

Long-Term Plan

2024 - 2034



Te Kaunihera-ā-Rohe o Ngāmotu

**New Plymouth
District Council**





Every three years the Council adopts a new Long-Term Plan.

A Long-Term Plan sets out a detailed budget for the next three years, and then an outline for the next seven years. It provides an integrated, long-term focus for decisions and activities for the whole Council.

This document provides a basis for our accountability to our community. It describes what we do, and what we are trying to achieve.

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Overview



Financials



Informing our Planning



Supporting Information



Council Services

Introduction from the Mayor and Chief Executive

He kupu whakataki nā te Koromatua me te Tumu Whakarae

Every three years we renew our 10-year Plan, benchmarking our budget against our strategic vision of building a Sustainable Lifestyle Capital where people want to live, learn, work, play and invest.

This plan is one of the most significant this Council has produced, in terms of what we're asking of our community and what we aim to deliver with our \$4.4 billion budget over the next decade.

International ratings agency S&P Global has upheld our AA+ credit rating and endorsed our "strong financial management", but we're still facing serious economic headwinds.

While inflation at the supermarket checkout is up 19 per cent since 2020, when our last 10-year Plan was put together, councils around the motu have been hit with a 25 per cent rise in capital costs and 27 per cent rise in civil construction costs.

Like homeowners, our borrowing costs have also increased from around three per cent three years ago, to around five per cent over the next few years, meaning our interests cost have increased by around 60 per cent.

These cost rises, the need to invest in our core infrastructure, plan for climate change and other contingencies, on top of the day-to-day financial stresses faced by many, places additional pressure on a number of our ratepayers and residents.

More than 3,500 people shared their views on our initial proposals, with many voicing concerns over cost rises, while confirming general support for our vision and maintaining our core services and infrastructure.

While most of the economic challenges are outside our control, they reinforce the need for a strategic shift in how we operate while remaining on track to a Sustainable Lifestyle Capital. Our vision is increasingly important as Aotearoa plans its transition to a lower emissions economy placing pressure on Taranaki's energy sector.



NEIL HOLDOM
New Plymouth District Mayor



GARETH GREEN
Chief Executive

To mitigate the increasing risk of economic decline this could bring, we need to create and maintain a quality of life and environment that draws, and keeps, people, talent and investment.

While every 10-year Plan looks at how we can get the most from our assets, this is very much a more-with-less plan: a comprehensive approach to squeezing more out of our diminished spending power through streamlining our structure, future-proofing our assets and targeting long-term investment.

We're starting the 2024/25 financial year with an organisational refresh, a new structure and new teams focused on operational excellence and providing the information needed to best inform discussion and decisions about the future.

We're looking to refine the impact of our Perpetual Investment Fund (PIF).

Returns from the district's \$365 million nest egg have in the past been used to offset rates. This plan includes more strategic investment of the growth in returns as contributions to our Disaster Recovery Reserve and to a new Sustainable Lifestyle Capital Reserve to fund future capital projects. The benefits of this will be felt for generations to come, while the current rates offset produced by the PIF remains unchanged.

The four key pillars of our 10-year plan focus on:

1. Future-proofing our district, investing around \$1 billion in transport, water, wastewater and stormwater networks over 10 years to maintain our current levels of service and accommodate forecast population growth.
2. Partnering with Mana Whenua, will see us working together to construct the Bell Block to Waitara walkway, collaborating on planting our place, delivering Te Matatini, investing in Pukerangiora Pa and the Ngati Te Whiti Marae, along with a range of other important projects.
3. Sustainability, with investments in climate change planning and initiatives, including a high frequency bus service through central New Plymouth, ongoing planting initiatives and a fund to support new environmental and sustainability projects over the next decade.
4. Paying it forward, which includes up to \$50m for the Tūparikino Active Community Hub over 10 years to ensure our facilities keep up with our growing population and collaborating with our philanthropists and private sector on Destination Play, to show what can be achieved when we work together with open minds.

Much of this work continues, and we have agreed to take another look at our approach to development contributions which go towards the infrastructure required for new homes for our growing population. We're also investing \$12m over three years to help address the dire shortage of affordable housing and we're committing up to \$3m to look at affordable options for improving Bellringer Pavilion in Pukekura Park.

This plan also delivers on issues our people have told us they hold dear, with funding to upgrade our much-loved Brooklands Zoo and a range of investments to revitalise our city centre.

As always, your input has been vital in refining and finalising our plan as we continue to build our Sustainable Lifestyle Capital, an incredible place to live, work, learn and play now and into the future.



Neil Holdom
New Plymouth Mayor



Gareth Green
Chief Executive

How we developed our Long-Term Plan

Te whanaketanga o tā mātou Mahere Pae Tawhiti

We started community engagement on our Long-Term Plan 2024-2034 (LTP 2024) mid 2023 and used a range of methods to connect with our communities

Our pre-engagement approach

31 May to 16 July 2023

Testing the key proposals

Pre-engagement focused on the following 'Gimme Five' areas:

1. Wild weather: Preparing for wild weather events.
2. Housing: Should NPDC play a bigger role in housing?
3. Economy: Keeping Taranaki's economy pumping.
4. The Hub: Changing the game plan for the Hub.
5. Rates: Keeping rates affordable.

We engaged with our community through:

- Our 10-Year Plan campaign website.
- Print, digital and radio advertising.
- Roadshow events.
- Social media.



5,448

responses were received from the community

Our formal engagement approach

18 March to 19 April 2024

Special Consultative Procedure - Your Home, Your Say!

The Long-Term Plan Consultation Document and supporting information were adopted on 13 March 2024 for consultation. The Consultation Document outlined the key issues and proposals over the next 10 years and invited residents and stakeholders to help develop the plan by providing on these. Our key proposals for consultation were:



Big Call 1
Future proofing our district



Big Call 2
Sustainability



Big Call 3
Paying it forward

We engaged with our community through:

- Our 10-Year Plan campaign website.
- Print, digital and radio advertising.
- Five community events.
- Two hui with iwi/hapū representatives.
- Social media.
- Demographically representative sample of 313 people

3,222

submissions were received from the community

We produced the following documents as supporting information for the Consultation Document:

- Strategic framework.
- Working with tangata whenua.
- Strategic assumptions for the LTP 2024.
- Financial Strategy.
- Infrastructure Strategy.
- Council activities/performance measures.
- Financials.
- Financial Policies.
- Proposed capital projects by Council activity.
- Fees and Charges 2024/25.



The big consultation issues and our response

Ngā take whakawhitiwhiti whakaaro nunui me tā mātou urupare

May 2024

Analyse and report feedback from the 'Your Home, Your Say' consultation. Deliberations were held on 26 and 27 May 2024 along with adoption of the Schedule of Fees and Charges 2024/25.

July 2024

Decisions and adoption of final LTP 2024 took place on 4 July 2024.



Big Call 1 - Future proofing our district

Investing more in looking after our existing infrastructure

The condition of our existing assets continues to be a challenge – in particular our transport assets such as roads, footpaths, cycleways. Our ability to fund renewals has been badly affected by inflation. With the cost of our major contracts increasing, the budgets we set in the last LTP are not enough to maintain current levels of service and these assets are deteriorating.

For this LTP we asked if we should increase funding for renewals of transport assets from \$155m to \$315m over the 10-year period to allow us to maintain our existing levels of services.

Seventy-seven per cent supported this proposal, which was Council's preferred option.

Due to this support, we will double the amount we spend up to \$315m over 10 years, subject to confirmation of NZ Transport Agency Waka Kotahi funding.

Boosting the Disaster Recovery Reserve

Our Disaster Recovery Reserve enables us to smooth the cost of replacing assets, such as parks and transport networks, after a natural disaster.

With the recent severe weather events in New Zealand, we asked if we should increase the amount put in reserve to \$500,000 each year and also proposed an additional top up from the Perpetual Investment Fund (PIF) release of \$100,000 each year for 10 years to a maximum of \$1m in year 10. This would provide significantly more cover for future disaster recovery.

Nearly 39 per cent supported Council's preferred option to boost the funding with an additional top up increase from the PIF. Just under 43 per cent supported boosting the funding each year with no additional top up from the PIF.

We agreed to proceed with our preferred option of boosting the amount in our Disaster Recovery Reserve to \$500,000 per annum with an additional top up increase of income from the PIF of \$100,000 in year one increasing by \$100,000 each year up to a maximum of \$1m in year 10.



Big Call 2 - Sustainability

Climate Action Framework

Every day we do many things that help improve our environment or mitigate the impact we have on it. Three years ago, the community supported our proposal on climate action.

While we are making good progress, for this LTP we asked if we should increase the budget to accelerate our efforts, and then add in \$300,000 each year for a sustainability accelerator to fund other initiatives and \$100,000 a year for a three-year high frequency bus service trial.

Thirty-one per cent supported Council's preferred option to increase the budget, eight per cent wanted us to go further, while nearly 38 per cent supported continuing with the existing programme and Planting Our Place.

We decided to include budget for climate change planning of \$490,000 in year one and \$640,000 per annum in year two onwards. We increased our proposed amount in year one to bring forward the development of the Climate Change Adaptation Plan. We also agreed to continue our Planting our Place, introduce a new sustainability accelerator, spend \$200,000 per annum dedicated to boosting the high frequency bus trial budget in years one, two and three, and approved \$100,000 per annum in years one, two and three for the Rohutu Block Managed Retreat.





Big Call 3 - Paying it forward

Establishing a Sustainable Lifestyle Capital Reserve

We are fortunate to have a substantial PIF, which we currently use to offset rates. We proposed to use part of that annual return to build a reserve to use for projects that contribute to the vision of a Sustainable Lifestyle Capital.

Over half of submissions received (52 per cent) supported our preferred option to create the reserve, increasing amounts of \$250,000 each year into the reserve from the PIF.

We agreed to establish a Sustainable Lifestyle Capital Reserve to help fund future projects using part of the funds released from our PIF to pay for it. The reserve would receive \$250,000 in year one, \$500,000 in year two, \$750,000 in year three increasing each year until year 10 when \$2.5m would be added.

Tūparikino Active Community Hub

Several of our sporting facilities are ageing and not fit for purpose. They are not meeting existing needs, let alone future growth and don't cater for diversity – including people with disabilities. Three years ago, we set aside a budget for the Hub and in this LTP we asked if we should refocus that funding to deliver a multi-use, minimum four-court indoor stadium building to complement the TSB Stadium.

Just under half of submissions received (46 per cent) supported Council's preferred option to proceed with the funding already provided in the previous LTP, with just over 18 per cent supporting the budget be increased to \$50m over the next 10 years to add more facilities.

We decided to contribute \$50m over years one to 10 to the Tūparikino Active Community Hub, with any external funding reducing the Council contribution.

Brooklands Zoo

Attracting more than 135,000 visitors a year, Brooklands Zoo is much loved by locals and visitors to our district. However, some of the enclosures are ageing and in need of an upgrade so we asked if we should implement the first three phases of the future vision for the zoo of new otter, aviary, primate and agouti exhibits.

Nearly 39 per cent of submissions received supported Council's preferred option to implement the first three phases, with 20 per cent supporting carrying out the full vision for Brooklands Zoo.

Due to the support received, we decided to invest up to \$9m to ensure zoo facilities continue to comply with national standards and that would improve the customer experience.

Bellringer Pavilion

A recent assessment of the pavilion showed its structure is compromised and can no longer meet the requirements for top level domestic cricket or community hireage. We asked if we should replace the pavilion in a new and improved location in line with the Pukekura Park Management Plan.

Just over 40 per cent of submissions on this topic supported Council's preferred option to build a new pavilion, with just over 40 per cent wanting the existing pavilion to be repaired.

We decided to repair the existing pavilion or explore alternatives at a cost of up to \$3m to cater for local community use.

Other key issues

While the bulk of our submissions focussed on our three Big Calls, a range of other issues important to our community were considered during consultation and Council deliberations.

Investigation into Council Controlled Organisations (CCOs)	Caring for Our People and Environment	Investing in Our Public Places and Spaces
 <p>For this LTP, we wanted to take a look at different ways to deliver our water, housing for the elderly and traffic management to see if we can provide greater efficiencies. We asked if we should consider setting up three new CCOs (or similar models) as a way to do this and sought preliminary feedback from the community before we undertook any further investigations.</p> <p>There was clear community support for the Council to explore options for water service delivery with neighbouring councils to find efficiencies and prepare for economic regulation and related reform.</p> <p>It was decided to continue to pursue alternative delivery options and central government funding for housing for the elderly and develop a commercial arm to explore investments in activities such as traffic management services.</p>	 <p>To help deliver youth engagement and services for our district we have budgeted \$65,000 per annum.</p> <p>We decided to include \$500,000 in the water capital expenditure budget to pay for the delivery of a safe, non-fluoridated water supply at a central New Plymouth location to be available for members of our community as well as an emergency back-up if the city loses reticulated water supply, subject to viability.</p> <p>A planned refresh of Puke Ariki Gallery has been brought forward with \$100,000 in year one, \$200,000 in year two, \$550,000 in year three and an additional \$1.2m of capital funding in year four.</p> <p>We also approved \$300,000 each year for partnerships with mana whenua, increasing \$100,000 each year from year two until it reaches \$1m. Funds from years one to three are committed to Ngāti Te Whiti Marae (\$700,000) and Pukerangiora Pā (\$500,000).</p>	 <p>We approved additional capital funding of \$250,000 per annum in years three to 10 for New Plymouth Ngāmotu City Centre Strategy work and to bring forward West End Precinct improvements to year one with delivery of the Huatoki Plaza refresh in year three and the development of the Metro Plaza plans in year three.</p> <p>To improve service levels at our cemeteries, we increased our mowing budgets by \$100,000 each year.</p> <p>We approved capital funding of \$150,000 in year one for a speed camera at a Northgate to Lemon Street high crash black spot.</p>

Supporting Growth and Economic Development



To facilitate economic growth and move heavy vehicles out of built-up areas, we will work with NZ Transport Agency Waka Kotahi to explore ring road options and explore and additional Waiwhakaiho River crossing to link SH3 to Smart Road around Burgess Park to open up land for housing.

We're putting in an additional \$500,000 in each of years one and two for an economic development reserve so we can refresh our strategy to increase our impact and drive the new phase of regional economic growth.

We created a Taranaki Arts Festival Trust (TAFT) Arts and Events Reserve of \$750,000 to drive economic development and provide a cashflow facility. Any funding allocations to TAFT will be subject to Council approval.

Listening to Our Community Boards



We agreed to lift discretionary community board funds to \$150,000 a year for each board.

We approved a number of projects for each board, including the following:

- Retaining and improving the Hutiwai Transfer Station.
- Committing to new footpaths in Ōākura, Ōkato and Omata.
- Installation of safety cameras in Bell Block.
- Improving accessibility at the Inglewood swimming pool.
- Including in year three a budget to remediate the old Battiscombe Terrace Landfill.

Improving Council's Performance and Growing Non-Rates Revenue



To help grow our future workforce capacity we are investing in our young people through scholarships, cadetships and similar initiatives to help them into work with a budget of \$100,000 each year.



Our district at a glance

He tirohanga noa ki tō tātou rohe

With an area of **2,324** kilometres the New Plymouth District is the tenth largest in New Zealand. It is made up of New Plymouth City, our largest centre, and a number of surrounding settlements that support smaller communities and lifestyle living.

89,000 are estimated to live in New Plymouth District in 2024. Estimated to increase by **9,800** over the next **10** years.



20% of people in 2024 said they identified as **Māori**.

The district has an average of **2,000** sunshine hours per annum.

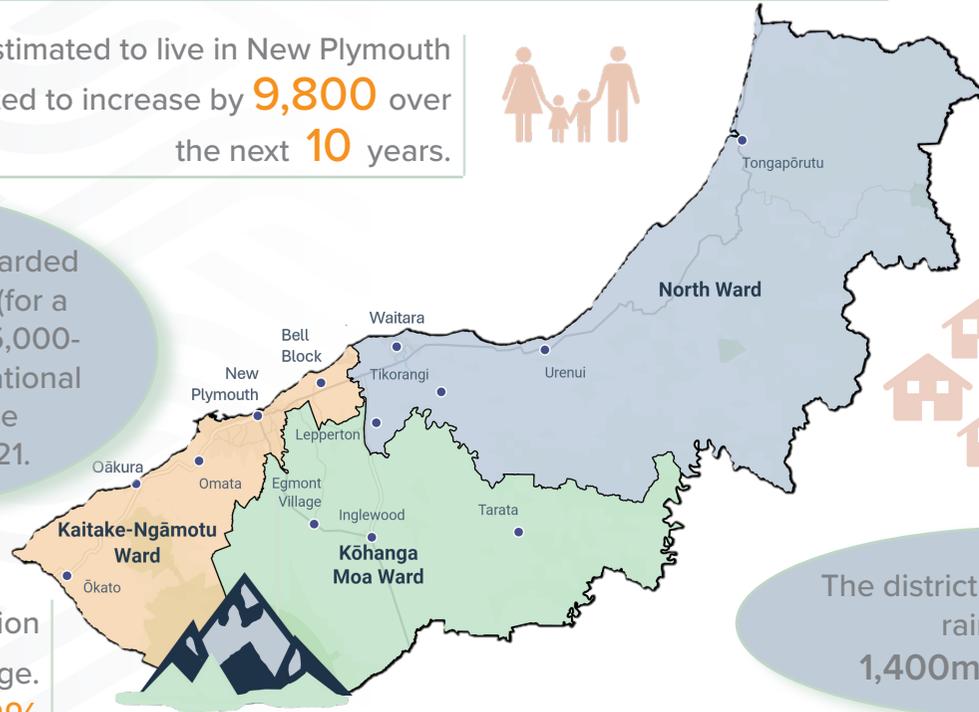


The district has around **35,827** dwellings in **2024**.

It is estimated that dwellings in the district will increase by **3,953** dwellings by **2034**.



New Plymouth was awarded the most liveable city (for a population between 75,000-150,000) by the International Awards for Liveable Communities in 2021.



The district has moderate rainfall of around **1,400mm** per annum.



20% of the population is over **65+** years of age. Expected to grow to **23%** by **2034**.

The median age in the district is **40.6** years old.



New Plymouth City is the focus for the region's economy, which is dominated by dairy farming, oil, natural gas and petrochemical exploration.

The unemployment rate in New Plymouth is estimated to reach **5%** by **2034**.

Population statistics on this page are from Infometrics.

Our Council

Tō Tātou Kaunihera

Our Council includes the Mayor and 14 councillors, who are elected by the community and remain in office for three years.



From left to right: Cr Bali Haque, Cr Bryan Vickery, Deputy Mayor David Bublitz, Cr Te Waka McLeod, Cr Harry Duiyhoven, Cr Marie Pearce, Cr Murray Chong, Mayor Neil Holdom, Cr Tony Bedford, Cr Gordon Brown, Cr Max Brough, Cr Anneka Carlson Matthews, Cr Sam Bennett, Cr Dinnie Moeahu, Cr Amanda Clinton-Gohdes

Community Board members

There are five community boards, one for each of the Clifton, Inglewood, Kaitake, Puketapu-Bell Block and Waitara communities of interest. Each board comprises four members elected by the community plus one councillor, appointed by the Council.

Clifton

Neville Hagenson
Teresa Hayston
Tyla Nickson
Murray Seamark (Chair)
Cr Tony Bedford

Inglewood

Jono Burrows
Christine Fabish (Chair)
Nick Jones
Sarah Lucas
Cr Marie Pearce

Kaitake

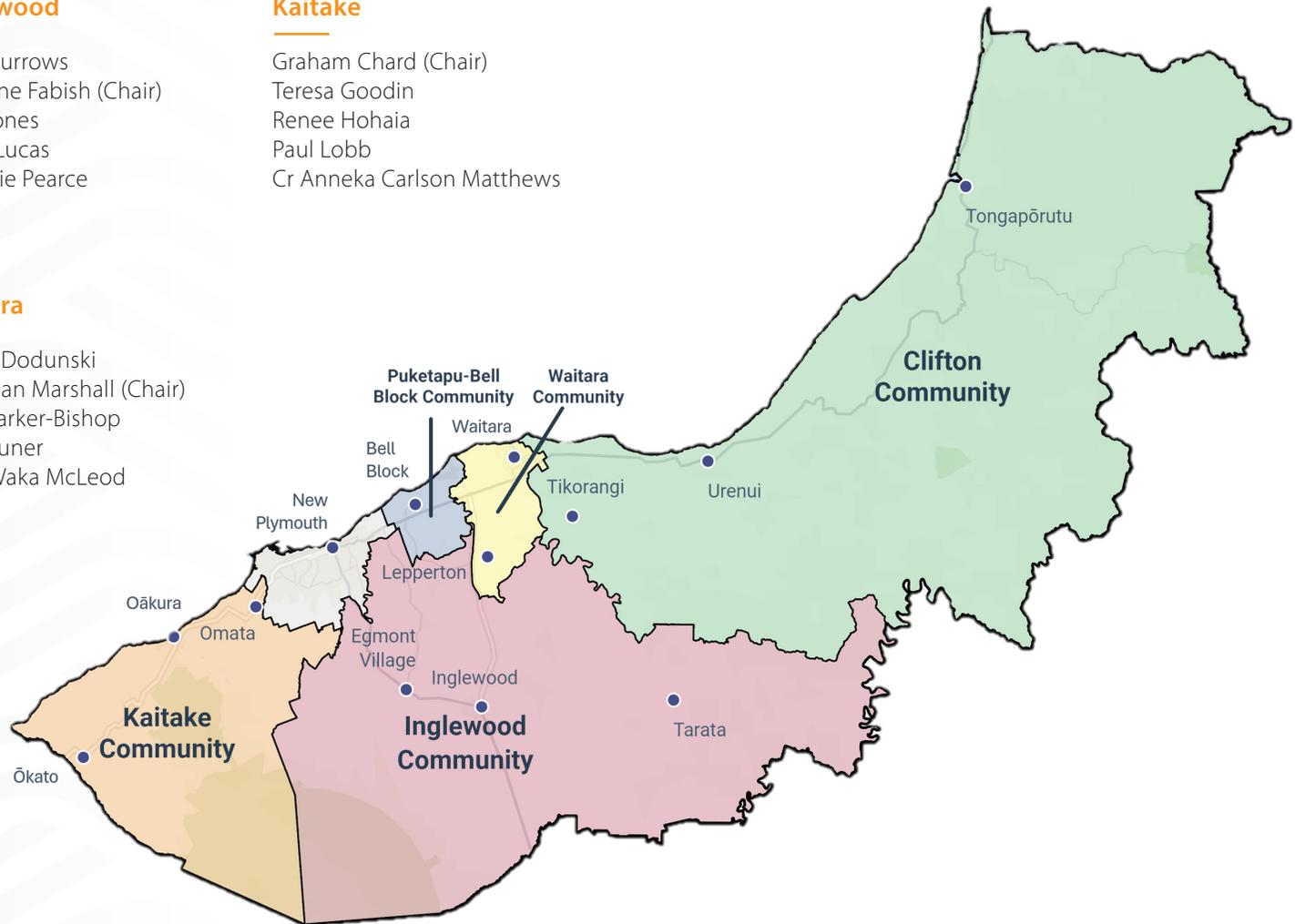
Graham Chard (Chair)
Teresa Goodin
Renee Hohaia
Paul Lobb
Cr Anneka Carlson Matthews

Puketapu-Bell Block

Mike Baker
Adrian Sole (Chair)
Kim Sowman
Tane Webster
Cr Murray Chong

Waitara

Trevor Dodunski
Jonathan Marshall (Chair)
Jane Parker-Bishop
Joe Rauner
Cr Te Waka McLeod



Auditor's Report

Pūrongo Kaiarotake Pūtea

To the readers:

Independent Auditor's report on New Plymouth District Council's 2024-34 Long-term Plan

I am the Auditor-General's appointed auditor for New Plymouth District Council (the Council). The Local Government Act 2002 (the Act) requires the Council's Long-term plan (plan) to include the information in Part 1 of Schedule 10 of the Act. Section 94 of the Act requires an audit report on the Council's plan. Section 259C of the Act requires a report on disclosures made under certain regulations. I have carried out this work using the staff and resources of Audit New Zealand. We completed our report on 4 July 2024.

Opinion

In our opinion:

- the plan provides a reasonable basis for:
 - long-term, integrated decision-making and co-ordination of the Council's resources; and
 - accountability of the Council to the community;
- the information and assumptions underlying the forecast information in the plan are reasonable; and
- the disclosures on pages 216 to 219 represent a complete list of the disclosures required by Part 2 of the Local Government (Financial Reporting and Prudence) Regulations 2014 (the Regulations) and accurately reflect the information drawn from the plan.

In accordance with clause 45 of Schedule 1AA of the Local Government Act 2002, the consultation document on the Council's plan did not contain a report from the Auditor-General. The consultation document is therefore unaudited. Our opinion on the plan does not provide assurance on the consultation document or the information that supports it.

Our opinion on the plan also does not provide assurance that the forecasts in the plan will be achieved, because events do not always occur as expected and variations may be material. Nor does it guarantee the accuracy of the information in the plan.

Basis of opinion

We carried out our work in accordance with the International Standard on Assurance Engagements (New Zealand) 3000 (Revised) *Assurance Engagements Other Than Audits or Reviews of Historical Financial Information*. In meeting the requirements of this standard, we took into account particular elements of the Auditor-General's Auditing Standards and the International Standard on Assurance Engagements 3400 *The Examination of Prospective Financial Information* that were consistent with those requirements.

We assessed the evidence the Council has to support the information and disclosures in the plan and the application of its policies and strategies to the forecast information in the plan. To select appropriate procedures, we assessed the risk of material misstatement and the Council's systems and processes applying to the preparation of the plan.

Our procedures included assessing whether:

- the Council's financial strategy, and the associated financial policies, support prudent financial management by the Council;
- the Council's infrastructure strategy identifies the significant infrastructure issues that the Council is likely to face during the next 30 years;
- the Council's forecasts to replace existing assets are consistent with its approach to replace its assets, and reasonably take into account the Council's knowledge of the assets' condition and performance;
- the information in the plan is based on materially complete and reliable information;

- the Council's key plans and policies are reflected consistently and appropriately in the development of the forecast information;
- the assumptions set out in the plan are based on the best information currently available to the Council and provide a reasonable and supportable basis for the preparation of the forecast information;
- the forecast financial information has been properly prepared on the basis of the underlying information and the assumptions adopted, and complies with generally accepted accounting practice in New Zealand;
- the rationale for the Council's activities is clearly presented and agreed levels of service are reflected throughout the plan;
- the levels of service and performance measures are reasonable estimates and reflect the main aspects of the Council's intended service delivery and performance; and
- the relationship between the levels of service, performance measures, and forecast financial information has been adequately explained in the plan.

We did not evaluate the security and controls over the electronic publication of the plan.

Responsibilities of Council and auditor

The Council is responsible for:

- meeting all legal requirements affecting its procedures, decisions, consultation, disclosures, and other actions relating to the preparation of the plan;
- presenting forecast financial information in accordance with generally accepted accounting practice in New Zealand; and
- having systems and processes in place to enable the preparation of a plan that is free from material misstatement.

We are responsible for expressing an independent opinion on the plan and the disclosures required by the Regulations, as required by sections 94 and 259C of the Act. We do not express an opinion on the merits of the plan's policy content.

Independence and quality management

We have complied with the Auditor-General's independence and other ethical requirements, which incorporate the requirements of Professional and Ethical Standard 1 *International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand) (PES 1)* issued by the New Zealand Auditing and Assurance Standards Board. PES 1 is founded on the fundamental principles of integrity, objectivity, professional competence and due care, confidentiality, and professional behaviour.

We have also complied with the Auditor-General's quality management requirements, which incorporate the requirements of Professional and Ethical Standard 3 *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements (PES 3)* issued by the New Zealand Auditing and Assurance Standards Board. PES 3 requires our firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

Other than our work in carrying out all legally required external audits, we have no relationship with or interests in the Council or any of its subsidiaries.

Debbie Perera, Audit New Zealand
On behalf of the Auditor-General, Palmerston North, New Zealand