP event.
<b>Flood Risk Area</b>	<del>Means a</del> An area which may be at risk of flooding in a 1% AEP or lesser storm, taking into account the consequence of blockage especially at culverts.
<b>Hazardous Substance</b>	<del>The same meaning as in the District Plan</del> <u>Hazardous substances as defined by the Hazardous Substances and New Organisms Act 1996.</u>
<b>Level of Service</b>	The measurable performance standards on which Council undertakes to supply water to its customers.
<b>Nuisance</b>	<p><del>Has t</del>The same meaning as Section 29 of the Health Act 1956 and includes a Person, thing, or circumstance causing distress, annoyance or unreasonable interference with the peace, comfort or convenience of another Person</p> <p>In this bylaw this includes but is not limited to:</p> <ul style="list-style-type: none"> <li>(a) danger to life; or</li> <li>(b) danger to public health; or</li> <li>(c) flooding of any building floor or sub-floor, or public roadway; or</li> <li>(d) damage to property; or</li> <li>(e) damage to the Stormwater network; or</li> <li>(f) erosion or subsidence of land; or</li> <li>(g) long or short term adverse effects on the Environment;</li> <li>(h) adverse loss of riparian vegetation; or</li> <li>(i) wastewater overflow to land or water; or</li> <li>(j) anything that causes a breach of any Stormwater discharge consent condition binding the Council, (including an accumulation of chemicals causing a breach).</li> </ul>
<b>Occupier</b>	<del>Means t</del> The Person who occupies the Premises. This may be the Owner of the Premises, a lessee, squatter or any other Person on or using the Premises.
<b>Overland Flow Path</b>	<del>Means a</del> Any secondary flow path illustrated in a Catchment Management Plan or the overland route taken by any concentration of, or significant sheet flow of, Stormwater on its way to a Flood Plain or second Stormwater drainage network.
<b>Owner</b>	<del>Means t</del> The Person who owns the Premises.
<b>Person</b>	<del>A natural person, corporation sole or a body of persons whether corporate or otherwise</del> <u>The Crown, a corporation sole, and also a body of persons, whether corporate or unincorporate.</u>
<b>Point of Discharge</b>	<del>Means t</del> The point where the Stormwater discharges leading from the Premises connect into the Public Stormwater Drainage Network, which marks the boundary of responsibility between the Owner and Council, irrespective of property boundaries.
<b>Premises</b>	Either:



- a) a property or allotment which is held under a separate record of title certificate of title or for which a separate record of title may be issued and in respect to which a building consent has been or may be issued; or  
A property or allotment which:  
 — (i) — is held under a separate certificate of title, or  
 — (ii) — for which a separate certificate of title may be issued and in  
respect to which a building consent has been or may be issued;
- b) a building that has been defined as an individual unit by a cross-lease, unit title or company lease and for which a record of title is available; or
- c) land held in public ownership (e.g. reserve) for a particular purpose.
- d) individual units in buildings which are separately leased or separately occupied.

<b>Pre-treatment</b>	<del>Means a</del> Any processing of Stormwater that is designed to reduce any detrimental characteristics of Stormwater before discharge to the Stormwater Drainage Network.
<b>Private Stormwater Drainage System</b>	<del>Means a</del> Any component of the Stormwater network that drains water from Premises on private land to a receiving Environment or up to the point of service connection with the Public Stormwater Drainage Network and includes pipes, gutters, downpipes, catchpits, swales, subsoil drains, stormwater treatment devices, and any stormwater management device or redundant stormwater system.
<b>Public Notice</b>	As defined in section 5 of the Local Government Act 2002.
<b>Public Stormwater Drainage Network</b>	Includes: <ol style="list-style-type: none"> <li>any pipe, drain, drainage channel, land drainage work or treatment facility, vested in or under the control of the Council, which serves more than one freehold lot;</li> <li>all drains, drainage channels, land drainage works or treatment facilities within legal road reserve or other public places;</li> <li>any drain, drainage channel, land drainage work or treatment facility over which the Council has exercised control for a period of 20 years or longer; and</li> <li>any drain, drainage channel, land drainage work or treatment facility declared to be a public drain under section 462 of the Local Government Act 1974.</li> </ol>
<b>Rain Water Tank</b>	<del>Means a</del> storage tank that has the dual purpose of detaining water by temporarily storing stormwater runoff during a rainfall event that can then be re-used for, for example, hose taps. The water tank is used to collect and store rain water runoff, typically from rooftops via pipes.
<b>Record of Title</b>	<u>A record of title created under section 12 under the Land Transfer Act 2017.</u>
<b>Registered Drainlayer</b>	<del>Means a</del> trades Person certified by the Plumbers, Gasfitters, and Drainlayer's Board under the Plumbers, Gasfitters, and Drainlayer's Act 1976 and regulations, and holding such other certifications as the Council may require from time to time.
<b>Roading Authority</b>	<del>Means a</del> territorial authority or NZ Transport Agency.
<b>Storage Tank</b>	Any tank having a free water surface.
<b>Stormwater</b>	<del>Means s</del> Surface water run-off resulting from rainfall.
<b>Stormwater Detention Area</b>	<del>Means a</del> Areas as shown on Council's stormwater maps that are serviced by Council's Public Stormwater Drainage Networks. From time to time it will be necessary for Council to adjust the boundaries and rules affecting the Stormwater Areas.
<b>Stormwater Detention Device</b>	<del>Means a</del> Any device such as holding tank or pond designed to detain stormwater on the Premises and limit its outflow from the Premises into the stormwater drainage network.
<b>Stormwater Drainage Network</b>	<del>Means a</del> set of facilities and devices, either natural or man-made, which, in relation to stormwater, are used to convey run off, or reduce the risk of flooding, or to improve water quality. This includes but is not limited to open drains and Watercourses, inlet structures, pipes and other conduits, manholes, chambers, traps, outlet structures,



	pumping stations, treatment structures and devices. The Stormwater Drainage Network may be either a public or private network.
<b>Stormwater Drainage Policies</b>	<b>Means-<del>t</del>I</b> he policies contained in Council's District Plan and any other relevant Council documentation.
<b>Stormwater Drainage Protection Plan</b>	<b>Means-a</b> A plan which relates to a specific site and/or activity being carried out on the site and addresses the specific stormwater management approach for that site and/or activity.
<b>Stormwater Management Device</b>	<b>Means-a</b> A device or facility used to reduce stormwater runoff volume, flow and/or contaminant loads prior to discharge. Including, but not limited to: <ul style="list-style-type: none"> <li>• rain gardens</li> <li>• porous paving</li> <li>• infiltration trenches</li> <li>• sand filters</li> <li>• settlement traps, tanks and ponds</li> <li>• green roofs</li> <li>• wetlands</li> <li>• ponds</li> <li>• rainwater tanks</li> <li>• proprietary devices</li> <li>• Stormwater Detention and/or Retention Device</li> </ul>
<b>Stormwater Retention Device</b>	<b>Means-a</b> Any device such as holding tank or pond designed to retain stormwater on the Premises and limit the volume of outflow from the Premises into the stormwater drainage network. It may also be used to encourage on-site rainwater use.
<b>Supply Pipe</b>	The section of pipe between the point of supply and the customer's Premises through which water is conveyed to the Premises.
<b>Watercourse</b>	The meaning given in Section 2 of the Land Drainage Act 1908, which includes all rivers, streams, creeks, culverts and channels through which stormwater commonly flows, whether continuously or not. Watercourses passing through private land are generally considered private and are the responsibility of the Owner of the land they pass through. This also includes for piped water courses.  <b>Note:</b> <i>For the avoidance of doubt, a Watercourse includes any Watercourse or drainage network over private or public land.</i>

## 6. PROTECTION OF PUBLIC STORMWATER DRAINAGE NETWORKS, PERSONNEL AND THE ENVIRONMENT

### 6.1. PROTECTION OF NETWORK AND THE ENVIRONMENT

#### 6.1.1 No Person may:

- allow any material, Hazardous Substances, wastewater (including trade waste), chemical (including chlorine and detergents), rubbish, litter, hydrocarbons (from leaking vehicles or other sources) or other substance that causes or is likely to cause a Nuisance, directly or indirectly, into the Public Stormwater Drainage Network unless it has first passed through an appropriate and Approved Pre-Treatment device, or is otherwise Approved by the Council; or
- deposit or permit any material, Hazardous Substance, chemical, rubbish, litter or other substance, likely to cause a Nuisance upon entering the Public Stormwater Drainage Network, to be located so that it is likely to enter the public stormwater drainage network (directly or indirectly) in any storm event; or
- obstruct, divert, alter or interfere with any Watercourse, Overland Flow Path, or Flood Plain identified by Council in a manner that adversely affects or may affect the efficiency and safety of the Stormwater Drainage Network; or
- discharge Stormwater into the Public Stormwater Drainage Network with characteristics that would exceed those allowed for or would result in adverse environmental effects that may lead to non-



compliance with Council's operative stormwater discharge consents obtained from the Hawke's Bay Regional Council; or

- (e) do anything that damages or is likely to cause damage to any Public Stormwater Drainage Network.

**Note:** Without limiting the scope of these provisions, but for the avoidance of doubt, swimming or spa pool water arising from emptying or backwashing may not be discharged into the stormwater network. Disposal of such water is to the Wastewater Drainage Network as provided for in Council's Wastewater Bylaw.

In reference to Council's operative stormwater discharge consents that commenced on 1<sup>st</sup> November 2017 and expire on 31 May 2037 general Condition 3, relating to the Resource Management Act Section 107 matters apply. That condition takes into account the effects in the receiving water after reasonable mixing as per the provisions in the consents and covers discharge characteristics including:

- Conspicuous oil or grease films, scums or foams, or floatable or suspended material;
- Any conspicuous change in the colour or visual clarity;
- Any emission of objectionable odour;
- The rendering of fresh water unsuitable for consumption by farm animals;
- Any significant adverse effects on aquatic life.

Stormwater discharges from Premises which at any time are likely to have the characteristics listed above will be managed through the preparation and Approval of Stormwater Drainage Protection Plans (refer Clause 7).

## 6.2. RESTRICTIONS WITHOUT PRIOR APPROVAL OF COUNCIL

6.2.1 No Person may, without the prior written consent of Council:

- (a) erect any barrier within the Stormwater Drainage Network; or
- (b) stop, obstruct, alter, interfere with or divert any stormwater drain, or any part of the Public Stormwater Drainage Network; or
- (c) erect any defence against water in any stormwater drain, Flood Plain, Flood Risk Area or Overland Flow Path; or
- (d) carry out any of the above so as to adversely affect land or buildings including other land and buildings on other land; or
- (e) remove vegetation from within any stormwater drain or any part of the Public Stormwater Drainage Network; or
- (f) impede the free flow of water in an open stormwater drain, within a distance of at least three (3) metres from the nearest margin of that stormwater drain, with the exception of Approved vehicle crossings.

## 6.3. STORAGE OF HAZARDOUS SUBSTANCES

6.3.1 No Person may store raw material, or products or waste containing corrosive, toxic, biocidal, radioactive, flammable, or explosive materials, or any other Hazardous Substance or material which, when mixed with Stormwater in the Public Stormwater Drainage Network, may:

- (a) generate toxic, flammable, explosive or corrosive materials in hazardous quantities,
- (b) damage the Public Stormwater Drainage Network,
- (c) damage the Environment or adversely affect the health and safety of Council staff and the public in a manner or location such that there is a more than minor risk of that material entering the Public Stormwater Drainage Network.

## 6.4. WORKING AROUND BURIED SERVICES

6.4.1 Any person proposing to carry out excavation work must view the as-built information held by Council to establish whether Council services are located in the vicinity.

6.4.2 At least five (5) working days notice in writing must be given to Council of an intention to excavate in the vicinity of its services.

6.4.3 Any Person causing damage or disruption to the Stormwater Drainage Network is liable for the cost of repairs and any other costs incurred as a result of the damage or disruption.

6.4.4 No Person may make any connection to, or otherwise interfere with, any part of the Stormwater Drainage Network except with the written approval of Council.

6.4.5 Any damage or disruption to the Stormwater Drainage Network must be reported to the Council immediately.





- 6.4.6 No Person may undertake any excavation work within the distance specified within the table below for of any part of the Stormwater Drainage Network, except with the prior written approval of the Council.
- 6.4.7 When granting approval for excavation work near the Stormwater Drainage Network, the Council may impose such conditions as it considers necessary.

Type of Works	Type of Council Water Supply, Wastewater or Stormwater asset	Specified distance from asset
General excavation	pipes 300mm in diameter and greater, including connected manholes and structures	10 metres
	pipes less than 300mm in diameter, including connected manholes and structures	2 metres
Piling	pipes 300mm in diameter and more, including connected manholes and structures	10 metres
	pipes less than 300 mm in diameter, including connected manholes and structures	2 metres
Blasting	pipes 300mm diameter and more, including connected manholes and structures	15 metres
	pipes less than 300mm in diameter, including connected manholes and structures	15 metres

**Note:** Excavation within roadways is also subject to the permit process of the appropriate Roadway Authority.

## 6.5. LOADING OR STORAGE OF MATERIAL OVER PUBLIC STORMWATER PIPES

- 6.5.1 No person may cause the crushing load imposed on a public stormwater pipe to exceed that which would arise from the soil overburden plus a HN-HO-72 wheel or axle load (as defined by the New Zealand Transport Agency (Waka Kotahi) Bridge Manual). No person may cover or obscure a public stormwater pipe, manhole, catchpit or other ancillary structure without the prior approval of the Council.
- 6.5.3 Removal of any covering or obstructing material or adjustment of the structures will be at the property owner's expense.

## 7. STORMWATER DRAINAGE PROTECTION PLANS

### 7.1. REQUIREMENT FOR A STORMWATER DRAINAGE PROTECTION PLAN

- 7.1.1 The Council may require the Owner or Occupier of a premise to submit to the Council for Approval a Stormwater Drainage Protection Plan for that Premises where, in the opinion of the Council:
- (a) the Premises generates trade waste containing Contaminants and there is a reasonable probability that accidents or other events may take place where Contaminants could enter the Public Stormwater Drainage Network and have the potential to breach the provisions of this Bylaw; or
  - (b) for any reason the Council considers there is a reasonable probability of a Contaminant discharge entering the Public Stormwater Drainage Network from that Premises that could cause a breach the provisions of this Bylaw; or
  - (c) there are Ephemeral Flow Paths present within the Premises that have the potential to breach the provisions of this Bylaw in terms of contaminant discharges to the Public Stormwater Drainage Network.
- 7.1.2 The Owner or Occupier of the Premises must provide a Stormwater Drainage Protection Plan to Council for review and Approval within three (3) months of a request from the Council.

### 7.2. CONTENTS OF A STORMWATER DRAINAGE PROTECTION PLAN

- 7.2.1 Any Stormwater Drainage Protection Plan required to be submitted to the Council by Clause 7.1 must be in accordance with the Stormwater Drainage Protection Plans CHBDC guidance document and include:



- (a) A suitably scaled drawing showing the site layout, boundaries, all private stormwater and wastewater drainage including the point or points of connection to the Public Stormwater Drainage Network or discharge from the site, relevant buildings and outdoor spaces (including their use);
- (b) A site assessment identifying all actual and potential sources of Stormwater Contamination;
- (c) Methods in place to prevent contamination of the Public Stormwater Drainage Network and the Stormwater receiving Environment;
- (d) Methods and timeframes proposed to control contamination of the Public Stormwater Drainage Network and the Stormwater receiving Environment;
- (e) A description of the maintenance procedures in place and proposed;
- (f) Spill prevention and spill response procedures;
- (g) Cleaner production, pollution prevention, application of innovative solutions and waste minimisation procedures to be adopted including comment on whether the proposed procedures are considered to be a Best Practicable Option and/or innovative solution.
- (h) Stormwater Management Devices and Stormwater Detention Devices used to reduce stormwater runoff volume, flow and/or contaminant loads prior to discharge;
- (i) A comment on how the Stormwater Drainage Protection Plan meets the Overarching Purpose and intentions of this Bylaw;
- (j) Other matters that Council may decide are required in respect to other features of the site in question.

### **7.3. APPROVAL OF A STORMWATER DRAINAGE PROTECTION PLAN**

- 7.3.1 The Council must approve a Stormwater Drainage Protection Plan if it is satisfied that the measures contained in the Stormwater Drainage Protection Plan are adequate to prevent adversely affecting the health and safety of Council staff, or its agents, and the public, as well as preventing damage to the network and the receiving Environment.

### **7.4. COMPLIANCE WITH A STORMWATER DRAINAGE PROTECTION PLAN**

- 7.4.1 If a Stormwater Drainage Protection Plan has been Approved by the Council, the Owner and Occupier must comply with all provisions, including any timeframes specified in the Stormwater Drainage Protection Plan.
- 7.4.2 If any existing Premises discharges Contaminants to the Public Stormwater Drainage Network in a manner that may cause damage to the network, the receiving environment or adversely affect the health and safety of Council staff or its agents and the public, the Occupier must advise the Council immediately and follow such notification up in writing as soon as practically possible and undertake all practical means to stop the discharge as soon as is possible.

### **7.5. REVIEW OR UPDATE OF A STORMWATER DRAINAGE PROTECTION PLAN**

- 7.5.1 The Council may require that any Stormwater Drainage Protection Plan be revised to the satisfaction of the Council at any time where, in the opinion of the Council, there have been significant changes in the facilities or operational procedures present at the Premises which have the potential to affect the ability of the Premises to comply with this bylaw.
- 7.5.2 An Owner or Occupier of a Premises subject to an Approved Stormwater Drainage Protection Plan may, at any time submit to the Council a request to update the Stormwater Drainage Protection Plan to remedy this and submit to Council for their consideration.

## **8. SITE DEVELOPMENT AND SITE MANAGEMENT**

### **8.1. PROPOSED WORKS**

- 8.1.1 No Person shall carry out stormwater works without:
- (a) prior written Approval from Council, and
  - (b) a building consent and/or resource consent as required.
- 8.1.2 Every application to carry out stormwater works shall include drawings and specifications for the proposed works. The drawings shall show, to the satisfaction of Council, the proposed works and their effects on the subject site and surrounding land.
- 8.1.3 All proposed stormwater works shall be designed, constructed and operated:
- (a) so that Stormwater discharges from a Premises are in compliance with any relevant Council Catchment Management Plan and/or Council's discharge consent issued by Hawke's Bay Regional Council under the



Resource Management Act 1991, including its recommendations or conditions for the area concerned; and

- (b) in compliance with Council's standards for corresponding public drainage works where they serve or may serve land or buildings in different Ownership; and
- (c) in compliance with Council's Stormwater Drainage Policies; and
- (d) to minimise sediment discharge to any Stormwater Drainage Network; and
- (e) in compliance with any written conditions imposed by Council when approving the works, and with any relevant building or resource consent; and
- (f) to be consistent with foreseeable catchment-wide works (for example, extending a pipe upstream or downstream) so as to give a benefit to the Catchment as a whole.
- (g) To recognise the fundamental concept of Te Mana o te Wai and the status of tangata whenua as Kaitiaki as far as reasonably practical.

8.1.4 Such stormwater drainage works shall remain the responsibility of the Owner of the land on which the works occur unless and until the works are taken over and vested in Council. The cost of all work involved will be at the Owner of the land's cost, unless specific agreement for alternative cost sharing is Approved in writing by Council.

## **8.2. OTHER DEVELOPMENT**

8.2.1 No development may take place and no building or structure shall be constructed on or over or under any land within a Flood Risk Area, Flood Plain or Overland Flow Path unless specifically Approved by Council, and subject to such conditions as Council may set.

8.2.2 No Person shall extend or alter any building or structure which is already constructed on, over or under any land within a Flood Risk Area, Flood Plain or Overland Flow Path in such a way that:

- (a) the extent of the obstruction to the Flood Risk Area, Flood Plain or Overland Flow Path is increased in any way; or
- (b) the protection from any Nuisance is reduced; or
- (c) the likelihood or extent of any Nuisance is increased,

unless specifically Approved by Council and subject to such conditions that Council may set.

## **8.3. VEHICLE CROSSINGS AND DRIVEWAYS**

8.3.1 Where a building is at an elevation below the carriageway of the adjacent road or access way, the vehicle crossing to the site shall be constructed with an over vertical curve to ensure that run-off from the carriageway does not enter the property via the vehicle crossing.

8.3.2 The internal vehicle drive and parking areas shall be designed and constructed to direct run-off away from the buildings and to eliminate the potential for a Nuisance to be created.

## **8.4. SILTATION AND EROSION PROTECTION**

8.4.1 No Person may, as a result of development, discharge any stormwater into a stormwater drain or any drain leading to a stormwater drain, unless such development includes provisions to ensure siltation and erosion are not increased and that water quality is not reduced. This shall include the installation of adequate silt control measures to the satisfaction of Council to prevent the discharge of silt laden water directly or indirectly to any stormwater drain.

8.4.2 Such provisions shall be made before development is started. These control measures shall be maintained and regularly cleaned out until ground cover has been reinstated on the site.

## **8.5. DIVERTING PUBLIC STORMWATER PIPES**

8.5.1 Subject to specific Approval in writing by Council, a Person may divert a public stormwater pipe (including any ancillary structures) in accordance with any engineering requirements specified by Council, and the Developer shall meet the cost of such diversion work.

# **9. APPROVAL TO CONNECT TO A PUBLIC STORMWATER DRAINAGE NETWORK**

## **9.1. REQUIREMENT FOR COUNCIL APPROVAL**

9.1.1 No Person may make a connection to, or otherwise interfere with, the Public Stormwater Drainage Network without prior Approval of the Council.





## 9.2. REQUIREMENT FOR ATTENUATION MEASURES

- 9.2.1 When the stormwater arising from a new connection is such that it exceeds the defined Level of Service limits for the Public Stormwater Drainage Network, Council may require the installation or construction of private stormwater attenuation measures including Stormwater Management Devices to attenuate the flow of stormwater, retention facilities to limit the volume of extra stormwater produced from new connections or developments, and/or treatment facilities such as constructed wetlands or other infrastructure to this effect.
- 9.2.2 Matters Council shall consider in determining the need for and capacity of a Stormwater Management Device (over and above the minimum 3,000 litre rain water tank required by the Water Supply Bylaw) will include the roof area of any building from which Stormwater is collected, the extent of impervious (sealed) areas of the property and the capacity of the Public Stormwater Drainage Network to which the property is connected.
- 9.2.3 After construction of a private Stormwater Management Device, and subsequent Approval by Council, the capacity, discharge rate and orifice size (if any) shall not be altered.
- 9.2.4 Any such Stormwater Management Device must be constructed at the Occupier's expense. The Occupier must also meet the costs of the required maintenance and servicing program to ensure that the measures continue to meet their design performance criteria.

## 9.3. APPLICATION

- 9.3.1 Every application for connection to the Public Stormwater Drainage Network shall be made in writing on the standard Council form and be accompanied by the prescribed charges. The applicant shall provide all the details required by Council.
- 9.3.2 On receipt of an application Council shall, after consideration of the application and other matters relating to the application and the stormwater drainage network, either:
- (a) Approve the application and inform the applicant of the size of the connection and any particular conditions applicable including any requirement for a Stormwater Drainage Protection Plan; or
  - (b) seek further information prior to making a decision; or
  - (c) refuse the application and notify the applicant of the decision giving the reasons for refusal.
- 9.3.3 Failure to comply with any terms and conditions of an Approval constitutes interference with the Public Stormwater Drainage Network without prior Approval and is a breach of this Bylaw.
- 9.3.4 Any such connection to the Public Stormwater Drainage Network shall be carried out by a Registered Drainlayer and, if required by the Council, under the supervision of the Council.
- 9.3.5 Any new connection shall be dimensioned from the immediate downstream manhole to the centre of the newly installed connection, and an as-built plan showing the connection shall be provided to Council within seven (7) days of installation and acceptance by Council.
- 9.3.6 The applicant must have written evidence of authority to act on behalf of the Owner of the property for which supply is sought (should they not be one and the same).
- 9.3.7 An Approved application which has not been actioned within six (6) months of the date of application will lapse unless a time extension has been Approved. Any refund of Fees and Charges shall be at the discretion of Council.

## 9.4. PRESCRIBED CHARGES

- 9.4.1 In addition to any application, administrative, and inspection charges prescribed by the Council in accordance with the Local Government Act 2002, charges applicable at the time of connection may include a payment to Council or an Approved contractor for the cost of the physical works required to provide the connection.

## 9.5. POINT OF DISCHARGE

- 9.5.1 The Point of Discharge from a Premises shall be the point on the Public Stormwater Drainage Network which marks the boundary of responsibility between the Owner and Council.
- 9.5.2 Unless otherwise Approved there shall be one Point of Discharge only for each Premises.
- 9.5.3 Where a private pipeline discharges into a Public Stormwater Drainage Network on that same private property, the Point of Discharge shall be the upstream end of the pipe fitting which forms the junction with the public pipeline.
- 9.5.4 No connections shall be made on a private drain to supply other Premises.



- 9.5.5 Appendix A includes a series of figures showing the Point of Discharge for a range of property ownership and location arrangements.

## **10. PREVENTION OF INFLOW AND INFILTRATION FROM THE STORMWATER DRAINAGE NETWORK**

- 10.1.1 The Owner shall take all reasonable steps to prevent any Stormwater or groundwater entering the wastewater drainage system (including from roof downpipes, surface water run-off, overland flow, and sub-surface drainage). Reasonable steps include ensuring that:
- (a) there is no direct connection of any stormwater pipe or drain to the Wastewater Drainage Network.
  - (b) gully trap surrounds are set above Stormwater ponding levels (refer New Zealand Building Code G13), or secondary Overland Flow Path flood levels.
  - (c) inspection covers are in place and are appropriately sealed.
  - (d) Private Stormwater Drainage Systems are kept and maintained in a state which is free from cracks and other defects which may allow exfiltration.

## **11. ACCESS FOR MAINTENANCE, REPAIR AND INSPECTION**

- 11.1.1 Subject to the provisions of the Local Government Act 2002, the Owner or Occupier shall allow Council, with or without equipment, access to any area of the Premises for the purposes of carrying out any work on the Public Stormwater Drainage Network including inspection and survey, and for determining compliance with the requirements of this Bylaw.
- 11.1.2 Wherever practical Council shall make every reasonable attempt to notify the Owner or Occupier of any scheduled work on the Public Stormwater Drainage Network before the work commences. Where immediate action is required and notification is not practical, work will be carried out without notice.

## **12. PRIVATE STORMWATER DRAINAGE SYSTEMS**

### **12.1. MAINTENANCE OF PRIVATE DRAINAGE SYSTEM**

- 12.1.1 It is the responsibility of the Owner to maintain in good working order, at all times, the Private Stormwater Drainage Systems on the Premises. This includes all pipes, gutters, Stormwater Management Devices or other components as well as the drainage network itself.
- 12.1.2 Where unmaintained components of a private drainage system affect neighbouring properties and/or the Public Stormwater Drainage Network, Council will investigate and request necessary works to be undertaken by the Owner or Occupier.

### **12.2. PRIVATE SOAKAGE SYSTEMS**

- 12.2.1 The Owner of a private soakage system shall, at all times, ensure that the private soakage system is functioning in such a way as to prevent a Nuisance in up to a 10% AEP storm.
- 12.2.2 The Owner of a private soakage system shall, on request by Council, provide such information as is required to demonstrate that their private soakage system is functioning in such a way as to prevent a Nuisance in up to a 10% AEP storm. If this is not the case, the Owner of the private soakage system shall carry out such works as required to make it meet this standard (having first obtained such Approvals as are required for the works involved).

## **13. PAYMENT**

- 13.1.1 The Owner shall be liable to pay for stormwater services in accordance with Councils Fees and Charges and / or rating requirements prevailing at the time.
- 13.1.2 Council may recover all unpaid Fees and Charges and rates as prescribed in the Local Government (Rating) Act 2002, Sections 57 to 83.



## 14. BREACHES AND INFRINGEMENT OFFENCES

14.1.1 If any breach of this Bylaw is such that, in the opinion of the Council, there is a risk to public health or safety, or a risk of consequential damage to Council assets or the Environment, the Council may take immediate action to remove or alter a work or thing that is, or has been, constructed in breach of this bylaw; and recover the costs of removal or alteration from the Person who committed the breach.

14.1.2 In addition to any legal penalties arising from any breach, offence, or dispute Council may seek to recover all costs arising from and associated with any such breach, offence or dispute.

### 14.2 FINES

14.2.1 Every person who breaches this Bylaw, or breaches the conditions of any approval or permit granted under this Bylaw or fails to comply with a notice served under this bylaw commits an offence and is liable upon conviction to a fine as provided for under the Local Government Act 2002,. Without prejudice to any of the provisions of this Bylaw, Council may pursue any legal remedies available to it pursuant to the provisions of the Local Government Act 2002 or any other act or regulation applicable to the supply of water.

14.2.2 Every Person who fails to comply with the requirements of this Bylaw, commits an offence and is liable, on summary conviction, to a fine not exceeding \$20,000 or as set out in Section 242 of the Local Government Act 2002.

14.2.3 The Council may apply to the District Court under Section 162 of the Local Government Act 2002 for an injunction restraining the Person from committing a breach of this Bylaw.

### 14.3 INTERFERENCE WITH EQUIPMENT

14.3.1 Any tampering or interfering with Council equipment, either directly or indirectly, shall constitute a breach of this Bylaw.

### 14.4 REMEDIAL WORKS

14.4.1 The Council may:

- (a) remove or alter any work or thing that is, or has been, constructed in breach of this bylaw; and
- (b) recover the costs of removal or alteration from the person who committed the breach.

## 15. BYLAW APPROVAL DATE

The Common Seal of the Central Hawke's Bay District Council was attached, under Resolution (*Reference - Part XX Stormwater Bylaw 2021*) passed at a meeting of the Central Hawke's Bay District Council held on

..... (Day) ..... (Month) ..... (Year).

## APPENDIX A

### Point of Discharge Arrangements

To be applied in conjunction with Clause 9.5. of the Bylaw.

#### Single Ownership

For individual Owners the Point of Discharge shall be located as shown in figures 1 - 6 (or as close as possible where fences, walls, or other permanent structures make it difficult to locate it at the required position). Other positions shall require specific approval.

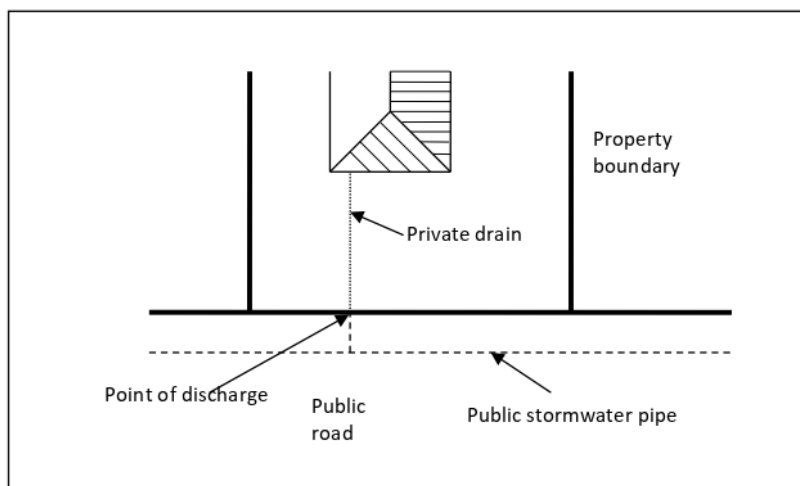


Figure 1 - Point of Discharge Location - With Street Frontage To Public Stormwater Pipe

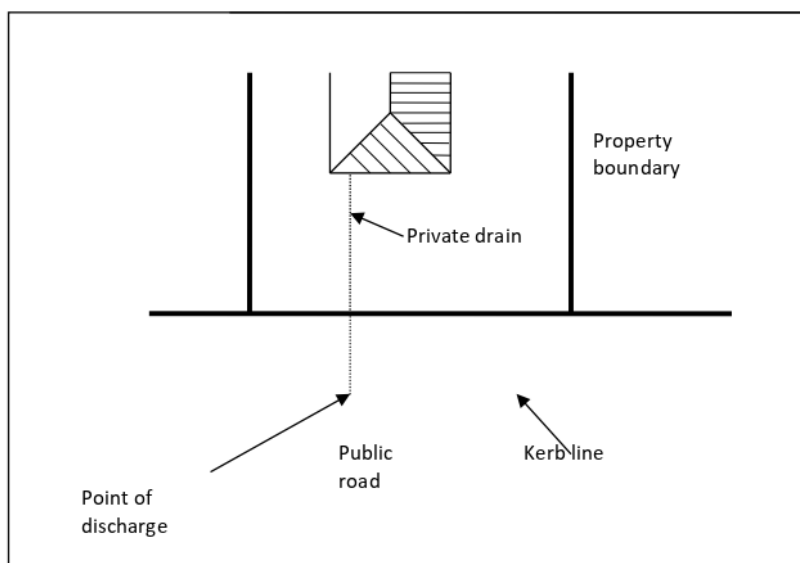
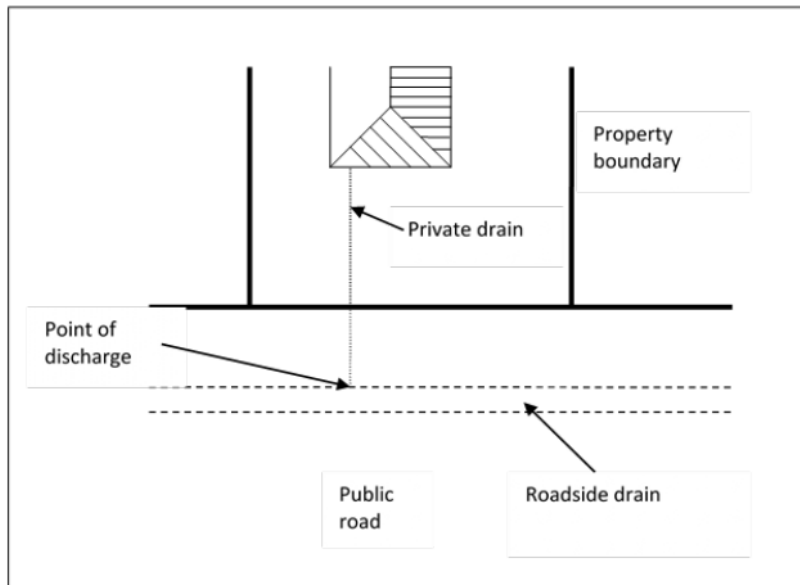
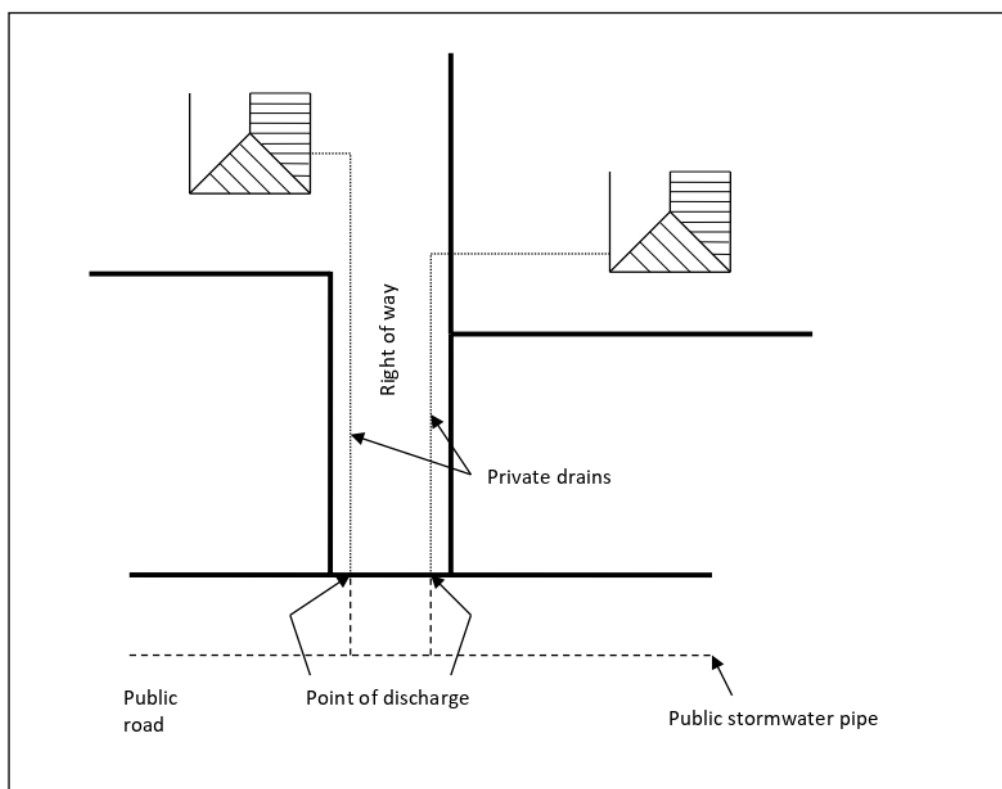


Figure 2 - Point of Discharge Location - With Street Frontage To Kerb



**Figure 3 - Point of Discharge Location - With Street Frontage To Roadside Drain**



**Figure 4 - Point of Discharge Location - Rear Lots**

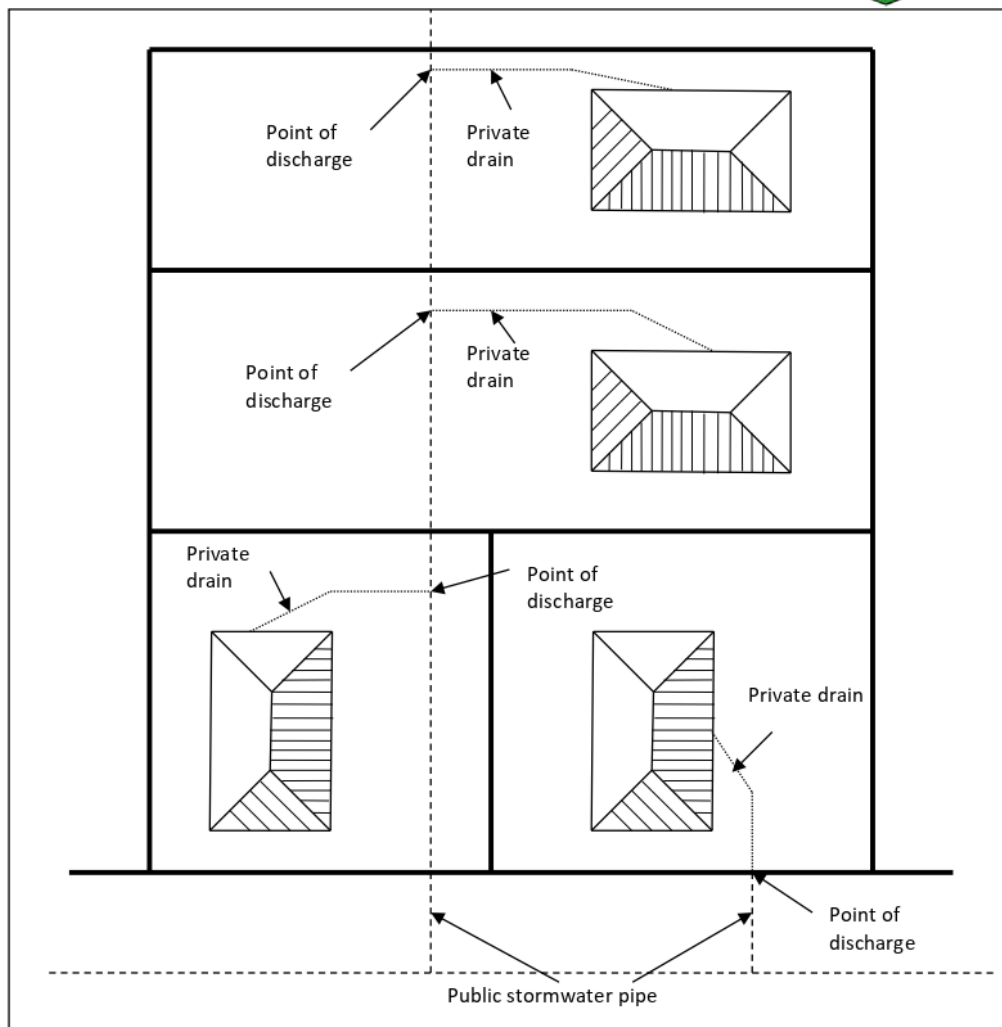
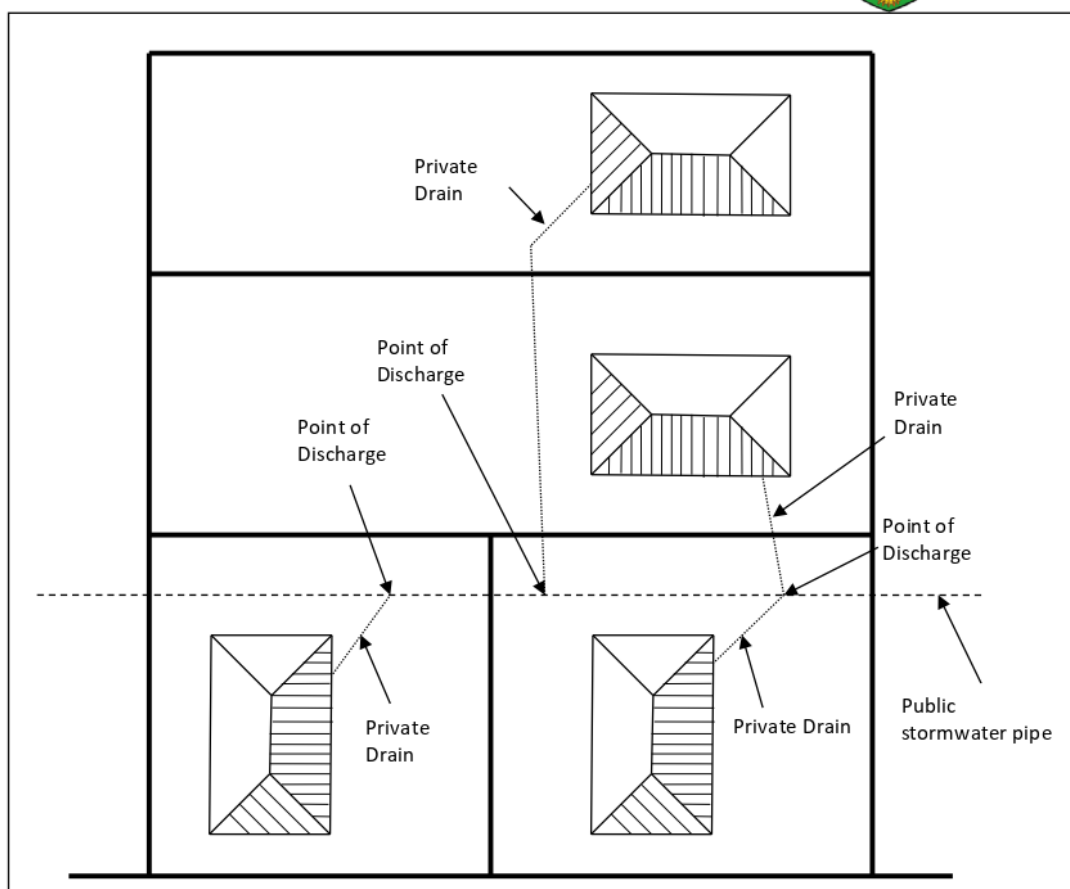


Figure 5 - Point of Discharge Location - Public Stormwater Pipe on Private Property



**Figure 6 - Point of Discharge Location - Private Drain through Neighbouring Properties**

#### **Multiple Ownership**

The Point of Discharge for the different forms of multiple Ownership of Premises and / or land shall be:

- (a) for a Company Share / Block Scheme (Body Corporate) - as for single Ownership;
- (b) for a Leasehold / Tenancy in Common Scheme (Cross Lease), Strata Title, Unit Title (Body Corporate) and any other form of multiple Ownership - each Owner shall have an individual pipe with the Point of Discharge determined by agreement with Council. In specific cases other arrangements may be acceptable, subject to individual approval by Council.

For a multiple Ownership private drain which was in existence prior to the effect of this Bylaw, the Point of Discharge shall be the arrangement existing at that time, or as determined by agreement with Council for any individual case.

#### **Layout**

The physical drainage layout at a Point of Discharge shall be as per the New Zealand Building Code, the New Zealand Standard NZS 4404: Land Development and Subdivision Infrastructure, and as Council approves.





**CENTRAL  
HAWKE'S BAY**  
DISTRICT COUNCIL

PART 22

# **DRAFT Wastewater BYLAW**

Superseding CHBDC: Part 22: 2018

Draft v2 April 2021

*Together we Thrive! E ora ngātahi ana!*





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## INTRODUCTION

To achieve a holistic and integrated approach to three waters management in the District that is consistent with Council's District Plan, other Policies, Plans, Strategies and Objectives and also reflect the principles of the Te Mana o Te Wai, the following overarching purposes have been set for all four water services bylaws (Water Supply, Stormwater, Wastewater and Trade Waste).

## OVERARCHING PURPOSE

1. **Meet Legislation Requirements**  
Proactively meet all Council's statutory requirements relating to the provision of three waters services.
2. **Integrated Approach**  
Adopt an integrated and holistic approach, *ki uta ki tai*, to the Three Waters (water supply, wastewater including trade waste and stormwater) that recognises the interconnections between each of the waters and promotes their sustainable use and management.
3. **Environmental Responsibilities**  
Facilitate environmentally responsible practices by raising awareness of how the Three Waters interact and effect the District's natural environment. Additionally, ensure that Council meet its own responsibilities in terms of resource consent requirements set by the Hawke's Bay Regional Council.
4. **Sustainable Practices**  
Encourage and incentivise the community and businesses to adopt practices that lead to the enhancement of the environment and the sustainable management of water resources including water and product stewardship, rainwater harvesting, waste minimisation and cleaner production.
5. **Support Sustainable Growth**  
Support the sustainable provision of three waters infrastructure to enable future growth while minimising *or eliminating* impacts on the environment.
6. **Achieve Project Thrive Values**  
Develop and implement Three Water Bylaws to give effect to 'Project Thrive' values in particular trust, honesty, respect, innovation, and valuing people.
7. **Te Mana o te Wai**  
Recognise the fundamental concept of Te Mana o te Wai as prescribed under the National Policy Statement for Freshwater Management 2020 and in particular the need to restore and preserve the balance between the water, the wider environment, and the community.
8. **Tangata Whenua Status**  
Recognise the status of tangata whenua as Kaitiaki.
9. **Durable Infrastructure**  
Develops and maintain durable and resilient infrastructure that achieves Council's levels of service in an efficient and cost-effective manner.
10. **Safety and Health**  
Ensure the protection, safety and health of Council staff and the community when using or operating the water supply system, and the wastewater and stormwater systems.
11. **Obligations**  
Define the obligations of residential Occupiers and businesses including trade waste Occupiers



and the public at large in relation to the Council's water supply, wastewater and stormwater systems.

12. **Discharge Controls**

Regulate wastewater and stormwater discharges, including trade waste, and hazardous substances, into the wastewater and stormwater systems.

13. **Equitable Costs**

Provide a system for the equitable share of Council's water services costs between trade waste dischargers, other businesses and domestic Customers.

## OBJECTIVES

Further to the Overarching Purpose the specific objectives for this part of the Bylaw is to promote and protect the health of communities and the environment, and to protect the Wastewater System from damage and misuse.

## CONTEXT

In Central Hawke's Bay, there are currently six public Wastewater collection and treatment systems located at Otane, Waipawa, Waipukurau, Takapau, Porangahau, and Te Paerahi.

Wastewater is collected from public and private premises within these systems into the public sewer system. This wastewater is conveyed to the District's wastewater treatment plants for treatment and is then discharged to the environment. This Bylaw controls the management, treatment and discharge of this wastewater.

Council has responsibility to provide reliable, safe, effective and efficient collection, management and disposal of wastewater and trade waste to ensure that the capacity of available facilities is optimised and that neither public health nor the environment is compromised.

Renewal of wastewater assets is an ongoing process. Pipelines, manholes, pumping stations and treatment plants are renewed as necessary and as funding allows.

Compliance with Resource Consents is also monitored and includes reporting to Hawke's Bay Regional Council.



## PART 22 – WASTEWATER

### 1. TITLE

This bylaw shall be known as the Central Hawke's Bay District Council Wastewater Bylaw [2021].

### 2. COMMENCEMENT

This Bylaw shall come into force on the [Date]

### 3. REPEAL

This bylaw supersedes and repeals the Central Hawke's Bay District Council Wastewater Bylaw 2018 and all amendments of that bylaw.

### 4. APPLICATION OF BYLAW

This Bylaw shall apply to the Central Hawke's Bay District.

### 5. DEFINITIONS

Reference should be made to Part 1 *Introductory Bylaw* and to the legislation referred to under Referenced Documents, for any other definitions not included in this Part.

For the purpose of this Bylaw, unless inconsistent with the context, the following definitions apply:

Acceptable Discharge	<del>means-a</del> <u>A</u> Wastewater with physical and chemical characteristics which comply with the permitted discharge characteristics of Council's Trade Waste Bylaw.
Approval or Approved	<del>means-a</del> <u>A</u> pproved in writing <u>by the Council</u> either by resolution of <del>the</del> Council or by any <del>a</del> <u>A</u> uthorised <del>e</del> <u>O</u> fficer of Council.
Buried Services	<del>means-a</del> <u>A</u> ll public Sewers, Rising Mains, Trunk Sewers and other underground utilities under the responsibility of Council.
Certificate of Title	<del>means-a certificate registering the freehold ownership of land available to any Owner(s) under the Land Transfer Act 1952.</del>
Council	<del>means-t</del> <u>I</u> he Central Hawke's Bay District Council or any officer authorised by Council or <del>legislation to exercise the authority of Council delegated to act on its behalf.</del>
Customer	<del>means-a</del> <u>A</u> person who either discharges or has obtained a consent to discharge or direct the manner of discharge of Wastewater from any Premises to Council's public Sewer. The Customer may be an Owner or an Occupier.
Disconnection	<del>means-t</del> <u>I</u> he physical cutting and sealing <u>at the point of discharge of the Drain</u> from a Premises.
Domestic Wastewater	<del>means-e</del> <u>E</u> ither that Wastewater which is discharged from Premises used solely for residential activities or wastes of the same character discharged from other Premises, provided that the characteristics of the Wastewater are an Acceptable Discharge. Such activities shall include the draining of domestic swimming and spa pools subject to clause 9.6 <u>but does not include</u>



	<u>any solids, liquids, or gases that may not lawfully be discharged into the wastewater system and may include geothermal water.</u>
Fees and Charges	The list of items, terms and prices for services associated with the discharge of Wastewater as approved by the Council in accordance with the Local Government Act 2002 and the Local Government (Rating) Act 2002.
Holding tank	<del>means a</del> tank installed on a property to store Wastewater from that property and intended to be emptied regularly by a tanker. This excludes septic tanks where the septic tank forms part of an on-site Wastewater treatment process that is fully contained within the property and excludes retention tanks where the retention tank is part of a communal Wastewater treatment process.
Infiltration	<del>means w</del> Water entering a public Sewer or Private Drain from groundwater through defects such as poor joints, cracks in pipes or manholes. It does not include Inflow.
Inflow	<del>means w</del> Water discharged into a drain from non-complying connections or other drain-laying faults. It includes Stormwater entering through illegal downpipe connections or from low gully traps.
Occupier	The person who occupies the Premises. This may be the Owner of the Premises, lessee, squatter or any other Person on or using the Premises.
Owner	The Person who owns the Premises.
Person	<del>includes a corporation sole and a body of persons whether corporate or incorporate</del> <u>The Crown, a corporation sole, and also a body of persons, whether corporate or unincorporate.</u>
Point of Discharge	<del>means t</del> The boundary between the public Sewer and a Private Drain.
Premises	<del>Means e</del> Either: <ul style="list-style-type: none"> <li>a) a property or allotment which is held under a separate <u>Certificate record</u> of <del>T</del> title or for which a separate <u>Certificate of Title record of title</u> may be issued and in respect to which a building consent has been or may be issued; or</li> <li>b) a building that has been defined as an individual unit by a cross-lease, unit title or company lease and for which a <u>Certificate of Title record of title</u> is available; or</li> <li>c) land held in public ownership (e.g. reserve) for a particular purpose</li> <li>d) individual units in buildings which are separately leased or separately occupied.</li> </ul>
Private Drain	<del>means that section of private drain between the Customer's Premises and the Point of Discharge through which Wastewater is conveyed from the Premises. That section of drain between the Premises and the point of connection to the Council's wastewater system.</del> This section of drain is owned and maintained by the Customer (or group of Customers).
<u>Record of Title</u>	<u>A record of title created under section 12 under the Land Transfer Act 2017.</u>
Rising Main	<del>means a</del> Sewer through which Wastewater is pumped.
Sewer	<del>means t</del> The main public sewer pipes, manholes and lateral connections that carry away Wastewater from the Point of Discharge. The public sewer is owned and maintained by Council.



Stormwater	<del>Means-s</del> Surface water run-off resulting from rainfall.
Tankered waste	<del>means-w</del> Water or other liquid, including waste matter in solution or suspension, which is conveyed by vehicle for disposal, excluding domestic sewage discharged directly from house buses, caravans, buses and similar vehicles.
Trade Premises	<del>means</del> Any: <ul style="list-style-type: none"> <li>a) <del>any</del> Premises used or intended to be used for any industrial or trade purpose; or</li> <li>b) <del>any</del> Premises used or intended to be used for the storage, transfer, treatment, or disposal of waste materials or for other waste management purposes, or used for composting organic materials;</li> <li>c) <del>any e</del>Other Premises from which a contaminant is discharged in connection with any industrial or trade process</li> <li>d) <del>any e</del>Other Premises discharging other than domestic sewage; and includes any land or Premises wholly or mainly used for agricultural or horticultural purposes.</li> </ul>
Trade Waste	<del>means-a</del> Any liquid that is or may be discharged from a Trade Premises or tanker to the Council's Wastewater System of a non-domestic nature.
Trunk Sewer	<del>means-a</del> A Sewer, generally greater than 150 mm in diameter, which forms a part of the principal drainage system of Council's Wastewater System.
Wastewater	<del>means-w</del> Water or other liquid, including tankered waste and waste matter in solution or suspension, discharged from a Premise to a Sewer (also called sewage).
Wastewater System	<del>means-t</del> The collection, treatment and disposal of Wastewater and Trade Wastes, including all Sewers, pumping stations, storage tanks, sewage treatment plants, outfalls, and other related structures operated by Council and used for the reception, treatment and disposal of Wastewater and Trade Wastes.





## 6. ACCESS TO THE WASTEWATER SYSTEM

- 6.1.1. No Person other than Council and its authorised agents may have access to any part of the Wastewater System without the written Approval of Council.

## 7. WORKING AROUND BURIED SERVICES

### 7.1. General

- 7.1.1. Any Person proposing to carry out excavation work must view the as-built information held by Council to establish whether Council services are located in the vicinity. Excavation work of the following type will be considered as in the vicinity of Buried Services:

Type of Works	Type of Council Water Supply, Wastewater or Stormwater asset	Specified distance from asset
General excavation	pipes 300mm in diameter and greater, including connected manholes and structures	10 metres
	pipes less than 300mm in diameter, including connected manholes and structures	2 metres
Piling	pipes 300mm in diameter and more, including connected manholes and structures	10 metres
	pipes less than 300 mm in diameter, including connected manholes and structures	2 metres
Blasting	pipes 300mm diameter and more, including connected manholes and structures	15 metres
	pipes less than 300mm in diameter, including connected manholes and structures	15 metres



- 7.1.2. At least five (5) working days' notice in writing must be given to Council of an intention to excavate in the vicinity of its services.
- 7.1.3. Any Person causing damage or disruption to the Wastewater System is liable for the cost of repairs and any other costs incurred as a result of the damage or disruption.
- 7.1.4. No Person may make any connection to, or otherwise interfere with, any part of the Wastewater System except with the written Approval of Council.
- 7.1.5. Any damage or disruption to the Wastewater System must be reported to the Council immediately.
- 7.1.6. No Person may undertake any excavation work within 2 metres of any part of the Wastewater System, except with the prior written Approval of the Council.
- 7.1.7. When granting Approval for excavation work near the Wastewater System, the Council may impose such conditions as it considers necessary.
- 7.2. Excavation, Loading or material over sewers**
- 7.2.1. No Person may cause the crushing load imposed on a public Sewer to exceed that which would arise from the soil overburden plus a HN-HO-72 wheel or axle load (as defined by the New Zealand Transport Agency (Waka Kotahi) Bridge Manual).
- 7.2.2. No Person may cover or obscure a Sewer without the prior Approval of the Council.
- 7.2.3. Removal of any covering material or adjustment of the structures will be at the property Owner's expense.
- 7.2.4. No Person may excavate, or carry out piling or similar work closer than:  
five (5) metres from the centre line of any Rising Main or Trunk Sewer; or  
two (2) metres from the centre line of any public Sewer;  
without written Approval from Council. Such Approval may impose conditions on the carrying out of any work near the Sewer.

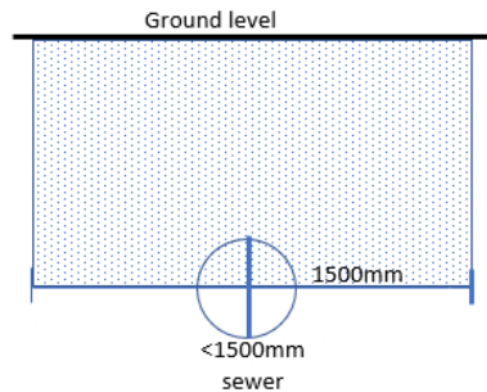


## 8. BUILDING OVER BURIED SERVICES

### 8.1. Public Sewers, Rising Mains and Trunk Sewers

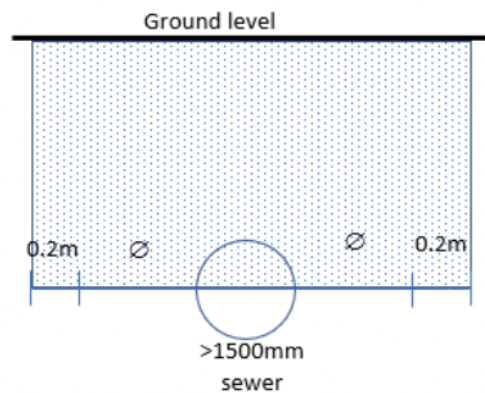
8.1.1. Except in accordance with 8.1.3, no building may be built over a public Sewer, Rising Main or Trunk Sewer, or closer than the greater of:

- a) 1.5 metres from the centre of any main or Sewer (Refer to Figure 8-1); or



*Figure 8-1: No build zone in vicinity of a public rising main or trunk sewer (less than 1500 mm diameter)*

the depth of the centre line of the Sewer, plus the diameter of the Sewer, plus 0.2 metres from the centre of that Sewer, subject to compliance with 3.1 of NZS 3604 (Refer to Figure 8-2).



*Figure 8-2: No build zone in vicinity of a public rising main or trunk sewer (more than 1500 mm diameter)*



- 8.1.2. Subject to Approval, a building developer may meet the cost of diverting the public Sewer (including any manholes) in accordance with Council's standards.
- 8.1.3. Where clause 8.1.1 and 8.1.2 above are found to be impractical and the building cannot be sited elsewhere on the property or modified to conform with the above conditions, and it is essential for the proposed building to be built on that part of the property, approval may be granted subject to the building developer meeting the cost of any specific requirements. These requirements may include:
- a) the provision of access manholes, pipe strengthening, ducting, additional support of the building's foundations and re-locatable construction;
- carrying out sufficient investigations to accurately determine the Sewer's location and depth, and to prove that the Sewer is in a condition where it has a remaining life of at least fifty (50) years; and
- or carrying out remedial work or relaying the Sewer to meet the requirements of:
- i. bore piling the building 1.0 metre clear distance either side of the Sewer to below the Sewer invert to ensure that no building loads are transferred to the Sewer and so that it is possible to excavate down to the Sewer without threat to the building;
  - ii. providing two additional manholes into the Sewer between 2.0 and 3.0 metres from the edge of the building at the points it enters and leaves the building (unless there is an existing manhole within 10 metres), provided that the Sewer lies in a straight line and that there are no other connections between these two manholes;
  - iii. carrying out all work on and around the Sewer in accordance with Council's engineering standards.

## 9. DEVELOPMENT OF PREMISES

### 9.1. General

- 9.1.1. No Person may divert any part of the public Wastewater system except with the prior written Approval of the Council.
- 9.1.2. No Person may make a connection to, or otherwise interfere with the public Wastewater System without prior written Approval of the Council.
- 9.1.3. All proposed Wastewater works must be designed, constructed and operated:
- a) in compliance with any relevant Wastewater Management Plan or discharge consent, including its recommendations or conditions for the area concerned; and
- to Council's standards for corresponding public Wastewater works where they serve or may serve land or buildings in different ownership; and
- to Council's Wastewater Drainage Policies; and
- in compliance with any written conditions imposed by Council when approving the works, and with any relevant building or resource consent; and
- to be consistent with foreseeable catchment-wide works (for example, extending a pipe upstream or downstream) to give a benefit to the catchment as a whole.

Such Wastewater drainage works will remain the responsibility of the Owner of the land on which the works occur unless and until they are taken over and vested in Council. The cost of all work involved will be the Owner's cost unless specific agreement for alternative cost sharing is approved in writing by Council.

### 9.2. Application for Connection

Applications must be made to Council to connect to the Wastewater System.



- 9.2.1. Every application for a connection to the Wastewater System must be made in writing on the standard Council form (on Council's website). The applicant must provide all the details required by Council.
- 9.2.2. On receipt of an application Council will, after consideration of the application and other matters relating to the application and the Wastewater System, either:
- a) approve the application and inform the applicant of the size of the connection and any particular conditions applicable; or
- refuse the application and notify the applicant of the decision giving the reasons for refusal.
- 9.2.3. Failure to comply with any of the terms and conditions of an Approval constitutes interference with the Wastewater System and is a breach of this Bylaw.
- 9.2.4. Any such connection shall be carried out by a registered drainlayer under the supervision of Council.
- 9.2.5. Any new connection will be dimensioned from the immediate downstream manhole to the centre of the newly installed connection, and an as-built plan showing the connection shall be provided to Council within seven (7) days of installation and acceptance by Council.
- 9.2.6. The applicant must have the authority to act on behalf of the Owner of the Premises for which the connection is sought and shall produce written evidence of this if required.
- 9.2.7. An approved application which has not been actioned within six (6) months of the date of application will lapse unless a time extension has been approved. Any refund of fees and charges shall be at the discretion of Council.
- 9.2.8. Every application to carry out Wastewater works must include drawings and specifications for the proposed works. The drawings must show, to the satisfaction of Council, the proposed works and their effects on the subject site and surrounding land.

### **9.3. Pump stations**

- 9.3.1. Customers may not use private Wastewater pump stations unless approved in writing by the Council. Approval may only be provided where there are no practical alternatives for a gravity flow discharge to the public Sewer.

## **10. CONDITIONS OF SUPPLY**

### **10.1. Wastewater from Holding Tanks**

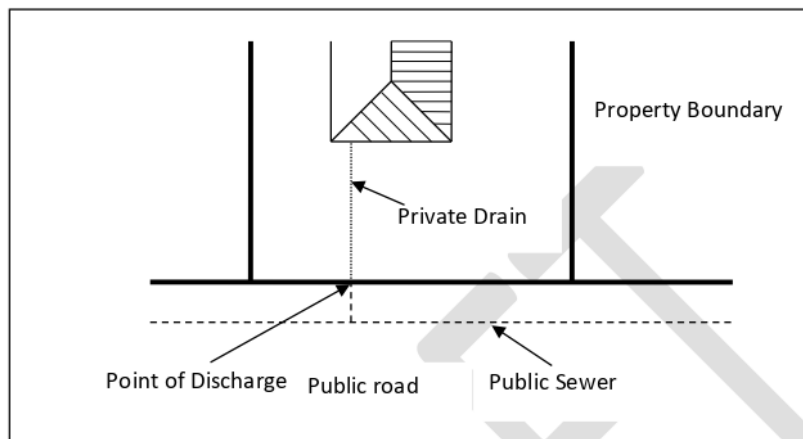
- 10.1.1. Wastewater from Holding Tanks will not be accepted at any of Council's Wastewater treatment facilities, unless approved in writing by Council.

### **10.2. Point of Discharge**

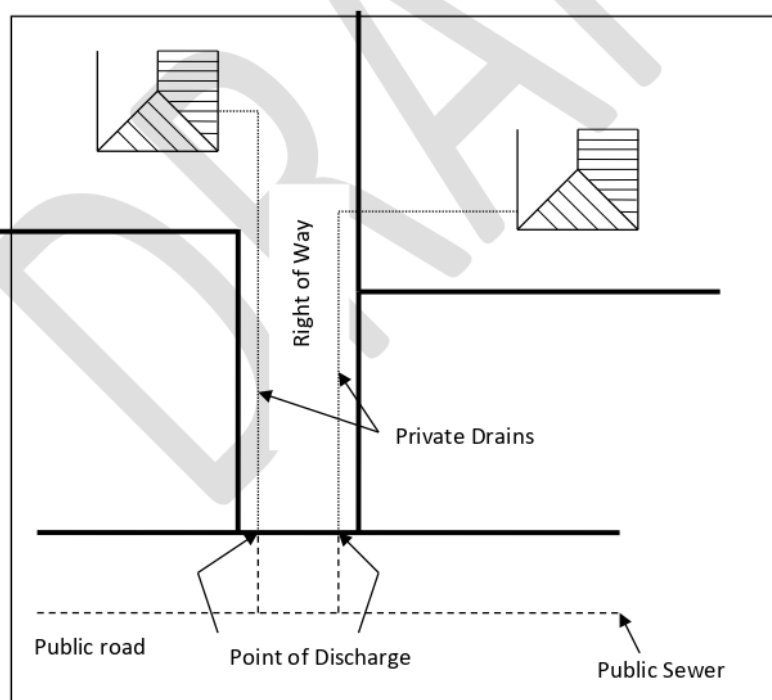
- 10.2.1. The Point of Discharge marks the boundary of responsibility between the Customer and Council, for maintenance of the Wastewater system, irrespective of property boundaries.
- 10.2.2. Unless otherwise approved there may only be one Point of Discharge for each Premises, and any private drain shall not extend by pipe or any other means to serve another Premises unless it is a common Private Drain.

#### **Single ownership**

- 10.2.3. For single dwelling units the Point of Discharge will be located at the boundary as shown in Figures 10.1, 10.2, 10.3, 10.4 and 10.5 or as close as possible where fences, walls or other permanent structures make it difficult to locate it at the required position. The Approval of other positions must be made by Council and recorded on the drainage plan.
- 10.2.4. Where a Private Drain discharges into a public Sewer on that same private property, the Point of Discharge is the upstream end of the pipe fitting which forms the junction with the public Sewer.



*Figure 10-3: Point of Discharge Location - With Street Frontage*



*Figure 10-4: Point of Discharge Location - Rear Lots*

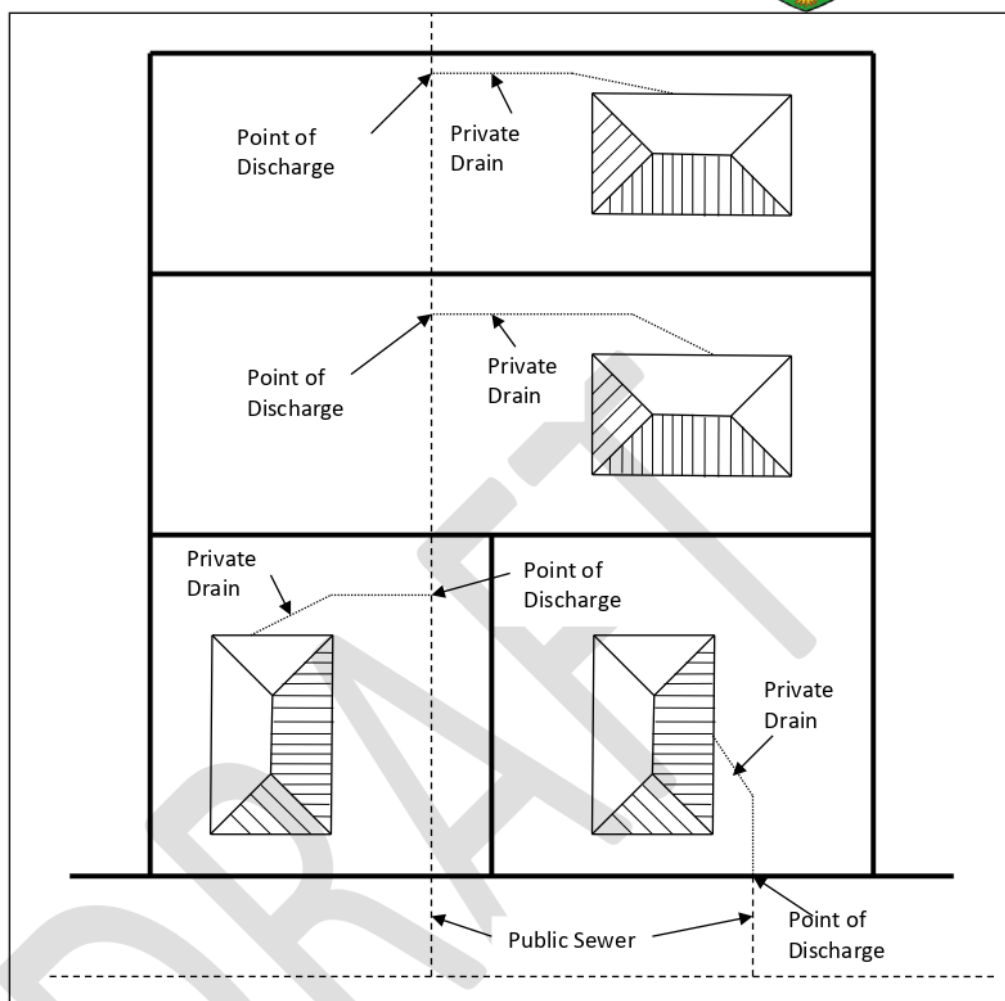


Figure 10-5: Point of Discharge Location - Public Sewer on Private Property

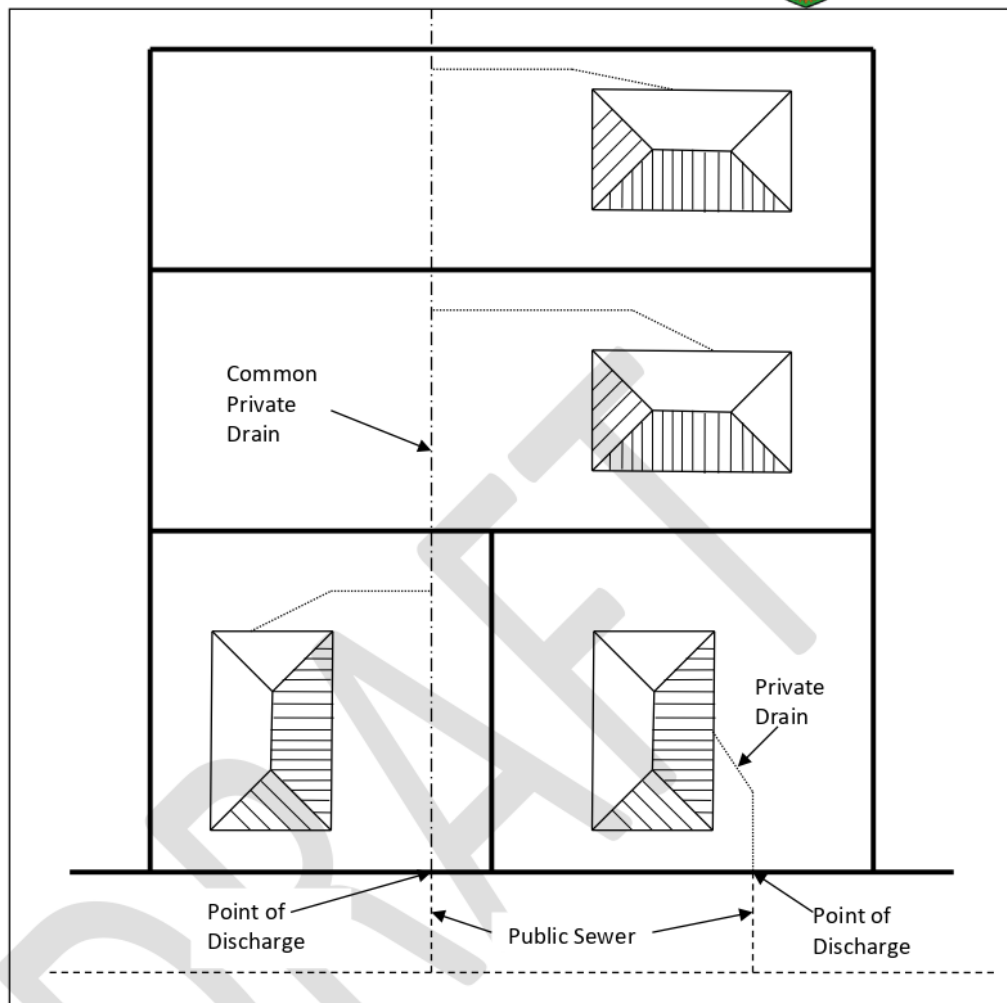
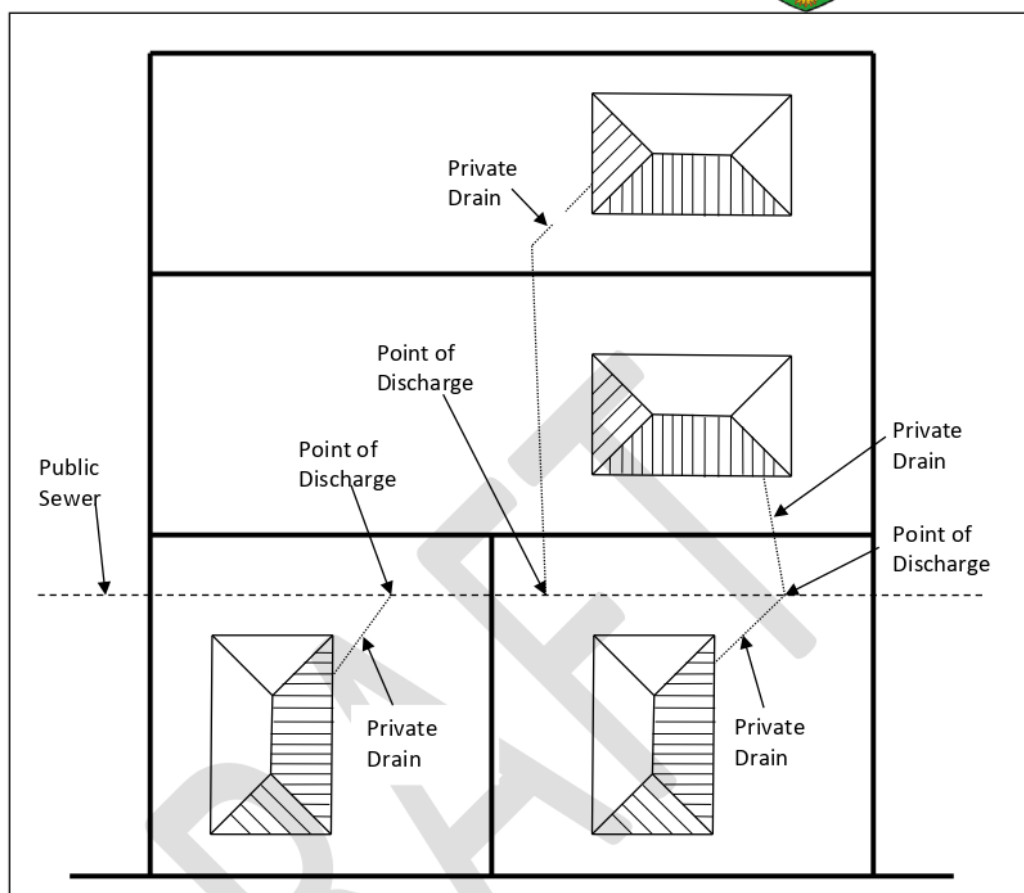


Figure 10-6: Point of Discharge Location - Common Private Drain



*Figure 10-7: Point of Discharge Location - Private Drain through Neighbouring Properties*

#### **Multiple Ownership**

- 10.2.5. The Point of Discharge for the different forms of multiple ownership of Premises and / or land shall be as follows:
- a) for company share / block scheme (body corporate) - as for single ownership;
  - b) for leasehold / tenancy in common scheme (cross lease), strata title, and unit title (body corporate);- where practicable each Owner shall have an individual drain with the Point of Discharge determined by agreement with Council. If not practicable there shall be a common private drain which shall be incorporated as an additional provision in the lease agreement. In specific cases other arrangements will be acceptable subject to individual Approval.

#### **Layout**

- 10.2.6. The physical drainage layout at a Point of Discharge must be as per the New Zealand Building Code, the New Zealand Standard NZS4404:2010 Land Development and Subdivision Infrastructure and approved in writing by Council.





**10.3. Common private drains**

- 10.3.1. Common Private Drains may serve a maximum of five (5) single dwelling units and must have one Point of Discharge only (in common).

**10.4. Domestic Wastewater**

- 10.4.1. No Domestic Wastewater may:

- a) exceed the limits for permitted discharge characteristics in Schedule A of the Council's Trade Waste Bylaw; or
- b) contain any of the characteristics prohibited in Schedule B in Council's Trade Waste Bylaw.

- 10.4.2. Where part of a domestic Premises is used as an office or other trade related activity from which no Trade Waste could be produced, and which no other Persons apart from those living at those Premises use, then it may be treated as domestic Premises for the purpose of this bylaw. Any trade activity which produces or has the potential to produce a Wastewater will be treated as being from Trade Premises.

**10.5. Maximum flow rate**

- 10.5.1. The maximum instantaneous flow rate discharged from a domestic Premises must not exceed 2.0 litres/second and / or 5m<sup>3</sup> per day.

**10.6. Swimming pools**

- 10.6.1. Swimming and spa pool drains must be fitted with a flow limiting device to ensure any discharge does not exceed a maximum instantaneous flow of 2.0 litres/second.

**10.7. Prevention of Inflow and Infiltration**

- 10.7.1. The Customer must take all reasonable steps to prevent any Stormwater or groundwater entering the Wastewater System (including from roof downpipes, surface water run-off, overland flow, and sub-surface drainage). Reasonable steps include ensuring that:
- c) There is no direct connection of any Stormwater pipe or drain to the Wastewater System;
  - d) Gully trap surrounds are sealed and set above Stormwater ponding levels (refer New Zealand Building Code G13), or secondary overland flow path flood levels;
  - e) Inspection covers are in place and are appropriately sealed;
  - f) Private Drains are kept and maintained in a state which is free from cracks and other defects which may allow Infiltration.

**10.8. Blockages**

- 10.8.1. Any Person who causes a blockage in a public Sewer, by discharging non-acceptable wastewater, or by forcing a blockage downstream into the public Sewer in the course of clearing a Private Drain is liable for the cost of unblocking the public Sewer.

**10.9. Disconnection**

- 10.9.1. A Customer must give seven (7) working days' notice in writing of their intention to demolish or remove a building connected to the Sewer. The demolition or removal must not commence until the property has been disconnected from the Sewer by Council.





- 10.9.2. A Customer must give two (2) working days' notice in writing to Council of their requirement for Disconnection of the discharge connections if relaying of the private Drain is required.

**10.10. Emergency**

- 10.10.1. During an emergency, Council may restrict or prohibit the discharge of Wastewater for any specified purpose, for any specified period, and for any or all of its Customers.

- 10.10.2. Any such restrictions shall be publicly notified.

**10.11. Defect Notices**

- 10.11.1. In the event of a breach of this bylaw, Council may serve a defect notice on the Customer advising its nature and the steps to be taken within a specified period, to remedy it. If, after the specified period, the Customer has not remedied the breach, Council may charge a re-inspection fee.

**10.12. Remedial Works and cost recovery**

- 10.12.1. The Council may:

- a) Remove or alter any work or thing that is, or has been, constructed in breach of this bylaw; and

Recover the costs of removal or alteration from the Person who committed the breach.

**11. FEES AND CHARGES**

- 11.1.1. Council may prescribe fees and charges relating to matters provided for in this bylaw in accordance with section 150 of the Local Government Act 2002.

**12. OFFENCES**

- 12.1.1. Every Person who breaches this Bylaw or fails to comply with a notice served under this bylaw commits an offence and is liable upon conviction to a fine as provided for under the Local Government Act 2002 and may be liable to penalties under other legislation.

**13. BYLAW APPROVAL DATE**

The Common Seal of the Central Hawke's Bay District Council was attached, under Resolution (*Reference - Part 22: Wastewater Bylaw 2021*) passed at a meeting of the Central Hawke's Bay District Council held on

..... (Day) ..... (Month) ..... (Year).

Date Confirmed : \_\_\_\_/\_\_\_\_/\_\_\_\_

### **7.3 LONG TERM PLAN 2021 - 2031 DRAFT DELIBERATIONS REPORT: CHALLENGE 1 - PLANNING AND FUNDING OUR WASTEWATER UPGRADES**

**File Number:** COUI-1400

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

**Authoriser:** Monique Davidson, Chief Executive

**Attachments:** Nil

#### **PURPOSE**

The matter for consideration by the Council is to consider and deliberate on consultation feedback related to **Challenge # 1 – ‘Planning and Funding our Wastewater Upgrades’** received through the Long Term Plan process.

#### **RECOMMENDATION FOR CONSIDERATION**

That having considered all matters raised in the report:

- a) That Council adopt Option 4 to implement the 15 year investment programme of wastewater upgrades across the six wastewater systems through loan funding.
- b) That council endorse the approach to recover a capital contribution from Trade Waste Industry contributors in addition to the current operational charges – with adoption taking place through the Revenue and Financing Policy and Annual fees and charges setting.
- c) That the submitters are thanked for their comments which are acknowledged and further that the information contained in this report is provided to the submitters.

#### **EXECUTIVE SUMMARY**

Council has received 219 submissions on Challenge #1 of the 239 submissions received in total on the Long Term Plan. Of the submissions 68% of respondents supported Option 1 to deliver the upgrades within 15 years, 21% supported Option 2 to deliver the upgrades with 10 years, 3% supported Option 3 to do the minimum amount, and 20 submitters did not provide a preference on an option.

Option 4 was introduced as a hybrid of Option 1 – to lessen the future rates impact related to rate funding the renewal component from Year 6 onwards, the change and solution is to loan fund the entire community (rate payer) portion of the programme of works over 15 years - While you would save \$14.6m of rate funding by swapping it out to loan, you would incur additional debt servicing so the real rate savings over this period would only be \$13.2m (which is about a 3.9% rates savings over the 10 year period) but additional debt of 18.0m.

It is anticipated that council will see an \$18m or 37% increase in the debt it has to take on over the first 10 years to service the option, while receiving a 10 year rating deduction of 3.9%.

Detailed below in the options analysis is the impact on debt ceiling and how the investment planned for Option 1 and 4, the two variant preferred options would impact the CHBDC debt levels.

#### **BACKGROUND**

The three options that were released for consultation are;

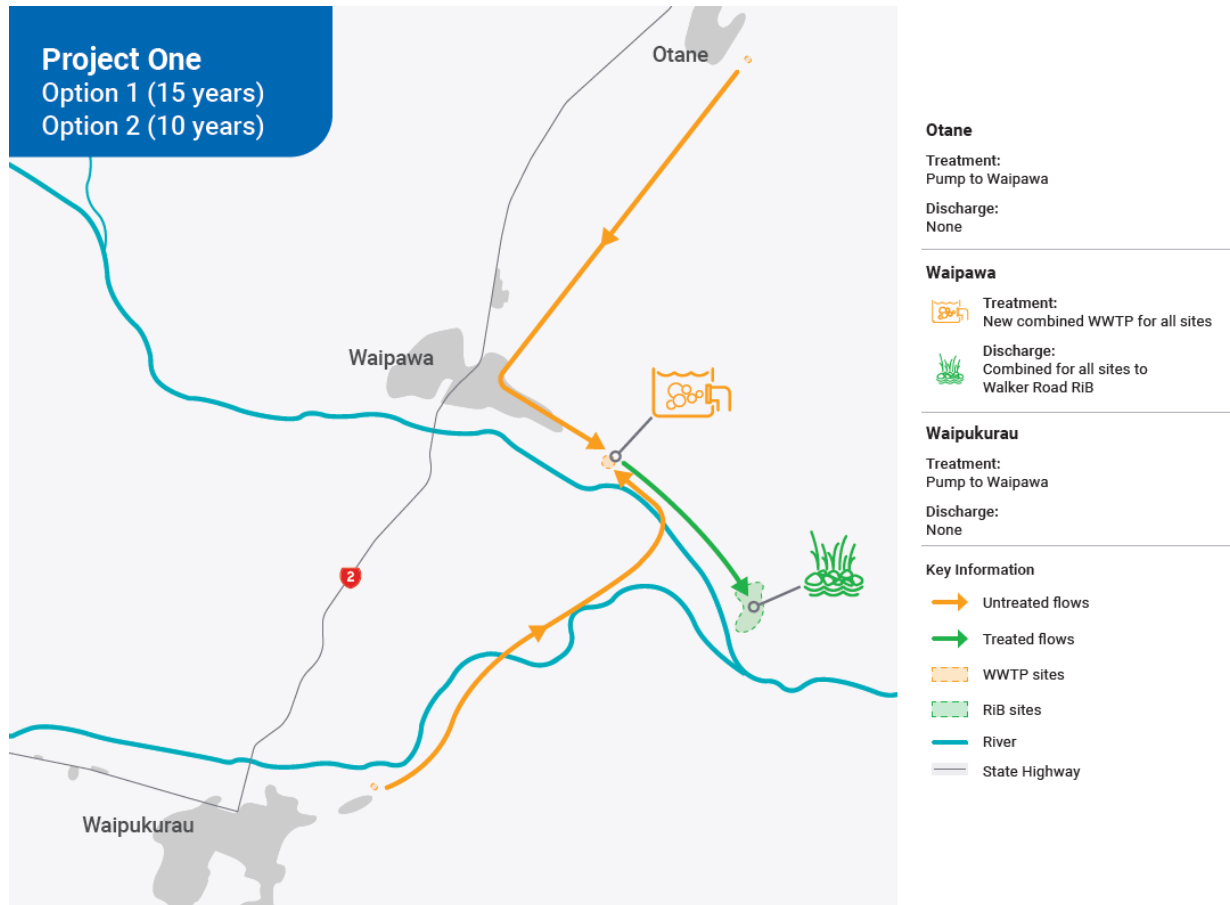
##### **Option 1: A 15-year plan to upgrade our wastewater plants and remove wastewater discharges from waterways**

We upgrade our wastewater plants across the six settlements of Central Hawke's Bay within 15 years – removing wastewater discharges from our waterways. This includes the development of an integrated treatment and discharge wastewater system for the townships of Otāne, Waipawa and Waipukurau, that will see our wastewater irrigated to land at a single site. A new combined

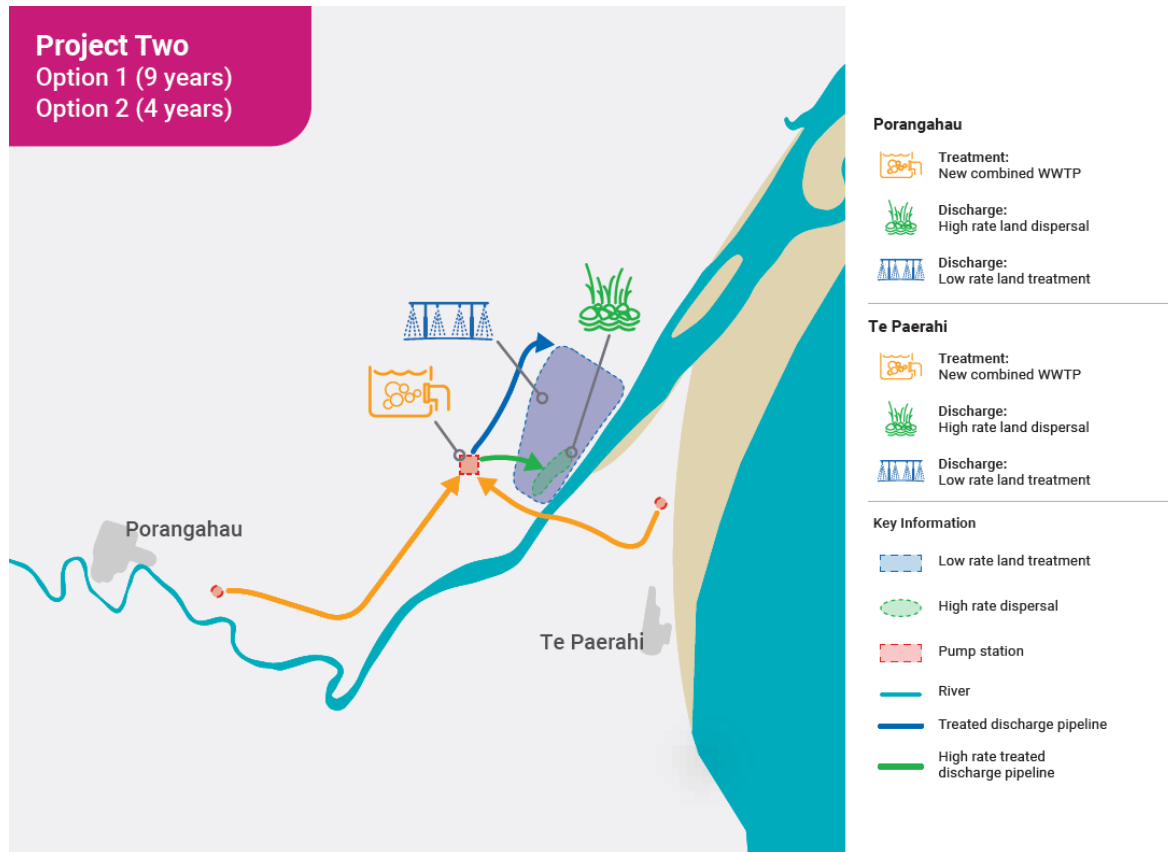
wastewater treatment plant will be built for Pōrangahau and Te Paerahi, and wastewater discharged to land at a new discharge site. Takapau will have minor treatment improvements, with wastewater discharged to land.

The scope of these works is significant – totalling some \$68.2 million of capital expenditure over the next 10 years.

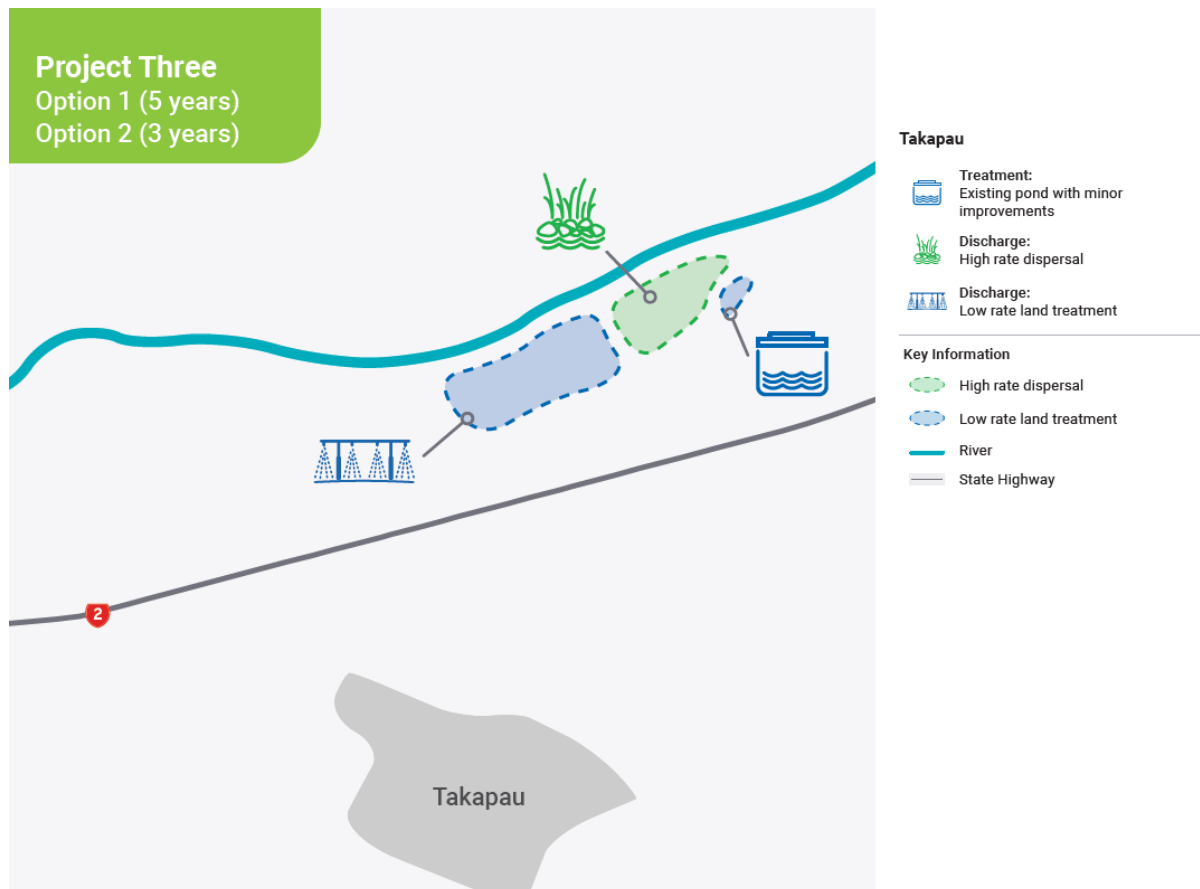
### Waipawa, Waipukurau and Otane



## Porangahau and Te Paerahi



## Takapau



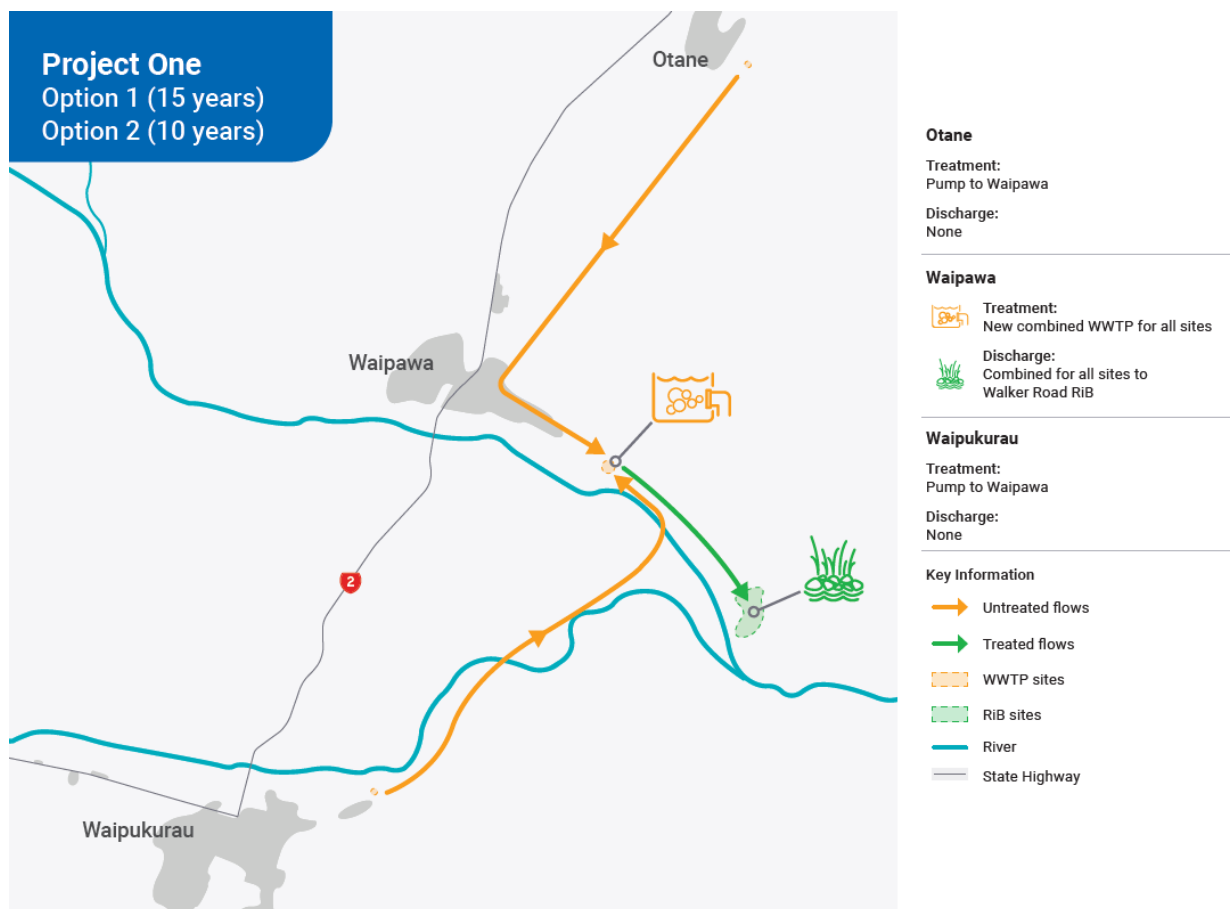
## Option 2: A 10-year plan to upgrade our Wastewater Plants and remove wastewater discharges from waterways

This option accelerates the delivery of option 1 for completion of the entire programme within 10 years, instead of 15 years.

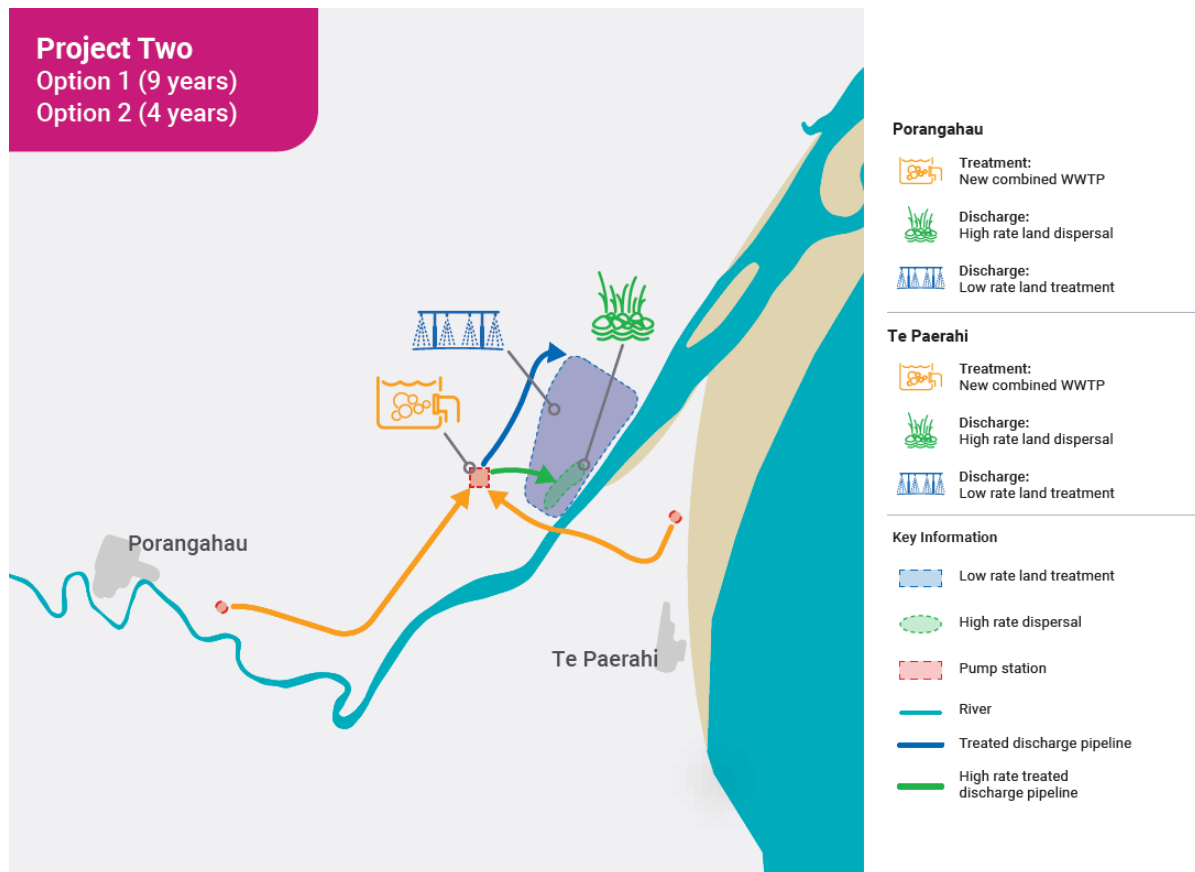
The benefit of this option is that we remove wastewater discharges from our waterways within 10 years, addressing the cultural and environmental impacts our discharges create sooner.

Completing this work will also allow us to meet our existing Levels of Service that we have been unable to achieve, based on our current asset provision – just in a much quicker timeframe. The capital works to be undertaken in the next years under this option is \$74.2 million.

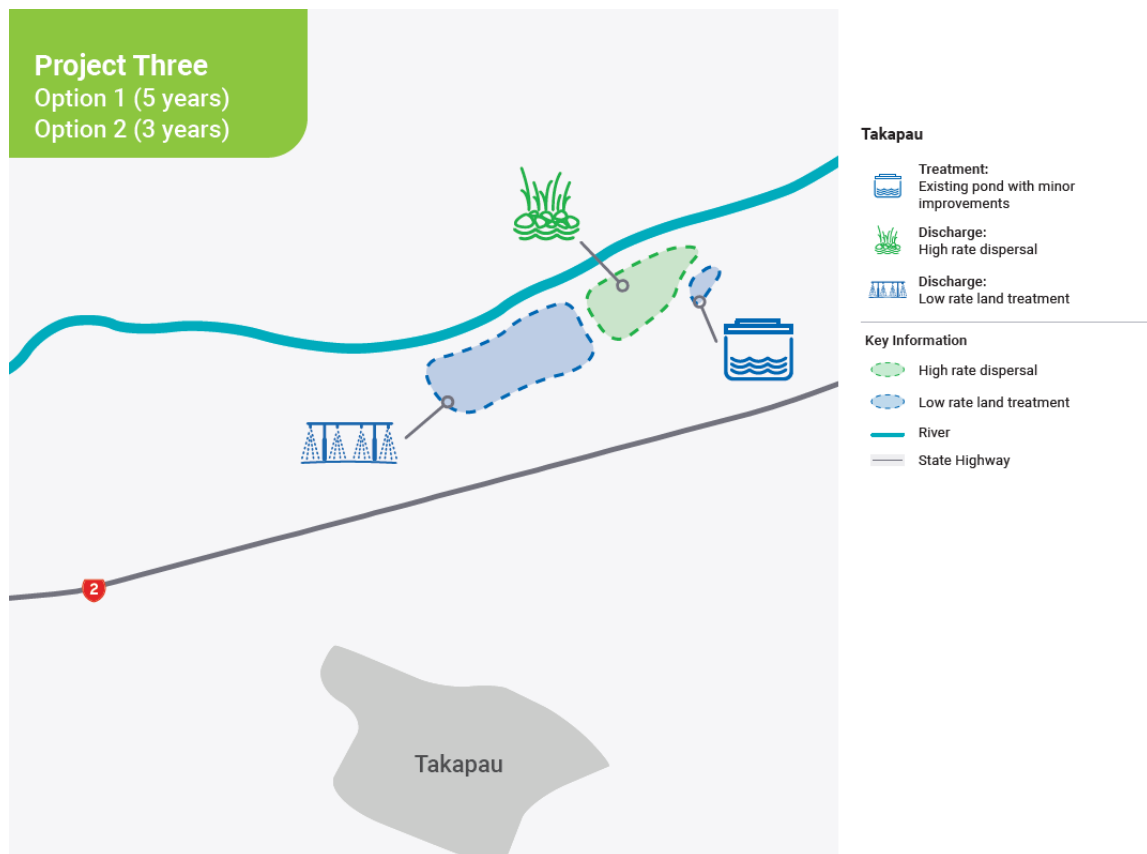
### Waipawa, Waipukurau and Otane



## Porangahau and Te Paerahi



## Takapau



### Option 3: Doing the minimum to meet current legal compliance, and remove wastewater discharges from waterways

This option sees us walk away from our Wastewater Strategy 2020. This option will still deliver the same pipelines and work towards discharging wastewater to land, as the previous options deliver.

Where this option differs is that no new treatment plants will be constructed, and only minor improvements to existing plants will be undertaken.

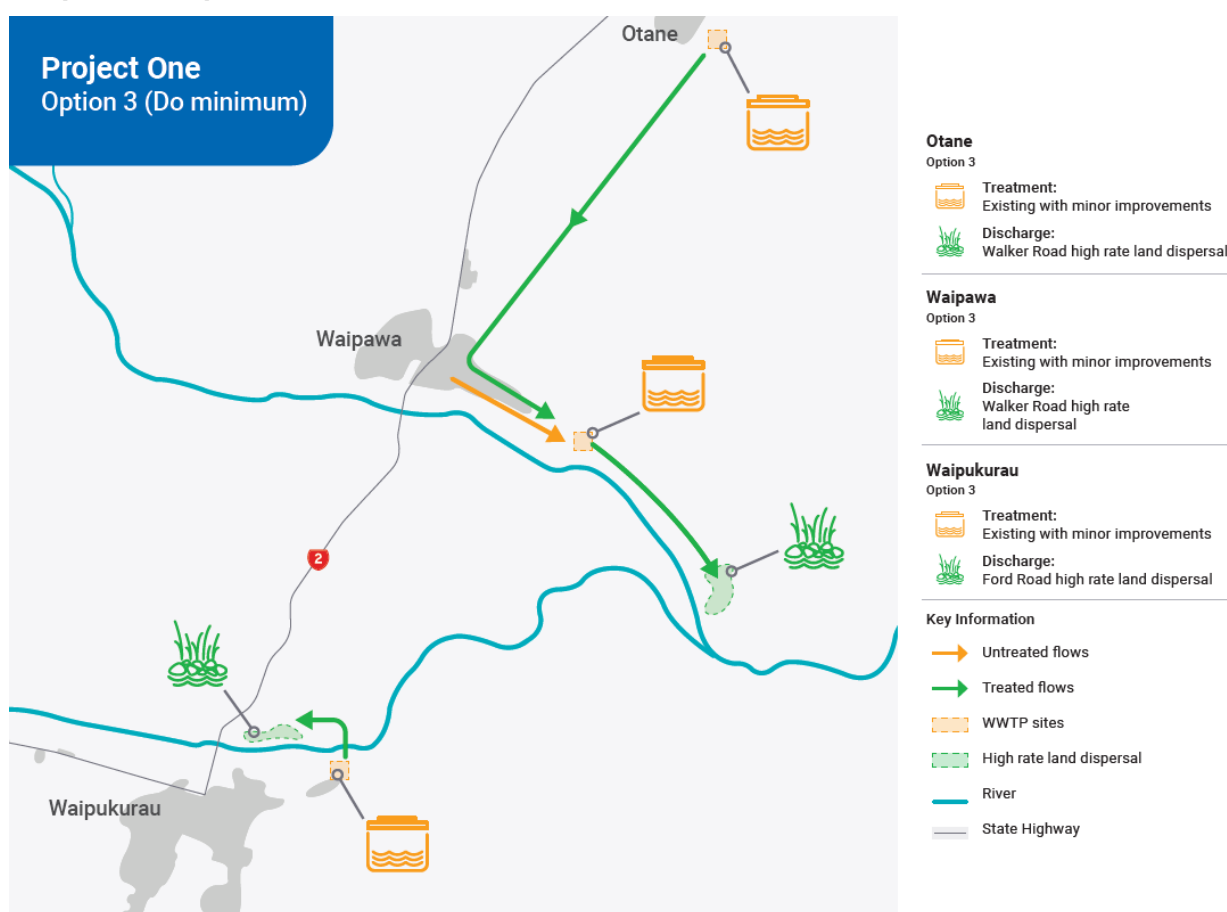
The capital cost of this option \$41.1 million over the next six years.

This option would provide for us to achieve our levels of service in the short term (5 - 10 years), however as legislative standards continue to increase it is unlikely this option will support the achievement of levels of service in the long term.

This option is not our preferred option. While it has the lowest cost, it also comes with significant risk. While it will remove our direct discharges to our waterways, this option does not include additional work that will treat our wastewater to a higher standard as proposed in option 1 and 2.

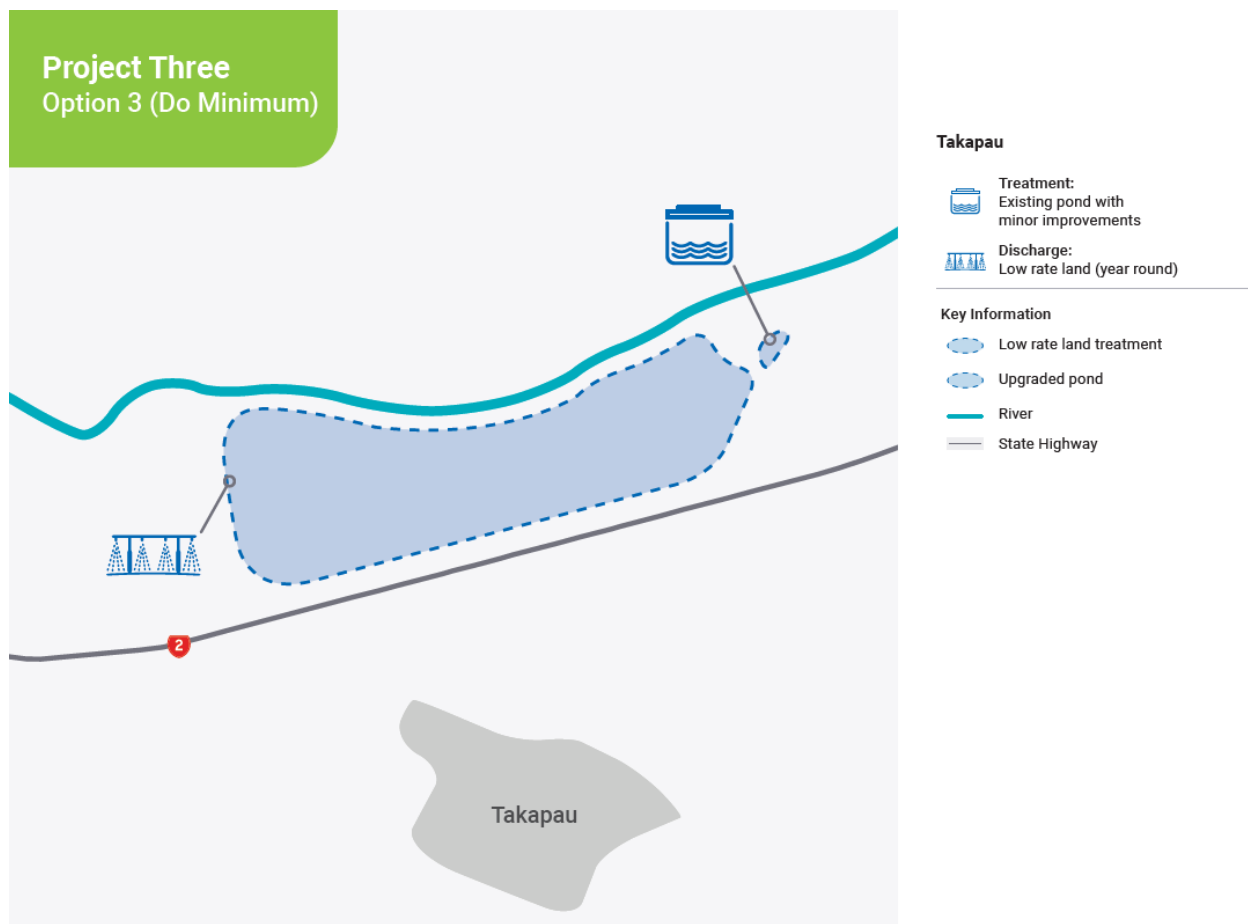
This option would likely see us requiring to further invest in wastewater treatment plants in the next 10 years, in the event that only a short resource consent was granted or new legislative requirements for water quality were enforced. This option also does not allow for the projected population growth we expected to see across the district.

#### Waipawa, Waipukurau and Otane



**Porangahau and Te Paerahi**



**Takapau****Submissions:**

1	Zara Mackey	85	Noel Pederson	161	Kingston
2	Hayley Webster	86	Robin Horder	162	Haamiora Nukunuku
3	Jehoshaa Monegro	87	Meg Mackenzie	163	Zoey
4	Jemma Nesbit	88	Jan Wroe	164	Rapata Te Pania
6	Courtney Green	90	Sally Harding	165	Bob Kerins
7	Ben Waugh	91	Sandra Fleming	166	Kristin Yoldash
8	Ihipera Rua	92	Jensen	167	Terry Hare
9	Greta Minehan	93	V Leach	168	Heather-Anne Tidey
11	Danielle Hemi	94	DE and HM Whitney	169	Dora Player
12	Rita Simiona	95	Brian and Marion Peterson	173	Tony Robson
13	Lydia Bucknell	96	Jude Grant	174	Louise Field
14	Lachie Kirk	97	Lisa	175	Lynnette Dewes
15	Ollie Wichman	98	Penny Single	176	Vicky Harding
16	Eden Lambert	99	Barry Middleton	177	Miriam Howarth
17	Mitchell Thompson	100	Melissa Price	178	Graham McHardy
18	Amalia Stevenson	101	AK Hansen	179	Simone Tang
20	Jackson Baylis	102	Ben Douglas	181	Kathryn Bayliss
21	Emma Giddens			182	Kirsty Taiaroa

22	Emma Thomsen	103	Mike Harrison	183	Charles M Nairn
23	Ramona Lively-Masters	104	Serena Ann Spencer	184	Murray Howarth
24	Haylee Gray	105	Rebecca Jane Watt	185	Andrea Mooney
25	Isaac Marshall	106	Jacqueline Naylor	186	Dean Hyde
29	Stuart William Davies	107	Shona Thompson	187	Rea Arona
30	Warwick Greville	108	Patricia Ann Price	188	Ross and Margaret Munro
31	Helen Burgin	109	James Pretty	189	Jensen
32	Wendy Milne	110	Nikau Hill Station	190	Adam Allington
33	Erina Sciascia-Bland	111	Danielle O'Shaughnessy	191	Jackie Scannell
34	Ruth and Bruce Parker	112	Vaughn Thomson	192	Tania Arona
35	Benjamin Hall	113	Tim Gilbertson	193	S Johnston
36	Gordon O'Neale	114	Shona Crooks	194	Rachel Hornblow
37	Chrissy Malcolm	115	Patricia Sellers	195	A M Banks
38	JT and LD Jansen	116	Peter Robson	196	Jenny and Tony Feather
39	Nathan Mckenzie	117	Maurice Groot	197	Bill Hale
40	David Dicks	118	David Bane	198	Geert Gelling
41	Jessica Draper	119	Reuben George	199	Sara and Stephen Ellis
42	Peter Seligman	120	Aimee Congreve	200	Peter and Viv Paton
43	Hayden Berryman	122	David Bishop	201	Robbie Christiansen
44	Bruce McGechan	123	Deborah Mason	202	Tracy and Andrew Gay
45	Kaye Harrison	124	Donna Hossack	203	Biodiversity Hawke's Bay
46	Sandy Gilbert	125	Di Petersen	205	Sport New Zealand
47	Ben Clist	126	Lorelei Hennessy	206	James Leigh
48	Bob Alkema	127	Teresa Makris	207	Benita
49	Christopher Bath	128	Wendy Gough	208	Neen Kennedy
50	Peter Watson (1)	129	Peter Hallagan	209	Nicole Ellison
51	Peter Watson (2)	130	Sue Kaan	210	Marti Eller, Gillian Eller, Mark Eller
52	Rex Pickering	131	Betina Barber	211	Clint Deckard
53	Robyn McLeod	132	J & D Curtice	212	Karen Olsen-Mills
54	David Taylor	137	Lorraine Watson	213	Alice Bellamy
55	Gary Leach	133	Catherine Pedersen & Tony Ward	214	Lathan Wroe
56	Tim Witton	134	Nic & Karen Bedogni	215	Forest and Bird
57	Stephen Thomas	135	Peter Missen & Wendy Yambaki	216	Federated Farmers
60	Chad Bauer	138	Martin Lord	217	Sarah Giddens and Espen Kristensen
61	Jamara Dhull	139	Frances & Stephen Ulyatt	218	Elsa Ironside
62	Emma Mason-Smith	140	Cornelia van Falier	219	Sport Hawke's Bay
63	Marcia Mackrell			220	John Kyle
64	Sean Jackson Power				

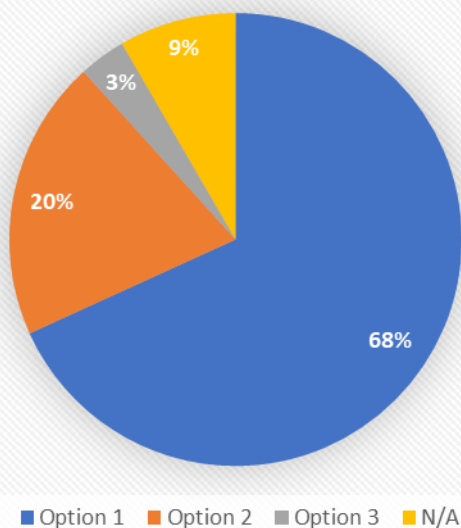
65	Liam Worsford	141	Keri Rophia	221	Graeme and Margaret Black
66	Kevin Rowell	142	Forrest Ropiha	223	Terry Kingston
67	Leslie Peni	145	Donna Dahm	224	Mike Shivan
68	Glenda Houston	146	Phyllis Tichinin	225	CHB District Community Trust
69	Ron King	147	Elliot Peacock	226	Trish Giddens
70	Stacey Thomas	149	Ian Franklin	227	David William Cooke
75	Jo-Ann Hardwick-Smith	150	James Parsons	228	Diana Hollis
71	Marjon Greenwood	151	Sjoerd Gorter	229	Anne Wallace
72	Ian Hawkes	152	Andrea Thomson	230	D J Williams
73	Valerie Norris	153	Sue McLeod	231	Shelley Burne-Field
74	Callum Slavin	154	Warren Bayliss & Cecylia Rymarczyk	232	Chris Davis
76	Tina Keeling	155	Margaret Isabella Fletcher	233	CHB Settlers Museum
77	Maria Lincoln	156	Alan Keate	234	Dr Trevor Le Lievre
78	William Irving Peacock	157	Phillip Knight	235	Stephenson Transport Limited
79	David Lewis	158	Graeme J E Pedersen & Kathleen A Pedersen	236	W M Henderson
80	Renee O'Sullivan	160	Jesse Palmer	237	CHB Rugby and Sports Club
81	Gina Prosser			238	Ned Malcolm
82	Lyn Horspool			239	John McLean
83	L Guy and R Bell				HBRC

### Summary of Submissions:

Of the 239 submissions received on the Long Term Plan, 219 identified a preferred option for the planning and funding of wastewater upgrades. 20 submitters did not pick an option.

Of the 219 submitters, 58 provided additional feedback and commentary with their submission – below is an analysis of the commentary and feedback related to each option and themes that were identified.

### Challenge 1 - Support by Option



#### Analysis:

##### Topic 1 – Support for Option 1

68% or 163 submitters supported option 1 – To implement a 15-year plan to upgrade our wastewater plants and remove wastewater discharges from waterways. Some of the key matters raised by submitters in support of this option included:

2	Hayley Webster	12 year WW option?
19	Graeme Perry	Although ticking option 1, the reality is that those of us in Rural communities will see no direct benefit to us, despite having to fund the resolution for those that live in the townships. You'll argue that cleaner waterways will benefit all -yes they will -however the burden of cost should be borne by those who use the dilapidated systems, not spread across the entire District. Council may have to look at a split rating system rather than a one-size fits all option
24	Haylee Gray	More Time = Better Quality
44	Bruce McGechan	I agree that the cost for the overall plan should be covered by debt financing. Current ratepayers should not be burdened with the full cost through rates.
47	Ben Clist	Council needs to outline the investigation conducted into why the previous investment went wrong and offer assurances that the new plan is not going to result in the same outcome.
48	Bob Alkema	Council should also explore an option spreading the upgrade over a longer period, say 20 years. This further spreads the impact on property rates. CHB is not alone in facing this historic under-investment in the three waters infrastructure -the risk is all councils initiating a similar improvement programme calling on limited resources (if the construction sector can't gear up quickly enough) resulting in higher costs.
49	Christopher Bath	Ratepayers will already have been shocked by the annual rate increases therefore Option 2 is a non starter.
54	David Taylor	Will Waipawa see any improvements? My end of town is in a state, smelly

		sewage and broken footpaths
62	Emma Mason-Smith	I am very pleased to hear that this is the future for CHB with the wastewater. It has been a long time coming to address this issue properly and hopefully our waterways will be clean for the next generation to enjoy.
72	Ian Hawkes	Spreads the burden over time and still gets a good final clean result.
82	Lyn Horspool	Thank goodness we have a Council who is prepared to make the big infrastructure decisions that will benefit us all. Keep up the great work!
85	Noel Pederson	You have to. If only it was done properly the first time
104	Serena Ann Spencer	My understanding is that all new housing developments have to supply their own water and waste solutions. How will water rates be portioned out? Will those developments have lower water rates? In my current situation, I pay full water rates but supply my own water via tank. Our house has town water to one (1) toilet and to the garden, whereas the rest of the house and drinking water is via our tank. Would we still pay full water rates under the new system?
113	Tim Gilbertson	<p>1 Water metres should be installed on all water connections and water charged per cubic. It is inequitable to charge one section of the community only.</p> <p>2 Water tanks should be retrofitted to all existing dwellings with financial assistance from CHBDC.</p> <p>3 CHBDC should be looking to share services in all areas with the other 4 councils in Hawkes Bay to improve services and reduce costs as required by law under the triennial act of 2003 (?). Highest savings are achievable in high cost services such as water.</p> <p>4 Council should peer review, audit and monitor closely all professional services to avoid capture by providers, which is a common fate among monopolies such as CHBDC.</p> <p>5 Are hard Engineering solutions the best answer? Wetlands and biological processes may be better. Engineers love concrete and pumps and spending, CHBDC has been down that road before and it was a disaster.</p>
122	David Bishop	<p>a) For wastewater/sewage treatment in Waipukurau, I totally recommend a standalone treatment plant (primary stage: up to milli screening separation of solids stage; or complete treatment) to service the industrial area of Waipukurau, primarily the meat processing factories that are a major contributor of waste to the Waipukurau treatment plant. It is these factories that seemingly cause the overloading issues, time and time again at the Waipukurau wastewater treatment plant. Further industry can then be encouraged to set up in this zone, due to provision of this on-site wastewater/sewage service.</p> <p>b) For wastewater/sewage from new subdivisions, this as a cost on the subdivision should be primary treated (e.g. milli-screened with solids to landfill) on-site before entering Councils wastewater infrastructure. There are small scale milli-screening systems available for use in subdivisions.</p> <p>c) For town produced sewage, this should be primary treated (i.e. milli-screened, with solids to landfill) at several locations before being transported to the sewage treatment facility.</p>

		<p>d) I would like to treat wastewater discharged to land, provided effluent does not infiltrate into the aquifer. On land, plantations of - e.g. fast growing coppicing gum trees—should be grown to use such effluent. The gum trees should be on topography such that they are able to be cropped every decade for firewood, and discharges do not impact on nearby waterways.</p> <p>e) Using the Farm Road landfill (+ any new sites) for placement of milli-screened solids, will result in more greenhouse gases from decomposition. Use of a gas retaining membrane progressively over the refuse site, should enable greenhouse gases to be captured and while burning them for electricity does release carbon dioxide, this gas should be captured through the electricity generation process.</p> <p>f) Sequester the carbon from CO2 from landfill greenhouse gas electricity generation, by best practise industry means</p> <p><b>Feedback on draft LTP:</b></p> <p>i. an integrated wastewater treatment plant appears to have merit serving Otane, Waipawa, and Waipukurau; then with discharge of treated wastewater to land.</p> <p>iii. I promote the disposal of milli-screened solids from main towns, at landfill;</p> <p>ii. I much prefer the industrial area of Waipukurau has a standalone treatment plant serving the industry located there. Please cost this as an alternative option and present it back to the community!</p> <p>iv. Option 1 is supported, in preference to Options 2 &amp; 3.</p>
126	Lorelei Hennessy	Your options above and below are coercive and imbalanced to ensure people choose what you want them to choose the proposed rates are very expensive and is too much of a hike from what the current rates are. I am ok for a rates increase, but not as much as this
132	J & D Curtice	Anything that increases our rates by too much is going to be a massive hit to our family. We are a family of 6 on 1 income
141	Keri Rophia	I like the 10 year plan, but felt it unfair to choose, this is due to the cost as I am not a direct rate payer
142	Forrest Ropiha	Unfair to choose the 10 year plan (for me) because of the changes to rates, which I do not pay - otherwise I would choose 2
148	Gerard Pain	Rates already unaffordable for resident on fixed/ reducing incomes, a district growth strategy and higher rates will be of no use to them when they have to sell up and leave
159	Daniel & Heidi Repko	Based on the Councils preferred options in the 10 year plan, our rates will more than double in 10 years (from \$3500 to \$7600). As pensioners on a mostly fixed income there is no way I/we will be able to pay for that. It will probably mean we will have to sell and move elsewhere. We are dreading this. In can see the Councils dilemma, but that doesn't make it acceptable to us. Re the waste-water upgrade; We feel obliged to choose option 1,

		however can't that be spread over a longer period eg 20-25 years? Furthermore, a number of years ago we were convinced by the then Council the water treatment plant(s) we currently have the way to go. Now we know we were sold a lemon eg incompetent decision making. How do we know that this time around the same isn't going to happen again? (Sorry to be so blunt)
167	Terry Hare	Wastewater is one of the primary essential service issues for residential and commercial properties the longer period to upgrade I believe is the best option because it also gives time to consider new technology and ideas that may be beneficial to reducing waste contamination and cost.
170	Robert McLean	The pumps that pump waste are dependent on electricity, what about power outages, earthquakes
171	Neil Bayliss	Spreads the burden forward
175	Lynnette Dewes	also smoke testing of each house to see who is still putting stormwater straight into the sewerage...
184	Murray Howarth	This is the priority project
186	Dean Hyde	I support what is proposed in the Plan and would like to specifically comment on the following: -The provision of a single treatment plant for the communities of Otane, Waipawa and Waipukurau makes so much sense. -Irrigation onto land of treated wastewater is a far more intelligent use of this precious resource rather than discharging into waterways.
197	Bill Hale	Stop dumping into the makaretu as Takapau is the southern dump station worth considering consultation - I would strongly oppose aerial discharge of treated wastewater in any form
200	Peter and Viv Paton	I have seen some of your figures for doing this and the costs seem to be astronomical - could the figures for doing this be published
201	Robbie Christiansen	Fine people discharging illegally. Introduce user pays for water and new sewage connections
210	Marti Eller, Gillian Eller, Mark Eller	This is really important work, but we'd rather it is spread across a longer time period, and done right, then rushed.
221	Graeme and Margaret Black	A pity more people didn't take advantage of the bus tour - well worth it
222	Owen Spotswood	The next generation needs to assist in paying for the infrastructure upgrade
	Hawkes Bay Regional Council	A verbal submission was made by HBRC on 22 <sup>nd</sup> April 2021 – supporting the overall investment programme and the need to balance affordability constraints, while cautioning CHBDC of the need to implement the programme to achieve improved outcomes from the wastewater systems.  The enforcement order issued in 2016/ 2017 and that CHBDC responded to in 2019 outlines the investment programme and solution required to upgrade the systems – this needs to be delivered on to meet compliance with the enforcement order – HBRC reminded CHBDC of this.

## Trend and Analysis

Of the 163 who submitted in favour of Option One – to deliver the programme within fifteen years, 33 provided some form of written feedback.

The trends are outlined below;

- Concern with the financial impact of the proposed project
- Some felt it the most appropriate solution to balance affordability and achieve outcomes.
- A number that supported the concept raised concerns with previous solutions and investments.
- A number agreed it was an appropriate timeframe to spread the financial burden across generations.

Officers review confirmed that option One was by far the majority and supported preferred option Council had put forward to best address the programme of works required. The programme allows for the complimenting activities in the trade waste and flow management space to take place over the first five years that will inform the design basis of the 'treatment plant' component of the investment programme.

## Topic 2 – Support for Option 2

21% or 48 submitters supported Option 2 – To implement a 10-year plan to upgrade our Wastewater Plants and remove wastewater discharges from waterways. Some of the key matters raised by submitters in support of this option included:

30	Warwick Greville	Hi I Support the 10yr plan but please be upfront with projected rated increase over that period as any increase compounds on the previous. Please tell us total rates increase ie \$ 150%? Or what over 10 years
42	Peter Seligman	We need to clean up the waterways as fast as possible. It is truly a national scandal and something that the whole country should be quite ashamed of, especially given the image we like to project to the world (Lush, green, pure etc)
71	Marjon Greenwood	I think the impact on the waterways of the longer time frame will be too detrimental, but am very much aware that I am in a position to carry the larger increase in rates and not everyone is
87	Meg Mackenzie	Wastewater discharges should be removed from waterways as soon as possible. I don't think this is something we can afford to muck around with.
102	Ben Douglas	It's been put off for too long already and needs sorting. This period of rapid population growth and development resulting from people moving to CHB from other areas is the perfect time to do it. It would be tragic to think that in a time of skyrocketing house and land prices when so much money is being made that we can't afford to sort out the basics.
103	Mike Harrison	Cleaning up our waterways should be a priority
183	Charles M Nairn	This should be done as soon as possible
190	Adam Allington	Although ticking option 1, the reality is that those of us in Rural communities will see no direct benefit to us, despite having to fund the resolution for those that live in the townships. You'll argue that cleaner waterways will benefit all - yes they will -however the burden of cost should be borne by those who use the dilapidated systems, not spread across the entire District. Council may have to look at a split rating system rather than a one-size fits all option.



191	Jackie Scannell	This should not wait - the problem is getting worse, from compounding impacts over time. The spread of costs across generations - more equitable if front loaded when more people are investing in the region. The improvement will improve the attractiveness to the district
202	Tracy and Andrew Gay	Look after our waterways quickly please I want to be able to let my grandchildren to swim and catch trout downstream from Waipawa ASAP
204	Louise Phillips	I congratulate the CHBDC on taking the bold step to commit to wastewater upgrades despite the unpopularity of rate increases. These infrastructure issues cannot be ignored for the sake of political expediency, which passes on the cost to future generations. Any upgrades must ensure that the health of our waterways is paramount, therefore I would prefer option 2 (A 10-yearplan)
209	Nicole Ellison	Removing wastewater discharges from our waterways must be a priority and 15 years is just too long
211	Clint Deckard	Getting human waste from our rivers and streams should be a priority. The relatively small extra cost to achieve this could be covered in a variety of ways to ensure the financial burden was minimised for affected ratepayers. Our waterways are in a degraded state and it is past time that meaningful improvements were made. 15 years is just too long to wait. The challenges faced by the district's wastewater should be an opportunity to 'reset' how we deal with wastewater and stormwater. Council should be embracing alternative methods to deal with waste. Composting toilets, separating grey water from sewerage and alternative treatment systems should be explored and encouraged as a way to reduce the load on the wastewater treatment system.
215	Forest and Bird	<p>9. It is no longer, if it ever was, acceptable to dispose of human waste in waterways. This seemingly small shift in expectations requires a large change in practice. That the previous iteration of the wastewater treatment plants were never going to meet consent requirements demands that a new approach be taken.</p> <p>10. Discharging wastewater, no matter how treated, into waterways is not acceptable.</p> <p>11. We prefer Option 2.</p> <p>12. The relatively small increase in per user cost ensures wastewater is removed from our waterways sooner.</p> <p>13. Other ways to fund the small differential could be found e.g. non-connected users could contribute for a fixed period of time.</p> <p>14. Further, whilst we applaud the suggested requirement for rainwater collection tanks on new urban houses, we believe Council should be bold and go further. Enabling and promoting the use of alternative systems for wastewater could help to reduce the demands on infrastructure.</p> <p>15. This would include composting toilets or on-property treatment facilities. Greywater systems and composting toilets could be an important part of the solution and should be simple to install and use in Central Hawkes Bay.</p>

	<p>16.CHBDC should be taking up Central Government's offer to invest in regional three waters infrastructure by signing up to potential three waters management reform.</p> <p>17.CHBDC should be lobbying Central Government for assistance to meet standards.</p> <p>18.This problem is not limited to CHB: numerous wastewater treatment plants (WWTP) across Aotearoa discharge directly to freshwater environments and non-compliance with environmental standards is widespread. Freshwater quality across the country is severely impacted as a result. Forest &amp; Bird consider this an archaic and disappointing situation to be in. Discharges to WWTPs that do not comply with standards set in local bylaws only exacerbate this issue, increasing the pressure on plant operators and making it harder for them to meet environmental standards.</p> <p>19.Unfortunately, there is a legal loophole surrounding trade waste bylaws, as referenced in a recent Radio New Zealand (RNZ) exposé on companies' compliance with bylaws across the country, and the impact this has on wastewater treatment plant (WWTP) operators' ability to meet environmental limits set by regional councils.</p> <p>20.Forest &amp; Bird understands this loophole in the law prevents local governments issuing fines to non-compliant dischargers of wastewater to their networks and treatment plants. Councils are therefore limited to simply recovering any costs the breach might have resulted in (such as additional cleaning required to make the plant fully operative if its function was impacted by the breach) or taking the issue to the courts, at significant cost.</p> <p>21.In response to this issue, Local Government New Zealand (LGNZ) has suggested to numerous Ministers since 2002 that a law change is necessary to allow local councils to fine non-compliant companies. Addressing the issue requires a relatively simple amendment to section 259 of the Local Government Act 2002 to allow regulations to be made prescribing breaches of council bylaws that are infringements under the Act. We understand LGNZ has made this same request of the current Minister, yet the law still has not been changed.</p> <p>22.We implore CHBDC to continue lobbying LGNZ, local MPs, and the Minister for Local Government to undertake a law change to allow council to fine those companies and organisations that are not complying with trade waste bylaw requirements. This would hopefully result in better compliance with trade waste bylaws, less stress on the WWTP, and fewer costly failures (or fewer non-compliance events). It would also allow CHBDC to recover costs of problems more readily.</p>
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### Trend and Analysis

Of the 48 submitters who supported Option Two to deliver the programme in its entirety within ten years – 14 provided written feedback in support of their submission.

The trends are outlined below;

- Environmental outcomes at the heart of the submissions
- Concerns with the financial impact

Officers review of the submissions and feedback notes the financial impact that this Option would add to the community, and in the risk analysis further in this report this remains a risk of great concern.

### Topic 3 – Support for Option 3 or Did not pick an option

3% or 8 submitters supported Option 3 – to do the minimum to meet current legal compliance, but as a minimum remove wastewater discharges from waterways. Some of the key matters raised by submitters in support of this option included:

138	Martin Lord	We have our own septic tanks and do not contribute to wastewater. Are we going to have to pay for other people's wastewater problems? To stop an increasing wastewater problem you could insist that all new builds are provided with septic tanks and take care of their own wastewater.
151	Sjoerd Gorter	I am of the view that the council does not have the expertise or management skills to run this part of Hawkes Bay. Having a say is a good democratic thing. But who has any expertise in sewage plants and or the supply and treatment of drinking water? Why are farmers allowed irrigating their crops in the middle of the day in full sun and emptying the aquifer? We need expertise because people who are elected to council are out of their depth. Good examples are upgrading a pool in Waipawa just down the road from Waipukurau. The libraries are also a fiasco etc etc. There is just too much duplication. Popular by the voters but the end result is that what needs to be done does not happen, because the till is emptied by doing low priority jobs because it looks good. Those millions could have been used to make a start on the upgrade of the sewage pipework in town and or the sewage plant. Our population base is too small for the large projects. We simply cannot afford it. All councils in this area should be amalgamated into one, so we will have the management skills and financial resources to get things to happen. What is the point of a ten-year plan if you do not have the cash to make it happen? If you think you can just keep increasing the rates, means the council is completely out of touch with the local population. This is New Zealand; we should have the same facilities as the bigger towns. We should not be disadvantaged in any way because we are a small town. I have lost count as the number of rate increases as well as plans to fix the sewage plant. It is still a hazard and needs upgrading.
166	Kristin Yoldash	Option 4: This plan is not profitable for our elderly or our children, it is burdensome and I cannot in good conscience support it....You need a plan that sees a profitable and beneficial outlook to our future in Central Hawkes bays not something that seems to want to just comply with regulations which is upgrades that plunge us into debt...we need to create our plans for our people with the respect we all deserve, our waterways should be considered high on our list as it deserve the respect of a life source that governs our physical needs, yes you have upgrades but not a real plan around water protection and security.. also, there seems to be no interest in offsetting the cost by investing in \$\$\$ to generate ideas instead you seem to have set your mind on debt and copying a failed Auckland City Council. That is no solution for the people of Central Hawkes bay as we want services but if those services become a huge burden to rate payers then go back to the drawing board and do a better job at planning. Your plan will increase homelessness, or poverty, although debt is the easy answer for you, it will be an additional burden for us, we didn't move here to have to pay the same rates as Havelock North, when we have none of the services or the land values as

		<p>Havelock North....Investing in businesses and partnering with iwi and others businesses seems to be the future proof of increasing growth, and paying for infrastructure, so a few ideas are buy carbon credits to offset costs for waste management, invest in bottling and selling water so the profits can be used so future revenues which will be able to offset costs...build more subdivisions not just in Waipukurau. I can also think of cutting costs such as reduce the number of people working for the council, reduce wages...Since we do not have the population to sustain our needs we really need to go back to the long term planning and re do it as it should be a living plan with some flexibility to really design a more comprehensive solution that is not some quick fix job and which seems more reactionary than long term planning. Last year you already increased our rates by \$300 for your long term plan to upgrade the treatment plant which was as I understand is done already, now you want to do it again?? So something is missing in your narrative? I should get a decrease cause last year's rates paid for that upgrade. Your estimates for another increase seem ridiculously high.</p>
182	Kirsty Taiaroa	<p>Our rates money has not been used wisely to date, landowners and farmers cannot afford this. Do you want to see farmers off the land and replaced by pine forests to offset China's carbon footprints? Now councils are paying into 'Green' and 'carbon' costs to central government and international groups/agendas.</p>
192	Tania Arona	<p>Option 3 should be done anyway and not be an option</p>

8% or 20 submitters did not choose an option – while this may have been oversight, some chose to withhold from an option due to the options not meeting their preference for the future of the matter. Some of the key matters raised by submitters in support of this are included:

121	Anthony Clouston	<p>Establish environmentally friendly ways to dispose of our collective hard and soft wastes.</p>
181	Kathryn Bayliss	<p>I oppose all of the options. I think CHBDC should upgrade our wastewater plants and remove wastewater discharges from all waterways within 1-3 years. The loans can still be repaid over a longer period of time to spread the financial burden of upgrades. CHBDC pleaded guilty for breaching its wastewater resource consents in July 2017. Remedies for our wastewater discharges are long overdue. It is shameful CHBDC is still discharging wastewater into our waterways. Wastewater put on land also needs to be treated to a high standard to help stop the risk of contaminating the groundwater and land. In the Consultation Document the cost is misleading as it shows Option 1 as the cheapest when in reality the overall cost to complete the work will most likely be more. The cost only shows 10 years but the work is not finished. Option 2 covers the cost and it finishes the planned work. The longer it takes to upgrade our wastewater plants and remove wastewater discharges from all waterways the higher the risk of increased costs, higher interest rates and inflation. Paying off borrowings are likely to be more expensive over the longer term. In Long Term Plan 2021-31 Consultation Document, Page 165, the LTP Infrastructure Strategy outlines the upgrade of our wastewater plants and removal wastewater discharges from all waterways in less than 10 year.</p>
187	Rea Arona	<p>Stop Selling Our Water' - Water is Life - Water = Parks, Toilets, Everything needs Water (Why Give Options??)</p>
216	Federated Farmers	<p>We are alarmed that wastewater infrastructure improvement will need \$68.2 million of capital expenditure over the next 10 years.</p>

		<p>Central Hawkes Bay has been allocated \$11,090,560 by the Government from the Three Waters Investment Package Funding.</p> <p>For comparison, Wellington City has been allocated less at \$10,885,693. A small council like Grey District is only receiving \$1,921,000.</p> <p>Grey District has a similar population at 13,750 compared to 14,850 people in Central Hawkes Bay.</p> <p>Comparatively, Central Hawkes Bay has received a generous allocation from the Government.</p>
231	Shelley Burne-Field	<p>Rally against a 7.8% average rates rise! Push back and say enough is enough. Face the facts that our Council is simply spending above its means. DEFER unnecessary capex projects - 80% of our wastewater and drinking water infrastructure is mid-life. Right now is NOT the time to 'be bold' and spend up large. Be conservative and re-group until assumptions can be fleshed out e.g. three waters reform.</p>
232	Chris Davis	<p>Given this there is no point embarking on new wastewater schemes or renewals programmes that may well be overturned by decisions taken by the new entity. Consideration of scale may lead to different options being pursued by the new entity.</p> <p>The proposition that removing wastewater discharges from waterways is an absolute must for council is wishful thinking, flawed, and unlikely to be realised. Wastewater is primarily water so at some point it will find its way to a water course, no matter what means of treatment process it goes through. Whilst the community may prefer to avoid discharge to waterways the reality is somewhat different.</p> <p>Discharge to land is fraught with difficulties and very expensive. It will require significant conventional treatment facilities and processes to treat the wastewater to a stage where it could be clean and safe enough to be irrigated on land. The disposal to land of the wastewater effluent is at the end of the treatment process, it is not an effective treatment methodology in its own right.</p> <p>The combined communities of Otane, Waipawa and Waipukurau together with the significant amount of industrial waste, with its high BOD loading, have really outgrown the use of basic small community oxidation ponds. More appropriate conventional treatment processes are now required and will most certainly be the focus of the new 3 Waters entity and the water regulator, Taumata Arowai.</p> <p>Council previously considered a conventional treatment scheme but it was dismissed due to high cost and subsequently an unsuitable low technology approach was implemented, which duly failed to do what it was supposed to do, all at a wasted cost of \$10M.</p> <p>The result of all this is we are now looking at a massively more expensive treatment solution to resolve the districts wastewater issues, the cost of which is well beyond the ratepayers' ability to pay, even if the cost is debt funded as the debt servicing costs (\$17.5 + \$10.8M) bring the overall project cost to almost \$100M. This will be crippling for the community and is simply not sustainable for a small community like CHB.</p> <p>Given that Takapau is not a huge distance further from Waipawa compared to Otane there seems some logic in also connecting Takapau to a central treatment plant at Waipawa, thereby reducing overall operating costs. An issue that still needs to be addressed is the cross subsidisation of the</p>

		<p>industrial wastewater generators who have never paid their fair share of disposal costs.</p> <p>They generate high BOD loadings, much greater than residential loadings, and yet council has never charged then adequate Trade Waste charges.</p> <p>In theory avoiding discharge to waterways is a nice to have but the reality is that it doesn't work in practice. The treated wastewater effluent would need a massive receiving land area to accommodate the daily effluent discharge. And even so the soils would soon become saturated and not able to cope with additional effluent.</p> <p>There is only so much moisture soils can absorb before they become water logged. Added to this is the naturally occurring rainfall which also creates saturation, and rising water tables that prevent further soakage. Discharge of the effluent cannot be stopped because the soils can no longer accept any more liquid without ponding or flooding. What happens then to the effluent that can no longer be absorbed?</p> <p>The inevitable situation would likely arise where the soil can no longer accept the effluent so that surface runoff then occurs, which eventually finds its way to the nearest watercourse, thus defeating the whole objective of no discharges to waterways.</p> <p>There is a current drive to clean up waterways in NZ so that a proposed discharge to land scheme that is bound to fail most likely will not be supported as a sensible and viable option.</p> <p>For these reasons I do not support any of the 3 options proposed. The discharge to land aspect will not be cost effective or viable and should not be pursued. A 15 year proposal would be better, provided it did not have the discharge to land component. Having already wasted \$10M council would not want to have the embarrassment of a failed \$100M discharge to land scheme.</p> <p>As I have previously noted council would be wise to defer any wastewater decision until the implications of the new 3 waters entity are known.</p>
234	Dr Trevor Le Lievre	<p>Concerning infrastructure upgrades, I support option 4 to halt the upgrades and seek an alternative funding avenue before continuing.</p> <p>Council propose building an integrated treatment and discharge wastewater system for the townships of Otane, Waipawa and Waipukurau, which will irrigate to a single land site. This is an exciting concept, and I fully support and commend Council for their enlightened promotion of land based effluent disposal. The proposed engineering solutions have apparently been worked on for several years; however, there is no detail in the LTP about what these are? More transparency and better communication is required concerning the preferred system.</p> <p>The most environmentally friendly engineering solutions should be adopted, with cost a secondary consideration. I submitted in the 2016-2017 Annual Plan in favour of implementing a Sequencing Batch Reactor (SBR) system on grounds of operational flexibility (i.e.able to be modified depending on influent and effluent requirement) and low footprint. As far as I am aware, the SBR system remains best practice technology.</p> <p>Council's budget for this, along with other work to Porangahau, Te Paerahi and Takapau, is \$68.2 million over 10 years (i.e. 24% of projected capex of \$288 million).</p> <p>This is a substantial amount, and not within the capacity of Central Hawkes</p>

		<p>Bay ratepayers to finance.</p> <p>Yet, the work is an immediate and absolute priority. Our waterways, already under unsustainable ecological pressure, demand an effective solution that will create an environmentally sustainable legacy for future generations. Further, it is unfair that the rural agricultural enterprises in our district are being regulated as to discharges into waterways, under the HB Regional Council's Plan Change 6, while the towns continue to discharge unsafe levels of ammonia into our main rivers.</p> <p>This work needs to commence as soon as possible, ideally within the next 2-3 years. Council's options for either a 10 year or 15 year build are untenable. A business case should be finalised and presented to both the local government and environment ministers, with a request for funding, possibly under the next tranche of Three Water Reform funding.</p> <p>If an in-principle agreement can be obtained, a loan can be secured to commence work immediately, until the finalisation and release of funding.</p>
235	Stephenson Transport Limited	<p>Concerns around the CAPEX charge introduced as part of the Wastewater funding via the Trade waste bylaw.</p> <p>Submission noted here, but covered in detail in the Trade Waste bylaw report.</p>

### Trend and Analysis

Of the 22 submitters who supported either Option Three (Do Minimum) or refrained from picking an option, 7 provided written feedback in support of their submission.

The trends are outlined below;

- Major concerns with affordability of any of the options
- Concerns with the previous investments
- Questions around the local experience and capability to deliver the programme
- Proposed alternative solutions
- One piece of feedback imploring council to deliver the investment within 3 years

Officers review notes the significant financial impact all the options propose for the community, the investment programme is required to meet compliance, regulatory, growth, community, environmental and cultural outcomes and aspirations.

It is therefore recommended that although Option Three is the lowest impact it does not meet all the outcomes or aspirations that Option One or Two would.

Council has engaged industry experts to deliver.

### Topic 4 – Affordability and Rating

Of the 54 submitters who provided written feedback, it was noted 12 provided commentary in relation to them 'Affordability and Rating' their comments are below;

19	Graeme Perry	<p>Although ticking option 1, the reality is that those of us in Rural communities will see no direct benefit to us, despite having to fund the resolution for those that live in the townships. You will argue that cleaner waterways will benefit all -yes, they will -however the burden of cost should be borne by those who use the dilapidated systems, not spread across the entire District. Council may have to look at a split rating</p>
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		system rather than a one-size fits all option
30	Warwick Greville	Hi I Support the 10yr plan but please be upfront with projected rated increase over that period as any increase compounds on the previous. Please tell us total rates increase ie \$ 150%? Or what over 10 years
44	Bruce McGechan	I agree that the cost for the overall plan should be covered by debt financing. Current ratepayers should not be burdened with the full cost through rates.
49	Christopher Bath	Ratepayers will already have been shocked by the annual rate increases therefore Option 2 is a non-starter.
104	Serena Ann Spencer	My understanding is that all new housing developments have to supply their own water and waste solutions. How will water rates be portioned out? Will those developments have lower water rates? In my current situation, I pay full water rates but supply my own water via tank. Our house has town water to one (1) toilet and to the garden, whereas the rest of the house and drinking water is via our tank. Would we still pay full water rates under the new system?
126	Lorelei Hennessy	Your options above and below are coercive and imbalanced to ensure people choose what you want them to choose the proposed rates are very expensive and is too much of a hike from what the current rates are. I am ok for a rates increase, but not as much as this
132	J & D Curtice	Anything that increases our rates by too much is going to be a massive hit to our family. We are a family of 6 on 1 income
148	Gerard Pain	Rates already unaffordable for resident on fixed/ reducing incomes, a district growth strategy and higher rates will be of no use to them when they have to sell up and leave
166	Kristin Yoldash	Option 4: This plan is not profitable for our elderly or our children, it is burdensome and I cannot in good conscience support it....You need a plan that sees a profitable and beneficial outlook to our future in Central Hawkes bays not something that seems to want to just comply with regulations which is upgrades that plunge us into debt...we need to create our plans for our people with the respect we all deserve, our waterways should be considered high on our list as it deserve the respect of a life source that governs our physical needs, yes you have upgrades but not a real plan around water protection and security.. also there seems to be no interest in offsetting the cost by investing in \$\$\$ to generate ideas instead you seem to have set your mind on debt and copying a failed Auckland City Council. That is no solution for the people of Central Hawkes bay as we want services but if those services become a huge burden to rate payers then go back to the drawing board and do a better job at planning. Your plan will increase homelessness, or poverty, although debt is the easy answer for you, it will be an additional burden for us, we didn't move here to have to pay the same rates as Havelock North, when we have none of the services or the land values as Havelock North....Investing in businesses and partnering with iwi and others businesses seems to be the future proof of increasing growth, and paying for infrastructure, so a few ideas are buy carbon credits to offset costs for waste management, invest in bottling and selling water so the profits can be used so future revenues which will be able to offset costs...build more subdivisions not just in Waipukurau. I can also think of cutting costs such as reduce the number of people working for the council, reduce wages...Since we do not have the population to sustain our needs we really need to go back to the long term planning and re do it as it should be a living plan with some



		<p>flexibility to really design a more comprehensive solution that is not some quick fix job and which seems more reactionary than long term planning.</p> <p>Last year you already increased our rates by \$300 for your long term plan to upgrade the treatment plant which was as I understand is done already, now you want to do it again?? So something is missing in your narrative? I should get a decrease cause last years rates paid for that upgrade. Your estimates for another increase seem ridiculously high.</p>
182	Kirsty Taiaroa	<p>Our rates money has not been used wisely to date, landowners and farmers cannot afford this. Do you want to see farmers off the land and replaced by pine forests to offset China's carbon footprints? Now councils are paying into 'Green' and 'carbon' costs to central government and international groups/agendas.</p>
190	Adam Allington	<p>Although ticking option 1, the reality is that those of us in Rural communities will see no direct benefit to us, despite having to fund the resolution for those that live in the townships. You'll argue that cleaner waterways will benefit all -yes, they will -however the burden of cost should be borne by those who use the dilapidated systems, not spread across the entire District. Council may have to look at a split rating system rather than a one-size fits all option.</p>
200	Peter and Viv Paton	<p>I have seen some of your figures for doing this and the costs seem to be astronomical - could the figures for doing this be published</p>
231	Shelley Burne-Field	<p>Rally against a 7.8% average rates rise! Push back and say enough is enough. Face the facts that our Council is simply spending above its means. DEFER unnecessary capex projects - 80% of our wastewater and drinking water infrastructure is mid-life. Right now is NOT the time to 'be bold' and spend up large. Be conservative and re-group until assumptions can be fleshed out e.g. three waters reform.</p>
232	Chris Davis	<p>Given this there is no point embarking on new wastewater schemes or renewals programmes that may well be overturned by decisions taken by the new entity. Consideration of scale may lead to different options being pursued by the new entity.</p> <p>The proposition that removing wastewater discharges from waterways is an absolute must for council is wishful thinking, flawed, and unlikely to be realised. Wastewater is primarily water so at some point it will find its way to a water course, no matter what means of treatment process it goes through. Whilst the community may prefer to avoid discharge to waterways the reality is somewhat different.</p> <p>Discharge to land is fraught with difficulties and very expensive. It will require significant conventional treatment facilities and processes to treat the wastewater to a stage where it could be clean and safe enough to be irrigated on land. The disposal to land of the wastewater effluent is at the end of the treatment process, it is not an effective treatment methodology in its own right.</p> <p>The combined communities of Otane, Waipawa and Waipukurau together with the significant amount of industrial waste, with its high BOD loading, have really outgrown the use of basic small community oxidation ponds. More appropriate conventional treatment processes are now required and will most certainly be the focus of the new 3 Waters entity and the water regulator, Taumata Arowai.</p> <p>Council previously considered a conventional treatment scheme but it was dismissed due to high cost and subsequently an unsuitable low</p>

		<p>technology approach was implemented, which duly failed to do what it was supposed to do, all at a wasted cost of \$10M.</p> <p>The result of all this is we are now looking at a massively more expensive treatment solution to resolve the districts wastewater issues, the cost of which is well beyond the ratepayers' ability to pay, even if the cost is debt funded as the debt servicing costs (\$17.5 + \$10.8M) bring the overall project cost to almost \$100M. This will be crippling for the community and is simply not sustainable for a small community like CHB.</p> <p>Given that Takapau is not a huge distance further from Waipawa compared to Otane there seems some logic in also connecting Takapau to a central treatment plant at Waipawa, thereby reducing overall operating costs. An issue that still needs to be addressed is the cross subsidisation of the industrial wastewater generators who have never paid their fair share of disposal costs.</p> <p>They generate high BOD loadings, much greater than residential loadings, and yet council has never charged then adequate Trade Waste charges.</p> <p>In theory avoiding discharge to waterways is a nice to have but the reality is that it doesn't work in practice. The treated wastewater effluent would need a massive receiving land area to accommodate the daily effluent discharge. And even so the soils would soon become saturated and not able to cope with additional effluent.</p> <p>There is only so much moisture soils can absorb before they become water logged. Added to this is the naturally occurring rainfall which also creates saturation, and rising water tables that prevent further soakage. Discharge of the effluent cannot be stopped because the soils can no longer accept any more liquid without ponding or flooding. What happens then to the effluent that can no longer be absorbed?</p> <p>The inevitable situation would likely arise where the soil can no longer accept the effluent so that surface runoff then occurs, which eventually finds its way to the nearest watercourse, thus defeating the whole objective of no discharges to waterways.</p> <p>There is a current drive to clean up waterways in NZ so that a proposed discharge to land scheme that is bound to fail most likely will not be supported as a sensible and viable option.</p> <p>For these reasons I do not support any of the 3 options proposed. The discharge to land aspect will not be cost effective or viable and should not be pursued. A 15 year proposal would be better, provided it did not have the discharge to land component. Having already wasted \$10M council would not want to have the embarrassment of a failed \$100M discharge to land scheme.</p> <p>As I have previously noted council would be wise to defer any wastewater decision until the implications of the new 3 waters entity are known.</p>
234	Dr Trevor Le Lievre	<p>Concerning infrastructure upgrades, I support option 4 to halt the upgrades and seek an alternative funding avenue before continuing.</p> <p>Council propose building an integrated treatment and discharge wastewater system for the townships of Otane, Waipawa and Waipukurau, which will irrigate to a single land site. This is an exciting concept, and I fully support and commend Council for their enlightened promotion of land based effluent disposal. The proposed engineering</p>

		<p>solutions have apparently been worked on for several years; however, there is no detail in the LTP about what these are? More transparency and better communication is required concerning the preferred system.</p> <p>The most environmentally friendly engineering solutions should be adopted, with cost a secondary consideration. I submitted in the 2016-2017 Annual Plan in favour of implementing a Sequencing Batch Reactor (SBR) system on grounds of operational flexibility (i.e.able to be modified depending on influent and effluent requirement) and low footprint. As far as I am aware, the SBR system remains best practice technology.</p> <p>Council's budget for this, along with other work to Porangahau, Te Paerahi and Takapau, is \$68.2 million over 10 years (i.e. 24% of projected capex of \$288 million).</p> <p>This is a substantial amount, and not within the capacity of Central Hawkes Bay ratepayers to finance.</p> <p>Yet, the work is an immediate and absolute priority. Our waterways, already under unsustainable ecological pressure, demand an effective solution that will create an environmentally sustainable legacy for future generations. Further, it is unfair that the rural agricultural enterprises in our district are being regulated as to discharges into waterways, under the HB Regional Council's Plan Change 6, while the towns continue to discharge unsafe levels of ammonia into our main rivers.</p> <p>This work needs to commence as soon as possible, ideally within the next 2-3 years. Council's options for either a 10 year or 15 year build are untenable. A business case should be finalised and presented to both the local government and environment ministers, with a request for funding, possibly under the next tranche of Three Water Reform funding.</p> <p>If an in-principle agreement can be obtained, a loan can be secured to commence work immediately, until the finalisation and release of funding.</p>
235	Stephenson Transport Limited	<p>Concerns around the CAPEX charge introduced as part of the Wastewater funding via the Trade waste bylaw.</p> <p>Submission noted here, but covered in detail in the Trade Waste bylaw report.</p>

### Trend and Analysis

The following trends were identified within the theme 'Affordability and Rating';

- Major affordability concerns
- Lack of understanding of how rating system works and is applied
- Interest in understanding the overall rating impact
- Concern with the overall investment budget
- Defer investment and wait until 3 waters reform outcomes are clearer

Officers review of the themes, has identified that some further education on how the rating system works in relation to this project, providing information on the rating impact this project has within wider rating system.

Reassuring community and ratepayers that CHBDC will be lobbying and investigating other funding opportunities and mechanism to better support this investment.

Providing further transparency by releasing or pointing those interested to specific technical reports.

Education around the 3 waters reform process and the requirements to deliver on a plan to ensure CHBDC doesn't face another enforcement order in relation to our wastewater systems, and that doing nothing is not an option.

While some themes can be addressed generally, a number should be specifically addressed with the submitter who presented the feedback.

### Topic 5 – Phasing

Of the 54 submitters who provided written feedback, it was noted 16 provided commentary in relation to the theme 'Phasing' their comments are below;

2	Hayley Webster	12 year WW option?
24	Haylee Gray	More Time = Better Quality
48	Bob Alkema	Council should also explore an option spreading the upgrade over a longer period, say 20 years. This further spread the impact on property rates. CHB is not alone in facing this historic under-investment in the three waters infrastructure -the risk is all councils initiating a similar improvement programme calling on limited resources (if the construction sector can't gear up quickly enough) resulting in higher costs.
71	Marjon Greenwood	I think the impact on the waterways of the longer time frame will be too detrimental, but am very much aware that I am in a position to carry the larger increase in rates and not everyone is
72	Ian Hawkes	Spreads the burden over time and still gets a good final clean result.
87	Meg Mackenzie	Wastewater discharges should be removed from waterways as soon as possible. I do not think this is something we can afford to muck around with.
141	Keri Rophia	I like the 10 year plan, but felt it unfair to choose, this is due to the cost as I am not a direct rate payer
142	Forrest Ropiha	Unfair to choose the 10 year plan (for me) because of the changes to rates, which I do not pay - otherwise I would choose 2
159	Daniel & Heidi Repko	Based on the Councils preferred options in the 10 year plan, our rates will more than double in 10 years (from \$3500 to \$7600). As pensioners on a mostly fixed income there is no way I/we will be able to pay for that. It will probably mean we will have to sell and move elsewhere. We are dreading this. In can see the Councils dilemma, but that doesn't make it acceptable to us. Re the waste-water upgrade; We feel obliged to choose option 1, however can't that be spread over a longer period eg 20-25 years?  Furthermore, a number of years ago we were convinced by the then Council the water treatment plant(s) we currently have, was the way to go. Now we know we were sold a lemon eg incompetent decision making. How do we know that this time around the same isn't going to happen again? (Sorry to be so blunt)
171	Neil Bayliss	Spreads the burden forward
181	Kathryn Bayliss	I oppose all of the options. I think CHBDC should upgrade our wastewater plants and remove wastewater discharges from all waterways within 1-3 years.

		<p>The loans can still be repaid over a longer period of time to spread the financial burden of upgrades.</p> <p>CHBDC pleaded guilty for breaching its wastewater resource consents in July 2017. Remedies for our wastewater discharges are long overdue. It is shameful CHBDC is still discharging wastewater into our waterways. Wastewater put on land also needs to be treated to a high standard to help stop the risk of contaminating the groundwater and land.</p> <p>In the Consultation Document the cost is misleading as it shows Option 1 as the cheapest when in reality the overall cost to complete the work will most likely be more. The cost only shows 10 years but the work is not finished. Option 2 covers the cost and it finishes the planned work. The longer it takes to upgrade our wastewater plants and remove wastewater discharges from all waterways the higher the risk of increased costs, higher interest rates and inflation.</p> <p>Paying off borrowings are likely to be more expensive over the longer term. In Long Term Plan 2021-31 Consultation Document, Page 165, the LTP Infrastructure Strategy outlines the upgrade of our wastewater plants and removal wastewater discharges from all waterways in less than 10 year.</p>
183	Charles M Nairn	This should be done as soon as possible
184	Murray Howarth	This is the priority project
191	Jackie Scannell	This should not wait - the problem is getting worse, from compounding impacts over time. The spread of costs across generations - more equitable if front loaded when more people are investing in the region. The improvement will improve the attractiveness to the district
210	Marti Eller, Gillian Eller, Mark Eller	This is really important work, but we'd rather it is spread across a longer time period, and done right, than rushed.
222	Owen Spotswood	The next generation needs to assist in paying for the infrastructure upgrade

### Trend and Analysis

The following trends were identified within the theme 'Phasing';

- Either in support for the 15-year programme and that it spreads the investment and burden, or encouraging council to deliver the investment faster than ten years.

Officers review of this theme is that the feedback largely supports the investment programme and encourages council to be bold.

While some themes can be addressed generally, a number should be specifically addressed with the submitter who presented the feedback.

### Topic 6 – Environmental

Of the 54 submitters who provided written feedback, it was noted 4 provided commentary in relation to the theme 'Environmental' their comments are below;

42	Peter Seligman	We need to clean up the waterways as fast as possible. It is truly a national scandal and something that the whole country should be quite
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		ashamed of, especially given the image we like to project to the world (Lush, green, pure etc)
103	Mike Harrison	Cleaning up our waterways should be a priority
121	Anthony Clouston	Establish environmentally friendly ways to dispose of our collective hard and soft wastes.
197	Bill Hale	Stop dumping into the Makaretu as Takapau is the southern dump station worth considering consultation - I would strongly oppose aerial discharge of treated wastewater in any form
	Hawkes Bay Regional Council	<p>A verbal submission was made by HBRC on 22<sup>nd</sup> April 2021 – supporting the overall investment programme and the need to balance affordability constraints, while cautioning CHBDC of the need to implement the programme to achieve improved outcomes from the wastewater systems.</p> <p>The enforcement order issues in 2016/ 2017 and that CHBDC responded to in 2019 outlines the investment programme and solution required to upgrade the systems – this needs to be delivered on to meet compliance with the enforcement order – HBRC reminded CHBDC of this.</p>

### Trend and Analysis

The following trends were identified within the theme 'Environmental';

- Imploring council to take a leadership role in cleaning up our waterways.
- Investigating innovative ways to implement solutions
- To be mindful how we make improvements and not to create consequential impacts.

While some themes can be addressed generally, a number should be specifically addressed with the submitter who presented the feedback.

### Topic 7 – General/ Other

Of the 54 submitters who provided written feedback, it was noted 24 provided commentary in relation to the theme 'General' some of their comments are below;

47	Ben Clist	Council needs to outline the investigation conducted into why the previous investment went wrong and offer assurances that the new plan is not going to result in the same outcome.
62	Emma Mason-Smith	I am very pleased to hear that this is the future for CHB with the wastewater. It has been a long time coming to address this issue properly and hopefully our waterways will be clean for the next generation to enjoy.
82	Lyn Horspool	Thank goodness we have a Council who is prepared to make the big infrastructure decisions that will benefit us all. Keep up the great work!
85	Noel Pederson	You have to. If only it was done properly the first time
102	Ben Douglas	It's been put off for too long already and needs sorting. This period of rapid population growth and development resulting from people moving to CHB from other areas is the perfect time to do it. It would be tragic to think that in a time of skyrocketing house and land prices when so much money is being made that we can't afford to sort out the basics.
113	Tim	3 CHBDC should be looking to share services in all areas with the other 4 councils in Hawkes Bay to improve services and reduce costs as required by

	Gilbertson	<p>law under the triennial act of 2003 (?). Highest savings are achievable in high cost services such as water</p> <p>4 Council should peer review, audit and monitor closely all professional services to avoid capture by providers, which is a common fate among monopolies such as CHBDC.</p> <p>5 Are hard Engineering solutions the best answer? Wetlands and biological processes may be better. Engineers love concrete and pumps and spending, CHBDC has been down that road before and it was a disaster</p>
122	David Bishop	<p>g) For wastewater/sewage treatment in Waipukurau, I totally recommend a standalone treatment plant (primary stage: up to milli screening separation of solids stage; or complete treatment) to service the industrial area of Waipukurau, primarily the meat processing factories that are a major contributor of waste to the Waipukurau treatment plant. It is these factories that seemingly cause the overloading issues, time and time again at the Waipukurau wastewater treatment plant. Further industry can then be encouraged to set up in this zone, due to provision of this on-site wastewater/sewage service.</p> <p>h) For wastewater/sewage from new subdivisions, this as a cost on the subdivision should be primary treated (e.g. milli-screened with solids to landfill) on-site before entering Councils wastewater infrastructure. There are small scale milli-screening systems available for use in subdivisions.</p> <p>i) For town produced sewage, this should be primary treated (i.e milli-screened, with solids to landfill) at several locations before being transported to the sewage treatment facility.</p> <p>j) I would like to treat wastewater discharged to land, provided effluent does not infiltrate into the aquifer. On land, plantations of -e.g. fast growing coppicing gum trees—should be grown to use such effluent. The gum trees should be on topography such that they are able to be cropped every decade for firewood, and discharges do not impact on nearby waterways.</p> <p>k) Using the Farm Road landfill (+ any new sites) for placement of milli-screened solids, will result in more greenhouse gases from decomposition. Use of a gas retaining membrane progressively over the refuse site, should enable greenhouse gases to be captured and while burning them for electricity does release carbon dioxide, this gas should be captured through the electricity generation process.</p> <p>l) Sequester the carbon from CO2 from landfill greenhouse gas electricity generation, by best practise industry means</p> <p><b>Feedback on draft LTP:</b></p> <p>i. an integrated wastewater treatment plant appears to have merit serving Otane, Waipawa, and Waipukurau; then with discharge of treated wastewater to land.</p> <p>iii. I promote the disposal of milli-screened solids from main towns, at landfill;</p>

		<p>ii. I much prefer the industrial area of Waipukurau has a standalone treatment plant serving the industry located there. Please cost this as an alternative option and present it back to the community!</p> <p>iv. Option 1 is supported, in preference to Options 2 &amp; 3.</p>
138	Martin Lord	We have our own septic tanks and do not contribute to waste water. Are we going to have to pay for other peoples wastewater problems? To stop an increasing wastewater problem you could insist that all new builds are provided with septic tanks and take care of their own wastewater.
151	Sjoerd Gorter	I am of the view that the council does not have the expertise or management skills to run this part of Hawkes Bay. Having a say is a good democratic thing. But who has any expertise in sewage plants and or the supply and treatment of drinking water? Why are farmers allowed irrigating their crops in the middle of the day in full sun and emptying the aquafier. We need expertise because people who are elected to council are out of their depth. Good examples are upgrading a pool in Waipawa just down the road from Waipukurau. The libraries are also a fiasco etc etc. There is just too much duplication. Popular by the voters but the end result is that what needs to be done does not happen, because the till is emptied by doing low priority jobs because it looks good. Those millions could have been used to make a start on the upgrade of the sewage pipework in town and or the sewage plant. Our population base is too small for the large projects. We simply cannot afford it. All councils in this area should be amalgamated into one, so we will have the management skills and financial resources to get things to happen. What is the point of a ten year plan if you do not have the cash to make it happen? If you think you can just keep increasing the rates, means the council is completely out of touch with the local population. This is New Zealand; we should have the same facilities as the bigger towns. We should not be disadvantaged in any way because we are a small town. I have lost count as the number of rate increases as well as plans to fix the sewage plant. It is still a hazard and needs upgrading.
167	Terry Hare	Wastewater is one of the primary essential service issues for residential and commercial properties the longer period to upgrade I believe is the best option because it also gives time to consider new technology and ideas that may be beneficial to reducing waste contamination and cost.
170	Robert McLean	The pumps that pump waste are dependent on electricity, what about power outages, earthquakes
175	Lynnette Dewes	also smoke testing of each house to see who is still putting stormwater straight into the sewerage...
186	Dean Hyde	I support what is proposed in the Plan and would like to specifically comment on the following: -The provision of a single treatment plant for the communities of Otane, Waipawa and Waipukurau makes so much sense. -Irrigation onto land of treated wastewater is a far more intelligent use of this precious resource rather than discharging into waterways.
187	Rea Arona	Stop Selling Our Water' - Water is Life - Water = Parks, Toilets, Everything needs Water (Why Give Options??)
192	Tania Arona	Option 3 should be done anyway and not be an option
201	Robbie Christiansen	Fine people discharging illegally. Introduce user pays for water and new sewage connections



202	Tracy and Andrew Gay	Look after our waterways quickly please I want to be able to let my grandchildren to swim and catch trout down stream from Waipawa ASAP
204	Louise Phillips	I congratulate the CHBDC on taking the bold step to commit to wastewater upgrades despite the unpopularity of rate increases. These infrastructure issues cannot be ignored for the sake of political expediency, which passes on the cost to future generations. Any upgrades must ensure that the health of our waterways is paramount, therefore I would prefer option 2 (A 10-year plan)
209	Nicole Ellison	Removing wastewater discharges from our waterways must be a priority and 15 years is just too long
211	Clint Deckard	Getting human waste from our rivers and streams should be a priority. The relatively small extra cost to achieve this could be covered in a variety of ways to ensure the financial burden was minimised for affected ratepayers. Our waterways are in a degraded state and it is past time that meaningful improvements were made. 15 years is just too long to wait. The challenges faced by the district's wastewater should be an opportunity to 'reset' how we deal with wastewater and stormwater. Council should be embracing alternative methods to deal with waste. Composting toilets, separating grey water from sewerage and alternative treatment systems should be explored and encouraged as a way to reduce the load on the wastewater treatment system.
215	Forest and Bird	<p>9. It is no longer, if it ever was, acceptable to dispose of human waste in waterways. This seemingly small shift in expectations requires a large change in practice. That the previous iteration of the wastewater treatment plants were never going to meet consent requirements demands that a new approach be taken.</p> <p>10. Discharging wastewater, no matter how treated, into waterways is not acceptable.</p> <p>11. We prefer Option 2.</p> <p>12. The relatively small increase in per user cost ensures wastewater is removed from our waterways sooner.</p> <p>13. Other ways to fund the small differential could be found e.g. non-connected users could contribute for a fixed period of time.</p> <p>14. Further, whilst we applaud the suggested requirement for rain water collection tanks on new urban houses, we believe Council should be bold and go further. Enabling and promoting the use of alternative systems for wastewater could help to reduce the demands on infrastructure.</p> <p>15. This would include composting toilets or on-property treatment facilities. Greywater systems and composting toilets could be an important part of the solution and should be simple to install and use in Central Hawkes Bay.</p> <p>16. CHBDC should be taking up Central Government's offer to invest in regional three waters infrastructure by signing up to potential three waters management reform.</p>

		<p>17.CHBDC should be lobbying Central Government for assistance to meet standards.</p> <p>18.This problem is not limited to CHB: numerous wastewater treatment plants (WWTP) across Aotearoa discharge directly to freshwater environments and non-compliance with environmental standards is widespread. Freshwater quality across the country is severely impacted as a result. Forest &amp; Bird consider this an archaic and disappointing situation to be in. Discharges to WWTPs that do not comply with standards set in local bylaws only exacerbate this issue, increasing the pressure on plant operators and making it harder for them to meet environmental standards.</p> <p>19.Unfortunately, there is a legal loophole surrounding trade waste bylaws, as referenced in a recent Radio New Zealand (RNZ) exposé on companies' compliance with bylaws across the country, and the impact this has on wastewater treatment plant (WWTP) operators' ability to meet environmental limits set by regional councils.</p> <p>20.Forest &amp; Bird understands this loophole in the law prevents local governments issuing fines to non-compliant dischargers of wastewater to their networks and treatment plants. Councils are therefore limited to simply recovering any costs the breach might have resulted in (such as additional cleaning required to make the plant fully operative if its function was impacted by the breach) or taking the issue to the courts, at significant cost.</p> <p>21.In response to this issue, Local Government New Zealand (LGNZ) has suggested to numerous Ministers since 2002 that a law change is necessary to allow local councils to fine non-compliant companies. Addressing the issue requires a relatively simple amendment to section 259 of the Local Government Act 2002 to allow regulations to be made prescribing breaches of council bylaws that are infringements under the Act. We understand LGNZ has made this same request of the current Minister, yet the law still has not been changed.</p> <p>22.We implore CHBDC to continue lobbying LGNZ, local MPs, and the Minister for Local Government to undertake a law change to allow council to fine those companies and organisations that are not complying with trade waste bylaw requirements. This would hopefully result in better compliance with trade waste bylaws, less stress on the WWTP, and fewer costly failures (or fewer non-compliance events). It would also allow CHBDC to recover costs of problems more readily.</p>
216	Federated Farmers	<p>We are alarmed that wastewater infrastructure improvement will need \$68.2 million of capital expenditure over the next 10 years.</p> <p>Central Hawkes Bay has been allocated \$11,090,560 by the Government from the Three Waters Investment Package Funding. For comparison, Wellington City has been allocated less at \$10,885,693.</p>
221	Graeme and Margaret Black	A pity more people didn't take advantage of the bus tour - well worth it

**Trend and Analysis**

The general category was a mixed bag, and has picked up a general feedback thread, the following trends were identified within the theme 'General/ Other';

- Major affordability concerns
- Concerns with previous investments
- Support for the project
- Council needs to ensure it is investigating and pulling as many levers and mechanisms as possible to support this programme

An ongoing education and story-telling piece is required to continue to share the story of this investment while being transparent on the challenges and successes.

While some themes can be addressed generally, a number should be specifically addressed with the submitter who presented the feedback.

**RISK ASSESSMENT AND MITIGATION**

Submitters have voiced support and concern over the options presented. This section highlights risks that have been noted with the presented options.

**Option 1 Risks:**

Risks considered for Option 1 relate primarily to affordability challenges and confidence in asset management planning and infrastructure decision making. The affordability risks are to ratepayers not to Council. Council has the means confirmed through its Financial Strategy to service debt and complete the programme of work outlined in the Infrastructure Strategy and LTP. The noted risk to ratepayers is an inability for those on low or fixed incomes to afford rate increases to meet the programme of work. Officers consider that all steps possible are being taken or are signalled/planned to manage the unaffordability risk to ratepayers. Debt funding spreads the cost over time and a continued targeting of external funding will lessen the overall burden on ratepayers.

The risk of asset management planning relates to comments made about confidence in previous decision making and a required clarity and confidence in current decision making that has resulted in the increased programme of work housed in the Infrastructure Strategy and LTP. Council must be confident that effective decisions are being made to ensure that funds are being invested wisely in infrastructure in order to balance both financial and asset risk. Officers believe that quality processes are in place to ensure robust decision making and options assessment.

3 Waters Reform and pending changes remain a risk to all options, and we have used the guidance provided for by Central Government to carry on as 'business as usual' while there is no clarity on what the Water sector may look like. This brings risk to planning and community engagement in the matter.

**Option 2 Risks:**

The fundamental risk with Option 2 is a heightened unaffordability risk as described above for Option 1. Option 2 will see a greater and more immediate impact on ratepayers to fund the proposed programme. There is risk that affordability issues will become severe resulting in an inability of some ratepayers to meet payments. Officers consider that this risk is high and that there is no effective and practical means of mitigating the risk without avoiding it by spreading the impact over a longer period of time or not doing the planned work.

The option allows for the expediting of the programme. Where outcomes will be able to be achieved much faster than Option One or Three allows for.

3 Waters Reform and pending changes remain a risk to all options, and we have used the guidance provided for by Central Government to carry on as 'business as usual' while there is no clarity on what the Water sector may look like. This brings risk to planning and community engagement in the matter.

### Option 3 Risks:

This option avoids the risk of rate increases and affordability challenges (beyond those that may already exist) and transfers the risk squarely onto the compliance of the system, and the ability to meet future growth needs. Officers believe significant risk will remain with this option with the ability to meet current and future regulatory and compliance requirements. The significant growth CHBDC is currently seeing will remain a challenge that could in itself present further financial challenges to service, and this option will likely only result in council deferring a decision for the short term that will need to be made eventually.

3 Waters Reform and pending changes remain a risk to all options, and we have used the guidance provided for by Central Government to carry on as 'business as usual' while there is no clarity on what the Water sector may look like. This brings risk to planning and community engagement in the matter.

### FOUR WELLBEINGS

Each of the options presented is considered against the four wellbeing's below. The explanation below attempts to present the premise of each option as well as considering the feedback received by submitters on the options.

Option 1 and 2 have the same cultural and environmental outcome but differ in time to implement.

	Cultural	Economic	Social	Environmental
Option 1	Addresses cultural aspirations to remove wastewater discharge from waterways – but differs in timeframe to do so.	The middle ground investment by targeting a longer timeframe to deliver the programme	The middle ground social and affordability impact	Improved treatment and removal of discharge from waterways means that environmental outcomes will be achieved – the options differ in the timeframe to implement these solutions
Option 2		The greatest financial impact but the greatest ability to meet other economic ambitions like servicing future growth	The highest social and affordability impact	
Option 3		The lesser financial impact, but has other economic downfalls in that the ability to meet growth may be a problem in the short and longer term	The lowest social and affordability impact	While removal from waterways is an environmental benefit, the lack of any significant treatment improvements or growth catering could see overtime additional issues arise when dealing with growth or due to the pending regulatory changes.

<b>Option 4</b>		The middle ground investment by targeting a longer timeframe to deliver the programme	The middle ground social and affordability impact	Improved treatment and removal of discharge from waterways means that environmental outcomes will be achieved – the options differ in the timeframe to implement these solutions
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## DELEGATIONS OR AUTHORITY

Council has the delegations and authority to make this decision following community engagement through the Long Term Plan process.

## SIGNIFICANCE AND ENGAGEMENT

In accordance with the Council's Significance and Engagement Policy, this matter has been assessed as being of significance and accordingly has undergone an appropriate process of formal consultation.

This has been assessed as of great significance, and is following the council significance and engagement policy – commencing with determining options through community meetings and groups, and through a pre-engagement phase in August 2020, through to engaging with the community on how best to fund and implement the options. Engagement will continue on the options once adopted and delivered in conjunction with the relevant communities and key stakeholders.

## OPTIONS ANALYSIS

### **Option 1: A 15-year plan to upgrade our wastewater plants and remove wastewater discharges from waterways (Loan funded Year 1-6, and Rate funded from Y6 onwards).**

We upgrade our wastewater plants across the six settlements of Central Hawke's Bay within 15 years – removing wastewater discharges from our waterways. This includes the development of an integrated treatment and discharge wastewater system for the townships of Otāne, Waipawa and Waipukurau, that will see our wastewater irrigated to land at a single site. A new combined wastewater treatment plant will be built for Pōrangahau and Te Paerahi, and wastewater discharged to land at a new discharge site. Takapau will have minor treatment improvements, with wastewater discharged to land.

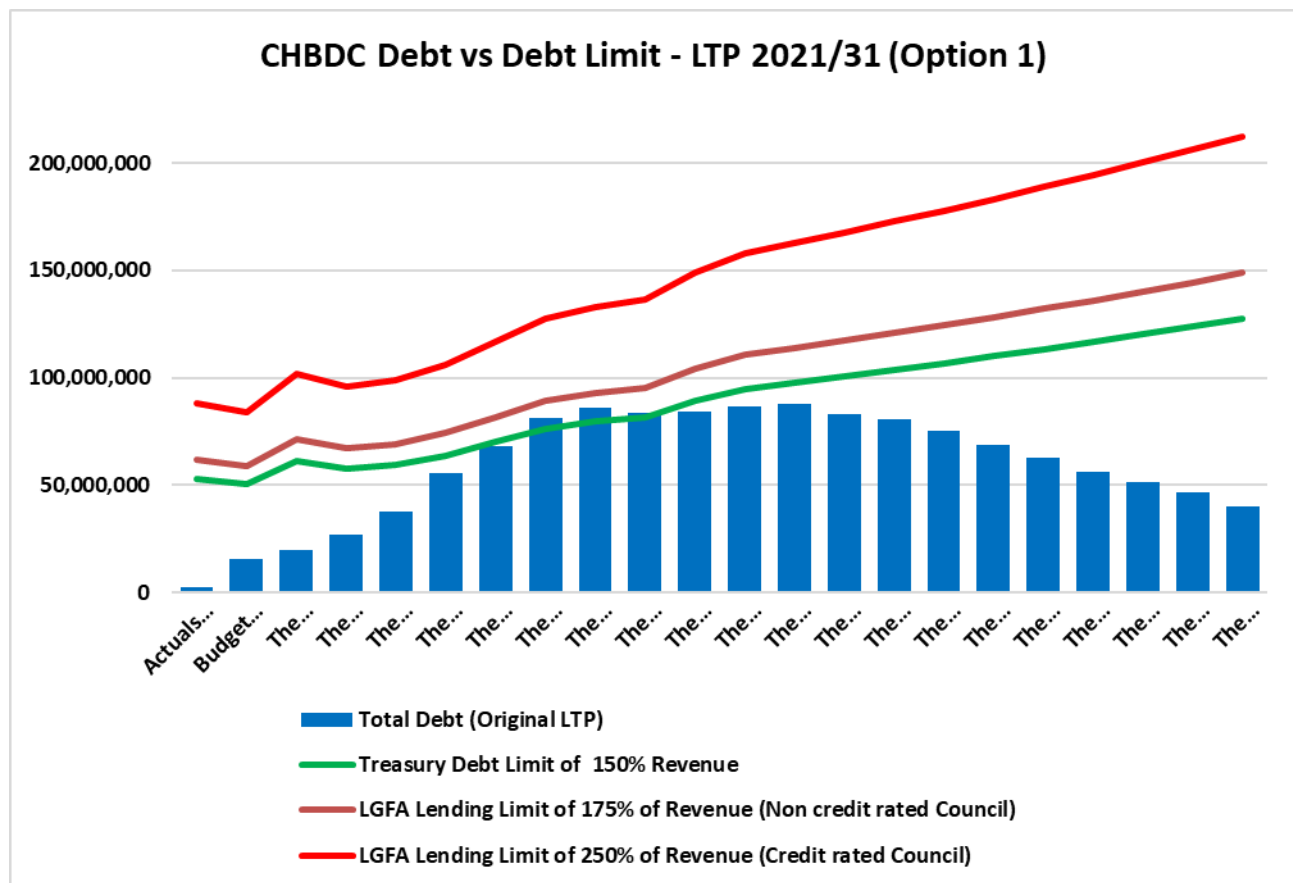
The scope and impact of these works is significant – this option received the greatest level of support with 70% of the options selected in favour of Option One.

Affordability remains a high risk and will need to actively be managed and considered if this option is adopted as the best option for addressing this matter.

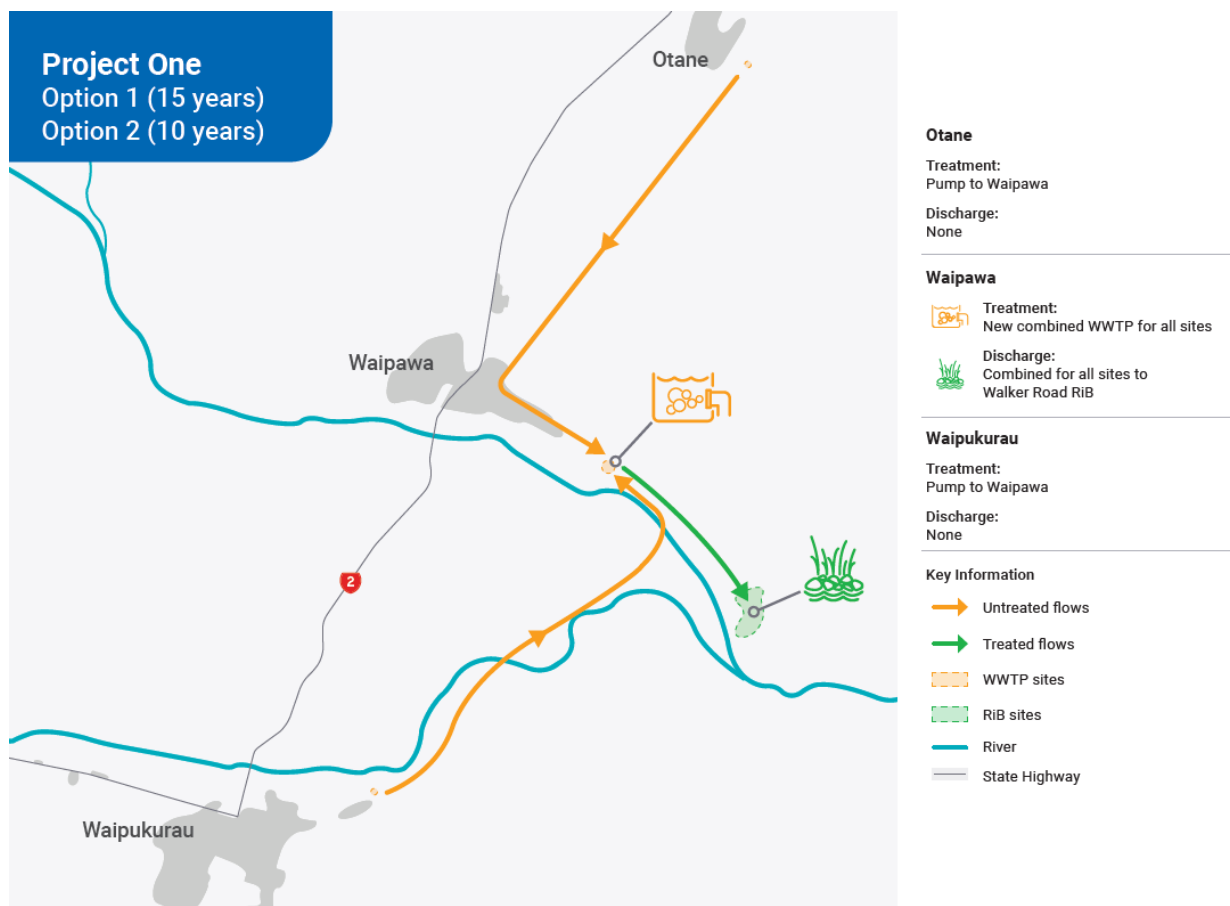
The option may see an improvement in ratepayer impact if the trade waste capital contribution is increased from the placeholder budget, or if a full loan funding approach to this investment is applied, this is addressed further in Option 4.

Option One received 70% of the support – and between Option 1 and 2, 91% of the submissions supported councils approach to removing wastewater from waterways, implementing an upgraded treatment plant and consolidating our treatment plants.

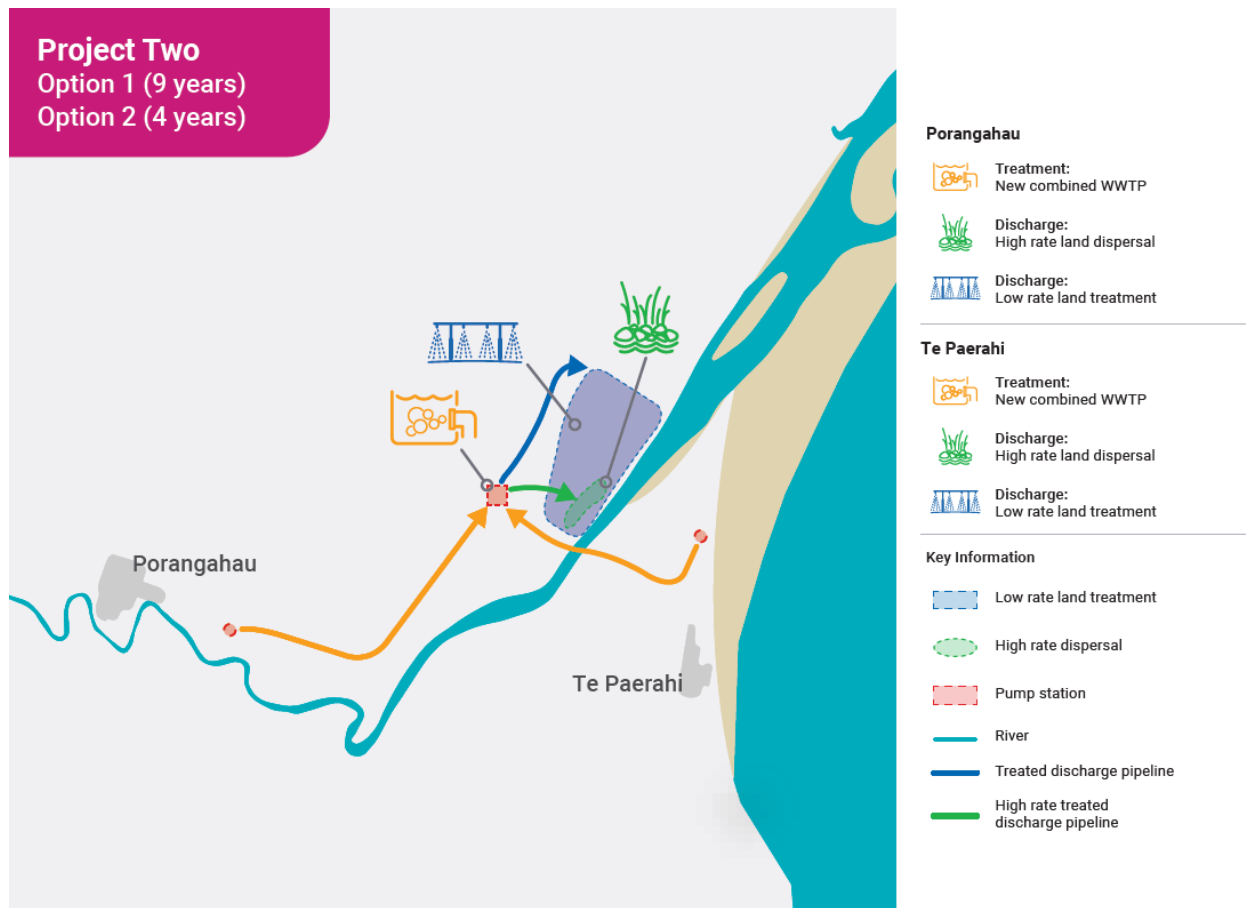
A telling sign the community is in support of delivering a significant step change in how to address the future of our wastewater system.



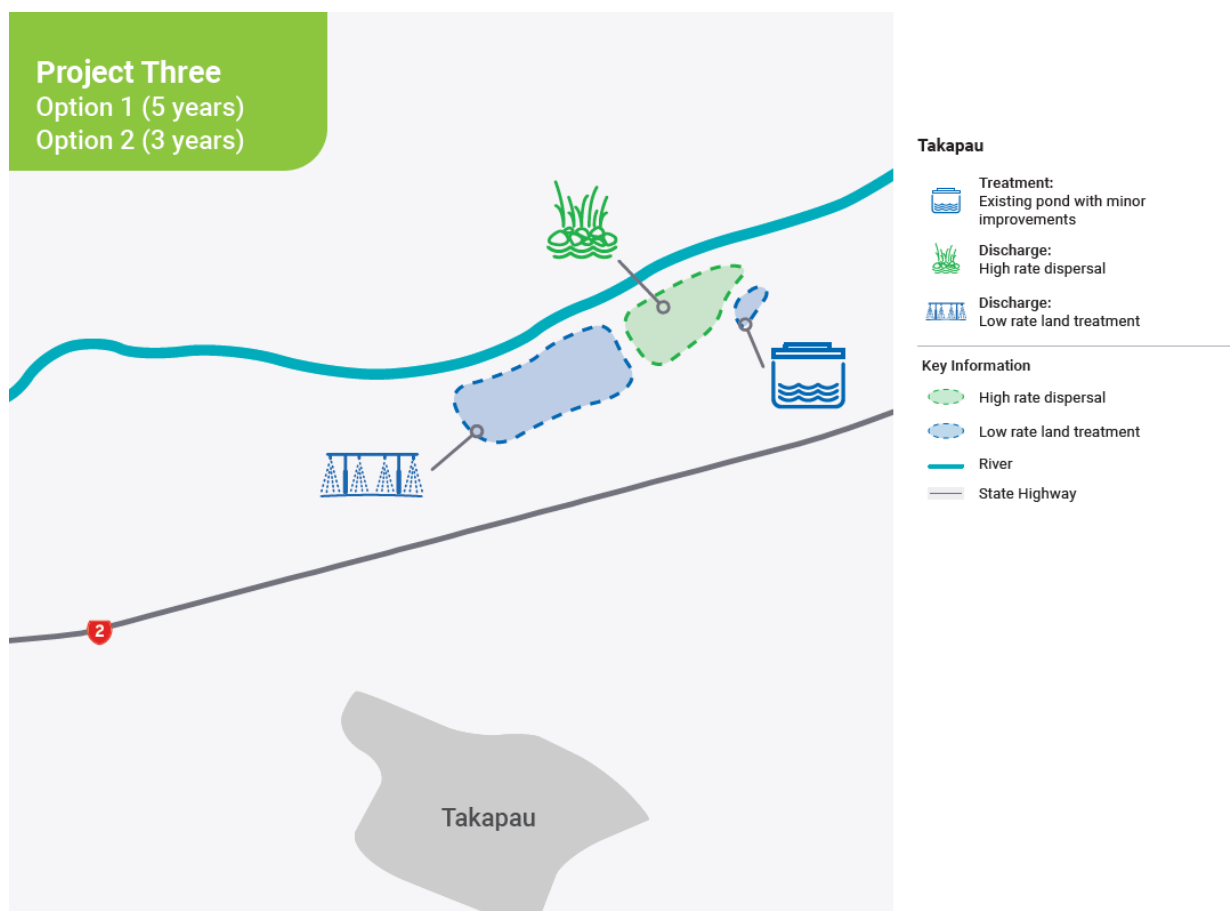
## Waipawa, Waipukurau and Otane



## Porangahau and Te Paerahi



## Takapau



**Option 2: A 10-year plan to upgrade our Wastewater Plants and remove wastewater discharges from waterways (Loan funded Year 1-6, and Rate funded from Y6 onwards).**

This option accelerates the delivery of option 1 for completion within 10 years, instead of 15 years.

The benefit of this option is that we remove wastewater discharges from our waterways within 10 years, addressing the cultural and environmental impacts our discharges create sooner.

Option Two received 21% of the support – and between Option 1 and 2, 91% of the submissions supported councils approach to removing wastewater from waterways, implementing an upgraded treatment plant and consolidating our treatment plants.

A telling sign the community is in support of delivering a significant step change in how to address the future of our wastewater system.

Officers analysis of this option holds reservations as outlined within the risk section on the financial and affordability impact that this option and to a lesser degree Option 5 – which looks to fully loan fund the ten year investment programme.

**Option 3: Doing the minimum to meet current legal compliance, and remove wastewater discharges from waterways (Loan funded)**

This option sees us walk away from our Wastewater Strategy 2020. This option will still deliver the same pipelines and work towards discharging wastewater to land, as the previous options deliver.

Where this option differs is that no new treatment plants will be constructed, and only minor improvements to existing plants will be undertaken.

The option has the lowest capital cost, and rating impact. Officers hold reservations that this option may meet short term requirements but will likely cause issues in the longer term when trying to deal with growth on the towns and the wastewater network, and/ or the changing regulatory landscape and requirements where the current treatment plants cannot adjust to meet what may be proposed.

It is therefore assumed that further intervention may be necessary within the next 10 years to address growth and/ or regulatory requirements which may lead to further costs.

**Two new options have been introduced following consideration of the options to date and feedback – these options are variants on Option 1 and 2 above, specifically focussed on loan funding the entire investment programme and not rate funding the renewal component.**

**Option 4: A 15-year plan to upgrade our wastewater plants and remove wastewater discharges from waterways (Loan funded).**

Option Four is the same investment programme, technical outcome and community outcomes as those outlined in Option One above.

This option does though change the funding mechanism from a part loan/ part rate funded approach to a fully loan funded approach.

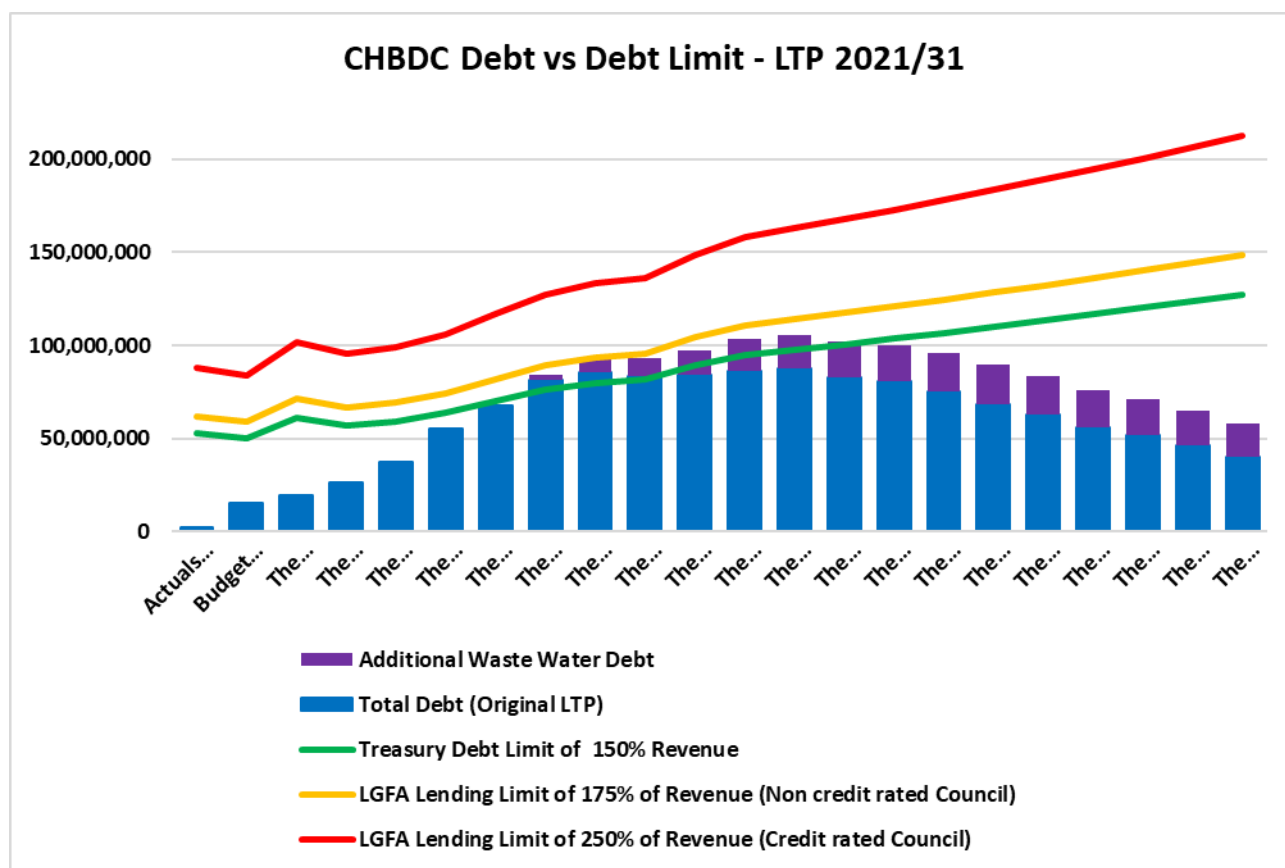
The capital rate funding for years 6-10 adds to \$14.6m.

While you would save \$14.6m of rate funding by swapping it out to loan you would incur additional debt servicing so the real rate savings over this period would only be \$13.2m (which is about a 3.9% rates savings over the 10 year period) but additional debt of 18.0m.

It is anticipated that council will see an \$18m or 37% increase in the debt it has to take on over the first 10 years to service the option, while receiving a 10 year rating deduction of 3.9%.

If preferential this option would need to be factored into the debt ceiling and threshold calculations, an indication is outlined below to outlined the proposed impact.





### Option 5: A 10-year plan to upgrade our Wastewater Plants and remove wastewater discharges from waterways (Loan funded)

This option accelerates the delivery of the entire programme within 10 years, instead of 15 years.

Option Four is the same investment programme, technical outcome and community outcomes as those outlined in Option One above.

This option does though change the funding mechanism from a part loan/ part rate funded approach to a fully loan funded approach.

This would see a rates savings of \$9.1m over the 10 years (which is about 2.7% over the 10 year period) but additional debt of \$24.0m.

It is anticipated that council will see a \$24m or 50% increase in the debt it has to take on over the first 10 years to service the option, while receiving a 10 year rating deduction of 2.7%.

If preferential this option would need to be factored into the debt ceiling and threshold calculations.

### Trade Waste Capital Contribution

A further subset of scenarios of the two preferred option(s) 1 and 4 are presented below, these refer to the amount of trade waste capital recovery that is contributed to the preferred option as a grant.

A number of variant options have been presented and workshopped in relation to how best to approach the capital recovery from trade waste contributors.

The current budget placeholder in the Long Term Plan allows for a capital recovery of \$250,000 per year for the first 10 years of the LTP (this is 33% of the Year one investment capital costs attributed to trade waste contributors).

In support of Challenge #1, The bylaw review has proposed to enact section B13-20 in the fees and charges schedule C of the 2021 Draft Trade Waste Bylaw. This existed in the previous 2018 Bylaw but had not been enacted or enforced.

A significant component of the trade waste bylaw engagement has been focussed on the 'trade waste calculator' and the contribution which outlines how the charging may occur across a number of scenarios.

The scenarios have been workshopped and following considerable feedback and discussion with councillors and industry, officers are recommending to recover for the first 3 years of the Long Term Plan and as set out in the Revenue and Financing Policy, the trade waste industry contribution relevant to the investment programmed for that year of the Long Term Plan.

Officers are recommending this is phased in towards a 100% user pays recovery by Year 4 of the Long Term Plan, which would coincide with greater certainty on the water reform approach and by implementing a recovery based on the investment programme – this incentive helps trade waste contributors to either make a decision to implement enhanced pre-treatment and contribute less financially, however the improved treatment would allow Council to review its design basis for the new mechanical treatment plant in approx. 2026. Alternatively there is the option not to enhance pre-treatment and opting in to supporting the council investment programme by financially contributing.

Council officers recommend to investigate a loan based approach with trade waste contributor from Year 4 onwards to smooth the peaks and troughs that being 100% recovery aligned with the investment programme may bring.

This is proposed to be analysed in future years and would coincide with the next Long Term Plan period.

The proposed phasing approach and anticipated revenue from trade waste contributors is as follows;

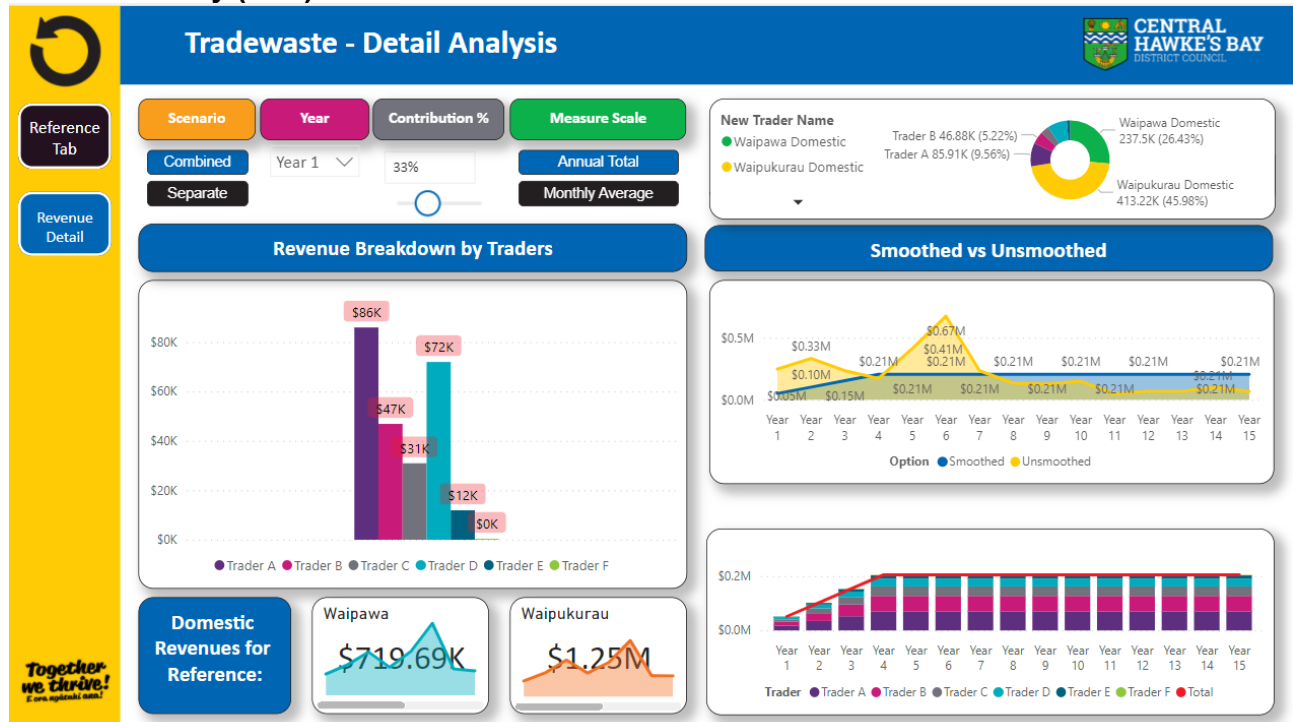
Year 1 – 33% (expected revenue of \$250k)

Year 2 – 37% (expected revenue of \$375k)

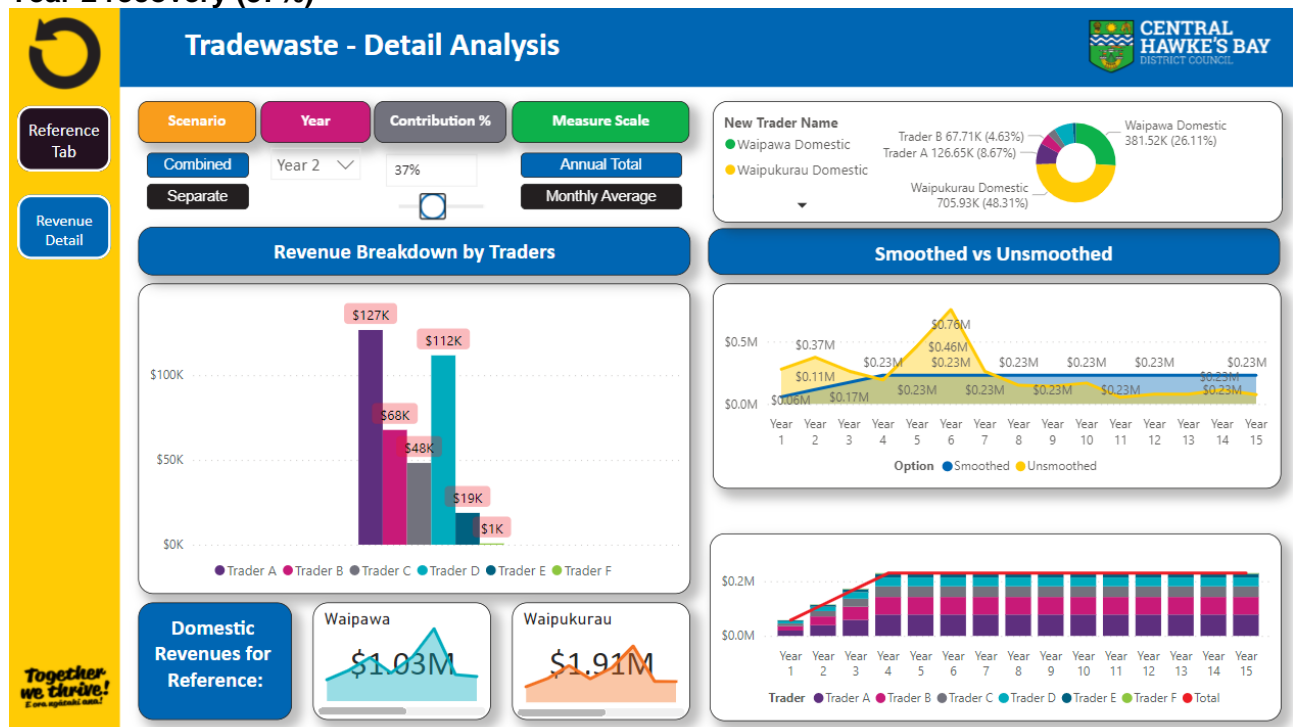
Year 3 – 75% (expected revenue of \$550k)

Year 4 – 100% (expected revenue of \$700-900k to cover costs and loan)

## Year 1 recovery (33%)



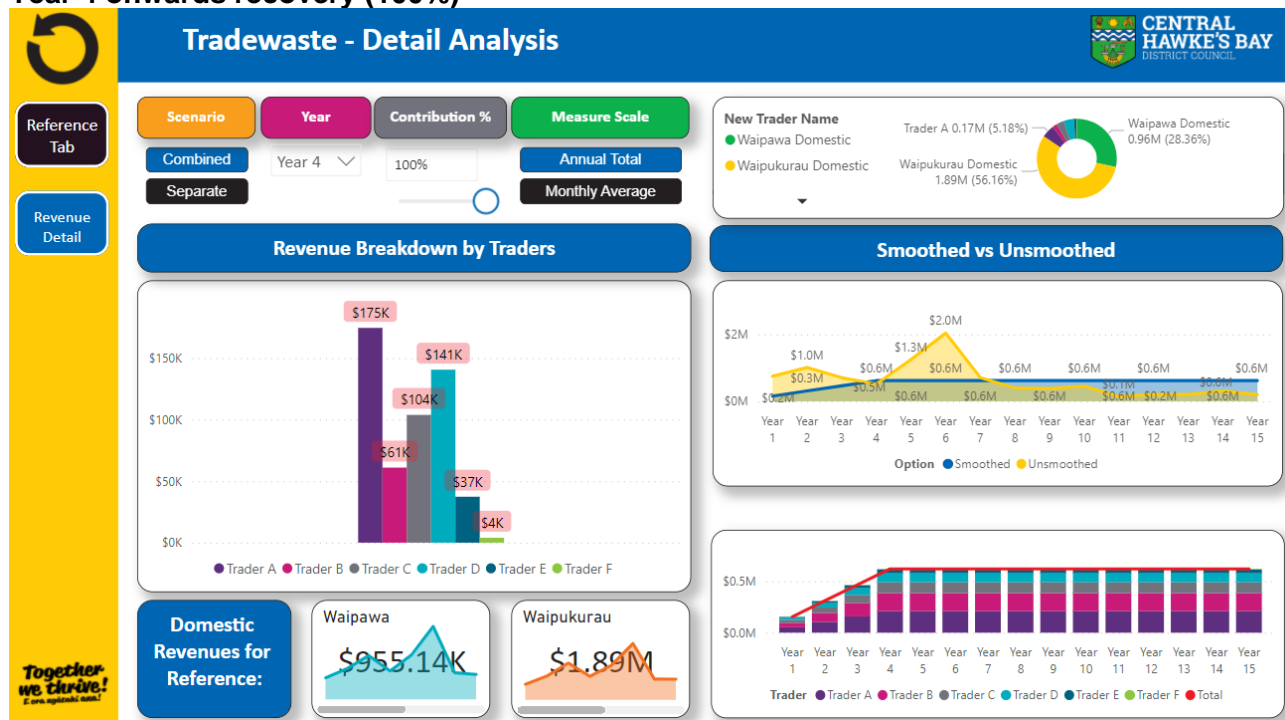
## Year 2 recovery (37%)



## Year 3 recovery (75%)



## Year 4 onwards recovery (100%)



The is outlined in the Revenue and Financing policy as a differential weighting to be applied.

Targeted Rate/Fees and Charges Differential	2021/22 Differential	2022/23 Differential	2023/24 Differential	2024/25 Differential	2025/26 and onwards Differential
Targeted Rate	1.0	1.0	1.0	1.0	1.0
Trade Waste Volumetric Operational Fees (B1-B6)	1.0	1.0	1.0	1.0	1.0
Trade Waste Volumetric Capital Contribution Fees (B13-B20)	0.33	0.37	0.75	1.0	1.0

The policy decision is laid out in the Revenue and Financing Policy and the rates to be charged are set out in the Fees and Charges – allowing the rates to be reviewed annually.

### Recommended Funding

Council has agreed on a 100% private funding split for this activity. Private funding is collected through a targeted rate from those connected to wastewater systems and with fees and charges and levies raised through the Trade Waste Bylaw. The targeted rates and trade waste fees and charges will collect both the wastewater operational costs and capital costs. In addition, development and capital contributions are applied to new development to recognise capacity requirements.

Council has agreed to recover a capital contribution from the trade waste industry contributors for the Waipukurau, Waipawa and Otane wastewater investment programme based on volumetric charges as detailed in the fees and charges schedule B13-B20.

Council has agreed to work towards a 100% trade waste industry capital contribution over a four year period staging the increase as outlined in the table below.

The capital contribution is anticipated to recover the trade waste industry share of the upgrade works required as set out in the Long Term Plan 2021-2031 wastewater investment programme.”

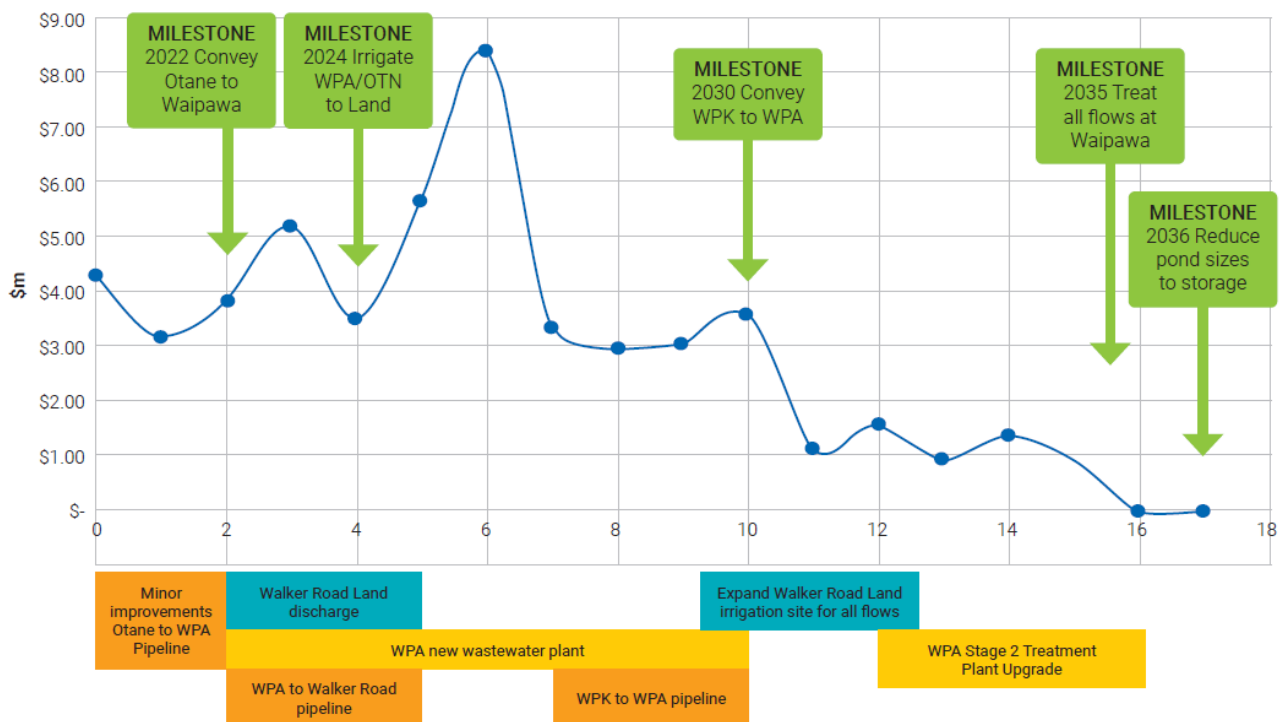
### Investment Programme

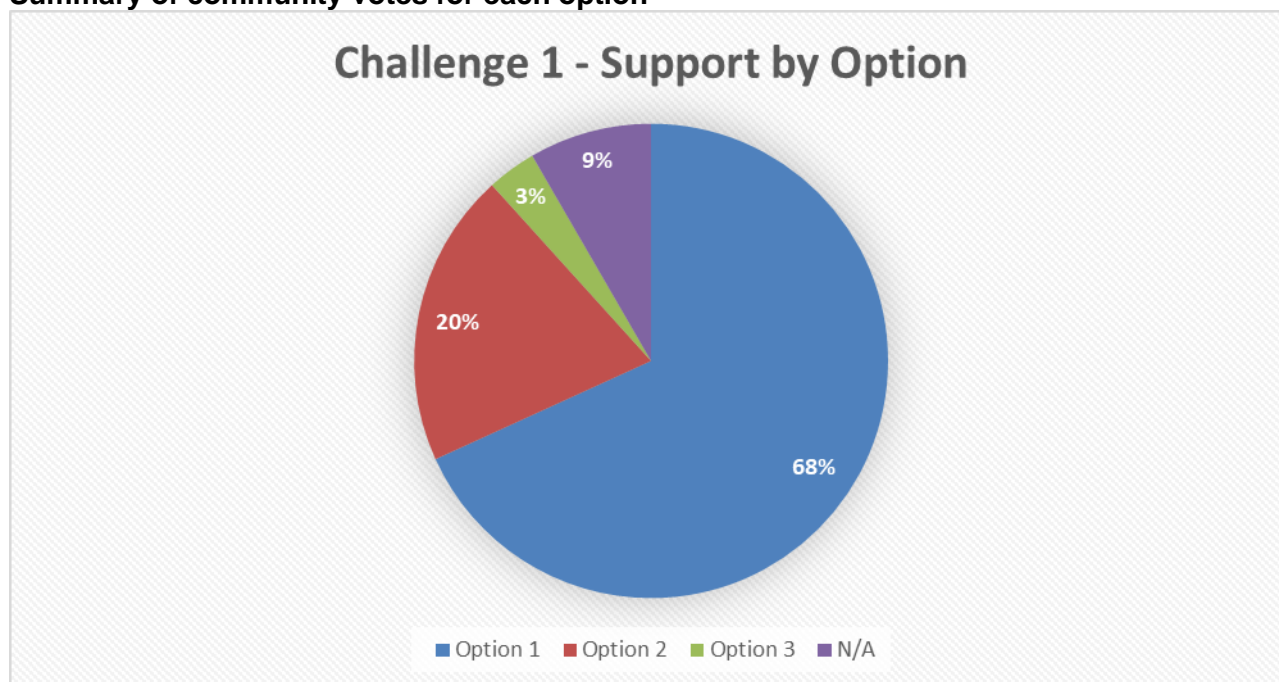
The 15 year investment programme for Option 1 or 4 is detailed below.

Capex Spend by Option (\$million)																	
Project	Notes	0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
WPK WPA OTN wastewater treatment and discharge upgrade	Option 1	3.20	3.19	3.80	5.11	3.42	5.45	8.04	3.17	2.78	2.84	3.31	1.05	1.41	0.85	1.23	0.80

BPO (Option 1) Summary			
Stage	Asset	Date range	Budget
1	Build Otane to Waipawa Wastewater Conveyance Pipeline and Pump Station	2020-2024	\$15.4m
	Build Waipawa to Walker Road Pipeline and Pump Station		
	Undertake Minor Improvements at Waipawa and Waipukurau Wastewater plants		
	Build Stage 1 of the Land Irrigation Site at Walker Road		
2024 Milestone	Have conveyed Otane Wastewater to Waipawa by 2022, Be discharging Otane and Waipawa Wastewater to Walker Road during Dry by 2024		
2	Build stage 1 of the new Wastewater Treatment Plant at Waipawa for Waipawa and Otane	2024-2027	\$18m
2027 Milestone	Commence treatment of flows for Waipawa and Otane at new treatment plant by 2027		
3	Build Waipukurau to Waipawa Pipeline and Pump Station incl. River crossings	2027-2030	\$8m
2030 Milestone	Ability to transfer Waipukurau flows to Waipawa		
4	Build Stage 2 of the Land Irrigation Site at Walker Road	2030-2035	\$8.3m
	Build Stage 2 of the Treatment Plant for Waipukurau flows and future growth		
	Decommission or downsize treatment plants		
2035 Milestone	Full land irrigation and all flows treated through new treatment plant		

### Delivery and Funding by Year – Option 1



**Summary of community votes for each option**

	<u><b>Option 1</b></u>	<u><b>Option 2</b></u>	<u><b>Option 3</b></u>	<u><b>Option 4</b></u>	<u><b>Option 5</b></u>
	<b>A 15-year plan to upgrade our wastewater plants and remove wastewater discharges from waterways (Part Loan/Rate funded)</b>	<b>A 10-year plan to upgrade our Wastewater Plants and remove wastewater discharges from waterways (Part Loan/Rate funded)</b>	<b>Doing the minimum to meet current legal compliance, and remove wastewater discharges from waterways (Loan Funded)</b>	<b>A 15-year plan to upgrade our wastewater plants and remove wastewater discharges from waterways (Loan funded)</b>	<b>A 10-year plan to upgrade our Wastewater Plants and remove wastewater discharges from waterways (Loan funded)</b>
<b>Financial and Operational Implications</b>	<p>The middle ground financial impact by spreading the investment programme over 15 years</p> <p>The most operational impact to deliver a programme of works of 15 years.</p>	<p>The highest financial impact on ratepayers.</p> <p>May address operational impacts and stresses quicker, but the ability to deliver the work programme and associated consents</p>	<p>The lowest financial impact on ratepayers.</p> <p>The highest risk to ongoing operational site management</p> <p>The lowest risk delivery programme.</p>	<p>The middle ground financial impact by spreading the investment programme over 15 years.</p> <p>Further spreads the direct rates burden that would occur from Year 6</p>	<p>The highest financial impact on ratepayers.</p> <p>May address operational impacts and stresses quicker, but the ability to deliver the work programme and associated consents</p>

		within 10 years will be challenging.		onwards under Option 1.	within 10 years will be challenging.
				The longest operational impact to deliver a programme of works of 15 years. But achieves significant milestones along the way.	
<b>Promotion or Achievement of Community Outcomes</b>	Achieves the greatest holistic community outcomes	Achieves most community outcomes but negatively impacts the social and prospering community outcome.	Achieves most community outcomes, does not meet smart growth, and may have longer term impacts on durable infrastructure.	Achieves the greatest holistic community outcomes	Achieves most community outcomes but negatively impacts the social and prospering community outcome.
<b>Statutory Requirements</b>	This option is significant and requires consultation. This option will ensure that council can meet its current and future compliance requirements for its wastewater system	This option is significant and requires consultation. This option will ensure that council can meet its current and future compliance requirements for its wastewater system	This option is significant and requires consultation. This option may allow council to meet its short term compliance requirements for its wastewater system, but raises concern with the ability to meet longer term requirements	This option is significant and requires consultation. This option will ensure that council can meet its current and future compliance requirements for its wastewater system	This option is significant and requires consultation. This option will ensure that council can meet its current and future compliance requirements for its wastewater system



<b>Consistency with Policies and Plans</b>	This option is consistent with the Infrastructure Strategy and Financial Strategy as well as relevant asset management plans, the waste water strategy and the asset management policy.	This option is consistent with the Infrastructure Strategy and NOT the Financial Strategy as well as relevant asset management plans, the waste water strategy and the asset management policy.	This option is NOT consistent with the Infrastructure Strategy and Financial Strategy as well as relevant asset management plans and the asset management policy.	This option is consistent with the Infrastructure Strategy and Financial Strategy as well as relevant asset management plans and the asset management policy.	This option is consistent with the Infrastructure Strategy and NOT the Financial Strategy as well as relevant asset management plans and the asset management policy.
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## NEXT STEPS

Following adoption of any option, Officers will commence with delivering the appropriate programme of infrastructure works and implementing the mandated financial approach while using robust project management techniques including financial and stakeholder management. The existing project governance group would continue to maintain oversight and leadership across the programme.

## RECOMMENDATION

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

- a) That Council adopt Option 4 to implement the 15 year investment programme of wastewater upgrades across the six wastewater systems through loan funding.**
- b) That council endorse the approach to recover a capital contribution from Trade Waste Industry contributors in addition to the current operational charges – with adoption taking place through the Revenue and Financing Policy and Annual fees and charges setting.**
- c) That the submitters are thanked for their comments which are acknowledged and further that the information contained in this report is provided to the submitters.**

**7.4 LONG TERM PLAN 2021 - 2031 DRAFT DELIBERATIONS REPORT: TRADE WASTE BYLAW****File Number:** COU1-1400**Author:** Darren de Klerk, 3 Waters Programme Manager**Authoriser:** Monique Davidson, Chief Executive**Attachments:** 1. Trade Waste Bylaw Review - Summary of Submissions [↓](#)  
2. Draft Trade Waste Bylaw v2 - 2021 [↓](#)**PURPOSE**

The matter for consideration by the Council is to consider and deliberate on submissions made on the 2021 Draft Trade Waste bylaw.

**RECOMMENDATION FOR CONSIDERATION**

That having considered all matters raised in the report:

- a) That council adopt the draft 2021 Trade Waste Bylaw with minor changes as presented.
- b) That council endorse the approach to recover a capital contribution from Trade Waste Industry contributors in addition to the current operational charges – with adoption taking place through the Revenue and Financing Policy and Annual fees and charges setting.
- c) That council endorse the approach to phase or stage the recovery of capital contribution towards 100% within four years as set out in the revenue and financing policy.
- d) That Council note that industry paying for their share of capital contribution relevant to the cost of discharging was the communities preferred outcome.
- e) That the submitters are thanked for their comments, which are acknowledged and further that the information contained in this report is provided to submitters.

**EXECUTIVE SUMMARY**

The Trade Waste bylaw is intended to deliver on an integrated approach to three waters management in the District alongside the water supply, stormwater and wastewater bylaws. These bylaws influence things like who can connect to our supplies, how much waste can be discharged, the requirement for water tanks at each property and how we manage stormwater. Our current bylaws needed to be refreshed to ensure they reflect the environmental and infrastructural demands of our time.

The draft bylaws inform how we approach asset management and durable infrastructure practices to support our sustainable water demand management plan and wastewater strategy. The impact of these bylaws is wide reaching – it ensures that step by step, we make positive changes which lead to smart growth while being environmentally sustainable.

Council resolved on 11 February 2021 to approve the draft bylaws for public consultation. The submission period closed on 31 March 2021 except for the Trade Waste Bylaw which closes on 12 April 2021. 28 submissions were received across all bylaws and of those 5 submitters wished to be heard. The submissions for the trade waste bylaw has been summarised in Appendix 1 of this report. The original copies of the submissions have been compiled in Appendix 2 of this report.

**SUMMARY OF SUBMISSIONS**

28 submissions were received these are detailed below;

Submitter #	Contact name/Organisation	Wishes to be heard
1	Peter Seligman	Not Stated
2	Anonymous 1	Not Stated
3	Kaye [surname unknown]	Not Stated
4	Anonymous 2	Not Stated
5	Kathryn Bayliss	Not Stated
6	Dean Hyde	Not Stated
7	Keri Ropiha	No
8	Richard Thomas	No
9	Harvey Welsh	No
10	Anonymous 3	Not Stated
11	Richard Fox	Yes
12	Judith Finlay	No
13	Mary Drummond	Not Stated
14	Rob McLean	No
15	Tony & Jenny Feather	Not Stated
16	Peter & Viv Paton	No
17	Bill Hale	No
18	Hawke's Bay District Health Board (Dr Nicholas Jones)	No
19	Forest and Bird (Tom Kay – Regional Conservation Manager)*	Yes
20	Graeme & Margaret Black	No
21	Bruce Stephenson**	Yes
22	DJ Williams	No
23	Anne Wallace	No
24	Diana Hollis	No
25	Matawaka Marae (Dianne Smith)	Yes
26	Hana Cotter	Yes
27	Ovation (Alastair Bayliss – General Manager)	No
28	Medallion 2020 Limited (Alastair Haliburton – Managing Director)	Yes

\*Forest and Bird provided two submissions (one for Trade Waste Bylaw and another for the Water Supply, Stormwater and Wastewater Bylaws) – these have been combined and analysed as one submission.

\*\*Bruce Stephenson provided two submissions (one for Long Term Plan and another for the Trade Waste Bylaw) – these have been combined and analysed as one submission.

**Summary of Submissions:**

The below table summarises how many submission points were received on each section of the draft bylaws and grouped by whether they were support, oppose, or neutral. There were several submissions received that did not state what the submitters position was, and these have also been captured in the table below as “not stated”.

Submission Points	Yes/A	No/B	Not Stated	Total
<b>TRADE WASTE BYLAW</b>				
Q: Do you think the Council should charge businesses purely based on how much and what they discharge?	19	2	7	28
Q: Should the Council should take into consideration other economic, employment or social benefits that a business may bring to the community when charging?	8	12	8	28
Q. Do you think Council should extend the monitoring of industry or commercial wastewater to include smaller contributors to further protect our waterways?	13	7	8	28

## BACKGROUND

Council bylaws and policies are a set of rules or regulations that are created to control specific activities within the Central Hawke's Bay District. Bylaws and policies are a useful way of developing a local solution to local nuisance problems.

Bylaws and policies focus on those issues which Council have determined can be dealt with appropriately using regulatory enforcement.

Council instigated a review of the bylaws to better align with recently adopted or under evaluation strategies and plans like the Wastewater Strategy, Environmental and Sustainability Strategy, Sustainable Water Demand Management Plan, Spatial Plan and District Plan.

The bylaws act as the enablers that set the rules to support these strategies and plans.

Council resolved on 11 February 2021 to approve the draft bylaws for public consultation.

The Trade Waste Bylaw opened for submissions on 12 February and closes on 12 April 2021. The remaining bylaws (Water Supply, Stormwater and Wastewater) opened for submissions on 01 March 2021 and closed on 31 March 2021 to gather review and feedback on the proposed changes. In accordance with section 148 of the Local Government Act 2002 the Central Hawkes Bay District Council (CHBDC) notified the Ministry of Health on 17 February 2021 that the draft Trade Waste Bylaw 2021 was publicly notified in the Central Hawkes Bay Mail on 11 February with submissions being received until 12 April 2021.

The key changes proposed were:

- Inclusion of an introductory note including the Overarching Purpose, Objectives and Context of the new bylaw
- Continuing to expand on water meters to meter water usage for high users and to align better with water sustainability outcomes
- Introducing urban water tanks - making dual purpose rainwater tanks mandatory for new urban residential dwellings
- Expand and strengthen contents in respect to prevention of contaminant discharges to the stormwater and drainage networks and systems
- Strengthening the ability to issue defects notice, and recover costs where defect notices were not implemented or resolved
- Strengthening the ability through the bylaws, and fees and charges to recover costs for capital upgrades for the wastewater system where an industry contributor relatively contributes to the need for the upgrade.

During the consultation period submissions were able to be made through the bylaw consultation page (<https://chbdc.mysocialpinpoint.com.au/facingthefacts/water-bylaws/>) and the Long Term Plan Consultation page (<https://chbdc.mysocialpinpoint.com.au/facingthefacts/>).

Other engagement activities were also undertaken through five press releases (two of which were specific to the bylaw consultation process), social media (Facebook and Instagram), six community meetings, eight trader/business meetings, one on one direct communications and handing out flyers to potential trade waste operators.

28 submissions were received in total across all bylaws and of those, 5 submitters wished to be heard.

All submissions for the trade waste bylaw have been summarised and are included in Appendix 1 of this report.

## ANALYSIS

Ten questions were posed on the submission form specific to each of the bylaws with three questions specific to the trade waste bylaw, it was also encouraged to write a free text submission.

These questions and the responses are outlined in detail in Appendix 1 (Summary of submissions).

### Trade Waste Bylaw

Question one received majority support (19 submitters) to charge businesses purely based on how much and what they discharge.

Question two received majority against (12 submitters) to consider benefits that the businesses bring to the community when charging.

Question three received majority support (13 submitters) for monitoring smaller contributors to further protect waterways.

Submitters also provided further commentary and the key themes are:

- General support over user-pays policy; and
- More encouragement to minimise trade waste

### Submissions from Industry Contributors

Council Officers have taken every effort to work with our Trade Waste Industry to provide information on proposed charging, and work through the proposed bylaw. Engagement from the Trade Industry was constructive and resulted in some submissions from trade waste businesses as outlined within this report.

### Trade Waste Capital Contribution

The bylaw review has proposed to enact section B13-20 in the fees and charges schedule C of the 2021 Bylaw. This existed in the previous 2018 Bylaw but had not been enacted or enforced.

A significant component of the engagement has been focussed on the 'trade waste calculator' and the contribution which outlines how the charging may occur across a number of scenarios.

The scenarios have been workshopped and following considerable feedback and discussion with councillors and industry, officers are recommending to recover for the first 3 years of the Long Term Plan and as set out in the Revenue and Financing Policy the trade waste industry contribution relevant to the investment programmed for that year of the Long Term Plan.

Officers are recommending this is phased in towards a 100% user pays recovery by Year 4 of the Long Term Plan, which would coincide with greater certainty on the water reform approach and by implementing a recovery based on the investment programme – this incentivises trade waste contributors to either make a decision to implement enhanced pre treatment and contribute less financially but the improved treatment would allow Council to review its design basis for a the new mechanical treatment plant in approx. 2026, or choosing not to enhance pre treatment and opting in to supporting the council investment programme by financially contributing.

Council officers recommend to investigate a loan based approach with trade waste contributor from Year 4 onwards to smooth the peaks and troughs that being 100% recovery aligned with the investment programme may bring.

This is proposed to be analysed in future years and would coincide with the next Long Term Plan period.

The proposed phasing approach is;

Year 1 – 33%

Year 2 – 37%

Year 3 – 60%

Year 4 – 100%

This is outlined in the Revenue and Financing policy as a differential weighting to be applied.

The policy decision is laid out in the Revenue and Financing Policy and the rates to be charged are set out in the Fees and Charges – allowing the rates to be reviewed annually.

The feedback and responses align with the bylaw intentions and in its current state recommend the bylaw is adopted with minor changes as outlined in the tracked changed draft version 2 supporting this report.

## **RISK ASSESSMENT AND MITIGATION**

The bylaw reviews carry risks across community, regulatory and legal components, whilst positively the bylaws support the operational components of Council and enables officers to better influence key Council policies, plans or strategies.

The risks will be mitigated through a thorough legal review and input, and the community risk has been mitigated through opportunity for engagement and input into the draft bylaws. Further legal review will be undertaken following the hearing and deliberation process and prior to Council adoption.

## **FOUR WELLBEINGS**

The report and draft bylaws consider the four well-beings through an overarching purpose.

The overarching purpose proposes to achieve a holistic and integrated approach to three waters management in the District that is consistent with Council's District Plan, other policies, plans, strategies and objectives and also reflect the principles of the Te Mana o Te Wai, the following overarching purposes have been set for all four water services bylaws (Water Supply, Stormwater, Wastewater and Trade Waste).

### **a) Meet Legislation Requirements**

Proactively meet all Council's statutory requirements relating to the provision of three waters services.

### **b) Integrated Approach**

Adopt an integrated and holistic approach to the Three Waters (water supply, wastewater including trade waste and stormwater) that recognises the interconnections between each of the waters and promotes their sustainable management.

### **c) Environmental Responsibilities**

Facilitate environmentally responsible practices by raising awareness of how the three waters interact and affect the District's natural environment. Additionally, ensure that Council meet its own responsibilities in terms of resource consent requirements set by the Hawke's Bay Regional Council.

### **d) Sustainable Practices**

Encourage and incentivise the community and businesses to adopt practices that lead to the enhancement of the environment and the sustainable management of water resources including water and product stewardship, rainwater harvesting, waste minimisation and cleaner production.

### **e) Support Sustainable Growth**

Support the sustainable provision of three waters infrastructure to enable future growth while minimising impacts on the environment.

**f) Achieve Project Thrive Values**

Develop and implement the Three Waters Bylaws to give effect to 'Project Thrive' values in particular trust, honesty, respect, innovation, and valuing people.

**g) Te Mana o te Wai**

Recognise the fundamental concept of Te Mana o Te Wai as prescribed under the National Policy Statement for Freshwater Management 2020 and in particular the need to restore and preserve the balance between the water, the wider environment, and the community.

**h) Tangata Whenua Status**

Recognise the status of tangata whenua status as kaitiaki.

**i) Durable Infrastructure**

Develop and maintain durable and resilient infrastructure that achieves Council's levels of service in an efficient and cost-effective manner.

**j) Safety and Health**

Ensure the protection, safety and health of Council staff and the community when using or operating the water supply system, and the wastewater and stormwater networks.

**k) Obligations**

Define the obligations of residential occupiers and businesses including trade waste occupiers and the public at large in relation to the Council's water supply, wastewater and stormwater networks.

**l) Discharge Controls**

Regulate wastewater and stormwater discharges, including trade waste, and hazardous substances, into the wastewater and stormwater networks.

**m) Equitable Costs**

Provide a system for the equitable share of Council's water services costs between trade waste dischargers, other businesses, and domestic customers.

**DELEGATIONS OR AUTHORITY**

This bylaw review triggers significance and engagement and required Council to resolve to take the bylaws out for consultation.

**SIGNIFICANCE AND ENGAGEMENT**

In accordance with the Council's Significance and Engagement Policy, this matter was assessed as significant and consequently community consultation was undertaken.

This consultation process was undertaken concurrently with the Long Term Plan process.

**OPTIONS ANALYSIS**

**Option 1** – to adopt the bylaw with minor changes and endorse the approach to capital contribution recovery as outlined in the Revenue and Financing Policy and Fees and Charges.

**Option 2** – to reject the bylaw and provide guidance to officers on further changes

<u>Option 1</u>	<u>Option 2</u>
To adopt the bylaw with minor changes and endorse the approach to capital contribution recovery as outlined in the Revenue and Financing Policy and Fees and Charges.	To reject the bylaw and provide guidance to officers on further changes

<b>Financial and Operational Implications</b>	Aligned with the modelled financial and operational assumptions	Would add short term work operationally and financially, would delay the capital recovery and impact rating assumptions in the LTP
<b>Long Term Plan and Annual Plan Implications</b>	Aligns with LTP approach	Does not align with LTP approach
<b>Promotion or Achievement of Community Outcomes</b>	Factors in engagement feedback and is a rounded approach to community outcomes	Does not align with engagement feedback
<b>Statutory Requirements</b>	Meets statutory requirements	May not meet statutory requirements – dependant on the next steps and guidance.
<b>Consistency with Policies and Plans</b>	Consistent with bylaw review and LGA requirements	Not consistent bylaw review intention

### Recommended Option

This report recommends **Option 1** – to adopt the bylaw with minor changes and endorse the approach to capital contribution recovery as outlined in the Revenue and Financing Policy and Fees and Charges for addressing the matter.

### NEXT STEPS

Council to consider all submissions and may resolve to make changes to the bylaws as a result. The bylaws are proposed to be adopted at this meeting with the proposed changes attached to this report as tracked changes to be updated to finalise the bylaw. A final copy will be included in the LTP adoption pack on 17<sup>th</sup> June 2021.

### RECOMMENDATION

- a) That council adopt the draft 2021 Trade Waste Bylaw with minor changes as presented.
- b) That council endorse the approach to recover a capital contribution from Trade Waste Industry contributors in addition to the current operational charges – with adoption taking place through the Revenue and Financing Policy and Annual fees and charges



**setting.**

- c) That council endorse the approach to phase or stage the recovery of capital contribution towards 100% within four years as set out in the revenue and financing policy.**
- d) That Council note that industry paying for their share of capital contribution relevant to the cost of discharging was the communities preferred outcome.**
- e) That the submitters are thanked for their comments, which are acknowledged and further that the information contained in this report is provided to submitters.**

# Trade Waste Bylaw Review

## Summary of Submissions

April 2021



**CENTRAL  
HAWKE'S BAY**  
DISTRICT COUNCIL

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Summary of Submissions – Trade Waste Bylaw Review

## 1. Readers Guide

This document is a summary of the 28 submissions received. This summary is ordered according to submission topics then by submitter number.

In the summary, every submitter has been allocated a submitter number.

## 2. Engagement Activity Summary:

Council resolved on 11 February 2021 to approve the draft bylaws for public consultation. The submission period closed on 31 March 2021 except for the Trade Waste Bylaw which closes on 12 April 2021.

During this consultation period submissions were able to be made through the bylaw consultation page (<https://chbdc.mysocialpinpoint.com.au/facingthefacts/water-bylaws/>) and the Long Term Plan (LTP) Consultation page (<https://chbdc.mysocialpinpoint.com.au/facingthefacts>).

Other engagement activities were also undertaken through five press releases (two of which were specific to the bylaw consultation process), social media (Facebook and Instagram), six community meetings, eight trader/business meetings, one on one direct communications and handing out flyers to potential trade waste operators.

### Press Release Activity:

Thur, 25 Feb: Press release – LTP / Bylaw Consultation launches next week  
Mon, 1 March: Press release – Consultation launch  
Tue, 9 March: Press release – LTP Site tours and community events  
Tue, 16 March: Press release – LTP / Bylaw Facebook Q&A Event  
Tue, 23 March: Press release – LTP Final Call for Submissions

### Trade Waste Industry meetings

Fri, 27 November 2020 – Staff met with Trudy (Ovation) and Ricky (NNNZ) to set the scene  
Thurs, 10 Dec 2020 – Staff met with Medallion to set the scene  
Fri, 11 Dec 2020 – Strategic meeting with Ovation  
Thurs, 17 December 2020 - CHB Trade Waste Industry Evening. This was attended by:

- Farmers – Selina Matheson
- NNNZ – Ricky Carnie
- CHB Tank Cleaners – Earle Grant
- Medallion – Alastair Halliburton
- Ovation – Trudy Sharpe

Wed, 23 Dec 2020 – Staff met with Trudy (Ovation) to discuss technical aspects and optimisation/discharge limits

Mon, 01 Feb 2021 – Staff met with Trudy, Ryle and Alastair from Ovation onsite

Tues, 12 Jan 2021 – Staff met with Medallion to discuss technical aspects and optimisation/ discharge limits

Mon, 29 March 2021 - CHB Trade Waste Industry Evening - Council chambers. This was attended by:

- Farmers Transport – Brad Kincaid
- Stephenson’s Transport – Bruce Stephenson, Todd Stephenson, Hugh Hamilton
- Ovation – Ryle Jellone
- Medallion – Alastair Haliburton

### 3. Submitter Details

Submitter #	Contact name/Organisation	Wishes to be heard
1	Peter Seligman	Not Stated
2	Anonymous 1	Not Stated
3	Kaye [surname unknown]	Not Stated
4	Anonymous 2	Not Stated
5	Kathryn Bayliss	Not Stated
6	Dean Hyde	Not Stated
7	Keri Ropiha	No
8	Richard Thomas	No
9	Harvey Welsh	No
10	Anonymous 3	Not Stated
11	Richard Fox	Yes
12	Judith Finlay	No
13	Mary Drummond	Not Stated
14	Rob McLean	No
15	Tony & Jenny Feather	Not Stated
16	Peter & Viv Paton	No
17	Bill Hale	No
18	Hawke's Bay District Health Board (Dr Nicholas Jones)	No
19	Forest and Bird (Tom Kay – Regional Conservation Manager)*	Yes
20	Graeme & Margaret Black	No
21	Bruce Stephenson**	Yes
22	DJ Williams	No
23	Anne Wallace	No
24	Diana Hollis	No
25	Mataweka Marae (Dianne Smith)	Yes
26	Hana Cotter	Yes
27	Ovation (Alastair Bayliss – General Manager)	No
28	Medallion 2020 Limited (Alastair Haliburton – Managing Director)	Yes

\*Forest and Bird provided two submissions (one for Trade Waste Bylaw and another for the Water Supply, Stormwater and Wastewater Bylaws) – these have been combined and analysed as one submission.

\*\*Bruce Stephenson provided two submissions (one for Long Term Plan and another for the Trade Waste Bylaw) – these have been combined and analysed as one submission.

#### 4. Submission Statistics

The below table summarises how many submission points were received on each section of the draft bylaws and grouped by whether they were support, oppose, or neutral. There were several submissions received that did not state what the submitters position was, and these have also been captured in the table below as “not stated”.

Submission Points	Yes/A	No/B	Not Stated	Total
<b>TRADE WASTE BYLAW</b>				
Q: Do you think the Council should charge businesses purely based on how much and what they discharge?	19	2	7	<b>28</b>
Q: Should the Council should take into consideration other economic, employment or social benefits that a business may bring to the community when charging?	8	12	8	<b>28</b>
Q: Do you think Council should extend the monitoring of industry or commercial wastewater to include smaller contributors to further protect our waterways?	13	7	8	<b>28</b>

## 5. Submission Summary by topic

TRADE WASTE MANAGEMENT			
Q: Do you think the Council should charge businesses purely based on how much and what they discharge?			
Submitter #	Name	Yes/No/Not Stated	Comment
1	Peter Seligman	Yes	
2	Anonymous 1	Yes	
3	Kaye [surname unknown]	Yes	
4	Anonymous 2	Yes	
5	Kathryn Bayliss	Yes	
6	Dean Hyde	Not Stated	
7	Keri Ropiha	Yes	
8	Richard Thomas	Yes	
9	Harvey Welsh	Yes	
10	Anonymous 3	No	
11	Richard Fox	Yes	
12	Judith Finlay	No	
13	Mary Drummond	Not Stated	
14	Rob McLean	Yes	
15	Tony & Jenny Feather	Yes	
16	Peter & Viv Paton	Yes	
17	Bill Hale	Yes	
18	Hawke's Bay District Health Board (Dr Nicholas Jones)	Not stated	



TRADE WASTE MANAGEMENT			
Q: Do you think the Council should charge businesses purely based on how much and what they discharge?			
Submitter #	Name	Yes/No/Not Stated	Comment
19	Forest and Bird (Tom Kay – Regional Conservation Manager)	Yes	This is consistent with thinking on using economic incentives to ensure businesses minimise their environmental impacts. There is no incentive for businesses to reduce the quantity or improve the quality of their discharges otherwise.
20	Graeme & Margaret Black	Yes	
21	Bruce Stephenson	Not Stated	
22	DJ Williams	Yes	
23	Anne Wallace	Yes	
24	Diana Hollis	Yes	
25	Mataweka Marae (Dianne Smith)	Not Stated	
26	Hana Cotter	Yes	Large business only!! Start with council and Government
27	Ovation (Alastair Bayliss – General Manager)	Not Stated	
28	Medallion 2020 Limited (Alastair Haliburton – Managing Director)	Not Stated	

Q: Should the Council take into consideration other economic, employment or social benefits that a business may bring to the community when charging?			
Submitter #	Name	Yes/No/Not Stated	Comment
1	Peter Seligman	No	

2	Anonymous 1	No	
3	Kaye [surname unknown]	No	
4	Anonymous 2	No	
5	Kathryn Bayliss	No	
6	Dean Hyde	Not Stated	
7	Keri Ropiha	No	
8	Richard Thomas	No	
9	Harvey Welsh	Not Stated	
10	Anonymous 3	Yes	
11	Richard Fox	No	
12	Judith Finlay	Yes	
13	Mary Drummond	Yes	
14	Rob McLean	Yes	
15	Tony & Jenny Feather	Yes	
16	Peter & Viv Paton	Yes	
17	Bill Hale	Yes	
18	Hawke's Bay District Health Board (Dr Nicholas Jones)	Not stated	
19	Forest and Bird (Tom Kay – Regional Conservation Manager)	No	Pollution should not be subsidised.
20	Graeme & Margaret Black	No	
21	Bruce Stephenson	Not Stated	
22	DJ Williams	Not Stated	
23	Anne Wallace	No	
24	Diana Hollis	No	
25	Mataweka Marae (Dianne Smith)	Not Stated	

26	Hana Cotter	Yes	
27	Ovation (Alastair Bayliss – General Manager)	Not Stated	
28	Medallion 2020 Limited (Alastair Haliburton – Managing Director)	Not Stated	

**Q. Do you think Council should extend the monitoring of industry or commercial wastewater to include smaller contributors to further protect our waterways?**

Submitter #	Name	Yes/No/Not Stated
1	Peter Seligman	Yes
2	Anonymous 1	Yes
3	Kaye [surname unknown]	Yes
4	Anonymous 2	Yes
5	Kathryn Bayliss	Yes
6	Dean Hyde	Not Stated
7	Keri Ropiha	No
8	Richard Thomas	Yes & No
9	Harvey Welsh	Not Stated
10	Anonymous 3	No
11	Richard Fox	Yes
12	Judith Finlay	Not Stated
13	Mary Drummond	Not Stated
14	Rob McLean	Yes
15	Tony & Jenny Feather	Yes
16	Peter & Viv Paton	Yes

17	Bill Hale	No
18	Hawke's Bay District Health Board (Dr Nicholas Jones)	Not stated
19	Forest and Bird (Tom Kay – Regional Conservation Manager)	Yes
20	Graeme & Margaret Black	No
21	Bruce Stephenson	Not Stated
22	DJ Williams	Yes
23	Anne Wallace	Yes
24	Diana Hollis	No
25	Mataweka Marae (Dianne Smith)	Not Stated
26	Hana Cotter	No
27	Ovation (Alastair Bayliss – General Manager)	Not Stated
28	Medallion 2020 Limited (Alastair Haliburton – Managing Director)	Not Stated

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Summary of Submissions – Trade Waste Bylaw Review

## 6. General Comments Received

Submitter #	Name	My submission is (summary)	Staff Comment
5	Kathryn Bayliss	<p>Trade wastewater and stormwater could be treated on site by the industry and reused. If not reused it should be treated as much as possible on site before discharging into CHBDC's water systems so it is less of a burden on the CHBDC water treatment and stormwater assets.</p> <p>I support CHBDC recovering capital contributions towards our upcoming wastewater upgrades from industry as they discharge a large amount of wastewater and place a bigger burden on the wastewater systems.</p> <p>I agree with the new 2021 draft Water Supply, Wastewater (and Tradewaste), and Stormwater bylaws and agree with and support the Statement of Proposal Water Supply, Wastewater (and Tradewaste), and Stormwater bylaws and agree with and support the Statement of Proposal Water Supply, Wastewater (and Tradewaste), and Stormwater bylaws 2021.</p>	<p><b>Trade Waste</b> It is acknowledged that the submitter is in support of trader capital contributions. Trade Waste dischargers are encouraged to minimise the amount of trade waste they discharge through their management plans, therefore there is financial benefit for trade waste dischargers.</p> <p><b>STAFF RECOMMENDATION:</b> Council thanks the submitter and acknowledges the submission. No further action required.</p> <p><b>General</b> It is acknowledged that the submitter is in support of all reviewed bylaws and Statement of Proposals. The submitter has however identified inconsistencies between the formatting of the bylaws.</p> <p><b>STAFF RECOMMENDATION:</b> Council update bylaws to make sure there is consistency with formatting and definitions across all four bylaws before they are adopted.</p>

Submitter #	Name	My submission is (summary)	Staff Comment
		In the Introduction, Overarching Purpose of the Water Supply and Stormwater Bylaws letters are used, a-m. In the Wastewater and Tradewaste Bylaws numerals are used 1-13. It would be better to use all the same either numbers or letters.	
6	Dean Hyde	<p>Firstly, thank you for the opportunity to submit on the review of our Districts Bylaws as they pertain to Water Supply, Storm Water, Wastewater and Trade Waste. Accordingly, I would respectfully submit the following.</p> <p><b>Robust Approach:</b> I wish to acknowledge the thoroughness with which Council has approached the subject of better managing our most precious resource, water; irrespective of the form it takes (waste, etc.) It is now widely understood that water which is the basis on which all life exists is under constant threat, therefore it is beholden upon us all to use this resource wisely and intelligently. It is on that basis that I wholeheartedly support the direction in which Council is moving.</p> <p><b>Trade Waste Bylaw:</b> My only submission in regard to the proposed bylaw changes is that those who produce the waste should carry the burden of the cost of disposal. Business must</p>	<p><b>General</b> It is acknowledged that the submitter is in support of Council's direction.</p> <p><b>STAFF RECOMMENDATION:</b> Council thanks the submitter and acknowledges the submission. No further action required.</p> <p><b>Trade Waste</b> It is acknowledged that the submitter is in support of the user-pays policy. Trade waste dischargers are</p>

Submitter #	Name	My submission is (summary)	Staff Comment
		accept the reality that the appropriate disposal of trade waste (as with any other by-product) is part and parcel of the cost of undertaking a business activity. I do not believe it is credible to argue a wider community benefit as a rationale to share the cost burden onto other ratepayers; to do so disincentives business from looking at smarter and better ways of addressing trade waste issues.	encouraged to minimise the amount of trade waste they discharge through their management plans.  <b>STAFF RECOMMENDATION:</b> Council thanks the submitter and acknowledges the submission. No further action required.
18	Hawke's Bay District Health Board (Dr Nicholas Jones)	We fully support the need for these bylaws and would like to emphasise the importance of regular monitoring and enforcement of the provisions included in the bylaw by Council, to ensure their purpose is achieved.  <b>Trade Waste Bylaw</b> We understand that the Ministry of Health is also reviewing the Trade Waste Bylaw directly. We do not see any issues with the proposed changes to this bylaw.	<b>Trade Waste Bylaw</b> Comment noted  <b>STAFF RECOMMENDATION:</b> Council thanks the submitter and acknowledges the submission. No further action required.
19	Forest and Bird (Tom Kay – Regional Conservation Manager)	Please refer to original submission for the introduction to the submission.  <b>Trade Waste Bylaw</b> <ul style="list-style-type: none"> <li>Forest &amp; Bird support the updating and strengthening of the Trade Waste Bylaw.</li> </ul>	<b>Trade Waste Bylaw</b> Support Acknowledged

Submitter #	Name	My submission is (summary)	Staff Comment
		<p><b>Introduction and Objectives</b></p> <p>We support the new introduction, particularly the reference to Te Mana o te Wai. However, we note there is a typo, and it needs to be amended (in red):</p> <p><i>To achieve a holistic and integrated approach to three waters management in the District that is consistent with Council's District Plan, other Policies, Plans, Strategies and Objectives and also reflect the principles of the Te Mana o Te Wai, <del>the</del> the following overarching purposes have been set for all four water services bylaws (Water Supply, Stormwater, Wastewater and Trade Waste):</i></p> <p>We also seek point 2 of the purpose be amended to reflect Te Mana o te Wai by referring to a 'ki uta ki tai' approach for integrated management:</p> <p><b>Integrated Approach</b></p> <p>Adopt an integrated and holistic approach, <i>ki uta ki tai</i>, to the Three Waters (water supply,</p>	<p><b>STAFF RECOMMENDATION:</b> Council thanks the submitter and acknowledges the submission. No further action required.</p> <p><b>Introduction and Objectives</b></p> <p>Council notes this grammatical error and the additions proposed to the 'Integrated Approach' section. These sections are common across all the bylaws and therefore occur in each bylaw.</p> <p><b>STAFF RECOMMENDATION:</b> Council review bylaws together to make sure there is consistency with formatting across all four bylaws before they are adopted. Staff recommend that the grammatical changes be made across all four bylaws. Staff recommend that "ki uta ki tai" and "eliminating" be included in the 'Integrated Approach' section and be made across all four bylaws.</p>



Submitter #	Name	My submission is (summary)	Staff Comment
		<p>wastewater including Trade Waste and stormwater) that recognises the interconnections between each of the waters and promotes their sustainable use and management.</p> <p>We also seek point 5 refer to 'minimising or eliminating' impacts on the environment, as it might be possible to remove impacts in some circumstances:</p> <p><i>Support the sustainable provision of three waters infrastructure to enable future growth while minimising or <b>eliminating</b> impacts on the environment.</i></p> <p>We support the objectives of the bylaw.</p> <p><b>General Comments on the Bylaw</b></p> <ul style="list-style-type: none"> <li>Forest &amp; Bird support Section 7, Classification of Trade Waste Discharges.</li> <li>In particular, we support the limited consent duration of 5 years.</li> <li>We support the direction that ALL dischargers of trade waste must talk to council to determine their discharge status before they can discharge.</li> </ul>	<p><b>General Comments on the Bylaw</b></p> <p>Council acknowledge that the submitter is in support on a number of matters across the bylaws. In relation to flow metering, it is intended that discharge flow meters will be made mandatory when the next trade waste bylaw review is undertaken. Council have indicated to existing trade waste dischargers this will be the case, so if any works are undertaken on site before the next bylaw review, they have the opportunity to include a discharge flow meter at that</p>

Submitter #	Name	My submission is (summary)	Staff Comment
		<ul style="list-style-type: none"> <li>▪ We support the requirement for pre-treatment (8.6), and that this be a non-inclusive list.</li> <li>▪ We support the provision (8.7) for reviews of consents, particularly when there is non-compliance.</li> <li>▪ We support council having the ability to cancel consents where there is noncompliance.</li> <li>▪ We support the provision allowing council to monitor discharges and giving council jurisdiction to require consent holders to undertake monitoring.</li> <li>▪ We generally support the requirements for flow metering, including the additional provision for smart meters. However, rather than just a potential requirement of trade waste consents, we feel this should be a mandatory condition of all trade waste consents. This would allow council to accurately understand how much trade waste is coming into the WWTP and manage it accordingly. It would also be useful for reducing quantities over time, and/or ensuring dischargers are complying with their consent conditions and costs of treatment are distributed fairly.</li> </ul>	<p>time. Giving a trade waste discharger prior notice allows them to budget for the installation of the discharge flow meters.</p> <p>In relation to Warning Notices, the existing Local Government Act 2002 is an onerous and costly approach to holding non-compliant trade waste dischargers to account. Council prefer to work with trade waste dischargers to resolve their compliance issues, but the inclusion of the Warning Notices allows Council the ability to cancel consents where the trade waste discharger does not resolve issues to agreed timescales.</p> <p><b>STAFF RECOMMENDATION:</b> Council thanks the submitter and acknowledges the submission. No further action required.</p>

Submitter #	Name	My submission is (summary)	Staff Comment
		<ul style="list-style-type: none"> <li>We support the inclusion of 'Warning Notices' however we want to be clear these should be used alongside cost recovery mechanism and fines (as below) where appropriate. Trade Waste dischargers should be well informed of their responsibilities and a strong compliance, monitoring, and enforcement program is needed alongside any education of dischargers.</li> </ul>	
21	Bruce Stephenson	<p>Please refer to original submission for the introduction to the submission.</p> <ol style="list-style-type: none"> <li>Whilst the company appreciates the assistance provided by Council staff during the last part of the consultation period, we are still extremely concerned that the Council's reasons for changing the Trade Waste Fees and Charges for 2021/22 remain unclear.</li> <li>We remain unconvinced that there is justification for adding a capital charge to the Trade Waste Charges and given the confusion around Council's documentation, more time should be given to allow for an</li> </ol>	<ol style="list-style-type: none"> <li>Noted. We believe this has adequately been communicated the need to adequately capture a fair user pays split to ensure the general connected ratepayer is not subsidising other users.</li> <li>Council staff have gone through the calculations which generated the trade waste rates for Fees &amp; Charges (capital contributions) with the submitter. Council acknowledges these calculations are complex.</li> </ol> <p>The statement of proposal outlines the reason:</p>

Submitter #	Name	My submission is (summary)	Staff Comment
		<p>in-depth consultation with Trade Waste consent holders.</p> <p>3. Even if the inclusion of these capex charges is justified, there is real doubt as to whether there has been a sufficiently informed discussion regarding the Council's policies in respect of the issue.</p> <p><b>Our Current Trade Waste Discharges</b></p> <p>In the 2020 year, the company has on average complied with the BOD, N and P limits set out in it's existing consent but of concern, we have sometimes exceeded the TSS limit by a considerable margin.</p>	<p><i>"The bylaw needs to provide for the fair allocation of the cost for the wastewater treatment plants (WWTP) and the operation of them. How fees and charges for trade waste discharges are categorised and calculated in the bylaw is unclear and confusing such as the formula for annual charges, as there is no definition for all the components that make up the formula. Capital contributions are currently identified in the bylaw as a mechanism for Council to charge, however it is not clear how these are to be calculated – this is a driver for the bylaw review, with the focus on "user pays".</i></p> <p>3. Noted</p> <p><b>Our Current Trade Waste Discharges</b></p> <p>Noted.</p> <p><b>STAFF RECOMMENDATION:</b> Council thanks the submitter and acknowledges the submission. No further action required.</p>

Submitter #	Name	My submission is (summary)	Staff Comment
		<p>This is mostly caused by the significant increase in the number of trucks in our fleet and the amount of animal effluent discharged from the crates when they are being washed out.</p> <p>It must be remembered that most of this effluent derives from the failure of farmers to stand stock before loading, despite numerous campaigns directed at changing their practices. As a result, the carrier is punished by having to carry effluent which has been transported from a rural situation for discharge into an urban reticulation system.</p> <p>The company acknowledges that it must bring the TSS and BOD levels down and also reduce daily water use. Work is currently underway, looking at our options.</p> <p><b>Fees and Charges</b> The council proposes to add a capex element to</p>	<p>Council acknowledges this submission point and appreciates the difficulties; however we all have play our part in the process to ensure the best possible and ability to treat which leads to best possible environmental outcome - this is outside of Council's responsibilities.</p> <p><b>STAFF RECOMMENDATION:</b> Council thanks the submitter and acknowledges the submission. No further action required.</p> <p>Council acknowledges this submission point and appreciates the difficulties; however this is outside of Council's responsibilities.</p> <p><b>STAFF RECOMMENDATION:</b> Council thanks the submitter and acknowledges the submission. No further action required.</p> <p>Noted</p> <p><b>STAFF RECOMMENDATION:</b> Council thanks the submitter and acknowledges the submission. No further action required.</p> <p><b>Fees and Charges</b> Noted.</p>

Submitter #	Name	My submission is (summary)	Staff Comment
		<p>the current charges to cover the capital cost of future upgrades and additions to the system.</p> <p>The online calculator has been very useful and the following table shows what we will pay without capex charges:</p> <p><i>[Please refer to original submission for fees and charges table reference.]</i></p> <p>The total monthly charge amounts to \$109,078.80 per annum which is a considerable amount.</p> <p>The next table shows what the charges would be once Capex was added:</p> <p><i>[Please refer to original submission for fees and charges table reference.]</i></p> <p>As can be seen, the monthly charge would increase by \$539.70 per month or \$6,476.40 per annum.</p> <p>This amounts to a 5.9% increase to a total of \$115,555.20 per annum.</p> <p><b>Concerns about the Capex Charge</b></p> <p>We have tried and failed to find a detailed policy discussion as to the rationale for adding.</p>	<p>Council acknowledge feedback on the online calculator.</p> <p>Noted</p> <p><b>Concerns about the Capex Charge</b></p> <p>Noted</p>

Submitter #	Name	My submission is (summary)	Staff Comment
		<p>Capex charges nor any detail as to how they have been calculated.</p> <p>There is nothing in the draft LTP document apart from a statement on the bottom of page 336 which simply says that capital contributions are being added.</p> <p>We do acknowledge that there is a large section devoted to the proposed Development Contributions Policy and in theory; this should include a discussion under the Wastewater section around what contributions should be paid by Trade Waste Consent holders.</p> <p>But there is nothing about Trade Waste Charges, despite a section which refers to Extraordinary Users and reference to Estimated Development Contributions in Appendix C</p> <p>Nor is there any detail in the "Three Waters Bylaw Review" document, despite including a section on the Draft Trade Waste Bylaw.</p> <p>At the meeting held on 29 March 2021, we were advised to refer to the review of the Revenue and Charges Policy but our research has shown that the only parts of that policy that are being reviewed relate to Land Use and</p>	<p>The proposed bylaw itself is not bringing in the fees relating to capital charges (this is already possible under the current bylaw).</p> <p>The process through which the fees are brought in is through the Fees and Charges schedule and the Revenue and Financing policy.</p> <p>The Fees and Charges section references the need to recover capex contributions</p>

Submitter #	Name	My submission is (summary)	Staff Comment
		<p>Subdivisions, Animal Control, Compliance and Monitoring, Storm water and CBD Differentials.</p> <p>Lastly and probably of the greatest concern, only in the last 48 hours have we been advised that:</p> <p>The Council has set aside a placeholder in the Long Term Plan budget for Trade Waste Contribution - the draft placeholder value for this is \$250,000.00 which translates to 25% Trader contribution (but moves dependant on the investment year). This relates to the Trader Contribution on the calculator.</p> <p>Whilst this was referred to at the very end of the meeting on 29 March, little explanation was given. Now that we have seen the statement in full (which is taken from Mr Severinsen's email to all stakeholders sent on 30 March 2021 ), it raises all kinds of questions, such as:</p> <ul style="list-style-type: none"> <li>• What is a "placeholder value"?</li> <li>• Why has the \$250,000.00 contribution not been mentioned in any of the documents sent out for consultation, especially the draft LTP?</li> </ul>	<p>The submitter was invited to a meeting on 17/12/20 which covered this. The submitter did not attend. The presentation was circulated following the meeting to the submitter and the existing trade waste dischargers.</p> <ul style="list-style-type: none"> <li>• This is a proposed budget in the 2021-2031 Long Term Plan for trade waste revenue</li> <li>• The \$250,000 is the capital contribution proposed to be generated from trade waste discharges, not general ratepayers. This was communicated at the presentations with stakeholders on 17/12/20 and 29/03/21 as the budget figure to allow the rates</li> </ul>



Submitter #	Name	My submission is (summary)	Staff Comment
		<ul style="list-style-type: none"> <li>In particular, what is the relationship between the above statement and the contents of the Draft Development Contributions Policy?</li> <li>If this is a contribution from the general ratepayers, why does it state that it translates to a 25% Trader contribution?</li> <li>When did the elected members debate this as a policy issue and if it was debated why was a summary of the discussion not included in the consultation documents?</li> <li>Why was the figure of \$250,000.00 chosen and what assessments were made to consider other amounts, not only for the 2021/22 year but in future years as well.</li> </ul>	<p>for the LTP to be calculated, this was always proposed to be adjusted for the actual figure once the consultation period had run its course and a decision had been made.</p> <ul style="list-style-type: none"> <li>The development contributions are an entirely different policy and apply to new development in the district.</li> <li>The \$250,000 is the capital contribution proposed to be generated from trade waste discharges, not general ratepayers. This relates to 25% of the total revenue that would be generated from trade waste discharges using the proposed rates as per the online calculator.</li> <li>The decision was debated as part of the Long Term plan consultation document and supporting documents in the build up of this Long Term Plan and the bylaw was adopted as a policy decision by Council alongside the Revenue and Financing Policy, and Fees and Charges</li> <li>The \$250,000 is the capital contribution proposed to be generated from trade waste discharges, not general ratepayers. This was communicated at the presentations with stakeholders on 17/12/20 and 29/03/21 as the budget figure to allow the rates</li> </ul>

Submitter #	Name	My submission is (summary)	Staff Comment
		<p>Even if answers are given to these questions between now and the hearing of submissions, we have not had an opportunity to formulate our contribution to the debate, which would include matters. such as:</p> <ul style="list-style-type: none"> <li>• An expectation that the calculations which support the proposed capex charges are transparent and explicable. Adding a capex factor might be seen as a minor issue but they increase the total charge by 6% on top of our rates bill so we are entitled to see the detail.</li> <li>• Incidentally, has the fact that our rate bill will increase anyway if the proposed differentials are applied?</li> <li>• We believe that our company provides a great level of service to the rural community and much of our turnover makes a significant contribution to the local economy. We would expect this to be taken into account when considering a change to the Trade Waste charging policy but currently, we have no way of knowing</li> </ul>	<p>for the LTP to be calculated, this was always proposed to be adjusted for the actual figure once the consultation period had run its course and a decision had been made.</p> <ul style="list-style-type: none"> <li>• Additional information was available on request</li> <li>• Trade Waste fees and charges are separate to users, and fund a different activity set.</li> <li>• Noted – as alluded to at the meeting on 29/03/21 an economic analysis is being undertaken at present and will form the deliberations pack council receives alongside submission to assist with making a fair decision.</li> </ul>

Submitter #	Name	My submission is (summary)	Staff Comment
		<p>whether this has happened and if so, to what extent.</p> <p><b>Conclusion</b></p> <p>If the amount of \$250,000.00 is a genuine attempt to have general ratepayers make a contribution to Trade Waste Charges, this is a significant shift in policy which has not been communicated to the affected parties, nor have they been included in the policy discussion - assuming there has been such a discussion.</p> <p><b>Amendment Requested</b></p> <p>In our view, this is a serious failure to consult on this important issue and the only remedy is to remove the proposed introduction of capex charges for Trade Waste from this LTP and carry out a proper consultation in 2022.</p> <p><b>Submission on The Trade Waste Bylaw Review</b></p> <p>Please refer to original submission for the introduction to the submission.</p>	<p><b>Conclusion</b></p> <p>The \$250,000 is the capital contribution proposed to be generated from trade waste discharges, not general ratepayers.</p> <p><b>Amendment Requested</b></p> <p>Thank you for your response, your feedback along with others received will be considered as part of the decision making.</p>

Submitter #	Name	My submission is (summary)	Staff Comment
		<p><b>Clause 8.4 - Conditions of Tankered Trade Waste Consent.</b></p> <p>As the Council is aware, our company currently operates a tanker which is permitted to take effluent from the truck wash to the oxidation pond.</p> <p>Whilst we can see that clause 8.4 has been drafted with the more "normal" tanker operation in mind, where human waste and hazardous waste might be conveyed to the Approved Location, we request some changes which would make it clear that a consent can be issued for a tanker removing non-hazardous effluent to the facility.</p> <p>For example, could Clause 8.4.2 be amended so that it covers non-hazardous wastes as well as septic tank or industrial waste?</p> <p>Also, Clause 8.4.4 may need to be amended so that less onerous conditions can be applied in the case of non-hazardous tankered waste although possibly, sub clause (i) might be sufficient.</p>	<p><b>Clause 8.4 - Conditions of Tankered Trade Waste Consent.</b></p> <p>8.4.2 a) the wording "industrial waste" was intended to cover the same definition as trade waste, which would allow your tankered waste to be covered by 8.4.</p> <p><b>STAFF RECOMMENDATION:</b> Amend clause 8.4.2a) of Trade Waste Bylaw to read "industrial wastes or trade wastes" instead of "industrial waste" so any non-domestic waste may be covered under Tankered Waste.</p> <p>Any trade waste received into the wastewater system requires control and management. Section 8.4.4 states "may be granted subject to any conditions as the Council sees fit". All consent conditions will be discussed with the trade waste discharger at the time of application. It is Council's intention to work with all applicants to achieve the most appropriate consent conditions for their situation and to protect the wastewater system.</p>

Submitter #	Name	My submission is (summary)	Staff Comment
		<p><b>The Proposed Pre-Treatment Conditions</b></p> <p>We have a question regarding clause 8.6 as to whether "vehicle wash facilities" includes a truck wash of the type operated by us.</p> <p>It is possible that our truck wash is not caught by that term because of the other types of activity listed in sub-clause (c) which could all discharge waste containing some chemicals or oils which would need some kind of pre-treatment.</p> <p>This could be clarified by inserting wording in clause 8.6.1 stating that "vehicle wash facilities" does not include a truck wash which discharges non-hazardous waste.</p> <p>Our other issue concerns the opening words of clause 8.6.1.</p> <p>Whilst accepting that the clause 8.6 opens with the word "may", we are concerned that under this clause, Council will be in a position to</p>	<p><b>STAFF RECOMMENDATION:</b> Council thanks the submitter and acknowledges the submission. No further action required.</p> <p><b>The Proposed Pre-Treatment Conditions</b></p> <p>Section 8.6.1 covers the fact that Council may require provision of an appropriate pre-treatment system.</p> <p>Given the nature of the trade waste discharge in this situation, consent conditions would reflect the nature of the discharge, and the requirement for control and management of flows and loads discharged. How the trade waste discharger meets the conditions may in fact be up to the trader, if Council does not consider the requirement for pre-treatment is necessary in this situation. This will be reviewed at the time of application.</p> <p><b>STAFF RECOMMENDATION:</b> Council thanks the submitter and acknowledges the submission. No further action required.</p> <p>It is Council's intention to work with all applicants to achieve the most appropriate consent conditions for their situation and to protect the wastewater system. It is not Council's intention to be prescriptive, rather for the bylaw to allow the ability to require pre-treatment if any discharges could cause a nuisance to</p>

Submitter #	Name	My submission is (summary)	Staff Comment
		<p>impose stringent and expensive pre-treatment conditions when in fact, it is up to the property owner to decide what has to be installed in order to meet the conditions of consent.</p> <p><b>The Sampling Regime</b></p> <p>The present wording of clause 9 indicates that the Council will have some powers which are potentially intrusive and go beyond the need to ensure that a consent holder is complying with the terms of consent.</p> <p>For example, under clause 9.1.2(d) we do not believe that the Council should have the power to intervene in the maintenance of any pre-treatment system. That is the responsibility of the operator who must take whatever steps he considers necessary in order to comply with the conditions of his consent.</p>	<p>the wastewater system, which pre-treatment could prevent.</p> <p><b>STAFF RECOMMENDATION:</b> Council thanks the submitter and acknowledges the submission. No further action required.</p> <p><b>The Sampling Regime</b></p> <p>It is not Council's intention to be intrusive, rather that Council, through the bylaw, have the ability to request any information as appropriate for the discharger to demonstrate that they are controlling and managing the flows and loads in their discharge and are meeting the conditions of their consent. Section 9.1.2 includes examples of what may be requested.</p> <p>Records for monitoring such as those included in Section 9.1.2 should be kept as part of demonstrating compliance with the discharger's own Management Plan. The Management Plan is required at the time of application, and is intended to form part of the audits as per Section 9.1.2 e).</p> <p><b>STAFF RECOMMENDATION:</b> Council thanks the submitter and acknowledges the submission. No further action required.</p>

Submitter #	Name	My submission is (summary)	Staff Comment
27	Ovation	<p><b>Trade Waste Bylaw</b></p> <p>Ovation generally supports the proposed Trade Waste Bylaw 2021. Our only concern is the proposed requirement for annual flowmeter accuracy calibration in clause 9.3.4. We consider that annual accuracy verification is too frequent and propose that flowmeters be verified at least 5-yearly in line with the verification frequency required by the Resource Management (Measurement and Reporting of Water Takes) Regulations 2020.</p> <p>Our recommended changes to clause 9.3.4 are as follows:</p> <p>The consent holder shall arrange for in situ calibration of the flow metering equipment and instrumentation by a person and method approved by Council upon installation and at least once <b>every five years thereafter or whenever the flowmeter is moved, modified or replaced a-year thereafter</b> to ensure its performance. The meter accuracy should be <math>\pm 10\%</math> but with no greater a deviation from the previous meter calibration of <math>\pm 5\%</math>. A copy of independent certification of each calibration result shall be submitted to Council.</p>	<p><b>Trade Waste Bylaw</b></p> <p>Council note the submitters feedback and are comfortable with the proposed amendment. Refer to staff recommendation below.</p> <p>Council plan to align with Hawkes Bay Regional Council requirements and the clause has been amended to reflect this.</p> <p><b>STAFF RECOMMENDATION:</b> Amend Clause 9.3.4 of Trade Waste Bylaw to read “<i>The consent holder shall arrange for in situ calibration of the flow metering equipment and instrumentation by a person and method approved by Council upon installation and at least once <b>every five years thereafter or whenever the flowmeter is moved, modified or replaced a-year thereafter</b> to ensure its performance. The meter accuracy should be <math>\pm 10\%</math> but with no greater a deviation from the previous meter calibration of <math>\pm 5\%</math>.</i>”</p>

Submitter #	Name	My submission is (summary)	Staff Comment
		<p>Associated with the proposed new Bylaw is a new model for trade waste charging. This model has been provided to Ovation and other traders in the form a spreadsheet file to aid in estimating some of the expected future costs.</p> <p>Trade waste charges to cover both operating and capital costs are to be based on actual loads and volumes discharged and we fully support this approach. This charging method creates an incentive for traders to minimise both the volume and load of wastewater they produce.</p> <p>However, it is not clear how the model calculated industry's contribution to the capital cost of upgrading wastewater treatment infrastructure and what these costs are likely be beyond 2023. We therefore reserve comment on these matters until we have further information.</p>	<p><i>A copy of independent certification of each calibration result shall be submitted to Council."</i></p> <p>The calculator has been developed for the duration of the wastewater upgrade programme. This calculator is only indicative at this stage, until further data is available. The calculator has been sent to the submitter (and known dischargers), along with an explanation.</p> <p><b>STAFF RECOMMENDATION:</b> Council thanks the submitter and acknowledges the submission. No further action required.</p>
28	Medallion 2020 Limited	Submission to the Three Waters Bylaw review at the Central Hawkes Bay District Council – from Medallion 2010 Limited (t/a Medallion Pet Foods)	



Submitter #	Name	My submission is (summary)	Staff Comment
		<p>1. For the avoidance of doubt, we agree with the general thrust of the CHB District Council initiatives to seriously address the Three Waters requirements for the district and the associated historical under-investment in these assets. Facing the Facts is inherently a good move!</p> <p>2. We are concerned about the risk of less than optimum planning, in respect to Trade Wastewater.</p> <p>a. We understand that Council has been working on Waste Water treatment redevelopment for approximately three years. As this is a core business function for the council, we assume that some relative dedicated resource has been focused on this subject over that period of time.</p>	<p>1. Noted</p> <p><b>STAFF RECOMMENDATION:</b> Council thanks the submitter and acknowledges the submission. No further action required.</p> <p>2. Noted</p> <p>a. Council has been working on the upgrade programme since June 2018 and acknowledges they have had more time than industry to consider changes. That being said, the proposed charges are required in some form to fairly fund the upgrade programme.</p> <p>Council unfortunately cannot stall the upgrade programme, but is recommending a staged approach of implementing the capital recovery charging to provide time for traders to understand their situation and how they plan to improve their discharge or not.</p> <p><b>STAFF RECOMMENDATION:</b> Council thanks the submitter and acknowledges the submission. No further action required.</p>

Submitter #	Name	My submission is (summary)	Staff Comment
		<p>b. Medallion was first appraised of the need to be involved in the Waste Water conversation, in meetings in mid-December. Detail followed in mid-February – which was sufficient for Medallion to engage advisors. This left 38 working days for Medallion to achieve an outcome in terms of a knowledge of it's own water treatment systems, sufficient to enter constructive dialogue with the Council for planning purposes</p> <p>c. Medallion does not have any internal resource that can be allocated to such a task, without substantial re-prioritisation of the business. Waste Water treatment is not a core function for Medallion, and does not provide it with any business advantage that would assist it to grow it's contribution to the CHB Community. Therefore, diverting resource to Waste Water treatment development fundamentally reduces Medallion's progress towards being a successful local business, with the associated cost to people in and around it.</p>	<p>b. Noted</p> <p><b>STAFF RECOMMENDATION:</b> Council thanks the submitter and acknowledges the submission. No further action required.</p> <p>c. Council acknowledges the need for trade waste discharge resource to be allocated to wastewater treatment. Control and management of trade waste in the district is becoming more important, with Council's goals Environmentally Responsible and Durable Infrastructure, increasing compliance requirements for the districts wastewater treatment plant discharges and deterioration of the WWTP discharge consent compliance requiring a focus on incoming flows and loads. As such, those discharging into the wastewater network have a part to play by controlling and managing their discharges, and meeting the conditions of their consent.</p> <p><b>STAFF RECOMMENDATION:</b> Council thanks the</p>

Submitter #	Name	My submission is (summary)	Staff Comment
		<p>d. Technical Advisory services for Waste Water are really busy at the moment, and Medallion remains in the queue with multiple parties to assist to address this topic</p> <p>e. It should be noted that the staff of CHB DC have been exemplary in their efforts to genuinely consult with Medallion. This issue here is that the timeline has been far too short to generate an outcome for this consultation round.</p> <p>f. It is our considered opinion, that this timeline deficiency could very well contribute to design and investment decisions being made at Council, which</p>	<p>submitter and acknowledges the submission. No further action required.</p> <p>d. The proposed bylaw will not come into effect until 1 July 2021, and existing known trade waste dischargers have until 31 December 2021 to submit an application to discharge under the new bylaw (if adopted).</p> <p><b>STAFF RECOMMENDATION:</b> Council thanks the submitter and acknowledges the submission. No further action required.</p> <p>e. Council unfortunately cannot stall the upgrade programme, but is recommending a staged approach of implementing the capital recovery charging to provide time for traders to understand their situation and how they plan to improve their discharge or not.</p> <p><b>STAFF RECOMMENDATION:</b> Council thanks the submitter and acknowledges the submission. No further action required.</p> <p>f. The design process for the new WWTP at Waipawa will commence in earnest in 2022, should the proposed LTP be adopted. Council will be working with all trade waste dischargers to understand</p>

Submitter #	Name	My submission is (summary)	Staff Comment
		<p>are not fully informed about future Trade Waste load treatment options, and therefore not optimum.</p> <p>3. Medallion would like to be heard in respect to funding options for the Waste Water treatment investments that must be made:</p> <p>a. While Medallion is absolutely committed to playing it's part in achieving best practice waste water outcomes in the Central Hawkes Bay – this does not drive success for the business.</p> <p>b. The company is considering large investment in product / process development to achieve a higher value business in both the local and export markets. These investments will deliver a greater returns for it's local suppliers, better wages for it's staff, and a return on investment to the business. This investment will be funded by borrowing.</p> <p>c. Obligatory investment in Waste Water treatment (either at Medallion, or at Council) will not</p>	<p>their future plans as part of the design process.</p> <p><b>STAFF RECOMMENDATION:</b> Council thanks the submitter and acknowledges the submission. No further action required.</p> <p>3. Noted</p> <p>a. Noted.</p> <p>b. Noted. An economic assessment of trade waste businesses has been undertaken to provide Councillors further information to make an informed decision in relation to recovery of a capital contribution from trade waste for the investment programme outlined in Challenge #1.</p> <p>c. Treatment and investment will provide benefit to the wider environment and community and while it may not have a direct tangible benefit is</p>

Submitter #	Name	My submission is (summary)	Staff Comment
		<p>deliver any of the above benefits – but is necessary none the less. Capital investment by Medallion directly would also be funded by borrowing.</p> <p>d. The capacity of the business to fund investment by borrowing is limited – so the Waste Water investment will likely have the effect of reducing Medallion’s commercial development, UNLESS the funding is arranged by the Council on a reasonably long term basis. (i.e. 30 Year basis, rather than 10 Year, or Same Year – per Council supplied Calculator)</p> <p>4. Share of Future Capacity calculations</p> <p>a. We are aware that other submitters are enquiring into the basis of calculation /allocation of Capital Cost components of Trade Waste Fees going forward. We fully expect that the Council has done this as fairly as possible – and would appreciate being appraised of any analysis that arises from these enquiries.</p>	<p>important nonetheless.</p> <p><b>STAFF RECOMMENDATION:</b> Council thanks the submitter and acknowledges the submission. No further action required.</p> <p>d. Council acknowledges the need to balance investment with development. Options are being presented to Councillors around providing fair alternatives to traders to pay for their relevant capital contribution.</p> <p><b>STAFF RECOMMENDATION:</b> Council thanks the submitter and acknowledges the submission. No further action required.</p> <p>a. Council acknowledge this is a Long-Term Plan item to be considered. Officers will continue to reach out to share workings and explain the basis.</p> <p><b>STAFF RECOMMENDATION:</b> Council thanks the submitter and acknowledges the submission. No further action required.</p>

Submitter #	Name	My submission is (summary)	Staff Comment
		<p>b. It would be prudent for the Council to allow for Trade Waste supplier growth, in the calculations for Waste Water treatment capacity in the current designs / investment plans. In other words, we would expect that the Council is somehow allowing for the possibility that other industrial business may establish in CHB in the future.</p> <p>c. We would like to know how the “growth provision” component of the investment plans is allocated, for the purposes for cost recovery.</p>	<p>b. The design for the new Wastewater Treatment Plant will allow for predicted growth up to the design horizon at 2048, which is significant for the District. Traders are only paying for their share relevant to the load or flow they place on the network or equipment being installed.</p> <p><b>STAFF RECOMMENDATION:</b> Council thanks the submitter and acknowledges the submission. No further action required.</p> <p>c. The trader calculators have not allowed for any growth or inflation in the calculations at this stage and have used 2020 data as a baseline. This is to understand the magnitude of rates and revenue. The rates are set on an annual basis, allowing the opportunity to use the latest data in order to set them. The Annual Plan and Fees and Charges process will allow rates to be reviewed and adjusted, if necessary, annually. Officers will continue to reach out to share workings and explain the basis.</p> <p><b>STAFF RECOMMENDATION:</b> Council thanks the submitter and acknowledges the submission. No further action required.</p>





**CENTRAL  
HAWKE'S BAY**  
DISTRICT COUNCIL

**PART 23**

# **DRAFT Trade Waste BYLAW**

Superseding CHBDC: Part 23: 2018

Draft v2 April 2021

*Together we Thrive! E ora ngātahi ana!*



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## INTRODUCTION

To achieve a holistic and integrated approach to three waters management in the District that is consistent with Council's District Plan, other Policies, Plans, Strategies and Objectives and also reflect the principles of the Te Mana o Te Wai, the following overarching purposes have been set for all four water services bylaws (Water Supply, Stormwater, Wastewater and Trade Waste):

### Overarching Purpose

1. **Meet Legislation Requirements**  
Proactively meet all Council's statutory requirements relating to the provision of three waters services.
2. **Integrated Approach**  
Adopt an integrated and holistic approach, ki uta ki tai, to the Three Waters (water supply, wastewater including Trade Waste and stormwater) that recognises the interconnections between each of the waters and promotes their sustainable use and management.
3. **Environmental Responsibilities**  
Facilitate environmentally responsible practices by raising awareness of how the Three Waters interact and effect the District's natural environment. Additionally, ensure that Council meet its own responsibilities in terms of resource consent requirements set by the Hawke's Bay Regional Council.
4. **Sustainable Practices**  
Encourage and incentivise the community and businesses to adopt practices that lead to the enhancement of the environment and the sustainable management of water resources including water and product stewardship, rainwater harvesting, waste minimisation and Cleaner Production.
5. **Support Sustainable Growth**  
Support the sustainable provision of three waters infrastructure to enable future growth while minimising or eliminating impacts on the environment.
6. **Achieve Project Thrive Values**  
Develop and implement Three Water Bylaws to give effect to 'Project Thrive' values in particular trust, honesty, respect, innovation, and valuing people.
7. **Te Mana o te Wai**  
Recognise the fundamental concept of Te Mana o te Wai as prescribed under the National Policy Statement for Freshwater Management 2020 and in particular the need to restore and preserve the balance between the water, the wider environment, and the community.
8. **Tangata Whenua Status**  
Recognise the status of tangata whenua as Kaitiaki.
9. **Durable Infrastructure**  
Develops and maintain durable and resilient infrastructure that achieves Council's levels of service in an efficient and cost-effective manner.
10. **Safety and Health**  
Ensure the protection, safety and health of Council staff and the community when using or operating the water supply system, and the wastewater and stormwater networks.
11. **Obligations**  
Define the obligations of residential occupiers and businesses including Trade Waste occupiers and the public at large in relation to the Council's water supply, wastewater and stormwater networks.
12. **Discharge Controls**  
Regulate wastewater and stormwater discharges, including Trade Waste, and hazardous substances, into the wastewater and stormwater networks.



**13. Equitable Costs**

Provide a system for the equitable share of Council's water services costs between Trade Waste dischargers, other businesses and domestic customers.

**OBJECTIVES**

Further to the overarching purpose of the specific objectives for this bylaw is to control and monitor Trade Waste discharges into the wastewater system (public sewers) in order to:

- a) protect public health and the environment;
- b) protect the wastewater system infrastructure;
- c) protect wastewater system workers;
- d) ensure compliance with resource consent conditions related to the wastewater treatment plant;
- e) provide a basis for monitoring discharges from industry and trade Premises;
- f) provide a basis for charging Trade Waste users of the wastewater system to cover the cost of conveying, treating and disposing of or reusing their wastes;
- g) ensure that the costs of treatment and disposal are shared fairly between Trade Waste and municipal dischargers;
- h) promote Cleaner Production;
- i) encourage waste minimisation; and
- j) encourage water conservation

**CONTEXT**

In Central Hawke's Bay, there are currently six public Wastewater collection and treatment systems located at Otane, Waipawa, Waipukurau, Takapau, Porangahau, and Te Paerahi.

Trade Waste is any liquid that is or may be discharged from a trade Premises or tanker to the Council's wastewater system of a non-domestic nature.

Wastewater is collected from public and private Premises within these systems into the public sewer system. This wastewater is conveyed to the District's wastewater treatment plants for treatment and is then discharged to the environment. This Bylaw controls the management, treatment and discharge of this wastewater.

Council has responsibility to provide reliable, safe, effective and efficient collection, management and disposal of wastewater and Trade Waste to ensure that the capacity of available facilities is optimised and that neither public health nor the environment is compromised.

Renewal of wastewater assets which convey and treat Trade Waste is an ongoing process. Pipelines, manholes, pumping stations and treatment plants are renewed as necessary and as funding allows.

Compliance with Resource Consents is also monitored and includes reporting to Hawke's Bay Regional Council.



## PART 23 – TRADE WASTE

### 1. TITLE

This bylaw shall be known as the Central Hawke's Bay District Council Trade Waste Bylaw 2021.

### 2. COMMENCEMENT

This bylaw comes into force on [Date]

### 3. REPEAL

This bylaw supersedes and repeals the Central Hawke's Bay District Council Trade Waste Bylaw 2018 and all amendments of that bylaw.

### 4. APPLICATION OF THE BYLAW

This bylaw shall apply to the Central Hawke's Bay District.

### 5. DEFINITIONS

Reference should be made to Part 1 Introductory Bylaw and to the legislation referred to under Referenced Documents, for any other definitions not included in this Part.

For the purposes of this bylaw the following definitions shall apply:

<b>Access Point</b>	<b>means</b> a place where access may be made to a private drain for inspection (including sampling or measurement), cleaning or maintenance. The location of the access point shall be in accordance with the New Zealand Building Code.
<b>Analyst</b>	<b>means</b> a testing laboratory approved in writing by an authorised officer on behalf of Council.
<b>Approval or Approved</b>	<b>means</b> <del>approval or</del> approved in writing by the Council, either by resolution of Council or by an <del>a</del> Authorised <del>o</del> fficer.
<b>Approved Location</b>	<b>means</b> a location for the discharge of tankered waste as identified in a condition of a Consent.
<b>Authorised Officer</b>	<b>means</b> <del>any officer appointed by the Council as an enforcement officer under s. 177 of the Local Government Act 2002 as an enforcement officer with powers of entry as prescribed by sections (s.s) 171-174 any officer of the Council or other person authorised under the Local Government Act 2002 and authorised by the Council to administer and enforce its Bylaws.</del>
<b>Biosolids</b>	<b>means</b> sewage sludge derived from a sewage treatment plant that has been treated and / or stabilised to the extent that it is able to be safely and beneficially applied to land and does not include products derived solely from industrial wastewater treatment plants.
<b>Characteristic</b>	<b>means</b> any of the physical or chemical properties of a Trade Waste.
<b>Change in Activity</b>	<b>means</b> any change on a Trade Premises which may impact on the volume or concentration of Trade Waste contaminants discharged, or the characteristics of a Trade Waste discharge.
<b>Cleaner Production</b>	<b>means</b> the implementation on trade Premises of effective operations, methods and processes appropriate to the goal of reducing or eliminating the quantity and toxicity of wastes. This is required to minimise and manage Trade Waste by: <ol style="list-style-type: none"> <li>using energy and resources efficiently, avoiding or reducing the amount of wastes produced;</li> <li>producing environmentally sound products and services; and</li> </ol>



	c) achieving less waste, fewer costs and higher profits.
<b>Condensing Water or Cooling Water</b>	<b>means</b> any water used in any trade, industry, or commercial process or operation in such a manner that it does not take up matter into solution or suspension.
<b>Conditional Trade Waste</b>	<b>means</b> Trade Waste which has conditions placed upon the consent holder by Council.
<b>Consent</b>	<b>means</b> a consent in writing given by Council and signed by an authorised officer authorising a person to discharge Trade Wastes to the wastewater system.
<b>Consent Holder</b>	<b>means</b> the person occupying trade Premises who has obtained a consent to discharge or direct the manner of discharge of Trade Waste from any Premises to Council's wastewater system, and includes any person who does any act on behalf or with the express or implied consent of the consent holder (whether for reward or not) and any licensee of the consent holder.
<b>Contaminant</b>	<u>the same meaning as in the Resource Management Act 1991.</u>  <del>means any substance (including gases, odorous compounds, liquids, solids and micro-organisms) or energy (excluding noise) or heat, that either by itself or in combination with the same, similar, or other substances, energy or heat –</del>  <del>a) — when discharged into water, changes or is likely to change the physical, chemical, or biological condition of water; or</del>  <del>b) when discharged onto or into land or into air, changes or is likely to change the physical, chemical, or biological condition of the land or air onto or into which it is discharged; or as described or contained in the Resource Management Act.</del>
<b>Contingency Management Procedures</b>	<b>means</b> those procedures developed and used to avoid, remedy, or mitigate the actual and / or potential adverse effects of these activities on the environment from an unexpected or unscheduled event resulting in discharge, or potential discharge of contaminants of concern into the wastewater system.
<b>Council</b>	<b>means</b> the Central Hawke's Bay District Council or any officer authorised by Council or <del>legislation to exercise the authority of Council delegated to act on its behalf.</del>
<b><u>Customer</u></b>	<u>a person who either discharges or has obtained a consent to discharge or direct the manner of discharge of Wastewater or Trade Waste from any Premises to Council's public wastewater network. The Customer may be an Owner or an Occupier.</u>
<b>Discharge</b>	<b>means</b> the discharge of Trade Wastes into a sewer whether directly or indirectly by means of any drain, and "the discharge" has a corresponding meaning.
<b>Disconnection</b>	<del>means the physical cutting and sealing of any of the Council's water services, utilities, drains or sewer for use by any person; the physical cutting and sealing at the point of discharge from a Premises.</del>
<b>District</b>	<b>means</b> the Central Hawke's Bay District.
<b>Domestic <u>Wastewater</u> <u>Sewage</u></b>	<del>means foul water (with or without matter in solution or suspension therein) discharged from Premises used solely for residential purposes, or wastes of the same character discharged from other Premises either that Wastewater which is discharged from Premises used solely for residential activities or wastes of the same character discharged from other</del>



	<u>Premises, provided that the characteristics of the Wastewater are an Acceptable Discharge;</u> but does not include any solids, liquids, or gases that may not lawfully be discharged into the wastewater system and may include geothermal water.
<b><u>Fees and Charges</u></b>	<u>the list of items, terms and prices for services associated with the discharge of Trade Waste as approved by the Council in accordance with the Local</u>
<b>Flow Meter</b>	<b>means</b> any device or apparatus used to measuring flow.
<b>Foul Water</b>	<b>means</b> the discharge from any sanitary fixtures (any fixture which is intended to be used for sanitation - the term used to describe activities of washing and / or excretion carried out in a manner or condition such that the effect on health is minimised, with regard to dirt and infection) or sanitary appliance (an appliance which is intended to be used for sanitation which is not a sanitary fixture - included are machines for washing dishes and clothes).
<b>Grease Converter</b>	<b>means</b> grease traps which may use chemicals, bacteria, enzymes or other means which are not passive or mechanical to remove fats, oils or greases from Trade Waste.
<b>Hazardous <u>Substance Wastes</u></b>	<b>means</b> hazardous substances as defined by the Hazardous Substances and New Organisms Act 1996.
<b>Holding Tank</b>	<b>means</b> a tank installed on a Premises to store wastewater from that Premises, and intended to be emptied regularly by a tanker. This excludes septic tanks where the septic tank forms part of an on-site wastewater treatment process that is fully contained within the Premises, and excludes retention tanks where the retention tank is part of a communal wastewater treatment process.
<b>Management Plan</b>	<b>means</b> the plan for the management of operations on a Premises from which Trade Wastes come, and may include provision for Cleaner Production, waste minimisation, discharge, Contingency Management Procedures, and any relevant industry Code of Practice.
<b>Mass Limit</b>	<b>means</b> the total mass (of any characteristic) that may be discharged to the Council wastewater system over any stated period from any single Point of Discharge, or collectively from several points of discharge.
<b>Maximum Concentration</b>	<b>means</b> the peak concentration that may be discharged at any instant in time.
<b>Monitoring Equipment</b>	<b>means</b> any device or combination of devices considered appropriate by Council to measure and record, either on-site or remotely, concentration, temperature or pH or any other factor used to determine Trade Wastes strength.
<b>Occupier</b>	<b>means</b> the person occupying trade Premises connected to the wastewater system and includes any agent, manager, foreman or other persons acting or apparently in the general management or control of trade Premises.
<b><u>Owner</u></b>	<u>the Person who owns the Premises.</u>
<b>Permitted Discharge</b>	<b>means</b> a Trade Waste discharge that has been approved by, or is acceptable to, the Council and as long as it complies with the requirements of clause 7.1.1 of this bylaw.





<b>Person</b>	<del>means a corporation, sole and also a body of persons whether incorporated or unincorporated the Crown, a corporation sole, and also a body of persons, whether corporate or unincorporate.</del>
<b>Point of Discharge</b>	<del>means</del> the boundary between the public sewer and a private drain but for the purposes of monitoring, sampling and testing, shall be as designated in the Trade Waste Consent.
<b>Pre-Treatment</b>	<del>means</del> any processing of Trade Waste designed to reduce or vary any characteristic in a waste before discharge to the wastewater system in order to comply with a Trade Waste Consent.
<b>Premises</b>	<del>means</del> either: <ul style="list-style-type: none"> <li>a) a property or allotment which is held under a separate <del>certificate of record of</del> title or for which a separate <del>certificate record</del> of title may be issued and in respect to which a building consent has been or may be issued; or</li> <li>b) a building that has been defined as an individual unit by a cross-lease, unit title or company lease and for which a <del>certificate record</del> of title is available; or</li> <li>c) land held in public ownership (e.g. reserve) for a particular purpose; or</li> <li>d) individual units in buildings which are separately leased or separately occupied.</li> </ul>
<b>Private Drain</b>	<del>means</del> that section of drain between the Premises and the point of connection to the Council's wastewater system. <u>This section of drain is owned and maintained by the Customer (or group of Customers).</u>
<b>Prohibited Trade Wastes</b>	<del>means</del> a Trade Waste that has prohibited characteristics as defined in Schedule B and does not meet the conditions of Schedule A. The waste is not acceptable for discharge into the Council's wastewater system.
<b><u>Record of Title</u></b>	<u>a record of title created under section 12 under the Land Transfer Act 2017.</u>
<b><u>Schedule of Fees and Charges</u></b>	<del>means the list of items, terms and prices for services associated with the discharge of Trade Waste as approved by the Council.</del>
<b>Sewage</b>	<del>means foul water and may include Trade Wastes the main public sewer pipes, manholes and lateral connections that carry away Wastewater or Trade Wastes from the Point of Discharge. The public sewer is owned and maintained by Council.</del>
<b>Sewage Sludge</b>	<del>means</del> the material settled out and removed from sewage during the treatment process.
<b>Sewer</b>	<del>means</del> any sewer of the Council for the reception and discharge of domestic sewage or Trade Wastes and includes any sewer under the control of the Council.
<b>Significant Industry</b>	<del>means</del> to indicate the relative size of a given industry compared to the capacity of the wastewater system which services that industry. Industry size relates to volume and/or loads discharging into the sewage system. Loads can be the conventional loadings of BOD and SS or some other particular Contaminant (e.g. boron, chromium) which will have an effect or the propensity to have an effect on the sizing of the sewage system, the on-going system operation and/or the quality of the treated effluent that is discharged.
<b>Stormwater</b>	<del>means</del> surface water run-off resulting from <u>rainfall precipitation</u> , such as runoff from hard stand areas or a roof.



<b>Tanker Waste</b>	<b>means</b> water or other liquid, including waste matter in solution or suspension, which is conveyed by vehicle for disposal, excluding domestic sewage discharged directly from house buses, caravans, buses and similar vehicles.
<b>Temporary Discharge</b>	<b>means</b> any discharge of an intermittent or short duration. Such discharges include the short-term discharge of an unusual waste from Premises subject to an existing consent.
<b>Trade Premises</b>	<b>means</b> Any: <ul style="list-style-type: none"> <li>a) <b>any</b> Premises used or intended to be used for any industrial or trade purpose; or</li> <li>b) <b>any</b> Premises used or intended to be used for the storage, transfer, treatment, or disposal of waste materials or for other waste management purposes, or used for composting organic materials;</li> <li>c) <b>any</b> other Premises from which a contaminant is discharged in connection with any industrial or trade process</li> <li>d) <b>any</b> other Premises discharging other than domestic sewage; and includes any land or Premises wholly or mainly used for agricultural or horticultural purposes.</li> </ul>
<b>Trade Waste</b>	<b>means</b> any liquid that is or may be discharged from a trade Premises or tanker to the Council's sewerage wastewater system of a non-domestic nature.
<b>Trench Water</b>	<b>means</b> groundwater resulting from excavation works.
<b>Warning Notice</b>	<b>means</b> a written notice given by the Council to an Owner or Occupier when the Council has reasonable grounds to believe that a condition of a Consent is being breached and which specifies: <ul style="list-style-type: none"> <li>a) the nature of the alleged breach;</li> <li>b) the steps required to be taken to remedy the breach; and</li> <li>c) the period within which the breach must be remedied.</li> </ul>
<b>Wastewater System</b>	<b>means</b> the collection, treatment and disposal of wastewater and Trade Wastes, including all sewers, pumping stations, storage tanks, sewage treatment plants, outfalls, and other related structures operated by Council and used for the reception, treatment and disposal of Trade Wastes.
<b>Working Day</b>	<b>means</b> any day of the week other than: <ul style="list-style-type: none"> <li>a) a Saturday, a Sunday, Waitangi Day, Good Friday, Easter Monday, Anzac Day, the Sovereign's birthday, Labour Day; and</li> <li>b) a day in the period commencing with the 25th day of December in a year and ending with the 2nd day of January in the following year.</li> </ul>

## 6. CONTROL OF DISCHARGES

### 6.1. GENERAL

#### 6.1.1. No person shall:

- a) discharge, or allow to be discharged, any Trade Waste to the wastewater system except in accordance with the provisions of this bylaw;
- b) discharge, or allow to be discharged, a Prohibited Trade Waste into the wastewater system;
- c) add or permit the addition of any potable, Condensing or Cooling Water to any Trade Waste which discharges into the wastewater system unless specific approval is given in a consent;





- d) add or permit the addition of Stormwater to any Trade Waste which discharges into the wastewater system unless specific approval is given in a consent; or
  - e) use refuse or garbage grinders or macerators to dispose of solid waste from trade Premises to the wastewater system unless specific approval is given in a consent.
- 6.1.2. In the event of failure to comply with clause 6.1.1 (a) to (e) Council may physically prevent discharge to the wastewater system if, in the view of the Council, no reasonable alternative action can be established with the person(s).
- 6.1.3. Any waste from a holding tank to be tankered to the wastewater treatment plant must have Council written approval prior to transferring to the treatment plant. The waste characteristics must be known and supplied to Council.

## **6.2. STORAGE, TRANSPORT, HANDLING AND USE OF HAZARDOUS OR HARMFUL MATERIALS**

- 6.2.1. All persons on trade Premises shall take all reasonable steps to prevent the accidental entry of any of the materials listed in clause 6.2.3 (c) of this bylaw from entry into the wastewater system as a result of leakage, spillage or other mishap.
- 6.2.2. No person may store, transport, handle or use, or cause to be stored, transported, handled or used any hazardous waste or any of the materials listed in clause 6.2.3 (c) in a manner that might cause the material to enter the wastewater system and cause harmful effects.
- 6.2.3. Materials referred to in clause 6.2.1 and 6.2.2 are those:
- a) products or wastes containing corrosive, toxic, biocidal, radioactive, flammable or explosive materials; or
  - b) likely to generate toxic, flammable, explosive or corrosive materials in quantities likely to be hazardous, when mixed in the wastewater system; or
  - c) likely to be deleterious to the health and safety of Council's staff, approved contractors and the public or be harmful to the wastewater system.

## **6.3. ACCIDENTAL ENTRY OF TRADE WASTE DISCHARGES**

- 6.3.1. The person discharging shall inform Council immediately on discovery of any accident including spills or process mishaps which may cause a breach of this bylaw
- 6.3.2. In the event of any accident occurring when the person holds a conditional consent, Council may require the consent holder, within twenty (20) working days of having provided notice in writing, to review any relevant Contingency Management Procedures and re-submit a reviewed Management Plan for approval to Council.

## **7. CLASSIFICATION OF TRADE WASTE DISCHARGES**

- 7.1.1. All Trade Waste discharges to the wastewater system will be classified by the Council as one of the following types:
- a) Permitted;
  - b) Conditional; or
  - c) Prohibited.
- 7.1.2. Any person that discharges or proposes to discharge Trade Waste, must contact Council to determine if a Trade Waste discharge is permitted, conditional or prohibited. Trade Waste must not be discharged into the wastewater system before Council has determined whether a consent is required.
- 7.1.3. Applications to council are required for conditional Trade Waste discharges, for a Change in Activity, to renew an expired consent and to vary a condition of an existing consent.

## **7.2. PERMITTED TRADE WASTE DISCHARGES**

- 7.2.1. A Trade Waste discharge is classified as permitted where the discharge:



- a) Does not exceed a 24-hour flow volume of 5 m<sup>3</sup> and a flow rate of 2.0 L/s at any time, at the point of discharge;
- b) Complies with the characteristics specified in Schedule A; and
- c) Is not tankered waste.

7.2.2. Any person that discharges or proposes to discharge Trade Waste which is likely to be permitted in accordance with clause 7.2.1, must contact Council to confirm the classification and register the permitted discharge.

7.2.3. The person discharging must provide a safe access point for sampling that meets health and safety requirements.

### **7.3. CONDITIONAL TRADE WASTE DISCHARGES**

7.3.1. A Trade Waste discharge is classified as conditional where the discharge is not classified as permitted or prohibited.

7.3.2. No person may discharge a Trade Waste classified as conditional without first obtaining a Trade Waste Consent.

7.3.3. Conditional Trade Waste discharge consents may not be granted for a term exceeding five (5) years.

### **7.4. PROHIBITED TRADE WASTE DISCHARGES**

7.4.1. A Trade Waste discharge is classified as prohibited if the discharge comprises any characteristic specified in Schedule B.

7.4.2. No application for a Trade Waste Consent shall be approved where the Trade Waste discharge would contain, or is likely to contain, characteristics which are prohibited. (See Schedule B)

**Note:** Council will determine if a Trade Waste discharge is prohibited and may provide further information on what is required to become a conditional discharge.



## **8. APPLICATION FOR A CONDITIONAL TRADE WASTE CONSENT**

### **8.1. APPLICATION TO DETERMINE THE CLASSIFICATION AND TO OBTAIN OR VARY A CONSENT**

- 8.1.1. Every application for a Trade Waste consent must be made on the prescribed form (see Council's website) and be accompanied by a Management Plan and the applicable fee payable in accordance with Council's Schedule of Fees and Charges.
- 8.1.2. On receipt of an application Council will determine if a Trade Waste discharge is permitted, conditional or prohibited in accordance with clause 7.
- 8.1.3. In considering any application for a Trade Waste Consent, the Council will take into consideration any matters it considers relevant including the following:
- a) the source, characteristics, quality, variability, volume, and rate and timing of the discharge;
  - b) the health and safety of Council staff, Council's agents and the public;
  - c) any pre-treatment of the discharge;
  - d) any actual or potential effects on the wastewater system;
  - e) the limits and / or maximum values for characteristics of Trade Waste as specified in Schedule A and B of this bylaw;
  - f) the extent to which the Trade Waste may react with other Trade Waste or wastewater to produce an undesirable effect, e.g. settlement of solids, production of odours, accelerated corrosion and deterioration of the wastewater system etc.;
  - g) any statutory requirements relating to the discharge of raw or treated wastewater to receiving waters, the disposal of sewage sludges, beneficial use of Biosolids, and any discharge to air, (including the necessity for compliance with any resource consent, discharge permit or water classification);
  - h) the effect of the Trade Waste discharge on the ultimate receiving environment;
  - i) the possibility of unscheduled, unexpected or accidental events and the degree of risk these could cause to humans, the wastewater system, the sewage treatment process and the environment;
  - j) consideration for other existing or future discharges;
  - k) any existing Pre-treatment works on the Premises and the potential for their future use;
  - l) Cleaner Production techniques and waste minimisation practices;
  - m) any requirements and limitations such as contaminant masses and/or concentrations related to sewage sludge disposal and reuse;
  - n) the control of Stormwater;
  - o) any Management Plan;
  - p) Tankered Waste being discharged at an Approved Location/s; and
  - q) The availability of alternative collection, treatment, and disposal systems; and
  - r) The compliance history of the applicant.
- 8.1.4. On the receipt of any application for a Trade Waste Consent to discharge from a Premises, or to alter an existing discharge, Council may:
- a) require the applicant to submit any additional information which it considers necessary to reach an informed decision;
  - b) whenever appropriate have the proposed discharge investigated and analysed as provided for in clause 9 Council shall notify the applicant of any requirement under clause 8.7.2 within ten (10) working days of receipt of the application.



## **8.2. DECISION ON APPLICATION**

- 8.2.1. Within fifteen (15) working days (or extended as necessary by Council) of receipt of an application complying with this bylaw and / or all requirements under clause 8, the Council shall action one of the following in writing:
- a) grant the application as a Permitted Trade Waste and inform the applicant of the decision by issuing the appropriate notice;
  - b) grant the application as a Conditional Trade Waste discharge consent and inform the applicant of the decision and the conditions imposed on the discharge by issuing the appropriate notice of consent to the discharge; or
  - c) decline the application and notify the applicant of the decision giving a statement of the reasons for refusal.

## **8.3. CONDITIONS OF TRADE WASTE CONSENT**

- 8.3.1. Any Trade Waste Consent to discharge may be granted subject to any conditions as the Council sees fit, including but not limited to:
- a) the particular public sewer or sewers to which the discharge will be made;
  - b) the maximum daily volume of the discharge and the maximum rate of discharge, and the duration of maximum discharge;
  - c) the maximum limit or permissible range of any specified characteristics of the discharge, including concentrations and / or Mass Limits determined in accordance with clause 8.5;
  - d) the period or periods of the day during which the discharge, or a particular concentration, or volume of discharge may be made;
  - e) the provision by, or for, the consent holder, at the consent holder's expense, of on-site detention, screens, or other Pre-treatment works to control Trade Waste discharge characteristics to the consented levels;
  - f) the provision and maintenance at the consent holder's expense of inspection chambers, manholes or other apparatus or devices to provide safe and reasonable access to drains for sampling and inspection;
  - g) the provision and maintenance of a sampling, monitoring, analysis and testing programme and flow measurement requirements, at the consent holder's expense;
  - h) the method or methods to be used for measuring flow rates and / or volume and taking samples of the discharge for use in determining the amount of any Trade Waste charges applicable to that discharge;
  - i) the provision and maintenance by, and at the expense of, the consent holder, of such meters (including smart meters) or devices as may be required to measure the volume or flow rate of any Trade Waste being discharged from the Premises, and for the testing of such meters;
  - j) at times specified, the provision in a Council approved format by the consent holder to Council of all flow and / or volume records and results of analyses (including Pre-treatment by-products e.g. sewage sludge disposal);
  - k) at times specified, the provision of a reviewed Management Plan;
  - l) requirement to provide a bond or insurance in favour of Council where failure to comply with the consent could result in damage to Council's wastewater system, its treatment plants, or could result in Council being in breach of any statutory obligation;
  - m) A consent holder must provide a safe access point for sampling that meets health and safety requirements;
  - n) remote monitoring of discharge; and
  - o) conditions specific to tankered waste, in accordance with clause 8.4.



**8.4. CONDITIONS OF TRADE WASTE CONSENT (TANKERED)**

- 8.4.1. Council may accept Tankered Wastes for discharge at an Approved Location, if Council has granted a conditional Trade Waste consent for that Tankered Waste.
- 8.4.2. Tankered Wastes shall:
- a) be transported by a consent holder to discharge domestic septic tank or industrial wastes or trade wastes at an Approved Location;
  - b) be collected, transported and discharged in a manner compliant with the Liquid and Hazardous Wastes Code of Practice.
  - c) have material safety data sheets (MSDS) supplied to Council detailing the contents of the waste;
  - d) be tested to determine their character (if the contents of the waste are not known). Specialist advice on Pre-treatment or acceptance may be required. The cost of all testing and advice sought shall be borne by the consent holder;
  - e) not be picked up and transported to the disposal site until appropriate arrangements and method for disposal have been determined by Council;
  - f) to prevent cross-contamination between tanker loads, if the tanker is carrying waste other than domestic septic tank sewage, it shall be thoroughly washed prior to collecting another load for disposal at the Approved Location; and
  - g) have 24 hours notice given for the disposal of wastes other than waste sourced from domestic septic tanks or grease traps.
- 8.4.3. Any person disposing of, or causing to be disposed, Tankered Waste either by incorrect disclosure of contents (characteristics and / or amount) or dumping into Council's wastewater system other than at the prescribed location will be in breach of this bylaw.
- 8.4.4. A conditional Trade Waste consent for tankered waste may be granted subject to any conditions as the Council sees fit, including but not limited to:
- a) the Approved Location where the discharge will be made;
  - b) the requirement to record load details, including the volume and contents, of the tankered waste, and for this information to be provided to the Council at a defined frequency or on request;
  - c) a requirement to hold public liability insurance, where failure to comply with the Trade Waste consent could result in damage to the wastewater system or could result in the Council being in breach of any statutory obligation;
  - d) the term of the Trade Waste consent;
  - e) the period or periods of the day during which the discharge, or a particular concentration, or volume of discharge may be made;
  - f) at times specified, the provision of all flow and / or volume records and results of analyses (including Pre-treatment by-products e.g. sewage sludge disposal) in a Council approved format, by the consent holder, to Council;
  - g) a requirement to provide a bond or insurance in favour of Council where failure to comply with the consent could result in damage to Council's wastewater system, its treatment plants, or could result in Council being in breach of any statutory obligation;
  - h) monitoring and sampling requirements; and
  - i) any other condition necessary to ensure the efficient operation of the wastewater system.

**8.5. MASS LIMITS**

- 8.5.1. A Conditional Trade Waste Consent to discharge may impose conditions on a Trade Waste discharge by specifying Mass Limits for any characteristic.
- 8.5.2. When setting Mass Limit allocations for a particular characteristic Council may consider:





- a) the operational requirements of and risk to the wastewater system, and risks to occupational health and safety, public health, and the ultimate receiving environment;
- b) whether or not the levels proposed pose a threat to the planned or actual beneficial re-use of Biosolids or sewage sludge;
- c) conditions in the wastewater system near the Trade Waste discharge point and elsewhere in the wastewater system;
- d) the extent to which the available industrial capacity was used in the last financial period and is expected to be used in the forthcoming period;
- e) whether or not the applicant uses Cleaner Production techniques within a period satisfactory to Council;
- f) whether or not there is any net benefit to be gained by the increase of one characteristic concurrently with the decrease of another to justify any increased application for industrial capacity;
- g) any requirements of Council to reduce the pollutant discharge of the wastewater system;
- h) how great a proportion the mass flow of a characteristic of the discharge will be of the total mass flow of that characteristic in the wastewater system;
- i) the total mass of the characteristic allowable in the wastewater system, and the proportion (if any) to be reserved for future allocations; and
- j) whether or not there is an interaction with other characteristics which increases or decreases the effect of either characteristic on the sewer reticulation, treatment process, or receiving water (or land).

#### 8.6. PRE-TREATMENT

8.6.1. The Council may, as a condition of a Trade Waste consent, require provision of an appropriate pre-treatment system to reduce or vary any characteristic of any Trade Waste before discharge to the wastewater system. Without limitation to the activities for which pre-treatment may be required, the Council will require pre-treatment of discharges from the following:

- a) dental facilities;
- b) food preparation facilities;
- c) vehicle wash facilities, service station forecourts, automotive dismantlers, car crushing facilities, metal merchants, vehicle washing events;
- d) activities resulting in the discharge of trench water; and
- e) Significant Industry.

**Note:** The type of pre-treatment system will depend on the nature of the discharge. Typical types of pre-treatment include:

- pH correction
- Screening
- Dissolved air floatation (DAF)
- Filter Bags
- Grease removal systems

#### 8.7. REVIEW OF A TRADE WASTE DISCHARGE

8.7.1. The Council may review a Trade Waste consent at any time in the following circumstances:

- a) failure to comply with any condition of a Trade Waste consent;
- b) failure to maintain effective control over the Trade Waste discharge;
- c) failure to provide or update a Management Plan as required by a conditional consent;
- d) development and availability of any new control and treatment technologies;
- e) a change in the characteristics of Trade Waste discharge;



- f) a change in the activity being undertaken on site;
  - g) new information on the Trade Waste discharge becomes available, not known to the Council at the time of its decision on the Trade Waste consent;
  - h) any change in the Council's legal requirements to discharge contaminants from the wastewater system (i.e. resource consents), or other relevant legislative requirements, or plant treatment processes;
  - i) to manage mass limits of organic contaminants (cBOD<sub>5</sub> or COD limits); or
  - j) in the event of any negligence which, in the opinion of Council, threatens the safety of, or threatens to cause damage to any part of the sewer system or the treatment plant or threatens the health or safety of any person;
  - k) if any occurrence happens that, in the opinion of Council, poses a serious threat to the environment; or
  - l) in the event of any breach of a resource consent held by the Council issued under the Resource Management Act 1991.
- 8.7.2. The Council will give the consent holder written notice of its intention to undertake a review; describing why the review is considered necessary and will provide the consent holder with an opportunity to submit information for the Council to consider before it makes its decision on the review.
- 8.7.3. The Council as a result of the review may, by decision in writing:
- a) Change the Trade Waste discharge classification;
  - b) Allow the Trade Waste discharge and / or consent to continue unchanged;
  - c) Vary the conditions of the Trade Waste consent;
  - d) Issue a Warning Notice
  - e) Suspend the Trade Waste consent for a specified period; or
  - f) Cancel the Trade Waste consent.
- 8.7.4. A consent holder may at any time during the term of a consent, by written application to Council, seek to vary any condition of consent, as provided for in clause 8.3 of this bylaw.
- The Council may suspend or cancel a Trade Waste consent or right to discharge at any time following twenty (20) working days' notice to the consent holder or person discharging any Trade Waste.
- 8.7.5. If any process changes require more than twenty (20) working days, reasonable time may be given to comply with the consent conditions.

## **9. SAMPLING, TESTING AND MONITORING**

### **9.1. GENERAL MONITORING**

- 9.1.1. The Council may sample, test and monitor Trade Waste discharges, and/or may require that a discharge be sampled, tested and monitored, by the consent holder and/or person discharging to determine:
- a) whether a discharge complies with the provisions of this bylaw or a Trade Waste consent;
  - b) the classification of the discharge (refer to clause 7);
  - c) if a discharge complies with the provisions of Schedule A for Permitted Discharge;
  - d) if Trade Waste discharge consent charges are applicable and the calculation of fees and charges that apply;
  - e) the most efficient means of operating the Wastewater System.
- 9.1.2. Monitoring may include:
- a) Determination of Trade Waste volumes;
  - b) Sampling and analysis of Trade Waste discharges;
  - c) Inspection of any pre-treatment system;



- d) Auditing of any plans for the maintenance of the pre-treatment system;
- e) Auditing of any Trade Waste consent conditions including management plans; or
- f) Inspection of the nature and characteristics of the discharge.
- g) Auditing the sampling analysis carried out by an analyst or a self-monitoring Trade Waste discharger.
- h) Smart meters on flow meters

**Note:** All costs of monitoring shall be met by the consent holder.

- 9.1.3. The Council may increase the frequency of its monitoring, if there are reasonable grounds to suspect that a discharge is occurring in a manner that contravenes this bylaw or a Trade Waste consent.
- 9.1.4. If a sample is to be taken in the course of monitoring, the Council will carry out the following procedures:
  - a) Council or its authorised agent may take a sample and arrange for this sample to be analysed in an approved laboratory by agreed / approved analytical methods;
  - b) where the occupier has provided a meter, monitoring equipment or other apparatus for measuring the volume or composition of Trade Wastes passing into a sewer due regard shall be had by the Council in making a composite sample, or when they are arriving at the average value from separate samples, for differences in the volume of Trade Wastes at the time of taking of separate samples;
  - c) Council will audit the sampling and analysis carried out by a self-monitoring Trade Waste discharger. Analysis will be performed by an approved laboratory. Inter-laboratory checks are to be part of this process;
  - d) Council will audit the sampling and analysis carried out by an analyst. Analysis will be performed by an approved laboratory. Inter-laboratory checks are to be part of this process; and
  - e) Council will audit the Trade Waste Consent conditions including any Management Plans.
- 9.1.5. All costs of monitoring shall be met by the discharger at the discretion of Council either through direct payment to the laboratory or to the Council.

## **9.2. SAMPLING AND ANALYSIS**

- 9.2.1. The consent holder must provide an access point for samples to be taken using an automatic sample machine.
- 9.2.2. Any sample taken must be representative of the discharge to allow for the variability of what it is discharging daily.
- 9.2.3. The sampling, taking, preservation, transportation and analysis of the sample shall be undertaken by an authorised officer or agent of Council, or the person discharging in accordance with accepted industry standard methods, or by a method specifically approved by Council. The person discharging shall be responsible for all reasonable costs.
- 9.2.4. The discharger must provide Council a certificate with every monitoring record, and that certificate shall:
  - a) Describe the source of any sample, the time and date it was taken, and the method used to take it;
  - b) Certify that the sample has been taken in accordance with the provisions of this Bylaw or the relevant Trade Waste discharge consent;
  - c) Describe the findings of any analysis, their source and methods used to determine them; and
  - d) Certify that the analysis has been made in accordance with the provisions of this Bylaw or the relevant Trade Waste discharge consent.
- 9.2.5. When an analyst appointed by the consent holder or person with a right to discharge Trade Waste fails for whatever reason, to carry out their functions, then the Council may appoint an independent analyst to carry out those functions.
- 9.2.6. Where any dispute arises as to the validity of the methods or procedures used for sampling or analysis, with the approval of the Council, the dispute may be submitted to a mutually agreed independent arbitrator for resolution.





- 9.2.7. All authorised officers may, acting in accordance with section 172 of the Local Government Act 2002, enter any Premises believed to be discharging Trade Waste at any time in order to determine any characteristics of any actual or potential discharge by:
- a) taking readings and measurements;
  - b) carrying out an inspection; and / or
  - c) taking samples for testing, of any solid, liquid, or gaseous material or any combination or mixture of such materials being discharged.

### 9.3. FLOW METERING

- 9.3.1. The consent holder shall be responsible for the supply, installation, reading and maintenance of any meter required by Council as a condition of a consent for the measurement of the rate or quantity of discharge of Trade Waste. Any such devices shall be subject to the approval of Council, but shall remain the property of the consent holder.
- 9.3.2. Records of flow and / or volume shall be available for viewing at any time by Council, and shall be submitted to Council at prescribed intervals by the consent holder in a format approved by Council.
- 9.3.3. Meters shall be located in a position approved by Council which provides the required degree of accuracy and should be readily accessible for reading and maintenance. The meters shall be located in the correct position according to the manufacturer's installation instructions.
- 9.3.4. The consent holder shall arrange for in situ calibration of the flow metering equipment and instrumentation by a person and method approved by Council upon installation and at least once ~~every five years thereafter~~ or whenever the flowmeter is moved, modified or replaced a-year thereafter to ensure its performance. The meter accuracy should be  $\pm 10\%$  but with no greater a deviation from the previous meter calibration of  $\pm 5\%$ . A copy of independent certification of each calibration result shall be submitted to Council.
- 9.3.5. Should any meter, after being calibrated, be found to have an error greater than that specified in clause 9.3.4 as a repeatable measurement, Council may make an adjustment in accordance with the results shown by such tests back-dated for a period at the discretion of Council but not exceeding twelve (12) months, and the consent holder shall pay or be credited a greater or lesser amount according to such adjustment.

### 9.4. ESTIMATING DISCHARGE

- 9.4.1. Where no meter or similar apparatus is required as a condition of consent, Council may require that a percentage of the water supplied to the Premises (or other such basis as seems reasonable) be used for estimating the rate or quantity of flow for the purposes of charging.
- 9.4.2. Should any meter be out of repair or cease to register, or be removed, Council may estimate the discharge for the period since the previous reading of such meter on the basis of the average of discharges during the previous 12 months, or any other factor it considers relevant, and may determine the charges payable according to that estimate.
- 9.4.3. Any person who tampers with a meter installed to comply with a requirement under this bylaw, or a consent, commits an offence against this bylaw. Where in the opinion of Council, a meter has been tampered with, Council may declare the reading void and estimate discharge as provided in clause 9.4.2.

### 9.5. DISINFECTED / SUPER CHLORINATED WATER

- 9.5.1. Any water used during the repair and construction of water mains shall be de-chlorinated prior to the discharge into the wastewater system. Such water shall not be disposed of to Stormwater or adjacent water courses without written approval from Council.



## **10. BYLAW ADMINISTRATION**

### **10.1. FEES AND CHARGES**

- 10.1.1. Council may prescribe fees and charges relating to matters provided for in this bylaw in accordance with section 150 of the Local Government Act 2002. Schedule C outlines the basis for charges which may be prescribed. Charges under this bylaw shall be levied every six months or such greater or lesser charging periods as advised by Council.
- 10.1.2. Council may set separate charges for different sewage catchment areas within the Central Hawke's Bay District.
- 10.1.3. All fees and charges determined in accordance with clause 10.1 shall be invoiced in accordance with Council's standard commercial practice. The invoice shall provide each person discharging with a copy of the information and calculations used to determine the extent of any charges and fees due, in regard to a discharge. A consent holder must pay all fees and charges within one calendar month of receipt of an invoice.
- 10.1.4. All fees and charges payable under this bylaw shall be recoverable as a debt. If the person discharging fails to pay any fees and charges under this bylaw Council may suspend or cancel the right to discharge in accordance with clause 8.7.

### **10.2. TRANSFER OR TERMINATION OF RIGHTS AND RESPONSIBILITIES**

- 10.2.1. A Trade Waste Consent to discharge shall be issued in the name of the given consent holder. The consent holder shall not, unless written approval is obtained from Council:
  - a) transfer to any other party the rights and responsibilities provided for under this bylaw, and under the consent;
  - b) change the activity on the site;
  - c) allow a Point of Discharge to serve another Premises, or the private drain to that point to extend by pipe or any other means to serve another Premises; or
  - d) allow sewage or Trade Waste from any other person to be discharged at the Point of Discharge specified in the person's consent.
- 10.2.2. A request for the transfer of a Trade Waste Consent on change of ownership of Premises shall not be unreasonably withheld if the characteristics of the Trade Waste remain unchanged to that prior to the change of ownership.
- 10.2.3. The person discharging shall give 48 hours notice in writing to Council of their requirement for disconnection of the discharge connection and / or termination of the discharge consent, except where demolition or relaying of the discharge drain is required, in which case the notice shall be within seven (7) working days. The person discharging shall notify Council of the new address details for final invoicing.
- 10.2.4. On permanent disconnection and / or termination the person discharging may at Council's discretion be liable for Trade Waste charges to the end of the current charging period.
- 10.2.5. When a person discharging ceases to occupy Premises from which Trade Wastes are discharged into the wastewater system any consent granted shall terminate but without relieving the person discharging from any obligations existing at the date of termination.

## **11. OFFENCES AND ENFORCEMENT**

- 11.1.1. Every person who breaches this Bylaw, or breaches the conditions of any consent granted under this Bylaw or fails to comply with a notice served under this bylaw commits an offence and is liable upon conviction to a fine as provided for under the Local Government Act 2002, and may be liable to penalties under other legislation.
- 11.1.2. In all cases Council may recover any actual and reasonable costs associated with damage or a nuisance to Council wastewater system or the operation of them and / or breach of this bylaw in accordance with s. 175 and s. 176 of the Local Government Act 2002 respectively.
- 11.1.3. A Trade Waste Discharge Consent may be cancelled by the Council by notice in writing if:



- a) the owner or occupier of the Premises to which the Consent relates is convicted of an offence under this Bylaw; or
- b) the Council gives a Warning Notice and the Owner or Occupier of the Premises to which the Consent relates fails to take the steps required by the Council within the time period specified in the Warning Notice; or
- c) the Council has issued a Warning Notice on three (3) occasions in the previous 12 months, notwithstanding that on each occasion the steps required by the Council have been taken within the time period specified in the notices.

11.1.4. The Council may

- a) Remove or alter any work or thing that is, or has been, constructed in breach of this bylaw; and
- b) Recover the costs of removal or alteration from the person who committed the breach.

## 12. TRANSITIONAL PROVISIONS

- 12.1.1. Any application for a Consent to Discharge Trade Waste made under the Trade Wastes Bylaw 2018 for which a consent has not been granted at the time of this new bylaw coming into force shall be deemed to be an application made under clause 8 of this bylaw.
- 12.1.2. Every existing Trade Waste Consent shall continue in force as if it were a consent under this bylaw until it reaches its expiry date provided that no consent shall run beyond five (5) years from the date at which it was granted.

## 13. BYLAW APPROVAL DATE

The Common Seal of the Central Hawke's Bay District Council was attached, under Resolution (*Reference - Part 23 Trade Waste Bylaw: ~~2021~~2018*) passed at a meeting of the Central Hawke's Bay District Council held on

..... (Day) ..... (Month) ..... (Year).

Date Confirmed : \_\_\_\_/\_\_\_\_/\_\_\_\_



## SCHEDULE A – PERMITTED DISCHARGE CHARACTERISTICS

### Introduction

In order to be classified as a permitted discharge the nature and levels of the characteristics of any Trade Waste discharged into Council system must comply at all times with the following requirements.

### Physical Characteristics

Flow	<ul style="list-style-type: none"> <li>a) The 24 hour flow volume shall be less than 5 m<sup>3</sup>.</li> <li>b) The maximum instantaneous flow rate shall be less than 2.0 L/s.</li> </ul>
Temperature	<ul style="list-style-type: none"> <li>a) The temperature shall not exceed 40°C.</li> </ul>
Solids	<ul style="list-style-type: none"> <li>a) The Trade Waste discharge must not be macerated to meet the maximum dimension of 15mm.</li> <li>b) The suspended solids content of any Trade Waste shall have a Maximum Concentration which shall not exceed 1000 g/m<sup>3</sup>.</li> <li>c) The settleable solids content of any Trade Waste shall not exceed 50 mL/L.</li> <li>d) The total dissolved solids concentration in any Trade Waste shall be subject to the approval of Council having regard to the volume of the waste to be discharged, and the suitability of the drainage system and the treatment plant to accept such waste.</li> <li>e) Fibrous, woven, or sheet film or any other materials which may adversely interfere with the free flow of sewage in the drainage system or treatment plant shall not be present.</li> </ul>
Oil and Grease	<ul style="list-style-type: none"> <li>a) There shall be no free or floating layer.</li> <li>b) A Trade Waste with mineral oil, fat or grease unavoidably emulsified, which in the opinion of Council is not biodegradable shall not exceed 200 g/m<sup>3</sup> as petroleum ether extractable matter when the emulsion is stable at a temperature of 15°C and when the emulsion is in contact with and diluted by a factor of 10 by raw sewage, throughout the range of pH 6.0 to pH 10.0.</li> <li>c) A Trade Waste with oil, fat or grease unavoidably emulsified, which in the opinion of Council is biodegradable shall not exceed 500 g/m<sup>3</sup> when the emulsion is stable at a temperature of 15°C and when the emulsion is in contact with and diluted by a factor of 10 by raw sewage throughout the range of pH 4.5 to pH 10.0.</li> <li>d) Emulsified oil, fat or grease shall not exceed 100g/m<sup>3</sup> as petroleum ether extractable matter when the emulsion is in contact with and diluted by a factor of 10 by raw sewage throughout the range of pH 4.5 to pH 10.0.</li> </ul>
Degreasers	<ul style="list-style-type: none"> <li>a) "Quick Break" is an approved degreaser</li> </ul>
Solvents and other Organic Liquids	<ul style="list-style-type: none"> <li>a) There shall be no free layer (whether floating or settled) of solvents or organic liquids.</li> </ul>
Radioactivity	<ul style="list-style-type: none"> <li>a) Radioactivity levels shall not exceed National Radiation Laboratory Guidelines.</li> </ul>
Colour	<ul style="list-style-type: none"> <li>a) No waste shall have colour or colouring substance that causes the discharge to be coloured to the extent that it impairs wastewater</li> </ul>



	treatment processes or compromises the treated sewage discharge consent.										
Pharmaceutical waste	<p>a) Pharmaceutical waste (excluding those containing cytotoxic compounds or material, which are prohibited) discharged does not exceed the following volumes and concentrations of active ingredients per calendar month:</p> <table border="1"> <thead> <tr> <th colspan="2">Liquid Pharmaceutical Waste</th></tr> <tr> <th>Volume limit per month *</th><th>Active concentration</th></tr> </thead> <tbody> <tr> <td>10 litres</td><td>125mg / 5ml</td></tr> <tr> <td>5 litres</td><td>250mg / 5ml</td></tr> <tr> <td>3 litres</td><td>Above 250mg / 5ml</td></tr> </tbody> </table> <p>* If the waste discharge is above these limits then the Trade Waste Consent will be Conditional not Controlled</p>	Liquid Pharmaceutical Waste		Volume limit per month *	Active concentration	10 litres	125mg / 5ml	5 litres	250mg / 5ml	3 litres	Above 250mg / 5ml
Liquid Pharmaceutical Waste											
Volume limit per month *	Active concentration										
10 litres	125mg / 5ml										
5 litres	250mg / 5ml										
3 litres	Above 250mg / 5ml										

#### Chemical Characteristics

pH value	a) The pH shall be between 6.0 and 9.0 at all times
Organic Strength	<p>a) The Biochemical Oxygen Demand (BOD measured as cBOD<sub>5</sub>) or Chemical Oxygen Demand (COD) of any waste may require to be restricted where the capacity for receiving and treating organic contaminants in the wastewater system is limited. A cBOD<sub>5</sub> or COD restriction may be related to Mass Limits.</p> <p>b) The cBOD<sub>5</sub> content of any permitted Trade Waste shall have a Maximum Concentration which shall not exceed 500 g/m<sup>3</sup>.</p>

#### General Chemical Characteristics

Characteristics	Maximum Concentration (g/m <sup>3</sup> )
MBAS (Methylene blue active substances)	500
Ammonia (measured as N)	
- free ammonia	50
- ammonia salts	200
Kjeldahl nitrogen	150
Total Nitrogen	150
Total Phosphorous (as P)	50
Sulphate (measured as SO <sub>4</sub> )	200
Sulphite (measured as SO <sub>2</sub> )	10
Sulphide - as H <sub>2</sub> S on acidification	1
Chlorine (measured as Cl <sub>2</sub> )	
- free chlorine	3
- hypochlorite	30
Dissolved aluminium	100
Dissolved iron	100
Boron (as B)	25
Bromine (as Br <sub>2</sub> )	5
Fluoride (as F)	30



Cyanide - weak acid dissociable (as CN)	1
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**Heavy Metals**

<i>Metal</i>	<i>Maximum Concentration (g/m<sup>3</sup>)</i>	<i>Metal</i>	<i>Maximum Concentration (g/m<sup>3</sup>)</i>
Antimony	10	Manganese	20
Arsenic	5	Mercury	0.05
Barium	10	Molybdenum	10
Beryllium	0.005	Nickel	5
Cadmium	0.5	Selenium	10
Chromium	5	Silver	2
Cobalt	10	Thallium	10
Copper	5	Tin	20
Lead	5	Zinc	5

**Organic Compounds and Pesticides**

<i>Compound</i>	<i>Maximum Concentration (g/m<sup>3</sup>)</i>
Formaldehyde (as HCHO)	50
Phenolic compounds (as phenols) excluding chlorinated phenols	5
Chlorinated phenols	0.02
Petroleum hydrocarbons	30
Halogenated aliphatic compounds	1
Monocyclic aromatic hydrocarbons	5
Polycyclic (or polynuclear) aromatic hydrocarbons (PAHs)	0.05
Halogenated aromatic hydrocarbons (HAHs)	0.002
Polychlorinated biphenyls (PCBs)	0.002
Polybrominated biphenyls (PBBs)	0.002 each
Pesticides (general) (includes insecticides, herbicides, fungicides and excludes organophosphate, organochlorine and any pesticides not registered in New Zealand).	0.2 in total
Organophosphate pesticides	0.1



## **SCHEDULE B – PROHIBITED DISCHARGE CHARACTERISTICS**

### **Introduction**

This schedule defines Prohibited Trade Wastes.

- B.1** Any discharge has prohibited characteristics if it has any solid liquid or gaseous matters or any combination or mixture of such matters which by themselves or in combination with any other matters will immediately or in the course of time:
- (a) interfere with the free flow of sewage in the wastewater system;
  - (b) damage any part of the wastewater system;
  - (c) in any way, directly or indirectly, cause the quality of the treated sewage or residual Biosolids and other solids from any sewage treatment plant in the catchment to which the waste was discharged to breach the conditions of a consent issued under the Resource Management Act, or water right, permit or other governing legislation;
  - (d) prejudice the occupational health and safety risks faced by wastewater system workers;
  - (e) after treatment be toxic to fish, animals or plant life in the receiving waters;
  - (f) cause malodorous gases or substances to form which are of a nature or sufficient quantity to create a public nuisance; or
  - (g) have a colour or colouring substance that causes the discharge from any sewage treatment plant to receiving waters to be coloured.
- B.2** Any amount of any liquid pharmaceutical waste containing cytotoxic ingredients.
- B.3** A discharge has prohibited characteristics if it has any characteristic which exceeds the concentration or other limits specified in Schedule A unless specifically approved for that particular consent.
- B.4** A discharge has a prohibited characteristic if it has any amount of:
- (a) harmful solids, including dry solid wastes and materials which combine with water to form a cemented mass;
  - (b) liquid, solid or gas which could be flammable or explosive in the wastes, including oil, fuel, solvents (except as allowed for in Schedule A), calcium carbide, and any other material which is capable of giving rise to fire or explosion hazards either spontaneously or in combination with sewage;
  - (c) asbestos;
  - (d) the following organo-metal compounds: Tin (as tributyl and other organotin compounds);
  - (e) any organochlorine pesticides;
  - (f) genetic wastes, as follows: All wastes that contain or are likely to contain material from a genetically modified organism that is not in accordance with an approval under the Hazardous Substances and New Organisms Act. The material concerned may be from Premises where the genetic modification of any organism is conducted or where a genetically modified organism is processed;
  - (g) any health care waste prohibited for discharge to wastewater system by NZS 4304 or any pathological or histological wastes; or
  - (h) radioactivity levels in excess of the National Radiation Laboratory Guidelines.
  - (i) Emulsions of Paint, Latex, Adhesive, Rubber or Plastic
- B.5** Any Condensing Water or Stormwater which can practically be removed, or any Trade Wastes to which either Condensing Water or Stormwater has been added.
- B.6** The use of grease converters is prohibited.



### SCHEDULE C – FEES AND CHARGES CATEGORIES

Fees and charges are set by Council resolution. This may be done by the annual planning process, fee setting or a similar transparent public process in accordance with the requirements of section 150 of the Local Government Act 2002.

In the following Table the Council states what categories they will charge, or may charge, under the tenure of this bylaw.

A. Administrative Charges		
Category		Description
A1	Connection Fee	Payable on application for connection to discharge.
A2	Compliance Monitoring	The cost of sampling and analysis of Trade Waste discharges.
A3	Disconnection Fee	Payable following a request for Disconnection from Wastewater system.
A4	Trade Waste Discharge Consent Application Fee	Payable on an application for a Trade Waste Discharge.
A5	Trade Waste Discharge Registration Fee	Payable once Trade Waste discharge classification has been determined.
A6	Re-inspection Fee	Payable for each re-inspection visit by Council where a notice served under this bylaw has not been complied with by the Trade Waste discharger.
A7	Special Rates for Loan Charges	Additional rates for servicing loans raised for the purposes of constructing or improving the wastewater system.
A8	Temporary Discharge Fee	Payable prior to receipt of Temporary Discharge.
A9	Annual Trade Waste Charges	<p>An Annual Management Fee for a Trade Waste discharge to cover Council's costs associated with for example:</p> <ul style="list-style-type: none"> <li>• Administration</li> <li>• General compliance monitoring</li> <li>• General inspection of Trade Waste Premises</li> <li>• Use of the wastewater system</li> </ul> <p>This charge may vary depending on the Trade Waste sector and category of the discharger.</p>
A10	Rebates for Trade Premises within the District	<p>Reduction of fees is provided for in s. 150(2). Section 150(4) of the Local Government Act 2002 states that the fees prescribed by the Council shall not provide for the Council to recover more than the reasonable cost incurred by the Council for the matter for which the fee is charged.</p> <p>In no event shall the resultant charge be less than the Council's sewerage charge for the equivalent period.</p>
A11	New or Additional Trade Premises	Pay the annual fees and a pro rata proportion of the various Trade Waste charges relative to flows and loads.



<b>B Trade Waste Charges</b>		<b><i>Includes Trade Waste from Holding Tanks</i></b>
<i>Category</i>	<i>Description</i>	
B1	Volume	Payment based on the volume discharged \$/m <sup>3</sup>
B2	Flow Rate	Payment based on the flow rate discharged \$/s
B3	Suspended Solids	Payment based on the mass of suspended solids \$/kg
B4	Organic Loading	Biochemical oxygen demand or chemical oxygen demand \$/kg.
B5	Nitrogen	Payment based on the defined form(s) of nitrogen \$/kg.
B6	Phosphorous	Payment based on the defined form(s) of phosphorous \$/kg.
B7	Metals	Payment based on the defined form(s) of the metal(s) \$/kg.
B8	Transmissivity	A charge based on the inhibiting nature of the Trade Waste to UV light used by Council's disinfection process.
B9	Screenable Solids	Payment based on the mass of screenable solids \$/kg.
B10	Toxicity Charge	Payment based on the defined form(s) of the toxic substance(s) \$/kg and/or \$/m <sup>3</sup>
B11	Incentive Rebate	A rebate for discharging materials beneficial to Council's Wastewater system \$/kg and/or \$/m <sup>3</sup>
B12	Depreciation	Operating cost related to capital and normally spread across the volume and mass charges.
B13	Capital	Apportioned upfront or term commitment capital cost of specific infrastructure required to accommodate a conditional consent. (To be set through annual fees and charges process)
B14	Inorganic Suspended Solids	Payment based on the mass of inert suspended solids \$/kg.
B15	Volatile Suspended Solids	Payment based on the mass of volatile suspended solids \$/kg.
B16	rbBOD	Rebate for readily biodegradable biochemical oxygen demand \$/kg.
B17	(Vc)	Payment based on volume \$/m <sup>3</sup> .
B18	(BODc)	Payment based on BOD, \$/kg,
B19	(TNc)	Payment based on the defined form(s) of nitrogen \$/kg.
B20	(TPc)	Payment based on the defined form(s) of phosphorus \$/kg.
B21	(ISSc)	Payment based on the mass of inorganic suspended solids \$/kg.
B22	(VSSc)	Payment based on the mass of volatile suspended solids \$/kg.
<b>C Tankered Waste Charges</b>		
C1	Tankered Wastes	Set as a fee(s) per tanker load, or as a fee(s) per cubic metre, dependant on Trade Waste category.
C2	Toxicity	Payment based on the defined form(s) of the toxic substance(s) \$/kg and/or \$/m <sup>3</sup>

## 7.5 LONG TERM PLAN 2021 - 2031 DRAFT DELIBERATIONS REPORT: CHALLENGE 2 - FUNDING REPLACEMENT OF OUR ASSETS

**File Number:** COUI - 1400

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

**Authoriser:** Monique Davidson, Chief Executive

**Attachments:** Nil

### PURPOSE

The matter for consideration by the Council is to consider consultation feedback related to **Challenge # 2 – ‘Funding the Replacement of our Assets’** received through the Long Term Plan process - The Funding for Replacement of Our Assets.

### RECOMMENDATION FOR CONSIDERATION

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

- a) That Council adopt Option 1 as set out in the Long Term Plan 2021 - 2031 for Challenge 2. To debt fund in the short term to deliver essential renewals and upgrades to our drinking water, wastewater and stormwater assets.
- b) That the submitters are thanked for their comments, which are acknowledged and further that the information contained in this report is provided to submitters.

### BACKGROUND

Submissions on the topic were received by:

1 - Zara Mackey	74 - Callum Slavin	147 - Elliot Peacock
2 - Hayley Webster	75 - Jo-Ann Hardwick-Smith	148 - Gerard Pain
3 - Jehoshaa Monegro	76 - Tina Keeling	149 - Ian Franklin
4 - Jemma Nesbit	77 - Maria Lincoln	150 - James Parsons
5 - Celine Swanepoel	78 - William Irving Peacock	151 - Sjoerd Gorter
6 - Courtney Green	79 - David Lewis	152 - Andrea Thomson
7 - Ben Waugh	80 - Renee O'Sullivan	153 - Sue McLeod
8 - Ihipera Rua	81 - Gina Prosser	154 - Warren Bayliss & Cecylia Rymarczyk
9 - Greta Minehan	82 - Lyn Horspool	156 - Alan Keate
10 - Sinead Galloway	83 - L Guy and R Bell	157 - Phillip Knight
11 - Danielle Hemi	84 - Jacqueline Tukotahi Rapana	158 - Graeme J E Pedersen & Kathleen A Pedersen
12 - Rita Simiona	85 - Noel Pederson	159 - Daniel & Heidi Repko

13 - Lydia Bucknell	86 - Robin Horder	160 - Jesse Palmer
15 - Ollie Wichman	87 - Meg Mackenzie	161 - Kingston
16 - Eden Lambert	88 - Jan Wroe	162 - Haamiora Nukunuku
17 - Mitchell Thompson	89 - Baty	163 - Zoey
18 - Amalia Stevenson	90 - Sally Harding	164 - Rapata Te Pania
19 - Graeme Perry	91 - Sandra Fleming	165 - Bob Kerins
20 - Jackson Baylis	93 - V Leach	167 - Terry Hare
21 - Emma Giddens	94 - DE and HM Whitney	168 - Heather-Anne Tidey
22 - Emma Thomsen	95 - Brian and Marion Peterson	169 - Dora Player
23 - Ramona Lively-Masters	96 - Jude Grant	170 - Robert McLean
24 - Haylee Gray	97 - Lisa	171 - Neil Bayliss
25 - Isaac Marshall	98 - Penny Single	173 - Tony Robson
26 - Blair Hamilton	99 - Barry Middleton	174 - Louise Field
27 - Warren	100 - Melissa Price	175 - Lynnette Dewes
28 - Daniel	101 - AK Hansen	176 - Vicky Harding
29 - Stuart William Davies	102 - Ben Douglas	177 - Miriam Howarth
30 - Warwick Greville	103 - Mike Harrison	178 - Graham McHardy
31 - Helen Burgin	104 - Serena Ann Spencer	179 - Simone Tang
32 - Wendy Milne	105 - Rebecca Jane Watt	181 - Kathryn Bayliss
33 - Erina Sciascia-Bland	106 - Jacqueline Naylor	183 - Charles M Nairn
34 - Ruth and Bruce Parker	107 - Shona Thompson	184 - Murray Howarth
35 - Benjamin Hall	108 - Patricia Ann Price	185 - Andrea Mooney
36 - Gordon O'Neale	109 - James Pretty	186 - Dean Hyde
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48 - Bob Alkema	122 - David Bishop	199 - Sara and Stephen Ellis
49 - Christopher Bath	123 - Deborah Mason	200 - Peter and Viv Paton
50 - Peter Watson (1)	124 - Donna Hossack	201 - Robbie Christiansen
51 - Peter Watson (2)	125 - Di Petersen	202 - Tracy and Andrew Gay
52 - Rex Pickering	126 - Lorelei Hennessy	206 - James Leigh
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54 - David Taylor	128 - Wendy Gough	209 - Nicole Ellison
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65 - Liam Worsford	137 - Lorraine Watson	221 - Graeme and Margaret Black
66 - Kevin Rowell	138 - Martin Lord	222 - Owen Spotswood
67 - Leslie Peni	139 - Frances & Stephen Ulyatt	223 - Terry Kingston
68 - Glenda Houston	140 - Cornelia van Falier	226 - Trish Giddens

69 - Ron King	141 - Keri Rophia	227 - David William Cooke
70 - Stacey Thomas	142 - Forrest Ropiha	228 - Diana Hollis
71 - Marjon Greenwood	143 - Ray Turnbull	229 - Anne Wallace
72 - Ian Hawkes	145 - Donna Dahm	230 - D J Williams
73 - Valerie Norris	146 - Phyllis Tichinin	

### Summary of Submissions:

How we fund replacement of our assets was one of the key challenges the council has sought public feedback on as part of the 2021-2031 Long Term Plan process. In total Council received 209 submissions on this consultation topic.

### Analysis:

Of the total 209 submissions received referencing Challenge 2, there was overwhelming support for Council's preferred option, Option 1. The chart below illustrates the level of support for each of the 3 options between the 209 submitters.



The sections below break down the feedback received from submitters into key themes/topics. Some submitters gave feedback that has been grouped under more than one 'topic' so the number of submitters on each of the topics below may sum to more than the total 209 submitters who gave feedback on Challenge 2.

**Topic 1 – Support for Option 1**

196 submitters supported option 1 – to debt fund in the short term to deliver essential renewals and upgrades to our drinking water, wastewater and stormwater assets. Some of the key matters raised by submitters in support of this option included:

- That existing ratepayers are bearing the brunt of underinvestment in infrastructure by previous councils and are seeing a significant increase in rates because of this.
- That the rates increase will cause financial hardship on some ratepayers.
- That although it is going to be costly, it is the right thing to do and it is agreed that the work needs to be done.
- That debt funding in the short term is the right thing to do, taking advantage of lower interest rates from the government.
- That if the council were to introduce the district wide rate, that it would set a precedent for future funding which submitters were concerned about.
- That it would be difficult for pensioners living on fixed incomes to be able to pay for rates increases.

The following comments were made by submitters in support of Option 1.

122 – David Bishop: *My views: a. Given that new infrastructure has a life term closer to 100 years, I would like to see the total package of infrastructure upgrade costed over 100 years, with a per annum cost put forward for 'sharing' amongst ratepayers. b. Also, Government has long term low interest loans that should be acquired to fit this type of package. c. This concept should then be costed for at least for the next 15-year term of implementations. This concept of 100-year life term for infrastructure, costed initially for the next 15 year term, needs to be presented as an option to the ratepayers. Feedback on draft LTP: With the total package of infrastructure upgrade costed over 100 years, using Government low interest loans, the 'debt funding' [Council's preferred Option1] approach appears eminently workable to kick start the implementation programme.*

177 – Miriam Howarth: *Debt funding is 'cheaper' at the moment with low interest rates and will also spread the expense over current and future rate payers.*

183 – Charles M Nairn: *Some debt could be involved, but we just have to get on and do it.*

186 – Dean Hyde: *I support what is proposed in the Plan and would like to specifically comment on the following:-The proposed method of debt funding in part will enable our community to replace and upgrade failing infrastructure in a timely manner.*

201 – Robbie Christiansen: *Use current low interest rates.*

59 – Elaine Helen Guthrie: *I am supportive of the upgrade, definitely at low interest could debt fund in the short term.*

102 – Ben Douglas: *May as well make the most of low interest rates and central government post-covid funding opportunities.*

114 – Shona Crooks: *It is very important for this work to be carried out and debt funding seems the best choice.*

44 – Bruce McGechan: *Option 1 in my opinion is the only real method and the fairest.*

48 – Bob Alkema: Unless the improvement plans and contracts are already in place and ready to go to the market there will be a ramping up period -suggest this gets reflected in the initial three-year period of rates increases alongside the longer implementation period suggested above.

49 – Christopher Bath: Rates increases are already significant therefore Option 2 is a non starter.

72 – Ian Hawkes: Good option as many ratepayers are on limited incomes, pensioners who don't have the previous higher interest rates to supplement their pension. Try to get Govt to increase rates rebates limits, haven't changed for a long time.

175 – Lynette Dewes: option 1 as long as the rates are not put out of reach to single income families and pensioners.

190 - Adam Allington: it is too late makes sense from a service perspective. Increase in rates should be reflected earlier to reflect the true cost and borne by those who receive the benefit. It also reduces risk of exposure to rates increases in the cost of borrowing.

#### Officers Response:

The comments provided indicate strong support for both the need to complete proposed works on infrastructure and also to debt fund the work to spread the financial impact overtime and to take advantage of perceived cheap debt at present.

Officers agree with the comments made and this is the basis for this option being the preferred option through the LTP. Financial and Infrastructure modelling have identified the need for work and also the benefits of debt funding.

### **Topic 2 – Support for Option 2**

9 submitters supported option 2 – to fund essential renewals and upgrades through rates alone - resulting in significant rates increases. There were no key matters raised in submissions on option 2 with all submitters in support of this option simply ticking the box rather than providing any additional written feedback.

#### Officers Response:

As there is no written feedback in support of this option it is difficult to add further comment other than to express that this is not Officers preferred option as although it will still see necessary works on assets completed, it will be largely unaffordable to many parts of the community, especially those on low and/or fixed incomes.

### **Topic 3 – Support for Option 3**

4 submitters supported option 3 to continue to defer renewals and upgrades (status quo). There were no key matters raised in submissions on option 2 with all submitters in support of this option simply ticking the box rather than providing any additional written feedback.

#### Officers Response:

As there is no written feedback in support of this option it is difficult to add further comment other than to express that this is Officers least preferred option. This option is the least preferred as it will directly result in very high risk to Council assets and therefor levels of service and the environment. Maintaining status quo levels of renewals will see a continued decline in asset condition and performance and will place Council at a high likelihood of breaching level of service targets and legislative/compliance requirements.

**Topic 4 – Appreciating the financial burden**

15 submitters made specific mention of the need to understand and appreciate the financial burden that can or will be placed on ratepayers now and in future generations.

The following comments were made by submitters in respect of this topic.

*101 - AK Hansen: Please also bear in mind the water pipes within private property are as old as what you are needing to replace roadside. This is a homeowner responsibility that we also have to cover the cost of: we are well aware pipes are old and need replacing because they are failing from the gate to tap as well. Also look at water pressure and the impact this has on the durability of pipes/connections.*

*113 - Tim Gilbertson: Apply to HBRC and Central government for funds. If they can invest spend \$million on the racing industry and \$50 million on dead people in coal mines they can afford to invest the provincial infrastructure*

*118 - David Bane: It is tragic that council has not had the foresight to plan its core services ahead and avoid such a maintenance debt. Proposed rate increases will cause hardship for many.*

*148 - Gerard Pain: Rates already unaffordable*

*159 - Daniel & Heidi Repko: Based on the Councils preferred options in the 10-year plan, our rates will more than double in 10 years (from \$3500 to \$7600). As pensioners on a mostly fixed income there is no way I/we will be able to pay for that. It will probably mean we will have to sell and move elsewhere. We are dreading this. In can see the Councils dilemma, but that doesn't make it acceptable to us. Re the waste-water upgrade; We feel obliged to choose option 1, however can't that be spread over a longer period e.g. 20-25 years? Furthermore, a number of years ago we were convinced by the then Council the water treatment plant(s) we currently have was the way to go. Now we know we were sold a lemon e.g. incompetent decision making. How do we know that this time around the same isn't going to happen again? (Sorry to be so blunt)*

*165 - Bob Kerins: My question on this is where did the years and years of rate payers funds go if i wasn't spent correctly on infrastructure etc? It must have been spent somewhere else if there's nothing left in the kitty now, I would propose enquiring into how much property and capital were purchased by the CHB council during this long period and suggest that it would only be fair to CHB residents to sell these properties as part payment for the water debacle we are currently facing, Look forward to your thoughts on this.*

*122 - David Bishop: My views: a. Given that new infrastructure has a life term closer to 100 years, I would like to see the total package of infrastructure upgrade costed over 100 years, with a per annum cost put forward for 'sharing' amongst ratepayers. b. Also, Government has long term low interest loans that should be acquired to fit this type of package. c. This concept should then be costed for at least for the next 15-year term of implementations. This concept of 100-year life term for infrastructure, costed initially for the next 15 year term, needs to be presented as an option to the ratepayers. Feedback on draft LTP: With the total package of infrastructure upgrade costed over 100 years, using Government low interest loans, the 'debt funding' [Council's preferred Option1] approach appears eminently workable to kick start the implementation programme.*

*175 - Lynnette Dewes: option 1 as long as the rates are not put out of reach to single income families and pensioners.*



Officers Response:

The comments above are reflective of much of what has been shared by the wider engagement process. They show in general a broad support for the required work but make specific mention of the affordability challenges faced by many residents that must be at the forefront of decision making.

Officers consider that the preferred option (option 1) provides the best balance between meeting infrastructure needs and affordability. Many (most) of those who have made comments about financial affordability have also shown favour/support for option 1.

Officers do not consider based on the feedback that fundamental change is required in the preferred option but that every effort must continue to be made to ease financial pressures through effective infrastructure planning, good financial policy and practice and continued targeting of external funding sources.

**Topic 5 – General/Other feedback**

A small number of submitters provided general comments about water infrastructure.

The following comments were made by submitters in respect of this topic.

*197 - Bill Hale: provision for a doubling of our population could guide infrastructure renewal decisions and protect future generations*

*124 - Donna Hossack: Tiffen Lane residents have terrible water pressure and substandard piping. If our rates go up because of these infrastructure needs, then will our pipes be included in the upgrade? Alternatively, is it time to discuss with the residents affected (all three of us) about potentially taking us off town supply and installing water tanks? Water tank installs would be a big investment and potentially not feasible or affordable but it may be worth discussing.*

Officers Response:

The above feedback is being passed on to operational teams with specific matters being dealt with.

It is further noted that there were some submissions received where the submitter was not clear if they would be receiving rates increases due to them not being connected to reticulated water or wastewater services. Officers are engaging directly with these submitters (2) to provide necessary clarity.

**RISK ASSESSMENT AND MITIGATION**

Submitters have voiced support and concern over the options presented. This section highlights risks that have been noted with the presented options.

**Option 1 Risks:**

Risks considered for Option 1 relate primarily to affordability challenges and confidence in asset management planning and infrastructure decision making. The affordability risks are to ratepayers not to Council. Council has the means confirmed through its Financial Strategy to service debt and complete the programme of work outlined in the Infrastructure Strategy and LTP. The noted risk to ratepayers is an inability for those on low or fixed incomes to afford rate increases to meet the programme of work. Officers consider that all steps possible are being taken or are signalled/planned to manage the unaffordability risk to ratepayers. Debt funding spreads the cost over time and continued targeting of external funding will lessen the overall burden on ratepayers.

The risk of asset management planning relates to comments made about confidence in previous decision making and a required clarity and confidence in current decision making that has resulted

in the increased programme of work housed in the Infrastructure Strategy and LTP. Council must be confident that effective decisions are being made to ensure that funds are being invested wisely in infrastructure in order to balance both financial and asset risk. Officers believe that quality processes are in place to ensure robust decision making. Regular and routine audit processes are a key part of this with a high level of scrutiny placed on infrastructure planning.

#### Option 2 Risks:

The fundamental risk with Option 2 is a heightened unaffordability risk as described above for Option 1. Option 2 will see a greater and more immediate impact on ratepayers to fund the proposed programme of infrastructure upgrades. There is risk that affordability issues will become severe resulting in an inability of some ratepayers to meet payments. Officers consider that this risk is high and that there is no effective and practical means of mitigating the risk without avoiding it by spreading the impact over a longer period of time or not doing the planned work.

#### Option 3 Risks:

This option avoids the risk of rate increases and affordability challenges (beyond those that may already exist) and transfers the risk squarely onto the asset base. The risk of this option is that low levels of investment in the assets, particularly water assets, will cause a detrimental deterioration of asset condition and performance. By not investing in replacements of old and tired assets Council is accepting a lower level of service for ratepayers and potentially an inability to meet compliance standards that are forecast only to increase. Officers consider that there is unlikely to be anything that could substantially mitigate this risk but that efforts to further prioritise work, to seek out further efficiencies and to work with regulators would go some way to lowering the risk.

### FOUR WELLBEINGS

Each of the options presented is considered against the four wellbeing's below. The explanation below attempts to present the premise of each option as well as considering the feedback received by submitters on the options.

	<b>Cultural</b>	<b>Economic</b>	<b>Social</b>	<b>Environmental</b>
<b>Option 1</b>	These options will both see significant improvements in infrastructure with a focus on 3 waters assets. A direct result will be improved pipe and treatment networks which will improve the health of our wai and whenua. These options also provide for increased investment in open spaces and reserves to protect and enhance our place.	This option sees the lowest economic impact on ratepayers while still ensuring necessary work on assets is completed. Completing the works is also seen as critical to ensuring the future economic vitality and growth of the District as outlined in the Integrated Spatial Plan and Infrastructure Strategy.	This option spreads the costs of intergenerational infrastructure across current and future generations. This option embodies a social responsibility element with those who will benefit from infrastructure over a longer time paying for it. This option will ensure infrastructure is built and maintained to enable growth, prosperity and community/social wellbeing as	These options will see wastewater and Stormwater pipes significantly upgraded directly enhancing environmental outcomes. Reducing the likelihood of wastewater pipe failure, overflows and surcharges will ensure waste does not enter the environment.

			related to infrastructure.	
<b>Option 2</b>		This option places economic burden on ratepayers but will still see necessary works completed. This option will ensure work is completed to allow for growth and prosperity of the District.	This option will ensure infrastructure is built and maintained to enable growth, prosperity and community/social wellbeing as related to infrastructure.	
<b>Option 3</b>	This option does not afford for upgrades in infrastructure networks.	This option avoids any immediate or short term economic burden on ratepayers. It will see necessary work go uncompleted however putting core infrastructure and services at risk that will hinder the prosperity and growth of the District.	This option will see assets degrade which may have an impact on communities and social wellbeing. Contrastingly there has been some feedback (limited) received in favour of this option as it is the cheapest and will not place financial strain on our communities which could have positive social outcomes.	This option will see assets degrade and critically wastewater and Stormwater assets that have a direct impact on the environment.

### DELEGATIONS OR AUTHORITY

The recommendations of this report require Council approval via resolution through the Long Term Plan process.

### SIGNIFICANCE AND ENGAGEMENT

In accordance with the Council's Significance and Engagement Policy, this matter has been assessed as being of significance and accordingly has undergone an appropriate process of formal consultation.

### OPTIONS ANALYSIS

The financial implications of the various options are discussed in detail in the Long Term Plan and Financial and Infrastructure Strategies and are summarised in the Consultation Document.

	<b><u>Option 1</u></b>	<b><u>Option 2</u></b>	<b><u>Option 3</u></b>
	<b>To debt fund in the short term to deliver essential renewals and upgrades to our drinking water, wastewater and stormwater assets</b>	<b>To fund essential renewals and upgrades through rates alone - resulting in significant rates increases</b>	<b>To continue to defer renewals and upgrades (status quo)</b>
<b>Financial and Operational Implications</b>	Debt can be drawn down quickly to allow works to proceed. Operationally works are able to be delivered as per the LTP within existing structures.	Financial modelling for rates impacts if debt is not used has been completed and rates can be reset to these higher levels. Operationally works are able to be delivered as per the LTP within existing structures.	There are no financial implications of this option. Operationally works will not commence beyond what is already occurring. Operationally there will be impacts on maintenance programmes and the volume of reactive work as assets continue to degrade and fail.
<b>Promotion or Achievement of Community Outcomes</b>	Strong community support for this option in completing necessary works and spreading costs as best possible. Will allow for asset upgrades to ensure community vitality and levels of service to continue.	Limited community support for this option as it will see necessary works completed but in a potentially unaffordable way for many ratepayers.	Very limited community support for this option as it will see necessary works not completed which will have direct impacts on community outcomes. It will however come at no increase in cost to community.
<b>Statutory Requirements</b>	This option is significant and requires consultation. This option will ensure that council continues to meet its current future compliance requirements for waters infrastructure.	This option is significant and requires consultation. This option will ensure that council continues to meet its current future compliance requirements for waters infrastructure.	This option is not significant and does not require consultation. This option will mean council are at extreme risk of breaching compliance requirements for waters infrastructure.

<b>Consistency with Policies and Plans</b>	This option is consistent with the Infrastructure Strategy and Financial Strategy as well as relevant asset management plans and the asset management policy.	This option is consistent with the Infrastructure Strategy but not the Financial Strategy. It is consistent with relevant asset management plans and the asset management policy.	This option is not consistent with the Infrastructure Strategy and Financial Strategy or relevant asset management plans and the asset management policy.
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### Recommended Option

This report recommends **Option 1, To debt fund in the short term to deliver essential renewals and upgrades to our drinking water, wastewater and stormwater assets** for addressing the matter.

### NEXT STEPS

Following adoption of any option, Officers will commence with delivering the appropriate programme of infrastructure works and implementing the mandated financial approach.

### RECOMMENDATION FOR CONSIDERATION

That having considered all matters raised in the report:

- a) That Council adopt Option 1 as set out in the Long Term Plan 2021 - 2031 for Challenge 2, To debt fund in the short term to deliver essential renewals and upgrades to our drinking water, wastewater and stormwater assets.
- b) That the submitters are thanked for their comments, which are acknowledged and further that the information contained in this report is provided to submitters.

## 7.6 LONG TERM PLAN 2021 - 2031 DRAFT DELIBERATIONS REPORT: CHALLENGE 3 - CREATING A WASTE FREE CHB

**File Number:** COUI - 1400

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

**Authoriser:** Monique Davidson, Chief Executive

**Attachments:** Nil

### PURPOSE

The matter for consideration by the Council is the LTP deliberations with respect to Challenge 3 and a Waste Free CHB.

### RECOMMENDATION FOR CONSIDERATION

That having considered all matters raised in the report:

- a) That Council adopt Option 1 as set out in the Long Term Plan 2021 – 2031 for Challenge 3, specifically that Council selects the following service delivery approach for Solid Waste:

1. Extend the recycling and rubbish service at an increase of \$42,000 per year, and
2. Introduce a wheeled bin refuse service in year 3, and
3. Introduce a 3 crate system for recycling, and
4. Close the drop off centres in Otane, Takapau, Tikokino and Ongaonga and the create a targeted rural recycling scheme.

- b) That the submitters are thanked for their comments, which are acknowledged and further that the information contained in this report is provided to submitters.

### BACKGROUND

Submissions on the topic were received by:

1 - Zara Mackey	74 - Callum Slavin	148 - Gerard Pain
2 - Hayley Webster	75 - Jo-Ann Hardwick-Smith	149 - Ian Franklin
3 - Jehoshaa Monegro	76 - Tina Keeling	150 - James Parsons
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66 - Kevin Rowell	140 - Cornelia van Falier	224 - Mike Shivan
68 - Glenda Houston	141 - Keri Rophia	226 - Trish Giddens
69 - Ron King	142 - Forrest Ropiha	228 - Diana Hollis
70 - Stacey Thomas	143 - Ray Turnbull	229 - Anne Wallace
71 - Marjon Greenwood	145 - Donna Dahm	230 - D J Williams
72 - Ian Hawkes	146 - Phyllis Tichinin	
73 - Valerie Norris	147 - Elliot Peacock	

### Summary of Submissions:

Council has sought public feedback on Challenge 3 as part of the 2021-2031 Long Term Plan process. In total Council received 202 submissions on this consultation topic, which provided two options:

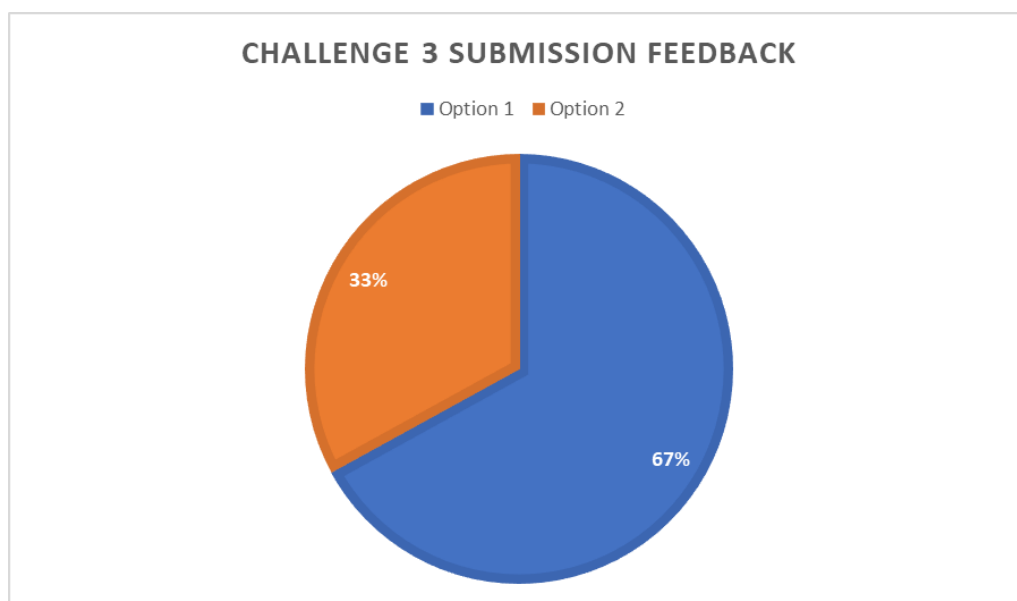
- Option 1 – Extend the recycling and rubbish service at a small cost.
- Option 2 – No change to rubbish and recycling service (status quo)



Further to the two options, submitters were also asked to provide their views on collection methods with choices made available for wheelie bins, bags or crates as well as kerbside collection for recycling or the continued use of drop off centres in some townships.

### Analysis:

Of the total 202 submissions received referencing Challenge 3, there was significant support for Councils preferred option, Option 1. The chart below illustrates the level of support for the two options between the 202 submitters.



The sections below provide a breakdown of the key areas that are associated to Challenge 3 to allow for further insight on what submitters value when it comes to refuse and recycling.

### Topic 1 – Support for Option 1

135 submitters supported option 1 – to extend the recycling and rubbish service. Only a very small amount of written feedback was provided to support the option directly with the majority of comments referencing other specific issues and options for recycling. These are largely covered in a separate report for the wider Solid Waste Activity.

Below is feedback raised by a submitter in support of this option:

- Dean Hyde – *“The proposals to improve kerbside recycling in respect to both the three-crate option and extending the service to Takapau, Otane, Ongaonga and Tikokino are particularly noteworthy. I am however not convinced that the provision for wheelie bins for refuse collection will encourage waste reduction and therefore diminish what goes to landfill. Therefore, I oppose the potential change from the current Council Rubbish Bag system”.*

### Officers Response:

Officers have interpreted the above feedback, the number of ‘ticks’ for Option 1 and wider comments made by submitters about recycling to inform this response. The strong support for Option 1 (67% or 135 out of 202 responses) is aligned with feedback received from the community over the last 3 years about desire for change in refuse and recycling services.

Further in this report is more detailed feedback about the nature of extended services provided and the choice between collection options.

Officers are in support of the changes proposed under Option 1 based on analysis completed through 2020 as part of the Section 17a Review and based on the strong showing of support for the option through this engagement process.

## Topic 2 – Support of Option 2

67 submitters supported option 2 – no change to rubbish and recycling services (status quo). Only a very small amount of written feedback was provided to support the option directly with the majority of comments referencing other specific issues and options for recycling. These are largely covered in a separate report for the wider Solid Waste Activity.

Below is feedback raised by a submitter in support of this option:

- Shelly Burne Field – *“I agree with keeping the Status Quo regarding recycling and waste – community partnerships and external funding can take care of any increase in service level later.*

### Officers Response:

Officers have interpreted the above feedback, the number of ‘ticks’ for Option 2 and wider comments made by submitters about recycling to inform this response. The moderate support for Option 2 (33% or 67 out of 202 responses) is contrasting to the majority of feedback received over the past 3-year period about changes required to service delivery options for refuse and recycling. Over the past 3 years and through the Section 17a Review in 2020, Council became increasingly aware of a need to expand and improve services in order to meet targets of the WMMP and the wider objectives of Waste Free CHB.

The very limited feedback provided limited clarity on exactly what aspects of the change proposal were not supported which makes further analysis now difficult. Officers consider that many may be in support of some change but do not want disruption to services.

The above direct feedback suggests that change can come later and potentially be completed by community groups or with external funding support. Officers have considered staging changes to services and this is reflected in the preferred option of introducing a wheeled bin for refuse at year 3.

Based on the responses Officers advise progressing with Option 1 but continuing to work closely with communities about the detailed nature and design of services.

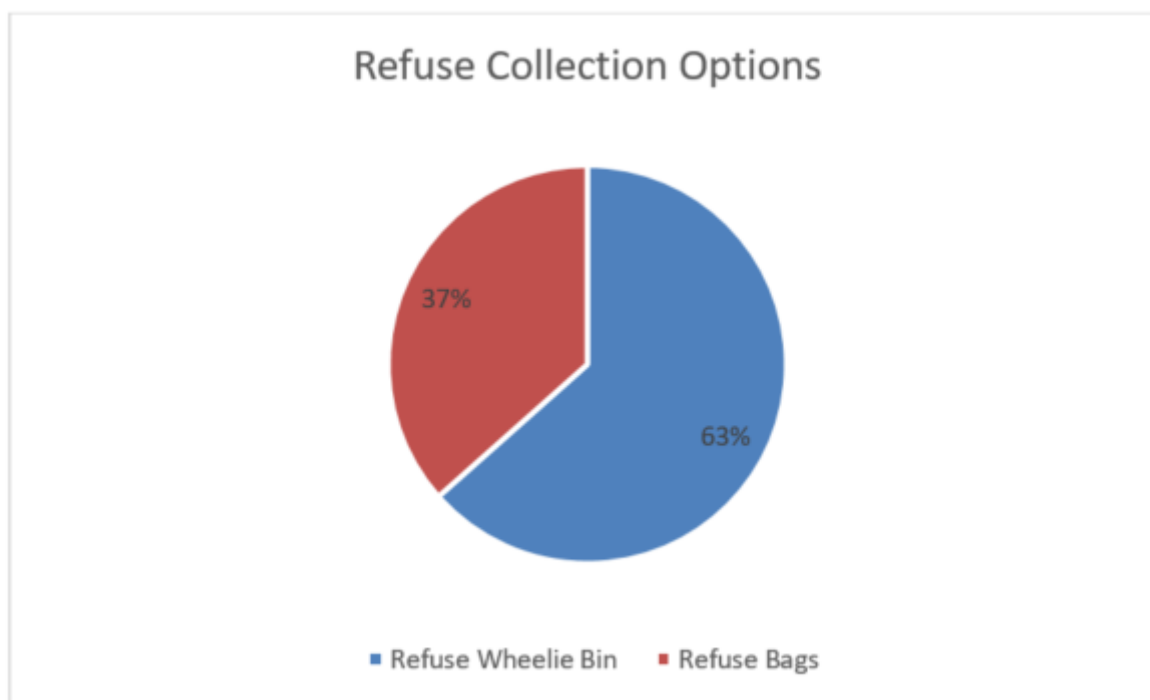
The next three topics provide feedback from submissions about the detailed nature of service delivery. They do not directly influence the decision about Option 1 or Option 2 but can inform what service delivery change under Option 2 will look like.

## Topic 3 – Refuse: Wheelie Bin vs Bags

Submitters were asked about their preference for refuse collection between the current bag service or a 120L wheeled bin. The consultation process specifically referenced the option of a wheelie bin service for refuse commencing in year 3. The deferred roll out of the wheelie bin service was planned in order to:

- Minimise disruption to ratepayers by introducing change in a staged fashion
- Allow Council and contractors time to adequately prepare for service delivery change
- Allow Council and contractors time to further enhance education and engagement initiatives in order to minimise total waste to landfill

63% of submitters indicated their preferred option for Refuse collection was a wheelie bin whilst 37% supported the continued use of bags for Refuse collection.



Below is feedback raised by submitters in support of the wheelie bin – refuse collection option:

- Jessica Draper – *“Wheelie bins all the way – will be easier for residents but will also keep pests and pets out of it”.*
- Neen Kennedy / Sustainable Ewe – *“I strongly agree with the wheelie bin option, this reduces instances of animals tearing into bags and is an overall more sustainable option”.*

Below is some of feedback raised by the submitters in support of bags for the refuse collection option:

- Christopher Bath - *“From my observation is that the greater majority of households produce only one rubbish bag per house. A wheelie bin is overkill, likely resulting in rubbish that is prohibited or usually paid for being mixed in”.*
- Emma Mason-Smith – *“The reason I feel bags shouldn’t change is that it worries me that people will throw so much more waste into the landfill if we have wheelie bins”.*
- Forest and Bird – *“The introduction of ‘wheelie bins’ for refuse rubbish collection will almost certainly increase the amount of recyclable material, and material in general, going to landfill”.*

#### Officers Response:

There is strong support for a wheeled bin option which is aligned with feedback captured over the past 3 years, through the Section 17a Review process and through the wider LTP consultation and engagement piece. Officers contribute that there are also known efficiency savings and safety benefits from a wheeled bin service.

Officers are aware of concerns of people ‘dumping more’ if a wheeled bin option is introduced and this is a common concern that in some cases can be accurate and has been evidenced in other districts. Officers believe there are effective means to manage volumes of waste with a Wheeled

Bin service including appropriate sizing of bins, incentivising recycling, re-use and reduction practices and controlling what can and cannot be dumped in a bin. Through oral submissions/hearings, Council heard feedback about options to introduce 'tag' systems whereby bins would only be put out by residents when full on a user-pays basis. This would have the potential to incentivise waste minimisation and reducing volumes of waste put to the kerbside and landfill. Officers have investigated these options by working with other Councils that have introduced similar approaches. The images below show Auckland City Council's tag system.



### Auckland Council Prepaid Rubbish Tag 120/140L

Your rubbish collection days stay the same??:.

Put your bin on your kerb by 7am on your usual collection day.

Attach the tag to the left handle.  
On the back of the tag the instructions explain how to place the tag around the bin handle. Attach the tag to the left hand bin handle so our collectors can see them.

Tags are secure.  
Tags include a security cut and a space to write your address. This means that someone who takes a tag off someone else's bin won't be able to use it for themselves.

1pk \$3.95 / 1EA

Ask Olive 

 <p><b>80L</b> <b>\$2.70*</b></p>	 <p><b>120 / 140L</b> <b>\$3.95*</b></p>	 <p><b>240L</b> <b>\$5.70*</b></p>
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The introduction of the wheeled bin service at year 3 will allow further time to confirm the detailed aspects of the service delivery change including the potential for a tag system or other incentives. The option of introducing the bin service at year 1 was spoken to during oral submissions. Officers have further investigated this option and have received advice that the practicalities of rolling this out now would be challenging given the plant and equipment required and current long wait-lists particularly on the production of rolling plant.

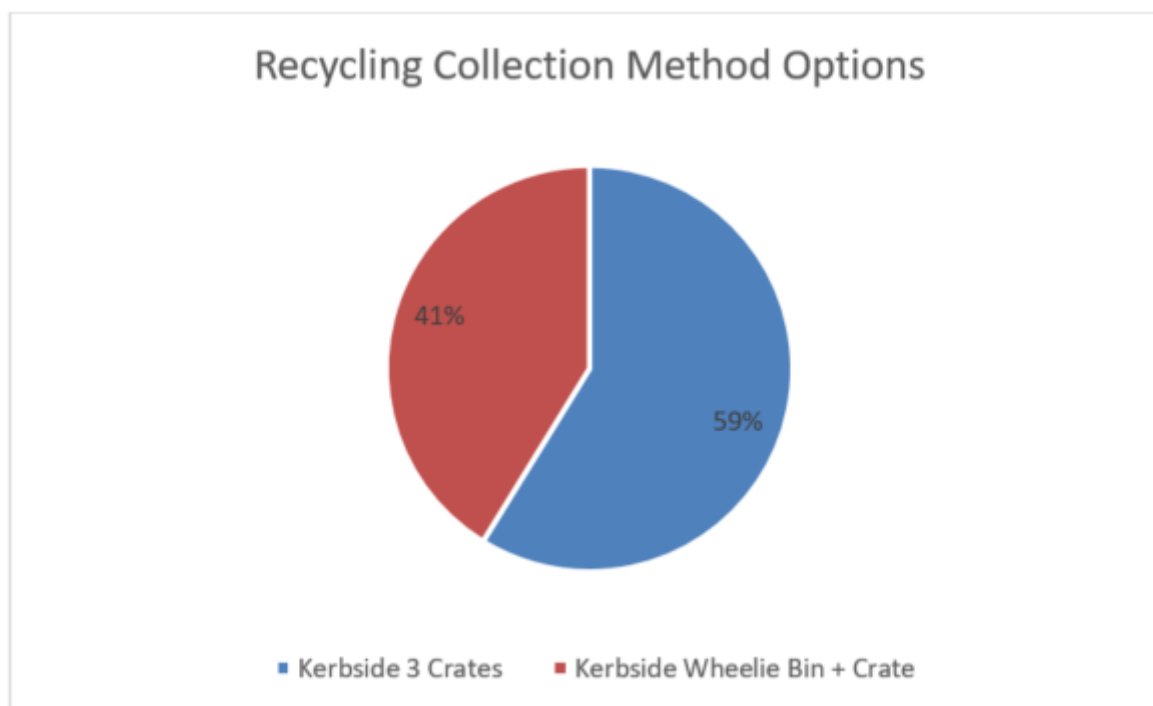
Based on the feedback received and the options available to educate and reduce waste through incentives, Officers support the introduction of wheeled bins at year 3 for refuse collection with further detail to be confirmed about incentives.

**Topic 4 – Recycling: Wheelie bin (+ 1 crate) vs 3 Crates**

Submitters were asked about their preference for kerbside recycling collection method with choices between a 3 crate service or a service with a 120L wheeled bin for co-mingle products and a single crate for glass.

41% of submitters supported the option of a wheelie bin (+ 1 crate) for recycling collection.

59% of submitters supported the 3-crate option for recycling collection.



Some of the matters raised by submitters in support of the wheelie bin (+ 1 crate) – recycling collection option included:

- Rea Arona – *“As a pensioner it would be easier for to push a bin rather than carry my bins”.*
- Ian Hawkes – *“Against recycling crates, wind is a big factor in spreading recycling and empty bins”.*

Some of the key matters raised by the submitters in support of 3 crates – recycling collection option included:

- Diana Hollis – *“Completely against the use of wheelie bins for rubbish or recycling. People will just put anything in. More rubbish will go to the landfill and recycling will be hard to Police if it’s in a wheelie bin with a lid”.*
- Phyllis Tichinin – *“Encourage people to buy less and to create less waste. Wheelie bins encourage us to generate more waste”.*
- Meg Mackenzie – *“From the experience in Napier, having 3 crates makes a big difference. When things are ‘hidden away’ in a wheelie bin, people can get away with putting non-recyclables in the bin again and again. Also, there is more responsibility taken by individual households with the sorting into crates”.*

**Officers Response:**

There is greater support (59%) for a 3-crate system than a wheeled bin system, and this is aligned with the advice of recycling sector experts who promote the effectiveness of the 3-crate system for sorting product at the earliest time possible, reducing contamination and increasing total volumes ultimately recycled.

Officers acknowledge the physical and practical challenges with a 3-crate system particularly for elderly residents and would support working with the community to look at means of transporting and storing crates in homes. Solid Waste staff have started discussions with community members to form a community group that will help assist our elderly or non-able community with getting their crates out for recycling.

Further feedback was received during oral submissions/hearings about the risks and potential mitigations of increased recycling contamination through the introduction of a wheeled bin collection method. It is widely understood that wheeled bin collections for recycling (co-mingle typically) increase contamination rates. This is in conflict with the objectives and intent of Waste Free CHB. Noting the ease of use benefits of the wheeled bin option, Officers have further investigated options to reduce contamination with a wheeled bin service.

Officers reached out to two Councils who have both recently introduced a wheeled bin service for recycling and reported significant increases in contamination rates. Both Councils, Hamilton City and Christchurch City, provided useful information and were able to provide their wins and learnings from the implementation of wheelie bins for recycling. Both Council's were unable to provide specific contamination rates or measurable data before and after the roll out of the service but offered some of the provisions they have set in place for future success. Both Councils have implemented the 'three strike' system through their bylaw for contaminated or non-compliant recycling and also a gold-star scheme to advertise that that are complying (see below).



To increase recycling education, Hamilton City Council employ a bin inspector that checks recycling bins and ensured there was a large presence of Council staff during the roll out to educate residents. Christchurch City Council established a bin auditing programme as well as on-going driver checks during kerbside recycling runs. Central Hawke's Bay's current contractor (Smart Environmental) have employed bin inspectors in locations where they use wheeled bins for co-mingle recycling collection also. Their experience is that the bin inspectors coupled with intensive communications campaigns and penalty systems are effective in managing contamination rates but come at a human resource and financial cost.

The consultation documents described the changes as an extension of services at a small cost. This cost has been quantified now with contractors and covers the provision of an enhanced level of service via the 3 crate or wheeled bin system and also the extension to new areas for kerbside collection which is covered in the next topic. The net cost of these increases in service offering is \$42,000 per year which will see the solid waste targeted rate increase by 7% or roughly \$10 per household.



The timing and detail of implementation will be dependent on the service offering chosen. Both the 3 crate system and the wheeled bin system will require new plant and equipment and in particular new purpose built trucks. There is significant worldwide delay on the production of suitable trucks at the moment due to global pressures. Any new trucks are not expected to be able to be available in New Zealand until January 2022. The 3 crate system is deliverable in the interim without the need for new trucks and can become effective 2 months after any decision is made (allowing time for the delivery of crates).

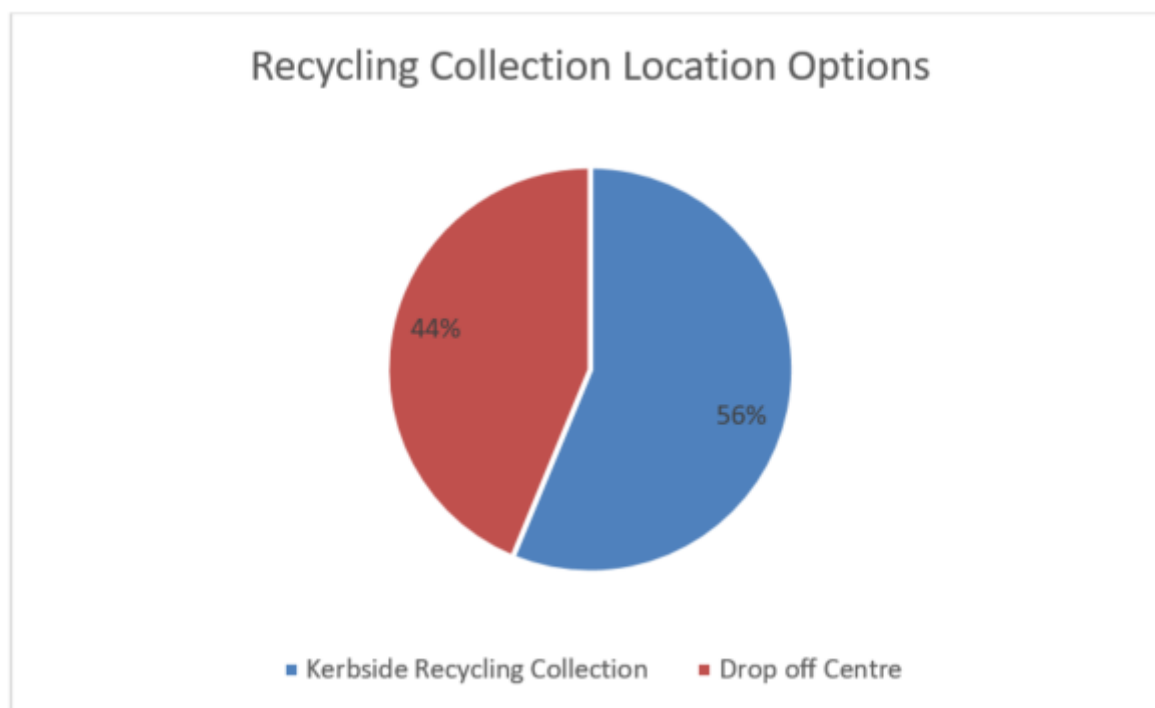
Based on the above, Officers support the 3-crate approach believing it will provide the best outcomes in alignment with WMMP and Waste Free CHB objectives and targets.

### Topic 5 – DOC's vs Kerbside recycling

Submitters were asked to provide feedback about recycling collection with a choice between a kerbside service or use of drop off centres (DOCs). Specifically, the option was presented to close the DOCs in Ongaonga, Tikokino, Otane and Takapau and replace these with an urban kerbside recycling collection and a rural trailer-based scheme. The consultation sought to capture feedback primarily from those who lived in or near the townships of Ongaonga, Tikokino, Otane and Takapau who currently do not get kerbside recycling collection and rely solely on the drop off centres.

56% of submitters who identified as living in or around Otane, Ongaonga, Takapau and Tikokino supported kerbside recycling collection.

44% of submitters who identified as living in or around Otane, Ongaonga, Takapau and Tikokino supported drop off centres for recycling collection.



See feedback raised by submitters in support of the kerbside recycling option:

- Hayley Webster – *"We currently use drop off; it works for our family, but kerbside is more practical".*
- Peter Seligman – *"It would be great if rural residents didn't have to drive to drop off centres. The drive definitely lessens the ecological benefit of the exercise".*

- Neen Kennedy (oral submission) – *comments were made during an oral submission by Neen Kennedy expressing concern about the practicality, safety and compliance with building code of the current drop off centres. Particular concerns were raised about the accessibility for disabled residents.*

See feedback raised by submitters in support of drop off centres for recycling collection:

- Mike Harrison – *“If the recycling bins are removed and replaced by kerbside recycling, I believe recycling will become a challenge for the following: People that live outside the village such a local farmers / lifestylers etc who diligently recycle but no longer have that option with the bins removed. Surprisingly, the recycling centre tends to be a bit of a hub at the weekends with many people around the village (and outside) doing their recycling”.*
- Nikau Hill Station – *“Never going to be able to kerbside collect all residents. Will need to keep rural recycling centres so don’t need kerbside in these areas”.*
- Margaret Isabella Fletcher – *“Leave as is”.*

#### Officers Response:

There are similar levels of support for both an extended kerbside service and the retention of drop off centres. There was more vocal support for retention of drop off centres during oral submissions/hearings but across all submissions the support remains fairly evenly split with a general preference for a kerbside service.

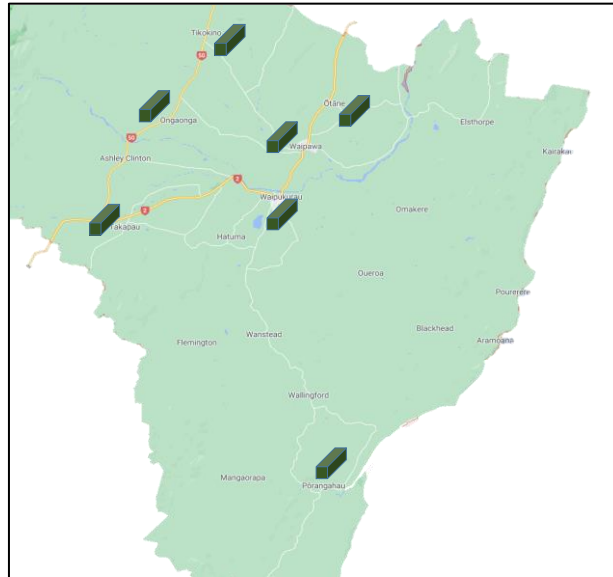
Officers are confident that an extended kerbside service will provide greater levels of non-contaminated recycling and is aligned with the objectives of the WMMP and Waste Free CHB.

During oral submissions concerns were further raised about the practicality, safety and compliance of the drop off centres. While Council are confident based on a review of the Building Act that the sites are compliant, Officers are acutely aware of the need to improve the design and operation of the current DOCs should they be retained. Costs to upgrade the 3 DOCs that are proposed to be kept (Waipawa, Waipukurau and Porangahau) are estimated at \$35,000 and this has been included within existing budgets with funding to come primarily from the Waste Levy return scheme. This work would include the movement of the DOCs inside gated transfer station facilities (for Waipawa and Waipukurau) and improved ramp/access designs for all 3 sites. The cost to upgrade the remaining 4 DOCs that are proposed to be removed (Takapau, Ongaonga, Tikokino and Otane) are estimated at an additional \$60,000 that has not been included in existing budgets. This \$60,000 to retain and upgrade the remaining 4 DOCs will be loan funded over a 5-year period with a repayment of \$12,780 per year and will have an impact of 0.2% on the General Rate.

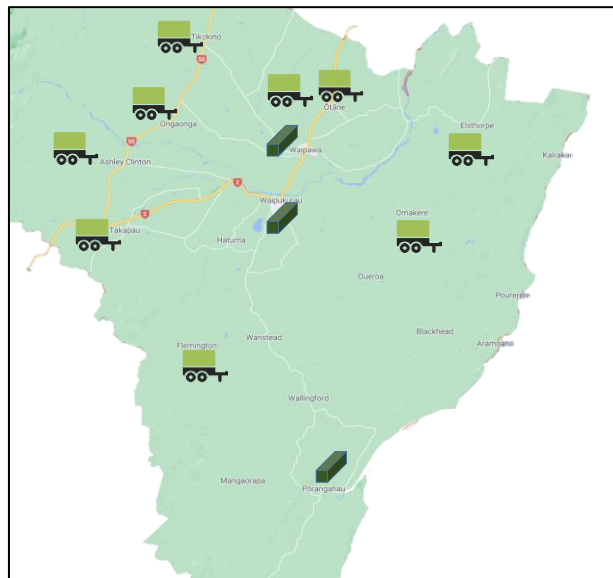
The budgets used to form the LTP profiles for consultation included options for either retaining the DOCs and not extending kerbside services or extending kerbside services and removing the DOCs apart from those in Waipukurau, Waipawa and Porangahau. The service costs avoided by removing the listed DOCs offset the cost increase of extending kerbside services. The figure provided by Councils contractor for this service is \$69,125 per year. Should Council decide to keep the 4 listed DOCs proposed for removal ‘and’ extend kerbside services then this \$69,125 per year operational cost will be added to budgets prepared to date. The impact of this is a further 0.98% increase on the general rate.

Officers remain confident that the concerns raised by those opposing the removal of the DOCs can largely be mitigated via the introduction of the proposed rural trailer-based collection scheme. Examples of that scheme are provided below with illustrations of the existing DOC locations as well as potential service locations for the trailer scheme.





*Existing Provision of DOCs*

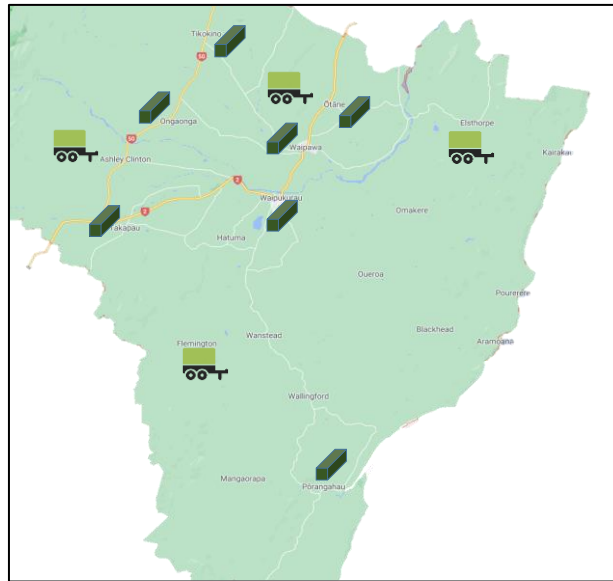


*Consulted Provision of Rural Trailered Scheme and Closure of DOCs*

Possible schedule below to support above rollout of services:

Community	Location	Frequency / Schedule
Argyll	Argyll School	1 day, Fortnightly
Elsthorpe	Elsthorpe School	1 day, Fortnightly
Flemington	Flemington School	1 day, Fortnightly
Omakere	Omakere School	1 day, Fortnightly
Ashley Clinton	Sherwood School	1 day, Fortnightly
Otane	Otane School	1 day, Weekly
Tikokino	Tikokino School	1 day, Weekly
Ongaonga	Ongaonga community centre	1 day, Weekly
Takapau	Takapau School	1 day, Weekly

The above service offering could be provisioned with the development of 2 custom-built trailers and a crew operating them on a full-time basis.



### Hybrid provision of retained DOCs and Limited Rural Trailer Scheme

Possible schedule below to support above rollout of services:

Community	Location	Frequency / Schedule
Argyll	Argyll School	1 day, Fortnightly
Omakere	Omakere School	1 day, Fortnightly
Ashley Clinton	Sherwood School	1 day, Fortnightly
Flemmington	Flemmington School	1 day, Fortnightly

The above service offering could be provisioned with the development of 1 custom-built trailer and a crew operating it on a part time basis.



### Concept Rural Recycling Trailer

The table below presents a workable schedule for the rural trailered scheme taking into account the removal of DOCs in Tikokino, Ongaonga and Otane.

**Topic 6 – Greenwaste, Food/Organic Waste and Recycling / Re-use& Recovery centre**

The consultation process included questions and proposals for the management of the Districts greenwaste, food and organic waste and also the creation of a purpose-built re-use and recovery centre that would replace the transfer stations in Waipukurau and Waipawa. This section considers options and feedback on each topic.

**Green Waste.**

Council receive greenwaste at Transfer stations that is sorted and then processed and removed by specialist external contractors. The transport costs for carting greenwaste to external processing facilities to be composted or mulched make the activity costly for Central Hawke's Bay residents. The Section 17a review highlighted opportunities to improve the management of greenwaste through investigating the creation of a local facility and this was committed to as an outcome of the review/report. Officers have begun investigating options for the processing of greenwaste locally and have recently received interest in a partnering opportunity from Tararua District Council. No direct feedback was received on greenwaste through the LTP consultation. Officers consider that plans and efforts already in progress to investigate greenwaste opportunities are sufficient and in line with community expectations/needs.

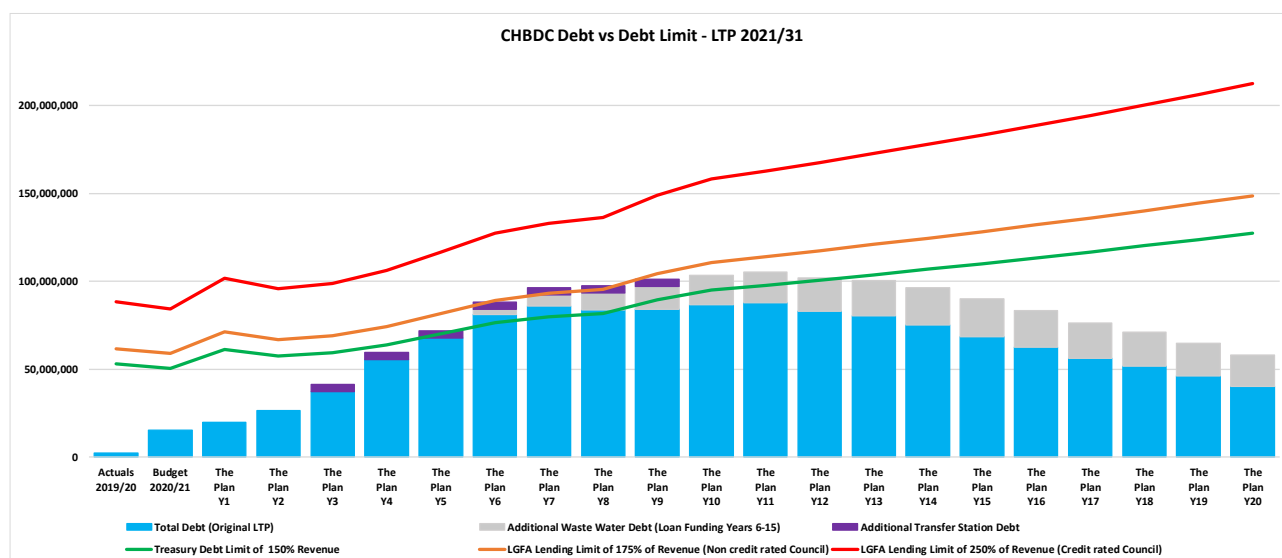
**Food / Organic Waste.**

Food and organic waste are significant contributors to methane emissions from the landfill and make up a large portion of total waste to landfill. The Section 17a review highlighted food and organic waste as a key area for improvement. At the completion of the review and in adoption of the findings, Council committed to further investigating or trialling targeted food waste collection methods and to closely watching trials already underway in New Zealand. No specific feedback was received through the LTP process about foodwaste or wider organic waste collections although some mentioned the promotion or incentivising of composting options. Officers are awaiting feedback from Ruapehu District Council who are several months into a trial of kerbside foodwaste collection and plan to base any further action on the outcome of this.

**Re-use and Recovery Centre**

The LTP budgets include the establishment of a purpose-built re-use and recovery centre that would replace the transfer stations in Waipukurau and Waipawa. The budgeted amount is \$2,000,000 in year 10 of the plan. Officers have noted an error in the LTP budgets that had this budget line set at \$4,000,000 (transcription error saw a doubling of the line item). This has been corrected and has had a positive impact on total rates at year 10. There was no specific feedback with respect to the planned development of the new facility however several submissions referred to the suitability and effectiveness of existing facilities' and it is anticipated that the new facility will alleviate these concerns.

The facility is planned for year 10 of the LTP to reflect that currently only a low level of planning and investigation work has been completed. Questions have been asked about the ability to bring forward the planned investment and creation of the facility. The chart below shows Councils borrowing against debt limit as per the expenditure presented in this LTP. The purple columns stacked and starting at year 3 show indicatively what bringing forward the planned \$2M investment into year 3 would mean for debt headroom. Officers consider that planning for the facility is possible within a 24-month timeframe and that beyond this amount of time, financial burden would be the biggest constraint/risk.



## RISK ASSESSMENT AND MITIGATION

### Risks with Option 1.

The primary risk with option one is the operational delivery of new service offerings and changes to existing services. Officers are confident that this can be managed, and steps have already been taken to ensure that any changes possible are deliverable by the contracting market.

### Risks with Option 2.

The primary risks with this option are not meeting community expectations and not progressing towards the targets of the WMMP and objectives of Waste Free HB. There is the ability to roll out some but not all proposed changes under Option 1 but this is not considered to be likely to meet community expectations based on feedback received.

### Risks with Bags Vs Bin.

The feedback received and Officers advice indicate a preference to moving to a wheeled bin collection for refuse (in year 3). The primary risks with this are unknowns with service delivery operations and potential increases in volume to landfill as people misuse the service. The operational elements can be mitigated through working with the contracting market who have already provided a high level of confidence that the services can be delivered as expected. The risk of increased volumes of waste will need to be mitigated through specific and planned action including increased awareness and education, ensuring that recycling and other diversion schemes are effective and incentivised and the consideration of restrictions and enforcement for what is placed in bins. Officers will commit to investigating a user pays 'tag system' for the use of a wheelie bin for refuse in year 1.

### Risks with Crates Vs Bin.

The feedback indicates a preference for a 3-crate option for kerbside recycling collection. Should this be progressed, the primary risks are practical and operational in nature with known issues of tidiness at the kerbside and physical challenges for some people with storing and moving crates. These challenges are real and hard to avoid. Officers are eager to investigate options to assist residents in storing and transporting crates with trolleys or similar, but no plans are in place for this currently. Officers are committed to implement a 'gold star' reward system for crates as soon as practicable to encourage successful recycling participation.

## Risks with Kerbside collection or Drop off Centres.

The risk in retaining drop off centres is financial implications for running the high cost service and the risk of continued or increased recycling contamination. The risk of moving to a kerbside service in the affected townships and removing the drop off centres is a loss of options for some rural residents. This can be offset by the introduction of a targeted rural service designed to meet needs and reduce the contamination risk.

**FOUR WELLBEINGS**

Each of the options presented is considered against the four wellbeing's below. The explanation below attempts to present the premise of each option as well as considering the feedback received by submitters on the options.

	<b>Cultural</b>	<b>Economic</b>	<b>Social</b>	<b>Environmental</b>
<b>Option 1</b>	This option allows for enhancement and protection of whenua and the wider environment through improved services and achievement of Waste Free CHB outcomes.	This option will come at a small cost to be fully determined when contracts are set with service providers. This option is not expected to have any wide economic impact.	This option will allow more communities to actively participate in recycling through kerbside services.	This option promotes diversion of waste from landfill and good waste management / environmental practice.
<b>Option 2</b>	This option does not change or improve waste management outcomes above current practices so there is no perceived benefit to cultural values.	This option will come at no additional cost and is expected to have no further economic impact.	This option will not enhance participation in recycling or better waste management so some social and community outcomes may be lost.	This option is considered not to align with our WMMP and Waste Free CHB outcomes and will not reduce tonnes to landfill.
<b>Bags Vs Bin</b>	Officers do not consider there to be a strong positive or negative cultural impact from either of these choices.	A wheeled bin collection is likely to prove marginally more cost efficient over time (once capital plant is recovered) for refuse however this will not apply to the recycling option as a crate collection is still needed for glass.	Communities, particularly elderly subsets of the community, have expressed desire for a wheeled bin service due to practicality reasons.	There is known risk that a wheeled bin service can cause increased waste to landfill and this will need to be carefully managed to ensure environmental outcomes are not worsened
<b>Crates Vs Bin</b>				A 3 crate kerbside sorting method is believed to be most effective in diverting tonnes from landfill and improving overall environmental outcomes
<b>Kerbside Collection</b>				Kerbside collection is known to reduce

<b>or Drop off Centres</b>		directly offset the cost of other service improvements with kerbside collection being a proven more economically efficient means of collection	about the loss of drop off centres which in some cases create a sense of community. This can be replaced by kerbside services, enhanced education and communication and the offering of rural collections.	contamination and will therefore have improved environmental outcomes
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### DELEGATIONS OR AUTHORITY

This is a decision for Council to make, and they have the authority to make this decision as part of the Long Term Plan 2021 – 2031 process.

### SIGNIFICANCE AND ENGAGEMENT

In accordance with the Council's Significance and Engagement Policy, this matter has been assessed as being of significance and accordingly has undergone an appropriate process of formal consultation.

### OPTIONS ANALYSIS

The financial implications of the various options are discussed in detail in the Long Term Plan and Financial and Infrastructure Strategies and are summarised in the Consultation Document.

	<b><u>Option 1</u></b> <b>Extend the recycling and rubbish service at a small cost</b>	<b><u>Option 2</u></b> <b>No change to rubbish and recycling service (status quo)</b>	<b>Refuse Bags Vs Bin</b>	<b>Recycling Crates Vs Bin</b>	<b>Kerbside Collection or Drop off Centres</b>
<b>Financial and Operational Implications</b>	Extending the kerbside collection and shifting to a 3 crate system, plus a wheeled bin system for refuse in year 3 will add \$42,000 to the targeted rate annually. This assumes the removal of the listed drop off centres at a saving of \$69,125. If drop off	There are no financial or operational implications with this option other than that the known operational challenges with current services will remain.	It is likely to be moderately cheaper and operationally more efficient to use a wheeled bin service.	There is no expected financial difference between the two options however a 3 crate system is considered more operationally efficient.	Retaining the drop off centres will add \$69,125 to budgeted costs and extending kerbside collections and moving to an improved service level will add \$42,000.

	centres are retained, then this figure will also need to be added back in. Operationally this option can be delivered within a number of months with exact timing to be confirmed based on contract market response.				
<b>Promotion or Achievement of Community Outcomes</b>	This option is aligned with community feedback to improve services.	This option does not align with feedback received that current services are not fit for purpose and are not meeting community expectations.	There is strong community support for a wheeled bin collection.	There is community support for a 3 crate system.	There is split support for kerbside services and retention of drop off centres. The rural community are strong in their views that they do not want to lose access to recycling.
<b>Statutory Requirements</b>	These changes have been considered as part of a formal Section 17A Review – there are no other relevant, impacted or at risk statutory or legislative requirements.				
<b>Consistency with Policies and Plans</b>	This option is consistent with the WMMP, Waste Free CHB campaign and the Environmental strategy	This option is not consistent with the WMMP, Waste Free CHB campaign and the Environmental strategy	Both options are able to be delivered in a means consistent with relevant policies and plans.	A 3 crate system is considered most aligned with relevant policies and plans, being the WMMP, Waste Free CHB campaign and the Environmental strategy	A kerbside service and provision of a targeted rural scheme is considered most aligned with relevant policies and plans being the WMMP, Waste Free CHB campaign and the Environmental strategy

**Recommended Option**

This report recommends:

- **Option 1 - Extend the recycling and rubbish service at a small cost, and**
- **the introduction of a wheeled bin refuse service in year 3 and**
- **the introduction of a 3 crate system for recycling, and**
- **the closure of drop off centres in Otane, Takapau, Tikokino and Ongaonga and the creation of a targeted rural recycling scheme.**

**NEXT STEPS**

Should any changes to service delivery be adopted, Officers will quickly look to agree operational detail with contractors to deliver on new service offerings.

**RECOMMENDATION FOR CONSIDERATION**

That having considered all matters raised in the report:

- a) That Council adopt Option 1 as set out in the Long Term Plan 2021 – 2031 for Challenge 3, specifically that Council selects the following service delivery approach for Solid Waste:
  1. Extend the recycling and rubbish service at an increase of \$42,000 per year, and
  2. Introduce a wheeled bin refuse service in year 3, and
  3. Introduce a 3 crate system for recycling, and
  4. Close the drop off centres in Otane, Takapau, Tikokino and Ongaonga and the create a targeted rural recycling scheme.
- b) That the submitters are thanked for their comments, which are acknowledged and further that the information contained in this report is provided to submitters.



## **7.7 LONG TERM PLAN 2021 - 2031 DRAFT DELIBERATIONS REPORT: CHALLENGE 4 - HOW WE PAY FOR GROWTH**

**File Number:** COU1-1400

**Author:** Doug Tate, Group Manager Customer and Community Partnerships

**Authoriser:** Monique Davidson, Chief Executive

**Attachments:**

1. Letter to Development Community - Proposed new Effective Date of Development Contributions Policy [↓](#)
2. Proposed Development Contributions Policy 2021 - For Adoption [↓](#)

### **PURPOSE**

The purpose of this report is to present to Council the submissions and analysis related to Challenge 4 – How do we pay for growth, one of the key decisions required as part of the Long Term Plan 2021 – 2031.

### **RECOMMENDATION FOR CONSIDERATION**

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

- a) That Council note that Option 1 – that Developers pay for the full cost of growth was the communities preferred option.
- b) That Council notes K Bayliss' submission relating to the remission of development contributions and takes no action at this time.
- c) That Council receive the changes made to the Proposed Development Contributions Policy attached to this report, following its release for community consultation as part of the 2021 – 2031 Long Term Plan.
- d) That Council adopt the Proposed Development Contributions Policy 2021 attached to this report, with the Policy having immediate effect upon its adoption.
- e) That the submitters are thanked for their comments, which are acknowledged and further that the information contained in this report is provided to submitters.

### **EXECUTIVE SUMMARY**

'How do we pay for the growth we are experiencing' – was one of four key challenges we specifically sought feedback from the community on as part of the 2021 – 2031 Long Term Plan Consultation.

In July 2020, we undertook pre-engagement with the community to assess their views on the cost of development. At that time, we clearly heard the cost of development should fall on those creating the development, not on general ratepayers. As part of the 2021 – 2031 Long Term Plan, we consulted on two options relating to growth:

Option 1 – Developers pay for the full cost of growth.

Option 2 - Ratepayers subsidise developers for part of the cost of growth.

Feedback from the community has substantially supported option 1, with a number of submitters raising points that are specifically addressed in the report.

Since the release of the Development Contributions Policy for consultation, Council has seen a four-fold increase in the volume of consents the District would normally increase. The Development Community have been transparent with us, that this increase is a result of seeking to pay DC's under the current Development Contributions Policy (DCP) which are considerable lower or do not apply at all. In this report we are recommending to bring forward the adoption and effective date of the Policy to the date of this meeting.

This report provide analysis on the matter for Council to determine a way forward to adopt the Proposed Development Contributions Policy (PDCP) as it is, with changes or to not adopt the policy.

## BACKGROUND

### Submissions:

1 - Zara Mackey	2 - Haley Webster	4 - Jemma Nesbit
6 - Courtney Green	7 - Ben Waugh	8 - Ihipera Rua
9 - Greta Minehan	11 - Danielle Hemi	12 - Rita Simiona
13 - Lydia Bucknell	14 - Lachie Kirk	15 - Ollie Wichman
16 - Eden Lambert	17 - Mitchell Thompson	18 - Amalia Stevenson
20 - Jackson Baylis	21 - Emma Giddens	22 - Emma Thomsen
23 - Ramona Lively-Masters	24 - Haylee Gray	25 - Isaac Marshall
26 - Blair Hamilton	29 - Stuart William Davies	31 - Helen Burgi
32 - Wendy Milne,	33 - Erina Sciascia-Bland	34 - Ruth and Bruce Parker
35 - Benjamin Hall	36 - Gordon O'Neale	37 - Chrissy Malcolm
38 - JT and LD Jansen	39 - Nathan Mckenzie	40 - David Dicks
41 - Jessica Draper	42 - Peter Seligman	43 - Hayden Berryman
44 - Bruce McGechan	45 - Kaye Harrison	46 - Sandy Gilbert
47 - Ben Clist	48 - Bob Alkema	49 - Christopher Bath
50 - Peter Watson (1)	51 - Peter Watson (2)	52 - Rex Pickering
53 - Robyn McLeod	54 - David Taylor	55 - Gary Leach
56 - Tim Witton	57 - Stephen Thomas	59 - Elaine Helen Guthrie
60 - Chad Bauer	61 - Jamara Dhull	62 - Emma Mason-Smith
63 - Marcia Mackrell	64 - Sean Jackson Power	65 - Liam Worsford
66 - Kevin Rowell	67 - Leslie Peni	68 - Glenda Houston
69 - Ron King	70 - Stacey Thomas	71 - Marjon Greenwood
72 - Ian Hawkes	73 - Valerie Norris	74 - Callum Slavin
75 - Jo-Ann Hardwick-Smith	76 - Tina Keeling	77 - Maria Lincoln
78 - William Irving Peacock	79 - David Lewis	80 - Renee O'Sullivan
81 - Gina Prosser	82 - Lyn Horspool	83 - L Guy and R Bell
82 - Gina Prosser	83 - L Guy and R Bell	85 - Noel Pederson
86 - Robin Horder	87 - Meg Mackenzie	88 - Jan Wroe
89 - Baty	90 - Sally Harding	91 - Sandra Fleming
92 - Jensen	93 - V Leach	94 - DE and HM Whitney
95 - Brian and Marion Peterson	96 - Jude Grant	97 - Lisa
98 - Penny Single	99 - Barry Middleton	100 - Melissa Price
101 - AK Hansen	102 - Ben Douglas	103 - Mike Harrison

104 - Serena Ann Spencer	105 - Rebecca Jane Watt	106 - Jacqueline Naylor
107 - Shona Thompson	108 - Patricia Ann Price	109 - James Pretty
110 - Nikau Hill Station	111 - Danielle O'Shaughnessy	112 - Vaughn Thomson
113 - Tim Gilbertson	114 - Shona Crooks	115 - Patricia Sellers
116 - Peter Robson	117 - Maurice Groot	118 - David Bane
119 - Reuben George	120 - Aimee Congreve	122 - David Bishop
123 - Deborah Mason	124 - Donna Hossack	125 - Di Petersen
126 - Lorelei Hennessy	127 - Teresa Makris	128 - Wendy Gough
129 - Peter Hallagan	130 - Sue Kaan	131 - Betina Barber
132 - J & D Curtice	133 - C Pedersen & T Ward	134 - N & K Bedogni
135 - P Nissen & W Yambaki	136 - Jim Burne	137 - Lorraine Watson
138 - Martin Lord	139 - Frances & Stephen Ulyatt	140 - Cornelia van Falier
141 - Keri Rophia	142 - Forrest Ropiha	144 - Gary Newnham
145 - Donna Dahm	146 - Phyllis Tichinin	147 - Elliot Peacock
148 - Gerard Pain	149 - Ian Franklin	151 - Sjoerd Gorter
152 - Andrea Thomson	153 - Sue McLeod	154 - Warren Bayliss & Cecylia Rymarczyk
155 - Margaret Isabella Fletcher	156 - Alan Keate	157 - Phillip Knight
158 - Graeme J E Pedersen & Kathleen A Pedersen	159 - D & H Repko	160 - Jesse Palmer
161 - Kingston	162 - Haamiora Nukunuku	163 - Zoey
164 - Rapata Te Pania	165 - Bob Kerins	166 - Kristin Yoldash
167 - Terry Hare	168 - Heather-Anne Tidey	169 - Dora Player
170 - Robert Mclean	171 - Neil Bayliss	173 - Tony Robson
174 - Louise Field	175 - Lynnette Dewes	176 - Vicky Harding
177 - Miriam Howarth	178 - Graham McHardy	179 - Simone Tang
181 - Kathryn Bayliss	183 - Charles M Nairn	184 - Murray Howarth
185 - Andrea Mooney	186 - Dean Hyde	187 - Rea Arona
188 - Ross & Margaret Munro	189 - Jensen	190 - Adam Allington
191 - Jackie Scannell	192 - Tania Arona	193 - S Johnston
194 - Rachel Hornblow	195 - A M Banks	196 - Jenny and Tony Feather
197 - Bill Hale	198 - Geert Gelling	199 - Sara and Stephen Ellis
200 - Peter and Viv Paton	201 - Robbie Christiansen	202 - Tracy and Andrew Gay
206 - James Leigh	207 - Benita	208 - Neen Kennedy
209 - Nicole Ellison	210 - Marti Eller, Gillian Eller,	211 - Clint Deckard

	Mark Eller	
212 - Karen Olsen-Mills	213 - Alice Bellamy	214 - Lathan Wroe
215 - Forest and Bird	217 - Sarah Giddens and Espen Kristensen	218 - Elsa Ironside
220 - John Kyle	221 - Graeme and Margaret Black	223 - Terry Kingston
224 - Mike Shivanan	226 - Trish Giddens	228 - Diana Hollis
229 - Anne Wallace	230 - D J Williams	238 - N Malcolm
239 - J Mclean		

**Summary of Submissions:**

The community were asked as part of the Long Term Plan 2021 – 2031, how do we pay for the growth that we are experiencing as a District.

Council is reviewing its Development Contributions Policy (DCP) as part of the 2021 – 2031 Long Term Plan. Council sought feedback on the extent that those that are developing property should pay for the cost of growth.

Council received a total of 208 submissions (prior to the closure date). 192 submissions supported Council's preferred option 1, that those developing pay for the full cost of growth, with 16 submissions supporting option 2, that the cost of growth is offset by ratepayers.

189 people indicated their preferred option by only ticking option 1 or 2, with 21 people providing additional comment. Three submissions provided detailed responses. No submitters specifically identified themselves as developers or builders in the submission process.

**Analysis:**

The review of the DCP as part of the 2021 – 2031 Long Term Plan has been a significant step change in the scope of the 2018 DCP.

The legislation that sets out how Council operates and prepares a DCP is the Local Government Act 2002 (LGA). Council considers how it funds the required infrastructure for growth as part of the overall preparation of the Long Term Plan. Council must weigh up where benefits and costs should lie in increasing development contributions, as any reduction in the proportion of development contribution charges to pay for growth will have to be paid by existing ratepayers.

The LGA (S199) provides that development contributions may be required in relation to development if the effect of the development, either individually or cumulatively, is to require new or additional assets or assets of increased capacity, and as a consequence Council incurs capital expenditure to provide appropriately for reserves, network infrastructure and community infrastructure.

By way of background, the 2018 DCP was reviewed separately to the 2018 – 2028 Long Term Plan and adopted on 13 December 2018. Reflecting the transformational journey that Council has embarked on lifting the asset management sophistication of the organisation, the quality of the asset management data was insufficient for the 2018 DCP to clearly identify the impacts of growth with confidence. In developing the development contribution policy model in 2018, Council used a conservative rate of 10% on any capital work listed in the Long Term Plan as the cost of development.

In the development of the 2021 DCP, the level of asset management sophistication that the organisation has managed to achieve is reflected in the detail and scope change of the proposed DCP. Supported by detailed growth forecasting, the Central Hawke's Bay 2050 Integrated Spatial Plan identifying areas of growth and detailed asset management plans, Council can more articulately identify the impacts of growth than ever before.

Page 248 of the 2021 – 2031 Long Term Plan supporting information outlines the PDCP that was consulted on. The key proposed changes from the 2018 DCP to the PDCP included the need to:

- Be more transparent on the assumptions and basis for setting charges.
- Be more specific in responding to the requirements set out in the Local Government Act 2002 (LGA).
- Significantly change the proportion of growth costs funded by DCs.
- Significantly increase the forecast growth.
- Add sections on units of demand and the rationale for the Policy settings.
- Increasing the categories and transparency of non-residential categories and measures,

- Include some Community Infrastructure (Administration building, library landfill / transfer stations, and public toilets).
- Include some Reserves projects, and
- Tidy up the references and structure of the DCP.

Submissions 44 from B McGechan, 45 C Bath, 64 S Power, 71 M Greenwood, 72 I Hawkes, 87 M McKenzie, 103 M Harrison, 114 S Crooks, 115 P Sellers, 116 P Robson, 124 D Hossack, 127 T Makris, 133 C Pedersen and T Ward, 146 P Tichinin, 167 T Hare, 173 T Robson, 186 D Hyde, 212 K Olsen-Mills and 228 D Hollis note that they support Option 1 that developers pay for the full costs associated with growth and provided commentary. These submitters raise key issues in support of the Councils preferred options, including:

- The proposed 2021 – 2031 Long Term Plan already poses significant affordability changes without adding additional burden to the ratepayer.
- Developers and builders principally develop as a commercial activity to make a margin. To this end the cost of creating development should fall to those that create the activity, not be subsidised by ratepayers.
- Most of the additional cost will be passed on as part of the purchase price of new properties, and this mechanism is most appropriate rather for recovery of cost, rather than through ratepayers.

These three key points feature relatively consistently in the general feedback text. This feedback is also consistent with that received as part of Councils pre-engagement in July 2020 on development contributions.

Of the 16 submissions in support of option 2 were received – that Council subsidises the cost of development, only one submitter provided context for this decision. Submission 122 from Mr D Bishop notes that many new assets often have a much wider community benefit and good – such as new parks and playgrounds and assets. The submitter has very valid points. To address the point, the submitter makes examples in the Long Term Plan where assets should be a combination of renewal, loan funding and growth funding through development contributions in this 2021 – 2031 Long Term Plan. Council does this and where possible the cost of development is broken down as much as possible, rather than the blunt tool of a new pipeline or playground being 100% growth related or not. This can be seen in the breakdown of projects in the PDCP.

Notably there are no submissions from any submitter than identifies as a developer or builder. This is despite reaching out and making regular contact with developers and indicating significant increases since late 2020. Anecdotal conversations with parties, indicate they are aware of the new development contributions and will factor this into their investment and development decisions. The impact of development contributions are likely to be more material to those property owners where development is either marginal or those smaller property owners who are not professional developers, and do not have the financial resilience in price variations.

At the time of writing this report, Council is experiencing a significant surge in subdivision activity. This surge in subdivision numbers clearly indicates developers understand the likely scale of the new development contribution values. There is significant concern this will have a material impact on Councils ability to fund growth, and an Officer recommendation is included in this report to bring forward the effective date from 1 July 2021, to the policy having immediate effect upon its adoption recommended for this Council meeting.

The following topic specific points were raised by submitters on Challenge 4 or are issues raised by Officers for further consideration of Council. These are responded to more fully under each heading.

Topic 1	What is the full cost of Growth
Topic 2	Section 5.12 – Remissions of Development Contributions
Topic 3	Suggested Changes to calculating Development Contributions
Topic 4	Development within subdivisions

Topic 5	Housing Problems and Option 4 Language
Topic 6	Crown Exemptions to Pay Development Contributions
Topic 7	Guide for Development Contributions Policies and minor grammar changes
Topic 8	Immediate effect of the Proposed Development Contributions Policy

### **Topic 1: What is the full cost of Growth**

Submission 39 from Mr G Perry questions whether development contributions pay for the full cost of growth, with running and maintenance costs still being incurred and the submitter questions whether the quality of work is sufficiently delivered to Council standards, noting roads fail months after being completed in new developments.

#### **Analysis:**

The proposed DCP does not provide for ongoing maintenance. The Local Government Act 2001 provides and enables for costs of maintenance in some instances to be recovered from developers, however this primarily through Development Agreements. In principle, upon the new assets being created in a subdivision these are vested to Council assuming they meet Councils requirements and standards. The new ratepayers then pay for the cost of the new infrastructure long term in terms of replacement, generally recovered over the life of the assets.

Our Council policies, standards and plans sets the standards for quality of work, including inspection. Standard works have warranty periods also.

#### **Recommendation:**

That the submitter is thanked for their comments which are acknowledged and further that the information contained in this report is provided to the submitter.

### **Topic 2: Section 5.12 – Remissions of Development Contributions**

Submission 181 from K Bayliss agrees with most of the PDCP, however seeks to have Section 5.12 Remissions deleted. The submitters rationale is that the original purpose of the property that remission was given could easily and most likely be changed in the future.

Councillors in hearings also sought to understand what remissions could be provided to community housing providers.

#### **Analysis:**

Section 5.12 Remissions of the Proposed Development Contributions Policy (PDCP) on page 267 of the Long Term Plan 2021-2031 Consultation Document Supporting Information notes:

#### **5.12 Remissions**

*Council will consider requests for remission of development contributions on the following grounds:*

- *The development is by a non-profit organisation and/or it will provide wide ranging benefits to the public.*

*Any such request must be made in writing and within 20 working days after the date on which the Council sent notice of the level of development contribution Council requires.*

*The request must include the following information:*

- *description of the site and specific application subject to the contribution.*
- *description of the organisation seeking the remission and confirmation that it is a non-profit organisation as defined in the glossary.*
- *description of the benefits that the development will provide to the public and the extent of access to those benefits.*

*The request will be considered in accordance the delegations provided to the appropriate authorised Officer of Council.*

*The Authorised Officer will have regard to the following criteria in determining whether to grant a remission and the quantum of the remission:*

- *the level of the public benefits provided by the activity and the extent of access to those benefits, and*
- *the development contributions reserve funding available to Council.*

*Council will give written notice of the outcome of its consideration of the request within 15 working days of its receipt of the request and all relevant information relating to the request.*

Section 201(1)(c) of the Local Government Act 2002 requires any Territorial Authority, when seeking funding for community facilities as the PDCP does, to include, *“the conditions and criteria (if any) that will apply in relation to the remission, postponement, or refund of development contributions, or the return of land”*. To this end the submitters recommendation that Section 5.12 Remission of the DCP be deleted in its entirety is not recommended in order to meet the legal requirements of Section 201(1)(c) of the LGA 2002.

The submitter does raise however valid points relating to a future potential change in use of the property that could have a remission of development contributions.

As one means of mitigating this issue, there is currently no delegated authority to any officer (including the Chief Executive) for the remission of development contributions, with the elected Council the current decision maker for any remission. This would only change if Council delegated authority to the Chief Executive to grant the remission of Development Contributions.

To this end, if Council wished to provide a remission to community housing organisations, they have the discretion to consider this within the PDCP and their delegation.

The remission of development contributions that are based on other reasons such as an organisation or development having a charitable purpose or Council wanting to encourage a specific type of development for strategic reasons, such as high-density housing, still effectively creates a funding gap in the development contribution accounts however, as infrastructure capacity is taken up but not paid for. That gap must be funded somehow and for this reason, many councils do not permit such remissions or do so only at their complete discretion and do not delegate authority to Officers.

With the authority to remit DC's remaining with Council, Council can consider each application on a case by case basis on its own merits and where there is concern relating to a change or sale of the property could seek to apply certain conditions in granting the remission of a DC.

#### Recommendation:

Based on this analysis there are a range of options available to Council:

- Council notes K Bayliss' submission relating to the remission of development contributions and takes no action at this time.
- Council notes K Bayliss' submission and that Section 5.12 of the PDCP is amended to provide for only Council to approve remissions with no delegation being provided.

This option would see the words 'Authorised Officer' replaced with 'The Council' and not contemplate any future delegation.



- An alternative approach is that Council take a new position in the PDCP that it will not provide or consider remissions.

This would see all of the text comprising of Section 5.12 deleted and replaced with the words “Council will not consider requests for the remission of development contributions”, to meet the requirements of Section 201(1)(c) of the Local Government Act 2002.

It is Officers recommendation that Council notes K Bayliss’ submission relating to the remission of development contributions and takes no action at this time.

### **Topic 3: Suggested Changes to calculating Development Contributions**

Submission 99 from B Middleton suggests a mix of both options, including rebates to incentivise development where appropriate.

Submission 121 from A Clouston suggests a set rate unworkable and unfair and will not support the development of lower valued areas of land.

Submission 159 from D and H Repko suggests a tiered model, where if you can demonstrate you have contributed to infrastructure as a ratepayer you should contribute a lower level of development contribution.

#### **Analysis:**

Like any rate, tax or contribution there will be inequities, regardless of whether these are perceived or real. The proposed DCP seeks to provide a relatively simplistic DCP approach, without introducing unnecessary complexity, within the legislative requirements. As required by the legislation, some larger Councils base their geographic locations on network suburb locations, where discounts are provided that seek to incentivise development, however these suburbs are generally more densely populated and larger than either the centres of Waipawa or Waipukurau.

Councils asset management sophistication would have to increase to an extent that is not possible within the constraints of this DCP or Long Term Plan to address such complex funding considerations at this time.

This could be a focus for Council in the review of the DCP in 2024, if it sort to prioritise infill/brownfields subdivision over greenfields, with either a subsidy or it completed further analysis on the costs of areas of focus.

#### **Recommendation:**

That the submitters are thanked for their comments which are acknowledged and further that the information contained in this report is provided to the submitter.

### **Topic 4: Development within subdivisions**

Submission 122 from D Bishop recommends promoting and requiring greater levels of on-site servicing such as milli-screening for wastewater in new subdivisions.

#### **Analysis:**

In the DCP, Council still have available to it a range of tools to reduce development contributions (Section 5.11), whereby developers can provide on-site provisioning of infrastructure. Council is not in a position to mandate this type of infrastructure fully at this time, however is already working proactively on opportunities such as storm water retention solutions as an example to mitigate the impacts of development.

#### **Recommendation:**

That the submitter is thanked for their comments which are acknowledged and further that the information contained in this report is provided to the submitter.

#### **Topic 5: Housing Problems and Option 4 Language**

Submission 211 from C Deckard notes the housing problems the country is collectively facing and notes that increased development contributions are counter-intuitive to this problem.

The submitter also makes a number of inferences that Option 4 was poorly designed, using emotive language to create a 'them and us' scenario, designed to elicit a specific scenario.

#### **Analysis:**

The challenges for housing through the District are noted and very much front of mind of many council operations. The reality is however that the cost of new growth for housing has to be paid for – either by those developing property or existing ratepayers. The 2021 – 2031 Long Term Plan consultation sought to determine the extent that growth is privately or publicly funded.

Officers completely refute the submitters inferences relating to the use of emotive language or that the consultation document has been designed in a way to elicit a particular approach. Statements such as 'we clearly heard that the cost of development should be borne by those creating the cost' are factual, based on the robust pre-engagement process that Council completed with community in July 2020.

#### **Recommendation:**

That the submitter is thanked for their comments which are acknowledged and further that the information contained in this report is provided to the submitter.

#### **Topic 6: Crown Exemptions to Pay Development Contributions**

During Submission Hearings for the 2021 – 2031 Long Term Plan, Councillors sought clarification on whether Kainga Ora would pay development contributions or could community housing providers could seek remission of development contributions.

#### **Analysis:**

The Crown is not bound by the development contribution provisions pursuant to Section 8 of the Local Government Act 2002, even though the Crown benefits directly from infrastructure delivered to properties such as hospitals and schools.

Councils and other stakeholders have argued for some time now that this adds to the infrastructure funding and rates affordability challenges faced by many councils and that there is no obvious justification for maintaining a blanket Crown exemption.

In its November 2019 local government funding and financing inquiry report, the Productivity Commission recommended: "The Government should pay development contributions on all projects it undertakes in line with the development-contributions policies of the local authorities in which the projects are located".

This exemption from paying development contributions is not transferred to Crown entities or Government Departments such as Kainga Ora. To this end, Kāinga Ora is liable to pay development contributions on its housing developments, and other urban development projects.

The way the PDCP is written, Kainga Ora could seek a remission of DC's from Council. It would be totally at Councils discretion to provide a remission, with Council having not delegated any authority for the remission of DC's currently.

#### **Recommendation**

There is no required recommendation from this topic.

**Topic 7: Guide for Development Contributions Policies and minor grammar changes**

In January 2021, the Department of Internal Affairs released a guide to developing and operating development contributions policies under the Local Government Act 2002, two weeks prior to the adoption of the DCP for release.

Developed by the Department of Internal Affairs with input from the local government and development sectors, the purpose of the guide is to provide a technical resource for the preparation and operation of development contributions policies under the Local Government Act 2002. While a helpful resource, the timing of the release, means that many Councils, including ours, have missed the opportunity to fully consider the guidance and make use of a recommended template in the development of development contribution policies (DCP's) for the 2021 – 2031 Long Term Plan.

**Analysis:**

An external review of the proposed DCP for adoption and the new guidance document, confirms that the proposed DCP places the District in a sound position, however there are a number of small changes based on the guidance and the transition of the document from a draft DCP for consultation to the final DCP that are required. These changes include:

- Deleting the Executive Summary to remove the proposed changes and the rationale for the changes as a transition from draft to final for adoption
- The addition of two paragraphs to the Introduction to capture best practice language from the guide and to bring the new DC's to the front of the document (deleted from the Executive Summary).
- Changing the effective date through the document from 1 July to the date of adoption based on Officers recommendations in Issue 8.
- Confirming the acronym HEU (Household Equivalent Unit) as the main term, with this term and Housing Unit Equivalent (HUE), Equivalent Household Unit (EHU) all being terms used in the industry and previously interchanged in the document.
- The deletion of Section 5.15 Development Agreements and replaced with the Development Agreement Section from the DIA guidance documents. There is no material difference to the policy or intent of the policy, with the DIA guidance simply stating the requirements and processes in a far more succinct and clearer manner than the PDCP.
- A bullet added to Section 5.12 (second to last paragraph) for Council to consider how it will fund any granted remission – i.e through rates or other reserves.
- Immaterial changes to the language relating to financial contributions, noting that financial contributions are provided for in the current operative District Plan, however not the proposed District Plan for roading in particular. Further language includes that Council has other mechanisms in its toolkit to address growth related impacts on roading as a result of subdivision, such as conditions of consent under the Resource Management Act 1991 that are not subject to the PDCP.
- Other immaterial spelling and grammar changes.
- Changes to page numbers and updates to the table of consents to create a standalone DCP.

**Recommendation**

That Council receive the changes made to the PDCP **attached** to this report, following its release for community consultation as part of the 2021 – 2031 Long Term Plan.

**Topic 8: Immediate effect of the Proposed Development Contributions Policy**

Officers recommend to Council that the Proposed Development Contributions Policy (PDCP) is adopted at today's meeting of 13 May 2021, that that the Policy has immediate effect upon its adoption, rather than an implementation date of 1 July 2021.

**Analysis:**

A risk to Council in the early release of the PDCP as part of the 2021 – 2031 Long Term Plan was that the development community seek to take advantage of considerably lower or no development

contributions, by submitting applications for development prior to the proposed effective date of the PDCP of 1 July. This risk has been realised with unprecedented levels of applications and lots currently in the application stage.

The development community has been very transparent with Council on their intentions to achieve applications under the current DCP rather than the PDCP. As context in the 2019/20 financial year Council created 332 new lots. As at early March 2021 – three quarters through the financial year 440 new lots have been created, with applications for close to a further 850 lots being submitted between March and at the time of writing this report.

This level of development has the potential to seriously impact Council's ability to fund the development programme proposed in the LTP 2021-2031 intended to service this growth, with the volume of potential lost development contributions close to \$6 million of a total \$23 million of development contributions required to be achieved over the ten years of the Long Term Plan to fund growth projects.

In assessing this financial impact on the deliverability of the Long Term Plan 2021 - 2031, Officers have sought legal advice on the implications for Council to consider bringing forward the adoption and effective date from that consulted on in the 2021 – 2031 Long Term Plan. This advice has confirmed that this approach is available to Council, subject to it meeting the tests under the Local Government Act 2002 relating to transparency relating to intent and approach. To meet this test in relation to transparency, Officers have written to known members of the development community and associated trades on 16 April 2021 of Officers intention to recommend to Council that it adopt the PDCP at its meeting on 13 May 2021, and for the PDCP to have immediate effect from that date.

On this date we also wrote to give notice to developers of when the development contributions imposed by the PDCP will take effect, if Council accepts the recommendation; and the Council's intentions in respect of applications that it receives in the interim period between now and the date on which the PDCP takes effect.

While it is possible, but unlikely that Council will be able to recover the full value of development contributions identified in the PDCP in the interim period between notification and adoption of the PDCP, the approach by Officers to adopt the PDCP early seeks to minimise the potential loss of DC revenue required for the 2021-2031 Long Term Plan. At this time, Officers are not recommending a reduction in the forecast DC revenue in the 2021 – 2031 Long Term Plan, with the approach taken to date endeavouring to achieve the forecast DC revenue in the first years of the 2021-2031 Long Term Plan.

In the event that Council rejected Officers recommendation to bring forward the PDCP effective date, there would be significant financial and operational implications for Councils 2021 – 2031 Long Term Plan. Most notably is Councils ability to fund the growth related components of development, placing at risk Councils ability to deliver works without the necessity or requirement or additional loan funding at a cost to the ratepayers. This could have a material impact on Councils overall 2021 – 2031 Long Term Plan programme and budget and could be expected to have material issues for the successful audit of the Long Term Plan.

Bringing forward the effective date of the PDCP is not completely risk free in a legal sense. There are still opportunities for Developers to seek recourse on Councils approach, by seeking a Judicial Review of Councils decision. For some developments, the impact of the development contributions could be material enough for this to occur. Councils legal advice, however is clear that the process Officers have conducted is sufficient to meet the tests of the Local Government Act 2002.

At this point, the fundamental factor for Council to consider whether to bring forward the adoption and effective date of the Policy to today's date (13 May) or defer the effective date to the PDCP's

original effective date of 1 July 2021. It is Officers recommendation that the adoption and effective date be immediate at todays meeting.

Recommendation:

That Council adopt the Development Contributions Policy 2021, with the policy having immediate effect upon its adoption.

## **RISK ASSESSMENT AND MITIGATION**

The most notable potential risk with the recommendations in this report is legal challenge. While no developers or those directly involved in subdivision have made a submissions to the policy, despite direct contact and updates on the matter this does not mean further challenge could be provided, particularly in the context of Officers recommending to implement the PDCP as effective immediately from adoption.

Officers have sought legal advice and implemented their recommendations to limit the potential risk and liability to council in this respect.

## **FOUR WELLBEINGS**

This report addresses the four wellbeing's in the following way:

Cultural

There are no obvious support or enhancement of cultural wellbeing in this decision.

Social

The DCP seeks growth funding for new community facilities, that provide opportunities for new residents and visitors to be socially connected in the community.

Economic

Development contributions could arguably have a detrimental economic effect slowing growth and development. Conversely, not having development contributions in place could restrict and slow growth also, where solely relying on ratepayer funding, could take considerable years to fund development, creating unnecessary constraints on new housing and development.

Environmental

Development contributions provide for Council to fund new development related to growth, that if solely ratepayer funded, would be unable to be achieved in a timely manner due to affordability. Development contributions will help support the cost of environmental projects including wastewater irrigation to land.

## **DELEGATIONS OR AUTHORITY**

Only Council has the authority to adopt this policy.

## **SIGNIFICANCE AND ENGAGEMENT**

In accordance with the Council's Significance and Engagement Policy, this matter has been assessed as of significance, having gone through a significant community engagement process.

## **OPTIONS ANALYSIS**

Three possible options available to Council are:

### **1. Adopt the Draft Development Contributions Policy without change**

In this option Council would be noting submitters feedback and adopting the Policy as attached to this report, inclusive of Officers recommendations.

**2. Adopt the Draft Development Contributions Policy with changes**

In this option Council would be including other potential changes from submitters not recommended by Officers and adopting the policy with recommended changes and noting submitters feedback.

**3. Do not adopt the Draft Development Contributions Policy**

In this option Council would not adopt the Draft Development Contributions policy, noting submitters feedback. Responsibly, if this option was adopted Council should be giving guidance on its intended next steps to see the policy amended to achieve adoption.

	<b><u>Option 1</u></b>	<b><u>Option 2</u></b>	<b><u>Option 3</u></b>
	<b>Adopt the Policy as presented to Council for adoption</b>	<b>Adopt the Policy with changes</b>	<b>Do not adopt the Policy</b>
<b>Financial and Operational Implications</b>	Adopting the policy without change presents no immediate financial or operational implications.	Notably one change to the policy are raised in submissions, being remissions in Section 5.12. To this end if changes are limited this would have no financial or operational implications.	This would have major financial and operational implications. Technically Council would be working on a lapsed DC policy, and financially Council would be unable to reap any of the forecast income projected in the 2021 – 2031 Long Term Plan.
<b>Long Term Plan and Annual Plan Implications</b>	This option would support the success of the 2021 – 2031 Long Term Plan.	Relative to the change, this option would support the success of the 2021 – 2031 Long Term Plan.	This option would have major implications for the Long Term Plan, most notably income forecast would not be able to be achieved.
<b>Promotion or Achievement of Community Outcomes</b>	This option supports community outcomes, delivering on growth projects forecast in the 2021 – 2031 Long Term Plan.	Relative to the change, this option supports community outcomes, delivering on growth projects forecast in the 2021 – 2031 Long Term Plan.	It is unclear how this option would promote or achieve any community outcomes.

<b>Statutory Requirements</b>	Council must adhere to the requirements of the Local Government Act 2002 in the development of a development contributions policy.	Council must adhere to the requirements of the Local Government Act 2002 in the development of a development contributions policy.	Council must adhere to the requirements of the Local Government Act 2002 in the development of a development contributions policy.
<b>Consistency with Policies and Plans</b>	This option is consistent with the Draft 2021 – 2031 Long Term Plan.	Relative to the change, this option is consistent with the Draft 2021 – 2031 Long Term Plan.	This option is inconsistent with the Draft 2021 – 2031 Long Term Plan.

### Recommended Option

This report recommends option 1 – that Council adopts the Proposed Development Contributions Policy.

### RECOMMENDATION

That having considered all matters raised in the report:

- a) That Council note that Option 1 – that Developers pay for the full cost of growth was the communities preferred option.
- b) That Council notes K Bayliss' submission relating to the remission of development contributions and takes no action at this time.
- c) That Council receive the changes made to the Proposed Development Contributions Policy attached to this report, following its release for community consultation as part of the 2021 – 2031 Long Term Plan.
- d) That Council adopt the Proposed Development Contributions Policy 2021 attached to this report, with the Policy having immediate effect upon its adoption.
- e) That the submitters are thanked for their comments, which are acknowledged and further that the information contained in this report is provided to submitters.



16 April 2021

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Dear Colleague

**Central Hawke's Bay - Proposed Development Contributions Policy**

We are writing to notify you of our intention to recommend to Council that it adopt the Proposed Development Contributions Policy 2021-2031 (**PDCP**) at its meeting on 13 May 2021, and for the PDCP to have immediate effect from that date. We are also writing to advise you in respect of:

- When the development contributions imposed by the PDCP will take effect, if Council accepts the recommendation; and
- The Council's intentions in respect of applications that it receives in the interim period between now and the date on which the PDCP takes effect.

As you will be aware, Council is currently reviewing its current development contributions policy (**current DCP**) in conjunction with the development of its Long Term Plan for 2021 -2031 (**LTP 2021-2031**). The need for significant investment in infrastructure will not come as a surprise to members of the development community. The proposed increase in development contributions in the PDCP reflects this need and is intended to respond to the level of investment required to support the associated growth currently being experienced, and forecast, for the District over the next ten years.

Central Hawke's Bay has for some time been experiencing a surge of optimism and growth not seen since the 1960's, with growth becoming more rapid over the last six months, and with Council receiving a significant surge of applications for both residential and rural subdivisions. For context, in the three remaining months of this financial year, we anticipate we will receive twice the volume of lots for consent that we approved in the previous financial year.

We acknowledge, and are grateful for, the transparency from members of the development community in advising the Council of their intention to time their consent applications to achieve the application of the current DCP, rather than be captured by the new development contributions that will be required under the PDCP. In that same spirit of transparency and openness, we are writing to advise you that we anticipate that the volume of consent applications for large scale developments that Council expects to receive between now and the effective date of the PDCP may seriously impact Council's ability to fund the development programme proposed in the LTP 2021-2031 intended to service this growth.

With that background in mind, this letter gives notice of our intention to recommend to Council that it resolve to adopt the PDCP at its meeting on 13 May 2021, and that the PDCP take immediate effect (rather than coming into effect in July 2021 along with the LTP 2021-2031).

We are also giving notice that, in the interim period between now and the PDCP taking effect (which, if Council adopts our recommendation, will be 13 May 2021) the Council may consider requesting that subdivision applicants enter into development agreements, where servicing shortfalls exist under the current DCP.

The following section of this letter sets out the background and rationale behind this position:



### Background and Consultation

By way of background, the current DCP was developed outside of the LTP 2018-2028 process. At this time Council was unable to fully understand the extent of development and growth inputs for that timeframe, with the result that the development contributions imposed by the current DCP were significantly lower than that required to support the long term growth of the District.

Through notable enhancements in asset management, Council now knows more than ever about its assets, and can more accurately attribute the cost of growth to development contributions. This has seen notable increases in the proposed charges imposed by the PDCP.

In July 2020 we widely consulted with the community as part of our LTP 2021-2031 Pre-Engagement specifically on how we pay for growth. We also held sessions with the development and property communities on growth in late 2020.

On 1 March 2021, we launched wide spread community and sector engagement and consultation on the LTP 2021-2031 that included the question of how we pay for growth as one of four priority points for consultation.

On 20 April 2021 Council held hearings on the submissions received, and on 13 May 2021 it will deliberate on those submissions before confirming the LTP 2021-2031 in June 2021.

### Which Development Contributions Policy applies and when?

If Council adopts our recommendation to adopt the PDCP at its deliberations meeting on 13 May 2021, and for the PDCP to have immediate effect from that date (rather than 1 July 2021, along with the LTP 2021-2031), the consequence of this will be that:

- Any application that is received and assessed as complete under s 88 and Schedule 4 to the Resource Management Act 1991 (**RMA**) on or before **12 May 2021** will be considered under the current DCP. To provide sufficient time for the council to undertake the s 88 assessment, any such application must be lodged by 5pm on Friday the **7<sup>th</sup> May 2021**.
- Any application that is lodged prior to, but is not assessed as complete under s 88 and Schedule 4 of the RMA, on or before **12 May 2021** will be assessed under the PDCP. This means it will be critical for applicants to ensure that all required information is provided to Council at the initial application stage, to avoid an application being returned incomplete.
- Any application lodged on or after **13 May 2021** will be assessed under the PDCP.

For clarity the charges in the PDCP are:

Location	Current DC <i>Prices exclude GST</i>	New DC <i>Prices exclude GST</i>
Rural	\$0	\$1410
Waipukurau	\$3278	\$24,802
Waipawa	\$1805	\$24,802
Otane	\$7241	\$24,802
Takapau	\$15,984	\$7545
Porangahau	\$5,251	\$20,226

#### **Funding in the LTP 2021-2031 and Development Contributions**

The LTP 2021-2031 and PDCP are intricately intertwined, with development contributions funding a large proportion of the growth projects forecast for the first years of the LTP 2021-2031.

It is important to note that the applications we are currently receiving rely on growth and upgrade projects proposed in the unconfirmed 2021-2031 LTP for servicing, but that the scale and volume of the applications, we are receiving and therefore the potential loss of development contribution is such that they may significantly compromise the 2021 -2031 infrastructure upgrade programme.

For this reason, in the event that an application is lodged and accepted for processing prior to the PDCP coming into effect, the Council may request that the developer enter into a development agreement pursuant to s 207A of the Local Government Act 2002. Whether Council adopts this approach will depend on the scale of the proposed development, the specific infrastructure needs of the development, and whether the contributions imposed under the current DCP are sufficient to enable the provision of the infrastructure required to service the development.

#### **More information**

While consultation on the LTP 2021 -2031 has now closed, you can find the PDCP and consultation document on our website <https://chbdc.mysocialpinpoint.com.au/facingthefacts>.

If you require further information, please do not hesitate to contact us at Council.

Yours faithfully



Monique Davidson  
**Chief Executive Officer**

# Central Hawke's Bay District Council Development Contributions Policy 2021



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## 2. Introduction

CHBDC plays a significant role in facilitating and coordinating development and providing infrastructure in a timely and affordable manner. It is an essential part of CHBDC business to take into account the social, economic, environmental and cultural interests of people and communities to meet reasonably foreseeable needs of future generations. This is a strategic role that individuals, the community, the private sector or central government cannot fulfil alone. The effects of growth require CHBDC to incur capital expenditure, acting on behalf of the wider community to provide new or additional network or community infrastructure.

Population and business growth create the need for new subdivisions and developments, and these place increasing demands on the assets and services provided by CHBDC. As a result, significant investment in new or upgraded assets and services is required to meet the demands of growth. The purpose of the Policy is to ensure that a fair, equitable, and proportionate share of the cost of that infrastructure is funded by development.

Development contributions are the fees payable to Council for capital expenditure planned to be provided, or already constructed, for additional community facilities (such as stormwater, roads, reserves and public amenities) required to service growth. These contributions may be required on resource consents (subdivision and land use) and / or building consents or service connections in situations where the development will have additional impact on infrastructure.

This Policy applies when you subdivide land, build, alter or expand a non-residential building, or may apply when you change the use of an existing building. The extent of the Development Contribution required will depend on the type, size and location of the development.

The legislation that sets out how Council operates and prepares a Policy is the Local Government Act 2002 (LGA). Council considers how it funds the required infrastructure as part of the overall preparation of the Long Term Plan. Council must weigh up where benefits and costs should lie as any reduction in the proportion of development contribution charges to pay for growth will have to be paid by existing ratepayers.

The LGA (S199) provides that development contributions may be required in relation to development if the effect of the development, either individually or cumulatively, is to require new or additional assets or assets of increased capacity, and as a consequence Council incurs capital expenditure to provide appropriately for:

- Reserves
- Network infrastructure
- Community infrastructure

Council will apply development contributions only where new or additional assets or assets of increased capacity are required. CHBDC has aging infrastructure that is in many cases at full capacity so growth that results from development will drive the need for new or expanded assets. Development contributions will only be sought in the geographic catchments that the infrastructure will serve. The nature and extent of the infrastructure and its associated anticipated costs are detailed for each geographic area.

This DCP is set out in six sections:

- Section 1 sets out the overview of the DCP and the process.
- Section 2 sets out the Vision and Strategy of Council, the key assumptions, and how this relates to Council goals and other policies.
- Section 3 sets out how the charges are calculated and the categories of land use development, the administration procedures and the process for objections and reconsiderations.
- Section 4 sets out how the charges have been developed and the methodology behind the allocation of costs to each type of development.
- Section 5 covers how the Policy is reviewed and the Schedule of Charges is carried out.
- Section 6 is the Glossary with key definitions of terms in the Policy.

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Development Contributions Policy

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The schedules and appendices to the policy contain further detail about development and the implementation of the policy. This includes development contribution rates and development contribution catchment maps. It also lists the assets/programmes of work that development contributions fund.

Planned investment for Water and Wastewater in Otāne, Waipawa and Waipukurau over the next ten years supports these urban areas being treated as one catchment (connected water supplies and a single wastewater treatment plant). Stormwater will still be treated as a separate catchment in each urban area. Community infrastructure and Parks and Reserves are charged district wide to reflect the benefits and access for these activities across the District.

Council will charge Development Contributions for these five major groups, with the majority of costs focused on the three waters:

- Water
- Wastewater
- Stormwater
- Community Infrastructure (Libraries, Solid Waste and Community Buildings)
- Parks and Reserves

No contributions are sought for land transport and community halls at this time. Existing hall facilities are deemed adequate to provide for the potential future demand created through growth. Councils existing approach to Financial Contributions for Land Transport will remain in the interim. The use of development agreements and other tools where it can be demonstrated that development will have an impact on the land transport network will also be used.

It is fair that those driving development pay a proportionate share towards the cost. The ratepayers of the District are facing a significant increase in investment to meet the servicing demands from development. Development contributions will help to reduce reliance on ratepayers and other funding sources.

The development contributions payable for reserves, community infrastructure, water supply, wastewater and stormwater per HEU and catchment in this policy are set out in the following table.

## Finance and Rating Information

**Development Contributions Payable**

The development contributions payable for reserves, community infrastructure, water supply, wastewater, stormwater per HEU and catchment as the adoption date of this Policy are set out in the following table.

GROWTH GEOGRAPHIC AREA	ACTIVITY	TOTAL GROWTH CAPEX	PER LOT DC
<b>District wide</b>	Reserves	\$1,568,500	\$1,171
	Community Infrastructure	\$1,410	\$239
			<b>\$1,410</b>
<b>Otāne, Waipawa and Waipukurau</b>	Wastewater	\$9,461,582	\$10,838
	Water	\$8,570,973	\$9,818
	Stormwater	\$2,147,825	\$2,736
	Reserves		\$1,171
	Community Infrastructure		\$239
			<b>\$24,802</b>
<b>Takapau</b>	Wastewater	\$237,143	\$3,205
	Water	\$104,109	\$1,407
	Stormwater	\$112,713	\$1,523
	Reserves		\$1,171
	Community Infrastructure		\$239
			<b>\$7,545</b>
<b>Pōrangahau</b>	Wastewater	\$962,143	\$16,036
	Water	\$84,413	\$1,735
	Stormwater	\$62,713	\$1,045
	Reserves		\$1,171
	Community Infrastructure		\$239
			<b>\$20,226</b>

(Prices exclude GST).



### 3. Section 1 – Overview of the DCP and Process

#### 3.1 Purpose and Principles of Development Contributions

The purpose of the DCP is to ensure that reserves and infrastructure capital expenditure is funded by those parts of the community who benefit from that expenditure. Those responsible for creating growth within our district, whether through subdivision, building, new service connections or a change in land use, are being asked to pay a fair share of the resulting additional infrastructure cost incurred by council. The market by itself will not achieve the coordinated response required to develop the networks.

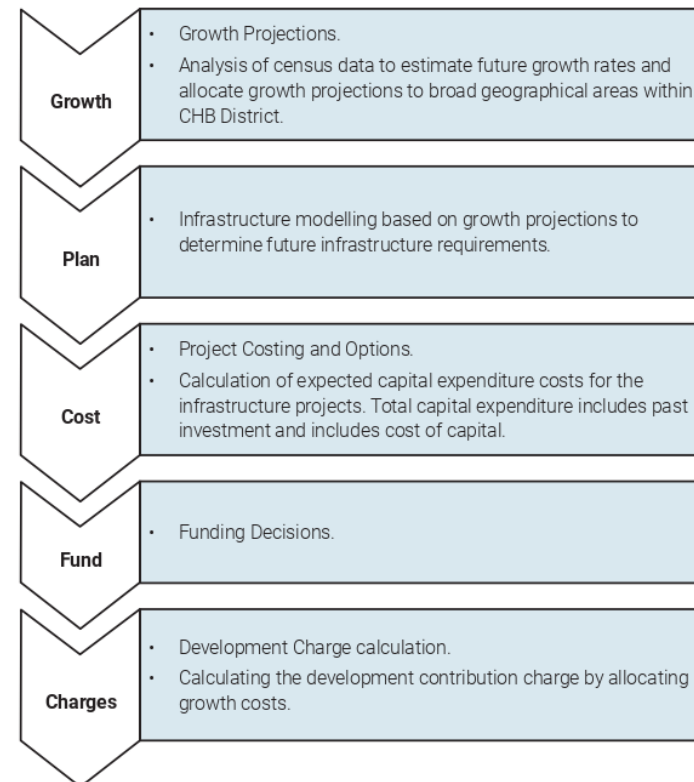
This DCP sets out the DCs payable by developers and property owners, how and when they are to be calculated and paid, and a summary of the methodology and the rationale used in calculating the level of contribution required.

The purpose of this policy is to:

1. Enable Council to provide infrastructure and facilities to cater for growth, in a timely fashion and affordable for ratepayers
2. To provide the framework for Council to charge DCs for residential and non-residential development in the District to fund capital expenditure for network infrastructure, reserve land and community infrastructure
3. Provide predictability and certainty to stakeholders on how infrastructure for growth is to be funded, and establishing a transparent, consistent and equitable basis for recovering DC from developers
4. To recover from developers a fair, equitable and proportionate portion of the total costs of the capital expenditure to service growth over the longer term.

This DCP has been developed to be consistent with the purpose of the DC provisions as stated in section 197AA of the Local Government Act 2002 (LGA). In preparing the DCP Council has had regard to and taken into account the DC principles in section 197AB of the LGA. These have been used by Council to ensure the DCs charged are fair and reasonable, as well as lawful.

Section 102 of the LGA requires the Council to have a policy on Development and/or Financial Contributions as part of its funding and financial policies in its LTP. Sections 106 and 201 of the LGA set out the required contents of this DCP. This policy must be reviewed at least every three years.





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 Finance and Rating Information
 

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The process for Council to develop DC charges is set out below. The DCP has a considerable amount of planning and analysis that underpins the charges set by Council.

A fair and equitable approach needs to be taken to fund the provision of infrastructure having regard to existing and future populations. The existing population has already made a considerable investment in services. Those initiating new development benefit from connecting to or using existing services and should pay their fair share of capital expenditure.

The following diagram demonstrates the flow process in the development of the DCP.

### 3.2 History

Council's first DCP was adopted in June 2006. Council had previously funded growth related costs of development via financial contributions (FCs) under the Resource Management Act 1991 (RMA), and through rates. The DCP was subsequently revised in 2008 and during each 10-Year Plan cycle in 2009, 2012, 2015 and 2018. These policies were amended to reflect different growth forecasts, legislation changes, standards of infrastructure, experience in implementing the DCP and changing Council policies.

This 2021 review has been developed as part of the 2021 Long Term Plan (LTP) process and is based on the Council's capital expenditure programme as set out in the 2021 - 2031 LTP.

### 3.3 How Infrastructure Growth Funding is Allocated

DCs are driven by the infrastructure projects required to meet service demands related to growth. These projects are designed to meet the forecast levels of service as stated in the LTP. Development that results in additional dwellings, buildings and activity, in turn impacts on CHBDC's services infrastructure. This impact must be recognised and mitigated. Those causing the impact should meet a reasonable proportion of the costs associated with upgrading infrastructure where that upgrading occurs due to development pressure.

Council has reviewed the proportion of infrastructure growth costs that will be funded from DCs. Council has determined DCs are the appropriate funding source to fund 100% of the growth related costs. Where there is a level of service or renewal component this proportion of the capital cost is funded from rates and loans. In particular, see the analysis contained in Appendix 4.

The total cost of forecast capital projects is set out in Appendix 1. Funding part of these costs through rates would otherwise result in an unfair burden being placed on the existing ratepayer community. Growth related infrastructure costs make up around 5.7% of CHB's total planned capital expenditure of \$314 million of the life of the Long Term Plan 2021 – 2031.

### 3.4 Activities for Funding Capital Expenditure of Growth

Council activities for which DCs will be used to fund growth related capital expenditure are:

- a) Network infrastructure for stormwater, wastewater, water supply;
- b) Reserve land acquisition and development for parks and open space (including Esplanade Reserves, walkways and cycleways);
- c) Community infrastructure (Solid Waste, Library, Administration Building).

### 3.5 When a Development Contribution is Required

Under Sections 198 and 199 of the Local Government Act 2002, Council may apply a development contribution, including GST, for developments generating increased reserves, network or community infrastructure demands upon the granting of:

1. A resource consent
2. A building consent
3. An authorisation for a service connection.

As a general rule, DC will be assessed, and any requirement for payment of contributions advised, at the earliest opportunity. This is generally at the subdivision consent stage.

Council considers that the subdivision consent stage is normally the most appropriate stage to take a development contribution for residential developments for the following reasons:

- Practicality of implementation
- Economies of scale in implementation costs
- Best available knowledge for projections and allocating budgets

In the absence of subdivision, Council will apply DCs at the building consent or service connection stage where additional units of demand are created by additions to land or buildings.

A DC is required in relation to a development when:

- A particular subdivision, construction of a building, land use or work generates a demand for reserves, network infrastructure, or community infrastructure
- The development (either alone or in combination with another development) requires new or additional assets or assets of increased capacity (reserves or infrastructure).

The effect of a development in terms of impact on these assets includes the cumulative effect that a development may have in combination with another development. A DCP also enables Council to require a development contribution that is used to pay, in full or in part, for capital expenditure already incurred by the Council to provide infrastructure to service expected growth.

The Council has a preferred approach to require payment for assessed DC charges at the time of assessment. For non-residential subdivisions one or more HEUs would be payable at the resource consent stage. Future developments on that subdivided land would be reassessed at a building consent stage and any additional DCs required from that development would be invoiced at that stage.

Council does have the ability to defer/postpone DC requirements, where allowed for in this Policy and considered appropriate. The processes detailing these issues are set out in section 5.19.

### 3.6 Limitations to the Application of Development Contributions

Development which does not either in itself or in combination with other developments generate additional demand for community facilities will not be liable to pay a DC.

Council will also not require a DC for network infrastructure, reserves or community infrastructure in the following cases:

- Where it has, under Section 108(2)(a) of the Resource Management Act 1991 (RMA), imposed a condition on a resource consent in relation to the same development for the same purpose; or
- Where the Council has already required a DC for the same purpose or the same building work (so long as there is no change in scale and intensity)
- Where agreed with the Council the developer will fund or otherwise provide for the same reserve, network infrastructure or community infrastructure; or
- Where the territorial authority has received or will receive sufficient funding from a third party to fund particular infrastructure.

### 3.7 Relationship to Resource Management Act

DCs under the LGA are in addition to, and separate from, financial contributions under the RMA. Council intends to use DCs under the DCP as its main means of funding infrastructure required as a result of growth over and above the works and services that may be required as conditions of subdivision or resource consent.

Council may require a Financial Contribution, as a condition of consent, in accordance with any relevant rule in the District Plan under the RMA. Financial Contributions cannot be applied as a condition of consent where a DC has been required for the same purpose on the same development.

In 2006, Council resolved to only take financial contributions for Roading work when the road to be modified or upgraded is adjacent to the subdivision. This will be done by way of conditions in a Resource Consent for subdivision and the development will not be subject to Development Contributions under the LGA for Roading.

Financial Contribution provisions are currently detailed in the current Central Hawke's Bay Operative District Plan.

In the reviewed District Plan due to be notified in May 2021, Council have not included the requirement for Financial Contributions due to timing. There are a range of other tools that Council has available to it, and Council is considering advice on the most appropriate approach for growth related costs, beyond the current operative District Plan. This body of work falls outside of the scope of this policy.

Council will also still have the authority to require works or services on new developments to avoid, remedy and mitigate the environmental effects of proposed developments through resource consent conditions or in accordance with any relevant rule in the District Plan. DCs are for the acquisition, installation or expansion of assets over and above the works and services that may be required as a condition of consent.

For the smaller urban areas outside of the current urban serviced areas, Council as service provider may require capital contributions through fees and charges for properties who apply to connect to township water or wastewater services.

4. Vision, Strategy and Council Assumptions

The Council outlines its Vision, Strategy and Council outcomes in the LTP. Linkages to the DCP are discussed in Appendix 4.

Urban growth is spread across Waipukurau, Waipawa, Otāne, Takapau and Pōrangahau. Considerable growth in rural subdivision and population is forecast across the District. Council has developed Project Thrive that was adopted in 2017 and included in the 2018 LTP. This sets the vision, goals and objectives for Central Hawke's Bay. The District Plan is currently under review and may impact the 2024 revision of the DCP, based on the implementation of the Central Hawke's Bay Integrated Spatial Plan 2020 – 2050 and the relevant timing of development forecast for the ten year period.

A new wastewater treatment plant is planned to service Otāne, Waipawa and Waipukurau. The new plant will include capacity for growth. New treatment plants for water and wastewater are also planned to meet the new vision, as well as mandatory standards and RMA consents.

**4.1 Significant Assumptions of the Development Contributions Policy**

**4.1.1 Council Role**

Council is assuming that it will act as the lead agency to ensure existing core infrastructure requiring upgrading is available to service growth developments in the District. Where new infrastructure is required only within a development, it is the responsibility of the Developer to provide, with the option of gifting the new assets to Council provided they meet Councils standards.

There is the potential for major developments, where agreed with Council through a development agreement, for developers to take the lead role. In this instance Council may contribute to a development where additional capacity is required to service adjacent developments to ensure other developments are not constrained. Council's role will be assessed at each review of the LTP and DCP every three years. There is also the possibility of the 3 waters sector being removed from Council responsibility as part of a government led review. This DCP and the 2021 CHBDC Long Term Plan, based on national guidance assumes that the current structures and responsibilities will remain as they are.

The Council ensures, on behalf of current and future residents and ratepayers, that land development is carried out in a manner that results in acceptable outcomes in terms of aesthetics, environmental impacts and service standards.

**4.1.2 Development Contribution Areas**

For the purposes of DCs, the areas shown for each township (and the district as a whole for Community Infrastructure and Reserves) that has growth related infrastructure asset type are the areas that development contribution charges apply. Growth in the CHB District is occurring mainly in these areas and additional infrastructure is required to meet this demand.

The **service catchments** show each urban area that forms a catchment (Refer to Maps in Appendix 2 of this policy and further explanation in Appendix 4).

**Table 1: Table Outlining Areas for Activities where Development Contributions will be Charged**

AREA	ACTIVITIES FOR WHICH DEVELOPMENT CONTRIBUTIONS WILL BE CHARGED
Central Hawke's Bay District (Districtwide)	Reserves and other Community Infrastructure
Waipukurau, Waipawa and Otāne	Water, Wastewater and Stormwater
Takapau	Water, Wastewater and Stormwater
Pōrangahau	Water, Wastewater and Stormwater

For clarity the council considers that for stormwater activities, a development not only creates a demand for infrastructure within the hydrological catchment it is located in, but also creates demand (by the growth community within the development) for stormwater management and flood protection over a wider area.

The other small rural townships in the Central Hawke's Bay have little growth currently and infrastructure capacity is available. There is no growth related infrastructure investment planned in the ten-year period. Council will reassess demand and capacity in these coastal townships as part of the 2024 review.

**4.1.3 Development Types and Units of Demand.**

In meeting its requirements under Schedule 13(2) of the LGA 2002 to attribute units of demand to particular developments or types of development on a consistent and equitable basis, the council has considered:

- a. the need to separate residential and non-residential activities because of the different demands they place on activities of the council,

- b. the range of non-residential development types and impacts on infrastructure,
- c. the complexity of trying to make the Policy account for every different development type,
- d. the availability of data to support differential unit of demand factors for various types of development.

The Council considers that:

- There is data currently available to identify some average demand factors for a limited number of non-residential development types,
- Using broad averages for a limited number of development types is sufficient to approximate the range of development likely to occur in CHB urban areas,
- As determined by Council staff a special assessment can be used where a development results in an impact on infrastructure significantly different from that envisaged in this policy.

#### 4.1.4 Planning Horizons and the Period Covered by this Policy

A 10-year timeframe has been used as a basis for forecasting growth and applying a development contribution. Benefits will be distributed over that timeframe with averaging to avoid the effects of lumpy infrastructure works within any given year on DCs.

This timeframe aligns to the period included in the Long Term Plan. Council has detailed planning and costings for infrastructure networks for this ten year period.

Development beyond this timeframe will involve additional growth related infrastructure services that have not yet been fully costed. These longer term infrastructure requirements to service growth, and the additional households enabled, will be included in future DCPs.

#### 4.1.5 Projecting Growth

The Council is planning for new development that is occurring in the CHB urban centres. This places demands on the Council to provide a range of new and upgraded infrastructure. The successful application of the DCP is dependent on population projections and the Council adopted spatial growth demand within the District.

The DCP uses the growth projections as set out in the Key Forecasting Assumptions section of the LTP. These forecasts are based on the high growth scenario from Squillions Ltd adopted by Council in July 2020 and available here. CHB is currently experiencing a surge in growth that is resulting in strong population and household growth driven in part by strong growth in Hastings and Napier. This is a significant change in trend that is putting increasing pressure on infrastructure. The Covid-19 pandemic has caused

additional population gains as more people return to smaller townships and family roots, and there are very few opportunities for existing residents to migrate elsewhere. The latest annual estimate from Statistics NZ indicates growth is at 2.3% a year. The population and new dwellings are growing faster than was forecast in the 2018 LTP and DCP.

Forecasts will be updated as part of each LTP process based on actual growth, Statistics NZ forecasts and annual population estimates.

District growth has been split into each major urban area and the balance of the district. The forecasts are informed by Project Thrive, the Operative District Plan, Council Asset Management Plans and actual historic developments. The impact of non-residential development varies depending on economic conditions but is expected to be relatively minor.

This DCP applies an assessment of the demand for services generated for each urban catchment and district wide (for Community Infrastructure and Reserves) to determine the number of HEUs for Water, Wastewater, Stormwater, Community Infrastructure and Reserves.

A summary table of the key forecasts is shown below. Council is forecasting strong household growth of 2% a year to 2031.

Table 2: Forecast Household Equivalent Unit Numbers

TOWNSHIP / MAIN URBAN AREA	NUMBER OF HOUSEHOLDS (HEU)				
	Actual	Forecast – June Year			
	2018	2021	2031	Change 2021-2031	2018 DCP forecast Change 2018- 2028
Waipukurau	1,755	1,793	2,253	460	230
Waipawa	843	853	968	115	60
Otāne	246	258	408	150	50
Takapau	216	222	296	74	5
Pōrangahau	78	83	143	60	20
Total Main Urban Areas	3,138	3,210	4,068	858	365
CHB District	5,418	5,530	6,870	1,340	535



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**4.2 Non-Residential Growth and Focus**

Council has not carried out detailed growth forecasts of non-residential gross floor areas for the urban areas. These forecasts have been assessed as not being required due to the very modest growth in non-residential developments. Over the last six years new non-residential developments have averaged 1,100m<sup>2</sup> a year. Some of this will just be replacing existing buildings so would not be levied a DC charge. There may also be some developments where existing buildings have been extended, which could have a DC charge levied.

While population and household growth is forecast to be much stronger than previously forecast, the current impacts with Covid-19 means that non-residential growth is not expected to increase to the same extent. In the 2019/20 year new non-residential consents has increased to over 2,000m<sup>2</sup>. Given the level of uncertainty Council has decided to retain and expand the ability to charge DCs.

The DCs for non-residential growth related to the three waters will only include charges for the urban catchments. It is expected that this growth will be centred on the Otāne, Waipukurau, Waipawa catchment. A modest amount of HEUs are included in the overall forecasts. No growth in non-residential has been assumed for Takapau or Pōrangahau, however the ability to charge a DC in those catchments has been provided for in the event that development occurs and has an impact on the network infrastructure.

Farm buildings outside of the urban catchments on existing lots will not be charged DCs. Rural subdivisions will have a DC charge applied for Reserves and Community Infrastructure.

Table 3:

NON - RESIDENTIAL CATCHMENTS	DC CHARGES THAT APPLY	FORECAST CHANGE IN GROSS FLOOR AREA 2021 TO 2031	ADDITIONAL HEU'S 10 YEAR TOTAL
Otāne, Waipukurau, Waipawa	Water, Wastewater, Stormwater	20,000m <sup>2</sup>	Water - 148 Wastewater - 148 Stormwater - 60
Takapau, Pōrangahau	Water, Wastewater, Stormwater	Nil	Nil

Table 4: Non-residential Growth Assumptions and Multipliers

	PROPORTION OF GROWTH	M2	MULTIPLIER	WATER	WASTE-WATER	STORMWATER
Commercial / Retail / Office / Community	0.2	4000	GFA	12	12	12
Industrial / Warehouse	0.3	6000	GFA	24	24	18
Restaurants and bars	0.2	4000	GFA	52	52	12
Visitor Accommodation and Residential Services	0.3	6000	Unit / Room @ 30m <sup>2</sup> each	60	60	18
<b>Total HEU</b>		<b>20,000</b>		<b>148</b>	<b>148</b>	<b>60</b>

**4.3 Other Assumptions**

- Timing of expenditure – the timing of specific projects is likely to vary over time as they are reliant on actual growth rates, the cost of providing infrastructure, demand for housing, the state of the economy, developer profit margins and many other economic and societal factors that Council has little control over. Council is carefully monitoring the actual level of development and aims to be just ahead of service demands on infrastructure, where it is cost efficient to do so.
- Method of service delivery when Council is providing infrastructure - Council uses both in-house staff and external consultants to fund, design and manage the provision of core infrastructure needed to service forecast growth. Construction is usually done through a tender process by the private sector. This is currently assessed as the most efficient model for delivery. Council will reassess this assumption at least every six years as part of meeting the requirements of section 17A of the LGA.

- Third party funding availability – Council is assuming that there will be no third party funding for growth related infrastructure projects used to calculate the DC charges. If alternative funding for these projects does become available, from Development Agreements or government / regional grants, Council will amend the schedule and reduce total funding required through DCs.
- Debt servicing – From time to time, Council DC activity reserves may be in deficit. This occurs if the required infrastructure is more expensive than the balance of DC revenue already collected. Council will loan fund any required work at this point. Future DC revenue will pay off the loan, including interest. The interest rate charged will be at the average Council rate at that time.

#### 4.3.1 Best Available Knowledge

This DCP is based on the best available knowledge that Council has at the time of adoption. The Project expenditure schedule in Appendix 1 is consistent with the LTP, however may be updated each year and the DCP will be reviewed every three years. As time passes, discrepancies may emerge between historic Council documents and the updated schedule in Appendix 1. For DC purposes the Schedule will prevail.

#### 4.4 Capital Expenditure Council Expects to Incur as a Result of Growth

Each capital project is identified as renewal, level of service (Rates funded) or growth (DC funded). The total growth costs for each activity covered by this DCP are then divided by the number of additional HEUs in each activity in each catchment, including the non-residential component. This results in DC charges by activity and catchment for each additional HEU.

In determining the total estimated growth component to be funded by DCs, careful consideration was given to those matters listed under sections 101(3) and 106 of the LGA for each individual activity (network infrastructure or community facility). Key considerations included:

- The nature and operation of the activity
- An analysis of who will benefit from the planned capital expenditure work, and
- An analysis of who will cause the need for the planned capital expenditure work.

A more detailed description of each activity, the funding approach taken for each activity and justification for the funding approach taken for each activity is included in Section 6 of this Policy.

The level of service component of Council's identified infrastructure works, relates to increasing the level of infrastructure provision due to higher public expectation, environmental or statutory obligations e.g. environmental standards for water quality or technological improvements Asset Management Plans, for each activity, define the relevant level of service for that activity.

Where the infrastructure works to service growth also result in an increase in the level of service to the community, then the value of the improved service is treated separately. This is noted as Total Level of Service Component in Table 3. Renewal of all assets is also identified separately and makes up the largest proportion of capital expenditure. Levels of service and renewals are not funded through DCs.

#### 4.5 Capital Expenditure Council has Already Invested in Anticipation of Development

DCs will also be required to meet the cost of capital expenditure for growth already incurred over the past ten years, but have not yet been funded. This applies only where Council has previously made the decision to carry out the work on the basis that it is to be fully or partly funded by future DCs. Council has a legal requirement to use the funds within 10 years for the purpose they were taken for.

#### 4.6 Unit of Demand

A unit of demand is a Household Equivalent Unit (HEU), the average demand for infrastructure services created by one additional house developed. A DC for network infrastructure is required where additional units of demand are created. A HEU is equivalent to one residential lot containing one residential unit. All residential lots are assumed to contain one HEU as this is efficient, equitable and appropriate. While actual demand will vary between households the impact on infrastructure is assessed as minor.

It is assumed that these demand levels will remain the same for the forecast period. Reviews of the DCP will consider the relativities between residential and non-residential developments.

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**4.7 Schedules Forecast Values**

All capital expenditure schedules in this policy are exclusive of GST.

The schedules are in 2021 dollars. Schedules will be updated annually to ensure relevance and transparency. The DC charge applied in future years may be adjusted for inflation using the Producers Price Index Outputs for Construction (PPI) as at 30 June each year and included in the Fees and Charges Schedule of Council as permitted in Sections 106 (2B) and (2C) of the Local Government Act 2002. The latest charges will be published on Council's website [www.chbdc.govt.nz](http://www.chbdc.govt.nz)

To enable a simple application of the policy CHBDC has set the minimum unit of demand as an household equivalent unit (HEU). Any activity that in CHBDC's opinion uses CHBDC's network infrastructure to a greater extent than that of a single household unit will be assessed in multiples of household units as covered under the section headed "Extraordinary Users" in this policy.

**4.8 Development Contributions Payable**

The development contributions payable for reserves, community infrastructure, water supply, wastewater, stormwater per HEU and catchment as the adoption of the policy are set out in the following table.

GROWTH GEOGRAPHIC AREA	ACTIVITY	TOTAL GROWTH CAPEX	PER LOT DC
District wide	Reserves	\$1,568,500	\$1,171
	Community Infrastructure	\$320,350	\$239
			<b>\$1,410</b>
Otāne, Waipawa and Waipukurau	Wastewater	\$9,461,582	\$10,838
	Water	\$8,570,973	\$9,818
	Stormwater	\$2,147,825	\$2,736
	Reserves		\$1,171
	Community Infrastructure		\$239
			<b>\$24,802</b>
Takapau	Wastewater	\$237,143	\$3,205
	Water	\$104,109	\$1,407
	Stormwater	\$112,713	\$1,523
	Reserves		\$1,171
	Community Infrastructure		\$239
			<b>\$7,545</b>
Pōrangahau	Wastewater	\$962,143	\$16,036
	Water	\$84,413	\$1,735
	Stormwater	\$62,713	\$1,045
	Reserves		\$1,171
	Community Infrastructure		\$239
			<b>\$20,226</b>

(Prices exclude GST).

## 5. Assessment of Development Contributions

### 5.1 Commencement

Relevant applications (as set out in section 3) made on or after the adoption of this policy are subject to assessment for development contributions under this policy. Applications made on or after 1 July 2006 and before the adoption of this policy will be subject to assessment under previous policies, unless where exceptional circumstances apply. Applications for resource consent may also be subject to assessment for financial contributions under the Operative District Plan.

### 5.2 Delegation of Assessments

Assessments will be made by an officer of Council. Reconsideration of assessments, as described in Section 5 of this Policy, will be made in accordance the delegations provided to the appropriately authorised Officer of Council.

Decisions about whether to enter into development agreements and on what terms will be made in accordance with the delegations provided to the appropriate authorised Officer of Council.

Decisions about waiving or remitting the costs that would otherwise be recoverable in respect of objections, will be made in accordance the delegations provided to the appropriate authorised Officer of Council.

Decisions about remitting development contributions will be made in accordance the delegations provided to the appropriate authorised Officer of Council.

### 5.3 Applications Assessed

Council will assess the following types of applications to determine whether development contributions are required under this policy:

- a) Applications for subdivision resource consent under the Resource Management Act 1999 (RMA).
- b) Applications for land-use resource consent under the RMA, or for building consent or a Certificate of Acceptance under the Building Act 2004 (Building Act) where the consent/certificate is associated with:
  - i. the creation of new dwellings (including relocation of existing houses) on a site
  - ii. the creation of new buildings or extension of the gross floor area of buildings

- iii. the change in use of a building
  - iv. an increase in the design occupants of a visitor accommodation or residential services activity
  - v. an increase in the area of impervious surfaces.
- c) Applications for service connection including water, wastewater, trade waste and stormwater.

The assessment will be made against the first consent application lodged for a development and a reassessment made on every subsequent consent application.

The Council will assess subdivision for a non-residential development as a minimum of 1 additional HEU per activity per allotment. The development will be reassessed if there is a subsequent building consent or service connection.

When Council takes a development contribution at subdivision consent stage, the expected principle nature of activities authorised by any existing land use consent for the site and/or, in the underlying Zoning, will determine the type of development contribution payable.

The Council may choose to defer the assessment of land use consents if there are special circumstances. For clarity Council will usually charge a minimum of 1 additional HEU per activity per allotment at the subdivision stage.

Each reassessment will take into account the number of units of demand previously assessed and determine whether the development still generates the same number of units of demand.

#### Note:

1. Council will not defer assessment of development contributions for residential development.
2. Development Contribution fees will not be deferred for non-residential subdivisions and one or more HEU are payable at resource consent stage with the balance payable at building consent stage when the full scope becomes apparent.
3. Designations are not assessed, but the development may be assessed at building consent stage.



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4. Applications for works necessitated by a condition of a consent are not exempt from development contributions.

Process for Assessing Development Contributions Payable:

Table 6: Process of Assessing if Development Contributions are Payable

<b>Step 1</b>	Catchment Area	Establish what catchment area the 'development' lies (Appendix 2)
<b>Step 2</b>	Number of HEU's	Establish the number of HEUs created by the 'development' (Section 5.7)
<b>Step 3</b>	Number of HEU's Credit	Establish per activity the 'credits' applicable to the parcel of land (Section 5.10)
<b>Step 4</b>	Number of HEU's payable	Calculate the increase in HEU's
<b>Step 5</b>	Charge per HEU	Establish the development contribution per HEU for that particular catchment area as per Schedule of Charges (Appendix 1)
<b>Step 6</b>	Amount of DC's payable	Calculate the development contributions payable

#### 5.4 Activities for which Development Contributions are Assessed

Applications will be assessed for contributions for five different activities:

- reserves
- community infrastructure
- water supply
- wastewater
- stormwater

Land Transport is not included in this DCP. The Central Hawke's Bay road network is extensive, servicing a relatively spread population, has severe geotechnical conditions and is subject to weather extremes. The network itself is generally of a good standard and of a high value. No major roading capital expenditure for growth is anticipated. It is however possible that this will need to be revised in the event of an increase in truck and other heavy vehicle movements.

In the event of significant subdivision development, all changes to the road network directly caused by the development (internally and/or externally) are to be

completed by the developer at the developers' expense based on the criteria set out in the 'current operative District Plan' under the Financial Contributions as allowed under the RMA.

#### 5.5 Formula for Calculating Contributions

Contributions (C) for reserves, land transport, water supply, wastewater and stormwater will be calculated according to the following formula:  $C = H \times R$

Where:

H = Number of Household Equivalent Units (HEUs) or units of demand calculated in accordance with section 5, less any credits calculated in accordance with section 5.10; and R = The applicable rate per HEU for the type of contribution (activity) and the catchment associated with the development (refer to Appendix 2).

#### 5.6 Catchments

The catchments for charging each type of contribution are set out in Appendix 2, and the rationale further explained in Appendix 4. If for any reason a development or service connection request falls outside the catchment for water, wastewater or stormwater and is still served by the network infrastructure, then the calculation of contributions shall be as if the development or service connection was located within the catchment.

The capital expenditure related to growth is associated with one or more catchments on an activity-basis. The catchments are determined based on key characteristics including geography, service delivery and the nature and complexity of service provision. The catchments can be either local or district-wide. Individual capital works projects are allocated to catchments depending on the nature of the project and the community the project is intended to serve.

For this DCP there is four catchments:

Table 7: Table Outlining the Catchment Areas and Activities Covered in each Catchment

CATCHMENT AREA	ACTIVITY COVERED
Otāne, Waipawa and Waipukurau	Water, Wastewater and Stormwater
Takapau	Water, Wastewater and Stormwater
Pōrangahau	Water, Wastewater and Stormwater
District wide	Reserves and Community Infrastructure

Any development outside of the identified catchments has not been addressed

in terms of infrastructure capacity anticipated as part of the existing reticulation network. Any request to extend services or infrastructure outside of the determined areas will need to be specifically assessed through a separate development agreement.

### 5.7 Assessment of HEUs on the Basis of Multipliers

Subject to Section 5.8 and 5.9, the number of HEUs associated with a development will generally be assessed on the basis of the standard multipliers set out below, less any credits provided for in 5.10.

#### a) Residential Developments

ACTIVITY FOR WHICH CONTRIBUTIONS ASSESSED	UNIT OF MEASURE	MULTIPLIER (HEU MEASURE)
All	Allotment or 1st dwelling on an allotment	• 1 - (allotments and dwelling units).
All	Every second and subsequent dwelling unit on an allotment.	• 1 - Every second and subsequent dwelling unit on an allotment.

#### b) Non-residential Developments

The following are based on common factors of average demand. For the three waters the units of demand are set at 100m<sup>2</sup> of Gross Floor Area (GFA), then converted to HEUs based on the standard for a residential dwelling. Reserves and Community Infrastructure are zero rated as the demand is primarily generated from households. Developments that are determined by Council as having an impact on network services well above what is covered by the categories below (such as wet industries or a major food processing plant) can be considered as a special assessment (see section 5.9).

Table 9: Non-residential Base Unit Conversion Multipliers

NON-RESIDENTIAL CATEGORY	WATER PER 100M <sup>2</sup> GFA	WASTEWATER PER 100M <sup>2</sup> GFA	STORMWATER PER 100M <sup>2</sup> GFA	RESERVES	COMMUNITY INFRASTRUCTURE
Commercial / Retail / Office / Community	0.3	0.3	0.3	Nil	Nil
Industrial / Warehouse	0.4	0.4			
Restaurants and bars	1.3	1.3			
Community Facilities	0.3	0.3			
Visitor Accommodation and Residential Services	0.3 Per Unit / room	0.3 Per Unit / room			

### 5.8 Additional Rules Relating to Assessment on the Basis of Multipliers

Each application is assessed as a residential development, non-residential development, or a mixture. Mixed developments are assessed under the provisions that apply to both residential and non-residential developments for the applicable parts of the development.

Units of demand will only be assessed for water or wastewater if a connection to the network is or will be available. Stormwater will only be assessed if the development is within a stormwater catchment area.

Allotments subject to an amalgamation condition, or that will be subject to an amalgamation condition, shall be considered as one allotment for the purpose of calculating HEUs.

Non-residential developments will generally be classified as a single development type, i.e. the one that best represents the dominant or primary activities associated with the development; and ancillary activities will not be considered separately. However, where a development has distinct parts, Council may, in its discretion, consider these parts separately. For example, the wine manufacturing component of a winery may be considered separately from the restaurant component.

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Where a non-residential development is not described by the types of non-residential development identified above, the multiplier for the type of development with the most similar demand characteristics will be used.

Outdoor display areas for goods, e.g. garden centre display areas will be included in the calculation of GFA for retail, provided they are formalised areas primarily for display and not storage of goods.

Where a residential and non-residential aspect of a development share a common footprint, the number of HEUs for stormwater shall be based on the approach for non-residential development, i.e. impervious surfaces.

### 5.9 Special Assessments of HEUs on the Basis of Actual or Anticipated Demand

If the actual demand associated with a non-residential development is likely to be significantly different, that is at least 50% more or less than what is implied by the multipliers and demand assumptions in 5.7b, the Council may, in its discretion, choose to calculate the number of HEUs on the basis of the actual anticipated demand (including peak water take, peak wastewater discharge and wastewater content), less any credits provided in 5.10.

This 'special assessment' may be called for at the Council's discretion.

The applicant will be expected to provide supporting information and detailed calculations of their development's water supply, wastewater and stormwater demands in base units. Using the standard base unit/HEU conversions (Table 9) these estimates may then be converted to HEUs and charged accordingly. This additional information could be made part of a Section 92 (RMA 1991) request or at requested pre-application stage.

In determining whether to use this alternative calculation Council will consider the likelihood that the demand will change over time and whether, therefore, the standard approach may be more appropriate.

An assessment on the basis of actual anticipated demand shall be made by estimating the actual demand associated with the development for each service in the units of measure set out in 5.7, and dividing this by the demand assumptions for a HEU set out in table 11 in section 6.3. The calculation may be adjusted to reflect other factors that influence the design of infrastructure, peak demand issues and measures to mitigate demand.

### 5.10 Assessment of Credits for Historic Development

Historic credits acknowledge prior development of the site which has ceased and will be applied against the number of units of demand assessed for a development calculated under 5.3 to 5.9. The following principles shall apply to calculating credits:

- The onus is on the applicant to include details in the application of the historic development
- Credits can only be used for a development on the same site and cannot be transferred from one site to another
- The number of credits available is calculated under the policy that applies at the time of the assessment of the new development
- Additional credits will not be refunded if the number of units of demand assessed for any activity for the historic development exceed the number of units of demand assessed for the new development. However, the historic development may be considered again when assessing credits for any future development

There are a number of situations where credits may be considered:

- Existing residential dwelling units on site
- Payment of ½ or full rates charges for the water, wastewater or stormwater on the existing lot
- The previous lawfully established activity or lawfully consented buildings on a site
- Credits will not be given if the original activity was non-residential and did not pay or was unlikely to have paid a contribution. This applies to activities that were permitted and did not require any form of consent, but that have placed additional demand on Councils services.
- Cross leases that are separated into 'Fee Simple' titles will not attract contributions if there are no related works on site that will increase demand for Council infrastructure.
- Any vacant section is assumed to have one HEU credit to the extent that it is serviced (if physical connections are not in place no credit may be assumed).
- Credits for historic non-residential development will only be awarded if the elements that imply that development (i.e. the buildings, impervious surfaces etc.) were present in the ten years prior to assessment.

**5.11 Reductions**

The value of the development contribution assessed will be reduced for the following reasons:

**a) Esplanade Reserves**

Esplanade Reserves or strips required under the RMA and associated with the development will be offset against development contributions payable for Reserves, up to the value of the contribution payable. Valuation of the Esplanade Reserve or strip will be GST exclusive and shall be assessed in terms of section 62(1)(b) of the Public Works Act 1981. The date of valuation shall be no more than 12 months before the requirement for the contribution.

**b) Special Circumstances**

Special circumstances may apply in relation to some service connections that may be taken into account to reduce the development contribution payable e.g. a targeted or special rates levy has been agreed pending the installation of a new service and as such provides for that property to connect to the services when commissioned. Under these circumstances the agreement would be honoured and no development contribution would be applied, except for where the demand proposed is greater than that envisaged by the special rate and a development contribution, or part thereof, will be charged.

**c) On-site Provision of Infrastructure**

The Council will consider a reduction in the development contribution assessed where the applicant will provide additional infrastructure on-site that reduces the demand for Council infrastructure. This could include:

- Wetlands, storage tanks and rain gardens to limit stormwater run-off and reduce reticulated water usage,
- Onsite pre-treatment of wastewater.

The applicant would need to prove that the additional infrastructure is over and above the standard services required by Council and would directly offset the standard demand for services. An assessment may be carried out by Council to identify how many (if any) HEU's should be deducted from the development contributions calculated under 5.7 and 5.8.

**5.12 Remissions**

Council will consider requests for remission of development contributions on the following grounds:

- The development is by a non-profit organisation and/or it will provide wide ranging benefits to the public.

Any such request must be made in writing and within 20 working days after the date on which the Council sent notice of the level of development contribution Council requires.

The request must include the following information:

- Description of the site and specific application subject to the contribution
- Description of the organisation seeking the remission and confirmation that it is a non-profit organisation as defined in the glossary
- Description of the benefits that the development will provide to the public and the extent of access to those benefits.

The request will be considered in accordance the delegations provided to the appropriate authorised Officer of Council.

The Authorised Officer will have regard to the following criteria in determining whether to grant a remission and the quantum of the remission:

- The level of the public benefits provided by the activity and the extent of access to those benefits, and
- The development contributions reserve funding available to Council.

Council will give written notice of the outcome of its consideration of the request within 15 working days of its receipt of the request and all relevant information relating to the request.

**5.13 Reassessment of a Development**

Where a development becomes subject to assessment under more than one development contribution policy or version of a policy then the assessment of units of demand under the most recent policy or version shall prevail for the development as a whole.

To avoid doubt, no refund shall be given, or additional contributions required, because the rate per unit of demand has changed.

**5.14 Money or Land**

The LGA provides that a development contribution for Reserves may be money or land, or both. Under this policy the contribution for Reserves shall be made in money unless, at the sole discretion of the Council, land is accepted.



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In general, Council will only accept land as a development contribution for Reserves where it is specifically for a recreation, scenic or historic reserve and will be vested as such on subdivision or otherwise classified. However, Council may also accept easements for access etc. to existing Reserves or for recreational purposes. In determining whether to accept land the Council will have regard to existing policies. Drainage reserves and areas within reserves that are used primarily for drainage (e.g. retention pond areas), while they may be accepted by Council, will not form part of a development contribution for Reserves.

### 5.15 Development Agreements

The Council may enter into specific arrangements with a developer for the provision and funding of particular infrastructure under a development agreement, including the development contributions payable, as provided for under sections 207A - 207F of the Local Government Act 2002. For activities covered by a development agreement, the agreement overrides the development contributions normally assessed as payable under the Policy.

The Council will consider a developer's written request to enter into a Development Agreement without unnecessary delay. The Council will provide the developer written notice of its decision on the request and reasons for the decision. The Council will take into account the provisions contained in the Policy, as well as any other matters considered relevant. Similarly, where the Council requests that a developer enter into a Development Agreement, the request must be considered by the developer without unnecessary delay, who must provide written response to the Council.

A Development Agreement may record specific arrangements with a developer for the provision of particular infrastructure to meet the special needs of a development, which include (but is not limited to):

Where a development involves a large area to be developed over a long time period.

Where a development requires a special level of service or is of a type or scale which is not readily assessed in terms of units of demand.

Where a development is in a Deferred Residential Zone or any other area where Council is not currently planning to provide infrastructure for the 10-year period covered by the Policy. In those cases, a Development Agreement, private sector funding of infrastructure and an agreed Structure Plan would be required at first instance.

The content and effect of a Development Agreement must be meet the requirements of the Local Government Act 2002, and in particular section 207C.

### 5.16 Payment Due Dates

The following table summarises when a development contribution invoice is generated and required to be paid. In most instances the invoice will be generated at the time an application for Code Compliance Certificate, Certificate of Acceptance or 224c is made, unless requested earlier.

Table 10: Summary of Invoicing and Payment

APPLICATION TYPE	TIMING OF ACTION
Land Use	An invoice will be issued at the time the Land Use resource consent is granted. Payment must be made within 20 days of the invoice being issued on granting the consent, and / or before the Land Use is given effect to.
Service Connection Request (where a building consent is not lodged/required)	An invoice will be issued at the time the connection request is approved and payment is due within 20 days of the invoice being issued. Payment must be made prior to any connection being made.
Building Consent	An invoice can be requested at any time by the applicant. If no invoice is requested, an invoice will be issued automatically at the time of application for Code Compliance Certificate or Certificate of Acceptance. Payment must be made prior to Issue of the Code Compliance Certificate or Certificate of Acceptance.
Resource Consent (subdivision)	An invoice can be requested at any time by the applicant. If no invoice is requested, an invoice will be issued automatically at the time of application for 224c. Payment must be made prior to issue of the 224c.

**5.17 Enforcement Powers**

Council may recover debt through normal court action.

Until development contributions required in relation to a development have been paid Council may also, pursuant to section 208 of the LGA:

- In the case of a development contribution required when granting resource consent under the RMA, withhold the section 224(c) certificate on a subdivision and prevent the start of a resource consent
- In the case of a development contribution required when granting a building consent under the Building Act, withhold the Code of Compliance Certificate
- In the case of a development contribution required when granting a Certificate of Acceptance, withhold the Certificate of Acceptance
- In the case of a development contribution required for an authorisation for a service connection, withhold that service connection
- In each case, register the unpaid development contribution under the Statutory Land Charges Registration Act 1928, as a charge on the title of the land in respect of which the development contribution was required.

**5.18 Refunds**

A refund of money or return of land will occur in the circumstances set out in sections 209 (development does not proceed) and 210 (Council does not spend) of the LGA where applicable.

**5.19 Postponements**

Postponements on payment of a development contribution will not be applied.

**5.20 Reconsideration Process**

As set out in section 199A(1) of the LGA, any person required by Council to make a development contribution may request a reconsideration of the requirement if they believe that:

- The development contribution was incorrectly calculated or assessed under the territorial authority's development contributions policy; or
- The territorial authority incorrectly applied its development contributions policy; or
- The information used to assess the person's development against the development contributions policy, or

- The way the territorial authority recorded or used it when requiring a development contribution, was incomplete or contained errors.

As set out in section 199A(4) a person may not apply for a reconsideration of a requirement for development contributions if they have already lodged an objection to that requirement under section 199C and Schedule 13A of the LGA.

Any such request must be made in writing within 10 working days after the date on which the person lodging the request for the reconsideration received notice from the Council of the level of development contribution Council requires.

The request must clearly state the site and specific application subject to the contribution, the particular contribution(s) to be reviewed, and any matters the person would like Council to take into consideration when undertaking the review.

The reconsideration will be undertaken in accordance the delegations provided to the appropriate authorised Officer of Council.

The reconsideration will be limited to consideration of the grounds for reconsideration listed in the bullets in this section.

Council will give written notice of the outcome of its reconsideration within 15 working days of its receipt of the request and all relevant information relating to the request.

Note: The LGA also provides a process for persons to object to development contributions assessed and for decisions on objections to be made by independent development contribution commissioners. Refer to Schedule 13A of the LGA for further details.

**5.21 Other Matters****Goods and Services Tax (GST)**

Once all the development contribution calculations are complete, GST shall be added to the final invoice as required by the legislation and/or regulation of the day.

**Valuations**

Where it is necessary to value land to ensure the maximum contribution requirement in section 203(1) of the LGA is not exceeded, or to assess the value of an Esplanade Reserve or contribution in land, the value shall be assessed in terms of section 62(1)(b) of the Public Works Act 1981. The date of valuation shall be no more than 12 months before the requirement for the contribution.

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In addition, where it is necessary to value land to ensure the maximum contribution requirement for Reserves in section 203(1) LGA is not exceeded, valuation of the additional allotments created by subdivision shall be calculated as the average value (the mean) of all post-development allotments intended or capable of supporting residential development.

**Applications to Vary Consents or the Conditions of Consent**

Where applications are received to vary a consent or the conditions of a consent, a new assessment will be made reflecting any increase or reduction on the demand for infrastructure and/or services that would result in a change to the HEUs relating to the original consent application.

**Council Developments**

Council is exempt from paying any development contributions on any development that itself is a capital expenditure for which development contributions are required. Council is otherwise required to pay development contributions as assessed under the policy.

## 6. Explanation of the Method for Development of the Schedule of Charges

### 6.1 Relevant Provisions in the Local Government Act 2002

Relevant provisions in the LGA that provide the legislative framework for this DCP include the following:

- Section 197AA and 197AB provides the purpose and principles for development contributions
- Section 199 provides the basis on which development contributions may be required.

Subsection (2) clarifies that Council may require a development contribution in relation to capital expenditure already incurred by the territorial authority in anticipation of the development.

Subsection (3) states that in subsection (1), effect includes the cumulative effects that a development may have in combination with other developments.

Section 203 (1) sets the maximum contributions for reserves and for network infrastructure and community infrastructure - Development contributions for reserves must not exceed the greater of:

- 7.5% of the value of the additional allotments created by a subdivision, and
- The value equivalent of 20 square metres of land for each additional household unit created by the development.

Development contributions for network or community infrastructure must not exceed the amount calculated by multiplying the cost of the relevant unit of demand by the number of units of demand assessed for a development or type of development (Clause 1 and 2 of Schedule 13 of the LGA).

Schedule 13 contains the general methodology for determining the maximum development contribution. In short, this requires identification of the capital expenditure costs, as set out in the LTP, which the Council expects to incur to meet increased demand resulting from growth and to attribute these costs to units of demand.

Clause 2 of Schedule 13 of the LGA, further requires that Council demonstrate that the units of demand are attributed to developments on a consistent and equitable basis.

### 6.2 The Capital Works Programme

Development contributions are only charged in relation to capital projects identified in the LTP. This includes both current projects identified in the Activity Management plans, as well as past projects. These are listed in Appendix 1. The Capital Works Programme is founded on a range of considerations including:

- Provisions of the LGA, such as the purpose of local government (Section 10), decision-making requirements (sections 76-81), the principles relating to local government (Section 14)
- The community outcomes identified in the Long Term Plan under the LGA
- Projections of growth and other changes in the community which could drive changes in demand
- Service provision levels and standards, which define the services being provided to the community in terms of criteria
- Plans and strategies.

Other types of network and community infrastructure capital projects could potentially be considered for development contributions in the future.

Council has used the best information available at the time of developing this policy to estimate the capital expenditure. However, it is likely that actual costs will differ from estimated costs due to factors beyond the Council's control, such as changes in the price of raw materials, labour, etc and the timing of capital works taking place.

### 6.3 Unit of Demand

The Household Equivalent Unit (HEU) is the base unit of demand used to apportion costs between different types of development in the calculation of development contributions. It represents the assumed demand for the service generated by an average household.

Units of demand can be assessed at subdivision, land use and building consent stages. It is Council's preference to assess and apply a development contribution at the first stage of development, namely the subdivision consent stage. Individual developments may create multiple units of demand for any of the given community facilities.

This table contains the demand assumptions for an independent household unit (i.e. one unit of demand or 1 'HEU'). The demand assumptions were used to develop



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the multipliers used to attribute units of demand to non-residential developments. They are also used to attribute units of demand to developments assessed as a special assessment under section 5.9.

Table 11: Demand assumptions for an HEU

ACTIVITY	UNIT OF MEASUREMENT FOR HEU	DEMAND PER HEU	COMMENTS
Reserves	Apportionment of total demand on Reserves	1 apportionment	
Community Infrastructure	Apportionment of total demand on Community Infrastructure	1 apportionment	
Water	Daily flow	820 litres per day	
Wastewater	Daily flow	615 litres per day	
Stormwater	Impervious surface area	340m <sup>2</sup>	Excludes impervious surfaces associated with roads or other public land.

Every dwelling is assumed to represent one HEU of demand for each service.

Section 5.7 sets out the multipliers used to calculate the number of HEUs associated with non-residential development. In essence, these multipliers represent the assumed typical relationship between the demand generated by non-residential development and the demand generated by households. Similar multipliers are used to convert the growth model to HEUs in the funding model.

#### 6.4 Measurements to Determine Units of Demand for Activities

Different types of measurements are used to allocate units of demand for each activity for residential and non-residential developments (refer Section 6.3).

For all activities a differentiation is made between residential and non-residential development due to the demand they place on the network activities. The catchment areas are defined for each activity as shown on the maps in Appendix 2.

The HEU divisor needs to account for both residential growth and non-residential growth. Residential is assumed at 1 HEU per additional allotment. Non-residential growth is converted to HEUs using the following assumptions:

- Water = 1 HEU per 0.84 m<sup>3</sup> per day usage
- Wastewater = 1 HEU per 0.6145 m<sup>3</sup> per day of discharge
- Stormwater = 1 HEU per 340 m<sup>2</sup> of impervious surface area (ISA), including roof area
- Reserves and Community Infrastructure = 1 HEU per additional allotment.

There will be circumstances where no HEU assessment is necessary. For example, where the development is providing all its own infrastructure, thereby creating no demand on Council assets.

The following provides a specific explanation of units of demand allocated for each activity. Increasingly Councils are managing the three waters as integrated networks. Each impacts on the others and growth and capacity requirements have to be managed across the three activities. This is driving the integration of the Otāne, Waipawa and Waipukurau urban three waters networks.

Contributions for water, wastewater and stormwater will be used for the works identified, but can generally be described as:

- Increasing the capacity of pipes, pumps, and storage, treatment and disposal facilities
- Providing new pipes, pumps, and storage, treatment and disposal facilities
- Extension of piped infrastructure to service additional areas
- Increasing the capacity of drains, culverts and other structures
- Extension of the drainage network to service other areas
- Land purchase and easements
- Modelling networks to assess the impact of development
- Design and consenting costs which form part of the capital work projects

##### 6.4.1 Water Supply

For the purposes of DC's, interdependence within the networks creates a need for integrated management of the operation of the necessary components. As such, the management and professional services of Water is undertaken with District urban supply and demand issues in mind. The catchments have been split into the following for the direct catchment operations:

- Otāne, Waipawa and Waipukurau – operating as an interconnected network with supply pipes linked.
- Takapau
- Pōrangahau

An amount of 100% growth has been assumed where the works are purely to service future development and include extensions of the existing network to and within future development areas. Where existing reticulation is being duplicated or upgraded, and there are currently deficiencies in the level of service, i.e. marginal capacity with regard to firefighting capacity or low-pressures during peak demand, a proportion of the cost has been included as level of service.

A development contribution for the reticulated water network will be based on the value of future identified growth works, and any works already completed since June 2021 for the key network in anticipation of growth. All new developments in the reticulated water network will be subject to a development contribution.

All growth works within the service catchment are considered to service any allotment within the specified boundary, up to a uniform service level, at any time. All components of the network also have excess capacity that will cater for anticipated future capacity uptake. Any identified capital development growth-related works undertaken on the identified key network add to the capacity of the existing network directly.

#### 6.4.2 Wastewater

For the purposes of DCs, like the water network, the interdependence within the networks creates a need for integrated management of the operation of the necessary components. As such, the management and professional services of Wastewater is undertaken with District urban treatment and discharge and demand issues in mind. The catchments have been split into the following for the direct catchment operations:

- Otāne, Waipawa and Waipukurau – operates as an interconnected network with planned investment in a combined treatment plant.
- Takapau
- Pōrangahau

The infrastructure works identified include significant upgrades to the existing trunk sewer network in Waipawa and Waipukurau, treatment plants and some pump stations to provide capacity for future growth. Generally, the growth component for trunk and pump station upgrades and treatment plants is assessed at between 0% and 50%. Extension of the wastewater network or new pump stations are assessed as 100% growth component.

A development contribution for the wastewater service catchments will be based on

the value of future identified growth works, and any works already completed since June 2021 for the key network in anticipation of growth. All new developments in the above wastewater service catchments will be subject to a development contribution.

All growth works within the service catchment are considered to service any allotment within the specified boundary, up to a uniform service level, at any time. All components of the network also have excess capacity that will cater for anticipated future capacity uptake. Any identified capital development growth-related works undertaken on the identified key network add to the capacity of the existing network directly.

#### 6.4.3 Stormwater

Like the water and wastewater networks, each stormwater network is defined using an integrated catchment approach as all stormwater runoff within each urban catchment area has to be catered for, regardless of where the stormwater originates from. Runoff from areas with no stormwater issues flows into areas that do require capital works, so all areas are covered by the catchment area. The network has interdependent network components and there is an integrated system of services and facilities designed to protect property from flooding and improving water quality.

Stormwater infrastructure development within the catchments will be based on compliance as outlined in Operative District Plan or any future District Plan, and the network capacity, under a fully developed catchment scenario. The catchments are:

- Otāne, Waipawa and Waipukurau – operates as an interconnected network with planned investment in a combined treatment plant.
- Takapau
- Pōrangahau

A stormwater development contribution for each of these catchments is based on the value of future growth components, and any works already completed since June 2021, to be located within the entire catchment in order to meet the defined level of service under the fully developed catchment scenario.

All new developments in the defined service catchments will be subject to a development contribution. Additional development in areas with existing developed stormwater assets still creates additional runoff and this has to be catered for as it flows through the network. Additional development in partially developed or

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new areas can have a significant effect on the demand for additional stormwater infrastructure including secondary flow paths.

The standard allotment area of residential development and hence information related to site coverage and impermeable surface area (ISA) has been used to calculate a unit of demand. Note these are relative units of demand between each type of development. All residential development is assumed to create one HEU. All non-residential development is assessed on the amount of ISA (site coverage) compared with residential development, with a minimum of one HEU.

HEUs are based on the typical residential unit. Houses have been increasing in size for many years, and lot sizes have been declining. With driveways and paths the ISA of an average residential lot is now assessed at 340m<sup>2</sup>. This is the ISA used to determine the number of HEUs for each non-residential development.

#### 6.4.4 Reserves and other Community Infrastructure

The Reserves and Community Infrastructure assets are composed of two distinct parts. They are: land identified as reserve for recreational purposes ("reserves"), and infrastructure associated with that identified land or other land owned or controlled by the Council for public amenities ("community infrastructure").

Community infrastructure is composed of capital developments and facilities associated with the identified reserves and other land owned or controlled by the Council. This includes, but is not limited to playgrounds, administration buildings, carparks, landfills, libraries and recreational complexes, and public toilets – both on and off reserves.

The reserves and community infrastructure provide active and passive recreational facilities to the District community. For new community infrastructure, park and reserve facilities established specifically for new growth areas, 100% of these infrastructure works are to be funded by growth. For new facilities that include improvements to existing levels of service, various proportions of the cost have been attributed to future growth over the next 10 years depending on the details of each project.

The Development Contributions are district wide and are based on the value of identified future provision, and any works already completed since June 2021, of district wide parks, reserves and community infrastructure associated with growth.

Increased numbers of households and residents create additional demand for sportsfields, passive reserves, libraries, administration buildings, walkways and

associated assets such as toilets and playgrounds. Council purchases key new land for reserves significantly before the developments are completed in order to minimise the cost of land purchase and reduce unnecessary servicing costs.

All residential and rural developments in the District specified in the Reserves and Community Infrastructure map in Appendix 2 will pay a DC for reserves and other community infrastructure. DCs will not be charged on non-residential development, or the non-residential component of mixed use developments.

The assumed demand for parks reserves and other community infrastructure is created and driven as a result of additional people, or residential households, being located within the District. Increased demand for parks reserves and other community infrastructure can come from anywhere within the defined area from residential and rural development. Non-residential development generally has no impact on the demand for reserves and community infrastructure networks and therefore DCs for Reserves and other community infrastructure do not apply.

All residential and rural development is assumed to create one unit of demand.

All non-residential development is assumed to create zero units of demand.

#### 6.5 Assessment of growth model

Council has developed growth projections for the period 2021-2051 to estimate future growth within the CHB district. This underpins the development of the policy at two levels. Firstly, as growth drives changes in demand on infrastructure, the growth projections are a foundation for the capital works programme. Secondly, the growth projections are converted into HEUs to model funding and to calculate the development contribution charge (refer to section 5).

The growth projections address three indicators of growth:

- Resident population
- Households
- Gross floor area of non-residential activities.

The full forecasts are available from Councils website and accessible here.

#### 6.6 Key Risks/Effects Associated with Growth Projections

Growth projections are subject to uncertainties as to the quantum, timing and location of growth. There is a risk that the growth projections in the model will not eventuate, resulting in a change to the assumed demands on community facilities. This could result in the over-provision of infrastructure. Furthermore, if the total

amount of growth is less than projected, then the proportion of capital expenditure recovered through development contributions will be less than expected. As a consequence, there may be increased debt servicing costs to Council. Council will continue to monitor the rate of growth and will update outcomes in the growth and funding models as required.

Under-assessing growth, on the other hand, may result in the under-provision of infrastructure to meet the future demand for services.

## 6.7 Identification of Growth Expenditure and Funding Mechanisms

### General Approach

A schedule of the capital expenditure identified in the LTP that Council expects to incur to meet the increased demand for community facilities resulting from growth is contained in Appendix 1. The proportion of this expenditure that Council expects to fund from development contributions is also indicated.

In determining the growth expenditure and associated funding mechanisms, an analysis is undertaken at three levels:

#### 1. Activity Level

The range of funding mechanisms (consistent with the Revenue and Financing Policy) is identified at the activity level and an initial analysis is made of the considerations in the LGA, including section 101(3).

#### 2. Programme Level

Further consideration is given to the considerations in the LGA and their implications for funding.

#### 3. Project Level

At the project level, the drivers for the project are reviewed and a cost allocation process is undertaken to separate the costs into three drivers (growth, level of service and renewal).

A catchment is then identified for the project and the funding model applied to provide an indication of the 'raw development contributions charge' required to fund the growth component. Further consideration is then given to appropriate funding mechanisms, building on the analysis at the activity and programme level and the considerations in the LGA. This may result in re-consideration of the drivers and cost allocation process.

In general terms, Council has determined to use development contributions to fund the portion of capital indicated in Appendix 1 because:

- The portion of capital expenditure identified relates to the growth community in terms of sections 101(3)(a)(ii) (beneficiaries) and/or 101(3)(a)(iv) (exacerbators). Development contributions provide a means of directing funding to the growth community.
- Council recognises that liability for rates is increasingly putting pressure on the social wellbeing of the community and the use of this alternative source of funding will have the benefit of easing the burden of rates.
- Council wishes to keep debt levels within the covenants identified in its Financial Strategy.

## 6.8 Cost Allocation

Council makes a judgement about whether the assets being created will provide additional capacity or improve Level of Service (LOS) / renewals and therefore who benefits, the existing users, or the growth users. For this policy Council has only looked at the capital projects for water, wastewater, stormwater, reserves and community infrastructure.

The capital expenditure and benefit allocation in this policy is analysed in the following way:

- Renewal expenditure: this benefits the existing user only and replaces the existing asset base
- Backlog expenditure: new asset capacity is of benefit to the existing user only, to meet the short fall in the current Level of Service
- New services expenditure: capital expenditure to provide benefits to both the existing and the growth user on a pro-rata basis
- Growth expenditure: that which benefits and is needed by the projected growth in the community, estimated over the next 10 years. The life of the LTP. Asset capacity which provides benefits beyond that period will be allocated to future growth communities and may form part of future Development Contribution Policy.

The Level of Service supplied for these activities generates a benefit that is enjoyed by the whole community, both existing and growth users. There is no mechanism to exclude one group from the other. Similarly, both existing and growth users share proportionately in the benefits of excess capacity up to the point that it is consumed by the expanding community.



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There is recognition of transitional benefits to both the existing community and the incoming growth community that may occur in some circumstances as a result of excess capacity provided in anticipation of growth. This is often perceived as an improvement in Level of Service, but if there has been no change in the planned Level of Service this is an 'improvement' that will be eroded over time as growth takes up that additional capacity. Council's cost allocation methodology takes account of this transitional benefit where appropriate and allocates it between the growth community and the existing community.

It is recognised that there are components built into the existing network with excess capacity which will benefit the growth community. Some of these components are included in the development contributions calculations as past projects with residual capacity for anticipated growth. Therefore, the growth community benefits from some significant past capital expenditure without incurring any additional charges.

The process of cost and benefit allocation is undertaken using a modelling tool, this model records:

- The judgements made about the drivers of a project i.e. the reasons Council has undertaken the project and who will benefit from the project.
- The model assists in making and recording the allocation of costs between the beneficiaries.
- The model apportions the cost of infrastructure that can be attributed to the existing and growth communities.

Council has, after deliberations and having regard to considerations of fairness and equity under section 197AB of the LGA and the overall impact on the commencing of development contributions under section 101(3) (b), of the LGA, elected to use a rate of 100% for DCs on any identified growth capital work listed in the LTP as cost of development.

The decision to take this action was made by considering the following to:

- Provide reasonable consistency to the growth community of the level of charges (both across all networks and over time),
- Provide fairness and equity to existing ratepayers,
- Recognise the costs to the existing community of sustainable District-wide growth and Council's role in the development cycle that has longer time frames than other parties,
- Ensure optimal environmental outcomes and to protect public health.

Therefore, the model we currently use sets the sharing of benefits as follows:

- 100% for new or growth users of the identified infrastructure

All changes to the utility network directly caused by the development (internally or externally) are to be constructed by the developer at the developers' expense and completed to CHBDC standards. The developer will therefore meet the full actual cost of the water supply, wastewater or stormwater disposal system to the development.

#### 6.9 Funding Model

The funding model is used to calculate the development contribution charges, per HEU, by activity and catchment. Each contribution charge represents the sum of the Development Contributions charges calculated for the projects within the activity.

Essentially, the funding model divides the growth portion of cost of each project (identified using the cost allocation process) by the number of Household Equivalent Units projected for the catchment over the funding period for the project, also allowing for:

- Interest credited, when income from development contributions is projected to exceed the amount spent on the project
- Interest on debt, when the amount spent on the project is projected to exceed the income received from development contributions
- The effects of inflation on costs, using the Statistics NZ Producers Price Index Outputs for Construction (PPI) as at 30 June each year.

It is assumed that by the end of the funding period the debt owing on each project is zero.

Interest rates are subject to fluctuation and will be reviewed at each policy review.

#### 6.10 Aggregation of the Contribution

Once funding mechanisms have been decided at the project level, the development contributions per HEU are aggregated by catchment and activity to determine the rates per HEU. These are listed in Section 4.

## 7. Review of the Policy and Revision of the Schedule

### 7.1 Review of Policy

It is anticipated that a new DCP will be developed or reviewed with each LTP, or at shorter intervals if Council considers necessary, to take account of significant changes to:

- The DCP
- Policy and strategic plans
- The capital works programme accounting for growth
- The pattern and distribution of development in the district
- Anticipated inflation or interest rates
- Any other matters Council considers relevant.

### 7.2 Revision of the Schedule of Contributions

Council may also revise the schedule of contributions (Appendix 1) with each Annual Plan to reflect significant differences between actual capital costs incurred and the anticipated costs in the capital work programme.

## 8. Glossary of Terms

<b>Allotment</b>	Has the same meaning as sections 2 and 218 of the RMA.
<b>Backlog</b>	That portion of a project that relates to historical catch-up to meet the required level of service for the existing community.
<b>Building</b>	Any structure having a roof supported by columns or walls used or intended to be used for the shelter or enclosure of persons, animals or property of any kind.
<b>Commercial / Retail / Office / Community</b>	Property and business services (e.g. real estate, architects), retail, finance and insurance services, personal services (e.g. beauticians), government administration (e.g. courts, local government), commercial cultural and recreational services (e.g. tourism operators, cinemas), service stations and offices. Medical services (e.g. doctors, optometrists, hospitals), veterinary services, dental services, community care services (excludes accommodation).
<b>Community Facilities</b>	Has the same meaning as section 5 of the LGA - reserves, network infrastructure or community infrastructure for which development contributions may be required in accordance with s199 of the LGA.
<b>Community Infrastructure</b>	For the purpose of classifying developments for calculating HEUs means libraries, halls, churches, club rooms, landfills, sports facilities, places of assembly, museums, etc.
<b>Cost Allocation</b>	The allocation of the capital costs of a project to the various drivers for the project, such as renewal, catch-up (backlog), and additional capacity to meet growth.
<b>Development</b>	As set out in the LGA 2002 S197 Any subdivision or other development that generates a demand for reserves, network infrastructure, or community infrastructure; but does not include the pipes or lines of a network utility operator.
<b>Development Contribution/DC</b>	As set out in the LGA 2002 S197 means a contribution provided for in a development contribution policy included in the long-term plan of a territorial authority; and calculated in accordance with the methodology; and comprising (i) money; or (ii) land, including a reserve or esplanade reserve (other than in relation to a subdivision consent), but excluding Māori land within the meaning of Te Ture Whenua Maori Act 1993, unless that Act provides otherwise; or (iii) both
<b>DCP</b>	Development Contributions Policy
<b>Dwelling Unit</b>	A building (or part of any building) in which a single housekeeping unit resides or could potentially reside.
<b>HEU / Household Equivalent Unit</b>	The unit of demand that relates demand of developments for community facilities to the typical demand by an average household. It forms the basis of assessing development contributions.
<b>GFA / Gross Floor Area</b>	The total of the area of the floors of all buildings, measured from the exterior faces of the exterior walls, or from the centre lines of walls separating two buildings or, in the absence of walls, from the exterior edge of the floor. Gross Floor Area shall include floor spaces in roofed terraces, balconies and porches. Gross Floor Area shall exclude: <ul style="list-style-type: none"> <li>• service station canopies</li> <li>• covered pedestrian circulation areas.</li> </ul>
<b>GST</b>	Goods and Services Tax.

<b>Headworks</b>	Headworks describe the pumping station/treatment/Bores etc. part of the network. For Water this occurs at the start of the network where the water is extracted from the bores. For Wastewater and Stormwater headworks means the main pumping stations, treatment ponds, discharge structures etc that occur at the end of the network.
<b>Impervious Surface Area/ISA</b>	Hard surface area which either prevents or retards the entry of water into the soil mantle as it entered under natural conditions pre-existent to development, or that hard surface area which causes water to run off the surface in greater quantities or at an increased rate of flow from that present under natural conditions pre-existent to development.  Common impervious surfaces include, but are not limited to, rooftops (concrete or asphalt), walkways, patios, driveways, parking lots or storage areas, and oiled, macadam or other surfaces which similarly impede the natural infiltration of surface water.
<b>Industrial / Warehouse</b>	Manufacturing and processing activities of a substantial size, e.g. steel fabrication, food processing factories, timber processing, packing houses. Activities primarily involving the storage of goods or property, including warehousing, depots, and wholesaling activities for agriculture / forestry.
<b>LGA</b>	Local Government Act 2002
<b>Lot</b>	Lot is deemed to have the same meaning as 'Allotment' under both the Local Government Act 2002, and the Resource Management Act 1991.
<b>LTP</b>	Long Term Plan
<b>Non-profit Organisation</b>	Any society, association, organisation or registered charitable trust that: <ul style="list-style-type: none"> <li>• Is not carried out for the profit or gain of any member; and</li> <li>• Has rules that do not allow money or property to be distributed to any of its members.</li> </ul> For the avoidance of doubt, non-commercial Council activities will be considered non-profit organisations for the purpose of the remissions.
<b>Network Infrastructure</b>	The provision of roads and other transport, water, wastewater, and stormwater collection and management
<b>RMA</b>	Resource Management Act 1991
<b>Renewal</b>	That portion of project expenditure that has already been funded through depreciation of the existing asset
<b>Residential Allotment</b>	An allotment zoned Residential or Rural in the Combined Regional Land and District Plan and capable of development for residential purposes.
<b>Restaurants / Bars</b>	Activities where food is prepared on-site and/or drinks are sold and consumed on-site (whether private or public).
<b>Service Connection</b>	A physical connection to a service provided by, or on behalf of, CHBDC, including roads and water, wastewater, stormwater reticulation.
<b>Subdivision</b>	Subdivision is deemed to have the same meaning as 'subdivision' under the Resource Management Act 1991.
<b>Visitor Accommodation and Residential Services</b>	Hotels, motels, backpackers, campgrounds, etc. Residential care facilities, e.g. aged care homes



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Finance and Rating Information

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## 9. Appendices

Appendix 1 – Project Schedule

Appendix 2 – Geographic Catchments

Appendix 3 – Development Contributions Calculations - Examples

Appendix 4 - Appendix 4 - Analysis of Benefits – Section 101(3) LGA Requirements

**9.1 Appendix 1 – Project Schedule**

For development in the areas shown in the activity maps in Appendix 2

**Community Infrastructure**

PROJECT NAME	YEARS OF PLANNED EXPENDITURE	TOTAL ESTIMATED CAPITAL EXPENDITURE	FUNDED FROM FUTURE DEVELOPMENT CONTRIBUTIONS (GROWTH COMPONENT) IN \$ 2021	FUNDED FROM RATES / LOANS	FUNDED FROM EXTERNAL SOURCES
Waipukurau Campground Development of new toilet block	2023/24	250,000	12,500	237,500	
New WPK Library Building Construction and FFE	2028 -2030	2,018,000	100,900	1,917,100	
CHBDC Admin Building Strengthen & Modernisation	2026/27	1,789,000	89,450	1,699,550	
District Landfill New cell for Landfill extension	2025/26	2,000,000	100,000	1,900,000	
Transfer Station Capex New Waipukurau Weighbridge	2025/26	150,000	7,500	142,500	
Public Toilets Russell Park New toilet & changing rooms	2025/26	200,000	10,000	10,000	
<b>Total Community Infrastructure Projects Growth Related</b>		<b>\$6,407,000</b>	<b>320,350</b>	<b>5,944,150</b>	
<b>Reserve Balance as at June 2020</b>			<b>Nil</b>		
<b>Total to be Funded from Development Contributions</b>			<b>320,350</b>		

## Finance and Rating Information

## Water

PROJECT NAME	YEARS OF PLANNED EXPENDITURE	TOTAL ESTIMATED CAPITAL EXPENDITURE	FUNDED FROM FUTURE DEVELOPMENT CONTRIBUTIONS (GROWTH COMPONENT) IN \$ 2021	FUNDED FROM RATES / LOANS	FUNDED FROM EXTERNAL SOURCES
Developer led projects	2021 - 2031	500,000	500,000	-	
Structure Planning for growths	2021 - 2025	450,000	450,000	-	
Upgrades for growth (District wide)	2027 - 2031	760,435	760,435	-	
Waipawa water mains replacement and upsize	2023 - 2028	1,861,000	372,200	1,488,800	
Great North Rd - High St Main Replacement and upsize	2021/22	200,000	66,000	134,000	
Waipawa Reservoir Replacement	2025/26	2,500,000	825,000	1,675,000	
Waipukurau water mains replacement and upsize	2022 - 2027	1,861,000	372,200	1,488,800	
Waipukurau Second Supply	2021 - 2026	7,166,000	2,364,780	4,801,220	
Hunter Park Reservoir Replacement	2024 - 2026	1,500,000	495,000	1,005,000	
Pukeora Reservoir Replacement	2023/24	4,500,000	1,485,000	3,015,000	
SH2 Replacement and upsize AC Main (Risk)	2022 - 2024	1,500,000	495,000	1,005,000	
Waipawa Water Supply Capital Renewals	2020/21	160,904	8,045	152,859	
Waipawa Water Supply Capital Projects	2020/21	160,904	16,090	144,814	
Waipukurau Water Capital Renewal	2020/21	294,990	14,750	280,240	
Waipukurau Water Supply Capital Projects	2020/21	1,829,490	182,949	1,646,541	
Water treatment plant improvements	2021 - 2024	200,000	20,000	180,000	
Reticulation renewal including pipes and other assets	2021 - 2031	6,658,680	332,934	6,325,746	
District Water Capital Renewal	2020/21	376,145	18,807	357,338	
<b>Total Water Projects Growth Related</b>		<b>32,479,548</b>	<b>8,779,190</b>	<b>23,700,358</b>	
<b>Reserve Balance as at June 2020</b>			Less surplus 34,128		
<b>Total to be Funded from Development Contributions – Water</b>			<b>8,745,062</b>		

## Development Contributions Policy

## Wastewater

PROJECT NAME	YEARS OF PLANNED EXPENDITURE	TOTAL ESTIMATED CAPITAL EXPENDITURE	FUNDED FROM FUTURE DEVELOPMENT CONTRIBUTIONS (GROWTH COMPONENT) IN \$ 2021	FUNDED FROM RATES / LOANS	FUNDED FROM EXTERNAL SOURCES
Reticulation renewal and upsizing pipes and other reticulation	2021 - 2031	3,138,042	1,569,021	1,569,021	
Developer led projects	2021 - 2031	500,000	500,000	-	
Great North Rd link Abbotsford to Tamumu for Barret property	2021/22	350,000	175,000	175,000	
Upsize Mt Herbert main for hospital	2023/24	1,381,000	690,500	690,500	
Growth - WPK Old Saleyards / Industrial area	2024/25	1,381,000	690,500	690,500	
Structure plan for growth	2021 - 2025	260,000	260,000	-	
Racecourse Road parallel main	2021/22	1,231,000	1,231,000	-	
Winlove to Svenson Hospital site enablement	2021 - 2023	1,531,000	1,531,000	-	
Pōrangahau wastewater treatment and discharge upgrade	2021 - 2030	17,000,000	850,000	16,150,000	
Takapau wastewater treatment and discharge upgrade	2021 - 2026	2,500,000	125,000	2,375,000	
Waipukurau / Waipawa / Otāne wastewater treatment and discharge upgrade	2021 - 2031	45,300,000	2,265,000	43,035,000	2,400,000
District Sewer Capital Renewal	2020/21	258,877	12,944	245,933	
District Sewer Capital Improvements	2020/21	1,609,038	160,904	1,448,134	
Waipukurau industrial reticulation review	2029 - 2031	6,000,000	600,000	5,400,000	
<b>Total Wastewater Projects Growth Related</b>		<b>82,439,957</b>	<b>10,660,869</b>	<b>71,779,088</b>	<b>2,400,000</b>
<b>Reserve Balance as at June 2020</b>			Less surplus \$118,428		
<b>Total to be Funded from Development Contributions – Wastewater</b>			<b>\$10,542,441</b>		

## Finance and Rating Information

## Stormwater

PROJECT NAME	YEARS OF PLANNED EXPENDITURE	TOTAL ESTIMATED CAPITAL EXPENDITURE	FUNDED FROM FUTURE DEVELOPMENT CONTRIBUTIONS (GROWTH COMPONENT) IN \$ 2021	FUNDED FROM RATES / LOANS	FUNDED FROM EXTERNAL SOURCES
Developer led projects	2021 - 2031	1,000,000	1,000,000	-	
Structure Planning for growth	2021 - 2025	180,000	180,000	-	
Waipawa Shortfalls in existing assets	2021 - 2031	500,000	165,000	335,000	
Bush Drain Restoration and upsizing	2022 - 2026	100,000	50,000	50,000	
Pah Flat Drain Channel Upgrade and treatment for growth	2021 - 2024	300,000	150,000	150,000	
Improve performance of open drain racecourse road for growth	2022/23	90,000	45,000	45,000	
Eastern Interceptor capacity increase to fit in with sewer works	2022 - 2024	600,000	300,000	300,000	
Otāne Shortfalls in existing assets	2021 - 2031	500,000	50,000	450,000	
Takapau Shortfalls in existing assets	2021 - 2031	500,000	50,000	450,000	
Waipawa - Parkland infrastructure improvements	2025 - 2026	90,000	9,000	81,000	
Waipukurau Shortfalls in existing assets	2021 - 2031	1,750,000	175,000	1,575,000	
Waipukurau CBD Flooding Upgrade	2023 - 2025	500,000	75,000	425,000	
Reticulation renewal including pipes and other assets	2021 - 2031	1,485,000	74,250	1,410,750	
<b>Total Stormwater Projects Growth Related</b>		<b>7,595,000</b>	<b>2,323,250</b>	<b>5,271,750</b>	
<b>Reserve Balance as at June 2020</b>			Less surplus \$7,668		
<b>Total to be Funded from Development Contributions – Stormwater</b>			<b>\$2,315,582</b>		

## Development Contributions Policy

## Reserves

PROJECT NAME	YEARS OF PLANNED EXPENDITURE	TOTAL ESTIMATED CAPITAL EXPENDITURE	FUNDED FROM FUTURE DEVELOPMENT CONTRIBUTIONS (GROWTH COMPONENT) IN \$ 2021	FUNDED FROM RATES / LOANS	FUNDED FROM EXTERNAL SOURCES
Otāne - Main Street upgrade - Concept, Design, Construct	2028 - 2030	240,000	12,000	228,000	
Districtwide Implementation of Cycling and walking Strategy	2022 - 2031	375,000	18,750	356,250	
Waipawa - Nelly Jull Connection - Land Acquisition to SH2	2025/26	210,000	10,500	199,500	
Waipawa - Nelly Jull Connection - Demolition and Development	2029/30	150,000	7,500	142,500	
Waipawa - Implement Town Centre Master Plan	2024 - 2031	250,000	12,500	237,500	
Waipukurau - Town Centre Plan Development	2023 - 2031	200,000	10,000	190,000	
Ongaonga - Upgrade Main Street Tree Planting, furniture	2028/29	65,000	3,250	61,750	
Takapau - Upgrade Main Street Tree Planting, furniture	2030/31	165,000	8,250	156,750	
Districtwide - Implementation of Cycling Strategy	2022 - 2031	250,000	12,500	237,500	
Waipawa - Bush Drain Walkway Land Purchase	2029/30	420,000	21,000	399,000	
Waipukurau - Holt Place to Pōrangahau Road Accessway Development	2029/30	270,000	13,500	256,500	
Waipukurau - Mt Herbert Road to Tukituki Trails Accessway Land Acquisition	2026/27	200,000	10,000	190,000	
Waipukurau - Mt Herbert Road to Tukituki Trails Development	2028/29	75,000	3,750	71,250	
Waipukurau - Svenson Road to Mount Herbert RR Accessway Land Acquisition	2028/29	300,000	15,000	285,000	
District Parks & Reserve New Playground	2030/31	200,000	200,000	-	
Otāne - New Open Space Land Acquisition	2030/31	560,000	560,000	-	
Waipukurau - New Open Space Land Acquisition Hospital Site	2027/28	650,000	650,000	-	
<b>Total Reserves Projects Growth Related</b>		<b>4,580,000</b>	<b>1,568,500</b>	<b>3,011,500</b>	
<b>Reserve Balance as at June 2020</b>			Less surplus \$5,429		
<b>Total to be Funded from Development Contributions – Reserves</b>			<b>\$1,563,071</b>		

## Finance and Rating Information

CATCHMENT	ACTIVITY	TOTAL TO BE FUNDED BY DEVELOPMENT CONTRIBUTIONS 2021 - 2031	TOTAL ADDITIONAL HEUS RESIDENTIAL FORECAST TO 2031	TOTAL ADDITIONAL HEUS NON-RESIDENTIAL FORECAST TO 2031	TOTAL ADDITIONAL HEUS FORECAST TO 2031	DEVELOPMENT CONTRIBUTION CHARGE PER HEU - EX GST
Otāne, Waipawa and Waipukurau	Wastewater	\$9,461,582	725	148	873	\$10,838
	Water	\$8,570,973		148	873	\$9,818
	Stormwater	\$2,147,825		60	785	\$2,736
Takapau	Wastewater	\$237,143	74	nil	74	\$3,205
	Water	\$104,109		nil		\$1,407
	Stormwater	\$112,713		nil		\$1,523
Pōrangahau	Wastewater	\$962,143	60	nil	60	\$16,036
	Water	\$84,413		nil		\$1,735
	Stormwater	\$62,713		nil		\$1,045
District Wide	Reserves	\$1,568,500	1,340	nil	1,340	\$1,171
	Community Infrastructure	\$320,350		nil		\$239
	Total	<b>\$23,632,463</b>				

## 9.2 APPENDIX 2 – Geographic Catchments – Water, Wastewater and Stormwater, Reserves and Community Infrastructure

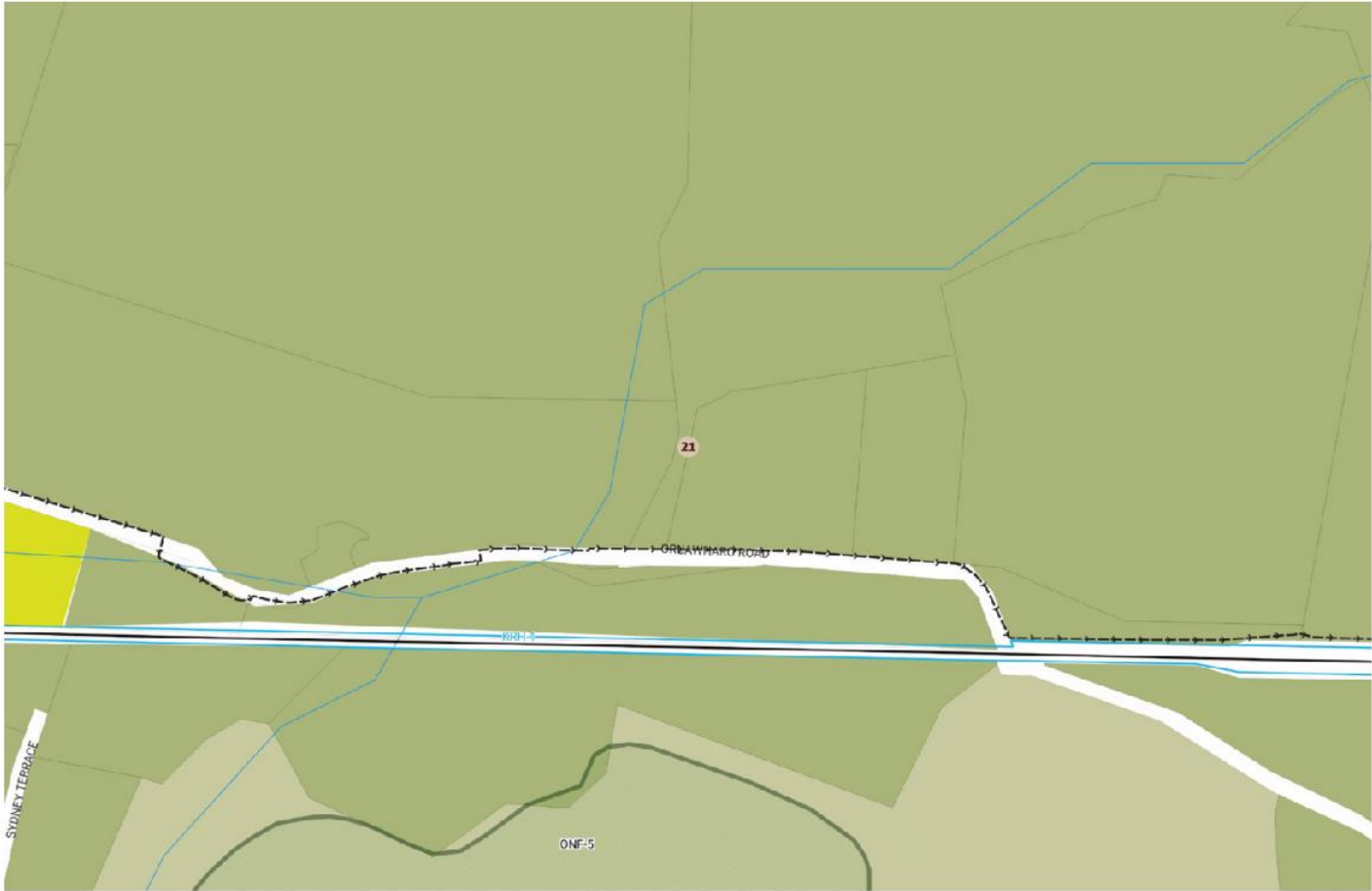
### Takapau Geographic Catchment



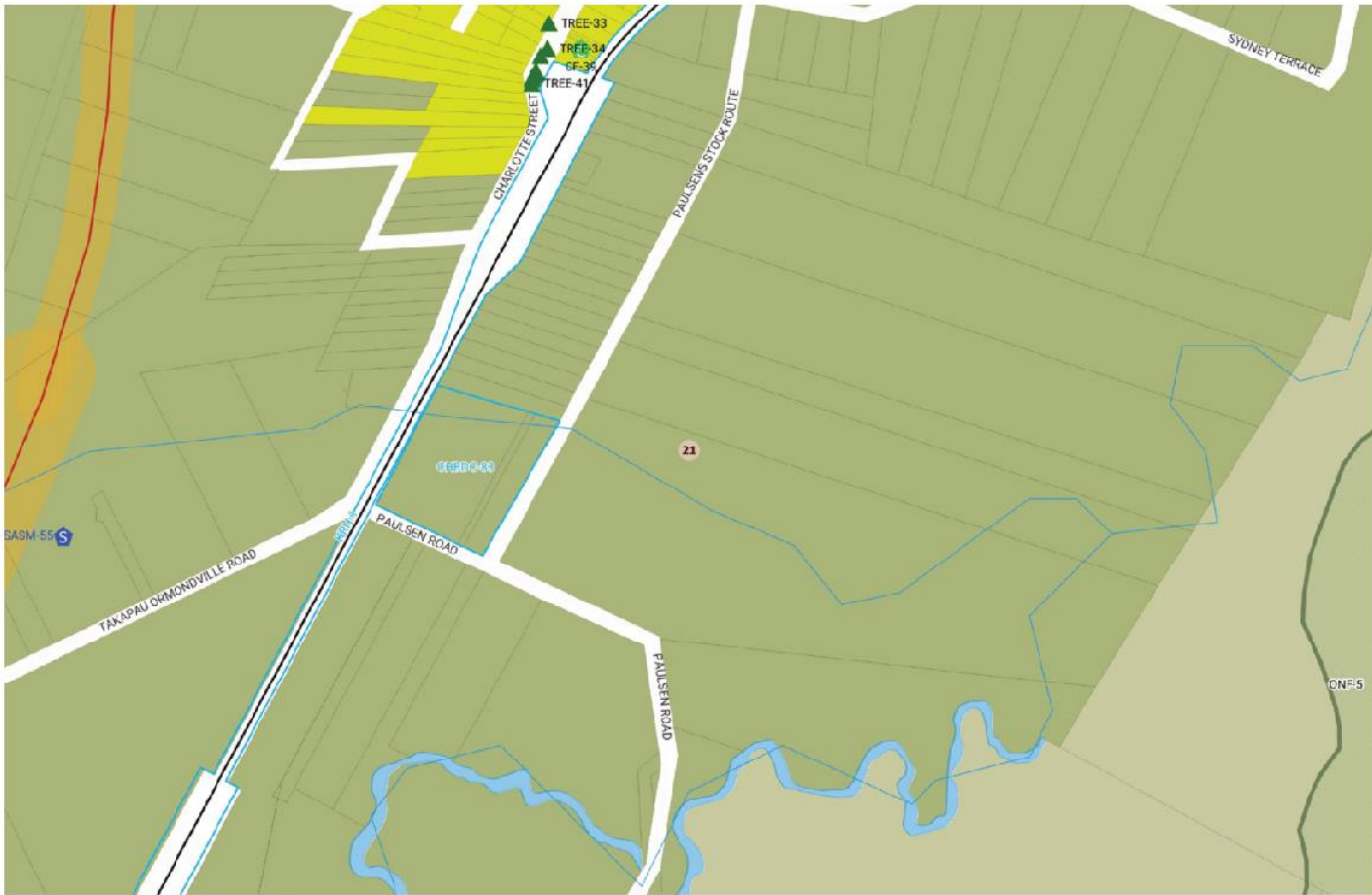


Finance and Rating Information

Takapau Geographic Catchment

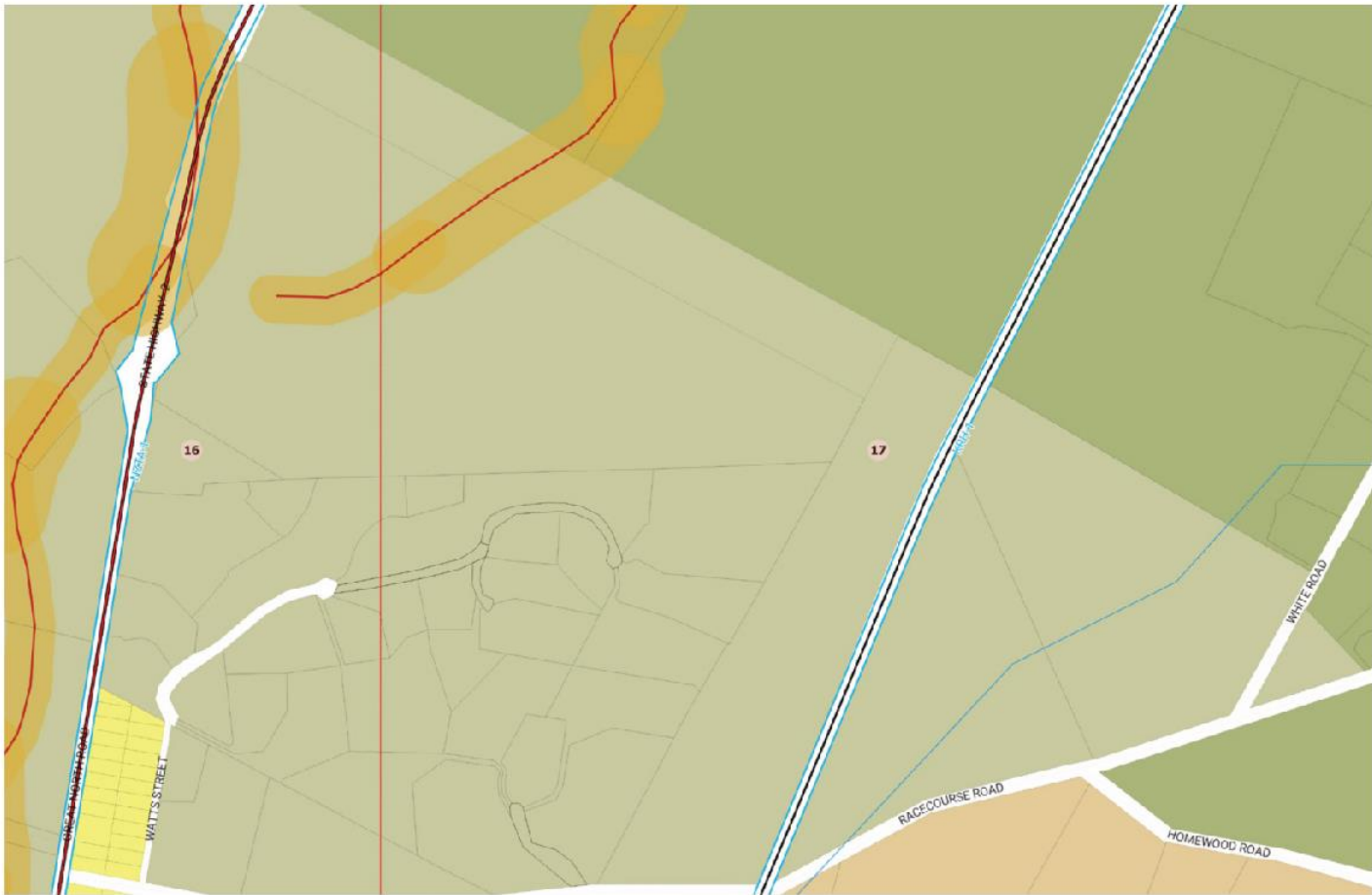


Takapau Geographic Catchment

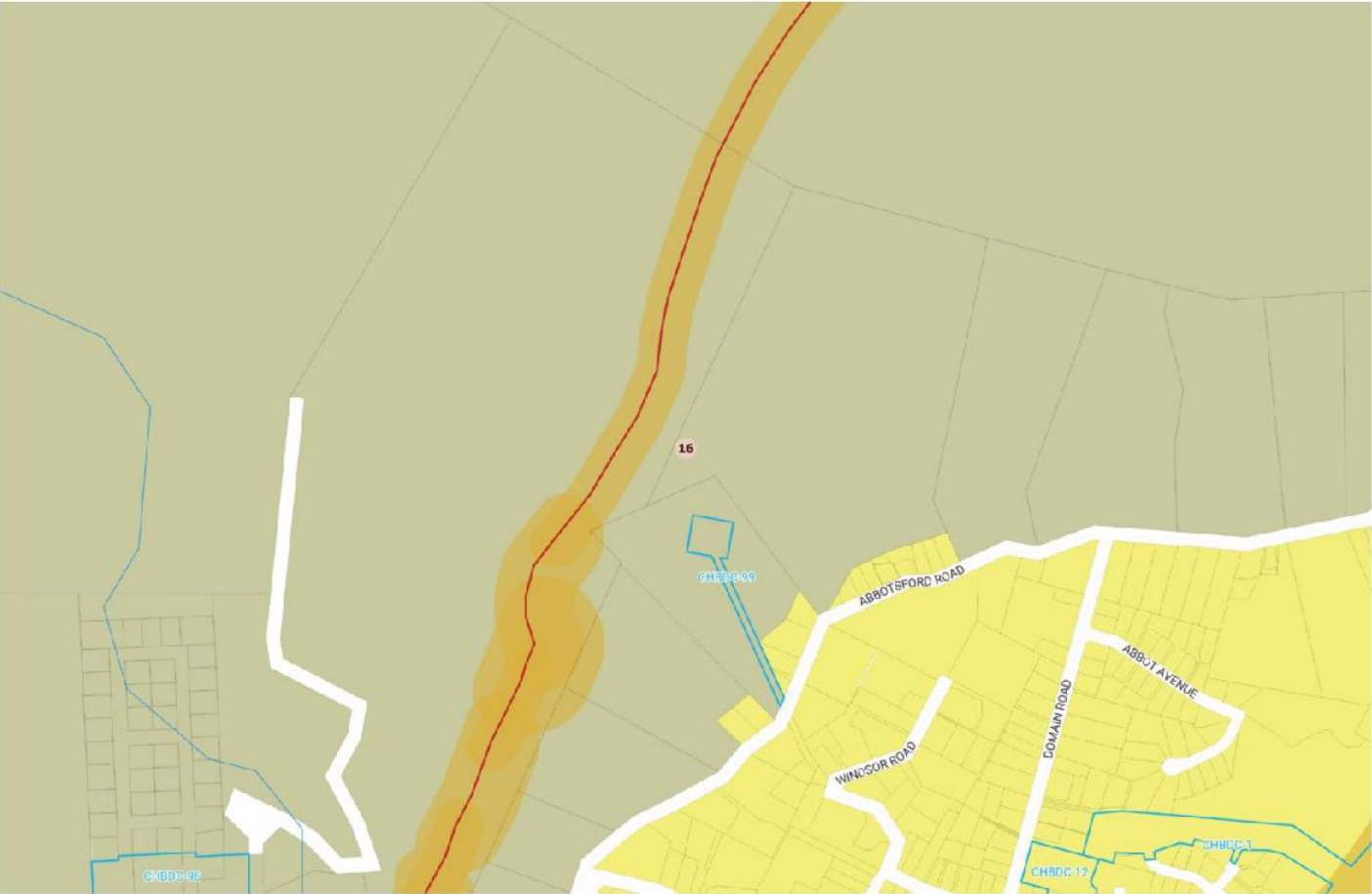


Finance and Rating Information

Waipawa Geographic Catchment

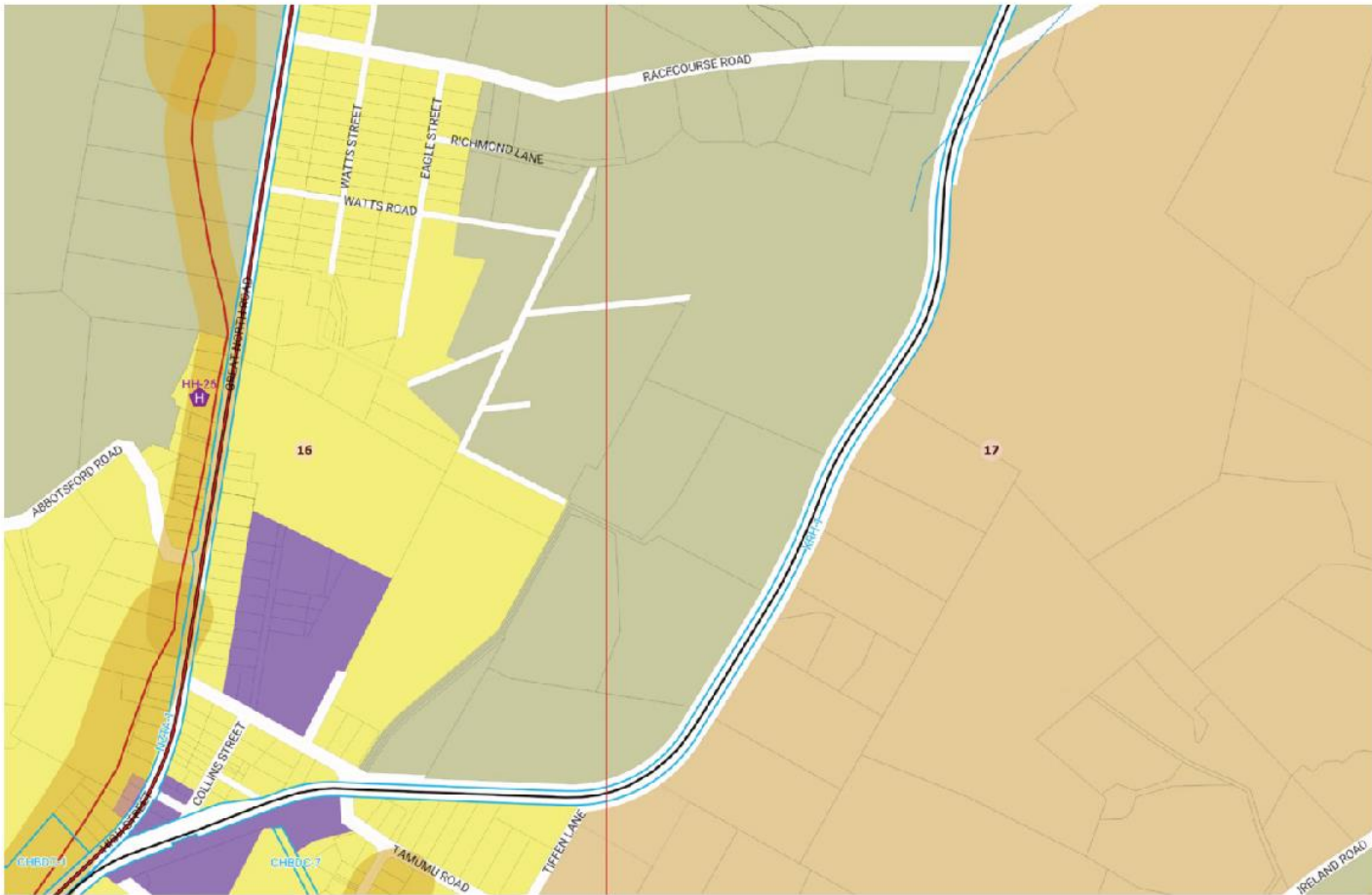


Waipawa Geographic Catchment



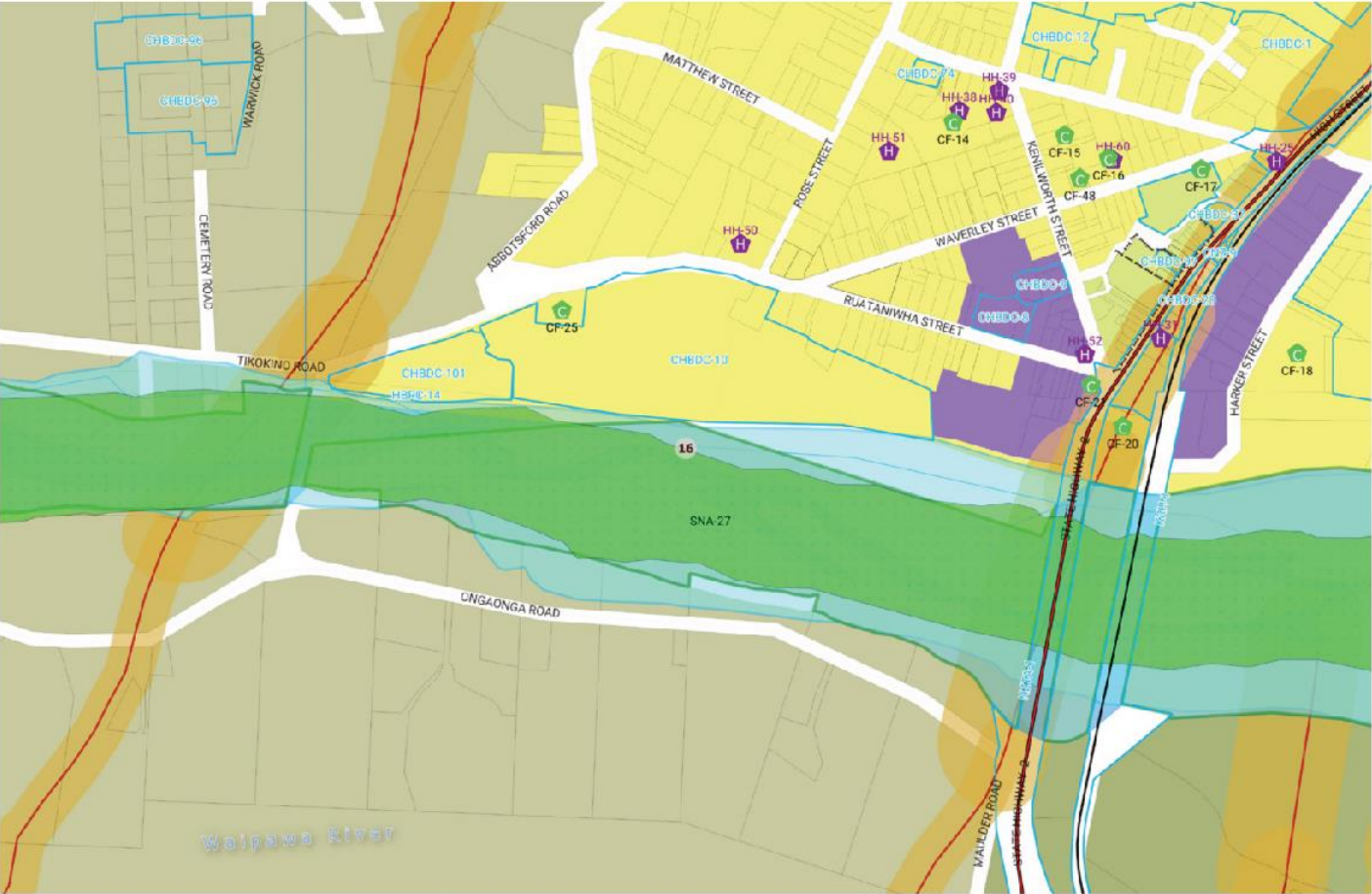
Finance and Rating Information

Waipawa Geographic Catchment



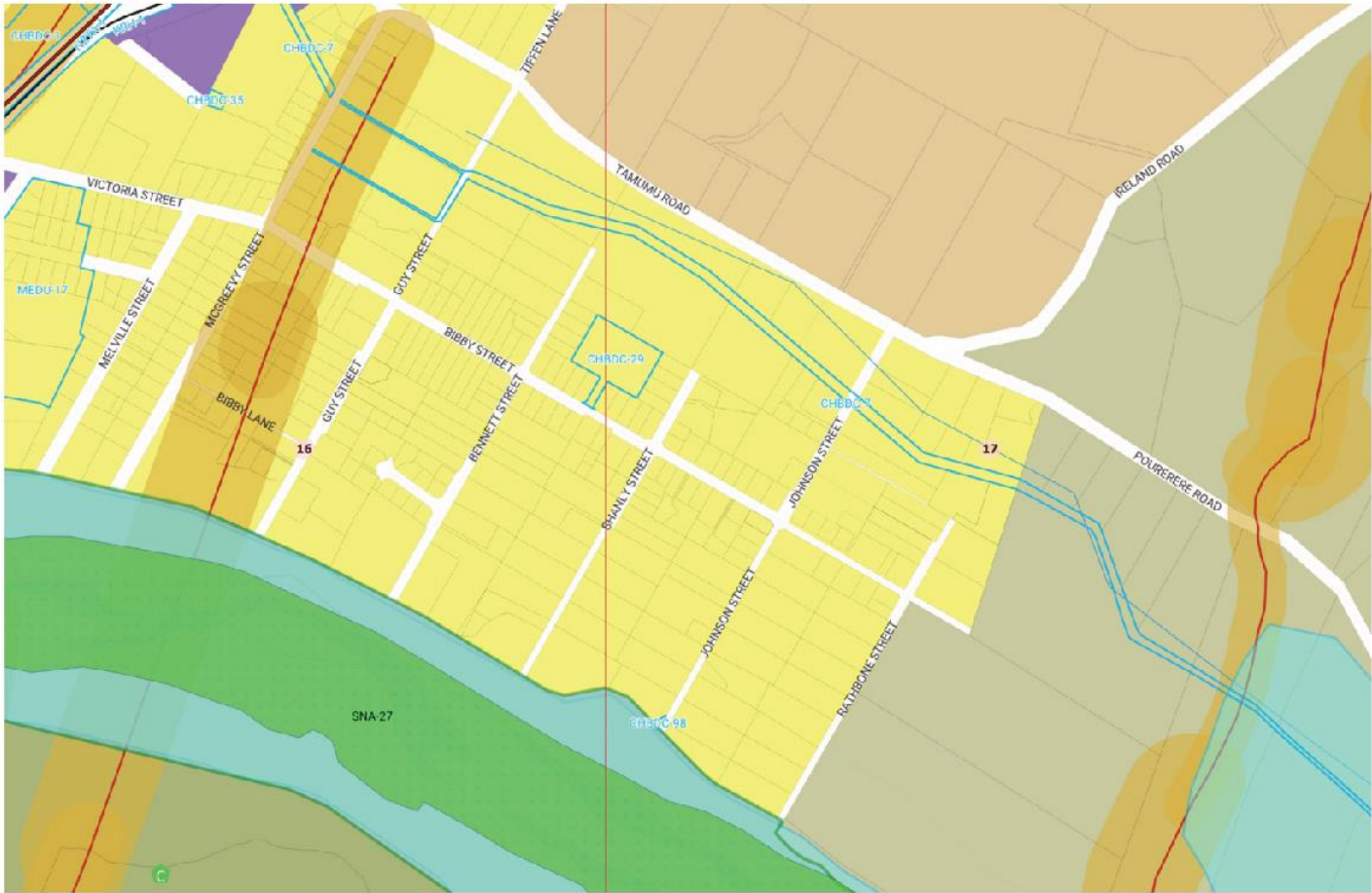


Waipawa Geographic Catchment

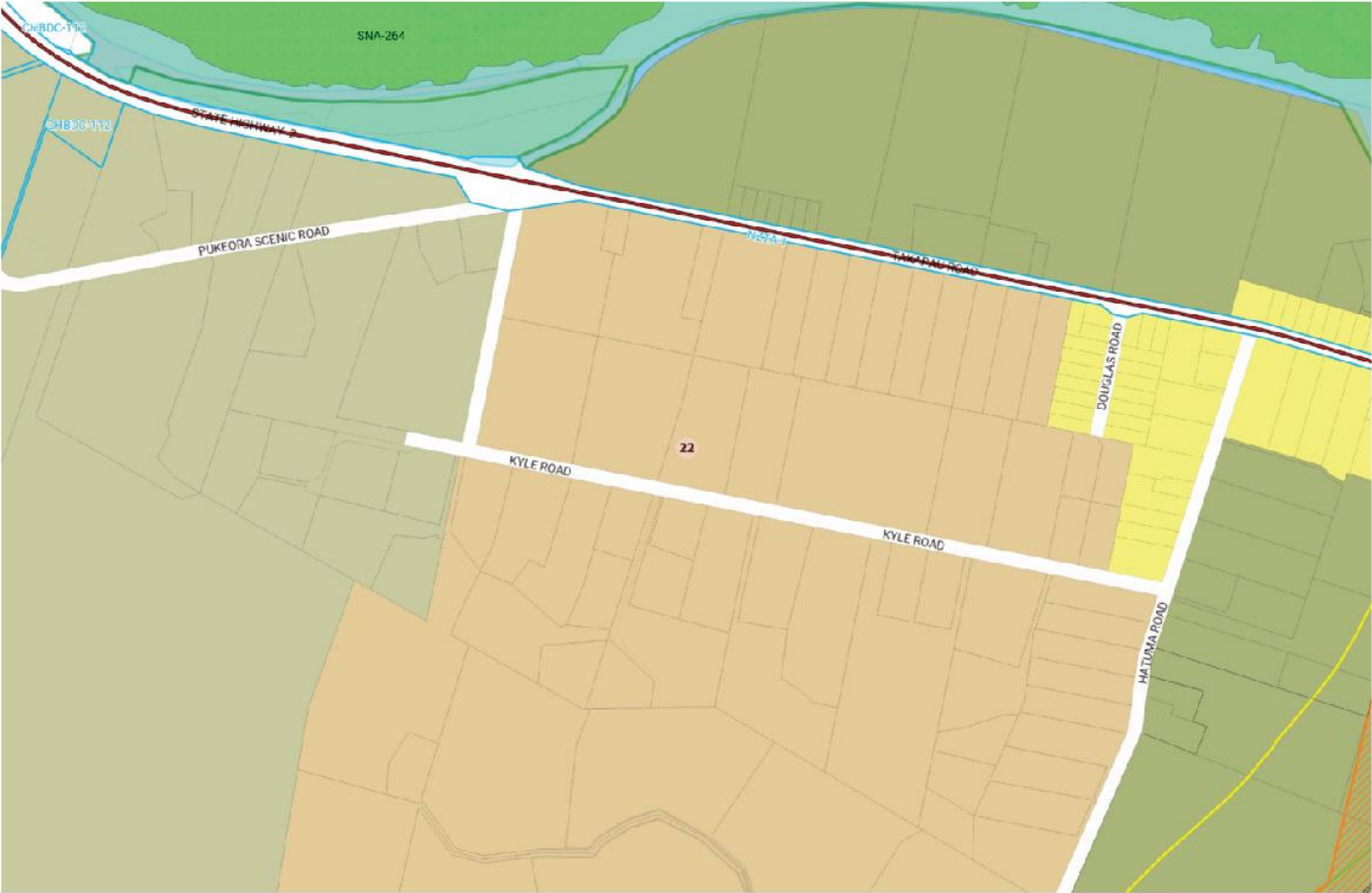


Finance and Rating Information

Waipawa Geographic Catchment



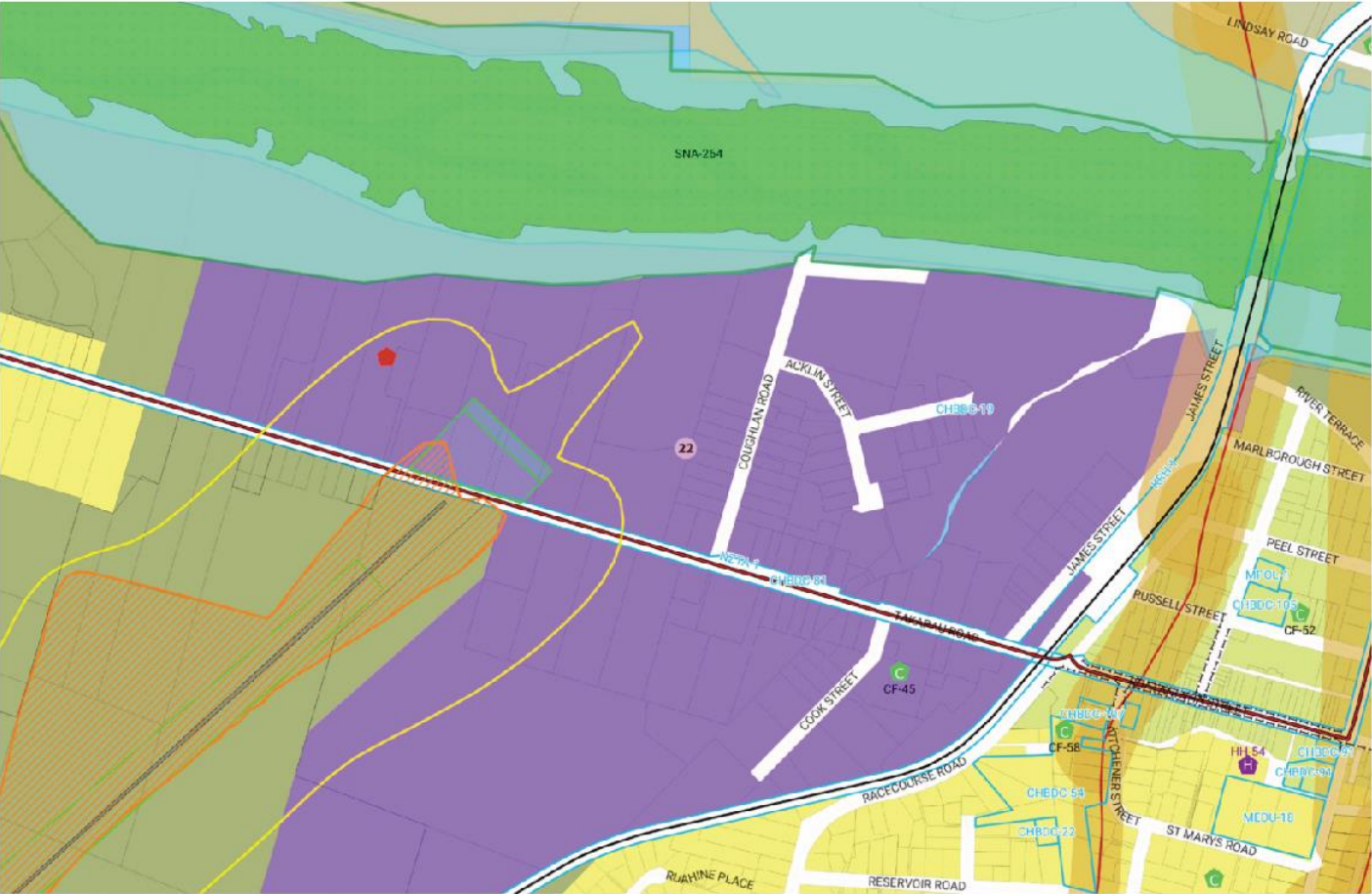
Waipukurau Geographic Catchment



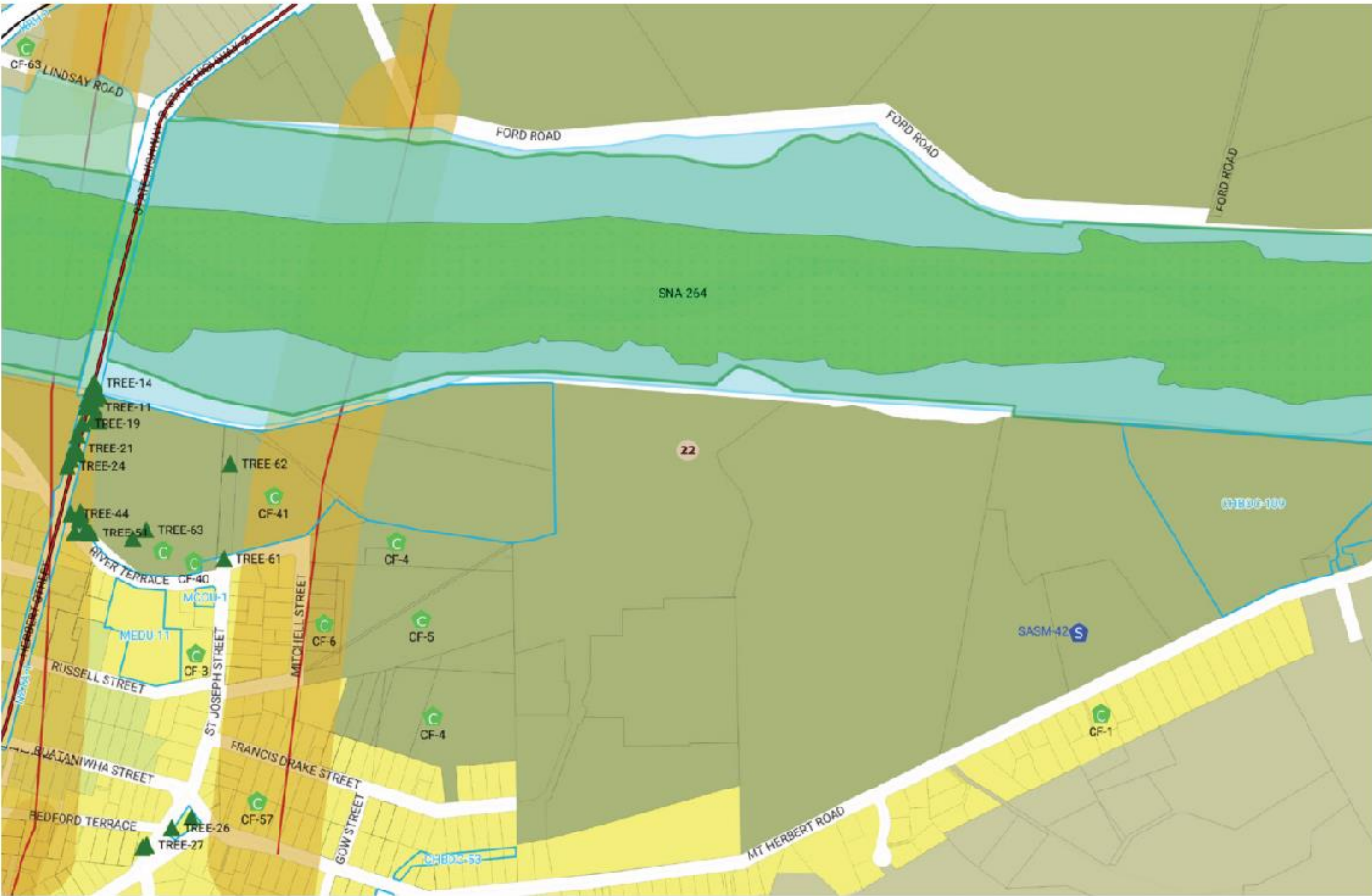


Finance and Rating Information

Waipukurau Geographic Catchment

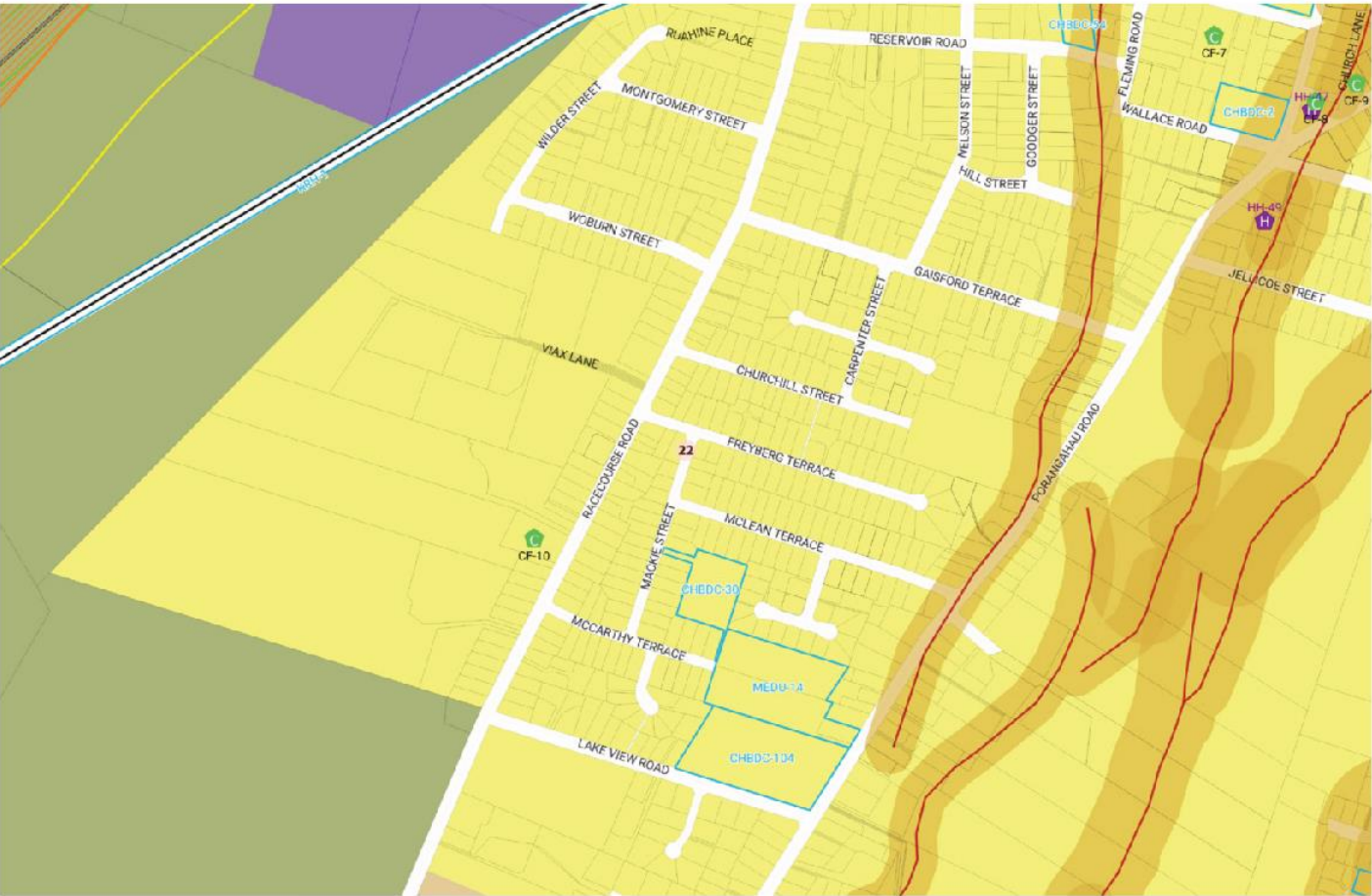


Waipukurau Geographic Catchment



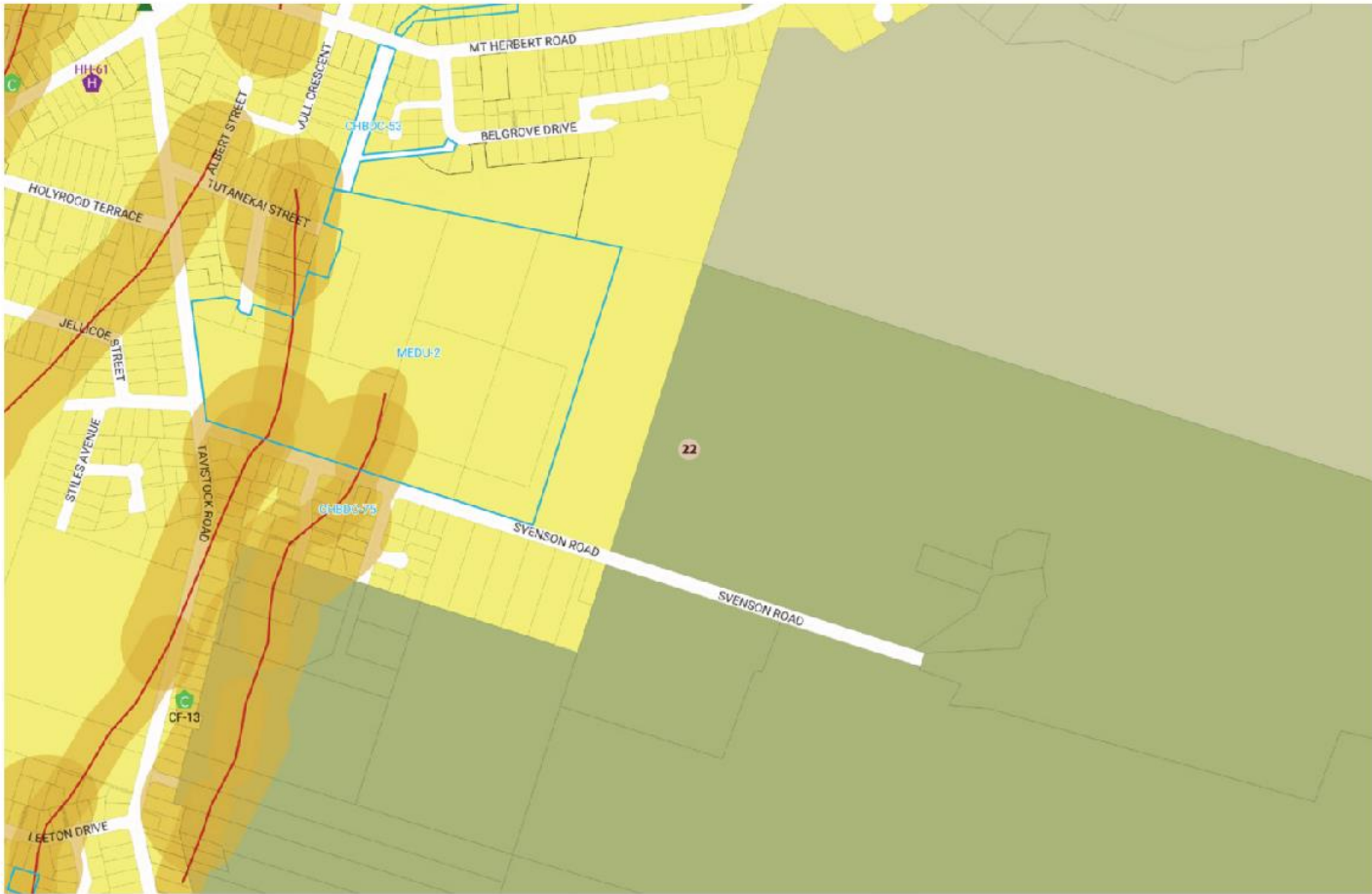
Finance and Rating Information

Waipukurau Geographic Catchment



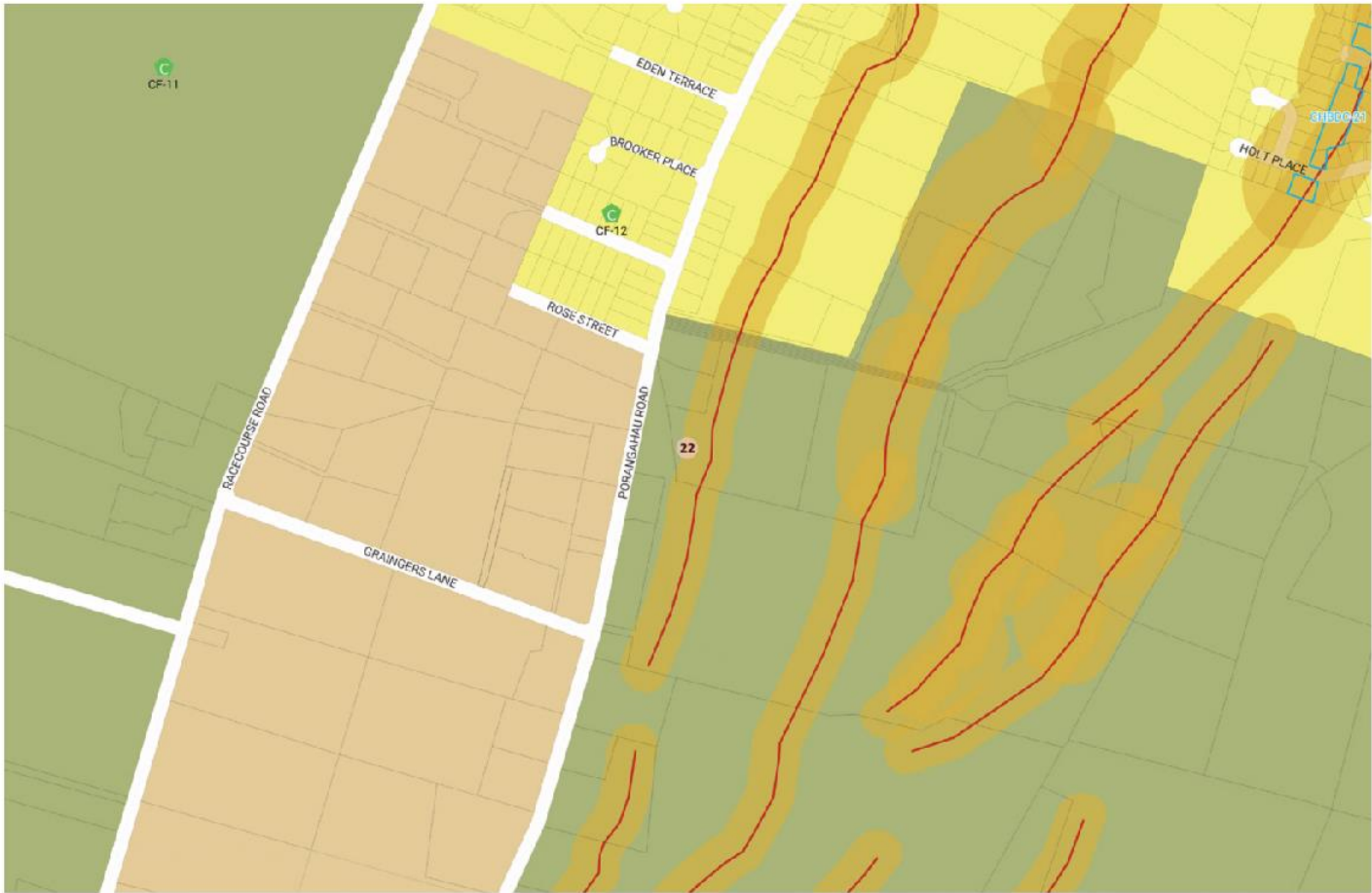


Waipukurau Geographic Catchment



Finance and Rating Information

Waipukurau Geographic Catchment

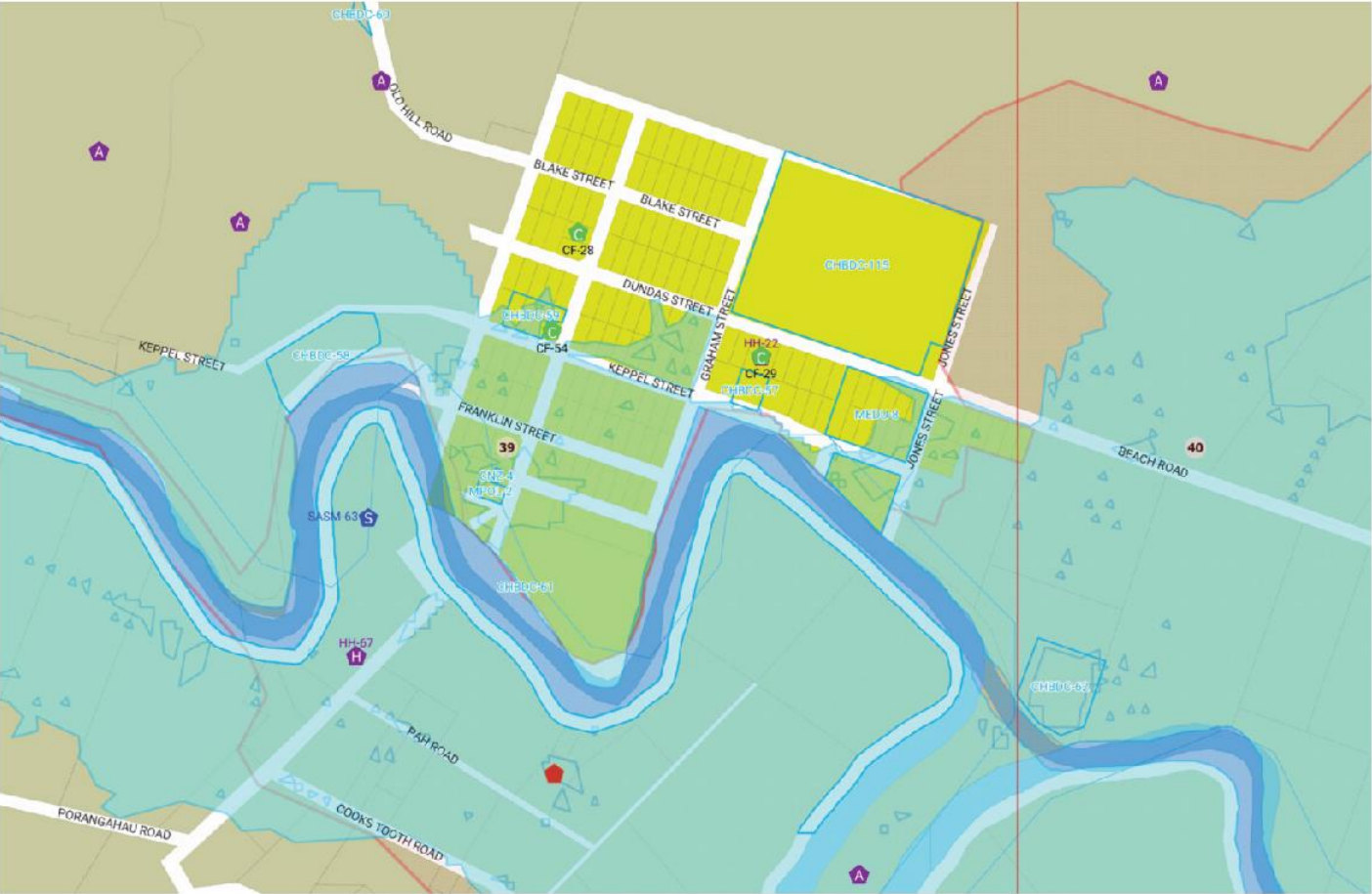


Waipukurau Geographic Catchment



Finance and Rating Information

Pōrangahau Geographic Catchment



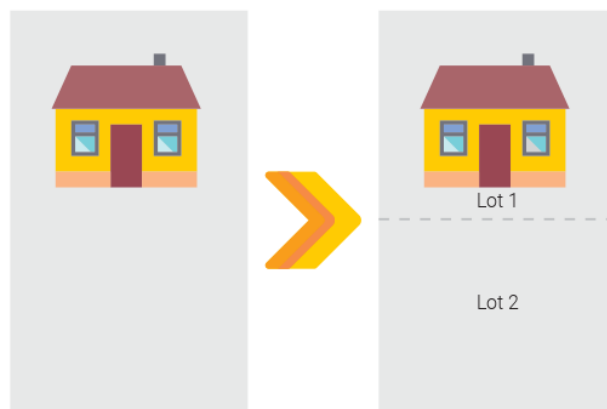
### 9.3 Appendix 3 - Development Contributions Calculations - Examples

#### Example 1 – Residential Subdivision

Proposal: Subdividing to create an additional lot (Lot 2) located within the Otāne, Waipawa, Waipukurau Urban Area (as located on Maps in Appendix 2). The new site is connecting to council services.

Assessment: One set of contributions for the additional lot created.

ACTIVITY	NUMBER OF EXTRA HEU'S BEING CREATED BY THE PROPOSAL	CHARGE PER HEU (\$)	TOTAL COST OF THE PROPOSAL (GST EXCLUSIVE)
Reserves	1	\$1,171	\$1,171
Community Infrastructure	1	\$239	\$239
Water	1	\$9,818	\$9,818
Wastewater	1	\$10,838	\$10,838
Stormwater	1	\$2,736	\$2,736
Total DC Charge			<b>\$24,802</b>

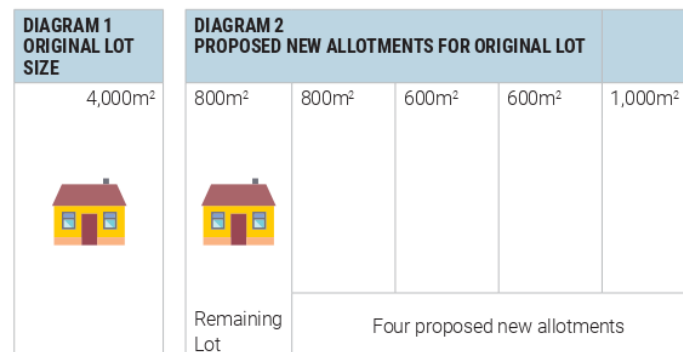




## Finance and Rating Information

**Example 2 – Development Contributions Calculation (Residential Multi Lot):**

Consider the example of a proposed residential subdivision as shown in diagrams 1 and 2 below. The proposed subdivision is from an original lot size of 4000 m<sup>2</sup> that is located within the Otāne, Waipawa, Waipukurau Urban Area. The proposed subdivision will result in the creation of three new additional allotments each consisting of variable areas of up to 1000 m<sup>2</sup>. The Development Contribution will be worked out in relation to the new units of demand created (four new additional lots) that will contain a total area of 3200 m<sup>2</sup>. An example to work out the appropriate contribution is set out below.



**Step 1** What Development Contribution catchment is the development in? Otāne, Waipawa, Waipukurau

**Step 2** Establish what type of development and stage of development? Residential activity at subdivision stage.

**Step 3** What is the demand for each Community Facility being created for the proposed development? 4 additional lots.

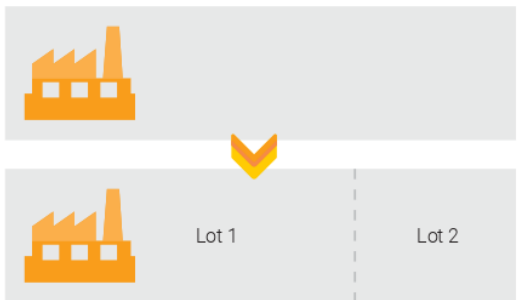
ACTIVITY	ALLOTMENTS	NUMBER OF HEUS PER LOT	\$ PER HEU (GST EXCLUSIVE)	TOTAL DC CHARGE PAYABLE (GST EXCLUSIVE)
Reserves	4 additional allotments (5 final lots less 1 existing lot)	1	\$1,171	\$4,684
Community Infrastructure	4 additional allotments (5 final lots less 1 existing lot)	1	\$239	\$956
Water	4 additional allotments (5 final lots less 1 existing lot)	1	\$9,818	\$39,272
Wastewater	4 additional allotments (5 final lots less 1 existing lot)	1	\$10,838	\$43,352
Stormwater	4 additional allotments (5 final lots less 1 existing lot)	1	\$2,736	\$10,944
Total DC Charges			\$24,802	\$99,208

(Note: An existing unit of demand is determined by either an existing equivalent residential unit on the site such as a dwelling or a past contribution has been paid in respect to that development.

**Example 3 – Non-Residential Subdivision**

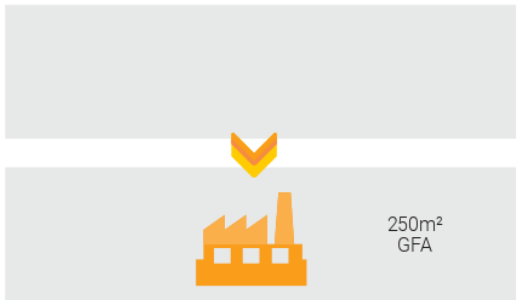
Proposal: Subdividing to create one additional vacant non-residential lot in the Otāne, Waipawa, Waipukurau Urban Area. The new site will be serviced.

Assessment: One set of contributions for the additional vacant lot created.

ACTIVITY	NUMBER OF EXTRA HEU'S BEING CREATED BY THE PROPOSAL	CHARGE PER HEU (\$)	TOTAL COST OF THE PROPOSAL (GST EXCLUSIVE)	
Reserves	1	Nil	Nil	
Community Infrastructure	1	Nil	Nil	
Water	1	\$9,818	\$9,818	
Wastewater	1	\$10,838	\$10,838	
Stormwater	1	\$2,736	\$2,736	
Total DC Charge		\$23,392	<b>\$23,392</b>	

**Example 4 – Develop one Non-Residential building on a site with existing buildings**

Proposal: Erect a 500m<sup>2</sup> single storey Industrial Building located in the Otāne, Waipawa, Waipukurau Urban Area. The building is in addition to existing buildings on site and is connected to council services. Creates an additional Impervious Service Area of 900m<sup>2</sup> including carparks.

ACTIVITY	HEU'S PER 100M <sup>2</sup> GFA (AS PER SECTION 5.7 B)	CHARGE PER HEU (\$)	TOTAL COST OF THE PROPOSAL (GST EXCLUSIVE)	
Reserves	Nil	Nil	Nil	
Community Infrastructure	Nil	Nil	Nil	
Water	0.4 * 500/100 = 2	\$9,818	\$19,636	
Wastewater	0.4 * 500/100 = 2	\$10,838	\$21,676	
Stormwater	0.3 * 900/100 = 2.7	\$2,736	\$7,387	
Total DC Charge			<b>\$48,699</b>	

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 Finance and Rating Information
 

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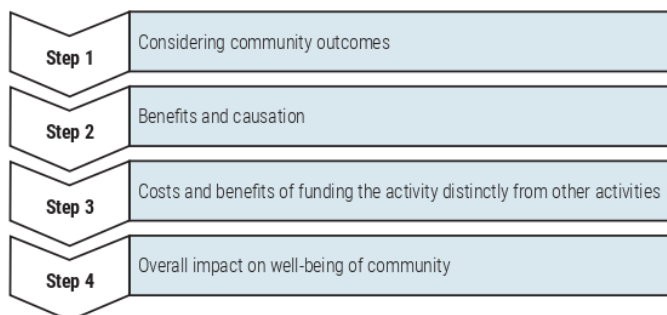
**9.4 Appendix 4 - Analysis of Benefits – Section 101(3) LGA Requirements**

The Council has determined the appropriate funding sources to meet the expected total capital cost of growth capital expenditure identified in the schedules of this DCP. Council has elected to fund through DCs the total cost of growth related capital expenditure. Sections 106 and 101(3) of the LGA require that the following be considered:

The funding needs of the local authority must be met from those sources that the local authority determines to be appropriate, following consideration of:

- (a) in relation to each activity to be funded:
  - (i) the community outcomes to which the activity primarily contributes;
  - (ii) the distribution of benefits between the community as a whole, any identifiable part of the community, and individuals;
  - (iii) the period in or over which benefits are expected to occur;
  - (iv) the extent to which the actions or inaction of particular individuals or a group contribute to the need to undertake the activity; and
  - (v) the costs and benefits, including consequences for transparency and accountability, of funding the activity distinctly from other activities; and
- (b) The overall impact of any allocation of liability for revenue needs on the community.

The Council has followed the four steps outlined below in making the above assessment. These steps are discussed in detail below.










**Step 1 - Considering Community Outcomes (Section 101(3)(a)(i))**

Our vision for Central Hawke's Bay is a proud and prosperous district made up of strong communities and connected people who respect and protect our environment and celebrate our beautiful part of New Zealand. Community outcomes are as identified in the draft 2021 LTP. For the purposes of the DCP, activities have been grouped into:

- Reserves
- Community Infrastructure
- Water supply
- Wastewater, and
- Stormwater.

DCs have been established to support these activities and help deliver the Vision and community outcomes to which each group of activities contributes as shown below:

Table – CHBDC infrastructure activities contributions to Community Outcomes / Strategic Priorities - Project Thrive

<b>Vision:</b>	<b>Central Hawke's Bay – a proud and prosperous District, made up of strong communities and connected people, who respect and protect our environment and celebrate our beautiful part of New Zealand.</b>						
<b>Our DNA:</b>	<b>Working Together Customer Excellence Thinking Smarter Planning for Tomorrow</b>						
<b>Goal:</b>	 <b>Proud District</b>	 <b>Prosperous District</b>	 <b>Strong Communities</b>	 <b>Connected Citizens</b>	 <b>Smart Growth</b>	 <b>Environmentally Responsible</b>	 <b>Durable Infrastructure</b>
Solid Waste	✓	✓	✓	✓	✓	✓	✓
Water Supplies	✓	✓	✓	✓	✓	✓	✓
Wastewater	✓	✓	✓	✓	✓	✓	✓
Stormwater						✓	✓
Places and Open Spaces	✓	✓	✓	✓		✓	

## Finance and Rating Information

**Step 2 – Benefits and Causation**

Under sections 101(3)(a)(ii) through (iv) of the LGA, Council also has to consider who benefits from the community facilities, over what time period, and who created the need.

When having regard to how Council activities contribute to identified community outcomes, the Council develops a programme of infrastructural capital works and reserves purchases. For each of the individual capital projects included in the programme, the Council assesses who created the need for that project, who will benefit from the asset that it creates and how long that benefit will last.

The Council has:

- Estimated the extent of growth within the overall District and each township, translated this estimated growth into an expected number of Households and Household Unit Equivalents (HEU); and
- Identified the capital expenditure necessary to meet the needs of the growth community.

Where the existing capacity of community facilities is insufficient to provide the levels of service to new residential and non-residential users specified by the Council in the LTP, those new developments create the need for new community facilities which requires the Council to incur capital expenditure.

The Council also recognises that there may be capital expenditure necessary to increase the level of service for all, due to:

- Required renewals;
- Ratepayers who want increased levels of service;
- Obligations on the Council to raise the levels of service to meet resource consent or statutory obligations and conditions; and
- Visitors to the District using the facilities.

The allocation of the benefits and the costs (public vs private benefit) has had regard to these factors.

For each of the individual projects that require capital expenditure to cater for growth, the Council makes an assessment about whether the asset being created will benefit the existing community or the new developments, or both of those groups. In making this assessment, the Council will consider a number of factors, including:

- The capacity of existing facilities to meet stated levels of service;
- The extent to which the relevant capital project will provide:
  - i. A renewal,
  - ii. An increased level of service; or
  - iii. A new service.

For each individual project that requires capital expenditure, the Council determines the length of time over which the asset created by that expenditure will provide a benefit to the community.

**Step 3 – Costs and Benefits of Funding the Activity Distinctly from Other Activities**

On an activity by activity basis, the Council considers the costs and benefits of funding each activity distinctly from other activities as required by s101(3)(a)(v). This analysis is contained in the Revenue and Finance Policy. The benefits of additional community infrastructure capacity generally accrue to the improved or new properties generating demand for that capacity.

The Council considers that the use of DCs to fund the cost of growth in community facilities, in proportion to the benefit received by forecast developments, provides the benefits of greater transparency, greater accountability and intergenerational equity.

The current community facilities for stormwater, water, wastewater, community infrastructure and reserves servicing the CHB are not sufficient to cater for growth. Some small townships have considerable capacity in these facilities after many years of static population and household numbers, and Council has a strategic goal of supporting these townships. Development in the rural area will only be asked to contribute to Reserves and Community Infrastructure. All future residents in the CHB will gain benefits from these facilities.

**Step 4 – Overall Impact on Wellbeing of Community**

Finally, the Council considers how funding each activity will impact on the wellbeing of the community. DCs are considered to be fair because they allocate growth costs to the section of the community that creates the need for Council to incur that expenditure, i.e. developers, new residents and new business activities.

Council must balance the overall impact of rates and fees and charges. DCs need

to be set at a level which still enables development and they must be levied in a fair, reasonable and equitable manner. Setting DCs at a level that does not fund growth would impose an unfair burden on the economic wellbeing of the existing ratepayer community.

Additional analysis for each of the following types of community facilities is set out in Section 6:

- Water: section 6.4.1
- Wastewater: section 6.4.2
- Stormwater: section 6.4.3
- Reserves and Community Infrastructure: section 6.4.4

The following analysis sets out the rationale for Council identifying the catchment areas for DC charges for water, stormwater and wastewater, reserves and community Infrastructure. Each of the three waters activities (water, stormwater and wastewater) has three catchments based on the different networks of water supply, reticulated services and treatment plants. These areas are defined in the maps in Appendix 2.

- **Reserves and Community Infrastructure**

Reserves assets are open to all residents and visitors to access free of charge. New developments increase the number of residents and generate increased demand for passive and active recreational facilities, as well as assets such as toilets, libraries and community halls.

Regardless of the location of the development, additional residents utilise a range of facilities and create demand for more walkways, reserve space and other assets. Council has reserve land, halls and other assets located across the District. Walkways, major playgrounds, libraries and major parks are located in the areas of greatest population density.

While most Recreation and Community Infrastructure assets in the CHB have been assessed as having spare capacity for growth Council has identified some assets that have capacity issues. These projects have been included in the DC schedule of projects that require DC funding.

- **Water**

The water networks service urban and industrial areas and are funded by properties connected to each network in urban areas. Across the district all the major urban areas require additional capacity (supply, treatment and pipe reticulation) to cater for expected growth. As such DC charges apply to each

network area that requires capacity investment to service the developments that are forecast for each network.

The Otāne, Waipawa, Waipukurau network is planned to be operated as a single network system. All properties connected to an urban water supply in the CHB are now charged the same for operating costs, except those properties with a meter and charged on a volume basis. Each network is designed to achieve the same level of service for water quality and delivery. Where supply is interconnected the networks are treated as one for DC purposes. For these reasons there is a single HEU DC charge for Otāne, Waipawa, Waipukurau residential, and equivalent HEU charges for non-residential, for the costs to service growth. The Takapau and Pōrangahau networks are physically separated and have specific DC charges that reflect the upgrades required for growth in those networks.

CHB undertakes modelling and planning work that benefits all the networks. These costs related to future growth are charged to DCs at a uniform level across the three catchments.

- **Wastewater**

The wastewater networks service urban and industrial areas and are funded by properties connected to each network. Across the district all the major urban areas require additional capacity (reticulation, treatment and discharge) to cater for expected growth. As such DC charges apply to each network area that requires capacity investment to service the developments that are forecast for each network.

The Otāne, Waipawa, Waipukurau network is planned to be operated as a single network system. A single connected treatment plant and discharge is planned to service all three urban areas. All properties connected to urban wastewater in the CHB are now charged the same for operating costs, except those non-residential properties charged under the trade waste bylaw. Each network is designed to achieve the same level of service for water quality and delivery. For these reasons there is a single HEU DC charge for Otāne, Waipawa, Waipukurau residential, and equivalent HEU charges for non-residential, for the costs to service growth. The Takapau and Pōrangahau networks are physically separated and have specific DC charges that reflect the upgrades required for growth in those networks.

CHB undertakes modelling and planning work that benefits all the networks. These costs related to future growth are charged to DCs at a uniform level across the three catchments.

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Finance and Rating Information

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- **Stormwater**

The networks service urban and industrial areas and are funded by properties connected to each network. Existing stormwater flows within catchments are also generated from flows from rural areas upstream of urban areas. stormwater within urban areas is generated as runoff of rainfall from impervious hard surfaces and saturated ground. Across the district the three catchments identified for DCs require additional capacity to cater for expected growth. The need for additional stormwater network services is generated by development and the downstream impacts have to be catered for.

In the last decade there have been significant changes to the requirements to control and capture stormwater. Rules set by Hawke's Bay Regional Council now require more stormwater neutrality from new developments during peak stream / river flows. The result is that Council and developers need to plan to capture and hold parts of stormwater runoff during peak flow events. Council is planning to continue to invest in additional stormwater capacity to meet the new requirements.

Due to the increasing need to manage stormwater in an integrated way with Water and Wastewater Council is using the same catchments as outlined in Water and Wastewater. Infiltration of stormwater into wastewater pipes and discharge impacts from stormwater mean that each activity cannot be managed in isolation.

Regardless of where a development is located in each of the catchments it will add to the need for larger pipes and retention ponds to reduce runoff into the waterways during peak flows in that network catchment.

CHB undertakes modelling and planning work that benefits all the networks. These costs related to future growth are charged to DCs at a uniform level across the three catchments.





## 7.8 LONG TERM PLAN 2021 - 2031 DRAFT DELIBERATIONS REPORT: FINANCIAL AND INFRASTRUCTURE STRATEGY

**File Number:** COU1-1400

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

**Authoriser:** Doug Tate, Group Manager Customer and Community Partnerships

**Attachments:** 1. Treasury Management (including Investment and Liability) Policy  
[↓](#)

### PURPOSE

The matter for consideration by the Council is to consider consultation feedback on the financial and infrastructure strategy received through the Long Term Plan process and to make any required decisions.

### RECOMMENDATION FOR CONSIDERATION

That having considered all matters raised in the report:

- a) That the submitters are thanked for their comments which are acknowledged and further that the information contained in this report is provided to the submitters.
- b) That the Financial and Infrastructure Strategies pending amendments following Councils decisions on the key 4 challenges and other activities be endorsed, ready for adoption when the Long-term Plan 2021 – 2031 is considered for adoption.
- c) That the Treasury Management Policy (including Investment and Liability Policies) attached to this report be adopted.

### EXECUTIVE SUMMARY

Council has received 203 submissions on the Financial Strategy and Infrastructure Strategy. Of the submissions 91% of respondents were supportive of the financial strategy, and 90% were supportive of the infrastructure strategy.

Council also received a number of free text responses to these policies which fell into six main topic areas: Rates Affordability; Prioritisation of Spend; How Rates and Fees and Charges are set and whether this is equitable; The increased use of Debt; Good Infrastructure leads to Thriving Communities; and Feedback on various Council Policies.

### Submissions:

The following submitters have submitted on the financial and infrastructure strategy:

4	Jemma Nesbit	85	Noel Pederson	157	Phillip Knight
6	Courtney Green	86	Robin Horder	158	Graeme J E Pedersen & Kathleen A Pedersen
7	Ben Waugh	87	Meg Mackenzie	160	Jesse Palmer
8	Ihipera Rua	88	Jan Wroe	161	Kingston
9	Greta Minehan	90	Sally Harding	162	Haamiora Nukunuku
11	Danielle Hemi	91	Sandra Fleming	163	Zoey
12	Rita Simiona	92	Jensen	164	Rapata Te Pania
13	Lydia Bucknell	93	V Leach	165	Bob Kerins
14	Lachie Kirk	94	DE and HM Whitney	166	Kristin Yoldash
15	Ollie Wichman	95	Brian and Marion Peterson	167	Terry Hare
16	Eden Lambert				

17 Mitchell Thompson	96 Jude Grant	168 Heather-Anne Tidey
18 Amalia Stevenson	97 Lisa	169 Dora Player
20 Jackson Baylis	98 Penny Single	173 Tony Robson
21 Emma Giddens	99 Barry Middleton	174 Louise Field
22 Emma Thomsen	100 Melissa Price	175 Lynnette Dewes
23 Ramona Lively-Masters	101 AK Hansen	176 Vicky Harding
24 Haylee Gray	102 Ben Douglas	177 Miriam Howarth
25 Isaac Marshall	103 Mike Harrison	178 Graham McHardy
29 Stuart William Davies	104 Serena Ann Spencer	179 Simone Tang
30 Warwick Greville	105 Rebecca Jane Watt	181 Kathryn Bayliss
31 Helen Burgin	106 Jacqueline Naylor	182 Kirsty Taiaroa
32 Wendy Milne	107 Shona Thompson	183 Charles M Nairn
33 Erina Sciascia-Bland	108 Patricia Ann Price	184 Murray Howarth
34 Ruth and Bruce Parker	109 James Pretty	185 Andrea Mooney
35 Benjamin Hall	110 Nikau Hill Station	186 Dean Hyde
36 Gordon O'Neale	111 Danielle O'Shaughnessy	187 Rea Arona
37 Chrissy Malcolm	112 Vaughn Thomson	188 Ross and Margaret Munro
38 JT and LD Jansen	113 Tim Gilbertson	189 Jensen
39 Nathan Mckenzie	114 Shona Crooks	190 Adam Allington
40 David Dicks	115 Patricia Sellers	191 Jackie Scannell
41 Jessica Draper	116 Peter Robson	192 Tania Arona
42 Peter Seligman	117 Maurice Groot	193 S Johnston
43 Hayden Berryman	118 David Bane	194 Rachel Hornblow
44 Bruce McGechan	119 Reuben George	195 A M Banks
45 Kaye Harrison	120 Aimee Congreve	196 Jenny and Tony Feather
46 Sandy Gilbert	122 David Bishop	197 Bill Hale
47 Ben Clist	123 Deborah Mason	198 Geert Gelling
48 Bob Alkema	124 Donna Hossack	199 Sara and Stephen Ellis
49 Christopher Bath	125 Di Petersen	200 Peter and Viv Paton
50 Peter Watson (1)	126 Lorelei Hennessy	201 Robbie Christiansen
51 Peter Watson (2)	127 Teresa Makris	202 Tracy and Andrew Gay
52 Rex Pickering	128 Wendy Gough	203 Biodiversity Hawke's Bay
53 Robyn McLeod	129 Peter Hallagan	205 Sport New Zealand
54 David Taylor	130 Sue Kaan	206 James Leigh
55 Gary Leach	131 Betina Barber	207 Benita
56 Tim Witton	132 J & D Curtice	208 Neen Kennedy
57 Stephen Thomas	137 Lorraine Watson	209 Nicole Ellison
60 Chad Bauer	133 Catherine Pedersen & Tony Ward	210 Marti Eller, Gillian Eller,

61	Jamara Dhull	134	Nic & Karen Bedogni	Mark Eller	
62	Emma Mason-Smith	135	Peter Missen & Wendy Yambaki	211	Clint Deckard
63	Marcia Mackrell	138	Martin Lord	212	Karen Olsen-Mills
64	Sean Jackson Power	139	Frances & Stephen Ulyatt	213	Alice Bellamy
65	Liam Worsford	140	Cornelia van Falier	214	Lathan Wroe
66	Kevin Rowell	141	Keri Rophia	215	Forest and Bird
67	Leslie Peni	142	Forrest Ropiha	216	Federated Farmers
68	Glenda Houston	145	Donna Dahm	217	Sarah Giddens and Espen Kristensen
69	Ron King	146	Phyllis Tichinin	218	Elsa Ironside
70	Stacey Thomas	147	Elliot Peacock	219	Sport Hawke's Bay
75	Jo-Ann Hardwick-Smith	149	Ian Franklin	220	John Kyle
71	Marjon Greenwood	150	James Parsons	221	Graeme and Margaret Black
72	Ian Hawkes	151	Sjoerd Gorter	223	Terry Kingston
73	Valerie Norris	152	Andrea Thomson	224	Mike Shivan
74	Callum Slavin	153	Sue McLeod	226	Trish Giddens
76	Tina Keeling	154	Warren Bayliss & Cecylia Rymarczyk	227	David William Cooke
77	Maria Lincoln	155	Margaret Isabella Fletcher	228	Diana Hollis
78	William Irving Peacock	156	Alan Keate	229	Anne Wallace
79	David Lewis			230	D J Williams
80	Renee O'Sullivan			236	W M Henderson
81	Gina Prosser			238	Ned Malcolm
82	Lyn Horspool			239	John McLean
83	L Guy and R Bell				

### Summary of Submissions:

*The public were asked whether they agreed with Councils Financial Strategy and Infrastructure Strategy as part of the 2021-2031 Long Term Plan process, and to provide some general feedback comments.*

203 submitters (out of a total of 239) answered these questions.

### Analysis:

*Do you agree that we should increase our debt limit to enable us to address the significant infrastructure investment requirements whilst keeping rates as low as possible?*

179 submitters agreed with this question, and 18 disagreed (91% favourable).

*Do you agree that the priorities in our infrastructure strategy correctly reflect the need for investment in our community assets today?*

157 submitters agreed with this question, and 17 disagreed (90% favourable).

The freeform text responses have been broken down below into Financial Strategy and Infrastructure Strategy topics, and then grouped into common themes:

## **FINANCIAL STRATEGY FEEDBACK**

### **Rates Affordability**

Tina Keeling: *"We need to be careful of rate increases, people are struggling after Covid and some are just getting back on their feet. I don't want to see people losing their homes. I know that they are going up but be mindful of by how much".*

Brian and Marion Peterson: *"A lot of us are retirees on fixed incomes. We cannot control what the past history is on rate rises but I / we ask that we are taken into consideration. Any small investment we might have is now getting about 8% or less and so we cannot subsidize our income. On your website you show the proposed rate increases. For most on fixed income this (for us anyway) would be totally unaffordable. I am currently just over \$3000 in rates but in 10 years this would go to around \$7000. And with prices that increase at about twice the estimated cost we could be paying about \$12000. A builder's rule of thumb is price something and then double it. That would take it to around \$15 -\$20000. Whatever it will be in 10 years I cannot predict, but I do know the rate increased as proposed would make life very very difficult for many of us. I do agree action must be taken, but spread around with the newest and younger people paying more and some of the retirees getting a degree of relief. Thanks for the opportunity to feed some of this back to council."*

Gina Prosser: *"Rates in CHB are NOT low. Increasing them too much is to the detriment of residents. We just simply cannot afford it. We have some of the highest rates in the country. Residents should not have to pay for the shortcomings and incompetence of the council whether it be historical or not."*

Teresa Makris: *"Needs be stretched out with new rates plan I'm going struggle with payments of \$65 week and that doesn't include regional rates a lot of single parent households and elderly are going struggle with continued increases."*

Meg Mackenzie: *"While low rates are always appreciated by ratepayers, you get what you pay for. We cannot, as a district, continue to incur debt without establishing a sound repayment strategy. The Council is very brave to be attacking this problem, but it needs to be done. It would be unwise and irresponsible to continue to pass the buck to the next Council down the chain. I do, however, think it is important that the areas of historic under-investment are resolved first, and that once these areas are fixed, the rates are again reviewed, so that ratepayers don't continue to pay high rates associated with rebuilding and repair, but more moderate rates associated with maintenance and planned replacement of aging infrastructure over time."*

J & D Curtice: *"The bottom line for us is we are trying to provide a family home for our children and the rates just keep climbing which is hard enough without it jumping up again. This is going to cause so much stress on our family and many others' I know. We can't keep taking the hit for everything when we need to feed and clothe our 4 children and pay a mortgage."*

Martin Lord: *"The rates increase for our property last year was almost 20%, which does not match your published rates increase for the region. This year I am hearing, on the radio, that you are proposing another 20% increase in rates this year. My concern with increases to rates is that the increase this year will become permanent and will then have year on year increases compiled on top of it. Once you are on top of the repairs and upgrades are our rates going to be reduced back to their "normal" levels, or is the council going to continue to charge us inflated rates?"*

Phyllis Tichinin: *"Increase rates and consider a rates reduction/rebate for seniors".*

Sjoerd Gorter: *"It is an insult to state that our rates are artificially low. The reason that no upgrades took place in the past, is because we simply cannot afford to pay for it. Under investment due to lack of money not because of lack of will. Every New Zealander is entitled to have access to services such a waste water treatment and a safe and healthy fresh water supply. Knock on the door of government and ask for some cash needed. Do not be afraid to ask. Jacinda likes handing out cash. Borrow plenty as rates are low. This is the best time to borrow. CHBDC borrowed money for a dam that never went ahead."*

Lyn Horspool: *"I'm happy with higher rates to get and sustain top class infrastructure for all."*

Daniel & Heidi Repko: *"Once again we feel obliged to choose YES. However, as mentioned earlier Based on the Councils preferred options in the 10 year plan, our rates will more than double in 10 years (from \$3500 to \$7600). As pensioners on a mostly fixed income there is no way I/we will be able to pay for that. It will probably mean that eventually we will have to sell and move elsewhere. We are dreading this idea. I can see the Councils dilemma, but that doesn't make it acceptable to us. You refer to 'compromised decision making', we call it incompetent decision making. How do we know that this time around the same isn't going to happen again? (Sorry to be so blunt). It is more common than not that infrastructure builds/repairs etc go 50% or more over budget...or the resulting 'fix/work' isn't fit for purpose (Library strengthening/ waste water plants anyone?). How do we know that there are iron-clad solutions/budgets/contracts in place to avoid those (unfortunately frequent) events happening again? Putting a lot more COLLECTIVEPRESSURE on Central Government to come to the party, in particular for regions like CHB that have several small communities that need basic services with only a very small rate-base to pay for these services."*

Miriam Howarth: *"I have concerns about the burden on ratepayers especially those on fixed incomes such as pensioners living in their own homes but with limited financial resources. I feel that central government should be doing more for smaller communities; our ratepayer base is simply not large enough to fund the scale of infrastructure and services that the local council is expected to provide."*

Terry Hare: *"I am extremely concerned that the inflated property market values at the next QV review is going to disproportionately inflate rates using Council's current methods for determining rates values and will have a detrimental financial impact on the entire community. Council must seriously consider reviewing its charges methodology given that it is inevitable there will be excessive Quotable Value increase that will impact on the cost of rates for the entire community. Ratepayers will simply not be able to survive and either abandon the district or commit suicide and that will leave council with a ghost town and no ratepayers. Allowances for this in the LTP I believe is essential."*

Kathryn Bayliss: *"CHBDC has high aspirations and does a lot of good work but it needs to remember ratepayers are not an unlimited source of money. Many are on limited incomes and*

*can't afford increasingly higher rate charges. Rates must be kept as low as possible and CHBDC should focus on necessities, essential infrastructure, assets and services. The less money that ratepayers have means some people will need to spend less locally and not be able to support our retailers and other businesses. Large rate increases could break some ratepayers. User-pays and people who benefit should be the ones who pay rates for that service."*

Alice Bellamy: *"I'm seriously concerned for my household at the prospect of having these rates increases when we are having significant financial difficulties already and I'm deeply concerned this is just going to make matters worse for us and other families like us."*

Lathan Wroe: *"Rates artificially low is misleading. True they were stagnant even 15yrs ago but they've shot up exponentially since. They are a huge budgeting cost and a major financial burden. The proposed increases are horrendous."*

Federated Farmers: *"That the Council immediately implements a financial strategy that includes reducing costs in all non-core activity areas, and not solely relying on rates increases."*

*That the unsustainable rates increases proposed are reduced."*

Trish Giddens: *"Rates for our small community will prove to be a great cost against the family weekly budget. At a time when housing is expensive and people are recovering post COVID, rates need to be kept to an acceptable level."*

*I would like to see more transparency with the Financials and an indepth review of our operating costs. The poor investment decisions in regards to Wastewater, the Memorial Hall and Library upgrades are all costly errors for ratepayers to bear. Staff numbers appear to have increased substantially. Is the cost of Contractors proving more efficient and effective than past operators? Comparative financials would assist understanding and be more palatable and acceptable perhaps to the proposed plan."*

*When housing is at a crisis, it is a poor decision by Council to consider selling the Retirement units and hard to see how these can be costing the Council as opposed to at least being self-maintaining. Tenants and the community at large, being provided with a thorough explanation of the costs of running them versus the income, would be receptive to considering a warranted, justified and reasonable increase."*

Shelley Burne-Field: *"Please Don't raise rents for pensioners in retirement housing! Especially now! It is unaffordable for them. Get rid of any pretentious arguments about discounts or market rents. Please - the whole point of having affordable housing is...having affordable housing. I don't buy your flawed logic at all that maintenance costs will break the bank. Your own figures contradict that argument. Cut your operational overheads."*

*Don't raise the ugly head of attempting to sell the retirement housing stock again. Your preferred option was to sell the family silver - once again! Please think of the tenants and the original reason for building the retirement housing units - to offer affordable housing for pensioners."*

*I explained to Mayor Walker back in 2017 that her and her Council's programme was "on steroids" and unaffordable - I stand by my words. Many in the community feel the same. Cut your operational overheads. Live within your means. Every project does not need to be 'shiny and new'."*

*These rates increases are NOT affordable to the community. Do not exceed the debt cap. Short term borrowing by exceeding our means is not the way."*

*DEFER unnecessary capex projects - 80% of our wastewater and drinking water infrastructure is mid-life. Right now is NOT the time to 'be bold' and spend up large. Be conservative and re-group until assumptions can be fleshed out e.g. three waters reform."*

Dr Trevor Le Lievre: *"I do not support the proposed rate increases, which are too high and will unfairly burden ratepayers who are already under rates pressure, and are heading into a decade of Covid-driven economic uncertainty, and a housing bubble ready to burst".*

Officers Response: Ratepayers have highlighted that rates are a burden on those who are on a fixed income (just as our pensioners), or those with high mortgages, or those who have been impacted by drought or Covid-19.

When constructing the budget, officers had to balance the need to upgrade aged, not fit for purpose assets against rates rises. To minimise the burden of these upgrades Officers have pursued third party funding (government, developers, trade wasters) and utilised loans to spread the payments out over a number of years.

Council and Government both have policies to assist low income earners and Covid-19 sufferers with their rates burden.

One suggestion that came out of Terry Hare's verbal submission was whether ratepayers are sufficiently aware of Councils and Central Governments rates rebate policies. Are present Council does advertise these on its rates inserts, the rates team promote them when talking to ratepayers, and the rates team follow up rate payers who have applied for rebates in the past but haven't done so in the current financial year. Council could try to get some Central Government Funding to fund a part time position to be a more dedicated "rates rebate champion" for the community.

Rates are set at a level sufficient to cover Council's cost of operations and aren't affected by Quotable Values (QV). QV is simply the method of spreading the rates. For example, simplistically if Council required \$1m of rates to operate and the combined QV value across the district was \$100m then the rates would be set at \$0.010 in the dollar of QV. However if the value of district increased to \$200m, Council would still only need \$1m to operate so the rates would drop to \$0.005 in the dollar of QV.

Section 17a of the Local Government Act requires *"A local authority must review the cost-effectiveness of current arrangements for meeting the needs of communities within its district or region for good-quality local infrastructure, local public services, and performance of regulatory functions."* Central Hawkes Bay District Council is continuously reviewing its structures, staffing and cost bases to ensure cost effectiveness is achieved.

One of the areas reviewed recently was Council's Retirement Units. These units are funded 100% from rental income (no ratepayer subsidy), however the units are old and need modernising and the S17a review considered how this might be achieved, and whether Council was the best vehicle to run social housing (Council doesn't have access to the full range of government rental subsidies that other Social Housing Providers have). Council resolved on the 22<sup>nd</sup> October 2020 to retain ownership of its Retirement Housing, but adjust rents to achieve the funding required for the upgrades/renewals.

### **Prioritisation of Spend:**

Kaye Harrison: *"Concentrate on the urgent repairs, the rest can wait or be funded by fundraising by the community. eg: you mention the play grounds and public toilets, yes they need doing but let the community fundraise for it. The rates increases should only be for the URGENT repairs."*

AK Hansen: *"I don't agree with spending money on "nice" things like the Waipawa pool which has minimal usability when there is a great facility in Waipuk. The distance between Waipuk / Waipawa is so small don't use rate payer money to double up on facilities DURING A TIME WHEN MONEY IS TIGHT. Prioritise the NEED before the WANT as much as possible, and defer those WANTS until a better time. Please."*

Sue McLeod: *"You need to make sure the money is spent on the things you have identified – not introducing other things."*

Lynnette Dewes: *"be extra careful how rate payer's money is spent !!!!! check check and check the figures..."*

New Zealand Memorial Museum Trust –Le Quesnoy: *"Our submission is to request that Central Hawke's Bay District Council supports the project to build a Museum and Visitor Centre in Le Quesnoy with a donation equivalent to \$1 per resident of your district, to remember those who gave their lives in the World Wars to give us freedom."*

Geert Gelling: *"Preference to fix/upgrade property. Plan and organise finance to do it."*

Peter & Viv Paton: *"In the past a lot of money has been wasted when things haven't been done properly eg the way pipes have been repaired (bandaids), library, hall etc".*

Benita: *"It sucks but it has to be done."*

Federated Farmers: *"That durable and fit-for-purpose infrastructure becomes the district's #1 priority."*

Chris Davis: *"Given this (the 3 waters reform) there is no point embarking on new wastewater schemes or renewals programmes that may well be overturned by decisions taken by the new entity. Consideration of scale may lead to different options being pursued by the new entity."*

*In the meantime, Council should not commit to new initiatives that could be overturned but would be wise to do the best it can to ensure wastewater consent compliance without any significant new financial expenditure. Whilst we should get on with a renewals programme it would be unwise to do so until the outcome of the reforms is known."*

Officers Response: Ratepayers have expressed concern that rates money if applied in accordance to the priorities outlined in the Long Term Plan, and that the urgent infrastructure needs are addressed before the "nice to haves" are undertaken. This is exactly the premise that the Long Term Plan was constructed under ie that until Council sorts its urgent infrastructure needs, Council doesn't have the headroom in rates to consider any substantial "nice to haves" and that urgent repairs and compliance issues must be addressed first.

The wastewater upgrades are being prioritised in the LTP due to current non-compliance with resource consents, threats of prosecution, and the need to renew these consents. While there is uncertainty about the future ownership model of these treatment plants going forward, regardless of who owns them, they will remain assets for the benefit of the Central Hawkes Bay Community. That is, they can't be relocated elsewhere in the country. Council has also been reassured by MBIE that any debt held by Council related to 3 Waters Assets will be transferred to the new asset owning entity (along with the assets) if the reform proceeds. For this reason, Officers are confident that any money spent on these assets, and debt incurred, will not be wasted during this period of uncertainty.



**How Rates and Fees and Charges are set and whether this is equitable:**

Andrea Thomson: *"Future proofing must include a plan for when more development comes. You the council will need to decide who is to be accountable for allowing people hooking in to the upgraded infrastructure here on out to ensure this doesn't happen again! This is something I would love to hear the council share details on. I would hate for my children or even my grandchildren to have to pay for rich men to become richer because our council should have made them pay more to maintain and upkeep the infrastructure that this council and rate payer are working hard at doing."*

Lisa: *"Rates have not been kept low for years, they are high. We pay more \$ than some in Napier / Hastings and they have more services."*

David Dicks: *"I think that development companies should be required to help the communities rather than rip them off by adding higher prices for the work to be done. I think that potentially the council should invest in such companies and actually employ staff for ongoing trade rolls so that they can control the costs involved such as builders, drainlayers etc."*

Marion Greenwood: *"Difficult balance to achieve between keeping rates affordable and debt low - the debt cannot be allowed to become a noose around future generations' necks. Please make sure to ask those who hold the district's wealth (mostly land owners) to shoulder their fair share of the burden - without the (generally much poorer) town dwellers to support their businesses they would not be thriving either"*

Mike Harrison: *"I have serious concerns around the misinformation in your "facing the Facts" consultation document regarding the rates increases. The advertised rate increases are 7.1% for 2021/22 however the general rate rise for residents of Tikokino is actually 17.1%. I believe the council is being dishonest and grossly unfair by not disclosing the real rates rise to Tikokino ratepayers. I would like the council to provide a detailed report showing how the rates increases were formulated for all Central Hawkes Bay townships."*

Gary Newnham: *"We need to increase population"*

Bill Hale: *"A view to doubling of our population and allow for that growth will protect our future generations in my opinion"*

Barry Middleton: *"With accommodation currently being at a premium nationally, I wonder if it could be a good strategy to initiate construction of large scale accommodation with council collecting rent from tenants. This could possibly be done in conjunction with one (or more) of the retirement home providers (e.g. Rymans. Summerset, Bupa). I see C.H.B as an ideal retirement area and rental income could possibly provide a substantial boost to income from rates. I realise there is a reluctance for councils to become landlords but this could benefit the district in multiple ways, boosting council income and increasing population, thus providing business stimulus for existing business owners."*

Maurice Groot: *"As a European immigrant, I don't understand why New Zealand citizens don't just pay rates to the national treasury through tax. With that, the government can fund district councils to make sure everybody in NZ has the same standards."*

Elliott Peacock: *"Numbers working for the Council have increased a lot! Those using Council facilities eg swimming pools and council grounds should be paying the full cost of running them. What would it cost the CHB College to operate a swimming pool? Are they paying that amount to use the Council Pool?"*

Bob Kerins: *"My question on this is where did the years and years of rate payers funds go if I wasn't spent correctly on infrastructure etc? It must have been spent somewhere else if there's nothing left in the kitty now, I would propose enquiring into how much property and capital were purchased by the CHB council during this long period and suggest that it would only be fair to CHB residents to sell these properties as part payment for the water debarkle we are currently facing, Look forward to your thoughts on this."*

Officers Response: Ratepayers have expressed concern about how rates and fees and charges are set, and whether this methodology is equitable.

Last September Councillors undertook a review of their Revenue and Financing Policy which considered exactly this topic. During this review every activity that the Council undertakes was considered separately to identify who the beneficiaries were of that activity, and flowing from that what was the most appropriate funding mechanism for that activity. For example, parks and reserves were considered to have a high public benefit and therefore 97% of their funding was to come from rates and the balance of 3% would be raised through fees and charges. Alternatively, activities such as retirement housing were at the other end of the spectrum where 100% of the benefit was attributed to the tenant of the property and recovered through rents with no rate funding used to subsidize the activity. The full details of this policy can be found on page 183 of the Long Term Plan supporting document. This review was publically consulted on at the time.

Sitting alongside this policy is the Development Contributions Policy that details what contribution developers have to pay for growth and the related infrastructure required in the district. Council is proposing that developers should pay 100% of this growth (see challenge four on page 24 of the Long Term Plan consultation document).

Once the growth has occurred and the infrastructure paid for, having more rate payers in Central Hawkes Bay is a good thing. Currently Council only has approximately 8,000 rating units (of which 4,175 are connected to water services). These rating units have to pay for 6 wastewater treatment plants, 1,264km of roads, 15 cemeteries, and 24 public toilets (just to name a few of the activities of Council). For every new rate payer that moves to the district this will improve the economics of supplying this infrastructure.

Council is currently updating its district plan, and has already completed spatial planning to help determine where growth should occur and where infrastructure needs to be built. Both these measures should enable planned growth to occur which will assist Central Hawkes Bay's housing shortage. This could include retirement villages such as those Barry Middleton is supporting.

Across the district Council has a wide range of ratepayers, who enjoy different levels of service provision. For example, every rate payer has access to libraries, public toilets, play grounds and reserves, local roads, but not every rate payer is connected to water services or has kerbside refuse and recycling. It is for this reason that rates are a mixture of general rates that get spread across every property, and targeted rates that only apply to properties that are connected to that benefit.

Across the district the average rate increase was 7.8%. However, some towns, such as Takapau had rate increases of 16.5%. This is because Council is changing the levels of service supplied to those townships. Takapau for example is going to receive kerbside recycling collection for the first time, and is going to have an upgrade to its stormwater network. Mike Harrison, in his submission mentions Tikokino which is also going to get kerbside recycling collection for the first time. A full breakdown of how some sample ratepayers across the district are impacted can be found on page 39 of the Long Term Plan Consultation document.

Rates is essentially a form of tax that is related to the value of your property and the services it enjoys as opposed to your family's income like central governments income tax system.

Rates and Fees and Charges are set each year to match the level of activity that Council plans to undertake. By deferring activity (i.e. asset replacement or planned maintenance) you can keep rates low, but eventually this catches up with you when your assets are so old they are at the point of failure. This is the point the Council currently finds itself at. It hasn't historically rated for these replacements and hasn't got reserves/investments set aside to fund this activity.

### **The increased use of Debt:**

L. Guy, R. Bell: *"To upgrade the infrastructure in the short term requires borrowing. Rates can help with the receiving".*

Serena Ann Spencer: *"Is any money borrowed going to have the same interest rate for the entire length of the loan? My main concern would be that in 100 years' time our descendants will find themselves in the same situation as we are now. Council needs to make sure that adequate monies are put aside each year to allow for regular upgrades of ALL assets, infrastructure, wastewater etc. Monies saved for each department, should be used by those departments, and not 'borrowed' by others because they have short falls. It may be a struggle to start off with but eventually should, with good management, become easier to save."*

David Bane: *"Loans are always a risk in terms of future pay back. Therefore, there needs to be a high level of diligence applied. Do we absolutely need the loan for essentials? Is the amount of the loan correct? Is the cost of the loan acceptable? Are there any penalties? I personally believe that our system of local government seriously needs an overhaul. There has to be much more accountability. It is not appropriate for any business to manage its failures by handing on costs to its captive consumers. Council needs to keep close control of its expenses (staffing, operating costs etc.)."*

David Bishop: *"I support these principles:*

- *A conscious and continuing review of Council services to determine need for, priority, and implementation span;*
- *To try and reach a prudent balance between loan and rate funding for the purchase of new and maintenance of old assets;*
- *To reduce the need to borrow, by progressively paying for more asset renewals from rates, with loans being used to fund new assets required for increases in levels of service and growth."*

Keri Rophia: *"Now I am on an Investment Committee of \$100m+ I understand how debt can be an advantage and agree in this instance".*

Kristin Yoldash: *"I oppose debt increases and rate increases no matter who is to blame. I think the government needs to front up and support rural infrastructure costs. Our pensioners should not have to have an increase in rates it is too much. You will increase homelessness in the area. Cost of living has increased so much that we pay export prices on food, coupled with electricity and phone, internet plus rent or mortgages then additional rate increases, we need to be realistic. I'm not sure what the solution looks like but let's get some more thinkers / investment planners on board."*

AM Banks: *"Has to be done – Cannot put it all on rate payers"*

Marti Eller, Gillian Eller, Mark Eller: *"Debt funding will ensure the costs are spread across future users. The debt ratio for CHB is not extreme. But the previous underfunding was extreme!"*

Federated Farmers: *"That a policy of fully funding the depreciation of the Three Waters is implemented, and that this funding be fully utilised to meet the current demand for renewals and upgrades."*

Chris Davis: *"Council implementing a funded depreciation regime in addition to debt funding where necessary and embarks on a balanced/smoothed long term asset renewal programme that can be used to predict future levels of expenditure and hence rating requirements. Debt funding may be necessary to make progress on the deferred renewals backlog."*

*It is prudent for council to service capital works through debt as it spreads the cost over say 20 years and takes account of intergenerational equity. It also avoids massive rates hikes in any one year. Current interest rates are very attractive and council should take advantage of this."*

Dr Trevor Le Lievre: *"Concerning infrastructure upgrades, I support option 4 to halt the upgrades and seek an alternative funding revenue before continuing; and as a contingency, in the event that alternative funding is not secured, I support the leveraging of the Council's balance sheet to acquire more debt to undertake priority projects, which can be amortised over a longer period."*

Officers Response: Ratepayers are generally supportive of using debt as a mechanism to undertake the upgrading of long term assets, however concern has been expressed about whether this was a long term strategy or a short term strategy, how is Council going to manage interest rate risk, and what is Council going to do to ensure it doesn't get in the same situation in the future.

Ratepayers are also keen, as are Councillors and Officers, that all external funding opportunities are exhausted before rates and debt are used to fund capital spend.

Council generally will use debt as a mechanism of funding "new" assets, but it is unusual for Council to fund "replacement" assets through debt. A more normal approach would be to set aside a small amount each year (equal to depreciation) into an investment account to fund the assets eventual replacement. Central Hawkes Bay District Council hasn't been fully funding this depreciation historically which is why we are where we are, however once the Council has caught up it intends to fund depreciation in the future. So the intention is that this is a short term solution (at least the loans for the replacement of assets).

During this period of catch up, debt is being used as a mechanism of spreading this additional burden over multiple years thus lowering the immediate rating need. Council is also actively pursuing other third party funding (such as central government and developers) to minimise the need for these debt increases.

Council has the ability to borrow both floating and fixed and historically has used the fixed option to limit its exposure to interest rate changes. Council's existing debt has the average interest rate of 2.3%, but Council can currently borrow between 0.75% and 2.7% depending on the term of the loan (the rates above are for loans with a 1 Year - 22 Year duration). Council has assumed an average interest rate of 2.5% throughout the period of the Long Term Plan.

## Treasury Policy

Kathryn Bayliss: *"I only partly agree that CHBDC should increase the debt limit to enable it to address the significant infrastructure investment requirements whilst keeping rates as low as possible.*

*I think CHBDC should stay at Local Government Funding Agency Tier 2 and update the Treasury Policy so it can borrow up to 150% of CHBDC operating revenue, which is lower than the LGFA's 175% limit. If it needs to Council could simply adjust its own internal treasury policy to allow for the debt to operating revenue cap to be 175% rather than the current 150%. I oppose CHBDC becoming a Tier One Council with the Local Government Funding Agency (LGFA) and revising its Treasury Policy to allow Council to borrow to 200% of its revenue. This is too high and risky. It could place a burden ratepayer. Council has a Policy to build up contingency funds e.g. Catastrophic Events Funds, Adverse Events Contingency, and there is the HB Disaster Relief Fund Trust. These help pay for storm damage to roads and general disaster response and recovery. CHB Council also has insurance. Alongside the Council, Central Government also has a role in disaster recovery and restoration works after natural disasters have happened. I think CHBDC should wait for the outcome of Central Government Three Waters Reform process before it considers raising the borrowing limit above 150% of CHBDC operating revenue.*

*I oppose the following section in the Treasury Management (including Investment and Liability) Policy: "Guarantees/contingent liabilities and other financial arrangements Council may act as guarantor to financial institutions on loans or enter into incidental arrangements for organisations, clubs, trusts, Council-controlled trading organisations or Business Units, when the purposes of the loan are in line with Council's strategic objectives...." I would like it to be deleted as it is imprudent and could place a needless liability on ratepayers. I agree that the priorities in our infrastructure strategy correctly reflect the need for investment in our community assets today."*

Officers Response: Officers are recommending that the Council's Debt limit be set at 150% of revenue (as proposed in the Long Term Plan). This will allow Council to get on and do the first five years of the capital works proposed in the Long Term Plan.

By year six, Council will be needing to review its Treasury Policy again and could consider raising debts limits to 175%, or obtaining credit ratings and moving to Tier One of the LGFA. However, given the uncertainty about the future of 3 Waters within Local Councils (given Central Governments 3 Waters Reform program), and the speed of future growth of the population within Central Hawkes Bay (which is driving some the capital program) officers would prefer not to lift debt to revenue ratios straight to 175% but defer this decision until these matters have some more clarity.

Also, before the decision to go to 175% or become credit rated is required, Council will have another Long Term Plan round (2024-2034 LTP), and depending on treasury constraints and the level of debt at the time will consult on further updates to the Treasury Policy. As an aside, the Risk and Assurance Sub-committee has requested that Council engage specialist Treasury advice on future borrowings, and that this treasury specialist reviews Council's Treasury Management Policy before the 2024-2034 LTP is prepared for consultation.

The section of policy that deals with "Guarantees/contingent liabilities" has been in Council's treasury and liability policy for some time, it's not something that has been added as part of this LTP's treasury review.

Currently Council does have a guarantee in place in favour of LGFA, where Central Hawkes Bay District Council (as well as 57 other Councils) act as cross guarantors for each other's debt in proportions determined by the size of your Councils rates revenue. Without this guarantee, Central Hawkes Bay District Council could not borrow more than \$20m from the LGFA, and therefore could not deliver on the capital program outlined in this LTP.

Officers recommend that Council adopts its draft Treasury Management Policy (including Investment and Liability Policies) as presented in the Long Term Plan Consultation Document Supporting Information Booklet. Remembering that Officers have already given an undertaking to

the Risk and Assurance Sub-Committee that this policy will again be reviewed before the next Annual Plan, partly in regard to the investment section, and the knowledge that the outcome of the 3 Waters Reform should be known by late 2021.

### **Revenue and Financing Policy**

Kathryn Bayliss: *"I am against rural ratepayers paying for Urban Storm Water Systems as part of the general rate. During storms and very wet weather most rural people would stay home if possible and not visit urban centres."*

*"I agree with the variable component of general rates is set as cents per dollar of capital value, which is assessed according to two differentials based on location:*

- i. Central Business District in Waipawa/Waipukurau (all rating units excluding domestic residential) and*
- ii. All other Rating Units"*

Charles M Nairn: *"The upgrade of the water services needs to be done as quickly as possible, but it should be funded by those who use the services. To that end the water rates should be increased by 20% (not the 6% currently proposed). The general rate should not fund the upgrade and so should not need the 20% increase proposed. This further burdens the rural ratepayers who do not benefit."*

Robbie Christiansen: *Rates for Rural District Land Transport is seriously out of whack. Town people travel to the hills and beaches".*

Federated Farmers: *"That the General Rate remains at the same level as last year and does not increase, given that it does not fund the Three Waters.*

*That the Council investigates a hybrid road funding model consisting of a district-wide targeted uniform charge to reflect public benefit, as well as the existing land value general rate which recognises private benefit.*

*Federated Farmers congratulates the Council on sticking to its policy of 100% targeted rates for water and wastewater, paid by serviced and serviceable properties.*

*The Council becomes compliant with Schedule 10 Section 20(3)(b) of the Local Government Act 2002, in that the UAGC percentage and the calculation method needs to be reported.*

*That Council fully utilises the UAGC mechanism at 30% of the total rates income to provide equity between ratepayers.*

*That district planning is shifted off the general rate and onto the UAGC.*

*The General Rate is not increased and remains at the same 0.10743cents in the CV dollar as 2019-20 year.*

*That equal benefit activities like Planning and Regulatory are funded by a flat charge, to ensure that ratepayers are paying an equal amount.*

*That a differential system is implemented to provide for rating areas plus land use differentials, similar to Hastings.*

*Federated Farmers asks the Council what percentage of animal control costs originate from rural dogs, compared to urban dogs.*

*That working dog registration fees provide a discount for subsequent dogs which are additional to the first working dog.*

*That a flat fee is introduced to provide a discount for a team of 10 working dogs."*

Officers Response: The Revenue and Financing Policy was reviewed and consulted on in September 2020 as part of the lead up to developing the LTP. During this review every activity that the Council undertakes was considered separately to identify who the beneficiaries were of that activity, and flowing from that what was the most appropriate funding mechanism for that activity. This included viewing what was rated through general rates, targeted rates, and UAGC (uniform annual charge).

Currently the LTP proposes only 8% of Central Hawkes Bay District Council's rates are collected through UAGC (which is similar to the 2019/20 rating year). The rates factors will be published once the LTP is adopted and final rates are struck, although Federated Farmers were supplied this information on the 12<sup>th</sup> March 2021 via email.

To alter the mix between general rates and the UAGC, the Council would have to undertake another review of the Revenue and Financing Policy, and if material changes were to be made this would need separate public consultation. This can be scheduled before the development of the next Annual Plan if Councillors wish to build it into their work plan.

The UAGC is a flat charge per property, as opposed to most other rates which are set based on land or capital values. Rates can be argued, are a form of wealth tax since they are primarily linked to your property value (and to a certain extent your ability to pay, or affordability). By shifting more to UAGC you are breaking this nexus, and moving away from wealth based to flat charges. This will put more financial pressure on those in the lower social economic demographic of the community. The 30% UAGC mentioned in the Federated Farmers is the maximum UAGC rate a Council allowable under the Local Government Rating Act.

It was determined during this review, that while the majority of the benefit of providing stormwater networks is the protection of private property from flooding (hence the 90% of this activity funded from a targeted rate assigned to the properties within the stormwater network area). However, Council also agreed that there was a public good benefit to the wider district that roads remain open, unflooded allowing all ratepayers to freely move around the district, and that business districts are able to continue to operate providing essential services such as supermarkets and petrol stations. This wider public benefit was considered to be 10% of the total benefit and should be collected through general rates across the whole district.

In terms of both wastewater and drinking water, Council has determined that 100% of the benefit of those networks are enjoyed by the houses connected to those services. For that reason, these services are paid for 100% by a targeted rate to those connected (or able to connect), and nothing is collected through general rates for these water services.

Land Transport Rates are collected based on so many cents per dollar of land value, and this rate is the same regardless of where people live in the district. While this does put more of a burden on farmers (as they typically have higher land values than town folk), you also have to take into consideration the type of traffic and distance travelled when looking at wear and tear on Councils roading networks. Rural trips are typically longer than urban trips, and heavy trucks do more damage to roads than lighter vehicles by many multiples. For this reason, Officers are happy with the way Land Transport Rates are currently set.

Currently Dog Registrations are set as a Fee and Charge. In the LTP Rural dog registrations are set at \$51 compared to town dogs which are \$108, so already get more than a 50% discount per dog. As noted in the Federated Farmers report, Councils proposed fee structure is not that dissimilar for a pack of 10 dogs to our neighbours Hastings District Council.

### **Rates Remission, Postponement, Discounts and Collection Policy**

Kathryn Bayliss: *"I oppose the Remission of Water Meter Rates Attributable to Water Leaks Policy and think it should be deleted. (Long Term Plan 2021-31 Consultation Document page 224) Leaks should be fixed as soon as possible. Given a month to fix them is too wasteful of water. Not being given a remission of Water Rates would make people responsible to fix them as soon as possible. Water meters should be monitored daily."*

Officers Response: This policy was reviewed in August 2020. Prior to this review the water leak remission policy had been silent on the period in which a leak was to be fixed within and as a result of some tardy repairs the policy was updated to say that *“the leak has been repaired as soon as practical, and within one calendar month of being identified (unless evidence is provided that the services of an appropriate repairer could not be obtained within this period)”*. Officers believe that this wording is appropriate.

Currently Council does not have water meters on every property. Every new build, and properties historically identified as high water users, have meters (approximately 30% of all connections). The approximate cost to provide water meters to the remaining 70% of properties is \$2m for dumb meters. Dumb Meters have no telemetry in them, meaning they have to be read manually which is what Council currently does with the 2,150 meters it currently has on its network. For the majority of customers, they are read quarterly.

Currently the only smart meters (the ones that report back reads over a network connection) are housed at pump stations, treatment plants, and reservoirs which allows staff to monitor network flows, but not individual property usage.

## INFRASTRUCTURE STRATEGY FEEDBACK

### Thriving Community

David Lewis: *“Must be done, no water, no life.”*

Shona Crooks: *“I feel that it is extremely important for the infrastructure, etc to be brought up to date to ensure that we continue to be a happy, healthy and thriving community.”*

Heather-Anne Tidey: *“It’s a massive job that needs to be addressed to make us fit for the future. We appreciate the consultation process and then no-one can growl about not being heard! Thank you:-). Kia Kaha”*

Diana Hollis: *“The sooner this is sorted and the work is started the better”*

John McLean: *“Strongly feel we must not lose control of our water. Keep it local.”*

Officers Response: Officers agree that good infrastructure leads to a happy, healthy and thriving community. It also makes it an attractive region for people to move into.

Safe, healthy water, and effluent disposal is important to our Council, but this needs to be balanced with keeping it affordable. Officers will be interested to see how the 3 Waters Reform plays out over the next 12 months. Regardless of the ownership model at the end, safe drinking water delivery will be at the heart of it.

### Priority of Works

Chrissy Malcolm: *“I feel that considering the dire need for upgrading of water pipes and waste water repairs that too much money has been set aside for NON PRIORITY infrastructure like the Waipukurau library without consultation. I was definitely not thrilled to read about it in the newspaper and to find that my rates are paying for yet another library, sometimes we just need to share facilities.”*



Karen Olsen-Mills: *"Maybe all these jobs within council that are being created aren't all necessary and should seriously be considered. As a rate payer seeing many jobs' advertised for the council I'm starting to wonder how everyone fits into the building. Also how much is going to be spent upgrading the building which is to become the new library, is this one earthquake proof or will that be another waste of rate payer's money."*

William Irving Peacock: *"Please look after rural roads"*

Noel Pederson: *"Council needs to make sure contractors are doing road sweeping and crate cleaning."*

David Bishop: *"I support the principles as detailed here:*

- *Investment in Infrastructure is driven by information, science and risk;*
- *Assets are replaced when they are worn out in a manner that does not create a risk burden for future Councils or ratepayers;*
- *Long-term solutions are implemented rather than quick fixes:*
- *Compliance with legislation is mandatory but considered in most cases to be a minimum standard when evaluating project benefits"*

Kathryn Bayliss: *"I agree that the priorities in our infrastructure strategy correctly reflect the need for investment in our community assets today."*

Murray Howarth: *"The upgrading of waste water infrastructure should be a priority over water supply. The present supply facilities seem adequate in most months of the year. Moving to land based disposal is an improvement and I have to ask if have you done your homework properly. I assume that the waste water is to be spread on farm land and the farmer is going to continue farming the area. Is that farmer compliant with his N leaching allocation when he is farming with extra nutrients and water?"*

Sport NZ: *"Councils are an important partner for regional sports trusts, who we invest in significantly and are the regional champions of our strategic vision. The primary ways we see the Central Hawkes Bay Long Term Plan helping to drive physical activity and wellbeing outcomes is through:*

- *the planning, funding and operation of community facilities and open spaces which enable play, active recreation and sport*
- *sustained support for spaces, places, and initiatives to encourage more people to be more active*

*We are encouraged that your Council over the period of the long-term plan wishes to increase its attention and focus on investment in community facilities including its halls, pools and open spaces following the completion of a Community Facilities Strategy for the District."*

Nicole Ellison: *"The Plan is a great start to dealing with issues the District is facing. However, whilst considering crumbling infrastructure, I think Council should also look at roading, otherwise before we know it our roads will be falling apart and another huge investment (and corresponding increase in rates) will be needed. In addition, I suspect huge savings could be made if we could get the roading contractors working more efficiently and effectively, not just creating more work for themselves...."*

Forest and Bird: *"Climate change is already having an impact in Central Hawke's Bay with hotter, drier weather being most noticeable. Combined with over allocation of ground water, the result for some of our remaining remnants of native forest has been catastrophic. Engineering our way to resilience against the impacts of climate change isn't going to work"*

*"CHBDC needs to think about these sorts of 'natural' solutions to mitigating the risks of climate change. In the long term they will provide the best economic, environmental, and wellbeing outcomes."*

Officers Response: As part of developing Councils 30-year Asset Management Plan (a key input into developing the Long Term Plan), Officers have assessed the condition and expected remaining life of all of the Councils Assets. From this a program of works is developed and a priority list is developed. This is based partly on the age and condition of the asset, and partly the criticality of the asset (ie the impact on ratepayers if failure were to occur).

Obviously at present (while Council catches up on deferred maintenance from previous years) Council is capital constrained, and is prioritising core infrastructure (roads and water networks) over nice to haves (swimming pools and museums). The exception to this rule is where a third party funder is funding the nice to haves. This is the case with the new Waipukurau library, where MBIE is funding the development of a "digital hub" in Waipukurau. Through the use of this money and a bequest left to the library, Council is able to create a multi-purpose space that will house a Digital Hub, the Library, and AA Services with very little ratepayer funding.

With the wastewater discharge to land, Council will be able to treat the water to remove contaminants before the discharge. In fact, the farmers will be able to determine what nutrients they wish to be included or not included in the water discharge.

Council acknowledges that climate change is real, and when designing new infrastructure, the potential of increased floods, droughts, and sea level rises are factored into designs and proposed solutions.

## Recycling

Penny Single: *"I believe every time we have a change in the contractor for recycling the rules change. I understand the process of changing contractors. But the rules shouldn't be changing every time a new contractor comes in. They should adapt to our rules. I also don't agree with how little we are allowed to recycle. As a council you should be trying to reduce the amount of rubbish that goes into landfill by allowing us to recycle. I wash all my plastic and fold down all my cardboard. I even separate cardboard from plastic/cans and the glass. I have been penalised for doing this by having my 2nd bin taken from me (one of the bigger/older ones). I understand we have the option of going to the recycling bins, but I believe it should be encouraged to recycle as much as possible. Personally if it's not collected it goes in the rubbish bin."*

Nikau Hill Station: *"Never going to be able to kerbside collect all residents. Will need to keep rural recycling centres so you don't need kerbside in these areas."*

Officers Response: Depending on the outcome of the consultation this will determine the future of centralised recycling drop off centres. If Council does move to additional kerbside recycling, then it does intend to remove the centralised recycling drop off centres in those areas. However, Council is also aware that those drop off centres are utilised by rural ratepayers as well as town ratepayers but the rural ratepayers won't get kerbside collections. For this reason, Council is planning to introduce smaller, mobile, trailer based, drop off centres that will move around the communities and be placed at local schools on certain days of the week to allow rural recycling collection. It is hoped that by using the schools as Kaitiakis, or guardians, that these smaller mobile units will be subject to less contamination allowing more product to make it to recycling rather than having to be diverted to landfill which is the case currently with contaminated product.

Officers are also planning a further education program to reinforce with ratepayers what can and can't be recycled, and that recycling needs to be washed and clean.

### Other Topics

Ben Douglas: *"A couple of little things, but low cost and it all adds up to reduce the infrastructure need- let's subsidise composting toilets and rainwater collection in existing houses and require rainwater collection of new builds."*

Gerrard Pain: *"Previous Councils have tried listening to their community's desire to avoid unaffordable rates – so unfair to classify as rates have been kept artificially low."*

*I felt it was brave of the Butler-led Council to try the floating wetland approach; that was a better option than the land based discharge being offered by the Regional Council – unfair to describe as "poor".*

Officers Response: Council currently is consulting on a number of proposed water bylaw reforms. One of those includes the requirement of all new builds to include a rainwater tank for the collection of non-potable water to be used for watering gardens and car washing etc. This will provide more resilience during periods of low water flows.

While the Butler led Council was brave introducing the experimental floating wetlands as a method of treating waste water, ultimately this has proved to be a failed experiment and the floating wetlands are now being removed, and more traditional and proven treatment processes are being introduced.

### RISK ASSESSMENT AND MITIGATION

Ratepayers have raised several risks:

1. Rate affordability
2. Debt affordability and Interest Rate Rises
3. Selecting appropriate infrastructure solutions
4. 3 Waters Reform Uncertainty
5. Legal Challenges to Rating and Fees and Charges

Throughout the development of the LTP Officers and Councillors have been acutely aware of the impact rate rises will have on the community. It is for this reason that Council is using every mechanism it can to minimise these rates rises – whether this is through the review of the finance and revenue policies, development contribution policy, fees and charges, the use of debt, and the pursuit of external funding. Only when all other avenues have been exhausted has rate rises been used.

Debt servicing and interest rate rises are mitigated through the use of a well written treasury policy, debt caps, external treasury advice from matter experts, the use of fixed interest loans, as well as oversight from Risk and Assurances independent chair.

Council has a number of trusted external advisors, in the form of national and international engineering firms, who are providing advice on infrastructure solutions. Council is also implementing tried and true solutions rather than experimental ones.

While the 3 Water Reform creates uncertainty Council has been reassured by MBIE that any debt held by Council related to 3 Waters Assets will be transferred to the new asset owning entity (along with the assets) if the reform proceeds. For this reason, Officers are confident that any money

spent on these assets while continue to benefit the local community beyond Council ownership, and debt incurred, will not be wasted during this period of uncertainty.

Council has sought external advice when developing its LTP and associated policies, and Officers are confident the process undertaken has been robust.

## **FOUR WELLBEINGS**

Officers are confident that the options put forward for consultation under this LTP will create cultural and environmental outcomes that are superior to current practices for the treatment of wastewater and solid waste. The upgrades proposed should also reduce likelihood of public health scares from drinking water contamination.

While these upgrades will come at an economic cost to the community, the health benefits, and the district growth and prosperity will outweigh these economic costs in the long run.

## **DELEGATIONS OR AUTHORITY**

Under the Local Government Act, the Council is required to have a Long Term Plan to set the agenda for the future and this is required to be consulted on with the public. As part of this consultation the Council is required to hear submissions on the proposal.

## **SIGNIFICANCE AND ENGAGEMENT**

In accordance with the Council's Significance and Engagement Policy, this matter has been assessed as of significance, and requires public consultation.

## **OPTIONS ANALYSIS**

Council is required to follow a process for establishing the funding of the Council activities. Section 101 (3) requires the Council to consider each of the following items as part of the funding of an activity.

- The community outcomes to which the activity primarily contributes to; and
- The distribution of the benefits between the community as a whole, any identifiable part of the community and individuals; and
- The period in or over which those benefits are expected to occur; and
- The extent to which the actions or inactions of particular individuals or a group contribute to the need to undertake the activity; and
- The costs and benefits, including consequences for transparency and accountability, of funding the activity distinctly from other activities; and
- Overall impact of any allocation of liability for revenue needs on the community.

Therefore, the Council needs to consider the benefits of an activity to the community at different levels. This includes an individual, part of the community and the community as a whole. Following this consideration, Council determines the appropriate funding for each activity. Therefore, rating allocation is not set based on user pays. Council determines the rates allocation based on the allocation of benefit and the overall impact any allocation of liability for revenue needs on the community.

When considering the adoption of the Financial Strategy and Infrastructure Strategy Council is a key component of Council deciding the funding of, and prioritisation of Council Spend.

	<b><u>Option 1</u></b>	<b><u>Option 2</u></b>
	<b>Adopt the Financial and Infrastructure Strategy Contained in the LTP.</b>	<b>Reject the Financial and Infrastructure Strategy Contained in the LTP, and request changes based on consultation feedback.</b>
<b>Financial and Operational Implications</b>	Council by adopting the two strategies is agreeing to the platform on which the LTP was developed. It affirms the condition assessment of infrastructure, the program of works to maintain and improve this infrastructure, and the funding mechanism to pay for it.	Council by rejecting the two strategies is asking for officers to amend capital works prioritisation and/or the funding allocations to this this work. Depending of the magnitude of the changes asked for could materially alter the budgets consulted on in the LTP.
<b>Long Term Plan and Annual Plan Implications</b>	Council by adopting the two strategies is affirming the platform on which the LTP was developed.	Council by rejecting the two strategies is altering the premise on which the LTP, program of works, and the financing/treasury policies were developed.
<b>Promotion or Achievement of Community Outcomes</b>	Generally, there has been strong community support for this option in completing necessary works and spreading costs as best possible. Will allow for asset upgrades to ensure community vitality and levels of service continue.	This option would be at odds with the over 90% support for option 1. Significant changes to these strategies may not allow for asset upgrades that are required to ensure community vitality and for levels of service continue.
<b>Statutory Requirements</b>	These strategies are required to be prepared, consulted on, and adopted by Council as part of its LTP under the Local Government Act.	These strategies are required to be prepared, consulted on, and adopted by Council as part of its LTP under the Local Government Act.
<b>Consistency with Policies and Plans</b>	This option is consistent with the Asset Management Plan, Treasury Policy, Development Contributions, 3 Waters Bylaws, and the Revenue and Financing Policies.	Depending on the changes required, this option could be consistent with the Asset Management Plan, Treasury Policy, Development Contributions, 3 Waters Bylaws, and the Revenue and Financing Policies.

**Recommended Option**

This report recommends option number one, adopt the Financial and Infrastructure Strategy as detailed in the LTP Supporting Document for addressing the matter.

**NEXT STEPS**

Assuming the Financial and Infrastructure Strategy as detailed in the LTP Supporting Document are adopted, then Officers will include them as written into the final LTP Document.

**RECOMMENDATION**

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

- a) That the submitters are thanked for their comments which are acknowledged and further that the information contained in this report is provided to the submitters.**
- b) That the Financial and Infrastructure Strategies pending amendments following Councils decisions on the key 4 challenges and other activities be endorsed, ready for adoption when the Long-term Plan 2021 – 2031 is considered for adoption.**
- c) That the Treasury Management Policy (including Investment and Liability Policies) attached to this report be adopted.**





**CENTRAL  
HAWKE'S BAY**  
DISTRICT COUNCIL

## **Treasury Management Policy (including Investment and Liability Policies)**

Adopted: 13 May 2021

*Together we Thrive! E ora ngātahi ana!*

Central Hawke's Bay District Council

## Treasury Management Policy

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## PURPOSE OF THIS POLICY

The purpose of the Treasury Management Policy ("Policy") is to outline approved policies and procedures in respect of all treasury activity to be undertaken by Central Hawke's Bay District Council ("Council"). The formalisation of such policies and procedures will enable treasury risks within Council to be prudently managed.

As circumstances change, the policies and procedures outlined in this Policy will be modified to ensure that treasury risks within Council continue to be well managed.

It is intended that the Policy be distributed to all personnel involved in any aspect of the Council's financial management. In this respect, all staff must be completely familiar with their responsibilities under the Policy at all times.

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## SCOPE AND OBJECTIVES OF THIS POLICY

### Scope

- This document identifies the Policy of Council in respect of treasury management activities, incorporating both borrowing and investment activity.
- The Policy has not been prepared to cover other aspects of Council's operations, particularly transactional banking management, systems of internal control and financial management. Other policies and procedures of Council cover these matters.

### Treasury Management Objectives

The objective of this Policy is to control and manage costs, investment returns and risks associated with treasury management activities, incorporating both borrowing and investment activity.

### Statutory objectives

- All external borrowing, investments and incidental financial arrangements (e.g. use of interest rate hedging financial instruments) will meet requirements of the Local Government Act 2002 and incorporate the Liability Management Policy and Investment Policy.
- Council is governed by the following relevant legislation:
- Local Government Act 2002, in particular Part 6 including sections 101, 102, 104, 105 and 113.
- Local Government (Financial Reporting and Prudence) Regulations 2014, in particular Schedule 4.
- Trustee Act 1956. When acting as a trustee or investing money on behalf of others, the Trustee Act highlights that trustees have a duty to invest prudently and that they shall exercise care, diligence and skill that a prudent person of business would exercise in managing the affairs of others.
- Council will not transact with any Council Controlled Trading Organisation (CCTO) on terms more favourable than those achievable by Council itself, without charging any rate or rates revenue as security.
- A resolution of Council is not required for hire purchase, credit or deferred purchase of goods if:  
The period of indebtedness is less than 91 days (including rollovers); or  
The goods or services are obtained in the ordinary course of operations on normal terms for amounts not exceeding in aggregate, 5.0% of the Council's consolidated annual operating budget for the year (as determined by Council's Significance and Engagement Policy).

### General objectives

- Ensure that all statutory requirements of a financial nature are adhered to.
- Minimise Council's costs and risks in the management of its external borrowings.
- Minimise Council's exposure to adverse interest rate movements.
- Arrange and structure external long term funding for Council at a favourable margin and cost from debt lenders. Optimise flexibility and spread of debt maturity terms within the funding risk limits established by this Policy statement.
- Maintain appropriate liquidity levels and manage cash flows within Council to meet known and reasonable unforeseen funding requirements.
- Manage investments to optimise returns in the long term whilst balancing risk and return considerations.

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- Develop and maintain relationships with financial institutions, brokers and LGFA.
- Comply, monitor and report on borrowing covenants and ratios under the obligations of Council's lending/security arrangements.
- To minimise exposure to credit risk by dealing with and investing in credit worthy counterparties.
- Borrow funds, invest and transact risk management instruments within an environment of control and compliance.
- Monitor, evaluate and report on treasury performance.
- Ensure the Council, management and relevant staff are kept abreast of the latest treasury products, methodologies, and accounting treatments through training and in-house presentations.
- Ensure adequate internal controls exist to protect Council's financial assets and to prevent unauthorised transactions.

In meeting the above objectives Council is, above all, a risk averse entity and does not seek risk in its treasury activities. Interest rate risk, liquidity risk, funding risk, investment risk or credit risk, and operational risks are all risks which Council seeks to manage, not capitalise on. Accordingly activity which may be construed as speculative in nature is expressly forbidden.

#### **Policy setting and management**

Council approves Policy parameters in relation to its treasury activities. The CE has overall financial management responsibility for the Council's borrowing and investments, and related activities.

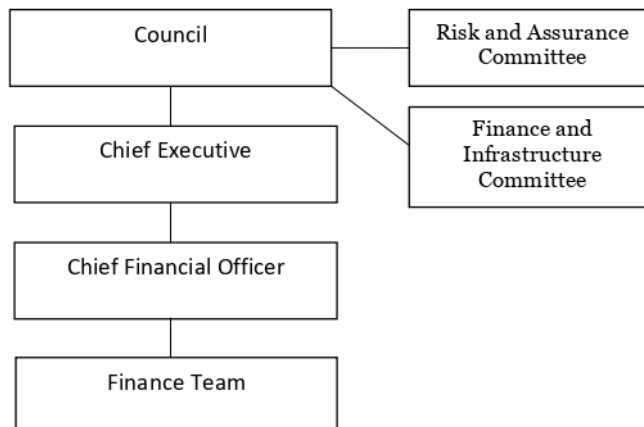
The Council exercises ongoing governance over its subsidiary companies (CCO/CCTO), through the process of approving the Constitutions, Statements of Intent, and the appointment of Directors/Trustees of these organisations.

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## GOVERNANCE AND MANAGEMENT RESPONSIBILITIES

### Overview of Management Structure

The following diagram illustrates those individuals and bodies who have treasury responsibilities. Authority levels, reporting lines and treasury duties and responsibilities are outlined in the following section:



### Council

The Council has ultimate responsibility for ensuring that there is an effective Policy for the management of its risks. In this respect the Council decides the level and nature of risks that are acceptable, given Council's statutory objectives.

The Council is responsible for approving the Policy. While the Policy can be reviewed and changes recommended by other persons, the authority to make or change Policy cannot be delegated.

In this respect, the Council has responsibility for:

- Approving the long-term financial position of Council through the Long Term Plan (LTP) and Financial Strategy along with the adopted Annual Plan.
- Approve and adopt the Liability Management and Investment Policies (the Treasury Management Policy).
- Approval for one-off transactions falling outside Policy.

### Finance and Infrastructure Committee

Under delegation from Council:

- Monitor and review treasury activity through at least six monthly reporting, supplemented by exception reporting.

### Risk and Assurance Committee

Under delegation from Council:

- Review formally, on a three yearly basis, the Treasury Management Policy document.
- Evaluate and recommend amendments to the Treasury Management Policy to Council.

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#### Chief Executive Officer (CE)

While the Council has final responsibility for the Policy governing the management of treasury risks, it delegates overall responsibility for the day-to-day management of such risks to the CE. The CE has approval and monitoring responsibilities over the treasury function.

#### Chief Financial Officer (CFO) and Finance Team

The CFO along with the Finance Team share the treasury tasks and responsibilities of the treasury function ensuring an adequate segregation of treasury duties and cross-checking of treasury activity. Oversight is maintained by the CE through regular reporting and approval delegations.

#### Delegation of authority and authority limits

Treasury transactions entered into without the proper authority are difficult to cancel given the legal doctrine of "apparent authority". Also, insufficient authorities for a given bank account or facility may prevent the execution of certain transactions (or at least cause unnecessary delays).

To prevent these types of situations, Council's Delegations Register must be complied with at all times.

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## LIABILITY MANAGEMENT POLICY

### Introduction

Council's liabilities comprise of borrowings and various other liabilities. Council maintains external borrowings in order to:

- Raise specific debt associated with projects and capital expenditures.
- Raise finance leases for fixed asset purchases.
- Fund the balance sheet as a whole, including working capital requirements.
- Fund assets whose useful lives extend over several generations of ratepayers.

Borrowing provides a basis to achieve inter-generational equity by aligning long-term assets with long-term funding sources, and ensure that the cost are met by those ratepayers benefiting from the investment.

### Borrowing limits

Debt will be managed within the following limits:

Item	Council Limit	LGFA Limit
Net External Debt / Total Revenue	<150%	<175%
Net Interest on External Debt / Total Revenue	<10%	<20%
Net Interest on External Debt / Annual Rates Income	<20%	<25%
Net Debt / Council Equity	<10%	
External, term debt + committed bank facilities + unencumbered cash/cash equivalents to existing external debt.	>115%	>110%

- Total Revenue is defined as cash earnings from rates, government capital grants and subsidies, user charges, interest, dividends, financial and other revenue and excludes non-government capital contributions (e.g. developer contributions and vested assets).
- Net external debt is defined as total external debt less unencumbered cash/cash equivalents.
- The liquidity ratio is defined as external debt plus committed LGFA/bank facilities, plus unencumbered cash/cash equivalents divided by external debt.
- Net interest on external debt is defined as the amount equal to all interest and financing costs (on external debt) less interest income for the relevant period.
- Annual Rates Income is defined as the amount equal to the total revenue from any funding mechanism authorised by the Local Government (Rating) Act 2002 (including volumetric water charges levied) together with any revenue received from other local authorities for services provided (and for which the other local authorities rate).
- Disaster recovery requirements, urgent financing of emergency-related works and services are to be met through the special funds and liquidity policy.

### Asset management plans

In approving new debt Council considers the impact on its external borrowing limits as well as the economic life of the asset that is being funded and its overall consistency with Council's LTP and Financial Strategy.

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### Borrowing mechanisms

Council is able to externally borrow through a variety of market mechanisms including issuing stock/bonds, commercial paper (CP), direct bank borrowing, accessing the short and long-term wholesale debt capital markets either directly or through the LGFA, or internal borrowing of reserve and special funds. In evaluating strategies for new borrowing (in relation to source, term, size and pricing) the following is taken into account:

- The size and the economic life of the project.
- Available terms from banks, the LGFA and debt capital markets.
- Council's overall debt maturity profile, to ensure concentration of debt is avoided at reissue/rollover time.
- Prevailing interest rates and margins relative to term for debt issuance, the LGFA, debt capital markets and bank borrowing.
- The market's outlook on future interest rate movements as well as its own.
- Legal documentation and financial covenants considerations.
- Alternative funding mechanisms such as leasing should be evaluated with financial analysis in conjunction with traditional on-balance sheet funding. The evaluation should take into consideration, ownership, redemption value and effective cost of funds.

Council's ability to readily attract cost effective borrowing is largely driven by its ability to rate, maintain a strong financial standing and manage its relationships with the LGFA, and financial institutions/brokers.

### Security

Council's external borrowings and interest rate management instruments will generally be secured by way of a charge over rates and rates revenue offered through a Debenture Trust Deed. Under a Debenture Trust Deed, Council's borrowing is secured by a floating charge over all Council rates levied under the Local Government Rating Act. The security offered by Council ranks equally or *pari passu* with other lenders.

From time to time, and with Council approval (or through an approved person as per the delegations register), security may be offered by providing a charge over one or more of Council's assets, where it is beneficial and cost effective to do so.

- Any internal borrowing will be on an unsecured basis.
- Any pledging of physical assets must comply with the terms and conditions contained within the Debenture Trust Deed.

### Debt repayment

The funds from all asset sales, operating surpluses, grants and subsidies will be applied to specific projects or the reduction of debt and/or a reduction in borrowing requirements, unless the Council specifically directs that the funds will be put to another use.

Debt will be repaid as it falls due in accordance with the applicable borrowing arrangement. Subject to the appropriate approval and policy limits, a loan may be rolled over or re-negotiated as and when appropriate.

Council will manage debt on a portfolio basis and will only externally borrow when it is commercially prudent to do so.



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### Guarantees/contingent liabilities and other financial arrangements

Council may act as guarantor to financial institutions on loans or enter into incidental arrangements for organisations, clubs, trusts, Council-controlled trading organisations or Business Units, when the purposes of the loan are in line with Council's strategic objectives.

Council will ensure that sufficient funds or lines of credit exist to meet amounts guaranteed. Guarantees given will not exceed any amount agreed by Council in aggregate. The Finance Team monitors guarantees and reports six-monthly to the CE.

### Internal borrowing of special funds

Special Funds must generally be used for the purposes for which they have been set aside.. Council may, however, modify such purposes from time to time. Funds held in excess of the special funds requirement are held as ratepayers equity reserves, and can be utilised as needed. Recorded special fund balances must be used for their intended purpose.

Council maintains its funds in short term maturities emphasising counterparty credit worthiness and liquidity. The interest rate yield achieved on the funds therefore is a secondary objective

Any internal borrowing of equity reserves must be reimbursed for interest revenue lost.

The cost of internal borrowing is set by the Finance Team from time to time.

For reasons of cost distribution, records on internal borrowings will be maintained to ensure Funds are not disadvantaged.

### New Zealand Local Government Funding Agency (LGFA) Limited

Despite anything earlier in this Policy, Council may borrow from the New Zealand Local Government Funding Agency Limited (LGFA) and, in connection with that borrowing, may enter into the following related transactions to the extent it considers necessary or desirable:

- Contribute a portion of its borrowing back to the LGFA as an equity contribution to the LGFA. For example borrower notes.
- Provide guarantees of the indebtedness of other local authorities to the LGFA and of the indebtedness of the LGFA itself.
- Commit to contributing additional equity (or subordinated debt) to the LGFA if required.
- Secure its borrowing from the LGFA and the performance of other obligations to the LGFA or its creditors with a charge over the Council's rates and rates revenue.
- Subscribe for shares and uncalled capital in the LGFA.

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## INVESTMENT POLICY

### Introduction

Council generally holds investments for strategic reasons where there is some community, social, physical or economic benefit accruing from the investment activity. Generating a commercial return on strategic investments is considered a secondary objective. Investments and associated risks are monitored and managed, and reported at least six-monthly to the Finance and Services Committee. Specific purposes for maintaining investments include:

- For strategic and intergenerational purposes consistent with Council's LTP and AP.
- The retention of vested land.
- Holding short term investments for working capital and liquidity requirements.
- Holding assets (such as property and land parcels) for commercial returns.
- Provide ready cash in the event of a natural disaster. The use of which is intended to bridge the gap between the disaster and the reinstatement of normal income streams and assets.
- Invest amounts allocated to specific reserves.
- Invest funds allocated for approved future expenditure.
- Invest proceeds from the sale of assets.

Council recognises that as a responsible public authority all investments held, should be low risk, giving preference to conservative investment policies and avoiding speculative investments. Council also recognises that low risk investments generally mean lower returns.

To minimise raising external debt, Council can internally borrow from equity, reserves and investment funds, in the first instance to meet operational and capital spending requirements.

### Policy

Council's general Policy on investments is that:

- Council may hold financial, property, and equity investments if there are strategic, commercial, and economic or other valid reasons.
- Council will keep under review its approach to all investments and the credit rating of approved creditworthy counterparties.

### Mix of investments

Council maintains investments in the following assets:

- Equity investments
- Property investments
- Financial investments

### Equity investments

It may be appropriate to have limited investment(s) in equity (shares) when Council wishes to invest for strategic, economic development or social reasons.

Council will approve equity investments on a case-by-case basis, if and when they arise.

Generally such investments will be (but not limited to) Council Controlled Trading Organisations (CCTO) or Council Controlled Organisations (CCO) to further district or regional economic development. Council does not invest in offshore entities.

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Council reviews performance of these investments as part of the annual planning process to ensure that stated objectives are being achieved.

Any disposition of these investments requires approval by Council. Acquisition of new equity investments requires Council approval. The proceeds from the disposition of equity investments will be taken to the Capital Projects Fund. .

All income, including dividends, from Council's equity investments is included in general revenue.

Equity investment performance is reported to the Finance and Services Committee at least annually, along with the consideration of and approval of the Statement of Intent.

#### New Zealand Local Government Funding Agency Limited

Despite anything earlier in this Policy, Council may invest in shares and other financial instruments of the New Zealand Local Government Funding Agency Limited (LGFA), and may borrow to fund that investment.

Council's objective in making any such investment will be to:

- Obtain a return on the investment.
- Ensure that the LGFA has sufficient capital to remain viable, meaning that it continues as a source of debt funding for the Council.

As a borrower, Council's LGFA investment includes borrower notes.

#### Property investments

Council's primary reason to own property is to allow it to achieve its strategic objectives as stated in the LTP or deemed to be a core Council function. Council reviews property ownership through assessing the benefits of continued ownership in comparison to other arrangements which could deliver the same results. This assessment is based on the most financially viable method of achieving the delivery of Council services. Council generally follows similar assessment criteria in relation to new property investments.

Council may also hold investment properties that are not held for core function delivery purposes, where such a property is held for commercial returns (both rental returns and capital gains). Any purchase of investment properties must be approved by Council Resolution.

Council reviews the performance of its property investments at least annually and ensures that the benefits of continued ownership are consistent with its stated objectives. Council's policy is to dispose of any property that does not achieve a commercial return having regard to any restrictions on title or other requirements or needs to achieve Council objectives. All income, including rentals and ground rent from property investments is included in the consolidated revenue account. All rented or leased properties will be at an acceptable commercial rate of return so as to minimise the rating input, except where Council has identified a level of subsidy that is appropriate.

Proceeds from the disposition of property investments are used firstly in the retirement of related debt and then are credited to the Capital Projects Fund.

Council's investment in properties, other than reserves and those required for own occupation/core service delivery and infrastructural services, will not exceed 50% of total fixed assets in the land and building category.

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Any purchased properties must be supported by a current registered valuation, substantiated by management including a fully worked capital expenditure analysis.

### Financial investments

#### Objectives

Council's primary objectives when investing is the protection of its investment capital. Accordingly, Council may only invest in approved creditworthy counterparties. For financial investments (excluding equity and property investments) Council should only hold investments with a underlying credit rating of AA- or above. Credit ratings are monitored and reported at least six-monthly.

Council's investment portfolio will be arranged to provide sufficient funds for planned expenditures and allow for the payment of obligations as they fall due. Council prudently manages liquid financial investments as follows:

- Any liquid investments must be restricted to a term that meets future cash flow and capital expenditure projections.
- Council may choose to hold specific reserves in cash and financial investments. Interest income relating to special reserves is allocated to those accounts annually based on the opening balance.
- Internal borrowing will be used wherever possible to minimise external borrowing.

#### Trust funds

Where Council hold funds as a trustee, or manages funds for a Trust then such funds must be invested on the terms provided within the Trust Deed. If the Trust's Investment Policy is not specified then this Policy should apply.

### Investment management and reporting procedures

Council's policy for the management and reporting of investments includes:

- The legislative necessity to maintain efficient financial systems for the recording and reporting (inter alia) of:
  - All revenues and expenditures;
  - All assets and liabilities; and
  - The treatment and application of special funds.
- Adherence to Council's financial processes and delegations to Council's staff to invest surplus short-term funds and negotiate reinvestments, subject to the provision of adequate cash resources to meet normal expected cash demands;
- Treasury reporting is completed on at least a six-monthly basis.

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## RISK RECOGNITION / IDENTIFICATION MANAGEMENT

The definition and recognition of liquidity, funding, investment, interest rate, counterparty credit, operational and legal risk of Council is detailed below and applies to both the Liability Management Policy and Investment Policy.

### Interest rate risk on external borrowing

#### Risk recognition

Interest rate risk is the risk that funding costs (due to adverse movements in market wholesale interest rates) will materially exceed or fall short of projections included in the LTP or Annual Plan so as to adversely impact revenue projections, cost control and capital investment decisions.

The primary objective of interest rate risk management is to reduce uncertainty relating to interest rate movements through fixing/hedging of interest costs. Certainty around interest costs is to be achieved through the management of underlying interest rate exposures.

#### Interest rate risk control limits

Exposure to interest rate risk is managed and mitigated through the risk control limits below. Council's forecast core external debt should be within the following fixed/floating interest rate risk control limit, and will apply when forecast 12 month core debt exceeds \$10 million.

Core external debt is defined as gross external debt. When approved forecasts are changed, the amount of fixed rate protection in place may have to be adjusted to ensure compliance with the Policy minimums and maximums.

Master Fixed / Floating Risk Control Limits	
Minimum Fixed Rate	Maximum Fixed Rate
50%	100%

"Fixed Rate" is defined as an interest rate repricing date beyond 12 months forward on a continuous rolling basis.

"Floating Rate" is defined as an interest rate repricing within 12 months.

The percentages are calculated on the rolling 12 month projected core debt level calculated by management.

The fixed rate amount at any point in time should be within the following maturity bands:

#### Fixed Rate Maturity Limit

Fixed Rate Maturity Limit		
Period	Minimum Hedge %	Maximum Hedge %
1 to 4 years	15%	100%
4+ years	0%	60%

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A fixed rate maturity position that is outside the above limits, however self corrects within 90-days is not in breach of this Policy. Maintaining a maturity profile beyond 90-days requires specific approval by Council.

- Any interest rate swaps with a maturity beyond 10 years must be approved by Council.
- Hedging outside the above risk parameters must be approved by Council.
- At all times these instruments must be used within the context of the prudent financial objectives of Council's treasury function.

#### Approved financial instruments

Approved financial instruments (which do not include shares or equities) are as follows:

Category	Instrument
Cash management and borrowing	Bank overdraft Committed cash advance and bank/LGFA accepted bill facilities Loan stock /bond issuance <ul style="list-style-type: none"> <li>▪ Floating Rate Note (FRN)</li> <li>▪ Fixed Rate Note (Medium Term Note/Bond)</li> <li>▪ Commercial paper (CP)/Promissory notes</li> </ul>
Financial investments – no more than 12-month term (except for LGFA borrower notes, investments linked to debt pre-funding and bank bonds)	Bank call/term deposits Bank registered certificates of deposit (RCDs) Secured/unsecured senior bank bonds for terms up to 5-years LGFA borrower notes
Interest rate risk management	Forward rate agreements ("FRAs") on: <ul style="list-style-type: none"> <li>▪ Bank bills</li> </ul> Interest rate swaps including: <ul style="list-style-type: none"> <li>▪ Forward start swaps. Start date &lt;24 months, unless linked to existing maturing swaps</li> <li>▪ Swap maturity extensions and shortenings</li> </ul> Interest rate options on: <ul style="list-style-type: none"> <li>▪ Bank bills (purchased caps and one for one collars)</li> <li>▪ Interest rate swaptions (purchased swaptions and one for one collars only)</li> </ul>
Foreign exchange management	<ul style="list-style-type: none"> <li>▪ Spot foreign exchange</li> <li>▪ Forward exchange contracts (including par forwards)</li> </ul>
Carbon price risk management	<ul style="list-style-type: none"> <li>▪ New Zealand Units (NZUs) and Assigned Amount Units (NZAAUs)</li> <li>▪ Emission Reduction Units (ERUs), Certified Emission Reduction Units (CERs), Removal Units (RMUs) –</li> </ul>

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	until such time as inadmissible on the NZ Emission Trading Scheme (ETS)
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Any other financial instrument must be specifically approved by the Council on a case-by-case basis and only be applied to the one singular transaction being approved.

### Liquidity risk/funding risk

#### Risk recognition

Cash flow deficits in various future periods based on long term financial forecasts are reliant on the maturity structure of cash, short-term financial investments, loans and bank facilities. Liquidity risk management focuses on the ability to access committed funding at that future time to fund the gaps. Funding risk management centres on the ability to re-finance or raise new debt at a future time at acceptable pricing (fees and borrowing margins) and maturity terms of existing loans and facilities.

A key factor of funding risk management is to spread and control the risk to reduce the concentration of risk at one point in time so that the overall borrowing cost is not unnecessarily increased and desired maturity profile compromised due to changing market conditions.

#### Liquidity/funding risk control limits

To ensure funds are available when needed Council ensures that:

- There is sufficient available operating cash flow, liquid investments (cash/cash equivalents) and unused committed bank facilities to meet cash flow requirements between rates instalments as determined by the Finance Team.
- For liquidity purposes Council maintains the following;  
External term debt plus committed bank facilities, plus unencumbered cash/cash equivalents to existing external debt of at least 115%.  
Unencumbered liquid financial investments (cash/cash equivalents) used for liquidity management purposes are to not have a maturity term greater than 30-days.
- Council has the ability to pre-fund up to 12 months forecast debt requirements including re-financings.
- The CE has the discretionary authority to re-finance existing external debt.
- Council will only borrow from strongly rated banks with a minimum long-term credit rating of at least "A+" (S&P, or equivalent Fitch or Moody's rating).
- The maturity profile of the total committed funding in respect to all external term debt and committed bank facilities is to be controlled by the following system. No more than the greater of \$10m, or 35% of Councils total debt can mature in any 12 month rolling period.


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A funding maturity profile that is outside the above limits, however self corrects within 90-days is not in breach of this Policy. Maintaining a maturity profile beyond 90-days requires specific approval by Council.

### Counterparty credit risk

Counterparty credit risk is the risk of losses (realised or unrealised) arising from a counterparty defaulting on a financial instrument where the Council is a party. The credit risk to Council in a default event will be weighted differently depending on the type of instrument entered into.

Credit risk will be regularly reviewed by the Finance and Services Committee at least six-monthly. Treasury related transactions would only be entered into with approved counterparties.

Counterparties and limits are only approved on the basis of the following Standard & Poor's (S&P, or equivalent Fitch or Moody's rating) long and short-term credit ratings matrix. Limits should be spread amongst a number of counterparties to avoid concentrations of credit exposure.

Counterparty / Issuer	Minimum S&P long term / short term credit rating	Investments maximum per counterparty (\$m)	Risk management instruments maximum per counterparty (\$m)	Total maximum per counterparty (\$m)
NZ Government	N/A	Unlimited	None	Unlimited
Local Government Funding Agency (LGFA)	AA-/AA-1	10.0	5.0	15.0
NZ Registered Bank	AA- /AA-1	10.0 (with the exception of Council's transactional bank which may exceed this for up to 5 working days)	5.0	15.0

Credit ratings should be reviewed by the Finance Team on an ongoing basis and in the event of material credit downgrades should be immediately reported to the CE and assessed against exposure limits. Counterparties exceeding limits should be reported to the Council.

### Risk management

To avoid undue concentration of exposures, financial instruments should be used with as wide a range of approved counterparties as possible. The approval process must take into account the liquidity of the market and prevailing market conditions the instrument is traded in and repriced from.

### Foreign currency

Council has minor foreign exchange exposure through the occasional purchase of foreign exchange denominated services, plant and equipment.



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All individual commitments over NZ\$100,000 equivalent are hedged using approved foreign exchange instruments, once expenditure is approved, legal commitment occurs and the purchase order is placed, exact timing, currency type and amount are known. Only approved foreign exchange instruments are used.

Council shall not borrow or enter into incidental arrangements, within or outside New Zealand, in currency other than New Zealand currency. Council does not hold investments denominated in foreign currency.

#### Emissions Trading Scheme (ETS)

The objective of the ETS carbon credit policy is to minimise the financial impact of carbon price movements on Council's forward carbon liability. The objective requires balancing Council's need for price stability with the benefit of realising market opportunities to reduce costs as they arise. ETS is risk managed on a case-by-case basis, with any strategy approved by the CE.

#### Operational risk

Operational risk is the risk of loss as a result of human error (or fraud), system failures and inadequate procedures and controls. Detailed controls and procedures are agreed between the CE and CFO on an annual basis.

#### Legal risk

Legal risks relate to the unenforceability of a transaction due to an organisation not having the legal capacity or power to enter into the transaction usually because of prohibitions contained in legislation.

Council will seek to minimise this risk by adopting Policy regarding:

- The use of standing dealing and settlement instructions (including bank accounts, authorised persons, standard deal confirmations, contacts for disputed transactions) to be sent to counterparties.
- The matching of third party confirmations and the immediate follow-up of anomalies.

The use of expert advice.

#### Agreements

Financial instruments can only be entered into with banks that have in place an executed ISDA Master Agreement with Council. All ISDA Master Agreements for financial instruments and carbon units must be signed under seal by Council.

#### Financial covenants and other obligations

Council must not enter into any transactions where it would cause a breach of financial covenants under existing contractual arrangements. Council must comply with all obligations and reporting requirements under existing bank funding facilities, LGFA, Trustee and legislative requirements.

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## MEASURING TREASURY PERFORMANCE

In order to determine the success of Council's treasury management function, the following benchmarks and performance measures have been prescribed.

Those performance measures that provide a direct measure of the performance of treasury staff are to be reported to the Finance and Services Committee on, at least, a six-monthly basis.

Management	Performance
Operational performance	<ul style="list-style-type: none"> <li>All Policy limits must be complied with, including (but not limited to) counterparty credit limits, control limits and exposure limits.</li> <li>All treasury deadlines are to be met, including reporting deadlines.</li> </ul>
Management of debt and interest rate risk (borrowing costs)	<ul style="list-style-type: none"> <li>The actual borrowing cost (taking into consideration any costs/benefits of entering into interest rate management transactions) should be below the budgeted YTD/annual interest cost amount.</li> </ul>
Treasury investment returns	<ul style="list-style-type: none"> <li>The actual investment income should be above the budgeted YTD/annual interest income amount.</li> </ul>

Central Hawke's Bay District Council

## CASH MANAGEMENT

The Finance Team has responsibility to manage the day-to-day cash and short-term cash management activities of Council. The Finance Team prepares rolling cash flow and debt forecasts to manage Council's cash management and borrowing requirements. The overdraft facility is utilised as little as practical with any operational surpluses prudently invested.

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## REPORTING

When budgeting interest costs and investment returns, the actual physical position of existing loans, investments, and interest rate instruments must be taken into account.

### Treasury reporting

Regular treasury reporting on at least a six monthly is provided to the Finance & Infrastructure Committee.

### Accounting treatment of financial instruments

Council uses financial arrangements ("derivatives") for the primary purpose of reducing its financial risk to fluctuations in interest rates.

Under New Zealand Public Benefit Entity (PBE) International Public Sector Accounting Standards (IPSAS) changes in the fair value of derivatives go through the Statement of Comprehensive Revenue and Expense unless derivatives are designated in an effective hedge relationship.

Council's principal objective is to manage Council's interest rate risks within approved limits and chooses not to hedge account. Council accepts that the marked-to-market gains and losses on the revaluation of derivatives can create potential volatility in Council's financial accounts.

The Finance Team is responsible for advising the CE of any changes to relevant New Zealand Public Sector PBE Standards which may result in a change to the accounting treatment of financial arrangements.

All derivative instruments must be revalued (marked-to-market) at least six-monthly for reporting purposes.

Central Hawke's Bay District Council

## POLICY REVIEW

The Policy is to be formally reviewed on a triennial basis in conjunction with the LTP.

The CFO has the responsibility to prepare the annual review report (following the preparation of annual financial statements) that is presented to the CE. The report will include:

- Recommendation as to changes, deletions and additions to the Policy.
- Overview of the treasury function in achieving the stated treasury objectives and performance benchmarks.
- Summary of breaches of Policy and one-off approvals outside Policy.

Council receives the report, approves Policy changes and/or rejects recommendations for Policy changes. The Policy review should be completed and presented to the Council, through the Finance and Services Committee within five months of the financial year-end.

**7.9 LONG TERM PLAN 2021-2031 DRAFT DELIBERATION REPORTS: PLANNING AND REGULATORY SERVICES****File Number:** COU1-1400**Author:** Doug Tate, Group Manager Customer and Community Partnerships**Authoriser:** Monique Davidson, Chief Executive**Attachments:** Nil**PURPOSE**

The purpose of this report is to present to Council the submissions received on the Long Term Plan consultation in relation to the Planning and Regulatory Services Activity. It provides an analysis of the submissions.

**RECOMMENDATION FOR CONSIDERATION**

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

**a) That the submitters are thanked for their comments which are acknowledged and further that the information contained in this report is provided to the submitters.**

**PLANNING AND REGULATORY SERVICES: DISTRICT PLANNING****Topics for consideration**

<b>Topic One</b>	<b>Water Tanks and Composting Toilets</b>
<b>Topic Two</b>	<b>Growth Opportunities</b>
<b>Topic Three</b>	<b>Biodiversity</b>
<b>Topic Four</b>	<b>Climate Change</b>

**Topic One: Water Tanks and Composting Toilets****Submissions:**

31 Helen Burgin, 102 Ben Douglas, 121 Anthony Clouston, 215 Forest & Bird (Central Hawkes Bay Branch)

**Summary of Submissions:**

These submitters highlight the need to install water tanks for new dwellings and subsidise composting toilets and rainwater collection in existing dwellings. In particular:

- Ms Burgin suggests that tank water should be a backup for all new builds to lessen the pressure on the reticulated water source.
- Mr Douglas suggests that Council subsidise composting toilets and rainwater collection in existing houses and require rainwater collection for all new builds.
- Mr Clouston comments that storm water holding tanks and recycling should be compulsory for all buildings.

- Forest & Bird support the suggested requirement for rainwater collections tanks on new urban homes and believes Council should be bold and go further. This includes composting toilets or on-property treatment facilities.

**Analysis:**

It is noted that the current review of the Water Supply Bylaw (Water Supply, Stormwater, Wastewater and Trade Waste Bylaw) open for public consultation as part of the LTP from 1-31 March 2021, proposes making dual purpose rainwater tanks mandatory for new urban residential dwellings.

**Recommendation:**

That the submitters are thanked for their comments which are acknowledged and further that the information contained in this report is provided to the submitters.

**Topic Two: Growth Opportunities****Submissions;**

121 Anthony Clouston

**Summary of Submissions**

Mr Clouston comments on a wide range of topics in his submission, many of which relate to provision and funding of infrastructure, the following comments relating to the District Plan include;

- Encourage the development of Waipukurau as an industrial powerhouse town;
- assist in establishing Waipawa as the environmentally friendly 'arty-farty' village;
- Support, encourage and generally assist in the development of new sections;

**Analysis**

It is noted that many of the issues raised by Mr Clouston have been addressed through the Integrated Spatial with respect to responding to development of brownfield and greenfield growth options.

The current review of the District Plan has recognised the capacity for industrial development within Waipukurau with the inclusion of the deferred zone for industrial development off Takapau Road.

**Recommendation:**

That the submitter is thanked for his comments which are acknowledged and further that the information contained in this report is provided to the submitters.

**Topic Three: Biodiversity****Submissions**

181 Kathryn Bayliss, 215 Forest & Bird (Central Hawkes Bay Branch), 203 Biodiversity HB

**Summary of Submissions**

These submitters comment on the identification and protection of Significant Natural Areas with specific reference to inclusion of the draft National Policy Statement on Indigenous Biodiversity as part of the LTP. In particular;

- Ms Baylis requests that Council plant more native trees where and protect our existing native habitats;
- Forest & Bird believe the district plan review needs to progress and include protections for Significant Natural Areas, on private and public land, to ensure no more native vegetation is

lost and also to protect indigenous habitat. Council should also include investment in restoration work to improve the condition of these reserves and protect them from pests.

- Forest & Bird would support CHBDC making a case to Central Government for 'Jobs for Nature' funding to undertake some of this work. In particular, restoration work of wetlands in CHB would be of extremely high value.
- Biodiversity Hawke's Bay would like to see specific reference to the National Policy Statement for Indigenous Biodiversity (NPSIB) in the document. When gazetted the NPSIB will place additional obligations on territorial authorities. Specific reference to that in the Long Term Plan will indicate to residents that biodiversity is a significant issue.

### **Analysis**

It is noted that as part of the review of the District Plan a district wide assessment of indigenous flora and fauna was undertaken by Councils consulting ecologist, Bluewattle Ecology.

Council has a mandatory responsibility under s(6) of the Resource Management Act 1991 to identify and protect these areas. This assessment of the biodiversity values, including several ground truthing site inspections, is the first district wide assessment undertaken in CHB. Many existing as well as numerous new areas of biodiversity value have been identified. Provisions in the Proposed District Plan, to be notified on 28 May 2021, provide for the protection of our significant natural areas.

It is also noted that when provisions in the Proposed District Plan relating to significant natural areas were written the draft provisions of the NPSIB were fully taken into account and are reflected in the Plans provisions on biodiversity.

### **Recommendation:**

That the submitters are thanked for their comments which are acknowledged and further that the information contained in this report is provided to the submitters.

## **Topic Four: Climate Change**

### **Submission**

215 Forest & Bird (Central Hawkes Bay Branch)

### **Summary of Submissions**

The submitter makes several comments about the impacts of climate change including;

- Climate change is already having an impact in Central Hawkes Bay with hotter, drier weather being more noticeable. Combined with over allocation of ground water the result for some of our remaining remnants of native forest has been catastrophic.
- Council needs to change the way it thinks about climate resilience. We have created an issue by encroaching so tightly on river corridors and engineering the coastline to prevent coastal erosion does not support the mauri of the coast.
- CHB needs to think about natural solutions to mitigate the risks of climate change, in the long term they will provide the best economic, environmental and wellbeing outcomes.

### **Analysis**

It is noted that climate change is addressed as part of the Proposed District Plan and that the Council relies on HBRC for investigation and provision of data on climate change matters.

It is also worth noting that the current reform of the Resource Management process is proposing the repeal of the Resource Management Act with three new Acts, one of which is the proposed Climate Change Adaptation Act, due for enactment in late 2022.

### **Recommendation:**



That the submitter is thanked for their comments which are acknowledged and further that the information contained in this report is provided to the submitters.

## **PLANNING AND REGULATORY SERVICES: LANDUSE AND SUBDIVISION CONSENTS**

### **Topics for consideration**

<b>Topic One</b>	<b>Visual impact of development</b>
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### **Topic One: Visual impact of development**

#### **Submissions:**

59 Elaine Helen Guthrie

#### **Summary of Submissions:**

Mrs Guthrie comments profits are more important than visual impact considerations.

#### **Analysis:**

Resource consent and building consents processes take into account visual impact where applicable. New national standards and performance standards in the proposed district plan will ensure visual amenity is considered.

#### **Recommendation:**

That the submitter is thanked for their comments which are acknowledged. and further that the information contained in this report is provided to the submitter.

## **PLANNING AND REGULATORY SERVICES: ANIMAL CONTROL**

### **Topics for consideration**

<b>Topic One</b>	<b>Rural and Working Dog Fees</b>
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### **Topic One: Rural and Working Dog Fees**

#### **Submission:**

216 Federated Farmers

#### **Summary of Submission:**

This submitter highlighted that the fees for working and rural dogs are still too expensive, especially when there is no discount for subsequent dogs when in one ownership.

Federated Farmers would like to know what percentage of animal control costs originate from rural dogs, compared to urban dogs, and has made a suggestion that Council should look at the working dog registration fee and provide a discount for subsequent working dogs and that a flat fee is introduced for a team of 10 working dogs.

#### **Analysis:**

Central Hawke's Bay District Council is a large rural district, which covers from the Ruahine Ranges to the Coast. Over 70% of the dogs registered in the District are classified as rural/working dogs.

The current rural/working dog registration fee is 50% of the urban residential rate. Below is a table which shows the current dog registration fees for 2020/2021 for Central Hawke's Bay in comparison to our neighbouring districts:

<b>Council</b>	<b>Residential/Urban Fee</b>	<b>Rural/Working Dog Fee</b>
Central Hawke's Bay District Council	\$112.00	\$56.00
Hastings District Council	\$110.00	\$48.00
Tararua District Council	\$95.00	\$40.00

Dog Registration pays for:

- Monitoring and enforcement of the Dog Control Act 1996 and ensuring compliance with the Central Hawke's Bay District Council Dog Control Bylaw 2018 and the Dog Control Policy 2017.
- Responding to and Investigating complaints (including dog rushes and attacks on people, domestic pets, stock and wildlife, barking nuisance, roaming and lost and found dogs).
- Providing and maintaining Pound Facilities.
- Patrolling public areas, reserves, parks, beaches and sports fields throughout our district.
- Providing education programmes, signage and promoting community safety.
- Providing animal management services for stock control on roads.

We spend a considerable amount of resource and time in our rural district dealing with various issues but the three key areas where we spend the majority of our time are:

1. Lost rural and working dogs. Due to working dogs not being required to be microchipped under the Dog Control Act 1996, when dogs are found in the rural sector, our officers are unable to easily identify where the dog comes from and so are unable to return them to their owner and they are impounded. We have recommended to our rural sector that a very minor cost it is beneficial to microchip their dogs so that the owner can be easily identified.
2. Wandering stock out on roads, which is very common in our district and is a considerable safety risk to people and expense to be managed safely.
3. Dog attacks on stock. While we have a strong emphasis of providing education around preventing these incidents, we still deal with a number of dog attacks on stock. Each incident requires a full investigation and takes up a considerable amount of resource, including legal costs proceeding with prosecution where appropriate or required under the Act.

We are unable to provide accurate statistics around the rural/urban split within the current reporting options, however, this has been noted as a key improvement to be made for the next financial year, and we will explore the ability to achieve this.

We are proposing to change the fee structure for the 2021/2022 year, and the proposed registration fees are:

Residential/Urban Dog Fee	\$108.00
Rural/Working Dog Fee	\$51.00

If Council were to consider an option other than the fees proposed for the 2021/2022 year, Council could look to include a discounted rate for a team of 10 dogs in the 2021/22 fees and charges schedule. The discount recommended would be 10% for a team of 10 working dogs (which would equate to paying for 9 dogs) who are registered under one owner/entity.

We have identified that there are 28 owners who currently have ten or more dogs registered. The loss to Council in revenue would be \$1428.00.

Officers advice is that that this could be implemented as it has a minor impact on the overall budget.

**Recommendation:**

That the submitters are thanked for their comments which are acknowledged and further that the information contained in this report is provided to the submitters.

**RECOMMENDATION FOR CONSIDERATION**

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

- a) That the submitters are thanked for their comments which are acknowledged and further that the information contained in this report is provided to the submitters.**

**7.10 LONG TERM PLAN 2018-2028 DRAFT DELIBERATION REPORTS: LAND TRANSPORT****File Number:** COU1-1400**Author:** Josh Lloyd, Group Manager - Community Infrastructure and Development**Authoriser:** Monique Davidson, Chief Executive**Attachments:** Nil**PURPOSE**

The purpose of this report is to present to Council the submissions received on the Long Term Plan consultation in relation to Land Transport. It provides an analysis of the submissions and some options for the Council to consider.

**RECOMMENDATION FOR CONSIDERATION**

That, having considered all matters raised in the report:

- a) That the submitters are thanked for their comments which are acknowledged and further that the information contained in this report is provided to the submitters.
- b) That Council continue to lobby and leverage Waka Kotahi to provide funding to the sealing of unsealed roads.

**LAND TRANSPORT****Topics for consideration**

<b>Topic One</b>	<b>Porangahau Road Strategy</b>
<b>Topic Two</b>	<b>Heavy Vehicle contribution via NZTA to road maintenance</b>
<b>Topic Three</b>	<b>Maintenance on road</b>
<b>Topic Four</b>	<b>Broken Footpaths</b>
<b>Topic Five</b>	<b>Rural Roads</b>
<b>Topic Six</b>	<b>Missing Sign</b>
<b>Topic Seven</b>	<b>Use of Fingerpost Road to haul Logs</b>
<b>Topic Eight</b>	<b>Request for Zebra Crossing</b>
<b>Topic Nine</b>	<b>Concern over road neglect causing huge investment in the future</b>
<b>Topic Ten</b>	<b>Sealing Unsealed Roads</b>

**Topic One: Porangahau Road Strategy****Submissions:**

31 Helen Burgin,

**Summary of Submissions:**

Requests an update on the 'Porangahau Road Strategy'.

**Analysis:**

There is no stated or documented 'strategy' for Porangahau Road but there are a number of work programmes in progress and planned. Officers consider that it is this work on the road and future for the road that are being referred to by the submitter. Officers intend to contact the submitter and provide an update about planned and in progress works.

**Recommendation:**

That the submitters are thanked for their comments which are acknowledged and further that the information contained in this report is provided to the submitters.

**Topic Two: Heavy Vehicle Road Maintenance Contribution****Submissions:**

31 – Helen Burgin, 209 – Nicole Ellison

**Summary of Submissions:**

Request for information about how much the heavy vehicle industry is contributing to the road maintenance via Central Government & Waka Kotahi/NZTA.

**Analysis:**

Fuel taxes and Road User Charges are existing means of collecting funds from all road users that are managed and distributed through the National Land Transport Fund (NLTF). The heavy vehicle industry is logically a significant contributor of funds through these 'taxes' due to the number and size of vehicles and the number of kms they travel.

Local Councils receive funding to manage local roads through the National Land Transport Fund via a process managed by Waka Kotahi/NZTA. The Land Transport Team will contact the submitters and provide the information requested.

**Recommendation**

That the submitters are thanked for their comments which are acknowledged and further that the information contained in this report is provided to the submitters.

**Topic Three: Road Maintenance****Submissions:**

31 Helen Burgin, 209 Nicolle Ellison

**Summary of Submissions:**

Concern expressed over the condition of roads and the maintenance practices used on the network.

**Analysis:**

Submitters expressed concerns over the lack of and poor maintenance practices referencing grading, drain cleaning, inefficiency, reseals, mowing and others.

Councils Road Maintenance Programme includes a number of both planned/programmed and reactive activities carried out on the ~1200km road network each year. Roads are maintained to meet levels of service dictated by the classification of each road which in turn is determined by its usage.

Council work with its contracting partner Downer to manage the road maintenance programme and receive regular reporting, analysis and advice on work completed and planned.

The concerns expressed require investigation by the Land Transport team to ensure all maintenance practices and their results are acceptable and aligned with standards/expectations.

The Land Transport Team following this feedback, will review all maintenance practices with the appropriate Contractor(s) to ensure best practice is followed.

**Recommendation**

That the submitters are thanked for their comments which are acknowledged and further that the information contained in this report is provided to the submitters.

**Topic Four: Broken Footpaths****Submissions:**

54 David Taylor

**Summary of Submissions:**

Concern over broken footpaths along Great North Road Waipawa.

**Analysis:**

Footpaths are maintained and replaced based on an annual programme of work that is determined by asset condition. All footpaths are surveyed to determine deterioration including cracking, roughness, stability and shape. Each footpath is given a condition rating each year and the results are incorporated into the programmed renewal works for the following year or the same year where there is an urgent need.

A condition rating is being carried out in April 2021. To date the section of footpath along Great North Road has been recorded as having some sections in poor condition and is a candidate for upgrade. The upcoming condition assessment will further inform the scope of work to be completed and the Land Transport Team will be able to engage with the affected residents during this process.

**Recommendation:**

That the submitters are thanked for their comments which are acknowledged and further that the information contained in this report is provided to the submitters.

**Topic Five: Rural Roads****Submissions:**

78 – William Irving Peacock

**Summary of Submissions:**

A single line submission was received stating "Please look after our rural roads !!!"

**Analysis:**

Officers interpret the submission to be expressing dissatisfaction with the level of service on rural roads.

The primary activities that Council undertake to manage levels of service on rural roads is through the road maintenance programme. Rural roads are maintained to a standard determined by the road classification which is dependent on usage. Rural roads are not typically maintained to the same standard for example as urban roads that may experience higher usage. Regardless, Council expect that roads are maintained to a standard that is satisfactory to residents and road users and above all else is safe.

**Recommendation:**

That the submitters are thanked for their comments which are acknowledged and further that the information contained in this report is provided to the submitters.

**Topic Six: Missing Sign****Submissions:**

104 – Serena Ann Spencer

**Summary of Submissions:**

Missing speed sign

**Analysis:**

The 50kph sign on White Road, Otane has gone missing. This is a maintenance issue and has already been referred to the Land Transport Department to have the sign re-installed. The sign has already been re-installed.

**Recommendation:**

That the submitters are thanked for their comments which are acknowledged and further that the information contained in this report is provided to the submitters.

**Topic Seven: Use of Fingerpost Road to haul Logs****Submissions:**

170 – Robert McLean

**Summary of Submissions:**

Concern that logging trucks may be going to use Cook's Tooth Road and suggests they use Fingerpost Road.

**Analysis:**

Fingerpost road is an unformed paper road that connects Cooks Tooth Road to Wimbledon Road. The request is to have Ernslaw (logging company) use Fingerpost Road to haul logs from there to the port by forming and metalling Fingerpost Road and keep the logging trucks away from Cook's Tooth Road. Council does not have the funds to form and create a new road for any logging which may be done and discussions with Ernslaw have indicated that their log hauls will be using Wimbledon Road. However, there are local land owners who have forest blocks which they will harvest so will have to use Cook's Tooth road to move the product.

**Recommendation:**

That the submitters are thanked for their comments which are acknowledged and further that the information contained in this report is provided to the submitters.

**Topic Eight: Request for Zebra Crossing****Submissions:**

172 – Waipawa Primary School

**Summary of Submissions:**

Request for zebra crossing by the Waipawa Pool submitted by the teacher and the students for safety reasons.

**Analysis:**

Officers understand the request to be to install a safe crossing across Harker St between the skate park and community pool.

The Land Transport Team carry out a number of 'minor safety' works each year which this sort of work would fall under. Budget exists to complete the work if deemed necessary and the Land Transport Team aim to work closely with the school to further understand the detail of the request.

The Land Transport see this as a realistic and achievable request and can work.

**Recommendation:**

That the submitters are thanked for their comments which are acknowledged and further that the information contained in this report is provided to the submitters.

**Topic Nine: Concern over road neglect causing huge investment in the future****Submissions:**

209 – Nicolle Ellison

**Summary of Submissions:**

Concern expressed over roads falling into the same basket as our 3 waters and requiring a huge investment to rebuild them, poor maintenance and damage caused by heavy vehicles.

**Analysis:**

Councils road infrastructure is managed as per adopted Asset Management Plans. These plans and the planning process have benefited from external oversight for a number of years with Waka Kotahi/NZTA routinely reviewing, critiquing and auditing these plans and the planning process. This differs from waters assets that for a long time have not had formal external asset management review.

The funding model for roading assets also differs from waters whereby additional national funding is provided through the National Land Transport Programme and Funding Assistance Rate (FAR) model governed by Waka Kotahi/NZTA.

Based on the above, Council are confident that assets are well managed and are not deteriorating on average.



**Recommendation:**

That the submitters are thanked for their comments which are acknowledged and further that the information contained in this report is provided to the submitters.

**Topic Ten: Sealing Unsealed Roads****Submissions:**

Nil

**Summary of Submissions:**

Various requests to seal unsealed roads in various locations

**Analysis:**

Council officers are often requested to seal unsealed roads throughout the District. The locations requested to date have been assessed against a set of national criteria enforced by Waka Kotahi to determine if Waka Kotahi funding/subsidy is applicable. To date none of the requested sections meet the stringent criteria as traffic volumes and housing density are typically too low. This leaves Council with a decision to fully fund the cost of sealing these sections of road against other competing demands for budget across the land transport portfolio.

The cost of sealing a kilometre of road varies based on local and asset factors but is often up to \$200,000 (0.87 of one percent in rates) depending on preparation work required plus a second coat seal within the first 2 to 3 years. Should Council seal a road that does not qualify for subsidy from Waka Kotahi all future maintenance will be the sole responsibility of the Council (approximately \$3,700 per annum).

Council's Dust Suppression Policy 2019 provides guidance and Policy direction to Council on the sealing of unsealed roads specifically to control dust (dust suppression is typically the prime driver in those requesting the sealing of roads). The Policy provides room for Council to invest in the sealing of roads and references a set of supporting Council criteria for determining where and when to invest. Importantly the criteria set out that; "*Preference will be given to sealing sections of road where external funding streams are available. These could include NZTA, private funding or others*". To date there has not been any external funding sources made available to give preference to sealing any particular sections of road.

To assist in decision making, Officers have modelled an arbitrary \$200,000 increase in the Land Transport rate to cover the cost of sealing approximately 1-2km of unsealed roads per year. This increase in annual rate contributions would represent a 2.9% increase in the Land Transport Rate and a 0.87% increase in total rates for the average resident.

**Recommendation:**

That Council continue to lobby and leverage Waka Kotahi to provide funding to the sealing of unsealed roads.

**RECOMMENDATION FOR CONSIDERATION**

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

- a) **That the submitters are thanked for their comments which are acknowledged and further that the information contained in this report is provided to the submitters.**

- b) That Council continue to lobby and leverage Waka Kotahi to provide funding to the sealing of unsealed roads.**

**7.11 LONG TERM PLAN 2018-2028 DRAFT DELIBERATION REPORTS: PLACES AND OPEN SPACES****File Number:** COU1-1400**Author:** Doug Tate, Group Manager Customer and Community Partnerships**Authoriser:** Monique Davidson, Chief Executive**Attachments:** Nil**PURPOSE**

The purpose of this report is to present to Council the submissions received on the Long Term Plan consultation in relation to the Places and Open Spaces Activity. It provides an analysis of the submissions and some options for the Council to consider.

**RECOMMENDATION FOR CONSIDERATION**

That, having considered all matters raised in the report:

- a) That the submitters are thanked for their comments which are acknowledged and further that the information contained in this report is provided to the submitters.
- b) That Council encourage the clubs of Russell Park to actively participate in Councils Community Facility Plan, intended to commence this calendar year, subject to the confirmation of funding in the 2021 – 2031 Long Term Plan.
- c) That Council provide new operational funding of \$35,000 in Year 2 and 3 of the Long Term Plan, to provide operational support and resourcing for the development of the Sporthub Project at Russell Park.
- d) That Council reconsiders the request for temporary changing rooms, following the completion of the Community Facilities Plan, wider club feedback relating to the timing and scope of any multisport hub project for Russell Park and an assessment of actual demand and need, either in the 2022/23 Annual Plan or as an Officer report.

**PLACES AND OPEN SPACES: PARKS, RESERVES, AND URBAN SPACES****Topics for consideration**

Topic One	Community Gateways
Topic Two	Improvements to Pourerere Beach
Topic Three	Support for Ōtaia (Lindsay Bush)
Topic Four	Support of Play, Active Recreation & Sport (PARS), Development of Strategies, and Infrastructure that supports PARS
Topic Five	Street Trees in Waipukurau CBD
Topic Six	Support for a Multi-sports facility in Waipukurau
Topic Seven	Temporary Changing Rooms – Russell Park

**Topic One: Community Gateways****Submissions:**

121 Anthony Clouston

**Summary of Submission:**

Mr. Clouston identifies issues with entrances to Waipawa and Waipukurau and how these areas discourage people from stopping and enjoying our CBD's.

**Analysis:**

The Integrated Spatial Plan completed in 2020 identifies the need for enhancements to town entrances through gateway signage, trees, and CBD development. This has informed the LTP. Within Places and Open Spaces activity area, the LTP identifies funding for entrance improvements for Waipawa, Waipukurau CBD development, and other community enhancements within the district.

**Recommendation:** That the submitter is thanked for his comments which are acknowledged and further that the information contained in this report is provided to the submitter.

**Topic Two: Improvements to Pourerere Beach****Submissions:**

202 Tracey and Andrew Gay

**Summary of Submissions:**

The Gays discuss ways of improving Pourerere Beach by changes to the freedom camping and explain ways the Gays have taken it upon themselves make improvements to manage the dunes via planting and fencing. They request a sign similar to the one at Kairakau to encourage donations to the iron maiden they have installed.

**Analysis:**

The Long Term Plan has earmarked funds to develop a strategy to manage camping along the coastlines in the district and the community will be involved in this process.

The hard work by the Gays to improve their community is commended. In the past year and a half Council has removed a number of old signs and erected the Pourerere Beach signage. Council will continue working with the community towards beneficial solutions.

**Recommendation:**

That the submitters are thanked for their comments which are acknowledged and further that the information contained in this report is provided to the submitter.

**Topic Three: Support for Ōtaia (Lindsay Bush)****Submissions:**

204 Louise Phillips, 215 Forest and Bird, 234 Dr Trevor Le Lievre

**Summary of Submissions:** Ms. Phillips and Forest and Bird discuss the volunteer work that the organisation puts into maintain and improve the biodiversity of Ōtaia. They note their members are aging and recognise that their funds will need to be supplemented either by increased grant or supporting their external grant applications. Both submitters also request that Council advocate and work with Regional Council to improve the parking area. Similarly, Dr Le Lievre recommends sealing the carpark (as well as Scenic Road to Ōtaia) and improving the amenities such as shelter and picnic facilities at the entrance to the bush. He also commends Council on the partnership

model between Council and other government entities to leverage resources such as the extension of cycle trails and the work at Hunter Park. Noting these projects will promote exercise and quality of lifestyle for locals.

**Analysis:** In June 2020 Forest and Bird shared their Ōtaia Tukituki Scenic Reserve Strategic Plan that outlines work accomplished and a work plan for the next five years. There is a focus on ecological restoration, recreation and community awareness, and education. Based on this work officers recommended a slight increase to the 2021-2022 grant and beyond from the current year of \$1,303 to \$2,000. Based on the expected increase in community use by not only a growing population, but also the improvements made to the Tukituki Trails that pass right by, the grant amount can be reconsidered in the next LTP cycle.

Council also has identified funding in year three for a replacement of the toilet block. Currently a 'long drop,' the new toilet will be a waterless voltaic system. The Tukituki Trail system can also be accessed from the Regional Council administered land and we foresee this as being increasingly used as a carpark not only for Ōtaia and river access, but also for the bike trails. We will continue to work with Regional Council to improve the visitor appeal of this area.

**Recommendation:** That the submitters are thanked for their comments which are acknowledged and further that the information contained in this report is provided to the submitter.

#### **Topic Four: Support of Play, Active Recreation & Sport (PARS), Development of Strategies, and Infrastructure that Supports PARS**

##### **Submissions:**

205 Sport New Zealand, 219 Sport Hawke's Bay

##### **Summary of Submissions:**

Sport New Zealand (SNZ) recognises the role Council's play in help recognising the primary goal ensuring more tamariki an rangatahi aged 5-18 have access to quality physical activity options. SNZ achieves their outcomes by aligning investment through partnerships, funds and programmes to our strategic priorities set out in four-year strategic plans. SNZ observes that the best results come from locally led initiatives - those governed, managed and delivered by local communities to meet local needs. True collaboration at a community level brings additional benefits such as connections, capability, and vitality. Working together towards a collective goal will allow the greatest possible impact on wellbeing for all New Zealanders.

The primary ways SNZ see the Central Hawkes Bay Long Term Plan helping to drive physical activity and wellbeing (enabling play, active recreation and sport to take place and provide positive experiences). outcomes is through:

- the planning, funding and operation of community facilities and open spaces which enable play, active recreation and sport.
- sustained support for spaces, places, and initiatives to encourage more people to be more active.

Play is vital for New Zealand's children and young people. Research shows that play has many benefits for children, families and the wider community. It has been taken for granted that play will always be a part of New Zealand childhoods. However, levels of play are in decline due to shifting cultural values, increasingly sedentary behaviours, family circumstances, and fears about children's safety.

Sport New Zealand supports...

- debt funding the short term to deliver essential renewals and upgrades of PARS assets.

- Those driving and benefitting should pay in regard to development contributions to enable appropriate provision of additional open spaces and play opportunities for a growing community.
- the proposed renewal of playgrounds and amenities that support the use of open spaces but believe this may be an opportunity to rationalise the number of overall assets to provide an enhanced level of service and more affordable maintenance and renewals programme AND recommends that Council “consult widely on future community needs for play activity which may lead to avoiding duplication of effort and rationalisation of provision. This approach may provide the opportunity for better quality experience and longer-term sustainability. Responding to those areas currently with a deficit of provision should be given priority.
- inclusion of funding proposed for a cycling strategy to respond to District growth and providing improved access to the Tukituki trails and other walkways and cycle ways that connect the district.
- the need to further develop Russell Park making it more accessible with amenities and change rooms that are fit for purpose.

Sport Hawke's Bay (SHB) acknowledges the long standing partnership it has held with the Central Hawke's Bay District Council. With Council's support SHB have been able to continue to support the play, active recreation, sport and health sector in the CHB community. Sport Hawke's Bay proposes to continue the partnership we hold with Central Hawke's Bay District Council at the current level of investment to support achievement of agreed outcomes that will be of wider benefit to the district. SHB also supports the following proposals in this long term plan:

- Ongoing development of Russell Park proposed in Year 4 which includes pathway accessibility and change room development.
- Nelly Jull Play Space improvements and renewals proposed in Years 2 and 3. We also support further playground improvements and renewals.
- Funding proposed for a cycling strategy around growth of our area and increasing access to Tukituki trails and other walkways and cycleways connectivity throughout the District. Encourages alignment between the proposed cycling strategy and local road safety and national cycle education programs—existing programmes that have been successful across other parts of the region.
- ensuring the correct education programmes are in place to allow young people in our community to benefit from the funding invested into these trails.

Sport Hawke's Bay is committed to supporting young people; tamariki and rangatahi (aged 5-18) and less active communities; geographic or social communities where there are barriers to engaging in physical activity across the Hawke's Bay region. SHB see Councils across our region playing a key role in helping us to enhance the health and wellbeing of all residents.

Sport Hawke's Bay achieves their outcomes by aligning their investment through partnerships, funds and programmes to our strategic priorities set out in our four-year strategic plan. They believe working together towards a collective goal will allow the greatest possible impact on wellbeing for all Hawke's bay residents.

**Analysis:** Provision of parks, sportsgrounds, play areas, and active urban spaces is traditionally provided by local governments. Central Hawkes Bay District Council has identified in its Long Term Plan to take better care of its parks and play areas and the assets within them through increased operational funding, funding for renewals and upgrades, and an open space network plan to improve management and decision making.

Through Council's participation in Sport New Zealand Territorial Authority Forums and both local and regional connections with Sport Hawke's Bay, Central Hawkes Bay benefits from knowledge, partnerships, and funding for the provision of play, active recreation and sport opportunities leading to best practice and a more active district. With these organisations national and local focus on young people, tamariki through rangatahi, and Balance is Better programmes, the young of our

district have a better chance of developing habits that lead to lifelong physical activity that is rewarding and improves well-being.

Some of the specific items in the Long Term Plan relating to this submission are:

- Upgrades of playgrounds and other park amenities to increase play value, inclusivity, and opportunities for those most in need. Nelly Jull in years 2 and 3 with other communities following.
- Specific funding for improvements to Russell Park (in years 3 & 4) as well as support for fit-for purpose change rooms at the Centralines Sports park.
- A cycle strategy and funding for greenbelts, connectors and pathways to increase walking and cycling networks also supported by the Integrated Spatial Plan.

The operational grant to Sport Hawke's Bay is still identified within the Long Term Plan and special project initiatives funding is also available to deliver activities that meet community objectives such as cycling education programmes.

**Recommendation:** That the submitters are thanked for their comments which are acknowledged and further that the information contained in this report is provided to the submitter.

#### **Topic Five: Street Trees Waipukurau CBD**

##### **Submission:**

234 Dr Trevor Le Lievre

##### **Summary of Submission:**

The submitter notes that the trees down the Main Street of Waipukurau are due to be trimmed. He notes that there were last trimmed when he requested Council do something about it three years ago.

##### **Analysis:**

A number of smaller trees have been trimmed within the three year period. A large trim was proposed for the current financial year, however, has been deferred to the 21/22 due to budget constraints relating to increased vandalism on Councils assets this financial year.

##### **Recommendation:**

That the submitter is thanked for their comments which are acknowledged and further that the information contained in this report is provided to the submitter.

#### **Topic Six: Support for a Multi-sports facility in Waipukurau**

##### **Submission:**

237 Central Hawke's Bay Rugby and Sports Club

##### **Summary of Submission:**

The submitter has identified the growing need for sporting facilities with the growth of a number of sports that currently use Russell Park and vicinity. With our growing population they expect this to grow even more.

Specifically they are seeking support in principal for a Multi-sports facility that would not be limited to the club, but extend to other clubs. The submitter is open to collaboration and notes many have aging building assets that are no longer fit for purpose.

Others have no facilities at all and discussed at the hearings is the trek to the changing rooms from the new Centralines hockey turf and netball courts. They are wanting a facility with changing rooms, storage, and area to socialise and note that the rugby clubrooms cannot cater for more than 200 people. The submitter along with other groups they get on board plan to apply to Lottery Grants Board for a feasibility study including a high-level funding scope in their June/July funding round and request a letter of support from Council

### **Analysis:**

Due to the growing population, we expect a corresponding growth in sports and a demand on facilities within the district. Russell Park, Central Park (rugby), the tennis club, and bowling club are a centralised hub in our district – almost a sports precinct or Sportsville Model. This type of development has been well considered in locations throughout New Zealand for over 30 years, with a number of successful models in place.

A key reflection on where successful hubs and sportsville models exist, is that the time from planning to the development and operation of a hub is at least generally ten years. Asset provision and the concept of constructing new assets is only part of the solution, with most funders requiring proof of a substantial shift in operating models before confirming funding. To this end, successful hubs focus must be long-term, seeking to address operational shortfalls and to achieve efficiencies amongst clubs. This is the body of work that takes considerably longer, is more complex and ultimately where Sports hubs succeed or fail. There are also considerable case studies provided by Sport NZ, with best practice approaches available.

The Club seek a letter of support from Council to apply for funds for a feasibility study for the project to the Lottery Grants Board.

The club should be implored for their enthusiasm and endeavours to proceed with the project. The scope of the work ahead should not however be underestimated and requires a considered and co-ordinated enduring approach, usually supported and guided by a resourced project lead, and well supported by the District Council. It is possibly too early for the project to be testing its feasibility, with a wider, more inclusive and holistic view of other users' needs required to be captured and considered at a conceptual scale.

With sports hubs now also widely known and understood by funders, their thresholds for the quality and extent of collaboration and engagement and testing of proof of concept before feasibility funding is granted, is much higher than it was even five years ago.

Funds have been identified in the Long Term Plan for a Community Facilities Plan that will help determine the Districts longer term sporting asset needs. It is also imperative that a Russell Park Master Plan be reviewed so that facilities are not developed without consideration of a long term vision of the 'sports precinct', including the Central Hawke's Bay District Community Trust assets and other users of the park, including Kennel Club, A&P and other clubs that do not necessarily associate or directly link as a club with either the Trust or Sports Club.

Funds have also been included in Year 4 of the Long Term Plan of \$217,909 as a capital grant towards Russell Park Changing Rooms, part funded by development contributions – noting the Trust and other club's ambitions for the future in early Russell Park User group meeting in January 2020.

There is limited external funding for support to assist in the development of Sportsville/Hub projects, with Sport NZ have limited funding and most funders providing funding for proof of concept or feasibility - rather than concept, which is really where the club are.

Officers recommend that Council provide their support to the club and support their intent in principle, however it would be unwise at this time to be supporting the club to be testing the feasibility of a concept and seeking funding, when there isn't clear and wider understanding of the concept and the risk that essential parties get left behind.



As a way forward Officers propose the following steps:

- Allow for the Community Facilities Plan completion, with all clubs being key participants in this document to help guide need, demand and future investment requirements.
- On the completion of the Community Facilities Plan, Council contemplate providing funding in Year 2 and Year 3 of the Long Term Plan, recognising the project will logically likely result from the Community Facilities Plan, however will require resource not anticipated in the 2021 – 2031 Long Term Plan currently. This base funding will also provide a co-funding contribution for Council and clubs to leverage to seek other operational funding as the project progresses, to support the progress of the overall project.
- That based on achievements in Year 2 and 3 of the Long Term Plan, any subsequent projects are confirmed in the 2024 Long Term Plan review, noting that funding is provided in Year 4 of the Long Term Plan for a capital contribution towards a change room facility at Russell Park.

Council would reasonably need to include operational funding of at least \$35,000 in Year 2 and Year 3 of the Long Term Plan to support the clubs to shift confidentially into a position of having a strong project co-ordination structure and be confidently working towards concept or developed concept. This funding could be leveraged by the clubs overall to seek further operational funding for concept design, however would ultimately provide resource to support the delivery of the project to see its success, not available within current resourcing.

This approach would not prevent, nor should it discourage the clubs from continuing to engage and scope opportunities out amongst themselves, nor does it mean that Council Officers are seeking to take over. What it should signal however, is that Council is serious about supporting the wider club's and community's ambitions and aspirations, while also needing to ensure in the longer-term, any facilities are fit for purpose and meet future need and that a pathway for their sustainable management and operation is identified - supporting not just assets but community outcomes and long term club sustainability.

### **Recommendation:**

That the submitters are thanked for their submission.

That Council encourage the clubs of Russell Park to actively participate in Councils Community Facility Plan, intended to commence this calendar year, subject to the confirmation of funding in the 2021 – 2031 Long Term Plan.

That Council provide new operational funding of \$35,000 in Year 2 and 3 of the Long Term Plan, to provide operational support and resourcing for the development of the Sporthub Project at Russell Park.

### **Topic Seven: Temporary Changing Rooms – Russell Park**

#### **Summary of Issues**

Submission 237 from the Central Hawke's Bay Rugby and Sports Club notes in their verbal submission the challenges with a lack of change rooms associated with the Centralines Sports Turf, including creating unsafe conditions for players.

The Central Hawke's Bay District Community Trust, have also verbally raised concerns about a temporary changing room solution until a longer term solution is identified for changerooms for the Centralines Turf Complex.

Analysis:

The development of the Centralines multisport Turf has been a major achievement for the Central Hawke's Bay Community, providing an outstanding playing surface to the community.

As with any community funded project, there are challenges in relation to the full range of works able to be achieved within the envelope of available funds. For the Central Hawke's Bay District Community Trust, the addition of toilets and changing rooms is one of those items that while aspired to in the future, will require wide reaching community engagement, feasibility testing and fundraising for.

Issue Seven – notes proposed opportunities for a multisport development at Russell Park featuring changing rooms. Funds have also been included in Year 4 of the Long Term Plan of \$217,909 as a capital grant towards Russell Park Changing Rooms, part funded by development contributions – noting the Trust and other club's ambitions for the future in early Russell Park User group meeting in January 2020. Even if prioritised by Council as a key project, it would still realistically be at least five years from having any facility open to the public.

A potential short term solution that Council may wish to entertain is funding to support the provision of temporary changing rooms.

This approach would see the requirement to purchase or lease a combination of changing rooms, showers and toilets, including an accessible provision. Based on a duration of at least five years, it would be unwise to lease these and purchase outright would be required.

The units would require electrical connections, plumbing and possibly stormwater and while temporary would need to fully consented under the Building Act 2004. The changing rooms may also attract new rates, that would not be able to be fully remitted under the Rating Act.

At this time, there is not information at hand to provide a clear and full picture of demand and use, nor the lost potential as a result of not having changing facilities associated with the turf.

Based on initial estimates, capital costs could be upwards of \$200,000. At the time of writing, we are awaiting on additional pricing to be received to guide an estimate.

The issue for Council to consider is whether the capital outlay in temporary facilities for up to potentially five years or longer is critical at this time, or whether it should be delayed and assessed in the context of having further information and providing for collaborative conversations between users and clubs.

Some options for Council to consider include:

- Based on Councils direction on Topic Six, deferring the decision to 2022/23 Annual Plan to allow users to give clarity on the requirements, the completion of the Community Facilities Plan and for Officers to effectively scope out the cost of a potential development with more confidence and the relevant timing of any advancing project identified in Topic Six.
- Bring forward and re-purpose the Loan Funded Grant in Year 4 to the first year of the LTP to purchase and provide temporary changing rooms, subject to further cost testing.
- Note the request and take no action.

It is Officers recommended approach that Council takes the time to consider this matter in the context of the Community Facilities Plan, a fuller understand of demand, Councils approach to Topic six and the relative timing and findings. To this end, Officers provide the following recommendations.

Recommendation

That the submitters are thanked for their feedback.

That Council reconsiders the request for temporary changing rooms, following the completion of the Community Facilities Plan, wider club feedback relating to the timing and scope of any multisport hub project for Russell Park and an assessment of actual demand and need, either in the 2022/23 Annual Plan or as an Officer report.

### **PLACES AND OPEN SPACES: COMMUNITY FACILITIES & SWIMMING POOLS**

#### **Topics for consideration**

<b>Topic One</b>	<b>Support for Museum and Visitor Centre in Le Quesnoy, France memorialising fallen Kiwis of the World Wars</b>
<b>Topic Two</b>	<b>Supports a community facilities strategy for the District and funds to earthquake strengthen key active community facilities including Waipukurau aquatic centre. It also supports a family friendly area within the Waipawa Pool</b>
<b>Topic Three</b>	<b>Support for Central Hawke's Bay District Community Trust to replace ceiling tiles.</b>
<b>Topic Four</b>	<b>Renew CHB Museum Toilets</b>
<b>Topic Five</b>	<b>Build a Hydroslide in Waipukurau, Russell Park Activity</b>

#### **Topic One: Support for Museum and Visitor Centre in Le Quesnoy, France memorialising fallen Kiwis of the World Wars**

##### **Submissions:**

180 New Zealand Memorial Museum Trust

##### **Summary of Submissions:**

The request is that Central Hawke's Bay District Council supports the project to build a Museum and Visitor Centre in Le Quesnoy, France with a donation equivalent to \$1 per resident of your district, to remember those who gave their lives in the World Wars to give us freedom. The funds are not required immediately and can be paid over the next three years. They are seeking a commitment from Council towards the project at this point in time.

The Trust have raised \$8 million to date towards the \$15 million total. Most of this has come from private individuals and businesses, who are on board with the vision of establishing "a Kiwi place in France where memory and relationships are alive".

**Analysis:** If Council were to support this project it would be a commitment of \$1 per resident of Central Hawke's Bay District. This would be \$14,142 if using the 2018 census data for *Usually Resident Population*. Another way to look at it is a contribution of approximately \$2-\$3/dwelling (proxy for number of ratepayers). There are no immediate reserve or other funds available with new rates funding the only like source.

##### **Recommendation:**

That the submitters are thanked for their submission and further that Council provides a letter of support for the project, however, is unable to commit any funding at this time.

**Topic Two: Supports a Community Facilities Strategy for the District and Funding of Recreational Facilities****Submissions:**

205 Sport New Zealand, 219 Sport Hawke's Bay

**Summary of Submissions:**

Sport New Zealand are encouraged that Council, over the period of the long-term plan, wishes to increase its attention and focus on investment in community facilities including its halls, pools and open spaces following the completion of a Community Facilities Strategy for the District. At Sport NZ, we know the best results come from locally led initiatives – those governed, managed and delivered by local communities to meet local needs. True collaboration at a community level brings additional benefits such as connections, capability and vitality. Key support focus within community facilities and swimming pools include:

- Councils stated desire for a greater focus and investment in its community facilities over the period of the Long-Term Plan. Sport NZ welcomes the opportunity support the completion of a Community Facilities Strategy for the District through its regional sports trust partner, Sport Hawkes Bay.
- The need for making safe and more accessible through earthquake strengthening, existing assets including the Waipukurau Hall, Central Lines Swimming Pool providing future capacity to meet the demand of Learn to Swim there and
- Future family activity space at Waipawa Pool.

Similarly, Sport Hawke's Bay achieve their outcomes by aligning their investment through partnerships, funds and programmes to their strategic priorities set out in their four-year strategic plan. Sport Hawke's Bay believe working together towards a collective goal will allow the greatest possible impact on wellbeing for all Hawke's bay residents. They identify in their submission support for:

- Contribution to the Centralines Indoor Heated Pool to assist with earthquake strengthening.
- Ongoing development, including a family activity area at Waipawa Pool.

**Analysis:**

Council and Officers work closely alongside both organisations, with Sport NZ expected to shortly confirm funding towards Councils Community Facilities Plan, to enable play and wider sport benefits.

Council is mandated in the delivery of recreation activities, supporting the effective achievement of the four-wellbeings of the Local Government Act 2002.

**Recommendation:**

That the submitters are thanked for their comments which are acknowledged and further that the information contained in this report is provided to the submitter.

**Topic Four: Renew Central Hawke's Bay Museum Toilets****Submissions:**

233 Hans J. Dresel President of CHB Museum

**Summary of Submissions:**

The toilets in the museum are used primarily by visitors to the museum including tourists as well as by volunteers, employees, and the Museum Committee. They look as if they had last been refurbished before the bank was closed. Any improvement would not be a waste of money and would be appreciated by those mentioned. Suggested improvements are then listed for each toilet.

**Analysis:**

Council in the first year of the 2021 – 2031 Long Term Plan is completing a community facilities strategy that will help shape future investment in facilities such as the Central Hawke's Bay Museum. There is no funding specifically set aside for the toilet upgrade currently in the 2021 – 2031 Long Term Plan.

The museum have no lease agreement for the museum with a service agreement loosely outlining occupation of the building and responsibilities of each party. This has been an arrangement of sometime, which comes to an end in 2023.

**Recommendation:**

That the submitters are thanked for their submission and further that the upgrade of the toilets and the wider Central Hawke's Bay museum facility is delayed until the completion of the community facilities strategy.

**Topic Five: Build a Hydroslide in Waipukurau, Russell Park Activity****Submissions:**

58 Kaylah Ferguson and Lyric Lewis

**Summary of Submissions:**

The submitters think Council should upgrade the pool in Waipukurau ~ a hydro slide would be cool. They discuss things for young people to do at Russell parks, events like children's day and think a trampoline would be cool.

**Analysis:**

The Waipukurau Pool is owned by the Central Hawke's Bay Community Trust, not Council. While a hydroslide would be cool, the Trust have other priorities they are focussing on the current operation of the park.

Other events will continue to be run at Russell Park and other venues and community funding and support is available.

**Recommendation:**

That the submitters are thanked for her comments which are acknowledged and further that the information contained in this report is provided to the submitter.

**PLACES AND OPEN SPACES: LIBRARIES****Topics for consideration**

<b>Topic One</b>	<b>Waipukurau Library</b>
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**Topic One: Waipukurau Library****Submissions:**

37 Chrissy Malcolm, 212 Karen Olsen-Mills

**Summary of Submissions:** Ms. Malcolm has a major issue with the investment Council has decided to make with turning the old Bucks building into a library and concern there was lack of consultation over this. Ms. Olsen-Mills questions how much will be spent on upgrading the building.

**Analysis:**

The Library is temporarily going into the Digital Business Hub that was the former Buck's Green Grocers. CHBDC has received \$400,000 from Central Government to create the Digital Business Hub that includes leasing and other costs. This will serve as a community facility/meeting space as well as house books and a range of community programmes. Council's total contribution of funding from loans towards the capital fit out of the facility is less than \$150,000.

The replacement of the Waipukurau Library has been postponed until year 8 and 9 of the LTP. Prior to that Council will have a more definitive answer on the seismic investigation. Council will also have completed a Community Facility and Civics Strategy that will be consulted on with the community prior to finalising plans the future Waipukurau Library plans.

**Recommendation:** That the submitters are thanked for their comments which are acknowledged and further that the information contained in this report is provided to the submitter.

**PLACES AND OPEN SPACES: RETIREMENT HOUSING**

**Topics for consideration**

<b>Topic One</b>	<b>Do Not Sell Retirement Housing</b>
<b>Topic Two</b>	<b>Do Not Increase Retirement Housing Rents</b>

**Topic One: Do Not Sell Retirement Housing**

**Submissions:**

223 Terry Kingston, 226 Trish Giddens

**Summary of Submissions:**

Both submitters have a view that Council is preparing to sell its retirement housing as part of the 2021 – 2031 Long Term Plan.

**Analysis:**

Council completed a Section 17a of the Local Government Act 2002 Review of the Retirement Housing activity in August 2020 as required by legislation. As part of this review, Council must consider all of the options available to it in the management of its portfolio, including sale. As part of this review, Council quickly ruled out the sale of its housing portfolio and is focussed on a programme of increased renewal through the 2021 – 2031 Long Term Plan.

**Recommendation:**

That the submitters are thanked for their comments which are acknowledged and further that the information contained in this report is provided to the submitters.

**Topic Two: Do Not increase Retirement Housing Rents**

**Submissions:**

231 Shelley Burne-Field

**Summary of Submissions:**

The submitter notes that rents should not be increased and believes that the values associated with the required upgrades are flawed and that operational overheads should be cut.

**Analysis:**

Council completed a Section 17a of the Local Government Act 2002 Review of the Retirement Housing activity in August 2020 as required by legislation. As part of this review, Council identified that it was not sustainably providing for the renewal and upgrade of the assets, to ensure the stock remains of a quality standard as well as to meet new government standards for heating, ventilation and insulation. These are predominantly the basis of required increases, not overhead allocations. Councillors requested a further update during hearings on the number of current applicants able to receive the accommodation supplement. This information has not been forthcoming at the time of writing and officers are still actively pursuing this.

**Recommendation:**

That the submitter is thanked for their comments which are acknowledged and further that the information contained in this report is provided to the submitter.

**PLACES AND OPEN SPACES: PROPERTY AND BUILDINGS****Topics for consideration**

<b>Topic One</b>	<b>Property Purchased / Sold</b>
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**Topic One: Past property purchased / sold****Submissions:**

165 Bob Kerins

**Summary of Submission:** Mr Kerins is trying to understand where past ratepayer dollars have gone and what properties and/or capital were purchased that can now be sold to help fund the water issues.

**Analysis:**

Council has not purchased any property that can be readily sold. Central Hawke's Bay District Council has few 'freehold' properties in their ownership.

**Recommendation:** That the submitter is thanked for his comments which are acknowledged and further that the information contained in this report is provided to the submitter.

**RECOMMENDATION FOR CONSIDERATION**

That, having considered all matters raised in the report:

- a) That the submitters are thanked for their comments which are acknowledged and further that the information contained in this report is provided to the submitters.
- b) That Council encourage the clubs of Russell Park to actively participate in Councils Community Facility Plan, intended to commence this calendar year, subject to the confirmation of funding in the 2021 – 2031 Long Term Plan.
- c) That Council provide new operational funding of \$35,000 in Year 2 and 3 of the Long Term Plan, to provide operational support and resourcing for the development of the Sporthub Project at Russell Park.

- d) That Council reconsiders the request for temporary changing rooms, following the completion of the Community Facilities Plan, wider club feedback relating to the timing and scope of any multisport hub project for Russell Park and an assessment of actual demand and need, either in the 2022/23 Annual Plan or as an Officer report.**



**7.12 LONG TERM PLAN 2018-2028 DRAFT DELIBERATION REPORTS: COMMUNITY LEADERSHIP****File Number:** COU1-1400**Author:** Doug Tate, Group Manager Customer and Community Partnerships**Authoriser:** Monique Davidson, Chief Executive**Attachments:** Nil**PURPOSE**

The purpose of this report is to present to Council the submissions received on the Long Term Plan consultation in relation to the Community Leadership Activity. It provides an analysis of the submissions and provides some options for Council to consider.

**RECOMMENDATION FOR CONSIDERATION**

That, having considered all matters raised in the report:

a) That the submitters are thanked for their comments which are acknowledged and further that the information contained in this report is provided to the submitters.

**COMMUNITY LEADERSHIP - ECONOMIC AND SOCIAL DEVELOPMENT****Topics for consideration**

<b>Topic One</b>	<b>Encouraging travellers to visit and stop and developing Waipawa's hospitality and shopping</b>
<b>Topic Two</b>	<b>Addressing logging opportunities and suggested sawmill for Waipukurau</b>

**Topic One: Encouraging travellers to visit and stop and developing Waipawa's hospitality and shopping**

Submission 121 from A Clouston notes the number of travellers that drive through Central Hawke's Bay. The submitter makes a number of points, including proposed development in Waipawa, addressing the gateways of towns and a number of other notable suggestions to see the heart of Waipawa enhanced.

***Analysis:***

In 2020 Council went through the process of developing the Central Hawke's Bay Integrated Spatial Plan 2050. The plan identified a number of initiatives including gateways and the prioritisation of town centre planning. The first town centre planning workshop occurred in late 2020 and further engagement is planned for mid-2021.

***Recommendation:***

That the submitter is thanked for their comments which are acknowledged and further that the information contained in this report is provided to the submitters.

**Topic 2: Addressing logging opportunities and suggested sawmill for Waipukurau**

Submission 134 from Dr T Le Lievre recommends that Council should consider the development of a logging hub at Waipukurau to support the transport of logs to the port rather than road. The Submitter also recommends the exploration of a privately owned mill as a job creation opportunity for Central Hawke's Bay.

***Analysis:***

Council has received \$20.1 million from the Provincial Growth Fund for the upgrade of the Porangahau to Wimbledon road. This road is the main route for the extraction of large volumes of timber from two forest on the southern boundary of Central Hawke's Bay located in the Tararua District. As part of the business case for the road development, options such as rail were tested. In short it was not viable for logs to be double handled loading and unloading from trucks, stockpiling and then loading and unloading onto carriages when the port is less than an hour driving distance. In theory the use of rail is good, however the practicalities and financial costs – including having the trains and carriage running stock available to transport logs are major constraints.

The submitter also notes the development on a mill on land in Waipukurau or nearby could generate local jobs and quality product for the domestic market. Council is always welcoming and encouraging of appropriate development. The Central Hawke's Bay Economic Development Action Plan focusses on developing sustainable new markets. This is an area that could be further investigated.

***Recommendation:***

That the submitter is thanked for their comments which are acknowledged and further that the information contained in this report is provided to the submitter.

**RECOMMENDATION FOR CONSIDERATION**

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

**a) That the submitters are thanked for their comments which are acknowledged and further that the information contained in this report is provided to the submitters.**

**7.13 LONG TERM PLAN 2018-2028 DRAFT DELIBERATION REPORTS: SOLID WASTE****File Number:** COU1-1400**Author:** Jordanne Wiggins, Solid Waste Contract Manager**Authoriser:** Josh Lloyd, Group Manager - Community Infrastructure and Development**Attachments:** Nil**PURPOSE**

The purpose of this report is to present to Council the submissions received on the Long Term Plan consultation in relation to the Solid Waste activity. It provides an analysis of the submissions and some options for the Council to consider.

**RECOMMENDATION FOR CONSIDERATION**

That, having considered all matters raised in the report:

a) That the submitters are thanked for their comments which are acknowledged and further that the information contained in this report is provided to the submitters.

**SOLID WASTE****Topics for consideration**

<b>Topic One</b>	<b>Product Stewardship and waste education</b>
<b>Topic Two</b>	<b>Is Council in a position to effectively and efficiently manage the extended collection service?</b>
<b>Topic Three</b>	<b>Drop Off Centres are the hub of our rural villages</b>
<b>Topic Four</b>	<b>Crates with wheels</b>
<b>Topic Five</b>	<b>Wheelie bins – not effective for recycling</b>
<b>Topic Six</b>	<b>The issue with bags</b>
<b>Topic Seven</b>	<b>Solid Waste from outside the district</b>
<b>Topic Eight</b>	<b>Recycling made easy</b>

**Topic One: Product stewardship and waste education*****Submissions:***

10 Sinead Galloway, 62 Emma Mason-Smith, 71 Marjon Greenwood, 72 Ian Hawkes, 76 Tina Keeling, 102 Ben Douglas, 146 Phyllis Tichinin, 204 Louise Phillips, 215 Forest and Bird

***Summary of Submissions:***

These submitters highlight the need for Central Hawkes Bay Communities to change their way of thinking and to take more responsibility for the waste they generate. And that the CHB community needs to look at how much waste we all produce and how we add to that by the consumption and

purchasing of single use products. And that providing food composting workshops will be a good step forward toward landfill diversion.

Sinead Galloway and Ian Hawkes suggest that there needs to be a stronger focus on those who manufacture these products and to encourage local supermarkets to use less plastic packaging.

Phyllis Tichinin suggests urging people to buy less and to create less waste. She acknowledges that wheelie bins encourage people to generate more waste.

Louise Phillips strongly urges CHBDC to continue to push Central Government to phase out single use plastics and increase product stewardship to ensure that the producers of packaging are responsible for the disposal. Mrs Phillips also urges CHBDC to establish the Community Environmental and Sustainability reference group as outlined in the Environmental and Sustainability Strategy.

Forest and Bird also highlighted that CHBDC should be pushing Central Government to carry on with its reform to phase out single use plastics and increase product stewardship. This would assist with reducing waste to landfill from CHB and reduce contamination of recycling with un-recyclable materials. As well as looking into compostable waste solutions, and/or promoting 'community compost' stations or home-composting.

### ***Analysis:***

Council is supporting further education and awareness through the Waste Free CHB vision and how we can encourage our district to be more conscious consumers when considering the purchase of single use plastics those that are numbered #3, #4, #6 and #7 – these plastics are non-recyclable and are not considered for kerbside collection in CHB.

Council continues to partner and support groups such as Love Food, Hate Waste, Again Again and Sustainable Ewe and waste minimisation/sustainability individuals who provide resources, waste minimisation programmes and workshops and values that align with our vision of a Waste Free CHB. Council is aiming to provide more food waste and composting workshops across the district and want to aim these workshops to those who are new to this concept rather than those already conscious and practicing these methods.

The Waste Minimisation Act established a process for government accreditation of product stewardship schemes which recognises those businesses and organisations that take responsibility for managing the environmental impacts of their products. However, the product stewardship schemes are developed for certain 'priority products' where there is a high risk of environmental harm from the waste or significant benefits from recovering the product.

Product stewardship has been highlighted in several submissions and it is the responsibility of CHBDC to continue drive this issue at Central Government level to address the importance of this topic.

A public expression of interest process will be advertised for the Community Environmental and Sustainability reference group in June 2021. This will be facilitated by the Solid Waste Manager.

### ***Recommendation:***

That the submitters are thanked for their comments which are acknowledged and further that the information contained in this report is provided to the submitters.

## **Topic Two: Is Council in a position to effectively and efficiently manage the extended collection service?**

### ***Submissions:***

19 Graeme Perry, 47 Ben Clist

***Summary of Submissions:***

These submitters raise concern about whether Council can meet the levels of service and effectively and efficiently manage the extended kerbside collection.

Graeme Perry suggests that extending the kerbside collection service is not a necessity and this is not where the issues lie. Mr Perry indicates that Council would struggle to do a more efficient job than that of a privately owned company.

Ben Clist indicates that he is aware of repeated failures to collect crates during kerbside collection and is not encouraged to pay towards a poor quality of service. Both indicated they would prefer to use the drop off centres as a method of recycling.

***Analysis:***

Council continues to work alongside our contract partners to meet the levels of service at kerbside collection and have developed a resilient partnership. Council and Smart Environmental are confident that they can successfully and competently manage the extended kerbside collection to Takapau, Otāne, Ongaonga and Tikokino.

There is a strong commitment from Council to promote the Waste Free CHB vision and will ensure our contract partners are part of that journey.

***Recommendation:***

That the submitters are thanked for their comments which are acknowledged and further that the information contained in this report is provided to the submitters.

**Topic Three: Drop Off Centres are the hub of rural villages*****Submissions:***

103 Mike Harrison, 105 Rebecca Jane Watt, 110 Nikau Hill Station, 120 Amy Congreve, 134 Nic and Karen Bedogni, 155 Margaret Isabella Fletcher, 211 Clint Deckard, 215 Forest and Bird

***Summary of Submissions:***

These submitters raise concern that if community drop off centres for recycling are closed, this will have a negative and adverse effect on several groups within the community that require this space. Local farmers, school children, orchard owners, local small businesses would no longer be able to recycle in a space that has become a community hub for locals to connect. This could also see an increase in more recyclable materials being disposed of with refuse, either in landfill or 'in a hole' if you are a rural resident. Removing community drop off centres would be a barrier rather than an improvement.

To those that live outside of the extended kerbside collection area, they would not be able to drop off their recycling as they pass through town.

Mike Harrison explains that there would be less engagement in recycling from his community and the recycling drop off centre users if it meant that they had to drive a further 20km to Waipawa.

Rebecca Watt claims that she is very opposed to kerbside recycling.

Amy Congreve explains that if the rural drop off centres are closed, this could affect all the rural people using those sites for recycling and yet not provide kerbside recycling options to them.

Margaret Fletcher suggest to 'leave as is' and indicates to keep the Ongaonga drop off centre in her submission.

Clint Deckard urges Council to not put-up barriers in the way of recycling. The removal of the drop-off centres will lead to more recyclable materials ending up in landfill or 'in the hole' if you live rurally.

Forest and Bird has highlighted that additional trips would be needed to Waipawa and Waipukarau for those that live in Tikokino, Ongaonga, Takapau and Otane. This would see an increase in GHG emissions. Forest and Bird also indicate that there is lack of detail and certainty about the possible mobile collections therefore the effectiveness of introducing the mobile recycling containers is difficult to predict.

***Analysis:***

Council is committed to providing a new rural recycling scheme for those areas that may see the closure of drop off centres for extended kerbside recycling. This scheme will see locations targeted to encourage engagement and involvement with recycling through mobile recycling containers. Understandably, there is strong community connection to the local drop off centres and we want to continue to support our communities by providing an alternative that works for them and becomes their new and improved community space/hub.

If the preferred option 1 is adopted, that the Solid Waste team will work with each community closely to understand their needs and aspirations to ensure the introduction of the mobile recycling container is supported and meets their requirements.

***Recommendation:***

That the submitters are thanked for their comments which are acknowledged and further that the information contained in this report is provided to the submitters.

**Topic Four: Wheeled crates**

***Submissions:***

21 Emma Giddens, 22 Emma Thomsen

***Summary of Submissions:***

These submitters have raised the idea of having wheels on our crates. This would make it easier to move the crates and would make it less arduous on our older generations who may find it difficult to carry their crates to the end of their driveway.

Emma Giddens suggests putting wheels on crates and provided an additional illustration that showed three crates with wheels also placed on a trolley.

***Analysis:***

Solid waste officer will investigate this option and are aware of NZ suppliers which supply trolleys for recycling crates to assist those who may struggle to carry crates.

***Recommendation:***

That the submitters are thanked for their comments which are acknowledged and further that the information contained in this report is provided to the submitters.

**Topic Five: Wheelie Bins – not effective for recycling**

***Submissions:***

44 Bruce McGechan, 49 Christopher Bath, 62 Emma Mason-Smith, 211 Clint Deckard, 215 Forest and Bird, 228 Diana Hollis

***Summary of Submissions:***

These submitters suggest that wheelie bins are not effective for both refuse and recycling collection. Through their submissions, it is highlighted that our communities will generate more waste and be less conscious when recycling if wheelie bins were introduced. Also raised is the implications and the financial impact for the replacement of damaged wheelie bins.

Christopher Bath explains that a wheelie bin is likely to result in prohibited rubbish being disposed of and the collection for wheelie bins is much slower and requires special vehicle assets.

Bruce McGrechan is concerned about the mixing of recyclables all together by using a wheelie bin for recycling collection instead of crates that encourages separation. This means that all recyclables will need to be manually separated which will add to greater costs.

Emma Mason – Smith is worried that people will throw away more waste which will end up going to landfill if the preferred option is wheelie bins.

Clint Deckard outlines that it is hard to see a consistent and planned approach to the options provided. On one hand, Council has ambitious targets to reduce waste to landfill and increase participation to kerbside recycling however Council is providing options of the introduction of a wheelie bin (regardless of size) that will almost certainly increase the amount of waste to landfill compared to rubbish bags.

Forest and Bird suggest that the introduction of wheelie bins will certainly see an increase in the amount of recyclable material, and material in general, going to landfill.

Diana Hollis explains that she is completely against the use of wheelie bins for both rubbish and recycling. People will just put anything in the bin and will end up in landfill. Also, recycling will be hard to police if the wheelie bin has a lid.

***Analysis:***

Through the Section 17a Review and the Council considered various means of collection for both recycling and refuse. The analysis completed during this review and the advice of independent experts (Eunomia Ltd) lead to the creation of two primary options for both recycling and refuse collection (a wheeled bin and a crate or 3 crates for recycling and a wheeled bin or bags for refuse).

The advice provided to Council was that the introduction of wheeled bins for refuse and/or recycling can increase volumes to landfill overall. Advice was also provided that there are ways to manage this, primarily through effective education and careful design of kerbside services.

Council through the Section 17a review process also hears and acknowledged feedback that existing kerbside collection services/approaches are not fit for purpose in many cases and therefore an alternate option has been provided for consideration.

***Recommendation:***

That the submitters are thanked for their comments which are acknowledged and further that the information contained in this report is provided to the submitters.

**Topic Six: The issue with bags*****Submissions:***

41 Jessica Draper, 64 Sean Jackson Power, 65 Liam Worsford, 127 Teresa Makris, 145 Donna Dahm, 208 Neen Kennedy / Sustainable Ewe

***Summary of Submissions:***

These submissions provide comments on issues that are related to the use of Council rubbish bags and the reasoning for their preferred option of a wheelie bin for refuse collection.

The main issue being that bags allow for dogs, cats and rodent interference. Other areas highlighted as issues are to do with smell and attraction of flies, more ease of transporting waste in a wheelie bin as opposed to carrying rubbish bags and not wanting to use bags as it is a waste of plastic resources.

Jessica Draper states that wheelie bins will be easier for residents and that she has had to replace her rubbish bags on numerous occasions due to neighbourhood cats getting into her rubbish bags.

Liam Worsford is conscious about the amount of plastic rubbish bags going to landfill and advises that the rubbish bags get holes in them and leak and that they can burn.

Neen Kennedy / Sustainable Ewe strongly agrees with the wheelie bin option, as this reduces instances where animals tear into bags and overall is a more sustainable option.

***Analysis:***

Similar to the previous topic, through the Section 17a Review process, Council considered various options for refuse collection with the primary options considered and put forward now for a decision being bags or a wheeled bin. The issues raised by submitters about bags are the same issues identified during the Section 17a Review process and part of the driver for a wheeled bin service being an option.

***Recommendation:***

That the submitters are thanked for their comments which are acknowledged and further that the information contained in this report is provided to the submitters.

***Topic Seven: Solid Waste from outside the district******Submissions:***

181 Katheryn Bayliss

***Summary of Submissions:***

The submitter seeks that Central Hawkes Bay should not permit taking waste from outside the district to our landfill.

***Analysis:***

CHBDC has a contract in place with Tararua District Council to accept waste to our landfill. Without waste from Tararua, CHBDC would be unable to financially support the operations and management of the landfill, without a significant increase in both the general and targeted solid waste rate.

***Recommendation:***

That the submitters are thanked for their comments which are acknowledged and further that the information contained in this report is provided to the submitters.



**Topic Eight: Recycling made easy****Submissions:**

98 Penny Single

**Summary of Submissions:**

The submitter suggests that the rules around recycling change too frequently especially when new contractors take over the management of the refuse and recycling contract and service. She also requests that Council allows people to recycle more items (assuming other than plastics 1, 2 and 5). As well as asking for more allowance to use non-Council crates to be able to recycle more.

**Analysis:**

Council and contract partners responsible for the refuse and recycling service within CHB have been able to work together and build a robust partnership over the last 3 years since their contract was initiated. Smart Environmental continue to be engaged and motivated to add value to our district especially within the waste management and minimisation area.

CHBDC and Smart Environmental value staff and their safety especially those staff who are on the road doing the rubbish and recycling collections. The crates are designed to ensure safe 'pick ups' and allow for only a certain amount of recycling to ensure the crates are practicable to pick up for the collection staff e.g. do not overfill your crate.

CHBDC only accept plastics 1, 2 and 5. It is important to appreciate that not all plastics are readily recyclable. Bottles made from plastics 1 and 2 are accepted in kerbside recycling due the high volumes of these materials and they are easily recycled and turned into other useful products, both in Aotearoa and offshore. CHBDC is one of 44 Councils who also accept plastic number 5 plastics.

Plastics 3, 4, 6 and 7 are more difficult to recycle into other products, which affects the value of these materials in international commodity markets. These plastics on their own currently have a negative market value.

**Recommendation:**

That the submitters are thanked for their comments which are acknowledged and further that the information contained in this report is provided to the submitters.

**RECOMMENDATION FOR CONSIDERATION**

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

**a) That the submitters are thanked for their comments which are acknowledged and further that the information contained in this report is provided to the submitters.**

**7.14 MANAGEMENT SUBMISSION TO THE LONG TERM PLAN 2021 - 2031 DELIBERATIONS**

**File Number:** COU1-1400

**Author:** Monique Davidson, Chief Executive

**Authoriser:** Monique Davidson, Chief Executive

**Attachments:** 1. 2019/20 Annual Plan Submission - Hawke's Bay Community Fitness Centre Trust [↓](#)

**PURPOSE**

The purpose of this report is to make a management submission on the Long Term Plan (LTP) 2021-2031 deliberations.

**RECOMMENDATION FOR CONSIDERATION**

That having considered all the matters raised in the report:

- a) That Council note the Management submission presented to Council, outlining recommended changes to the Long Term Plan 2021 – 2031 budgets, since draft budgets were initially adopted.
- b) That Council retain the funding in Year 1 of the Long Term Plan identified to support the upgrades required of the Central Hawke's Bay District Community Trust Assets.
- c) The Council repurposes up to \$160,000 of funding in Year 1 of the Long Term Plan, in order for a full and comprehensive review of the Trust's assets and future maintenance and renewal liabilities to be identified for the Pool Complex, Gymnasium and Stadium and Sports Turf Complex.
- d) That Council acknowledges that the Trust will require financial support for the implementation of any short-term works to remediate and make safe the ceiling of the indoor pool complex and that remaining funds retained in Year 1 of the Long Term Plan set aside for this purpose, with a further report to Council being made, prior to the release of any funds.
- e) That The Trust and Council work collaboratively as part of the Central Hawke's Bay Community Facilities Plan Review, to understand the role and opportunities for the Trust now, and into the future.
- f) That Council provide funding of \$37,813 in Year 1 of the Long Term Plan, funded through debt for covers of the Waipawa Centennial Memorial Pool.
- g) That Council loan fund a \$30,000 contribution to the Hawke's Bay Community Fitness Centre Trust, funded over three years through loans.
- h) That Council note and endorse the \$15,000 of Interest be allocated to Special Funds, rather than general funds, thus increasing general rates by \$15,000.
- i) That Council note and endorse the recommendation that Asset Life Expectancy of new Assets be reviewed which will impact depreciation charges, but have no rating impact.

- j) That Council note and endorse the increase in budget allowances for electricity budgets in light of the recent Electricity Contract Renewal increases, increasing general rates by \$15,000, and Targeted Water Rates by \$10,000
- k) That Council note and endorse the reallocation of Kiwisaver costs to be allocated as a direct cost rather than an overhead in line with NZTA audit recommendations. This will increase general rates by \$37,335, decrease land transport rates by \$31,325, and decrease 3 Waters Targeted Rates by \$8,403.

## SIGNIFICANCE AND ENGAGEMENT

This report is providing details of minor improvements/changes to the LTP, but the proposals are not considered material or having significant impacts on the LTP process.

## BACKGROUND

The LTP budgets were set in late 2020, and several pieces of information have come to light since this time which either could be included in the LTP budget, or suggest a change in the LTP might be appropriate.

## DISCUSSION

Management make eight specific submissions to the Long Term Plan 2021 – 2031 deliberations.

<b>Issue One</b>	Central Hawke's Bay Community Trust
<b>Issue Two</b>	Waipawa and District Centennial Memorial Pool Covers
<b>Issue Three</b>	Request to provide funding – Regional Sports Park
<b>Issue Four</b>	Rural Travel Fund
<b>Issue Five</b>	Interest Allocation to Special Funds
<b>Issue Six</b>	Asset Life Expectancy of new Assets and Depreciation Allocation
<b>Issue Seven</b>	Electricity Contract Renewal
<b>Issue Eight</b>	Kiwisaver Cost Allocation

### **Issue One: Central Hawke's Bay District Community Trust**

#### **SUMMARY OF ISSUES**

The Central Hawke's Bay District Community Trust ("The Trust") have a lease for the ground under the Trusts Gymnasium and Pool and a service agreement with Council that comes to an end on 30 June 2022.

The Trust are facing major future investment in the next ten years, as well as some shorter term challenges the Trust require funding support with. The Trust rely significantly on Council funding through the service agreement for the renewal of its assets and seek to work collaboratively to identify a sustainable approach for the future of recreation facilities and services in the District beyond the end of the lease and service agreement in June 2022.

There are opportunities to work collaboratively through the proposed community facilities plan in the first year of the 2021 – 2031 Long Term Plan, to identify the long term strategic opportunities between Council and Trust.

This report developed with the Trust, identifies a possible way forward.

## BACKGROUND

Council have a lease with the Central Hawke's Bay District Community Trust dated 25 March 1996 in accordance with Section 54 and pursuant to the requirements of Schedule 1 of the Reserves Act 1977, for the area of Russell Park the Trust occupies for the gymnasium and pool complex. This lease comes to an end on 30 June 2022.

Council also have a service agreement with the Central Hawke's Bay District Community Trust dated 8 November 1996 for the provision of a swimming pool in Central Hawke's Bay, with the Trust covenanting "to provide the residents of Central Hawke's Bay and visitors with access to a modern recreational swimming and fitness facility". In consideration of the provision of the pool, Council makes an annual payment. This service agreement also comes to an end on 30 June 2022. The service agreement has had minor variations since 1996, mainly extending the agreement or formalising increases above and beyond inflation due to costs outside of the Trusts control.

All costs relating to the operation of the facility are the responsibility of the Trust, noting however that they are limited in their ability to generate operational revenue - outside of sponsorship and Council funding. Most pools throughout New Zealand run at significant operational deficits, funded by Local Government recognising the community good portion of the services.

As with many Trusts, the Trust have had a number of successes sourcing external funding for new capital projects, however as the spectrum of available significant funding begins to narrow and the Trust's assets begin to reach an age of significant replacement, funding for major replacement ahead is not as forthcoming.

In November 2020, the Trust approached Council for support to assist with the replacement of failing ceiling tiles in the swimming pool complex. The Trust sought nearly \$300,000 to assist in the replacement of the tiles with an alternate product, recognising that the tiles were an increasing risk to health and safety of the public. At this time, Officers sought further independent advice on the background and priority of the replacement ceiling tiles in agreement with the Trust, recognising that the facility is reaching 25 years old and there maybe other major renewal and investment priorities ahead for the facility. The Trust undertook short term repairs making the remaining ceiling tiles safe, including the installation of netting of the tiles to catch any tiles that may potentially fall.

The independent advice took the form of a report from pool specialists, who were asked to make general observations across the entire complex. The report has identified a number of steps that should be prioritised for action ahead of the immediate replacement of the ceiling tiles. We discuss the detail of the independent report further into this report.

### Growth

Like Council, the Trust find themselves in a tenuous position, where they are experiencing increasing community expectations with requests for the expansion of new services like learn to swim and improved accessibility to other services and tools that would be expected from Council operated pool services throughout the Country.

The growth the District is currently experiencing is most notable for the centre in the availability of learn to swim and pool tank space generally, where the centre is unable to provide sufficient lessons to cope with the demand, particularly in weekends and other times of convenience to the community due to the single pool tank.

Already increasing school programmes have been affected by the inability for many sports groups to use the Waipukurau Memorial Hall due to its seismic rating, placing pressure on the adjoining gymnasium in peak times.

As the District continues to experience unprecedented growth, the Trust look to Council for guidance and direction on the implications of this growth and what a future service agreement and service provision could look like for the District in the long term.

#### Trust Management and Funding

The Trust have done well, managing and expanding their complexes and assets for the community in relative isolation to Council. The assets are tidy and generally have well cared for with the financial contexts they operate in. It should be recognised however the Pool alone is nearly 25 years old and in many cases relies on older inefficient technology or has assets that will substantially reach the end of their economic life in the next ten years.

In many Districts, the services the Trust provide are services and assets the community own and expect of their District Councils. To this end, the Council and wider community has been relatively sheltered from the burden of these costs thanks to the Trust.

The Trust have a relatively simplistic renewal programme, substantially focussing on the key components of plant and equipment. The plan looks out twenty years, however is not a comprehensive renewal programme.

Like Council, the Trust have not been able to fully fund depreciation due to affordability, with funding set aside from Councils grant, substantially endeavouring to fund the simplistic renewal programme and other unexpected costs the Trust incur.

The Trust currently have just over \$120,000 in reserves for all of their assets, with the renewal programme having some \$320,000 of basic renewal work forecast over the first ten years of their plan, with the annual budget providing for between \$25-\$40,000 in each year being set aside to fund the renewal work programme, subject to any unplanned major renewals. The renewal programme just focusses on the pool complex and does not take into account renewal or upgrade requirements for the turf or gymnasium such as potential seismic upgrades.

In July 2019, Council adjusted its base annual payment in the service agreement with the Trust from \$209,146 to \$226,783 plus GST and compounding inflation, to address major increases in the cost of insurance that were unsustainable for the Trust on the previous payment.

#### Legal and Trust operating Environmental Changes

In a modern environment for the Trust - 25 years on from its inception, the operating environment is much more complex than that in its establishment

Today, the Trust finds themselves in a position not dissimilar to many trusts of their tenure and age. During the early 1990's many communities established Trusts for the ownership and establishment of facilities, when there was low or no appetite for Councils to be involved in the provision of the assets and access to significant capital funding was easier and less complex like in Central Hawke's Bay.

Access to significant funding is now much more stringent and tougher and overall less, with an overall decline in the volume of Lotteries and other gambling Trust funding. Capital and operational funding (where available) now comes associated with considerable tags and conditions, making single large drops of simple grant funding considerably more challenging. The extent and value of corporate funding agreements are also considerably lower, recognising changing corporate organisational funding capacity. Seeking substantial grant funding for operational costs and renewals or upgrades such as seismic strengthening to an extent that support the financial viability of the Trust outside of Council are generally non-existent.

Changes to the Health and Safety at Work Act 2015 (HSWA) make the pool operating environment more complex, and Council can and should expect more from the Trust in relation to Health and Safety requirements of the operation in the future. While the Trustee's are limited in their liability under the HSWA like Councillors, they still have responsibilities and Council more so as a 'person

conducting a business or undertaking' (PCBU) with the Trust, in relation to the operational service agreement.

The new Trusts Act 2019 (the Act) also applies new requirements for the Trust, with the changes that took effect on 30 January 2021, being the first updates and improvements in the law governing trusts for the first time in more than 60 years. The law change applies to all existing trusts in New Zealand, as well as any trust created on or after 30 January 2021. Most notably, the law change increases the expectations and liabilities placed on Trustees. As the new law is implemented and regulatory processes catch up, while this will place further operational burden on the Trust in the short term complying with the changes, in the longer term this could place additional pressure on the existing Trustees and become increasingly challenging for the Trust to attract and/or retain Trustees.

The Trust acknowledge that they would like to do more, however find themselves in a challenging position, unable to significantly raise new funds for replacement or operational challenges due to the changing funding environments.

While not posed at this time, there is always a present risk that the Trust note that the operating environment is too tough as voluntary Trustees, and seek to wind the Trust up and gift the assets to Council. For clarity, the Trust have not signalled this however it is a real risk for Council to consider. Council could not operate the facilities or services with the required diligence, either within existing resourcing and operating budgets or the grant funding provided to the Trust to meet the operating and health and safety thresholds expected of Local Government.

#### Future Lease and Service Agreement

An opportunity exists for Council to reconsider the role of the Trust and the role of Council in the future service agreement.

Historically, Council has had a very 'hands-off' approach with the Trust, providing little or no clarity in the service agreement for the services growth or direction. Council has no ability within its service agreement to guide or direct the Trust for even minor changes in the delivery of services, including health and safety, changes in operating hours or additional services the community may seek. This approach will not be sustainable in the longer term for the success of the Trust, particularly as the operating environment continues to become increasingly complex, and a more holistic and integrated approach will be required to respond to the pressures the community are experiencing – in particular growth and demand for modern and new services.

In other situations, where Trusts exist and remain in this approach to services, they are generally Council Controlled Organisations (CCO), and as such have clear intent and direction guided by Council on a three yearly or annual basis through their Statement of Intent. Establishing a CCO would require significant community consultation and changes to the Trusts existing Trust Deed. Ultimately Council would be liable for the Trust, including any debt held – being a CCO. The nature of the relationship of the Trust will be something Council will need to carefully consider in the consideration of any future service agreement.

Any new service agreement will require more stringent and clear outcomes to support Health and Safety outcomes including industry best practice and an ability to more articulately respond to change and growth. In Year 2 of the Long Term Plan, Officers have made provision for any new agreement to require the Trust to operate as a 'Pool Safe' Pool, recognised as industry best practice for ensuring adequate safety and lifeguarding policies and practices are in place. This requirement will see a step change in funding required.

Recognising the pool and gymnasium are on Recreation Reserve under the Reserves Act 1977, Council will be required to publicly notify any intent to grant a new lease to the Trust for the occupation of the land the buildings occupy. At this time, the new turf will need to be included in a new lease area for the Trust.

### Community Facilities Review

Council have identified in the first year of the Long Term Plan a significant project to holistically consider the future need of its community facilities and services. This project will seek to understand future needs and strategically position Council to respond to the range of challenges and opportunities ahead of it in relation to the strengthening of its facilities and how future services and facilities will need to respond to ensure a thriving Central Hawke's Bay of the future.

There is a natural and logical synergy for the Trust's assets and the future arrangements of the Trust – in particular the service agreement to be holistically considered in the Facilities Plan

### Funding in the Long Term Plan 2021-2031

In the preparation of the Long Term Plan 2021 – 2031 Officers were able to identify two particular renewal projects for the pool complex with the Trust.

Included in the Long Term Plan 2021 – 2031 is \$300,000 described in Project 5437C001 for Earthquake Strengthening of the Heated Pool Complex and a further \$150,000 described in Project 5347C500 Heated Pool Complex – Ceiling Tile Replacement Contribution (a total of \$450,000). Both projects are included in the first year of the Long Term Plan with both projects being 100% loan funded over 30 years and 20 years respectively.

### The Independent report

The independent report commissioned by Council identified a number of priority actions that should be undertaken to confidently assess all of the future maintenance, renewal and upgrade requirements of the facility.

The facility is nearly 25 years old, with most pool complexes of a similar age requiring substantial upgrade or replacement by at least 35 years of age. The Central Hawke's Bay Complex is no different and requires a longer term holistic view to consider upgrade and replacement for the future.

The report recommends that immediate repairs to the interior ceiling tiles are delayed, and other pressing investigative reports including seismic assessment of the facilities is completed initially to determine other potential pressing renewal requirements. The Trust are in agreement in this approach and see the work to the pool hall, essential to be extended to the adjoining gymnasium and stadium and turf complex to understand the full extent of renewal liability the Trust and wider community may face for the future.

The intent of this work is to ensure the Trust, Council and Community are as fully informed as possible to consider a strategic repositioning of the Trust, to ensure the sustainable and long-term provision of these essential recreational assets for the District, now and into the future.

## **DISCUSSION**

The Trust currently finds themselves in a unique position - not dissimilar from Council, in the respect that they seek to move forward positively into the future to grasp a number of opportunities, including a growing Central Hawke's Bay – however face a number of challenges, including major asset renewal and funding challenges.

The Trust acknowledge that they cannot sustainably proceed into the future with confidence, without the support of Council and seek a 'reset' of the historic relationship between the parties.

The Trust seek to work collaboratively with Council to understand a holistic and long-term view of the demand, opportunities and future funding requirements of the Trusts facilities and what opportunities for sustainable long-term partnership with Council as their key strategic partner looks like. A key focus remains on understanding and developing a future approach beyond the expiration of the service agreement and lease on 30 June 2022, to ensure the current and future recreational needs of the people of Central Hawke's Bay are met is a major focus.

With the support of Officers and the Trust, the following way forward is proposed:

- That Council retain the funding in Years 1 of the Long Term Plan identified to support the upgrades required of the Central Hawke's Bay District Community Trust Assets.
- The Council repurposes up to \$160,000 of funding in Year 1 of the Long Term Plan, in order for a full and comprehensive review of the Trust's assets and future maintenance and renewal liabilities to be identified for the Pool Complex, Gymnasium and Stadium and Sports Turf Complex.
- That Council acknowledges that the Trust will require financial support for the implementation of any short-term works to remediate and make safe the ceiling of the indoor pool complex and that remaining funds retained in Year 1 of the Long Term Plan set aside for this purpose, with a further report to Council being made, prior to the release of any funds.
- That The Trust and Council work collaboratively as part of the Central Hawke's Bay Community Facilities Plan Review, to understand the role and opportunities for the Trust now, and into the future.

### Options

Council has few practical options available to it to address the issue. Possible options available include:

- **Option 1 – Adopt the Proposed Way Forward**

This option would see Council adopt the proposed way forward identified by the Trust and Officers and provide a sustainable and long term strategic approach for Council and the Trust to consider the future needs of the community collaboratively through the community facilities review.

This approach provides a transparent view of the future needs for the facilities and what future funding requirements will need to be for the facilities and services to be sustainable in the Long Term.

- **Option 2 – Reject the Proposed way forward and do not provide funding**

This option would see Council rejecting any funding to the Trust for any works on the Trust's assets.

While this approach would have short-term benefits in terms of a reduction in funding in the 2021 – 2031 Long Term Plan, this reduction would likely be short-lived for the first year of the Long Term Plan only.

The lease for the grounds and the service agreement both expire on 30 June 2022. In the event the Trust were unable to secure sustainable funding or the service agreement could not successfully be negotiated, the Trust could seek to wind up and in accordance with the Trust Deed gift the assets to Council. Any potential savings – both operational or capital, would be very short term in nature with Council unable to operate the facilities at the equivalent operational costs that the Trust currently incurs.

### RECOMMENDATION

Officers recommend Option 1 being 'Adopt the Proposed Way forward' as the most sustainable and responsible approach for the future of Central Hawke's Bay.

This approach seeks:

- a) That Council retain the funding in Years 1 of the Long Term Plan identified to support the upgrades required of the Central Hawke's Bay District Community Trust Assets.



- b) The Council repurposes up to \$160,000 of funding in Year 1 of the Long Term Plan, in order for a full and comprehensive review of the Trust's assets and future maintenance and renewal liabilities to be identified for the Pool Complex, Gymnasium and Stadium and Sports Turf Complex.
- c) That Council acknowledges that the Trust will require financial support for the implementation of any short-term works to remediate and make safe the ceiling of the indoor pool complex and that remaining funds retained in Year 1 of the Long Term Plan set aside for this purpose, with a further report to Council being made, prior to the release of any funds.
- d) That The Trust and Council work collaboratively as part of the Central Hawke's Bay Community Facilities Plan Review, to understand the role and opportunities for the Trust now, and into the future.

## **Issue 2: Request to investigate Cost to install Pool Covers – Waipawa Centennial Memorial Pool**

### **SUMMARY OF ISSUE**

Elected members sought to understand the cost of pool covers for the Waipawa and Districts Centennial Memorial Pool during hearings on the Long Term Plan 2021 – 2031.

### **BACKGROUND**

Pool covers were not in scope during the 2018/2019 Waipawa and Districts Centennial Memorial Pool upgrade. In the 2020/21 season despite an average summer, the pools struggled to reach a temperature considered by industry as safe to swim in. The complex has no pool heating and while opportunities exist in Stage 2 of the project for the heating of the complex, there is no immediate funds available for covers.

Covers would support the pool temperatures dropping significantly overnight, particularly in the shoulder seasons, however can also be a barrier to the pools gaining temperature from solar gain when the pools are not manned. In high wind event the covers would need to be also be removed. They would be removed for the winter periods. Covers will do both pools.

Pool covers in an outdoor environment generally have a life expectancy of 7-10 years, so Council would need to reasonably consider their replacement in a least Year 10 of the Long Term Plan.

Pricing has been sought for the supply installation of covers, reels and a suitable retraction tool. The price is \$37,813 excluding GST. It is unlikely that Council could attract external funding for the covers without at least 40 -50% co-funding. Even then, funding is not as forthcoming with pool covers considered a basic operational addition, that most funding organisations will not consider.

If Council sought to fund these, the purchase would be loan funded over 10 Years and funded by the General Ratepayer. At an interest rate of 1.8% assumed over the life of the LTP, this would see annual repayment requirements of \$4,128 per annum for ten years.

Recognising that there are benefits to the complex with the addition of pool covers, it is Officers recommendation that pool covers are added. These will add benefit, particularly to the cooler nights the District can experience. The addition of pool covers will support any longer term heating of the facility as well.

**RECOMMENDATION**

That Council provide funding of \$37,813 in Year 1 of the Long Term Plan, funded through debt for covers of the Waipawa Centennial Memorial Pool.

**Issue Three: Request to provide funding – Hawke's Bay Community Fitness Centre Trust****SUMMARY OF ISSUE**

Officers have been in conversation with Sir Graeme Avery in relation to a contribution of capital funding and operational support for Central Hawke's Bay residents to participate in programmes and activities associated with the EIT Institute of Sport and Health at the Hawke's Bay Regional Sports Park, operated by the Hawke's Bay Community Fitness Centre Trust.

**DISCUSSION**

Sir Graeme Avery has been a strong and visionary leader in the development of the Hawke's Bay Regional Sports Park and in particular the EIT Institute of Sport and Health, being led by the Hawke's Bay Community Fitness Centre Trust. Sir Graeme has unsuccessfully presented to the last four Council annual or long term plan opportunities, seeking opportunities for Central Hawke's Bay to support the cause financially. His latest presentation from the 2020/21 Annual Plan is attached to this report for Councillors information and context.

The wider community are already receiving the benefit of the Trust's assets and services, however this may not be widely recognised or communicated by participants across the District.

As the assets and operational arms of the services begin to gain greater traction, the services seek to expand into the wider Hawke's Bay region, including Central Hawke's Bay. Wairoa are seeing the benefits of this and have committed funding to the project in the 2019/20 year, with youth in particular gaining the benefits of programmes, travel and training associated with the complex.

Officers have guided Sir Graeme out of respect to not make a further submission to this years Long Term Plan, with Officers recognising the positive persistence of Sir Graeme to see Central Hawke's Bay recognised as a founding and contributing partner to the assets, over the last four years.

Central Hawke's Bay is the only Council to have not provided funding for the project. Funding will go towards the overall project as outlined in the 2020/21 Annual Plan Submission.

This report seeks to have Council contribute a total of \$30,000 of capital grant to the Project, funding through loans at \$10,000 per year.

There are two possible options for Council to consider to fund this:

**1. Loan fund the \$30,000**

Over three years, funding the \$30,000 in three \$10,000 payments. When fully drawn down, Council would pay \$3,300 over the ten years to repay the debt.

**2. Rate Fund the \$30,000**

Fund the \$30,000 over three years in three \$10,000 payments, funded by rates only.

This would impact the general rate by \$10,000 each year for the three years.

A third option is that Council reject Officers recommendations and do not fund the Sports Park.

**RECOMMENDATION**

Officers recommend to Council that they loan fund a \$30,000 contribution to the Hawke's Bay Community Fitness Centre Trust, funded over three years through loans.

**Issue Three: Additional Rural Travel Fund Funding****SUMMARY OF ISSUE**

Submission 237 from their Central Hawke's Bay Rugby and Sports Club Incorporated raised in their verbal submission the costs of travel for sports participants

Sir Graeme Avery has raised with officers the cost of the travel for those attending regional sports events, particularly specialist training and support at the Regional Sports Park.

Submission 219 from Sports Hawke's Bay highlighted in their verbal submission that the amount of rural travel funding for Sport Hawke's Bay did not reflect the full volume of travel participants in sport have to undertaken.

**DISCUSSION**

The District receives just under \$10,000 from Sport New Zealand, which the Council distributes through the Rural Travel Fund. The fund is always oversubscribed, recognising the volume of travel required for clubs to compete and train within the District and Regionally, not even considering inter-regional or national travel.

There has been no indication from Sport NZ of their intention to consider increasing the Rural Travel Fund, with current funding for Sport NZ focussed specifically outside of traditional sport support.

Recognising the importance of this funding to the community and discussion raised by Councillors on opportunities to increase the funding to the rural travel fund, Officers are recommending an increase to the fund is made.

Officers suggest that an increase of \$3,000 could be sustained from internal Places and Open Spaces budgets without a major impact.

An alternate approach could be that Council chooses to rate fund a Council contribution of \$3,000.

A further approach is that Council reallocated \$3,000 from Places and Open Spaces budgets and Council rates funds a further \$2,000 to bring the total additional funding that could be provided to the fund by Council to \$5,000.

**RECOMMENDATION**

There is no recommended option for this decision.

**Issue Five: Interest Allocation to Special Funds****SUMMARY OF ISSUES**

When the LTP budgets were set up, interest revenue was used 100% to offset rates. However due to the simplistic nature of this assumption, special funds were not being topped up with this interest revenue. This is only an issue where those special funds are expecting to give away those interest earnings, but due to the lack of allocation to these funds were being eroded in the original LTP budget.

**DISCUSSION**

This erosion of special funds impacted the Mayors Relief Fund, Eric Tate Scholarship Trust, and Waipawa Building Society Scholarship Trust in the original LTP. To fix this issue \$15k pa of interest revenue needs to be diverted from Ratepayer Interest Revenue to Special Funds Interest Revenue.

**OPTIONS**

Council has two practical options:

- **Option 1 – Amend the interest revenue allocation to provide revenue to Special Funds**  
This option would see the original bequest/scholarship funds balances remain intact, allowing for future interest income to be earned and given away rather than depleting the funds capital. This approach is in alignment with the understanding when the funds were originally established.

This approach will see general rates increase by \$15k pa due to the diversion of interest revenue.

- **Option 2 – Reject the proposed budget change, and retain the original interest revenue allocation**  
This option would see the original bequest/scholarship funds balances eroded over time, which would mean that future generations would not have the benefit of scholarships being available to them.

### **RECOMMENDATION**

Option One, to amend the interest allocations to provide revenue to special funds due to this approach being in alignment with the settlors of the scholarship funds wishes.

### **Issue Six: Asset Life Expectancy of new Assets and Depreciation Allocation:**

#### **SUMMARY OF ISSUES**

Currently Council has an unbalanced budget at a comprehensive income level (ie after depreciation). Officers can influence the level of this deficit by reviewing depreciation rates.

#### **BACKGROUND**

For historical assets, depreciation is set by a three yearly revaluation process, but for assets created during the current LTP, officers set the expected life expectancy and therefore depreciation rates. Officers have a chance to review these.

#### **DISCUSSION**

Council is entering into a significant asset replacement program as well as building new growth assets and waste water treatment plants.

The default position in the LTP has been to match asset life expectancies to the length of the asset loans (typically 30 years for water assets). However the true life expectancy of these assets are more likely to be between 50-75 years.

Since Council doesn't fully rate for depreciation, any changes in life expectancies will not impact future rates, but will help the balanced budget when considering the budgets at a comprehensive income approach.

#### **OPTIONS**

Council has two practical options:

- **Option 1 – Review asset life expectancies for newly created assets (particularly 3 waters)**  
This option have no impact on rates, but would bring Council closer to be presenting a balanced budget.
- **Option 2 – Reject the proposed budget change, and retain the original asset life expectancies for newly created assets**

This option is status quo. There would be no rating impact, or improvement in the balanced budget benchmark.

## **RECOMMENDATION**

Option One, to review asset life expectancies for newly created assets (particularly 3 waters), due to this having no rating impact, but will see an improvement in Council's balanced budget benchmark.

## **Issue Seven: Electricity Contract Renewal**

### **SUMMARY OF ISSUES**

Council has just signed a new 3 year electricity supply contract. The contracted price is significantly higher than the previous contract entered into during 2018.

### **BACKGROUND**

Council is due to finish a three contract for its electricity supply in May 2021, and has recently signed a new All of Government Contract for a further three years however prices have significantly increased over the preceding three years. Some, but not all of this has been factored into Councils LTP budgets.

### **DISCUSSION**

Officers have reviewed its current electricity usage and charges and overlaid budget assumptions and expected service changes (such as new treatment plants and bore fields).

Based on this work, officers have identified three areas that they wish to adjust electricity budgets for the LTP.

Recreation and Community Facilities – Officers have identified that the reopening of the Waipawa Pool, bringing back in house the Municipal Theatre, and the new pricing structure has meant that budgets need to be increased by \$13k pa. This will increase general rates.

Solid Waste - Officers have identified that the new pricing structure will impact the transfer stations and has meant that budgets need to be increased by \$2k pa. This will increase general rates.

3 Waters - Officers have identified that due demand changes and pricing changes wastewater budgets are understated by \$15k pa, while drinking water budgets are overstated by \$5k pa. The net impact is a \$10k pa increase for connected residents. This will increase water targeted rates.

All up, the impact will be an increase in rates of \$25k pa, but this will impact different rate payers differently.

### **OPTIONS**

Council has two practical options:

- **Option 1 – Amend the electricity budgets to better reflect price and service demand changes**

This option would see the electricity budget better reflect recent usage demands and recent price changes.

This approach will see general and water targeted rates increase by \$25k pa.

- **Option 2 – Reject the proposed budget change, and retain the current electricity budgets**

This option would see the original budgets retained, however it is likely to see unfavourable budget variances at year end.

**RECOMMENDATION**

Option One, to amend the electricity budgets to better reflect price and service demand changes.

**Issue Eight: Kiwisaver Cost Allocation****SUMMARY OF ISSUES**

Council contributes towards the Kiwisaver schemes of its employees that have registered kiwisaver accounts. Currently this cost isn't allocated to the different activities, but is worn as an overhead.

**BACKGROUND**

At the recent NZTA audit, the auditor suggested that one improvement Central Hawkes Bay District Council could make to its accounting practices is the allocation of kiwisaver costs out to the activities incurring the cost, rather than treating it as an overhead. This would then allow NZTA to reimburse the Land Transport share of kiwisaver through its FAR contribution.

**DISCUSSION**

This discussion with the NZTA auditor got officers thinking, that with the establishment of Project Management Team (whose wages get capitalised) and positions funded by MBIE (such as Tuki Trails and Digital Hub staff) that there are other areas of Council not fully recovering their direct costs due to historical accounting practices.

It is proposed that Kiwisaver Costs be charged directly to the cost centre that the staff sit in, rather than charging them to an overhead cost centre and then allocating it as part of overheads.

However, this direct allocation method gives a slightly different spread to the way overheads are allocated. The table below gives the impact for year one of the LTP:

	<b>Increase Kiwisaver Direct Costs</b>	<b>Reduction in Overhead Allocation Overhead</b>	<b>Change - Rating Impact</b>
<b>General Rates</b>			
Community Leadership	4,519	(563)	3,956
Planning & Regulatory	30,150	(685)	29,465
Solid Waste	3,310	(8,696)	(5,386)
Recreation & Community Facilities	9,721	(421)	9,300
<b>Total</b>	<b>47,700</b>	<b>(10,365)</b>	<b>37,335</b>
<b>Land Transport Rate</b>			
Land Transport	3,522	(34,847)	(31,325)
<b>3 Waters Targeted Rates</b>			
3 Waters	0	(8,403)	(8,403)
<b>Not Rated</b>			
Overheads	(53,615)	53,615	0
<b>Total Rating Impact</b>	<b>(2,393)</b>	<b>0</b>	<b>(2,393)</b>

**OPTIONS**

Council has two practical options:

- **Option 1 – Allocate Kiwisaver Costs in the same manner as staff wages are allocated**

This option would see kiwisaver costs follow the wages budgets they relate to. This would allow officers to recover some kiwisaver costs from third parties or to capitalise their costs into the projects they relate to.

This approach will see general rates increase by \$37k pa, the land transport rate to decrease by \$31k pa, and 3 waters targeted rates decrease by \$8k pa.

- **Option 2 – Reject the proposed budget change, and continue to allocate kiwisaver costs as an overhead**

This option would see the original budgets retained, however it is likely to see unfavourable budget variances at year end.

**RECOMMENDATION**

Option One, to allocate Kiwisaver Costs in the same manner as staff wages are allocated.

**RECOMMENDATION FOR CONSIDERATION**

That having considered all the matters raised in the report:

- a) That Council note the Management submission presented to Council, outlining recommended changes to the Long Term Plan 2021 – 2031 budgets, since draft budgets were initially adopted.
- b) That Council retain the funding in Year 1 of the Long Term Plan identified to support the upgrades required of the Central Hawke's Bay District Community Trust Assets.
- c) The Council repurposes up to \$160,000 of funding in Year 1 of the Long Term Plan, in order for a full and comprehensive review of the Trust's assets and future maintenance and renewal liabilities to be identified for the Pool Complex, Gymnasium and Stadium and Sports Turf Complex.
- d) That Council acknowledges that the Trust will require financial support for the implementation of any short-term works to remediate and make safe the ceiling of the indoor pool complex and that remaining funds retained in Year 1 of the Long Term Plan set aside for this purpose, with a further report to Council being made, prior to the release of any funds.
- e) That The Trust and Council work collaboratively as part of the Central Hawke's Bay Community Facilities Plan Review, to understand the role and opportunities for the Trust now, and into the future.
- f) That Council provide funding of \$37,813 in Year 1 of the Long Term Plan, funded through debt for covers of the Waipawa Centennial Memorial Pool.
- g) That Council loan fund a \$30,000 contribution to the Hawke's Bay Community Fitness Centre Trust, funded over three years through loans.
- h) That Council note and endorse the \$15,000 of Interest be allocated to Special Funds, rather than general funds, thus increasing general rates by \$15,000.
- i) That Council note and endorse the recommendation that Asset Life Expectancy of new Assets be reviewed which will impact depreciation charges, but have no rating impact.
- j) That Council note and endorse the increase in budget allowances for electricity budgets in light of the recent Electricity Contract Renewal increases, increasing general rates by \$15,000, and Targeted Water Rates by \$10,000
- k) That Council note and endorse the reallocation of Kiwisaver costs to be allocated as a direct cost rather than an overhead in line with NZTA audit recommendations. This will increase general rates by \$37,335, decrease land transport rates by \$31,325, and decrease 3 Waters Targeted Rates by \$8,403.



**From:** [Monique Davidson](#)  
**To:** [Thrive](#)  
**Subject:** FW: Our Submission to Central Hawke's Bay District Council Annual Plan  
**Date:** Monday, 18 March 2019 8:20:48 AM  
**Attachments:** [image001.jpg](#)  
[image933750.png](#)  
[image475490.png](#)  
[image658660.png](#)  
[image133844.png](#)  
[image515308.jpg](#)  
[CHB District Council Submission 2019\\_12 Mar 19.pdf](#)  
[Appendix II - Letters of Support, Part 1.pdf](#)  
[Appendix II - Letters of Support, Part 2.pdf](#)


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**Monique Davidson**  
**Chief Executive**  
**Central Hawke's Bay District Council**

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 This communication, including any attachments, is confidential. If you are not the intended recipient, please delete it. Refer to the disclaimer on our website.

Got an idea or feedback? Fantastic! You can [let us know here](#)



---

**From:** Graeme Avery | Sileni Wines <Graeme@sileni.co.nz>  
**Sent:** 13 March 2019 11:14 AM  
**To:** Monique Davidson <monique.davidson@chbdc.govt.nz>  
**Cc:** Alex Walker <alex.walker@chbdc.govt.nz>; Brendon Rope <brendon.rope@hbcommunityfitness.org.nz>  
**Subject:** Our Submission to Central Hawke's Bay District Council Annual Plan

Dear Monique

I am currently in Asia and Europe on business.

I attach a digital version of the HB Community Fitness Centre Trust submission to the CHB District Annual Plan for consideration by Council of capital grant funding of \$20,000 p.a. for each of the next five years to complete the build of the first stage of the EIT Institute of Sport & Health at the Regional Sports Park in Hastings.

I have organised for a hard copy of our submission and accompanying APR Feasibility Study report to be despatched to you by courier.

We would wish to make a presentation to the public consultation process, hopefully at a date after my return on 1 April.

As discussed previously, we would welcome a site tour for Councillors and Senior Executive staff at an early convenient date prior to opening of the main building 1 July this year. The Hostel is planned to start around July/August this year. Please advise a date and time convenient. Brendon Rope, Operations & Commercial Manager, will then follow-up to finalise arrangements.

Thank you for consideration by Council of our submission for grant funding.

Best wishes.

*Graeme*

Graeme S. Avery, Chair

HB Community Fitness CT logo email



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**HAWKE'S BAY COMMUNITY FITNESS CENTRE TRUST**  
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## **SUBMISSION TO CENTRAL HAWKE'S BAY DISTRICT COUNCIL DLRP 2019-2029**

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### **SUBMITTED BY**

*Sir Graeme Avery  
For Hawke's Bay Community Fitness Centre Trust  
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architects  
pacific environments



## BACKGROUND

The Hawke's Bay Community Fitness Centre Trust (HBCFC Trust), a registered Charitable Trust, has successfully raised some \$13 mill + a further \$4 mill being finalised, to build a world class, regional Centre of Human Performance Excellence at the Regional Sports Park, Hastings. The new facility will be titled 'EIT Institute of Sport & Health'.

Completion of the main building will be in May 2019, with opening planned for 1 July. The accommodation hostel is planned to start in July, with completion early 2020 for opening in February.

The concept is the same as that which has been highly successful at AUT Millennium, Auckland; the HB Institute being a 'scaled down' version for promoting healthy lifestyles across the region, and for sport as a regional feeder to national sports systems.

*The facility will be World class and unparalleled in regional New Zealand. It is an approved training site for High Performance Sport NZ and will be a regional development hub for world-leading community healthy lifestyles and at-risk youth programmes of national importance.*

*The project will be transformational for enhanced health and sports performance outcomes across the whole region and will help to retain young people in the CHB District.*

## HAWKES BAY COMMUNITY FITNESS CENTRE TRUST

### Statement of Purpose

The Hawke's Bay Community Fitness Centre Trust is the asset owning and operational organisation formed by:

- Hawke's Bay Eastern Institute of Technology (EIT) – represented by Prof Natalie Waran, Executive Dean, Faculty of Education, Humanities & Health
- Sport Hawke's Bay – represented by Mark Aspden, CEO
- Hawke's Bay Sports Events & Education Consortium – represented by Bruce Mactaggart, Secretary
- Independents – represented by Sir Graeme Avery (Chair), President Sileni; Mike Purchas, CEO Sportsground; Wendy Pirie, Owner TimberNook; Giles Pearson, Accountant and former PWC partner + a Maori Trustee currently being appointed



in partnership with:

- AUT University
- AUT Millennium Institute of Sport & Health
- Liggins Institute, University of Auckland
- Hawke's Bay District Health Board
- Ngati Kahungunu

through the establishment of a charitable trust – *Hawke's Bay Community Fitness Centre Trust* – to govern the successful operation of the organisation and the programmes it will deliver at and from the facility.

### **Vision**

#### ***CENTRE OF EXCELLENCE IN HUMAN PERFORMANCE***

Hawke's Bay Community Fitness Centre Trust vision is to establish a world class sports and recreation hub and community health centre at the Hawke's Bay Regional Sports Park, as a Centre of Excellence in Human Performance, by supporting all age groups across the Hawke's Bay region in community health and fitness, school sports development and community sport, along with sports and health science research.

To promote its programmes, the facility will include an indoor community sports & recreation hall, strength and conditioning gym for sports and wellness development, community health & fitness gym, sprint track for speed & fitness testing, community fitness trail, wellness tutorial rooms, a sports medicine centre and an on-site accommodation hostel.

It will be a **transformational project** for enhancing human performance excellence, with special programmes for:

- The whole community, from encouraging health and wellbeing for all ages through to sports and recreation development in schools and clubs
- Across the whole Hawke's Bay region from Central Hawke's Bay, Hastings and Napier to Wairoa

To achieve this vision, programmes from the **world leading** AUT University, AUT Millennium in Auckland and nationally top ranked EIT, in collaboration with the Hawke's Bay District Health Board, the Councils of the region and Sport Hawke's Bay, will include:

- Education to encourage healthy eating and physical activity, from conception to pre-school through to the elderly
- Training and guidance to schools and sports groups on healthy lifestyles, physical literacy and sports performance development

The **programmes** are all research-led and specific to the groups to which they apply. The programmes of the Hawke's Bay Community Fitness Centre Trust operate in a different space and will supplement the more general programmes of Sport Hawke's Bay.

## **FACILITY ASSETS**

The EIT Institute of Sport & Health to be built will comprise two buildings, with key features as below:

### **1. Main Building**

- large indoor sports hall
- with 8 x lane synthetic athletic track for speed testing and sports gymnastics; and
- sprung timber floor of 1.5 netball court size (also used for basketball, volleyball and badminton)
- sports strength and conditioning gym + injury rehab
- sports science lab (to be operated by EIT in partnership with AUT Millennium)
- community health and fitness gym (to be operated by the Trust, as at AUT Millennium)
- sports medicine centre (sports and exercise medicine physicians; consulting orthopaedic surgeons; nutritionists; clinical psychology; physiotherapy; podiatry)
- meeting and tutorial rooms; commercial tenants; EIT and regional sports groups
- café offering healthy food and beverages

### **2. Accommodation Hostel**

- a 43-bed hostel for school groups, regional and national sports teams, and business conferences
- includes a self-catering kitchen  
(also used to teach healthy cooking to school age children)

*The facility has been specifically designed as a centre of excellence for community health and fitness and a multiple sports training environment with sports medicine and sports science support on site.*

Refer Appendix I site plan and floor plans for details.



## PROGRAMMES

A range of healthy lifestyles, wellbeing and sports performance programmes will be delivered at and from the Institute, including at satellites in Central Hawkes Bay and Wairoa.

*The programmes aim to enhance confidence and self-esteem of young people. They also provide a pathway for sports development and retention of talent in the CHB District.*

### **Schools Programmes** (active recreation + healthy eating education)

- for primary and intermediate schools, Education Outside the Classroom
- for intermediate and secondary schools, long-term athlete development and healthy lifestyles education
- for all schools, supported by weekend and week long camps using the accommodation hostel

### **Community Programmes** (active recreation, healthy lifestyles and sports performance development)

- for adults and corporates, health screen managed programmes for wellness, general fitness and mental health + workplace wellbeing programmes
- for local and regional sports groups, athlete development for enhanced sports performance
- team and group camps using the accommodation hostel
- **special programmes for at-risk youth** using sport for self-esteem through achievement in sport, with leadership development, leading to job training and employment. Programmes aligned with Government He Poutama Rangatahi and Te Ara Mahi initiatives

### **‘Changing Lives’**

#### **Obesity Intervention Research Studies** (healthy eating, cooking and food shopping; regular physical activity)

- underpinning the above programmes will be two world leading collaborative and multi-faceted, integrated studies in local communities
  - whole of population study in pre-schools and primary schools (active play/physical activity + healthy eating, cooking and food shopping education + management of the social environment around the whole family)
  - study design and data analysis by EIT in collaboration with AUT University and AUT Millennium Institute
- and subject to Government funding:
- longitudinally monitored study from conception of first pregnancy mothers – for life, from antenatal classes, new born infant to pre- and primary school and onwards (active recreation and healthy eating education as above)

The Trust has a Memorandum of Understanding with the HB DHB and is well engaged with executives on these programmes, as well as with the current Director of Public Health and Regional Director of Education. The new Minister of Health has been made aware of the studies.

*All programmes at and from the Institute will be managed by professionally trained and experienced staff, adopting the best current evidence from NZ and internationally – that of AUT, AUT Millennium, EIT and High Performance Sport NZ being fundamental.*

## GENERAL PUBLIC ACCESS

*Of the approximate 240,000 user visits in year 1, some 85% will be by the general public as represented by schools, the average club athlete and adults. The balance of 15% will be youth talented sports people in the region, including from CHB.*

### Annual user demand summary (no. visits)

	Annual visits (Year 1)	Percentage
<b>SCHOOLS AND GENERAL PUBLIC</b>		<b>85.1%</b>
School students - Outside the Classroom Education and camps	5,280	2.2%
School students - Physical literacy education	17,280	7.3%
School students - Physical literacy satellite services	33,280	14.0%
Individuals - Community Health and Fitness Gym	125,000	52.8%
Individuals - Community Fitness Trail	17,500	7.4%
Individuals - Community Healthy Lifestyles Tutorials + Exercise Programme	3,200	1.4%
<b>SPORTS USERS</b>		<b>14.9%</b>
Talented Youth programme	2,800	1.2%
Regional performance development for National Sports Organisations	9,000	3.8%
Local sports groups	18,000	7.6%
Satellite facilities	5,625	2.4%
<b>TOTAL ANNUAL USER VISITS</b>	<b>236,965</b>	<b>100.0%</b>

User visits from CHB are expected to be greater than above from the Trust support of activities at the Waipukurau Recreation Centre.

## BUSINESS CASE SUPPORTED

The location of the Facility, the Community Need Assessment and Health Problems the programmes will address, have been thoroughly reviewed in the independent Feasibility Study by APR Consultants (refer enclosed).

The report also presents an Economic benefit-cost analysis, which has been further developed in a comprehensive independent review by APR of the **Social and Economic benefits** of Trust programmes.

**Financial viability, Governance and Management** were also reviewed in the Feasibility study report.

The **business model** is based on a scaled back version of the proven AUT Millennium Institute model in Auckland.

## OPERATIONAL VIABILITY AND SUSTAINABILITY

An independent review by APR Consultants has confirmed the indicative Budget for years 1 to 3 as 'robust and viable', including satisfying their sensitivity tests.

**Funding will be on a user pays model** – fees at proposed \$5 per user visit from schools and sports groups; gym members and corporates plus commercial sponsorships and tenancy rental income.

The Hastings Karamu Rotary Club has made the Trust beneficiary of its major fundraising activities. The funds to be used to cover user fees of lower decile schools for EOTC programmes at the facility and for parents who cannot meet fees for sports performance development programmes. This support will apply to schools and parents in CHB.

Virtually all tenancy rental space has been confirmed, or is under active discussion.

Already in effectively year 'minus 3', Trust opex performance is ahead of that in the year 1 indicative budget, with a small surplus achieved. For further information refer enclosed Feasibility Study by APR.

The Trust has prepared a Plan for each of R&M and major item Asset Replacement, for which an 'endowment gift' campaign is to be developed over the next 10 to 20 years when major flooring items will need to be replaced.

## BENEFITS TO CHB COMMUNITY

The range of programmes will complement and enhance those currently in place in the District and help to retain young people in the District.

- **Enhanced Community Pride and Connectivity**
  - ***Pride of achievement*** in personal health and sport
  - ***Cohesion in local communities*** from support programmes for healthy lifestyles and sport
  - ***Reduced criminality*** from At-risk youth programmes
- **Enhanced Health Outcomes and Prosperity**
  - Reduction in prevalence rates of obesity and enhanced quality of life and employment
  - Enhanced general fitness and mental health, including in the workplace
- **Enhanced Sports Capability and Outcomes + Retention in District**
  - School children from primary, intermediate to secondary ages
  - Enhanced confidence of teaching staff
  - *Local sports groups talent development with retention in CHB through support of CHB College*
  - *The aim being to create a pathway in the District for young people to aspire to, including visits to the EIT Institute and Hostel*

**PROGRAMMES SUPPORT COUNCIL COMMUNITY WELLBEING STRATEGY**

The range of Trust programmes, including collaboration locally, support key social and health themes of the Community Wellbeing Strategy.

Full opportunity will be welcomed for involvement of the Community Reference Group in development of programmes to best meet local community needs.

- Our Programmes will support key SOCIAL AND HEALTH Themes
  - A proud district
    - ... through the social cohesion achieved and sense of community achievement from the programmes
  - A prosperous district
    - ... through enhanced self-esteem, self-confidence and quality of life with increased employment and prosperity
  - Strong communities
    - ... through collaborative involvement of the whole whanau in local community support of the Changing Lives Healthy Lifestyles research study + sports groups support
  - Connected citizens
    - ... through involvement of the whole community in development of and support of programmes
- Aging and Disability
  - Special programmes on healthy lifestyles and general fitness for the elderly and disabled (physical and learning)
  - Programme support for disabled sports people
  - Use of the elderly as volunteers in our programmes
- Safer Communities
  - Sports programmes, Workplace wellbeing programmes and Senior Citizen programmes will have a focus on injury prevention
  - EIT and Trust will further support through workplace and sports injury prevention research studies
- The structured At-risk Youth sport programme using sport will lead to involving youth in job training and work that they are confident in undertaking

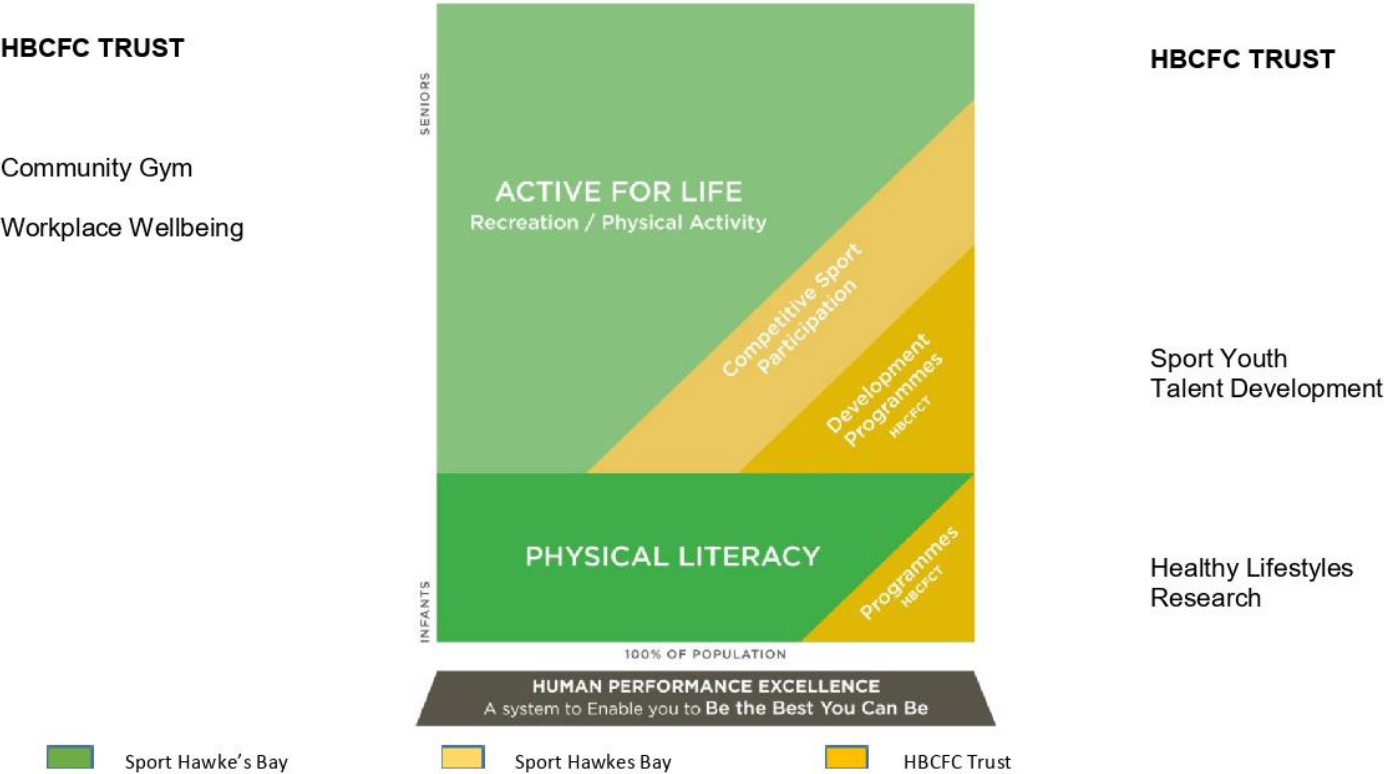
**PROGRAMMES SUPPORT USE OF COUNCIL FACILITIES**

Trust programmes will make use of parks, recreation reserves and community halls and sports facilities across the District and are aimed at creating a pathway to retain young people in the District.

- The Trust's professional team will conduct sports talent development programmes at Russell Park and its associated facilities, including the new outdoor turf fields
- The Schools and Community programmes will establish local community support groups and make use of all recreation and community facilities in the District
- So enhancing recreation opportunities at Council parks, reserves, swimming pools + use of community halls where relevant
- The structured At-risk Youth sport programmes at Council facilities at the Waipukurau Recreation Centre using the basketball court, will lead to involving youth in job training and work that they are confident in undertaking
- Discussions have been held with Michelle Hayes for Trust support of community sports programmes and also bringing national age-grade development sports, including hockey, to use the facilities at the Waipukurau Recreation Centre
- Plans include, subject to funding, location of a mobile fitness gym at the Waipukurau Recreation Centre for use in outlying areas of the District, as well as a container kitchen for teaching healthy cooking

COMPLEMENTS PRORAMMES OF SPORT HAWKE'S BAY

The diagram below depicts the spectrum of recreation, physical activity and sport that Sport Hawke’s Bay and our Trust both operate in.



Each operates in a DIFFERENT way and component of the overall space and are thus COMPLEMENTARY.

**Sport Hawke's Bay** (dark green and light orange)

Provide general services to the community + collaboration with HB DHB and associated community social services.

**Hawke's Bay Community Fitness Centre Trust** (dark orange)

Provide targetted services to the community that are not done by Sport Hawke's Bay, but delivered in collaboration with them and HB DHB and associated community social services

- Changing Lives/Healthy Weight for a Longer Healthy & Quality Life multi-component RESEARCH study in ECE Centres and Primary Schools
- SPORTS TALENT IDENTIFICATION and Athletic Development holistic programme (strength, agility, speed; nutrition; life skills; mental skills)
- AT RISK YOUTH using achievement in sport to establish self-esteem, leading to leadership development through sport skills instruction and on to interest in job training and employment through the self-confidence obtained from the programme
- COMMUNITY GYM is a facility of the Trust, from which a JV with Sport Hawke's Bay will deliver WORKPLACE WELLBEING programmes

These programmes are not conducted at the Waipukurau Recreation Centre or Schools in the District and will complement and enhance current programmes.

**ADDED VALUE** will result from all the Trust programmes.

## **BENEFITS FOR CENTRAL HAWKE'S BAY**

A range of social, economic and health benefits will arise cumulatively over time ... but will be enduring and will help retain young people in the District.

Partnerships for delivery will be established with the CHB Community Trust and operator of the Community Recreation facility at Russell Park, including use of the new outdoor turfs.

- **A Truly Inspirational and Aspirational 'Home' for CHB ... 'Your Place' too – 'your CHB Special Satellite'**
- **A Hub to Deliver Programmes At and from the New EIT Institute**
- **Linked to Local Delivery of NEW Programmes in CHB for Schools and in Partnership at Community Recreation Centre**
- **+ NEW At-Risk Youth and Workplace Wellbeing Programmes -**
- **Access to Highly Qualified and Experienced Professional Staff of the Facility ... including support at Community Recreation Centre**
- **Assistance to CHB Schools and Sports Clubs in Sport Development** (aimed at retaining the child in the District)
- **World Leading Healthy Lifestyles Programmes for Early Child Learning Centres and Primary Schools**
- **Retention of quality students and staff, at the CHB College – be the best you can be, in CHB**

## **COMMUNITY USE & BENEFITS**

Opportunities will be provided for all people of all ages and ability, with user fees funding support for lower socio-economic groups.

- **Whole of Region** programme focus
  - CHB, Hastings, Napier to Wairoa
- **85% Users Are General Public** Healthy Lifestyles and Physical Activity Programmes
  - pre-schools to adults – Young and old
- **15% Users Are Sports Talent** + Schools Sport Development Support Programmes
  - special long-term athlete development
- **Approximately 40%** HB population will use facility/programmes at least once a year... *and that will grow*
  - approx. 7 to 10% will be users from CHB
  - enduring, inter-generational benefit in health and sports performance
- **A TRANSFORMATIONAL PROJECT ... enhanced health and sports outcomes for the whole Hawke's Bay region**



## PROGRAMME DELIVERY MODEL

World best practice will be used via a fully funded, professional and experienced team. 'The best in the Bay'.

- Based on World Best Evidence (independently reviewed) + Proven AUT Millennium Experience
- Delivered by Experienced Professionals in Health and Exercise Prescription + Sports Performance
- Collaboration agreements with
  - HB DHB
  - Sport HB
  - EIT; AUT University; AUT Millennium;
  - Iwi
 plus support of Government Departments and Regional Director of Education
- Funding Support From
  - Royston Health Trust
  - E&C Community Trust
  - Constellation Community Trust
  - Karamu Hastings Rotary Club
  - Businesses

## CAPITAL CAMPAIGN & COSTS

Construction of stage 1 of the development at the Regional Sports Park will be in three phases as confirmed funds become available.

- |   |             |                    |
|---|-------------|--------------------|
| • Phase I Main Building   |             | \$15.5 mill        |
| • Phase II Accommodation Hostel   |             | \$ 2.5 mill        |
| • Phase III Extension   |             | \$ 9.0 mill        |
| (to accommodate extended Indoor Courts, Community Gym, Sports Hall, Medical facility; HB DHB and Sports HB tenancies) |             |                    |
|   |             | <u>\$27.0 mill</u> |
| • Capital Fundraising   |             |                    |
| Confirmed   |             | \$13.0 mill        |
| • Councils  | \$4.10 mill |                    |
| • Businesses  | \$2.83 mill |                    |
| • Individuals   | \$2.79 mill |                    |
| • EIT   | \$1.75 mill |                    |
| • Charitable Trusts   | \$1.50 mill |                    |
| Indicated + engaged   |             | \$ 6.0 mill        |
| Under development   |             | <u>\$ 8.0 mill</u> |
|   |             | <u>\$27.0 mill</u> |
| • <b>We Propose a Fair Share Contribution of \$100,000 from CHB District Council (spread over 5 years)</b>            |             |                    |

## **PARTNERSHIP**

The **grant sought** from CHB Council represents an Investment in Social Infrastructure.

It will enable a community leadership role for Council, including a partner role to assist in programme development to best meet local needs.

**All levels of the community** will be involved from:

- Schools and parents
- Sports and healthcare groups
- Council
- Community leaders, Iwi and service groups

*Together, through collaboration, the Trust and Council can make the community proud ... **VERY PROUD AND CONNECTED***

## LETTERS OF SUPPORT

Refer appendix II for the wide range of letters

### CHB Community

- CHB College – Principal, Lance Christiansen
- CHB College – Sports Co-ordinator, Jen Aldridge
- Central Districts Cricket – CEO, Pete De Wet
- CHB Community Trust – Trustee, Di Petersen
- CHB District Council – Mayor, Alex Walker

### National Groups and Leaders (politicians; Sport NZ; NZOC)

- Lawrence Yule MP
- NZOC – President, Mike Stanley
- Sport NZ – Chief Executive, Peter Miskimmin

### Regional Groups and Community Leaders (Mayors; Individuals)

- NCC – Mayor, Bill Dalton
- HB DHB – CEO, Kevin Snee
- HDC – Mayor, Sandra Hazlehurst
- HB Chamber of Commerce – CEO, Wayne Walford
- HB Tourism – GM, Annie Dundas
- HB Regional Council – Chairperson, Rex Graham
- Ngati Kahungunu – Chairman, Ngahiwi Tomoana
- Ron Rowe
- Hawke's Bay Regional Sports Park – CEO, Jock Mackintosh

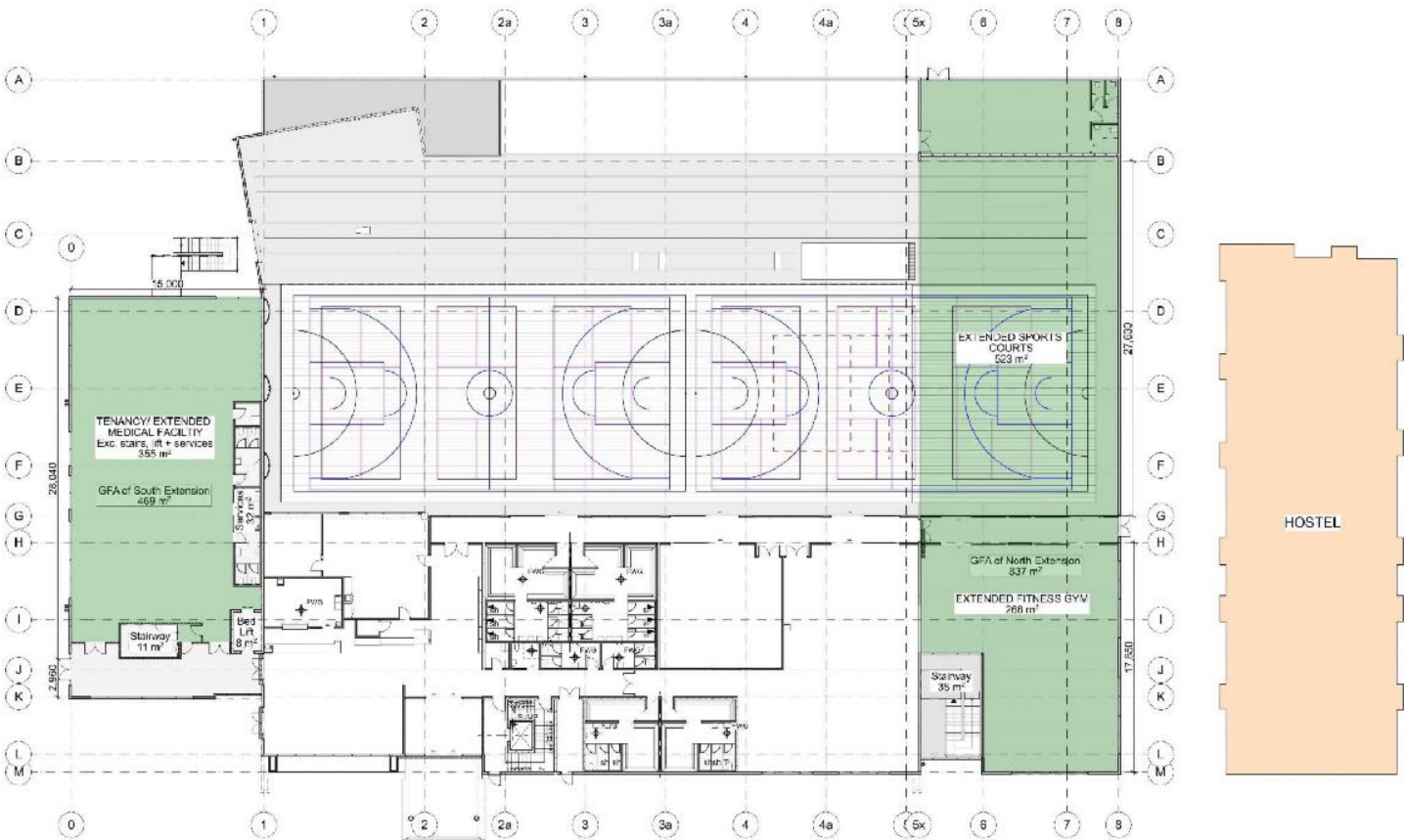
### Schools

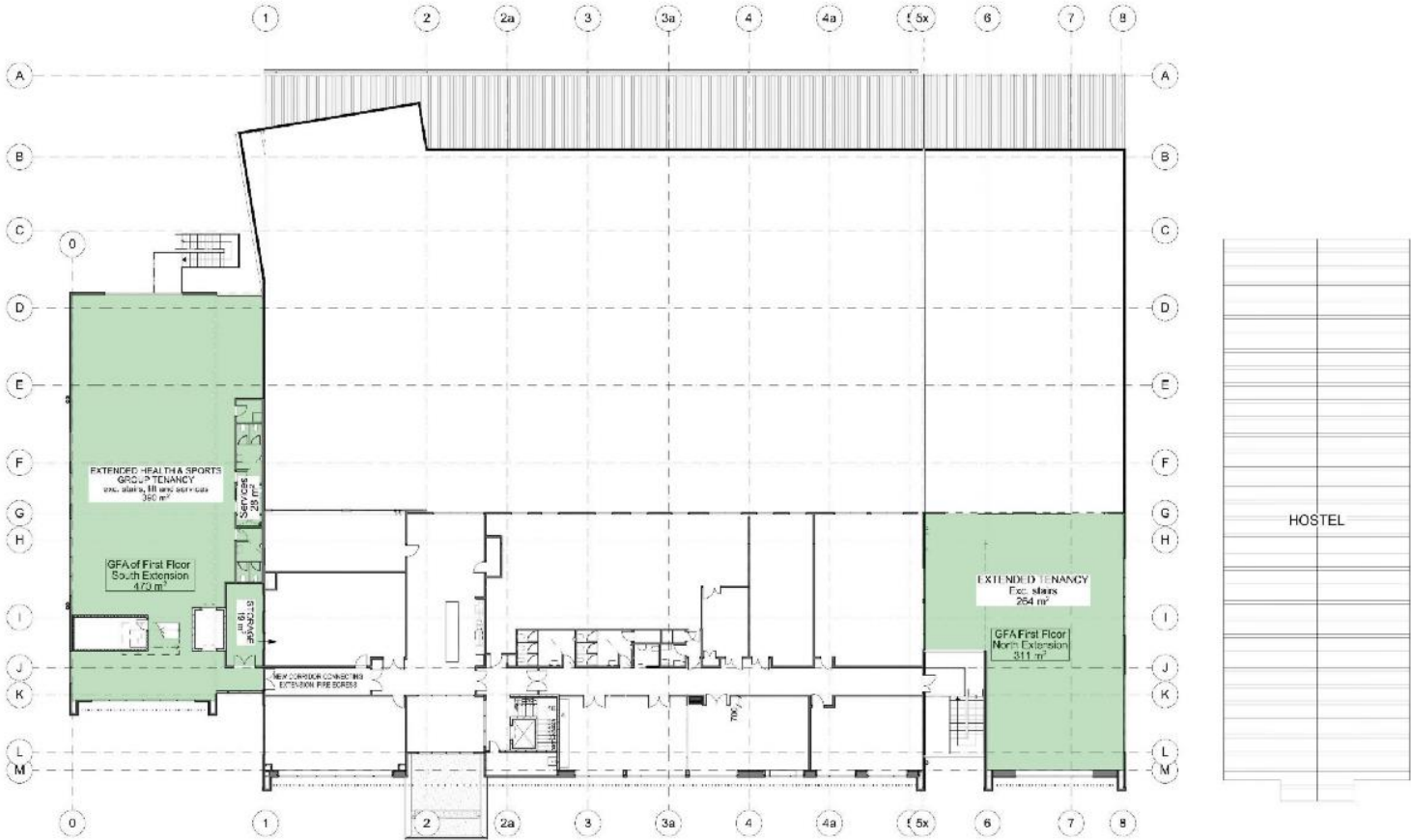
- Ministry of Education – Director of Education, Roy Sye
- Havelock North High School – Principal, Greg Fenton
- Hastings Boys High School – Headmaster, Robert Sturch
- Hastings Girls High School – BOT & Parent, Bryan Grapes
- Kimi Ora Community School – Principal, Matt O'Dowda
- Wairoa College – Principal, Jo-Anne Vennell
- Wairoa Primary School – Principal, Richard Lambert
- Napier Girls High School – Principal, Dawn Ackroyd and Head of Sport, JoAnne Owen
- Peterhead School – Principal, Martin Genet

### Sports Groups and Individuals

- Shea McAleese – Hockey, Black Stick
- Volleyball HB – Operations Manager, Tony Barnett
- HB Netball – Operations Manager, Tina Arlidge
- HB Rowing – Coach & Director Rowing NZ, Jock Mackintosh
- Tennis Eastern – Development Officer, Sean Davies
- Tennis parent – Anna Lee
- Hockey New Zealand – High Performance Director, Paul Mackinnon
- Tennis New Zealand – High Performance Director, Simon Rea
- Athletics New Zealand – High Performance Director, Scott Goodman
- Badminton New Zealand – CEO, Joe Hitchcock
- Olivia Shannon – Hockey, Black Stick and Year 13 Student
- Mitchell Thompson – Central Hawke's Bay Junior Student

Appendix I – Floor Plans







architects  
pacific environments

P.O. Box 198-7 Symonds St, Auckland, NZ  
Ph 09-300-2670 [sarah@pacificdesign.co.nz](mailto:sarah@pacificdesign.co.nz)

## **Appendix II – Letters of Support**

### **CHB Community**

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## **SUBMISSION TO CENTRAL HAWKE'S BAY DISTRICT COUNCIL DLRP 2019-2029**

### **Appendix II – Letters of Support**

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- CHB District Council – Mayor, Alex Walker

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- HB Regional Council – Chairperson, Rex Graham
- Ngati Kahungunu – Chairman, Ngahiwi Tomoana
- Ron Rowe
- Hawke's Bay Regional Sports Park – CEO, Jock Mackintosh

#### **SUBMITTED BY**

*Sir Graeme Avery*

*For Hawke's Bay Community Fitness Centre Trust*

*Email: [graeme@sileni.co.nz](mailto:graeme@sileni.co.nz)*

*Mobile: 021 773 963*



## CENTRAL HAWKE'S BAY COLLEGE

PO Box 482  
Waipukurau 4242, New Zealand  
Lance Christiansen, PRINCIPAL



Telephone: (64) 6 858-9203  
Fax: (64) 6 858-7003  
Email: [office@chbc.school.nz](mailto:office@chbc.school.nz)  
[www.chbc.school.nz](http://www.chbc.school.nz)

8 March 2019

Hawke's Bay Community Fitness Centre Trust  
P O Box 28168  
HAVELOCK NORTH 4157

Dear Sir Graeme

I am writing to lend my support to your Trust as they continue to work towards completing the Hawke's Bay Community Health and Sports Centre in Hastings.

Central Hawke's Bay College is a rural secondary school and we have already formed a strong and successful partnership with Marcus and the Health and Fitness Centre through the Trusts involvement with our Sports Academy. The professional and experienced team have given our students excellent guidance and encouragement as they undertake their own sporting journeys. They have, through their ongoing efforts, encouraged students to pursue their chosen sports to higher levels as regional and national sporting representatives.

At Central Hawke's Bay College, sport is a major focus and avenue for our students to grow as athletes and reach their potential. We are maintaining our sporting numbers with the support offered by your Trust. This is vital for many of our future champions will often come from smaller areas like the Central Hawke's Bay or the wider Hawke's Bay region, such as World Champion and Olympian Regan Gough. With your Trusts support our students get expert knowledge and advice, and many have continued to participate in sports as a result. We are looking forward to the new facilities helping more of our students reach their sporting dreams in the future.

Keep up the great work and all the best for the Trust plans in the future and the exciting developments to come.

Yours sincerely

Lance Christiansen  
Principal

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"Achieve With Honour"

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## CENTRAL HAWKE'S BAY COLLEGE

PO Box 482  
Waipukurau 4242, New Zealand  
Lance Christiansen, PRINCIPAL



Telephone: (64) 6 858-9203  
Fax: (64) 6 858-7003  
Email: office@chbc.school.nz  
www.chbc.school.nz

8 March 2019

Marcus Agnew  
Hawke's Bay Community Fitness Centre Trust  
PO Box 28168  
Havelock North 4157

Dear Marcus,

I am writing to lend my support to The Trust as they continue to work towards finishing the planned Hawke's Bay Community Health and Sports Centre.

As Sports Co-ordinator of Central Hawke's Bay College, a rural co-ed college, and Sports Academy Manager, I have found this program "Pathways to Podium" so beneficial to our students that it will be great to be able to have them train in this wonderful complex that is being built. I had the pleasure of a tour of the complex last month. What a fantastic asset for sport and the community. I have watched the complex being built while my Sports Academy students train under the guidance of your specialised instructors.

This complex is of great importance to our athletes, and coming from Central Hawke's Bay, a rural sector of Hawke's Bay, enables them the opportunity to train to their potential in the "Pathway to Podium" training program.

We are excited to be able to use this complex, once it is finished- offering a variety of seminars and trainings within the complex.

The trainings have greatly benefitted our Sports Academy. They have improved not only in their sports but their attitude towards sport. If this benefits our students, imagine how it would benefit those more professional athletes. This year we have a new intake for our sports academy as we only take year 9 and 10s and it is great to be able to continue this and support the Trust.

To have a complex of this calibre centred centrally in the North Island is of high importance. It is within easy reach. Certainly good for Central Hawke's Bay and any other rural areas.

Keep up the good work and I really appreciate what you are doing for our school and the community.

Regards,

Jen Aldridge

A handwritten signature in black ink, appearing to read 'Jen Aldridge'.

Central Hawke's Bay College Sports Co-ordinator

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"Achieve With Honour"

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**Marcus Agnew**  
Sport & Health Development Manager  
Hawke's Bay Community Fitness Centre Trust

06 March 2019

Dear Marcus

**Letter of Support for facility of Regional and National Significance**

It has been pleasing to see the developments at the Regional Sports Park, and we are excited about the prospect of what the final product will do for sport not only in Hawke's Bay, but for the country.

As the custodian for cricket in the CD Region, we are optimistic that a facility of this nature will assist in growing participation numbers in not only cricket, but all sports, knowing that our talented athletes will have access to a world class performance sports environment.

From a cricket perspective, we can't wait to use the facilities at the centre, as these will be the best that we will have access to in our region, and for an Association that places so much emphasis on developing talent, this will certainly be a facility of regional and national significance.

We support any endeavours to raise the required funding to ensure that the full potential of the Hawke's Bay Community Fitness Centre is realised.

Regards



Pete de Wet  
Chief Executive

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**CENTRAL DISTRICTS CRICKET ASSOCIATION INC.**

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20 – 22 Munroe Street, Napier 4110  
P O Box 309 Napier 4140 | Phone 06 280 5245 | Fax 06 835 0543  
Email: [admin@cdcricket.co.nz](mailto:admin@cdcricket.co.nz)  
Web: [www.cdcricket.co.nz](http://www.cdcricket.co.nz)

496 Farm Road  
RD 4  
Waipukurau 4284

Sir Graeme Avery  
HB Community Fitness Centre Trust  
PO Box 28168  
Havelock North 4157

February 19 2018

Dear Sir Graeme,

Although I am a Trustee of the Central Hawke's Bay District Community Trust which is in the process of building the Centralines Multi Use Turf at Russell Park, Waipukurau, I am writing as an individual to support your Trust.

We see our turf providing a sport facility for our community, which will then lead people on to being able to access your services and expertise for more specialised fitness and training.

The Trust also owns the AW Parsons Heated Pool, Gymnasium and Indoor Stadium so with our combined facilities we are providing health and welfare opportunities for Central Hawke's Bay, but there are many in our community who would love the opportunity to be able to access superb facilities such as you are providing.

We have some athletes who have had to move away to access elite facilities so that they can become representatives of HB and New Zealand.

Hawke's Bay is very fortunate that such a facility will be available for all to use and to work with the expertise which it will provide, saving athletes leaving to progress.

We see our facilities as a "feeder" to those which you are providing and we look forward to working with you.

We share the same aims of providing health, welfare, social and recreational opportunities for our community.

I wish you well in your project.

Sincerely

A handwritten signature in cursive script that reads "Di Petersen".

Di Petersen MNZM, JP



## CENTRAL HAWKE'S BAY DISTRICT COUNCIL

RUATANIWHA STREET, PO BOX 127, WAIPAWA 4240, NEW ZEALAND  
TELEPHONE: (06) 857-8060, FAX: (06) 857-7179  
EMAIL: [info@chbdc.govt.nz](mailto:info@chbdc.govt.nz)  
[www.chbdc.govt.nz](http://www.chbdc.govt.nz)

### OFFICE OF THE MAYOR

1 March 2018

Lotteries Grant Board  
C/- The Department of Internal Affairs  
P O Box 805  
Wellington 6140

To whom it may concern

#### **Letter of Support – Hawke's Bay Community Health & Sports Centre**

I would like to congratulate Sir Graeme Avery and the HB Community Health and Sports Centre Trust for their vision and hard work putting together a truly transformational plan for the people of Hawke's Bay.

For my small district of Central Hawke's Bay, the Centre will bring significant opportunity for increased success on regional and national levels of sport. The pathway they are creating will help connect the existing facilities and programmes that occur at a school, community and district level through to levels of high performance that we don't currently have access to. It will also mean our young people are able to achieve to a higher level in their chosen sport while still being able to reside at home in Hawke's Bay.

I whole-heartedly support the approach that is being taken and ask that serious and careful thought is given to the funding of this project.

Yours sincerely

Alex Walker  
**Mayor**



**LAWRENCE YULE**  
MEMBER OF PARLIAMENT FOR TUKITUKI

28 February 2018

**To whom it may concern**

The Hawke's Bay Community Health and Sport Centre is going to be a transformational facility that will have a positive impact on our region's communities. The project is seeking funding for the completion of the initial development having already achieved significant success in gaining public and private financial support.

The project will deliver important new sport training and recreation facilities to our region. It has become integrated into the planning of future facilities of our region through the Trust's effective engagement with regional authorities. Additionally, it is sure to add social capital and economic impetus to our region through its broad public impact, especially on the youth in our region.

The Hawke's Bay Community Fitness Centre Trust has widespread support in the community and has already effectively engaged with a variety of key stakeholders. The support of these stakeholders speaks volumes on how effective this facility will be in addressing a variety of issues and opportunities in our communities.

I fully support this project, which I believe will benefit a cross section of the community for generations to come.

Yours sincerely

A handwritten signature in black ink that reads 'Lawrence'.

Lawrence Yule  
MP for Tukituki

Authorised by Lawrence Yule MP for Tukituki, 101 Market St, South, Hastings

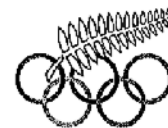
**Wellington Office**

**A** Parliament Buildings,  
Wellington 6160, New Zealand  
**P** (04) 817 6961  
**W** lawrenceyule.national.org.nz



**Tukituki Office**

**A** 103 Market Street South,  
Hastings 4122  
**P** (06) 870 3480  
**E** Lawrence.YuleMP@parliament.govt.nz



8 March 2019

Sir Graeme Avery  
Hawkes Bay Community Sport and Health Centre  
P O Box 28168  
Havelock North 4157

Dear Sir Graeme,

Congratulations on the progress you and the Trust have made to establish the Hawkes Bay Community Sport and Health Centre. I have no doubt that it will be a significant step up for the Hawkes Bay sporting community at all levels – from entry to elite.

The facilities currently in construction and what is planned will provide exceptional opportunities across the spectrum of sport. The benefit to local sports clubs and schools will be significant, with the opportunity to immerse their athletes in a centre focused on their development and success. Particularly it will allow talented young people to be coached in a multi-disciplinary environment that can meet all their needs including supporting sports science and medicine services.

In recent years New Zealand has reached new levels of performance in sport on the world stage, notably at the Olympic and Commonwealth Games. Regional NZ is playing an increasingly important part in this success for a number of reasons. Sport remains at the heart of regional communities throughout the country, in contrast to the trend in major urban centres. It is where much of the "raw material" for our success originates. The sports in which New Zealand excels, in many cases, are strongest in the regions, where a good number of our current and future achievers have their origins. Recent additions to the Olympic Games programme such as Rugby 7's has made this even more significant.

I believe the Hawkes Bay Community Sport and Health Centre will become a blueprint for regional New Zealand sport. The Centre will allow athletes at all levels the opportunity to explore their potential in a structured, enriched environment. It will be a major asset for the Bay and New Zealand and a project that the New Zealand Olympic Committee is very pleased to endorse.

All the very best for your next steps.

Mike Stanley CNZM  
President, New Zealand Olympic Committee

New Zealand Olympic Committee  
Olympic House, Hulme Court, 850 Parnell Road, Auckland 1062, New Zealand  
PO Box 37774, Parnell, Auckland 1151, New Zealand  
T +64 9 375 0040 F +64 9 375 1510  
office@olympic.org.nz www.olympic.org.nz







27 February 2018

Sir Graeme Avery  
Hawkes Bay Community Fitness Centre Trust

Dear Sir Graeme

Thank you for updating me on progress with planned Hawke's Bay Community Health and Sport Centre. I would personally like to congratulate you and the many supporters of the project – I agree, this facility together with the many programmes and activities envisaged will make a positive impact on local and regional communities.

In 2015, the Hawkes Bay Regional Sports Council adopted the *Hawke's Bay Regional Sport Facilities Plan*. The Plan lists six commitments essential to ensure coordinated and informed planning maximises use of existing facilities and in plans for the future sport facilities across the region. Sport NZ is of the view that the proposed Hawke's Bay Community Health and Sport Centre is closely aligned with these principles, especially that sport and recreation facilities incorporate the principles of co-location and shared use (hubbing) to ensure they are meeting clearly identifiable needs and remain financially sustainable.

Like Sport NZ, you will share the concern about health outcomes in the Hawke's Bay highlighted by the Health Equity in Hawke's Bay Reports, which identify that Hawke's Bay, as a region, is doing worse than the national average across multiple health indicators. Of the 49 indicators examined, Hawke's Bay is worse than the New Zealand average in 15 areas.

While active recreation and sporting participation is not an instant panacea for the identified health issues, facilities and services as envisaged for the Hawke's Bay Community Health and Sport Centre can play a significant role in improving outcomes in some key areas

The value of sport to communities cannot be measured physical outcomes alone, but as an activity that can achieve wider social, health and economic outcomes. There is a core argument that in addition to the direct benefits generated by the growth of the sport and active recreation has the capacity to cover a wide range of external effects including: health benefits, crime reduction, educational attainment, social capacity and cohesion, and improvements in living standards.

It is clear that any facilities and programmes for improving participation rates for people in Hawke's Bay will contribute to better outcomes for the community as a whole, in addition to individual improvements in health and wellbeing. From everything we know about this planned facility, it ticks the above considerations.



New Zealand Government

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86 Customhouse Quay  
Wellington 6011  
PO Box 2251, Wellington 6140  
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Of significance to me is your track record in delivering projects that are effective, sustainable and fit-for-purpose. I would like to express my high confidence in your leadership and acumen enabling this project to succeed well into the future.

I wish you and your supporters the very best with the project.

Kind regards

A handwritten signature in black ink, appearing to read "Peter Miskimmin". The signature is fluid and cursive, with a large loop at the beginning.

Peter Miskimmin  
Chief Executive



**NAPIER**  
CITY COUNCIL  
*Te Kaitihera o Ahuriri*



15 February 2018

**To whom it may concern**

**Hawke's Bay Community Health and Sport Centre**

I write in support of the Hawke's Bay Community Health and Sport Centre.

Sir Graeme Avery began this project, initially as a centre of excellence for elite sportspeople. Over the years of planning and preparation, it has now morphed into a centre of community health and sport.

A growing region, such as Hawke's Bay constantly needs to upgrade and update its sporting and recreational facilities. Here in Napier we are about to undertake two major projects – a \$5million upgrade of McLean Park and a \$40million competitive and recreational aquatic centre.

Those projects, like the Community Health Centre at the Hastings Sports Park, will provide wonderful facilities for our region now and into the future.

Hawke's Bay, being home to two significantly sized cities so close together, is in a unique position that enables complimentary sports, cultural and recreational facilities to be developed efficiently. Once those facilities have been developed by the respective councils or their agencies, they are available to serve the entire region.

As the Napier City Council undertakes its major projects that will serve the region, it offers its support for Sir Graeme Avery's Hawke's Bay Community Fitness Trust.

All these additional facilities can only be good for the people of our region especially the young.

Kind regards,

Bill Dalton  
**MAYOR OF NAPIER**

OFFICE OF THE MAYOR  
231 Hastings Street, Napier 4110  
Private Bag 6010, Napier 4142

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e [info@napier.govt.nz](mailto:info@napier.govt.nz)  
[www.napier.govt.nz](http://www.napier.govt.nz)

## Corporate Services



15 February 2018

Sir Graeme Avery  
Chairman  
Hawke's Bay Community Fitness Trust

Email: [kelly.james@hbcommunityfitness.org.nz](mailto:kelly.james@hbcommunityfitness.org.nz)

To whom it may concern

### **EXPRESSION OF SUPPORT FOR THE HAWKE'S BAY COMMUNITY HEALTH AND SPORT CENTRE PROJECT**

The Hawke's Bay District Health Board signed a Memorandum of Understanding with the Hawke's Bay Fitness Trust in 2016. This expressed the District Health Board's early support for this project and the expected positive outcomes for the Hawke's Bay community. We have continued to support the project during its development phase.

As the major provider of health care services in the Hawke's Bay, the Hawke's Bay District Health Board focuses on the health of the whole population. To achieve this, we work with our community partners to address health inequity and improve health outcomes across the Hawke's Bay. We consider the Hawke's Bay Fitness Trust as a partner in achieving these outcomes.

Supporting our community to increase their physical activity has wide ranging health benefits including managing weight, supporting mental health and reducing the risk of a number of diseases (including some cancers and heart disease). Group activity has wider benefits including social connection, supporting identity, fostering community and recognising achievement. We anticipate that this facility will provide an accessible centrally located venue and foster community engagement, enabling the Hawke's Bay community to benefit.

This local facility has the potential to be more responsive to the unique needs of the Hawke's Bay community, through creating a sense of community ownership and bringing together key stakeholders. These collaborative opportunities have the potential to maximise many benefits such as key academic and health partners combining to deliver Hawke's Bay research that can benefit the whole community.

We acknowledge the work done to date in moving this project to its current phase which is a great result and demonstrates the determination and drive needed to deliver this project.

Once again, we note our ongoing support for the Hawke's Bay Fitness Trust.

Yours sincerely

Dr Kevin Snee  
CHIEF EXECUTIVE OFFICER

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### **CHIEF EXECUTIVE'S OFFICE**

Hawke's Bay District Health Board

Telephone 06 878 8109 Fax 06 878 1548 Email: [ceo@hbdhb.govt.nz](mailto:ceo@hbdhb.govt.nz), [www.hawkesbay.health.nz](http://www.hawkesbay.health.nz)  
Corporate Office, Cnr Omaha Road & McLeod Street, Private Bag 9014, Hastings, New Zealand



## MAYOR'S OFFICE

File Ref: CG-07-5-3-18-48

27 February 2018

### TO WHOM IT MAY CONCERN

#### Letter of Support – Hawke's Bay Community Health & Sports Centre

I am pleased to offer the Council's support to the Hawke's Bay Community Fitness Centre Trust in their endeavour to gain funding for the development of a planned Hawke's Bay Community Health and Sports Centre.

This facility will be a transformation facility that will make a positive impact on the region's communities. It will be available to be used by the wider community which will be very beneficial and a huge contribution to sport and recreation in Hawke's Bay.

People will be able to join in social, recreational, civil or cultural activities which will reduce or overcome barriers that prevent people taking part in those activities. This will increase the community's ability to look after its' own needs and grow stronger. The project is a size and scale that meets the unique needs of Hawke's Bay. The centre will provide programmes for the whole community, from health and wellbeing of all ages through to sports performance development of youth talent in schools and clubs.

The Trust has widespread support in the community and has engaged with a variety of key stakeholders effectively. We have full confidence in the team to deliver great results for the community.

Yours sincerely

A handwritten signature in black ink, appearing to read "Sandra Hazlehurst".

Sandra Hazlehurst  
Mayor

**HASTINGS DISTRICT COUNCIL**  
207 Lyndon Road East, Hastings 4122  
Private Bag 9002, Hastings 4156  
Phone 06 871 5073 | [www.hastingsdc.govt.nz](http://www.hastingsdc.govt.nz)  
**TE KAUNIHERA O HERETAUNGA**





12 February 2018

Hawke's Bay Community Health and Sport Centre Trust

Dear Sir

I write to support the HB Community Health and Sports Centre Trust for the development of the Health and Sports Centre. Not only will this centre benefit youth and sports people here in Hawke's Bay but in addition the centre will have a much wider positive economic impact.

Self Esteem – when we work with Young people and business owners through our Initiatives for entrepreneurship and business development we experience a resistance to learning based on a challenged self-esteem. Your centre will go a long way to support the positive development of self-esteem in young and maybe not so young clients. This will have a longer-term benefit for Hawkes Bay and may well transfer into strong business and commercial opportunities for the region. Development of talented youth sportspeople in the region is to be an outcome, then the attraction of sponsors and national and international marketing is very positive for the region. Young healthy optimistic people with a positive self-esteem are very good for the commercial environment.

Regional sport training camps - The centre will be a positive addition to the Sports Park Complex that already hosts some significant events that attract major funding and commercial investment to Hawke's Bay. Adding diversity to the existing offering through the Health and Sports centre will ensure a dollar invested in Hawkes Bay goes a lot further. The Chamber Executive applauds the courage and the foresight to develop the current sports park as well as positively influencing the health and wellbeing of Hawkes Bay people.

We wish you all the best for this development.

Regards

A handwritten signature in black ink, appearing to read "Wayne Walford".

Wayne Walford

CEO – Hawkes Bay Chamber of Commerce



February 22, 2018

Dear Sir Graeme Avery,

On behalf of the Hawke's Bay Tourism Board, I would like to acknowledge the incredible efforts made by the Hawke's Bay Community Fitness Centre Trust in developing the planned Hawke's Bay Community Health and Sport Centre.

This centre will not only meet the needs of our community from a sport and recreation point of view but it also has enormous potential in helping us grow visitor nights into Hawke's Bay. The completed centre will ensure we can bid for future events we have not been able to host before, therefore bringing new money in the region.

Hawke's Bay Tourism fully supports the planned Hawke's Bay Community Health and Sport Centre.

Kind regards

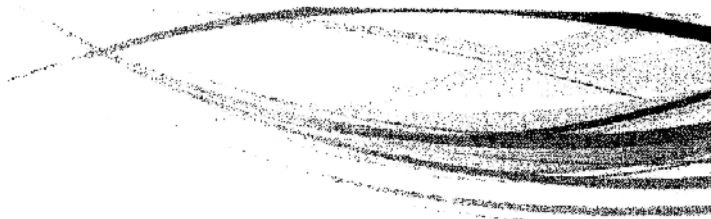
Annie Dundas  
General Manager  
Hawke's Bay Tourism

About Hawke's Bay Tourism: Hawke's Bay Tourism is the Regional Tourism Organisation. Our mission is to ensure Hawke's Bay becomes significantly more attractive to New Zealand and international visitors as a place to visit, do business and to live.

Contact: Hawke's Bay Tourism, PO Box 12008, 19 Waghorne Street, Ahuriri, Napier, Hawke's Bay, New Zealand.

Telephone + 64 (0) 6 834 1818

[www.hawkesbaynz.com](http://www.hawkesbaynz.com)



26 February 2018

Sir Graeme Avery  
HAVELOCK NORTH

Dear Graeme

I was very pleased to read the report in HB Today confirming the commencement of the building which will house the new community sports and health centre at the Regional Sports Park.

We are all very appreciative of your drive and vision around this project which will have a huge effect on our HB community. This project would not have happened without your passion and steadfast resolve.

Our health figures in HB are still very poor. There is no doubt that we can improve these by encouraging more activity into sport and there is a distinct correlation between capital investment and improved participation.

We built the new netball facility and this, combined with superb management by HB netball, has resulted in stunning growth of the sport in HB. In 2016, HB had twice the number of junior netballers (years 1, 2 and 3) than all of Auckland. Netball is booming in HB and is now the biggest participation sport in the region.

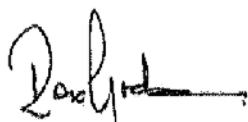
We have achieved similar results with hockey, league and touch all of which have greatly increased participation numbers.

In all cases increased activity in sport has followed capital investment into great facilities.

We are a small province but our kids also need top facilities, access to great coaches and to be able to train and participate alongside their heroes.

This new centre is set to be a much needed "game changer" in our region and I congratulate you and your team.

Yours sincerely



REX GRAHAM  
CHAIRPERSON  
CHAIR HB REGIONAL SPORTS PARK  
Cell: 021 424 972  
Email: rex.graham@hbrc.govt.nz

Hawke's Bay Regional Council

159 Dalton St, Private Bag 6006, Napier 4142, New Zealand Tel 06 835 9200 Fax 06 833 3601 Freephone 0800 108 838

[www.hbrc.govt.nz](http://www.hbrc.govt.nz)





Ngāti Kahungunu Iwi  
INCORPORATED

28 February 2018

Tēnā koutou

Ngāti Kahungunu Iwi Incorporated has met with Sir Graeme Avery and Trustees from the Hawke's Bay Community Fitness Centre Trust on a number of occasions over the past eighteen months. Further engagement between the Iwi and Trust will continue as we work towards common goals for the benefit of our people, including access to sport and recreation facilities that lead to better health and wellbeing outcomes.

The vision of Sir Graeme and his Trustees are wholly supported by Ngāti Kahungunu Iwi Incorporated, as it is by many other authorities in the region and influential community leaders. Given our experience in delivering major events and supporting our whānau in their communities, we're certain that the project being developed by the Trust will not only meet sport and recreation needs in the Hawke's Bay, but also make a positive contribution to economic activity throughout the region.

Healthy active whānau are essential to improved social and economic outcomes in our communities. We have welcomed the opportunity to partner with Sir Graeme and the Trust and look forward to a successful working relationship.

Nāku noa, nā

Ngahiwi Tomoana  
Tumuaki / Chairman  
Ngāti Kahungunu Iwi Incorporated

509 ORCHARD ROAD, PO BOX 2406, HASTINGS, HAWKE'S BAY, NEW ZEALAND

PHONE 06 8762718 TOLL FREE 0800 524 864 FACSIMILE 06 8764807 EMAIL: [post@kahungunu.iwi.nz](mailto:post@kahungunu.iwi.nz) WEBSITE: [www.kahungunu.iwi.nz](http://www.kahungunu.iwi.nz)



**Ron and Ngaire Rowe**  
**184A Te Awa Ave Napier 4110**  
**New Zealand**  
**Tel: 06 8343504**  
**0278479161 - 0211043766**  
**email [ngaron@xtra.co.nz](mailto:ngaron@xtra.co.nz)**

**18 February 2018**

**Sir Graeme Avery**  
**Chairman**  
**Hawke's Bay Community Fitness Centre Trust**  
**P O Box 28168**  
**HAVELOCK NORTH 4157**

**Dear Sir Graeme**

It is a very real pleasure to write in support of the Hawke's Bay Community Fitness Centre Trust and the overall benefits to the wider community so well detailed in the materials that I have had the privilege of reading.

The purposes, the raison d'être are so well spelled out in the reports and what is very valuable (and very impressive) is the extent of the research, literature reviews and very sound evidence. I can't ever recall seeing the scope and scale of detail, all highly relevant, that is within each of the reports.

From my personal involvement in various community and voluntary fora I know firsthand of the extent of engagement that the Trust has had and continues to have with key stakeholders throughout the wider community. I know too that there is strong support, with the equally strong belief, among stakeholders, that the commitment to improve the health and wellbeing of the people of Hawke's Bay through the provision of a multi-purpose facility (indoor and outdoor) at the Hawke's Bay Regional Sports Park will meet the needs identified both in the reports and research, and from the personal input from many with whom the Trust has communicated.

The facilities will be of a size and scale to fulfil the needs and be available to all sectors of the population – pre-school through to elderly – all cultures and ages, and sport groups yet with their own targeted programmes, guidance and support, segmented to especially meet the needs and provided benefits to each. This in turn, in my view, will overcome barriers that too

often prevent people becoming involved in programmes set around health, social wellbeing, physical activity.

It is noted that an integral part of the Trust's work (already implemented) is to offer the portfolio of programmes across the whole of the Hawke's Bay Region from Wairoa to Central Hawke's Bay.

The success of the Trust and the benefits it will bring to all participants is so very well founded in the acknowledged and highly acclaimed partners, and partnerships that have brought their outstanding commitment to excellence in their own fields and operations.

In a piece of work that I have been involved with over the recent past it was again reinforced that there is **significant social and economic cost** to our country, and every community, Family and Whanau where latent potentials are not fulfilled. Potentials in health, well being, fitness, and engagement.

As part of this work a most **startling and telling** comment was to me made by Paediatrician Dr Russell Wills when NZ Children's Commissioner. He said; there is a '**Poverty of Hope**' amongst many of our youth and younger people.

Dr Wills was (at that time) referring to the 'realisation of potential,' where decades of research and practice confirms that large numbers of youth never get to fulfil the opportunities that are available to them. The youth(s) lose out then, and into their future, their families/Whanau miss out, their communities miss out, and our nation misses out on what might/could have been.

The first consideration within 'step change' is to recognise that this Trust and its purposes is not only of, or for today or tomorrow, but will go on well into the future. It is not viewed as being 'a quick fix, but rather one requiring longevity.

**This is really a Social (or Societal) investment to bring about positive attitudinal change, over time. One youth/person at a time.**

This will, I believe, bring about positive attitudinal changes thereby growing **social and human capital** in our communities and reducing disparities.

It would be a pleasure to personally confirm any of the above comments and/ or speak with anyone in support of the Trust. I have enclosed a one page abbreviated resume to establish my bone fides.

With best personal regards and for the success of the Trust  
Sincerely

*Ron Rowe*

Ron Rowe JP

18 February 2018

**Abbreviated Resume****Ron Rowe JP*****SUMMARY ONLY OF CURRENT & FORMER SENIOR APPOINTMENTS / POSITIONS***

Ron has over 50 years of active leadership in several community based and volunteer organisations. A key note speaker at the UN International Year of the Volunteer, (*subject Servant Leadership*), he established the first NZ/South Pacific secretariat for **Lions Clubs International**. With his wife spent two years in Papua New Guinea with **Volunteer Service Abroad**. And then Samoa. He has an extensive practical background in various community and societal organisations and projects, many as Chair. As well he has been a lecturer and an advisor in tertiary teaching, leadership and business, majoring in marketing. Until recently he and his wife operated a small successful management consultancy, with the specialist fields of Capability Development - Governance and Strategy. He is an experienced speaker and presenter to large and small groups and conferences....

- **Life Fellow**- the NZ Institute of Management –for services to management & development
- **Tertiary qualifications** : i) business, ii) management iii) adult education and training
- **Judicial Justice of The Peace** – District Court (Hastings)
- **Royal NZ RSA** – Review Governance and Strategic direction. 2014
- **Papua New Guinea - Business, Management and Education Advisor to large TVET college**- (NZ Volunteer Service Abroad 2 year voluntary assignment, 2008-2010)
- **Strategic advisor to the East New Britain Provincial Government (PNG). 2009-2010.**
- **Master Trainer (PNG National Training Council)**
- **Business Advisor – capacity / organisational development (joint NZ/Samoa Govt. capability assessment 2010 - NZ Volunteer Service Abroad in Samoa)**
- **Lions Clubs International Leadership faculty – Chairman & principal facilitator (5 years) NZ & Sth Pacific – 1995 - 2000**
- **International Humanitarian award Lions Clubs International... 1993**
- **3 Lions Clubs International President's awards – 1980 – 1997 - 1998**
- **Dept Internal Affairs – 2 year contract - subject matter expert. Governance and strategic development for NGOs, Inc Societies, Trusts**
- **Capability Mentor MSD** – Governance and capability for NGOs
- **Facilitator of governance /strategic direction and management / related programmes** to various public and private sector clients. Building strategy and capacity, applied management
- **2000 - Head of School – Eastern Institute of Technology HB. Lecturer / senior tutor management, business, marketing, strategy, adult education**
- **Author of several nationally implemented qualifications**
- **Registered assessor and moderator** across a number of qualifications
- **National Coordinator Assessment programmes NZ Police (contracted fixed term)**  
Scoped, developed, implemented nationally a suite of standards – CIB, Forensics, General duties
- **Mentor to management – NZIM mentoring programme (Police, & other)**
- **Director – two Napier City Local Authority Trading Enterprises (LATEs)**
- **Ministerial appt – Regional Development Council / Business Development Board**
- **Licensed by Ministry of Commerce to deliver the World Competitive Service Programme as part of the (then) Government's EXCELLENZ programme**
- **Founded The NZ Association of Training and Development**
- **Trade New Zealand – Hard Business Broker / consultant**
- **Business in the community – mentor / consultant to SMEs**
- **Technology New Zealand – licensed consultant**
- **Chair / member** of a number of community based projects



**SPORTS PARK**  
HAWKE'S BAY

Hawke's Bay Regional Sports Park Trust, PO Box 528, Hastings 4156  
42 Percival Road, Hastings 4120  
T: 06 6504040 [www.sportspark.co.nz](http://www.sportspark.co.nz)

6 March 2019

**To whom it may concern**

This letter is provided in support of the EIT Institute of Sport and Health that is being constructed at the Hawke's Bay Regional Sports Park. The Sports Park is a substantial multi-sport and event venue for the region, catering for netball, athletics, hockey, league, football and touch.

We believe the Institute will have a substantial impact on the "quality and quantity" of sport and recreation in Hawke's Bay and further afield. In fact, we expect user numbers to increase from the current 300,000 per annum to 500,000 by 2021. The Institute will drive much of this growth through the facilities and programmes it will have on offer. It will also have the mixture of skills and facilities to drive high performance. High performance delivers heroes and heroes are also a driver of participation.

In addition to its own facilities the Institute will benefit from the existing assets that are at the Sports Park. As an example, the Park recently hosted Eliza McCartney and Tom Walsh as part of the Potts Classic athletics meet. In this case the William Nelson Athletics precinct supported by the indoor training facilities within the Institute, will provide a compelling package for these and other athletes.

At a more general level the Institute will benefit existing users through sports support services such as strength and conditioning training, nutritional advice, lab testing and the like. We expect it to generate increased use for the general public through offering those same services and importantly a range of programmes targeted at improving the health and wellbeing, especially in those areas where the HB population is deficient.

Yours sincerely

Jock Mackintosh  
Chief Executive  
Hawke's Bay Regional Sports Park



**unison**

**HIGGINS.**



## **SUBMISSION TO CENTRAL HAWKE'S BAY DISTRICT COUNCIL DLRP 2019-2029**

### **Appendix II – Letters of Support**

#### **Schools**

- Ministry of Education – Director of Education, Roy Sye
- Havelock North High School – Principal, Greg Fenton
- Hastings Boys High School – Headmaster, Robert Sturch
- Hastings Girls High School – BOT & Parent, Bryan Grapes
- Kimi Ora Community School – Principal, Matt O'Dowda
- Wairoa College – Principal, Jo-Anne Vennell
- Wairoa Primary School – Principal, Richard Lambert
- Napier Girls High School – Principal, Dawn Ackroyd and Head of Sport, JoAnne Owen
- Peterhead School – Principal, Martin Genet

#### **Sports Groups and Individuals**

- Shea McAleese – Hockey, Black Stick
- Volleyball HB – Operations Manager, Tony Barnett
- HB Netball – Operations Manager, Tina Arlidge
- HB Rowing – Coach & Director Rowing NZ, Jock Mackintosh
- Tennis Eastern – Development Officer, Sean Davies
- Tennis parent – Anna Lee
- Hockey New Zealand – High Performance Director, Paul Mackinnon
- Tennis New Zealand – High Performance Director, Simon Rea
- Athletics New Zealand – High Performance Director, Scott Goodman
- Badminton New Zealand – CEO, Joe Hitchcock
- Olivia Shannon – Hockey, Black Stick and Year 13 Student
- Mitchell Thompson – Central Hawke's Bay Junior Student

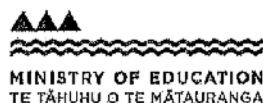
#### **SUBMITTED BY**

*Sir Graeme Avery*

*For Hawke's Bay Community Fitness Centre Trust*

*Email: [graeme@sileni.co.nz](mailto:graeme@sileni.co.nz)*

*Mobile: 021 773 963*



5 March 2018

Sir Graeme Avery  
Chair, Hawke's Bay Fitness Centre Trust  
PO Box 28168  
Havelock North 4157

Tēnā koe Graeme

**Hawke's Bay Community Health and Sport Centre**

We are very excited to hear of the developments that the Hawke's Bay Community Fitness Centre Trust has made over the last twelve months towards developing the planned Hawke's Bay Community Health and Sport Centre. It is going to be a transformational facility that will make a positive impact on the health and wellbeing of our community.

The Ministry of Education shares the goal of the Hawke's Bay Community Fitness Centre Trust to improve the health and wellbeing of our community. Regular and enjoyable physical activity can improve physical, mental social and spiritual well-being. From an education perspective, encouraging the importance of physical wellbeing throughout a child's schooling is very important and a core part of the New Zealand school curriculum. I have no doubt that the children in our community will benefit from this facility.

The location of the Centre within the Regional Sports Park, enables the facility to serve the wider Hawke's Bay community with ease in a location already established as a successful hub for a variety of sporting activities in Hawke's Bay.

I am happy to offer my support towards the further development of the Hawke's Bay Community Health and Sport Centre and look forward to working with the Trust to support the relationships across the education network and wider community in Hawke's Bay. We are excited to see the positive results the Trust will deliver for our community.

If you require any further information in support of this letter please do not hesitate to contact me at 06 833 6898 or [roy.sye@education.govt.nz](mailto:roy.sye@education.govt.nz).

Nāku noa nā

Roy Sye  
Director of Education  
Hawke's Bay/Tairāwhiti

Ministry of Education Hawke's Bay/ Tairāwhiti  
8a Lever Street, Ahuriri, Napier 4110. PO Box 147. Phone: 0-6-833 673  
[enquiries.napier@education.govt.nz](mailto:enquiries.napier@education.govt.nz) [www.minedu.govt.nz](http://www.minedu.govt.nz)



AIM TO EXCEL  
WHAKA TEITI KAHURANGI

## HAVELOCK NORTH HIGH SCHOOL

February 20<sup>th</sup> 2018

To whom it may concern:

Greg Fenton

*B.Ed, PG Dip Ed, Ed.Ed, Leadership (Hons), Dip Tchg*

Re: Hawke's Bay Community Health and Sports Centre

I am writing as a supporter of Graeme Avery and the quest that he has undertaken to develop the planned Hawke's Bay Community Health and Sports Centre.

As a large secondary school here in the Hawke's Bay, we are tremendously excited about the possibilities that such a facility could provide to our students and the Hawke's Bay community in general.

Being someone constantly concerned for student well-being, I see such a world class resource as both enhancing the education of our students, through increasing their awareness of healthy lifestyle, and also giving them access to high quality facilities which will enable them to pursue these lifestyles, to train and to compete.

We are confident that this project will underpin the desire of our school community to increase the fitness levels and reduce the levels of obesity that exists amongst some of our students. Access to such resources can only but enhance their physical literacy and ultimately their well-being.

We are also hopeful that when Stage 2 is ultimately developed, that it will provide a focus by which to attempt to arrest the decline in the number of students who lack confidence in and around the water. Two drownings on Hawke's Bay beaches this summer, reinforce the school's observation that too many young people arrive at secondary school without sound water survival skills.

Finally, it must also be said, that the project will provide much needed additional indoor space for school sport in the region, and a focal point for the community to self-manage its sporting health and recreational needs.

Our school has already engaged in several partnerships with Graeme and his team and have been tremendously impressed by his community focus and desire to enhance the overall well-being of our people. His commitment, enthusiasm and thorough professionalism, mean that we look forward to broadening this relationship and further benefiting from the knowledge, skills and facilities that he and the project will provide to the Hawke's Bay.

Yours sincerely,

Greg Fenton  
PRINCIPAL





# HASTINGS BOYS' HIGH SCHOOL

Headmaster  
R. G. Sturch B.Ed., Dip.Ed., M.Ed.Admin. (Hons)

800 Karamu Road South  
Hastings 4120  
PO Box 943, Hastings 4156  
New Zealand

27<sup>th</sup> February 2018

## Letter of Support

### Hawke's Bay Community Health and Sports Centre

As Headmaster of Hastings Boys' High School and Chairman of the Hawke's Bay Secondary Schools Sports Committee, I wish to offer my full support to the planned Hawke's Bay Community Health and Sports Centre.

As a region we are blessed with some of the best natural sporting talent in the country. We are also, however, hindered by a lack of resources, coaches and facilities. We are also hindered by a crucial lack of health statistics and financial affordability by parents.

As Headmaster of a Decile 2 school with 70% Māori and Pacifica boys, talent is not enough to raise these students out of a cyclic dependency on government agencies support. Hawke's Bay desperately needs this facility to reduce the barriers to sport participation and increase health care and awareness. It needs a community approach, inclusive of family, whanau, school, local and national government.

If the future of the country is in the hands of our young people, there is no better springboard to success than offered by the Hawke's Bay Community Health and Sports Centre.

Yours sincerely

R G Sturch  
Headmaster  
Chairman HBSSSC

Bryan Grapes  
5 Symons Street  
Parkvale  
HASTINGS 4122

22 February 2018

To Whom It May Concern

Hawke's Bay Community Centre Trust has delivered an excellent High Performance fitness programme. Our daughter, Asher, has been part of this programme for the past 15 months. We have seen her general netball performance improve with her fitness and core strength that the programme has given her. During this time, I have watched several of her netball, rowing and soccer peers gain valuable techniques in strength and conditioning as well as positive input from Marcus, Rob and the other trainers.

The current building is adequate at the moment, however it really needs to be a facility that will cater to a larger number of people from our community, and offer the most up to date equipment. The facility will offer programmes for High Performance athletes, as well as those athletes who require specialised rehabilitation programmes. The facility will also offer a place where people will learn new skills to better themselves in health and sport. A fitter community is a healthier community which will benefit the whole community.

I commend Sir Graeme Avery for the vision to build such a facility in our community. The community will benefit from such a facility as it will keep our talented athletes here in Hawke's Bay and have positive role models for both young and old.

Kind regards



Bryan Grapes  
Hastings Girls' High School BOT



5 March 2019

Dear Marcus

For the past 18 months our Flaxmere cluster of schools (1800 pupils) have worked alongside your team as part of our sports and athlete development programme. Well over 100 pupils have been involved in our Sports Academy, taking part in workshops based on nutrition, anatomy, physical literacy, gym technique and athletics coaching. This has made a marked improvement, not only on the individual children, but also their whanau.

Having access to high performance coaches has improved skill levels, attitudes and outcomes. Currently we are travelling to the Hastings Sports Park to work in the netball centre and the temporary gym. We are very excited to be able to transition this programme and others we have discussed to the new facilities. These programmes have not been possible in the past due to a lack of facilities in HB.

These facilities will open the world to many young people in Flaxmere and across New Zealand. Most local areas, including Flaxmere, do not have facilities that allow children to compete in recreational or competitive sport. The new facility will enable all primary schools access to quality environments and coaches. This will benefit grassroots in terms of participation and will have a large impact on high performance sport. These pathways are crucial, especially for many of our disadvantaged athletes with huge potential.

We have already seen the importance and impact of the current facilities on HB. The increase in high quality events has inspired many of our kids. This development will see an influx of talented sports people as well as providing quality facilities for local, national and international athletes.

On behalf of Kimi Ora Community School and our wider Te Waka O Maramatanga Kahui Ako, I would like to fully support this application. It will be of great local and national significance.

Ngā mihi

A handwritten signature in black ink, appearing to read 'Matt O'Dowda'.

Matt O'Dowda

Principal

**A LEADER IN EVERY CHILD,  
EXCELLENCE EVERY DAY**

Scanned with CamScanner



**WAIROA COLLEGE**  
Lucknow Street, Wairoa 4108, New Zealand  
Phone: 06 838 8303  
Fax: 06 838 8689  
Email: [info@wairoacollege.school.nz](mailto:info@wairoacollege.school.nz)  
[www.wairoacollege.school.nz](http://www.wairoacollege.school.nz)

---

6 March 2019

Marcus Agnew  
Sport & Health Development Manager  
Hawke's Bay Community Fitness Centre Trust

Dear Marcus

We have been working with you and your team since 2016. Our shared goal is to develop leadership and participation in sport. We have been very fortunate to be part of this programme and we are seeing the rewards with our students. This year we have year 7 and 8 students who have been through a series of workshops where some have then been identified to be part of the extended programme.

Part of this programme involves our students travelling to the Hastings Sports Park. This facility, if completed to its full potential, will be hugely important both from driving participation numbers in recreational sport, through to developing talented athletes and providing a performance sport environment. Our students need to be exposed to what is on offer outside of Wairoa to motivate them to do their best. They also need to feel included in what is available in Hawke's Bay.

The regional and national significance of building this amazing sport facility is very important. There is real value, and the benefits and impacts this project will have for sports organisations, and / or school sport throughout Hawke's Bay will be exponential.

I would like to thank your team for the wonderful work you are doing with our students and the opportunities that you are exposing them to and will continue to do so through the completion of this project.

Kind regards

Jo-Anne Vennell  
Principal  
Wairoa College



Tumuaki / Principal: Richard Lambert  
29 Campbell Street  
Wairoa- 4108  
Hawke's Bay  
Ph: (06) 838 6209  
Cell: 027 321 8819  
Email: [principal@wairoaprimary.school.nz](mailto:principal@wairoaprimary.school.nz)

## WAIROA PRIMAY SCHOOL

Marcus Agnew  
Sport and Health Development Manager  
Hawke's Bay Community Fitness Centre Trust  
Hastings

Re: Letter of Support: EIT Institute of Sport and Hauora | Health Project

8 March 2019

Dear Marcus,

Thank you for the great work that you are doing to ensure our rangatahi (youth) achieve their full potential in the area of sport and health. I also want to acknowledge Sir Graeme Avery for his vision and drive on the above mentioned project; touring the site certainly opened my eyes to the enormity of the facility and immense amount of work completed to date.

I now better understand how this facility will benefit our children (Northern Hawke's Bay) in the future; on completion it will have a significant impact on increasing participation in recreational sport and the advantages for talented athletes will be innumerable. I firmly believe that Hawke's Bay is lacking an environment where performance sport is not catered for to the extent that the EIT Institute of Sport and Hauora | Health will do.

Although Wairoa is in the northern sector of our province (Hawke's Bay), our rangatahi are educated in Napier and Hastings, attend sporting and recreational events there, and go on to Higher Education through EIT and other providers. For those with an interest in Sport and Health, this facility cannot come soon enough as its value is not only regional, but it has national and international potential.

I know for certain, having taught and lived in Wairoa most of my life, that the children in our care now will benefit from the facility that Sir Graeme envisions will not only encourage fitness, sport and health, but will promote a healthier lifestyle for future generations.

I wish you all the best as you pursue further funding for the completion of the project.

Yours sincerely – nga mihi

A handwritten signature in black ink, appearing to be 'Richard Lambert'.

Richard Lambert  
Tumuaki / Principal





Marcus Agnew  
Health & Sport Development Manager  
Hawke's Bay Community Fitness Centre Trust

Dear Marcus,

Thank you for the opportunity to offer support to the goals of the Hawkes Bay Community Fitness Centre Trust, with the ultimate aim of completing the Hawke's Bay Community Health and Sport Centre.

Napier Girls' High School have been involved with your organisation for the past 18 months. As a school we have been able to offer our high performance athletes the opportunity to train at your facilities and learn new skills from your experts. We especially appreciate the flexibility your staff have offered our athletes to work into their individual timetables and particular skill sets.

The girls and parents who have been offered your high performance development experience have expressed their appreciation for the programme and have noted increased strength and performance in their sporting endeavors. Most families have opted to continue with the programme across 2019, and have committed to attending the weekly sessions. Funding for our school group has been secured for the next 6 months.

High performance development is a key part of the Napier Girls' High School strategic plan for our sports over the next 5 years. This need was identified in 2016, and we are very fortunate that a suitable programme such as yours was able to be utilised. Thank you for inviting our school into the programme, and we hope for the ongoing relationship with your organisation to continue. We fully support the ongoing development of the Hawkes Bay Community Health and Sport Centre as critical to the development of our future athletes in this region.

Regards,

JoAnne Owen

Head of Sport  
Napier Girls' High School

Dawn Ackroyd

Principal  
Napier Girls' High School

Clyde Road, Napier 4110, Hawke's Bay, New Zealand

Telephone 06 835 1069 Facsimile 06 835 8164 [nghs@nghs.school.nz](mailto:nghs@nghs.school.nz) [www.nghs.school.nz](http://www.nghs.school.nz)

INSPIRATION FROM THE PAST, LEARNING FOR TODAY AND TOMORROW, VISION FOR THE FUTURE



**Peterhead  
School**

Peterhead Avenue, Flaxmere, Hastings, New Zealand

Phone: 06 879 8570 or 06 879 8643

Fax: 06 879 8619

Email: [admin@peterhead.school.nz](mailto:admin@peterhead.school.nz)

Web: [www.peterhead.school.nz](http://www.peterhead.school.nz)

**08 March 2019**

**Marcus Agnew**

Sport and Health Development Manager

Hawkes Bay Community Fitness Centre Trust

**Dear Marcus**

Over the last two years Peterhead School and its pupils have been working with you and your highly skilled team with a focus on identifying and developing talented students, and providing athlete development programme opportunities for them all.

This year our Year 7 & 8 students have been involved in a series of skill and leadership workshops that continue to support and develop a culture of success providing inspiration that empowers our youth and whanau, while at the same time developing healthy lifestyles and behavioural characteristics for their future.

The programme you provide involves travelling, working and studying at the Hastings Sports Park. This facility and the environment that it creates drives participation at both a recreational sporting level, through to developing our more talented athletes. Our Flaxmere students need this exposure and support that you and your team are providing in order for them to reach their full potential.

Marcus, on behalf of Peterhead School and as Community of Learners Lead Principal, I would like to thank you and your team for working with and providing our students and learning communities, opportunities that will enhance their futures.

**Yours sincerely**

**Martin Genet**

**Principal, Peterhead School**

**Lead Principal - Te Waka o Māramatanga Kāhui Ako - C.O.L**



To Whom It May Concern:

I am writing this letter in support of the planned Hawke's Bay Community Health and Sports Centre.

As a Hawkes Bay local, plus a triple Olympian and NZ Black Stick for the past 14 years I have seen what sports can do for a community.

Having a facility that not only supports our future stars of the region but one that is also available for the wider community is fantastic.

It will naturally grow sports participation at all ages and levels!

The more people we have participating in sport is only positive, it brings people together and helps combat many social issues rife in everyday kiwis (obesity and mental illness).

I have been involved in many sports centres around the world and within NZ and they have always been successful and well supported by the community.

Hawkes Bay has always been the place to be with an amazing climate and support network. It is my home and I can't wait to come back their full-time in June and seeing the Sports Centre come alive. I wish it were there when I was going through school so I didn't have to leave the region so early to seek a better training centre.

I can't wait to see this come to fruition. At the same time putting Hawkes Bay on the sporting map both in a social and elite aspect and within NZ and the World.

Kind Regards,

Shea McAleese OLY



Black Stick Men

High Performance Director Braxgata H.C. Belgium

22/02/2018





Volleyball Hawkes Bay  
PO Box 7537  
Taradale  
Napier 4141

Sir Graeme Avery  
Chairman  
Hawke's Bay Community Fitness Trust  
PO Box 28168  
Havelock North 4157

23 February 2018

**Letter of Support for Hawke's Bay Community Health and Sports Centre**

Volleyball Hawkes Bay wishes to offer its whole-hearted support for the proposed construction of the Hawke's Bay Community Health and Sports Centre.

The proposed facility plans to have two volleyball courts inside and outside two beach volleyball courts. Volleyball Hawkes Bay needs more court space to run its competitions and tournaments.

Hawke's Bay is desperately short of indoor court space.

Volleyball Hawkes Bay is a regional non-profit sports organisation and a registered charity CC54104 responsible for the development of volleyball competitions in Hawkes Bay.

During 2017, there were about 2,900 players involved in week-day volleyball and KiwiVolley competitions or about 3,700 players if you include tournament participation. Most of this competition occurs at Pettigrew Green Arena.

This term, at Hastings Sports Centre & Rodney Green Centennial Event Centre, primary & intermediate schools play KiwiVolley on a Wednesday from 3:30 – 6:00 pm. KiwiVolley is played on a badminton court (6m x 6m).

Volleyball (9m x 9m court) is currently played on a Friday at Hastings Sports but this is not a popular night.

Volleyball Hawkes Bay has been unable to secure any 6:00 – 9:00 pm booking from Monday to Thursday at Hastings Sports Centre or Rodney Green Centennial Event Centre for the sport of volleyball. This significantly hinders our ability to provide volleyball competitions for the local community.

In 2017, Volleyball Hawkes Bay had discussions with both Hastings District Council and Napier City Council requesting that the sport of volleyball be allocated one of the popular days, Monday to Thursday in 2018. Neither Council was prepared to offer this but both did offer Fridays in Terms 1 & 4 so something is better than nothing.



Volleyball Hawkes Bay  
PO Box 7537  
Taradale  
Napier 4141

According to the 2016 Secondary school census data volleyball and basketball are two biggest indoor sports played at secondary schools in Hawkes Bay.

Rank	Sport at Secondary Schools in Hawkes Bay	Sum of Participant Involvements (Girls)	Sum of Participant Involvements (Boys)	Sum of Participant Involvements (Total)
4	Volleyball	499	295	794
5	Basketball	274	504	778

(Source: [www.nzsssc.org.nz/school-sport-data/nzsssc-census-reports](http://www.nzsssc.org.nz/school-sport-data/nzsssc-census-reports))

The table above shows that volleyball is by far the most popular indoor sport played by girls at Secondary schools in Hawkes Bay. There are **80% more females** participating in volleyball as compared to basketball.

Volleyball is also about 50% cheaper than basketball to play volleyball, making it very popular with Maori and Pacific Island communities.

Volleyball is growing rapidly as can be seen in the Table below.

School Volleyball in Hawkes Bay	Primary & Intermediate KiwiVolley Teams	Secondary & Intermediate Volleyball Teams	Total School Teams
Annual Growth	100%	2%	30%
Term 4, 2016 & Term 1, 2017	107	130	237
Term 4, 2015 & Term 1, 2016	54	127	181

There has been a **30%** increase in school teams over the last year and an exceptional **100%** increase in primary and intermediate school teams participating in volleyball competitions in Hawkes Bay. If adult competitions are included, average growth has been about 20% over the last 12 months.

Volleyball Hawkes Bay hopes that the proposed Hawke's Bay Community Health and Sports Centre will be built as soon as possible and looks forward to using the facilities when they are built.

Yours Sincerely

Tony Barnett  
Operations Manager  
Volleyball Hawkes Bay



Hastings Pak n Save Netball Centre  
Hawkes Bay Regional Sports Park / Percival Rd  
P.O Box 508 / HASTINGS 4156  
[www.hawkesbaynetball.co.nz](http://www.hawkesbaynetball.co.nz)

Marcus Agnew  
Sport & Health Development Manager  
Hawke's Bay Community Fitness Centre Trust

8<sup>th</sup> March 2019

Dear Marcus,

This is a letter of support for the Hawke's Bay Community Fitness Centre Trust (HBCFCT) to the Lotteries Commission. We have built up a fantastic relationship with the HBCFCT, particularly through the Health & Sport Development Manager developing programmes for our young athletes. Hawke's Bay Netball is really starting to see significant improvements in our young athletes through this programme and are very optimistic for the future as a result.

This facility, once completed and operating at its full potential will have great benefits to our sport, from a participation and development perspective. Netball being the largest sport in Hawke's Bay with over 7000 players, and having our head office and highest participation venue situated right next door to the HBCFCT, we see as a huge positive. We look forward to seeing this project completed and continued relationship with HBCFCT.

Regards,

A handwritten signature in black ink that reads "T. H. Arlidge".

Tina Arlidge  
Operations Manager  
Hawke's Bay Netball  
[opsmanager@hawkesbaynetball.co.nz](mailto:opsmanager@hawkesbaynetball.co.nz)



## Hawke's Bay Rowing Club Inc.

Boat Shed – 29 Farndon Road, Clive

P.O. Box 17 Clive, 4102

Telephone: 06 8700058

[hawkesbayrowing@gmail.com](mailto:hawkesbayrowing@gmail.com)

[www.hawkesbayrowing.co.nz](http://www.hawkesbayrowing.co.nz)

23 October 2018

Marcus Agnew  
Hawke's Bay Community Fitness Centre Trust  
Percival Rd  
HASTINGS

Dear Marcus

This letter is written in support of your programme at the Sports Gym

I am writing it as a coach of the senior and intermediate and senior boys at the Hawke's Bay Rowing Club. We target Vllls races at the New Zealand Championships and HB Rowing has been the top performer of New Zealand's 50 clubs in these races over the last 6 years (the period we have been coaching this squad).

Notwithstanding this, the bar is constantly being lifted and in 2016 we had a mediocre year. This prompted me to contact you with a view to lifting our performance. The following year, 2017, was one of our best, placing first and second in our two main races. We regard the fitness work, undertaken at the Sports Gym as being an important component of that success.

Our experience is that the boys are fitter and we can be confident that they are entering their races in great physical shape. We are also mindful that many hours on the river can be tedious and the gym, and all its equipment, provides a welcome and sophisticated change to the routine.

I support the HBCFCT in their application for the purchase of more specific and high-quality training equipment in the new Sports Gym within the new EIT Institute, to support the training and development of the rowers we work with.

Finally, we take comfort from the dedication of your team who have embraced the sport and have completely bought into the programme.

Yours sincerely

A handwritten signature in black ink, appearing to read 'J Mackintosh'.

Jock Mackintosh  
Coach, HB Rowing Club  
Director, Rowing NZ



P O Box 7418  
Taradale  
Napier  
4141

---

5<sup>th</sup> March 2019

Lotteries Commission

**Re: Hawkes Bay Community Trust Fitness Centre**

Dear Sir/Madam

Tennis Eastern is a regional sports organisation that oversees the administration of tennis in the Hawkes Bay and Poverty Bay. It gives me great pleasure to write a letter of support on behalf of the HB Community Trust who we have been working with for the past two seasons.

We initially sent 8 of our top teenage tennis players to the current facility in the 2017/2018 season as a trial initially to test the waters. Both the players and parents were thoroughly impressed with the professionalism and quality of the program that we then decided to fully commit for the following season. We now have 45 players currently involved in an athlete development program with them.

In the many meetings I have had with Marcus and his team it is very clear that they have a great deal of passion and pride in what they do. Not only are they looking to grow high performance sport, they are also committed to increase community participation in sport.

It is very clear to me that with their rise in numbers attending their programs from across the sporting codes, they have outgrown their current facilities. To have such a facility that is currently under construction is quite simply a game changer for our region. As a region this facility will be very well received and will allow us to develop more athletes outside of the main cities, which can only be a good thing. Children look up to sporting role models and for them to be able to train in a local facility, alongside their heroes would be a dream come true for many of them and very inspiring.

Tennis Eastern is very ambitious in what we are wanting to achieve and we have started to put in place programs that will take full advantage of this facility. We are very keen to encourage academies from around NZ and overseas to travel to Hawkes Bay to train and play against our players. Having this facility would be a huge draw card, especially once we get some tennis courts built on site as well.

One key area where I feel that the HB Community fitness team will make a significant impact is in community participation. Marcus has done a wonderful job convincing codes that athletic development is more of a priority than early specialisation in sport, not an easy task. His vision of getting codes to work together to run community participation programs at the facility at the same time is very exciting and I have no doubt will be well received in the community.

However, to bring the community together and achieve these visions, to maximise the potential for community change through sport, and develop performance, I genuinely believe this facility reaching its potential is a must.

We fully support this project and hope that you can help this become a reality.

Kind regard

Sean Davies

Development Officer

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Email: [admin@tenniseastern.com](mailto:admin@tenniseastern.com) Mobile: 027 3876823 Office: 06 8434370 website: [www.sporty.co.nz/tenniseastern](http://www.sporty.co.nz/tenniseastern)

14<sup>th</sup> March 2018

To Whom it may concern,

I am totally supportive of this HB Community Fitness Trust Centre and think it will be a good asset to the community.

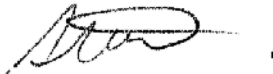
Hawkes Bay has a growing population and is in desperate need of a community sport facility. It will be a great asset and centre to help people old and young to join in social, recreational, civil or cultural activities.

My son who is a high performance athlete uses the centre on a regular basis to further develop his sporting talents.

I believe there is a lot of untapped potential in Hawkes Bay in athletes and without this facility there will be a lot of potentially good athletes that won't be developed and helped grow in to top athletes.

I support hugely the need to have a top sport facility in Hawkes Bay and totally support Sir Graeme Avery with his plans in making this happen. Hawkes Bay is very lucky to have someone like Sir Graeme driving this project.

Yours Sincerely Anna Lee





Hockey New Zealand (Inc.)  
Sport Central, Eden Business Park, Ground Floor  
141 Normanby Rd, Mt Eden 1024  
PO Box 87-088, Mt Eden, Auckland 1349  
T: (09) 830 2832 E: support@hockeynz.co.nz  
www.hockeynz.co.nz

06 March 2019

Marcus Agnew  
Sport & Health Development Manager  
Hawke's Bay Community Fitness Centre Trust

Dear Marcus

**Letter of Support for Hawkes Bay Community Fitness Centre Trust - A Facility of Regional and National Significance**

Please find this letter of support from Hockey New Zealand and our National Development programme in support of the Hawkes Bay Community Fitness Centre Trust and your application to the Lotteries Commission for facilities of national and regional significance.

This outstanding facility, if completed to its full potential, will be of critical importance in driving participation numbers in recreational sport and community activities, through to working with and developing talented athletes, coaches and support specialists, by providing a performance sport environment.

The regional and national significance of the project is very important as the Hawkes Bay Community Fitness Centre facility not only caters for the wider Hawkes Bay community in aiming to achieve the objective above but also for National Sports Organisations like Hockey New Zealand and their talent development programmes.

As Manager of your Centre's programme, you have collaborated, aligned and positively supported our New Zealand Under 21 and Specialist talent development camps, since April 2017 when we first connected on what we could achieve by working together.

The level of assessment and development work with our identified hockey athletes at the existing Sports Gym has been at a high and effective level of delivery. This foundation work has been an important part of our camps and programmes overall, laying a solid athletic base for the players to develop from in preparation for the demands of the high-intensity international game.

We are excited to support Hawkes Bay Community Fitness Centre Trust's application for funding support to achieve its true goal of being a leader in this important space of recreational sport alongside talent development, both regionally and nationally.

**Principal Partner:**



**Commercial Partners:**



**Funding Partners:**



Yours sincerely

A handwritten signature in black ink, appearing to read 'P MacKinnon', with a stylized, cursive script.

Paul MacKinnon  
High Performance Director  
Hockey New Zealand  
[paul.mackinnon@hockeynz.co.nz](mailto:paul.mackinnon@hockeynz.co.nz)





7 March 2019

Dear Marcus,

**RE: Letter of support for facility of national significance**

On behalf of Tennis New Zealand I am writing to convey my support for the importance of the build of the facility currently underway in the Hawke's Bay. This ambitious project promises to be a genuine game-changer for athletes, coaches and support staff in terms of providing a world-class facility for all parties to aspire to be the best they can be.

Tennis New Zealand is very interested in utilising this facility across the longer term by way of talent and coach development opportunities, including camp environments. The aspirational nature of the quality of the facilities on offer makes this facility an extremely attractive proposition to us as a national sporting organisation.

The Hawke's Bay tennis fraternity is growing from strength to strength and continues to align strongly with the strategic priorities of our organisation. In time, we hope to be in a position whereby our footprint as an NSO will continue to grow in this region and we see this facility as being crucial to this continued development.

Please do not hesitate to contact me on the below details if I can be of any further assistance.

Yours Sincerely,

A handwritten signature in black ink, appearing to read "Simon Rea", written over a horizontal line.

Simon Rea

High Performance Director Tennis New Zealand

E-mail: [simon@tennis.kiwi](mailto:simon@tennis.kiwi)

Mobile: +64 21 708 945

**Tennis New Zealand 17 Antares Place, Mairangi Bay, Auckland 0752 Phone: +64 9 528 5428**

PO Box 305 504  
Triton Plaza  
Auckland 0757

[www.athletics.org.nz](http://www.athletics.org.nz)



8 March 2019

Letter of Support for:  
Marcus Agnew  
Health & Sport Development Manager  
Hawke's Bay Community Fitness Centre Trust

To Who It May Concern

I am writing on behalf of Athletics NZ High Performance (ANZ-HP) Programme in support of the funding required to complete the facilities being developed by the Hawke's Bay Community Fitness Centre Trust (HBCFCT) as part of the Hawke's Bay Community Fitness Centre project.

The NZ Athletics Team used the facility during its 2018 Commonwealth Games pre-Camp.

ANZ-HP athletes have also used the facilities for training camps over the last two years on numerous occasions, most notably Olympic and World Championship medalists: Dame Valerie Adams; Tom Walsh; and Eliza McCartney.

I have personally supervised sessions at the gym and taken training sessions at the athletics venue on many occasions during these visits. Based on these experiences and discussions with some of our world leading athletes and coaches we have no doubt that the Hawke's Bay region offers the most stable and ideal training conditions for our sport on a regular/reliable basis of anywhere in NZ (i.e. by far the best option we have in NZ for winter training camps).

Upgrades to the exiting temporary HBCFCT Sports Gym would strengthen the case for even greater involvement by ANZ-HP level athletes and development camps for emerging athletes and under-age teams. In the future, the completion of a purpose-built Sports Gym and the associated facilities including on-site accommodation capacity will make the Hawke's Bay area a primary venue for our athlete and team preparations.

An endearing memory of the Gym for me was the number of young emerging athletes that train they're from a range of sports, particularly the number of young female athletes.

I have also witnessed use of the facility by community and senior/masters level athletes. I have no hesitation in supporting the regional and national value of the project.

Marcus Agnew's support has been a significant catalyst in the connection between our programme and the Hawkes Bay region for training camps. He has been fantastic to work with and particularly helpful in arranging access to the HBCFCT Sports Gym.

Please contact me on 021 898 608 or at [scottg@athletics.org.nz](mailto:scottg@athletics.org.nz) to discuss any related matters.

Yours sincerely

Scott Goodman  
ANZ-HP Director

cc: Pete Pfitzinger, interim Chief Executive Athletics NZ

e [scottg@athletics.org.nz](mailto:scottg@athletics.org.nz)  
p 09 477 3406  
m 021 215 6850





Pettigrew Green Arena  
480 Gloucester Street  
PO Box 7537  
Taradale, Napier  
New Zealand

7<sup>th</sup> March 2019

Marcus Agnew  
Sport & Health Development Manager  
Hawke's Bay Community Fitness Centre Trust

**RE: Letter of support for Hawke's Bay Community Fitness Centre Trust**

To Whom It May Concern:

We would like to write to express our support for the Hawke's Bay Community Fitness Centre Trust in their development of a new community sport facility.

This facility, if completed to its full potential, will offer desperately needed additional space for both recreational and High-Performance competitions and development, not just in badminton, but across a wide range of sports – both regionally and nationally.

As a National Sports Organisation, we are always striving to support the development of our athletes, from grassroots level, through to our High-Performance squads. The development of this facility would be instrumental in allowing us to offer further high-quality training and competition opportunities to all our players. The availability of a comprehensive facility like this, at a regional level, is of massive benefit to our New Zealand representative players as we are currently forced to look to large regions like Auckland to access the equivalent facilities. Being able to offer a high-quality facility, in a smaller province, makes a huge difference to the financial impact of our High-Performance programme on players.

The additional court space offered by the facility will also be instrumental in allowing the growth of grassroots badminton, as there is currently a severe shortage of suitable playing space for our rapidly growing sport. We are aware that this is a challenge faced by a large number of court-based sports.

We are therefore delighted to extend our support to the Hawke's Bay Community Fitness Centre Trust's application for funding support to achieve the full development of this much anticipated facility.

Yours sincerely,

A handwritten signature in black ink, appearing to read "Joe Hitchcock", written over a horizontal line.

Joe Hitchcock  
Chief Executive  
Badminton New Zealand

[www.badminton.org.nz](http://www.badminton.org.nz)

07 March 2019

**Marcus Agnew**  
Sport and Health Development Manager  
Hawke's Bay Community Fitness Centre Trust

**Dear Marcus**

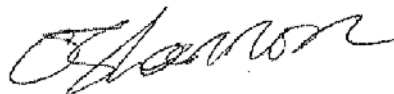
My physical training and development has been greatly improved by my ability to be able to take part in a strength and conditioning program that has been put together for me while I was in Hawke's Bay attending Iona College. Since then I have become a member of the woman's Blacksticks Hockey team.

This has meant a move to Auckland to train with the team and to complete my last year at school via Correspondence. Being placed into the High Performance gym up here in Auckland has been made so much easier due to my previous experience in the gym I had in Hawke's Bay.

My 2 years in the temporary facility at Hawke's Bay laid a good foundation for me to build on in this High Performance environment. I have become more physically stronger on the ball while playing hockey and feel like I have more of a presence on the turf. I believe it has made me faster as an Athlete as well.

It was great to have a training environment with others involved in my sport and other sports as well as all our training is different. It has helped me develop skills to move me to the next level, both mentally and physically and working with specialists around technique is great as helps prevent injury.

Most of all it's fun and I loved it.



Olivia Shannon (Womens Black Stick, and current Year-13 school student)

8/3/2019

Marcus Agnew

I signed up for the sports program through CHB college I did this to learn how to improve my sport. I think I have achieved this goal but I couldn't have done the help from rob.

Rob was a great teacher and he explained everything very clear he would help you if you were stuck and he made everything fun. When we did the small training exercises in the gym he would not let you hurt yourself if you could not do the weight he would not let you do it he also always had music if we had forgotten ours.

I think the facilities were good but they weren't great with the new building I think there will be more professional athletes come out of hawk's bay. The new building will also bring more attention to hawks bay and have more people coming to train and become a better athlete. This will help the community because there will be more people coming to hawks bay and they need a place to stay and something to eat this will expand the community and bring more money so we can build more sports facilities and Carry on expanding hawks bay.

My favourite part of sports academy is the workout this was really fun and I always was sore the next day. This was because of rob pushing me and making me work harder this has made me a better athlete physical, mentally, and spiritly I wish I could do it again this year but I am too old and hopefully I can come back one day.

Mitchell Thompson

*Mitchell*

**7.15 REVENUE AND FINANCING POLICY, AND FEES AND CHARGES 2021/22****File Number:** COU1-1400**Author:** Brent Chamberlain, Chief Financial Officer**Authoriser:** Monique Davidson, Chief Executive**Attachments:**

1. Revenue and Financing Policy [↓](#)
2. Fees and Charges 2021-22 [↓](#)
3. Wastewater Options Paper [↓](#)

**PURPOSE**

The matter for consideration by the Committee is the adoption of the Revenue and Financing Policy as well as the Fees and Charges for 2021/22. This is the report where Council will make the key policy decision related to the Trade Waste contribution to the Wastewater Capital upgrade.

**RECOMMENDATION FOR CONSIDERATION**

That having considered all matters raised in the report:

1. That Council adopts the revision to the “Revenue and Financing Policy” as set out in Attachment 1.
2. That Council adopts the Fees and Charges for the financial year dated 2021/22 as set out in Attachment 2.
3. That Council specifically adopts to introduce trade waste capital contribution charges as set out in Trade Waste Fees and Charges sections B13-B22.
4. That Council specifically adopts to phase in the Trade Waste capital contribution to be 100% within four years, commencing with a 33% contribution in Year One, 37% in Year Two, and 75% in Year Three.
5. 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 2021 to 30 June 2022 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 2021/22.

**BACKGROUND**

As part of the Long Term 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 2021/22 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 2021/22.

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 2021 to 30 June 2022 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.

Officers have also considered their activity volumes, and expected fees and charges on these volumes, and this was how the Long Term Budgets were derived.

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

One of the biggest changes is in Development Contributions, which formed part of Councils Long Term Plan Consultation Document. Here the development levies are being increased to cover 100% of the cost of growth across the district, based on Councils Asset Management Plans covering the next ten years projected population growth and capital programs. This particular fee is covered more in the Challenge 4 Report, where Council will consider the adoption of the Proposed Development Contributions Policy.

### Trade Waste Capital Contribution

Another item that was consulted on was Trade Waste Capital Contribution, and in particular the capital contribution charge.

As part of the legal review of these charges a number of small changes have been recommended to the Revenue and Financing Policy. These include recognising on page 7 that Capital Expenditure relating to waste water can be partly funded through Targeted Rates, Borrowing, Reserves, Development Contributions, and *Fees and Charges*.

Likewise on page 20 now references the contribution from *trade waste users* and the *Trade Waste Bylaw*. The revised Policy is attached.

A significant component of the trade waste bylaw engagement has been focussed on the 'trade waste calculator' and the contribution which outlines how the charging may occur across a number of scenarios.

The scenarios have been workshopped and following considerable feedback and discussion with councillors and industry, officers are recommending to recover for the first 3 years of the Long Term Plan and as set out in the Revenue and Financing Policy, the trade waste industry contribution relevant to the investment programmed for that year of the Long Term Plan.

Officers are recommending this is phased in towards a 100% user pays recovery by Year 4 of the Long Term Plan, which would coincide with greater certainty on the water reform approach and by implementing a recovery based on the investment programme – this incentive helps trade waste contributors to either make a decision to implement enhanced pre-treatment and contribute less financially, however the improved treatment would allow Council to review its design basis for the new mechanical treatment plant in approx. 2026. Alternatively there is the option not to enhance pre-treatment and opting in to supporting the council investment programme by financially contributing.

Council officers recommend to investigate a loan based approach with trade waste contributors from Year 4 onwards to smooth the peaks and troughs that being 100% recovery aligned with the investment programme may bring. This is proposed to be analysed in future years and would coincide with the next Long Term Plan period.

The policy sets out that the Trade Waste Contribution differential will be:

Year 1 : 33% of actual construction costs (which will generate approximately \$250,000 of revenue)

Year 2 : 37% of actual construction costs (which will generate approximately \$375,000 of revenue)

Year 3 : 75% of actual construction costs (which will generate approximately \$550,000 of revenue)

Year 4+ : 100% of actual construction costs (expected to be \$700-900k)

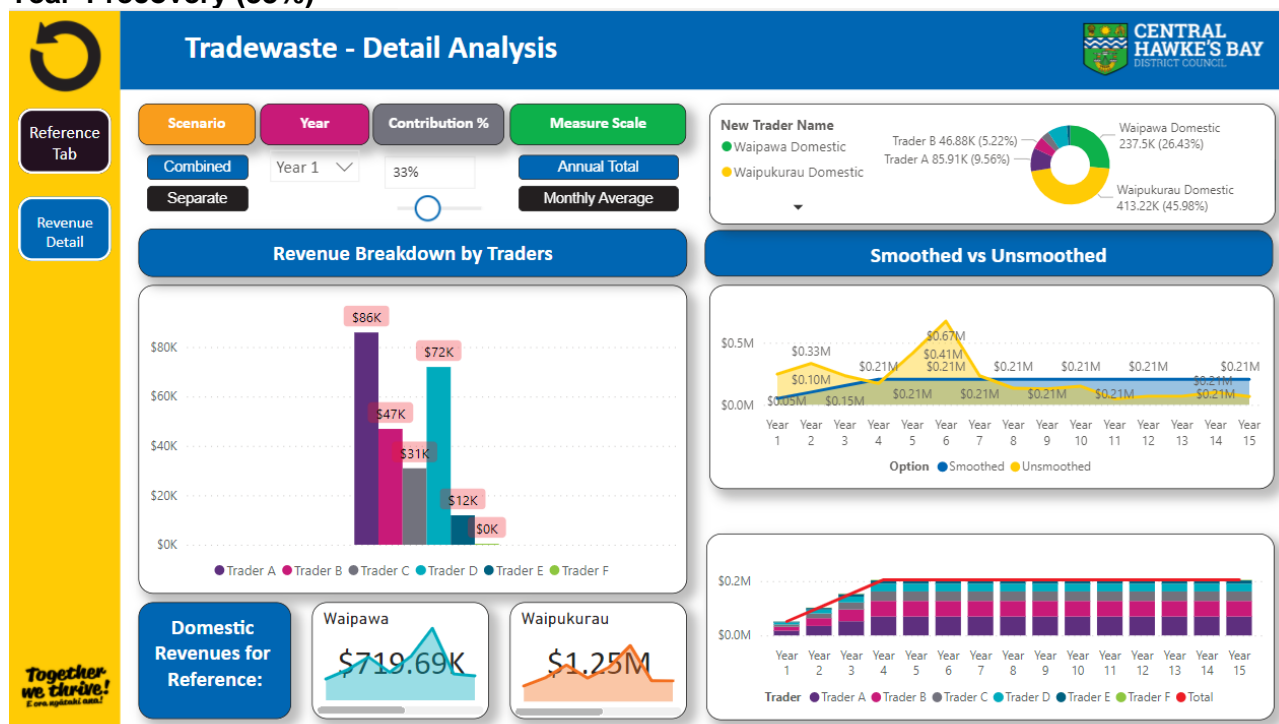
From year 4 onwards, it is expected that the policy be updated to allow for Council to smooth the residual 12 years of construction through the use of a loan to take out the peaks and troughs of construction.

By adopting the revisions to the Revenue and Financing Policy and Fees and Charges Schedule, Council is enacting the recommendation *"to recover a capital contribution from Trade Waste Industry contributors in addition to the current operational charges"* as set out in the Challenge One Planning and Funding Our Wastewater Upgrades report.

Also attached to this report is some earlier workings considering other funding options. These options are also available to Council, but for the purposes of clarity on recommendation the cover report only includes the detail on the recommended option. The recommended option, as outlined above is also referred to in the Challenge 1 Report.

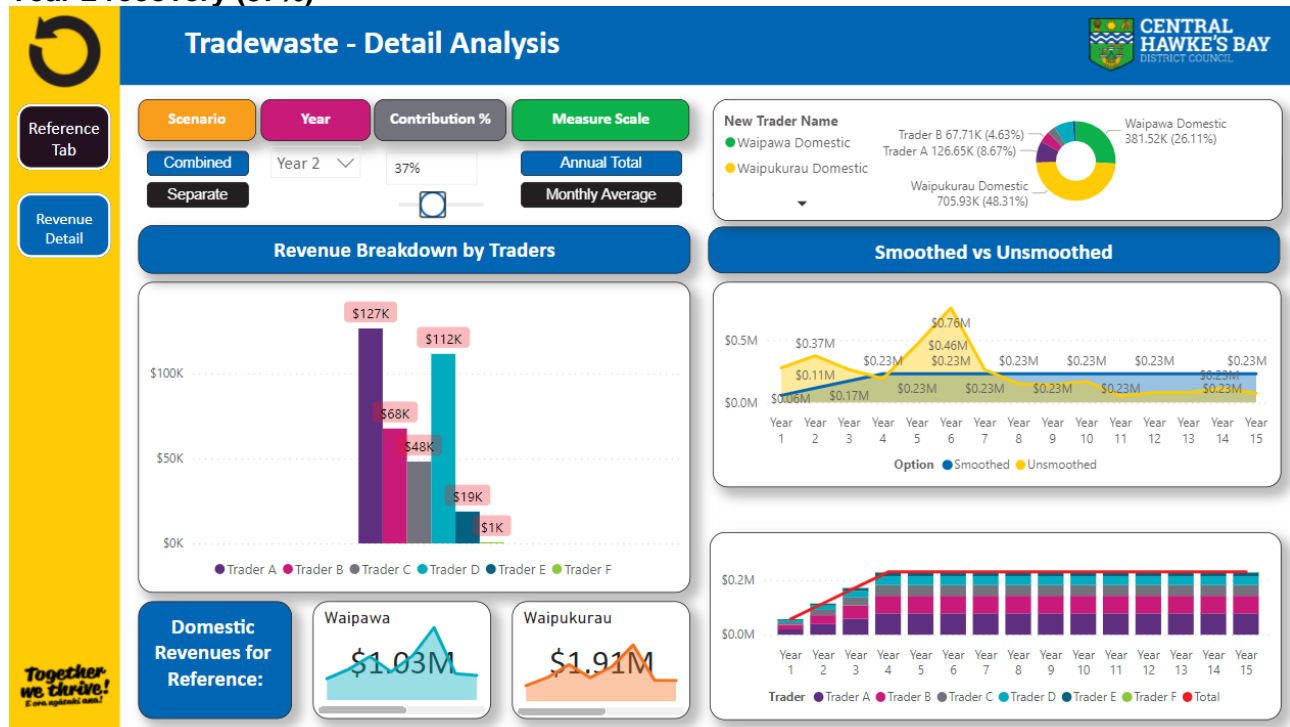
The proposed phased introduction is further explained on the following dashboards.

### Year 1 recovery (33%)

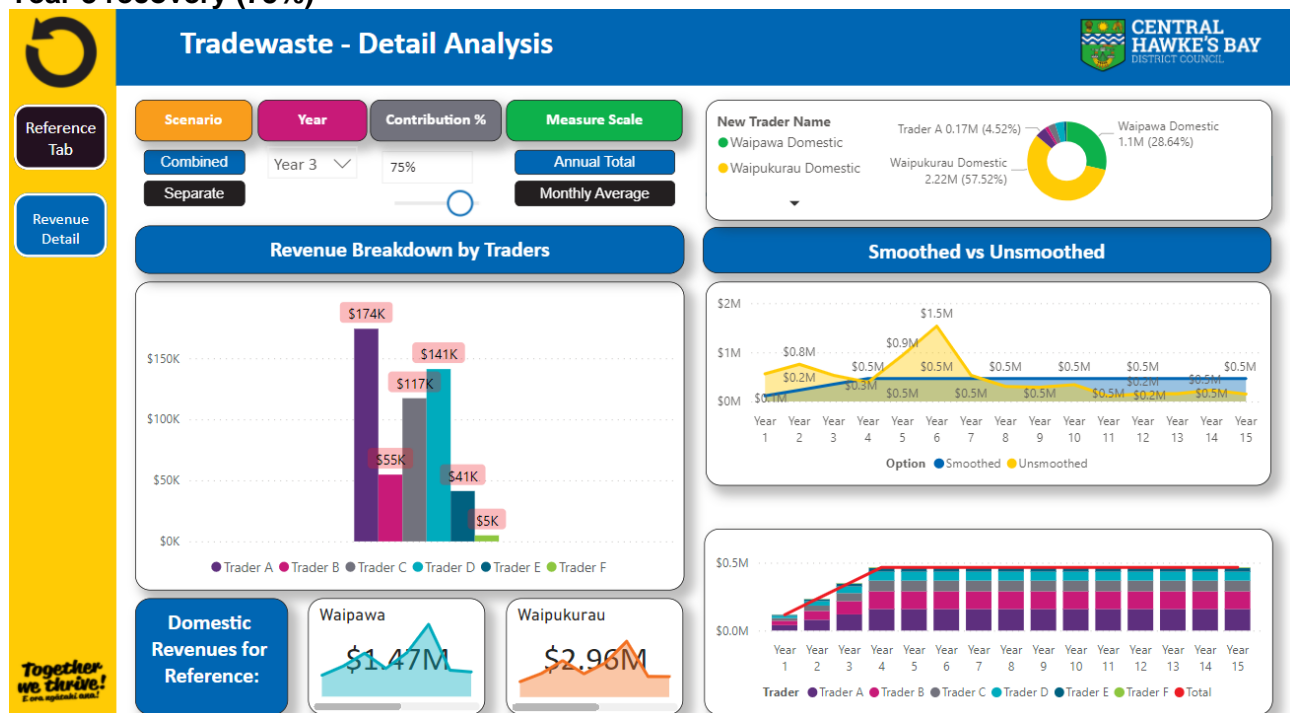




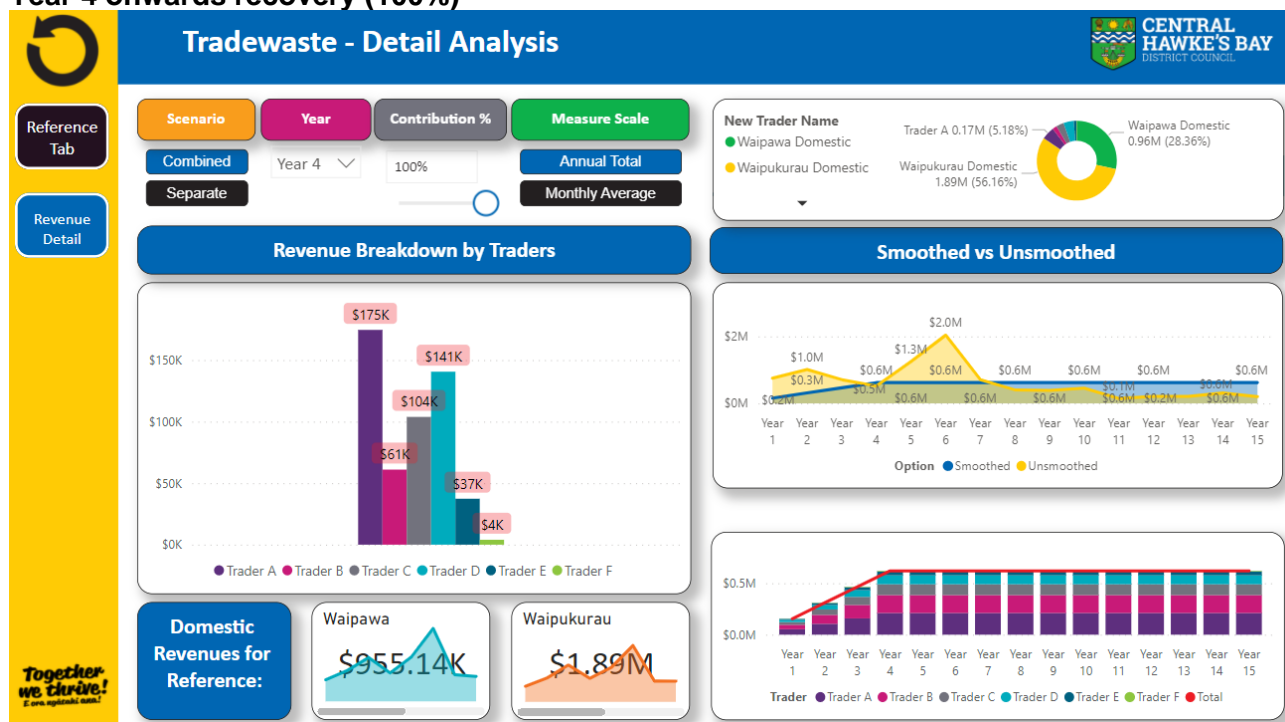
## Year 2 recovery (37%)



## Year 3 recovery (75%)



## Year 4 onwards recovery (100%)



The is outlined in the Revenue and Financing policy as a differential weighting to be applied.

Targeted Rate/Fees and Charges Differential	2021/22 Differential	2022/23 Differential	2023/24 Differential	2024/25 Differential	2025/26 and onwards Differential
Targeted Rate	1.0	1.0	1.0	1.0	1.0
Trade Waste Volumetric Operational Fees (B1-B6)	1.0	1.0	1.0	1.0	1.0
Trade Waste Volumetric Capital Contribution Fees (B13-B20)	0.33	0.37	0.75	1.0	1.0

The policy decision is laid out in the Revenue and Financing Policy and the rates to be charged are set out in the Fees and Charges – allowing the rates to be reviewed annually.

### General commentary on Fees and Charges

Another change is in retirement Housing Rentals which came out of the recent Section 17a review. Here rents have been increased to allow for sufficient reinvestment back into the units to keep them fit for purpose and compliant with new tenancy rules.

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. Officers advice is that while changes to the Revenue and Financing Policy are suggested, through the introduction of a differential to phase in the capital contribution over a 4 year period, it is consistent with the intent of consultation and further significance is not triggered.

### **OPTIONS ANALYSIS**

Council has three options.

Option 1 is to adopt the revised Revenue and Finance Policy, and adopt the Fees and Charges for the financial year dated 2021/22 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>To adopt the revised Revenue and Finance Policy, and adopt the Fees and Charges for the financial year dated 2021/22 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 Long Term Plan 2021/22.	This is unlikely to meet the Long Term Plan 2021/22.	This is consistent with the Long Term Plan 2021/22.
<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 revised Revenue and Finance Policy, and adopt the Fees and Charges for the financial year dated 2021/22 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 2021, the Fees and Charges will be updated on all forms and on the website.

**RECOMMENDATION**

1. That Council adopts the revision to the “Revenue and Financing Policy” as set out in Attachment 1.
  -
2. That Council adopts the Fees and Charges for the financial year dated 2021/22 as set out in Attachment 2.
  -
3. That Council specifically adopts to introduce a trade waste capital contribution charges as set out in Trade Waste Fees and Charges sections B13-B22.
  -
4. That Council specifically adopts to phase in the Trade Waste capital contribution to be 100% within four years, commencing with a 33% contribution in Year One, 37% in Year Two, and 75% in Year Three.
  -
5. 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 2021 to 30 June 2022 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 2021/22.



**CENTRAL  
HAWKE'S BAY**  
DISTRICT COUNCIL

## Revenue and Financing Policy

Adopted: 23 May 2019

Reviewed: 13 May 2021

*Together we Thrive! E ora ngātahi ana!*



Central Hawke's Bay District Council

## REVENUE AND FINANCING POLICY

### PURPOSE OF THIS POLICY

The Revenue and Financing Policy is required under Section 102 of the Local Government Act 2002 (LGA) and the required contents are set out in section 103 of the LGA. The policy must be included in full in the LTP. Section 103(2) allows the following funding mechanisms to be used when funding operating and capital expenditure:

- General Rates
- Uniform Annual General Charge
- Targeted Rates
- Grants and Subsidies
- Interest and Dividends from Investments
- Fees and Charges
- Borrowing
- Proceeds from Assets Sales
- Development or Financial Contributions
- Lump Sum Contributions
- Any other source

This policy summarises the funding sources to be used by Council and their intended use. Sources are identified for each Council activity, including those that may be used to fund operating and capital expenditure. The General Rate is set on a District Wide basis (not on a differential basis), on the capital value of the rating unit. Council sets a Uniform Annual General Charge that is assessed on separately used or inhabited parts of a rating unit in the district.

Council must consider the following elements in deciding on appropriate funding mechanisms for each activity:

- Community Outcomes – the community outcomes an activity will primarily contribute to.
- Distributions of benefits – the distribution of benefits between the community as a whole, any identifiable parts of the community and individuals.
- Timeframes of benefits – the period in and over which those benefits are expected to occur. For example, the benefits may occur on an ongoing basis, but may also benefit future generations.
- Contributors to need for activity – the extent to which actions or inactions of particular individuals or groups contribute to the need to undertake the activity.
- Costs and Benefits of distinct funding – the cost and benefits, including for transparency and accountability, of funding the activity distinctly from other activities.

The Council has also considered the overall impact of any allocation of liability on the community and has determined this doesn't require any modification to the activity by activity analysis.

Revenue and Financing Policy  
REVIEWED: 13/05/2021

***E ora ngātahi ana!*** <sup>1</sup>

Central Hawke's Bay District Council

## DEFINITIONS OF COUNCIL SERVICES FUNDING OPTIONS

The Local Government Act 2002 requires Council to meet its funding needs from a defined list of sources. The Council determines which of these are appropriate for each activity, considering equity between generations, fairness and affordability. Council seeks to maintain an affordable and predictable level of rates in the future.

### District Wide Rates

#### General rates

General rates are rates applied to the entire rating base of the district.

This is a variable charge based on a property's capital value. The variable component of general rates is set as cents per dollar of capital value, which is assessed according to two differentials based on location:

- Central Business District in Waipawa/Waipukuaru (all rating units excluding domestic residential)
- All other Rating Units

Therefore, the level of rates paid by a landowner will depend on the capital value and the differential category within which the property falls, as well as any targeted rates (see below).

#### Differential Groups

The variable capital value component of the Council's general rate is set using 2 differentials.

The rationale for this approach is that the dollar per capital value set for each differential category is a fair and equitable amount related to the benefits that properties within that differential group receives, and not subject to fluctuations in property values that may occur between the different categories over time. The level of rates a landowner pays will vary, based on both capital value and the differential category within which the property falls.

As property values change, the Council will alter the group differentials (the amount of rates charged per dollar of value) to ensure each differential group continues to pay the same overall proportion of the general rates. The proportion of general rates set for each differential category is outlined in the following table:

General Rate Differential Zone	2021/22 Differential	2022/23 Differential	2023/24 Differential	2024/25 Differential	2025/26 and onwards Differential
CBD (excl Domestic Residential)	1.1	1.2	1.3	1.4	1.5
Non-CBD	1.0	1.0	1.0	1.0	1.0

Revenue and Financing Policy  
REVIEWED: 13/05/2021

***E ora ngātahi ana!*** <sup>2</sup>



Central Hawke's Bay District Council

#### Uniform Annual General Charge (UAGC)

A UAGC is a flat charge levied from every separately used or inhabited part of a rating unit (SUIP) in the district.

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

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

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

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

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

These examples are not considered inclusive of all situations

#### District Land Transport Rate

This rate is set for the purpose of funding the operation and maintenance of the land transport system and is based on the land value of all rateable land in the district.

#### **Targeted rates**

Targeted rates are set to recover the costs of providing services such as wastewater, refuse collection, disposal and recycling charges. A targeted rate is levied only from those SUIPs that receive the service. For example, a household connected to the Council's water network is charged a targeted rate for water supply, but household using tank water is not. The Council charges targeted rates in the form of uniform annual charges (flat rate) and demand-related charges.

#### Voluntary targeted rates

The voluntary targeted rate is used in cases where the Council provides financial assistance to property owners for particular capital projects, such as upgrades to private water supplies. The voluntary targeted rate is levied only from properties that receive Council assistance and is used to recover the borrowed amount and any administration costs.

Revenue and Financing Policy  
REVIEWED: 13/05/2021

***E ora ngātahi ana!*** <sup>3</sup>

Central Hawke's Bay District Council

### **Fees and charges**

The Council levies over 1,000 fees and charges. Fees and charges are usually either full or part charges to recover the costs of delivering the services. Fees and charges are usually only set for services that a user has discretion to use or not, and where it is efficient for the Council to collect the fees and charges.

### **Interest and dividends from investments**

The Council receives interest and dividends from short-term cash management and from its investments.

### **Borrowing**

Borrowing is defined as taking on debt. The Council usually only borrows to fund long-lived capital assets.

### **Proceeds from asset sales**

Proceeds from asset sales are the net sum received when physical assets are sold. Proceeds from the disposition of assets are used firstly in the retirement of related debt and then are credited to the Capital Projects Fund.

### **Development contributions**

These are levies paid in accordance with the Council's Development Contributions Policy and the LGA 2002 to recover Council expenditure on reserves, community infrastructure and network infrastructure to meet increased demand resulting from new development. These levies can be used for capital expenditure for the purpose they were charged for, and may not be used to cover operational costs.

### **Financial contributions under the Resource Management Act**

Financial contributions apply to holders of resource consents in the form of sums payable, or land transferred to the Council. These contributions are used to mitigate, avoid or remedy any adverse effects arising from subdivision or development. Note: In 2022, the ability to require financial contributions under the Resource Management Act 1991 will cease under the Resource Legislation Amendment Act 2017.

### **Grants and subsidies**

These are payments from external agencies and are usually for an agreed, specified purpose. For the Council, the major source of grants and subsidies is the New Zealand Transport Agency (NZTA), which offers subsidies for road maintenance, renewals and improvements.

Revenue and Financing Policy  
REVIEWED: 13/05/2021

***E ora ngātahi ana!*** <sup>4</sup>

Central Hawke's Bay District Council

## FUNDING OF OPERATING EXPENDITURE

The following table shows which mechanisms may be used to fund operating expenditure for Council's activities:

	General Rates	Uniform Annual General Charge	Targeted Rates	Grants and Subsidies	Fees and Charges
<b>Community Leadership Group</b>					
Leadership, Governance and Consultation	✓	✓		✓	
Economic and Social Development	✓	✓	✓		
<b>Planning and Regulatory Group</b>					
District Planning	✓				
Land Use and Subdivision Consents	✓				✓
Building Control	✓				✓
Public Health	✓				✓
Animal Control	✓				✓
Compliance & Monitoring	✓				✓
<b>Land Transport Group</b>					
Land Transport	✓		✓	✓	✓
<b>Solid Waste Group</b>					
Solid Waste	✓	✓	✓		✓
<b>Water Supplies Group</b>					
Water Supplies			✓		✓
<b>Wastewater Group</b>					
Wastewater			✓		✓
<b>Stormwater Group</b>					
Stormwater			✓		
<b>Places and Open Spaces Group</b>					
Parks, Reserves and Swimming Pools	✓	✓			✓
Public Toilets	✓				
Retirement Housing					✓
Libraries	✓	✓			✓
Theatres, Halls and Museums	✓				✓
Cemeteries	✓				✓
Community Facilities	✓				✓
<b>Overheads</b>	✓	✓	✓	✓	

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- Council does not fund operating expenditure by Borrowing unless in exceptional circumstances by way of Council resolution or for Asset Management Planning where the information has relevance over more the 10 years
- Interest and Dividends are used to offset the general rate requirement except where the interest is credited to a special fund or reserve fund.
- Proceeds from the Sale of Land and Buildings are transferred to the Capital Projects fund for funding future capital projects by resolution of Council. Proceeds from Sale of other Assets are used to fund the renewals of assets within the activity.

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## FUNDING OF CAPITAL EXPENDITURE

The following table shows which mechanisms may be used to fund capital expenditure for Council's activities:

	General Rates	Targeted Rates	Borrowings	Reserves	Funding assistance/ Fees and Charges	Development Contributions
<b>Community Leadership Group</b>						
Leadership, Governance and Consultation	No Capital Expenditure					
Economic and Social Development	No Capital Expenditure					
<b>Planning and Regulatory Group</b>						
District Planning			✓			
Land Use and Subdivision Consents	No Capital Expenditure					
Building Control	No Capital Expenditure					
Public Health	No Capital Expenditure					
Animal Control	No Capital Expenditure					
Compliance & Monitoring	✓				✓	
<b>Land Transport Group</b>		✓	✓	✓	✓	✓
<b>Solid Waste Group</b>	✓		✓	✓		✓
<b>Water Supplies Group</b>		✓	✓	✓	✓	✓
<b>Wastewater Group</b>		✓	✓	✓	✓	✓
<b>Stormwater Group</b>	✓	✓	✓	✓	✓	✓
<b>Places and Open Spaces Group</b>						
Parks, Reserves and Swimming Pools	✓		✓	✓	✓	
Public Toilets	✓		✓	✓		
Retirement Housing				✓	✓	
Libraries			✓	✓		
Theatres, Halls and Museums	✓		✓	✓	✓	
Cemeteries	✓		✓	✓		
Community Facilities	✓		✓	✓		
<b>Overheads</b>	✓	✓	✓	✓		

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- Council takes into account the useful life of the asset and the use by future generations in the funding of the capital expenditure. Lump sum contributions are not utilised by Council.

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### **Community Leadership Group**

#### **Leadership, Governance and Consultation**

##### **Description**

The Leadership, Governance and Consultation activity includes the elected Council.

##### **Community Outcomes**

This activity contributes to all of the community outcomes.

##### **Distributions of benefits**

Benefits from the Leadership, Governance and Consultation activity are for the community generally. Council is the vehicle for making decisions affecting the district.

##### **Timeframes of benefits**

Ongoing.

##### **Contributors to need for activity**

Living in a democratic society contributes to the need for this activity.

##### **Costs and Benefits of distinct funding**

Benefits from this activity are community wide and there is no benefit perceived from separate funding.

##### **Recommended Funding**

Council has agreed on 100% public funding for this activity. Public funding is through the capital value based general rate.

### **Economic and Social Development**

##### **Description**

Economic and Social Development is undertaken by a number of outside organisations.

- These are CHB Promotions, Business Hawke's Bay and joint study by Hawke's Bay Councils, funded partly by the Council
- Department of Internal Affairs –which funds a Community Development Coordinator

##### **Community Outcomes**

This activity contributes primarily to the following community outcomes:

- Proud District
- Prosperous District
- Strong Communities
- Connected Citizens

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- Smart Growth

**Distributions of benefits**

Benefits from economic development accrue largely to the community, due to the ongoing economic benefits of visitor spending, creation of employment and investment in the potential of the district. Similarly social benefits accrue the wider community. Some benefits may accrue to businesses or individuals using these services, but it is difficult and illogical to recover these benefits.

**Timeframes of benefits**

Ongoing.

**Contributors to need for activity**

All groups contribute to the need for this activity.

**Costs and Benefits of distinct funding**

Benefits from this activity are community wide and there is no benefit perceived from separate funding.

**Recommended Funding**

Council has agreed on 100% public funding for this activity. Public funding is collected through the Uniform Annual General Charge.

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## Planning and Regulatory Group

### District Planning

#### **Description**

The Land Use Planning and Management Activity, as part of Council's statutory obligations under the Resource Management Act 1991, involves -

- Providing advice on the District Plan
- Providing Policy advice on planning and rules of the District Plan
- Monitoring of the effectiveness and efficiency of the policies and rules in the District Plan

#### **Community Outcomes**

This activity contributes primarily to the following community outcomes:

- Proud District
- Prosperous District
- Smart Growth
- Environmentally Responsible
- Durable Infrastructure

#### **Distributions of benefits**

The district planning services benefit the users of the District Plan through clear information available for development and land use.

The community benefits highly through protection of the environment, appropriate and sustainable development of land and property.

#### **Timeframes of benefits**

Ongoing.

#### **Contributors to need for activity**

People who do not comply with legislative regulations may contribute to the need for this activity.

#### **Costs and Benefits of distinct funding**

Benefits from this activity are community wide and there is no benefit perceived from separate funding.

#### **Recommended Funding**

Council has agreed on 100% public funding for this activity. Public funding is through the capital value based general rate.

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### **Land Use and Subdivision Consents**

#### **Description**

The Council is required by the Resource Management Act 1991 to prepare, implement and administer a District Plan that meets the needs of the community. The Resource and Subdivision Activity ensures that development occurs in a manner that complies with the District Plan, through processing resource consent applications and monitoring.

#### **Community Outcomes**

This activity contributes primarily to the following community outcomes:

- Proud District
- Prosperous District
- Smart Growth
- Environmentally Responsible

#### **Distributions of benefits**

The district planning services mainly benefit the users of the resource and subdivision consent process through meeting legislative requirements.

The community benefits through protection of the environment, appropriate and sustainable development of land and property.

#### **Timeframes of benefits**

Ongoing.

#### **Contributors to need for activity**

People who do not comply with legislative regulations may contribute to the need for this activity. Generally this is met through extra charges on these people.

#### **Costs and Benefits of distinct funding**

Benefits from this activity are community wide and there is no benefit perceived from separate funding.

#### **Recommended Funding**

Council has agreed on 70-80% private funding for this activity, with the remainder coming from public funding. Public funding is through the capital value based general rate and private funding is collected through fees and charges.

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### **Building Control**

#### **Description**

Building Control is responsible for administering and enforcing the Building Act 2004 (and related legislation). This includes -

- Processing applications for building consents
- Enforcing the provisions of the Building Act 2004 and associated regulations
- Processing Land Information Memoranda

Once a consent has been obtained, Council monitors compliance through inspections and provides code compliance certificates confirming that new building work meets the provisions of the building code.

#### **Community Outcomes**

This activity contributes primarily to the following community outcomes:

- Proud District
- Prosperous District
- Strong Communities
- Smart Growth

#### **Distributions of benefits**

Benefits from building control accrue mainly to users of these services (ie people who build or alter buildings) through meeting legislative requirements and safe buildings. The community benefits through the enforcement of regulations that ensure safe, sanitary and accessible buildings in which people live, play and work.

#### **Timeframes of benefits**

Ongoing.

#### **Contributors to need for activity**

People who do not comply with legislative regulations may contribute to the need for this activity. In some cases (e.g. property purchase where consent standards are not met), it may be difficult to identify who should pay.

#### **Costs and Benefits of distinct funding**

Benefits from this activity are community wide and there is no benefit perceived from separate funding.

#### **Recommended Funding**

Council has agreed on 70-85% private funding for this activity, with the remainder funded from public funding. Private funding is collected through various fees and charges. Public funding is through the capital value based general rate.

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## **Public Health**

### **Description**

The Public Health Activity covers the regulatory functions relating to environmental health, liquor licensing, hazardous substances, and other environmental monitoring.

### **Community Outcomes**

This activity contributes primarily to the following community outcomes:

- Proud District
- Prosperous District
- Strong Communities
- Smart Growth

### **Distributions of benefits**

Benefits from environmental health services accrue to both the community and individuals and organizations. Individuals and organizations benefit from assurances that their premises are of an acceptable standard to the consumer and meet other legislative requirements (e.g. liquor licensing).

The community benefits through the expectation that

- standards of operation are being met and
- assurances of a safe and healthy environment for residents and visitors.

### **Timeframes of benefits**

Ongoing.

### **Contributors to need for activity**

People who do not comply with legislative regulations may contribute to the need for this activity. Generally this is met through extra charges on these people.

### **Costs and Benefits of distinct funding**

Benefits from this activity are community wide and there is no benefit perceived from separate funding.

### **Recommended Funding**

Council has agreed on 27-36% private funding for this activity, with the remainder from public funding. Public funding is through the capital value based general rate and private funding is collected through fees and charges.

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### **Animal Control**

#### **Description**

This activity includes the implementation of requirements of Dog Control Act 1996 and related legislation and Council bylaws. Main objectives include education, response to complaints and management of registration systems for dogs and stock.

#### **Community Outcomes**

This activity contributes primarily to the following community outcomes:

- Proud District
- Prosperous District
- Strong Communities

#### **Distributions of benefits**

Benefits from the animal control service accrue mainly to animal owners from the provision of a service that either confines or returns lost or stray animals. The community generally benefits through the enforcement of regulations against aggressive and straying animals.

#### **Timeframes of benefits**

Ongoing, but occur mainly in the short-term.

#### **Contributors to need for activity**

People who do not properly control their animals can be a significant contributor to this activity. In some cases, it can be difficult to identify who these people are.

#### **Costs and Benefits of distinct funding**

Benefits from this activity are community wide and there is no benefit perceived from separate funding.

#### **Recommended Funding**

Council has agreed on 90-100% private funding for this activity, with the remainder from public funding. Private funding is collected through various fees and charges – including fines and impounding costs. Public funding is through the capital value based general rate.

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### **Compliance and Monitoring**

#### **Description**

Compliance and Monitoring primarily involves the monitoring of resource consent conditions, responding to noise complaints and bylaw breaches, and carrying out territorial authority responsibilities as defined in legislation such as the inspection of swimming pool fences, earthquake prone buildings, and processing of Land Information Memoranda (LIMS), Compliance Schedules and Building Warrants of Fitness.

#### **Community Outcomes**

This activity contributes primarily to the following community outcomes:

- Proud District
- Prosperous District
- Smart Growth
- Environmentally Responsible
- Durable Infrastructure

#### **Distributions of benefits**

Benefits from this activity accrue across the wider community, through ensuring that activities are monitored and comply with legislative, policy and bylaw requirements, thereby minimising negative impacts on residents of, and visitors to, the District.

#### **Timeframes of benefits**

Ongoing. Benefits occur now through continuous monitoring of activities, response to complaints, and public education.

#### **Contributors to need for activity**

Where matters of non-compliance are brought to Council's notice, there is a requirement to ensure that compliance is achieved for the safety and wellbeing of the wider public.

#### **Costs and Benefits of distinct funding**

Benefits from this activity are community wide and there is no benefit perceived from separate funding.

#### **Recommended Funding**

Council has agreed on 10-25% private funding for this activity, with the remainder from public funding. Public funding is collected through the capital value based general rate. Private funding is obtained through various fees and charges including fines.

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## Land Transport Group

### Land Transport

#### **Description**

The Local Government Act 2002 and Land Transport Management Act 2003 provide the framework under which Council operates a land transport network within the District. Council aims to achieve an integrated safe, responsive and sustainable land transport network. Council maintains 1261.81 km of roads, 64 km footpaths, 265 bridges, street lighting and other roading assets.

#### **Community Outcomes**

This activity contributes primarily to the following community outcomes:

- Proud District
- Prosperous District
- Strong Communities
- Connected Citizens
- Smart Growth
- Environmentally Responsible
- Durable Infrastructure

#### **Distributions of benefits**

There is a mix of public and private benefits with these activities. Public benefits include an attractive urban environment and streetscape, tidy roadsides, the ability to transport people, goods and services throughout the district, connections to other transport networks and location and property identification. Private benefits are for people and businesses using roads and footpaths to carry out their day to day business.

#### **Timeframes of benefits**

Ongoing.

#### **Contributors to need for activity**

All groups contribute to the need for this activity. In some cases damage may be caused, additional costs may be caused to Council through vandalism, accidents and activities beyond normal usage.

#### **Costs and Benefits of distinct funding**

Benefits from this activity are community wide and there is no benefit perceived from separate funding.

#### **Recommended Funding**

Council has agreed to 100% public funding. Public funding is collected through the land value based targeted rate. New Zealand Transport Agency funding applies to subsidised roading projects.

A small amount of private funding is recovered through fees and charges.

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## Solid Waste Group

### Solid Waste

#### **Description**

Central Hawke's Bay District Council provides the following services:

District landfill, transfer stations, recycling drop off centres, and kerbside refuse and recycling collections, litter bins and management of closed landfills.

#### **Community Outcomes**

This activity contributes primarily to the following community outcomes:

- Proud District
- Prosperous District
- Strong Communities
- Connected Citizens
- Smart Growth
- Environmentally Responsible
- Durable Infrastructure

#### **Distributions of benefits**

The benefits of the solid waste activity are largely public and private. Individuals benefit from not having to arrange their own systems of waste disposal. An environmentally sound landfill and rubbish collection maintains a sustainable and clean district.

#### **Timeframes of benefits**

Ongoing.

#### **Contributors to need for activity**

The community benefits from having solid waste collection and disposal available. In some cases, illegal dumping and inappropriate disposal of hazardous wastes may result in extra costs to the Council.

#### **Costs and Benefits of distinct funding**

It is appropriate to recover the private benefit via a separate funding mechanism.

#### **Recommended Funding**

Council has agreed on 46-48% private funding for this activity. The remaining Public funding is collected through a combination of a Capital Value based General Rate, Uniform Annual General Charge and targeted rates for kerbside recycling and refuse collection. Private funding is derived from fees and charges.

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## Water Supplies Group

### Water Supplies

#### **Description**

The Central Hawke's Bay District Council owns and operates 8 water supply schemes.

#### **Community Outcomes**

This activity contributes primarily to the following community outcomes:

- Proud District
- Prosperous District
- Strong Communities
- Connected Citizens
- Smart Growth
- Environmentally Responsible
- Durable Infrastructure

#### **Distributions of benefits**

Provision of water supplies provides a number of public benefits, including access to potable water and availability of water for key public services and amenities (eg fire fighting, landscaping, swimming pools). There are significant direct benefits to ratepayers and consumers connected to a Council piped water scheme through access to water for drinking and water availability for industry.

#### **Timeframes of benefits**

Ongoing and long-term for future generations.

#### **Contributors to need for activity**

Those sections of the community where water services are available benefit widely from having a supply available. The wider community who use the facilities and business who depend on the water supply also benefit.

#### **Costs and Benefits of distinct funding**

Because the benefits of this activity are predominantly private, it is considered appropriate to fund the activity through targeted rates and fees and charges. In addition development and capital contributions are applied to new development to recognise capacity requirements.

#### **Recommended Funding**

Council has agreed on a 100% private funding for this activity. Private funding is derived from a targeted rate from those connected to water systems, volumetric water meter rates and fees and charges. In addition development and capital contributions are applied to new development to recognise capacity requirements.

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## Wastewater (Sewerage) Group

### Wastewater (Sewerage)

#### Description

Central Hawke's Bay District Council sewer systems comprise of six reticulated systems and associated treatment plants.

#### Community Outcomes

This activity contributes primarily to the following community outcomes:

- Proud District
- Prosperous District
- Strong Communities
- Connected Citizens
- Smart Growth
- Environmentally Responsible
- Durable Infrastructure

#### Distributions of benefits

Provision of a sewerage system provides a number of public benefits, including maintenance of public health standards, prevention of disease and maintenance of a healthy environment. All properties, both domestic and industrial, that are connected to Council's sewerage system receive a direct benefit which relates to the cost of providing the service. A sewerage system is a key infrastructural need for maintaining public health and growth of business opportunities.

#### Timeframes of benefits

Ongoing and long-term for future generations.

#### Contributors to need for activity

The community and the trade waste industry benefits widely from having a sewerage system available. Additional costs may be caused through overloading of systems, disposal of hazardous material and illegal connections.

#### Costs and Benefits of district funding

Because the benefits of this activity are predominantly private, it is considered appropriate to fund the activity through targeted rates, fees and charges. In addition development and capital contributions are applied to new development to recognise capacity requirements.

#### Recommended Funding

Council has agreed on a 100% private funding split for this activity. Private funding is collected through a targeted rate from those connected to wastewater systems and with fees and charges and levies raised through the Trade Waste Bylaw. The targeted rates and trade waste fees and charges will collect both the wastewater operational costs and capital costs. In addition development and capital contributions are applied to new development to recognise capacity requirements.

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Council has agreed to recover a capital contribution from the trade waste industry contributors for the Waipukurau, Waipawa and Otane wastewater investment programme based on volumetric charges as detailed in the fees and charges schedule B13-B20.

Council has agreed to work towards a 100% trade waste industry capital contribution over a four year period staging the increase as outlined in the table below.

The capital contribution is anticipated to recover the trade waste industry share of the upgrade works required as set out in the Long Term Plan 2021-2031 wastewater investment programme.

Targeted Rate/Fees and Charges Differential	2021/22 Differential	2022/23 Differential	2023/24 Differential	2024/25 Differential	2025/26 and onwards Differential
Targeted Rate	1.0	1.0	1.0	1.0	1.0
Trade Waste Volumetric Operational Fees (B1-B6)	1.0	1.0	1.0	1.0	1.0
Trade Waste Volumetric Capital Contribution Fees (B13-B20)	0.33	0.37	0.75	1.0	1.0

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## Stormwater Group

### Stormwater

#### **Description**

Central Hawke's Bay District Council stormwater systems comprise of several systems. The systems generally consist of a primary piped network with some open channel and secondary flow paths.

#### **Community Outcomes**

This activity contributes primarily to the following community outcomes:

- Proud District
- Prosperous District
- Strong Communities
- Connected Citizens
- Smart Growth
- Environmentally Responsible
- Durable Infrastructure

#### **Distributions of benefits**

Provision of a stormwater system provides a number of public benefits, including decreased risk from flooding and encouraging residential development. Private benefits are particularly to property owners via stormwater disposal away from their properties.

#### **Timeframes of benefits**

Ongoing and long-term for future generations.

#### **Contributors to need for activity**

The community benefits widely from having a stormwater system available.

#### **Costs and Benefits of distinct funding**

Because the benefits of this activity are predominantly private, it is considered appropriate to fund the activity separately.

#### **Recommended Funding**

Council has agreed on 80-90% private funding for this activity. Private funding is collected through a targeted rate from those within stormwater catchment areas, with the remainder from public funding. Public funding is collected through the capital value based general rate. The funding of the Te Aute drainage scheme is based on a targeted rate on scheme members. In addition development and capital contributions are applied to new development to recognise capacity requirements.

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**Maps of the Stormwater Catchment Areas:**



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0 100 200 300 400 m

Otane Stormwater Boundaries

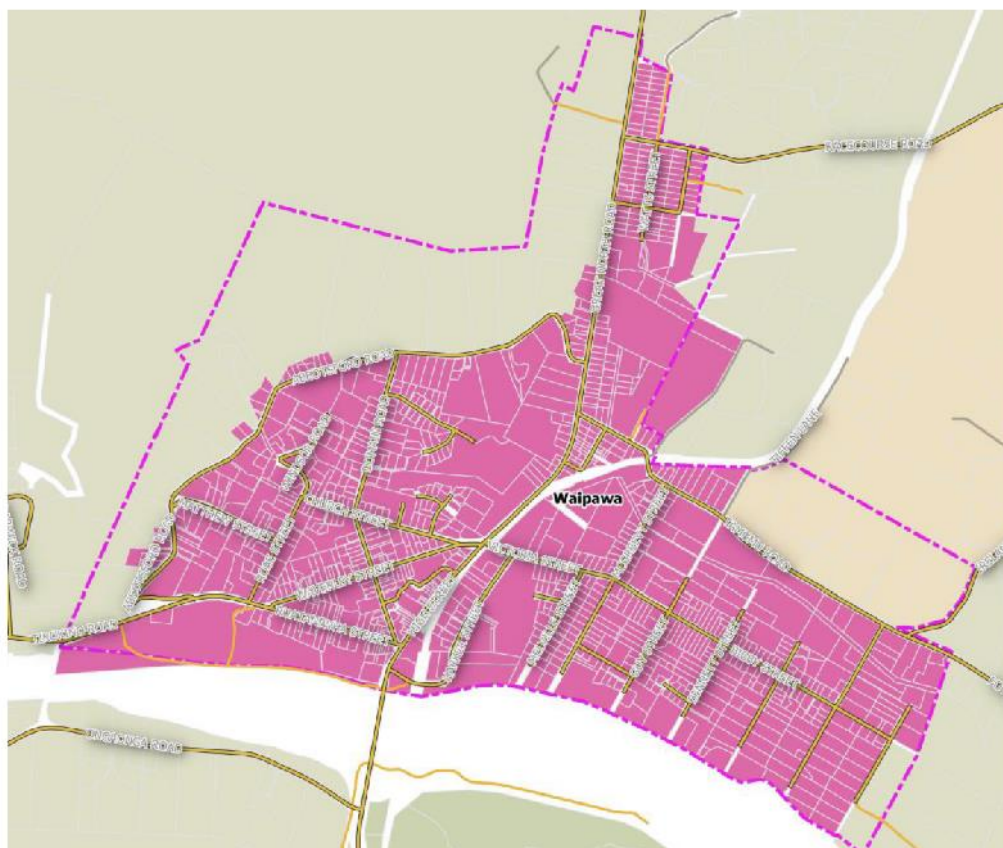


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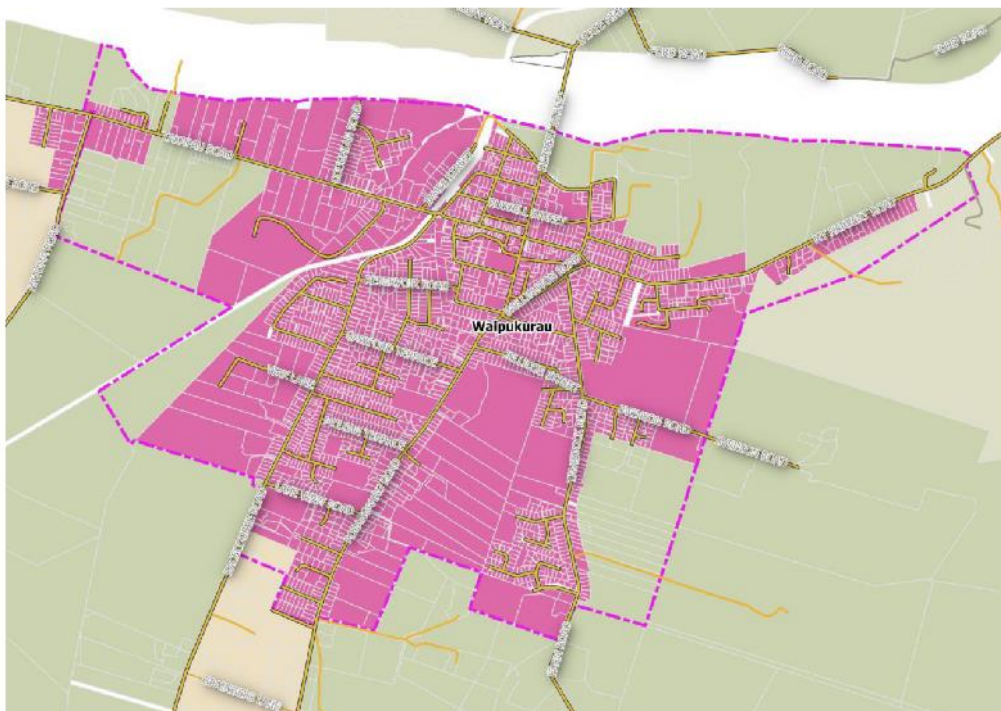
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### Differential Groups

The variable capital value component of the Council's stormwater targeted rate is set using 4 differentials.

The rationale for this approach is that the dollar per capital value set for each differential category is a fair and equitable amount related to the benefits that properties within that differential group receives, and not subject to fluctuations in property values that may occur between the different categories over time. The level of rates a landowner pays will vary, based on both capital value and the differential category within which the property falls.

As property values change, the Council will alter the group differentials (the amount of rates charged per dollar of value) to ensure each differential group continues to pay the same overall proportion of the stormwater targeted rates. The proportion of stormwater targeted rates set for each differential category is outlined in the following table:

Stormwater Zone	2021/22 Differential	2022/23 Differential	2023/24 Differential	2024/25 Differential	2025/26 and onwards Differential
Otane	0.16	0.32	0.48	0.64	0.80
Takapau	0.12	0.24	0.36	0.48	0.60
Waipawa	1.00	1.00	1.00	1.00	1.00
Waipukurau	1.00	1.00	1.00	1.00	1.00

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## Places and Open Spaces Group

### Parks, Reserves and Swimming Pools

#### **Description**

A number of parks, reserves, war memorials and camping grounds are provided throughout the district for recreation, including sports fields, children's playgrounds and amenity areas. There are two swimming pools, one owned by the Council and one owned by a Community Trust that is largely funded by the Council.

#### **Community Outcomes**

This activity contributes primarily to the following community outcomes:

- Proud District
- Strong Communities
- Connected Citizens
- Environmentally Responsible

#### **Distributions of benefits**

Benefits from parks accrue to the community generally through the provision of facilities for groups and individuals to pursue active and passive leisure pursuits, education on the natural environment, community pride and contributing to community health and well-being.

There can be private benefits to people and sports groups through the use of sports fields for organized sport, but these are available to the wider community at other times.

#### **Timeframes of benefits**

Ongoing.

#### **Contributors to need for activity**

The community benefits widely from having these facilities available.

#### **Costs and Benefits of distinct funding**

Benefits from this activity are community wide and there is no benefit perceived from separate funding.

#### **Recommended Funding**

Council have agreed a 97% public, 3% private funding split and that the cost of funding the public component of the Parks, and Reserves should occur by way of 70% from the General Rate assessed on Capital Value and 30% (to meet the cost of swimming pools) from the Uniform Annual General Charge. The private funding component will be collected from fees and charges with market rentals being applied to camp grounds.

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### **Public Toilets**

#### **Description**

The Council provides 24 public conveniences located throughout the District.

#### **Community Outcomes**

This activity contributes primarily to the following community outcomes:

- Proud District
- Strong Communities
- Connected Citizens
- Environmentally Responsible

#### **Distributions of benefits**

Public toilets provide a mix of public and private benefits. While private benefits are obvious, public benefits are through having these essential facilities available for residents and visitors, and maintaining standards of public hygiene.

#### **Timeframes of benefits**

Ongoing.

#### **Contributors to need for activity**

The community benefits widely from having public conveniences available.

#### **Costs and Benefits of distinct funding**

Benefits from this activity are community wide and there is no benefit perceived from separate funding.

#### **Recommended Funding**

Council have agreed 100% public funding and that the cost of funding the public component of the Public Toilets should occur by way of 100% from the General Rate assessed on Capital Value.

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### **Retirement Housing**

#### **Description**

A total of 48 one bedroom flats are owned by Council in different locations in Waipukurau and Waipawa. These provide affordable housing for those elderly in need.

#### **Community Outcomes**

This activity contributes primarily to the following community outcomes:

- Proud District
- Strong Communities
- Connected Citizens

#### **Distributions of benefits**

Benefits from housing accrue to tenants of the housing units. This is a relatively small and identifiable group who are provided with affordable accommodation in convenient locations. There may be some small community benefits through the availability of low cost housing to vulnerable groups in the community.

#### **Timeframes of benefits**

Ongoing.

#### **Contributors to need for activity**

The community benefits from having housing available. The main benefit is to people who choose to tenant these units.

#### **Costs and Benefits of distinct funding**

The activity is self-funding and separate funding is not required.

#### **Recommended Funding**

The Council believes the optimum funding is 100% private, through user rental charges.

Revenue and Financing Policy  
REVIEWED: 13/05/2021

***E ora ngātahi ana!***

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Central Hawke's Bay District Council

### **Libraries**

#### **Description**

Libraries include the two libraries in Waipukurau and Waipawa.

#### **Community Outcomes**

This activity contributes primarily to the following community outcomes:

- Proud District
- Strong Communities
- Connected Citizens

#### **Distributions of benefits**

Benefits from libraries accrue largely to the community, through contributing to a community that is literate and informed, has access to information and provision of a community resource. There is also direct benefit to each individual who reads a book or uses one of the other library services, and some of these can be recovered, although a high level of recovery may restrict the ability of some people to continue to use these services.

#### **Timeframes of benefits**

Ongoing.

#### **Contributors to need for activity**

The community benefits widely from having library services available.

#### **Costs and Benefits of distinct funding**

Benefits from this activity are community wide and there is no benefit perceived from separate funding.

#### **Recommended Funding**

The Council have agreed the optimum allocation of costs is 90% public to 10% private. Public funding is through the Uniform Annual Charge, with private funding through user charges for some library services.

Revenue and Financing Policy  
REVIEWED: 13/05/2021

***E ora ngātahi ana!***

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Central Hawke's Bay District Council

### **Community Facilities**

#### **Description**

Community Facilities include several community halls located throughout the District, the Council's Civic Theatre and the Municipal Theatre and the Central Hawke's Bay Museum.. There are two swimming pools, one owned by the Council and one owned by a Community Trust that is largely funded by the Council.

#### **Community Outcomes**

This activity contributes primarily to the following community outcomes:

- Proud District
- Strong Communities
- Connected Citizens

#### **Distributions of benefits**

Benefits from this activity largely accrue to the community, through cultural enrichment and community identity. There may be direct benefits to some people using these services, but a high level of recovery may restrict the ability of some people to continue to use these services.

Public benefits are from the ability to use the facilities for public events and gatherings and as a hub for communities in the event of natural disaster. There are direct benefits for individuals and groups who choose to use the facilities available for personal functions.

#### **Timeframes of benefits**

Ongoing.

#### **Contributors to need for activity**

The community benefits widely from the provision of these assets and services.

#### **Costs and Benefits of distinct funding**

Benefits from this activity are community wide and there is not benefit perceived from separate funding.

#### **Recommended Funding**

Council have agreed 100% public funding. Public funding is 100% from the capital value based general rate, with limited private funding through user charges for hireage and rental.

Revenue and Financing Policy  
REVIEWED: 13/05/2021

***E ora ngātahi ana!***

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Central Hawke's Bay District Council

### **Theatres and Halls**

#### **Description**

Theatres, halls and museums include several community halls located throughout the District.

#### **Community Outcomes**

This activity contributes primarily to the following community outcomes:

- Proud District
- Strong Communities
- Connected Citizens

#### **Distributions of benefits**

Theatres and halls have a mix of public and private benefits. Public benefits are from the ability to use the facilities for public events and gatherings and as a hub for communities in the event of natural disaster. There are direct benefits for individuals and groups who choose to use the facilities available for personal functions.

#### **Timeframes of benefits**

Ongoing.

#### **Contributors to need for activity**

The community benefits widely from having theatres, halls and museums available.

#### **Costs and Benefits of distinct funding**

Benefits from this activity are community wide and there is not benefit perceived from separate funding.

#### **Recommended Funding**

Council have agreed 100% public funding. Public funding is 100% from the capital value based general rate, with limited private funding through user charges for hireage services.

Revenue and Financing Policy  
REVIEWED: 13/05/2021

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Central Hawke's Bay District Council

### **Cemeteries**

#### **Description**

Council currently operates ten cemetery sites for burial and cremation interments.

#### **Community Outcomes**

This activity contributes primarily to the following community outcomes:

- Proud District
- Strong Communities
- Connected Citizens
- Environmentally Responsible

#### **Distributions of benefits**

Benefits from cemeteries are considered to be largely private, although it is necessary for communities to have an interment system that meets appropriate health standards. Private benefits are from the provision of individual gravesites for remembrance and burial.

#### **Timeframes of benefits**

Ongoing.

#### **Contributors to need for activity**

The community benefits widely from having cemeteries available. In some cases, vandalism and failure to maintain headstones may cause additional costs.

#### **Costs and Benefits of distinct funding**

Benefits from this activity are community wide and there is no benefit perceived from separate funding.

#### **Recommended Funding**

The Council have agreed a 90% public, 10% private funding split. Public funding is from the capital value based general rate, with private funding through fees and charges.

Revenue and Financing Policy  
REVIEWED: 13/05/2021

***E ora ngātahi ana!***

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## Fees and Charges 2021/22





Fees and Charges

The following are the fees and charges for the 2021/22 Financial Year.

All prices include GST unless stated otherwise.

Fees and Charges 2021/22

## Land Transport

Fee	2021/22
<b>Vehicle Crossings</b>	
Notes:	
<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	\$210.00
Bond Administration Fee	\$60.00
<b>Plans and Consents</b>	
Generic Traffic Management Plan (annual fee)	\$1,650.00
Individual Traffic Management Plan	\$155.00
Corridor Access Request	\$310.00
Corridor Access Request with Traffic Management Plan (4 months)	\$410.00
Corridor Access Request with Traffic Management Plan (12 months)	\$1,250.00
Generic Overweight Permit	\$260.00
Individual Overweight Permit	\$155.00

Fee	2021/22
<b>Temporary Road Closure</b>	
Application	\$415.00
Road Inspection Staff (per inspection)	\$275.00
Travel Costs (per km)	\$1.10
<b>Road Stopping</b>	
Application	\$2,500.00
<b>Livestock Crossing Permit</b>	
Application	\$210.00
<b>Licence to Occupy – Road Reserve</b>	
Note: Pursuant to section 150 of the Local Government Act 2002.	
<b>Application Fee</b>	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

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Fees and Charges

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## Places and Open Spaces Group

### Open Spaces

Fee	2021/22
<b>Sportsgrounds</b>	
Changing Rooms (per season)	\$250.00
Junior Fields (all – per season)	Free
Senior Fields (all – per season)	\$250.00
<b>Districtwide Parks</b>	
Casual hire – field or area (per day) major codes (additional games, tournaments, etc), social clubs, service clubs, schools	\$65.00
Key Bond	\$100.00
Commercial Event Bond (eg circus)	\$1,000.00
Special Opening or Closing of Gate	\$75.00
Rubbish Bin Supply and Removal (per bin)	\$12.00
Other Service required including reline marking, cleaning, rubbish removal – actual cost per hour including vehicle	\$60.00
Wedding Ceremonies	Free
<b>Pourerere Beach Freedom Camping</b>	
Note: For permits issued for a one-week period between the 20th December and 6th February each summer. At all other times no fee applies.	
Booking Administration Fee	\$35.00

## Fees and Charges 2021/22

## Libraries

Fee	2021/22
<b>Notes: All residents of Central Hawke's Bay have free membership.</b>	
<b>Rental Books</b>	
Standard Free Issue	
Rental Book - Category A (4 weeks)	\$1.00
Rental Book - Category B (4 weeks)	\$0.90
Rental Book - Category C (4 weeks)	\$0.80
Rental Book - Category D (4 weeks)	Free
Rental Book - Category E (4 weeks)	Free
Rental Book Automatic Renewal Fee - Where item not returned within issue period	
Rental Book Renewal Fee - Category A (4 weeks)	\$1.00
Rental Book Renewal Fee - Category B (4 weeks)	\$0.90
Rental Book Renewal Fee - Category C (4 weeks)	\$0.80
Rental Book Renewal Fee - Category D (4 weeks)	Free
Rental Book Renewal Fee - Category E (4 weeks)	Free
Magazines	\$1.00
Magazines - Teens and Students	Free
Magazines - Older	Free
Holds - up to 1 week	Free
Library Request books from libraries with reciprocal agreement	\$10.00

Fee	2021/22
Library Request books from other libraries	\$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
<b>Printing</b>	
A4 Single Sided per sheet	\$0.20
A4 Double Sided per sheet	\$0.40
A4 Colour Single Sided	\$1.50
A3 Single Sided per sheet	\$0.40
A3 Double Sided per sheet	\$0.80
A3 Colour Single Sided	\$3.00
Scanning for first page	Free
Scanning for extra pages	Free
Aotearoa Peoples Network Kaharoa printing - per page (black and white)	\$0.20
Aotearoa Peoples Network Kaharoa printing - per page (colour)	\$0.50
3D Printing charged per gram	\$0.11
A4 size - laminating	\$3.00
A3 size - laminating	\$4.00

## Fees and Charges

## Libraries

Fee	2021/22
<b>DVD Rental</b>	
DVDs Set - 3 week issue	\$7.00
DVDs Restricted - 3 week issue	\$7.00
DVDs Category A - 1 week issue	\$5.00
DVDs Category B - 1 week issue	\$4.50
DVDs Restricted - 1 week issue	\$5.00
School DVD's - 1 week all categories	Free
<b>Room Hire</b>	
Waipawa Meeting room rental - Commercial (day)	\$50.00
Waipawa Library Meeting room - Not for profit	Free
Waipawa Library Meeting - Regular Meetings	Library Services Manager Discretion
Miscellaneous	
Replacement Library Cards	\$2.50
Book Covering	\$4.00
Book Bags	\$2.00
Bond for temporary membership	\$20.00
Road Code Bond	\$10.00
Aotearoa Peoples Network Kaharoa Internet Access	Free

## Retirement Housing

Fee	2021/22
<b>Notes:</b> <ul style="list-style-type: none"> <li>These fees will be effective from September 2021, being not less than 12 months from the previous increase</li> <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	\$172.00
Married Occupancy	\$187.00
<b>Wellington Road Waipukurau (per week)</b>	
Single Occupancy	\$192.00
Married Occupancy	\$202.00

Fees and Charges 2021/22

**Cemeteries**

Fee	2021/22
<b>Notes:</b> <ul style="list-style-type: none"> <li>Fees include 'burial plot fees' plus 'interment fees' and potentially 'other cemetery fees'</li> <li>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.)</li> <li>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.</li> <li>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.</li> <li>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.</li> </ul>	
<b>Burial Plot Fees</b>	
Standard Adult Burial Plot	\$850.00
Child's Burial Plot (under age 13 and in children's area)	No charge
Baby Burial Plot (Waipukurau Cemetery Memorial only)	No charge
RSA Burial Plot	No charge

Fee	2021/22
<b>Ashes Plot Fees</b>	
Lawn Ashes Plot	\$275.00
Garden Ashes Plot	\$350.00
8 plot Family Ashes Garden Area (where available)	\$2,500.00
10 plot Family Ashes Garden Area (where available)	\$3,000.00
RSA Ashes Plot	No charge
Takapau Ashes Wall	\$100.00
<b>Interment Fees</b>	
Standard Adult Burial Interment	\$900.00
Children under 13 and Babies Burial Interment	No charge
Afterhours Burial Interment fees - <i>This fee will apply to burial interments that begin after 1.00pm Saturday and 4.00pm on weekdays. There are no burial interments on Sundays or Public Holidays. This fee is additional to the interment fee.</i>	\$750.00
Ashes Interment	\$250.00
Afterhours Ashes Interment Fees - <i>This fee will apply to burial interments that begin after 1.00pm Saturday or anytime Sunday or public holidays and 4.00pm on weekdays. This fee is additional to the interment fee.</i>	\$500.00

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Fees and Charges

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**Cemeteries**

Fee	2021/22
<b>Other Cemetery Fees</b>	
Memorial Plaque on Wall (Takapau Cemetery)	\$100.00
Transfer of Burial Rights	\$50.00
Double Depth (more than one burial where ground permits). This fee is additional to the interment fee.	\$250.00
Breaking Concrete	Actual Cost
Disinterment	Actual Costs
Monumental Permit Fee - A monumental permit is required for all new headstones and plaques, including ash garden plaques within the cemetery. It also applies to major monumental works.	\$50.00
District-wide Reservations (maximum of one adjoining burial plot at the time of interment)	200% of the current plot fee
Manual Records Search Fee - per entry (per hour) plus actual costs	\$150.00

Fees and Charges 2021/22

**Central Hawke's Bay Municipal Theatre**

Fee	2021/22
<b>Notes:</b>	
<ul style="list-style-type: none"> <li>See Terms and Conditions for inclusions to Room Hire</li> <li>The below rates apply unless a pre-agreed written rate has been provided</li> <li>The Places and Open Spaces Manager has the discretion to establish new fees and charges for events, catering and other beverages as required.</li> </ul>	
<b>Stephenson Transport Auditorium (Large Venue)*</b>	
Per Hour Community	
Full Community Organisations/Fundraisers/Schools per hour	\$150.00
Standard Community Organisations/Fundraisers/Schools per hour	\$125.00
Basic Community Organisations/Fundraisers/Schools per hour	\$100.00
Floor Only Community Organisations/Fundraisers/Schools per hour	\$80.00
<b>Full day Community</b>	
Full Community Organisations/Fundraisers/Schools Full Day	\$900.00
Standard Community Organisations/Fundraisers/Schools Full Day	\$800.00
Basic Community Organisations/Fundraisers/Schools Full Day	\$700.00
Floor Only Community Organisations/Fundraisers/Schools Full Day	\$600.00
<b>Per Hour Corporate</b>	
Full Corporate Organisations/Private Events per hour	\$225.00
Standard Corporate Organisations/Private Events per hour	\$200.00

Fee	2021/22
Basic Corporate Organisations/Private Events per hour	\$175.00
Floor Only Corporate Organisations/Private Events per hour	\$150.00
<b>Full Day Corporate</b>	
Full Corporate Organisations/Private Events Full Day	\$1,500.00
Standard Corporate Organisations/Private Events Full Day	\$1,400.00
Basic Corporate Organisations/Private Events Full Day	\$1,200.00
<b>Gwen Malden Chambers (Smaller Venue)</b>	
Per Hour Community	
Full Community Organisations/Fundraisers/Schools per hour	\$60.00
Standard Community Organisations/Fundraisers/Schools per hour	\$40.00
<b>Full Day Community</b>	
Full Community Organisations/Fundraisers/Schools Full Day	\$300.00
Standard Community Organisations/Fundraisers/Schools Full Day	\$250.00
<b>Per Hour Corporate</b>	
Full Corporate Organisations/Private Events per hour	\$100.00
Standard Corporate Organisations/Private Events per hour	\$85.00
<b>Full Day Corporate</b>	
Full Corporate Organisations/Private Events Full Day	\$800.00



## Fees and Charges

Fee	2021/22
Standard Corporate Organisations/Private Events Full Day	\$700.00
<b>Pack-In/Pack-Out</b>	
Pack-In/Pack-Out Half-Day	\$125.00
Pack-In/Pack-Out Full-Day	\$250.00
Backstage Change Rooms (ideal for weddings) per hire	\$30.00
<b>Kitchen Hire</b>	
Corporate Organisations/Private Events kitchen only per hour	\$25.00
<b>Cutlery &amp; Crockery Hire</b>	
Note: Items below may be charged out at a higher cost if hired externally. All damages will be charged out.	
Champagne Flutes	\$0.60
Wine Glasses	\$0.60
Carafes	\$4.00
Cutlery (Knife/Fork/Spoon)	\$1.50
Side Plates	\$0.70
Dinner Plates	\$0.70
Bowls	\$0.70
Serving platters (assortment) from	\$1.20
Fee	2021/22
<b>Equipment Hire</b>	
Screen & Projector	\$150.00

Round Tables (1.5m diameter)	\$23.00
Trestle Tables	\$18.00
Round Table Cloths (floor length)	\$20.00
Trestle Table Cloths	\$12.00
<b>Decorative Hire</b>	
Arch	\$60.00
Red carpet runner	\$60.00
Ivy wall	\$350.00
Fairy lights	\$60.00
Festoon light	\$100.00
Fee	2021/22
<b>Food &amp; Beverage</b>	
White Wine per glass	\$7.00
White Wine per bottle	\$28.00
Red Wine per glass	\$8.00
Red Wine per bottle	\$30.00
Bubbles per glass	\$7.00
Bubbles per bottle	\$28.00
Beers per bottle/can	\$6.00
Cider & RTD's per bottle/can	\$8.00
Orange Juice per glass	\$4.00
Tea & Coffee Buffet per person	\$3.00
Soft Drinks	\$4.00
Bar Snacks	\$3-\$18.00

## Fees and Charges 2021/22

**Council Chambers and Administration**

Fee	2021/22
<b>Notes:</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>	
<b>Chambers Hire</b>	
Minimum Charge	\$60.00
Hourly Charge	\$30.00
<b>Photocopying</b>	
Note: There is no discount if customer supplies their own paper.	
A4 Single Sided per sheet	\$0.20
A4 Double Sided per sheet	\$0.40
A4 Colour Single Sided	\$1.50
A3 Single Sided per sheet	\$0.40
A3 Double Sided per sheet	\$0.80
A3 Colour Single Sided	\$3.00
A2 Single Sided per sheet (Council Office Only)	\$2.50
A1 Single Sided per sheet (Council Office Only)	\$5.00
A4 Scanning for first page	\$1.00
A4 Scanning for extra pages	\$0.20

Fee	2021/22
A1 and A2 Scanning to USB drives only (Council Office Only)	\$10.00
<b>Laminating</b>	
A4 size	\$2.00
A3 size	\$4.00

## Fees and Charges

## Planning and Regulatory Group

Fee	2021/22
<b>Land Use and Consenting</b> <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>	
Land Use and Subdivision Consents	
Notified Applications	5,000 deposit plus actual and reasonable costs
Non Notified Applications (Deposit)	\$0.00
Deemed Permitted Boundary Activity (s87AAB)	\$250.00
Variation of Conditions of Consents (s127)	Actual and reasonable costs
Extension of Time Application (s125)	Actual and reasonable costs
Certificate of Compliance (s139) (deposit)	Actual and reasonable costs
Designations and heritage orders (New and alterations)	Actual and reasonable costs
Notice of Requirement	Actual and reasonable costs

Fee	2021/22
Outline Plan of Works (s176A)	Actual and reasonable costs
ROW application (S348 LGA)	Actual and reasonable costs
Bond Administration Fee	\$175.00
Inspection Fee – Zone 1	\$215.00
Inspection Fee – Zone 2	\$225.00
Inspection Fee – Zone 3	\$245.00
Inspection Fee – Zone 4	\$275.00
Inspection Fee – Outside Zone 4	\$315.00
Travel Costs (per km)	\$1.10
Sale of Liquor Certificate (RMA)	\$140.00
Objection of RMA decisions (Section 357)	\$1000 lodgement fee plus actual and reasonable charges

## Fees and Charges 2021/22

Fee	2021/22
<b>Subdivisions</b>	
Subdivision Consents 1-8 Lots	Actual and reasonable costs
Subdivision Consents more than 8 Lots	Actual and reasonable costs
Subdivision Compliance Fee (section 223 and/or 224 and Deamalgamation Certification s241(3) Resource Management Act 1991) (1-7 lots)	\$650.00
Subdivision Compliance Fee (section 223 and/or 224 Resource Management Act 1991) - more than 8 lots	\$1,500.00
Consent Notices and miscellaneous subdivision documents (ie: Cancellation of Easement s243(e), Certificate Confirming Allotments s226(e)(ii))	\$250.00
<b>Monitoring and Compliance</b>	
Monitoring fee	Actual and Reasonable Costs
Engineering Plan Approval	Actual and reasonable costs
<b>Charge out Rates per Hour</b>	
Administration	\$140.00
Planner	\$170.00
Senior Planner, 3 Waters and Land Transport	\$180.00
Manager, Team Leader	\$195.00

Fee	2021/22
Engineers	Actual and reasonable costs
Technical Report Peer Review	Actual and reasonable costs
<b>Administrative Charges</b>	
Supply of documents	Photocopying costs
<b>District Plan Charges</b>	
Private District Plan Change (Deposit)	\$15,000.00
Designations and heritage orders (New and alterations) (deposit)	\$1,500.00
District Plan (including Planning Maps) Hardcopy	Actual and reasonable costs
District Plan (including Planning Maps) Electronic	\$50.00
<b>Development Contributions</b>	
Districtwide	\$1,621.50
Waipukurau	\$28,522.30
Waipawa	\$28,522.30
Otane	\$28,522.30
Takapau	\$8,676.75
Porangahau	\$23,259.90

## Fees and Charges

Fee	2021/22
<b>Building Consents</b> <b>Notes:</b> <ul style="list-style-type: none"> <li>A Building consent deposit payable on application.</li> <li>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.</li> <li>Extra charges may be applicable for development contributions. These will be assessed on a case by case basis. Refer to previous page for details.</li> <li>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.</li> <li>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.</li> <li>Levies payable to the Ministry of Business, Innovation and Employment (payable on all applications where work is valued over \$20,444 including GST)</li> <li>Levies payable to BRANZ (payable on all applications where work is valued over \$20,000 including GST)</li> <li>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.</li> <li>The accreditation fee is to cover continuing Central Government accreditation costs relating to the Building Act 2004.</li> </ul>	
<b>Consent Fees</b>	
Solid Fuel Burner – Free Standing (including accreditation fee) plus travel fees	\$275.00
Solid Fuel Burner – In Built (including accreditation fee) plus travel fees	\$375.00
Marquee Consent / Inspection Fee	\$185.00

Minor plumbing and drainage works including new connections, replacement septic tanks and effluent fields, demolition work and swimming pool fences	Actual and reasonable costs
Additions and alterations or similar building works up to value of \$50,000	Actual and reasonable costs
Fee	2021/22
Dwellings, commercial/industrial buildings and building alterations, repiling and in ground pools	Actual and reasonable costs
Pole Barn / Garage / Carport / Conservatory under \$20,000	Actual and reasonable costs
Semi-Permanent Awnings	\$150.00
Amendment to building consent	Actual and reasonable costs
<b>Administrative Charges</b>	
Administration Fee – under \$20,000	\$295.00
Administration Fee – over \$20,000	\$550.00
Administration Fee – over \$100,000 and commercial buildings	\$750.00
Issue of Compliance Schedule	\$275.00
Compliance Schedules update and reissue	\$215.00
Non Consented Compliance Schedules / Warrant of Fitness check / Audit (hourly rate)	\$175.00
Building Warrant of Fitness Administration Fee (per hour)	\$140.00
Inspection Fee – Zone 1	\$215.00
Inspection Fee – Zone 2	\$225.00
Inspection Fee – Zone 3	\$245.00
Inspection Fee – Zone 4	\$275.00
Inspection Fee – Outside Zone 4	\$315.00
Re-Inspection Fee	As per Zone Fee

## Fees and Charges 2021/22

Fee	2021/22
Inspections for which no other fee has been paid (mileage will be charged for inspections outside the district) - eg effluent system subdivision inspections	\$300.00
BRANZ and MBIE Levy	Actual cost
Section 72 administration (Building subject to natural hazards)	Actual and reasonable costs
Section 75 administration and Certification (Building across 2 or more allotments)	Actual and reasonable costs
Central Government Accreditation Recovery Fee – under \$20,000	\$45.00
Central Government Accreditation Recovery Fee – under \$100,000	\$75.00
Central Government Accreditation Recovery Fee – over \$100,000	\$130.00
Central Government Accreditation Recovery Fee – Commercial	\$195.00
Hourly Charge Out Rate - Administration	\$140.00
Hourly Charge Out/Processing Rate - Building Consent Officer/ Monitoring and Compliance	\$175.00
Hourly Charge Out Rate - Plan check of building consent	\$175.00
Hourly Charge Out Rate - Pre-lodge of building consent	\$175.00
Hourly Charge Out/Processing Rate - Building Control Team Lead	\$195.00
Online portal submission fee	Actual cost – to be set by provider
GoGet Administration Fee - all consents	\$50.00

Fee	2021/22
Travel Costs (per km)	\$1.10
Peer review of engineering and technical reports	Actual and reasonable costs
Property file viewing request	\$35.00

Monitoring and Compliance	
Certificate of Public Use	\$350.00 deposit Plus actual and reasonable costs
Certificate of Acceptance	\$500.00 deposit Plus actual and reasonable costs
Applications for Change of use of a building	\$500.00 deposit Plus actual and reasonable costs
Swimming Pool Fence Inspection (Deposit)	\$200.00

## Fees and Charges

Fee	2021/22
<b>GIS Map Information</b>	
Every Day Map Requests (No Photograph) – Note – A request that involves less than 15 minutes to produce.	
A4	\$10.00
A3	\$14.00
A2	\$25.00
A1	\$30.00
Every Day Map Requests (With Photograph) – Note – A request that involves less than 15 minutes to produce	
A4	\$20.00
A3	\$28.00
A2	\$50.00
A1	\$60.00
<b>Special Map Request Charges</b>	
Note: 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.	
Hourly charge out rate	\$165.00
Minimum charge for specialist maps	\$80.00

Fee	2021/22
<b>Information Memoranda</b>	
Property Information Memoranda	\$370.00
Land Information Memoranda – ten (10) working days (Residential Property)	\$350.00
Land Information Memoranda (Commercial) - ten(10) working days	\$625.00
Certificate of Title	\$35.00
<b>Noise Complaints</b>	
Note: 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.	
Seizure charge for noise emission equipment	\$200.00
Abatement Notice Fee	\$60.00

## Fees and Charges 2021/22

Fee	2021/22
<b>Environmental Health</b>	
<b>Registration of Premises</b>	
Annual Registration of Premises	
Food premises / Food control plans	\$410.00
Verification Fee- hourly rate	\$155.00
Prepacked food only/low risk	\$210.00
Re-inspection for failure to comply / failure of CAR hourly rate	\$155.00
Offensive Trades: Operating under Schedule 3 of Health Act 1956	\$205.00
Hairdressers Registration	\$160.00
Cake Makers Registration	\$100.00
Camping Grounds	\$210.00
Funeral Directors	\$210.00
Animal Sale Yards	\$210.00
Transfer of Registration	\$110.00
Registration of event on public / open space (Small)	\$75.00
Registration of event on public / open space (Medium / Large)	\$160.00
Street tables and chairs	\$210.00
Food Control Plan Registration	\$210.00
National Programme Registration	\$110.00

Fee	2021/22
Food Control Plan Renewal	\$110.00
National Programme Renewal	\$75.00
<b>Other Applications</b>	
Sale of Liquor Certificate (Building)	\$75.00
Complaint driven investigation resulting in issue of improvement notice by food safety officer	\$150.00
Application for review of issue of improvement notice	\$150.00
Monitoring of food safety and suitability, i.e. at an event	\$150.00
<b>Liquor</b>	
Note: Fees are set by Regulation under Sale and Supply of Alcohol Act 2012	
<b>Application Fees</b>	
Very low risk application	\$368.00
Low risk application	\$609.50
Medium risk application	\$816.50
High risk application	\$1,023.50
Very high risk application	\$1,207.50
<b>Annual Fees</b>	
Very low risk application	\$161.00
Low risk application	\$391.00
Medium risk application	\$632.50



## Fees and Charges

Fee	2021/22
High risk application	\$1,035.00
Very high risk application	\$1,437.50
<b>Special Licence Applications</b>	
Class 1 – 1 large event, more than 3 medium events or more than 12 small events	\$575.00
Class 2 – 1 to 3 medium events or 3 to 12 small events	\$207.00
Class 3 – 1 to 2 small events	\$63.75
<b>Other Applications</b>	
Managers Certificate Application	\$316.25
Temporary Authority / Temporary Licence	\$296.70
Permanent Club Charters annual fee	\$632.50
Extract from registrar	\$57.50
Sale of Liquor Certificate (Building)	\$75.00
District Licensing Committee Costs	At actual costs
<b>Hawkers, Pedlars, Itinerant Traders, Markets and Street Stalls - Trading Licence (Public Places)</b>	
Hawker/Itinerant Trader License	\$50.00
Lease/Rent of private land or buildings	\$200.00
Markets – Event Organisers – seasonal	\$75.00
Markets – Food Stall Holder – seasonal	\$25.00

Fee	2021/22
Street Stalls, Raffle Days, Street Collections - Non Commercial	No permit fee is required
<b>Vehicle Stands</b>	
Licences For Vehicle Stands On Streets (Omnibus and Taxicabs)	
Application	\$200.00
Annual Rental	\$115.00
<b>Amusement Devices and Shooting Galleries</b>	
Note: The Permit Fee for Amusement Devices is in addition to any Ground Rental etc that may be required.	
<b>Amusement Devices Permit Fees</b>	
For one device, for the first 7 days of proposed operation or part thereof	\$11.50
For each additional device operated by the same owner, for the first 7 days or part thereof	\$2.30
For each device for each further period of 7 days or part thereof	\$1.15
Annual Fixed Amusement Facility	\$115.00
<b>Class 4 Gaming Licensing</b>	
Note: Pursuant to the Gambling Act 2003.	
Application Fee	\$250.00
License Inspection Fee	\$150.00

## Fees and Charges 2021/22

Fee	2021/22
<b>Skateboard and Bicycle Confiscation</b>	
Return of confiscated skateboards and bicycles	\$50.00
<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)	\$2.00
<b>Animal Control</b>	
Note: Proportionate fees apply for Dog Registration from 1st August for all dogs legally required to be registered from that date and pups that turn 3 months of age after that date.	
Dog Registration	
Town Dogs	\$108.00
Responsible Dog Owner	\$71.50
Rural Dogs	\$51.00
Working Dogs (as per Dog Control Act 1996)	\$51.00
Selected Owner Policy (Responsible Dog Owner) Property Inspection for first time application	\$50.00
Transfer of Selected Owner Policy (Responsible Dog Owner) or more than two dogs permit from another district	\$25.00
Gold Card Dog Owner (Early Bird Discount does not apply and not available after 1st August)	\$45.00

Fee	2021/22
Dangerous Dog	150% of the applicable registration category
Penalty for payment received after 1 August	50% standard registration fee
Dog Impounding	
First impounding	\$75.00
Second impounding	\$90.00
Third impounding	\$130.00
Daily charge	\$16.00
After hours opening fee	\$50.00
Other charges	
Microchipping	\$25.00
Replacement tags	\$5.00
Collars – Large	\$10.00
Collars – Small	\$10.00
Rehoming fee	\$230.00
Application to keep more than two dogs	\$50.00
Voluntary handover (surrender dog)	\$40.00
Seizure fee	\$80.00
Officer Time	\$80.00

## Fees and Charges

Fee	2021/22
<b>Ranging Charges in regards to State Highways</b>	
Note: Pursuant to the Impounding Act 1955	
Staff attendance at incidents of stock on roads including State Highways (per hour)	\$250.00
Travel Costs (per km)	\$1.00
Minimum charge	\$100.00
<b>Impounding fees for stock (excluding dogs)</b>	
Note: Trespass rates shall be additional and as described in the Regulations to the Impounding Amendment Act 1980.	
Impounding for every animal per day	\$20.00
Sustenance for every animal per day	\$16.00
Notice to owner by post or delivery	\$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	\$200.00
Minimum Charge for second and subsequent impounding of stock from same owner - additional fee.	\$250.00

Fee	2021/22
<b>Bylaws and Compliance</b>	
Attendance at bylaw breaches	\$200.00
Travel Costs (per km)	\$1.10
Minimum charge	\$200.00
<b>Parking Fees</b>	
Note: Fixed by the Land Transport Act (Schedule B, Part 1 - Offences parking wardens may enforce)	
Not more than 30 minutes but less than an hour	\$12.00
More than 30 minutes, but less than 1 hour	\$15.00
More than 1 hour, but less than 2 hours	\$21.00
More than 2 hours, but less than 4 hours	\$30.00
More than 4 hours, but less than 6 hours	\$42.00
More than 6 hours	\$57.00
Unlawfully on disability car park	\$150.00
Parking on or within 6 metres of an intersection	\$60.00
Parking on or near a pedestrian crossing	\$60.00
Parking on broken yellow lines	\$60.00
Double Parking	\$60.00
Inconsiderate Parking	\$60.00
Parking on a clearway	\$60.00

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Fees and Charges 2021/22

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Fee	2021/22
Parking on a bus-only lane	\$60.00
All other parking offences	\$40.00
<b>Towage Fee:</b>	
The towage fees as set out in the Transport (Tow Fees) Notice 2004 are:	
Where the vehicle gross weight does not exceed 3500kgs – Between hours Of 0700 and 1800 Monday to Friday (other than Public Holiday)	\$53.67
Where the vehicle gross weight does not exceed 3500kgs – Between hours Of 0700 and 1800 Monday to Friday any other time	\$71.56
Where the vehicle gross weight exceeds 3500kgs – Between hours Of 0700 and 1800 Monday to Friday (other than Public Holiday)	\$132.89
Where the vehicle gross weight exceeds 3500kgs – Between hours Of 0700 and 1800 Monday to Friday any other time	\$204.44

## Fees and Charges

## Solid Waste

Fee	2021/22
The following conditions apply to all trade refuse users of the landfill and transfer stations:	
<ul style="list-style-type: none"> <li>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</li> <li>Hazardous waste, Prohibitive waste and Trade waste (as defined in Council's Solid Waste Bylaw) will not be accepted at Council facilities</li> <li>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.</li> <li>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.</li> <li>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</li> <li>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</li> <li>* Based on \$20 Waste Levy (excluding GST) and Carbon Credit \$41.65 (GST exempt). These prices are subject to change during the year based on third party pricing.</li> </ul>	
<b>Landfill – Refuse</b>	
Minimum Charge (0.75 of a tonne) - plus Waste Levy + Carbon Credits	\$102.75
Standard Refuse (per tonne) plus Waste Levy + Carbon Credits	\$137.00
Special/Difficult Refuse (per tonne)	Actual Costs of disposal (Min standard refuse rate charge)

Fee	2021/22
Landfill Key Tag Bond	\$20.00
Landfill Admin Fee for Manual Dockets	\$50.00
Asbestos (per tonne)	\$315.00
<b>Transfer Station – Refuse</b>	
Car	\$18.00
Van or ute with a contained load being either a Wheelie bin/drum/small wool sack/up to 2 bags	\$18.00
Utes and Vans	\$33.00
Trailers up to 2m long	\$33.00
Trailers over 2m long, up to 4m	\$49.00
Trailers over 4m long	\$65.00
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
<b>Fee</b>	
Per cubic metre (compacted)	\$101.00
Per cubic metre (not compacted)	\$48.00

## Fees and Charges 2021/22

Weighed load at Transfer Station (incl. weigh fee)	\$40.00
Vehicle and Trailer	Charged for both individually
Mixed loads	Charged at refuse rate
Car Bodies	Not accepted
Concrete/Bricks (per cubic metre)	\$80.00
Wood (per cubic metre)	\$80.00
<b>Steel</b>	
Minimum Charge	\$20.00
Utilities and Trailers up to 2.0m	\$45.00
Trailers over 2.0m	60.00
<b>Electronic</b>	
Television (Old)	40.00
Television (flat screen)	25.00
Monitor (old)	20.00
Monitor (new flat screen)	14.00
Printer/Scanner (small)	18.00
Printer/Scanner (large)	50.00
Laptops and Tablets	6.00
<b>Fee</b>	<b>2021/22</b>
Photocopier Small/Medium	50.00
Photocopier Large	70.00
Small Appliances/Drills/Alarm Clocks/Cameras	7.00

Heaters/Fans	7.00
Vacuums	12.00
Microwaves	12.00
DVD/VCR players	10.00
Stereo Systems and Gaming Consoles	7.00
Stereo Speakers per unit	4.00
Washing Machines/Dryers/Dishwashers	29.00
Fridges/Freezers	45.00
Keyboards and Docking Stations	4.00
Electric Bike Batteries / UPS	30.00
Ovens/Stoves	\$29.00
General Furniture and Whiteware	\$29.00
<b>Paint</b>	
Paint (up to 4 litre can)	2.00
Paint (over 4 litre can)	4.00
<b>Transfer Station – Greenwaste</b>	
Car	13.00
Wheelie bin/ drum/ small wool sack / up to 2 bags	13.00
<b>Fee</b>	<b>2021/22</b>
Utilities and Vans	25.00
Trailers up to 2m long	\$25.00
Trailers over 2m long, up to 4m	\$35.00
Trailers over 4m long	\$45.00

## Fees and Charges

Fiat Deck Truck	Measured m³ rate
Other Truck	Pre agreed m³ rate
Per cubic metre	\$35.00
<b>Tyre Disposal</b>	
Car	10.00
Motorcycle	10.00
4x4	15.00
Truck	20.00
Tractor	50.00
Tyres on rims	2 x individual tyre charge
<b>Refuse bags / Recycling bin Charges (Recommended Retail Price)</b>	
Refuse Bag – 35 litre	1.90
Refuse Bag – 60 litre	2.30
Refuse Bag 35 litre (Box)	850.00
<b>Fee</b>	<b>2021/22</b>
Refuse Bag 60 Litre (Box)	1,000.00
Recycling Bin	25.00
<b>Unauthorised dumping – Council will prosecute persons caught dumping rubbish unlawfully.</b>	

Staff time for investigating and clearing per hour	150.00
Travel Costs (per km)	\$1.10
Minimum Charge	200.00

Fees and Charges 2021/22

## Water Services

Fee	2021/22
<b>Water Supply</b> Notes: <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>	\$3.85
Note: for information only as this charge is a rate and is set as a rate	
Water to metered properties per m <sup>3</sup>	\$2.65
Note: 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	
Application fee	\$135.00
Installation Administration fee	\$200.00
Inspection fee	\$135.00
Debt Recovery - hourly rate	\$135.00
Restrictor Fee	\$135.00 plus actual costs
Installation of testable Backflow Preventer	Contractors cost
Maintenance and Annual Testing Fees	Contractors cost
Disconnections and Reconnections	\$720.00
Reconnection following Council imposed disconnection	\$380.00
New Connections	Contractors cost

Fee	2021/22
<b>Wastewater</b> 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	\$135.00
Installation Administration fee	\$200.00
Inspection fee	\$135.00
New Connections	At Contractors Cost
Disconnections	At Contractors Cost
Reconnection following Council imposed disconnection	At Contractors Cost
<b>Existing Connections</b>	
Note: Work and repair to existing connections to Council sewer main. All physical work associated with repair at applicant's expense.	
Inspection fee	\$132.00



## Fees and Charges

Fee	2021/22
<b>Discharge of Trade Waste</b>	
Note: Charges for the discharge of Trade Waste and conditions thereof are recovered in accordance with the Central Hawke's Bay District Council Trade Waste Bylaw 2018 and the draft Trade Waste Bylaw 2021. The following charges are provided for in Schedule C.	
A1 Connection Fee	\$344.00
A2 Compliance Monitoring	\$135.00
A3 Disconnection Fee	\$344.00
A4 Discharge Consent Application Fee	\$270.00
A5 Discharge Registration Fee	\$135.00
A6 Re-inspection Fee	\$135.00
<b>A9 Annual Administration Charges</b>	
<ul style="list-style-type: none"> <li>. Administration</li> <li>. General compliance monitoring</li> <li>. General Inspection of Trade Waste Premises</li> <li>. Use of Wastewater System</li> </ul>	
Tankered Annual Administration Charge	\$270.00
Conditional Annual Administration Charge	\$405.00
<b>B Trade Waste Charges</b>	
Category	incl GST
B1 Volume	\$0.26
B2 Flow Rates	\$1.89
B3 Suspended solids	\$0.26
B4 Organic loading	\$1.97
B5 Nitrogen	\$2.95
Fee	2021/22

B6 Phosphorous	\$9.77
<b>B13 Capital</b>	
B17 Volume capex (Vc)	\$0.79
B18 Organic Loading capex (BODc)	\$2.18
B19 Nitrogen capex (TNc)	\$9.56
B20 Phosphorus capex (TPc)	\$48.13
<b>Tankered Waste Charges</b>	
Tankered Wastes (\$/per litre)	\$0.022
<b>Wastewater Capital Contributions Recovery</b>	
For the 2021/2022 financial year Council will apply a differential of 0.33 to the Wastewater Capital Contributions Recovery Charges (Fees B17-B20).	
For further information and detail please read the Revenue and Financing Policy or refer to the trade waste calculator on our website.	

Fees and Charges 2021/22

Fee	2021/22
<b>Stormwater</b>	
Notes:	
<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	\$135.00
Inspection fee	\$135.00
Installation Administration fee	\$200.00
<b>Existing Connections</b>	
Note: 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.	
<b>Other Water Service Charges</b>	
Water Service locates at / hour rate	\$135.00
Waste water service locate / hour	\$300.00
Meter testing	\$270.00
Operational assistance / hour. Minimum charge 1 hour	\$50.00
Technical services / hour	\$135.00
Water Service locates at / hour rate	\$135.00
Waste water service locate / hour	\$300.00



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**Waste Water Treatment Upgrade Program**What we know:

In the LTP we have set aside \$65.4m (uninflated) to upgrade the 3 wastewater plants. Of those \$46.5m is for the main super plant that will process Otane, Waipawa, and Waipukurau's sewage. It is this main plant that the tradewaste contributors will be connected to.

Currently the LTP has a placeholder of \$250k per annum as a capital contribution to fund their share of the super plant. Over the 15 year project this would equate to a \$3.75m contribution.

Financial Year	Whats in the LTP (uninflated)				What we Know
	Upgrade of 3 Wastewater Treatment Plants	Upgrade of Main Super Wastewater Treatment Plants	Capital Contribution from Tradewaste	Capital Contribution from Ratepayer	Proportion of Super Plant deemed to relate to Tradewaste Demand
2021/22	5,816,154	3,197,634	250,000	0	765,181
2022/23	5,873,346	3,807,571	250,000	0	1,022,003
2023/24	7,158,670	5,112,854	250,000	0	916,754
2024/25	5,025,222	3,425,222	250,000	0	648,523
2025/26	7,255,823	5,459,714	250,000	0	1,409,509
2026/27	8,956,664	8,046,058	250,000	2,500,000	2,301,036
2027/28	4,220,417	3,178,556	250,000	3,178,556	786,556
2028/29	6,279,205	2,787,114	250,000	2,787,114	351,750
2029/30	6,092,686	2,843,494	250,000	2,843,494	311,337
2030/31	3,311,865	3,311,865	250,000	3,311,865	366,157
2031/32	1,056,890	1,056,890	250,000	1,056,890	192,863
2032/33	1,411,926	1,411,926	250,000	1,411,926	445,880
2033/34	850,478	850,478	250,000	850,478	432,701
2034/35	1,234,872	1,234,872	250,000	1,234,872	634,401
2035/36	802,255	802,255	250,000	802,255	415,385
<b>Total</b>	<b>65,346,473</b>	<b>46,526,503</b>	<b>3,750,000</b>	<b>19,977,450</b>	<b>11,000,035</b>

Subsequent to the LTP budgets being prepared, Beca has done more work on Tradewaste and deemed that the \$11m of the \$46.5m super plant project is driven by the volume that Tradewaste generated.

While the LTP had a placeholder of \$250k per annum, the online calculator prepared by Beca as part of the Bylaw review used a full (100%) recovery as the baseline that Tradewaste Contributors could scale up or down.

Below is a table that shows at various levels what this contribution could look like:

<b>Possible Trade Waste Recovery Share Scenarios</b>	
33% of Actuals	3,630,012
34% of Actuals (as per LTP)	3,750,000
50% of Actuals	5,500,018
67% of Actuals	7,370,024
100% of Actuals	11,000,035

#### **How is Council going to Fund the Wastewater Upgrades?**

Currently in the LTP we have assumed that \$3.75m will be collected as a capital contribution from Tradewaste contributors, that 5% (or \$3.2m) will be recovered to cover growth through Development Contributions, \$2.4m will come from Trance 1 money (3 Waters reform), and the balance will be loan funded for the first 5 years, part loan and rates funded for year 6, and 100% loan funded for years 7-15.

Combined the funding would look like:

<b>Funding as per LTP</b>	
TradeWaste Capital Contribution	3,750,000
Development Contributions	3,267,324
3 Waters Reform Money	2,400,000
Loan (years 1-6)	35,951,699
Rates (years 6-15)	19,977,450
	<b>65,346,473</b>

This funding split has resulted in the following expected 3 waters rating impact for the duration of the LTP (based on the assumption that Council's number of connected ratepayers doesn't change).

<b>Financial Year</b>	<b>Targeted Rates (\$'000)</b>	<b>Targeted Rates Per Ratepayer</b>	<b>Percentage Change</b>
2019/20 Act	7,116	1,915	
2020/21 AP	7,130	1,919	0%
2021/22	7,631	2,054	7%
2022/23	8,589	2,311	13%
2023/24	9,395	2,528	9%
2024/25	10,125	2,725	8%
2025/26	12,850	3,458	27%
2026/27	16,623	4,473	29%
2027/28	17,753	4,777	7%
2028/29	17,822	4,796	0%
2029/30	21,796	5,865	22%
2030/31	23,773	6,398	9%

You will notice a sizeable jump in targeted water rates in 2025/26 and again in 2026/27. The 2026/27 jump is partly driven by the switch from loan funding to rate funding.

#### Debt Fund vs Rate Fund

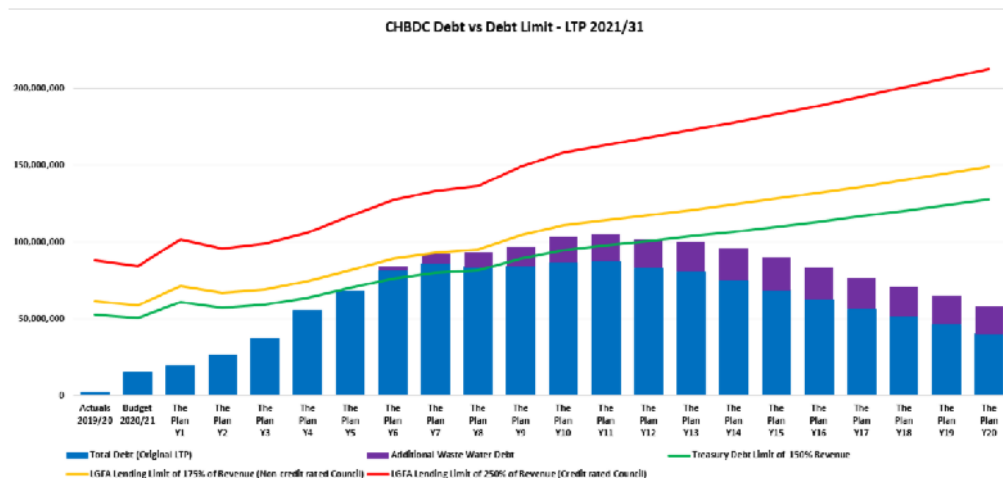
One alternative is to loan fund this project for the entire construction period of 15 years, rather than loan fund only to the end of year 2026.

This would have the following impact on the rating requirement per year:

Financial Year	Targeted Rates (\$'000)	Reduction in Capital Rating Required (\$'000) (Inflated)	Increase in Loan Repayments	Revised Targeted Rates Requirement (\$'000)	Targeted Rates Per Ratepayer	Percentage Change
2019/20 Act	7,116	0	0	7,116	1,915	
2020/21 AP	7,130	0	0	7,130	1,919	0%
2021/22	7,631	0	0	7,631	2,054	7%
2022/23	8,589	0	0	8,589	2,311	13%
2023/24	9,395	0	0	9,395	2,528	9%
2024/25	10,125	0	0	10,125	2,725	8%
2025/26	12,850	0	0	12,850	3,458	27%
2026/27	16,623	(2,893)	138	13,868	3,732	8%
2027/28	17,753	(3,788)	319	14,284	3,844	3%
2028/29	17,822	(3,421)	483	14,883	4,005	4%
2029/30	21,796	(3,595)	654	18,856	5,074	27%
2030/31	23,773	(4,304)	860	20,329	5,471	8%

This would see a \$927 per year savings in 3 Waters rates per connected ratepayer by 2030/31.

The downside to this strategy is that Council's debt would increase by \$20m over the fifteen years. This additional debt is shown by the purple on top of Council's existing blue debt profile. It can be achieved without Council having to become a Tier One, Credit Rated Council but leaves very little head room for unplanned for debt in 2027/28 (less than \$0.8m), but would exceed Council's current Treasury Management debt limits.



### Trade Waste Capital Contribution – Just in Time

As mentioned earlier, the LTP has a placeholder for the Trade Capital Contribution of \$250k per annum.

An alternative to this would be to collect 100% of deemed proportion of the project created by the trade waste demand. The risk free method of collecting this is in the year Council spends it.

If 100% was collected in the year of construction, then the amount needing to be loan/rate funded would reduce in the years this exceeds the current \$250k placeholder.

Working through this scenario, the table below would be the outcome:

Alternative						
Financial Year	Targeted Rates (\$'000)	Increase in Trade Waste Contribution (\$'000) (Inflated, and applied to loan)	Change in Loan Repayments	Revised Targeted Rates Requirement (\$'000)	Targeted Rates Per Ratepayer	Percentage Change
2019/20 Act	7,116	0	0	7,116	1,915	
2020/21 AP	7,130	0	0	7,130	1,919	0%
2021/22	7,631	(515)	(23)	7,608	2,047	7%
2022/23	8,589	(795)	(59)	8,530	2,295	12%
2023/24	9,395	(707)	(92)	9,303	2,503	9%
2024/25	10,125	(435)	(111)	10,014	2,695	8%
2025/26	12,850	(1,305)	(171)	12,679	3,412	27%
2026/27	16,623	(2,373)	(278)	16,345	4,398	29%
2027/28	17,753	(639)	(307)	17,446	4,695	7%
2028/29	17,822	(125)	(313)	17,509	4,712	0%
2029/30	21,796	(78)	(317)	21,479	5,780	23%
2030/31	23,773	(151)	(323)	23,450	6,311	9%

This would see a \$87 per year savings in 3 Waters rates per connected ratepayer by 2030/31.



The downside (for the trade waste firms) is that this method results in a very lumpy contributions ranging from \$193k to \$2.301m. If this method was invoked then the trade waste rates would go up one year, and down the next, and only to go up again the following year.

**Trade Waste Capital Contribution – Smoothed over the construction period (15 years)**

Another variation on the capital contribution above is to smooth the payments for the trade waste contributors over the 15 years, but still collecting 100% of what is needed. This would give the contributors some certainty over timings of payments and help them with their cash flows.

This scenario would look like:

Financial Year	Targeted Rates (\$'000)	Increase in Trade Waste Contribution (\$'000) (Inflated, and applied to loan)	Change in Loan Repayments	Revised Targeted Rates Requirement (\$'000)	Targeted Rates Per Ratepayer	Percentage Change
2019/20 Act	7,116	0	0	7,116	1,915	
2020/21 AP	7,130	0	0	7,130	1,919	0%
2021/22	7,631	(483)	(22)	7,609	2,048	7%
2022/23	8,589	(498)	(45)	8,544	2,299	12%
2023/24	9,395	(513)	(68)	9,327	2,510	9%
2024/25	10,125	(528)	(92)	10,033	2,700	8%
2025/26	12,850	(544)	(116)	12,734	3,427	27%
2026/27	16,623	(559)	(142)	16,481	4,435	29%
2027/28	17,753	(576)	(168)	17,585	4,732	7%
2028/29	17,822	(593)	(195)	17,627	4,744	0%
2029/30	21,796	(611)	(223)	21,574	5,806	22%
2030/31	23,773	(628)	(251)	23,522	6,330	9%

This would see a \$68 per year savings in 3 Waters rates per connected ratepayer by 2030/31.

The downside to the Council with this method is that by smoothing the funding, Council is creating a disconnect between undertaking the work and being reimbursed for it, meaning the Council is essentially loan funding the timing differences. Given the loan and construction is over the same time period there isn't too much risk.

**Trade Waste Capital Contribution – Smoothed over 30 years (same period as rate payer loan)**

Another variation on the capital contribution above is to smooth the payments for the trade waste contributors over the 30 years, but still collecting 100% of what is needed. This would give the contributors some certainty over timings of payments and help them with their cash flows, but spread their loan funding over the same 30 year period that ratepayers are funding over.

This scenario would look like:



Financial Year	Targeted Rates (\$'000)	Increase in Trade Waste Contribution (\$'000) (Inflated, and applied to loan)	Change in Loan Repayments	Revised Targeted Rates Requirement (\$'000)	Targeted Rates Per Ratepayer	Percentage Change
2019/20 Act	7,116	0	0	7,116	1,915	
2020/21 AP	7,130	0	0	7,130	1,919	0%
2021/22	7,631	(242)	(11)	7,620	2,051	7%
2022/23	8,589	(249)	(22)	8,567	2,305	12%
2023/24	9,395	(256)	(34)	9,361	2,519	9%
2024/25	10,125	(264)	(46)	10,079	2,712	8%
2025/26	12,850	(272)	(58)	12,792	3,442	27%
2026/27	16,623	(280)	(71)	16,552	4,454	29%
2027/28	17,753	(288)	(84)	17,669	4,755	7%
2028/29	17,822	(297)	(97)	17,724	4,770	0%
2029/30	21,796	(306)	(111)	21,685	5,836	22%
2030/31	23,773	(314)	(126)	23,648	6,364	9%

This would see a \$34 per year savings in 3 Waters rates per connected ratepayer by 2030/31.

The downside to the Council with this method is that by smoothing the funding, Council is creating a larger disconnect between undertaking the work and being reimbursed for it, meaning the Council is essentially loan funding the timing differences. Here at the end of the construction period Council will have only received 50% of the funding to undertake the work. This creates a larger potential that during this 30 year period that one, or more, of the tradewaste contributors closes up shop or leaves the district leaving the ratepayer to foot the shortfall in funding this would create.

#### Hybrid Model

Assuming the principals Council is trying to achieve in revisiting how their waste water program is funded are:

1. Reduce the current spike in water rates for ratepayers in year 6, and keep water rates low
2. Collect a fair proportion of capital costs from tradewaste contributors
3. Smooth tradewaste capital contributions to give them certainty about cash flows, and reduce spikes
4. Minimise the risk to Council and ratepayers of tradewaste debt remaining unpaid

Then the logical mix of scenarios is that:

1. The ratepayer proportion of the wastewater construction is 100% loan funded (and not just till year 6) over a 30 year period.
  2. That the tradewaste contributions are phased in over 4 years, and years 4-15 be smoothed through the use of a loan.
- This gives the tradewaste contributors 3 years in which to decide whether to pre-treat on site or to continue to discharge direct to Council's treatment plant, but by year 4 Council needs to confirm the design of its plant, and will be asking tradewaste contributors to sign

up to a loan to finance 100% of the remaining construction, and then smooth their contributions for the remainder of the project (12 years).

This Hybrid model would look like this:

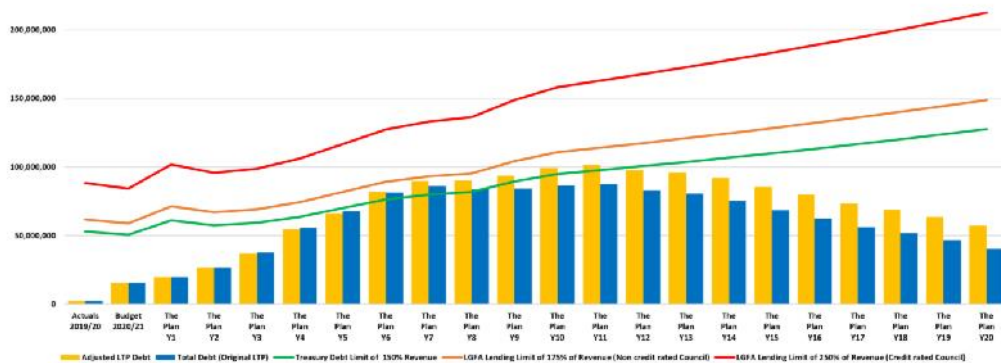
Financial Year	Targeted Rates (\$'000)	Reduction in Capital Rating Required (\$'000) (Inflated)	Increase in Trade Waste Contribution (\$'000) (Applied to loan)	Change in Loan Repayments	Revised Targeted Rates Requirement(\$'000)	Targeted Rates Per Ratepayer	Percentage Change
2019/20 Act	7,116	0	0	0	7,116	1,915	
2020/21 AP	7,130	0	0	0	7,130	1,919	0%
2021/22	7,631	0	0	0	7,631	2,054	7%
2022/23	8,589	0	(125)	(9)	8,455	2,275	11%
2023/24	9,395	0	(300)	(35)	9,060	2,438	7%
2024/25	10,125	0	(660)	(97)	9,368	2,521	3%
2025/26	12,850	0	(660)	(165)	12,025	3,236	28%
2026/27	16,623	(2,893)	(660)	(103)	12,967	3,490	8%
2027/28	17,753	(3,788)	(660)	(6)	13,299	3,579	3%
2028/29	17,822	(3,421)	(660)	62	13,803	3,714	4%
2029/30	21,796	(3,595)	(660)	123	17,664	4,753	28%
2030/31	23,773	(4,304)	(660)	198	19,007	5,115	8%

This would see a \$1,283 per year savings in 3 Waters rates per connected ratepayer by 2030/31.

This would see Council's debt grow (as more of the wastewater project is debt funded), but partly offset by the Trade Waste Contributors paying \$11.8m over 15 years rather than the original \$3.75m (see table and graph below).

	Total Debt (Original LTP)	Additional Waste Water Debt	Additional Trade Waste Capital Contribution	Revised Debt
ThePlanY1	19,724,106		0	19,724,106
ThePlanY2	26,611,238		(125,000)	26,486,238
ThePlanY3	37,369,484		(300,000)	36,944,484
ThePlanY4	55,531,145		(660,000)	54,446,145
ThePlanY5	67,807,840		(660,000)	66,062,840
ThePlanY6	81,222,344	2,892,558	(660,000)	81,709,902
ThePlanY7	85,943,733	3,787,992	(660,000)	89,559,283
ThePlanY8	83,655,867	3,421,143	(660,000)	90,032,560
ThePlanY9	84,199,305	3,595,059	(660,000)	93,511,057
ThePlanY10	86,545,359	4,304,467	(660,000)	99,501,578
ThePlanY11	87,705,713	1,406,619	(660,000)	101,408,551
ThePlanY12	82,834,585	1,924,237	(660,000)	97,801,660
ThePlanY13	80,537,923	1,186,888	(660,000)	96,031,886
ThePlanY14	75,324,171	1,764,691	(660,000)	91,922,825
ThePlanY15	68,460,501	1,173,975	(660,000)	85,573,130
ThePlanY16	62,665,380			79,778,009
ThePlanY17	56,225,550			73,338,179
ThePlanY18	51,662,720			68,775,349
ThePlanY19	46,319,991			63,432,620
ThePlanY20	40,080,176			57,192,805

CHBDC Debt vs Debt Limit - LTP 2021/31



In the early years you can see that Council debt actually declines with the additional funding coming from trade waste (yellow bars vs the original blue bars), but later on this savings is more than offset by the loss of rate funding as Council continues to debt fund from year 6 rather than switching to rate funding construction.

Under this scenario Council debt peaks at \$101.4m, up from the \$87.7m consulted on in the original LTP.

**8 CHIEF EXECUTIVE REPORT**

Nil

**9 PUBLIC EXCLUDED BUSINESS**

Nil

**10 DATE OF NEXT MEETING**

**RECOMMENDATION**

THAT the next meeting of the Central Hawke's Bay District Council be held on 3 June 2021.

**11 TIME OF CLOSURE**